UNITED STATES OF AMERICA

Congressional Record

DEC 21 1978

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS
SECOND SESSION

VOLUME 122—PART 8

APRIL 1, 1976 TO APRIL 8, 1976

(PAGES 8957 TO 10206)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1976

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

DEC 31 1930

Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, SECOND SESSION

SENATE—*Thursday, April 1, 1976*

The Senate met at 12 o'clock meridian and was called to order by Hon. GARY HART, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, Ruler of all men and nations, before whom the generations rise and pass away, as we pause in this hushed moment of prayer, make known Thyself as infinite and eternal in Thy holiness, justice, and truth. Show us that we are men, finite and sinful. Yet only by men, cleansed, redeemed, and made new, is Thy work to be done on Earth. Thou art our Judge. We are Thy servants.

May Thy strength empower us, Thy wisdom instruct us, Thy hand protect us, Thy Word direct us, Thy grace sustain us.

May our labor be an offering to Thee for the welfare of the Nation and the advancement of Thy kingdom.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 1, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. GARY HART, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. GARY HART thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, March 31, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet until 1 p.m. or the end of the morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OMNIBUS DISTRICT JUDGESHIP BILL

Mr. HUGH SCOTT. Mr. President, we have before us today the omnibus district judgeship bill, which has been in the committee at least during the entire period of this Congress and was considered by previous Congresses in committee.

It has the endorsement of the Judicial Conference, through which some changes were made after much consideration by the subcommittee and the committee. It is designed to meet the growing and ever more serious impact of crime, the heavy existing backlogs in the trial and disposition of cases, and the problems concerning adequate staffing through judgeships and their aids of the various judicial districts in the country.

The Senate has already passed a similar bill recommended by the Judicial Conference regarding an increase in the number of Federal circuit judges in the country, and that has been sent to the other body. I hope this bill will receive favorable consideration. It represents an enormous amount of work. It represents a substantial consensus.

There were some differences of opinion regarding one or two matters. They were ironed out in the committee.

The committee generally supports the bill. The committee believes it is a good bill, and I hope the Senate will act favorably upon it.

I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Maryland (Mr. BEALL) is recognized for not to exceed 15 minutes.

PUBLIC INTEREST DERAILED

Mr. BEALL. Mr. President, today, April Fools' Day, the conveyance of the properties of the bankrupt Penn Central to a new corporation, ConRail, will take place.

This conveyance will culminate a process extending over several years and involving long, hard work on the part of many individuals and organizations, including the Congress.

Until very recently, I was proud of the process and the product. I was pleased to have been a participant in the most massive transportation reorganization in the history of the Nation. I was proud of a procedure which enabled a needed reorganization to move forward, but which assured that the affected communities and the public would be involved and protected every step of the way.

The Regional Rail Reorganization Act of 1973, which launched that process, among other things, created the U.S. Railroad Agency—USRA—whose responsibility was to plan and to finance the reorganization process.

Now, the first step was the initial plan prepared by the Department of Transportation. This plan eliminated much of the trackage on the Delmarva Peninsula—in Maryland, Delaware, and Virginia—including the main north-south artery.

It would have been a disaster to Delmarva. At the hearing conducted by the Interstate Commerce Commission—ICC—in March of 1974, as required by the act, well over 100 witnesses testified in opposition to the elimination of the Delmarva lines.

Later, when the U.S. Railroad Association—USRA—issued its preliminary plan and hearings were held on that plan on Maryland's Eastern Shore in March of 1975, witnesses again numbered over 100.

When the Southern Railroad expressed an interest in acquiring the Delmarva lines, there was nearly unanimous support—including public officials, labor, business, civic associations, and the general public—for the Southern proposal. In fact, only one person expressed a different view, and he wanted the line for himself. As a result of the Southern proposal, a sigh of relief was evident everywhere and hopes were raised by the prospect and promise of the Southern Railway coming to Delmarva.

The final product of USRA recommended that a competitive system be preserved in the major markets of the Northeast and recommended that the

Chessie System acquire those lines. Also, the final system plan recommended that Southern Railway acquire the lines on what is the Delmarva Peninsula, a three-State area of Delaware, Maryland, and Virginia with three quarters of a million citizens.

Later in 1976, Congress enacted the Railroad Revitalization and Regulatory Reform Act of 1976. This measure was truly landmark legislation providing substantial benefit to the railroad industry. In addition, the legislation provided both the Chessie and the Southern Systems with protection from deficiency judgments. By that, we mean that should the creditors of Penn Central subsequently sue for sums beyond the purchase price set by USRA or agreed to by Southern or Chessie, then these carriers would be protected against a higher award, or a deficiency judgment. In securing this provision, the Congress felt we had cleared the last hurdle to the acquisitions by Chessie and Southern as recommended in the final system plan.

In addition to providing generous benefits and reform for the railroad industry, the Congress in this legislation provided exceedingly generous, if not the most generous, benefits in the history of American labor. The laws provide that the salary of no member of railroad labor will be adversely affected as a result of the reorganization. Any individual with 5 or more years of employment has a lifelong guarantee, meaning for his remaining full working years, of his wages up to $30,000.

Now, returning to my opening comment regarding April 1, and its appropriateness in view of what has transpired. I say this is an appropriate day for the conveyance because the public is being taken for and made a fool. Why do I say this?

I say this because:

The public is not getting the "best plan" advanced by USRA, for which was expended in excess of $40 million.

The public is not getting the competitive system in the major market of the Northeast as envisioned in the act;

The public will not benefit from $530 to $830 million in private investment which Chessie and Southern contemplated spending if the best final system plan were implemented;

The public will lose the jobs, direct and indirect, that would have been created by such an infusion of private capital; and

The public, in many points along the Penn Central lines, will lose services—service which need not have been lost if the best final system plan were implemented.

That all parties would not recognize the overwhelming benefits by the consummation of the Southern and Chessie acquisitions is hard to believe. That Congress would ignore, pretend that the benefits are not there, or fail to take action to prevent such benefits from being withheld to the public, whose funds are financing the reorganization and whose funds are protecting railroad labor from being adversely affected, is to put it bluntly, shocking.

This Congress, which screams so loud when the President vetoed the job bill, is strangely silent, reluctant to get involved, when in effect one union vetoes the best final system plan.

This Congress, which took pains to make the complex and difficult process as fair and as open as possible, including the creation of a public counsel, to assure that local communities were heard, now wants to do nothing when the final plan is decimated. Incidentally, where is the public counsel when the public interest is so at stake?

Mr. President, the failures of the acquisition do not lie with the administration. Since February 11, in view of the overwhelming and clear national interest, the administration has made perhaps unprecedented and certainly untiring efforts to break the impasse.

What is the problem, Mr. President? How can something which almost everyone, including some of the leading newspapers, feels to be in the public interest, fail to be resolved?

Very simply, the law requires that before the acquiring railroads can complete the acquisition, they must secure a labor agreement. That agreement has not been forthcoming. During consideration of the legislation, when concerns about possible problems were raised, we were told do not worry, this is a new era of labor-management relations. They cited enlightened action and the negotiation of the worker protection provisions by management and labor which are the provisions causing the problems.

Implicitly, if not explicitly then, it is this Senator's position that Congress had every right to believe that management and labor would reach an agreement. After all, if no worker with 5 or more years of service, could lose his pay during his working years, they must be able to reach agreement.

Right?—wrong.

Mr. President, I should point out parenthetically, I think, that this agreement was not drawn by Congress; the agreement was drawn by members of railroad management and railroad labor: Mr. Clayton, president of Southern Railway; Mr. Barnett, president of the Union Pacific; Mr. Dennis, president of the Brotherhood of Railroad, Airline, and Steamship Clerks; and Mr. Chesser, president of the United Transportation Union.

So Congress accepted something in good faith which management and labor had agreed to and made it a part of the law, because they thought because management and labor had negotiated this agreement, they would accept and honor it in the interests of improving transportation for this country. But unfortunately, Mr. President, Congress was wrong.

In addition to this generosity, in 1974, labor-management reached agreement addressing serious problems in the railroad retirement system. This cost the taxpayers $285 million a year for 25 years.

Frankly, I feel betrayed by the parties. We were led to believe the best plan would be implemented. It has not. Its failure is a blatant disregard of the public interest, it appears that railroad management and labor are able to exhibit this enlightened negotiations only when a third party, the taxpayers, are picking up the bill.

Betrayed once is bad enough; but having been taken, Congress must be ever so alert if these parties come forward expecting further benefits from the taxpayers.

Mr. President, Secretaries Coleman and Usery have made what must be almost unprecedented efforts to resolve this impasse since the expiration of the February 11 deadline.

On March 1, in an effort to focus the public spotlight on the involved parties, the issues in dispute, and the overriding public interest, I chaired a hearing before the Commerce's subcommittee on Surface Transportation. Testifying at this hearing were Governor Mandel of Maryland and Governor Tribbitt of Delaware and Mr. Wayne A. Whitham, Secretary of the Department of Transportation of the State of Virginia; secretaries Coleman and Usery; the president of the United Transportation Union, Mr. Chesser; the president of the Brotherhood of Railway, Airline and Steamship Clerks, Mr. Dennis; and numerous witnesses from the Delmarva Peninsula. This hearing primarily focused on the Southern acquisition, although the Chessie offer was also explored. All of the parties agreed that the conveyance to Southern was in the public interest, with the exception of Mr. Dennis of BRAC.

In response to my question regarding the public interest, Mr. Dennis replied and I quote:

> Not entirely. I believe that ConRail's new management that takes effect April 1 is going to try to operate a good property. I happen to know Dick Spence, the President of Operations, President of ConRail, and I knew Al Leaghers, the vice president of personnel. And I know they intend to go all out and operate a successful railroad.
>
> Now, therefore, I believe that there is a real public interest involved in seeing to it that ConRail gets off to a good start. And I really believe that there is not that much difference between the two contracts on the Penn Central and the Southern or the Penn Central and the Chessie that it would make that kind of difference.
>
> I think with the right people operating the railroad, this will make a lot of difference. And I believe that Dick Spence comes from the Southern Pacific with a great record, and a great background.
>
> Therefore, I believe he is going to do everything he can do in the public interest. I don't know the details of how much of the Delmarva Division ConRail is going to operate. I haven't gotten into those details.

The little detail of which Mr. Dennis was unaware was the fact that ConRail was not going to operate the main north-south artery in its entirety. Under the final system plan, ConRail would sever this main artery or transportation lifeline. ConRail would not operate any branch lines. Southern, on the other hand, would have operated practically all of the branch lines. Southern also promised to rail bank those branch lines it would not operate for a period of time.

Governor Mandel, in his testimony before the Commerce Committee, estimated that 1,800 nonrailroad jobs would be lost as a result of the failure of the Southern acquisition.

The stake of nonrailroad labor in this issue is clear. Mr. Sterral F. Gregory, assistant business manager of local No. 24 of the International Brotherhood of Electrical Workers, in a letter hand delivered to me stated:

> On behalf of both the Central Labor Council and the electrical workers, I urge that the Congress take every possible and necessary action to enable Southern Railway to acquire the railroad network on the Delmarva Peninsula. We believe that successful acquisition by Southern will result in sound economic development of the Delmarva region which will result in hundreds and possibly thousands of new jobs for our labor force.
>
> I understand that, presently, there are more than 7,000 jobs in industries in the four counties of the lower Eastern Shore of Maryland that are dependent on rail transportation. There are many more thousands of rail dependent jobs in Delaware, Virginia, and other Maryland counties. We are very fearful that ConRail service will be inadequate and result in the loss of many of these jobs which may result in a serious economic depression and high rate of unemployment for the three-State region. We also believe that this unemployment could feed on itself and result in a downward spiral resulting in less rail tonnage and the eventual abandonment of the entire Delmarva rail system. This would be a catastrophe which would cause a serious economic setback for every business and every wage earner in the three-State region.
>
> We respectfully urge that you take every measure to prevent the loss of rail service and make possible operation by the Southern system which we believe offers the best promise for prosperity and jobs.

His letter was typical of countless letters that I received from organized labor on the Eastern Shore.

Then, Mr. President, on March 4, the Senate passed Senate Concurrent Resolution 97, which was authored by me and cosponsored by some 21 other Senators, expressing the sense of the Congress that the "clear and overwhelming public interest requires that the parties should resume negotiations forthwith with the assistance of the Secretaries of Labor and Transportation, and exercise unusual diligence to resolve their differences to assure that such acquisitions are consummated."

On March 9 the House of Representatives passed that concurrent resolution. So it was passed by both Houses of the Congress and the sense of the Congress was clearly on the record. The Congress reaffirmed in Senate Concurrent Resolution 97 what we intended: namely, that the final system plan should be implemented.

Since that time, on March 10, on March 11, on March 12, on March 15, and on March 18, the parties held further negotiations. On March 19, Secretary of Transportation Coleman held a press conference and announced that the parties had been unable to resolve their difficulties and the Secretary, in order to break the deadlock, proposed a compromise plan. He gave the parties until 10 a.m. on Monday, March 22, to reach an agreement.

After the 24 hours had expired, Mr. President, the Southern Railroad signed the agreement but some of the unions indicated a need for additional time and the Secretary agreed to an additional 12 hours, until 10 p.m. on March 22, to work out an agreement.

Efforts seemed to continue beyond the 10 p.m. deadline that the Secretary had set, and finally the parties, exhausted and frustrated, concluded the talks at 1:30 a.m. on March 23.

Since that time, Mr. President, no further progress was made. It is almost unbelievable to me that, in spite of the fact that the Southern Railroad indicated their willingness and signed the agreement that was proposed by the Secretary of Transportation, in spite of the fact that 12 of the 20 unions involved in this dispute signed the proposed agreement put forth by the Secretary of Transportation, and in spite of the fact that 7 of the other 8 unions involved indicated unofficially they would have signed, an acquisition in the best interest of all parties—industry, labor, and the public—failed. All because one union has failed to sign. More railroad jobs would have resulted if the acquisition had been completed. Approximately 1,800 nonrailroad jobs would have been lost if the acquisition fails. In fact, the economic health of three quarters of a million people was threatened.

Now, Mr. President, there has been much made in the press with respect to ConRail's recent announcement that it will continue the main line since the subsidy arrangement has been worked out with the affected States. Big deal—they have no choice once a subsidy is offered.

This development, although welcomed, merely provides the area with a reprieve from a sentence to economic decline. With luck, we are spared for a year. However, it is not the panacea which some in the press have suggested.

First and foremost, it means that the status quo will continue—sorry service over a sorry track. Given the fact that the line was not even included in the ConRail system, is it realistic to expect it will have very high priority with ConRail?

Although ConRail may make some essential repairs, they do not contemplate the major rehabilitation that Southern promised. Southern, I repeat, committed itself to an investment of $25 to $30 million which would have produced a first-class railroad and first-class service.

It will be a decade, if ever, before ConRail will make the substantial commitment Southern would make today.

Also, Maryland has had to revise its entire rail plan to adjust for these unfortunate turn of events. Instead of having subsidies available for 5 years, Maryland may only be able to offer the subsidy for a much shorter period, or require a higher, local subsidy rate, or both.

Maryland branch lines can operate until April 1, 1977. After that date, each county on Delmarva with branch lines must put up half of the matching funds for the next 4 years. And the county funds beginning on April 1 of this year must be put in the county budget in a few days, as these counties make up their budgets for the next fiscal year beginning July 1. April 1, 1977, to July 1, 1977, is the last quarter of the county fiscal year. Thus, in a few days, it will be determined whether the branch lines are to operate in Maryland.

The Virginia car-float and branch line contract extends as long as the money lasts. I am advised that if the traffic decreases 3 percent, or the expenses increase 3 percent, or the total of each equals 3 percent, then the money will not last a year. This operation must be monitored weekly. Also, if, for example, railroad employees were given a cost-of-living increase, the service could not last a year.

Since the Virginia constitution prohibits the State from contributing to the matching funds and since the counties have no funds, there appears to be no plan for the meeting of the 10 percent matching funds on April 1, 1977.

The States of Maryland and Delaware, and the Virginia transportation district saved 152 railroad jobs that had been vacated by ConRail by agreeing to allow ConRail to be the operator of the branch lines on the Delmarva Peninsula.

This may or may not last until April 1, 1977, and may or may not reflect the generous attitude of the local taxpayers next year—taxpayers who know they could have received much more with the Southern acquisition and paid nothing. Now they will receive less and be required to pay. It just does not make sense.

The involved unions assure me that they recognize the public interest and as a result of that public interest and pressure we generated, they negotiated so hard. They did negotiate hard and they were close to agreement.

As Secretary Coleman stated in his press conference of March 19, 1976,—

> . . . I am frustrated, embarrassed and outraged to have to report that no agreement has been reached. I can assure you that any reasonable and neutral person would have concluded the differences between the parties to be so small as to be insignificant compared to the benefits to the parties—and the public—and that the seemingly endless hours of negotiation have deteriorated into an exercise in nit-picking . . . if the public is to be damned, it is my duty as the public's servant at least to inform the public of the extent of its damnation.

Now the union involved refused to sign, notwithstanding the clear public interest. Why? Because they claim that they are representing their employees' interest. Now in this case, 55 employees are involved. Employees, who if Southern acquires the property can refuse to work with Southern and remain with ConRail, with their lifetime protection, or they also can elect to go with Southern.

As I previously stated, 1,800 nonrailroad jobs are at stake and over 150 railroad jobs if the ConRail operations run out of subsidy money. Let us assume for a minute that the unions are representing the best interest of their 55 workers. Any weighing in of the public interest—involving more railroad jobs, 1,800 nonrailroad jobs, and the economic future of three quarters of a million citizens of the three-State area—clearly and convincingly tilts the scales of justice on the side of acquisition.

Evidently, the weight of the public interest, notwithstanding our generosity with the taxpayers' funds, is no match for the special interest aligned against doing something—anything at all.

I have offered to accept anything—even a simple time extension but on each and every alteration objection was heard. It is the end of the line at this time for the public. We have no choice but to get off, the public has lost.

However, it may be a short victory. As I stated in my opening comments during the hearings:

> Make no mistake about it. This controversy is no mere private disagreement. The interest of the public is paramount and must be interjected in this dispute. After all, it was the public interest that made Congress act to rescue the rail system of the Northeast. It was the public interest that prompted Congress to authorize billions of dollars in taxpayers' funds for the northeast railroad rescue operations. Absent the overriding public interest, we would have allowed Penn Central to proceed under normal bankruptcy procedures and not worry who picked up the pieces.
>
> Given this overwhelming public interest effort and investment, it is imperative that the parties to this dispute rise above their own self-interest to the public interest.
>
> No one can say that the railroad industry does not gain from the landmark 1973 and 1976 acts. No one can deny that railroad labor was not given worker protection more generous than most, if not all, other labor in the Nation.
>
> If this chapter in the reorganization process is left unfinished, with everyone gaining, except the public, then I predict it will be a sad day for all, and a day will rue and regret.

Unfortunately, that sad day has arrived, it is a day when the citizens of the Northeast, the Delmarva Peninsula and all taxpayers should not forget. I am sure they will not for they will be reminded over and over again in terms of poor rail service and higher future taxes that the public interest today on April Fool's Day has gone down the drain.

Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to extend beyond the hour of 1 p.m., with statements therein limited to 10 minutes each.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the Senator from North Carolina (Mr. MORGAN) be recognized.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina is recognized.

PRIVILEGE OF THE FLOOR—S. 287

Mr. MORGAN. Mr. President, I ask unanimous consent that Mr. Harold Edwards of my staff be accorded privileges of the floor during the debate on the judgeship bill, along with all amendments that might be added thereto and votes thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL STANDARDS NO-FAULT INSURANCE ACT

Mr. MORGAN. Mr. President, while we have a moment or two, I desire to comment briefly on the no-fault bill that the Senate considered yesterday for the RECORD and for the purpose of making my position clear.

It seems that in the closing moments of the debate the issues seemed to turn more or less on the integrity of the trial bar of America, indicating that all trial lawyers had a special interest in it and, therefore, a biased point of view.

Of course, I think the record is clear that I am an attorney, and I pride myself in the fact that for a number of years I was a trial lawyer. I have had experience as a trial lawyer just as I have had experience in many other areas of concern that from time to time is debated in this Senate. But I think that, nevertheless. I am able to weigh and judge the facts of the many measures that come before the Senate in a fair and impartial manner.

The thing that interested me yesterday during this debate was that eveyrone seemed to talk about the special interests of the trial lawyers in a Federal, and I note Federal, no-fault system. No one seemed to note or mark the fact that there were other special interests that were and had been lobbying for this bill as furiously as any bill I have heard debated since I have been in the U.S. Senate.

I point out also that it interested me when the large automobile insurance companies can afford to run ads in the major news magazines, urging the adoption of such legislation, as to whether or not they were furthering their own interest or the interest of the consumer.

I certainly do not question the integrity of those who supported the measure. But what I do want to say and wanted to say yesterday but time would not permit, Mr. President, is the fact that for years automobile insurance has been regulated by the various States in the United States. I think they have done a remarkably good job, and it is a field that can be handled by the States.

This Senate and this Congress in the last few years has gotten so involved in so many different issues that it has become impossible for us to give the kind of indepth attention and study to any measure that is necessary.

We even have a bill, one that comes to my mind now, pending in this Senate, that would withhold Federal funds from the various State highway funds if the States failed to adopt a traffic regulation permitting a right turn on a red signal. When it comes down to the point that Congress has to take the time to debate traffic regulations of the various States, then something is wrong, especially when the great matters of national defense, national security, and foreign policy require our time and attention.

I was interested in refreshing my recollection about the ratification of the U.S. Constitution by my native State of North Carolina. We were so slow in ratifying the Constitution that we failed to have an opportunity to vote for George Washington, and we had no delegates at the First Congress. The reason we failed to do so was that the people of my native State were concerned that a strong central government would take away from them the freedoms and the rights they had fought so hard in the Revolutionary War to secure. If we North Carolinians are known as States righters, then we are just being true to our heritage.

I did not participate in the merits of the no-fault plan, but I say that the question of automobile insurance is a question that rightfully has been handled by the various States and can rightfully be handled by the various States.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. MORGAN. I yield.

Mr. HELMS. Mr. President, I commend my distinguished colleague from North Carolina. He has eloquently stated this Senator from North Carolina's position on no-fault.

The last thing the people of this country need is for this additional area to be taken over by Federal bureaucrats.

The Senator mentioned the imposition of regulations cutting off funds. Bureaucracy and Congress have gone so far that if the several States did not enact a law satisfactory to the bureaucrats compelling motorcycle riders to wear helmets, the Federal highway funds would be cut off. I say to the Senator that this kind of absurdity works to the detriment of all the States and all the people.

I commend the Senator for his statement.

Mr. MORGAN. I thank my distinguished colleague.

I have one additional point: I did not yesterday, and would not today, purport to argue the merits of no-fault insurance because, to my mind, the question was one of State's rights versus a Federal takeover.

I simply say for the record that many of the arguments made yesterday on behalf of Federal no-fault insurance were as full of holes as they possibly could be. For example, one argument cited was the fact that the State of New York had adopted no-fault insurance in 1974 and mandated a 15-percent reduction in premiums and there had been no increase since then. For the record, I point out that there has been no increase in automobile insurance in North Carolina—and we have fault insurance there—since 1973, a year before the plan was adopted in New York.

Just last week, the insurance companies acknowledged that since 1973, they had made the highest profits that they had made in many, many years, even though they had had no increase in premiums, Of course, they attributed much of that to the energy shortage, the reduction in the speed limits on the highways, and many other factors—all of which were given no credit yesterday, when they were trying to sell the no-fault plan.

I simply mention that to point out that had we chosen to do so, we could have made some very compelling arguments in answer to those made yesterday.

Mr. HELMS. If there had been time for those arguments to be made.

Mr. MORGAN. During my service in the Senate, which has been very short, I have never yet, until yesterday, asked for a point of order in order to obtain the floor. But it seemed yesterday that the proponents of the bill were holding the floor and yielding a little time only to those who were proponents of the measure, who were unwilling to yield to the other side.

Mr. HELMS. The Senator was entirely justified in the exercise of his rights.

ORDER OF BUSINESS

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, will the Chair ascertain whether there is further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business?

RECESS UNTIL 12:55 P.M.

Mr. HELMS. Mr. President, inasmuch as there is no further morning business, I move that the Senate stand in recess until 12:55 p.m. today.

There being no objection, the Senate, at 12:35 p.m., recessed until 12:55 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. BURDICK).

The PRESIDING OFFICER (Mr. BURDICK). In my capacity as the Senator from North Dakota, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CURTIS). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. GARY HART) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:54 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 3060. An act to amend chapter 33 of title 44, United States Code, to change the membership and extend the life of National Study Commission on Records and Documents of Federal Officials, and for other purposes.

H.R. 49. An act to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes.

H.R. 8617. An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. GARY HART) laid before the Senate the following letters, which were referred as indicated:

Proposed Legislation by the Department of the Navy

A letter from the Secretary of the Navy transmitting a draft of proposed legislation to approve the sale of certain naval vessels and for other purposes (with accompanying papers); to the Committee on Armed Services.

Construction Projects of the Army National Guard

A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a list of proposed construction projects to be undertaken by the Army National Guard (with accompanying papers); to the Committee on Armed Services.

Report of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, a report entitled "Statistical Supplement, Stockpile Report," for the period ending December 31, 1975 (with an accompanying report); to the Committee on Armed Services.

Report of the National Railroad Passenger Corporation

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the operations of Amtrak for the months of November and December 1975 (with accompanying reports); to the Committee on Commerce.

Proposed Act of the Council of the District of Columbia

A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of a proposed act adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

Report of the East-West Foreign Trade Board

A letter from the Secretary of the Treasury and Chairman of the East-West Foreign Trade Board transmitting, pursuant to law, the fourth quarterly report of the Board current through the end of December 1975 (with an accompanying report); to the Committee on Finance.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Advertising For Military Recruiting: How Effective Is It?" (with an accompanying report); to the Committee on Government Operations.

Report of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, a report on the establishment of a new system of records within the Federal Preparedness Agency (with an accompanying report); to the Committee on Government Operations.

Exemption of Residual Fuel Oil

A letter from the Administrator of Federal Energy transmitting, pursuant to law, a proposed amendment relating to the exemption of residual fuel oil from the mandatory petroleum allocation and price regulations (with accompanying papers); to the Commitee on Interior and Insular Affairs.

Report of the Nuclear Regulatory Commission

A letter from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the first annual report of the Commission to the President covering the period January 19, 1975, through December 31, 1975 (with an accompanying report); to the Joint Committee on Atomic Energy.

Report of the Federal Election Commission

A letter from the Chairman of the Federal Election Commission transmitting, pursuant to law, a report containing a detailed statement of the activities of the Commission entitled "Annual Report 1975" (with an accompanying report); to the Committee on Rules and Administration.

Report of the National Railroad Passsenger Corporation

A letter from the Vice President of the National Railroad Passenger Corporation transmitting; pursuant to law, a report on the operations of Amtrak for the month of February 1976 (with an accompanying report); to the Committee on Commerce.

Proposed Contract for Research Project

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a copy of a proposed contract for a research project entitled "Noise Control of Underground Load-Haul-Dump Machines" (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Law Enforcement Assistance Administration

A letter from the Administrator of Law Enforcement Assistance transmitting, pursuant to law, a report entitled "Interim Report of the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice" (with an accompanying report); to the Committee on the Judiciary.

Report of the Office of Management and Budget

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, a report relating to the recommendations contained in the report entitled "Second Interim Report," January 1975 from the National Advisory Council on Equality of Educational Opportunity (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Department of Labor

A letter from the Secretary of Labor transmitting, pursuant to law, a report pertaining to the employment of workers under special certifications (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Girl Scouts of America

A letter from the president and executive director of the Girl Scouts of America transmitting, pursuant to law, the annual report of the Girl Scouts for the fiscal year ended September 30, 1975 (with an accompanying report); to the Committee on Labor and Public Welfare.

Soil Survey Report of the Department of the Interior

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a report on a soil survey conducted of lands in the O'Neill Unit, Lower Niobrara Division, Pick-Sloan Missouri Basin program (with an accompanying report); to the Committee on Appropriations.

Report of the Public Service Commission of the District of Columbia

A letter from the Executive Secretary of the Public Service Commission of the District of Columbia transmitting, pursuant to law, the annual report of the Commission for the calendar year 1974 (with an accompanying report); to the Committee on Appropriations.

Disposal Plan by the Department of the Army

A letter from the Acting Secretary of the Army providing notification, pursuant to law, of a disposal program without atmospheric release by using a neutralization process; to the Committee on Armed Services.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Small Business Administration's Local Development Company Loans Are Making Capital Available—But Other Aims Are Often Subverted" (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Supplemental Appropriations for the Inter-American Development Bank—(S. Doc. No. 94–163)

A communication from the President of the United States transmitting proposed supplemental appropriations for the fiscal year 1976 in the amount of $240 million for the Inter-American Development Bank and $15 million for the African Development Fund and an amendment to the budget request for fiscal year 1977 in the amount of $440 million for the Inter-American Development Bank (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. GARY HART) laid before the Senate the following petitions which were referred as indicated:

A resolution adopted by the Brookline (Massachusetts) Board of Selectmen relating to continuation of the Federal 312 Rehabilitation Loan Program; to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Florida Federation of Women For Responsible Legislation, relating to the Panama Canal; to the Committee on Foreign Relations.

Nine resolutions adopted by the Military Order of the World Wars, as follows:

No. 1 opposing unionization of the Armed Forces; to the Committee on Armed Services.

No. 2 relating to the Soviet Union's political philosophy of world domination; to the Committee on Government Operations.

No. 3 relating to law enforcement; to the Committee on the Judiciary.

No. 4 relating to the protection of intelligence personnel; to the Committee on Armed Services.

No. 5 relating to intelligence gathering; to the Committee on Armed Services.

No. 6 relating to U.S. military strength; to the Committee on Appropriations.

No. 7 relating to the Panama Canal; to the Committee on Foreign Relations.

No. 8 relating to detente; to the Committee on Foreign Relations.

No. 9 relating to North Vietnam; to the Committee on Foreign Relations.

House Floor Resolution No. 76–83 adopted by the House of Representatives of the State of Washington; to the Commitee on Commerce:

"HOUSE FLOOR RESOLUTION No. 76–83

"Whereas, The killer whale is one of Washington state's most significant marine mammals; and

"Whereas, Many people travel from throughout the world to observe the killer whale in its native habitats including Puget Sound; and

"Whereas, Recent studies may indicate a decline in killer whale populations in Puget Sound;

Now therefore, the House of Representatives urges the immediate moratorium on the issuance of further marine mammal capture permits for display purposes within Puget Sound until additional scientific data is obtained through research; and

"Be it resolved, That copies of this floor resolution be immediately transmitted by the Secretary of State to the Honorable Gerald R. Ford, President of the United States, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

Assembly Joint Resolution No. 42 adopted by the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION No. 42

Whereas, At the present, the state meat inspection regulations make no provision for any restaurant to make a gift of uncooked meat, in substantial quantity, to charitable organizations; and

Whereas, The problem of food for the needy and the aged has become more and more acute; and

"Whereas, Certain restaurants which serve only "portion trimmed" steaks have many pounds of trimmed meat which they would gladly supply to charitable organizations; and

"Whereas, This same trimmed meat could legally be cooked and served in such restaurants, but, at the present, may not be donated to charitable organizations as uncooked meat due to the complexity or ambiguity of the present meat inspection regulations; and

"Whereas, The law specifically authorizes the Secretary of Agriculture to modify the regulations when, in his opinion, there is good and sufficient reason to make such modification; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States and the Secretary of Agriculture to take all the necessary actions to modify the present meat inspection regulations to permit any restaurant to donate any amount of uncooked wholesome, unadulterated meat to any charitable organization; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Agriculture, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Resolution adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Finance:

"RESOLUTION

"Memorializing the Congress of the United States to enact legislation renewing the Federal revenue sharing program

"*Whereas,* The Congress enacted the State and Local Fiscal Assistance Act of 1972, (P.L. 92–512), commonly referred to as the Federal Revenue Sharing Program, which returned billions of dollars that had been collected by federal taxes to the states and cities and towns to use with a minimum of restrictions using a minimum number of federal employees, namely less than one hundred; and

"*Whereas,* This program is scheduled to expire in December of this year unless it is renewed; therefore be it

"*Resolved,* That the Massachusetts Senate respectfully urges the Congress of the United States to enact without delay legislation renewing the Federal Revenue Sharing Program; and be it further

"*Resolved,* That copies of these resolutions be sent by the Clerk of the Senate to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this commonwealth."

House Joint Memorial No. 17 adopted by the Legislature of the State of Idaho; to the Committee on Finance:

"HOUSE JOINT MEMORIAL No. 17

"A joint memorial to the Honorable President of the United States Gerald R. Ford, the Honorable Secretary of the Treasury William E. Simon, the Honorable Commissioner of the Internal Revenue Service Donald R. Alexander, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, Representative Al Ullman, Chairman of the House Ways and Means Committee, the Presiding Officers of the Legislatures of our sister States and the Senators and Representatives representing the State of Idaho in the Congress of the United States

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-third Idaho Legislature, do hereby respectfully represent that:

"Whereas, the Congress of the United States, in the enactment of the Employee Retirement Income Security Act of 1974, encouraged the means for persons not otherwise covered by retirement savings programs to provide such a program on their own behalf with appropriate deferral of income tax liability by creation of the individual retirement account; and

"Whereas, this excludes from its provisions persons who are nominal participants in government sponsored plans, thus imposing an inequitable and hardship situation upon this group; and

"Whereas, the Public Employee Retirement System of Idaho operates as a qualified plan under provisions of section 401(a) of the Internal Revenue Code, and such qualification prohibits discriminatory practices among participants of the system; and

"Whereas, a variety of special district, city, county and state elected and appointed officials in the State of Idaho receive only minimal compensation and retirement benefits for their public service; and

"Whereas, several hundred Idaho officials were compensated for public service in amounts ranging from $10 to $1,000 in fiscal year 1975, yet such public service requires mandatory membership in the Public Employee Retirement System of Idaho; and

"Whereas, similar circumstances no doubt prevail in other states; and

"Whereas, this limitation of the Employee Retirement Income Security Act results in an absolute prohibition against participation in any individual retirement savings program by persons covered by public programs, thus denying them the opportunity afforded other citizens to establish an individual retirement account.

"Now, therefore, be it resolved by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and the Senate concurring therein, that we urge consideration and adoption by Congress of the necessary amendments to federal law to implement a provision to allow a determination of the proportion of income from covered employment and permit an individual retirement account in that proportion of the salary not covered by a retirement program.

"Be it further resolved that the Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the Honorable President of the United States Gerald R. Ford, the Honorable William E. Simon, Secretary of the Treasury, the Honorable Donald R. Alexander, commissioner of the Internal Revenue Service, President of the Senate and Speaker of the House of Representatives of the Congress of the United States, Representative Al Ullman, Chairman of the House Ways and Means Committee, the presiding officers of the legislatures of our sister states and the Senators and Representatives representing the State of Idaho in the Congress of the United States."

Senate Resolution No. 1 adopted by the Senate of the Commonwealth of Kentucky; to the Committee on Government Operations:

"SENATE RESOLUTION NO. 1

"A concurrent resolution requesting and petitioning the President and United States Congress to recognize the right of the states to govern their inhabitants

"Whereas, this nation's heritage is based upon the fundamental and inalienable right of individual choice, self determination and the democratic process which is being denied to the American people by the federal government's preempting the power of the states; and

"Whereas, historically the states of these United States have ably demonstrated their capabilities to govern their inhabitants and retain the right to do so today; and

"Whereas, legislators, state agencies and private citizens find it increasingly burdensome to cope with ever increasing mounds of red tape, countless complex forms, duplicative inspections, conflicting standards, and insurmountable regulations reaching into every aspect of human activity; and

"Whereas, the enactment and signing into law of legislation requiring the promulgation of countless regulations has resulted in an alarming growth in the federal and state bureaucracies;

"Now, therefore, *Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:*

"Section 1. That the President and the United States Congress cease usurping the authority of the states by passing and signing into law legislation requiring inspections and establishing standards which are duplicative of existing state laws and regulations.

"Section 2. That the federal government curtail the excessive promulgation of rules and regulations which necessitate the further growth of federal and state bureaucracies.

"Section 3. That the President and the United States Congress respect the separate powers reserved by the states and the right to individual freedom of choice by every citizen.

"Section 4. That the Clerk of the Senate transmit a copy of this Resolution to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States and each member of the Kentucky Congressional delegation."

Legislative Resolution 160 adopted by the Legislature of the State of Nebraska; to the Committee on Appropriations:

"LEGISLATIVE RESOLUTION 160

"Whereas, the North Loup Division and the O'Neill Unit, Pick-Sloan Missouri Basin Program, Nebraska, were authorized by the Congress of the United States in October 1972; and

"Whereas, the Congress of the United States has appropriated funds for the construction in fiscal year 1976 for each of these projects; and

"Whereas, the O'Neill Unit and the North Loup Division have strong local support from the owners of irrigable land to be served by each of the projects, and from the communities which will benefit from the construction of these projects; and

"Whereas, there is and will continue to be strong need to maintain, strengthen and enhance Nebraska's largest industry, agriculture; and

"Whereas, there is definite need in these project areas for surface irrigation water to maintain the declining ground waters; and

"Whereas, Nebraska's people need the fish and wildlife and recreational opportunities that can be provided by the O'Neill and North Loup developments; and

"Whereas, the Congress of the United States will conduct hearings on appropriations for the two projects forthwith.

"Now, therefore, be it resolved by the members of the Eighty-Fourth Legislature of Nebraska, second session:

"1. That the Second Session of the Eighty-fourth Legislature of Nebraska strongly supports the continued funding of the uninterrupted construction and development of the North Loup Division and the O'Neill Unit.

"2. That the Legislature memorializes Congress and the respective Appropriation Committees thereof to support the appropriation of funds for the continuation of construction for the North Loup Division in the amount of $1,000,000.00 for fiscal year 1977."

"3. That the Legislature memorializes the Congress of the United States and the respective Appropriation Committees thereof to support the appropriation of funds for the continuation of construction for the O'Neill Unit in the amount of $1,300,000.00 for fiscal year 1977.

"4. That copies of this Resolution, suitably engrossed, be transmitted by the Clerk of the Legislature to the United States Senate and House of Representatives of the Congress, to Honorable John L. McClellan, Chairman of the Senate Appropriations Committee, and Honorable George H. Mahon, Chairman of the House Appropriations Committee, and to each member from Nebraska in the Senate and House of Representatives of the United States."

A concurrent resolution (S. 781) adopted by the Legislature of the State of South Carolina; to the Committee on Commerce:

"CALENDAR NO. S. 781

"A concurrent resolution expressing the sense of the general assembly in opposition to activities, rules and regulations of the Federal Trade Commission.

"Whereas, both the Constitution of the United States and the Constitution of South Carolina vest final legislative authority in popularly elected, representative assemblies whose power and authority derive from the consent of those whom they govern; and

"Whereas, the people's legislatures may be and are held accountable to their constituents by regular, free elections; and

"Whereas, as government and its scope have grown, it has become expedient for some rule-making authority to be delegated by legislatures to appointed or other non-representative bodies which are not directly expressive of the will of the people who are governed by the rules and regulations which such non-representative bodies promulgate; and

"Whereas, it is incumbent upon the duly elected representatives of the people, the legislatures of the states and the Congress of the United States, to see to it that rule-making bodies do not tyrannize the people by "legislating" instead of making operational legislation adopted by duly constituted legislative bodies; and

"Whereas, in particular, the Federal Trade Commission has exceeded its proper authority by, in effect, overturning laws adopted by the General Assembly of South Carolina and by the legislatures of other states; and

"Whereas, this bureaucratic usurpation of authority by the Federal Trade Commission has taken the form of promulgation by the Federal Trade Commission of industry-wide trade regulations which would have the effect of striking down or preempting state laws under the alleged authority of the Federal Trade Commission Improvement Act, Title II of Public Law 93-637; and

"Whereas, authority for promulgation of such rules by the Federal Trade Commission on the authority of such Act has been denied in Concurrent Resolution 77 of the United States Senate (introduced by Senator Curtis of Nebraska) and in Concurrent Resolutions 483 and 484 of the United States House of Representatives (both introduced by Congressman Stuckey of Georgia); and

"Whereas, similar opposition to the actions of the Federal Trade Commission has been expressed in two resolutions adopted at the December 9, 1975, meeting of the National Association of Attorneys General in Phoenix, Arizona. Now, therefore,

"*Be it resolved* by the Senate, the House of Representatives concurring:

"That it is the sense of the South Carolina General Assembly that in acting as herein before stated, the Federal Trade Commission has acted in a manner inappropriate for a non-legislative body and has usurped the proper authority of this body.

"*Be it further resolved* that this body call upon the non-elected officials of the above-said federal agency to cease and desist from their efforts, 'at the stroke of a pen,' to abrogate or modify the laws of South Carolina, as they have been enacted by the elected representatives of the people of South Carolina.

"*Be it further resolved* that this body endorses and urges approval of Senate Concurrent Resolution 77 and House Concurrent Resolutions 483 and 484.

"*Be it further resolved* that copies of this resolution be sent, as an expression of the sense of this body and as an expression of the will of the people of South Carolina, to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States, the members of the South Carolina delegation to the Congress of the United States, and to the Commissioners of the Federal Trade Commission."

Assembly Joint Resolution No. 38 adopted by the Legislature of the State of California; to the Committee on Commerce:

"ASSEMBLY JOINT RESOLUTION NO. 38

"Whereas, Aircraft noise is a serious problem which afflicts many communities in the State of California, and the high noise level experienced by citizens living adjacent to airports constitutes a danger to the public health and welfare, and has caused losses in property values in neighborhoods located near airports; and

"Whereas, Congress has passed legislation authorizing and directing the Federal Aviation Administration to take appropriate action to reduce aircraft noise from new and existing jet aircraft, and the F.A.A. has adopted noise standards for aircraft (Title 14, Code of Federal Regulations, Part 36); and

"Whereas, Numerous technological advances have been made in the development of new aircraft engines which achieve much lower noise levels than older jets, and other technological developments permit the quieting of older jet engines through retrofitting of sound-absorbing material; and

"Whereas, Recent studies conducted under the auspices of the Federal Aviation Administration have clearly demonstrated that reduction of aircraft noise can be accomplished without excessive expense and without adversely affecting safety through such methods as aircraft engine retrofit and the two-segment approach procedure; and

"Whereas, The implementation of aircraft noise reduction devices and procedures will not cause excessive financial burdens to the aviation industry, since the costs can be recovered through such methods as passenger surcharges or the use of surplus funds in the Aviation Trust Fund; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Administrator of the Federal Aviation Administration is respectfully memorialized to require at the earliest possible date the installation of sound-absorbing material retrofit on transport category civil aircraft in order to reduce the noise levels of such aircraft to or below the standards set by the aircraft noise standards of the Federal Aviation Administration as they currently apply to newly manufactured aircraft, and, in addition, to require two-segment and other appropriate noise abatement operating procedures, in order to assure that existing jet aircraft employ the most advanced noise reduction techniques available; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the Unied States, and to the Administrator of the Federal Aviation Administration."

Resolution, Serial No. 63, adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Foreign Relations:

"RESOLUTION

"Whereas, The General Assembly of the United Nations on November 11, 1975, adopted a resolution declaring Zionism is a form of racism and racial discrimination; and

"Whereas, The United States Congress has unanimously adopted resolutions calling for the reassessment of the United States relationship to the United Nations, the opposing United States participation in a United Nations' program to combat racism, and condemning the United Nations' resolution; therefore be it

"Resolved, That the Senate of the Commonwealth of Pennsylvania condemns the action of the United Nations characterizing Zionism as a form of racism, such action being antithetic to the underlying principles of the United Nations; and be it further

"Resolved, That the Senate of the Commonwealth of Pennsylvania commends the United States Congress for taking immediate action on this grave issue; and be it further

"Resolved, That the Senate of the Commonwealth of Pennsylvania memorializes the Congress of the United States to conduct a speedy but thorough review of the entire situation and to take whatever other appropriate actions as may be necessary to assure that the national interests of the United States and of all its people are not in any manner subverted by the General Assembly of the United Nations; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each House of the Congress of the United States and to each Senator and Representative from Pennsylvania in the Congress of the United States."

Senate Resolution No. 58 adopted by the Senate of the State of Tennessee; to the Committee on Post Office and Civil Service:

"SENATE RESOLUTION NO. 58

"A resolution to urge the U.S. Postal Service to re-evaluate its decision to establish Concord, Tennessee 37720 as a substation of the Knoxville Post Office

"Whereas, The U.S. Postal Service in 1974 issued an order making the Concord Post Office a substation of the Knoxville Post Office; and

"Whereas, Such change means that Concord-Farragut residents are being addressed at Knoxville, Tennessee 37922 instead of Concord, Tennessee 37720; and

"Whereas, The change has created considerable concern within the West Knox County area served by the Concord station; and

"Whereas, The area is one of the fastest growing areas in the State of Tennessee having experienced tremendous growth in the past five years; and

"Whereas, The Concord community is a community in itself, having its own telephone office and system, water system (First Utility District), a new sewage plant, the largest school in Knox County, one of the largest voting precincts in the state (covering Farragut, Concord, Cedar Bluff, Hardin Valley, Blue Grass and part of Rocky Hill), over 300 miles of rural roads, at least 200 places of business from very small to very large, between 20,000 and 30,000 patrons on the routes, a new post office building constructed in July, 1967, which is now too small, Concord Park with full facilities, Concord Sail Boat Club and Concord Boat Dock; and

"Whereas, The Concord community is large enough to warrant its own post office, just as other surrounding communities have their own post office, such as Mascot, Powell, Alcoa, New Market and Kodak, which have not been merged into the Knoxville office; now, therefore,

"Be it resolved by the Senate of the Eighty-ninth general assembly of the State of Tennessee, That we request the Post Office to reconsider its action in light of the overwhelming sentiment of the affected community and the need to safeguard its identity and reestablish the Concord Post Office as a separate entity, and that we reaffirm our position on this matter, as set forth in Senate Resolution No. 13 of 1975.

"Be it further resolved, That a copy of this resolution be sent to U.S. Representative John Duncan, U.S. Congress, Washington; Senator Bill Brock, U.S. Senate, Washington; Senator Howard Baker, Jr., U.S. Senate, Washington; Postmaster General E. T. Klassen, Headquarters, U.S. Postal Service, Washington; News Desk, West Side Story, 6718 Kingston Pike, Knoxville, Tennessee 37919; News Desk, Knox County News, 5617 Kingston Pike, Knoxville, Tennessee 37919; News Desk, Knoxville News Sentinel, 210 W. Church Street, Knoxville, Tennessee 37902; Mr. Don Whitehead, 76 Enchanting Boulevard, Naples, Florida; Mrs. E. S. Bevins, Sr., Route 6, Kingston Pike, Concord, Tennessee 37922; Vice President Nelson Rockefeller and House Speaker Carl Albert and Mrs. Al Black, Northshore Drive, Concord, Tennessee 37922."

Concurrent Resolution (S. 672) adopted by the Legislature of the State of South Carolina; to the Committee on Public Works:

"CALENDAR NO. S. 672

"A concurrent resolution to Request the Congress of the United States to Enact Certain Amendments to the Federal Clean Air Act to Enable Compliance with the Act in Both the Private and Public Sectors with Reasonable Certainty as to Costs

"Whereas, the Clean Air Act of 1970 states that its primary purpose is "to protect and enhance the quality of the nation's air resources so as to promote the public health and welfare and the productive capacity of its population"; and

"Whereas, in order to carry out this purpose of the Clean Air Act, the Environmental Protection Agency promulgated on April 30, 1971, national primary and secondary ambient air quality standards to be achieved by the states through state implementation plans; and

"Whereas, the implementation plan for the State of South Carolina was approved by the Environmental Protection Agency on May 31, 1972, and provides for the achievement and maintenance of primary and secondary ambient air quality standards through the approval and implementation of control programs for the reduction of emissions; and

"Whereas, the implementation of control programs by both governmental and private sources will require the expenditure of substantial capital funds in order to achieve compliance with the national ambient air quality standards in many states; and

"Whereas, it is essential for both government and the private sector to be able to plan in these inflationary times for such expenditures with a reasonable degree of certainty as to both time and amount; and

"Whereas, both the government and the private sector should, in the development of environmental compliance programs, be encouraged to weigh and balance carefully the impact of various alternatives on energy conservation, the economy and the environment; and

"Whereas, this reasonable degree of certainty does not exist today due to many factors, including court decisions, changing regulations and advancing technology, thereby causing the expenditure of unproductive inflationary funds without regard to the cost of the benefits to be achieved nor to the precious energy consumed; and

"Whereas, unreasonable uncertainties now and will in the future curtail expansion resulting in shortages of goods, services and employment to the detriment of the world economy; and

"Whereas, provision is presently included in the Federal Water Pollution Control Act Amendments of 1972 to provide a reasonable basis for financial planning for waste water management thereby encouraging the cooperation of the government and the private sector. Now, therefore,

"Be it resolved by the Senate, the House of Representatives concurring:

"That the General Assembly of South Carolina by this resolution hereby urges and requests the Congress of the United States to amend the Clean Air Act by adding either the sections listed below or such other language as the Congress may choose which will accomplish the same result.

"'Section 120. Notwithstanding any other provision of this act, any existing stationary source which has implemented or which is implementing an approved control program under a state implementation plan upon the date of enactment of the Clean Air Act Amendments of 1976 shall not be subject to any more stringent standards than those contained in such control program during a ten-year period beginning on the date of completion of such control program or during the period of depreciation or amortization of such facility for the purposes of G. S. 167 or G. S. 169, or both, of the Internal Revenue Code of 1954, whichever period ends first.

" 'Section 121. Notwithstanding any other provisions of this act, any new stationary source, the construction of which was commenced before or after the date of enactment of the Clean Air Act Amendments of 1976 and which new source is so constructed as to meet all applicable standards of performance for new stationary sources, shall not be subject to any more stringent standard of performance or other standard during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of G. S. 167 or G. S. 169, or both, of the Internal Revenue Code of 1954, whichever period ends first.'

"*Be it further resolved* that copies of this Resolution be forwarded to the presiding officers of the Senate and the House of Representatives of the United States Congress and to each member of the South Carolina Congressional Delegation."

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. **SPARKMAN**, from the Committee on Foreign Relations:

Fred O. Pinkham, of Connecticut to be Assistant Administrator of the Agency for International Development.

Christian A. Herter, Jr., of New Mexico, to be an Assistant Administrator of the Agency for International Development.

David S. Smith, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Statement of Political Contributions

Nominee: David S. Smith.
Post: Ambassador to Sweden.
Nominated: February 1976.
Contributions, amount, date, and donee:

1. David S. Smith, $1,000, 1972, Friends of Jerry Ford.

$1,000, 1972, Committee for Re-election of the President.

$250, 1972, Committee for Senator Charles Percy.

$100, 1975, Friends of Jim Buckley.

2. Spouse, Mary E. Smith, $250, 1972, Committee for Senator Claiborne Pell.

3. Children and Spouses:

David S. Smith, Jr., son, unmarried, none, (Mallory—Rep. candidate for U.S. Senate).

E. J. Noble Smith, son, unmarried, $500, 1974, citizens for Dick Mallory.

$500, 1974, Madelaine Harwood Committee (Harwood—U.S. Cong. candidate Republican Primary).

Jeremy T. Smith, son, unmarried, none.

Bradford D. Smith, son, unmarried, none.

4. Parents: Floyd M. Smith, died 1959, none. Anna S. Smith, died 1961, none.

5. Grandparents: all four died prior to 1940, none.

6. Brothers and spouses: Floyd M. Smith, Jr., died 1935, none.

Mr. and Mrs. Monroe E. Smith, (brother and spouse), none.

7. Sisters and spouses, Mrs. Eleanor S. Mobley, (only sister), died prior to 1970, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

David S. Smith.

W. Beverly Carter, Jr., of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

Statement of Political Contributions

Nominee: W. Beverly Carter, Jr.
Post: Ambassador to Liberia.
Contributions, amount, date, donee:

1. Self, 2. spouse $50, March 1972, Senator Ed. Brooke (Mass.), campaign committee.

3. Children and Spouses: Mr. Wm. B. Carter, III, $10, 1972, Senator Geo. McGovern, presidential campaign committee.

4. Parents: none.

5. Grandparents: none.

6. Brothers and spouses: none.

7. Sisters and spouses: none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

W. Beverly Carter, Jr.

Richard J. Bloomfield, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Statement of Political Contributions

Nominee: Richard J. Bloomfield.
Post: Ecuador.
Contributions, amount, date, donee:

1. Self: $25, 1972, Geo. McGovern.

2. Spouse: Patricia Bloomfield, none.

3. Children and spouses: Thomas B. Bloomfield, son, John M. Bloomfield, son, Richard J. Bloomfield, son, William Bloomfield, son, Ann Bloomfield, daughter, none.

4. Parents: John J. Bloomfield, father, Alice M. Bloomfield, mother, Leo G. Koepfle, father-in-law, Marie Koepfle, mother-in-law, none.

5. Grandparents: deceased.

6. Brothers and spouses: Richard Koepfle, brother-in-law, none.

7. Sisters and spouses: non (no sisters).

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Richard J. Bloomfield.

Thomas S. Gates, Jr., of Pennsylvania, Chief of the U.S. Liaison Office of Peking, People's Republic of China, for the rank of Ambassador.

Statement of Political Contributions

Nominee: Thomas S. Gates.
Post: Chief of Liaison at Peking, with rank of Ambassador.
Contributions, amount, date, donee:

1. Self: Thomas S. Gates; 2. Spouse: Millicent Anne Gates, attached herewith, (see below).

3. Children and spouses: Mr. and Mrs. William K. Norris, Mrs. Katharine Gates Scott, Daughters, none.

Mr. and Mrs. Joseph L. Ponce (Daughter and Son-in-Law), 1974, Pennsylvania State Republican Committee $50.

1975, Committee to Elect Frederick Richmond, $100.

1976, People for Packard, $100.

4. Parents: none.

5. Grandparents: none.

6. Brothers and spouses: Mrs. Gates, brother, William C. Brengle; Mr. Gates, stepbrother, James A. Waller, none.

Mr. Laurence J. Brengle, Jr. (Brother-in-Law), 1972, Republican National Committee, $15.

1972, Finance Committee to Reelect the President, $15.

1973, National Republican Committee, $10.

1976, National Republican Committee, $10.

7. Sisters and spouses: none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Thomas S. Gates, Jr.

Thomas S. Gates political contributions

1971	
Nevius for Congress committee, March 4 D. C. delegate	$100
New York Republican State Dinner Committee, June 22	500
The Longstreth Dinner Committee, September 7	500
Salute to the President Dinner, October 20	500
People for Longstreth Committee, October 27	1,000
Governor's Club	500
Total	3,100
1972	
New York Republican State Dinner Committee, April 7	250
Bipartisan testimonial for Senator Charles H. Percy, May 2	300
Boosters Club, July 28	1,000
Coal Landowners Committee, August 23	25
Cohen for Congress Committee, September 20	200
Thomas B. McCabe Distinguished Republican Dinner, September 20	150
Finance Committee to Re-Elect the President, September 21	1,000
Brotherhood-in-Action, Inc., September 28	250
Pennsylvania Republican Finance Committee, September 28	1,000
Jane Pickens Langley for Congress, October 18	100
Republican Committee of Chester County, October 26	200
Governors Club, September 5	500
Total	4,975
1973	
New York Republican State Dinner Committee, May 16	750
Governors Club	500
Mitman for Judge Committee	200
Rubin West for Congress, August 20, PA REP	1,000
Distinguished Republican award dinner, October 2,	300
Total	2,750
	1,450
1974	
Pennsylvania Republican Gubernatorial Campaign Dinner, February 14	300
The Committee for Senator Schweiker, February 14	250
Javits Dinner Committee, March 1	300
West for Congress Committee, March 7, PA	500
Committee for Senator Schweiker, March 19	100
N.Y. Republican State Dinner Committee, June 12	200
Westmoreland for Governor Committee, June 19	500
Governor's Club, September 5	500
Total	2,650
Pete's 76 (Pierre S. DuPont IV for Gov. of Delaware	100
1975	
Salute to the Vice President Dinner, February 5	175
Pennsylvania Republican Governors Club, June 4	1,000
Republican Congressional Boosters Club, June 4	500

Thomas S. Gates political contributions—Continued

1975—Continued	
Maine Republican State Committee, August 6	100
The President Ford Committee, October 15	1,000
Friends of Zumwalt, October 23	500
People for Packard, December 4	1,000
Total	4,275

William A. Anders, of Virginia, to be Ambassador Extraordinary and Plenipotenitary of the United States of America to Norway.

STATEMENT OF POLITICAL CONTRIBUTIONS

Nominee: William Alison Anders.

Post: Norway.

Contributions, amount, date, donee:

1. Self: $100, April 1972, $50, August 1972, $850, November 1972, Committee to Reelect the President.
2. Spouse: Valerie Anders, none.
3. Children and spouses: none.
4. Parents: Mr. and Mrs. Arthur F. Anders,
5. Grandparents: deceased.
6. Brothers and spouses: none.
7. Sisters and spouses: none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

WILLIAM A. ANDERS.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LONG, from the Committee on Finance:

William H. Taft, IV, of Virginia, to be General Counsel of the Department of Health, Education, and Welfare.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

ENROLLED BILL SIGNED

The enrolled bill (H.R. 200) to provide for the conservation and management of the fisheries, and for other purposes was signed today by the Acting President pro tempore (Mr. GARY HART).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, April 1, 1976, he presented to the President of the United States the enrolled bill (S. 3060) to amend chapter 33 of title 44, United States Code, to change the membership and extend the life of the National Study Commission on Records and Documents of Federal Officials, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAMS (for himself and Mr. INOUYE):

S. 3234. A bill to amend title 5, United States Code, to include as creditable service under the civil service retirement system periods of service as contract technicians by individuals hired by private authority to perform work under Federal supervision pursuant to a contract between such private authority and the Federal Government, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. DOLE:

S. 3235. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for wages paid to certain new employees during periods of high unemployment. Referred to the Committee on Finance.

By Mr. BROCK:

S. 3236. A bill to amend the Internal Revenue Code of 1954 to deny certain benefits to taxpayers who participate in or cooperate with an international boycott. Referred to the Committee on Finance.

By Mr. CHURCH:

S. 3237. A bill to amend title 38, United States Code, to revise the criteria for eligibility for tutorial assistance for veterans, wives and widows. Referred to the Committee on Veterans' Affairs.

By Mr. McINTYRE:

S. 3238. A bill for the relief of Tin Foo Chan, also known as Michael Chan. Referred to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. JAVITS, Mr. WILLIAMS, Mr. SCHWEIKER, Mr. RANDOLPH, Mr. CRANSTON, Mr. PELL, Mr. MONDALE, Mr. EAGLETON, Mr. HATHAWAY, Mr. DURKIN, and Mr. STAFFORD):

S. 3239. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health professions, to revise the National Health Service Corps program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BENTSEN:

S. 3240. A bill to encourage the use of lifecycle cost procurement as the general basis for Federal procurement decisions. Referred to the Committee on Government Operations.

S. 3241. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income for the interest on certain governmental obligations the proceeds of which are used to provide hospital facilities. Referred to the Committee on Finance.

By Mr. BROCK:

S.J. Res. 186. A joint resolution to clarify and reaffirm Government purchasing policies. Referred to the Committee on Government Operations.

STATEMENTS ON INTRODUCED BILLS AND RESOLUTIONS

By Mr. WILLIAMS (for himself and Mr. INOUYE):

S. 3234. A bill to amend title 5, United States Code, to include as creditable service under the civil service retirement system periods of service as contract technicians by individuals hired by private authority to perform work under Federal supervision pursuant to a contract between such private authority and the Federal Government, and for other purposes. Referred to the Committee on Post Office and Civil Service.

CONTRACT TECHNICIAN SERVICE PERSONNEL

Mr. WILLIAMS. Mr. President, I am today introducing legislation that would grant civil service retirement credit to certain contractor-furnished technical personnel who performed services for the Federal Government pursuant to Federal contracts with private industry. This legislation has become necessary to correct a serious, long-standing inequity that developed for these individuals as a result of Civil Service Commission decisions to deny them this retirement credit. I am pleased that the distinguished Senator from Hawaii (Mr. INOUYE) has joined me in sponsoring this measure.

For many years, the Federal Government contracted with private companies for the services of skilled technical personnel needed to perform jobs for which civil service employees or military personnel were unavailable. Individuals employed in this manner performed communications and electronics functions, mostly for the armed services, and were known as Contract Technician Service Personnel—CTSP. Their services were used most widely in the years immediately following World War II because of the technician shortage that developed in the wake of demobilization, although the Federal Government continued to employ them throughout the 1950's and during much of the 1960's.

In 1963, the General Accounting Office asked the Civil Service Commission to examine the legal status of Federal contracts for contractor-furnished technical personnel. Based on the findings of the Commission, the Comptroller-General of the United States issued a decision on March 4, 1965, which declared these contracts illegal, thus rendering the jobs of CTSP illegal.

In its decision, the Commission held that CTSP did not fully comply with the three basic criteria of Federal employment established in the law.

To be considered a Federal employee, a person, first, must be engaged only in work that is a Federal function authorized by law or an Executive order; second, must be under the supervision and direction of a Federal employee or a member of the military, and third, must be appointed to Federal service by a Federal employee or member of the military. While conceding that CTSP met the first and second requirements, the Commission decided that CTSP had not met the third.

Following this decision, CTSP were given the opportunity to convert along with their jobs to Federal service. The last conversion occurred in the summer of 1967. When these individuals began to retire, they found that the Civil Service Commission refused to allow them to use their service as CTSP in determining their retirement benefits.

Yet the circumstances of their employment and the conflicting, contradictory policies and actions of the Federal Government in this area clearly reveal that CTSP have been denied retirement benefits they truly deserve. During the time that CTSP were employed, they were considered equivalent to Federal employees, and were, in fact, used interchangeably with them. According to the opinion of the General Counsel of the Civil Service Commission, including as part of the Comptroller General's decision of March 4, 1965:

> From the information submitted by the Department of the Air Force in response to the Commission's request for factual information concerning the use of said contract technicians, it is apparent that there is no

> real distinction that can be drawn between the positions filled by contract technicians and those filled by federal employees. Indeed, in some functions contract technicians and federal employees are used interchangeably.
>
> Daily tasks and temporary duty are assigned without regard to category. These contract technicians are integrated into the regular organizational structure of the Department of the Air Force.
>
> These contract technicians are under the supervision of a federal employee who directs their efforts, assigns tasks, and prepares the work schedules. The supervisor judges the quantity and quality of the work of these contract technicians.
>
> From the foregoing we find that these contract technicians can only be employed in the work of the Department of the Air Force after they are approved by the contracting officer who is, of course, a federal employee, and who has the power to remove them; that the supervision of their daily work is performed by a federal employee; and that, unquestionably, the contract technician is performing a federal function.

Despite these facts, the General Counsel concluded that the contracts of CTSP were illegal, because CTSP lacked appointment to Federal service.

During the Korean war, CTSP provided vital technical support to our Armed Forces, playing a key role in military operations. They served side by side with military personnel, experienced the same dangers, and suffered the same hardships and privations. In many cases, they even wore the uniform of the branch of service with which they served, distinguished from military personnel only by a shoulder patch.

As CTSP reached retirement age they found that the Civil Service Commission refused to permit them to count their service as CTSP toward their civil service retirement. The Commission decided that since CTSP had not been Federal employees, under the Comptroller-General's decision, they therefore had no legitimate claim to retirement benefits based on the time they spent as CTSP.

This denial of retirement credit has created a serious inequity for individuals who have spent much of their adult lives serving the Federal Government. CTSP who converted to Federal service lost their investiture in whatever private pension system they had participated because their private employment terminated, and because private pension plans are not transportable to civil service positions. Many could establish no more than the minimum Civil Service pension before they retired, and as a result, their annuities are sharply reduced. Their only alternative to conversion was the loss of their job along with their private pension plan.

An examination of the manner in which the Civil Service Commission has applied its retirement policies to contractor-furnished personnel reveals a confusing, discriminatory pattern that actually conflicts with court-established precedent. In May, 1947, a federal district court held in Lewis et al. against Virginia Engineering that the Federal Government had established an employer-employee relationship with the plaintiffs who were a group of individuals who had performed work for the Federal Government but had been carried on the payrolls of private contractors. This relationship obligated the Federal Government to grant civil service retirement credit to these individuals. Subsequent court opinions have reaffirmed this federal responsibility to contractor-furnished personnel.

In October, 1952, the Civil Service Commission issued regulations prohibiting any administrative agency from securing personnel for the performance of regular agency functions without regard to the statutory mandates and restrictions applicable to Federal employment generally. The intent of the regulations was to preclude the establishment of the employer-employee relationships between government agencies and contractor-furnished personnel which had been recognized in the Lewis decision. The refusal of the Civil Service Commission to grant retirement credit to CTSP rests in large part on the Commission's insistence that CTSP were hired in violation of these regulations.

Yet for 13 years following the issuance of the October 1952 regulations, the Federal Government continued to employ CTSP, clearly establishing an employer-employee relationship with them. Federal executive departments set the conditions of employment, solicited the services of technical personnel in accordance with these conditions, and retained full control over the employment, use, and dismissal of CTSP. There was no reason for CTSP to believe that there was anything wrong with the procedures under which they were employed. By denying them civil service retirement credit for their CTSP service, the Civil Service Commission has unjustly penalized them for the Federal Government's mistakes, over which they had no control and for which they bear no responsibility.

Further evidence of the Civil Service Commission's inconsistency in applying its retirement policies can be found in a ruling issued on September 30, 1957. Under this ruling, civil service retirement credit was granted to an individual employed by the Arizona State Extension Service, which was federally funded and which operated under the direction of the U.S. Department of Agriculture. The individual had not been appointed to Federal service, and his supervisor—the State extension director—was not even a Federal employee. Still, he and others similarly employed were granted civil service retirement credit for their service.

The legislation I have introduced today would correct the inequity imposed on CTSP affected by the March 4, 1965 decision by allowing them the retirement credit they have been unfairly denied. Only those under contract to the Federal Government before the issuance of the Comptroller General's decision of 1965 would be covered under my legislation. Individuals and their jobs must have been converted to the civil service system before credit could be granted. Those who left employment as CTSP prior to the Comptroller General's decision in order to join the civil service system would also be eligible for any retirement credit granted as a result of my bill. Former CTSP wishing to receive retirement credit for their years spent as CTSP must either buy into the retirement system or accept a reduced annuity in the same manner as civil service personnel who did not choose to participate in the retirement system but later changed their minds. The agencies responsible for employing CTSP would be required to match the individual's deposit for periods of service which would be credited because of my bill.

It is estimated that between 1,500 and 2,000 individuals may benefit from this legislation. Assuming the higher figure, the cost to the Federal Government would be no more than $10 million per year. However, the actual annual cost would most likely be much less. Not all of those eligible will retire immediately, but may serve for as long as another 15 years before they reach the minimum retirement age of 55. In addition, some of those eligible will die or leave Federal service prior to retirement. The cost will be further reduced because former CTSP will be required to purchase into the system for their years as CTSP or accept a reduced annuity.

The men who served this country as CTSP did so in good faith and with great dedication. Untiringly and unselfishly, these men filled an important need at a critical time. We have a clear obligation to assure them the equitable treatment and the compensation that their service demands. The legislation I have offered will fulfill that obligation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (8) thereof;

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding immediately below paragraph (9) the following new paragraph:

"(10) subject to sections 8334(c) and 8339(i) of this title, service performed by an individual who is hired by a private authority to perfom services as a contract technician for the Federal Government under a contract between the Federal Government and such private authority which provides that the hiring of such individual shall be subject to the approval of the Federal Government and the performance of services by such individual shall be under the supervision and control of Federal personnel, if—

"(A) such service is in a position which is transfered to the civil service and such individual is appointed to that position or a similar position in the civil service; and

"(B) such contract, if entered into after June 30, 1965, complies with any other provision of law relating to such contract.".

(b) Section 8334 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(i) (1) The employing agency shall contribute from the appropriation or fund used to pay the employee an amount equal to the amount deposited by such employee under subsection (c) of this section for periods of service creditable under section 8332(b)(10) of this title.

"(2) The employing agency shall deposit such amount in the Treasury of the United States to the credit of the Fund under such procedures as the Comptroller General of the United States may prescribe.".

(c) Section 2105 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) The performance of services by an individual under the conditions prescribed in section 8332(b)(10) of this title shall be considered the performance of the official duty of an employee.".

By Mr. DOLE:

S. 3235. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for wages paid to certain new employees during periods of high unemployment. Referred to the Committee on Finance.

EMPLOYEE ASSISTANCE ACT OF 1976

Mr. DOLE. Mr. President, I am today introducing a bill that would significantly increase employment in the private sector of the economy and bring about more rapid declines in the unacceptably high rate of unemployment in the economy. For nearly a year now the Senator from Kansas has observed the attempts of this Congress to find a solution to the critical unemployment problem. We are all aware of the terrible burden this imposes on those who are unable to find work and the huge sacrifice of lost production and declines in real living standards imposed on society as a whole.

The general tax reduction jointly proposed by the President and enacted by the Congress has been instrumental in turning the economy around and starting a healthy recovery. The unemployment rate has declined and continues to do so. But since we started from the exceptionally high level—8.9 percent last May—we are constantly reminded that the unemployment rate will be well above acceptable levels for another 2 years at least.

Congress has so far been frustrated in its search for ways to do more. If we attempt to accelerate the recovery by added general tax reductions, the more rapid rise in demand for goods and services is likely to result in accelerating inflation along with some additional production and employment gains in the private economy.

On the other hand, creation of jobs directly by the Government through public works projects or public service programs—presents many serious problems. The jobs created are of questionable productiveness and the cost per job to the Federal budget is high. The jobs are temporary, are likely to entail a poor matching of skills with job requirements, and provide no opportunity or incentive for advancement and improvement. In addition, by the nature of such programs, it is difficult if not impossible to time the creation and subsequent phasing out of such jobs to avoid inflationary competition with reviving private sector employment and to provide for an orderly transition of the employed to permanent jobs in the private economy.

The Senator from Kansas today proposes an alternative to these unsatisfactory options. The bill I introduce would provide a tax credit to employers who accelerate their employment plans. In essence, the Federal Government would pay a part of the wages of extra employees. By so doing, the Government can directly cause more jobs to be created more quickly in the private sector, and it can do so by only paying a fraction of the wages—in the from of a tax credit or "tax expenditure"—associated with a meaningful and productive job.

In order to avoid any misconception about what this bill would or would not do, the following features warrant specific mention and emphasis:

First. The jobs created would be in the private sector of the economy, resulting directly and immediately in real goods and services.

Second. These jobs are created and the decline in unemployment is accelerated without adversely affecting the rate of inflation. The tax credit directly reduces production costs—unit labor costs in technical terms—and thus tends to reduce prices or the pace at which prices tend to increase.

Third. The tax credit would be temporary. The percentage tax credit would be decreased each year as the national unempolyment rate declines. The proposed schedule of tax credit percentages is as follows:

National Unemployment Rate:	*Tax Credit Percentage*
0–5.9	Zero
6–6.49	10
6.5–6.99	20
7.0–7.49	30
7.5–7.99	40
8.0–8.49	50
8.5–8.99	60

It phases out entirely when the unemployment rate declines below 6 percent.

Fourth. While the tax credit is temporary, the related jobs created would not be. As the economy recovers, the demand for goods will increase and the sales and revenue of firms will be sufficient for the firms to bear full market wages.

Fifth, there is no administrative bureaucracy associated with this type of jobs program. At the very most, some additional staff may be required by the IRS.

Sixth, this is not an attempt to create jobs indirectly through "trickle down" effects on firms and the economy. The tax credit is allowed, the tax expenditure is made only if a firm actually hires more workers.

Seventh, if the economy is recovering from a serious recession, and demand for products is still somewhat depressed, it might be asked how firms can be expected to hire and produce more.

If the cost of added labor and thus the cost of added production is reduced significantly, firms can produce and sell more at a somewhat lower price than otherwise—product demand and unit sales will be somewhat greater at a lower price—and still maintain their profit margin. Indeed, as noted already, perhaps the strongest attribute of the unemployment tax approach is the fact that it should cause prices or price increases—the rate of inflation—to be moderated.

Alternatively, in anticipation of increasing product demand as the economy recovers, a firm may decide to take advantage of the tax credit, produce more now, and carry somewhat larger inventories in anticipation of near-future increases in sales. This would be profitable if the tax-credit savings outweigh the cost of carrying the additional inventories. This would tend to smooth out production and inventory fluctuations.

Eighth, the most frequent and justifiable objection raised against tax expenditures is that recipients are often rewarded for actions—be it investment or exporting—they would have undertaken anyway. We have made every effort to meet this objection. A 2 percent economic recovery trend increase is added to the base period level for each employer. This adjustment is made to account for employment increases associated with the economic recovery already anticipated. The tax credit would be allowed to a firm for additions to that trend-adjusted number of employees. This trend adjustment will save the government as much as $4 to $6 billion in unnecessary tax expenditures.

Since some firms would be expanding more rapidly than the trend adjustment, not all "unnecessary" tax expenditure is eliminated. Nevertheless, most is avoided and the major objection to this approach is thereby overcome.

In addition, the base period and the adjustment are "rolled forward" every year to further avoid any unneeded expenditure. I look forward to working with my colleagues in the Finance Committee to devise any improvements to this adjustment that would not unreasonably complicate the tax laws.

Ninth, the tax credit and its economic and revenue effects would be carefully analyzed after 2 years in order to assess its success or failure and to determine whether it should become a permanent feature of the tax laws. I would anticipate favorable conclusions and the inclusion of this tax incentive as a powerful and automatically stabilizing feature of our economy.

It is difficult to predict with great precision the size of the employment response of the private economy to this incentive. Statistical analysis suggests how firms respond to a decreased marginal cost of labor—cost of an extra worker—or to a decreased average cost of labor—unit labor costs. But the response of firms to this reduction in effective labor costs may be different. Nevertheless, results on the following magnitude can reasonably be expected:

If the tax credit is 40 percent—based on first quarter 1976 unemployment averaging between 7½ and 8 percent—and induced additional hiring of 500,000 workers at an average yearly wage of $9,000, the tax expenditure on a yearly basis would be $1.8 billion.

To arrive at the net cost to the government, tax flows, outlay decreases, and "unnecessary" tax expenditures must also be considered.

Assuming an average tax bracket of 10 percent—and this is a very conservative assumption—the offsetting income tax receipts would be $450 million. If income security payments are assumed to be $1,500 per worker, Government outlays are reduced by $750 million. If 250,000 jobs that would have come about anyway earn a tax credit, then $900 million in revenues would be lost. The net revenue loss comes to $1.5 billion—a figure that does not allow for either corporate tax payments or multiplier effects in the economy.

There is no free lunch here. This proposal would cost the Federal Government more than a billion dollars in the short run, but considerably less in the longer run. For the many reasons I have cited, however, I believe it is the best way to accelerate the creation of jobs in the economy. Indeed, because of the high levels of unemployment, I think it is the right course of action at this time. I urge the Finance Committee to hold hearings and actively consider this bill as quickly as possible, and I ask my colleagues to join with me in support of this new and promising departure in economic policy.

By Mr. CHURCH:

S. 3237. A bill to amend title 38, United States Code, to revise the criteria for eligibility for tutorial assistance for veterans, wives and widows. Referred to the Committee on Veterans' Affairs.

Mr. CHURCH. Mr. President, today I have introduced legislation to make veterans eligible to pursue vocational-technical education programs under the GI bill also eligible for tutorial assistance for the academic courses required under such progams.

The need for this legislation was called to my attention by Boise State University, a State-run university in Idaho. Boise State offers an outstanding vocational-technical education program. An entrance test is required for admission, but not a high school diploma or GED certificate. Mr. President, I ask unanimous consent that material on Boise State's program and correspondence I have had on this matter be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Veterans Administration,
Washington, D.C., November 14, 1975.
Hon. Frank Church,
U.S. Senate,
Washington, D.C.

Dear Senator Church: This is in response to your inquiry concerning special supplementary assistance (tutorial) for veterans pursuing vocational technical studies at Boise State University, Boise, Idaho.

Public Law 91–219, effective March 26, 1970, established the special supplementary assistance program. Section 1692, title 38, U.S. Code, provides that a veteran or eligible person, pursuing a post-secondary educational program on a half-time or more basis at an educational institution may receive a special supplementary tutorial assistance allowance, if it is to correct a deficiency in a required subject. Under the law, tutorial assistance may not be provided to students who are not pursuing a post-secondary educational program. To change this would require legislation.

The first year in post-secondary schooling is the most critical for the disadvantaged veteran. Colleges with experience in programs for disadvantaged students reported attrition rates of 50 percent in the freshman year. Congress intended to insure that these students receive personal specialized tutoring in order to comprehend and master the material and prevent them from dropping out of school. The law did not provide for veterans pursuing other than post-secondary programs as conferees agreed that such an allowance was not needed for students at lower than a post-secondary level in light of the generally free or very low cost education available to them.

The Veterans Administration considers a course or program to be post-secondary if the school generally requires a GED certificate or completion of high school as an admission requirement even though it has provisions for accepting some students without either on the basis of a general admissions test. However, if an admissions examination is the sole requirement for entrance, the course may not be considered as post-secondary for tutorial purposes and the provisions of section M–48, Program Guide 21–1, a copy of which you submitted with your inquiry, apply.

Legislation which revises section 1692(a) (1), title 38, U.S. Code, is necessary if veteran students pursuing other than post-secondary courses of programs are to be provided special supplementary assistance. Section 1692(a) (1) presently limits this assistance to those veterans pursuing post-secondary courses or programs.

We learned, by contacting our Boise Office, that a GED certificate or completion of high school is not required for students pursuing vocational technical studies at Boise State University. Consequently, the Veterans Administration presently has no basis under which tutorial assistance could be provided to the veteran students pursuing these courses.

I appreciate your interest in this matter and regret a favorable reply may not be made.

Sincerely,
Odell W. Vaughn,
(Deputy Administrator, in the absence of Richard L. Roudebush, Administrator.)

October 15, 1975.
Richard L. Roudebush,
Administrator, Veterans' Administration,
Washington, D.C.

Dear Mr. Roudebush: I am enclosing correspondence I have received concerning eligibility for tutorial assistance under the G.I. Bill.

As the Veterans Administration is well aware, I have been deeply concerned with the need to eliminate impediments to veterans pursuing vocational education programs. In this instance, it appears to me that the VA has purposely gone in the opposite direction. I would appreciate receiving a detailed report on this action, and I hope that it will cause the VA to reconsider. If the VA insists that it is bound by statute to make this determination, I would also appreciate being furnished the appropriate citations, and suggestions for amendatory legislation. Thank you.

Sincerely,
Frank Church.

Boise State University,
Boise, Idaho, October 9, 1975.
Senator Frank Church,
Russell Senate Office Building,
Washington, D.C.

Dear Senator Church: The Boise State University Office of Veterans' Affairs has recently received requests from BSU veteran students pursuing Vocational Technical studies for Veterans Administration tutorial assistance under USC Title 38, Chapter 34, Section 1692. Section 1692 authorizes veterans "enrolled in and pursuing a post-secondary course of education on a half-time or more basis", VA tutorial assistance in an amount not to exceed $60.00 per month, for a maximum of twelve months, or until a maximum of $720.00 is utilized.

Through discussions with the Regional VA Office, we originally ascertained that Vo Tech veterans *would* be eligible for VA tutorial assistance. Our assumption was based on the literal interpretation of "post-secondary" (after high school). Yesterday, however, we received a notice of "change" from the Veterans Administration Central Office in Washington, D.C. (copy enclosed). The change clarifies the Veteran Administration's position relevant to a veteran's eligibility for VA tutorial assistance. In essence, what the VA is saying that the Boise State University School of Vocational Education is *not* a post-secondary school because we do not require, as part of our admissions requirements, completion of high school or a G.E.D. Therefore, our Vo Tech veterans cannot qualify for tutorial assistance under Title 38, Chapter 34, Section 1692.

The Boise State University Office of Veterans' Affairs strongly disagrees with the Veteran Administration's interpretation of "post-secondary". In the VA's depriving Vo Tech students of valuable tutorial aid, they are performing a greater injustice than if they were to deprive academic students of that same benefit. It is, after all, the educationally disadvantaged veterans who must face the largest "barriers" in learning a skill which ultimately leads to his employability. The VA tutorial aids program could significantly diminish these barriers if they were extended to our Vo Tech students.

We hope that through your understanding and influence the Veterans Administration can be convinced that the term "post-secondary" could assume its literal meaning: (after high school), thereby making a valuable benefit available to those who need it most.

Sincerely,
Gary Bermeosolo,
Coordinator,
Veterans' Affairs.

Department of Veterans Benefits, Change 231, September 4, 1975

Department of Veterans Benefits PG 21–1, Program Guide, Compensation and Pension," is changed as follows:

Page M–ii, section M–18, lines 2 and 3: Delete " 'Recognized Candidate' for Accreditation or Membership" and insert "Candidate for Accreditation".

Pages M–41–1 and M–48–2: Insert these pages attached.

A. H. Thornton,
Director,
Education and Rehabilitation Service.

Change 231, Section M–48, September 4, 1975

If a student is enrolled in courses at the postsecondary level and at the same time is enrolled in courses under 38 U.S.C. 1691(a) (1) or 1691(a) (2), tutorial benefits may be paid even if the course for which the tutoring is being given is a secondary level course, if the course is required, prerequisite, or indispensable to the pursuit of the postsecondary program. Nor does it matter that more of the training in a given term is devoted to secondary training than to regular postsecondary training, so long as part of the training received in that term is postsecondary.

Area Vocational Technical School

Director: Gilbert McDonald Miller.
Assistant Director: Glen Linder.
Vocational Counselor: Callies, Quinowski, Trimball.
Adult Basic Education: Huff.
Adult Program Coordinator: Rodgers.

Auto Body: Curtis, Emeritus: Trapp.

Auto Mechanics: Fuerher, Haydon, King. Emeritus: Fleshman, Snell.

Child Care Services: Correll, Lingenfelter.

Dental Assisting: MacInnis.

Drafting Technology: Burkey, Leigh, Watts, Weston.

Electronics: Cofield, LaRue, Millard.

Food Service: Hoff, Scholes, Smith.

Heavy Duty Mechanics—Diesel: Warner.

Horticulture: Griffith, Oyler.

Machine Shop: Baggerly, Clarkson. Emeritus: Hager.

Mid-Management: Knowlton, Scudder, Lane.

Office Machine Repair: Harris, Jones.

Office Occupations: Trumbo, Wardbaugh.

Operating Room Technology: Curtis.

Parts Counterman: Lamborn.

Practical Nursing: Blank, Chaffee, MacMillan, Watts.

Related Instruction: Krigbaum, Tennyson, Tompkins.

Small Engine Repair: Schroeder.

Welding: Buchanan, Ogden.

OBJECTIVES OF VOCATIONAL EDUCATION

To provide the opportunity for state and local citizens to acquire the education necessary:

(a) To become employed, to succeed, and to progress in a vocational-technical field.

(b) To meet the present and anticipated needs of the local, state, and national economy for vocational-technical employees.

(c) To become contributing members of the social, civic and industrial community.

Curriculum Changes: Curriculum changes may be made at any time with the approval of the Curriculum Committee to meet the needs of industry.

Admissions Requirements: Application materials may be obtained from the Director of Admissions Office, Boise State University.

(a) To fully matriculate a student must have on file in the Admissions Office: a completed application. $10 fee, physical exam, GATB test scores and an acceptance by a counselor.

(b) Educational Background: Request a transcript of High School credits and, if applicable, a transcript of College credits be sent by the institution(s) directly to the Director of Admissions.

(c) Aptitude Test: Contact the nearest local office of the Department of Employment and request a General Aptitude Test Battery to be taken and request that the office send the results directly to the Vocational-Technical School, Boise State University, Boise, Idaho 83725.

(d) Pay $75 advance registration fee. This fee will apply on the regular registration fee.

(e) Personal Interview: A personal interview is required.

(f) High school graduation is recommended but is not required to enter a vocational or technical program, provided one has been out of high school one complete semester.

MACHINE SHOP

Overview of course: A student desiring to become a machine tool operator will receive instruction in the setup and use of all basic machines including engine lathes, milling machines, planers, shapers, grinders and bench work connected with them. Provisions will also be made to relate to the student the many different materials and processes used by industry. Students will receive classroom instruction and practical experience involving the use of various precision measuring and testing equipment now being used by the metals manufacturing industries. Students are trained to be employable at the finish of the program but it takes several years on the job to qualify as a journeyman or to specialize in a variety of machine tool occupations.

Entrance Requirements: The course in Machine Shop is open to students who are interested in this field and who show an aptitude. The General Aptitude Test Battery (GATB) is required.

Length of Program: The Machine Shop program is a 2 year program. A certificate of Completion is given at the conclusion of the program.

Job Opportunities: An individual trained in this program has a fine source of employment in the machine shops of the area, state and nation. There is a great demand on the state and national level for well trained persons in this field. Most students find employment in the southwestern Idaho area, yet with the demand and growing opportunities for machine shop graduates in the larger manufacturing area, some students relocate in these areas.

Freshman year—Credits

Course title:	*Fall*	*Spring*
Machine shop lab	8	8
Communication skills	3	3
Related basic math	2	2
Related theory	3	3
	16	16

Sophomore year—Credits

Course title:	*Fall*	*Spring*
Advanced machine shop lab	8	8
Related advanced math	3	3
Machine shop science	2	
Related advanced theory	3	3
Industrial psychology		2
	16	16

Special requirements: Each student must supply hand tools suitable for the course. A list is available from the Counselor's Office.

DRAFTING

Overview of Course: This course will provide the student with training centered around the technique of translating the ideas and calculations of engineerings into complete and accurate working plans which are used by skilled craftsmen in producing a desired object.

Entrance Requirements: The student considering drafting as a career choice should have an inquisitive mind and the ability to think visually. The General Aptitude Test Battery (GATB) is required.

Length of Program: The Drafting Technology is an 18-month program (four semesters) resulting in an Associate of Applied Science Degree. Instruction is provided in drafting, surveying, mathematics, applied physics, detailing geometry, technical report writing, and industrial psychology.

Job Description: The Draftsman prepares clear, complete, and accurate working plans and detail drawings from rough or detailed sketches or notes for engineering for manufacturing or processes, according to specified dimensions. He utilizes his knowledge of various machines, engineering practices, mathematics, materials and scientific data in performing this job.

Job Opportunities: Today's industries require draftsmen with specific as well as varied abilities, skills, and knowledge in the fields of machines, structural, electrical, mechanical, architectural, topographical, and production illustration. Opportunities appear to be excellent for draftsmen with ability in these fields.

Courses offered in drafting technology first and second year:

Freshman year—Credits

Course title:	*Fall*	*Spring*
DT–101–102, Drafting laboratory and lecture	4	4
DT–111–112, Communication skills	3	3
DT–121, Slide rule	1	—
DT–122, Surveying of measurements	—	3
DT–131–132, Mathematics	3	3
DT–141–142, Applied physics	3	3
DT–151, Design orientation	2	—
	16	16

Sophomore year—Credits

Course title:	*Fall*	*Spring*
DT–201–202, Drafting and laboratory and lecture	4	4
DT–221, Descriptive geometry and developments	2	—
DT–222, Technical report writing	—	2
DT–231–232, Advanced mathematics	3	3
DT–241–242, Science	3	3
DT–251, Manufacturing processes	2	—
DT–252, Introduction to computer programming	—	2
DT–261, Special projects and reports	—	2
DT–262, Industrial psychology	2	—
	16	16

Special requirements: Each student must supply hand tools suitable for course. A list is available from Counselor's Office.

OFFICE MACHINE REPAIR

Overview of Course: The Office Machine Repair program has been developed to give the student a basic understanding to perform adequatly in an entry job. The student will be qualified to make maintenance contract inspections, proper mechanical adjustments and to accomplish general shop work. Various kinds of office machines in current use such as typewriters, adding machines and calculating machines are provided for student laboratory practice. Students desiring preparation for entering the electronic calculator repair field should plan to complete the full 2-year program.

Modern methods of equipment cleaning and spray painting are utilized during the course. Frequent use of the lathe, drill press and grinder is an integral part of instructional program.

Entrance Requirements: A student considering a career in Office Machine Repair should have mechanical aptitude as demonstrated in the General Aptitude Test Battery required for admission. GATB scores are required to be on file.

Length of Program and Degree: The Office Machine Repair Program is designed as an 18-month program (four semesters). However a student has the option of withdrawing after completion of the program or at the termination of a given semester with employable skills.

Job Description: An office machine repairman services and repairs all types of office machines, such as adding, calculating and accounting machines and typewriters.

Job Opportunities: According to a U.S. Labor Report, 8,500 office machine repairmen will be needed each year to meet the demand for the 70's. The record for placement from the Office Machine Repair program has been very good.

Freshman year—Credits

Course title:	*Fall*	*Spring*
Office machine repair laboratory	5	5
Communication skills	3	3
Related basic mathematics	3	3
Related basic science	2	2
Related electronics	2	2
Related basic theory	3	3
	18	18

Sophomore year—Credits

Course title:	*Fall*	*Spring*
Advanced office machine Repair laboratory	5	5
Related advanced mathematics	3	3
Related advanced science	3	2
Advanced related electronics	3	2

Related advanced theory	3	3
Industrial psychology	2	—
Retail selling	—	3
	19	18

ELECTRONICS

Overview of Course: This program is designed to provide basic understanding of electrical and electronic principles. Students will gain understandings of the basics of DC, AC, resistance, capacitance, inductance, nonlinear devices, vacuum tubes, transistors, and basic logic.

Advanced Electronics consists of the study of radio-T.V., instrumentation and industrial controls, computer principles, and transistor circuit analysis and design.

Recommended Entrance Qualifications: To pursue a satisfactory career as an Engineering Technician in this field, a student should taken in high school two years of mathematics, including algebra and geometry, and one year of physical science—preferably physics.

A General Aptitude Test Battery (GTAB) is required.

Length of Program: The Electronics program comprises a two-year curriculum offering an Associate of Applied Science Degree.

Job Description: Upon graduation from the Electronics Technology course of study, a new graduate is qualified for careers as engineering technician in production, research and development.

Job Opportunities: A graduate Technician can expect advancement possibilities as industrial electronics technicians or as a team member.

Most employment opportunities are in the larger population centers. Opportunities do exist for local employment in power, telephone, radio-T.V. and electrician work.

Freshman year—Credits

Course title:	*Fall*	*Spring*
Electronic Laboratory and Lecture	7	7
Communication skills	3	3
Basic Electronic math	4	4
Electronics science	2	2
	16	16

Sophomore year—Credits

Course title:	*Fall*	*Spring*
Advanced Electronic laboratory	5	5
Advanced Electronic math	3	3
Advanced Electronic science	4	4
Advanced Electronic theory	2	4
Industrial psychology	2	—
	16	16

SCHOOL OF VOCATIONAL-TECHNICAL EDUCATION, BOISE STATE UNIVERSITY

(By Don Miller, Director)

The current emphasis is on vocational education and the demand for trained technicians has resulted in an unusually large number of applications for admission to the Boise State University School of Vocational-Technical Education. Successful admission requires the student submit an early application to be assured of an opening.

Certain application procedures must be completed early in order to enroll for classes starting in January or September.

All students desiring admission to the School of Vocational-Technical Education must contact a Vocational-Technical counselor, Boise State University, early in the year for a personal interview.

Students wishing to enter the School of Vocational-Technical Education at Boise State University must complete:

1. Personal interview with vocational counselor

2. An application to the Admissions Office, Boise State University

3. A $10 matriculation fee to the Admissions Office, Boise State University.

4. A $75 registration security deposit to the School of Vocational-Technical Education Boise State University.

5. Completed physical examination form to the Health Center, Boise State University.

6. GATB scores or recent high school transcript to the Counselors Office at the School of Vocational-Technical Education at Boise State University.

When the above requirements have been met, you will receive a Certificate of Admissions from the School of Vocational-Technical Education.

Admissions by Boise State University Admissions Office does *NOT* imply acceptance into special programs such as Operating Room Technology, Practical Nursing, Dental Assisting, and other Vocational-Technical Programs. Call 385-1431/3353 for further information.

The tuition fee for all Boise State University programs is $181 per semester. This fee is subject to change. A cost list for books and tools for the various programs can be obtained at the Counselor's Office in the Technical Education Building, Room 111.

Vocational-Technical curricula are designed for students who do not intend to continue formal collegiate instruction beyond the junior college level. They prepare the student for entrance into the world of work in a minimum of time. Courses offered in the Vocational-Technical program generally are not transferrable to an academic program at Boise State University or other four year institutions. Technical schools will sometimes grant reciprocity of appropriate credits.

TWO YEAR VOCATIONAL-TECHNICAL PROGRAMS

Fashion Merchandising.
Office Machine Repair.
Child Care Studies.
Landscape Gardening and Horticulture.
Machine Shop.
Electronics.
Welding.
Marketing, Mid Management.
Food Service Technology.
Drafting Technology.

ONE YEAR VOCATIONAL-TECHNICAL PROGRAMS

Dental Assisting.
Parts Counterman.
Auto Body.
Small Engine Repair (Recreational Vehicles).
Industrial Plant Maintenance.
Office Occupations.
Auto Mechanics.
Welding.
Licensed Practical Nursing.
Operating Room Technician.
Heavy Duty Diesel Mechanics.
Utility Lineman.
Air Conditioning and Refrigeration.

Counseling services are available between the hours of 8:00 a.m. and 5:00 p.m. in the Technical Education Building, Room 111. For further information call 385-1431 or 385-3353.

BOISE STATE UNIVERSITY,
Boise, Idaho, January 29, 1976.

Mr. GARY BERMEOSOLO,
Veteran's Affairs Coordinator,
Boise State University,
Boise, Idaho.

DEAR MR. BERMEOSOLO: This note is in response to your telephone call of January 23, 1976.

In the past years we have had numerous veterans enrolled in our Vocational Technical programs who could not have successfully completed their chosen program without tutorial help.

We have many veterans who have been out of high school for some years or did not complete high school. Now, because of age and/or maturity they want to complete a Vocational Technical program and prepare themselves to enter the world of work.

Because of the new Veterans' Administration ruling they are being discriminated against and can not have a paid tutor to help them in the areas they are weak. The Vocational Technical student should have the same tutorial service available to them as an academic student.

Sincerely,

ERMA M. CALLIES,
CHICK QUINOWSKI,
LARRY B. TRIMBLE, *Counselors.*

BOISE STATE UNIVERSITY,
Boise, Idaho, January 26, 1976.

Mr. GARY BERMEOSOLO,
Veteran's Affairs Coordinator,
Boise State University,
Boise, Idaho.

DEAR GARY: As per our phone conversation Friday (1-23-76), I have had approximately fifteen to twenty veteran students in the last three years who have, or could have used, outside tutorial help.

Also as I indicated Friday, we in the Electronics Department are considering adding high school graduation or G.E.D. as an entrance requirement for the E.T. course.

I hope that this will help get back the tutorial help, the loss of which was so keenly felt by several students this year.

Sincerely yours,

DEAN MILLARD,
Instructor, Electronics.

BOISE STATE UNIVERSITY,
Boise, Idaho, January 23, 1976.

Mr. GARY BERMEOSOLO,
Veterans' Affairs Coordinator,
Boise State University,
Boise, Idaho.

DEAR MR. BERMEOLSO: In response to your telephone call of January 23, 1976, as to the need of Tutors for students. In Office Machine Repair in the past three years we have had approximately 14 students who needed training to bring them to a level where they could achieve the course goals for employment. This was in math and reading skills. Without a high school algebra level in math a student cannot maintain his pace in Electronics that we teach. Without reading skills he may not be able to understand the technical data necessary.

I would urge that we do all in our power to maintain or provide ways to help make these students employable.

Sincerely,

DONALD S. JONES,
Instructor, Office Machine Repair.

Mr. CHURCH. Mr. President, it was clearly the intent of Congress to provide supplementary assistance to veterans attending postsecondary educational programs in some subjects in which they might be deficient. "Postsecondary" has been taken by the Veterans' Administration to mean an admissions requirement of a high school diploma or GED certificate. By denying tutorial aid to veterans attending Boise State's excellent vocational-technical programs, the VA has told Boise State that it is not a postsecondary school.

There are many veterans who have excellent aptitudes for vocational-technical careers who may be deficient in communications or mathematics skills. Therefore, it is praiseworthy that Boise State requires courses in these areas as part of its programs. Veterans with such deficiencies may need supplementary, or tutorial, assistance. It was exactly the intent of the Congress in enacting the special supplementary assistance program to provide an allowance to meet their needs.

The ultimate responsibility for admission requirements into accredited colleges and universities must belong to those who administer them. My legislation seeks to preserve that responsibility, and to meet the needs of veterans well-qualified to pursue vocational-technical education, but also to insure that tutorial assistance is well-founded. I ask unanimous consent tht correspondence I had with the Veterans' Administration on drafting this legislation be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION,
Washington, D.C., March 17, 1976.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHURCH: This is in reply to your letter of January 19, 1976, requesting assistance in preparing draft legislation designed to extend the tutorial assistance benefit granted to veterans under section 1692 of title 38, United States Code.

Representatives of this office have worked with officials of our Department of Veterans Benefits in preparing the enclosed draft bill which we believe will assist in removing the present bar to granting tutorial aid to certain veterans attending Boise State College.

While the college encourages a student to have a high school diploma or equivalency certificate before enrolling in its vocational education program, neither is required.

We would point out that the draft proposal limits the aid to classroom and theory segments of the vocational program. We are of the view that tutorial assistance should not be provided in the case of shop or laboratory portions of such courses.

We hope that this draft, which is furnished to you as a technical drafting service, will be of assistance.

Sincerely yours,
JOHN J. CORCORAN,
General Counsel.

A bill to amend title 38, United States Code, to revise the criteria for eligibility for tutorial assistance for veterans, wives, and widows

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1692(a) of title 38, United States Code, is amended by adding at the end thereof the following:

"A veteran enrolled in and pursuing an institutional or technical course not leading to a standard college degree, who has not received a high school diploma or equivalency certificate, may, subject to such regulations as the Administrator shall prescribe, be entitled to receive tutorial assistance. Such assistance shall be limited to the academic portions of such a course and may not be granted in connection with the laboratory or shop portions or to any courses provided under section 1691 or section 1695 of this title."

JANUARY 19, 1976.

JOHN J. CORCORAN,
General Counsel, Veterans' Administration, Washington, D.C.

DEAR MR. CORCORAN: As you may know, my office has been in touch with the Veterans Administration and your office (Robert Dysland) concerning legislation I am contemplating to amend Section 1692 regarding tutorial assistance for veterans participating in vocational-technical programs.

Boise State University does not require a high school diploma or GED for admission into its vocational-technical certificate courses. The VA has interpreted the law to disallow tutorial assistance for these students. I am therefore, considering introducing legislation which would provide limited authority to allow such assistance, with attention to the VA's desire to preclude abuse.

Your office has kindly offered to furnish me an appropriately drafted amendment, and I would appreciate your doing so. Because of time constraints, I would be grateful if it could be provided by mid-February. Thank you.

Sincerely,
FRANK CHURCH.

Mr. CHURCH. I have long been an advocate of improvements in vocational education, and for updating the GI bill program so that veterans will not be discouraged from endeavors which could be so fruitful for them. Colleges and universities across the country are, like Boise State, striving to offer programs which are not only readily accessible to our veterans but will also meet the promise of a successful vocation. The need to include communications and mathematics skills in vocational programs in order to help guarantee that success cannot be questioned, nor can the intent of Congress in establishing the special supplementary assistance program to aid veterans in exactly this respect. I urge my colleagues to support correction of what I believe to be an anomaly in the law, so that the GI bill tutorial assistance program may serve our Nation's veterans as Congress intended.

By Mr. KENNEDY (for himself, Mr. JAVITS, Mr. WILLIAMS, Mr. SCHWEIKER, Mr. RANDOLPH, Mr. CRANSTON, Mr. PELL, Mr. MONDALE, Mr. EAGLETON, Mr. HATHAWAY, Mr. DURKIN, and Mr. STAFFORD):

S. 3239. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health professions, to revise the National Health Service Corps program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, it is with a good deal of pride and enthusiasm I now introduce in the Senate a comprehensive health manpower bill which the Senate Health Subcommittee favorably approved yesterday without a dissenting vote. This major piece of health legislation is designed to come to grips with the fundamental health manpower problems which plague this Nation.

I am delighted that this legislation has broad based bipartisan support and I am hopeful that the full Committee on Labor and Public Welfare will approve this bill before the Easter recess.

I want to express my gratitude to the cosponsors of this legislation who have worked with great skill, dedication, and patience to achieve agreement on this vitally needed legislation.

By Mr. BENTSEN:

S. 3240. A bill to encourage the use of life cycle cost procurement as the general basis for Federal procurement decisions. Referred to the Committee on Government Operations.

Mr. BENTSEN. Mr. President, today I am introducing a bill designed to improve the efficiency of the Federal Government by encouraging the use of life cycle costing as the general basis for all Federal purchases. Life cycle costing means that both the purchase price and operating cost over the life of the product are considered at the time of purchase.

The American people are rightly fed up with the growing costs and gargantuan deficits of an ever expanding big Government. Our current economic difficulties have intensified the public's demand for reform of the inefficient Federal bureaucracy. The average working American, whose wages are being eaten up by inflation, is tired of paying more and more for a Federal Government which seems daily to become less and less effective.

Mr. President, Government spending must be cut through elimination of waste and inefficiency. The American people are fed up with big, inefficient Government, but they are correctly suspicious of empty anti-Government rhetoric. They want concrete proposals to make Government work more efficiently. I believe my bill would help achieve this goal.

Traditionally, Federal managers have been encouraged to make purchases solely on the basis of lowest purchase price. This policy can be extremely inefficient in the long run. Commonsense dictates that operating costs should be considered along with purchase price when equipment is bought.

There has been some limited use of life cycle costing in the Federal Government. Even this limited use, however, provides persuasive evidence that long-run costs are reduced and efficiency enhanced when procurement decisions include evaluation of operating costs over the life of the product.

At the urging of the staff of a small division within the National Bureau of Standards called the experimental technology incentives program, the General Services Administration recently began to purchase equipment using the life cycle costing concept. The results have been extremely encouraging to those of us who have been searching for ways to reduce the cost of government.

Using life cycle costing, GSA:

Purchased 27,000 room air conditioners which are estimated to use 21 percent less energy than previous models bought by the Federal Government. While the purchase price of these air conditioners was higher than previous models, GSA analysis shows that their purchase will result in a net saving to the Treasury over their lifetime of about $400,000.

Contracted for 7,700 hot water heaters which use 11 percent less energy than alternative models. It is estimated that the purchase of these heaters will result in a net lifetime saving to the Treasury of about $300,000.

Contracted for 3,720 electric and 22,200 gas ranges which are estimated to be 7 percent more energy efficient than previous models bought by the Government.

The gas ranges are expected to save $120,000 and the electric ranges $620,000 in operating costs over their lifetimes, which will again produce a net lifetime saving to the Treasury.

Mr. President, the time has come for the Federal Government to begin to utilize managerial techniques which are widely used in the private sector to increase efficiency and lower costs. Life cycle costing has long been a standard operating procurement procedure in the private sector. It is time to encourage its widespread use in the public sector. My bill will accomplish this goal by encouraging Federal managers and those who write the standards for Federal procurement to use the life cycle costing concept whenever possible.

Mr. President, I ask unanimous consent that a factsheet in connection with my bill be printed at this point in the Record.

There being no objection, the factsheet was ordered to be printed in the Record, as follows:

FACTSHEET

LIFE CYCLE COSTING BILL

Description: The bill encourages the use of life cycle cost procurement as the general basis for Federal procurement decisions.

(1) Life cycle cost is defined as the total cost of an item or system over its full life including the cost of development, acquisition, ownership, operation, maintenance, energy use, support and where applicable, disposal.

(2) The bill requires the Administrator for Federal Procurement Policy to prescribe policies, regulations and procedures to encourage and where circumstances permit to require that procurement by Executive agencies be done on the basis of lowest life cycle cost whenever possible for all items and systems.

By Mr. BENTSEN:

S. 3241. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income for the interest on certain governmental obligations the proceeds of which are used to provide hospital facilities. Referred to the Committee on Finance.

Mr. BENTSEN. Mr. President, I am today introducing an amendment to the Internal Revenue Code which would help finance the construction of hospital facilities in those areas of our Nation which are in need of such health facilities.

Under current tax law, a $5 million ceiling is generally imposed on the issuance of tax-free industrial revenue bonds. However, seven activities are specifically exempt from their ceiling including sports facilities and convention or trade show facilities. My bill would simply add "hospital facilities" to the list of categories which are not subject to the ceiling. In earlier years the $5 million limit could have been expected to cover the cost of constructing a well equipped 200 bed facility. However, with inflation such a facility costs well above $10 million today.

Hospitals serve a vital public need. There is no justification to give priority to convention halls and sports facilities as compared to health facilities.

This legislation is needed to assure an adequate supply of health services in rural and inner-city sections of the United States. Historically, investor-owned hospitals have located in rural areas with inadequate health facilities.

There is no danger that industrial revenue bond financing could be used to build unnecessary hospital beds because Congress has passed Public Law 93-641, the National Health Planning Act. That law requires States to issue certificates of need for any proposed hospital construction or modernization. As a result, this method of financing will be limited to projects meeting a strict test of community need.

Mr. President, I believe this proposal will help meet our Nation's health needs and I urge swift congressional action.

SENATE RESOLUTION 421—SUBMISSION OF A RESOLUTION ENTITLED "MASS MAILINGS AND COMPUTER USE STANDARDS RESOLUTION"

(Referred to the Committee on Rules and Administration.)

Mr. BROCK (for himself, Mr. Cranston, Mr. Schweiker, Mr. Ford, Mr. Hugh Scott, Mr. Chiles, Mr. Clark, Mr. Garn, Mr. Philip A. Hart, Mr. Humphrey, Mr. Javits, Mr. Leahy, Mr. Metcalf, Mr. Moss, Mr. Proxmire, Mr. Stevenson, Mr. Tower, and Mr. Tunney) submitted the following resolution:

S. Res. 421

Resolved, That this resolution may be cited as the "Mass Mailings and Computer Use Standards Resolution".

DEFINITIONS

Sec. 2. For purposes of this resolution—

(1) the term "mass mailing" means newsletters and similar mailings of more than 500 pieces in which the content of the matter mailed is substantially identical, but does not include mailings—

(A) which are in direct response to inquiries or requests from the persons to whom the matter is mailed;

(B) to colleagues in Congress or to government officials (whether Federal, State, or local); or

(C) of news releases to the communications media; and

(2) the terms "select committee" means the Select Committee on Standards and Conduct.

REGISTRATION OF MASS MAILINGS

Sec. 3. (a) A Senator, and a Member of the House of Representatives who is a candidate for nomination or election to the Senate, shall register each mass mailing mailed by him as franked mail with the select committee. Such registration shall be filed within 3 days after such mass mailing is mailed at or delivered to a postal facility, shall be in such form as the select committee shall prescribe by regulations, and shall include—

(1) a copy of the matter mailed,

(2) the number of pieces included in the mass mailing, and

(3) a description of the group or groups of persons to whom the mass mailing was mailed.

(b) Each registration filed under subsection (a) shall constitute a record of the Senate but shall be available for public inspection and copying during normal business hours at such place as the select committee shall designate and subject to such regulations as the select committee may prescribe. At the request of any person, the select committee shall, to the extent practicable, furnish to such person a copy of any registration requested upon payment of the cost of making and furnishing such copy.

TIME LIMITATIONS ON MASS MAILINGS

Sec. 4. (a) A Senator who is a candidate for nomination or election to the Senate or to any other public office, and a Member of the House of Representatives who is a candidate for nomination or election to the Senate, may not mail any mass mailing as franked mail, or deliver any such mass mailing to postal facility, less than 60 days immediately before the date of the primary election or political convention in which he is a candidate for nomination or the election in which he is a candidate for election.

(b) The provisions of subsection (a) shall apply, with respect to Members of the Senate and Members of the House of Representatives who are candidates for nomination or election to the Senate, in addition to section 3210(a)(5)(D) of title 39, United States Code.

ANNUAL LIMITATION ON PIECES INCLUDED IN MASS MAILINGS

Sec. 5. (a) The total number of pieces which may be included in mass mailings mailed as franked mail by a Senator, or a Member of the House of Representatives who is a candidate for nomination or election to the Senate, during any calendar year shall not exceed the higher of—

(1) 1,000,000, or

(2) a total number equal to twice the number of individuals of voting age in the State which the Senator represents or which the candidate seeks to represent (as determined and reported under subsection (b)).

(b) Not later than February 1 of each year, the select committee shall determine and report to the Senate the number of individuals of voting age in each State. Such determination shall be made upon the basis of the most recent data available from the Bureau of the Census.

(c) When a Member of the House of Representatives becomes a candidate for nomination or election to the Senate he shall certify to the select committee, within such time as the select committee prescribes by regulations, the number of pieces included in mass mailings mailed as franked mail by him during the period beginning on January 1 of the year in which he becomes a candidate and ending on the date on which such certification is made to the select committee.

USE OF COMPUTER MATERIALS

Sec. 6. If a Senator—

(1) uses any computer program, magnetic tape or disc, card, or other computer material which was prepared by an employee of the Senate (other than an employee serving in the office of the Senator), or the cost of which was paid out of appropriated funds, or

(2) uses any copy made from or made with the use of any such material,

for a purpose which is not in the course of the conduct of his official duties and functions as a Senator, he shall reimburse the Senate for the value of the use of the computer material used or from which the copy was made, as determined by the select committee. In determining the value of the use of computer material, the select committee shall take into consideration the costs which would have been incurred if the computer material had been procured at commercial rates.

CODE OF ETHICS AND CONDUCT

Sec. 7. (a) The select committee shall prepare a proposed Code of Ethics and Conduct for Members, officers, and employees of the Senate. Such proposed Code shall contain authority for its implementation by regulations prescribed by the select committee and for the enforcement of such Code and regulations under procedures prescribed by the select committee.

(b) The select committee shall submit a report to the Senate on or before January 31, 1977, setting forth the proposed Code of Ethics and Conduct and its reasons therefor.

REGULATIONS

SEC. 8. The select committee shall prescribe such regulations as may be necessary to carry out the provisions of this resolution.

EFFECTIVE DATE

SEC. 9. Sections 3, 4, 5, and 6 of this resolution shall take effect on the first day of the first session of the Ninety-fifth Congress.

AMENDMENTS SUBMITTED FOR PRINTING

AMENDMENT OF THE FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT—S. 3091

AMENDMENT NO. 1551

(Ordered to be printed and to lie on the table.)

SOUND FOREST MANAGEMENT PRACTICES—S. 2926

AMENDMENT NO. 1552

(Ordered to be printed and to lie on the table.)

Mr. BUMPERS. Mr. President, education ranks high on my list of Government priorities, as I am sure it does for most of my colleagues. This being the case, I become particularly incensed when I learn that a Federal practice has the ultimate effect of reducing funds available for education. That, however, is the result of the U.S. Forest Service's practice of affording a road credit to purchasers of timber in our national forests—a practice which has grown up over the years and which limits the amount of Federal funds return to the counties to be used for education and the construction of county roads.

As early as 1908, it was determined by the Congress that counties should be compensated for the depleted value of national forest land lying within their boundaries which was occasioned by timber harvesting. A Federal statute, since that time, has required that 25 percent of the "moneys received" by the National Forest Service for timber sales shall be returned to the county of origin to be used for education and county roads. The policy behind the law was simple and eminently sound. County services are funded primarily by property taxes, and though the counties could not assess a property tax against the Federal Government, some recompense was due them for this depletion of their property. The Federal Government, by this statute, affirmed the policy of voluntarily paying its fair share to the counties of origin.

Everyone agrees that this payment in lieu of taxes is equitable and appropriate. Yet, with almost 70 years of statutory precedent endorsing the concept, the Forest Service has circumvented the intent of the statute (16 U.S.C. 500) and permitted the purchasers of timber to receive credit for road construction within the forest. Since the value of this construction is not deemed to be money received by the Forest Service, the base against which the 25 percent factor is applied is reduced significantly, and so is the money ultimately funneled back to the county.

Hence, in a hypothetical case if the appraised value of timber is placed at $100,000 and the road cost specified to log the timber is $25,000, only 25 percent of $75,000 or $18,750, rather than $25,000, will be returned to the counties.

The road credit practice can cause a wide disparity in revenue available to the counties. Road credits taken in fiscal year 1975, for example, relating to timber purchases in Arkansas' Ozark-St. Francis National Forest were $145,676—an increase of 400 percent over the credit taken the preceding fiscal year of $33,072. I speak from personal experience as a former school board member when I say that fluctuations like this can wreak havoc on county and school board budgetary planning.

The Forest Service justifies the practice on the grounds that roads are essential for logging, and the county and its residents benefit from a completed artery through its national forest which can be used to facilitate recreational activities. I am told, however, that in many cases the roads are ill suited for recreation. Many are overbuilt at huge expense and underutilized, all without the county government's or the school board's having a say as to whether more funds for education would have been more desirable.

There is no question that timber purchasers need access to timber and should be permitted to cite road construction as a legitimate cost of logging expeditions. Moreover, I find no fault in allowing timber purchasers to deduct the road construction expense from the purchase price paid to the Government. But I strongly and vigorously object to the Forest Service's failure to consider road credits as "moneys received" for the purpose of 25 percent funds.

My two amendments—one to Senator RANDOLPH's bill (S. 2926) amendment No. 1552, and one to Senator HUMPHREY's (S. 3091) amendment No. 1551—are identical, but tailored to these two pieces of legislation. Each provides that the cost of road construction would combine with "moneys received" from timber purchases to form the base against which the 25-percent factor would be applied. This would not affect the cost of timber to the purchasers in the slightest. It would, however, significantly affect the 25-percent available to the counties. For example, in Arkansas' Ouachita National Forest, the inclusion of the road credit in fiscal year 1975 would have meant an additional $400,000 for the counties involved.

Other bills now proposed provide for a minimal payment in lieu of taxes of 50 cents or 75 cents an acre for all lands located within a national forest. These proposals, and I have specific reference to Senator HUDDLESTON's bill (S. 2585) and Senator RANDOLPH's effort (S. 2926), have considerable merit in my opinion and are an alternative way of accomplishing the laudable objective of assuring minimal property payments to national forest counties.

Mr. President, I commend my amendments to my colleagues' attention and ask unanimous consent that they be printed in the RECORD immediately following the conclusion of my remarks. I would like Members to know, in addition, that Chief McGuire of the Forest Service has told me that his agency will not oppose the amendments.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

S. 3091

AMENDMENT NO. 1551

At the end of the bill add the following new section:

SEC. 6. The sixth paragraph under the heading "FOREST SERVICE" in the Act of May 23, 1908, as amended (16 U.S.C. 500), is amended by adding at the end thereof the following new sentence: "In the administration of foregoing provisions of this paragraph, the term 'moneys received' against which the percentage authorized by such provisions is applied for determining the amount payable to any State for public schools and public roads shall include all amounts earned or allowed any purchaser of national forest timber and other forest products within such State as credits, allowances, or otherwise for the construction or maintenance of roads within such national forest or parts thereof in connection with any Forest Service timber sale contract.".

AMENDMENT NO. 1552

On page 23, between lines 3 and 4, insert the following:

SEC. 17. The sixth paragraph under the heading "FOREST SERVICE" in the Act of May 23, 1908, as amended (16 U.S.C. 500), is amended by adding at the end thereof the following new sentence: "In the administration of foregoing provisions of this paragraph, the term 'moneys received' against which the percentage authorized by such provisions is applied for determining the amount payable to any State for public schools and public roads shall include all amounts earned or allowed any purchaser of national forest timber and other forest products within such State as credits, allowances, or otherwise for the construction or maintenance of roads within such national forests or parts thereof in connection with any Forest Service timber sale contract.".

On page 23, line 4, strike out "SEC. 17." and substitute "SEC. 18.".

DEFENSE PROCUREMENT AUTHORIZATIONS—S. 2965

AMENDMENT NO. 1553

(Ordered to be printed and referred to the Committee on Armed Services.)

1976: THE YEAR TO STOP THE B-1

Mr. McGOVERN. Mr. President, I submit, for appropriate reference, an amendment to the defense procurement authorization bill, S. 2965. The amendment would stop the B-1 bomber program short of procurement, and would encourage the Department of Defense to consider more practical alternatives.

The amendment would not affect research and development funds in the bill. The cost of canceling existing R. & D. contracts would approximate the cost of completing them. And since we have come this far, there is something to be said for finishing the development and test program so we will have the technology on the shelf.

But my amendment would strike all procurement funds for the B–1. It would save a total of $1.049 billion in fiscal year 1977.

This is the year of decision on the B–1. The administration seeks authority to decide in November whether to go into full-scale production. It seems pretty clear that the decision will be to go ahead—unless the Congress takes a hand. I believe we must do so, in order to avoid an unconscionable waste of taxpayers' money.

I do not contend that the B–1 is technically unsound. I begin with the assumption that the B–1 will fly as far, as fast, and as low as the Air Force says it will, and that it will carry the full range of weapons designed for it.

Rather, my fundamental question is whether we want to divert so many arms dollars into a system which has such a minimal military role.

B–1 program costs are now projected at $22 billion. That is just for the airplanes themselves.

To buy and operate the B–1, associated weaponry, a new tanker, and retained portions of existing strategic bomber forces, analysts Alton Quanbeck and Archie Wood have estimated in their Brookings Institution study, "Modernizing the Strategic Bomber Force," that the total planned bomber program will cost nearly $92 billion over the next 10 years—over $9 billion a year.

We are asked to lay out these incredible sums for risks which are literally impossible to conceive.

We have a full and flexible deterrent force even if we do not count bombers. We have 550 Minuteman missiles with multiple independently targetable warheads, or MIRV's, each capable of hitting several separate targets. We have another 450 Minuteman and 84 heavy Titan missiles which can hit individual targets.

We have 41 Polaris/Poseidon submarines, each with 16 missiles. We will soon complete the planned total of 31 Poseidon conversions—a total of 496 MIRV'ed missiles—and the 10 older Polaris submarines will be replaced with the new Trident submarine with longer ranges and more launchers per boat. Between these two systems, counting especially the accuracy of Minuteman and the invulnerability of the submarines, we have the capacity to deter the full range of nuclear threats. By preparing to launch either a few or many missiles, we have the flexibility to deter small wars, large wars, and anything in between. With these thousands of nuclear warheads, we can destroy every target worth hitting many times over.

The manned strategic bomber does have some unique features. But it is nonetheless in a secondary role behind the missiles, for obvious reasons. ICBM's would strike their targets within 30 minutes. Since they are launched from closer in, submarine launched missiles take even less time. But even the supersonic B–1 would take upward of 6 hours to travel the distance and, since much of the mission would be at subsonic speeds, in practice it would take longer. In every plausible scenario we can postulate, the war would likely be over before it arrived.

So the manned bomber is the one strategic system which has the least to do with deterrence, and it is the one which is the least likely to take part if nuclear war ever comes. When we think of strategic programs we think first of two different kinds of ballistic missiles. Then we think of bombers, as an added degree of insurance against failure of the other two systems.

Yet, at $22 billion for the B–1 alone, we are talking about filling that secondary role with the most expensive weapons system ever built. At $92 billion over 10 years, we are asked to spend more to insure the land-based and sea-based missiles than we will spend on those two systems themselves—indeed, on those two systems combined.

Given its limited role, the most logical approach to the manned bomber force would be to spend as little as we can without sacrificing the bomber's contribution to deterrence. There are more practical alternatives to be had.

For the relatively short term, the combination of late model B–52G's and H's and FB–111's will serve at least until 1990, and they can be made to last longer if need be. In fact, the B–1 is proposed as an addition to those forces, not as a replacement.

Should the day come when penetration of defenses is no longer practical with B–52's, the wisest choice would probably be not a bomber that is a marginally better penetrator—such as the B–1—but an aircraft which would launch its weapons from outside Soviet defenses. In light of technical obstacles and the SALT I prohibitions against ballistic missile defenses, the logical avenue would be to consider an intermediate range air-launched ballistic missile for that purpose.

Either of these options would cost less than the B–1. Either could perform the bomber missions which remain practical. They could be launched as a show of force, and then recalled. They would add one more level of idiocy to the concept of a Soviet counterforce attack.

These are the kinds of options which would be proposed to us if the Pentagon were attentive to the constraints of practical missions and costs. The B–1 represents the exact opposite approach.

At the outset, the B–1 is designed and the force is sized to strike some 2,000 hard targets in the Soviet Union. Why? I assume that our purpose is to assure that we can still deter war if our thousands of ICBM and SLBM warheads were to somehow disappear. We can do that just as well with a capability to strike far fewer targets, and they can be soft targets. Yet the untested 2,000 hard target assumption is the foundation for the entire B–1 case—the cause for excluding every less expensive option and building the most elaborate aircraft money can buy.

The B–1 is supersonic. Why? I can conceive of no case in which the difference between an 8-hour flight and a 10-hour flight will have the slightest impact on our ability to either deter or fight a nuclear war. The B–1 cannot penetrate defenses at high altitudes, and it cannot fly supersonic at low altitudes. So why must we pay for a supersonic aircraft at all?

These points underscore what has happened in the case of the B–1. Never mind missions and money. As the price tag suggests, the B–1 is to practical bomber roles what the Rolls Royce is to basic transportation. This aircraft simply represents a desire for the best we can build.

In that light, we certainly cannot blame the Air Force for asking. But the Congress has an obligation not only to those who like snazzy airplanes, but to the people who have to pay the bill. We must set reasonable national priorities, and we must allocate defense resources carefully to those programs which have a real bearing on our national strength. On the B–1, I think that means we have an obligation to refuse.

And that answer applies whether we are concerned or complacent about our relative military standing. For months we have been hearing ominous descriptions of new Soviet missiles and the growing Soviet Navy. Last weekend Defense Secretary Rumsfeld told a national television audience that the power balance is slipping against us. Most recently President Ford has declared that he will veto any significant cuts in his proposed spending for arms.

Personally, I suspect those demonstrations have less to do with the military situation than with the political campaign. But anyone who thinks they are accurate ought to contemplate this: If we are in comparative trouble, a big share of the reason may be our tendency to divert funds from useful military programs, and to spend instead on costly frills like the B–1.

Indeed, I suspect that the strongest secret supporters of the B–1 are in the Kremlin. They must know that if we do not build it, we may well spend the savings on something that really poses a threat.

My amendment would stop the procurement of the B–1. But I am convinced that it would also do something more. I think it would have a healthy impact on other parts of the DOD budget. By applying a measure of fiscal discipline now, I hope we can inspire a new sense of realism and restraint in the design of weapons across the board.

The reports of the Armed Services Committee in recent years have warned against the rising costs of new weapons. They have pointed out that as unit costs go up, the size of the force we can afford goes down. That is happening with fighter aircraft, with ships, with submarines, and with tanks. Most of all it is happening with strategic bombers.

Those warnings have had little effect. But the cancellation of a major program would be an entirely different matter. It would be a warning with teeth. And I can think of no more appropriate place to begin than with the B–1.

Mr. President, I ask unanimous consent that the text of my B–1 amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1553

On page 2, line 7, strike out "$6,344,800,000" and insert in lieu thereof "$5,309,800,000."

On page 7, between lines 23 and 24, insert a new title as follows:

TITLE VII—GENERAL

Sec. 701. (a) None of the funds authorized by this or any other Act may be obligated or expended for the purpose of procurement in connection with the B-1 bomber aircraft program.

(b) The Secretary of the Air Force is authorized to conduct a study of reasonable and effective national defense alternatives to the B-1 bomber aircraft program and to submit the results of such study to the Congress together with such recommendations as he deems appropriate.

FOOD STAMP ACT AMENDMENTS OF 1976—S. 3136

AMENDMENT NO. 1554

(Ordered to be printed and to lie on the table.)

Mr. JAVITS. Mr. President, at this time with Senator Moss of Utah, we would like to submit our amendment to S. 3136, the food stamp bill reported by the Senate Agriculture Committee.

Our amendment provides an extra deduction of $25 per month for households that earn $100 a month or more from gainful employment or a member of the household 60 or over. Thus, working households would receive, in addition to the $100 standard deduction provided in the committee bill, an extra $25 deduction.

We believe this amendment is necessary for several reasons.

First, the standard deduction provided in the committee bill is just that: "standard." Every household is entitled to it—as they should be—regardless of whether they earn income from gainful employment or not. Of the 5 million households currently participating in the food stamp program, about 1.3 million contain a working person. The bill lumps all these households together and "standardizes" their deduction at $100 per month. There is no difference between a family earning $6,600 in after-tax income and a family receiving $6,600 in welfare. And if the working household earns $6,701 in net income, it does not qualify for food stamps. We cannot agree with penalizing the working poor by treating earned income the same as unearned income. As our good friend and colleague from the State of Kansas, Senator Dole, pointed out so persuasively in his article in the Washington Post not long ago, a family of four receiving monthly income just $25 below the poverty line qualifies for over $575 in annual food stamp benefits. If it earns just $25 more a month, it loses all its food stamp benefits, and thus is worse off than it was before taking the job.

This scenario is just not consistent with our spirit of enterprise and our American ethic.

Now we understand that the system under which deductions are itemized can, and has, led to some abuses. This is why Senator Javits' food stamp bill—S. 2840—eliminated itemized deductions and allowed a standard deduction. But my bill made certain that working families—those who refused were struggling hard to make ends meet in this precarious economic environment—were encouraged to keep their jobs and maintain their self-confidence and faith in our free enterprise system. This is why my original bill provided the extra deduction for these "working poor" families. We might add that that blil was the only one of the many submitted that envisaged the great need for such specific encouragement.

The second reason why we believe this amendment is needed is because S. 3136, in providing a standard deduction of $100 per month as an alternative to the itemization in the current program fails to continue any current program which under that was added to the itemized deduction for medical expenses, school tuition, support and alimony payments, unusual casualty expenses, et cetera, "work expense allowance,"—10 percent of gross earned income up to a maximum of $30 monthly. Our amendment would replace the $30 monthly by allowing an extra $25 monthly where there is a ordinary situation adding income in the household or person over 60.

We might add that $25 does not really compensate the working poor for all their work-related expenses. As a matter of fact, daily commutation on the Metrobus in Washington, D.C., and only 45 cents each day for lunch comes to $25 per month. Our point is simply that we must attempt to accommodate these necessary minimal work expenses that are incurred by households doing the very best they can.

The last reason why we believe the extra $25 deduction is necessary is that we think it can be potentially cost-free. Estimates of the budget cost of this deduction vary between $125 million and $180 million, depending on assumptions. The problem with these computer calculations, however, is that they fail to consider the long-term effects of making it possible for people to afford their work-related expenses, keep their jobs, pay their taxes, and soon go off the food stamp—or other Government—program completely.

In an excellent article in the New York Times on Sunday, September 28, 1975, Kenneth Schlossberg, former staff director of the Senate Select Committee on Nutrition and Human Needs, pointed out that for every 1 percentage point increase in unemployment, an additional 500,000 to 750,000 persons use food stamps.

Thus, if we really want to keep down the costs of the food stamp program we ought to be doing everything we can to keep Americans at work. And one of the things we can do is allow them an extra deduction to accommodate work-related expenses.

Let us conclude by emphasizing that this amendment fills a real gap in the Agriculture Committee's bill. It places much-needed focus on the importance of keeping our working-poor in our free enterprise economic system, not outside of it.

I ask unanimous consent that this amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1554

Delete lines 24 and 25 on page 6, and the words "or older" at the beginning of page 7, and insert in lieu thereof the following:

"(B) an additional deduction of $25 a month for any household in which there is at least one member who either is 60 years of age or older, or is employed and has an aggregate earned income of $100 or more a month."

GOVERNMENT ECONOMY AND SPENDING REFORM ACT OF 1976—S. 2925

AMENDMENTS NOS. 1555 AND 1556

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. GLENN. Mr. President, today I wish to submit two amendments to S. 2925, the Government Economy and Spending Reform Act of 1976, which was introduced by Senator Muskie, Senator Roth, and myself. S. 2925 would establish a zero base review of all authorization programs at least once every 4 years. Zero base review involves a requirement that periodically a determination must be made as to the impact of eliminating a Government program.

The first of my amendments would apply this same zero base review to what are commonly known as "tax expenditures"—tax incentives. To my mind this is an essential amendment if we are effectively to achieve the objectives of the bill, for example, to get a firm hold on Federal spending.

It would seem to follow that if the termination and reauthorization process of the bill is confined to spending programs alone, we will leave a substantial portion of our job undone. The Congress recognized this basic problem in 1974 by including in the Congressional Budget Act the tax, as well as the spending, side of the equation. The amendment I now introduce would insure that we would do the same in S. 2925.

The amendment would require that each Federal tax expenditure be investigated systematically to determine whether it has been effective, whether it is being used for purposes not originally intended by Congress, and to what extent revenue is being lost through the operation of the provision. Today there are scores of tax incentives built into the Federal income tax system. All were created with a specific goal in mind.

Some were intended to stimulate or move the economy in certain directions; others were motivated by social concerns and were intended to encourage individuals and businesses to move toward various national goals. Yet, whatever their original purposes, the fact remains that some of these tax incentives have grown to the point where they are now tax loopholes, going far beyond their original purposes and eagerly sought as a means of avoiding taxes. The result has been that the revenue loss due to these tax expenditures has mounted each year to the point where, in fiscal year 1977, it is estimated that they will approximate the amount our nation spends for defense.

Over the past years the growth of tax expenditures has in fact been at a faster rate than the growth of direct expenditures. The Joint Committee on Internal Revenue Taxation has recently estimated that in the decade from 1967 to 1977, Federal spending has climbed by 146 percent from $158 billion to the $394 billion now proposed by President Ford. In the same period, however, tax expenditures have mushroomed by 176 percent to an estimated $101 billion in fiscal year 1977 from a level of $36 billion in fiscal year 1967.

This upward trend in revenue loss gives no indication of abating. It is certainly disturbing that there are no clear limitations on how much each tax expenditure provision could ultimately cost the Treasury. Presently there is insufficient analysis of each tax expenditure to determine whether some have grown out of control and should be eliminated because the original purposes have been obscured. The limited success of efforts toward tax reform reflect how difficult it is to revoke or even modify tax expenditure provisions once they take effect and become entrenched. It is my hope that this amendment will greatly facilitate such revisions of the tax code whenever circumstances warrant them.

The second amendment which I am introducing today to S. 2925 would address a current impediment to congressional action in the budgetary area which I am afraid may, in the absence of this amendment, carry over to the congressional review processes provided for in this bill. I am referring to the difficulty we sometimes have in obtaining the budget requests, and the arguments in support of them, which are made by the departments and bureaus of the executive branch and the independent regulatory agencies to the Office of Management and Budget before those requests are trimmed down by the OMB for submission to Congress. The recommendations for program initiation, change or termination, which the agency may propose, may or may not be incorporated in the final budget. The Congress, all too often, is unaware of these proposals and unable to judge the relative merits of such proposals.

It is for this reason that I am introducing an amendment which would require that all requests by agencies dealing directly with OMB be submitted to Congress concurrently with their submission to OMB, and that the requests of all subagencies and bureaus to their agency and department heads be available upon request to all standing committees of Congress.

S. 2925, in providing for zero base review, will enhance the Congress awareness of certain alternatives in spending. However, if the budget processes provided for in the bill are to be truly effective, Congress must be in possession of as much relevant information as possible in considering where funds are to be allocated. This information should not merely be available upon request, but should be submitted as a matter of course. Much of the budgetary information in question has been available to the Interior Committees of Congress and the Joint Committee on Atomic Energy through the mechanism of the so-called "Holifield tables," and has proven to be of great value. Some of the information is occasionally made available to the Congressional Budget Office under the provisions of the Congressional Budget Act. The law, however, is insufficient in this area to insure access to this information by all in Congress who have need of it.

Senator Metcalf has proposed a similar, but different, bill to deal with this problem. It is my hope that we will be able to work together on what I regard as an extremely significant concept.

GOVERNMENT OPERATIONS COMMITTEE TO HOLD MARKUP ON WATERGATE REFORM BILL

Mr. RIBICOFF. Mr. President, I wish to announce that the Committee on Government Operations will hold a markup on S. 495, the "Watergate Reform Act of 1976," a bill which would implement certain reforms in the operation of the Federal Government recommended by the Senate Select Committee on Presidential Campaign Activities, on Thursday, April 8, at 10 a.m. in room 3302 Dirksen Senate Office Building. If necessary the markup of this legislation will continue on Monday April 12 at 10 a.m. in the same room.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENERGY RESEARCH AND WATER RESOURCES SUBCOMMITTEE OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HATFIELD. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of 2 days of field hearings before the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The first day of hearings is scheduled for April 23 beginning at 10 a.m. in the multipurpose room of the University Center on the campus of Pacific University in Forest Grove, Oreg. Testimony is invited regarding S. 2301, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Tualatin second phase reclamation project.

The second day of hearings is scheduled for April 24 beginning at 9:30 a.m. in room 32 of the Yamhill County Court House, McMinnville, Oreg. Testimony is invited regarding S. 3228, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Carlton Division of the Bureau of Reclamation's Willamette River project.

For further information regarding the hearings, you may wish to contact Mr. Russell Brown of the subcommittee staff on extension 41076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Energy Research and Water Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C., 20510.

NOTICE OF HEARINGS

Mr. MUSKIE. Mr. President, on April 12 and 13, the Subcommittee on Intergovernmental Relations will hold hearings on S. 2617, a bill to establish a Minority Business Development Administration under a new Assistant Secretary of Commerce. The April 12 hearing will begin at 10 a.m. The April 13 hearing will begin at 1:30 p.m. Senator John Glenn will chair the hearings which will take place in room 3302 Dirksen Senate Office Building.

Persons wishing to submit statements for the record should contact Jane Fenderson of the subcommittee staff on telephone number 224-4718.

NOTICE OF CHANGE IN NOMINATION HEARING

Mr. WILLIAMS. Mr. President, I wish to announce a change in the nomination hearing for James Scearce, of Virginia, to be Federal Mediation and Conciliation Director, and Samuel Martinez, of Colorado, to be Director of the Community Services Administration. The hearing, originally scheduled for 2 p.m. on Friday, April 2, 1976, will be held at 10 a.m., Friday, April 2, 1976, in room 4232, Dirksen Senate Office Building.

BLACK LUNG HEARINGS: CHANGE IN STARTING TIME

Mr. RANDOLPH. Mr. President, the starting time for the hearing on black lung legislation, H.R. 10760 and S. 3183, being conducted by the Subcommittee on Labor on Friday, April 2, has been changed from 10 a.m. to 9:30 a.m. The hearing will be conducted in room 1318 in the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

A TIME TO SAY "STOP"

Mr. BARTLETT. Mr. President, I wish to share with my colleagues a recent editorial that appeared in the Tulsa Tribune entitled "A Time to Say 'Stop'!"

It is my opinion that this editorial reflects the general feeling of mainstream America, and I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Time to Say 'Stop!'

Secretary of State Henry Kissinger, in a major speech in Dallas Monday night, warned Fidel Castro that the United States will react in some as yet unspecified way if Cuban soldiers pursue foreign adventures as they did in the recent Communist takeover of Angola.

There is much the United States can do short of a display of arms to make Castro uncomfortable. Our job is to make the penalties for Cuba's further participation in such military actions at least equal to the benefits Castro expects to achieve.

Cuban troops are not exactly an elite force and 10 or 12 thousand of them would hardly produce a balance of power in most of the world. But in Africa, where weak nations with untrained and poorly organized forces preside over raw materials that will be of increasing importance to industrial nations, a wandering Cuban army could provide such a balance in many places.

Furthermore, Castro's offer to train the Jamaican constabulary clearly indicates that he is preparing for similar adventures in the western hemisphere if the United States continues to play dead.

The State Department and President Ford failed to make their sale to Congress of arms for the anti-Communist forces in Angola while there was time to counter the Soviet-Cuban move. Some congressmen felt that events had already proceeded too far. Others are frankly isolationists, particularly in this election year.

But the State Department took the position that with 75 per cent of the tribesmen of Angola opposed to the group backed by the Communists an infusion of American arms could, indeed, have restored the situation, and they point to the fact that the heavy Soviet arms shipments and reinforcement of the original small Cuban cadre did not occur until after Congress had made it plain that it would do nothing.

Angola is now spilt milk. The question is, where do we go from here.

The non-Communist world, with its immense technology and manpower, could, indeed, be nibbled to death if it fails to respond to aggressive action by its adversaries.

As Kissinger has pointed out, while the threat is still small it is very difficult to get free peoples to react, and after the threat has grown great it is often too late.

He recalls that if Hitler had been opposed by Britain and France when he remilitarized the Rhineland we might still be arguing whether he was a nut or a dangerous maniac. After he had gone from strength-to-strength and we discovered that he was, indeed, a dangerous maniac the situation could only be retrieved by the loss of millions of lives.

There is no doubt that both the Kremlin and Fidel have told themselves that in this election year the American Congress will lie doggo and leave the field to the new Communist imperialism. If we value our future we'd better put a price on that theory.

NATIONAL STANDARDS FOR NO-FAULT INSURANCE ACT

Mr. MOSS. Mr. President, my office has been besieged with telephone calls today from persons inquiring as to why I voted to recommit S. 354, the no-fault bill. The record does not indicate that I had voted against the motion to recommit, and only at the last instant before the vote was announced did I change my vote. Those who were present at the time, and those who are familiar with Senate procedure know, of course, that the reason I changed by vote was so that I would be on the prevailing side, and be permitted to make a motion to reconsider the vote by which the recommittal motion had passed. Rule XIII, clause 1 states that in order to move to reconsider, a Senator must have voted on the prevailing side.

I know that my record and statements concerning no-fault, and my opposition to the motion to reconsider appears earlier in the proceedings than does the vote, but some people have been confused, and I wanted to take this opportunity to explain my reason for changing my vote. It was purely procedural.

Those persons who are interested in taking a better pulse of the motion to reconsider, might look at the vote on the motion to table the motion to reconsider. A vote against tabling was a vote in favor of undoing the regrettable action of the Senate in recommitting S. 354.

MORAL POLLUTION

Mr. STAFFORD. Mr. President, I should like to bring to the attention of my colleagues a very brief editorial comment which appeared recently in the Vermont News Guide, a community service weekly in Manchester Center, Vt.

The editorial, written by Marshall H. Peck, Jr., states the case very simply and directly, and I commend its message to my colleagues. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

I SAY WHERE I STAND

(By Marshall H. Peck, Jr.)

While there's great regard for environment and the ruination of our air and land and world, and rightly so, there seems to be blessed little concern for plain moral pollution. I mean the giving in, the looking the other way, the abdication of responsibility, to behavior or activities not in the public interest. Father Clayton cites a specific example—of a young man who hurled an obscenity at a local business person . . . oblivious to others, without fear of rebuke of the most obvious fact—that it's wrong. (Which Father Clayton let him know). Young and old are thoughtful of the shape of the world to come, and I say we had better start with deep concern for principle, individual conduct, morality of action, citizenship. And speak up if necessary . . . otherwise the public good is just giving in, giving up, to pollution of the worst sort.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, during the first few years after 1945, members of the international community devoted considerable effort to creating something akin to an international bill of rights, such as had been envisioned at San Francisco in drafting the United Nations Charter. A Universal Declaration of Human Rights emerged from the General Assembly in December 1948. The Genocide Convention was approved at the same time and has since been adopted by 82 nations. But this treaty, designed to supplement the basic Declaration of Human Rights, has yet to be approved by the United States.

Our ratification of the Genocide Convention will not save the world from all of the deplorable violations of basic human rights. Ratification is not even guaranteed to prevent all subsequent cases of genocide. After all, our own Constitution and Bill of Rights do not guarantee that our own civil rights are not at times violated. However, these documents do give legal status to our basic rights, which deters those who may contemplate illegal action and punishes those who do in fact act illegally. In a similar manner the Genocide Convention would act as both a deterrent and a means of punishment in cases of genocide.

The United States has demonstrated beyond any doubt its commitment to basic rights via the Bill of Rights and Constitution which underlie the lives of its citizenry. We approved the Universal Declaration of Human Rights because its principles were directly in accordance with our own domestic ones. The Genocide Convention is essentially a further affirmation of our support of these same basic human rights. We must ratify the Genocide Convention and correct our inexplicable failure to do so over the last quarter of a century.

U.S. SEA POWER

Mr. THURMOND. Mr. President, recent statements by the Secretary of the Navy, J. William Middendorf II, provide a succinct analysis of the issues faced by this country in view of our declining naval strength.

Secretary Middendorf has been warning about this problem for several years and now the public and the Congress are realizing that his words are on target.

Mr. President, I commend this able public servant for his courage and determination in fighting for a larger and stronger naval force.

I ask unanimous consent that two articles on this subject which appeared in the Boise Idaho Statesman March 20, 1976 and the Idaho Falls Post-Register March 21, 1976 entitled "Decline of U.S. Power at Sea Lamented by Secretary of Navy" and "Middendorf Calls for Stronger Navy" be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DECLINE OF U.S. POWER AT SEA LAMENTED BY SECRETARY OF NAVY

America is in danger of losing its naval superiority, and with it will go the security of the nation, the secretary of the Navy said Friday in Boise.

J. William Middendorf, Navy secretary since 1973, said the Navy has been cut from 937 ships to 478 ships in the last decade. "Many in America are saying we have cut far too deeply," Middendorf said. "In the few precious moments of freedom we've got left, it is imperative that we stop the decline of the Navy."

Middendorf was in Boise Friday to address an Idaho Navy League dinner. He held a news conference at One Capital Center shortly after his arrival. Reps. George Hansen and Steve Symms, both R-Idaho, accompanied him.

Today, Middendorf will tour the Idaho Nuclear Engineering Laboratory at Arco, again accompanied by Hansen and Symms.

Middendorf said the Soviet and U.S. navies will cross paths in a few years, the Soviets on the way up, the U.S. on the way down, unless recent trends are reversed. "We may well be the No. 2 navy before long," he said.

Asked why it is important to be No. 1, Middendorf said, "We can't rely on the good will of other nations. We face a potential adversary (the Soviet Union) very different than any we have ever faced, a very severe adversary. I'd hate to see us rely on Soviet benevolence."

The Soviets, Middendorf said, need only a coastal navy for defense because all its allies are accessible by land and it is self-supporting in most natural resources. Yet the Soviets continue to build an immense naval potential.

On the other hand, Middendorf said, the United States needs long, secure sea lanes because of its allies abroad and because the nation relies on imports of most basic raw materials.

In remarks prepared for delivery to the Idaho Navy League dinner Friday night, Middendorf emphasized the same point: "Of the 46 essential materials used in this country, we import, in varying degrees, all but one."

One last item which many people do not realize is that with only six per cent of the world's population, we consume one-third of its energy. The Arab oil embargo certainly underscored this point," he said.

Right now, Middendorf said, the U.S. Navy still is able to fulfill its mission of protecting the important sea lanes. Jane's Fighting Ships, a British publication, recently said the U.S. Navy retains a margin of victory because of its carrier force, quieter submarines, sailors and Marines who are superior to their Soviet counterparts, Middendorf said.

Middendorf dismissed a Brookings Institution report that suggests the Marine Corps be cut by half. He said the report was "poorly done and misleading." Such action, he said, would cripple the Marines.

Middendorf Calls for Stronger Navy

Sounding a warning to the future, Secretary of the Navy J. William Middendorf II said the U.S. Navy has the advantage over the Soviet Union at this point in time, but the advantage will not continue unless America makes a decision now to rebuild its Navy.

Middendorf made the remark during a press conference prior to a luncheon in his honor at the Westbank here Saturday.

The U.S. Navy can carry out its mission today, he said, but our freedom in the future depends upon a strong Navy.

Middendorf arrived in Idaho Falls late Saturday morning in order to tour the naval facilities at the Idaho National Engineering Laboratory (INEL).

Greeting him at the airport were the Chamber of Commerce Gold Coaters, as well as an honor guard made up of Junion Navy ROTC cadets from Bonneville High School.

The Soviet Navy, Middendorf said, is estimated to have 108 major combatants and submarines and 135 fast patrol boats equipped with anti-ship cruise missiles. The U.S. Navy will not even deploy the Harpoon Missile until later this year, he said, pointing out that the currently operating 14 aircraft carriers and torpedo armed submarines fulfill the anti-shipping role of the United States.

Most Americans now realize, he said, that we cannot become number two in conventional capability.

And he noted that the mood also appears to be changing in Congress. Three years ago, he said, that attitude was one of cutting the nation's defense spending. But today, Congress has given indications it may even add to the requested defense budget.

Middendorf referred the question to U.S. Rep. Steven Symms who said Congress, once it gets the facts, will respond to the situation, implying increased spending.

MARINES

When asked about the future of the Marine Corps, Middendorf said he was optimistic about the need for a strong Marine Corps.

Middendorf said he did not agree with a recent report made public by the Brookings Institute which questioned the future need of the Marines.

"I think the study was misleading," he said, emphasizing we need the 196,000 men which make up such a strong force.

He added that the Navy Department was "very solidly" behind the Marine Corps.

Speaking during the noon luncheon, Middendorf noted that the 99 per cent of the entire world's commerce moves by sea.

Looking to the U.S. he said, trends indicate an increase of 125 per cent in import volume, a 110 per cent increase in export volume, and a 400 per cent increase in our imports from the Middle East and a 450 per cent increase in imports from Africa.

He went on to say that of the 43 nations with whom the United States has treaties, alliances or some other form of security arrangements, 41 lie overseas. "The validity of these agreements rest on the United States' and our allies' capability to maintain the sea lines of communication."

Middendorf said a Library of Congress study on the United States-Soviet Union's military balance was recently completed which showed serious U.S. shortcomings and an even more serious increase in Soviet capabilities.

HOLDS LEAD

And the Marine Corps, he said, is one area where the U.S. holds a substantial lead. Indications are, however, he said, that the Soviet Union has increased is amphibious assault force capabilities. In 1965, he said, the U.S. had 118 amphibious ships compared to 14 for the Soviets. In 1975, the figures are 57 for the United States and 85 for the Soviet Union.

In the field of nuclear powered attack submarines, the U.S., Middendorf said, has 62 and the Soviet Union 75. Here again, he said, some of the Soviet subs carry surface to surface missiles, as well as torpedoes while the U.S. subs do not.

NUCLEAR POWER

Discussing nuclear power further, Middendorf said nuclear power was essential for submarines since it is quieter and can eliminate re-fueling problems.

He also said he does not think the Navy should build anything larger than a cruiser which is not nuclear powered. Carriers, he stressed, also need to be nuclear powered.

Middendorf noted that the U.S. had chosen the aircraft carrier as its principal ship of the surface fleet for a number of reasons. "It represents air power at sea," he said, "and history has shown that naval forces cannot survive in the face of a strong air threat without air superiority."

Emphasizing the carrier can operate on 70 per cent of the earth's surface covered by the oceans without any international agreements, Middendorf noted that carriers are practically self-sufficient.

But with the 13 carriers which will be left by July, "we will only be able to maintain two carriers continuously on station in the Mediterranean and Pacific at any one time."

The Soviet Union, Middendorf said, has one carrier undergoing sea trials, a second has been launched and a third is under construction. Although these 45 thousand ton carriers are not as capable as those of the United States, he said, "they do pose a considerable threat."

Discussing Soviet accomplishments, Middendorf said it is apparent that the number of new ships and weapons systems which the Soviet Navy is acquiring is giving it the capability. The Soviets are also gaining self-confidence to explore new naval strategies which could be applied against the U.S.

Middendorf noted that there is currently a five-year ship-building program before Congress calling for 111 new ships to be added to America's fleet. The Navy, he said, is reviewing this program and the review "may lead to an acceleration of our shipbuilding program." "I can only say," he said, "that a revised program is being considered and that we will know the specific in terms of numbers, types and costs in six months or less."

FUNDING

If a major acceleration of the shipbuilding program is presented to Congress, he said, there will probably be a funding requirement above our current budget level.

"I believe that it is vital to provide naval forces to counterbalance the trend of expanding Soviet naval capabiilties," be concluded, stressing that "if we seek the survival of a way of life we love so dearly we must take the initiative, for without enduring American strength the free world will not survive."

Middendorf was in Boise Friday where he visited with Gov. Cecil Andrus and addressed both houses of the Idaho State Legislature.

He stopped in Idaho Falls for his visit to the INEL site before returning to Washington, D.C. Accompanying Middendorf here were U.S. Reps. George Hansen and Steven Symms.

Middendorf is the 62nd Secretary of the Navy.

ADDRESS BY THE AUSTRALIAN MINISTER FOR FOREIGN AFFAIRS BEFORE THE AMERICAN AUSTRALIAN ASSOCIATION

Mr. HOLLINGS. Mr. President, on March 16 the new Australian Minister for Foreign Affairs, the Honorable Andrew Peacock, M.P., spoke to the American Australian Association in New York. This was the first speech given in the United States by a Minister of the new Australian Government.

I had the pleasure of conferring with Foreign Minister Peacock during the Senate delegation trip to the Southwest Pacific earlier this year. We were very much impressed with his grasp of international issues, and with the candor of his dialog with us. The leaders of the Australian Government have a well-developed appreciation of the security needs of that part of the world, and I am confident that relations between our two governments will be excellent.

Mr. President, Mr. Peacock's address is a notable one. It gives, clearly and cogently, the basic foundations upon which Australian foreign policy will be conducted in the years ahead. It is suffused with a wise understanding that foreign policy is public policy and that the demands on the diplomat in a democratic society are more challenging than they are in any other system.

I wish we could have the benefit of an address like this from every new government coming to power. Minister Peacock has made a signal contribution in this speech.

Mr. President, I ask unanimous consent that the text of Minister Peacock's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by the Australian Minister for Foreign Affairs, Hon. Andrew Peacock, M.P.

It is my honour and my pleasure to be the first Minister of the new Australian Government to address this Association, indeed the first to give any public address in the United States. The fact that this is the bicentennial anniversary of this great democracy adds greatly to the honour.

I think that I should tell you that apart from the attention that your anniversary is attracting, there are vague but persistent rumours abroad that you are going to have an election this year. If this is so, may I congratulate you on clinging to this increasingly unfashionable way of choosing your Government. It may yet catch on!

We in Australia, as you may know, had our election at the end of last year. The circumstances surrounding it received a great deal of attention internationally as well as in Australia itself, but I do not intend discussing them further today. The only really relevant verdict on them was passed in the appropriate way by the Australian people, on election day, December 13.

As I am the first member of the new Government to speak in the United States, and as my business is foreign affairs, it is appropriate that I talk about what the change of Government signifies in this area. I would not want you to think, however, that I so restrict myself because there are no significant changes in the domestic sphere. On the contrary, there are far-reaching changes, and if I just mention one fact—that this year, for the first time in three decades and after a recent history of extremely rapid expansion, there will be no growth in the public service—you will appreciate their thrust and the seriousness with which they are being pursued. The steps we are taking are partly a response to current economic problems, but they are more than that. They are informed by a belief that it is essential to create conditions which will encourage and disseminate enterprise and initiative throughout Australian society.

I now turn to the question of change and continuity in foreign policy.

Change in foreign policy depends much more on factors beyond the control of governments than does change in domestic policy. The independent will of others—by now nearly a hundred and fifty sovereign states—has to be taken into account, as well as the movement of forces which are not clearly subject to the control of any will.

Because of this, Governments are not masters of their fate to the same degree as they are at home. Now in the last few years there have been profound changes on the international scene which would have necessitated adjustments in Australian foreign policy under any Australian Government: the changed relationship between the superpowers, the rapproachement between the United States and China, the end of the Indo-China war, the new importance of the non-aligned countries, the increased significance of economic issues and so on.

I say this for two reasons: first, to remind you that not all the changes in Australia's foreign policy in the last few years have been due to changes of Government. Secondly, to emphasise that the recent change in Government does not mean that there is now going to be a return to pre-1972 policies. Events have moved on too much for that, even if we wanted to do it—and we do not.

The foreign policy of the Australian Government in 1976 will not, I repeat, not be what it was in 1972 and earlier. However, neither will it be what it was in 1975. For one thing, the look will be different. Dean Acheson—one of your great policy-makers—once identified as a source of instability in foreign affairs, "the popular conception that, as in women's fashions and automobile design, novelty and change are essential to validity and value. A combination of illusion and fashion leads to a demand for yearly models in diplomatic design". This is not without relevance to recent Australian experience. When a party comes to Government after a very long spell in Opposition, it is naturally concerned to register its presence, to establish that it is conspicuously different from its predecessors. In such a situation there is a likelihood that change, innovation, will be valued for its own sake.

The danger in such a situation, as Acheson recognised, is that the element of instability and unpredictability in international relations is increased. Countries can only conduct relations with each other satisfactorily to the extent that a degree of consistency and predictability is present—heaven knows, it is difficult enough even then! And instability on the part of one country is likely to set up a kind of multiplier effect throughout the system. This is particularly bad for economic relations where decisions with very long-term implications concerning investment, sources of raw materials, and trading patterns often have to be made.

The Australian Government of 1976 is therefore concerned to strengthen, and where necessary to restore, elements of stability and cohesion in foreign policy, to remove ambiguity and uncertainty where they have appeared. To take an important example, Australia is richly endowed with natural resources and has become a major exporter of minerals in a world in which many of them are in increasingly short supply. It will be a principal concern of the present Australian Government to restore a predictable, stable framework for the discovery, development and marketing of these commodities leaving as much of the field as possible to private enterprise.

In this developmental endeavour there will be need for capital from overseas. The Australian Government recognises that before putting up money, the foreign investor will need clarity and unambiguity in Australian policy. This I promise you will have. I also promise that the policy toward foreign investment will be one of partnership on terms fair and reasonable to each of the partners. The Australian Government does not intend "to sell out the farm" but neither does it intend to keep it all for itself.

I would now like to talk more particularly about the relations between our two countries. Before leaving Canberra, an Australian businessman resident in this country (I shall not divulge whether or not he is present) told me with reference to this occasion, "whatever you do, don't give us the Hands-Across-the-Sea routine. We always get that." While deploring his cynicism, I take his point.

But the present Australian Government does wish to reaffirm the centrality which the American relationship has in its foreign policy. During the last few years, the United States has experienced more than its share of difficulty and trauma, and, as always in this most open of societies, they have been well publicised. Some countries have rejoiced in this, some have despaired, some have sought to exploit your difficulties, some have drawn away. The present Australian Government does none of these things. We believe that America will overcome its present problems. We believe, further, that without the full and committed participation of the country which is the greatest democracy in the world, the greatest economic power in the world, and one of the two greatest military powers, most of the awesome global problems which now face us all must either remain unsolved, or be solved in ways which will be very uncomfortable for a country like Australia.

Australia will remain a firm partner of the United States. In this partnership the ANZUS Alliance is an essential part. We will never be an unquestioning partner but we will agree with you willingly when we think you are right and when our national interests coincide with your own. When we do not agree, we will tell you so honestly and seek earnestly to reach a meeting of minds. Given all that lies between us, the occasions for agreement will clearly be most frequent, disagreement will be the exception. This is a situation which will best serve, I submit, each of our countries. An Australia subservient to the United States would do the United States little good.

As far as detente, which has been a centrepiece of recent American policy, is concerned, we appreciate the need to distinguish between aspirations and realities. I continue to use the word "detente" until someone comes up with a more precise expression. We understand the need for clarity which led to the re-formulation by President Ford on 1 March of the basic principles underlying relations between the superpowers. The members of the present Australian Government have always felt that detente is not an alternative to a balancing of power and a readiness to resist attempts to seize unilateral advantage, but that detente depends very much on such a balance and such a readiness. Detente without a basis of balance is an illusion, a dangerous illusion.

This is why, in the Indian Ocean, Australia now supports the extension of the American defence facilities at Diego Garcia and is now building a naval station at Cockburn Sound in Western Australia, which will be available to American as well as Australian ships. For as we see it, if the Indian Ocean is ever to become a zone of peace, it will first have to become a zone of balance.

This is also why the Australian Government as well as your own has watched with concern recent developments in Angola. If detente permits Angolas, the pursuit of it becomes a more doubtful quest. Like the United States, Australia will be watching very closely future developments in Southern Africa.

In closing, I want in this bicentennial year, as a visitor, to refer to an observation made by another visitor, one of the most acute political and social observers ever to come to these shores. In his great seminal work, "Democracy in America" Alexis de Tocqueville maintained that democracy was not a system of government well suited to the conduct of foreign policy. "Foreign politics", he claimed, "demand scarcely any of the qualities which are peculiar to a democracy; they require, on the contrary, the perfect use of almost all those in which it is deficient."

The Governments of the United States and Australia, as two of the few effectively functioning democratic governments in the world, are well-placed to recognise the uncomfortable element of truth in that observation. The essence of the difficulty is that politics within a democracy are conducted under different circumstances, and therefore according to different rules, from those which prevail in international affairs. But those responsible for foreign policy in a democracy have to operate simultaneously in both spheres, and have to seek to resolve the tensions between them—between the demands of a policy based on law and civility, and a politics based on power; between the right to know and to criticise, on the one hand, and the need for discretion and secrecy on the other.

The dilemma is a real and inescapable one. It is not to be resolved by denying the realities of international politics and pretending that if one ignores them, they will change, or by self-isolation. We have seen in this century that when this is attempted the consequences can be dire. But neither is it to be resolved by denying the legitimate demands of the democratic community, for these too are realities, and to ignore them will lead to domestic division and strife. The first is an exercise in delusion, the second the road to domestic defeat.

The task of democratic statesmanship in foreign policy is, then, to pursue a course which is at once realistic in that it recognizes the conditions of international politics, and enlightened, in that it takes account of the values and aspirations of the community on which it is based.

I do not know whether the Australian Government of which I am a member will successfully meet this challenge—time will tell. But at least we are well aware of the problem, and are determined, if I may end with an Australianism, "to give it a go". In doing so, we shall be sustained by the knowledge that while it may be difficult to reconcile the demands of democracy and the needs of foreign policy, when the two are successfully reconciled, when responsible policy is supported by an informed and willing consensus, the ground is laid for real progress.

THE THREAT OF THE SOVIET MERCHANT MARINE

Mr. THURMOND. Mr. President, on February 25, 1976, I made a statement in the Senate regarding the growing threat of the Soviet Union merchant fleet. I am convinced that the Soviet Union would like to achieve world dominance in transoceanic commerce and control the sea lanes. Thus, I believe this is a matter which deserves the thoughtful attention of my Senate colleagues and appropriate, effective actions by the U.S. Government.

Recently, one of my fine South Carolina constituents, Mr. Joseph G. Piening, executive vice president of Carolina Shipping Co. in Charleston, S.C., brought to my attention an excellent address on this subject by one of his coworkers in the shipping business. I would like to share this thoughtful and provocative statement with my Senate colleagues and other readers of the Record. This speech was delivered to the Propeller Club of Savannah, Ga., by Mr. Edward Cawthon, manager of United States Lines in Savannah.

Mr. President, I ask unanimous consent that Mr. Cawthon's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Edward Cawthon, United States Lines, Before the Propeller Club of Savannah, Ga., March 1976

What I have to say tonight is said with the thought in mind that I am speaking to fellow Americans, gathered together under the auspices of the Propeller Club, an organization dedicated to the furtherance of the United States Merchant Marine. I am proud to be an American and am unabashedly a patriot in spite of what Dr. Samuel Johnson, the great Lexicographer, had to say about Patriotism.

When I was a cadet at the U.S. Merchant Marine Academy several years ago, all the plebes were required to memorize certain trivia as part of their plebe knowledge. Some of this was so firmly embedded in the memory that even today I can recite verbatim long extracts. One of the quotations memorized was from Alfred Thayer Mahan, the eminent Naval historian, to the effect that "Sea Power equals Naval vessels plus bases plus Merchant vessels." The U.S.S.R. have certainly taken Admiral Mahan at his word. Today, in virtually every trade publication which prints Maritime News, even in the News weeklies, we read of the aggressive stance the state backed Communist or Eastern Bloc Merchant Marine has taken. In the liner trades, bulk traffic, cruise ships and fishing industry the U.S.S.R. and their allies are taking vigorous action to obtain a greater more lucrative slice of the pie. In some trades, they seem determined not just to participate but to eliminate any effective competition. The profit motive is secondary to political aims; the earning of hard western currency, regardless of return on original ruble investment, becomes the priority. There is simply no way for privately owned shipping companies to compete in this environment. From the Journal of Commerce of January 16, 1976 comes a report from the General Council of British Shipping warning of the threat to the UK Maritime Industry by U.S.S.R. ships. Instances of rate slashing of up to 40% by F.E.S.C.O. in the Far East are cited; North Continent to St. Lawrence 25% below conference rates are quoted by Baltic Line and Polish Ocean; North Continent to South America and Africa 39% cuts; North Continent to Australia 40% reductions under Conference rate levels. The G.C.B.S. alleges that Russia's Trans-Siberian land bridge, Japan to Europe rates, do not include the rail portion of the move, the return of the empty, nor the capital cost of the container. Incidentally, as a considerable number of Russia's containers are built in the U.K., the British have a pretty good handle on what a container costs. The U.S.S.R. has virtually no liner traffic, so their huge fleets are used to cross trade. According to the G.C.B.S., 20% of all new orders for liner cargo vessels are for the account of Russia.

From the Daily Shipping News, Portland, Oregon, of January 12, 1976, Karl Bakke, new chairman for the Federal Maritime Commission, is quoted complaining of aggressive U.S.S.R. and Polish ship building programs; the president of Atlantic Container Line is quoted in the same article to the effect that Communist Lines are not subject to commercial disciplines, pay lower wages, and have lower operating costs. They control cargo movements by Bilateral agreements and government sponsored purchases. Harry Melendy, President of F.E.S.C.O., Russia's Pacific Line, openly admits their pricing posture is 10 to 15% below published conference rates.

Fair Play, International Shipping Weekly, of January 22, 1976, points out that U.S. ships carry only 6% of U.S. foreign trade. The U.S. on the other hand, generates up to 40% of all foreign trade in the world; Comecom, the Russian equivalent of the Common Market, generates only 5% of international trade, and virtually all of that is in the bulk trades, i.e. grain, LNG, and petroleum products.

U.S. News & World Report, of January 26, 1976, issue carries an article on U.S.S.R. trade practices. British, West German, Dutch, French, Japanese and U.S. shipowners are crying foul, and agitating for preferential trade laws to be enacted. The Russians seem unfazed. They continue to expand their service to East Africa and the Far East, even though there is no, repeat no, Russian cargo involved. According to U.S. News & World Report the Russians now haul 13% of U.S.-German trade, at rates 20 to 40% under conference levels. Russian seamen are poorly paid compared to Western standards, and men are transferred from Navy to Merchant ships as required. The spectre looms of a World Trade dominated by Eastern Bloc ships.

Seafarers Log for January 1976 contains an article on the U.S.S.R. Trans-Siberia land bridge. In 1974, this land bridge carried 56,000 containers, or 17% of all Japanese exports to Europe. The Russians also control the sea links at both ends, Japan to Vladivostok and in the Baltic. One Japanese firm attempting to get into this business quoted a rate of $200.00 per 20' container. The Russians would only allow an $80.00 rate, obviously far below out of pocket expenses. Even the Japanese can't compete on this basis.

The Seattle Post Intelligencer, of January 23, 1976, carries an article on Soviet and Polish ocean lines rate cutting, 14 to 21% below Conference levels.

From the Baltimore Sun, of December 17, 1975, we read of the U.S.S.R. attempts to renegotiate freight rates on the U.S.-Russian grain deal negotiated last September. The Russians want the rate reduced from $16.00 per ton to $9.50 per ton—a rate which effectively freezes out any U.S. flag carrier from this traffic. The grain agreement, by the way, permits U.S. ships to carry up to ⅓ the total purchase.

Sea Trade Magazine, December 1975, issue notes that "Westinform Directory of Ro-Ro Vessels" predicts the U.S.S.R. will have the third largest fleet of Ro-Ro ships in the world by 1977. 76% of Ro-Ro traffic are to/from areas where there is no Russian cargo tonnage moving.

Marin Magazine, the January 24th issue, carries a long article on the new flagship of the Russian Baltic Lines, the cruise ship *Mikhail Lermstov*. Significantly, this ship does not offer cruises from Russian ports to the Caribbean or other vacation areas. Their customers are bargain hunting American and Western European tourists.

The Journal of Commerce, December 23, 1975, carries a photograph of the world's largest conventionally powered icebreaker, the *Yermak*. The *Yermak* is a Russian flag vessel.

The ubiquitous Russian fishing fleet, from lowly trawler to mighty factory ship is decimating the spawning areas on the Atlantic Seaboards of Canada and the United States.

The New York Times on January 24, 1976, carried a long article about the numerous Soviet trawlers off the New Jersey coast, and a huge 600' factory ship, which collectively are scooping up everything on the Continental shelf. Haddock is practically an endangered species, Cod is seriously jeopardized. 95 Soviet ships were spotted the day before: that same day only 5 U.S. ships were noted, all clamming inside the 12 mile limit. The U.S. flag fishing fleet is so obsolete and inefficient by comparison that they cannot make expenses fishing offshore in New Jersey.

The Christian Science Monitor, January 30th, takes note of Peru's 200 mile tuna fishing limit, and that 14 other nations have a 200 mile fishing limit. The New York Times January 28th notes that it costs U.S. west coast fishermen $25 to $45,000 for a 50 day Peruvian license to fish within their 200 mile territorial waters. The Baltimore Sun on January 14 has an article about the U.S.C.G. netting illegal fishermen, including U.S.S.R. trawlers inside our 12 mile fishing limit. The U.S.C.G. estimates there are over 500 foreign fishing boats off our coasts.

But we have our Navy, Congress willing. The Christian Science Monitor January 23rd, 1976 points out that the U.S. Pacific Carrier force is at its lowest in 25 years. There are now only 13 carriers in the entire U.S. Navy, and one is used strictly for training. Not to worry, the Baltimore Sun, January 30, 1976 quotes a U.S. government official as saying the "U.S.S.R. Navy has stabilized." They now have 550 Surface Combat ships to our 250 surface combat ships. The entire U.S. Navy consists of 479 ships, but then the U.S. Navy can always count on a large, modern U.S. Merchant Marine to back up their war fleet. The Christian Science Monitor January 23, notes that the Russians now have naval bases in Somalia to cover Suez, the Persian Gulf and Indian Ocean; in Viet Nam to monitor SE Asia; in Cuba to watch the Caribbean; in Vladivostok for the North Pacific; and in the Barents Sea and Baltic to watch the North Atlantic. Significantly, Soviet ships are reported off the Angolan Coast, per Baltimore Sun January 23, 1976.

Perhaps I have wandered somewhat from the theme Ernie asked me to speak on, that is, the impact of the Russian Maritime presence here in Savannah. I see their presence here as part of a predetermined plan to penetrate the S.A. market, to exploit the advantages of a state run, non-profit, politically oriented steamship line. As Alexander Solzhenitsyn is quoted in an article in the Savannah Morning News March 2, 1976, "In the Soviet Union nothing will happen unexpectedly" (he is speaking of the Soviet economy).

Beware the squeeze of the Russian bear; when he is in the driver's seat he drives a tough bargain, as the Egyptians are now beginning to find out. I urge you to ship your cargo on, and support, the U.S. Merchant Marine. Thank you.

THE NEW OIL CRISIS

Mr. McGOVERN. Mr. President, the agricultural community continues to be alarmed about administrative inaction in coping with the alarming increase in palm oil imports—a commodity that enters the United States without tariff or quota and even enjoys a favorable freight rate in being transported to processing plants.

The principal loser in the palm oil game is the American soybean. Indeed, as palm oil imports doubled in recent years, soybean oil prices fell from 28 cents a pound in February of 1975 to 16 cents in February of 1976.

Mr. Ben Radcliffe, president of the South Dakota Farmers Union, has called my attention to perhaps the best discussion of this international trade problem, appearing in the current issue of IFAP News, entitled "The New Oil Crisis." Significantly enough, the editorial ends with the following sentence:

> When market conditions are chaotic one thing is certain: the farmer will always be the ultimate loser.

Mr. President, I ask unanimous consent that the editorial I have referred to be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[Editorial from IFAP News]

The New Oil Crisis

The increasing availability of palm oil on world markets, the certainty that supplies will further advance in years to come, and the very competitive price at which it can be produced are causing headaches for producers of vegetable oil in both temperate and tropical countries.

It is difficult to say whether present conditions will be lasting or whether the market can absorb the future increase in vegetable oil supplies. The immediate problem is certainly substantial: soybean oil prices, for instance, fell from 28 cents per pound to 16 cents between February 1975 and February 1976. This has caused serious difficulties for private businesses, including farmer cooperatives.

The real causes of today's weak market are to be found in substantial rises in supplies of most vegetable oils. Palm oil is essentially a scapegoat. Soybeans (+23% in the U.S.A.), rapeseed oil (+40% in Canada), groundnut oil (+28% in India) have all increased more than the projected 8% rise in palm oil in 1975/76.

But palm oil is likely to cause greater problems for producers of competing oils in years ahead. Plantations established during the sixties are now coming into full production and oil palms remain productive 30–40 years. Production costs of modern plantations are estimated at approximately 4 cents (US) per pound of oil. Palm oil competes directly with most other vegetable oils and animal fats in food as well as industrial preparations.

The plantations, largely financed by international aid agencies, have partly replaced rubber trees, driven out of the market by synthetic rubbers developed by the rich countries. Now the plantations are established, and given the limitations of the domestic market, some sort of outlet must be found. The natural advantages enjoyed by tropical plants in vegetable oil production (oil palms produce ten times more oil per hectare than soybeans) and the need to guarantee reasonable trade opportunities to developing countries make it economically, logically, and politically desirable not to discriminate against these exports.

Oil palms are perennial and virtually produce only oil; temperate oilseeds, apart from being more flexible annual crops, produce oil more or less as a by-product of high-protein meals used in animal feeds; soybeans contain 17–18% oil and 80% meal. At almost any price relationship, the meal brings a greater return than the oil.

Since World War II, the share of tropical oils in total world production has fallen consistently. This was largely due to the substantial rise in soybean output in the U.S.A. in response to a (skillfully engineered) increase in demand for high-protein meal for livestock feed, while developing country vegetable oil production stagnated. Rising palm oil output will go some way to reestablishing the former balance. In the fifties tropical oils accounted for approximately two-thirds of world trade; in the seventies this share had fallen to one-third. At the same time, U.S. soybean production rose from 1.2 million metric tons pre-war to some 40 million tons in the seventies, half of which enters world markets.

The end result is that developing countries and their producers, as well as farmers in industrialized countries, are faced with a potentially serious over-supply situation in vegetable oils which may call for some difficult adjustments.

Governments have been meeting annually within the FAO Intergovernmental Group on Oilseeds, Oils and Fats for ten years. It is a poor reflex on the usefulness of these meetings that this situation has apparently come as a surprise and no plan exists to cope with it.

An international agreement on oilseeds or oils is practically ruled out by the complexities and ramifications of the market. But improved collaboration in a more informal manner is both possible and desirable. One condition of success will be to keep the powerful private industry interests in check. One task may be for developing countries to divert certain investments planned for export-oriented oil production into food production for the domestic market.

Finally, this market trend provides yet another illustration of the limits of comparative advantage. Those who were shouting loudest for free trade in fats and oils ten years ago are today in the front row calling for retaliatory measures against highly competitive palm oil. Once more we say: leave Nineteenth Century academic theories in the Academies and seek practical solutions through international collaboration. When market conditions are chaotic one thing is certain: the farmer will always be the ultimate loser.—M. P. Cracknell.

DIVORCE: KEY TO A SOUND FINANCIAL MARRIAGE?

Mr. BROCK. Mr. President, all too often, we pass laws and forget them and sooner or later, they come back to haunt us. Such a case was recently pointed out in the Washington Star. Mr. President, I ask unanimous consent that the Star's article be printed in the Record as an example of one case where the law is, to say the least, questionable.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star]

Divorce: Key to a Sound Financial Marriage?

Washington.—David and Angie Boyter of Ellicott City, happily married for nine years, plan now to get happily divorced each year ever after.

At the moment, they have been married for just a month.

They had a nice time down in Haiti in December, staying in a nice hotel where the meals were good. And, in one pleasant interlude that lasted about an hour and was far more entertaining than an old mossy fort, they got divorced.

The judge dissolved the marriage on grounds of "incompatibility of temperament." In all, the week they spent cost about $1,100—including air fare, hotel and the lawyer's fee.

Once New Year's was out of the way, the Boyters, having saved $1,300 in taxes with the divorce, were married again by the clerk of the court of Howard County. He's a neighbor. It was a lovely courthouse ceremony.

"If they don't change the tax laws," said Angie Boyter Friday night, "we'll be back in Haiti in December."

In Haiti, incidentally, they met a Chicago couple doing the same thing.

The Boyters' vacation-divorce in Haiti was a protest aimed at the American income tax system. The system, they feel, favors single persons over married taxpayers.

Angie Boyter is a mathematician. David Boyter is a physicist. Both work for the government, and each earns about $23,000 annually.

Sometime last year, they figured that their taxes would be about $10,000 whether they filed a joint or single return. However, as single persons their taxes would be about $4,500 each, a total of $9,000. The $1,000 savings was worth the divorce.

"About three years ago," said Mrs. Boyter, her voice rising as it does when she discusses taxes, "they gave a tax break to single persons. But that doesn't apply to married persons filing separately.

"And then, with last year's tax rebate, we got rooked again. If we had been two single people we would have gotten back about $200 each. As a married couple we just got $100. I think that was the last straw."

She talks like she's ready for another divorce, even in February.

"It's costing you money to be married. What the IRS is saying is that married women shouldn't be working and making more than $6,000."

An IRS spokesman said that in some income brackets it is cheaper to file as a single person, but there is the question of whether the tax saving is worth the inconvenience and expense of a divorce.

But when the question is a matter of principle, as it is with the Boyters, there's just no question.

VERTICAL DIVESTITURE OF OIL INDUSTRY APPROVED BY SUBCOMMITTEE

Mr. BAYH. Mr. President, I am pleased to call the attention of the Senate to the decision of the Antitrust and Monopoly Subcommittee earlier today to report favorably to the Judiciary Committee S. 2387, the Petroleum Industry Competition Act which I introduced last fall.

The bill, reported on a 4-to-3 vote, would require major oil companies to divest themselves of their interests in two of the following segments of the industry: Production, transportation, and refining-marketing. As reported the bill contains significant amendments proposed by the distinguished subcommittee chairman, Senator PHILIP A. HART of Michigan, who for years has provided valuable and courageous leadership to efforts to bring competition to American industry, especially the petroleum industry. The proposal of the chairman helped to clearly define the vertical divestiture goal of S. 2387 and has enhanced its chances for favorable action.

I remain confident that the Senate will act favorably this year on our legislation to require vertical divestiture in the oil industry, and consider today's subcommittee action a clear indication that my optimism is justified. Ironically, the Wall Street Journal just 2 weeks ago contained an editorial entitled "Divestiture is Dead." Obviously the Journal was dead wrong. Apparently however the newspaper has determined not to print a letter sent to it in response to that editorial by certain of the founding members of the Energy Action Committee, a citizen group supporting our divestiture efforts.

Because it is important that the growing momentum for vertical divestiture of the oil industry be recognized fully, I ask unanimous consent to have printed in the RECORD the letter sent to the Wall Street Journal by the members of Energy Action Committee as well as excerpts from a recent statement by James Flug, director and counsel of the Energy Action Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 17, 1976.

EDITOR,
The Wall Street Journal,
New York, N.Y.

DEAR SIR: Surely we were not the only fans of the Journal to be severely disappointed by your March 15 editorial "Divestiture is Dead." We certainly missed your usual carefully reasoned, factually accurate statement of position designed to inform and persuade the intelligent reader.

No one who has seen the industry's anti-divestiture TV and print ads or has read the daily stories on divestiture in the trade press can believe that the industry thinks divestiture is dead. No one who saw the *Journal's* own 3-part series (143 column inches) on divestiture can believe that the *Journal* really thinks the issue is dead. Anyone who has carefully analyzed the Congressional and political situation can only come to the conclusion that divestiture is alive and well, not only on Capitol Hill but in the hearts and minds of most Americans. We are enclosing a presentation on this subject by Energy Action's Director and Counsel, James F. Flug, who appeared before a Columbia Business School Energy Conference. We are confident you will find his assessment worthy of publication to give your readers another view of the matter before they act in sole reliance on your conclusions.

We commend your candor in stating at the outset of your editorial that you are not expressing a dispassionate view of the matter but are acting out of a concern that "the interests of the petroleum industry . . . [be] vigorously championed." However, since your readers may want facts rather than vigor, we suggest they consider the following misstatements in your piece:

1. The major oil companies would not be broken up "into little pieces" as you contend. The single-function spin-offs from the oil majors would still be gigantic. Exxon, which is number one of the Fortune "500", would be succeeded by four companies, all of which would rank in the top 20, with one in fourth, and one in seventh place. The smallest of the majors, Marathon, which ranks 77th, would produce four pieces, all of which would remain on the Fortune 500 list.

2. The idea that voters have penalized candidates who favor divestiture is ludicrous. Candidates who favor at least one form of divestiture—vertical or horizontal—received 98 percent of the Democratic primary vote in New Hampshire (a "conservative" state) and 95.1 percent in Massachusetts. Candidates who have clearly and forcefully spoken out for *both* vertical and horizontal divestiture received 67.2 percent of the Democratic vote in New Hampshire and 60.8 percent in Massachusetts.

3. Your suggestion that Senator Jackson has lost support by "blasting the oil industry" falls before the fact that in Massachusetts his showing improved from 1.3 percent in the 1972 primary to 22.7 percent in 1976, while in Florida his share increased from 13 percent to 23.9 percent. In both states, as you point out, he placed a heavy emphasis this year on fighting Big Oil.

4. Your statement that Governor Wallace "is absolutely opposed to breaking up the oil companies" is in error. Wallace supports the horizontal divestiture idea now. Moreover, his unwillingness to endorse immediate vertical divestiture is based not on any philosophical opposition but upon short-run concern about problems of implementation, concerns which we hope to persuade him are unwarranted, since divestiture in the oil industry, like other major splits in American business history, can be accomplished efficiently and expeditiously once the industry puts its mind to pursuing it rather than fighting it.

5. Governor Carter's position, in which you place great stock, appears to be not only in favor of horizontal divestiture, but also in favor of vertical divestiture (although we did not count him above as being "clearly and forcefully" so). In response to Energy Action's question before the Iowa caucuses, he said: "I support restrictions on the right of a single company to own all phases of production and distribution of oil." His only objection was to any proposal which would make it illegal for the same company to conduct oil exploration and extraction, which none of the current proposals would do.

6. Robert Redford has not financed Energy Action. Those of us who together with Paul Newman have succeeded in getting Energy Action off the ground are not "movie actors" (although we agree with Paul that people do not forfeit their citizenship rights and responsibilities by becoming movie actors). We are, respectively, the Chairman of the Board of TRE Corporation (a NYSE listed company), Chairman of the Board of Pioneer Systems Corporation (an ASE listed company), Chairman of the Board of Factory Equipment Corporation, an Economist, and a former Governor now practicing corporate law. Energy Action's initial financing comes from many other responsible businessmen, professionals, and individual citizens who are concerned about the future of our economic system and the American way of life.

7. Those who support divestiture do not have "the sole intent and purpose of embarrassing the President just prior to Election Day." (By the way, if you really believe the people are against divestiture, why would the President be "embarrassed"?) Nor do they propose "smashing American industry and . . . the American Dream." They merely propose to translate basic American theories of competition and free enterprise into reality by providing an industry structure that maximizes competitive forces and reduces the opportunities and avenues for the exercise of monopolistic leverage.

It is perhaps indicative of the superficiality of your analysis that you neglected to mention the recent announcement by the Senate Republican Leader that he supports vertical divestiture. This fact alone means that anyone in the business or investment community who proceeds on the assumption that "divestiture is dead" is making a serious mistake.

Sincerely,

LEO WYLER,
CEO TRE Corp.
MILES RUBIN,
CEO Pioneer Systems Corp.
HAROLD WILLENS,
CEO Factory Equipment Corp.
STANLEY SHEINBAUM,
Ph.D., Economist.
KENNETH CURTIS, Esq.

WHY OIL INDUSTRY DIVESTITURE WILL HAPPEN IN 1976

(Expansion of Remarks by James F. Flug, Director and Counsel, *Energy Action,* at Columbia Business School Conference: "New World of Energy 3: Business and Government," Arden House, Harriman, New York, February 28, 1976.)

Since most of you in the audience are part of the oil industry, I have little hope of persuading you that oil industry divestiture—that is, breaking up the oil giants into their production, refining, transportation and distribution parts—should happen this year. But I hope to convince you that divestiture will happen this year and that you should begin preparing for it.

There are five basic reasons why divestiture legislation is going to happen in the 94th Congress.

First, the public wants it. The "ENERGY ACTION" button which some of you are wearing has replaced the "GET MAD" button which our group originally distributed. We found that the American people were already mad. The need was not to stimulate feeling but to channel the deep well of existing strong feelings into positive action. People are mad because they think Big Oil runs their country. They see their President acting as a front man for the oil and gas lobby in promoting higher natural gas prices. They see their Senators running scared and voting for higher gas profits. They turn on TV and think that Exxon owns the news shows, Texaco the special events, Shell the Bicentennial. They remember back to the 60's when Big Oil wanted and got government intervention to protect domestic producers against competition from low cost foreign oil, when Big Oil got the President to prevent the building of an independent competing refinery in New England, and now they see Big Oil trying to eliminate government protections for the consumer against the anti-competitive cartel forces. The public is mad because it knows almost intuitively that the major oil companies are involved in policing and managing the OPEC prices.

In this country, when the people are mad those who govern must listen and must respond, must at least try to cure the ill. And divestiture is clearly one of the cures—not to punish the oil companies, for it is not punishment that the people want, but to change the structure of the industry to reduce the secrecy, the self-dealing, the gigantic concentrations of power that have precluded real competition, real public scrutiny, and real responsiveness to the ordinary norms of business behavior.

The second reason that divestiture will occur is that divestiture is good for everyone. It is good for the consumer. It is a basic tenet of our economy that more competition is better than less competition. And no one argues that breaking up the oil companies into their functions will not bring more competition. If instead of each major owning most of its oil from the wellhead to the gas pump, there is real competition on the buying and selling side at each stage of the process, the consumer presumptively benefits.

Divestiture is also good for the investor. The historical evidence of analogous industry break-ups is that the stockholders of the original companies did extremely well. Beginning with the original split-up of Standard Oil in 1911 and running through tobacco, entertainment, banking, automobiles, public utilities, and other anti-trust action by legislation and lawsuit, the experience has been that the value to investors of the parts is greater than the previous worth of the whole.

It's also good for the Wall Street community. The greater number of listed companies, shares, transactions, and new customers for debt and equity financing projects, and the general enhancement of aggressive competition among the former affiliates will benefit the brokers and investment bankers, as well as the institutional investors. There'll be more players and more action for everyone.

And most of all, it's good for the oil company executives. Those of you who are sitting here this year as vice presidents and division chiefs will be back next year as Chairmen of the Board and Presidents of the divested companies. You will get the chance you always wanted to run things your way, to show your boards where the real focus of ideas and imagination is in your hierarchies. If only to get some of you into top posts, divestiture would be justified.

The third reason divestiture will happen this year is that the efforts of the industry to stop it will not only fail, they will be counterproductive. We have all heard how low the oil industry rates on the credibility polls. And everything you do seems to worsen your appearance. Your attempt last year to stampede the Congress into natural gas deregulation by making dire predictions of a gas shortage which would throw hundreds of thousands out of work and leave schools and houses without heat was, of course, shown to be a cynical crying of "wolf," but worse than that, the Congress now knows that, to the extent that there might have been some gas supply problems, decisions and choices made by the gas producers themselves to withhold and divert gas from national markets would have been the direct cause. You're not helped, either, when a company like Mobil tries to play on public sympathies by claiming its profits were "only" 5½ percent of investment, and then it turns out that "investment" includes total assets of all types, a measure totally irrelevant to the argument being made. And it doesn't help when your joint voice in Washington, The American Petroleum Institute, puts out a release decrying your decline in profits from '74 to '75, when almost everyone realizes that your '74 profits were so outrageously high and extraordinary that even you could not expect to match them, and in fact your profits since '72, the last pre-embargo year, have risen by over 70 percent.

And your credibility will decline even further this year as the disclosures about your political misdeeds, cash slush funds and other abuses continue. I'm sure you all have seen the part of the McCloy report to Gulf Oil which quotes the former Gulf chairman as saying that he checked with other oil companies and found that all of those he checked had political slush funds like Gulf's. So far we've seen the facts on only 3 or 4, and we can expect others. SEC Chairman Hills says they have 74 corporations already in their net, many of which are still to be revealed. The special prosecutor's office is quoted as saying that we will see other cases like that of the Congressman who pleaded guilty last month of accepting an illegal gift from an oil company.

The fourth reason divestiture will pass is that the votes are there. In the Senate in October there were 45 votes for divestiture, one absentee and another six or seven Senators who stated explicitly that their "nay" votes were procedural and not on the merits. If those numbers alone aren't persuasive enough, I would point out that Hugh Scott, the Republican leader, who was not one of the 45 or the one or the six or seven, has just announced that he, too, is in favor of vertical divestiture because he is "bothered that some companies have such a great power over our economy."

In the House of Representatives, the recent 205–201 vote in favor of continued regulation of the major natural gas producers with deregulation of the small independents, was, I submit, a conservative precursor of the vote in favor of divestiture, and once the Senate has acted on behalf of the consumer, the House will not let itself be left behind.

Finally, a divestiture bill will become law this year because President Ford will sign it. After the Senate and House have acted, Gerald Ford will be presented with a clear choice between the interests of the people and the interests of the petrogiants. Last time he was presented with a similar choice, on the oil pricing bill last December, he opted for the people. The Governors' Conference was recently presented with that choice on natural gas—they opted for the people. By the time the divestiture bill arrives at the President's desk, dozens of his fellow Republicans in the Congress, including members of the Republican leadership, will have voted for it. The President's course will be clear if he has any hope of remaining in office, or—if he is not running—of being remembered in the Truman image he cherishes.

OVERREGULATION PLAGUES OUR ECONOMY

Mr. CURTIS. Mr. President, I have stood up several times on the floor this session to protest the burdens of Government overregulation. On more than one occasion, I have related the cases of rural doctors forced to give up their practices, because they could not handle the paperwork.

I would like to bring to my colleagues' attention an article which appeared recently in the Omaha World-Herald on this subject, again pertaining specifically to the burdensome paperwork requirements hindering the effectiveness of the Nation's health industry.

There is something radically wrong when trained nurses report they spend more time doing paperwork associated with patient care than they do in actual patient care.

Mr. President, I ask unanimous consent that the article appearing in the March 19, 1976, Omaha World-Herald be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAPERS MORE WORK THAN PATIENT

Visiting Nurse Association personnel now spend more time on the paper work associated with the average visit to a patient than in direct patient care, according to an association study.

DeLanne Simmons, association director, Wednesday told the Omaha-Douglas County Health Board the average patient visit and associated paper work together require 1 hour 56 minutes. Of that, 62 minutes, or 53 per cent, go into office work.

Ten years ago, she said, the total for the average visit was 60 minutes, with 23 minutes, or 38 per cent, going into paper work.

Office time is required to document services provided, maintain patient records, and complete forms for insurance companies, to name a few chores.

The higher time-per-visit also reflects that the population is more dispersed and additional travel time is needed. It has increased from nine to 14 minutes on the average.

Miss Simmons said the time spent with the patient has increased almost 50 per cent because the nurses are seeing sicker people.

In 1965, the nurses averaged between six and seven visits to a patient. Now the average is 15 per patient.

One reason, she said, is that patients are being dismissed earlier from hospitals. She traces this to government regulations, put into effect in hospitals, which look at how long patients should remain hospitalized.

Here are a few of the other changes noted by the visiting nurses during the last decade:

Visits for mental health reasons have risen 402 per cent. Miss Simmons said this is because the incidence of emotional problems has "risen alarmingly."

Requests for home care have increased 50 per cent, in part because Medicare for the elderly and Medicaid for low-income families have made them more aware of the home care services.

Time spent in school health nursing increased from 6,964 hours in 1965 to 15,433 in 1975.

THE ARTICLE V OPTION

Mr. McGOVERN. Mr. President, the Bicentennial celebration has spawned a great deal of renewed interest in the institutions of American Government as well as in the state of the Constitution itself. In 1974, for example, the American Bar Association's Special Constitutional Convention Subcommittee issued its final study on "Amendment of the Constitution by the Convention under Article V." More recently, high school students in Saginaw, Mich., have completed a model constitutional convention in which they examined the 187-year-old document in light of the new demands of contemporary life in the United States. In early April, the American Academy of Political and Social Science will conduct a 3-day conference on the Constitution. Respected delegates including former Associate Justice of the U.S. Supreme Court, Tom C. Clark, former Congresswoman Martha W. Griffiths, and Congressman PAUL McCLOSKEY will gather with 72 other participants to discuss the capacity of the Constitution to serve the Nation over the next 200 years. I believe all these efforts are valuable and timely contributions, because they address the issue of the fullest possible participation of all American citizens in the conduct of their Government.

I have recently had the opportunity to examine an additional study of the convention process as a means of amending the Constitution and, today, I would like to share excerpts from it with my colleagues. It was prepared by a graduate student at Harvard's Kennedy School of Government and it is indeed a thought-provoking piece of scholarship. Written by Jim Sta[illegible], the study makes a persuasive case for regularized review of the operation of the Constitution and suggest ways for direct citizen involvement in the amendment process.

The principal thesis of this study is that a constitutional convention can be a positive asset at this point in our history. This is not my present view, but it is a view that merits careful consideration. Thus, Mr. Stasny's perceptive study can be of real benefit.

While I do not subscribe to all of the views expressed in this constitutional study, I appreciate Mr. Stasny's clear and forceful presentation of his convictions. My own State of South Dakota has submitted applications to the Congress on 12 separate occassions calling for a convention to amend the Constitution, but each application was on a specific subject rather on the question of general revision.

I recommend this study to my Senate colleagues and I ask unanimous consent that selected excerpts be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

TOWARD A CIVICALLY MILITANT ELECTORATE:* A NATIONAL CONSTITUTIONAL CONVENTION

On December 15, 1974, a crowd of 8,000 people assembled on the Boston Common to peacefully protest the ruling of U.S. District Court Judge W. Arthur Garrity that compelled the forced busing of children to achieve school desegregation.[1] Among the speakers that day was William Haskins of Newport News, Virginia, who told the gathering that one way to bring a halt to the busing controversy was to enact a Constitutional amendment to rescind previous and prohibit further busing orders. Haskins, a member of the Executive Board of the National Committee for a Constitutional Amendment (against busing) told the crowd, "So far, we have 18 states. If we get 34, we can amend the Constitution and to heck with them in Washington."[2] What Haskins was suggesting was that busing opponents bypass the traditional congressionally initiated amendment process and, instead, petition for a Constitutional Convention.

Article V of the Constitution provides two ways in which the Federal Charter can be amended.[3] That the idea of changing the Constitution is not unique is illustrated by the fact that as of January 3, 1969, a total of 6,940 amendments had been proposed.[4] Nor is the idea of summoning a constitutional convention to consider amendments a novel proposal. Since 1788 Congress has received 356 petitions requesting a convention on topics ranging from polygamy (30 petitions) to direct election of senators (75 petitions).[5] But, interestingly, 134 of these petitions have been initiated during the last twelve years.[6] Aside from the fact that these figures represent thirty-eight percent of the total requests for a convention, two other factors are notable. One is that, of those latter 134 petitions, most of them have been on subjects commonly associated with conservative causes.[7] Secondly, as a consequence of the conservative nature of those petitions, liberals, both in the Congress and in private organizations have generally been found in opposition not only to the amendments offered but also to the idea of a constitutional convention itself.**

As an illustration, during the Spring of 1967, Joseph Tydings, a liberal Maryland Democrat, spoke to the Senate on the subject apportionment of state legislatures. Tydings called the movement for a convention, ". . . a sneak attack on the Constitution . . . that more closely resemble(s) an assault by the Marx Brothers on Fort Knox."[8] When Tydings again condemned the proposal a month later in another Senate speech, Albert Gore, a liberal Democrat from Tennessee, added his approval[9] while the late Senator Robert Kennedy of New York argued for tighter Congressional limits so that a convention would not ". . . move beyond the legitimate boundaries of its jurisdiction and interfere with basic human rights."[10]

At different times during the twelve years between 1963 and 1975 other liberals have expressed their fears of a convention. In testimony before Senator Ervin's Subcommittee on Separation of Powers, Theodore Sorenson, former special counsel to President Kennedy warned of ". . . a runaway convention under pressure if not domination from all kinds of special interests tinkering with the greatest charter ever known to man."[11] Senator Proxmire,[12] Senator Bayh[13] and Senator Javits[14] have also taken a dim view of a possible convention while Professor Clifton McCleskey of the University of Texas has termed a possible convention a "sideshow."[15] Even the American Civil Liberties Union has argued for a tightly supervised convention[16] while Arthur Earl Bonfield, Professor of Law at the Iowa Law School has observed approvingly in regard to the possible method of electing delegates to a convention that election by congressional district ". . . would give all of a state's representation to the statewide majority interests, completely excluding minority interests even though they may be a majority in some parts of the states."[17]

There are, therefore, a number of reasons for liberal opposition to the idea of a national convention, not the least of which is the fact that since a modern convention has never been called, there is no precedent upon which to rely for guidance. A second reason appears to be substantial apprehension that the philosophical arithmetic would produce a subtraction of rights rather than a significant reinforcement of right or positive addition to the constitution. And, finally, many of the recent convention proposals deal with the reassertion of state's rights or suggest schemes that would strip the Supreme Court of much of its authority.[18] But it should be kept in mind that liberal and conservative attitudes are not static as, for example, their shifting affection for the Supreme Court. As Robert G. Dixon, Professor of Law at George Washington University has correctly noted:

"The present-day champions of the Court and viewers-with-alarm of the amending process may be classified as political 'liberals.' But liberals have not always opposed it. Indeed the Court was frequently so pro-property from the Civil War to the New Deal that attacking the Court, in the name of democracy, was a standard liberal pasttime."[19]

The thrust of these preliminary observations is that over the last several years conservative generated proposals to amend the constitution through the convention process have put liberals on the defensive. In their legitimate opposition to some extreme conservative proposals, liberals have at the same time placed themselves in opposition to that part of the constitutional amendment article which was established to deal with a situation in which government institutions prove impervious to self-generated change. Conservatives have recently had the most experience in promoting a convention and have the most demonstrative voice while liberals have had scant input and, what input they have contributed, has been largely negative. More important, liberal opposition has focused nearly as much on blocking (or at least seriously confining) a convention as it has on contesting the proposed amendments. In that of a constitutional convention regarding rerespect, they risk closing out the opportunity for a positive voice in a convention and are contributing to a legislative history that, in the aggregate supports a consensus on tightly limited conventions.

When Mr. Justice Frankfurter advanced the notion of a civically militant electorate he did it on the theory that courts could not be expected to resolve every national dispute. He went on to say, "In a democratic society like ours, relief must come through an aroused popular conscience that sears the conscience of the people's representatives."[20] In terms of a constitutional convention the idea of an aroused popular conscience is both a powerful and necessary element. This essay will attempt to demonstrate that a convention can be a positive resource at this time in American history. . . .

III. A POLITICAL TRANSFER: ARTICLE V TURNED RIGHT

A progressive Democratic coalition had ultimately prevailed in the passage of the Seventeenth Amendment and the progressive movement, on the surface, appeared to be at flood tide.[21] With advances in state legislatures and the successful enactment of several pieces of federal legislation that gave at least the appearance of more active government supervision of business, the progressives began to pursue further political reform. One of their objectives became the liberalizing of the constitutional amendment process. But they were not the first to take up the effort.

As early as 1864, Senator Henderson of Missouri had submitted a resolution that reduced from two-thirds to a simple majority the number of votes required in both Houses of Congress to submit an amendment to the states. The resolution also specified that a majority rather than two-thirds of the state legislature could petition for a convention to amend the Constitution. It further stipulated that, while Article V called for ratification by three-fourths of the state legislatures or by there-fourths of the states assembled in separate conventions, the new proposal would reduce those figures to two-thirds.[22] While the Henderson resolution was introduced, the first section originally called for abolition of slavery. Although that feature was subsequently included in the Thirteenth Amendment, the changes suggested for Article V fell by the wayside.[23]

Another proposal, introduced by Mr. Porter in 1873, not only set the vote required to propose an amendment at three-fifths of both Houses, but permitted the Congress to initiate a Constitutional convention on its own. The ill-fated resolution also permitted the states to retain their right to petition for a convention but reduced the requirement for ratification to "a majority of the electors in the several States voting thereon . . . ."[24] While there were a number of other efforts during the Nineteenth Century to alter the amendment Article, they provided only a thin precedent for liberalizing the process.

In 1907, however, J. Allen Smith, a professor of political science at the University Washington, published a controversial book, *The Spirit of American Government.* Among the central contentions of the work was the idea that the Constitution of 1787 was a reactionary document. "It repudiates entirely," Smith wrote, "the doctrine then expressly recognized in some of the states and virtually in all, that a majority of the qualified voters could amend the fundamental law."[25] Smith suggested there was a direct link between difficulty in amending the Constitution and the dominant political and economic forces in the country. He observed:

"A government is democratic just as it responds to the will of the people; and since one way of defeating the will of the people

---

Footnotes at end of article.

is to make it difficult to alter the form of government, it necessarily follows that any constitution which is democratic in spirit must yield readily to changes in public opinion . . .

"The privileged classes of any society regard stability as the chief political desideratum. They resist, and if possible prevent, those legal and political readjustments which the general progress of society makes necessary. Their interests are furthered in proportion as the system in one which renders change difficult."[96]

The Spirit of American Government won wide circulation among progressive groups. Theodore Roosevelt, Gifford Pinchot, and Hiram Johnson all had high praise for it. Senator Robert LaFollette distributed the book widely in Wisconsin and even William Allen White bought copies for his friends.[97] In addition Professor Smith's influence found its way into the 1912 Progressive Party Platform when the delegates adopted a plank which affirmed their belief "that a free people should have the power . . . to amend their fundamental law so as to adopt it progressively to the changing needs of the people." The Party then pledged itself "to provide a more easy and expeditious method of amending the federal constitution."[98]

The Progressives continued their effort toward a liberalized amendment process and, in 1914, the National Legislative Reference Committee of the Progressive Party produced a lengthy pamphlet which outlined a "Progressive Congressional Program." The pamphlet quoted Lord Bryce who had observed that the reason the American Constitution had not been amended more frequently was ". . . due not solely to the excellence of the original document, but to the difficulties that surround the process of change."[99] The Committee then made specific proposals for democratizing the amendment procedure by listing three ways in which amendments might be proposed. One way was through a majority vote of both Houses of Congress. A second way was by one-fourth of the States, acting through their legislatures or by direct popular vote. But the third method was truly inventive. It provided that a Constitutional Convention would automatically assemble every thirty years to consider revision of the Constitution. Commenting on the benefits of such a gathering the Legislative Reference Committee wrote:

"The recurrence of such a convention every thirty years would insure threshing out, in an assembly of unusually high character, the great political questions of each generation. There would be no incentive to interested beneficiaries of special privilege to fight the calling of such conventions. There would be no need of long periods of struggle with political chicanery to obtain consideration of widespread popular demands. Character and wisdom assured by all precedent in such a convention would make such a body a distinct addition to the regularly constituted deliberative assemblies of our government."[100]

The Committee further suggested that ratification of amendments proposed under any of the three alternatives occur "by direct vote of a majority of all the electors voting thereon, which must include also a majority of the electors voting thereon in a majority of the States."[101] The Progressives went beyond the mere discussion of these suggestions and combined them in a resolution submitted by Senator LaFollette calling for an eighteenth amendment to the Constitution.[102] But the resolution failed to win consideration in the Congress. In addition to whatever political opposition (or indifference) that developed against it, one other possible reason for its gentle demise was that it did not provide for the repeal of Article V but rather added to it, thus creating further uncertainty surrounding the amending process itself.

In connection with the legislative moves toward a more liberal amending process, periodicals were voicing their support, as well. Walter K. Tuller in a 1911 issue of the North American Review cautioned that as "social, industrial and governmental activities are becoming more and more complex" there was a growing danger that the Constitution might "become too far removed from the people, and through its unelasticity and the extreme difficulty of changing it to meet the conditions under which the people actually live will become a hindrance to those advances which are essential to the common good."[103]

By 1915, Herbert Croly, under the influence of Professor Smith's researches,[104] put the *New Republic* squarely behind a movement to facilitate the amending process. In the January 23, 1915 issue, Croly wrote:

"The amending clause of the Federal Constitution forms an insuperable obstacle to the wholesome realization in this country of a thorough going professional political and social policy. It makes the process of altering the Constitution so difficult that the American people as a whole have never felt that they were responsible for their fundamental law . . . It is a royal Constitution and it exists not to be amended and adapted but to be feared and obeyed. The American people will never be convinced of their responsibility for their own political and social destiny until the process of amending the Constitution is facilitated."[105]

In November of the same year, Croly again argued for a more liberal amendment process but, this time, from a different perspective. In January he had criticized the "royal Constitution" and he still contended the Constitution had "performed for the American people a service similar to that which their kings have performed for the European nations." But with the war in Europe more than a year old and fears of American involvement a matter of building controversy, Croly based his renewed argument on the need to preserve "constitutionalism." He reasoned that a war would require the executive branch to assume powers in excess of those prescribed in the Constitution and such action would pose a threat to the citizenry. He observed that if emergencies could not be met legally, they would inevitably be met with measures outside the constitutional mandate. Thus, to avoid subverting respect for the law and at the same time raising a warning flag against the consequences of American intervention in Europe, Croly argued for easier amendment in order to quickly define the permissible conduct of the United States in consideration of the European question.[106]

Ironically, it was the war that accelerated the withering of the progressive movement. Already, by 1912, the Progressives were badly split. Theodore Roosevelt, as the titular head of the Party had, by 1914, switched to a more inflexible conservative posture. By 1916, harassed by assorted Party defections and internal wrangles over dogma and procedure, the Progressives were no longer an effective political force. But the decline of the progressive movement did not bring a halt to the idea of altering the method of amending the Constitution. Instead, the issue entered a transition phase in which the idea of placing amendments more directly under popular control shifted focus from an emphasis on expediting constitutional change to making popular control a means of making amendment more difficult.

Following the Wilson era, the nation was animated by the appeal of Harding's pledge for a return to normalcy in which business might resume its unfettered development and the people might be free of wartime restrictions and foreign "isms." There existed in the country a manifest fear of perversion of the American system by alien ideology. Paralleling that fear was an overt suspicion of propaganda techniques utilized during World War I. Senator James Wadsworth of New York, in testimony before the Senate Judiciary Committee, remarked:

"The modern machinery of propaganda is very, very strong and it is growing stronger. Organizations of all kinds, good, bad, and indifferent, are resorting to it in ever increasing degree, and when the weight and force of propaganda is brought to bear upon a single legislative body, composed of a comparatively few men, in many instances it is almost impossible for that body to resist the pressure."[107]

Wadsworth's remarks were aimed not only at the evils of propaganda. They were a frank statement of conservative dissatisfaction with the conduct of state legislatures in acting upon the proposed eighteenth amendment (Prohibition) and the nineteenth amendment (Women's Suffrage). There had been occasions where states authorized a referendum that approved prohibition only to have the legislature refuse to ratify the amendment.[108] As a result, Senator Wadsworth introduced a resolution to amend Article V which, under the appearance of broadening popular control, would, in the approving words of the *Boston Herald*, "protect the country as a whole against confusing the Constitution's clarity by the disturbing inflow of incessant amendments."[109] The *Nashville Banner* said the Wadsworth proposal would "prevent recklessness" in amending the Constitution and encourage "a move in the direction of more conservative government."[110] The commentary on the proposed change thus illustrated that although altering the amendment process was still a popular objective, the force behind the movement had passed from progressive to conservative hands.

On April 27, 1921, Senator Wadsworth introduced the following resolution to substitute new langauge for Article V:

"The Congress, whenever two-thirds of each House shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislature of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by three fourths of the several States through their legislatures or conventions, as the one or the other mode of ratification may be proposed by the Congress or the convention: *Provided*, that the members of at least one house in each of the legislatures which may ratify shall be elected after such amendments have been proposed; that any State may require that ratification by its legislature be subject to confirmation by popular vote; and that, until three-fourths of the States have ratified or more than one-fourth of the States have rejected or defeated a proposed amendment, any State may change its vote: *And provided further*, that no State, without its consent, shall be deprived of its equal suffrage in the Senate."[111]

The amendment was, therefore, to impose three qualifications on the amending process. The first *qualification, requiring* that the members of at least one house of each legislature be elected after submission of a proposed amendment, was clearly designed to make such an election an indirect referendum on any amendment. An editorial in the *Baltimore Sun of* June 19, 1927 gave an indication of the circumstances prompting this qualification:

"At least 13 State legislatures elected on other issues before it was submitted by Congress ratified the eighteenth amendment without a popular mandate. Thirty-four of

---

Footnotes at end of article.

the thirty-six legislatures which ratified the nineteenth amendment were likewise elected upon other issues before it was proposed by Congress. Five of them ignored express provisions of their own State constitutions forbidding them to ratify. Thirteen of them ignored unfavorable referenda by their own people against State suffrage." [112]

The second qualification was designed as a means of insuring that the popular will and the legislatures position were consistent. The net effect of these two qualifications certainly injected popular control into the amendment process. But they simultaneously raised the possibility that the amendment process could be drawn out so long that either through political attrition or eroding public interest, any amendment proposal could be short-circuited. The third qualification, by providing for rescission of state ratification, provided another means by which amendments could be inhibited.

Depending upon which side of the question an individual takes, these provisions can be interpreted as either restrictive or liberal. But in this instance, the Wadsworth plan had been advanced by "conservative lawyers opposed to both prohibition and woman suffrage" and was consequently an attempt "to make it more difficult for their enemies—the Progressives—to amend the Constitution." [113] In any event the Wadsworth proposal, although ultimately reported by the Senate Judiciary Committee in eviscerated form, made no further progress in Congress.

For the next thirty years, other changes were periodically suggested in the content of Article V. In 1938, for example, a former assistant attorney general of Minnesota renewed the suggestion that amendments be proposed by a majority vote in both Houses of Congress and could be ratified by a national referendum by a majority voting on the question.[114] But in 1953, a new proposal for changing Article V was brought forward by John B. Ebinger, an Oregon Attorney. As Director of the Committee for the Preservation of State and Local government,[115] Ebinger viewed the growing centralization of Federal power as a distinct threat to the continued viability of state government. Under the sponsorship of Representatives Chauncey M. Reed and Francis C. Walter, the Ebinger proposal was presented to Congress on July 26, 1954.[116] The proposition preserved the essential features of Article V, but eliminated the possibility of ratification by state convention. What the amendment would have added, however, was the proviso that any twelve states (a feature not unlike the Progressive's Legislative Reference Committee proposal in 1914) might propose an amendment and it would become law when ratified by the legislatures of three-fourths of the several States.[117] The proposal, however, failed to win any significant support and faded from the scene.

Like the other examples in this section, the Ebinger proposal demonstrated that there has been intermittent movement toward a loosening of Article V. But these proposals, once championed by liberal groups, have now become the virtual exclusive domain of the conservatives. Over the past 50 years, liberals have abandoned, not the will to cultivate timely change in the Constitution, but have surrendered an instrument in pursuit of that goal. Conservatives, frustrated by the erosion of state rights had, thus (up until 1962) taken up the broadening of the amendment process on behalf of their own objectives. They had simply adapted an old progressive tactic to suit their contemporary aims. That those aims were often antithetical to the objectives of groups at the other end of the political spectrum has caused liberals to strenuously condemn both the goals as well as the means in pursuit of them . . .

VI. CONVENTIONAL WISDOM: A SURVEY

(*a*) *Legislative history*

During the debates at the 1787 Convention, James Madison was worried about the content of the amendment article. "How was a Convention to be formed?" he wondered, "by what rule decide? what the force of its acts?" [159] The final text of Article V did not answer his questions and, in fact, the details surrounding the convention method have never been settled. That uncertainty has always figured in the arguments of those who oppose calling a second convention.

When Congress found itself on the verge of facing the necessity of calling a convention to consider apportionment, Senator Ervin moved to legislate guidelines for that eventuality.[160] On August 17, 1967, he introduced S. 2307, a bill "to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States . . ." [161] The bill was referred to the Senate Judiciary's Subcommittee on Separation of Powers where hearings were held on October 30 and 31, 1967.[162] It was subsequently revised and reintroduced as S. 623 during the 91st Congress but, after consideration by the full Judiciary Committee, no further action was taken.[163] The legistion was reintroduced on January 26, 1971 as S. 215 and passed the Senate with one amendment on October 19, 1971 by a vote of 84 to 0.[164] That bill failed to win House action.

On March 19, 1973, Senator Ervin introduced S. 1272, a bill identical to S. 215.[165] On April 12, 1973, the Senate Subcommittee on Separation of Powers held hearings on the bill [166] while, in the House, Congressman Hogan introduced an identical measure.[167] The Senate Judiciary Committee reported the bill on June 29, 1973 [168] and it passed the Senate without debate on July 9, 1973.[169] The House again, however, failed to take further action. Thus, during the years 1967 through 1973, Senator Ervin led repeated efforts to enact convention guidelines. But Senator Ervin was not the first to offer legislation of this type nor was he the last.

In the years immediately following World War II, a flurry of petitions fell on Congress for a convention to propose an amendment to limit the federal taxing power. Because many state legislatures passed but subsequently rescinded their petitions,[170] the Congress was moved to give the matter of a possible convention some attention. As a result, the staff of the House Judiciary Committee produced a report examining the question of tax limitation while probing some of the problems raised by a convention. Although the report contained a draft of a bill entitled the "Constitutional Convention Act of 1953," neither House acted on the proposal.[171]

Four years later, in 1957, the House Judiciary Committee published the doctoral dissertation of Cyril Brickfield as a committee print. In it, Brickfield included legislative proposals on guidelines for a constitutional convention.[172] By 1961, Brickfield had become counsel to the House Judiciary Committee and the issue of calling a convention to limit the federal taxing power was again before Congress. He produced for the committee a survey of all the petitions sent to Congress between 1787 and 1957 and, at the same time, renewed his legislative proposals.[173] But between 1961 and the Ervin proposals of 1967-73, Congress gave convention problems little notice. On June 11, 1973, however, Senator Hathaway introduced a convention bill [174] and finally, on January 14, 1975, Congressman Pettis introduced H. Con. Res. 28 which called for a general constitutional convention to be held in Philadelphia apparently as a means of commemorating the bicentennial.[175] There has been other discussion of legislative attempts to guide a convention [176] but the Ervin proposals have been the most widely discussed in the history of the issue. (The texts of the legislative proposals are reproduced in the appendix.)

Despite sporadic attempts to devise convention procedures, the entire issue remains open. In addition to congressional studies, law journals and popular periodicals as well as newspaper editorials have speculated on the question. As a consequence, rather than a definitive source of recognized authority, there has grown up around the federal convention provision a weight of conflicting opinion about the subsidiary questions spawned by a convention. While little has been settled conclusively, the Ervin efforts stand out as the principal source of direction. The Ervin bills, however, dealt specifically with the question of a limited convention, i.e., a gathering which would deal with subject matter(s) generally prescribed by the states in their petitions [177] and consequently do not deal with the problems of a general convention. Nevertheless, there are a multitude of questions involved and the following sections will deal with only four of them. They are sufficient to demonstrate that (a) congressional efforts point to a limited convention, (b) conservatives have co-opted the leadership in advancing the notion of a limited convention and, (c) liberals have had a primarily negative influence in the discussions, arguing either against a convention in the first place or supporting a tightly confined gathering.

(*b*) *Must Congress call a convention?*

In 1929 the Legislature of Wisconsin sent Congress a reminder that, since 1788, thirty-five states had filed petitions calling for a constitutional convention. The reminder advised the Congress to "perform the mandatory duty . . . and forthwith call a convention to propose amendments to the Constitution." [178] Since the thirty-five states represented more than the two-thirds necessary to compel Congress to act, it raised the question if, indeed, Congress must call the gathering at all. There are differences on the question but the weight of opinion is that Congress would have no choice but to call the convention if the petitions were reasonably contemporaneous and grew from meaningful debate,[179] a situation absent at the time of the Wisconsin reminder.

Alexander Hamilton in the *Federalist No. 85* hedged no bets on Congress' requirement to act. He wrote, "The words of this article are peremptory. The congress 'shall call a convention.' Nothing in this particular is left to the discretion of that body." [180] Walter K. Tuller, writing in the *North American Review* during the height of the struggle for direct election of Senators, concurred in the Hamilton view ". . . (W)hen the requisite number of applications are made," said Tuller, "the Constitution makes it the *positive duty* of Congress to call the convention regardless of whether that body considers it advisable or not." [181] He based his reasoning on the fact that on this issue, "*Congress acts not in a legislative, but in a purely ministerial capacity.*" (Emphasis in original.) Citing *Marbury v. Madison* as authority he noted that the Supreme Court had compelled the executive to perform a ministerial function and he held that the convention call was analogous.[182] Tuller cited further authority for compelling performance of a ministerial act by quoting Justice Bradley in *Board of Liquidation v. McComb*. "But it has been well settled that when a plain official duty, requiring no exercise of discretion, is to be performed and performance is refused, any person who will sustain personal injury by such refusal may have a mandamus to

---

Footnotes at end of article.

compel its performance."[183] In adding a judicial role to the convention call, Tuller broadened the area of dispute. But other writers supported his view.

Wayne B. Wheeler in a 1927 Illinois Law Review article said that from a "strict legal construction . . . Congress acts merely as the agency provided by the Constitution for permitting the people to consider desired changes through a convention."[184] But he questioned the likelihood of a mandamus against the Congress, reasoning that the Court was without power to enforce the order.

During 1954 Senate Judiciary Hearings, several sources were quoted as holding that Congress must call a convention. Among the authorities was Mr. Justice Story who in the 1816 case of *Martin v. Hunter's Lessee* ruled that the word "shall" imparts the imperative and the mandatory.[185] Senator Hruska, in 1967, agreed that Congres must call the convention and cited *United States v. Sprague* as authority for forcing the Congress to perform as the Constitution specified. Hruska also felt that the courts could compel Congress to act. Observing that, ". . . It is a well-established principle of law that courts will compel the doing of purely ministerial acts." Hruska concluded that "it appears that a recalcitrant Congress can be compelled to act."[186] He went still further when he held that "Should Congress refuse to comply with the writ, the Court, in enforcing the right, could itself order the Convention."[187]

In 1967 testimony before the Senate Subcommittee on Separation of Powers, Professor Bickel conceded that despite his "horror" at the prospect, Congress "faced with 34 valid petitions" couldn't do "anything but act."[188] Even Senator Ervin affirmed "to concede to the Congress any discretion to consider the wisdom and necessity of a particular convention call would in effect destroy the role of the states."[189] Paul G. Kauper, professor of law at the University of Michigan agreed but doubted that the courts could compel the Congress to act.[190] Ralph M. Carson, in an article for the University of Michigan Symposium on the Article V convention process agreed that Congress must act and the Supreme Court would intervene if Congress refused.[191] At the same symposium, Professor Arthur Earl Bonfield wrote that Congress has the duty to call a convention, "But that constitutionally-imposed duty is not enforceable in the courts."[192] And finally, in 1974, the American Bar Association's Special Constitutional Convention Study Committee stated, "We consider Congress' duty to call a convention whenever two-thirds of the state legislatures have concurred on the subject matter of the convention to be mandatory."[193]

Among those who agree that Congress must call a convention the only difference is to whether or not the courts could compel an unwilling Congress to act. It seems odd that the question should be raised at all given the precision of the Article V directive, "shall call." There are indications, however, that should Congress refuse, the Supreme Court would step in. For one thing, the Court has gradually moved toward dealing with matters that were previously avoided as political questions. Their action on the apportionment issue alone is precedent. But the Court, since 1972, has twice convened special sessions to deal exclusively with political questions; once to settle Senator Humphrey's 1972 challenge to the winner-take-all California presidential primary and again in July of 1974 when it ordered former President Nixon to hand over taped White House conversations to the special prosecutor. Admittedly, neither of these situations dealt with ordering Congress to act. But it is unthinkable that the Court, after acting in these situations, would refuse to intervene in a question as serious as that of a constitutional convention.

There is another body of opinion which argues that Congress could legitimately refuse to call a convention and there is some precedent for that view at the state level. The New Hampshire legislature in 1861 and again in 1864, and the Iowa legislature in 1920 refused to call conventions after voters had approved them in referenda. The New York legislature, after the voters had approved it, once delayed calling a convention for eight years.[194] In 1930 and again in 1950, the Maryland State Legislature refused to call a convention even though the 1950 call had approved it by a popular vote of four to one.[195]

Former Senator Paul Douglas was one of those who believed Congress could refuse to call a convention. In 1965 he testified that, ". . . there is little expectation that the Congress will call a convention even if two-thirds of the State legislatures pass the applications. It cannot, I believe, be forced to do so."[196] Cyril Brickfield, although conceding that the Constitution gave Congress no discretion in the matter, doubted the court would attempt to compel the Congress because of "the doctrine of separation of powers which proscribes action by one branch of the government against another."[197] The *Washington Post*, in 1967, editorialized that Congress could refuse to call a convention.[198] Senator Joseph Tydings believed that Congress could avoid a convention if the petitions were on disparate subjects.[199] Norman J. Small of the American Law Division of the Library of Congress observed that even if a convention were held, Congress might simply refuse to submit the proposed amendments for ratification if the subject matter was other than that prescribed in the state petitions.[200]

It is evident, therefore, that opinion is divided on even this most fundamental question. It would appear, however, that Congress must indeed call a convention if two-thirds of the states file petitions within a contemporaneous time span. But even if Congress should refuse and the courts decline to act, public opinion[201] as expressed at the polls is the ultimate remedy.[202]

(c) *Can Congress limit a convention?*

In 1867, John Alexander Jameson, Professor of Constitutional Law at the University of Chicago Law School, published what has become the most frequently cited treatise on constitutional conventions. In it, Jameson distinguished among different types of conventions and most notably, he described the differences between a revolutionary and a constitutional convention. Of a revolutionary convention, Jameson wrote:

"(T)hey derive their powers, if justifiable, from necessity,—the necessity, in default of the regular authorities, of protection and guidance to the Commonwealth,—or, if not justifiable, from revolutionary force and violence. . . . They are possessed accordingly to an indeterminate extent, depending on the circumstances of each case, *of governmental powers . . . They are not subaltern or ancillary to any other institution whatever, but lords paramount of the entire political domain.*" (Emphasis in original.)[203]

On the other hand, Jameson noted sharp contrasts in a constitutional convention. He said:

"It is charged with a definite, and not a discretionary and indeterminate, function. It always acts under a commission, for a purpose ascertained and limited by law or by custom. Its principal feature, as contradistinguished from the Revolutionary Convention is, that at every step and moment of its existence, it is subaltern,—this evoked by the side and at the call of a government pre-existing and intended to survive it, for the purpose of administering to its special needs. It never supplants the existing organization. It never governs."[204]

In detailing these two types of conventions Jameson set up the spectre of an uncontrollable, revolutionary assembly and then balanced it with the vision of a more temperate and reasonable constitutional alternative. The contrast is important because later advocates of limited conventions have used much the same argument advanced by Jameson. It is their contention that a constitutional convention is an arm of the established government and is consequently subject to limits imposed by the legislative branch of that government.

Those who debate the merits of a limited versus an unlimited convention normally separate their discussions into two parts. One area of discussion is whether or not Congress can limit the subject matter of a convention. A second area is whether or not Congress can provide for "housekeeping" limits on a convention. In an effort to define what those housekeeping functions are, Lester B. Orfield in his study of the amending of the Federal Constitution concluded, "It might reasonably be argued that under its power to call a convention it Congress has implied authority to fix the time and place of meeting, the number, manner and date of election of the delegation and that it may also determine whether the delegates shall represent the states or the nation at large."[205] Senator Hruska defined housekeeping functions as those which "provide for the place, date, presumably the duration, financing, voting and other similar functions of the convention."[206] Arthur Earl Bonfield[207] and Cyril Brickfield[208] concur generally in that view.

Senator Ervin took the view that it is the duty of Congress to specify the rules and procedures so that, if a convention were to be called, "we shall be prepared to implement Article V in an orderly and responsible manner."[209] The American Bar Association, however, takes a somewhat different view of what is meant by housekeeping functions as evidenced by the following excerpts from their 1974 Final Report of the Special Constitutional Convention Study Committee:

"Congress has the power to provide for such matters as the time and place of the convention, the composition and financing of the convention, and the manner of selecting delegates . . . On the other hand, the legislative history of Article V reflects a purpose that the convention method be as free as possible from congressional domination, and the text of Article V grants Congress only two express powers pertaining to a convention, that is, the power (or duty) to call a convention and the power to choose the mode of ratification of any proposed amendments. In the absence of direct precedents, it perhaps can be said that Congress may not by legislation interfere with matters of procedure because they are an intrinsic part of the deliberative characteristic of a convention. We view as unwise and of questionable validity any attempt by Congress to regulate the internal proceedings of a convention. In particular, we believe that Congress should not impose a vote requirement on an Article V convention."[210]

With the exception of the 1975 Pettis proposal, all of the principal legislative suggestions developed since 1952 specify some sort of housekeeping guidelines. Thus, there is fairly uniform agreement that Congress has the authority to legislate some guidance on the formation and conduct of the convention although there remains some dispute as to the extent of those functions.[211] There is a much wider area of contention among the advocates and opponents of limited conventions when it comes to the question of whether or not Congress can impose restric-

---

Footnotes at end of article.

tions on the subject matter of proposed amendments.

Those who argue that a convention cannot be limited do so with the memory of the 1787 Constitutional Convention which ostensibly met to revise the Articles of Confederation but instead produced an entirely new government. Tuller, contending that a convention cannot be limited, observed in 1927:

"The extent, number or nature of the amendments which Congress may propose is not limited in any manner; no more is the authority of the convention limited. The legislatures are not required to specify in any particular what amendments are desired. It would seem clear, therefore, that the convention may propose as many amendments and of whatever nature as it may see fit."[212]

At the state level there is some evidence that a constitutional convention cannot be limited in regard to subject matter. The position taken in a number of states has been that conventions, while not excluding the possibility of dealing only with selected issues are, instead, called to revise and modernize the entire document. For example, a pamphlet entitled, "For Effective Constitutional Review" published by the State of New York, points out that, "The issues of a convention are less likely to focus on operational detail. Convention issues relate to the underlying structure and process of government."[213] This would imply that conventions are not to be limited but rather are to scan the constitution and make obsolete sections conform more with contemporary conditions. In support of this position, another document, *Constitutional Development in New York 1958–1967* states that, "A Constitutional Convention is designed to bring a general review and revision of the fundamental law of the State as contained in the State Constitution."[214] The Constitutional Advisory Council of the State of Washington was even more explicit in their views on an unlimited convention. The Council reported that—

"Historically the evidence of the need for any such single subject restriction is negated by its absence from the U.S. Constitution and from most other written constitutions. Avoidance of such restriction is also preferred by the National Municipal League, the draftsmen of the Model Constitution (6th edition) and of the U.S. Advisory Commission on Intergovernmental Relations."[215]

A number of members of Congress have also registered their views on the prospects of an unlimited convention. In 1911, Senator Heyburn of Idaho commented:

"Section 5 does not contemplate that any constitutional convention shall assemble with a limitation on it to deal with a particular question. When the constitutional convention meets it is the people, and it is the same people who made the original Constitution, and no limitation in the original Constitution controls the people when they meet again to consider the Constitution . . . When the people of the United States meet in a constitutional convention there is no power to limit their action. They are greater than the Constitution, and they can repeal the provision that limits the right of amendment. They can repeal every section of it because they are peers of the people who made it."[216]

On the actual authority of Congress to impose limits on a convention, Heyburn said:

"They the Congress have no power to limit the request. The only power that they are given is by Section 5, and it does not authorize them to call for a constitutional convention of limited powers, but to call for a convention of the peoples of the country."[217]

In 1967, Senator Proxmire addressed himself to the issue when, in a speech on the Senate floor, he stated:

"The Constitution does not say that Congress shall control the subject matter of such a convention.

"I submit that under the Constitution there is no way in which questions of this kind can be limited to the proposing of only one amendment. The constitutional language is clear that the convention can propose any number of amendments: that is the purpose of the . . . provision of Article I. I do not know how anyone can construe the language in any other way."[218]

Senator Hruska gave support to the possibility of an unlimited convention when he told his colleagues:

"As to the question of a allegation of power to the Congress to limit the action of a Convention, nowhere in the Constitution can such a delegation of authority be found . . . If a convention can in fact be limited, it would seem that only the states who possess the sole authority to initiate it could control."[219]

Senator Javits has observed that, "The mere fact that Congress in its resolution sought to restrict the action of the constitutional convention certainly would not restrict the convention as a matter of law . . ."[220]

Sources outside the Congress have noted support for an unlimited convention, as well. Lester B. Orfield in his treatise on the subject acknowledged the province of Congress to impose housekeeping guidelines but doubted its authority to determine subject matter restrictions:

"In reality, the right of the legislature is confined to applying for a convention, and any statement of purpose in their petitions would be irrelevant as to the source of the power of the convention. In as much as Congress issues the call simply on the basis of the applications of the state legislatures, there would seem to be no warrant for any attempt by Congress to limit the changes proposed. The primary and in fact sole business of the convention would be to propose changes in the Constitution."[221]

Richard A. Givens, Chairman of the Committee on Legislation of the Federal Bar Council has doubted the "effectiveness of an effort to limit in advance what a constitutional convention might do . . ."[222] Paul G. Kauper has written:

"Nothing in the language of V indicates that states can be limited by Congress in the applications they make. Indeed, it seems to me that the most natural interpretation in the language of article V is that if two-thirds of the states request Congress to call a convention to propose amendments *generally*, Congress is under a duty to do so."[223]

Ralph M. Carson conceded the possibility of an unlimited convention when he quoted the Supreme Court's decision in *Whitehill* v. *Elkins* which affirmed that "there is no restraint on the kind of amendment that may be offered."[224] The argument of those acknowledging the possibility of an unlimited convention is perhaps best summarized by Professor Charles L. Black. In regard to S. 1272, the Ervin Constitutional Convention bill, Jeremy Hutton of the Library of Congress summarized the Black contention as follows:

"He argues that the bill passed by the Senate to provide procedures for a Constitutional Convention and provide the means for selecting delegates and determining the legality of petitions . . . is beyond Congress' authority and not needed since a 'runaway' Convention could never be limited to specific areas by either the states or Congress and therefore could never exceed its authority."[225]

Finally, the bill introduced in 1973 by Senator Hathaway, S. 1793, at Section 10(b) permits the introduction of "any amendment or amendments to the Constitution of a nature different from that stated in the concurrent resolution calling the convention," provided that they, "must be proposed by a vote of two-thirds of the total number of delegates to the convention."[226] The Brickfield proposals of 1957 and 1961 and the Constitutional Convention Act of 1953 both specifically permitted under their respective Sections 2 for the calling of a convention generally revising the Constitution.[227]

On the other side of the limitation question is S. 1272, the 1973 Ervin bill. Section 10(b) of that measure states unequivocally, "No convention called under this Act may propose any amendment or amendments of a nature different from that stated in the concurrent resolution calling the convention."[228] The same section also provides that all questions arising under that subsection are to be determined solely by the Congress whose decisions are to be binding on all other courts. Thus, the Ervin measure rules out an unlimited convention and at the same time precludes judicial review of the issue. Senator Ervin has asserted "that it would be a mistake to call a national convention unless the matters which the convention discussed were limited and circumscribed."[229]

The Ervin view had the support of two liberal Democratic Senators as well. Senator Joseph Tydings of Maryland said on the Senate floor that, in the event that Congress were forced to summon a convention, it "must narrowly and clearly circumscribe the powers of the convention to insure that the whole fabric of our framework of government is not brought into issue."[230] Senator Bayh of Indiana left even less doubt about his position on the matter. In an October 1971 Senate speech, he said:

"(T)here is no doubt in my mind that if we are to regulate constitutional conventions at all, we should make absolutely sure that they are not permitted to roam the Constitution at will. The convention—if one is ever called—must instead be limited to considering only that specific constitutional issue which lead to its creation. The delegates should not be given carte blanche to revise wherever and whenever the mood happens to strike them."[231]

The belief demonstrated here that a convention can be limited is supported by evidence at other levels of government. In the 1874 *Wood's Appeal Case*, Pennsylvania Chief Justice Agnew suggested that conventions may be limited:

"The idea which lies at the root of the fallacy, that a convention cannot be controlled by law is, that the convention and the people are identical . . . the legislature may not confer powers by law inconsistent with the rights, safety and liberty of the people because no consent to do this can be implied, but it must pass limitations in favor of the essential rights of the people. To restrain their delegation by law cannot be denied, unless the power to call a convention by law, and the right of self-protection be also denied."[232]

The Kentucky State Court of Appeals also dealt with the validity of a limited constitutional convention in the case of *Chenault* v. *Carter*, ruling that, "The limitation of the proposed convention to the twelve subjects set forth in successive enactments of the General Assembly is valid and will constitute a restriction of the power and authority of the delegates to the convention."[233] Again, in *Gaines* v. *O'Connell*, the Kentucky Court stated that, "a constitutional convention is bound by the act of the General Assembly specifying it alone, if the people are informed of the limits at the time the question of calling a convention is submitted to them."[234]

While limited state conventions have been approved by court action, they have also been sanctioned by the actions of state legislatures. For example, in 1903, the California State legislature adopted a resolution which provided that, "the request of and consent to, the calling and holding of such convention as hereby made and given, is limited to

---

Footnotes at end of article.

the consideration and adoption of such amendments to said Constitution as herein mentioned and no other."[235]

There is additional opinion supporting a limited convention. Cyril Brickfield justified Congress' authority to limit a convention by relying on the Constitution's "necessary and proper" clause. Brickfield subsequently contended that the powers of Congress apply not only "to procedural functions, such as convening the convention and adopting the mode of ratification, but they also apply to the vital issue of declaring whether the convention shall consider either a single subject, a limited number of subjects, or a large scale overhauling of the Constitution."[236] Theodore Sorenson has stated that the calling of a national constitutional convention, "should not be made easy, it should be made difficult." To that end, he suggested revising Senator Ervin's bill to provide a one-year cooling-off period between the time Congress received the necessary two-thirds petitions and the time it authorized a convention.[237]

One argument used over and over again by proponents of a limited convention is that if the "subject matter of amendments were to be left entirely to the convention, it would be hard to expect the states to call for a convention in the absence of a general discontent with the existing constitutional system." The argument continues that, "This construction would effectively destroy the powers of states to originate the amendments of errors pointed out by experience, as Madison expected them to do."[238] It is a tiresome argument. The inference is that a general convention would be incapable of deciding to propose only one amendment. Therefore, to guard against that threat, the convention process is rendered virtually identical to the congressionally initiated procedure, thus effectively closing off the general revision option altogether. It is a subtle argument to tacitly deny the general revision alternative while making it appear as only a move to safeguard the rights of the people. Professor Bonfield, while not specifically addressing the argument, makes the obvious point that, "were the states to demand the kind of fully deliberative convention contemplated by the Constitution, this would not preclude their submission of specific proposals to that body for its consideration."[239]

There is, then, sharply divided opinion on whether or not Congress can limit a convention and the most current legislative history suggests that Congress would make a serious effort to tightly confine it and exclude the courts from any role in the matter. After considering the legislative limits suggested for a convention it is not surprising that there is less opposition to calling a convention than there is to making sure the convention is restricted. Once there are tight limits, the convention becomes a less ominous prospect. But it also becomes a potentially less valuable reform vehicle.

In the end, however, the question of limits assumes, perhaps, too much importance. Ultimately, a convention can only propose amendments. They must still be ratified by three-fourths of the states.

(*d*) *Must the State petitions be identical?*

The question of whether or not a convention can be limited gives rise to the question of whether or not state petitions requesting a convention must be identical. Few people take the position that identical petitions are necessary. A *Saturday Evening Post* editorial in September of 1935 suggested that, "only in the case of specific amendment is it possible to have open debate and intelligent political action."[240] Senator Tydings took the position in 1967 that "Congress should simply refuse to permit the convention until confronted by 34 identical, valid petitions . . ."[241] A December 1972 letter from the National Committee for a Constitutional Amendment to Prohibit Forced Busing sent to state legislative leaders nationwide contained the warning, "It is absolutely necessary and vital that the Resolution passed by all of the States contain the identical language."[242] But that is a distinctly minority view.

A contrasting view is stated by Orfield. He has written, "The better view would seem to be that the ground of the application would be immaterial, and that a demand by two-thirds of the states would conclusively show a wide-spread desire for constitutional changes."[243] Senator Hruska has taken a similar position:

"Some legislatures have proposed in their applications actual language for an amendment but in so doing they have not destroyed the effectiveness of their applications for a Constitutional Convention. Such language could only be regarded at most as surplusage intended to convey to the Congress an idea as to the wording of the amendment that either the Congress or a Convention could propose for ratification . . . In any event the inclusion of this extraneous material could not conceivably invalidate the application for a Constitutional Convention."[244]

The main problem with state petitions specifying exact language is the objection that a convention called to consider a predetermined amendment would, in effect, become part of the ratifying process. Senator Robert Kennedy criticized state's insistence on specificity as:

". . . (A)n attempt by the various State legislatures to force Congress to call a convention which can only act mechanically to approve or disapprove a specific amendment. The attempt is to make the convention merely an initial step in the ratifying process instead of a deliberative meeting to seek out solutions to a problem. The word 'propose' cannot be stretched to mean 'ratify.' The Congress cannot properly accept and become part of any prepackaged effort to shortcut the amendment process."[245]

The American Bar Association, citing *Hawke v. Smith*, agrees. They observed, "Nor would an application seem proper if it called for a convention with no more authority than to vote a specific amendment set forth therein up or down, since the convention would be effectively stripped of its deliberative function."[246] There is a sizeable body of opinion on this question but the dominant view appears to be that specific language is irrelevant so long as all the petitions deal with the same subject matter. Consequently it is a tacit acceptance of the theory that Congress can set limits on a convention in regard to subject matter.

(*e*) *Is there a time limit on the validity of petitions?*

Over the course of 187 years, Congress has received 356 petitions for a constitutional convention on a variety of subjects. Since a convention has never been called and since every state has submitted at least one petition, it is evident that Congress has already asserted a measure of authority on the convention question. Yet there remains some difference of opinion on the question of the time span in which a petition remains in force. Tuller, for example, has argued that there is no limit on the time during which a petition remains valid. He stated:

"The desire for a change in the fundamental instrument of government may be, and in most cases is, of slow growth. The conditions making necessary a change may be felt in one portion of the country many years before they are forced home to the people of a different section. Because it takes a number of years to reach such an agreement, it can hardly be urged that the duty of Congress to respond thereto is thereby abated."[247]

Orfield has suggested "a generation" as a legitimate time period[248] while Brickfield opted for a "reasonable" time limit.[249] In more concrete terms, the time limit question has boiled down to a choice between four or seven years, although Robert Kennedy argued for a limit not to exceed two or three years,[250] a view in which Theodore Sorenson concurred.[251] Proponents of the four year limit include Senator Bayh[252] and the American Civil Liberties Union who, quoting Professor Paul Freund of the Harvard Law School, said "a convention should represent 'a contemporaneously-felt need' and a four-year period, which provides ample time for all state legislatures to act, seems to us to be a reasonable embodiment of such a standard."[253] Senators Philip A. Hart, John V. Tunney, and Edward M. Kennedy have all joined in support of the four year limitation.[254]

While Senator Ervin's original bill, S. 2307, called for a six-year limit, it was subsequently changed to include a seven-year limitation in its final form.[255] Those who advocate a seven year limit cite *Dillon* v. *Gloss* as authority. When Congress submitted the eighteenth amendment to states for ratification, they included a seven year time limit. The Court stated, "We do not find anything in the article which suggests that an amendment once proposed is to be open to ratification for all time, or that ratification in some of the States may be separated from that in others by many years and yet be effective."[256] By analogy, therefore, the most recent legislative history contends that petitions for a constitutional convention can be limited to seven years.

(*f*) *Summary*

The questions raised in this section are representative of still broader areas of disagreement surrounding a constitutional convention. In the first place, only a limited number of people have been instrumental in the formation of legislation to deal with a convention. Considering the great importance of a convention, it is somewhat surprising that the matter was not more actively publicized when it came before the Congress.

Secondly, the people who have devised and promoted the guidelines have been conservatives who produced a bill dealing only with a limited convention.

Finally, there has been very small liberal involvement in the issue. What involvement there has been has tended to support conservative efforts to tightly restrict a convention. A most vivid illustration of the drift of liberals toward a restricted convention occurred in 1971 when Senator Bayh introduced an amendment to Senator Ervin's convention bill. The Ervin measure would have permitted a convention, by majority vote, to propose amendments for ratification. The Bayh amendment upped the vote requirement to two-thirds. When the vote was taken, *every* liberal Senator present voted for the more restrictive amendment and it passed 45–39.[257] Again, the liberal contingent demonstrated an unwillingness to take note that a more flexible convention might one day work to their advantage.

FOOTNOTES

* The title *Civically Militant Electorate* is adopted from the remarks of Mr. Justice Frankfurter in his dissenting opinion in Baker v. Carr 369 U.S. 186 (1962) in Everett McKinley Dirksen, "The Supreme Court and the People," *Michigan Law Review*, p. 846, March, 1968.

[1] *Boston Globe*, December 16, 1974, p. 1.

[2] *Ibid.*, p. 13.

[3] Article V of the U.S. Constitution reads: "The Congress, whenever two thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution, or, on the Application of the Legislatures of two thirds of the several States shall call a Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as Part of this Constitution, when ratified by the Legislatures of three fourths of the several States, or by

Conventions in three fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress; Provided that no State, without its Consent, shall be deprived of its equal sufferage in the Senate."

[4] *Congressional Quarterly's Guide to the Congress of the United States*, p. 287, 1971.

[5] Final Report of the American Bar Association's Special Constitutional Study Committee, *Amendment of the Constitution by the Convention Method Under Article V*, 1974, pp. 60–61. (Hereafter cited as ABA Final Report.)

[6] E. Jeremy Hutton, *State Applications to Congress for Conventions to Propose Constitutional Amendments*, Congressional Research Service, June 12, 1973 and *Addendum*, July 2, 1974.

[7] *Ibid.*, e.g. six of the applications dealt with permitting prayer in public schools while 44 dealt with the subject of reapportionment of state legislatures.

** The terms "liberal" and "conservative" used throughout this essay are used as general convenient references without any attempt to further isolate the more complex nature of their meanings.

[8] *Congressional Record*, March 22, 1967, p. 7573. (Hereafter cited as *C.R.*)

[9] *C.R.*, April 19, 1967, p. 10103.

[10] *Ibid.*, p. 10104.

[11] Theodore Sorenson, Hearings Before the Senate Subcommittee on Separation of Powers, *Federal Constitutional Convention*, October 30, 1967, p. 34. (Hereafter cited as *S. 2307 Hearings.*)

[12] *Ibid.*, pp. 8–34.

[13] *C.R.*, April 19, 1967, p. 10103.

[14] *Ibid.*, p. 10107.

[15] The fact that any plan to summon a constitutional convention is termed a "sideshow" is regrettable but not surprising. From time to time eccentric amendments are offered which give the entire amending process a peculiar flavor, witness the amendment proposed by Senator Hillhouse in 1808:

"The most unique proposition (for changing the method of electing the President) was to reduce the senatorial term to three years, divide the Senators into classes, one-third to go out each year, the retiring Senators to cast lots for the presidency. The retiring Senators were to be called in alphabetical order and as their names were announced in the presence of the House of Representatives they were to step forward blindfolded and pick from a box a small marble. The Ex-Senator who secured the one colored marble should be declared president for one year. No outside candidate might apply." *The Unpopular Review*, No. 9, Vol. V, 1916, p. 139.

Surprisingly, the proposal won the approval of the then Chief Justice John Marshall who observed ". . . neither the people at large nor the councils of the nation will be agitated by the all-disturbing question, Who shall be President?" Quoted in Herman V. Ames, Annual Report of the American Historical Association, *The Proposed Amendments to the Constitution of the United States During The First Century of Its History*, Vol. II, 1896, p. 101.

[16] *C.R.*, October 19, 1971, p. 36763.

[17] Arthur Earl Bonfield, "The Dirksen Amendment and the Article V Convention Process," *Michigan Law Review*, March, 1968, p. 991. (This edition of the *Michigan Law Review* contains seven separate articles on the convention and hereafter will be cited as *Michigan Symposium*).

[18] See, e.g. Paul Oberst, "The Genesis of the Three States-Rights Amendments," *Notre Dame Lawyer*, No. 39, 1964, pp. 644–658.

[19] Robert G. Dixon, Jr., "The Comatose Article of Our Living Constitution," *Michigan Symposium*, p. 947.

* * * * *

[91] George E. Mowry, *The Era of Theodore Roosevelt*, p. 264.

[92] *The Congressional Globe*, March 29, 1864, p. 1313.

[93] Herman V. Ames, *op. cit.*, p. 292.

[94] *Ibid.*, p. 293.

[95] J. Allen Smith, *The Spirit of American Government*, p. 61.

[96] *Ibid.*, pp. 40–41.

[97] J. Allen Smith, *The Growth and Decadence of Constitutional Government*, editor's introduction to the 1972 edition, pp. xvii–xviii.

[98] Progressive National Committee, "A Contract With the People," August 7, 1912, p. 4.

[99] *Progressive Congressional Program*, National Legislative Reference Committee of the Progressive Party, 1914, p. 65.

[100] *Ibid.*, p. 66.

[101] *Ibid.*

[102] *Ibid.* The Resolution read as follows: Amendments to this Constitution may be proposed by the Congress whenever an absolute majority of both Houses in the same session of Congress deem it necessary, or by conventions to be called as hereinafter set forth, or by not less than one-fourth of the States, provided the States proposing such amendments contain not less than one-fourth of the population of all the States as shown by the last preceding enumeration. Such proposal by the States may be made either by the legislatures thereof, or by the vote of a majority of the electors voting thereon in any State making provision for the submission of such a proposal to popular vote. Amendments proposed, as above provided, shall be submitted at the next ensuing election of Representatives in each of the several States, directly to the electors qualified to vote for the election of Representatives in accordance with the regulations of each of the States where provision for such vote is made by the State. In default of State regulations thereof the vote upon proposed constitutional amendments shall be taken in such manner as the Congress shall provide. If in the majority of the States a majority of the electors voting thereon approve the proposed amendments, and if the majority of all the electors voting thereon shall also approve the proposed amendments, they shall be valid to all intents and purposes as part of this Constitution.

The Congress shall by appropriate legislation provide for the holding of a convention in the year ninteen hundred and twenty, and every thirty years thereafter, for proposing amendments to this Constitution.

[103] Walter K. Tuller, *op. cit.*, p. 385.

[104] Charles Forcey, *The Crossroads of Liberalism*, p. 157.

[105] *The New Republic*, January 23, 1915, p. 3.

[106] *The New Republic*, November 6, 1915, pp. 4–5.

[107] *Hearings on S.J. Res. 40*, Senate Committee on the Judiciary, January 16, 1923, p. 35.

[108] For examples of the problems associated with ratification of the eighteenth and nineteenth amendments, see *The Forum* of March 1923, March 1927, and April 1927; see also the *Congressional Digest*, March 1923.

[109] *Boston Herald* of January 17, 1923 cited in *Hearings on S.J. Res. 40, op. cit.*, p. 37.

[110] *Nashville Banner* of May 18, 1921, *ibid.*, p. 28.

[111] *Congressional Digest*, March 1923, p. 169.

[112] *Hearings on S.J. Res. 40, op. cit.*, p. 51.

[113] Clement E. Vose, *Constitutional Change*, p. 246.

[114] Ernest C. Carman, *17 Oregon Law Review*, 1938, p. 108.

[115] Paul Oberst, "The Genesis of the Three States-Rights Amendments of 1963," *Notre Dame Lawyer*, Vol. 39, 1964, p. 657.

[116] *Ibid.*

[117] The text of the Ebinger proposal follows: The Congress, whenever two thirds of both houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of two thirds of the several states shall call a convention for proposing amendments; or the legislature of any state, whenever two thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several states a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several states for ratification when certified copies of resolutions of the legislatures of any twelve of the several states by two thirds of each house shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three fourths of the several states; provided, that no state, without its consent, shall be deprived of its equal suffrage in the Senate. Controversies respecting the validity of an amendment shall be justiciable and be determined by the exercise of the judicial power of the United States. (Source: William Logan Martin, "The Amending Power: The Ebinger Proposal," *American Bar Association Journal*, Vol. 40, September 1954, p. 768.)

* * * * *

[159] James Madison, *Madison's Notes, op. cit.*, September 10, 1787, p. 695.

[160] *C.R.*, October 19, 1971, p. 36754.

[161] *S. 2307*, 90th Congress, 1st Session, August 17 (legislative day of August 16), 1967.

[162] *S. 2307 Hearings, supra.*, note 11.

[163] Report of the Senate Judiciary Committee on the *Federal Constitutional Convention Procedures Act*, 93rd Congress, 1st Session, June 29 (legislative day of June 25), 1973, p. 2.

[164] *Ibid.* (See also *C.R.*, October 19, 1971, p. 36753, *ff.*)

[165] *C.R.*, March 19, 1973, p. 8355.

[166] Hearings Before the Subcommittee on Separation of Powers of the Senate Judiciary Committee on *Federal Constitutional Convention Procedures*, 93rd Congress, 1st Session, April 12, 1973.

[167] *C.R.*, April 12, 1973, p. 12227.

[168] Report of the Committee of the Judiciary of the United States Senate on *Federal Constitutional Convention Procedures Act*, 93rd Congress, 1st Session, June 29 (legislative day of June 25), 1973.

[169] *C.R.*, July 9, 1973, p. 22731.

[170] Fred P. Graham, *op. cit.*, pp. 1181–82.

[171] Staff Report to the House Committee on the Judiciary, *Problems Relating to State Applications for a Convention to Propose Constitutional Limitations on Federal Tax Rates*, 82d Congress, 2d Session, 1952, pp. 21–24.

[172] Cyril Brickfield, *Problems Relating to a Federal Constitutional Convention*, House Committee on the Judiciary, 85th Congress, 1st Session, 1957, p. 75.

[173] Cyril Brickfield, *State Applications Asking Congress to Call a Federal Constitutional Convention*, House Committee on the Judiciary, 87th Congress, 1st Session, July 1, 1961, pp. 34–36.

[174] *C.R.*, June 11, 1973, p. 18952.

[175] *H. Con. Res. 28*, 94th Congress, 1st Session, January 14, 1975.

[176] See, e.g., Senator Everett M. Dirksen, *Michigan Symposium, op. cit.*, pp. 868–69; see also, Morris D. Forkosch, "The Alternative Amending Clause in Article V: Reflections and Suggestions," *Minnesota Law Review*, Vol. 51, 1967, pp. 1083–85.

[177] *Supra.*, note 168, at p. 1.

[178] Norman J. Small, "Procedures For Amending The United States Constitution," Congressional Research Service of the Library of Congress, January 15, 1965, p. 6. The thirty-five states had submitted a total of eighty-nine petitions, seventy-five of which dealt with the direct election of senators while the majority of the remaining petitions dealt with polygamy.

[179] *Harvard Law Review*, Vol. 70, 1957, pp. 1071–72.

[180] Alexander Hamilton, *Federalist No. 85*.

[181] Walter K. Tuller, "A Convention to Amend the Constitution—Why Needed—How It May Be Obtained," *North American Review*, March 1911, pp. 374–75.

[182] *Ibid.*, pp. 379–80.

[183] *Ibid.*

[184] Wayne B. Wheeler, "Is a Constitutional Convention Impending?", *21 Illinois Law Review*, 1927, p. 790.

[185] Frank E. Packard, in *Hearings on Incomes, Inheritances and Gifts* (S.J. Res. 23), Subcommittee of the Committee on the Judiciary of the United States Senate, 83d Congress, 2d Session, April 27, 1954, p. 12.

[186] *C.R.*, May 10, 1967 (unpaginated mimeographed reprint furnished by the office of Senator Hruska).

[187] *Ibid.*

[188] *S. 2307 Hearings, op. cit.*, p. 67.

[189] *Michigan Symposium, op. cit.*, p. 885.

[190] *Ibid.*, p. 906.

[191] *Ibid.*, p. 921.

[192] *Ibid.*, p. 985.

[193] *ABA Final Report, op. cit.*, p. 9.

[194] Robert J. Martineau, *31 Ohio State Law Review*, 1970, p. 424.

[195] Robert J. Martineau, *55 Iowa Law Review*, 1970, p. 1198.

[196] Senator Paul H. Douglas, *Hearings on Reapportionment of State Legislatures*, Before the Subcommittee on Constitutional Amendments of the Senate Committee on the Judiciary, 89th Congress, 1st Session, 1965, p. 35.

[197] *Brickfield '57, op. cit.*, p. 27.

[198] *Washington Post*, March 21, 1967, p. A10.

[199] *C.R.*, April 19, 1967, p. 10101. Senator Ervin, however, disagrees. "In my opinion, if one-third of the 34 States wanted to amend the first amendment, and one-third of them wanted to amend the fifth amendment, and the other one-third wanted to amend the sixth amendment, and they asked Congress to call the convention, setting forth no specific amendments, Congress would be obligated to call a convention." *S. 2307 Hearings, op. cit.*, p. 76.

[200] Norman J. Small, *op. cit.*, p. 20.

[201] Wayne Wheeler, *op. cit.*, p. 792.

[202] Arthur Earl Bonfield, *Michigan Symposium, op. cit.*, p. 985.

[203] John Alexander Jameson, *The Constitutional Convention*, p. 6.

[204] *Ibid.*, p. 10.

[205] Lester B. Orfield, *The Amending of the Federal Constitution*, p. 45.

[206] *C.R.*, May 10, 1967 (unpaginated mimeographed reprint furnished by the office of Senator Hruska).

[207] Arthur Earl Bonfield, *39 Notre Dame Lawyer*, 1964, p. 659.

[208] *Brickfield '57, op cit.*, p. 20.

[209] *C.R.*, October 19, 1971, p. 36754.

[210] *ABA Final Report, op. cit.*, p. 21. (But see *infra.*, note 257.)

[211] But *cf.*, Norman J. Small, "State Conventions As Instrumentalities For Considering Ratification of Constitutional Amendments," The Library of Congress Legislative Reference Service, December 16, 1964, p. 20 where he notes that in the state conventions mandated by the Congress for ratification of the twenty-first amendment, "control of the convention process was . . . left wholly with the states."

[212] Walter K. Tuller, *op. cit.*, p. 384.

[213] "For Effective Constitutional Review: Convention Organization and Rules," State of New York, 1967, p. 16.

[214] Ernest Henry Brewer, "Constitutional Development in New York: 1958–1967," p. 42.

[215] *Report of the Constitutional Advisory Council*, State of Washington, 1966, p. 18.

[216] *C.R.*, February 17, 1911, p. 2769.

[217] *Ibid.*

[218] *C.R.*, April 19, 1967, p. 10102.

[219] *C.R.*, May 10, 1967, (unpaginated mimeographed reprint furnished by the office of Senator Hruska).

[220] *C.R.*, April 19, 1967, p. 10106.

[221] Lester B. Orfield, *op. cit.*, p. 45.

[222] *C.R.*, October 19, 1971, p. 36763.

[223] Paul G. Kauper, *Michigan Symposium, op. cit.*, p. 913.

[224] Ralph M. Carson, *Ibid.*, p. 923.

[225] Charles L. Black, interpreted in, "Calling of a Constitutional Convention," by Jeremy Hutton, Library of Congress Congressional Research Service, August 26, 1974, p. 3.

[226] See Appendix "D", *S. 1973*.

[227] See Appendix "F", *Brickfield Proposals* and Appendix "A", *Constitutional Convention Act of 1953*.

[228] See Appendix "C", *S. 1272*.

[229] *Supra.*, note 166 at p. 13.

[230] *C.R.*, April 19, 1967, p. 10102.

[231] *C.R.*, October 19, 1971, p. 36761.

[232] *Wood's Appeal Case*, 75 Pa. 59 (1874).

[233] *Chenault* v. *Carter*, 322 S.W. (2d.) 623, cited in, "First Report of the Constitutional Revision Committee Research Commission," Research Report No. 2, Legislative Research Commission, Frankfort, Kentucky, 1960, p. 9.

[234] *305 Ky. 397, 204 S.W. (2d.) 425*, cited in *ibid.*, p. 10.

[235] *California Statute 683* (1903), cited in Lester B. Orfield, *op. cit.* p. 45

[236] *Brickfield '57, op. cit.*, p. 19.

[237] *S. 2307 Hearings, op. cit.*, pp. 37–38.

[238] Senator Ervin, *Michigan Symposium, op. cit.*, p. 883; see also Paul G. Kauper, *ibid.*, p. 912, and *Harvard Law Review*, Vol. 70, 1972, p. 1631.

[239] *Michigan Symposium, op. cit.*, p. 955. At the state level "the prevailing view is that a constitutional convention is bound by its popular mandate, but not by legislatively imposed limitations on its proper powers." (Albert Sturm, *Thirty Years of State Constitution-Making*, p. 67.)

[240] *Saturday Evening Post*, September 14, 1935, p. 22.

[241] *C.R.*, June 28, 1967, p. 17653.

[242] Letter to state legislative leaders from State Senator John Bowman, December, 1972.

[243] Lester B. Orfield, *op. cit.*, p. 42. But see *Brickfield '57*, p. 21, note 15, "A more acceptable view would seem to be that several applications concerned with a different aspect of the Constitution do not represent a general dissatisfaction with the Constitution taken as a whole."

[244] *C.R.*, May 10, 1967 (unpaginated mimeographed reprint furnished by the office of Senator Hruska).

[245] *C.R.*, April 19, 1967, op. cit., p. 10105.

[246] *ABA Final Report, op. cit.*, p. 30.

[247] Walter K. Tuller, *op. cit.*, p. 383.

[248] Lester B. Orfield, *op. cit.*, pp. 42–43.

[249] *Brickfield '57, op. cit.*, p. 39.

[250] *C.R.*, April 19, 1967, *loc. cit.*

[251] *S. 2307 Hearings, op. cit.*, p. 37.

[252] *C.R.*, October 19, 1971, p. 36762.

[253] *Ibid.*, p. 36763.

[254] U.S. Senate, *Report No. 92–336*, July 31, 1971, p. 19.

[255] Appendix "C" *S. 1272*.

[256] *Dillon* v. *Gloss*, 256 U.S. 368 (1921).

[257] *C.R.*, October 19, 1971, *op. cit.*, p. 36770.

A CONCURRENT RESOLUTION ADOPTED BY THE SOUTH CAROLINA GENERAL ASSEMBLY

Mr. THURMOND. Mr. President, on February 5, 1976, the South Carolina General Assembly passed a concurrent resolution to request the Congress of the United States to enact certain amendments to the Federal Clean Air Act to enable compliance with the act in both the private and public sectors with reasonable certainty as to costs.

On behalf of the junior Senator from South Carolina, Mr. HOLLINGS, and myself, I ask unanimous consent that this resolution be printed in the RECORD. It is my understanding that it has been referred to the Senate Public Works Committee and we urge the committee's careful consideration. I fully support the thrust of these amendments and hope they will be incorporated into the pending legislation to amend the Clean Air Act of 1970.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION

To request the Congress of the United States to enact certain amendments to the Federal Clean Air Act to enable compliance with the act in both the private and public sectors with reasonable certainty as to costs

Whereas, the Clean Air Act of 1970 states that its primary purpose is "to protect and enhance the quality of the nation's air resources so as to promote the public health and welfare and the productive capacity of its population"; and

Whereas, in order to carry out this purpose of the Clean Air Act, the Environmental Protection Agency promulgated on April 30, 1971, national primary and secondary ambient air quality standards to be achieved by the states through state implementation plans; and

Whereas, the implementation plan for the State of South Carolina was approved by the Environmental Protection Agency on May 31, 1972, and provides for the achievement and maintenance of primary and secondary ambient air quality standards through the approval and implementation of control programs for the reduction of emissions; and

Whereas, the implementation of control programs by both governmental and private sources will require the expenditure of substantial capital funds in order to achieve compliance with the national ambient air quality standards in many states; and

Whereas, it is essential for both government and the private sector to be able to plan in these inflationary times for such expenditures with a reasonable degree of certainty as to both time and amounts; and

Whereas, both the government and the private sector should, in the development of environmental compliance programs, be encouraged to weigh and balance carefully the impact of various alternatives on energy conservation, the economy and the environment; and

Whereas, this reasonable degree of certainty does not exist today due to many factors, including court decisions, changing regulations and advancing technology, thereby causing the expenditure of unproductive inflationary funds without regard to the cost of the benefits to be achieved nor to the precious energy consumed; and

Whereas, unreasonable uncertainties now and will in the future curtail expansion resulting in shortages of goods, services and employment to the detriment of the world economy; and

Whereas, provision is presently included in the Federal Water Pollution Control Act Amendments of 1972 to provide a reasonable basis for financial planning for waste water management thereby encouraging the cooperation of the government and the private sector. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly of South Carolina by this resolution hereby urges and requests the Congress of the United States to amend the Clean Air Act by adding either the sections listed below or such other language as the Congress may choose which will accomplish the same result.

"Section 120. Notwithstanding any other provision of this act, any existing stationary source which has implemented or which is implementing an approved control program under a state implementation plan upon the date of enactment of the Clean Air Act Amendments of 1976 shall not be subject to any more stringent standards than those contained in such control program during a ten-year period beginning on the date of completion of such control program or during the period of depreciation or amortization of such facility for the purposes of G. S. 167 or G. S. 169, or both, of the Internal Revenue Code of 1954, whichever period ends first.

"Section 121. Notwithstanding any other provisions of this act, any new stationary source, the construction of which was commenced before or after the date of enactment of the Clean Air Act Amendments of 1976 and which new source is so constructed as to meet all applicable standards of performance for new stationary sources, shall not be subject to any more stringent standard of performance or other standard during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of G. S. 167 or G. S. 169, or both, of the Internal Revenue Code of 1954, whichever period ends first."

Be it further resolved that copies of this Resolution be forwarded to the presiding officers of the Senate and the House of Representatives of the United States Congress and to each member of the South Carolina Congressional Delegation.

FAIRNESS DOCTRINE REVISITED

Mr. PROXMIRE. Mr. President, the Federal Communications Commission has looked at its past work and has pronounced it good.

The FCC, with one dissent, has decided that its pronouncement on its fairness doctrine some 21 months ago stood the test in the face of requests for reconsideration. Most of the requests would have changed the emphasis but not the purpose of the so-called fairness doctrine.

The doctrine, of course, is this: The Government through the FCC requires that broadcasters present programs dealing with controversial issues of public importance and, having done so, the broadcasters must give reasonable opportunity for the presentation of opposing viewpoints.

In upholding its previous decisions in its new Memorandum Opinion and Order on Reconsideration of the Fairness Report, the FCC concluded:

> We are attempting to balance conflicting constitutional rights by choosing paths which minimize the interference with the rights of either party, and which minimize the role of government in evaluating media performance, consistent with the public interest.

Those are fine words.

Unfortunately—and this is no fault of the FCC—the Commission is caught in the middle on the constitutional problem. It must administer a law that is of questionable constitutionality.

Commissioner Glen O. Robinson addresses that question in his brilliant dissent to the current memorandum opinion on the fairness report. Mr. Robinson ends his dissent by saying:

> It seems to me that we twentieth century bureaucrats ought to be willing to take a gamble on the broadcast media similar to that the Founding Fathers took on pamphlets and newspapers two hundred years ago.

In the course of its latest pronouncement, the FCC majority says that "it is difficult to believe" that the Supreme Court in a 1973 case "intended the American public to be only half-informed, particularly in the light of the language" in a 1945 case involving the Associated Press. The FCC said that the AP case called for—quoting the Court—the "widest possible dissemination of information from diverse and antagonistic sources. * * *"

By using the AP quotation the FCC believes that the burden of proof falls on broadcasters. How can there be the "widest possible dissemination of information from diverse and antagonistic sources" with governmental controls?

The FCC's assumption, it would seem, is that without controls dissemination of information would narrow.

But that is exactly opposite to the "gamble" of the Founding Fathers that Commissioner Robinson wrote of in his dissent.

Government controls by their very nature narrow the sources of information—in the extreme, narrow them to one source, the Government.

The first amendment's guarantees of free speech and of a free press are intended as restraints on Government. They go no further.

Mr. Robinson points out the folly of the rationalization of turning free speech and press freedom around to protect the "listener's right."

Commissioner Robinson said in dissenting:

> Such an instrumentalist view of the First Amendment effectively reduces the constitutional guarantee of free speech to the same standing and dignity as that of any conventional governmental policy.

Mr. Robinson's wisdom can be better understood if one examines the reasoning of the FCC regarding fairness complaints.

The following three paragraphs, Nos. 23, 24, and 25, from the FCC's new opinion on the doctrine sum up how the Commission views its role as arbiter of fairness.

> 23. After the complainant has presented *prima facie* evidence of a fairness violation, the licensee is called upon to answer an inquiry by the Commission staff which recites the issue specified by the complaint. The licensee is asked whether that issue is a controversial issue of public importance, whether the program in question addressed that issue, and whether other programming has been or will be presented on that issue. The Commission must then decide whether the licensee's responses to these questions are reasonable.
>
> 24. Within the parameters of law, the determination of reasonableness in each particular instance is a question of fact. This is true because reasonableness is not an absolute standard, but is situational in nature—rooted in the facts which gave rise to the controversy. Wilderness Society, 31 FCC 2d 729, 732 (1971). Reasonableness is also inherently a comparative determination, the actions of a person being measured against a standard by the finder of fact, that standard being the "reasonable man." Therefore, before the reasonableness of one party may be decided, an independent (i.e. comparative) judgment on the question must be made by the finder of fact.
>
> 25. This does not mean that the Commission or its staff may substitute their judgment for that of the licensee. A hard look at all the facts and competing arguments is required before the determination on licensee reasonableness. *WAIT Radio* v. *FCC*, 418 F. 2d 1153 (D.C. Cir. 1969). This examination is only one step toward that final determination. Having once made its initial examination, the staff then has the responsibility of determining the reasonableness of the licensee's judgment. Rather than substituting its views for those of the licensee, the staff at this stage decides the licensee's reasonableness based on the contentions of all parties and on its own evaluation of the evidence.

From those paragraphs it is obvious that the FCC considers the first amendment the way Mr. Robinson says the Commission does. The FCC looks upon free speech and press freedom as governmental policies to be put into administrative law, in the same way details might be spelled out for sewerage grants by the EPA.

Look at the term "prima facie complaint." That means the fairness complaint is fact unless rebutted. That shifts the burden of proof to the broadcaster. The FCC, despite its protestations, is judge. The FCC is the governmental regulator of thought. But the first amendment's purpose is to protect citizens from their Government.

Look a little further. The FCC says "the determination of reasonableness in each particular instance is a question of fact."

As I understand it, the meaning of "reasonableness" is an important part of law school training. But there, law students are learning to deal with right and wrong. Facts in individual cases must decide the issues, of course, because government, among other purposes, is set up to dispense justice.

Yet, Congress and the courts have applied that same reasoning to controversial ideas.

The freedoms protected by the first amendment are by their very nature ideas—abstractions. There is no right or wrong in the legal sense when dealing with ideas.

This is self-evident. But we—Congress, the FCC, the courts—are applying law to an area where there ought to be no law. Hence the words, "Congress shall make no law. * * *"

That is what the first amendment says:

> Congress shall make no law respecting the establishment of religion . . . or abridging the freedom of speech, or of the press . . . to assemble, and to petition . . . for a redress of grievances.

All of those five freedoms ultimately deal with ideas.

If Jefferson, Adams, and Madison had not had ideas and thought about them there would have been no American Revolution. There would have been no Constitution. There would have been no Bill of Rights.

Any governmental controls aimed at lessening those rights to hold, to speak, to print or, yes, to broadcast ideas are—whether we like the ideas or not—controls of thought.

Even the words "thought control" are repugnant to liberty-loving people.

Back to Commissioner Robinson. He takes on the FCC's defense of the fairness doctrine based on this quotation from the Red Lion Broadcasting case:

> There is no principle of greater importance to understanding the fairness doctrine and the First Amendment than that "(i)t is the right of the viewers and listeners, not the broadcasters, which is paramount."

Now listen to Robinson:

> . . . inasmuch as the above formulation suggests some general principle that the First Amendment gives positive rights to listeners/viewers to dictate what speakers shall tell them, I believe is pregnant with mischief.

I believe that the three branches of our Government are causing mischief by ignoring the first principles of the first amendment. They gloss over the danger of the fairness doctrine, and the equal time rule, to liberty.

All of us can agree that a regulatory agency is not the place to examine first principles.

By why does not Congress agree to look at the basic question of idea protection posed by governmental regulation of broadcasting? Why is that question shunted aside?

Even in Red Lion, the Supreme Court hinted that Congress should act if there were any signs that the fairness doctrine application led to self-censorship. And it does lead that way, what with license renewals ultimately at stake.

Lee Loevinger, formerly a justice of the Minnesota Supreme Court who later served as an FCC Commissioner, has said:

> Those who argue for government control or influence of broadcast programming on whatever grounds seem to me to misunderstand the meaning of free speech and the First Amendment. Freedom of speech does not mean merely freedom for speech that we approve—that is mere self-indulgence. Freedom of speech does not mean merely freedom for speech we can tolerate—that is only civility. Freedom of speech means freedom for speech that we abhor and reprehend—that is democracy and high principle.

Mr. President, before asking that the FCC opinion be placed in the RECORD, I want to note that Chairman Richard Wiley in a separate statement displayed sensitivity for the first amendment. I will ask that his statement along with Commissioner Robinson's dissent be printed. Commissioner Benjamin Hooks' concurring statement is not available.

Mr. President, I ask unanimous consent that the entire memorandum opinion and order on reconsideration of the fairness report, released March 24, 1976, and the statements mentioned above, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Docket No. 19260]

MEMORANDUM OPINION AND ORDER ON RECONSIDERATION OF THE FAIRNESS REPORT

In the matter of the handling of public issues under the fairness doctrine and the public interest standards of the Communications Act

I. INTRODUCTION

1. During the past four years, the Commission has engaged in a comprehensive inquiry into the purposes and the application of the fairness doctrine. The extent of public input in this proceeding is documented in the Fairness Report, 48 FCC 2d 1 (1974). We now have before us various petitions for reconsideration of that Report. We here turn our attention to the questions raised by those petitions, and other questions which have come to our attention requiring further clarification of our fairness doctrine policy.

2. The petitions for reconsideration present a vigorous disagreement with the Report's position on applying the doctrine to standard product commercial advertising, and present a proposed alternative to the doctrine. They further suggest that the doctrine be invoked only in license renewal proceedings, and suggest applications of the doctrine for slanted or staged news, personal attacks, and editorial advertising.

3. Petitioner Henry Geller argues that the Commission is prohibited from applying the doctrine except as part of a license renewal proceeding. Mr. Geller's conclusion is based on his reading of two recent Supreme Court decisions[1] and on the early history of the Fairness Doctrine. He proposes that licensees adopt a "ten issue" approach to meeting fairness obligations and that all complaints be referred to the licensee when they are received. He further advocates a "hands-off" policy for the Commission concerning news distortion or slanting.[2]

4. Mr. Geller further urges the Commission to modify its "crazy quilt" personal attack rules. He suggests instead that if such an attack is made as part of the discussion of a controversial issue of public importance and the licensee has not achieved fairness nor made timely plans to do so, then the licensee must notify the attacked party within a "reasonable time" and offer an opportunity for response. Geller urges us to require broadcasters to examine and consider editorial advertising without requiring them to accept any. Finally, he opposes the decision not to apply the doctrine to product efficacy advertising. In this last position, he is joined by the Media Access Project (MAP) petitions.[3] MAP contends that the Commission has failed to articulate its reasons for allegedly exempting product advertising from the doctrine and that hearings should have been held to determine that decision's economic impact. Moreover, MAP argues that prior Court decisions require that the Commission include product advertising within the ambit of the fairness doctrine, and that it is improper to conclude that advertisements for particular product line or brand cannot advocate a controversial issue of public importance.

5. MAP's position is opposed by Metromedia and McKenna, Wilkinson and Kittner (on behalf of broadcast clients). Metromedia cites the depth of the Commission's inquiry in this docket and argues that MAP's interpretation of certain Court decisions is overbroad. The McKenna response faults MAP for merely offering its own counter-assumptions supplemented with a few random and inconclusive statistics. It suggests that, under MAP's proposal, the Commission would have to make subjective evaluations of the informational impact of commercial messages.

6. MAP proposes that before a complaint may be filed with the Commission, the station must answer the complaint stating whether the issue is a controversial issue of public importance and what contrasting programing has been aired. Metromedia and McKenna argue that the proposal would be a significant departure from present standards by imposing the initial burden, that properly should remain with the complainant, on the individual station.

7. The final petition, by the Committee for Open Media (COM), proposes an optional plan which, if adopted by the licensee, would satisfy his general fairness obligations. COM proposes a scheme of access through "Free Speech Messages" (FSM), publicly available spot announcements aired at different times during the week. One-half of the spots would be allocated on a first-come, first-served basis, and the remainder would be rotated among "representative spokespersons" from groups which have demonstrated significant community support. COM would not apply this system to partisan political access and recommends amending the personal attack rules to exempt such attacks made in an FSM.

II. DISCUSSION

A. Purpose of the Fairness Doctrine:

8. The purpose of the fairness doctrine was discussed in some depth in the Fairness Report, supra at 2–8, but events subsequent to the adoption of the Report indicate that a recapitulation of our views is called for here.

9. There is no principle of greater importance to understanding the fairness doctrine and the First Amendment than that "[i]t is the right of the viewers and listeners, not the broadcasters, which is paramount." *Red Lion Broadcasting Co.* v. *FCC*, 395 U.S. 367, 390 (1969). The fundamental concept which underscores this right is that the continued vitality of a democratic society and its freedoms requires the "widest possible dissemination of information from diverse and antagonistic sources . . . " *Associated Press* v. *United States*, 326 U.S. 1, 20 (1945). We must always keep in mind that "speech concerning public affairs is more than self-expression; it is the essence of self-government." *Garrison* v. *Louisiana*, 379 U.S. 64, 74–75 (1964).[4] The relationship of this principle to broadcasting was articulated in *Green* v. *FCC*, 447 F. 2d 323 (1973). There it was held that "the essential basis of any fairness doctrine, no matter with what specificity the standards are defined, is that the American public must not be left uninformed." *Id.* at 329.

10. It is difficult to believe that the Court in *Green, supra,* intended the American public to be only half-informed, particularly in light of the language in *Associated Press, supra,* calling for the "widest possible dissemination of information from diverse and antagonistic sources . . . " *Id.* at 20 (emphasis added). Full information is the theoretical underpinning of the broadcaster's two duties: to cover controversial issues of public importance fairly by providing an opportunity for the presentation of contrasting points of view; and to devote a reasonable amount of broadcast time to the coverage of public issues.

11. We do not subscribe to the theory that recent Supreme Court decisions have estab-

---

Footnotes at end of article.

lished boundaries concerning the fairness doctrine. In *Miami Herald* v. *Tornillo, supra,* the Court's opinion was limited only to print media and cited language in *CBS* v. *DNC, supra,* which set apart broadcasting and newspapers. 418 U.S. 241, 255 (1974), quoting from 412 U.S. 94, 117 (1973). The language relied upon by Mr. Geller in his petition clearly places the Court's emphasis on "newspapers" in the context of the historical evolution of free "press" guarantees.

12. It is suggested that the Court's language in CBS, supra, that "[f]or better or worse, editing is what editors are for. . . ." is a pronouncement that the Commission must abandon its current views on the fairness doctrine. Yet the lines preceding that quotation reveal that language as presenting a choice between the view "that every potential speaker is 'the best judge' of what the listening public ought to hear" and the view that such choices are better left to editors. 412 U.S. at 124. The Supreme Court did not address in CBS the question of licensee discretion vis-a-vis the Commission's role as the ultimate arbiter of the fairness doctrine. The Court did not generalize that overzealous invocation of the fairness doctrine might cause an "erosion of the journalistic discretion of broadcasters in the coverage of public issues." 412 U.S. at 124. The Court was instead specifically concerned with the question of licensee discretion vis-a-vis individuals demanding a right of access. The Court said that if the Fairness Doctrine were expanded to include mandatory access there would be a ". . . substantial danger that the effective operation of that doctrine would be jeopardized. The result would be a further erosion of the journalistic discretion of broadcasters in the coverage of public issues, and a transfer of control over the treatment of public issues from the licensees who are accountable for broadcast performance to private individuals who are not." Id.

13. The CBS decision's denial of the right of access was predicated on the continued existence and enforcement of the fairness doctrine as it has developed over the years. In the language quoted above, the Court implied that it preferred control over the treatment of public issues to remain with licensees because they are "accountable for broadcast performance." Id. The Court further stated that it feared that a transfer of such control would jeopardize the effective operation of the fairness doctrine. In CBS, therefore, the Supreme Court reaffirmed its continued belief in and support for the fairness doctrine and Red Lion.

B. The Statutory Scheme—Balancing Rights and Burdens:

14. The legislative framework regulating broadcasters is grounded in the "public interest" and the courts have consistently recognized that "[t]his mandate to the FCC to assure that broadcasters operate in the public interest is a broad one, a power 'not niggardly but expansive.'" *National Broadcasting Co.* v. *United States,* 319 U.S. 190, 219 (1943), cited with approval 395 U.S. at 380. The Supreme Court has made it clear that "[t]here is no sanctuary in the First Amendment for unlimited private censorship operating in a medium not open to all." 395 U.S. at 392. The Court also recognized that while the "initial and primary responsibility for fairness, balance and objectivity" rests upon the licensee, the Commission is the "overseer and ultimate arbiter and guardian of the public interest." *CBS* v. *DNC,* 412 U.S. 94, 117 (1973).

15. The statutory scheme calls for balancing the people's First Amendment rights and the rights of the media. Over the past half century, "Congress and its choosen regulatory agency have established a delicately balanced system of regulation intended to serve the interests of all concerned." *CBS* v. *DNC,* 412 U.S. 94, 102. This system is outlined with specific procedural requirements and with substantive guidelines upon which both viewer and licensee may rely. The Commission has tailored its actions so as not to become, in effect, the broadcast journalist or programmer. We do not believe that it would be in the public interest to upset this delicate balance.

16. In the Fairness Report, supra at 17–18, we rejected the notion that all fairness complaints should be reviewed only as part of license renewal proceedings. There, we said that we believed it would be impossible to evaluate overall licensee performance at renewal time without considering the specifics of individual complaints. The public's right to be informed is best safeguarded by an ongoing review of all fairness complaints. For example, the incentive for citizens to file complaints would be removed if their complaints would not result in the opposing viewpoint being aired before the issue has become stale with the passage of time. Continuing enforcement helps the broadcaster by helping to remedy violations which would place his license in jeopardy before a flagrant pattern of abuse develops. *Id.* at 18. We do not believe that a departure from that position would be in the public interest. We conclude, therefore, that in view of the considerations enunciated above, it would be most appropriate to utilize this case by case approach to ensure that broadcasters fulfill their affirmative responsibilities under the fairness doctrine to adequately cover controversial issues of public importance and to present differing viewpoints on those issues. See *Public Communications Inc.,* 50 FCC 2d 395 (1974).

17. As part of the ongoing review procedure of fairness complaints, the Commission will continue to make its determinations of licensee reasonableness in the context of overall programming on an issue rather than on a particular program.[5] We recognize that there are difficulties inherent in selecting a finite period of time (i.e., a "cut-off" date) in which to view the "overall" programming on an issue. We see no advantage to the arbitrary selection of the license term as the period over some other time period.[6] Indeed, since the fairness doctrine is oriented toward issues and varying viewpoints, it is preferable to retain the present flexibility in reviewing a time period during which the issue is a matter of public controversy and public importance.

18. We are urged to reconsider our procedure for handling fairness complaints. The Commission's complaint procedures and substantive rulings attempt to strike and maintain a delicate balance between licensees and complaints to ensure that neither side is unduly disadvantaged. We noted in the Fairness Report, supra, at 18, that there seems to be a lack of understanding of Commission complaint procedures. In an effort to alleviate that problem, the procedures were discussed in some detail. *Id.* The instant petitions indicate that further explanation would be useful.[7]

19. The Commission does not ordinarily invoke the fairness doctrine on its own motion. Action by the Commission must await a dispute between the complainant and the licensee which is not resolved by those parties. Thus, where the licensee agrees to prevent opposing views on an issue the Commission need not become involved. However, no specific action is required of the licensee until prima facie evidence of a violation is presented to the Commission by a complainant. *Allen C. Phelps,* 21 FCC 2d 12 (1969). This policy is part of the delicate balance allocating burdens between licensees and complainants. This policy prevents broadcasters from being burdened with the task of answering idle or capricious complaints. Report, supra, at 8.

20. As part of the allocation of burdens and responsibility among complainants, licensees and the Commission, the initial burden has been placed on the complaining party. As stated in the Fairness Doctrine Primer, 40 FCC 598 (1964):

"Where complaint is made to the Commission, the Commission expects a complainant to submit specific information indicating (1) the particular station involved; (2) the particular issue of a controversial nature discussed over the air; (3) the date and time when the program was carried; (4) the basis for the claim that the station has presented only one side of the question; and (5) whether the station had afforded, or has plans to afford, an opportunity for the presentation of contrasting viewpoints." *Id.* at 600.

21. In the Fairness Report, supra, at 19–21, we discussed the fourth and fifth items mentioned above. The suggestion there that licensees respond to the complainant stating whether there was a controversial issue of public importance leads to the burden placed on the complainant in the second item—specifiying the particular issue of a controversial nature discussed over the air.

22. The requirement of specificity was reemphasized in *David C. Green,* 24 FCC 2d 171 (1970), affirmed *Green* v. *FCC,* 447 F. 2d 323 (D.C. Cir. 1971), where the court recognized that in order to allege that an issue is a controversial issue of public importance the complainant must first define the issue. *Id.* at 329. This requirement is needed so that complainants, licensees and the Commission will have a clearer understanding of the positions of the parties. This is particularly true because once the burden of specificity has been placed upon the complainant, our attention and that of the licensee is then directed to the issue as framed by the complainant. We do not intend to be placed in the position of specifying the alleged controversial issue of public importance in a complaint. It is not the proper function of the administering agency to frame the complaints coming before it and it is incumbent upon the complaining party to bring before us a prima facie complaint.

23. After the complainant has presented prima facie evidence of a fairness violation, the licensee is called upon to answer an inquiry by the Commission staff which recites the issue specified by the complaint. The licensee is asked whether that issue is a controversial issue of public importance, whether the program in question addressed that issue, and whether other programming has been or will be presented on that issue. The Commission must then decide whether the licensee's responses to these questions are reasonable.[8]

24. Within the parameters of law, the determination of reasonableness in each particular instance is a question of fact. This is true because reasonableness is not an absolute standard, but is situational in nature—rooted in the facts which gave rise to the controversy. *Wilderness Society,* 31 FCC 2d 729, 732 (1971). Reasonableness is also inherently a comparative determination, the actions of a person being measured against a standard by the finder of fact, that standard being the "reasonable man." Therefore, before the reasonableness of one party may be decided, an independent (i.e. comparative) judgment on the question must be made by the finder of fact.

25. This does not mean that the Commission or its staff may substitute their judgement for that of the licensee. A hard look at all the facts and competing arguments is required before the determination on licensee reasonableness. *WAIT Radio* v. *FCC* 418 F.2d 1153 (D.C. Cir. 1969). This examination is only one step toward that final determination. Having once made its initial examination, the staff then has the respon-

---

Footnotes at end of article.

sibility of determining the reasonableness of the licensee's judgment. Rather than substituting its views for those of the licensee, the staff at this stage decides the licensee's reasonableness based on the contentions of all parties and on its own evaluation of the evidence.[9]

C. Standard Product Commercials:

26. In the Fairness Report, supra at 24–8, we declared after much deliberation that the public interest would be served best by not applying the doctrine to standard product commercials.[10] At least two petitioners disagree strongly with this decision and suggest that the Commission was without power to effect such a change, and that it failed to articulate sufficient grounds for the policy. We disagree.

27. The Report, supra, articulates the rationale for adopting the policy and its substantive standards, and both the rationale and the standards are well within the Commission's discretion. The Commission clearly stated that the standard was being changed and not ignored, and it set forth a reasoned opinion explaining the change. Indeed, the U.S. Court of Appeals for the First Circuit, in sustaining the Commission, recently determined that the Commission had acted within its statutory authority when it "with appropriate notice and . . . sufficient clarity" concluded that it was in the public interest to "abandon [its] earlier precedents and frame new policies." *Public Interest Research Group* v. *FCC*, 522 F.2d 1060, 1065 (1975), cert. denied, March 22, 1976. The Court went on to say:

"Given the necessity of product advertisement in American broadcasting, and the administrative difficulties and costs of determining when a product is so controversial as to trigger fairness obligations, we cannot, merely from the generalized congressional endorsements described in *Red Lion*, say that the Commission acted contrary to statute when it struck the current balance between product advertising and the fairness doctrine." *Id.* at 1067.

28. In the Report, we concluded that the application of the doctrine to cigarette commercials had been a mistake because it departed from the doctrine's central purpose of developing an informed public opinion. 48 FCC 2d at 24. The extension of the cigarette ruling to other commercials, as in *Friends of the Earth* v. *FCC*, 449 F. 2d 1164, compounded the problem, and forced broadcasters and the Commission to balance two sets of commercials "which contribute nothing to public understanding" of the underlying issues. Therefore we concluded:

"In the absence of some meaningful or substantive discussion . . . we do not believe that the usual product commercial can realistically be said to inform the public on any side of a controversial issue of public importance." 48 FCC 2d at 76.

Furthermore, we said that the diversion of broadcasters' attention to the fairness implications of ads would hinder their fulfillment of responsibilities to develop informed public opinion in more meaningful ways.

29. Neither have court decisions constrained the Commission from changing its policy after due deliberation consistent with required administrative procedures. See *Public Interest Research Group* v. *FCC*, *supra*. The D.C. Circuit was careful in *Banzhaf* and *Friends of the Earth* to avoid implying that the fairness doctrine or the public interest standard mandated the Commission to make such a finding. In *Friends of the Earth*, the Court expressly noted the pending fairness inquiry, and pointedly suggested that its holding was based only on then-existing Commission policy concerning the fairness doctrine:

"Pending, however, a reformulation of its position, we are unable to see how the Commission can plausibly differentiate the case presently before us from *Banzhaf* insofar as the applicability of the fairness doctrine is concerned." 449 F. 2d at 1170.

30. The Commission was given inconclusive statistics and told that it should have held a hearing on the economics of broadcasting before concluding that extension of the doctrine to product advertising would be detrimental to commercial broadcasting. The extensive proceedings in this docket provided more than ample opportunity for that question to be raised. Clearly, however, the economic impact on the broadcasting industry was only one of many factors contributing to our choice of policy, and that factor alone is not of such critical importance as to cause a change of policy. *See*, 48 FCC 2d at 24–27.

D. Free Speech Messages:

31. In the Fairness Report, supra, suggestions for a system of mandatory access were rejected as neither practical nor desirable. In *CBS* v. *DNC*, 412 U.S. 94 (1973), the Supreme Court held that mandatory access is not a matter of either constitutional or statutory right. We are now presented instead with a proposal for an optional access system to be administered by the licensee, and supplemented by the fairness doctrine.

32. The essential requirements for any such system would be that licensee discretion be preserved and no right of access accrue to particular persons or groups. Further the access system would not be permitted to allow important issues to escape timely public discussion. Most importantly, the system must not draw the government into the role of deciding who should be allowed on the air and when.

33. The proposal of the Committee for an Open Media (COM) is the first serious attempt to meet these requirements. It is neither perfected nor ready for adoption as rule or policy. We do not envision that system as a substitute for fairness obligations, but it has the potential to offer a format which acts consistently and complementarily with the purposes of the doctrine. We view Free Speech Messages as a supplement to a licensee's fairness obligations, but we reiterate our view that the licensee is responsible for seeing that important controversial issues are discussed and that opposing viewpoints are provided an opportunity for presentation.

III. CONCLUSION

34. It is hoped that this reconsideration Report and Order will help to clarify the responsibilities and procedures incumbent upon licensees, complainants and the Commission under the fairness doctrine, and the reasons for our policies. We are attempting to balance conflicting constitutional rights by choosing paths which minimize the interference with the rights of either party, and which minimize the role of government in evaluating media performance, consistent with the public interest.

35. Accordingly, it is ordered, That the petitions for reconsideration are denied in all respects other than as incorporated in this Report and Order. It is further ordered, That the proceedings in Docket 19260, are terminated.[11]

VINCENT J. MULLINS,
Secretary.

FOOTNOTES

[1] *Miami Herald Publishing Co.* v. *Tornillo*, 418 U.S. 241 (1974); *CBS* v. *DNC*, 412 U.S. 94 (1973).

[2] Under his proposal, Commission action would be taken only upon extrinsic evidence showing that the owner or "top management" gave instructions for deliberate slanting. Deliberate slanting by other station personnel would be a matter to be resolved by the licensee without any Commission followup.

[3] For the United Farm Workers (UFW), the Council on Economic Priorities (CEP), and the Project on Corporate Responsibility (PCR).

[4] This conceptual approach to the right of free speech is supported by related holdings in cases dealing with fundamental rights and the continued vitality of the democratic process. The Supreme Court has stated that "no right is more precious in a free country than that of having a voice in the election of those who make the laws . . . Other rights, even the most basic, are illusory if the right to vote is undermined." *Wesberry* v. *Sanders*, 376 U.S. 1, 17 (1964), cited with approval in *Williams* v. *Rhodes*, 393 U.S. 23, 31 (1968). In *Williams*, the Courts went on to say that the individual's right to vote is "heavily burdened" where the number of parties allowed on the ballot is restricted without a showing of a compelling state interest for such a restriction, *Id*. This view was applied to candidates as well as parties in *Lubin* v. *Panish* 415 U.S. 709 (1974). The essential thread of reasoning in these cases, like *Red Lion*, is that it is the *citizen* who has the right to listen to and to vote for a diverse selection of views and candidates, rather than the rights of candidates to a ballot position, or of broadcasters to be heard, that is paramount.

[5] The only instance in which the Commission's determination might rest on a single program would involve a complaint where the license declares it has not presented prior programming on that issue and announces its intention not to present any future programming on that issue. Hence, that single program would be the overall programming on the issue.

[6] For the same reasons, we see little advantage in making arbitrary changes in the personal attack rules. No system is perfect, and there may be disadvantages to the present rules. However, proposals made to the Commission to change those rules have their own drawbacks which render them no more acceptable than our present rules. Indeed, Mr. Geller's proposal noted in para. 4, *supra*, merely would add another patch to the "crazy quilt." It ignores reality in accepting the premise that a licensee which "has not achieved fairness or made timely plans to do so" would see the need to do anything at all. The proposal adds delay to the application of the rule, replaces a precise deadline with an undefined "reasonable time," and removes Commission consideration to renewal time. Its net effect would be to prevent the victim of an attack from having an opportunity to respond in a timely fashion. Nor do we see any reason for departing from our present method for dealing with news slanting or distortion. See note 2 and accompanying text, *supra*, and *Columbia Broadcasting System* (Hunger in America), 20 FCC 2d 143 (1969).

[7] For example, MAP proposed that adverse fairness doctrine rulings against a network be applicable to its affiliates. The Commission traditionally has approached networks where a complaint is based on a network program, notwithstanding the fact that fairness obligations "attach to the individual station licensee." Cf. *Letter to Blair Clark, Campaign Manager, McCarthy for President*, 11 FCC 2d 511 (1968). It is settled that even though the TV networks are themselves licensees they respond as networks only and are not responsible for the overall programming of an affiliate on a controversial issue of public importance.

[8] Where a licensee poses an alternative issue to that specified in the complaint, such alternative will be considered an implicit denial that the basic thrust of the program addressed the issue specified by the complaint. In such a case the Commission will continue to review the reasonableness of the licensee's denial, considering the alternative issue as evidence concerning the licensee's good faith and reasonableness. Any departure from this policy would render useless the

requirement for specificity by the complainant and permit licensees to avoid presenting opposing viewpoints by sophistic distinctions entirely lost on the average viewer. We adhere, however, to our policy in *National Broadcasting Co. (AOPA)*, 25 FCC 2d 735 (1970), where we found reasonable NBC's denial that its program addressed the issue specified by the complainant. There we looked to the basic thrust of the program and declined to apply the doctrine to sub-issues because if every statement could be made the subject of a separate fairness requirement, the doctrine would be unworkable and the Commission would become involved too deeply in broadcast journalism. *Id.* at 736–7. See also *Gary Lane*, 38 FCC 2d 45 (1972), *Application for Review denied*, 39 FCC 2d 938 (1973).

[9] The Commission's standard of review allows great discretion to the licensee and does not vary depending upon the particular case being reviewed. It has been suggested in the past that we abandon our established standards where the licensee has a financial interest concerning a controversial issue of public importance. That we cannot do. The Commission has adequate means to deal with licensees who use their facilities to gain commercial advantage in other enterprises, and who in other ways abuse their public trust. The fairness doctrine is not the proper vehicle for such enforcement nor is it the most effective. Such overbroad use of the doctrine would undermine its effective use where it is most needed. We adhere to the policy set forth in *Public Communications, Inc.*, 50 FCC 2d 395 (1974). To the extent that *WSOC Broadcasting Co.*, 40 FCC 468 (1958), *Springfield Television Broadcasting Corporation*, 45 FCC 2083 (1965) and 28 FCC 2d 339 (1971), and *Pennsylvania Community Antenna Association, Inc.*, 6 R.R. 2d 112 (1965), conflict with this policy they are overruled.

[10] Commercials which simply sell a product and do not deal meaningfully with a controversial issue of public importance.

[11] The Commission has decided not to proceed at this time with a proposal by the Chairman for an experimental suspension of the fairness doctrine in larger radio markets.

Separate Statement of Chairman Richard E. Wiley

In an address to the International Radio and Television Society on September 16, 1975, I proposed an experiment in which the Commission would discontinue enforcement of the fairness doctrine in the larger radio markets. I believe that this proposal has considerable merit and that it is unfortunate that a majority of the Commission has chosen not to pursue the idea at this time.

There is little reason to believe that fairness enforcement is necessary in the major radio markets. The doctrine, as we all know, is predicated upon the assumption that there is a scarcity of broadcast frequencies and that licensees should not be permitted to monopolize these channels so as to deny the public access to contrasting viewpoints on public issues. In the larger markets, it seems clear that the problem of scarcity is not so significant as to make it likely that radio debate could be monopolized by a single philosophy or point of view. In the Chicago market, for example, there are some 65 commercial radio stations; in Los Angeles the figure is 59; and in New York there are 43 stations. Even in the absence of governmental control and supervision, it seems to me that a wide variety of opinion would be presented in these markets.

The question of the Commission's legal authority to adopt a fairness experiment is somewhat more difficult and complex. Prior to 1959, there would have been no doubt that we had the discretion to conduct such an experiment. In that year, however, the Communications Act was amended so as to refer approvingly to the standard of fairness in broadcasting. The literal wording of the statute indicates only that the Commission's fairness policies were left undisturbed, but the provision has, nevertheless, been widely interpreted to stand as a "codification" or legislative enactment of the doctrine. See, e.g., *Straus Communications, Inc.* v. *FCC*, D.C. Cir. No. 75–1083, January 16, 1976, Slip op. at n. 11 (referring to the provision as amounting to an "explicit statutory enactment").

The Supreme Court in *Red Lion Broadcasting Co.* v. *FCC*, 395 U.S. 367 (1967), stated at one point that the 1959 amendment "ratified" the doctrine (p. 381) and at another point that the language was "merely approving" (p. 384). The question was discussed more recently in the so-called "snowmobile" case. *Public Interest Research Group* v. *FCC*, 522 F.2d 1060 (1st Cir. 1975). In this case, the First Circuit stated that the statutory language is not sufficiently specific to be construed as more than a general endorsement of fairness standards or an approval of the "general tenets" of the fairness doctrine (p. 1066). The Court indicated that questions of "application and accommodation" and of "how and when" the fairness doctrine should be applied should be left to agency discretion (p. 1067). It suggests, further, that these decisions should be arrived at under the general public interest standard and that the Commission's decisions should be upheld unless they are "so plainly inimical to the public interest as to be illegal" (p. 1067).

As indicated, I believe there is ample justification for concluding that a large market fairness experiment would be consistent with the public interest and, indeed, that it would be in keeping with the "general tenets" of the fairness doctrine itself. We stated in the *Fairness Report*, 48 FCC 2d 1 (1974), that the basic goal of the fairness doctrine, like that of the First Amendment, was "to foster 'uninhibited, robust, wide-open' debate on public issues", quoting *New York Times Co.* v. *Sullivan*, 376 U.S. 254, 270 (1964). The whole legal and constitutional tradition of this country teaches us that (except in cases of serious technological scarcity) this goal cannot be advanced by government control of the media. It seems clear to me, therefore, that a radio experiment (in markets where scarcity is not a serious practical problem) would serve the purposes of both the First Amendment and the Commission's fairness doctrine.

While I recognize the fact that there is room for debate concerning the meaning of the 1959 amendments to the Act. I nevertheless believe that it would be desirable for the Commission to initiate a public inquiry which would afford interested parties an opportunity to comment on the question of our legal authority, and also examine the appropriate size and scope of an experiment. I am hopeful that, in the not too distant future, the Commission or the Congress will look more favorably on the idea of reforming the fairness doctrine so as to apply it only in circumstances where there is a realistic need for government regulation.

It has been suggested that, while the Commission may not be moved to cut back on the fairness doctrine (as suggested by my experiment), it might nevertheless explore certain alternatives to the traditional fairness principles and procedures. In this regard, the proposal of the committee for Open Media that we allow "access" as an option in lieu of fairness has attracted some attention and support. Under the proposed system, any station which would agree to carry a reasonable number of "Free Speech Messages", and which would set up a mechanical formula for the selection of spokesmen, would be relieved of its fairness obligation to assure that contrasting views on particular issues are reasonably represented.

I do not believe that stations should be encouraged to abdicate editorial control in the fashion suggested by this proposal. The plan calls for heavy emphasis on a single programming technique: the access announcement. In my opinion, a more varied, interesting and informative coverage would be possible if professional journalists played a conscious and positive role in the process. It seems inescapable that editorial supervision would result in a presentation which is more coherent and enlightening than we could expect from a series of random and unstructured individual appearances. Despite its problems, the present fairness system is, in my opinion, preferable to the alternative which has been suggested.

Dissenting Statement of Commissioner Glen O. Robinson

I. THE VULNERABILITY OF VENERABILITY

Now over a quarter century old, the fairness doctrine has become one of the venerable institutions of FCC jurisprudence. Unlike some venerable institutions, however, old age has hardly secured the fairness doctrine from the tarnish of corrosive controversy. On the contrary, age seems to have increased, not diminished, critical doubts about the doctrine—its purpose, its effects, its value. *Red Lion Broadcasting Co.* v. *FCC*, 395 U.S. 367 (1969), which put the Supreme Court's imprimatur on the legality of the fairness concept, has not set these doubts to rest. Indeed, the Court's subsequent decision in *Miami Herald Pub. Co.* v. *Tornillo*, 418 U.S. 251 (1974), has raised new doubts and fresh concern.

I agree with the Commission's conclusion that Red Lion is still good law, although Tornillo clearly does undermine the foundations on which Red Lion appeared to rest. The original Red Lion decision assumed (1) that the imposition of an obligation of fairness (including a private right to reply in certain instances) did not restrain ("chill") free speech, but actually served to promote it by ensuring greater diversity; and (2) that because the broadcast media operated under conditions of physical scarcity, the marketplace could not be relied upon to produce adequate diversity of speech and, therefore, some forms of regulation; such as the fairness obligation, were appropriate, and necessary. Clearly, Tornillo repudiates the first assumption of Red Lion. Logically at least, this conclusion is necessary; otherwise there is no basis for the Court's invalidating the right of reply statute in that case. Can Red Lion stand on the second assumption independent of the first? I have some doubts whether it can as a matter of pure logic, for I do not think the condition of scarcity is a compelling basis for distinguishing between electronic and print media [1]—particularly on the finding made in Tornillo that a compulsory right of reply tends to reduce public debate, contrary to the purpose of the fairness doctrine.[2]

Nevertheless, however, the logic of the matter may appear to me, I am forced also to admit that it appears to appear differently to the Supreme Court; as recently as two months ago, the Supreme Court indicated (albeit in dicta) that it still regards Red Lion as good law. See *Buckley* v. *Valeo*, U.S. , 96 S. Ct. 649, n. 55 (1976).

The question remains whether, constitutional issues aside, the doctrine could nevertheless be repudiated by the Commission. I once thought so,[3] but the Supreme Court appears to have disagreed. In Red Lion the Court said: "that Congress in 1969 [intended] that the phrase 'public interest,' which had been in the Act since 1927, imposed a duty on broadcasters to discuss both sides of controversial public issues. In other words,

---

Footnotes at end of article.

the amendment vindicated the FCC's general view that the fairness doctrine inhered in the public interest standard."

395 US. at 380. See also *Straus Communications, Inc.* v. *FCC,* F. 2d ; No. 75-1083, Slip Opinion, p. 10, n. 11 (D.C. Cir., Jan. 16, 1976). It thus seems to be beyond our power to eliminate altogether the general requirement that licensees give a reasonably balanced presentation of controversial public issues. However, I do not interpret Red Lion (or Straus) as depriving the FCC of all power to reshape the rule according to changing perceptions of the public interest.[4] While our discretion is circumscribed, I think we still have freedom to redefine how the basic fairness obligation may be satisfied by licensees. Given the Commission's action in narrowing the scope of the doctrine to exclude routine commercial product advertising from its coverage—an action with which I wholeheartedly agree[5]—my colleagues evidently agree that some reshaping of the doctrine is still within our power.

The majority and I part company on whether that power should be exercised to seek alternatives to the present formulation of the fairness doctrine. In contrast to the Commission's evident satisfaction with the present fairness doctrine, I believe it has proved to be unworkable and, at least potentially, dangerous—raising public expectations that cannot be fulfilled within the limits which the First Amendment places on our oversight of electronic journalism. Accordingly, within the limits of our discretion under Section 315, I think we should explore alternative possibilities for achieving the underlying goals of the fairness doctrine.

II. THE RIGHT TO SPEAK VERSUS THE RIGHT TO HEAR

Before turning to a critique of the fairness doctrine, a brief note on First Amendment philosophy is appropriate, for it is my belief that much of the debate over the fairness doctrine is needlessly clouded and misdirected by superficial and sophistical reasoning about the free speech ideal. The Commission begins its defense of the fairness doctrine on a high constitutional plane, quoting from Red Lion:

"There is no principle of greater importance to understanding the fairness doctrine and the First Amendment than that '[i]t is the right of the viewers and listeners, not the broadcasters, which is paramount.' "

Insofar as this dictum is intended merely to express the traditional utilitarian notion that free speech is protected not only in the interest of the individual speaker but also that of the broader social interest of the public as listeners, the "listener's right" theory is unexceptionable. Similarly, as a simple (if rather eliptical) statement that "free speech" is subject to some restrictions "in the public interest," it can pass without protest, at least pending the review of the specific restrictions imposed. But inasmuch as the above formulation suggests some general principle that the First Amendment gives positive rights to listeners/viewers to dictate what speakers shall tell them, I believe it is pregnant with mischief.

I concede that freedom of speech is conducive to social welfare (a small concession), and it is generally that social interest which underlies the constitutional protection. But I reject the notion that only speech which promotes government or social welfare policies in a narrow sense is worthy of constitutional protection;[6] and, in the same vein, I disagree with the implication that the First Amendment is a tool of social policy, to be used and interpreted in an activist, affirmative way which promotes the "spirit" and "purpose" of free speech—the view put forward, for example, in *Business Executives Move for Vietnam Peace* v. *FCC*, 540 F.2d 642 (D.C. Cir. 1971), reversed *sub nom., Columbia Broadcasting System, Inc.* v. *Democratic National Committee,* 412 U.S. 94 (1973). Such an instrumentalist view of the First Amendment effectively reduces the constitutional guarantee of free speech to the same standing and dignity as that of any conventional governmental policy. See Columbia Broadcasting System, Inc., supra, at 132, 133 (concurring opinion of Justice Stewart). Therein lies the vice of the listeners' rights theory. If the speaker truly has the right to hear, it follows (from Hohfeld[7] and from common sense) that the speaker has a correlative duty to speak. If a listener has a legal right to hear certain things for certain purposes, then a speaker—some speaker—must have correlative duty to speak to those things. On this theory the people have the right to determine what the speaker shall say—in order to serve the "spirit" of the First Amendment to advance the social welfare of "the people."

Once it is explained in this way, it becomes apparent why the listeners' rights theory has not taken hold as a general theory of the First Amendment and, indeed, appears to have now been at least impliedly repudiated even for the electronic media.[8] As a general conception, the listeners' rights theory makes nonsense of the First Amendment; in fact, it stands it on its head. The First Amendment may indeed belong to everybody—as the listeners' rights theory suggests—but it cannot truly belong to everybody unless it first belongs to each and every particular somebody. To deny the individual right in the name of the collective right transforms the First Amendment from a guarantee of individual freedom into its very opposite, rule by public clamor. To be sure, this interference is intended to further the "spirit" and "larger purposes" of the First Amendment. For my part, however, I prefer to entrust my political freedoms to the Constitution rather than to the ardent schemes of well-meaning persons.

In summary, we err when we stray beyond the simple proposition that the First Amendment is a restraint on government—nothing less, but also nothing more. Of course, it does not follow from this that the First Amendment restrains every act of government touching free speech (whether that action is intended to further free speech, to restrain it, or is neutral with respect to it). Thus, rejection of the listeners' rights idea expressed in Red Lion would not necessarily alter the decision, but it would, at least, have the clear virtue of removing from the debate over fairness the misleading and mischievous notion that the First Amendment is an expression of the right of the public, through their government, to regulate speech in the interest of listeners.

III. THE CONCEPT OF FAIRNESS

I assume no one has any serious difficulties either with the concept of fairness or its applicability to the communications media. It is the administration of that idea, as legally obligatory conduct, which creates the hard problems. As Lewis Carroll reminds us, the linguistic barriers on the way to resolving a problem may be the most difficult to pass. In *Through the Looking-Glass,* Alice and Humpty Dumpty are debating how words means what they mean:

"I don't know what you mean by 'glory,' " Alice said. Humpty Dumpty smiled contemptuously. "Of course you don't—till I tell you. I meant 'there's a nice knock-down argument for you!' "

"But 'glory' doesn't mean 'a nice knock-down argument,' " Alice objected.

"When I use a word," Humpty Dumpty said, in a rather scornful tone, "it means just what I choose it to mean—neither more nor less."

"The question is," said Alice, whether you can make words mean so many different things."

"The question is," said Humpty Dumpty, "which is to be master—that's all."

Through the Looking-Glass 94 (Random House ed., 1946). As with "glory" so with fairness: the important question is not how the word is to be defined but who is to be master. The idea of obligatory fairness includes the idea of a standard of conduct external to the speaker, against which his conduct is to be measured. In short, unlike Humpty Dumpty, a speaker who is obligated to be "fair," according to the definition of another, is not completely master of his own wall. That is the problem. It is not simply that the need for enforced fairness is difficult to determine, but the fact that someone other than the speaker has the task of determining it. Particularly is this the case where that "someone" is a government agency with far-reaching enforcement powers, including sanctions like fines or license revocation, at its disposal. We must consider a second question—

We must therefore consider the question of the cost of mandating "fairness." That cost, of course, is the risk that government-mandated fairness impedes ("chills") speech. Clearly we are in the land of shadows here, for it is hard to prove that an enforceable fairness obligation has an adverse impact on a robust free press. The Supreme Court has been of two minds on whether such an impact is reasonably to be feared. In Red *Lion*, the Court found no reason to think that the fairness doctrine would discourage free speech by broadcasters;[9] but in Tornillo, it found the opposite would hold for the print media.[10] Those cases are difficult to reconcile. In neither was there any specific evidence of effects. Thus, as in other First Amendment cases,[11] reliance had to be placed on certain general assumptions. What justified the different assumptions about the respective impact on the different media?

The technological differences between the two seem clearly insufficient to explain the different assumptions about the impact of enforced fairness.[12] However, whatever the differences between the media of mass communications, the central point in either case is whether such obligations can have a tendency to impede free speech. Without suggesting that the answer is undebatable, it seems clear enough that reasonable people can, and plainly do, believe there is a significant risk of such a tendency.[13] It may be that this possible inhibition is an acceptable cost when compared with the promised benefits to be derived from fairness. That evidently is what Red Lion decided for purposes of sustaining the constitutionality of the fairness doctrine. However, within our discretion to shape and modify the doctrine, we ought to continue to consider whether the possible benefits of fairness outweigh the possible costs.

Measuring the benefits of fairness is as difficult as assessing the costs. The expected benefits are simply described: increased diversity of viewpoints and greater balance in airing controversial public issues. If we can really obtain these desiderate, fine; but the question is whether they can be obtained through the use of the fairness doctrine. This consideration is the crucial one—and it has been somewhat slighted in the debate over fairness. Even if the risks of inhibiting free speech are slight, whether they are worth incurring turns not merely on the importance of the benefit sought, but also on the likelihood of achieving it. Cf., *United States* v. *Carroll Towing Co.*, 159 F.2d 169 (2d Cir. 1947). A clock that cannot keep time is no bargain even at garage-sale prices, unless it is esteemed as an ornament.

Can the Commission's fairness clock keep time, or is it merely an ornament? I am skeptical—and I become more skeptical with

---

Footnotes at end of article.

time—that this aging timepiece is anything more than an object d'art, and at that, more object than art. I do not think this Commission can in practice define "fairness" with sufficient clarity to enforce this norm as law. To be sure, there are some steps we "could" take, in theory, if we were willing. But we can in theory do many things that, in practice, we will not do, and should not do. One of these things is to second-guess licensee judgments on fairness, except in the most extraordinary cases. In a two-year period, 1973 and 1974, the Commission received 4,280 formal fairness complaints. Of these only nineteen—4/10 of one percent—resulted in findings adverse to the licensee.[14]

Adverse findings, few and far between in the past, are likely to be even more exceptional in the future as a consequence of *Straus Communications, Inc.* v. *FCC*, F.2d, No. 75-1083 (D.C. Cir., Jan. 16, 1976) and *National Broadcasting Co.* v. *FCC*, 516 F.2d 1101, 1117-1122 (D.C. Cir. 1974) ("Pensions") (opinion of Leventhal, J.), vacated, etc., at id.; cert. denied, 44 U.S.L.W. 3464 (2/24/76), which explicitly caution that the First Amendment requires the agency to defer to the licensee's judgment unless it is found to be unreasonable or in bad faith. The court, in Straus, underlines this point by noting that the "unreasonable/bad faith" standard "applies to all components of the doctrine; it is the licensee, in the first instance, who decides, for example, exactly what issue is involved and whether that issue is controversial and of public importance." (Slip Opinion at p. 14).[15]

Data on the small number of adverse findings are frequently cited to show how small is the risk to licensees of government interference.[16] What they show even more persuasively, however, is how small are the benefits. That there were only nineteen adverse findings in two years [17] bears witness to one (or more) of three things: (1) incredible fairness by the media; (2) remarkably ineffective enforcement by the FCC; or (3) a standard of licensee discretion so broad as to permit almost any judgment to stand. On the first assumption, the fairness doctrine seems to me unnecessary; on the second and third, it is ineffectual.[18]

Innate suspicion tells me the first assumption is unlikely: I just cannot believe that with several thousands of licensees and millions of broadcast hours yearly, the fairness doctrine does not suffer many more violations than those few found. The second and third assumptions are interrelated. The FCC's enforcement of the fairness doctrine has always been less than rigorous. In the face of increasing demands to redress fairness grievances the Commission has evolved procedural barriers, such as the "Phelps Doctrine," see Alan C. Phelps, 21 FCC 2d 12 (1969), in order to forestall becoming too easily involved in licensee programming judgments. And, where we have become involved, we have, with few exceptions accorded the licensee broad discretion to define what constitutes a controversial issue of public importance, and almost equal latitude in satisfying the obligation of fairness with respect to such issues.

While some critics have accused the FCC of lassitude or worse in its enforcement, I do not see how the Commission could be more rigorous in its demands upon licensees without undertaking a course of program surveillance that would almost certainly run afoul of the First Amendment. It is not so much that it is impossible to define and enforce fairness obligations (though at best it is a difficult task), but rather that it is not possible to do so in a meaningful way without interfering in programming outside the intended focus of our enforcement. Judicial confirmation of this is suggested by the recent reversals of Commission decisions in the *Straus* and *Pensions* cases for failure to give sufficient discretion to licensee judgment.[19] I do not quarrel with those court decisions, but it should be emphasized that the agency actions which prompted them were exceptional.[20] This underscores my point about the futility of enforcement. The implication which I draw from these cases is that even the current level of enforcement—which results in adverse findings in less than one-half of one percent of the cases—may be too high! At this point it surely must occur even to supporters of the fairness doctrine to ask whether the game is worth the candle.

The situation is untenable. The very existence of the fairness doctrine has given rise to public expectations that are quite unrealistic. The volume and the character of fairness doctrine mail which the Commission receives bears witness to such expectations. The Commission cannot come close to meeting those exaggerated expectations without infringing the Constitution; indeed, it apparently cannot even continue its own very limited enforcement course if I correctly gauge the direction of the prevailing judicial winds.

IV. ALTERNATIVES

Given the infirmities of the fairness doctrine, it is time to start looking for alternatives. My preferred course—retiring the fairness doctrine altogether—is presumably beyond our power unless and until the Supreme Court reverses or reinterprets Red Lion. A second possibility is simply to forget about enforcement. But as I have argued above, this is about what we have done in effect, with an occasional exception; I regard this course as totally unsatisfactory. It breeds disrespect for the law. Worse, it is an unstable state, which produces not desuetude, but erratic (and hence discriminatory) enforcement. Just as nonenforcement is not a practicable option, so too is the similar proposal of Mr. Henry Geller to relegate enforcement of the fairness doctrine to the end of the license period.

Under the Geller proposal the Commission would revert to its earlier (pre-1962) practice [21] of examining the licensee's overall fairness as part of its three year performance record rather than, as now, evaluating individual complaints. I concur in the Commission's rejection of this proposal. I am sympathetic to what I discern to be the purpose of this proposal, to eliminate detailed scrutiny of, and interference with, licensee news judgments. However, I do not think Mr. Geller's proposal would necessarily work as he supposes. In fact, I think the Commission would still ultimately be led to responding to particular complaints as it does now, except that its response would be to an accumulation of complaints—most of them on a stale record.

If this were the outcome of such a proposal, it could increase the problem of discriminatory enforcement, and also aggravate the risk of adverse impact on licensee news judgments. The accumulation of complaints, the uncertainty of how they would be regarded, the increased scope of Commission scrutiny and finally the greater ultimate sanction to the licensee with a license renewal at stake (as opposed merely to an adverse finding of the kind now typically made in cases of violation), could increase the chilling effect of the fairness doctrine.[22] In return for these new risks the Geller proposal offers no significant additional benefits in terms of surer enforcement, or more probable achievement of fairness. As has been explained, this last aspect is a crucial flaw in the present fairness doctrine: against the risk (however slight it may be) of adverse effects, the actual benefits are, as a practical matter, negligible.[23]

In my view a more attractive alternative to either the present process or the Geller option is the optional access-in-lieu-of-fairness proposal of the Committee for Open Media (COM).[24]

COM suggests a system of optional access in lieu of the fairness doctrine. Instead of being required to program discussions of controversial matters of public importance in a reasonably balanced manner, licensees might instead be allowed to choose to set aside time to allow members of the public to appear on the air.

As an alternative to what we have now, the access idea is appealing; by automating the process for permitting different views to be expressed, the subjective determinations that are now the core concern would be largely eliminated.[25] I am not an admirer of access in and for itself, and for this reason have never supported the idea of mandatory access, per se. But mandatory access is not the issue here. The question is not whether a public access period is good, but whether it is better than what we now have. In fact, even the latter formulation is somewhat beside the point for the proposal is not to compel access in lieu of fairness, but to permit the licensee to opt for it.[26] There is reason to doubt that many licensees would select access over their present fairness obligations. But that is no concern of ours. To permit the substitution would at least give those licensees who are troubled by the fairness doctrine (or who may feel "chilled" by it) an opportunity to opt out in favor of an alternative that at least minimizes the risk of vexing the FCC.[27]

At the outset it would be necessary to prescribe clear guidelines of how such an access alternative would work. COM proposes so-called "free speech messages"—short radio or television spots made available to any number of the public. Under this approach people could then get air time to criticize the fairness of the station's news or public affairs programming, or to talk about anythink else that deserved public notice. Some administrative problems come to mind immediately. How much time must be allocated, and in what time periods, in order to exempt the licensee from its traditional fairness obligation? How are speakers to be chosen, assuming that more will want to speak than time can reasonably be provided for? Should stations have at least a minimal role in selecting the speakers?

These questions are not so difficult; but to a degree, their answers proceed on faith. If the Commission were to allow access as an alternative to fairness, it would be simple to frame rules requiring that access messages be aired at times throughout the day when significant segments of the viewing public were watching.[28] Likewise, the FCC could provide by rule that speakers be chosen, either by lot or by queue, so to minimize broadcaster bias and ensure that each chosen speaker was allowed to go before the public within a reasonable period—say a week—after requesting access time.[29] The third point is related to the second. Whatever means of allocation were chosen would have to prevent monopolization by any one group. COM resolves the problem by providing that half the spots would be allocated by the licensee to representative speakers. But no allocation system to which our attention has been directed can completely automate the selection function or remove the practical need for a supervisory intelligence of some sort—at the very least to monitor what goes over the air to ensure that it is not defamatory nor obscene.[30]

Obviously, the pressure of this supervisory intelligence re-introduces the problem of licensee bias. But it would be a lesser problem than the one we have now. Certainly, it seems intuitively obvious that, if a licensee threw himself open to all comers (or a random selection of all comers) who fell somewhere in

---

Footnotes at end of article.

the zone of reasonableness, a greater diversity of viewpoints would more probably be represented than where the licensee hmself generates the entire broadcast agenda. To be sure, the access message system could be perverted by licensee bad faith—this system has that vulnerability in common with all the institutions of democracy—but I do not fear this possibility. Broadcast journalism is becoming increasingly professional: it is attracting increasingly capable and well-prepared people at all levels, and the performance of licensees—especially television licensees—in the public affairs sector of their activities is beginning to show it. Under these circumstances, it seems to me that we twentieth century bureaucrats ought to be willing to take a gamble on the broadcast media similar to that the Founding Fathers took on pamphlets and newspapers two hundred years ago.

FOOTNOTES

[1] See, e.g., Robinson, *The FCC and the First Amendment: Observations on Forty Years of Radio and Television Regulation*, 52 Minn. L. Rev. 67, 88 (1967). See also Barron, *Access to the Press—A New First Amendment Right*, 80 Harv. L. Rev. 1641 (1967), who argues similarly but draws inferences the opposite of mine, concluding that the print media should be subject to some kind of fairness doctrine. *Tornillo*, of course, chilled that idea.

[2] In *Tornillo* the Court found the Florida right of reply statute to have such an effect, reasoning as follows:

"The Florida statute exacts a penalty on the basis of the content of a newspaper. The first phase of the penalty resulting from the compelled printing of a reply is exacted in terms of the cost in printing and composing time and materials and in taking up space that could be devoted to other material the newspaper may have preferred to print. It is correct, as appellee contends, that a newspaper is not subject to the finite technological limitations of time that confront a broadcaster but it is not correct to say that, as an economic reality, a newspaper can proceed to infinite expansion of its column space to accommodate the replies that a government agency determines or a statute commands the readers should have available.

"Faced with the penalties that would accrue to any newspaper that published news or commentary arguably within the reach of the right-of-access statute, editors might well conclude that the safe course is to avoid controversy. Therefore, under the operation of the Florida statute, political and electoral coverage would be blunted or reduced. Government-enforced right of access inescapably 'dampens the vigor and limits the variety of public debate.' *New York Times Co. v. Sullivan, supra*, 376 U.S. at 279, 84 S.Ct. at 725."

418 U.S. at 256, 257. It should be noted that this reasoning applies with even greater force to broadcasters inasmuch as there are (by the Court's acknowledgment) greater "technological limitations" on the time which they can devote to meeting the obligation (therefore, by the Court's reasoning, higher cost and correspondingly greater incentive to "play it safe"). On the reasoning of *Tornillo* it is thus difficult to see that scarcity supports the fairness doctrine since the presumed necessity to compensate for inherent limitations on diversity which such scarcity creates aggravates the chilling effect.

[3] The question turns on the interpretation of the following language of the 1959 amendments to Section 315 of the Communications Act:

"Nothing in the foregoing sentence [setting forth certain exemptions from the equal time provisions] shall be construed as relieving broadcasters . . . from the obligation imposed upon them under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance."

I argued in my 1967 article (*supra*, footnote 1 at 134) that this language need not be read to codify the fairness doctrine, and that it is better understood simply as a clarification that Congress did not intend, by creating exemptions from the equal time obligation, to disturb the status quo as far as the fairness doctrine was concerned. Under this reading, the clause "and to afford reasonable opportunity . . ." would be read disjunctively rather than conjunctively with the preceding clause. This reading of the statute, which conforms with the legislative history, see Manelli, *Legislative History of the Fairness Doctrine, Staff Study for the Committee on Interstate and Foreign Commerce*, 90th Cong. 1st. Sess. 21–21 (1968), would preserve our discretion to abandon or alter the administration of the doctrine.

[4] See *Public Interest Research Group* v. *FCC*, 522 F.2d 1060, 1066–67 (1st Cir., 1975) (affirming Commission change in the fairness doctrine as applied to commercial advertising). See also *Columbia Broadcasting System, Inc.* v. *Democratic National Committee*, 412 U.S. 94, 131, 132 (1973), where the Court concludes its discussion on the FCC's continuing investigation of the best feasible use of the broadcast band for the discussion of important matters by cautioning that "courts should not freeze this necessarily dynamic process into a constitutional holding."

[5] I will not elaborate in detail on the commercial advertising aspect. For a recent, detailed critique in Simmons, *Commercial Advertising and the Fairness Doctrine: The New FCC Policy in Perspective*, 75 Colum. L. Rev. 1083 (1975). Suffice it to say that I long ago thought the Commission's extension of the fairness doctrine to cigarette ads (see *Banzhaf v. FCC*, 405 F.2d 1082 (D.C. Cir. 1968), *cert. denied*, 396 U.S. 842 (1969)) was a feckless venture that the Commission would come to rue, for it would not be, and could not be, contained. See *Hearings on the Fairness Doctrine Before a Subcommittee of the House Committee on Interstate and Foreign Commerce*, 90th Cong., 2d Sess., ser. 90–33, p. 53, 56 (1968). The Commission's futile effort to limit the application of *Banzhaf* (see *Friends of the Earth v. FCC*, 449 F.2d 1164 (D.C. Cir 1971)) has confirmed this conclusion.

The problem here is generally similar to that which has beset administration of the fairness doctrine elsewhere: if fairness requirements are to be meaningful, they must be enforced with a vigor and a regularity that would require a degree of government supervision that would be unwise. Indeed, such a level of control might also be unconstitutional for, as recent decisions make clear, commercial advertising does enjoy *some* degree of First Amendment protection. See *Bigelow v. Virginia*, 421 U.S. 809 (1975); *Virginia Citizens Consumer Council, Inc. v. State Board of Pharmacy*, 373 F. Supp. 683 (E.D. Va., 1974), *prob. juris noted*, 95 S. Ct. 1389 (1975); *California State Board of Pharmacy v. Terry*, 395 F. Supp. 94 (N.D. Cal. 1975), *appeal filed* 9/2/75, 44 U.S.L.W. 3155 (9/23/75). Confronted, on the one hand, with the necessity of extensive control in order to effect even-handed enforcement or, on the other hand, with the equally unattractive alternative of pursuing selective and arbitrary enforcement, the Commission has wisely chosen to make a clean break (more or less; product advertising may still be within the doctrine in exceptional cases where view points on controversial public issues are explicitly discussed) with past folly. Would that it were possible to do this with the entire fairness doctrine.

[6] Alexander Meiklejohn, one of the most admired modern theorists; insisted that the First Amendment protects *only* "public" speech of a kind useful to self government. A. Meiklejohn, *Free Speech and Its Relation to Self Government*, 61–63 (1948). As a corollary of this general proposition Meiklejohn excluded commercial broadcasting from his narrow sphere of relevant speech, on the apparent ground that profit-making was incompatible with free speech. A. Meiklejohn, *Political Freedom*, XV (M. Sharp, ed. 1960) (foreword by Malcolm Sharp). Given Meiklejohn's very narrow conception of the value of free speech and the role of the First Amendment, I find it extraordinarily curious that he should enjoy such a high reputation as a libertarian. His views, if adopted, would sweep away the better part of all the positive First Amendment jurisprudence which has developed in the past score years, not only in the field of mass communications, but elsewhere.

[7] Hohfeld, *Some Fundamental Legal Conceptions As Applied to Judicial Reasoning*, 23 Yale L.J. 16, 31–32 (1913).

[8] *Tornillo* must be considered an implied repudiation of the theory so far as the print media are concerned; and with respect to the electronic media, *Columbia Broadcasting System, Inc. v. Democratic National Committee* seems basically hostile to the theory. Thus, the listeners' rights theory seems to have no real vitality except as a rhetorical bow to the unexceptional notion that free speech does not totally supplant the rights of the people at large to exercise their sovereign powers.

[9] On the contrary, the Court found that the Commission's fairness rules would "enhance rather than abridge the freedoms of speech and press protected by the First Amendment. . . ." 395 U.S. at 375.

[10] See footnote 2, *supra*.

[11] "[W]e have never . . . demanded that First Amendment rights rest on elaborate empirical studies demonstrating beyond any conceivable doubt that deterrent effects exist . . . [nor] required proof of the exact number of people potentially affected by government action, who would actually be dissuaded from engaging in government activity.

"Rather, on the basis of common sense and available information, we have asked, often implicitly, (1) whether there was a rational connection between the cause (the governmental action) and the effect (the deterence or impairment of the First Amendment activity), and (2) whether the effect would occur with some regularity, i.e., would not be de minimis. * * * And in making this determination, we have shown a special solicitude towards 'indispensible liberties' protected by the First Amendment. . . ."

Branzburg v. Hayes, 408 U.S. 665, 734–35 (1972) (Stewart, J., dissenting). See also *New York Times Co. v. Sullivan*, 376 U.S. 255 (1964); *Time, Inc. v. Hill*, 385 U.S. 374 (1967); *Rosenbloom v. Metromedia Inc.*, 403 U.S. 29 (1971). The last two cases are particularly noteworthy in this regard insofar as they rest on the premise that even relatively slight burdens on journalism may have sufficient impact to justify a finding of unconstitutional impediment to free speech. This also appears to be the premise of *Tornillo* but not, as noted above, of *Red Lion*.

[12] Indeed, as pointed out in footnote 2, *supra*, on the reasoning of *Tornillo*, the chilling effect of enforced fairness in broadcasting is greater than in the print media since the scarcer the resource, the greater the cost of requiring portions of that resource to be devoted to meeting fairness (or public access) obligations—hence the greater the "chilling effect."

[13] The risk, of course, is not simply or even primarily that the government will itself directly control speech (though that possibility cannot be totally discounted). It is rather that the media themselves will find it ex-

pedient to avoid controversial matters which might give rise to difficulties with the government. Therein lies the chilling effect of government interference. See footnote 2, *supra*.

[14] This is the latest period for which complete data were readily available. Violations in this period included: seven violations of the political editorializing rules, seven personal attack rule violations and five general fairness doctrine rulings.

[15] Both in *Straus* and in *Pensions*, the court's language indicates that the standard by which the FCC reviews licensee discretion is similar to the standard by which the courts review the work of the agency. It is not enough, in order to disturb the licensee's conclusion, to find that the preponderance of evidence favors a different result from that reached by the licensee. Nor is it enough to find that the complainant's identification of the issue (and whether it was controversial and of public importance) is more sensible than the licensee's version of the story. The licensee's conduct must actually be unreasonable before its discretion may be rejected by the Commission. See *Straus*, Slip Opinion at 14–15; *Pensions*, 516 F.2d at 1120, 1122–23.

[16] I am not at all certain that the data will support that conclusion since the degree of the "chill" on free speech that may flow from government intrusion is not simply a function of the number of adverse findings or even the number of inquiries made of licensees. The chill stems from the licensee's perception of the costs of presenting certain programs, and those perceptions may be based more on anxiety than on any objective, actuarially sound, assessment of risk. In any case, the more immediate concern of the licensee will be whether the marginal benefit of broadcasting matter bearing on a controversial public issue outweighs the possible battling with citizen groups, disgruntled viewers/listeners, and last, but not least, the FCC.

[17] An adverse finding is not necessarily followed by a separate punishment; indeed, usually it is not. Most adverse findings result either in a ruling that certain programing requires presentation of another viewpoint or a letter admonishing the licensee to comply with the fairness doctrine. Of the nineteen adverse findings in 1973 and 1974, only eight (seven political editorial cases and one personal attack) resulted in any tangible punitive action—forfeiture in each case. Of course, the forfeiture penalty is available to the Commission only in the case of personal attack—political editorializing violations inasmuch as these alone have been crystallized into specific rules. As for the ultimate sanction, non-renewal of license, the Commission will not consider this except in the most egregious case of licensee irresponsibility towards its fairness obligation, and it has found this but once, in *Brandywine-Main Line Radio, Inc.*, 24 FCC 2d 18 (1970), *aff'd.* 473 F. 2d 16 (D.C. Cir. 1972), *cert. denied*, 412 U.S. 922 (1973). (Parenthetically I might note that licensee misconduct such as that found in Brandywine might make one a believer in the fairness doctrine were it found more often. As it is, however, I think it hard to justify this, or any other rule, by the most extreme, and most rarely encountered, case.)

[18] Of course, the deterrent effect on all licenses of making an example of a few of them cannot be overlooked. But the proper limits to the practice of "making an example" of someone are rapidly reached. See Andenaes, *The Morality of Deterrence*, 37 U.Chi.L.Rev. 649 (1970). As a rule of elementary justice, a person can be so used only if he is first guilty of some misconduct. The idea of guilt, in this sense, includes the idea that A has done something which he should not have done, and which others similarly situated have refrained from doing. I doubt, as I have mentioned, that the average licensee who is found to have violated the fairness doctrine has done something which other licensees have refrained from doing. I doubt, as I have mentioned, that the average licensee who is found to have violated the fairness doctrine has done something which other licensees have refrained from doing. The old maxim, "Beat your boy every day—if you don't know what for, he will," may serve a purpose as a primitive rule of childrearing, but it is no way to run a government.

[19] *National Broadcasting Co., Inc.* v. *FCC*, 516 F.2d 1101 (D.C. Cir. 1974); *Straus Communications, Inc.* v. *FCC*, —F.2d—, No. 75-1083 (D.C. Cir. Jan. 16, 1976).

[20] The exceptional character of the findings may, in fact, be additional reason to challenge the actions insofar as it evinces erratic (and hence discriminatory) enforcement. See my dissent in *Straus Communications, Inc.* 51 FCC 2d 385, 389 (1975).

[21] The change in practice, the Commission's rationale for it, and Geller's critique, are discussed in *Pensions, supra*, 516 F.2d at 1115–16.

[22] It must again be emphasized that the adverse impact on speech derives not so much from what the Commission actually does than from the licensee's apprehension of what the Commission might do.

[23] It is not decisive counter to the above objections that the Commission once "enforced" the fairness doctrine as Geller now proposes. That was over a decade ago—almost in the paleolithic era of the fairness doctrine—when there was far less consciousness of this doctrine by the public or licensees. I doubt very much that the Commission could restore those relatively halcyon days simply by adopting the old process.

[24] The notion of mandated access has received much attention on both sides. For a bibliography and critique, see Lange, *The Role of the Access Doctrine in the Regulation of the Mass Media: A Critical Review and Assessment*, 52 N. Car. L. Rev. 1 (1973). However, I am not familiar with any discussion in the general legal literature of this particular scheme of access.

[25] The access option would be more or less self-enforcing though there would possibly be some occasions for subjective determinations by the licensee and this, in turn, would require some supervision by the Commission, hopefully minimal.

[26] Because under this proposal access would be optional with the licensee, it would be entirely consistent with *Columbia Broadcasting System, Inc., v. Democratic National Committee* which involved the question whether access was required by the First Amendment or the Communications Act. It is also, I believe, consistent with the *Red Lion* holding that Congress incorporated the basic fairness obligation into Section 315. As discussed earlier, I do not think that was intended to freeze the fairness obligation precisely in its present form. See *CBS v. DNC*, 412 U.S. at 131–132; *Public Interest Research Group v. FCC*, 522 F. 2d 1060, 1064.

[27] Under the COM proposal, access would not be a surrogate for the present fairness doctrine in cases of "editorial advertisements" on controversial public issues. The rationale of the exception is to "prevent powerful private interests from disserving the public interest by propagandizing their ideas in a blitz paid spot campaign without comparable response capable of being afforded through the access system." Committee for Open Media, Petition for Reconsideration, p. 18. This fear is probably exaggerated, but there should be no objection to this exceptional retention of the traditional fairness doctrine.

[28] COM proposes 35 minutes per week or five minutes a day, scheduled at different times (including prime time).

[29] COM proposes that one half the access spots would be allocated on first-come, first-served basis, and the other half would be allocated on a "representative spokesperson" system.

[30] I assume that a licensee would continue to be legally responsible unless and until public access were a matter of statutory right. In *Farmers Educ. and Coop. Union v. WDAY*, 360 U.S. 525 (1959), the Supreme Court held that a licensee could not be held liable for defamatory language uttered during a time period which was required to be supplied under Section 315 of the Communications Act. If the fairness obligation arises under Section 315, the same immunity arguably applies. It might be contended that this immunity ought to extend to the fairness surrogate, access, as well. It seems much more probable, however, that if the licensee had any significant discretion as to who was permitted access and what was to be said, it probably would be held responsible. That, in turn, would require the licensee to monitor. Of course, the obscenity or defamation laws could be changed by statute to insulate a broadcaster from liability for anything said on access messages, but such change seems unlikely. It also seems undesirable if one attaches, as I do, importance to the interests which the obscenity and defamation laws were meant to protect. In any event, nothing as radical as amending the Communications Act or Title 18 of the U.S. Code needs to be contemplated until time and experience clarified whether and to what extent such changes were necessary.

SENATE CONCURRENT RESOLUTION 100

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from California (Mr. TUNNEY).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TUNNEY

I express my strong support and appreciation of the Congressional science and engineering fellowship programs which have been established by a number of professional societies. These programs have contributed a great deal to improving the quality and quantity of dialogue between public policymakers and the scientific and engineering communities. We must continue to develop these communication channels in order to improve the interchange of technical and legislative information. For this reason I believe that passage of Senate Concurrent Resolution 100 was both necessary and timely.

Congress is being forced to confront many new issues that involve difficult decisions which must be based on sufficient and reliable technical information. This trend can only be accelerated as we are faced with additional problems resulting from materials shortages, competing and noncompatible land uses, increasing demands for energy and environmental pollution. The various Congressional science and engineering fellowship programs provide Members of the Senate with greater accessibility to information which is needed to make informed and rational public policy decisions.

The initiative which has been displayed by the several professional societies which have inaugurated fellowship programs is most commendable. It is another example of their sincere desire to put the expertise of their memberships to work in the public interest. The societies which participate in the fellowship programs are: The American Association for the Advancement of Science; The American Physical Society; The Institute of Electrical and Electronic Engineers; The American Psychological Association; The American Institutes of Aeronautics and Astronautics; The Optical Society of America; and the Federation of American Societies for Experimental Biology.

I hope that the intent of the Senate embodied in Senate Concurrent Resolution 100, in combination with the active interest and involvement of professional science and engineering societies, will continue to promote an active exchange of ideas.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I wish to report that, according to current U.S. census approximations, the total population of the United States as of April 1, 1976, is 215,268,942. This represents an increase of 1,656,780 since April 1 of last year. It also represents an increase of 99,262 since March 1 of this year, that is, in just 1 short month.

Thus, in this last year, we have added enough additional people to our population to fill the combined cities of: Boston, Mass.; San Francisco, Calif.; and Birmingham, Ala. And in 1 month our population has grown enough to nearly fill a city the size of Ann Arbor, Mich.

COMPACT OF PERMANENT UNION BETWEEN PUERTO RICO AND UNITED STATES

Mr. EAGLETON. Mr. President, I am indebted to my good friend, Mario Paniagua, an attorney in San Juan, P.R., for sending me a copy of the recent testimony of Mrs. Miriam Naveira de Rodon, solicitor general of Puerto Rico, before the House Subcommittee on Territorial and Insular Affairs. While I am not sufficiently familiar with the issues that Mrs. Rodon addresses in this statement to form a judgment on the merits, I did find the statement to be an interesting exposition of the concerns arising out of the enforcement of section 1983 of title 42 of the United States Code by the U.S. District Court in Puerto Rico. I commend this statement to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF MRS. MIRIAM NAVEIRA DE RODON, SOLICITOR GENERAL OF PUERTO RICO, BEFORE THE SUBCOMMITTEE ON TERRITORIAL AND INSULAR AFFAIRS OF THE HOUSE OF REPRESENTATIVES REGARDING BILL H.R. 11200, (9 SAN JUAN, P.R., MARCH 21, 1976

Mr. Chairman Phillip Burton, Congressman Jaime Benitez, and Congressmen: I am Mrs. Miriam Naveira de Rodón, Solicitor General of the Commonwealth of Puerto Rico and I come here to testify because I firmly believe that this Bill which is being discussed here today, whose purpose is to approve the Compact of Permanent Union between Puerto Rico and the United States is of the utmost importance to both the People of Puerto Rico and the People of the United States. By means of this Compact and as specifically stated in section 1, the people of Puerto Rico and the people of the United States agree "to reaffirm, ... consolidate and . . . improve the relationship already established between them in the 1952 Compact."

In the case of *Calero-Toledo* v. *Pearson Yacht Leasing Co.*, (1974) 40 L. ed. 2d 452 the Supreme Court had the opportunity of commenting on the 1952 Compact and on the events which led to its approval. The court found that it was the "pressures for greater autonomy [which] led to congressional enactment of Pub. L. 600, 64 Stat. 319, which offered the people of Puerto Rico a compact whereby they might establish a government under their own constitution". "Thus it can be readily ascertained that the avowed purpose of the 1952 Compact was to grant Puerto Rico self government consonant with the mutually agreed provisions of the Compact in permanent union with the United States and within the federal framework. In the words of Judge Magruder in *Mora* v. *Mejias* 206 F 2d 377 (1953), which were cited with approval by the Supreme Court in the Calero-Toledo case, supra: "Puerto Rico . . . is a political entity created by the act and with the consent of the people of Puerto Rico and joined in union with the United States of America under the terms of the Compact". at 387–388.

It is having this in mind that I wish to comment on Sections 15 and 16 of the proposed Bill which deal with Judicial Review and the United States District Court respectively. First of all it should be noted that the Federal District Court for the District of Puerto Rico is a legislative court[1] created by virtue of the power granted to Congress by the territorial clause of the constitution of the United States, Art. IV, sec. 3, clause 2.

These types of federal courts are created specifically to carry forth or implement a Congressional policy directly related to the constitutional power under which they are created. Thus the federal district in Puerto Rico should be molded and limited in its jurisdiction so that it too will become a harmonious part of the Compact of Permanent Union between Puerto Rico and the United States, helping to reaffirm, consolidate and improve the already existing relationship. In order to ascertain whether the existing and proposed provisions regarding the United States District Court for Puerto Rico will in fact promote the purpose of the compact now under discussion let us analyze how it has worked in the past and how it is working at present. The relations of the federal courts to Puerto Rico have in the past raised delicate problems which have given rise to various specific pronouncement by the Supreme Court of the United States. In *Fornaris* v. *Ridge Tool Co.* (1970) 400 U.S. 41 the court stated:

"The relations of the federal courts to Puerto Rico have often raised delicate problems. It is a Spanish-speaking Commonwealth with a set of laws still impregnated with Spanish tradition. Federal courts, reversing Puerto Rican courts, were inclined to construe Puerto Rican laws in the Anglo-Saxon tradition which often left little room for the overtones of Spanish culture. Out of that experience grew a pronouncement by this court that a Puerto Rican court should not be overruled on its construction unless it could be said to be 'inescapably wrong'."

More recently in 1974, in the Calero-Toledo case, supra, the Supreme Court once again expressed its concern over the Commonwealth's relation with the federal courts. It cited with approval from ***Wackenhut*** v. *Aponte* 266 F. Supp. 401, 405 (1966) the following:

"application of the doctrine of abstention is particularly appropriate in a case . . . involv[ing] the construction and validity of a statute of the Commonwealth of Puerto Rico. For a due regard for the status of that Commonwealth under its compact with the Congress of the United States dictates, we believe, that it should have the primary opportunity through its court to determine the intended scope of its own legislation and to pass upon the validity of that legislation under its own constitution as well as under the Constitution of the United States." (Our emphasis)

The situation pointed out in the Fornaris case, supra, regarding the fact that the relations of the federal courts to Puerto Rico have raised delicate problems is specially true today when a misuse of 42 USC, sec. 1983 of the Federal Civil Rights Act and its jurisdictional counterpart 28 USC, sec. 1343 has produced a fantastic increase in the number of cases filed in the United States District Court for Puerto Rico in which the Commonwealth of Puerto Rico, either directly or indirectly is a party. This has led to an ever increasing intervention of the federal judiciary in practically all aspects of governmental functioning and even minor decision making. During the past three years literally hundreds of these cases have been filed in the federal court, they have covered all of the most important and vital areas of public policy. It should be kept uppermost in our minds that all these cases are of an intrinsically local nature and the federal court's decisions will usually have strictly local repercussions.

It is, of course, the great variety in the types of cases filed under the Federal Civil Rights Act that differentates this trend in Puerto Rico from the one that is being experienced in the states of the United States. Just to give you an idea of the areas that are being touched upon let me cite some of them: the economic public policy regarding the fixing of prices[2] and the oil industry,[3] the constitutionality of the abortion law,[4] Section 103 of the New Penal Code dealing with homosexuality,[5] of the provisions on collections of the law creating the State Insurance Fund,[6] of Rule 56 of those of the Puerto Rico Code of Civil Procedure of 1958,[7] of the procedure used in the cancellation of a usufruct contract by the Puerto Rico Housing Department,[8] of the constitutional and statutory provisions allowing the jury's verdict by majority vote,[9] of the Act establishing the new trial,[10] of the Act creating the Appellate Division[11] of the Superior Court, provisions of the Minors law and of the regulations promulgated by virtue thereof,[12] of the public policy relating to the land invations,[13] of the distribution of the federal food stamp program,[14] of the use of the so-called Title I funds by the Education Department.[15] A stay of proceedings regarding a civil contempt[16] has been requested, they have questioned the discharge of employees in the University of Puerto Rico[17] and in other government agencies and departments,[18] the legality of a tax exemption decree,[19] the rules for admission to the Bar,[20] the law regulating the professions of engineers, architects and surveyors,[21] the regulation regarding public notaries,[22] the Rules and Regulations for the students of the University of Puerto Rico,[23] the Rules and Regulations of the Department of Education,[24] the fixing of bond on appeal,[25] the representative system of government for the Municipality of San Juan,[26] several provisions of the labor laws regulating the conditions and working hours of women,[27] and minimum wages,[28] the migrant workers' contracts,[29] the collection of rates and service cut offs for nonpayment, by the Water Resources Authority.[30]

Rule No. 8, Article II of the "Handbook" of the Social Services Department Norms (availability of income regulation and income scale regulation) was questioned and declared unconstitutional,[31] also questioned were the permits for sand extraction,[32] the law providing for the holding of a referendum among qualified Rio Piedras voters to consult them regarding the separation of the former municipality of Rio Piedras from that of San Juan,[33] the new electoral law,

---

Footnotes at end of article.

specifically the section which provides for the designation of inspectors or observers during the collection of funds at mass meetings of a political party,[34] the law regulating the practice of acupuncture in Puerto Rico,[35] a franchise issued by the Puerto Rico Civil Service Commission,[36] the procedures used by the Puerto Rico Planning Board to reserve land,[37] the expropriation of land for government use,[38] investigations by district attorneys,[39] the procedure used in the judicial sale of community property,[40] the public policy regarding the building of a superport[41] and the mining of copper ore,[42] prison abuse,[43] and prison condition cases,[44] among others.[45] Besides, Ex parte orders have been issued to stay proceedings in criminal trials in local courts.[46]

Undoubtedly the Federal Court in Puerto Rico is exerting or trying to exert great influence in the shaping of governmental public policies. We firmly subscribe to the position that the unique *sui generis* relationship between the United States and Puerto Rico established in the 1952 Compact which will be reaffirmed, consolidated and improved by the present Bill require that the scope of the federal judiciary intervention be modified so as to guarantee true internal self-government. It should be pointed out that the invasion into the Commonwealth's governmental functions which we are experiencing is not only having an undesirable paralizing effect on government officials, but is also causing traumatic damage to the relations between Puerto Rico and United States.

I think it is of special importance to stress here the fact that the courts of Puerto Rico are courts of general jurisdiction, 4 LPRA, Section 62, with full powers to decide questions of local law as well as federal questions,[47] and to grant all equitable remedies. They have in their favor a long history which shows that they are able and willing to vindicate, federal as well as local, constitutional rights. They also have a record for constantly being ready to take constitutional questions and protect individual rights. On many occasions the Supreme Court of Puerto Rico has adopted leading positions with regards to the rights of the accused in criminal cases. See for instance *Rivera Escuté* v. *Delgado,* 92 PRR 746 (1965) for rights of the accused, and *Pueblo* v. *Arcelay Galán,* Ref. Bar Association 1974–76, for a speedy trial. They have also protected the citizens political rights such as freedom of expression and association. In *Mari-Bras* v. *Casañas,* 96 PRR 15 (1968) the right to broadcast political messages on election day was sustained; *Mari-Bras* v. *Alcaide,* 100 PRR (1972) refers to the right of political expression; *Aponte Martinez* v. *Lugo,* 100 PRR (1971) to the freedom of expression and the press; *Báez Cancel* v. *Alcaide,* 100 PRR (1972) and *Santiago de Hernández* v. *Superior Court,* October 15, 1974, to the rights of political association of public servants and their rights not to be discriminated against because of their political beliefs and affiliations.

Thus I submit that the proposed Bill should be amended to provide that the United States District Court for Puerto Rico unless it finds that the interest of justice otherwise requires shall abstain from exercising jurisdiction in civil actions based upon alleged acts or failure to act by officials of Puerto Rico pending final decisions by the Courts of Puerto Rico. I believe that this provision would be particularly appropriate and in accord with both the Compact between the United States and Puerto Rico and the deference that the Supreme Court of the United States has always shown towards the courts and the government of the Commonwealth. I have no doubt that this will help insure true internal self government for Puerto Rico, in fact as well as in theory, and in accordance with the provisions of the compact.

Following this same line of reasoning we further suggest that Sec. 16 of the Bill be amended to specifically make applicable to federal district courts in Puerto Rico all the statutes and provisions which limit the jurisdiction of the federal district courts in the United States. This would clarify any confusion which may arise as to the applicability of certain limiting statutes. For example 28 USC, sec. 1342, which prohibit federal district courts under certain circumstances from restraining or paralyzing the operation of or the compliance with, any order affecting rates chargeable by a public utility and made by a state administrative agency or a rate-making body of a state political sub-division, was found to be inapplicable to pre-1952 Puerto Rico by the Federal Circuit Court of Appeals in *Muñoz* v. *Porto Rico Ry Light & Power Co.* (CA–1, 1936) 83 F. 2d. 262. No case has come up after 1952 regarding this specific provision so we have no judicial interpretation as to its applicability to post-Commonwealth Puerto Rico. The generic provision I am recommending would clarify any doubts as to this or any other similar limiting provision and would be consonant with the purpose and spirit of the new Compact.

Finally I suggest that sec. 16 of Bill be amended so that all decrees or final judgments of federal courts of appeals holding Puerto Rico statutes unconstitutional be appealable as of right to the Supreme Court of the United States. The purpose of this amendment would be to place Puerto Rico in the same position as the States with regards to appeals from the federal courts of appeals (28 USC, Sec. 1257). In *Calero Toledo,* supra, the Supreme Court noted that specific congressional legislation would be necessary to provide this remedy.

FOOTNOTES

[1] There are within the federal court system two types of courts, constitutional and legislative depending on the power under which they are created and in the jurisdiction conferred. *Ex parte Bakelite Corp.* 279 U.S. 438, 459.

[2] *Commonwealth Refining Co., Inc.* v. *Federico Hernández Denton,* Civil Núm. 719–73; *Caribbean Gulf Refining Corp.* v. *Federico Hernández Denton,* Civil Núm. 715–73; *Gulf Petroleum, S.A.* v. *Federico Hernández Denton,* Civil Núm. 714–73. In these cases the price regulation in the gasoline industry at all levels (refining, wholesale and retail distribution) was questioned. In *Rivera* v. *Chapel,* (PRDC, 1973) 366 F.S. 691, reversed in *Rivera* v. *Chapel,* (CA 1st, 1974) 493 F 2d 1302, the constitutionality of the Milk Industry Regulation No. 1, fixing the milk price through the use of a flexible mechanism, was questioned.

[3] *Commonwealth Oil Refining Co., Inc.* v. *Rafael Hernández Colón, etc., et al,* Civil Núm. 718–73.

[4] *Acevedo* v. *Colón,* 377 F.S. 332 (1974). In this case a three-judge court was convened.

[5] *Cieslak et al* v. *Hon. Rafael Hernández Colón, et al,* Civil No. 74–1330, Opinion and Order of March 7, 1975. This case was dismissed because the Court found there was not a real case or controversy, and the Circuit Court denied the appeal because of lack of prosecution.

[6] *Coca Cola Bottling Co. of Puerto Rico, Inc.* v. *Alonso,* Civil No. 436–73.

[7] *Ramirez de Arellano* v. *First National City Bank,* Civil No. 802–73, Opinion and Order of August 23, 1974. This is one of a series of cases that were consolidated to decide upon constitutionality of Rule 56. In this opinion the constitutionality of said rule was upheld relying on the case of *Mitchell* v. *Grant,* 42 LW 4671 (1974). *Balzac Brothers, Inc.* v. *Waring Products Division Dynamics Company of America, et al,* Civil No. 74–1356. This case was taken on appeal before the Federal Circuit Court which remanded it for a hearing before a three-judge court.

[8] *Quiñones Rivera* v. *Arrarás,* Civil No. 74–397, Opinion and Order of May 1, 1974.

[9] *Torres* v. *Delgado,* 510 F 2d 1182 (1975). In this case the constitutionality of a Jury's verdict by majority vote was upheld.

[10] *Meléndez Romero et al* v. *Hon. Eugenio Ramos Ortiz, etc.,* Civil No. 74–649. On January 20, 1975, the Federal Court issued an Order dismissing the case without prejudice until petitioner has exhausted all local remedies, in accordance with the decision in the case of *Younger* v. *Harris,* 401 US 37 (1971).

[11] *Tapia Tapia* v. *The Division of Appeals of the Superior Court of Puerto Rico, et als,* Civil No. 74–1307.

[12] *Osorio, et al* v. *Hon. Francisco de Jesús Schuck, etc.,* Civil No. 74–240; *Hernáiz et al* v. *Noberto Garcia, etc.,* Civil No. 74–924 and *Perfecta Padilla on behalf of Juan Ernesto Ortiz Padilla et al* v. *Hon. José Trias Monge, etc., et al,* Civil No. 75–0035. In the case of *Padilla,* supra, the court dismissed it upon *Huffman* v. *Pursue,* 43 L. 2d 482 (1975).

[13] *Amézquita et al* v. *Hon. Rafael Hernández Colón, etc., et al,* Civil No. 74–396, Order and Opinion of July 22, 1974. Reversed by the U.S. Court of Appeals for the First Circuit on June 20, 1975.

[14] *Cruz de Maysonet, et al* v. *The Commonwealth of Puerto Rico, etc., et al.,* Civil No. 74–491, 74–513.

[15] *Cruz Rosario* v. *Gaspar W. Weinberger, etc., et al,* Civil No. 74–922.

[16] *Francisco Aponte, et al.* v. *Hon. Luis V. Castro,* Civil No. 792–73. Opinion and Order of October 10, 1973.

[17] *Neftali Garcia Martinez, et al.* v. *Arturo Morales Carrión, etc. et al.,* Civil No. 74–535, 74–602; 74–706; 74–790; 74–775; 74–711, etc. (Consolidated)

[18] *González* v. *González,* 385 F.S. 1226 (1974); *León Salas de Vila* v. *Hon. Alberto Burgos, et al,* Civil No. 74–1078; *King* v. *Conservatory,* 378 F. S. 746 (1974); *Cruz* v. *Hon. Rafael Hernández Colón, et al,* Civil No. 74–976; *Oppenheimer Méndez* v. *Acevedo,* 388 F. S. 304 (1974), affirmed by the U.S. Court of Appeals For the First Circuit by voice of its Chief Justice Coffin on April 1, 1975. *Colón Vélez* v. *Edna Santiago de Hernández, etc.,* Civil No. 74–1207. *Alfaro de Quevedo* v. *De Jesús Schuck,* Civil No. 74–1329, Opinion and Order of May 6, 1975; *Asociación de Empleados del Instituto de Cultura* v. *Rodriguez,* Civil No. 75–280. These constitute only some of the numerous cases relating to public employees discharges filed before the Federal Court.

For a thorough analysis of this type of case in the U.S. District Court for the District of Puerto Rico see: "The Federal Civil Rights Act and the Public Official in Puerto Rico: How far are we going to go?, speech of this author at the Bar Association on May 30, 1975.

[19] *The Chase Manhattan Bank* v. *Corporación Hotelera de Puerto Rico,* Civil No. 74–1231. This case was affirmed by the Federal Appellate Court for the First Circuit. The Opinion was for the State.

[20] *Díaz Marchand* v. *The Supreme Court of Puerto Rico, et al,* Civil No. 74–50. This case was dismissed as academic because the Supreme Court amended through an Order of January 31, 1975, the regulation that was being questioned and which prohibited an applicant from taking the bar examination more than five (5) times. *Arvelo* v. *Supreme,* 382 F.S. 510 (1974).

[21] *Pérez Nogueiro* v. *Examining Board of Engineers, etc.,* Civil No. 74–520, Opinion and Order of February 4, 1975; *Maria Luisa Flores de Otero* v. *Examining Board of Engineers, Architects and Surveyors, et al,* Civil No. 917–73, Opinion and Order of December 19, 1974. This case is presently on appeal before the United States Supreme Court; said Court decided to review the case.

[22] *Pagán Hernández* v. *Tribunal Supreme de Puerto Rico,* 385 F.S. 130 (1974). This case was decided for the State.

[23] *Marín* v. *U.P.R.*, 346 F.S. 470. Several rules of these regulations were declared unconstitutional.

[24] *Torres Cintrón et al* v. *State Board of Education et al*, Civil No. 764–72 consolidated with *Vega* v. *Secretario de Instrucción*, 384 F.S. 674 (1974) Several rules of these regulations were declared unconstitutional.

[25] *Natal* v. *The People of Puerto Rico*. Civil No. 74–487; *Martínez Acuña* v. *William Rodriguez Pérez*, Civil No. 74–964; *Marín Rodriguez* v. *Warden, William Rodriguez Pérez*, Civil No. 74–1072.

[26] *Ortiz* v. *Colón*, 385 F.S. 920 (1974). It is presently on appeal before the U.S. Supreme Court pending determination as to whether it will review it or not. In this case the challenged provision was declared unconstitutional.

[27] *Doctor's Hospital* v. *Silva Recio*, 384 F.S. 409 (1974). Several provisions of the labor laws were declared unconstitutional.

[28] *Puerto Rico International Airlines, Inc.* v. *Luis Silva Recio, et al*, Civil No. 688–73, Opinion of April 17, 1974. This case is on appeal before the Federal Circuit Court.

[29] *Asociación de Trabajadores Agricolas de Puerto Rico* v. *Rafael Hernández Colón*, Civil No. 117–73.

[30] *Sergio Ramirez, et al* v. *Puerto Rico Water Resources Authority*, Civil No. 74–960; *Luz Maria Olivencia et al* v. *Puerto Rico Water Resources Authority*, Civil No. 74–1051.

[31] *Montalvo and María Vélez La Torre, et al* v. *Elisa Díaz González*, No. 74–236, 72–136 (Consolidated). Opinion of April 21, 1975.

[32] *CORDECO* v. *Santiago Vázquez, et al*, Civil No. 803–71.

[33] *Dalmau* v. *RHC*, 75–351. In this case the Federal Court abstained, basing its decision on *Moore*, supra, to give the local courts an opportunity to construe the law and Article VI of the Constitution of the Commonwealth of Puerto Rico.

[34] *Partido Nuevo Progresista* v. *Rafael Hernández Colón*, Civil No. 75–619.

[35] *Ana L. Acosta* v. *Board of Medical Examiners*, Civil No. 74–1036, Opinion and Order of June of 1975. The court found that said regulation was within the state police power.

[36] *Airport Limousine Service Association* v. *Public Service Commission, et al.*, 75–830.

[37] *Sucn. J. Serrallés* v. *Secretary of Transportation*, 75–1229.

[38] *Marcos Ramirez et al.*, v. *Rafael Hernández Colón, et al.*, 75–173.

[39] *Gonzálo Fernós López* v. *Colegio de Ingenieros, et al.*, 74–329.

[40] *Vazquez* v. *Maldonado*, 75–896.

[41] *Mision Industrial, Inc.* v. *Rafael Hernandez Colon*, 74–589.

[42] *Ligia C. Brady* v. *U.S. Government, et al*, 75–1050.

[43] *Montejo Rivera* v. *The People of Puerto Rico, et al.*, 75–501.

[44] *Camacho Soto, et al.*, v. *Norberto Garcia, et al.*, 75–893.

[45] We wish to explain that in the cases over distribution of food stamps, the use of Funds from Title I by the Education Department and Rule No. 18, Article II of the Social Services Department Norms (availability of income regulation and the income scale regulation) the Federal Court had jurisdiction over the subject matter, since what was at issue was the construction and enforcement of a federal law.

[46] *Santiago Melendez* v. *Superior Court*, et al, Civil No. 74–206; *Pagan Oquendo* v. *Hon. Eugenio Ramos Ortiz, Superior Court Judge*, Civil No. 722–73.

[47] *Mongil Suarez* v. *Administrador del Deporte Hipico* (DCPR, 1972) 354 F. Supp. 320; *Puerto Rico International Airlines*, supra.

MARSH GRASS: LIVING DEFENSE AGAINST EROSION

Mr. MATHIAS. Mr. President, the protection of our natural resources is a matter of continuing concern and importance and in recent years there have been a number of new efforts undertaken toward that end. Some of those enterprising programs have developed in Maryland. Six years ago, the State government enacted a wetlands law to preserve the valuable coastal marshland areas. There is another program that has its base in Maryland that is worthy of broader attention. It is a program that aims not just to protect marshland, but also to create it. This program was the subject of an article by Truman Temple in the March 7 issue of the Sun magazine, published in the Baltimore Sun, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARSH GRASS: LIVING DEFENSE AGAINST EROSION

(By Truman Temple)

Over the centuries, the world's marshlands generally have been disregarded, no doubt due to their malarial associations and their "uselessness" to man.

The general reaction to marshes has been to eliminate them. The Russians dug some 3,000 miles of canals trying to drain the Pripet marshes in the Nineteenth Century. It was one of Mussolini's proudest boasts that he drained the Pontine marshes south of Rome. And the process was repeated elsewhere. As Dr. Kai Curry-Lindahl, a noted conservationist, once put it, European countries have suffered from an "obsession with drainage" of their wetlands.

But in recent times ecologists have come to realize coastal marshlands are valuable aids to men and nature, serving not only as nurseries for game fish and waterfowl but also as filters to cleanse water and halt erosion. It was for these reasons Maryland enacted its wetlands law six years ago, and already the results can be measured. According to the State Department of Natural Resources, the average losses of wetlands before the law was 1,000 acres a year but has been only 40 acres a year since then.

In the meantime, a unique organization, Environmental Concern, Inc., at St. Michaels in Talbot county, has been carrying the campaign one step farther: it actually creates marshes.

The founder, president and director, is Dr. Edgar W. Garbisch, Jr., who gave up a career as a professor of chemistry six years ago to devote his life to the encouragemnt and propagation of marshes.

Dr. Garbisch taught and lectured at the University of Minnesota on a rather arcane specialty known as "confirmational analysis," the arrangement of molecules in space. He published dozens of articles in technical journals on the subject. Other universities dropped hints that there would be a department opening for him if he wanted to join their chemistry departments. All in all, he was well set for life.

But he grew restless and during a sabbatical leave in 1970 he picked up a book by John and Mildred Teal, "Life and Death of the Salt Marsh," and found it fascinating.

"The book and some other writings suggested wetlands were a renewable resource, unlike coal or oil," he explains. "I was intrigued with the possibilities." He also felt the laws being enacted by various states to halt farther destruction of wetlands did not go far enough, that something more positive could be done. He researched the subject and asked his wife, Georgine, if she would mind if he chucked chemistry and switched to marsh grass. She said, in effect, why not.

To understand this, a little earlier history is helpful. Dr. Garbisch had spent summer vacations as a youth in Cambridge, Md. He is the son of Col. and Mrs. Edgar W. Garbisch, of Dorchester county. Mrs. Garbisch had been born in Trappe on the Eastern Shore and was happy to be back. She had met her future husband while he was a Navy officer at Patuxent Naval Air Test Center. Then in 1960 they had purchased a summer home in St. Michaels, planning ultimately to retire there; so for many years before he decided on his new career they had shared an appreciation of tidewater Maryland and its unique values.

As a first step, Dr. Garbisch planted an experimental patch of marsh grass on a beach in front of their St. Michaels house, and when it flourished, he decided to expand the idea. In 1971 he joined the Nature Conservancy, a non-profit organization, as director of the Center for Applied Research in Environmental Science and organized the creation of a salt marsh on tidal sand flats at Hambleton Island, a mile south of St. Michaels, the site had several advantages for research: It was uninhabited, it was accessible, and it was subject to erosion because of its exposed position where three creeks met. In fact, the Maryland Geological Survey records showed shoreline erosion there had averaged nearly 2½ feet annually for 95 years.

Within a few months Dr. Garbisch and his assistants, including their wives, planted 60,000 seedlings on the island. Since there was no precedent for the experiment, the workers had to improvise everything. They collected seeds from marsh plants around the Bay and from the Outer Banks of North Carolina. They found that one way to keep from sinking into the tidal mud flats was to wear snowshoes coated with plastic. To plant clumps of marsh grass under a foot of water, they lay on their stomachs on floating rubber mattresses, their arms immersed.

In 1972, encouraged by his success, Dr. Garbisch established Environmental Concern as a non-profit organization in a large antebellum white house with pillars overlooking San Domingo Creek in St. Michaels. (They bought the waterfront house and 10 acres for $90,000, and it is easily worth double that price today because of the rising real estate market there.) Greenhouses were built, as well as a small phytotron or growth chamber to simulate the temperature conditions found in early spring in New England, where he has contracts to establish marshes.

Since 1972 Environmental Concern has been involved in nearly a score of projects along the Atlantic seaboard, and is still learning on the job. Eighty per cent of its funds come from contracts and consulting fees, much of the remainder from membership fees.

In one early project financed by the Maryland Department of Natural Resources, Environmental Concern planted 2 acres of marsh grass on sand islands created in the upper Bay by tropical storm Agnes at the mouth of the Susquehanna River. But a few months later, hungry Canada geese virtually destroyed the marsh by digging for the tasty underground rhizomes of the plants. The first remedy for this was to lay down costly galvanized fencing to protect the grass until it became established. Later, Dr. Garbisch discovered a strange fact: geese would not touch a planted marsh if he strung inexpensive nylon lines on stakes, similar to a crab fisherman's trot line, at the water's edge.

Dr. Garbisch also found out that recruiting employees for Environmental Concern did not follow conventional paths. "You don't need experienced greenhouse workers here because what we do is not relevant to greenhouses," he explains. "These are anaerobic plants, and they grow under water in conditions that would kill a normal plant. So everything has to be learned on the job."

His organization, which includes half a dozen scientists and plant nursery workers and more than double that number during the warmer planting months, also has taken on students from Antioch College pursuing work/study programs in ecology. Georgine Garbisch, who is an artist, has done the drawings and photography for the organization's brochures.

Environmental Concern also owns a fleet of seven boats and barges as well as portable tractors and specially adapted planting rigs, and it grows its own supplies of march grass from seed in greenhouses with humidity and temperature controls.

Thusfar Environmental Concern has experimented with about 30 species of marsh plants, including wild celery and wild rice. It now concentrates on about 15 plants, especially cord grass, scientifically known as spartina alterniflora. The greenhouse does a mail-order business in marsh grasses and sells about $15,000 worth annually to coastal communities, particularly on Long Island where the plants are used to stabilize dunes.

Dr. Garbisch does not have routine days during the summer, when he may be on the road 70 per cent of the time at various planting projects ranging from Maine to Virginia. A husky 6-footer whose own mop of unruly hair sometimes resembles spartina alterniflora, he often is up at 2 A.M. during the warm growing months, moving by boat or trailer to the next site.

There are many aspects of marshes that interest Dr. Garbisch.

"They are so important indirectly to man," he declares. "Not only do they provide a primary food source for animals and a place for nesting and resting, but they function as natural filters in tidal areas. They remove nitrates and phosphates. They help to clean the water by removing suspended sediments. They also serve as the one natural process in erosion control by stabilizing shorelines."

Dr. Garbisch thinks the ability of marsh grass to hold soil and resist wave action is a promising area for investigation in the Chesapeake Bay, where erosion historically has been a serious problem. One study by a Johns Hopkins University geologist estimated a few years ago that since Lord Baltimore's colonists arrived in 1634, some 145 square miles of Maryland have been washed away.

Instead of building stone jetties or revetments that cost $60 a linear foot to halt this erosion, Dr. Garbisch has proposed planting marsh plants at $1.45 per foot. In several projects funded by the U.S. Corps of Engineers, he already has demonstrated not only the ability of march grass to stop erosion but to take hold on dredged material that otherwise might be dumped in open water. Since about 300 million cubic yards are dredged annually in the United States at a cost exceeding $150 million a year, he points out that planting this dredged spoil with grasses to prevent shoreline erosion and create new wildlife sanctuaries would enormously enhance our dying estuaries and lakes.

The former chemist has had numerous jobs offers from universities and other organizations to lecture on his environmental work, but he has no intention of leaving St. Michaels. He is enjoying his new career far too much, creating sanctuaries where Chesapeake shellfish, waterfowl and other wildlife can take shelter and flourish.

On the mantel of one room in Environmental Concern's headquarters, scientists have mounted some handsome specimens of typical Eastern Shore wildlife found in the marshes during their studies. The specimens include a Canada goose, muskrat and a nutria, and Dr. Garbisch looks at them with affection.

"Without the marshes, these animals couldn't exist," he says.

MUCH ROOM FOR IMPROVEMENT IN THE U.S. POSTAL SERVICE

Mr. SYMINGTON. Mr. President, when Congress approved the Postal Reorganization Act of 1970, it was hoped that mail service would be improved and subsidies to the Postal Service could be reduced.

Unfortunately, some years later, we are still far short of both these goals.

Not only are there complaints that mail service is less dependable and less efficient than before, but also each year Congress appropriates more than $1 billion for the Postal Service in the form of subsidies.

The U.S. mail has played a large part in making this country as great as it is today. Efficient, dependable mail communication was and is essential to the growth and development of our Nation. An inefficient system is unacceptable.

As illustration of the complaints, I recently received a letter from Judge Thomas Johnson, a distinguished citizen of Neosho, Mo., which cites two examples of inadequate postal service. Judge Johnson's letter is constructive in that it provides information on which the Postal Service should be able to take corrective measures.

I ask unanimous consent that Judge Johnson's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOHNSON, HAILE & BERRY,
Neosho, Mo., February 24, 1976.

Re Postal Service.

Hon. STUART SYMINGTON,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR SYMINGTON: I know you have more important things to do, but perhaps your staff will include this letter among the many I imagine you receive over a period of time complaining about the postal service. My reason for writing this letter today is that on this 24th day of February, 1976, I received an envelope in the mail which clearly shows it was postmarked at Little Rock, Arkansas on February 1, then it was stamped "U.S. Postal Service, AR" on February 18, next it was stamped Indianapolis, Indiana, on February 21, next it was stamped Jefferson City, Missouri, on February 23, then arrived here on the 24th.

While this is not necessarily typical of all mail received, for now and then we do get excellent service, it does seem that a greater and greater percentage of the mail is unreliable and this has been going on ever since the postal service was changed from a branch of the executive administration of the government to the separate postal service corporation which now handles the mail.

Part of that complaint lies with local post offices in the area which seem to completely ignore the addressee and the address of that person on the envelope, and part seems to happen at distant points before the mail gets started on its way to us. We have had instances where mail addressed to someone by the last name of Johnson, clearly marked for that person's street address or post office box, will be put in our post office box on the assumption it was for me, then when we turned it back to the post office with a big red arrow on it calling attention to the correct address the same envelope would appear in our mail box again the next day, be put back into the post office and then often it will appear in our box the third time.

To illustrate the contrast in good service and poor service, one week last fall I wrote a letter to attorneys in Bogota, Colombia, on Monday, the same day someone sent me a letter from Noel, Missouri, in the county next adjoining us on the south. On Friday of that same week I received the letter from Noel and I also received a reply from the attorneys in Bogota, Colombia, stating they received my letter on Wednesday and their reply was written on Wednesday. In the same length of time one letter came about thirty miles from Noel the other one went several thousand miles overseas and several thousand miles back from overseas.

I join with everyone else I know who has expressed an opinion on the subject, hoping that the Congress will put the postal service back where it was. It couldn't be worse than the present corporation operation, and might be better.

Best personal regards to you, to Stanley Fike, and your entire staff.

Very truly yours,

THOMAS A. JOHNSON.

CEREMONY TO COMMEMORATE THOMAS JEFFERSON'S BIRTHDAY

Mr. BROOKE. Mr. President, as vice chairman of the Joint Committee on Arrangements for Commemoration of the Bicentennial, I bring to the attention of the Members of the Senate the contents of an order passed Tuesday by the House of Representatives.

This order authorizes the House to declare a recess at 11 a.m. on Tuesday, April 13 to hold a ceremony commemorating Thomas Jefferson's birthday.

The reasons for a special ceremony this year, and the plans for the program were well described by Congressman J. J. PICKLE, a fellow member of the Joint Committee on the Bicentennial, when the House resolution was introduced.

He pointed out that it was particularly appropriate to hold a special ceremony this year to honor the man not only responsible for drafting the Declaration of Independence, but also the man whose influence on the development of our country was so multifaceted. As we in the Senate know, it was Thomas Jefferson who did the most significant thinking ever done on Senate legislative procedure and whose thoughts manifested themselves in the Jefferson's Manual of Procedure which is still in use to this day.

The program will be both of a ceremonial and substantive nature; the substantive part is aimed at giving recognition to the great and lasting influence our second President had in so many areas in our country's development.

As it is being planned, the program will start with a presentation of the colors by the Continental Color Guard. This will be followed by the honorable Secretary of the Navy, J. William Middendorf, conducting the Navy band in a performance of the Bicentennial March he has composed.

The three speakers who have graciously accepted our invitation to address the Congress are all distinguished scholars. They are Dr. Julian Boyd, one of the outstanding experts on Thomas Jefferson; he is senior research historian at Princeton University, and is editor of the Jefferson Papers. Dr. Cecelia Kenyon, the Charles N. Clark professor of government at Smith College, whom we had the privilege of hearing speak at the

200th anniversary celebration of the First Continental Congress held in the House of Representatives in 1974. And Frederick Nichols, the outstanding architectural historian who is chairman of the division of architectural history at the University of Virginia.

Dr. Boyd will speak to us on Thomas Jefferson: Philosopher/Statesman. Dr. Kenyon will talk about Thomas Jefferson and his thoughts on liberty and consensus in the American Republic. And Mr. Nichols will address the subject of Thomas Jefferson as an architect and his influence in that field.

I am bringing this resolution to your attention for much more than just your information. I urge every Member of the Senate to make an effort to attend the ceremony on that Tuesday, April 13, at 11 a.m. in the House Chamber. It is particularly appropriate this year, which in many ways is Thomas Jefferson's year, that each of us take the time to be a part of this activity.

PAUL H. DOUGLAS

Mr. STEVENSON. Mr. President, I was unavoidably absent March 26 and regret that I could not then call the attention of my colleagues to the birthday of Paul Douglas. His life is worth recalling. It gives us all cause to renew a flagging faith in our capacity for self-government.

Paul Douglas championed the lost causes of his day, but from civil rights and truth in lending to the Indiana Dunes he fought for public causes which in time prevailed. His life recalled is an inspiration for us all. I join with Senator PROXMIRE and all our colleagues in wishing Paul Douglas well. He honored this institution, remembers with an affection often expressed his many friends still here, and we remember him with fondness and gratitude.

RURAL POST OFFICE CLOSINGS

Mr. HUGH SCOTT. Mr. President, the problems inherent with the closings of rural post offices will not go away. I am still receiving many letters from concerned constituents regarding this cost-cutting policy of the U.S. Postal Service. Mr. Carl Johnson, president of the Tri-County State Bank in Bowmanstown, Pa., has written me about the great hardship local businesses would face if their post office closed down. I ask unanimous consent that Mr. Johnson's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TRI-COUNTY STATE BANK,
Bowmanstown, Pa., February 24, 1976.

Hon. HUGH SCOTT
Old Senate Office Building,
Washington, D.C.

Re Bowmanstown Post Office—18030.

DEAR CONGRESSMAN SCOTT: On February 18, 1976, the Bowmanstown Postmaster was informed by Postal Service authorities that the Post Office would be closed within the next ninety days and that postal service to Bowmanstown would be absorbed by the Palmerton Post Office, located approximately four miles away. It is my understanding that Bowmanstown would be converted to a rural delivery route served by the Palmerton Post Office.

I cannot over-emphasize the disastrous effects which such a proposed change would have on this Bank. Tri-County State Bank is the second largest bank in Carbon County with deposits in excess of $31,000,000.00, and in addition to the two offices located within the County, also maintains branches in Northampton and Lehigh Counties, with the main office located, as it has been since the Bank's original incorporation as the Bowmanstown Bank in 1921, in Bowmanstown. Tri-County spends approximately $20,000.00 per year on postage. Our Bowmanstown office services 5,775 checking accounts, 6,275 savings accounts, and 2,799 installment loan accounts, together with over 3,000 mortgage and other types of accounts. Many of these accounts are on a monthly statement basis, and the Bank would be greatly inconvenienced if its mail were to be delivered to another office.

The Bank's incoming and outgoing mail frequently includes registered items containing highly negotiable securities. The security of such mail would pose a problem if it had to be delivered and collected from another post office some four miles away. Under present conditions, our mail is delivered at 8:30 in the morning and we are thus able to begin processing it by 9:00 a.m. On a rural route, our mail would probably not be delivered until the afternoon, and would severely hamper the Bank's operations; since a large volume of our customers' business is conducted by mail, processing of checks would be delayed by as much as a full day, which would place us at a competitive disadvantage with regard to other area banks.

The proposed closing would affect the Bank in other significant ways. For example, all stationery, checks, forms, and other printed matter used by the Bank would have to be changed to reflect the new address, a change which would be extremely costly for the Bank and inconvenient for our customers. More importantly, however, the Bank would lose its identity, as it has been associated with the Borough of Bowmanstown since its incorporation in 1921.

In short, the proposed closing of the Bowmanstown Post Office would have a disastrous effect upon this Bank, its customers, and the surrounding community which has been so capably served by this Post Office. I find it very difficult to believe that the proposed closing would effect any economies in postal operations whatsoever, and the proposed decision is incomprehensible in view of the steady growth of this community. Accordingly, I would greatly appreciate any assistance which you can render in convincing the postal service to reverse this ill-considered and untimely decision.

If I can be of any further assistance in this matter, I would be pleased to meet with you personally or to discuss it with you by telephone.

With kindest personal regards, I remain
Very truly yours,
CARL A. JOHNSON,
President.

CLOSING OF RURAL POST OFFICES

Mr. HOLLINGS. Mr. President, on March 24, 1976 and on March 25, 1976 the General Assembly of South Carolina adopted concurrent resolutions expressing their opposition to proposed closings of rural post offices.

Specifically, the resolutions state that a large segment of their population are dissatisfied with the U.S. Postal Service's contemplation of closing some 600 small post offices throughout the United States, 39 of which are situated in South Carolina. The resolutions further urge the Congress to pass Postal Service Subsidy legislation and to take such other action as may be necessary to prevent the closing of small or rural post offices.

Mr. President, on behalf of the South Carolina General Assembly I am joining with my distinguished colleague from South Carolina, Senator THURMOND, and I ask unanimous consent that the concurrent resolution adopted by the General Assembly of the State of South Carolina be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION

Memorializing Congress and the United States Postal Service to prevent the proposed closing of the Pacolet Mills post office

Whereas, it has been learned that the United States Postal Service is considering the closing of numerous small or rural post offices throughout the Nation in the name of economy; and

Whereas, it is believed that if Congress passes the Public Service Subsidy Bill much of the Postal Service's financial problems will be alleviated, resulting in the small post offices being allowed to remain open.

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States is hereby memorialized to take whatever action is necessary in conjunction with the United States Postal Service to prevent the proposed closing of the Pacolet Mills Post Office and other small or rural post offices throughout the State and Nation, upon which so many of our citizens are dependent.

Be it further resolved that copies of this resolution be forwarded to the United States Postal Service and to each member of the United States Congress representing South Carolina.

A CONCURRENT RESOLUTION

Memorializing Congress and the United States Postal Service to prevent the closing of rural post offices throughout the United States.

Whereas, to the complete dissatisfaction of a large segment of our population, it has been reported that the United States Postal Service is contemplating, in the name of economy, the closing of some six hundred small or rural post offices throughout the United States, thirty-nine of which are situated in South Carolina; and

Whereas, the law presently forbids the closing of post offices solely for economic reasons and if they are closed it is extremely doubtful that this insidious bureaucratic action would result in any appreciable savings as the Postal Service is required to offer the postmasters and other personnel comparable positions when an office is closed; and

Whereas, if any savings did result from such closings the savings would be more than offset by the inconveniences caused the hard-working citizens of our rural communities who have grown to depend on and appreciate the personal services offered by these small post offices; and

Whereas, the present financial plight of the Postal Service is due mainly to the 1970 Postal Reorganization Act which does not include provisions to take care of the inflationary conditions which have prevailed since 1970; and

Whereas, if Congress passes the Public Service Subsidy Bill it would alleviate this financial crunch on the Postal Service and allow these small post offices to remain open.

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States is hereby memorialized to pass the Postal Service Subsidy Bill and to take such other action in conjunction with the United States Postal Service as may be necessary to prevent the proposed closing of small or rural post offices throughout these United States which so many of our citizens are dependent on.

Be it further resolved that a copy of this resolution be forwarded to the United States Postal Service and to each member of the United States Congress from South Carolina.

IF THE SHOE FITS * * *

Mr. ALLEN. Mr. President, one of the major public policy questions to be faced during these strained economic times involves whether we should place additional restrictions on goods imported into this country.

The International Trade Commission recently voted in several proceedings in favor of increasing tariff rates and quota restrictions. Many see this as necessary to protect American producers and wage earners from alarming increases in the importation of certain goods and materials. Others, however, fear a new wave of protectionism which will result in less competition and continued spiralling prices for consumers.

In reading some of the editorial comments on these ITC decisions, especially the objections of the Washington Post, it occurred to me that this is a subject of tremendous importance to consumers, yet one on which there would be wide disagreement among supporters of the proposed Agency for Consumer Advocacy.

If we had such a powerful, independent ACA in existence now, there is little doubt that it would focus its attention on any ITC proceedings which might reduce imported goods and materials. There is also little doubt, if we take the Washington Post's view, as to what position the powerful consumer agency would take. The consumer agency would use its tremendous powers of inquiry, legal advocacy and publicity to generate ITC and public opposition against higher tariffs at the expense of U.S. jobs and producers.

I wonder how the consumer agency bill's labor union supporters would feel in such a case. I also wonder what the consumer groups who are dependent upon union funds would say to their friends in any such new Federal consumer agency.

Surely anyone who has read the debates and committee reports on so-called consumer protection legislation, knows that foreign trade specifically is one of the areas intended to be a target for ACA intrusion. The sponsors have said so openly on the Senate floor. Of course they usually talk in terms of grain deals with Russians and oil deals with Arabs. However, there is little difference between the alleged effects of those so-called "deals" and the effects which are predicted by the Washington Post and others who are urging the President not to ratify the ITC's decisions to further restrict importation of shoes and steel and other products.

If we ignore the interests of other strata within our economy and focus only on the consumer interest—as the new consumer agency would have to do—there is but only one position that the ACA could take. It would have to oppose such efforts to protect labor and industry from foreign competition.

The other side of that coin, of course, is that trade can become too free, eliminating jobs and subjecting our economic system to unfair competition from governmentally subsidized systems which are not as dependent on supply and demand as our system is. This is a viewpoint from the production end of our economy, not the consumer level, however.

Many opponents of the ACA bill, myself among them, are of the view that we may do serious harm to our Government if we begin to divide up public interest responsibilities among special interest agencies such as the ACA. We feel that in most—if not all—cases, the ACA will be making an arbitrary decision as to what it deems is in the best interest of consumers.

We also fear that current proposals give the proposed ACA too much power to make sure, through coercion or court action, that it gets whatever it wants out of other government units.

There is a complex relationship between the public interest and its subordinate parts such as consumer interests. Senators will note that I said consumer interests—the plural—not consumer interest. There is often more than one consumer interest at stake in public policymaking, and sometimes these consumer interests are in conflict: Price versus quality; safety versus appearance; nutrition versus good taste, and so on.

Moreover, these consumer interests are usually only one part of the public interest, a point that most supporters of ACA concept either do not know or tend to ignore. However, the complexity of the consumer-producer-public interest relationship and the inconsistencies that an ACA would cause are well known to all of us.

The following prophetic illustration was used by the American Enterprise Institute in 1973 to point out the identical difficulties in the earlier CPA—Consumer Protection Agency—bills:

> It is certainly much easier for a shoemaker to produce good shoes, for example, than it is for him to be an expert buyer of stereo components, toothpaste, automobiles, bread, life insurance and the millions of other diverse products and services that he will buy during his life.
>
> Such a shoemaker might feel quite happy to allow a CPA to go its merry way and represent his interest as a buyer of stereo sets, toothpaste, etc. But let that CPA intrude into this shoemaker's producer interests on behalf of all consumers—such as by using extraordinary power to secure freer trade in less expensive shoes produced by foreign competitors—then, you might see our shoemaker screaming. He will scream that this is a "public interest" question involving his paying a living wage, not a consumer interest question to be settled by overpowered, narrow-minded advocates. And, it would not be surprising to see this shoemaker's employees and their labor union join in the fight to silence the CPA.

Well, part of that illustration has come to pass. American Unions as well as producers of shoes and steel have joined to seek the Government's protection from foreign competition which they feel is unfair.

The recommendations of the International Trade Commission have been sympathetic. I intend to offer for later insertion in the Record the ITC news releases on its recent reports on imports of footwear and on stainless and alloy tool steel products.

The Washington Post, on the other hand, has not been sympathetic to the fears of the shoe and steel industry. I intend to offer an illustrative recent Post editorial for later insertion in the Record as well.

The Washington Post, which supports the concept of establishing a strong ACA feels that the recent actions of the International Trade Commission on shoes and steel could be seriously damaging to consumers—just the thing, supporters say, an ACA should use its extraordinary powers to oppose. I wonder whether the unions who agree with the Post on the need for a strong ACA would agree that the recent ITC decisions on footwear and steel were anticonsumer actions that should not be allowed to stand.

Earlier this week I wrote the President advising him of my deep concern over the rising level of shoe and steep imports manufactured in low-wage foreign countries.

Shoes are manufactured in Alabama and although the particular steel products involved in the Commission's decisions are not concentrated in Alabama, the cities of Birmingham and Gadsden, my hometown, manufacture steel in great quantity for use in a variety of products, including specialty steels. This, of course, means that when one segment of our domestic steel industry suffers injury many thousands of Alabama jobs provided by the steel industry are also substantially threatened.

I urged the President to take the remedial action necessary to protect U.S. jobs from this unfair foreign competition. I hope that the President will act forthrightly and expeditiously pursuant to the findings and recommendations of the International Trade Commission.

Mr. President, I ask unanimous consent to have printed in the Record at this point the Washington Post's editorial and the International Trade Commission's news releases to which I referred earlier.

I also ask unanimous consent to have printed in the Record my letters to the President regarding this important issue.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Mar. 8, 1976]

Italian Shoes, Japanese Steel

President Ford's next major foreign policy decisions concern nothing more dramatic than shoes, steel—and jobs. But they will require him to think carefully about this country's immense and growing foreign trade. The American shoemakers and the specialty steel industry have now obtained rulings from the U.S. International Trade Commission that they have been injured by imports. There is little point in expanding on the weakness of the ITC's economic analysis or the confusion of its findings. It has published its verdicts, and under the 1974 Trade Act the President now has to make up his mind what to do with them. The ITC has called for protectionist quotas on imports of stainless and tool steel, and for shockingly high tariffs on shoes.

The consequences of Mr. Ford's decisions will be substantial. Take the Italian example. Of the billion dollars' worth of shoes coming into this country every year, one-third comes from Italy. It comprises a huge part—$1 out of every $7—of Italy's sales to the United States. Italy already buys a good deal more in this country, incidentally, than we buy there. Italy is already in very serious trouble with inflation and unemployment, which in turn accelerates the decline of the present government. The Communists' strength has been steadily rising.

If the United States now hits Italy with a prohibitive tariff on its shoes—the Tariff Commission proposes rates up to 35 percent—the effects are not hard to foresee. Last December the State Department wanted to pour secret American funds into Italian politics to try to keep the government propped up a little longer. Now the Trade Commission urges tariffs that would give a drastic jolt to the fragile Italian economy. Italians, watching the performance, sometimes murmur that the United States does not seem to know exactly what it is trying to accomplish. They have a point.

The Italian footwear coming into this country is not cheap. But it sells well because the Italian manufacturers have been highly responsive to rapid changes in styles here. The American shoemakers have not kept up, and now they want the U.S. government to protect them from the results of their own inability to say in style. If the President were misguided enough to accept the Tariff Commission's recommendations, who would get hurt? First of all, the consumers who would suddenly find the imports costing vastly more. Next, the American retailers would suffer, as prices rose and sales dropped. Frank H. Rich, who has been selling shoes to Washingtonians for a good many years, makes that point in a letter on this page today. The tariffs that are supposed to preserve jobs in American factories may cost other Americans their jobs in the stores.

Finally, the tariffs would eventually hurt people who make other American products for sale in Italy—since Italy would surely retaliate.

There are certain foreign industries that would doubtless welcome an American swing to protectionism. The specialty steel case illustrates the point. In many parts of the world steelmakers regard a cartel as the normal and orderly way of conducting business. The European Coal and Steel Community was built on the foundations of the prewar German cartels. The Europeans have now imposed quotas on Japanese steel shipped to Europe. The specialty steel makers want a similar arrangement for the United States. People on both sides of the case see it as a precedent for the entire steel industry.

The recent troubles of the steelmakers are the result of the recession, in which worldwide steel consumption fell drastically. It is the custom of the American steel industry, in recessions, to maintain prices and cut production. Most foreign steelmakers do the opposite, cutting prices and maintaining production. As a result, during the trough of the recession, they sharply increased their share of the American market. Some of them got subsidies, in one degree or another, from their home governments to help keep employment up. The remedies to this abuse are enforcement of the present anti-dumping laws and international negotiations on subsidies. A great variety of the goods in international trade is now subsidized—including, of course, many American exports—and there is urgent need for agreement on these subsidies. No country is entitled to a free hand in pumping up its own employment levels at its neighbors' expense. If the industrial nations cannot get the subsidies under control, the drift toward quotas and cartels may become irresistible.

American trade quotas would impose a heavy burden, in the end, upon Americans. Last week, for example, at a press conference that the steelworkers called, the president of the United Steelworkers of America, I. W. Abel, angrily said that Americans "let steel come in so that we can sell soybeans someplace." Exactly. If this country cuts the Japanese sales of stainless steel here, the Japanese will have fewer dollars to buy American foodstuffs. That's fine with Mr. Abel, but the soybean producers will doubtless take a different view.

At the same press conference, someone put a question about prices to Richard P. Simmons, president of the Allegheny Ludlum Steel Corporation: If the President imposes quotas to protect his industry from foreign competition, would Mr. Simmons support wage and price controls to protect the consumers from his industry? Mr. Simmons replied that he opposes wage and price controls. He puts his faith in the free market, he said. But a country under import quotas is not everybody's idea of a free market.

First Affirmative Import Relief Decision Under New Trade Act—Quotas Recommended on Stainless and Alloy Tool Steel Imports

The United States International Trade Commission today notified the President that increased imports of stainless and alloy tool steel are a substantial cause of serious injury to certain United States industries. This is the first time that the Commission has made an affirmative decision in an import relief investigation under the new Trade Act.

Chairman Will E. Leonard, Vice Chairman Daniel Minchew, and Commissioners George M. Moore and Catherine Bedell joined in the affirmative vote. Commissioner Italo H. Ablondi dissented, and Commissioner Joseph O. Parker abstained

The Commission found that quotas on imports based on individual products and countries and geared to U.S. consumption are necessary to remedy the injury to the domestic injury. Annual quotas of 146,000 short tons were proposed, beginning with calendar year 1976. Quotas for specific products included 79,000 tons for stainless sheet and strip, 13,000 tons for stainless plate, 19,600 tons for stainless bar, 16,000 tons for stainless rod, and 18,400 tons for alloy tool steel. The quotas, which may be expanded if market demand grows, are based on average imports for the years 1970–1974. Quotas would be in effect for a 5-year period.

Stainless steels are used extensively in the food, chemical, textile, pollution control, and electrical power industries, and in other areas which require exceptional strength and resistance to oxidation. Alloy tool steels are used primarily to make tools capable of cutting, forming, and otherwise shaping other materials in the manufacture of nearly all products of industry. Tool steels are noted for their hardness and their resistance to heat and abrasion.

163,000 tons of stainless and alloy tool steel, valued at $185.3 million, were imported into the United States in 1974. Imports originated primarily in Japan, Sweden, Canada, France, the United Kingdom, and West Germany

Approximately 21,200 persons are currently employed in the United States in the production of stainless and alloy tool steels. The bulk of these specialty steels are produced in Pennsylvania.

Copies of the Commission's report, Stainless Steel and Alloy Tool Steel (USITC Publication 756), containing the decision and the views of the Commissioners along with information developed during the investigation, may be obtained from the Office of the Secretary, United States International Trade Commission, Washington, D.C. 20436.

USITC Reports to President on Footwear—Commission Unanimous on Injury; Divided on Remedy

The United States International Trade Commission today reported to the President that the U.S. footwear industry is suffering serious injury from increased imports.

The Commissioners were divided in their views as to the appropriate remedy. Chairman Will E. Leonard and Commissioners George M. Moore and Catherine Bedell recommended increasing tariffs up to levels of 35 percent, with 3-percent annual reductions each year over a 5-year period.

Vice Chairman Daniel Minchew and Commissioner Joseph O. Parker suggested a tariff-rate quota as their remedy. They would keep the current tariff level on the quantity of imports up to the 1974 level, with rates of 40 percent on imports above the 1974 level of imports, with 5-percent annual reductions staged over a 5-year period.

Commissioner Italo H. Ablondi suggested adjustment assistance for workers, firms, and communities as his remedy.

The Commission initiated an investigation on September 17, 1975, in response to a petition from the American Footwear Industries Association, the Boot and Shoe Workers' Union, and the United Shoe Workers of America. The imported footwear covered by this investigation is generally referred to as nonrubber footwear. The investigation included the public hearing, fieldwork by the Commission staff, questionnaires sent to the industry and to importers, and briefs by interested parties. The Commission has conducted several other investigations of the footwear industry in recent years.

In 1975 there were more than 350 companies producing nonrubber footwear in the United States in 600 to 700 establishments. In 1969 there were nearly 600 companies producing nonrubber footwear in approximately 900 establishments. Rubber footwear is currently being produced in an estimated 85 establishments—a decline from the approximately 106 establishments reporting production of such footwear in 1972. The major footwear-producing areas in the United States are the Middle Atlantic and New England States, although shoes are manufactured in 37 States. The nonrubber footwear industry employed 178,000 workers in 1974, down 17 percent from 1970. There was a small increase in the number of workers engaged in the production of rubber footwear during 1971–74.

The volume of imports covered in the investigation increased by 19 percent between 1970 and 1974 to a total of 318 million pairs. Imports accounted for 34 percent of the footwear market in 1974. U.S. production of nonrubber footwear declined by 19 percent between 1970 and 1974, while production of rubber footwear increased only slightly. Principal suppliers of U.S. imports in recent years have been Taiwan, Italy, Spain, and Brazil.

Copies of the Commission's report, *Footwear* (USITC Publication 758), containing the views of the Commissioners and information developed during the course of investigation TA–201–7, can be obtained Wednesday, February 25, from the Office of the Secretary, United States International Trade Commission, 701 E Street NW., Washington, D.C. 20436.

U.S. SENATE,
Washington, D.C., March 31, 1976.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I have reviewed the determination of the International Trade Commission in the Escape Clause Case involving the nonrubber footwear industry. The unanimous finding of the Commission that this industry is being seriously injured by imports supports the position which the domestic industry and the Congress have taken over the years.

This matter is now before you for decision. If this industry is to survive and if lost jobs are to be restored, it is essential that you move with the greatest possible speed in determining a remedy which will limit the flow of non-rubber footwear imports into this market.

Unless effective action is taken to stem the flow of imports, the escape clause procedure laid out in the Trade Act of 1974 will be called into question by American Industry and its workers. You supported the Trade Act as a Member of the House and you signed it as President. I respectfully urge that you now act promptly to put into effect a remedy that will be consistent with the unanimous finding of injury by the International Trade Commission, the only such unanimous finding in the nine cases determined by the Commission thus far.

Respectfully yours,
JAMES B. ALLEN.

U.S. SENATE,
Washington, D.C., March 31, 1976.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I have reviewed the determination of the International Trade Commission in the Escape Clause Case involving injury to the domestic stainless alloy tool steel industry and the stainless steel flatwear industry. The findings of the Commission that these industries are being seriously injured by imports supports the position which these domestic industries have taken over the years.

This matter is now before you for decision. If these industries are to survive and if lost jobs are to be restored, it is essential that you move with the greatest possible speed in determining a remedy which will limit the flow of such steel imports into this market.

Unless effective action is taken to stem the flow of imports, the escape clause procedure laid out in the Trade Act of 1974 will be called into question by American Industry and its workers. You supported the Trade Act as a Member of the House of Representatives and you signed it into law as President. I respectfully urge that you now act promptly to put into effect a remedy that will be consistent with the findings of injury by the International Trade Commission.

Respectfully yours,
JAMES B. ALLEN.

RESOLUTION OPPOSES FTC ACTIVITIES

Mr. HOLLINGS. Mr. President, on March 23, 1976, the General Assembly of South Carolina adopted a concurrent resolution expressing their opposition to activities, rules and regulations of the Federal Trade Commission.

Specifically, the resolution states that the Federal Trade Commission has acted in a manner inappropriate for a nonlegislative body and that it has usurped the authority of legislative bodies. The resolution further endorses Senate Concurrent Resolution 77 and House Concurrent Resolutions 483 and 484.

Mr. President, on behalf of the South Carolina General Assembly I am joining with my distinguished colleague from South Carolina, Senator THURMOND, and I ask unanimous consent that the concurrent resolution adopted by the General Assembly of the State of South Carolina be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CALENDAR No. S. 781

A concurrent resolution expressing the Sense of General Assembly in opposition to activities, rules and regulations of the Federal Trade Commission

Whereas, both the Constitution of the United States and the Constitution of South Carolina vest final legislative authority in popularly elected, representative assemblies whose power and authority derive from the consent of those whom they govern; and

Whereas, the people's legislatures may be and are held accountable to their constituents by regular, free elections; and

Whereas, as government and its scope have grown, it has become expedient for some rule-making authority to be delegated by legislatures to appointed or other non-representative bodies which are not directly expressive of the will of the people who are governed by the rules and regulations which such non-representative bodies promulgate; and

Whereas, it is incumbent upon the duly elected representatives of the people, the legislatures of the states and the Congress of the United States, to see to it that rule-making bodies do not tyrannize the people by "legislating" instead of making operational legislation adopted by duly constituted legislative bodies; and

Whereas, in particular, the Federal Trade Commission has exceeded its proper authority by, in effect, overturning laws adopted by the General Assembly of South Carolina and by the legislatures of other states; and

Whereas, this bureaucratic usurpation of authority by the Federal Trade Commission has taken the form of promulgation by the Federal Trade Commission of industry-wide trade regulations which would have the effect of striking down or preempting state laws under the alleged authority of the Federal Trade Commission Improvement Act, Title II of Public Law 93–637; and

Whereas, authority for promulgation of such rules by the Federal Trade Commission on the authority of such Act has been denied in Concurrent Resolution 77 of the United States Senate (introduced by Senator Curtis of Nebraska) and in Concurrent Resolution 483 and 484 of the United States House of Representatives (both introduced by Congressman Stuckey of Georgia); and

Whereas, similar opposition to the actions of the Federal Trade Commission has been expressed in two resolutions adopted at the December 9, 1975, meeting of the National Association of Attorneys General in Phoenix, Arizona. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That it is the sense of the South Carolina General Assembly that in acting as herein before stated, the Federal Trade Commission has acted in a manner inappropriate for a non-legislative body and has usurped the proper authority of this body.

Be it further resolved that this body call upon the non-elected officials of the abovesaid federal agency to cease and desist from their efforts, "at the stroke of a pen," to abrogate or modify the laws of South Carolina, as they have been enacted by the elected representatives of the people of South Carolina.

Be it further resolved that this body endorses and urges approval of Senate Concurrent Resolution 77 and House Concurrent Resolutions 483 and 484.

Be it further resolved that copies of this resolution be sent, as an expression of the sense of this body and as an expression of the will of the people of South Carolina, to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States, the members of the South Carolina delegation to the Congress of the United States, and to the Commissioners of the Federal Trade Commission.

THE SURRENDER OF EASTERN EUROPE TO THE SOVIETS

Mr. THURMOND. Mr. President, it was with considerable shock that I read the article appearing in the Washington Post March 22, 1976, on discussions by U.S. policymakers concerning the relationship of the United States, East Europe, and the Soviet Union.

This article, authored by Rowland Evans and Robert Novak is entitled "A Soviet-East Europe 'Organic Union.'" Since its publication, it has invoked considerable comment and attention in the U.S. press and high political circles.

It was my feeling that it would be repudiated promptly by the State Department; but to date, no such repudiation has been forthcoming.

In my viewpoint, it is totally unacceptable for the United States to embrace any policy which would write of Eastern Europe as a permanent colony of the Soviet Union. Further, I am repulsed to learn that any representative of our Government would discuss such a possibility in an official meeting with leaders of free world governments.

Mr. President, I ask unanimous consent that this article and another article on this subject by the same authors which appeared in the Washington Post on March 30, 1976, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 22, 1976]

A SOVIET-EAST EUROPE "ORGANIC UNION"

(By Rowland Evans and Robert Novak)

Intense debate was set off within the Ford administration three months ago when Secretary of State Henry Kissinger's right-hand man declared in a secret briefing that permanent "organic" union between the Soviet Union and Eastern Europe is necessary to avoid World War III.

That policy, going well beyond any public position of the U.S. government, was enunciated in mid-December by State Department counselor Helmut Sonnenfeldt. He told a London meeting of U.S. ambassadors to European nations that the "inorganic, unnatural relationship" between Moscow and Eastern Europe based on Soviet military prowess threatens world peace. "So," he concluded, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one.

When transcripts of Sonnenfeldt's remarks hit Washington, some officials complained that this amounted to U.S. underwriting of Soviet dominion over Eastern Europe. As such, these critics contended, the Sonnenfeldt doctrine never had been U.S. policy and certainly should not be now.

Indeed, what was said three months ago may be the victim of President Ford's election-year harder line which has made "détente" an unword. Nevertheless, the Sonnenfeldt doctrine exposes underpinnings of détente as practiced in the State Department until recently.

In their December briefing in London, both Kissinger and Sonnenfeldt stressed the need for the U.S. to come to terms with the Soviet Union as an emerging superpower—now their principal rationale for détente. Contending NATO is undermined by leftist gains in Western Europe, Kissinger declared: "The dominance of Communist parties in the West is unacceptable." That doctrine has no critics within the administration—in total contrast to Sonnenfeldt's message.

Lacking the attractiveness of past empires, Sonnenfeldt declared, the Kremlin relies on "the presence of sheer Soviet military power" to unify Eastern Europe. Because "a more viable, organic structure" is lacking, "the desire to break out of the Soviet strait jacket" has intensified among Eastern European countries.

The counselor saw this as no boon for the West declaring: "The Soviets' inability to acquire loyalty in Eastern Europe is an unfortunate historical failure because Eastern Europe is within their scope and area of natural interest. It is doubly tragic that in this area of vital interest and crucial importance it has not been possible for the Soviet Union to establish roots of interest that go beyond sheer power."

After describing detente as a means of affecting the use of Soviet power, Sonnenfeldt warned Eastern Europe's "present unnatural relationship with the Soviet Union" may "sooner or later explode, causing World War III. This inorganic, unnatural relationship is a far greater danger to world peace than the conflict between East and West."

Sonnenfeldt cautioned that "any excess of zeal on our part" could reverse the "desired process" (the Soviet-Eastern European "organic" union). Consequently, he set "a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence. This has worked in Poland. The Poles have been able to overcome their romantic political inclinations which led to their disasters in the past."

While declaring a post-Tito return of Yugoslavia into the Soviet orbit would be "a major strategic setback," Sonnenfeldt suggested the Yugoslavs "should be less obnoxious" to Moscow and disabused of the impression "they have a free ride" of independence guaranteed by Washington.

Critics inside the administration, describing themselves as "appalled" by the Sonnenfeldt doctrine, do not propose encouragement of futile anti-Communist insurrection in Eastern Europe. But they believe Sonnenfeldt's confirmation of Soviet dominion there undercuts Eastern European nationalists such as President Nicolae Ceaucescu of Rumania.

While ruling out Communist party control in Portugal or Italy, Dr. Kissinger's London briefing blamed the danger on the West's own problems, including "domestic paralysis in the U.S."

"The Soviets are not the key element in producing the present instabilities that we now face in Western Europe," he declared. "A Communist Western Europe would be a headache for us. It would be a headache for the Soviets as well. They probably prefer not to see Communist powers taking over in Western Europe. But in the final analysis their ideology requires them to assist in these efforts."

To avoid assistance from Moscow, Kissinger asserted, "we must create the maximum incentives for a moderate Soviet course." But Sonnenfeldt, usually the faithful mirror of his chief, goes even further by putting the U.S on record for stabilization of the Soviet empire in Eastern Europe to preserve world peace.

THE SONNENFELDT DOCTRINE: DEFLECTING THE RUCKUS

(By Rowland Evans and Robert Novak)

Facing his toughest Republican critics across the breakfast table last week, Secretary of State Henry Kissinger tried—but failed—to deflect their wrath by attributing the Sonnenfelt doctrine to sloppy State Department notetakers without actually repudiating it.

Members of the Study Committee, a group of conservative Republican congressmen, were up in arms over a secret briefing in London last December by State Department counselor Helmut Sonnenfeldt. We reported last week that Sonnenfeldt had told U.S. ambassadors to European nations that the U.S. should strive for a permanent "organic" relationship between the Soviet Union and Eastern Europe to avoid World War III.

Breakfasting with the Study Committee three days later, Dr. Kissinger suggested our column was based on inaccurate State Department cables. Trying to keep up with the Secretary of State's smoothly flowing prose, some present even thought he had totally rejected the substance of the Sonnenfeldt doctrine. In fact, he had not.

"Henry's answer did not satisfy me or, I suppose, any of the others," one Study Committee member, a strong supporter of President Ford, told us. Therefore, the ruckus over the Sonnenfeldt doctrine will continue until it is unequivocally repudiated by Kissinger or the President himself.

The breakfast meeting, sought for nearly two years by conservative congressmen seeking a first-hand grilling of Kissinger, immediately turned to the Sonnenfeldt doctrine. Rep. Edward J. Derwinski of Illinois, one of Mr. Ford's most important conservative backers and a national leader in the Polish-American community, suggested the Sonnenfeldt doctrine is "the straw that broke the camel's back" following U.S. acquiescence at Helsinki in Soviet control over the Baltic states.

Derwinski reflected rising anger among ethnic nationality groups that could affect not only Mr. Ford's contest with Ronald Reagan for the Republican presidential nomination but the November general election as well. Accordingly, Derwinski told Kissinger, the matter must be disposed of as quickly as possible.

In reply, Kissinger said he had not read the State Department cable reporting Sonnenfeldt's briefing and did not know what it contained until he read our column (though, in fact, he was in London for that meeting). Kissinger next went into what one congressman called "a song and dance," describing how some junior Foreign Service officer takes notes on such briefings, from which another diplomat drafts the cable, typically leading to distortions.

Kissinger said he could not control every State Department employee—interpreted by some congressmen as an abandonment of Sonnenfeldt. More likely, however, Kissinger was casting blame on that nameless junior notetaker, because he reassured the conservative House members that Sonnenfeldt is "a hard-liner just like you."

All this left Derwinksi and the other congressmen unsatisfied. Nor was the explanation viewed as plausible by some high government officials. "Whatever Hal (Sonnenfeldt) said in London was in total 'synch' with Henry," one official said. "It always is." What's more, the Sonnenfeldt doctrine as contained in this cable is viewed in the administration as generally consistent with the overall Kissinger-Sonnenfeldt view of the Soviet Union as an emerging superpower.

Finally, the portions we earlier quoted from the seven-page cable reporting Sonnenfeldt's remarks were in no sense isolated but, instead, reflected a theme reiterated time and again.

In one paragraph not quoted in our previous column, for example, Sonnenfeldt declared: "We seek to influence the emergence of the Soviet imperial power by making the base more natural and organic so that it will not remain founded in sheer power alone. But there is no alternative open to us other than that of influencing the way Soviet power is used." At another point, Sonnenfeldt said Hungarian leader Janos Kadar's "performance has been remarkable in finding ways which are acceptable to the Soviet Union which develop Hungarian roots and the natural aspirations of the people . . ."

In short, to substantiate Kissinger's explanation, the State Department report on Sonnenfeldt's briefing would have had to be inaccurate and distorted not just in one or two remarks but in its entirety—a most unlikely possibility.

It is too unlikely to be accepted by Ed Derwinski, who wants nothing less than an unequivocal repudiation of the Sonnenfeldt doctrine. If need be, Derwinski will go into the Oval Office to get that repudiation from the President. If he does, there would be covert rejoicing high in the administration from officials who were appalled from the start by a doctrine acquiescing in Soviet dominion over Eastern Europe.

SEE THE FOREST FOR THE TREES

Mr. **LEAHY**. Mr. President, while the recently enacted Energy Policy and Conservation Act is an important beginning towards establishing a national energy conservation policy, it was just that, a beginning. One of our foremost needs is to develop new sources of energy to replace our rapidly depleting present ones. As of now, the Federal Government has not made the necessary commitment toward that end.

While important steps have been taken, I do not believe that either the administration or the Congress has pursued this goal as energetically as they might have.

Our oil and gas are limited, exhaustible resources and are becoming increasingly short in supply and costly. While we have abundant supplies of coal, we have yet to develop the technology which will permit us to use them to the fullest without serious harm to the environment. Nuclear power is subject to controversy which has necessarily resulted in delays in fully utilizing that source of energy. The technologies for tapping other alternative sources of energy, such as the Sun and wind, while progressing, have still not reached the point where they are economically feasible to satisfy all our requirements.

More and more there appears to be good reason to investigate in depth the possibility of meeting some of our energy needs through the use of wood—an abundant, renewable energy source. I strongly believe that every encouragement must be given by the Federal Government to encourage and to assist in the development of means of converting wood to energy at a cost competitive with other fuels.

I am proud that in my State of Vermont such an investigation is presently being conducted by the Green Mountain Power Co. If successful, it will not only result in savings to Vermont consumers, but will be of immense benefit to the economy of the State.

At the same time, environmentally, the surplus timber removal would actually enhance our forestlands and be advantageous to their healthy growth and appearance, and their wildlife.

The same would hold true in every other State blessed with abundant forest lands.

Mr. President, in the Washington Star of March 27, there appeared an excellent article by Ralph Nader entitled, "See the Forest for the Trees." The article clearly and succinctly discusses the possibilities and promises involved in the use of wood as a major source of energy and the advantages, economically and environmentally, from doing so. I commend this article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Mar. 27, 1976]

SEE THE FOREST FOR THE TREES

(By Ralph Nader)

What's that old saying about not seeing the forest for the trees? Well, look again.

An old form of energy—waste wood—is coming back as a significant, renewable and relatively clean source of heat. Both utilities and industrial plants now are showing keen interest in utilizing woodchips, sawdust and bark discarded by sawmills as well as large quantities of "slash" such as forest residues, diseased or rotten trees.

The forest products industry long has used waste wood and even here its use is on the upswing in replacing the industry's fossil fuel needs. But only recently has the full potential of this resource been given solid focus.

A special Business Week report estimates wood waste could replace 21 percent of the coal, oil and gas used in generating electricity for the nation.

In some areas, such as Washington, Oregon and California, waste wood can generate all the electricity. The report says:

"Wood burns cleanly, is cheaper than fossil fuels, is often easier to get, and requires no new technology."

Astonished companies are finding truth in these observations. A large textile manufacturer in Alexander City, Ala., is installing a woodburning boiler designed to cut the plant's fuel bill in half and save about six million gallons of oil a year.

Ben Russell, head of a local company buying waste wood from sawmills, notes that with the invention in 1970 of the Chiparvestor, which reduces unmerchantable trees to wood chips in 30 seconds, "we can guarantee the supply of wood chips and waste *food on* a contractual basis for decades."

In Vermont, the Green Mountain Power Company is planning to construct a wood-fired power plant. Pollution abatement equipment for wood is much cheaper than for coal, the company says, since there is no sulfur dioxide and the leftover ash is easy to catch and collect as a commercial by-product. Wood-fired plants are designed small to keep transportation costs for the waste wood catching area at an economical level.

In nearby Maine, waste wood advocates are very enthusiastic. An economic impact study by the Maine Wood Fuel Corporation concludes:

"By 1985 it will be possible to replace all oil currently used for the generation of electricity through the development of wood-based electricity. This will result in a significant number of new jobs for Maine people, in wood harvesting and delivery, in power plant construction and in the maintenance and operation of wood-fueled plants.

"It is estimated 1,800 new jobs will be created as a direct result of the new industry and as many as 10,000 jobs will be indirectly created by 1985, making a major contribution to the reduction in unemployment."

Keeping the $200 million a year Maine spends to import oil in the state can generate some of this economic activity, according to this study.

At a bioconversion conference here this month, John R. Quarles Jr., deputy administrator of the Environmental Protection Agency, referred to a recent EPA analysis which said "surplus and waste forest biomass in the South Atlantic, Mountain and Pacific regions could be used to offset nearly all the oil and gas consumed by utilities in those regions."

Quarles noted proper efforts in this direction actually could benefit the forest ecosystem.

Other speakers at the conference painted a glowing picture of various forms of solar-energized plant life as energy sources.

Dr. Donald Dever of the Canada Grains Council observed:

"There is no identifiable physical quantitative barrier to a greater expansion and exploitation of renewable biomass, not only as an energy source, but for food, fibre, feedstocks, structurals and pharmaceuticals."

Just a short time ago, after tens of billions of dollars and many unresolved safety and economic problems, atomic energy passed wood as a source of energy for the country.

Now waste wood seems to be coming back and, with high level priority, could pass troubled and lagging atomic power within 10 years. It would be an ironic but beneficial lesson if we finally choose nature's bountiful sun over man's split atom.

WRIGHT PATMAN—THE YOUNGEST POPULIST OF THEM ALL

Mr. KENNEDY. Mr. President, as much as any person who has served in the Congress, Wright Patman was driven by an overriding concern for the welfare of the citizens of this Nation—especially the little people, the blue-collar workers, the farmers, the laborers, the people who do the hard work and produce the goods and services that add up to the Nation's wealth and power.

Wright Patman was a product of his time. His career spanned the history of modern America.

He was born August 6, 1893, when Grover Cleveland was President and Queen Victoria was on the throne of England. That was also a year of great financial panic in this Nation, when hundreds of banks failed, when thousands of businesses went into bankruptcy. Unemployment soared, violence dominated labor-management relations, and severe financial strife prevailed throughout most of rural Amercia.

Out of these disastrous conditions sprang the philosophy of populism that was to influence Wright Patman during all of his 48 years in Congress. It was a philosophy dedicated to the destruction of big corporate trusts, to agrarian reform, and—most important for him—to an expansionary monetary policy to provide adequate credit at low interest rates for the average citizen.

The populist philosophy that was reconfirmed for Wright Patman by the stock market crash of 1929, which occurred a few months after he came to Congress and which sent the Nation into the long depression. It led him to champion the fledgling rural electrification program which brought so much of rural America fully into the 20th century. It also led him to wholehearted support of soil and water conservation programs which made the difference between poverty and a decent living for so many of the Nation's farmers.

On this foundation of conviction, Wright Patman became a crusader for economic justice. He helped establish and sustain the remarkable Reconstruction Finance Corporation, which played an instrumental role in helping the Nation work its way out of the depression by providing low-interest loans and grants for housing, for State and local government, and for business and industry when credit for such borrowers was not otherwise available on reasonable terms.

His populist roots also prompted Wright Patman to coauthor the landmark Employment Act of 1946, the Nation's fundamental economic statute, which established the Council of Economic Advisers in the administration and the Joint Economic Committee in the Congress. He looked on these two entities as valuable tools by which the economic policies of the legislative and executive branches of the Federal Government could be coordinated to achieve and maintain a stable, full-employment economy.

Pursuing these same convictions, Wright Patman also coauthored the Area Redevelopment Act of 1961, to channel millions of dollars in needed investment capital into economically depressed regions of the Nation.

As a populist, he waged a constant battle with the Federal Reserve Board for more than 20 years, trying to devise and implement monetary policies that would serve the best interests of all the people in the Nation.

Wright Patman never gave up the battle for the little people. Their battles were his battles throughout his long and outstanding career in public service. Even at the age of 82, he was once called the youngest populist of them all.

Perhaps nothing could be more fitting as an epitaph to this giant of the Congress and 20th century America.

UNIVERSITY OF UTAH CONFERENCE ON CETA

Mr. BURDICK. Mr. President, last fall the University of Utah sponsored a conference at the Albany Hotel in Denver, Colo., on the Comprehensive Employment and Training Act of 1973. Representing North Dakota was our able Governor, the Honorable Arthur A. Link. In addressing the assembled conference, Governor Link outlined what seemed to be the essential elements of the CETA program. However, he has gone one step further by describing how his office, as prime sponsor for the State of North

Dakota, has guided this program to its successful status in the State today. I would like to commend Governor Link for his very thoughtful presentation and would suggest to my colleagues that they review his remarks as they are quite revealing about what a forward-looking State administration we have in Bismarck.

Accordingly, I ask unanimous consent that the text of his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Governor's Remarks

As the Governor of a small population state which has only one Prime Sponsor under CETA, I would like to take this opportunity to speak out from our particular perspective.

In North Dakota my office is the statewide Prime Sponsor. The North Dakota Employment Security Bureau, which so successfully implemented the MDTA programs in our state, is the chief deliverer of services. We have a single Council, the Manpower Services Council, which reviews the annual plan before it is signed, and which monitors and evaluates the implementation of the plan throughout the year.

I feel our CETA program is strong because the Manpower Services Council expends much energy—all voluntary on the part of its members—in its role of advising me on the progress of the program. While Council members are unpaid volunteers, the twenty-nine individuals represent various state agency and client group interests who are very interested in obtaining their fair share of the CETA dollars available to North Dakota. This economic incentive helps insure active Council participation.

Much has been written about the CETA concept. Essentially, it has provided small states a flexibility similar to that under the General Revenue Sharing Program. I find it convenient to be able to mix funds among the various old MDTA categorical programs, namely, classroom training, on-the-job training and work experience. To be able to cut up the CETA pie into our own categorical slices helps North Dakota respond to our own perceived needs in terms of manpower training programs.

Unfortunately, as the national unemployment rate has soared, Congress and the general public have tended to look at CETA as "the government employer of last resort". Now this overemphasis on the Public Service Employment titles of CETA has hurt the overall program. I believe there is a place for public service employment in the mix of programs we can offer our economically disadvantaged and unemployed clients. But, it is wrong to focus only on those sections of the CETA programs. If CETA is to be continued as a federal program, then Fiscal Year 1976 needs to be the "Year of Title One" rather than continuing the focus on public employment.

In North Dakota, with the prospect of increased utilization of coal facing us, we hope to utilize Title One to train our citizens for new jobs. This is not public employment, but it certainly is for the public good. North Dakota is ready to assist in this effort, provided the extraction of those resources does not preclude agricultural use of the land thereafter. With the flexibility under CETA, regions within North Dakota can determine the extent to which their economically disadvantaged citizens will participate in this new growth.

I must explain here that I have de-centralized the CETA planning process in North Dakota one step beyond most states. There are eight regional planning bodies in North Dakota. Each was given an allocation of CETA dollars to allocate to the various categorical programs as they chose for the clients in their area. It was interesting to note, in the Fiscal Year 1976 planning process, those regions faced with coal development allocated more of their resources to on-the-job and vocational skill training. Other regions with large student populations leaned toward work experience programs. It is precisely this flexibility under CETA—the ability to respond to local needs—which I strongly endorse.

With all the good things possible under CETA, where are the problems? There are several pieces of legislation alive on Capitol Hill today which merit comment. First, I think it is premature for any major surgery on the CETA patient. To date there have not been any Congressional oversight hearings, although they have been promised for six months. How can we operate on the patient if we don't even have a diagnosis? We need to define the problem areas for all Prime Sponsors—state, city, county, Indian reservation—and then propose changes to strengthen the program. There are areas, believe it or not, where such a diverse group of prime sponsors can find agreement. And, let me mention a few:

The right for locally elected officials to determine local needs and priorities is paramount.

The volume and frequency of reports, grant documents and modifications makes even seasoned bureaucrats blush. Can't we pursue a General Revenue Sharing approach of one annual planned use report and a subsequent actual use report? Let the prime sponsors exercise their judgment over the funds the Congress has entrusted to them under CETA.

Prime Sponsorship under CETA must remain the domain of units of government of 100,000 population and over. If one of the major problems in the implementation of CETA has been an increase in the duplication of services, this problem will only worsen if there are more, and smaller, prime sponsors. Reducing Prime Sponsorship to population units of 50,000, or including school districts as potential prime sponsors would only fragment the CETA program further. I am certain that existing prime sponsors can deal directly with these smaller and special jurisdictions to their mutual satisfaction.

Congressman Dominick Daniels is currently sponsoring a bill to revamp CETA Title VI to include a Local Initiatives Program much like Canada's. In North Dakota this type of approach—a project orientation to public service employment—has already been successfully implemented. Local units of government or groups of unemployed persons make application to the Manpower Services Council to hire unemployed people to perform some public service or complete some project not being provided. This is a good approach to public jobs and the decision to fund specific groups remains with the state. Under the Daniels proposal, the Department of Labor would decide priorities within Prime Sponsor jurisdictions. I believe Prime Sponsors can unite in opposition to that approach.

The word "Comprehensive" in CETA almost dooms the program to failure. The Act specifically mandates the Prime Sponsor Councils to evaluate all manpower programs within the area. First, this is a near-impossible job given the limited resources of the Councils. Second, not all manpower programs are anxious to be so closely scrutinized by a group with limited understanding of specific program procedures. Clearly, a clarification in the role the Manpower Services Council is needed, if it is to be a "Comprehensive" planning body.

Finally, as I have already stated, too much attention has been focused nationally on the public employment titles of CETA. Our real successes are in the Title One Programs and we need to advertise them. The Congressional representatives from our various states, and I speak now as a former member of the Congress, need to know the CETA story of the O–J–T client and of the vocational student, the story of the disadvantaged in our society who are getting a chance under CETA to prove themselves and to realize their full potential. As Prime Sponsors we first must focus on, and then relate, how the human resources of our areas are being assisted under CETA.

I believe CETA Prime Sponsors are doing a good job nationally. With the experience they have gained during the first year, I am confident they can improve their record in the second. However, they must be able to make their program decisions independent of a detached federal agency. The Congress had faith in the integrity of locally elected officials when they passed General Revenue Sharing and Title Twenty of Social Services and CETA. It is up to us as Prime Sponsors to see to it that the faith was not misplaced.

CLEAN AIR AMENDMENTS OF 1976

Mr. RANDOLPH. Mr. President, in the near future the Senate will consider the Clean Air Amendments of 1976. The report of the Committee on Public Works on this measure was filed on Monday, March 29.

This legislation represents extensive hearings and deliberations by the Subcommittee on Environmental Pollution since enactment of the Clean Air Amendments of 1970. Among the widely discussed issues addressed is the question of how to protect against significant deterioration of ambient air quality. This would be in areas where the air quality is now better than national primary—health—and secondary—welfare—ambient air quality standards.

Mr. President, in striving to protect the environment, we must also assure a healthy economy and improved job opportunities in the years ahead.

Because of my concern on November 24, 1975, I requested several agencies in the executive branch to review the language on nondeterioration as approved by the Subcommittee on Environmental Pollution. I asked them to provide me with their best judgment as to the impact of the proposed amendments on future economic development and job opportunities in our Nation.

Responses were received from the U.S. Department of Labor on December 15, 1975, and February 25, 1976; from the Department of Commerce on December 10, 1975, and February 5, 1976; from the Federal Energy Administration on December 19, 1975; and from the Environmental Protection Agency on December 17, 1975.

In addition, on February 10, 1976, I received the EPA's review of the report entitled "An Analysis of the Costs to the Electric Utility Industry of House and Senate Significant Deterioration Proposals," which was prepared for the Electric Utility Industry Clean Air Coordinating Committee by the National Economic Research Associates.

Mr. President, the language approved

by the Committee on Public Works on the Clean Air Amendments of 1976 was different from that reported from the Subcommittee on Environmental Pollution. The correspondence does, however, address the difficulties the members faced in achieving a balance between our interest in protecting and enhancing air quality and concern for the economy generally, as well as future employment. The responses also characterize the extremely difficult tasks involved in fully evaluating the attendant social, economic, energy, and environmental costs and benefits on the basis of the available information. I ask unanimous consent that this correspondence, and other pertinent material, be printed in the RECORD so that my colleagues can better understand the issues addressed by the Committee in resolving the complex issues inherent in this subject. The Committee thus will follow its practice of conducting a continuing review of the implementation of the Clean Air Act and the Amendments of 1976.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
Washington, D.C., December 15, 1975.
Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for our judgment on impacts on economic development and job opportunities of the nondeterioration provisions of the proposed Clean Air Act amendments. I welcome this opportunity to comment on these provisions. I applaud your effort to seek the judgments of agencies and organizations with interest and concern about such impacts. It is my strong view that the best possible information and analysis on these impacts should be gathered together before final consideration of these provisions.

Our understanding of the proposed provisions of Section 110(g) is that each state is required to adopt and submit to the Environmental Protection Agency a nondeterioration plan. These plans would subdivide regions into two classes of areas and limit deterioration in both. We understand that Class III areas as now specified in EPA regulations, where deterioration up to national standards is now permitted, would be eliminated.

Our concern is that the provisions of this section should reflect a proper balance between our interest in maintaining air quality and our interest in job growth. American workers have a basic interest in clean air and a healthful environment on the one hand and in economic growth and the creation of new jobs on the other.

This Department is deeply engaged in activities to improve the environment, through its administration of the Occupational Safety and Health Act, and to foster employment growth, through its administration of the Comprehensive Employment and Training Act and other laws. We strongly believe that these two goals, which are shared by all of the American people, can be pursued in a way that does not unduly sacrifice one in striving to achieve the other.

Our examination of various industry studies raises questions on whether a proper balance has been struck in the proposed provisions in Section 110(g) between these two goals. Rather we believe the information presented in such studies points to potential economic growth and problems throughout the economy. While there has been testimony and much discussion of the effect of these provisions on the utility industry, we are equally concerned about their potential job impact in such basic industries as steel, textiles, paper and pulp and others. We feel information is needed on the impact for all those industries which may be affected by these provisions. Thus we believe that additional data on the economic impact of the nondeterioration provisions should be gathered from government agencies, industry and unions. We are continuing our own examination of such information and will provide you with any additional views as a result of further work in this area.

Because of the importance of these provisions, both for the environment and the economy, I respectfully urge you to delay final considerations of these provisions until additional information and analysis is collected.

Again, Mr. Chairman, let me reiterate my conviction that clean air and economic and job growth can and should be regarded as equally important objectives. I sincerely hope that the Committee, in its further consideration, will make every effort to do so.

The Office of Management and Budget advises that there is no objection to the submission of this letter.

Sincerely,

JOHN T. DUNLOP,
Secretary of Labor.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., February 25, 1976.
Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: On December 15, the Department of Labor responded to your request for our views on the impact on economic development and job opportunities of the nondeterioration provisions of the proposed Clean Air Act Amendments.

In that letter we stated that the proposed provisions of Section 110(g) should "reflect a proper balance between our interest in maintaining air quality and our interest in job growth." We requested that the Committee delay action until the question of whether the proposed provisions struck a proper balance between these two goals had been more closely reviewed, based on the various studies which have been done. We promised to continue our review of relevant data and to provide you with any additional views as a result of this.

The Department has, since the December 15 letter, examined closely a number of studies undertaken by the Environmental Protection Agency, the Federal Energy Administration, the Department of Commerce, and various industry groups. In general, the studies dealt with specific cost impacts on particular industries, with social, economic, and environmental impacts on several geographic areas, and with cost factors associated with the development of both existing EPA regulations and the proposed provisions of the Clean Air Act Amendments. In many cases, the studies differed in their key economic conclusions based on their assumptions as to the potential effect of the proposed provisions. For example, what assumptions should be made about the size of buffer zones adjoining Class I areas? Therefore, while we believe that the studies are useful in any consideration of the proposed nondeterioration provisions, we believe the studies do not provide the data necessary to reach meaningful conclusions on the impact on job growth. Most were not designed to do this.

We do, however, believe that the studies, taken together with the views of informed parties from government, labor, industry and environmental groups argue for the need for enough flexibility in the proposed amendments to permit both general economic impacts and job impacts to be taken into consideration in improving and maintaining our air quality. With that view in mind, we would like to offer the following comments to the Committee.

1. The latest Committee staff draft, (#6), contains no provisions for a Class III category. In our view, the lack of a Class III category may pose substantial problems, particularly where there is a clear need for the aggregation of large industrial plants at a single site. We are in agreement with the EPA finding, given in its attachment to Administrator Train's December 17th letter to you, "Class III is necessary for the aggregation of major large industrial sources on one site. This would allow the collocation of industries. Class III may be necessary where there is required fuel switching from lower to higher sulfur fuels . . ."

While we cannot estimate with any greater specificity the impact of not having a Class III designation, we feel the studies we have reviewed point to major economic uncertainties should nondeterioration plans not be permitted to redesignate Class II areas as Class III areas where the need for this redesignation can be shown.

2. Staff draft #6 specifies a number of areas as mandatory Class I areas. Relevant studies, testimony and informed views appear to differ widely over the possible impact of far-reaching mandatory Class I designation, particularly in regard to the "buffer zone" question. Among other questions at issue is the question of how much of the United States land area would be affected not only by the mandatory Class I areas but by the zones adjacent to those areas from which pollutants could move to Class I areas.

Given the widely divergent views and study findings, we think the EPA statement contained in its attachment to the Train letter of December 17 is well taken, ". . . Great care should be taken in designating large numbers of Class I areas on a mandatory basis which would limit the states' ability to balance competing interests."

3. We note that in staff draft #6 there is no requirement for the inclusion of relevant social and economic data, including job impact data in the development of nondeterioration plans and taking this data into consideration in the review and approval of such plans. We believe this necessary to achieve a fair balance between the goals of air quality and economic growth.

These comments are not meant as views supporting or opposing particular provisions of the proposed Clean Air Act. We again state the convention expressed in our letter of December 15 that "clean air and economic and job growth can and should be regarded as equally important objectives."

The Office of Management and Budget advises that there is no objection to the submission of this letter.

Sincerely,

W. USERY, JR.,
Secretary of Labor.

DEPARTMENT OF COMMERCE,
Washington, D.C., December 10, 1975.
Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of November 24, 1975, in which you requested that the Department of Commerce review a proposed revision of the Clean Air Act recently reported by the Subcommittee on Environmental Pollution. The proposal would prevent significant deterioration of areas having air quality better than the national primary and secondary ambient air quality standards. You requested views on the potential impact of the proposed revision on industrial growth and future employment, as distinguished from impacts on future siting of power plants.

Our initial concern in this area involved whether it is desirable to undertake what is essentially comprehensive land use planning based solely on air quality. Our judgment was that it is not and consequently, we have strongly supported the option presented in the proposed Energy Independence Act, as embodied in S. 594, which would eliminate the non-significant deterioration concept and rely on national ambient air quality standards and other relevant provisions of the Clean Air Act. This and appropriate land use planning is a more desirable approach.

However, as certain schemes concerning non-deterioration have been advanced, we have undertaken to examine their potential effect on economic growth. It is difficult to estimate the impact of proposals which are broad and far-reaching in nature and affect the location and growth of a large portion of our industrial base. It is difficult to produce reliable projections because as new plans are put forth, certain basic, critical assumptions change, making previous work of limited value.

Notwithstanding these difficulties, we have done some studies which are relevant to the question you pose and which suggest the general effect of such legislation as that proposed. The enclosed Bureau of Domestic Commerce study, dated May, 1974, and entitled, "Implications of Air Non-Degradation Policies On Clean Air Regions: A Case Study Of The Dallas-Fort Worth AOCR (215)", is an example. A review of this study will give some indication of the difficulties of calculating, on a national basis, the impact of significant deterioration limitations on economic growth, but the Dallas-Fort Worth study does indicate clearly that the impact of non-deterioration standards such as those embodied in the Subcommittee Staff Working Print No. 5 could be adverse and substantial. For this reason, we believe that you are quite right in seeking a careful prior evaluation of the potential impact on industrial growth and long range dislocations in employment.

We are presently undertaking an abbreviated economic evaluation of the data and studies presently available to us. We will try to tie together the economic implications of such materials. We will provide this to you in the next several weeks. A comprehensive economic study would, of course, take some months and involve the dedication of substantial staff and computer resources. This letter is intended to express to you our concern that an adequate assessment be made of the potential impact and to share with you the data we have readily available.

We have been advised by the Office of Management and Budget that they have no objections to the submission of this report.

Sincerely,

ROBERT B. ELLERT,
Acting General Counsel.

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., February 5, 1976.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: On December 10, 1975, we provided you with an interim response to your request of November 24, 1975, for our analysis of the "no significant deterioration" provisions of the Clean Air Act amendments you are considering. In that letter we indicated to you that we would undertake an abbreviated economic evaluation of the data and studies presently available concerning non-deterioration proposals and attempt to tie together the economic implications of such materials. We have completed this evaluation and it is enclosed.

As we indicated to you earlier, a comprehensive economic study would take some months and involve the dedication of substantial resources. We are presently conducting some studies which are relevant to this issue. They are not as extensive as a full analysis and they will not be completed for some time, but we hope that we will be able to make these studies available before any final action is taken on an issue of such fundamental importance to our nation.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our report to the Congress from the standpoint of the Administration's program.

Sincerely,

ROBERT B. ELLERT,
Acting General Counsel.

ECONOMIC EVALUATION OF NONDETERIORATION PROPOSALS

I. ECONOMIC IMPLICATIONS

The Department of Commerce (DOC) finds that the economic consequences of nondeterioration proposals have not been fully appreciated. Our analysis and our review of other studies indicate that the significant deterioration proposals under consideration will force a change in the pattern of expansion of economic activity and will result ultimately in a cessation of industrial growth.

The slowing and ultimate cessation of industrial growth can be avoided only if the assumption is made that economically achievable technologies capable of zero pollutant emissions will be available. This assumption is not justified. There is no clear indication that economically available technologies will be forthcoming. The Senate proposal will require drastic improvements in technology and concomitant reductions in their cost by 1980. Other significant deterioration proposals offer more flexibility—three instead of two air quality classes and a longer time period before industrial growth ceases. These proposals face the same limitation as the Senate version. They do not address the question: Can economically achievable technologies be developed in time?

Debate on the legislative proposals has seemingly failed to recognize two critical distinctions.

1. Legislation can force the adoption of existing technology within a reasonable period of time, but legislation cannot force the adoption of unknown or unavailable technology by a specified date.

2. In discussions of what is or is not possible, technological feasibility is often confused with economic achievability. The existence or near existence of technology does not imply that it is economical.

The economic impacts resulting from implementation of significant deterioration proposals will not occur uniformly. The impacts to regions will vary in timing and magnitude according to local factors and conditions in other regions. A region's current rate of economic growth, the existing ambient air quality, and climatic and topological factors will jointly determine the magnitude and timing of impacts. The ability or lack of ability of other regions to grow will also affect a given region's growth pattern. These factors make it difficult to determine when and where impacts will occur and the magnitude of the impacts.

A constraint on growth in a given region can have serious consequences. It will force population changes beyond those which would normally take place. Regions which experience populated increases will require increases in the number of available jobs and increases in economic activity in order to maintain employment levels and growth in income. Constraints on a region which retard the growth of industrial output will reduce the rate of new job formation and lead to an increased rate of unemployment and lower rate of growth in income.

These effects will require substantial changes in the goals and programs of current Federal, regional, state and local planning organizations.

Implementation of significant deterioration proposals will not result in an immediate cessation of industrial growth. Growth in a region will be possible until the ambient air quality reaches the maximum allowed pollution level.

The implementation of nondeterioration proposals will impair the market's ability to allocate land and other resources. Two specific examples are cited below.

1. Site selection for the location of energy generating and large power consuming industries will be severely constrained. The option to use land for alternative or multiple uses will be prejudiced solely on the basis of one criterion, namely, air quality. This neglects other factors that are essential to efficient land use planning.

The failure to consider other factors in making land use decisions will introduce direct conflicts between national objectives. For example, the selection of an industrial site is in part determined by the location of raw materials used in manufacture. If a site close to the source of raw materials cannot be used because of air quality standards, the use of an alternative site will result in an increase in energy consumption due to the higher transportation costs for raw materials. Thus, the criterion, energy conservation, is implicitly and incorrectly given zero weight in the planning decisions for the new facility.

2. The enforcement of nondeterioration regulations imposes on control areas an absolute limit on the quantity of pollutants which may be emitted. Thus, within the area industrial emissions can increase only to the extent that the area has not exhausted the increment of allowable pollutants.

How is this increment of allowable pollutants to be distributed among industries which are trying to expand existing plants or to build new plants? In some cases the increment of allowable pollutants may be so small that one large plant would account for the whole increment. This situation, a highly probable one over time, will alter the region's ability to grow. Similarly, if the pollutant emissions from two large plants are all that the air quality can sustain, does the Federal Government allow one chemical plant and a foundry or one electric utility and a chemical plant or some other combination of plants? Will the Federal Government promote the establishment of a foundry in city X, a chemical plant in city Y and an electric utility midway between X and Y so that both cities will have electric power available for the operation of the new facilities? Will allocation of the right to emit pollutants be on a first-come-first-served basis or on some other basis? Does EPA, which has responsibility for administering nondeterioration, undertake national, regional, and local economic planning in order to resolve these problems?

The practical consequences of nondeterioration proposals are illustrated by the following comments made by Roger Strelow, EPA Assistant Administrator for Air and Waste Management. In correspondence with the subcommittee staff of the Senate Public Works Committee, he described the kinds of development that could go into a Class II area with flat terrain. He said a 1,000-megawatt coal-fired power plant meeting New Source Performance Standards (NSPS), a 1,000-ton-per-day Kraft paper mill, or "any of the other industrial source categories located in isolation" would not exceed the Class II increment. The one exception would be a large new "grass roots" steel complex, but no such complex is planned.

These statements imply rather naively that:

The U.S. steel industry will never need to build a large new grass roots steel complex.

The U.S. should incur the social and economic impacts resulting from locating industrial facilities "in isolation." That is, increases in the cost of industrial production, increases in energy use, changes in land use patterns, and institutional changes should be accepted without regard for their ramifications.

II. EXISTING STUDIES

Significant deterioration proposals have been analyzed in several studies. While these are not economic analyses, they do shed some light on the economic consequences of significant deterioration.

The Bureau of Domestic Commerce Study, "Implications of Air Non-Degradation Policies on Clean Air Regions: A Case Study of the Dallas-Fort Worth AQCR (215)," (May 1974) was designed to evaluate the limits to economic growth resulting from alternative non-degradation policies (policy options tentatively proposed on July 18, 1973).

The study determines the limits to industrial growth resulting from technological and meteorological limitations on the abatement and dispersions of pollutants. The study appraises economic impacts to the extent that it shows that non-degradation proposals eventually result in a cessation in industrial growth.

The study determines the number of years the region's industrial output can continue to grow, assuming that the mix of pollutant sources will remain the same and that the control technology used is NSPS. It concludes that the July 18, 1973 proposals will ultimately result in cessation of industrial growth by 1980 under the most stringent proposal and by 2010 under the most lenient proposal.

It shows that, lacking pollution abatement and control technologies capable of achieving zero pollutant emissions, non-degradation proposals will result in a zero rate of industrial growth. Changing the numbers used in implementing the proposals will only change the date when the zero growth limit is reached.

An economic interpretation of the study suggests that implementation of non-degradation proposals will:

Eventually preclude further industrial growth, unless marked improvements in the technology and economics of pollution abatement and control are achieved.

Immediately restrict the uses of U.S. land, with the restrictions being based solely on air quality. All other factors relevant to land use decisions will therefore be ignored.

Alter the path of industrial growth by impairing the ability of the market to allocate pollution abatement requirements among the various plants in a given region.

Tend to concentrate new growth in areas which are not yet subject to nondeterioration.

Another study entitled, "An Analysis of the Impact on the Electric Utility Industry of Alternative Approaches to Significant Deterioration" was conducted by EPA and FEA. The study appraises the potential impacts of nondeterioration proposals on future power plant siting. It concludes that electric power production is technologically feasible in most Class II areas, assuming the use of technology in excess of NSPS.

We agree that under such an assumption power plants theoretically can be built and operated. Whether they will be built and operated is another question.

Again a distinction must be made between technical feasibility and economic achievability. Economic achievability requires that the power produced be reasonably competitive with other power sources in the region for nonindustrial uses and be price competitive with power in other regions for industrial uses. Requiring the use of technology beyond NSPS will adversely ffect the economics of power generation since NSPS technology is defined as Best Available Control Technology (BACT) taking cost into account.

Preliminary estimates from EPA indicate that nondeterioration will add up to 2.5 percent to the electric utility industry's projected capital investment over the next 15 years.

The comparison with total industry capital needs is misleading. The production cost and resulting power price increases will be borne by plants which must install control beyond NSPS and by their customers. Thus, the impacts will be concentrated regionally and will affect the economic viability of the impacted regions relative to nonimpacted regions. The capital costs to be borne by impacted regions will be closer to 10 percent, rather than the 2.5 percent estimated, if as EPA indicates, up to 25 percent of new capacity must install controls beyond NSPS.

The critical question, not addressed by this study, is how long can the electric power industry expand? The study shows that growth in power generation is currently feasible. The study does not show how long growth in power generation can be sustained.

From the study one can conclude that the addition of a power plant in many Class II areas precludes another power plant *or other industrial facility* being sited in the same immediate area. Thus, the question of how long the electric power industry can expand cannot be answered without simultaneously considering the siting needs for both power and industrial growth.

III. DEPARTMENT OF COMMERCE

In general, the existing EPA regulations are more flexible than the Senate and House proposals in allowing future economic growth and in permitting state and local participation in decisionmaking. However, the EPA regulations will also lead ultimately to a no industrial growth economy.

The DOC does not accept, as a practical solution to the Nation's environmental problems, legislation which will lead to a halt in the rate of industrial growth. The preservation of the environment and the promotion of industrial vitality and economic growth are equally important objectives. Non-degradation policies in their present forms do not strike a balance between economic and environmental objectives.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., December 19, 1975.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of November 24, 1975, with regard to the need for an evaluation of the impact of significant deterioration proposals on economic development and future employment.

Our latest effort on this subject is an economic and energy impact analysis of significant deterioration proposals on the electric utility industry. The Executive Summary of this joint effort with the Environmental Protection Agency (EPA) will be available later this month.

We have not, however, assessed the overall effects of alternative significant deterioration requirements on various industrial sectors or on the national economy. We have met previously with Secretary Dunlop, but have not as yet initiated an analytical effort regarding this issue. However, we will discuss this matter in the near future with the Departments of Commerce and Labor, as well as EPA, and will keep you apprised of our progress in this area.

Currently available reports on the impacts of significant deterioration have been provided to Messrs. Dunlop and Morton and are provided herein for your use. Furthermore, as additional reports are issued, you may be assured that copies will be forwarded to you immediately.

I appreciate your interest in this important energy policy issue and look forward to further conversations with you on this matter.

Sincerely,

FRANK G. ZARB,
Administrator.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., December 17, 1975.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR JENNINGS: This is in response to your letter of November 24, 1975, requesting the Environmental Protection Agency's cooperation with Secretaries Dunlop and Morton in their efforts to respond to your request for evaluation and analyses of the potential impact of the Congressional non-deterioration proposals on industrial growth and future employment. EPA staff has communicated with the Departments of Labor and Commerce and are providing whatever analytic assistance is necessary.

As you know, EPA conducted extensive economic and industrial analyses for interagency review, in which the Department of Commerce was an active participant, prior to the December 5, 1974 promulgation of the EPA Prevention of Significant Air Quality regulations. Enclosed for your review are copies of the pertinent studies and a summary of their conclusions. These conclusions should be relevant and directly applicable to much of the potential effect of the Senate and House Subcommittee non-deterioration proposals.

The results should adequately address the effects of the Class II increment on growth and development of power plants and major industrial sources. Results are not available, however, for the effect of the Senate and House mandatory Class I designations on specific industries. However, maps prepared by EPA and FEA in their joint study on the electric utility industry are available and indicate the potential land area affected by Senate and House mandatory and discretionary Class I designations. While the land area affected assumed "buffer zones" appropriate for power plants, it can generally be assumed that this would be a maximum or worst-case effect for the other industries, since the transport of pollutants is generally considerably less for industrial sources other than large new coal-fired power plants. The mandatory Class I areas in the House proposal for example, affects only 1.2 percent of the Nation's land area, or 6 percent with power plant "buffer zones". None of the planned power plant capacity in the FEA/EPA study would be affected by the limited number of the House Class I designations. The Senate mandatory Class I designations affect slightly more land area because of the greater number of areas designated. The Senate proposal affects 1.7 percent of the Nation's land area, and with "buffer zones" 16 percent. These estimates reflect both the Senate and House definitions of best available control technology, which require controls beyond EPA new source performance standards.

In addition to the earlier analyses, EPA has recently reviewed the effects of the Class I and Class II increments on the pulp and paper industry. These results are also attached. Results will be available soon on the economic costs to the electric utility industry of the Congressional proposals. Preliminary results indicate that the Senate proposal will increase the cumulative annual costs of the electric utility industry by about 1 percent of total industry costs. Results will be forwarded shortly. Incidentally, you may be interested to know that a new large aluminum plant has recently received a permit for meeting the Class II under the EPA Prevention of Significant Deterioration regulations which have been in effect since January 6, 1975, and are being implemented in all states now.

Copies of the studies sent to you are being sent to Secretaries Morton and Dunlop. If I may be of any further assistance, please do not hesitate to call.

Sincerely yours,

Russell E. Train,
Administrator.

Summary of Conclusions of Analyses Conducted To Assess Economic Growth and Development Impacts of Various Prevention of Significant Air Quality Deterioration Policies

The conclusions of this summary are based upon the findings of studies undertaken by EPA, the Department of Commerce, the Department of the Interior, the Federal Energy Administration and the State of New York. A reference list is attached. Although many of the studies were executed for the purpose of analyzing the EPA regulations prior to their promulgation, December 5, 1974, the results are often directly applicable for analysis of the potential effects of the Senate and House non-deterioration proposals. These studies were made available to both House and Senate staff during their deliberations over the significant deterioration issue. Tables 1, 2, and 3 summarize the similarities and differences among the EPA regulations, the Senate proposal and the House proposal. Table 4 indicates the industrial source categories analyzed.

CONCLUSIONS

1. Class II, as defined by EPA regulations and the Senate proposal, typically permits the individual siting of a 1000 megawatt coal-fired power plant and any one of the major industrial source categories with the exception of a major new grass roots steel complex—none of which are planned. The 3-hour Class II SO_2 increment in the House proposal is smaller than the Senate's and EPA's, and thus, would still typically allow the siting of large individual industrial sources, but be somewhat more constraining on the size of power plants. However, the House permits redesignation of areas to Class III.

2. Terrain is an important factor in the ability of individual large sources to locate in an area. In flat terrain, power plants meeting EPA new source performance standards could range from 1000 to 4000 megawatts without violating the Class II, depending on local meteorology and stack height (See Table 5). Similarly, the largest industrial sources would have no restraints under similar conditions. In non-flat terrain, however, taller stack height in relation to the terrain and additional emission controls may be necessary to permit the location of larger sources in hilly areas without violating the Class II increment. (See Table 6). Where terrain conditions are severe, it is likely that the national ambient air quality standards would be constraining and not the Class II increments.

3. Class III is necessary for the aggregation of major large industrial sources at one site. This would allow the collocation of industries. Class III may be necessary where there is required fuel switching from lower to higher sulfur fuels. The Class II increment appears adequate to allow projected economic and industrial growth in most urbanizing areas to 1980, while a Class III may be necessary post-1980 to avoid significant restrictions and/or altered development patterns by 1990.

4. Under certain conditions Class I increments can be exceeded over relatively long distances. Therefore, great care should be taken in designating large numbers of Class I areas on a mandatory basis which would limit the states' ability to balance competing interests. However, as analyzed in Supplements 2 and 3 of the joint EPA/FEA study, the mandatory and discretionary Class I designations of the House proposal have minimal impact on the ability or large sources, such as new coal-fired power plants, to find suitable sites. Similar conclusions could be drawn for the major industrial sources, which generally have lower volumes of emissions than large coal-fired power plants and thus, would transport pollutants over considerably shorter distances.

5. Under a three class increment plan, all planned new sources should be able to build if desired by the states, provided that they do not violate the existing national ambient air quality standards. Thus, no total loss of jobs should result. A prevention of significant deterioration policy may, to some extent, off-set the current incentives for new major industrial expansion to locate primarily in the West away from urbanized job centers of the East and Mid-West because of the greater quantities of unrestricted clean air in the West.

6. Additional costs are imposed on a source if in order to comply with the air quality increment it must: build a taller stack; apply stack gas scrubbing for SO_2 control; incur transportation and land costs where associated industrial activities must be separated geographically or where it must move farther from its market; scale down its plant.

7. Incremental costs imposed by the air quality increments are in most cases relatively small. Both Senate and House proposals, requiring scrubbers on all new power plants and some relocation, would increase the utility industry's capital expenditures over the next 15 years by less than 3 percent. Increases in annual costs would be about 1 percent. Costs would be lower if only EPA new source performance standards are required.

List of Studies Attached

Technical Support Document—EPA Regulations For Preventing the Significant Deterioration of Air Quality, U.S. Environmental Protection Agency, January 1975.

The Impact of Proposed Non-Degradation Regulations on Economic Growth, prepared for EPA by Harbridge House, November 1973, volumes I–III.

An Analysis of the Impact On The Electric Utility Industry of Alternative Approaches to Significant Deterioration, EPA and FEA, October–December 1975, Volumes I, II and and Supplements 2 and 3.

Correspondence from EPA evaluating effects of alternative significant deterioration policies on economic growth and development, including the pulp and paper industry.

Implications of Air Non-Degradation Policies on Clean Air Regions: A Case Study of the Dallas-Fort Worth AQCR, U.S. Department of Commerce, May 1974.

Impact of Proposed Non-Degradation Alternatives on New Power Plants, prepared for U.S. Department of the Interior by TRW, Inc., September 28, 1973.

Analysis of the U.S. EPA's Proposals To Prevent Significant Deterioration Relative To The Development Outlook For New York State, Division of Air Resources, New York State Department of Environmental Conservation, October 1973.

Table 1.—*Summary of major differences of alternative approaches to significant deterioration*

Issues:	EPA	House	Senate
Sources covered	18 Source categories	Any facility emitting more than 100 tons/year of any regulated pollutant	Major emitting facility
Pollutants covered	TSP and SO_2	All	TSP, SO_2, others to be established later
Control technology requirements	Equivalent to NSPS where NSPS exist; and determined on a case-by-case basis where NSPS does not exist	Best available control technology; determined by the Administrator of EPA taking into account cost and energy impacts	Maximum degree of emission control achievable; determined on a case-by-case basis
Class I areas	No mandatory (at State and Federal discretion with procedures for full public participation)	Designation of some areas as mandatory Class I and others as either Class I, II, or III (see Table II–2)	Designation of some areas as mandatory Class I and others as either Class I or Class II (see Table II–2)
Class III areas	Procedures for designation of areas as Class III	Procedures for designation of areas as Class III	No provision for Class III
Numeric limitations for Class II	See Table II–1	See Table II–1	See Table II–1
Maximum allowed concentration	National Ambient Air Quality Standards (NAAQS)	Three-fourths of National Ambient Air Quality Standards	National Ambient Air Quality Standards
Allowable Stack Height	No limitation on stack height if the source installs best available control technology	Stack height limited to 2½ times the height of the source unless a higher stack is necessary to overcome the effect of nearby structures or terrain	None specified

TABLE 2.—ALLOWABLE AIR QUALITY INCREMENTS UNDER ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS

(µg/m³)

Pollutant standard	Class I			Class II			Class III		
	EPA regulations	Senate proposal	House proposal[1]	EPA regulations	Senate proposal	House proposal[1]	EPA regulations[2]	Senate proposal	House proposal
Sulfur dioxide:									
Annual	2	2	1.6	15	15	20	80	(3)	40
24-hr	5	5	7.3	100	100	91	365	(3)	1.3
3-hr	25	25	26.0	700	700	325	1,300	(3)	650
Total suspended particulates:									
Annual	5	5	7.5	10	10	19	75	(3)	38
24-hr	10	10	15.0	30	30	38	150	(3)	75

[1] The increments for the House proposal are based on limitations of 2 percent of NAAQS for class I, 25 percent for class II, and 50 percent for class III, except that the limit for total suspended particulates in class I is 10 percent of NAAQS. In addition, the House proposal stipulates that the concentration of all pollutants cannot exceed 75 percent of the national ambient air quality standards in any of the classes.

[2] EPA's class III allows degradation up to the NAAQS:

	Sulfur Dioxide	TSP
Annual	[a] 80	[a] 75
24-hr [c]	[a] 365	[b] [c] 150
3-hr [c]	[b] 1,300	

[a] Primary.

[b] Secondary.

[c] The 24-hr and 3-hr standards are not to be exceeded more than once per year. There are no primary 3-hr standards for sulfur dioxide and particulates, nor is there a 24-hr primary standard for particulates.

[3] No class III.

TABLE 3.—*Class I areas under Senate and House approaches to significant deterioration*

LAND CATEGORY	SENATE	H.R. 10498
International parks	Mandatory Class I (if 1,000+ acres)	Class I; Provision for redesignation as Class II (if 1,000+ acres)
National parks	Mandatory Class I (if 1,000+ acres)	Mandatory Class I (if 10,000+ acres) *
National wilderness areas	Mandatory Class I (if 1,000+ acres)	Mandatory Class I (if 10,000+ acres) *
National wildlife refuges	Mandatory Class I (if 1,000+ acres)	Class II; Provision for redesignation as Class I (if 1,000+ acres)
National monuments	Class I; Provision for redesignation as Class II	Class I; Provision for redesignation as Class II (if 10,000+ acres) **
National preserves	Class II; Provision for redesignation as Class I	Class I; Provision for redesignation as Class II (if 10,000+ acres)
National recreational areas	Class I; Provision for redesignation as Class II	Class I; Provision for redesignation as Class II (if 10,000+ acres) **
Wild and scenic rivers	Class I; Provision for redesignation as Class II	Class II; Provision for redesignation as Class I (if 1,000+ acres)
National forests	Class II; Provision for redesignation as Class I	Class II; Provision for redesignation as Class I (if 1,000+ acres)
Military reservations	Class II; Provision for redesignation as Class I	Class II; Provision for redesignation as Class I or Class III
Other Federal lands	Class II; Provision for redesignation as Class I	Class II; Provision for redesignation as Class I or Class III

*National parks and wilderness areas of between 1,000 and 10,000 acres in size are initially designated as Class I, but may be redesignated as Class II.

**National monuments and national recreational areas of between 1,000 and 10,000 acres in size are initially designated as Class II, but may be redesignated as Class I.

TABLE 4

The EPA Analysis examined the 16 industries are listed below:

Power Plants.
Coal Cleaning Plants (Thermal Dryers).
Kraft Pulp Mill Recovery Furnaces.
Portland Cement Plants.
Primary Zinc Smelters.
Iron and Steel Metallurgical Furnaces.
Primary Aluminum Ore Reduction Plants.
Primary Copper Smelters.
Municipal Incinerators.
Sulfuric Acid Plants.
Petroleum Refineries.
Lime Plants.
By-Product Coke Oven Batteries.
Phosphate Rock Processing Plants.
Sulfur Recovery lants.
Carbon Black Plants.

Plus:

New Towns.
Light Industrial Parks.

The Department of Interior analysis examined:

Fossil fuel-fired power plants.
Geothermal power plants.
Oil shale processing.
Coal gasification.
Coal liquefaction.
Petroleum refining.
Superport storage facilities.
Metal processing (copper, lead, zinc, aluminum and steel).
Mining.

TABLE 5.—ALLOWED POWERPLANT SIZE UNDER ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS[1] (TERRAIN AT OR BELOW STACK HEIGHT)

Terrain adjusted stack height [2] (feet) and type of control [3]	Maximum size plant allowed under class II increments	
	Senate/EPA (MW)	House (MW)
0:		
NSPS	1,100-1,800	1,000
NSPS/FGD	900-4,000+	500-3,000+
250:		
NSPS	2,300-2,600	1,100-1,200
NSPS/FGD	2,800-5,000+	1,100-5,000+
500:		
NSPS	2,400-3,700	1,100-1,700
NSPS/FGD	2,800-5,000+	1,300-5,000+
750:		
NSPS	2,700-2,800	1,200-1,500
NSPS/FGD	2,800-5,000+	1,300-5,000+
1,000:		
NSPS	4,000+	2,000
NSPS/FGD	4,700-5,000+	2,000-5,000+

[1] Calculations are based on the limitations for SO_2 since the and not TSP limitations are the constraining factor.

[2] Terrain adjusted stack height is the height between the ground around the plant and the top of the stack. Thus, a 250 ft usable stack corresponds to a 500 ft stack in an area where the terrain is 250 ft high. See app. B.

[3] NSPS: Low sulfur coal with sulfur content equal to 1.2 lb SO_2/million Btu (i.e., 0.7 percent sulfur coal with a heat content of 11,000 Btu/lb). A range of values has been shown to illustrate the effect of different meteorological conditions. NSPS/FGD: High end of the range assumes low sulfur coal (i.e. NSPS) plus a scrubber with 90 percent removal efficiency. The low end of the range assumes 3.5 percent sulfur coal with a 90-percent efficient scrubber.

TABLE 6.—ALLOWED POWERPLANT SIZE FOR ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS (TERRAIN MORE THAN 500 FEET ABOVE TOP OF STACK)[1]

Distanct to terrain (miles) and type of Control [2]	Class II	
	Senate/EPA	House
1.5:		
NSPS	40	30
NSPS/FGD	70-350	50-300
3:		
NSPS	100	80
NSPS/FGD	200-900	150-800
6:		
NSPS	300	200
NSPS/FGD	600-3,000	400-2,000

TABLE 6.—ALLOWED POWERPLANT SIZE FOR ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS (TERRAIN MORE THAN 500 FEET ABOVE TOP OF STACK)[1]—Continued

Distance to terrain (miles) and type of control[2]	Class II	
	Senate/EPA	House
9:		
NSPS	500	400
NSPS/FGD	1,000-5,000+	800-4,000+
12:		
NSPS	800	600
NSPS/FGD	1,400-5,000+	1,100-5,000+
15:		
NSPS	1,000	800
NSPS/FGD	2,000-5,000+	1,600-5,000+

[1] Estimates are based on the limitations for SO_2 since these limitations, and not the limitations for TSP, are the constraining factor.

[2] Terrain is 500 ft above the physical stack.

[3] NSPS: Low sulfur coal with sulfur content equal to NSPS (0.7 percent sulfur coal with a heat content of 11,000 Btu/pound). NSPS/FGD: High end of the range assumes low sulfur coal (i.e. NSPS plus a scrubber with 90 percent removal efficiency. The low end of the range assumes 3.5 percent sulfur coal with a 90 percent efficient scrubber.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C., February 10, 1976.

DEAR MR. CHAIRMAN: In response to your letter dated December 18, 1975, my staff has completed a review of the report entitled, "An Analysis of the Costs to the Electric Utility Industry of House and Senate Significant Deterioration Proposals" which the National Economic Research Associates (NERA) prepared for the Electric Utility Industry Clean Air Coordinating Committee. As I will discuss in detail below, EPA essentially agrees with NERA's estimate of the impact of the Senate significant deterioration proposal on the utility industry's capital requirements. However, the Agency does not agree with NERA's estimate of the impact of the Senate proposal on the yearly expenditures of the average household or with NERA's estimate of the impact of the Senate proposal assuming EPA's current definition of best avalable control technology (i.e., Federal New Source Performance Standards (NSPS) or State regulations where they are more stringent than NSPS).

As indicated in Table 1, EPA's and NERA's estimates of the capital requirements of the Senate significant deterioration proposal over the next 15 years are very similar. Specifically, EPA projects the capital requirements to be between $7.0 and $11.5 billion which represents an increase of 2.3 to 2.6% in the industry's capital requirements. NERA's estimates are $5.3 to $11.3 billion or an increase of 1.2 to 1.9%. The NERA percentage increases are considerably lower than EPA's estimates since NERA assume a much higher baseline for cumulative capital requirements.

TABLE 1.—CUMULATIVE CAPITAL REQUIREMENTS (1975-90) OF THE SENATE PROPOSAL

[Billions 1975 dollars]

	EPA estimate (NERA estimate)[1]			
	Low growth		High growth	
Baseline (i.e., expenditures before significant deterioration)	($435.0)	$305	($600.0)	$435.0
Incremental impact of significant deterioration:				
Senate proposal[2]	(6.2)	+7	(13.2)	+11.4
Senate proposal assuming EPA's current definition of BACT[3]	(4.4)	1	(9.5)	1.5

[1] Comparable estimates for NERA are shown in parentheses.

[2] Senate class I and II provisions and Senate definition of best available control technology (i.e., maximum degree of emission control achievable).

[3] Senate class I and II provisions, assuming all plants at a minimum are required to meet EPA's current definition of BACT (i.e., Federal new source performance standards (NSPS) or State regulations where they are more stringent than NSPS).

Table 1 also shows that there is considerable difference between the EPA and NERA estimates of the capital requirements of the Senate proposal assuming EPA's current definition of best available control technology. For example, EPA estimates the cost of this policy to be between $1.4 and $2.1 billion, whereas NERA's estimates are $4.9 to $10.4 billion. The principal reason for the different estimates is that NERA assumed that most of the impacted plants could not relocate in order to comply with the Senate Class I and Class II provisions. Rather, NERA assumed that most plants would remain at the planned site and further reduce emissions of sulfur coal. Specifically, NERA estimates that an additional 48,000 to 103,000 megawatts of scrubbers would be required to comply with the Senate Class I and II provisions.

In contrast, EPA's estimates are based on a plant-by-plant analysis which investigates the feasibility (based upon water availability, proximity to transmission lines, etc.) of relocating at an alternative site in order to meet the Senate Class I and II provisions. As a result, EPA projects that only an additional 5,000 megawatts of scrubbers would be required to comply with the Senate Class I and II provisions. Since all of the plants in the sample analyzed by both EPA and NERA were planned without consideration of the Senate significant deterioration policy and since plants typically consider alternative sites, EPA believes that its estimates more accurately represent the impact of the Senate significant deterioration proposal.

The impact of the Senate proposal on the early expenditures of the average household is summarized in Table 2.

TABLE 2.—IMPACT OF THE SENATE PROPOSAL ON YEARLY HOUSEHOLD EXPENDITURES IN 1990[1]

	EPA estimate (NERA estimate)[2]			
	Low growth		High growth	
Baseline (i.e., total expenditures before significant deterioration)	($1,300)	$930	($1,540)	$1,200
Incremental impact of significant deterioration:				
Senate proposal[3]	(35)	+18	(62)	+28
Senate proposal assuming EPA's current definition of BACT[4]	(17)	+2	(32)	+3

[1] Yearly impact in 1990 is evenly divided between direct impact (i.e. higher electricity bills) and indirect impact (i.e. higher prices for goods and services consumed by the household).

[2] Comparable estimates for NERA are shown in parentheses.

[3] Senate class I and II provisions and Senate definition of best available control technology (i.e. maximum degree of emission control achievable).

[4] Senate class I and II provisions, assuming all plants as a minimum are required to meet EPA's current definition of BACT (i.e. Federal new source performance standards (NSPS) or State regulations where they are more stringent than NSPS).

As indicated in the above table, there is considerable disagreement between EPA's and NERA's estimates of the household impact of the Senate proposal. For example, EPA estimates that the Senate proposal will increase household expenditure in 1990 by $18 to $28 per year or by 1.9 to 2.3%. However, NERA projects that household expenditures will increase by $35 to $62 or by 2.7 to 4.0%. The reasons for the large differences will be discussed below.

First, NERA projects that low sulfur coal will cost about $3 per ton more than high sulfur coal in the midwest (i.e. Illinois) and $7.50 per ton more in the east (i.e. West Virginia). In addition, NERA assumes that there will be a shortage of low sulfur coal through 1990; and, therefore, an additional premium of $3 per ton will be paid by all users of low sulfur coal. While EPA agrees that there may be a shortage of low sulfur coal in 1980, EPA feels that in the long-run (i.e. post-1980) there will be more than adequate supplies of low sulfur coal. Therefore, there appears to be little justification for NERA's assumption of an additional $3 per ton premium for low sulfur coal on the post-1980 period.

Second, NERA assumed that the demand for electricity between 1973 and 1990 would increase between 5.0% and 6.0% per year. EPA estimates that the growth rate over the same period will be only 3.9% to 5.0% per year. EPA's high growth rate is based largely on a recent survey by Electrical World,[1] while the low growth rate is based upon EPA's estimate of the impact of a comprehensive energy conservation program. Therefore, it is the Agency's view that NERA has overestimated the projected growth demand for electricity.

Finally, NERA assumed that very few of the impacted plants analyzed by EPA could relocate in order to meet the Senate Class I and II provisions. Consequently, NERA forecasts that the Senate proposal will increase the use of low sulfur coal by 45 to 95 million tons per year in 1990. For the reasons discussed in the previous section on capital requirements, EPA believes that NERA's assumptions are overly pessimistic and therefore overestimate the impact of the Senate proposal.

Lastly, I would like to address the utility industry's assertion that the impact of the Senate significant deterioration proposal on other industries is unknown. As you probably know, EPA conducted extensive economic and industrial analysis prior to the December 5, 1974 promulgation of the EPA Prevention of Significant Deterioration regulations. The main conclusions related to other industries are summarized below:

The Class II increment appears adequate to allow projected economic and industrial growth in most urbanizing areas to 1980, while a Class III increment may be necessary in a number of such areas in the post-1980 period in order to avoid significant restrictions and/or altered development patterns.

Under a three-class increment plan, such as contained in EPA's regulations, all planned new sources should be able to be constructed if desired by the states and provided that they will not violate existing national ambient air quality standards. Thus, no total loss of jobs should result.

Although results are not available for the impact of the Senate's mandatory Class I areas on other industries, the EPA/FEA analysis indicates that only 4% of the planned coal-fired power plant capacity would be impacted by the Senate mandatory Class I designations and no plants would be impacted by the limited number of mandatory Class I designations under the House proposal. Similar conclusions could be drawn for other major industrial sources, which generally have lower volumes of emissions than large coal-fired power plants and thus, would transport pollutants over considerably shorter distances.

In conclusion, I would like to thank you for the opportunity to present EPA's analysis of your Senate Public Works Committee proposal to prevent significant deterioration of air quality. As you are aware, EPA feels the prevention of significant deterioration is an important environmental issue, Therefore, if I or my staff can be of any more assistance, please let me know.

Sincerely yours,

ALVIN L. ALM,
For RUSSELL E. TRAIN.

---

[1] *Electrical World*, September 1975.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

OMNIBUS DISTRICT JUDGESHIP BILL

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 287, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 287) to provide for the appointment of additional district court judges, and for other purposes.

Mr. BURDICK. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as thus amended be considered as original text for purposes of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, I would like to call attention to the calendar print of the bill which contains a clerical error.

In section 3 of the bill, in that part of the bracketed table on page 6 after the reference to Louisiana, Eastern, the word "Minnesota" and the arabic number "4" all on the same line, should be inserted.

The PRESIDING OFFICER. The question is on agreeing to the technical amendment.

The technical amendment was agreed to.

Mr. BURDICK. Mr. President, the new tables in italic on page 7 correctly show that this bill would provide a fifth judge for the district of Minnesota.

Mr. President, I also offer a three-part amendment, as follows:

(1) At page 4, on line 2, by striking the words "eastern and" and strike the word "districts" and insert in lieu thereof "district."

(2) At page 4, commencing at line 22, by striking the entire subsection (b) of Section one of the bill, through line 2 on page 5 of the bill.

(3) That part of the table in Sec. 3 of the bill which refers to Oklahoma be amended to read as follows:

Oklahoma:	
Northern	1
Eastern	1
Western	3
Northern, Eastern and Western	2

Mr. President, the bill, S. 287, creates one additional judgeship in the State of Oklahoma. Oklahoma presently has six judges, two of whom are rover judges who are commissioned to serve in all three judicial districts. The bill, as reported by the committee, would reallocate the two rover judgeships for service in but one of the districts and would have created a new seventh judgeship as a rover position serving in only the eastern and western districts.

Since the bill was reported by the Judiciary Committee there have been further consultations with the Oklahoma judges and the two Senators from Oklahoma. As a result I have been persuaded that permitting the two existing rover judgeships to continue will provide greater flexibility and will promote judicial efficiency in the three district courts in Oklahoma. Since the two rover positions will remain the same as presently authorized by statute, the new seventh judgeship should be commissioned only in the western district of Oklahoma.

The PRESIDING OFFICER. Will the Senator send the amendments to the desk?

The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from North Dakota (Mr. BURDICK) proposes technical amendments as follows:

(1) At page 4, on line 2, by striking the words "eastern and" and strike the word "districts" and insert in lieu thereof "district."

(2) At page 4, commencing at line 22, by striking the entire subsection (b) of Section one of the bill, through line 2 on page 5 of the bill.

(3) That part of the table in Sec. 3 of the bill which refers to Oklahoma be amended to read as follows:

Oklahoma:	
Northern	1
Eastern	1
Western	3
Northern, Eastern and Western	2

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. BARTLETT. Will the Senator yield?

Mr. BURDICK. I yield to the Senator from Oklahoma.

Mr. BARTLETT. I thank the distinguished Senator from North Dakota.

I thank the Senator for offering the amendment applicable to Oklahoma. It is greatly needed in Oklahoma.

Under the provisions of this bill, Oklahoma will receive one additional full-time judge. The new judge will be permanently assigned to the western district of Oklahoma. This is what the Federal judges in Oklahoma desire, because it will provide needed flexibility for the Federal judiciary in our State. It is also what Oklahoma needs to carry out its responsibilities within the Federal judiciary system.

I thank the distinguished chairman.

Mr. BURDICK. Mr. President, I ask unanimous consent that Mr. J. C. Argetsinger be granted the privileges of the floor during the consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I am glad to yield to the Senator from Delaware.

Mr. ROTH. Mr. President, I ask unanimous consent that Ted Farfaglia and Kim Johnson of my staff be accorded privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that Richard E. Kait of the staff of the Committee on the Judiciary be accorded privileges of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I support S. 287, that is now before us, to create additional Federal judges. It appears to be a reasonable measure. It is designed to enable the Federal trial courts to meet the increase in the workload that is being brought before them. While the number of judges recommended by the organized bar and bench has been reduced, the courts can help themselves by not deciding cases involving political questions or those that could more properly be decided by the legislative branch.

I believe, however, that the subcommittee and the full committee have acted in a fair and nonpartisan manner and they have recommended additional judges only for those districts meeting the standards adopted in 1973.

I am glad, of course, that the measure before us does include one additional judge each for the eastern and western districts of Virginia.

The distinguished Senator from North Dakota (Mr. BURDICK), the chairman of the Subcommittee on Improvement of Judicial Machinery, and the distinguished Senator from Nebraska (Mr. HRUSKA), the ranking minority member, are to be commended for the considerable amount of time and the effort that they have devoted to this measure. Both have attempted to be fair and impartial. While I shall follow these remarks with an amendment that adds a new title, I will support the bill before us whether my amendment is agreed to or not.

Mr. President, I have placed a copy of a "Dear Colleague" letter that explains my amendment briefly on the desk of each Senator together with a copy of the proposed amendment.

AMENDMENT NO. 946

At this time, I call up my amendment 946 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. NUNN). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the name of the Senator from Georgia (Mr. TALMADGE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, between lines 22 and 23, insert the following:

"TITLE I—APPOINTMENT OF ADDITIONAL DISTRICT COURT JUDGES

On page 2, line 23, strike out "That" and insert in lieu thereof "SEC. 101.".

On page 4, line 26, strike out "section 1(a)" and insert in lieu thereof "section 101(a)".

On page 5, line 3, strike out "SEC. 2." and insert in lieu thereof "SEC. 102.".

On page 5, line 11, strike out "SEC. 3." and insert in lieu thereof "SEC. 103.".

On page 5, line 13, strike out "sections 1 and 2" and insert in lieu thereof "sections 101 and 102".

On page 8, line 1, strike out "SEC. 4." and insert in lieu thereof "SEC. 104.".

At the end of the bill, add the following:

"TITLE II—JURISDICTION OVER CASES AND CONTROVERSIES INVOVING PUBLIC SCHOOLS

"SEC. 201. No court created by Act of Congress and having general jurisdiction, original or appellate, with respect to cases or controversies arising under the laws or Constitution of the United States, shall have any jurisdiction to hear or decide cases or controversies involving the public schools. The jurisdiction terminated by this Act shall be vested in the courts of the several States and, with respect to such cases and controversies arising in the District of Columbia or in any other territory or possession of the United States, in the Federal courts of an essentially local jurisdiction in such District, territory, or possession. In each such case or controversy, there is vested in the Supreme Court of the United States appellate jurisdiction by writ of certiorari to the highest State or territorial court exercising jurisdiction over such case or controversy.".

Amend the title so as to read: "A bill to provide for the appointment of additional district court judges, to clarify the jurisdiction of certain courts with respect to public schools, and for other purposes.".

Mr. WILLIAM L. SCOTT. Mr. President, this amendment simply provides that the State courts will have jurisdiction over all cases and controversies involving the public schools rather than to have such cases decided by the Federal courts.

At my request, the Library of Congress has attempted to identify the major areas or categories of issues in public school litigation which have been the subject of Federal court intervention in the past and which would presumably come within the purview of my amendment. For the sake of convenience, the Library has broken down these issues into four broad categories—omitting busing controversies for the moment, under the category student rights, there's validity of regulations excluding female students from participating in athletic activities and other public school programs. *Brenden* v. *Independent School District*, 477 F. 2d 1291 (C.A. 8 1973). The courts are also authorized to review final action taken by HEW and other agencies in enforcing title IX of the 1972 education amendments, prohibiting sex discrimination in federally assisted education programs.

Constitutionality of State requirements that public school students participate in flag salute and other patriotic exercises. *West Virginia State Board of Education* v. *Barnette*, 319 U.S. 624 (1940).

Validity of State laws or local regulations regarding prayer, religious instruction, and devotional exercises in the public schools. *Engel* v. *Vitale*, 370 U.S. 421 (1962).

Right of mentally handicapped children to State-supported elementary and secondary education. *P.A.R.C.* v. *Commonwealth of Pennsylvania*, 334 F. Supp. 1257 (E.D.Pa. 1971).

Right of students to speak out or otherwise express themselves on public school premises. *Tinker* v. *Des Moines Independent Community School District*, 393 U.S. 503 (1969).

Validity of dress codes and school board hairlength or grooming regulations for public school students. *Zeller* v. *Donegal School District Board of Education*, 517 F. 2d 600 (1975).

Power of Educational authorities to censor or regulate publication or distribution of student newspapers. *Papish* v. *University of Missouri Curators*, 410 U.S. 667 (1973).

School officials liability in damages under 42 United States Code 1983 for violation of students' constitutional rights. *Wood* v. *Strickland*, 420 U.S. 308 (1975).

Students' right to due process notice and opportunity for hearing prior to disciplinary suspension. *Goss* v. *Lopez*, 419 U.S. 570 (1975).

Legality of school officials' imposition of corporal punishment on students for disciplinary reasons and due process procedural safeguards which attach to such action. *Baker* v. *Owen*, 395 F. Supp. 294, *aff'd* 44 U.S.L.W. 3235 (1975).

Right of parents and children to establish and attend private and parochial schools. *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925).

II. TEACHERS' RIGHTS

Employment discrimination cases under title VII of the 1964 Civil Rights Act and the 14th amendment.

Cases involving the validity of teacher loyalty oaths. *Baggett* v. *Bullitt*, 377 U.S. 360 (1964).

Due Process procedural safeguards, notice, hearing, etc, connected with demotion, termination, or dismissal of teachers. *Board of Regents* v. *Roth*, 408 U.S. 564 (1972).

Removal of teachers for membership in the Communist Party or other proscribed organizational affiliations. *Keyishan* v. *Board of Regents*, 385 U.S. 589 (1967).

Validity of substantive qualifications and rules and regulations governing retention or promotion of teachers or school administrators. *Bradford* v. *School District No. 20*, 364 F. 2d 185 (C.A. 1965).

School board dismissal of "tenured" teacher as violation of contract rights. *High* v. *Board of Education*, 35 F. Supp. 849 (D.C. N.Y. 1941).

Right of teachers or other school employees to strike for higher wages or better working conditions.

Free speech right of teachers to express their views on matters of public importance. *Pickering* v. *Board of Education*, 391 U.S. 563 (1968).

III. ADMINISTRATION OF SCHOOL AFFAIRS, IN GENERAL

Electoral qualifications for voting on matters affecting the public schools. *Kramer* v. *Union Free School District, No. 15*, 395 U.S. 621 (1969).

Validity and interpretation of Federal statutes governing the public schools in the District of Columbia. *Hobson* v. *Hanson*, 265 F. Supp. 902 (D.C.D.C. 1967).

Validity of State statutes governing appointment and removal of local school board members. *Bush* v. *Orleans Parish School Board*, 191 F. Supp. 871, affirmed 367 U.S. 908 (1962).

Amenability of State and local school boards to suit in tort or breach of contract. *McCoy* v. *Louisiana State Board of Education*, 345 F. 2d 720 (C.A. 1964).

Right of private citizens to intervene in proceedings related to the administration of the public schools. *Rogers & Treacy, Inc.* v. *Board of Education of Park Ridge*, 99 F. 2d 733 (C.A. 1939).

Matters related to the acquisition, use, and disposition of property used for school purposes. *United States* v. *Finn*, 239 F. 2d 679 (D.C. Cal. 1955).

Validity of procedures for bidding and award of contracts and bonding of contractors for school construction and supplies. *Berkeley Unified School District* v. *Barnes Construction Co.*, 123 F. Supp. 924 (D.C. Cal. 1954).

Effect of malapportioned voting districts on validity of elections for members to local school boards. *Panior* v. *Iberville Parish School Board*, 498 F. 2d 1232 (C.A. 5 1974).

State law or regulation forbidding the teaching of the doctine of evolution in the public schools as a violation of religious freedoms guaranteed by the first and 14th amendments. *Epperson* v. *State of Arkansas*, 393 U.S. 97 (1968).

Power of school boards to prohibit "noisy demonstrations" and other disruptive student activities. *Grayned* v. *City of Rockford*, 408 U.S. 104 (1972).

IV. SCHOOL FINANCE

Allocation of State educational resources among various local school districts. *Aaron* v. *McKinley*, 173 F. Supp. 944, aff'd 361 U.S. 197 (1959).

Enforcement of conditions attached to school district receipt of Federal education funds. *United States* v. *Biloxi Municipal School District*, 326 F. 2d 237, cert. denied 379 U.S. 929 (1963).

Constitutionality of local property taxation as a source of local school district revenue where it results in disparities in per pupil expenditures between districts. *San Antonio Independent School District* v. *Rodriguez*, 411 U.S. 1 (1972).

Matters related to issuance of bonds to raise school district revenues. *Morton* v. *Dardenelle Special School District, No. 15*, 121 F. 2d 423 (C.A. 1941), cert. denied 314 U.S. 655 (1942).

Power of school district to impose tax on property of company engaged in industry affecting interstate commerce. *Republic Steel Corp.* v. *School District of West Deer Tp.*, 99 F. Sup. 190 (D.C. Pa. 1951).

Constitutionality of State aid to private and parochial schools. *Meek* v. *Pettinger*, 421 U.S. 349 (1975).

Constitutionality of Federal aid to private institution of higher education. *Tilton* v. *Richardson*, 403 U.S. 672 (1971).

Mr. President, the various subjects to which I have referred are matters that have been before the Federal courts and which, under my amendment, first would be heard in the State courts, with the right of appeal by writ of certiorari, as is presently the case with all our State matters, to the U.S. Supreme Court.

Of course, all of us are concerned about the welfare of children, about the many problems that have arisen in recent years that have been of considerable concern to the general public — the militancy, the lack of discipline existing in many schools, which would not have been tolerated a generation ago.

Until recent years, there had been no violence within the schools. Many believe that most controversies relate to the busing of children in order to obtain a proper racial balance.

Some months ago, I asked the Library of Congress to prepare a synopsis of proposals introduced in the House and in the Senate on racial busing, and I ask unanimous consent to have printed in the Record a compilation of the various bills that were introduced in the first session of the 94th Congress.

There being no objection, the material was ordered to be printed in the Record, as follows:

Synopsis of Proposed Legislation Introduced in the First Session of the 94th Congress Relative to the Busing of Students for Desegregation

SENATE BILLS AND RESOLUTIONS

A. Proposed Public Laws:

S. 517. Mr. Scott (Va.), et al.; February 3, 1975. Judiciary. Provides that Federal courts shall not have jurisdiction to hear or decide cases or controversies involving the public schools. Provides that the jurisdiction of the Federal courts terminated by this Act shall vest in the State courts.

S. 634. Mr. Roth; February 7, 1975. Labor and Public Welfare. Neighborhood School Act—Prohibits the use of Federal funds for: (1) the transportation of public school children because of race, color, national origin, creed, or sex without the voluntary consent of their parents, or (2) requiring or encouraging the assignment of teachers to any particular public school except by voluntary consent.

S. 1242. Mr. Helms; March 19, 1975. Judiciary. Public School Jurisdiction Act—Provides a uniform definition of unitary school systems for uniform court enforcement of the Civil Rights Act by requiring school systems to maintain constitutionally required racial balance as determined by prior court order and as required pursuant to a formula propounded under this Act.

B. Proposed Constitutional Amendments:

S.J. Res. 29. Mr. Roth; February 7, 1975. Judiciary. Constitutional Amendment—States that no public school pupil shall be transported to a particular school because of his or her race, color, national origin, creed, or sex.

S.J. Res. 40. Mr. Scott (Va.), et al.; February 28, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school. States that no public school teacher or other public employee of the United States or of one of the several States or political subdivisions thereof shall, because of his race, creed, or color, be assigned to or required to work at any particular job or location.

S.J. Res. 60. Mr. Bartlett: March 18, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall be assigned, transferred, or otherwise compelled to attend any school on account of his race, color, creed, or national orgin.

S.J. Res. 119. Mr. Roth; July 31, 1975. National Commission on School Busing Act—Establishes a fifteen-member commission to be known as the National Commission on School Busing. Provides that the members be appointed by the President from representatives of concerned parents and from the field of education and law.

Directs the Commission to make an investigation with respect to school busing compelled by order of the court or by a plan approved by the Department of Health, Education, and Welfare. Requires the Commission to submit a final report to the President and Congress not later than March 1, 1976. Calls upon the Commission to consider the feasibility of a constitutional amendment to prohibit compulsory school busing, a modification of court orders and plans formulated by the Department of Health, Education, and Welfare and alternatives to achieving quality education.

Authorizes the Commission to hold hearings and issue subpenas as necessary to carry out this resolution. Provides for the appointment of and compensation for the members and their staff.

Authorizes the appropriation of such sums, but not to exceed $1,000,000, as may be necessary to carry out the provisions of this joint resolution.

S.J. Res. 137. Mr. Tower, et al.; October 7, 1975. Judiciary. Constitutional Amendment—Provides that the right of students to attend the public school nearest their place of residency shall not be denied or abridged for reasons of race, color, national origin, religion, or sex.

HOUSE BILLS AND RESOLUTIONS

A. Proposed Public Laws:

H.R. 521. Mrs. Holt; January 14, 1975. Judiciary. Provides that the effectiveness of any United States district court order which requires the busing of students for purposes of desegregation or racial balance shall be postponed until all appeals from such order have been exhausted or the time for such appeals has expired.

H.R. 1096. Mr. Teague; January 14, 1975. Education and Labor. Equal Education Opportunities Act—Declares it to be the policy of the United States that: (1) all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, or national origin; and (2) the neighborhood is an appropriate basis for determining public school assignments.

Declares it to be the purpose of this Act to provide Federal financial assistance for educationally deprived students and to specify appropriate remedies for the orderly removal of the vestiges of the dual school system.

Title I: Assistance—Provides that the Secretary of Health, Education, and Welfare and the Commissioner of Education, in administering title I of the Elementary and Secondary Education Act, and any program designed to assist local educational agencies in achieving desegregation or preventing, reducing, or eliminating isolation based on race, color, or national origin in the public schools, shall take such action consistent with the provisions of this title to provide assistance under such programs in such a manner as to concentrate the funds available for carrying out such programs for the provision of basic instructional services and basic supportive services for educationally deprived students.

Provides that a local educational agency shall be eligible for such assistance under such programs if it: (1) operates a school in which a substantial proportion of the students enrolled are from low-income families; and (2) provides assurances satisfactory to the Secretary that services provided from State and local funds with respect to each such school will be at least comparable to the services provided from such funds with respect to the other schools of such agency.

Provides that nothing in this title shall be construed to authorize the Secretary or the Commissioner to alter the amount of grants or the basis for funds appropriated under pre-existing programs.

Title II: Unlawful Practices—Provides that no State shall deny equal educational opportunity to an individual on account of his race, color, or national origin. Provides that the failure of an educational agency to attain or balance, on the basis of race, color, or national origin, students among its schools shall not constitute a denial of equal educational opportunity, or equal protection of the laws.

Title III: Enforcement—Provides that an individual denied an equal educational opportunity may institute civil action in an appropriate district court of the United States against such parties, and for such relief, as may be appropriate. Authorizes the Attorney General to intervene in such an action, but only after he: (1) gives to the appropriate educational agency notice of the condition or conditions which, in his judgment, constitute a violation of this Act; and (2) certifies to the appropriate district court of the United States that he is satisfied that such educational agency has not, within a reasonable time after such notice, undertaken appropriate remedial action.

Title IV: Remedies—Provides that in formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of the equal educational opportunity or equal protection of the laws.

Provides that no court, department, or agency of the United States shall order, in pursuance of the above, the implementation of a plan that would require an increase for any school year in: (1) either the average daily distance to be traveled by, or the average daily time of travel for, all students transported by an educational agency over the comparable averages for the preceding school year; or (2) the average daily number of students transported by an educational agency over the comparable average for the preceding school year, disregarding the transportation of any student which results from a change in such student's residence, his advancement to a higher level of education, or his attendance at a school operated by an educational agency for the first time.

Provides that in the formulation of remedies under this Act, the lines drawn by a State, subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn for the purpose, and had the effect, of segregating children among public schools on the basis of race, color, or national origin.

Title V: Definitions—Provides that expenditures for basic instructional services or basic supportive services do not include expenditures for administration, operation and maintenance of plant, or for capital outlay, or such other expenditures as the Secretary say prescribe.

H.R. 1105. Mr. Teague; January 14, 1975. Judiciary. Student Transportation Moratorium Act—Provides that the implementation of any order of a court of the United States entered during the period beginning with the day after the date of enactment of this Act and ending with July 1, 1975, shall be stayed to the extent it requires, directly or indirectly, a local educational agency: (1) to transport a student who was not being transported by such local educational agency immediately prior to the entry of such order; or (2) to transport a student to or from a school to which or from which such student was not being transported by such local educational agency immediately prior to the entry of such order.

Defines the terms used in this Act.

H.R. 1134. Mr. Waggonner; January 14, 1975. Judiciary. Defines a "unitary school system", for purposes of the equal protection guarantee of the fourteenth amendment to the U.S. Constitution, as one within which no person is to be effectively excluded from any school because of race, color, or national origin, and this shall be so, whether or not such school system was in the past segregated de jure or de facto.

Declares it to be the policy of the United States to encourage school systems to adopt programs permitting any student who attends a school in which persons of his race, color, or national origin constitute a majority of the students to transfer, if he desires to do so, to the nearest appropriate school in which persons of his race, color, or national origin constitute a minority of the students.

H.R. 1304. Mrs. Holt; January 14, 1975. Judiciary. Neighborhood School Act—Prohibits the Federal courts from having jurisdiction to make any decision, enter any judgment, or issue any order with regard to the assignment of pupils to a particular school on the basis of their race, color, religion, or national origin.

Prohibits the withholding of Federal financial assistance by any Federal department, agency, officer or employee to achieve such student assignment.

H.R. 1477. Mr. Roberts; January 15, 1975. Judiciary. Student Freedom of Choice Act—States that no department employee of the United States empowered to extend Federal financial assistance to any program at any public school shall withhold, or threaten to withhold, such financial assistance: (1) on account of the racial composition of the student body at any public school or in any class where the school board maintains, in respect to such public school and class, a freedom of choice system; (2) to coerce or induce the school board to transport students to any other public school for the purpose of altering the racial composition of the student body; (3) to coerce or induce any school board to close any public school, and transfer the students from it to another public school for the purpose of altering the racial composition of the student body; and (4) to coerce or induce the school board to transfer any faculty member from the public school in which the member of the faculty contracts to serve to some other public school for the purpose of altering the racial composition of the faculty.

Provides that whenever this Act is violated, the school board aggrieved, or the parent of any student affected, or any student affected, or any member of any faculty affected, may bring a civil action against the United States in a district court of the United States.

Provides that no court of the United States shall have jurisdiction to make any decision, enter any judgment, or issue any order: (1) requiring any school board to make any change in the racial composition of the student body at any public school or in any class at any public school to which students are assigned in conformity with a freedom of choice system; or (2) requiring any school board to transport any students in order to effect a change in the racial composition of the student body; or (3) denying to any student the right or privilege of attending any public school or class at any public school chosen by the parent of such student in conformity with a freedom of choice system; or (4) requiring any school board to close any school and transfer the students from the closed school to any other school for the purpose of altering the racial composition of the student body; or (5) precluding any school board from carrying into effect any provision of any contract between it and any member of the faculty of any public school it operates specifying the public school where the member of the faculty is to perform his or her duties under the contract.

H.R. 1576. Mr. Ashbrook; January 17, 1975. Judiciary. Provides that no court of the United States shall have jurisdiction to require the attendance at a particular school of any student because of race, color, creed, or sex.

H.R. 1950. Mr. Moore; January 23, 1975. Judiciary. Antibusing Act—Provides that no court of the United States shall have jurisdiction to make any decision, enter any judgment, or issue any other order the effect of which would be to require that pupils be transported to or from school, on the basis of their race, color, religion, or national origin.

H.R. 2213. Mrs. Holt; January 23, 1975. Education and Labor. Provides under the Equal Educational Opportunities Act, that no U.S. department, agency, officer, employee, or agent shall, as a prerequisite or condition to the receipt of Federal funds, require any school to provide access to any information or records which concern race, religion, sex, or national origin and which relate to: (1) public enrollments; (2) the employment or assignment of professional and other personnel; and (3) disciplinary actions or procedures.

Allows the Federal Government to seek access to such information by obtaining prior, voluntary, written consent of the school, or by submitting to an appropriate U.S. court a petition accompanied by affidavits by or on behalf of students or parents of students alleging unlawful discrimination by the school. Requires that the school be given reasonable notice and an opportunity for a hearing.

H.R. 2364. Mr. Whitten; January 29, 1975. Education and Labor. Declares that no student shall be assigned or compelled to attend any school on account of race, creed, color, or national origin or in order to achieve racial balance in any school, except with the express approval of a local elected school board. States that nothing contained in this Act shall prevent the assignment of a pupil in the manner requested or authorized by his parents, or shall affect the right of a religious educational institution to select its pupils from members of such religion.

H.R. 2675. Mr. Gaydos; February 4, 1975. Judiciary. States that notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court which requires the transfer or transportation of any students from any school attendance area prescribed by competent State or local authority, the effectiveness of such order shall be postponed until all appeals, including to the Supreme Court, in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired.

H.R. 2798. Mr. Collins (Tex.); February 5, 1975. Interstate and Foreign Commerce. Prohibits the use of gasoline and diesel fuel for the busing of public school students to schools farther away than the closest public school offering educational courses for the appropriate grade level of the students concerned. Exempts from the provisions of this Act, parents using gasoline or diesel fuel to transport his child to a public school.

H.R. 2818. Mrs. Holt; February 5, 1975. Judiciary. Provides, under the Civil Rights Act, that no U.S. court or any Federal official shall be empowered to compel the assignment of teachers or students to schools, classes, or courses for reason of race, religion, sex, or national origin. States that Federal grants for education shall not be conditioned upon such assignment.

H.R. 4252. March 4, 1975. Judiciary. Amends the Civil Rights Act of 1964 by prohibiting any department, agency, officer or employee of the United States from using the withholding of Federal funds to coerce changes in the racial distribution of teachers or students within a school system when a freedom of choice system, as defined by this Act is used for the assignment of students.

Prohibits Federal courts from requiring school boards to make changes in the racial distribution of teachers or students when students are assigned in conformity with such a system.

H.R. 4253. Mr. Snyder; March 4, 1975. Judiciary. Student Antibusing Act—Provides that no court of the United States shall have the jurisdiction to make any decision, enter any judgment, or issue any order requiring pupils to be transported to or from school on the basis of their race, color, religion, or national origin.

Provides that no department, agency, officer, or employee of the United States empowered to extend Federal financial assistance to any program or activity at any school by way of grant, loan, or otherwise, shall withhold or threaten to withhold any such Federal financial assistance in order to coerce or induce the implementation or continuation of any plan or program the effect of which would be to require that pupils be transported to or from school on the basis of their race, color, religion, or national origin.

Provides that, notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court the effect of which is or would be to require that pupils be transported to or from school on the basis of race, color, religion, or national origin, the effectiveness of such order shall be postponed until all appeals in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired.

Gives the U.S. district courts exclusive jurisdiction of proceedings instituted pursuant to this Act and sets forth the procedure for such proceedings.

H.R. 4254. March 4, 1975. Judiciary. Declares that no Federal court having general jurisdiction shall have any jurisdiction to hear or decide cases or controversies involving the public schools. Vests jurisdiction in such cases in the courts of the several States, and appellate jurisdiction in the United States Supreme Court by writ of certiorari from the highest State or territorial court.

H.R. 4255. March 4, 1975. Judiciary. Prescribes uniform criteria for formulating judicial remedies for the elimination of dual school systems. Stipulates that the failure of an educational agency to obtain a balance, on the basis of race, color, sex, national origin, or socioeconomic status of students among its schools shall not constitute a denial of equal protection of the laws.

H.R. 9522. Mr. Teague; September 10, 1975. Judiciary. Antibusing Act—Provides that no court of the United States shall have jurisdiction to make any decision, enter any judgment, or issue any other order the effect of which would be to require that pupils be transported to or from school, on the basis of their race, color, religion, or national origin.

H.R. 9523. Mr. Teague; September 10, 1975. Judiciary. Neighborhood School Act—Prohibits the Federal courts from having jurisdiction to make any decision, enter any judgment, or issue any order with regard to the assignment of pupils to a particular school on the basis of their race, color, religion, or national origin.

Prohibits the withholding of Federal financial assistance by any Federal department, agency, officer or employee to achieve such student assignment.

H.R. 9806. Mr. Crane; September 24, 1975.

Judiciary. Withdraws jurisdiction from the Supreme Court to review any case relating to assigning or requiring any public school student to attend a particular school because of his race, creed, color, or sex.

States that disrtict courts shall not have jurisdiction in such cases.

H.R. 9898. Mr. McCollister; September 29, 1975. Judiciary. Denies Federal courts, departments, agencies, officers, or employees the power to force, by order or financial coercion, any pupil to attend a public school other than the one nearest his residence.

H.R. 10146. Mr. Preyer, et al.; October 9, 1975. Education and Labor. National Educational Opportunities Act—Title I: Definition and Guarantee of a Unitary School System and Equal Educational Opportunity. Provides that each State and its local agencies shall establish and maintain desegregated, unitary school systems, which offer equal educational opportunities to all students, regardless of race, color, or national origin.

States that a desegregated unitary school system shall be presumed to exist unless a State or local educational agency denies equal educational opportunities to an individual on account of race, color, or national origin by specified acts which have the natural, probable, foreseeable, or actual effect of segregating students on the basis of race, color, or national origin.

Prohibits local educational agencies from denying equal educational opportunity to an individual on account of race, color, or national origin by maintenance of practices or provision of resources in schools in which minority students are concentrated that are less favorable for educational success and advancement than in schools attended primarily by students of any other race, color, or national origin. Gives examples of such denials of equal educational opportunity.

Authorizes the Attorney General to bring a civil action in Federal court for equitable relief in any case where he has reasonable cause to believe that the provisions of this Act are being violated.

Title II: State Equal Educational Opportunities Plans—Requires each State to prepare and submit to the Secretary of Health, Education, and Welfare for his approval a plan to carry out the purpose of this Act.

Requires that such plan shall provide for the establishment of State and local advisory bodies to advise State and local educational agencies on development and participation in such plans.

Requires such plans to provide a viable mechanism for States and local educational systems to implement a policy of equal educational opportunities that delineates the fundamental prerequisites for a desegregated, and unitary school system.

Provides that such State plans shall include specific means for implementing some or all of the following components: (1) a majority transfer plan on both an intradistrict and interdistrict basis; (2) an open communities educational resources compensation program which shall provide for payments to any school district in which students from minority families comprised not more than 10 percent of total school enrollment during the school year 1976–1977, or in which students from low-income families comprised not more than 10 percent of total enrollment in such district during such year; (3) a school district reorganization plan; and (4) an approved, concentrated compensatory education program for basic instructional programs, supportive services, and vocational guidance and for programs having potential for improving the achievement performance of educationally deprived students.

Authorizes to be appropriated for carrying out this title not in excess of $200,000,000 for fiscal year 1977, $500,000,000 for fiscal year 1978, and $500,000,000 for each fiscal year for the next three fiscal years.

Provides a formula for allotment of such funds to the States and for allocation among various programs and agencies.

States that whenever the Secretary, after reasonable notice and opportunity for a hearing: (1) disapproves such a plan; or (2) finds that no plan has been submitted by a State, that a State plan approved under this Act has been so changed that it no longer complies with the requirements of this Act, that plan administration fails to comply substantially with any such provisions, or that a grantee is in violation of title II of this Act, the Secretary shall notify the grantee that further payments will not be made to the grantee under this title or any other educational enrichment of desegregation assistance program until he is satisfied that there will no longer be any failure to comply. Provides that, until he is so satisfied, the Secretary shall make no further payments under such titles.

Provides for review of the Secretary's action in such cases by the United States Court of Appeals for the circuit in which the claimant State is located.

Title III: General Provisions and Definitions—Defines the terms used in this Act.

H.R. 10212. Mr. Dickinson; October 20, 1975, Judiciary. A bill to limit the jurisdiction of the Supreme Court and of the district courts in certain cases.

B. Proposed Constitutional Amendments:

H.J. Res. 2. Mr. Bennett; January 14, 1975. Judicary. Constitutional Amendment—Prohibits compelling a student to attend a school other than the one nearest his residence.

H.J. Res. 24. Mr. Waggonner; January 14, 1975. Judiciary. Constitutional Amendment—Provides that nothing in the Constitution of the United States shall empower any official or court of the United States to issue any order requiring or encouraging, or directing or permitting any funds to be used or withheld to require or encourage, the transportation or busing of pupils or students from one school to another or one school district to another or to force any student or students attending any elementary or secondary school in their own neighborhood, where such school is not established purposely to perpetuate segregation, to attend any other school against his or her choice, the choice of his or her parent or guardian, in order to accomplish any objective or purpose, express or implied, under the Constitution.

H.J. Res. 26. Mr. Waggonner; January 14, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or require to attend a particular school.

(The following measures are identically worded to H.J. Res. 26: H.J. Res. 59, Holt—1/14/75; H.J. Res. 78, Randall—1/14/75; H.J. Res. 129, Moore—1/20/75; H.J. Res. 184, Gaydos—2/4/75; H.J. Res. 195, Collins—2/5/75)

H.J. Res. 42. Mr. Downing: January 14, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school.

H.J. Res. 67. Mr. Milford; January 14, 1975. Judiciary. Constitutional Amendment—Provides that the right of students to attend the public school nearest their place of residency shall not be denied or abridged for reasons of race, color, national origin, religion, or sex.

H.J. Res. 82. Mr. Satterfield; January 14, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school. States that no public school teacher or other public employee of the United States or of one of the several states of political subdivisions thereof shall, because of his race, creed, or color, be assigned to or required to work at any particular job or location.

H.J. Res. 103 (Ashbrook, January 17, 1975) is identical to H.J. Res. 82.

H.J. Res. 95. Mr. Roberts; January 15, 1975. Judiciary. Constitutional Amendment—States that the right and duty of designating which public elementary and secondary school a child or ward will attend belongs jointly to the parents or guardian of each child, or ward, and to the local school board for the district in which the child resides, or other local educational authority.

Provides that such right shall not be impaired or denied, either directly or indirectly, by the Constitution or by any law, ordinance, regulation, or action of the United States, or of any State or political subdivision thereof.

H.J. Res. 162. Mr. Whitten; January 29, 1975. Judiciary. Constitutional Amendment—Provides that no governmental authority shall at any time force any school or school district which is desegregated: (1) to take any action to force the busing of students; (2) require the abolishment of any school so desegregated; or (3) to force, on account of race, creed, or color, the transfer of students to or from a particular school so desegregated over the protest of his or her parents.

H.J. Res. 343. March 20, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend a particular school.

H.J. Res. 346. March 21, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend a particular school.

H.J. Res. 361. March 26, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 376. April 8, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a school system which assigns pupils on the basis of neighborhoods to assign pupils in any other manner.

H.J. Res. 381. April 8, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a school system which assigns pupils on the basis of neighborhood to assign pupils in any other manner.

H.J. Res. 382. April 9, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school because of race, creed, or color.

H.J. Res. 446. Mr. Mottl; May 7, 1975. Judiciary. Constitutional Amendment—Prohibits compelling a student to attend a school other than the one nearest his residence.

H.J. Res. 523. Mr. Martin; June 19, 1975. Judiciary. Constitutional Amendment—Provides that no governmental or judicial authority shall prescribe attendance assignments in public schools on the basis of race or color. Gives Congress the power to enforce this article.

H.J. Res. 628. Mr. Hubbard; September 3, 1975. Judiciary. Constitutional Amendment—Prohibits compelling a student to attend a school other than the one nearest his residence.

H.J. Res. 629. Mr. Mazzoli; September 3, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school. Gives Congress the power to enforce this article by appropriate legislation.

H.J. Res. 648. Mr. Wright; September 9, 1975. Judiciary. Constitutional Amendment—Provides that the right of students to attend the public school nearest their place of residency shall not be denied or abridged for reasons of race, color, national origin, religion, or sex.

H.J. Res. 654. Mr. Teague; September 10, 1975. Judiciary. Constitutional Amendment—Provides that nothing in the Constitution of the United States shall empower any official or court to require students to attend any school other than their neighborhood school unless such school is established for the purpose of segregation.

H.J. Res. 664. Mr. Steelman; September 19, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school.

H.J. Res. 665. Mr. Kemp. September 22, 1975. Judiciary. Constitutional Amendment—Provides that no public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school. States that no public school teacher or other public employee of the United States or of one of the several states of political subdivisions thereof shall, because of his race, creed, or color, be assigned to or required to work at any particular job or location.

H.J. Res. 674. Mr. McCollister; September 29, 1975. Judiciary, Constitutional Amendment—Prohibits compelling a student to attend a school other than the one nearest his residence.

H.J. Res. 686. Mr. Traxler; October 7, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend a particular school.

H.J. Res. 708. Mr. Lent; October 23, 1975. Judiciary. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools.

Mr. WILLIAM L. SCOTT. Mr. President, it will be noted that some of the proposals would not require an amendment to the Constitution, while others would amend the Constitution in one manner or another.

Opposition to racial busing is no longer confined to the Southern States or to any particular racial or ethnic group. People throughout the country have expressed their opposition and their frustration in being unable to do anything about it. Some of my statistics are several months old because this matter was reported by the Judiciary Committee a number of months ago and these statistics were obtained at that time. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the results of a series of professional polls with regard to public opinion on the busing controversy.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUSING CONTROVERSY

(A Harris Survey in 1972 indicates that the overwhelming majority of the American people oppose busing as a means to achieve a racial balance in the public schools. It indicates that 73 percent of the people do not want their children bused, 20 percent favor it and the remaining 7 percent are undecided. The text of the survey taken from the April 10, 1972 issue of the Chicago Tribune is as follows:)

INCREASING CONTROVERSY HARDENS OPINIONS AGAINST RACIAL BUSING

(By Louis Harris)

Altho the American people oppose busing school children to achieve racial balance by an overwhelming 73–20 percent margin, the division in the country over the morality of "most white children going to white schools and black children going to black schools" is close.

By a narrow 40–39 percent, Americans say such separation of the races in the nation's schools is "morally wrong." Paradoxically, parents across the country whose children are bused to school testify they are perfectly satisfied in their current local arrangements, altho they are adamantly opposed to "busing to achieve racial balance."

Clearly, attitudes toward busing have hardened over the last year. In early 1971 and again in early March, a cross section of 1,600 households was asked:

"Suppose the courts ordered that children in your community had to be bused to be sure that white and black children attended the same schools. Would you be willing or not to see children bused for this purpose?"

	1972 Pct.	1971 Pct.
Willing to see children bused	25	47
Not willing	69	41
Not sure	6	12

The dramatic difference between this year and last is that in 1972 a sizable majority is now willing to defy court orders on school busing, up nearly 30 points from a year ago. Clearly, the political rhetoric of 1972 has left the courts and measures to achieve racial balance thru busing isolated from a majority of public opinion.

The Harris Survey also demonstrates that the issue is far more a matter of the racial overtones involved in the busing issue rather than parental objection to busing as such.

The survey found that 51 per cent of the households in the country now have children in them who are 18 years of age and under. Of this directly affected part of the population, 34 per cent reported that they now have children who are regularly bused to school. Most frequently bused are rural pupils, where 58 per cent of the households with school age children report that students are bused.

Nationwide, parents with children who are bused to school daily were asked:

"Do your children find it convenient or inconvenient to take the school bus?"

	Total Parents Percent
Convenient to bus	89
Not convenient	10
Not sure	1

By an overwhelming 9 to 1 margin, parents report that daily busing of their children to school works out highly conveniently.

By a thumping 83–15 per cent margin, parents whose children are bused to school every day clearly are satisfied with the arrangement. The results indicate beyond doubt that the heart of the busing controversy obviously is not parent aversion to busing their children.

The key, of course, is to be found in the words "busing to achieve racial balance." On this score, there is little doubt about the current set of public opinion:

"Would you favor or oppose busing school children to achieve racial balance?"

	Total Public Percent
Favor	20
Oppose	73
Not sure	7

White people in the survey opposed busing for racial balance by 78 to 17 per cent altho blacks favored it by 52 to 34 per cent. Regionally, opposition is highest in the Deep South states, where people are against busing by 87 to 6 per cent.

People hold to these views about busing for racial balance, even tho there are serious doubts among the public about the morality of continuing essentially segregated education.

"Do you feel it is morally right or morally wrong for most white children to go to white schools and most black children to go to black schools?"

[In percent]

	Morally right	Morally wrong	Not sure
Nationwide	39	40	21
By region:			
East	33	44	23
Midwest	38	43	19
South	49	32	19
West	35	42	23
Border States	44	37	19
Deep South	59	21	20
By race:			
White	42	38	20
Black	15	59	26

Regionally, it is evident that public opinion is troubled by the moral issue involved over essentially segregated schools, altho blacks feel much more strongly on this aspect of the issue than whites.

(A special poll taken for Newsweek and published in the March 13, 1972, issue of the magazine indicates that 69 percent of the people are opposed to racial busing, 20 percent favor it and 11 percent have no opinion.)

WHAT THE GALLUP POLL DISCOVERED ABOUT BUSING

While most Americans—North and South—accept the principle of desegregated schools today, a slightly larger majority opposes compulsory busing to foster racial balance. This is the key finding of a special Newsweek survey of public opinion in the growing controversy over school busing. The poll, conducted by The Gallup Organization, also found a strong plurality in favor of a constitutional amendment that would ban the bus once and for all as a vehicle for integration.

Opposition to racial busing cuts across geographic, economic and—to a surprising extent—even across racial lines, according to the telephone survey of a national cross section of 548 adults. Despite all the high emotion and fiery rhetoric, however, the poll suggests just how little busing for racial balance is actually going on in the country right now. Only 3 per cent of those who had children in public school said their youngsters were affected by such busing.

More than three-quarters of those interviewed said their opinions on busing had not changed over the past few years. But among those whose thinking has changed, the majority were converts to the anti-busing cause.

The first question in the survey was: "Do you believe that schools in this country, both North and South, should be desegregated so that black and white pupils attend the same school?" The results:

Agree: 66 percent.

Disagree: 24 percent.

No opinion: 10 percent.

Broken down, the figures show a continuing trend toward acceptance of desegregation, especially in the South. Among Southern whites, 58 per cent favored the idea, compared with 68 per cent in the North. Interestingly, in white households with children under 18, those most directly concerned with the problem, fully 70 per cent favor desegregation.

The second question went right to the heart of the current controversy: "Do you favor or oppose compulsory busing of some children, both black and white, so that school desegregation can be achieved?" The nationwide results:

Favor: 20 percent.

Oppose: 69 percent.

No opinion: 11 percent.

Northern and Southern whites were about equally opposed to busing, 68 per cent and 74 per cent respectively. Nearly half the Negroes in the sample expressed the same opinion. And while the number of blacks interviewed was too small to be projected with statistical reliability, Gallup analysts saw strong indications that a sizable proportion of blacks do oppose busing. To the 31-year-old wife of a black truck driver in Texas, for example, the important thing was "the convenience of a school close to home, rather than being bused to a school farther away."

Fully three-fifths of those who opposed busing based their stand on the importance of the neighborhood school. Said a 55-year-old white man in Wisconsin: "I think it's wrong to take children out of their own territory." Only 3 per cent cited opposition to racial integration as their reason for opposing busing ("Colored children can get just as good an education in a colored school," argued a 56-year-old North Carolina man). More than twice that number (7 per cent) objected to the compulsion involved. "We would get along better without being forced," said a young Ohio laborer. "Forcing someone brings on more racial problems."

Not all those who oppose busing favor a constitutional amendment against it, of course. Still, 46 per cent of those surveyed did support such an amendment, compared with only 35 per cent who either favor busing or simply oppose tampering with the Constitution to fight it. An anti-busing amendment draws about the same support in the North (45 per cent) and South (48 per cent), and it is slightly more popular with adults under 40 and those with school-age children in their homes.

(The September 9, 1973 edition of the Washington Post disclosed Gallup Poll results indicating that only 5 percent of the people support racial busing from one school district to another. The entire article is as follows:)

Integration Favored, But Not Busing

(By George Gallup)

Princeton, N.J.—A majority of Americans favor the integration of public schools, but only a very small proportion approves of busing as a means to reach this goal.

Only one person in 20 (5 per cent) in a recent nation-wide Gallup Poll selects busing from a list of plans that have been suggested as ways to achieve integration in public schools in terms of different economic and racial groups.

Following are the questions asked in the survey and the key findings:

"Which, if any, of these ways do you think would be best to achieve integration in public schools in terms of different economic and racial groups?"

[In percent]

	National	Whites	Blacks
A. Create more housing for low-income people in middle-income neighborhoods	22	21	32
B. Change school boundaries to allow more persons from different economic and racial groups to attend the same schools	27	27	27
C. Bus school children from one school district to another	5	4	9
D. Do something other than A, B, or C to integrate the schools	22	23	15
E. I oppose the integration of schools	18	19	9
No opinion	17	16	26

Note: Tables add to more than 100 percent since some persons gave more than one response.

This question was then asked whites in the survey:

"Would you, yourself, have any objection to sending your children to a school where a few of the children are Negroes? Where half are Negroes? Where more than half are Negroes?

A Gallup Poll taken in May, 1975, indicated on a national basis that 72 percent of the people of the country opposed the busing of children for the purposes of obtaining a racial balance. The breakdown is somewhat interesting in that 70 percent of the people with no children in school are opposed to busing, 75 percent of the parents of children in school opposed racial busing and 66 percent of the parents with children in parochial schools oppose busing. The question posed in this survey and the results are as follows:

Do you favor busing of school children for the purpose of racial integration or should busing for this purpose be prohibited through a constitutional amendment?

[In percent]

	National totals	No children in schools	Public school parents	Parochial school parents
Favor	18	19	17	22
Prohibit	72	70	75	66
Don't know/no answer	10	11	8	12
Total	100	100	100	100

(In addition, a Harris Survey conducted last fall found a lopsided 74 to 20 percent majority oppose busing of children to obtain racial balance.)

[From the Chicago Tribune, Oct. 2, 1975]

Guilty or Not, Busing Gets Blame

(By Louis Harris)

Although the American people favor the desegregation of public school systems by 56 to 35 per cent, a lopsided 74 to 20 per cent majority oppose busing school children to achieve racial balance.

Better than two out of three Americans also say they would be unwilling to see their own children bused for racial purposes even if ordered by the court. These figures have scarcely changed since 1972.

When asked to cite their greatest concerns about busing school children to achieve racial balance, the people did not give racial fears as their main reasons. Instead a substantial 77 per cent of those who objected offered the following explanations: "Children should attend schools in their own neighborhood" (28 per cent); "Busing is expensive and a waste of money" (16 per cent); "Travel wastes too much time, makes the day too long" (11 per cent); "Busing causes an inconvenience to children" (5 per cent); "Children should not be separated from their friends" (3 per cent); "Busing uses gasoline unnecessarily" (2 per cent).

The 20 per cent of the public who did offer objections on racial grounds mentioned such factors as: "Desegregation with blacks lowers the quality of education standards" (10 per cent); "Oppose racial integration" (4 per cent); "Will make race relations grow more tense" (4 per cent); "Psychologically degrading to children" (2 per cent).

The Harris Survey asked a national cross-section of 1,497 adults: "As a matter of principle, do you favor or oppose desegregation of the public school system in the United States?"

Nationwide:	
Favor	56
Oppose	35
Not sure	9

BY REGION

East:	
Favor	57
Oppose	33
Not sure	10
Midwest:	
Favor	48
Oppose	41
Not sure	11
South:	
Favor	58
Oppose	32
Not sure	10
West:	
Favor	64
Oppose	32
Not sure	4

BY POLITICS

Conservative:	
Favor	53
Oppose	39
Not sure	8
Middle of the road:	
Favor	55
Oppose	36
Not sure	9
Liberal:	
Favor	72
Oppose	26
Not sure	2

In every region of the country and among people of all political philosophies, a clear margin favors desegregation in principle.

The Harris Survey then asked:

"Would you favor or oppose busing school children to achieve racial balance?"

	Percent
1972:	
Favor	18
Oppose	76
Not sure	6
1975:	
Favor	20
Oppose	74
Not sure	6

BY REGION

East:	
Favor	20
Oppose	70
Not sure	10
Midwest:	
Favor	19
Oppose	74
Not sure	7
South:	
Favor	18
Oppose	77
Not sure	5
West:	
Favor	27
Oppose	70
Not sure	3

BIG POLITICS

Conservative:	
Favor	16
Oppose	81
Not sure	3
Middle of the road:	
Favor	17
Oppose	78
Not sure	5
Liberal:	
Favor	31
Oppose	63
Not sure	6

Though people of every region and position on the political spectrum favor desegregation of schools in principle, they oppose busing as a means of doing so.

The American people may publicly say that inconvenience is the main reason for their disapproval of busing, but they would seem to have other, private reasons for their opposition.

The 47 per cent of the surveyed households that have children of ages 18 or younger living at home were simply asked whether the children were bused to school. A substantial 40 per cent said they were. These households were then asked whether they found the experience inconvenient. By 89 to 9 per cent, they did not. They were then asked whether they were satisfied or dissatisfied with busing. An overwhelming 87 per cent expressed satisfaction.

By their own admission, parents find virtually no problems in having their children bused to school for nonracial purposes. Thus it may be concluded that it is the racial undertones of the question that have made it so rancorous. This is also why the American people who say they favor school desegregation are so uptight. It may be clear that Americans do not view busing as an acceptable means of desegregating schools, but there is no guarantee that some other solution would cause less pain.

A Gallup poll released last October 12th concluded that busing is not seen by most Americans as the answer to the integration of our schools. In fact, the poll notes at one point: "While growing acceptance of racial integration in schools is found in all regions of the nation, the U.S. public has consistently voted against busing as a means to achieve racial integration in schools. In fact, in the current survey, only 4 per cent nationally choose busing from a list of various plans which have been proposed as ways to achieve racial integration in schools."

Mr. WILLIAM L. SCOTT. Numerous editorials from all parts of the country have also been written condemning racial busing. I should like to share a few of them and ask unanimous consent to have printed at this point in the Record, editorials and columns from U.S. News & World Report, the Washington Star, the Lynchburg News, the Richmond Times-Dispatch, and the Wall Street Journal.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

RIDING THE WRONG BUS

(By Howard Flieger)

School busing was a key factor in the politics of the Massachusetts primary campaign, just concluded.

And it will be an issue long after the results of that election are forgotten.

Except for the initial burst of emotionalism, busing probably is more controversial now than when it was introduced more than 10 years ago. Common sense warns one it is imprudent to get into a discussion of the practice without a full and dispassionate examination of the whole subject.

Yet, after all these years, one has to wonder whether transporting youngsters from one neighborhood to another is an effective way to achieve that which most Americans genuinely desire—equality for all.

Has it accomplished what it set out to do? Have the black Americans and white been brought closer together by this means?

That is the goal—but are we actually moving toward it or away from it?

The objective of busing is the integration of America's two most populous groups at the level where it really counts—among the young people of both races.

The theory is a simple one: If today's youngsters learn together, they will grow to adulthood together, and think alike.

But how do they learn together? One device—the principal one up to now—is to put youngsters of one American race into a bus and move them across town where they will go to school with youngsters of another American race; blacks learn their ABC's with whites, whites learn their ABC's with blacks. Busing, in theory, puts the two together and makes education color blind.

But does it?

It might be instructive to go back to the study that gave busing its biggest impetus—the so-called Coleman Report of 1967.

That was a study done by the noted sociologist, James S. Coleman, and joined in by others. The long report included such findings as: "If a minority pupil from a home without much educational strength is put with schoolmates with strong educational backgrounds, his achievement is likely to increase."

From such statements, the next step seemed obvious to many equal-rights champions: The way to improve an underprivileged child's learning was to move him out of his environment into a classroom association with children of a different—and presumably higher-level—environment.

The premise: Racially separated schools generally were not schools of equal opportunity. So the thing to do was to move black children into predominantly white schools, and vice versa. That, oversimplified, to be sure, was the genesis of busing.

But now there is a second Coleman Report. One of its points is that the first report was misinterpreted. Will the second one suffer the same fate?

The new report seems to say that busing has not cured the ills of segregation, that it has simply replaced old problems with new ones. Professor Coleman told Congress:

"I believe our policies of school desegregation which go beyond the elimination of de jure segregation and toward the imposition of racial balance are counterproductive in our large cities. . . ."

Students of racial equality argue now about the second report's conclusions, just as they did about those expressed in 1967.

No reasonable person can challenge the goal of eradicating racial differences that divide Americans. But, no matter how one feels about the goal of forced busing, there is no doubt that the means has inflicted hardships on children and their families; it has not ended classroom separation of the races; it has not raised the level of public education; nor has it increased voluntary integration.

There must be a better way.

[From the Washington Star, Sept. 10, 1975]

IN BOSTON AND LOUISVILLE

No doubt the news from Boston is being read in parts of the South with misguided enjoyment. It was widely said there, after the Supreme Court ruled racial segregation out of the schools, that such a policy could be tolerated only by those living hundreds of miles from the problems.

And there is irony of another sort in the news from Louisville, where cross-busing between the city and its suburbs also stirs turmoil. Louisville was among the first border state cities to comply, as compliance was then understood, with the *Brown* decision of 1954. Afterwards, Louisville's valiant superintendent of schools wrote an optimistic book, declaring that what Louisville had accomplished others could accomplish as well.

But what did Louisville accomplish, really? Whatever it did to break down racial separation in the schools in the 1950s at least coincided—if indeed it *only* coincided—with a great migration of white schoolchildren to distant suburbs, where now the schoolbuses once again search them out.

The memories of earlier taunts and failures in the school desegregation battle are, it seems to us, cautionary and sobering. They warn us that one "solution" often begets another problem. The more things change, the more they are the same—yet not the same, for all the while the true effects of the policy remain unmeasured.

If cross-busing brings stable and useful integration to the schools of Boston or Louisville that will be gratifying, but exceptional. More probably it will provoke educationally-minded parents to vote with their feet and their pocketbooks against some groupings of schools, as their counterparts have done in many Southern towns and cities, either by moving their residences or by patronizing the private schools that spring up like mushrooms in the shadow of busing.

For the continuing instability of school desegregation as national policy there is blame to spare. We have made it the nation's business to place far too much of the emphasis, in trying to rectify 60 years of the indignity of segregation by law, on schools and schoolchildren. Meanwhile we have anointed the auto and the thoroughfare as the nation's premier means of transport, assuring ourselves (or some of us, who can afford it) the means to flee farther and farther from the resulting mess.

The political branches of government, where public consent can alone do its work, have sat spellbound on the sidelines for 20 years while the federal judiciary moved from precedent to precedent in a hit-or-miss fashion. Not once has Congress decreed what amount of racial integration in the schools, for what actual educational or social purpose, the public should prepare to live with. Hence, the checkered pattern of limited success and miserable failure, compliance and evasion, that has disrupted the orderly schooling of millions of children. We have not yet resolved the fundamental question of whether it is, as it should be, our national goal to make the law color-blind—or merely to make it the instrument of whatever temporary expedient of social policy is fashionable at the moment.

But of all these failures, the chief is political. When the Supreme Court handed down the Brown decision in May, 1954, the sage Walter Lippmann warned that a precedent was not a policy, that the new law could work if, and only if, political consent could be mustered to support it. This meant, in brief, that the whole burden of enforcement could not for practical reasons be imposed on the courts, which is precisely what Professor Coleman has been saying lately.

Yet it has, throughout the agonizing crisis, been a court burden. And in Boston today, the story is the same: A lonely judge, armed only with the sanctions that make the judiciary, in Hamilton's phrase, "the least dangerous branch," must enforce the law because it is the law. And it is the law because judges have declared it the law.

And indeed the law must be enforced, if it takes every U.S. marshal in Boston to enforce it. Acquiescence in mob resistance would sow the wind. But when things have quieted down in Louisville and Boston, when the buses run unimpeded, what will have been accomplished? What will be the educational benefits to the schoolchildren, white and black? What will be the cost in lost learning and public disenchantment? We do not know. We have not, in these 20 years, paused from the frantic mechanics of desegregation, or from the moral frictions that fuel them, to find out.

[From the Lynchburg (Va.) News, Sept. 12, 1975]

THE DISASTER OF BUSING

In scattered cities throughout America this week, National Guardsmen and state and city police patrolled the streets, challenged by angry citizens protesting the forced busing of school children. In other cities throughout the nation, teachers were out on strike, over one million pupils were denied access to classrooms.

The cost to the taxpayers is incredible. The teacher strikes will add many millions to the tax burden, and the busing, on a nationwide scale, adds *billions*.

Public school education seems to have been relegated to secondary status. Once the schools were utilized to prepare our children for a useful life. Now they are utilized as sociological experiments—experiments which have proved a disastrous failure—increasing racial tensions and hostilities, creating monumental discipline problems, and crumbling the education process. In many large metropolitan centers the schools have become schools for crime. According to a National Education Association report, between 1970 and 1973 school murders went up 18.5 percent, rapes went up 40 percent, robberies almost 37 percent, burglaries about 12 percent, drug and alcohol offenses 37.5 percent, and assaults on teachers 77.4 percent. The NEA called this situation "terrible and awesome." It is that, and more. It also is one of those legitimate complaints of the teaching profession. Instead of asking for pay increases and other fringe, material benefits, if the teachers demanded combat pay and more protection, one could hardly oppose their strikes.

We have come full cycle. The original Supreme Court decision of 1954 stated that pupils could not be assigned to schools solely on account of their race. The decision, in effect, *halted* the busing of pupils to achieve segregated schools. The intent was to allow black children to attend their neighborhood schools. Now busing is *ordered* to mix the races, and pupil assignment is made *solely* on the basis of race.

Instead of promoting integration in private life, busing has alienated the races and raised an almost insurmountable obstacle to it. The Government has forced integration in public life, and destroyed the civil rights of whites in the process through the use of quotas and "affirmative action," the code word for discrimination against whites. Busing is the supreme example of the arrogance of power. There is no difference whatsoever between what is happening throughout the country this week and what happens all the time in the Communist world—where the people have no say in the conduct of their public or private affairs.

According to the latest surveys, only 4 per cent of the whites and 9 per cent of the blacks favor busing. Among those who do are large numbers of persons who refuse to send their children to integrated schools; they favor busing for other people's children, but spare their own the experience.

The question now is: how long can any government last which imposes a hated law upon the overwhelming majority of its people? It could turn out that this nagging issue will produce vast changes in the way the American nation is governed.

How can Gerald Ford profess to be the President of all the people and support busing opposed by over 90 per cent of those people? How can the Congress continue to impose it on the people? How long will the people obey the orders of their courts? How long will the police be able to cary out such orders in communities overwhelmingly opposed to them?

Busing has created deep divisions, lasting antagonisms, suspicion and distrust, and nationwide dissatisfaction. At a time when, confronted with serious national problems in energy and the environment, an attempt by unions to take over governmental services, and the growing arrogance and power of the Communist world, we need to come together to join in our common defense. Instead, busing is driving us apart, weakening the national will, and creating outright hostility to government.

There is a way out—perhaps the last legal way out of this nightmare: a Constitutional amendment declaring that no school district shall assign a student to any school on the basis of his race, creed, color or national origin.

Such amendments have been proposed. The people should be informed about them, and demand that their Congressmen and Senators support them—and vote them out of office if they do not.

If we do not take this, last legal step to halt the disaster of busing, the alternatives in the form of rising opposition, discord and violence will utlimately bring the governments, Federal, state and local, into direct conflict with the people. They already are, but, insensitive to the depth and pervasiveness of the opposition and resentment, the governments plunge blindly ahead, imposing the will of a tiny minority. The result is a fracturing of society, and the creation of a national resentment that precludes any chance of uniting in the face of other problems.

The governments are making a serious error in thinking that only a vocal minority are in opposition. That minority is but the tip of the iceberg. Most Americans opposed to busing are taking other steps: removing their children from the public schools, or fleeing to the suburbs, or farther. If the governments continue to pursue them, the time will come when, no longer able to run, they will turn and fight—and government, per se, will come crashing down. If that happens, the result will not be pretty.

[From the Richmond Times-Dispatch, Sept. 22, 1975]

The Irony, the Farce of Busing

(By John Chamberlain)

How do you write against mindlessness? An idiot slashes a Rembrandt because some voice which he identifies as the Lord's tells him he "must" do it.

A girl, for want of early family affection, tries to shoot a President to save a redwood tree.

The members of the New England Patriots, a footall team with a fighting chance of making it to a profitable Super Bowl, strike because of their objection, among other things, to a rule of employment contract termination that the courts will probably invalidate anyway.

And in New York City the teachers faced with the inexorable fact of municipal inability to raise money, stalled the beginning of the school year because of their belief that blood can be had from stones and turnips, which is not exactly a finding that would stand up in any grade school science course.

With brainlessness so all-pervasive, maybe it is unrealistic to suppose that our federal judges would begin to question the idea that busing students to achieve "racial balance" is an open sesame to better education and to more harmonious race relations.

The mindlessness of forced busing goes on, in Boston, Louisville and elsewhere, in spite of the fact that the sociologists who once believed in it have decided that it leads to scholastic retardation without any way helping the cause of integration.

As Dallas publicist Philip Nicolaides points out in a perceptive pamphlet, Dr. James S. Coleman, whose federally-funded report of 1966 set the busing mania in motion, has now, after 10 years, decided his original findings were based on quite inadequate investigation. Coleman, along with other repentant sociologists, notes that educational achievements of both blacks and whites have gone downhill since busing began, and racial bitterness has been magnified wherever it has been tried.

Sen. William L. Scott of Virginia, a devotee of common sense, argues from the evidence that federal judges are usually too remote from grassroots feeling to make an accurate assessment of the probable impact of busing. He is also convinced that an attempt by constitutional amendment to outlaw busing would be subjected to intolerable delays.

As a member of the Senate Judiciary Committee, Scott is proposing that an amendment be tacked on to an omnibus district judgeship bill that would transfer jurisdiction over "all cases and controversies involving public schools" from federal to state courts. Such a transfer is within the power of Congress provided the right of final appeal to the Supreme Court is not disturbed.

Scott's idea is surely worth a whirl. For the federal judges who have insisted on forced busing now have a vested interest in sustaining an idea that is insufferably patronizing to the black community.

The judges seem to agree with Dr. William Shockley in thinking that blacks have lower IQs than whites, and are therefore in particular need of being pulled up by forced contact with their presumed betters. Yet only four per cent of the whites and nine per cent of the blacks still believe that the way to make education catching is to seat a black child next to a white.

The whole busing proposition is inadequate to cope with the fact of mobility in American life. As long as people are free to change their neighborhoods, forced busing is bound to keep an endless chase going.

The blacks, who constitute only 10 per cent of the U.S. population, can't hope to catch whites who want to run away to better schools in the suburbs. The suburbs ray out in every direction, and busing kids "everywhere" is not a practical option in a time of high taxes and higher gasoline costs. In the nature of things, the money now spent on busing would find much better employment in hiring good teachers for people wherever they happen to be.

The irony of it is that the outlawing of *de jure* segregation, as contrasted with *de facto* segregation, was enough in itself to get real integration going. During a three-year experience in conducting seminars at a school of journalism in Troy, Ala., which is "Deep South," I have watched black students come and go on a predominantly white campus.

There is no statistical "racial balance" as yet; but the point is that each year, more and more blacks "make it" into college. Alabama will get there before Boston simply because it is letting things work themselves out as the prejudices of the older generations give way to the fact that blacks now have votes.

[From the Wall Street Journal, Sept. 10, 1975]

Thinking Things Over

(By Vermont Royster)

SCHOOL DAYS

School days, school days, dear old golden rule days . . . so runs that song of your childhood. But now that school days are once more with us you wonder what rules the children are learning today.

In some schools none at all. No reading', 'ritin' and 'rithmetic, with or without a hickory stick. Many school doors are closed because in some dozen states the teachers are on strike.

Meantime in other places the children go to school timidly. They arrive under the watchful eye of policemen set there to ward off angry demonstrations at the schoolhouse door and to protect the children from violence once within. This year add Louisville to Boston and Norfolk and all those other places where the running of the buses has bitterly divided a community.

But maybe the children are learning something anyway, just by watching the grown-ups.

In both these situations the rights and wrongs can get pretty confusing. Those who teach are certainly worthy of a fair wage for their labors. The problem is that those who are taxed to pay those wages often earn less than the teachers' present wage; in these times some of them earn no wages at all. But what the children learn is that grown-ups settle such arguments with naked power, where those who pay adamantly say "no more" and those who demand say "or else."

And while the elders squabble, it is the children who suffer.

So it is with the busing controversy. It is long past time for a school door to be closed to any child because he is black or white or any other color. They are right who cry shame that this once was so and ask not just redress but amends. The problem is that they have some right, too, who cry out against uprooting children from home and neighborhood in the name of exorcising past sins.

Strike what balance you will, the resulting turmoil and anger makes for no happy school days.

Presumably those strikes will be settled ere long one way or another. But there are no signs that the tormenting struggle over school busing is near an end. The bitterness is now so deep it is beyond any easy repair.

Yet if we are to repair it, we need to ask ourselves what it is we really wish to achieve and whether busing school children will achieve it. We might also ask ourselves what else we are doing in the process. Not easy questions because much is obscured in rhetoric.

Those who oppose busing complain that it means long trips for children to and from schools. This is certainly something to be avoided if possible, but the fact is that many children have for years had long journeys to school. In some places in the past white children took long bus trips to avoid integrated schools. Once there were no buses at all and children walked miles to school. It didn't seem to hurt Abe Lincoln any.

Those who favor busing, including the judges who ordered these plans, say that schools provided for blacks and other minority groups have been inferior to most white schools. This is indubitably true. But then they say that to remedy this, making them good schools, is not enough. The premise of the busing plans is that black students profit simply from sitting in the same classroom with white students that they can't otherwise have good schools.

This is a dubious proposition at best. Anyway there is ample evidence that many children, white or black, are more comfortable and learn better in familiar surroundings among familiar people. The quality of education is more apt to depend upon the quality of the teachers than the color of the child in the next seat.

But in fact one may doubt now whether a better education for all is any longer the real rationale for the busing plans. The clue is that these plans are drawn on a purely statistical basis. That is, to put so many of each group into each school in proportion to the population mix. The aim is less to correct educational deficiencies than to effect social changes.

So let us suppose that racial imbalances are a bad thing, that all-black or all-white schools are an abomination regardless of the educational quality of each. If that is the case, what are the causes and what the remedy?

* * * * *

The origin of these racial imbalances in the schools, as everyone agrees, is the residential pattern. People tend to cluster together by ethnic, social or economic groups. Lately the imbalance has been intensified by the flight of white middle-and-upper income groups to the suburbs, a flight caused in part by forced integration through busing.

The result has been to leave the inner-cities, and their schools, more and more populated by minority ethnic groups. This explains why successive busing plans have had to reach out to cover a wider and wider area.

If this be the ill, then the obvious remedy is to change the residential patterns which are its root. If some federal judge would order a certain number of white families to move to an area inhabited primarily by minority groups, and a certain number of minority families to move to a formerly white area, the ill complained of would be readily corrected.

There would then be no more racial imbalances in the public schools. Fleets of buses could be put away and the neighborhood school could resume its traditional place in the community.

No federal judge has done that. None would dare to. Every citizen would rise in outrage, seeing clearly an intolerable violation of a most basic civil right. Only in totalitarian countries does the government say go here and go there and the people acquiesce.

Unless, of course, you are a child. Hardly anyone claims any longer that the purpose of this busing is to improve the educational system. It is defended as a means for social change. That may be a worthy objective, but to put on school children the burden of achieving it, doing unto them what we will not do to ourselves, is a strange way to teach that golden rule.

Mr. WILLIAM L. SCOTT. We might very well ask, Mr. President, why are the people of the country so overwhelmingly opposed to the concept of busing? It seems to me that when young couples are considering the purchase of a home in which to raise their children, they consider the location of churches, and of shopping centers; they consider where the school is located as well as the general condition of the neighborhood. They consider recreational facilities for themselves and their families. They purchase an environment in which to raise their family. The children make friends within this neighborhood and it seems reasonable for them to attend school with the friends they make and play with over the years. In the event that they are taken out of their neighborhood, transported a number of miles by bus, into a strange area, they may not be as alert on arrival, they will be away from their friends, away from their families, in strange neighborhoods and sometimes even among hostile groups. Is it not natural that they will have more difficulty learning and that emotional problems may develop from such an experience? It seems to be against the interest of the children to attempt to use them as pawns to solve social problems for which they have no degree of responsibility. Small children, especially, tire easily and I am advised that they have nap times during the school day, that kindergarteners and first graders sometimes even attend school for a lesser period of time than the older children.

Of course, the time spent on the bus could very well be used for educational purposes or in some other constructive manner. Yet I doubt that any constructive purpose is served by the busing experience. If we believe our Nation has a Government where the people rule, if the ultimate sovereignty resides in the people of the country, collectively, does this not mean the decision is ultimately made by the people?

One of the serious results that has been brought to our attention is the violence resulting from busing orders, guards being placed on schoolbuses, Federal civil rights officials from the Department of Justice being brought to neighborhood schools, city police being reinforced by State policemen, National Guards coming into a community, policemen patrolling the halls of a school. This does not seem like the America we know and love and that others envy. It seems more like a police state. We have seen pictures of mothers praying in the streets in Boston, have heard that rocks are thrown, automobiles overturned, buses burned, policemen injured, children fight one another, often children of different races. Should we not reflect upon the purpose of our schools; upon how to obtain the best possible education for our children?

Many speak of the need for quality education. In fact, the Coleman report on equal educational opportunities, published in 1966, indicated the achievement of minority pupils depended more upon the schools they attended than on the achievement of majority pupils. Some months ago, Dr. James S. Coleman, the author of the report, made a complete turnaround in his views, stating that he was seriously disturbed by court action that, although well intended, achieved opposite results. He said that a reassessment of the strategy for achieving integration was necessary and stated:

> Integration isn't losing any support, but as I see it, the strategies are basically productive of resegregation, unfortunate strategies that are the outgrowth of court actions.

Dr. Coleman further indicated in his statement published in the New York Times on June 7 of last year, that busing was the prime cause for whites leaving the inner city for the suburbs and the recent segregation in the big-city school system. Reasserting his support of integration but his opposition to racial busing, Dr. Coleman added:

> We need an approach that is more stable. If integration is going to come to exist in this country, we have to devise ways where after two or three years of integration, we won't end up with resegregation.

In this regard, I noticed an editorial appropriately headlined "Another Convert," that appeared somewhat later in one of Virginia's leading daily newspapers, the Richmond Times-Dispatch. It makes the point that Norman Cousins, editor of Saturday Review, now finds fault with racial busing and suggests it should be halted. Let me call attention to one part of it which reads—

> The disruptive and divisive practice of transporting children all over the map in a vain effort to promote racial balance in public schools is, in our opinion, a major impediment to black progress and to the dramatic improvements in the nation's racial climate. The sooner this disastrous experiment is ended, the better.

Mr. President, I ask unanimous consent to have printed in the Record the editorial of January 30 in its entirety.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Another Convert

Another distinguished convert has joined the movement against forced busing, describing it as an experience that has caused far more harm than good. The time has come, writes *Saturday Review* Editor Norman

Cousins in the January 24 issue of that magazine, for advocates of busing to recognize its failure and to redirect their efforts to promote the overall welfare of black America.

Early proponents of busing, Cousins writes, honestly believed that it would promote school integration and, as a result, ultimately improve the quality of education for blacks. It was seen as the key to dramatic social and economic progress for blacks and as a certain way to promote racial harmony. Unfortunately, however, busing has produced none of these blessings.

Busing, Cousins observes, is leading not toward integration but away from it. It is resegregating schools, for it has "resulted in the exodus of white students to private schools inside the city or to public schools in the comparatively affluent suburbs beyond the economic means of blacks . . ." As a result of busing, formerly predominantly white schools in many cities are now almost completely black. Instead of promoting racial harmony, busing, in Cousins' view, has "produced deep fissures within American society."

And to what degree has busing improved the quality of education for blacks? Imperceptibly, if at all, Cousins notes. Indeed, he is convinced that busing has "lowered the standard of education available to whites" without significantly improving the quality of education "accessible to blacks."

What happened? Why didn't busing produce the educational miracles its ardent supporters had predicted? The answer, Cousins explains, is that too little importance was attached to family background as "a controlling factor in education." Children who come from deprived and troubled homes where the learning environment is poor tend to be low achievers no matter what. Busing and integration are not magic solutions to the depressing problems these children face.

So busing should be halted, Cousins says, and he proposes a "White House Conference for the purpose of making an objective analysis of the busing experience and for proposing alternatives." It is a suggestion that we enthusiastically endorse. The disruptive and divisive practice of transporting children all over the map in a vain effort to promote racial balance in public schools is, in our opinion, a major impediment to black progress and to the dramatic improvements in our nation's racial climate. The sooner this disastrous experiment is ended, the better.

Mr. WILLIAM L. SCOTT. A search by my staff of literature available has failed to produce evidence that forced busing improves the quality of education or actually lifts the achievement of minority pupils in our schools. In fact, Dr. David Armor, professor of sociology at Harvard in 1972, published a study of a voluntary busing program, transporting children from Boston to suburban area schools, and concluded that busing was not effective in increasing the achievement of students.

There are similar findings by Robert Wolf and Rita Simon in the January 1975 issue of Educational Researcher, which states:

> Our data reveal that placing children in the same institution does not integrate them. Integration can only come about through the conscious well intentioned nurturence of such interactions. If busing cannot do more than place black and white pupils in the same schools in a community that has easily accepted the rigorous demands of desegregation, then we worry about the more complicated and often controversial task of desegregation, then we worry about the more complicated and often controversial task of desegregation in large metropolitan areas.

Mr. President, it seems to me that the transportation of children from one neighborhood to another can only create emotional problems, consume time that otherwise could be used to educate the children; to spend funds for the purchase, repair, the manning and operation of buses that could be utilized for school buildings and teachers' salaries. I fail to see how involuntary racial busing, so strongly opposed by the majority of the people of this country, can add to the quality of education.

Our office has been unable to obtain authoritative information with regard to the financial cost of racial busing in this country. However, in the city of Boston alone this school year we are told that the estimate is $5.6 million for busing schoolchildren. Certainly, the total cost for the Nation as a whole is substantial.

As indicated, however, there are many approaches we can use to bring about a change in what is happening in the country. We can do it by a constitutional amendment, which would be an outright prohibition of busing to obtain a racial balance. I would support such action. But this is something that would require a two-thirds vote of both the House and the Senate; it would have to be ratified by three-fourths of the State legislatures of the country; it would take a long time to accomplish; but it is one approach. Some feel that we can, by law, prohibit the busing of children without an amendment to the Constitution but any law passed would be subject to judicial review and it might be held unconstitutional.

Rather than to consider further measures relating strictly to the busing issue, I believe we might attempt to adjust to Supreme Court decisions on this subject and to attempt to find a forum in the lower courts which would be more interested in quality education, in the general well-being of our children, and in minimizing traumatic experiences that each child has, especially during his early school years. Trial judges acquainted with neighborhood problems, dedicated to upholding the law, and interested in the general welfare of the communities where they reside, while at the same time sufficiently trained and sworn to uphold the Constitution and laws of the United States and bound by all of the decisions of the Supreme Court of the United States. This, to me, can more readily be obtained by utilizing the courts of general jurisdiction of the States for the initial hearings of all cases and controversies involving the public schools, presided over by judges who hold their positions for a term of years, rather than by utilizing the more remote and lofty Federal district courts whose judges have lifetime tenure.

I believe, Mr. President, that a State judge who may live in the locality where the controversy arises is more familiar with the facts. I believe he would work harder, would be more dedicated in attempting to come up with a solution that would protect the constitutional rights of all of the citizens and yet do it in such a way that there would be as little disturbance in the community as possible. Of course, he is bound by oath to support the Constitution of the United States as all Federal and State officials are, and Federal supremacy would be preserved under the amendment because there would still be a right of appeal from the highest court of a State to the Supreme Court of the United States. I believe that many of the problems we have today have been aggravated not so much by the broad general principles that have been laid down by the Supreme Court, but by the decisions rendered in the lower Federal courts. I would like to include a brief summary of these Supreme Court decisions since the racial question was first brought before that Court. There have not been many of them decided at that level. These cases, however, would all be binding on the courts of the several States.

Mr. President, I ask unanimous consent that a staff digest of these decisions be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The following summary of Supreme Court cases dealing with racial busing was digested from material supplied by the Library of Congress.

The mainspring of the school desegregation question and the issue of school busing is the Supreme Court decision in *Brown* v. *Board of Education*, 347 U.S. 483 (1954), which held that State-compelled segregation of the races in the public schools is inherently inequal and a denial of the Fourteenth Amendment Equal Protection of Law guarantee. The Court imposed an affirmative obligation on local officials to "fashion steps which promise realistically to convert promptly to a system without a 'white school' and a 'negro school', but just schools."

There followed other Supreme Court decisions defining the parameters of desegregation. In 1968 the Court held in *Green* v. *New Kent County*, 391 U.S. 430 (1968), that freedom of choice desegregation plans, while not inherently unacceptable, must demonstrate desegregation in fact before they satisfy the mandate of the Fourteenth Amendment. The following year the Court, in *Alexander* v. *Holmes*, 396 U.S. 19 (1969), abandoned the "with all deliberate speed" standard laid out in *Brown* and called for every school district "to terminate dual school systems at once and to operate now and hereafter only unitary schools".

In *Keys* v. *School District No. 1*, 413 U.S. 189 (1973), the Supreme Court expanded the concept of *de jure* segregation to include that fostered by racially motivated school board actions.

In its most extensive specific pronouncement on the subject, the Supreme Court in 1971 expressly endorsed the reasonable use of busing as a desgregation measure. (*Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1).

In addressing the need for transportation of students, the *Swann* Court stated that "Desegregation plans cannot be limited to the walk-in school". The Court pointed to the fact that 39% of the pupils in the United States are transported by bus to school daily, and the plan ordered by the district court in *Swann* provided shorter trips than the trips regularly scheduled by the Board. According to the Court, "the District Court's conclusion that assignment of children to the school nearest their home serving their grade would not produce an effective dismantling of the dual system is supported by the record".

Nevertheless, the Chief Justice cautioned the lower courts to consider all the factors in weighing an order involving busing. The health and age of the students must be taken into account, and the trips should not be so long as to impinge on the educational process. Although busing is within the jurisdiction of the district courts, their powers were only vaguely defined and considerable judicial discretion was given them.

In a decision, rendered *in July 1974*, Chief Justice Burger, writing for a five-man majority of the Court, vacated the district court ruling in the Detroit school busing case and remanded the case for further proceedings, holding in effect that the lower courts had applied inappropriate standards in ordering interdistrict relief in that case (*Milliken* v. *Bradley*, 418 U.S. 717). Although the Court sustained the finding of *de jure* segregation in the Detroit city schools, the Chief Justice felt that "with no showing of significant violation by 53 outlying school districts and no evidence of interdistrict violation or effect, the court went beyond the original theory of the case . . . and mandated a metropolitan area remedy".

However, some suggest this was not a mandate against a metropolitan plan in all cases. When an "interdistrict violation" can be found, the appropriate remedy may well be a metropolitan or interdistrict one. In fact, last fall in Louisville, Ky., a metropolitan plan joining Louisville and surrounding Jefferson County schools, has gone into effect with at least tacit approval of the U.S. Supreme Court. Last summer the Supreme Court refused to rule on two cases involving metropolitan plans for Louisville and Indianapolis. As a result, the case in Louisville was remanded to the district court, from which the final metropolitan order eminated (*Jefferson County* v. *Newburg Area Council*). The Indianapolis case was also remanded to the district court from which an order for a metropolitan plan also emanated, but in recent weeks the Federal Court of Appeals stayed that decision, and as a result the metropolitan remedy has not yet gone into effect in that city. Recently, the Supreme Court ruled in the case of Wilmington, Del., that the city school agency had to submit a plan for inter-district integration, along with a plan for city-only integration (*Evans* v. *Buchanan*). Essentially, it would appear that a metropolitan remedy to alleviate segregation is still a viable one when the preconditions elaborated in *Bradley* v. *Milliken* are met.

In a recent case affecting the State of Virginia, the Supreme Court, without writing an opinion on the merits, affirmed the decision of the 4th Circuit in *Bradley* v. *School Board*, 412 U.S. 92 (1973), by a divided four-four split of the Justices, Mr. Justice Powell not participating in the case.

The decision of the Circuit Court left standing by the four-four split provided that the federal courts do not have the authority, "to compel one of the States of the Union to restructure its internal government for the purpose of achieving balance in the assignment of pupils to the public schools", unless there was "invidious discrimination in the establishment or maintenance of local governmental units . . . " (462 F.2d 1058 (1972).

Mr. WILLIAM L. SCOTT. Mr. President, one of the most appealing features of the amendment is its simplicity. Article III of the Constitution begins:

> The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish.

This amendment would remove from the inferior Federal courts such jurisdiction as they now have over cases and controversies involving the public schools and return it to the State courts subject only to appeals by writ of certiorari to the U.S. Supreme Court. It would appear to be well settled that the distribution of Federal judicial power is a matter of discretion entrusted by the Constitution to Congress; the Constitution specifically provides for this and numerous Supreme Court decisions recognize it.

A brief historical survey will illustrate the principle. At the constitutional convention, the Framers first agreed to the proposition that "a national judiciary" consist of a supreme tribunal and "of one or more inferior tribunals." Then, upon the argument that State courts could adequately adjudicate all necessary matters while the supreme tribunal could protect the national interest and assure uniformity, the provision for inferior courts was struck. The next day the convention adopted an amendment to authorize Congress "to appoint inferior tribunals," the use of the ambiguous word "appoint" being made to give Congress discretion either to "appoint" existing State courts to exercise Federal jurisdiction, as was done under the confederacy, or to "appoint" Federal courts. First the committee on detail and then the committee on style rearranged and reconstituted the wording of the clause so that "appoint" first became "constitute," as it remained in article I, section 8, clause 9, and then became the present wording of article III, clause 1, to the effect that Federal judicial power "shall be vested . . . in such inferior courts as the Congress may from time to time ordain and establish."

The first Congress exercised the power so granted when it enacted the Judiciary Act of 1789—1 Stat. 73. Congress did not grant to the Federal courts the full judicial power of the United States. Jurisdictional amount requirements kept many litigants from Federal courts and sent them instead to State courts to adjudicate Federal claims. The 1789 Act contained no grant of "Federal question" jurisdiction, so that suits arising, in the words of article III, section 2, "under this Constitution, the laws of the United States, and treaties . . .", except where otherwise specifically and narrowly provided for, were required to be brought in the State courts until 1875—18 Stat. 470. And a clause barring diversity jurisdiction where diversity had been created by the assignment of choses in action kept in State courts cases which the Constitution would have permitted Congress to assign to Federal courts.

In a case involving the "assignee clause," the Supreme Court first announced the doctrine that Congress controlled much of its jurisdiction and all of that of the lower Federal courts. In the words of Mr. Justice Chase:

> The notion has frequently been entertained, that the federal courts derive their judicial power immediately from the constitution; but the political truth is, that the disposal of the judicial power (except in a few specified instances) belongs to Congress. If Congress has given the power to this court, we possess it, not otherwise; and if Congress has not given the power to us, or to any other court, it still remains at the legislative disposal. Besides, Congress is not bound, and it would, perhaps, be inexpedient, to enlarge the jurisdiction of the federal courts to every subject, in every form, which the constitution might warrant. *Turner* v. *Bank of North America*, 4 Dall. (4 U.S.) 8, 10 (1799).

And in *Cary* v. *Curtis*, 3 How. (44 U.S.) 236, 245 (1845), it was said that:

> The judicial power of the United States, although it has its origins in the Constitution, is (except in enumerated instances, applicable exclusively to this court) dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who possess the sole power of creating the tribunals (inferior to the Supreme Court), for the exercise of the judicial power, and of investing them with jurisdiction either limited, concurrent, or exclusive, and of withholding jurisdiction from them in the exact degrees and character which to Congress may seem proper for the public good." [For similar expressions, see, e.g., *Sheldon* v. *Sill*, 8 How. (49 U.S.) 441 (1850); *Plaquemines Tropical Fruit Co.* v. *Henderson*, 170 U.S. 511 (1898); *Kline* v. *Burke Const. Co.*, 260 U.S. 226 (1922); *Lockerty* v. *Phillips*, 319 U.S. 182 (1943); *South Carolina* v. *Katzenbach*, 383 U.S. 301, 331–332 (1966).]

In conclusion, the thrust of my amendment is to transfer jurisdiction over all cases and controversies involving the public schools from the Federal to the State courts. It could cover a great variety of matters, as previously indicated, but would include busing controversies which are of concern to people throughout the country. It seems untenable in a free society for a government to act contrary to the will of the people and against the best interests of children; to use them as pawns for social reform. State judges take the same oath of office as the Federal judges. They swear to uphold the Constitution of the United States as well as the constitution and laws of their own States. But they are certainly more familiar with the local situation. They may be better able to establish guidelines for local school administrators than Federal judges who are more remote from the area and more remote from the issue. They would be bound by past and future decisions of the Supreme Court of the United States and their orders would be subject to review by both the highest court of their respective States and by the Supreme Court of the United States. I believe we ought to give them a chance to attempt to work out solutions to this problem that is plaguing the entire country. Then we could devote more time to constructive matters. Certainly in the schools teachers could be working for the best possible education for all of our children.

Mr. President, I do not suggest that this amendment is a panacea or that it is the only answer to the busing problem that plagues the country. However, I believe that it is a reasonable approach, a step in the right direction. The people of this country want busing to be held at a very minimum or to be stopped entirely. It seems to me that in a free society it is untenable for us, as the elected representatives of the people, to fail to abide by their wishes. Ultimately, if sovereignty does reside in the people of the country there will be an end to this busing process. The people will find a way to terminate it. But I believe the time is now. This issue is jeopardizing the public school system, essential for the education of our children. I believe we need to stop putting them through this trauma to bring about what some consider social reform. Integration will come about through changes in housing patterns. Over the years there will be more mixed neighborhoods and over the years there will be developed more comparable standards of living among racial groups. Time will minimize differences. Students might well be permitted to transfer voluntarily to any school that would improve the racial balance and a policy like this, according to columnist William Raspberry, would not generate the fear-spawned opposition that busing has generated. Certainly wholesale busing is not the answer. As more integration in housing takes place, as more integration in jobs evolves, social problems will be lessened, then there will be a greater opportunity for quality education for all of our citizens. Busing may on the surface appear to be the solution but there are many who believe that there are better ways than busing.

I believe, Mr. President, that the State court judges, living in the neighborhood where the cases or controversies arise, would make a major effort to preserve the neighborhood schools and to minimize the racial busing of children. But, I also believe they would do this in accordance with the oaths of office that they take to support the Constitution of the United States. I believe they would try to solve this dilemma in which we find ourselves, to help provide quality education for all of the children in the country and to reduce or eliminate the conflicts that have developed.

I ask for the support of the Senate for this amendment. I believe it is in accordance with the desire of the people of the country and if afforded the opportunity, they would support it. Let us give the neighborhood schools a chance.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BURDICK. Mr. President, I rise in opposition to the amendment. At a proper time, after all have spoken on this amendment, I intend to make a motion to table the amendment.

At this time, I would like to ask for the yeas and nays on a motion to table.

The PRESIDING OFFICER. Is the Senator making his motion now?

Mr. BURDICK. I have not made the motion, no.

The PRESIDING OFFICER. It would take a unanimous consent for it to be in order to order the yeas and nays at this time.

Mr. BURDICK. Mr. President, I ask that in the form of a unaniomus consent.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. BURDICK. Mr. President, this bill is before us today for the purpose of adding 45 district judges to the judicial system. That is the purpose of the bill, and I consider that the amendment which has been offered by my good friend from Virginia more or less extraneous to the purpose for which the bill was intended.

I believe his amendment should be in the form of a bill standing upon its own feet.

This amendment was not offered in the Judiciary Committee and it comes before us now for the first time.

For those reasons, at the proper time, when all have spoken, I will move to table the amendment.

Mr. WILLIAM L. SCOTT. Will the distinguished Senator yield briefly?

Mr. BURDICK. I yield.

Mr. WILLIAM L. SCOTT. I believe there are a number of Senators who desire to speak on this amendment. I hope the Senator will withhold his motion until all have had the opportunity to speak.

Mr. BURDICK. I will.

The PRESIDING OFFICER. Who seeks recognition?

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MORGAN). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I rise in opposition to this amendment. In the first place, one could oppose the amendment solely on the ground of the breadth of the jurisdiction which it takes away.

We are left in no doubt as to the intention of the Senator from Virginia, because he has written us all a letter, dated today, and the reading of the middle paragraph of that letter indicates what this amendment would do to the Federal court jurisdiction. He says:

> Not only would this relate to the busing problem, but would include such matters as whether female students should participate in athletic contests, whether there would be compulsory participation in flag salutes and other patriotic exercises, whether there should be prayer in the schools, validity of dress codes and hair length or grooming regulations for public school students, the right of school authorities to regulate publication or distribution of student newspapers, matters arising with regard to discipline of students, corporal punishment, teachers' rights, laws regarding appointment or removal of school board members, liability of school boards in tort or contract actions, disposition of school property, procedures for awards of contracts, power of school authorities to regulate demonstrations and disruptive student activities, school finances, bond issues, school boundaries, student assignments and others.

In short, Mr. President, for a vast body of the jurisdiction established in the Federal courts, an effort would be made, in order to deprive the court of jurisdiction on the busing issue, to take away every other kind of jurisdiction of anything that related to cases or controversies involving the public schools.

The end result would be that the Federal courts would be deprived of the ability to enforce many of the rights which are vouchsafed to citizens of the United States under the 14th amendment to the Constitution, under the free speech clause and under the establishment clause, all because, I assume, the effort is made to deprive the courts of busing jurisdiction.

The reason why this amendment must be opposed, Mr. President, resides exactly there. I understand another amendment is coming along which relates more precisely to the busing issue, to be offered by the Senator from Delaware (Mr. ROTH). As I think I have stated, the enormous breadth of this amendment is the reason why, without any respect to the busing question, it needs to be defeated.

The last point which I think is important is that even in respect to busing—and I shall argue that a little bit later—we have now cut busing down so that, first, it is something only the courts can order; second, it is a last resort remedy; third, it is confined within school district lines—the Supreme Court has decided that; and fourth, our own amendments have again installed the neighborhood school concept. Furthermore, figures which we have received from the Department of Health, Education, and Welfare show that only from 2 to 4 percent of the current schoolbusing—and we are busing today about 20 million children—can be in any way attributable to desegregation.

Mr. President, under all those circumstances, involving a very vexing issue now really determined by a process of statutory debate which has gone on over a very considerable period of years, and now very sharply curtailed both by law and by the courts, it seems to me to be really an unwise development in American public life to confront the courts, which is all we would be doing; that is, confront the Federal courts again on this issue.

If it is a fact, and I believe it is a fact, that a law cannot deprive the court of the authority to enforce the 14th amendment, but only a constitutional amendment can do that, that is all the more reason for the same conclusion that a law cannot frustrate the court in applying such remedy as that amendment requires. The effort here is made to do it, of course, following the precedent of the Judiciary Act of 1789, taking away the jurisdiction of the lower Federal courts which had been conferred, in 1789, by the Congress by law. But, Mr. President, I believe that the very broad effort to deprive citizens of the United States of a forum for the redress of such a wide variety of deprivations of rights having nothing to do with busing whatever makes it extremely unwise to adopt any such amendment as this. We would be opening a Pandora's box, and I believe it had best be kept shut. Now that we have dealt with the primary questions which are involved, as I say, both by statute and by the courts, this would hardly seem a fair way, or in the tradition of our willingness to take on an issue, debate it, and try to settle it, in the way that is attempted here, by depriving the courts of jurisdiction.

So I believe the Senator from North Dakota is correct in seeking to table this amendment, and I hope, very much, for the reasons I have stated, that the motion will prevail.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate very much the statement of the Senator from New York. He mentioned the letter I have sent to each Member of the Senate, and the broadness of what I am attempting to do. Of course, I did say the things that he said, but on the Senate floor in my principal remarks, I added quite a few matters that are not included in the letter to colleagues. So it is much broader than indicated by the distinguished Senator from New York.

We had the Library of Congress to research this matter and give citations of the cases that were heard in the Federal courts involving a multiplicity of matters involving the public schools. But let me say, in rebuttal to what the distinguished Senator from New York has said, that State court judges take the same oath of office as do Federal judges. They are obligated under our Constitution to uphold and defend the constitutions of the United States of America and of the States. They take this oath, and I do not think we should feel that they are less sincere when they take the oath than a Federal judge is.

The basic reason why I offer this amendment is that I believe the public schools are an outgrowth of the family. I believe that the education of our children is about as close to the individual family as we can get. I believe that the judges of the State courts know what is going on in their own areas. They are familiar with the problems in their communities. They can better negotiate justice and decide issues and controversies involving the public schools.

It is true, as the distinguished Senator from New York suggests, that this is a broad amendment. But I believe that when we are talking about the neighborhood schools, the State courts should make the decisions while still protecting the constitutional rights of all citizens.

There is a right of appeal to the highest court of the State under my amendment and ultimately a right of appeal to the Supreme Court of the United States by certiorari. All of the decisions of the Supreme Court handed down in the past would be binding on these State court judges if my amendment is adopted.

I respect the distinguished Senator's right to his opinion, but I do disagree with the conclusions that he has reached.

Mr. President, on behalf of the Senator from Kansas (Mr. Dole), I ask unanimous consent that Mrs. Carolyn Thompson, of his staff, be granted the privilege of the floor during the consideration of the measure before us.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. WILLIAM L. SCOTT. I am glad to yield.

Mr. FORD. Mr. President, I ask unanimous consent that James Fleming, of my staff, be allowed privileges of the floor during discussion and vote on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I have a similar request. I ask unanimous consent that Charles Warren be accorded privileges of the floor during consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that Mr. George Ducworth and Mr. Bill Coates, of my staff, be allowed on the floor during discussion and vote on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in support of this piece of legislation.

First, I commend the able and distinguished Senator from North Dakota (Mr. Burdick) for the fine job he has done on this matter. I know of the great deal of time that he has taken in holding hearings and getting opinions of outstanding people on this piece of legislation.

He has adopted a formula. This is not a hit-and-miss proposition. It is not a question of whether one State gets a judge and another State does not get one. Senator Burdick has certain criteria and guidelines that he has followed and adhered to strictly. This is not a political bill.

I would have preferred the amendments of the distinguished Senators from Virginia and Delaware, and any others pertaining to school matters and other matters, to have been placed on some other bill, as this legislation is very important. It has been delayed for a long time and may have difficulty getting through both Houses this session. Senator Burdick had his report ready last year and tried along with others to get this bill considered, but the leadership had not seen fit to bring it up until now.

However, since amendments are being offered to the bill on matters of great importance to the people of this Nation, I shall support the amendments if I feel they are proper. I do feel that the amendment, offered by our distinguished colleague from Virginia (Mr. William L. Scott), of which I am a cosponsor, which would provide for the transfer of jurisdiction over cases in controversy involving the public schools from Federal courts to the State courts, should be adopted.

There is no doubt that the Senate has the right to alter the jurisdiction of the courts in this manner. The Senate is given this right in article III, of the Constitution, which gives the Congress complete control over the jurisdiction of Federal courts below the Supreme Court.

I feel that this is a fair and reasonable amendment because State judges should have a better grasp of the problem since they generally live near the place where the controversy occurs.

Thus, I believe these judges would have an advantage over Federal judges in this respect. Since these judges are elected for a term of years rather than for life, as are Federal judges, I also feel that State judges would work more conscientiously to provide guidelines for the school administrators which would be more workable and practical and still protect constitutional rights.

This jurisdictional shift would apply to a broad range of problems. It would relate to such problems as female student participation in athletic contests, compulsory participation in flag salutes and other patriotic exercises, prayer in schools, discipline of students, teachers' rights, appointment on removal of school board members, and various other matters including busing. School problems are basically local in nature and should be handled by State judges. Federal judges should be left free to handle the real Federal problems.

There are, of course, safeguards against the State judges rendering purely political decisions with disregard of constitutional rights. Decisions of these State judges would be appealable to the State Supreme Courts and ultimately to the U.S. Supreme Court.

I feel that this amendment could be most helpful in finding a solution to the forced busing problem. Forced busing to achieve a racial balance continues to be ordered by the courts and required by HEW, despite logic, experience, or the obvious wishes of most of our citizens.

If there is any doubt in anyone's mind as to how the American public feels about this issue, they should take note of the most recent Gallup poll. According to the poll, only 18 percent of those questioned favor busing, while 72 percent of them favor the prohibition of busing through use of a constitutional amendment. Among whites, the breakdown was 15 percent for busing, 75 percent against. Among blacks, 40 percent favored it, while 47 percent were opposed. The results of this poll indicate that our citizens, of all races, have come to the realization that forced busing has no basis in quality education or the advancement of learning.

It seems only logical that State judges should be given an opportunity to solve this serious problem. These judges live in the communities where this discontentment exists. They should be in a good position to find a reasonable solution which is within the bounds of the Constitution.

I urge my colleagues to join with me in voting to pass this reasonable and logical amendment.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the support of the distinguished Senator from South Carolina. He is a cosponsor of this amendment. I am grateful to him for that, and agree with the remarks that the distinguished Senator made.

Let me add for the information of the Senators that in addition to Senator Thurmond, other cosponsors are Senator Allen and my colleague from Virginia, Senator Byrd, Senator Buckley, Senator Tower, Senator Helms, Senator Talmadge, and Senator Fannin.

Mr. HARRY F. BYRD, JR. Mr. President, I support the amendment proposed by my colleague from Virginia (Mr. William L. Scott).

It would return to the States the control of their publicly supported school systems. It will effectively limit the growing tyranny of the Federal courts over public education.

This amendment, simply stated, clarifies the jurisdiction of the congressionally created Federal courts. It limits their jurisdiction by excluding all cases or controversies involving public schools. At the same time, it returns jurisdiction over those cases to the State courts, trial and appellate, with the ultimate right of review remaining in the U.S. Supreme Court.

This proposal addresses a variety of problems which have been bogged down in the legislative process for years. As a result of this nonresponsiveness, the people across this Nation have been frustrated for years. Foremost among these problems to which Congress has given too little attention is forced busing.

Forced busing is the most divisive social issue confronting this Nation today.

It enjoys no legislative mandate, is opposed by a great majority of the American people, and is even repudiated by the social engineers who a decade ago foisted this ill-conceived practice on the courts as a remedy to end dual school systems.

Forced busing has been the biggest social failure of our generation.

> What's wrong with compulsory busing is that it's a restriction of rights. We should be expanding people's rights, not restricting them.

Those are the words of Dr. James S. Coleman, architect of the Coleman Report of 1966 which has been utilized by the Federal courts to justify massive forced busing all over the country.

Dr. Coleman now admits that forced busing hurts the causes of integration and quality education. But Federal judges pay no heed.

In the effort to end the scourge of forced busing, I have supported all types of legislation, including constitutional amendments. The effort has been arduous, the debates filled with acrimony and misunderstanding, the results deeply frustrating to those who place individual liberty above the quota-oriented theories of the social planners.

But the people across this Nation have come to realize what the people of Virginia have known for so long:

Forced busing is unfair.

Forced busing is unjust.

Forced busing is not in the public interest.

The Senate needs to be reminded what our distinguished colleague, Senator Sam Ervin of North Carolina, said about forced busing:

> The equal-protection clause says that no State shall deny any person within its jurisdiction the equal protection of the laws. . . . It requires every State to treat in like manner all persons in similar circumstances. When a Federal court enters a compulsory busing decree, it clearly violates that clause of the Constitution. . .
>
> Oceans and oceans of judicial sophistry cannot wash out the fact that this is denying the children who are bused the right to attend neighborhood schools.

I believe that the amendment proposed by the Senator from Virginia (Mr. WILLIAM L. SCOTT) provides a sound, legislative solution to this difficult matter.

Article III, sections 1 and 2 of the U.S. Constitution provide; in part:

> Article. III
>
> SECTION 1. The judicial Power of the United States, shall be vested in one supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish. The Judges, both of the supreme and inferior Courts, shall hold their Offices during good Behaviour, and shall, at stated Times, receive for their Services, a Compensation, which shall not be diminished during their Continuance in Office.
>
> SEC. 2. The judicial Power shall extend to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made, under their Authority;—to all Cases affecting Ambassadors, other public ministers and Consuls;—to all Cases of admiralty and maritime Jurisdiction;—to Controversies to which the United States shall be a Party;—to Controversies between two or more States.—between a State and Citizens of another State.—between Citizens of different States;—between Citizens of the same State claiming Lands under Grants of different States, and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.
>
> In all Cases affecting Ambassadors, other public Ministers and Consuls, and those in which a State shall be Party, the supreme Court shall have original Jurisdiction. In all the other Cases before mentioned, the supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.

I stress the phrase "and in such inferior Courts as Congress may from time to time ordain and establish."

The commentary on this subject from the 1972 edition of the "Constitution of the United States of America, Revised and Annotated", is particularly enlightening, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

> *Jurisdiction of the Inferior Federal Courts.*—The Framers, as we have seen, divided with regard to the necessity of inferior courts to the Supreme Court, simply authorized Congress to create such courts, in which, then, judicial power "shall be vested" and to which nine classes of cases and controversies shall "extend." While Justice Story deemed it imperative of Congress to create inferior federal courts and, when they had been created, to vest them with all the jurisdiction they were capable of receiving, the First Congress acted upon a wholly different theory. Inferior courts were created, but jurisdiction generally over cases involving the Constitution, laws, and treaties of the United States was not given them, diversity jurisdiction was limited by a minimal jurisdictional amount requirement and by a prohibition on creation of diversity through assignments, equity jurisdiction was limited to those cases where a "plain, adequate, and complete remedy" could not be had at law. This care for detail in conferring jurisdiction upon the inferior federal courts bespoke a conviction by Members of Congress that it was within their power to confer or to withhold jurisdiction at their discretion. The cases have generally sustained this view.
>
> Thus, in *Turner* v. *Bank of North America, the issue was the jurisdiction of the federal courts in a suit to recover on a promissory* note between two citizens of the same State the issue was the jurisdiction of the federal courts in a suit to recover on a promissory note between two citizens of the same State but in which the note had been assigned to a citizen of a second State so that suit could be brought in federal court under its diversity jurisdiction, a course of action prohibited by § 11 of the Judiciary Act of 1789. Counsel for the bank argued that the grant of judicial power by the Constitution was a direct grant of jurisdiction, provoking from Chief Justice Ellsworth a considered doubt and from Justice Chase a firm rejection. "The notion has frequently been entertained, that the federal courts derive their judicial power immediately from the constitution; but the political truth is, that the disposal of the judicial power (except in a few specified instances) belongs to congress. If congress has given the power to this Court, we possess it, not otherwise: and if congress has not given the power to us, or to any other Court, it still remains at the legislative disposal. Besides, congress is not bound, and it would, perhaps, be inexpedient, to enlarge the jurisdiction of the federal Courts, to every subject, in every form, which the constitution might warrant." Applying § 11, the Court held that the circuit court had lacked jurisdiction.
>
> Chief Justice Marshall himself soon made similar assertions and the early decisions of the Court continued to be sprinkled with assumptions that the power of Congress to create inferior federal courts necessarily implied "the power to limit the jurisdiction of those Courts to particular objects." In *Cary* v. *Curtis,* a statute making final the decision of the Secretary of the Treasury in certain tax disputes was challenged as an unconstitutional deprivation of the judicial power of the courts. The Court decided otherwise. "[T]he judicial power of the United States, although it has its origin in the Constitution, is (except in enumerated instances applicable exclusively to this court), dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who possess the sole power of creating tribunals (inferior to the Supreme Court), for the exercise of the judicial power, and of investing them with jurisdiction either limited, concurrent, or exclusive, and of withholding jurisdiction from them in the exact degree and character which to Congress may seem proper for the public good." Five years later, the validity of the assignee clause of the Judiciary Act of 1789 was placed in issue in *Sheldon* v. *Sill,* in which diversity of citizenship had been created by assignment of a negotiable instrument. It was argued that inasmuch as the right of a citizen of any State to sue citizens of another flowed directly from Article III Congress could not restrict that right. Unanimously, the Court rejected these contentions and held that because the Constitution did not create inferior federal courts but rather authorized Congress to create them. Congress was also empowered to define their jurisdiction and to withhold jurisdiction of any of the enumerated cases and controversies in Article III. The case and the principle has been cited and reaffirmed numerous times, and has been quite recently applied."

Mr. HARRY F. BYRD, JR. I point out the following conclusion of the learned authors of this comment, from the American Law Division of the Library of Congress:

> Because the Constitution did not create inferior federal courts but rather authorized Congress to create them, Congress was also empowered to define their jurisdiction and to withhold jurisdiction of any of the enumerated cases and controversies in Article III. The case and the principle has been cited and reaffirmed numerous times, and has been quite recently applied.

The suggestion that Congress limit Federal jurisdiction over certain classes of cases has come from no less authority than the Federal bench. The eminent jurist on the U.S. Court of Appeals for the 4th Circuit, the Honorable H. Emory Widener, Jr., of Virginia, endorses such a solution in his learned article, "Some Random Thoughts on Judicial Restraint," which appeared in the 1974 winter issue of the Washington and Lee Law Review.

In his article, Judge Widener notes with concern:

> I do not think a continued trend in this direction [letting down the historic barriers of judicial restraint] may be sustained without accounting in any way to the expressions of suspicion so ably voiced by Madison and Hamilton and Holmes, and Douglas and Harlan and Frankfurter . . . And the fact that the suspicion of each has been aroused by a concentration of the power of government in one hand [the judiciary] should give us pause.

Judge Widener then concludes:

> Is there a solution? Of course . . .
>
> . . . the inferior federal courts are courts of limited jurisdiction, and if it is the considered sense of Congress that they are exercising will instead of judgment, which seems to me to be a fair statement of the general complaint, Congress may as easily strip them of their jurisdiction as it has established them. This is a constitutional course which has been advocated quite recently by knowledgeable men in at least one controversial field. Certainly, the regulation by Congress of the jurisdiction of the federal courts was within the contemplation of the farmers. And such limitations on the powers of the federal courts are frequent, some of the better-known being the anti-injunction provisions of the Norris-LaGuardia Act and the Internal Revenue Code, not to mention the Anti-Injunction Act.

The concerns over the potential for abuse of power by the Federal courts, over the usurpation of State court jurisdiction and domination of the judicial framework of our unique Federal-State system are not new.

Certainly, the absolute domination of local school systems by Federal judges is ample evidence of the basis for these concerns. But these concerns have not been expressed just in the last few weeks or even in the last decade.

On the contrary, George Mason, the brilliant Virginia statesman and author of Virginia's Declaration of Rights, foresaw this potential for Federal domination during the constitutional debates: During those deliberations delivered this prescient assertion:

> After having read the first section [of Article III] . . . what is there left to the State courts? Will any gentleman be pleased, candidly, fairly and without sophistry, to show us what remains? There is no limitation. It goes to every thing. The inferior courts are to be as numerous as Congress may think proper. They are to be of whatever nature they please. Read the 2nd section and contemplate attentively the extent of the jurisdiction of these courts, and consider if there be any limits to it.

Notwithstanding Hamilton's comments minimizing the impact of the Federal judiciary, terming it "the weakest of the three departments of power", the eloquent concerns of Mason have proven well-founded.

Thus, today every legal question involving public schools seems to become "a Federal case."

Indeed, with massive infusions of Federal money into State and local school systems and with repeated interventions into the administration of those schools by the Federal courts and the Federal bureaucracy, are we not really on the verge of nationalization of public education?

Such a concern was expressed last fall when Virginia's highest education official, Dr. W. E. Campbell, superintendent of public instruction, stated that the school next door or down the street someday will be run by the Federal Government unless present trends are reversed.

In an interview with the Associated Press, Dr. Campbell stated candidly:

> The planners in the Office of Education and the Office of Civil Rights [of the Department of Health, Education, and Welfare] are moving toward a completely nationalistic system of schools.

In almost the same terms, Dr. James M. Cronin, State superintendent of education in Illinois, addresses this situation in the April 1976 issue of Phi Delta Kappan. His article is entitled: "The Federal Take-over: Should the Junior Partner Run the Firm," recalling the lofty pledge of U.S. Commissioner of Education in 1965, Francis Keppel, that "the Federal Government wanted nothing more than to be the 'junior partner to the State and local school systems'."

His conclusion addresses the folly of accepting such a statement at face value:

> But slowly, inexorably, and incrementally, the federal government is taking over education. Especially since 1965, the country has moved—almost every year—toward a national system of education.

In its comment on the Campbell interview, the South Boston, Virginia Gazette-Virginian said:

> If there has ever been a prime exhibit of the old axiom that where the federal government spends, the federal government will control, it is painfully displayed in the ever-growing tentacles the U.S. Department of Health, Education, and Welfare is spreading around and choking to death the nation's schools . . .
>
> The school system here was much better off, operated more efficiently, provided a better education and performed more satisfactorily before HEW came in dangling federal funds.

Dr. Campbell sees as the only salvation from the Federal stultification of our public education system the States' resistance to further Federal funds, a conclusion shared by Dr. Cronin. This must be accompanied by a return to "more reading, writing, and arithmetic—the old basics."

I ask unanimous consent that the Gazette-Virginian editorial "The Lengthening Shadows" be printed in the Record. I also ask unanimous consent that the Phi Delta Kappa article by Dr. James M. Cronin be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

The Lengthening Shadows

If there has ever been a prime exhibit of the old axiom that where the federal government spends, the federal government will control, it is painfully displayed in the ever-growing tentacles the U.S. Department of Health, Education and Welfare is spreading around and choking to death the nation's public schools.

And the irony of it is that with a school budget this year in Halifax County of some $7,192,031 and an anticipated HEW allocation to county schools of $731,768, the federal government for all intents and purposes runs the schools.

Public school officials are scared unto death that if they don't bend over backwards to obey to the dotting of the "i" and the crossing of the "t" every HEW ultimatum on non-discrimination and its multitude of spin-off trailalongs, the county school will lose the HEW funds.

Our first reaction to that threat is to tell the HEW to take the federal funds and ram them up the Washington Monument. The school system here was much better off, operated more efficiently, provided a better education and performed more satisfactorily before HEW came in dangling federal funds.

But here is a recent Associated Press interview with the state superintendent of public instruction, Dr. W. E. Campbell, that with its ring of authority forecasts a sad, sad day for Virginia schools.

Q. Are court decisions emphasizing students' rights going to undermine discipline in the schools?

A. I think we have a good example of that. . . . We have just received two new guidelines from the Office of Civil Rights. I couldn't help thinking of them when Gov. Godwin made his blast the other day—that if he knew about these two memos, he'd have more information to use. I've already received some responses from superintendents who are very chagrined.

Q. What are these new guidelines?

A. Well, one is in the whole area of special education alternate classroom instruction. They are very definite guidelines, sometimes, and I gather . . . that the different forces in Washington and Philadelphia that draw up these guidelines are not compatible in what they want done.

They'll agree in the way it's written and they'll disagree in the law enforcement aspects of it. . . . The schools are caught between the fact that they want to be sure that there's no aspect of what appears to be discrimination . . . and yet the localities will tell you they can't help the way it appears.

I mean, in other words, if you had any minority group of children who haven't had the cultural advantages of other groups . . . there's naturally going to be a higher number of children from these groups involved in special education, and sometimes the enforcement people don't realize this.

Q. Then you think the federal government has a problem recognizing that these problems exist to a certain extent in all school systems?

A. Many of the people writing these guidelines and enforcing them have never taught a day in their life. They may have an accounting background or may have legal backgrounds, but they have no experience in public education. I think the elements of discrimination that really could be proven are minor, and in years past. Most people in education know that fairness is the best way to handle any endeavor.

Q. Do Virginia school principals have enough authority to maintain discipline in their schools?

A. I believe they do have, but the impact of these new guidelines may endanger that. There's a concern that students—once they've been told that the Office of Civil Rights is going to intervene in suspension cases—obviously are going to have to take this into consideration.

Q. What can the state do to protect its sovereignty in public education aside from objecting to these guidelines?

A. I am very hopeful that we're going to be able to ward them off. I was probably one of only three school chiefs who did not take part in lobbying to have the President's veto of $7.9 billion education bill overridden.

Q. What was there in the bill that offended you?

A. The demand on the part of the states

for obtaining federal funds makes the states very vulnerable to all these matters. At this point, any fair person will admit that the federal government is exercising far more control than the amount of money it spends can justify. States are in mortal fear of losing any part of these funds, however. Consequently, that's the first thing the bureaucrats hold over their head, that if you violate any of these things you lose your federal money.

Q. Should states try to become self-sufficient in funding public education?

A. I would love to see that, but I don't think it's going to happen.

Q. Will this eventually mean more private schools?

A. It will mean a state system of schools, not in the sense of Virginia or Maryland, but as in England. The planners in the Office of Education and Office of Civil Rights are moving toward a completely nationalistic system of schools.

Q. And yet you don't see any way to avoid it here?

A. I don't think you could avoid it without there being just a general refusal of federal money, to the point that national apprehension would develop over the problem.

Q. Do you think the people who have children in the schools want it that way?

A. No, but the people who have children in the schools don't have all the votes.

Q. But shouldn't they theoretically be the ultimate guardians of community-based public education?

A. I think definitely this is eroding. I've been told that in Congress itself there's sort of a general distrust of school board members and superintendents . . . that we've got to be sure we write into the laws guidelines that are so stringent that there's no way in the world these people, local officals can avoid doing what we want them to do.

Q. Though there has been resistance to busing in Virginia, there hasn't been violence of the kind seen in Boston and Louisville. Is this a sign of acceptance of busing or respect for the law?

A. Well, that was one of the reasons given originally as to why Virginia was one of the first states to undergo school desegregation. The people do generally respect the law here, but I don't believe they've adjusted to busing—you know the long-range, forced busing. I just think people are putting up with it.

Q. Are residual issues such as busing and collective bargaining harming educators concentration on the classroom?

A. I think the residual issues go beyond those you mentioned.

Q. Wouldn't children be the ultimate beneficiaries if teachers agitating for collective bargaining were made more contented?

A. Well, yes, except that there's been no evidence at this point that collective bargaining has resulted in any contentment. It's the very fact that it develops the adversary relationship between teachers, school boards and school administrations. We're in the era of the teacher, you know.

Q. Even if collective bargaining for teachers were approved in Virginia, wouldn't the state still be protected from teacher strikes by existing statutes prohibiting such action?

A. But how do you do it if the teachers decide to strike anyway? What did San Francisco do? You see, the only control is a heavy financial fine, but unfortunately judges that have levied these fines in some areas have also forgiven them.

I think we've got to get back to more reading, writing and arithmetic—the old basics. Now, I realize that today you can't say basic education is going to consist only of these things. There are other things that have to go into basic education, but I'm not willing to compromise basic education to include everything under the sun, as some people do.

Just look at some of these recent scores on college entrance examinations. It's a nationwide problem, not just a Virginia problem.

The Federal Takeover: Should the Junior Partner Run the Firm?

(By Joseph M. Cronin)

(Federal regulation in education has increased much more rapidly than federal financial support. Is it inevitable? Desirable? Are other options available? A state superintendent answers.)

In November, 1975, President Gerald Ford again warned Congress about the need to reduce federal spending. In that same month, he signed a major bill to expand educational services, federal dollars, and regulations for handicapped children.

Commenting on the bill, the legislative chairman of the Council of Chief State School Officers, Pennsylvania Education Secretary John Pittenger, said: "This new bill will increase federal aid to special education by 5% but federal regulation in that area by 50%."

Thus still another piece of landmark legislation joined the statute books, adding to the unprecedented volume of federal education laws, regulations, reports, and requirements promulgated since 1965.

Historians will identify 1965 as the high-water mark of the productive JFK-LBJ era of support for education. Educators may recall the reassuring words of then-U.S. Commissioner of Education Francis Keppel, who said the federal government wanted nothing more than to be the "junior partner" to the state and local school systems.

Yet these last eight years, under Republican Presidents and a Democratic Congress, witnessed these amazing events:

1. A Department of Health, Education, and Welfare budget under Secretary Elliot Richardson that surpassed in dollar value even the mammoth Department of Defense budget.*

2. Dramatic increases in teacher education production via the Education Professions Development Act, the Teacher Corps, and special vocational education grants.

3. Completion of federal desegregation efforts in many Southern and border states through the efforts of HEW, the Department of Justice, and the federal district courts.

4. Enactment of not one but half a dozen significant sex equality bills affecting education and employment, including affirmative action in colleges and schools.

5. Expenditure of more than $30 million to develop advanced measures of educational assessment that will identify what is actually learned in U.S. schools and evaluation procedures now adopted at least in part by 20 states.

6. Extensive federal investment in "Sesame Street," "The Electric Company," and other television programs to reach millions of young children and prepare them for the world of letters, numbers, and Miller Analogies Tests.

7. Major activity in support of the arts and humanities, including sponsorship of "artists in the school" programs in hundreds of local communities.

Very clearly, the junior partner has built up a number of new accounts for the firm and has begun to serve an impressive assortment of clients.

While federal programs multiply, state and local taxes together still account for more than 90% of the dollar outlay for public schools in this nation. Yet the amount of federal regulation has increased in ways disproportionate to the amount of federal dollars received.

1. Many title programs require a comprehensive written proposal to secure the money, and most programs and grants require considerable documentation and formal evaluation.

2. The Congress in the 1970s required more than two dozen additional reports and studies to which states and local schools must respond (for example, on violence in the schools or on the impact of title programs).

3. The Buckley Amendment added new procedures regulating the keeping of student records and prescribing access to student information.

4. Other federal acts, such as the Environmental Protection Act, added new requirements for school safety and sewage and heating systems.

5. School districts in states using federal revenue-sharing funds for education must document compliance with the Civil Rights Act of 1964 upon request.

The end of increased federal regulation is not in sight. We will not know the full cost implications of Title IX on vocational education, athletic, and extracurricular programs until the act is in full force—late in 1976 for elementary schools, 1978 for secondary schools.

A comprehensive early childhood education act was passed by Congress but vetoed by President Richard Nixon; with new and stronger support now from the American Federation of Teachers and the AFL-CIO, it will undoubtedly be signed by 1980, by which time some 50% of all adult women are expected to be employed outside the home.

Also, support is gradually growing for a national public employee collective bargaining bill which, Myron Lieberman and others predict, could by pre-emption reduce the state role in determining teacher wage patterns, certification and pension systems, and tenure and grievance procedures. Eventually, the federal government under the banner of "uniform accounting systems" will require a standard national format for program budgets and financial reporting which will supersede state and local formats.

U.S. Commissioner of Education Terrel Bell publicly concedes that the new handicapped children bill "will be difficult to administer." The law is full of new and progressive entitlements, appeal procedures, specified treatment options, student and parental rights, and required state activities in the realms of monitoring and program evaluation. The new law stipulates that each special education child must have a written prescription for education and treatment, and guidelines will soon be issued. Experience with equally complex mandated programs in Massachusetts, Pennsylvania, and Illinois indicates that millions of person-hours and dollars will be required just to develop the procedures, personnel systems, and forms to implement the law. By 1980 the phenomenon of "federal takeover" may appear to be an understatement of the problem.

Now, each of the aforementioned programs has, or will, command support by a majority of congressmen and senators. A President signs each one at the moment when the people clearly want the federal government to take charge. The pleas for "local control" or the slogan, "Education belongs to the states," may be uttered, even shouted, back home. But slowly, inexorably, and incrementally, the federal government is taking over education. Especially since 1965, the country has moved—almost every year—toward a national system of education. Furthermore, the potential opposition has almost conceded the inevitability of the trend, if not all the details. Several major groups will surely fight, or at least modulate, the trend toward federal domination. Consider the current status of some of the strongest coalitions of state education decision makers or other sources of advice:

1. *The Education Commission of the States*—James B. Conant proposed, in the

---

*Only a small fraction of the HEW budget goes to education, however.

early 1960s, an interstate compact for the express purpose of providing an alternative source of advice for state decision makers, including governors. A decade later, ECS receives the vast majority of its grants from the federal government. Largely with the help of federal subsidies, the ECS budget has ballooned to $14 million for providing handicapped children's education, developing early childhood programs, testing out television education over the Rocky Mountains, combatting teenage alcoholism, and developing the educational assessment program. A minority of the funds for ECS comes from foundations, and *less than 10%* of the annual operating budget comes from state fees. In recent years, featured speakers at ECS general sessions have usually included the secretary of HEW, the U.S. commissioner of education, and the director of the National Institute for Education. Many of the new federal initiatives were in fact piloted by, and the early "findings" disseminated through, the erstwhile counterculture ECS.

2. *State Education Departments*—Back in the early 1960s, most state education agencies were poorly staffed service bureaus for small rural and growing suburban districts. Many of the dynamic new federal programs such as the ESEA's Title III—for development of new ideas and services—went directly to local agencies because federal policy makers doubted the ability of most states to handle many additional responsibilities. To defuse criticism from the states, a special program, Title V, was added to *strengthen* state education departments, especially in functions such as planning and evaluation. Federal programs now provide administrative funds for all the federal titles, but especially for vocational/technical education. As a result, state education agencies generally receive between one-third and two-thirds of their total operating resources each year from the federal government. State commissioners and superintendents meet several times a year with the U.S. commissioner to discuss or be briefed on new developments.

3. *State Boards of Education*—The National Association of State Boards of Education recently received a U.S. Office of Education grant to provide training in decision making for state boards. The association now offers a new congressional liaison service to state boards so that they can keep up with changes in federal laws.

4. *The Foundations*—Federal tax policy, the regulation of Congress, and the general decline of the stock market have all reduced the grants-giving capacity of several established foundations such as Ford, Carnegie, and Rockefeller, the traditional benefactors of schools and colleges. Although foundations such as Kettering, Danforth, Lilly, Spencer, and Exxon have financed several important national and state projects, the overall influence of foundations on policy making appears to be less than it was in the 1960s. At that time the major foundations actually developed the prototype antipoverty programs, the community participation programs, the television projects, the instructional innovations, and the finance reform and assessment projects that later were picked up by the Congress and HEW. In fact, if the federal government offers funds for certain programs or ideas, most foundations will refer applicants to federal officials or their state program counterparts.

Is the federal takeover inevitable or necessary? Consider again the major reasons for federal intervention:

1. the strong press for equalizing educational opportunity which has drawn the federal courts and Congress further into the arenas of racial and sex discrimination, education of the handicapped, and bilingual and ethnic education;

2. the concern for national pride and for a strong economy which in the late 1950s provoked defense education programs for science, languages, counseling, and now generate support for vocational and career education.

At the same time, educators and special interest groups have besieged Congress with pleas to finance this or that program, cradle to grave, from day care to "Sesame Street" on to adult (including post-retirement) education programs.

Can the federal takeover be stopped, or at least the new regulatory rigidities softened? Who could do it?

First, educators and board members could request strong state governors to join in the protest against proliferating reports and procedures. The great education governors of the past, such as Nelson Rockefeller and Terry Sanford, were builders and innovators. Now the leadership needed is in the realm of helping many local and state school systems face the newer issues of enrollment decline in a constructive way, in part by using their influence with congressional delegations to cut out the new red tape.

Second, state and local leaders must thank and reward those members of Congress who fought against detailed specifications on how to operate a new federal program. How many educators know that the Congress, far more than HEW, has written in the need for dozens of new reports and regulations? How many know that regulations now must be submitted to Congress for 45 days before they go into effect? They can be changed if voices from the districts are heard. Wilson Riles, California's superintendent of public instruction, suggests that the regulations and reports be replaced by a more flexible form of periodic visits, hearings, and investigations as needed. Congress needs to hear more of these suggestions.

Third, still another approach is further program consolidation and elimination of a hundred program categories, several dozen grant application forms, and a great many mandated state program advisory councils. The new Title IV, ESEA, has almost swallowed seven old programs. Many of the nine dozen remaining could be similarly aggregated into from four to 10 general forms of aid.

Fourth, the most drastic step is to refuse to comply with certain reports whose merit is questionable, or to refuse the federal money. California was joined by other states in saying no to one needlessly complicated survey of local schools. The day may come when federal money costs more than it's worth.

Most congressmen want to reap commendations, not contention. They assume satisfaction unless someone writes or phones to the contrary. Most of them need support at budget time and when a complicated issue like school finance is before them. How many congressmen hear from educators each year with a message of thanks for program consolidations or for general state revenue sharing with its very few strings?

What are the other options?

1. Governors, legislators, state boards, and educators can raise again the state share of dues to ECS, NASBE, and other "alternative groups" to search for genuine state options to a federal system.

2. Local citizens can press harder for local and state resolution of many of the problems that face us, such as sex discrimination, parental education, and career guidance, in order to make federal initiatives redundant.

3. Local and regional foundations should deliberately seek out and stimulate constructive program proposals that are *not* on a national agenda. The Mott Foundation, by itself, has successfully promoted "community education" concepts for more than a decade. The Field Foundation supported many minority education projects well before minority children became national and state policy. The Spencer Foundation assists young social scientists in developing their research strategies at a time when federal resources have actually dropped rather sharply.

4. One or more universities should initiate centers for the development of state education policy to help states prepare their own solutions to major problems. State grants, even more than federal grants, should be made available for studies and reports.

Most of the signs point to an increasingly centralized system and national education policy. This trend may, in fact, increase certain kinds of educational opportunity while diminishing the traditional options of local and state governments. The junior partner is taking over the firm through sheer aggressiveness, while the senior partners fret about additional paperwork but graciously accept the extra income.

Mr. HARRY F. BYRD, JR. In commenting specifically on busing and the lack of violence in Virginia, as opposed to Boston and Louisville, Dr. Campbell said:

> That was one of the reasons given originally as to why Virginia was one of the first states to undergo school desegregation. The people do generally respect the law here, but I didn't believe they've adjusted to busing—you know, the long-range, forced busing. I just think people are putting up with it.

I think Dr. Campbell's succinct assessment of the attitude of Virginians toward busing is right on target.

The people of Virginia are law abiding.

They reflect in their day-to-day lives the profound, deep-rooted heritage of the Commonwealth for respect for the law and respect for individual liberties.

But while other areas of the country may react to the detestable practice of forced busing in different ways, let there be no mistake about the feeling of the people of Virginia toward forced busing:

It is wrong.

And it is unconscionable.

Fully 30 percent of Virginia's schoolchildren are affected by Federal court orders involving forced busing. Over 315,600 of Virginia's 1,080,000 schoolchildren are included in the 36 active Federal court actions requiring forced busing.

Over 30 percent of Virginia's schoolchildren go to school—not where they freely choose, not necessarily with their neighborhood playmates and family friends—but where some Federal judge orders them to go.

I have a list compiled by the State department of education showing the school districts which are under court-order busing plans. It shows the influence over the public schools of the Federal courts.

And I would remind my colleagues that this list covers only active Federal court suits. It does not begin to recount the local jurisdictions which have been threatened and harrassed into submission to the dictates of the quota-motivated bureaucrats of HEW.

I ask unanimous consent that the list be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Court Order Districts Which Involve Busing

List of court ordered school divisions to which the United States Government, Department of Justice entered. (Plans with assurance.)

School Divisions, status, and dismissed order:

Amelia County Public Schools, dismissed March 19, 1973.

Amherst County Public Schools, dismissed July 2, 1972.

Arlington County Public Schools, active.

Augusta County Public Schools, dismissed, August 6, 1966.

Brunswick County Public Schools, active.

Buchanan County Public Schools, active.

Buckingham County Public Schools, active.

Campbell County Public Schools, dismissed, 1968.

Caroline County Public Schools, active.

Charles City County Public Schools, active, NAACP-private, and law suit.

Charlotte County Public Schools, active.

Dinwiddie County Public Schools, active.

Essex County Public Schools, dismissed, July 19, 1973.

Fauquier County Public Schools, active.

Gloucester County Public Schools, active.

Goochland County Public Schools, dismissed, no date.

Greensville County Public Schools, active.

Halifax-South Boston County Schools, active.

Hanover County Public Schools, active.

Henry County Public Schools, dismissed, no date.

Isle of Wight County Public Schools, active.

Lancaster County Public Schools, active.

Loudoun County Public Schools, active.

Lunenburg County Public Schools, active.

Mecklenburg County Public Schools, active, NAACP-private, and law suit.

Middlesex County Public Schools, active, NAACP-private and law suit.

New Kent County Public Schools, dismissed, no date.

Northampton County Public Schools, active.

Northumberland County Public Schools, dismissed, 1973–1974 School Year.

Nottoway County Public Schools, dismissed, 1971.

Pittsylvania County Public Schools, dismissed, July 7, 1972.

Powhatan County Public Schools, active.

Prince Edward County Public Schools, active.

Richmond County Public Schools, dismissed, no date.

Roanoke-Salem City Public Schools, dismissed, no date.

Suffolk Public Schools, active.

Southampton County Public Schools, active.

Surry County Public Schools, dismissed, March 26, 1973.

Sussex County Public Schools, dismissed, no date.

Warren-Rappahannock Public Schools, dismissed, no date.

Cities:

Charlottesville City Public Schools, dismissed, March 1967.

Chesapeake City Public Schools, dismissed, March 6, 1972.

Danville City Public Schools, active.

Franklin City Public Schools, active.

Hopewell City Public Schools, active.

Lynchburg City Public Schools, active, NAACP-private, and law suit.

Newport News City Public Schools, active, NAACP-private, and law suit.

Norfolk City Public Schools, active.

Petersburg City Public Schools, active, NAACP-private, and law suit.

Portsmouth City Public Schools, active.

Richmond City Public Schools, active.

Staunton City Public Schools, active.

Winchester City Public Schools, active.

Town:

West Point (King William) Public Schools, active.

Other schools not listed above—desegregated or voluntary.

Mr. HARRY F. BYRD, JR. This is not a healthy situation for this Nation. It is neither advisable, nor is it constitutionally sound.

In the 1973 case of *San Antonio Independent School District* v. *Rodriguez*, 411 U.S. 1, the Supreme Court stated:

> Education, of course, is not among the rights afforded explicit protection under our Federal Constitution. Nor do we find any basis for saying it is implicitly so protected.

Indeed, in *Brown* v. *Board of Education*, 347 U.S. 483 (1954), the Supreme Court unanimously noted that "education is perhaps the most important function of State and local government."

No one in this body—no responsible spokesman in this Nation—would deny that education is fundamental to the maintenance of a free society. I, for one, subscribe to the words of Thomas Jefferson:

> The most effectual means of preventing the perversion of power into tyranny are to illuminate, as far as practicable, the minds of the people.

At the same time, it should be remembered that Jefferson, the scholar-statesman, author of the Declaration of Independence and founder of the University of Virginia, devoted his enormous energies to public education supported by the States and localities—not controlled by the Federal Government.

How much State or local control remains when a Federal judge—a Federal appointee holding office for life and accountable to no one—can wrench control of a school system away from a local school board and order without restraint or reason the massive forced busing of literally thousands of schoolchildren away from their neighborhood schools for the sole purpose of achieving some preconceived, arbitrary racial quota?

How far have we drifted from the Jeffersonian ideal when the Department of Health, Education, and Welfare is demanding of every local school board in the Nation information on the disciplinary actions of the schools against unruly students?

How much local control over public education remains when Federal bureaucrats can threaten and abuse local school officials with the loss of Federal funds and the specter of expensive, protracted and vindictive Federal litigation unless Federal bureaucratic notions program standards, classroom assignments, and employment policies are implemented without question?

I submit the Senate should consider the words of Mr. Justice Powell in his dissent in the 1975 case of Goss against Lopez:

> The Court holds for the first time that the federal courts rather than educational officials and State legislatures, have authority to determine the rules applicable to routine classroom discipline of children and teenagers in the public schools. It justifies this unprecedented intrusion into the process of elementary and secondary education by identifying a new constitutional right: the right of a student not to be suspended for as much as a single day without notice and a due process hearing either before or promptly following the suspension.

Prophetically, and with particular importance to the issue of the amendment under consideration, Mr. Justice Powell concludes:

> No one can foresee the ultimate frontiers of the new "thicket" the Court now enters. Today's ruling appears to sweep within the protected interest in education a multitude of discretionary decisions in the educational process . . .
>
> If the Court perceives a rational and analytically sound distinction between the discretionary decision by school authorities to suspend a pupil for a brief period and the types of discretionary school decisions described above, it would be prudent to articulate it in today's opinion. *Otherwise, the federal courts should prepare themselves for a vast new role in society*." (Emphasis added.)

Mr. Justice Powell's candor should not be taken lightly. His academic credentials are as impeccable as his legal credentials. He knows whereof he speaks on matters of public education. He was a member of the Virginia State Board of Education for 8 years and served as chairman of the Richmond Public School Board from 1952 to 1961, guiding that school system skillfully during those tumultuous years.

Today's amendment will not undo the Court's decision in the Goss case. Like any Supreme Court edict, that ruling becomes the law of the land. It controls the actions and legal opinions of every judge in the country, State or Federal.

Indeed, that is what the "supremacy clause" of article VI of the Constitution is all about. Clause 2 states specifically:

> This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.

It is for this reason that objections to restoring complete jurisdiction over public school cases to the State courts are absolutely without merit.

State judges use the same law as Federal judges. They are bound by the same Federal precedents.

And under this amendment, the ultimate right of review by the Supreme Court of the United States is unaffected.

I submit, however, that a great burden will be lifted off the Federal courts if this amendment is adopted.

It is a burden which they were never intended to bear. I think it is a burden they are ill-suited to shoulder.

Is there any Member of the Senate willing to admit that the trial and appellate judges of his State are not equal to the task of deciding public school cases?

I submit no one can make that assertion. It just is not true.

The State courts have every bit the expertise as their Federal counterparts, plus they enjoy far greater numbers, facilities, and accessibility.

If this amendment becomes law, the people of this Nation will immediately see two things:

First, that the Congress can respond

effectively to resolve a critical national problem.

And second, that we as a nation are still committed to and have reaffirmed the philosophy of our Founding Fathers that the strength and vitality we derive as a Federal partnership of sovereign States is greater than can ever be provided by a single, massive central government.

I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HRUSKA. Mr. President, I understand that the distinguished Senator from North Dakota, the chairman of the subcommittee, has announced his intention to move to table the pending amendment. I shall support that motion when it is voted upon. I do it regretfully, for I am in sympathy with the thrust of this amendment proposed by my good friend the Senator from Virginia. As he may know, I have long supported measures which seek its objectives.

In the present instance I am compelled to oppose this amendment to this specific bill.

Initially, I venture the question of its germaneness according to rules of the other body. There is doubt that the presence of this type of amendment in this bill, which concerns itself with the creation of judgeships, could be made to include an amendment that goes into another field—namely, the jurisdiction of courts.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield on that point?

Mr. HRUSKA. I am happy to yield, and I defer to the Senator's superior knowledge on parliamentary procedure.

Mr. WILLIAM L. SCOTT. It is not a question of my superior knowledge. We did check it out, and we found that the amendment would be germane, before I had even prepared it.

As has the distinguished Senator, I, too, have served in the House. In considering this matter, I certainly did not want to offer an amendment that would be thrown out on a point of order in the House. I was advised that it was germane.

Mr. HRUSKA. I am glad to hear that, because your answer removes that hazard, to the consideration and approval of a much needed law.

My reason for supporting the tabling of this amendment rests on the fact that the Judiciary Committee and its Judicial Improvements Subcommittee have labored long and hard to obtain a bill for a specific purpose namely, 45 new judgeships.

The legislation before us has been 3 years in the processing. It was originally introduced in 1973 to implement the recommendations of the U.S. Judicial Conference pertaining to the requirements of the district courts. Seventeen days of hearings were held on this measure in 1973. Much time and effort was taken by the committee to fashion fair and objective standards in apportioning the new judgeships.

Regrettably, this legislation did not reach the Senate floor during the 93d Congress. The legislation was introduced again in January 1975. It has taken since that time to reach floor consideration.

In the meantime, the heavy case loads which existed at the time of the 1972 Judicial Conference survey have grown to a near-intolerable level in the District courts.

In view of this factor I am opposed to joining to this bill any measures which may involve it in additional controversy, delaying it either in the Senate or the House and thus further putting off the much needed supplement to our Federal bench.

Frankly, Mr. President, under other circumstances, and on purely civic grounds, governing grounds, I would find myself in accord with the favor of the tenor of this amendment of the distinguished Senator from Virginia. Through the years of my service on the Committee on the Judiciary, I have come across some of the hardships and some of the vexatious problems that arise by reason of the Federal jurisdiction in this field. But I do not think this is the time; I do not think this is the place, in this bill. I say it regretfully. I say it with the highest of respect for the Senator from Virginia and for his sincerity and that of the cosponsors of the amendment.

I was hopeful that the amendment would not be offered; but inasmuch as it has been offered, when the proper time comes, I shall cast my vote and my support for the motion to table.

Mr. ALLEN. Mr. President, the distinguished Senator from Nebraska has made the point that this amendment should not be offered to the bill creating additional judgeships in the Federal judiciary. But he loses sight of the fact that that is about the only method available to Senators who wish to pass legislation of this sort, legislation returning to the States and local governments some measure of control of their local institutions. Many bills having to do with this subject are resting in committee at this time, and there is no indication that any of those bills ever will reach the floor of the Senate.

Inasmuch as the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) has said that he has ascertained from the highest source available in the Senate that this amendment is germane, what possible harm could there be in offering a germane amendment as to a most important issue? So it seems to the Senator from Alabama that the amendment deserves consideration on its merits and not whether it might cause a little added consideration or further deliberation by the two Houses of Congress.

Mr. President, the power of Congress to pass such legislation derives from the legislative power vested in Congress by the Constitution and from the specific power vested in Congress by the 14th amendment and from the power vested in Congress by article II, to regulate the appellate jurisdiction of the Supreme Court and thus to regulate the judicial power of the courts in all cases at law and equity.

As I understand it, the amendment would not deprive the Supreme Court of the United States of ultimate appellate jurisdiction in this area. So the matter would not be litigated only in the State courts, but the final arbiter would be the Supreme Court of the United States. Is that not correct?

Mr. WILLIAM L. SCOTT. Yes, the Senator is entirely correct.

All the decisions previously rendered by the Supreme Court would be binding upon the State courts.

The distinguished Senator also referred, as did the Senator from Nebraska, to the need to pass this measure. I am as interested in it as is any other Member of this body, because the bill provides for an additional judge for the eastern district and an additional judge for the western district of Virginia. So, from a parochial point of view, of course, I am interested in the general bill.

I have this identical amendment, as a separate bill, now pending before the Committee on the Judiciary. So if we are going to get it passed or get it considered by the Senate, this does appear to be the way to do it, because no hearings on the bill are scheduled before the Judiciary Committee, and I am a member of that committee. To me, it is a matter that is so important to the citizens of this country that every Senator should have a right to vote "yes" or "no."

The distinguished Senator from North Dakota (Mr. BURDICK) has indicated that he is going to move to table, as he has a right to do, and I intend no criticism of the Senator for exercising that prerogative. I had hoped, however, that each Senator would have been able to vote on the matter on its merits, up or down. If a Senator votes to table, he is voting against the amendment. I believe we all know that. Whether our constituents back home have the same recognition, I am not sure, but at least it will be in the RECORD that if a Senator votes "yes" to table, he is voting "no" with respect to transferring jurisdiction to the State courts and helping the public school system and the public school children.

I appreciate the kind remarks of the distinguished Senator.

Mr. ALLEN. I thank the distinguished Senator from Virginia.

I commend him for his parliamentary skill and for his ingenuity and resourcefulness in properly presenting this issue to the Senate for consideration. I have not heard one word suggesting that Congress does not have within its power the right to pass a law which would limit the jurisdiction of the lower Federal court. That right is inherent in the Congress under the Constitution. So if this is a good measure, and I submit that it is, and if there is no other way of getting such an issue before the Senate, inasmuch as bills have the habit of gathering dust in the various committees, then I think it is entirely appropriate that the amendment be offered. It is germane, it is constitutional in the judgment of constitutional authorities, and the Senate should have the right to express its views on the issue presented by this amendment. I hope that the motion to table, if such a motion is made, will be defeated.

Mr. ROTH. Mr. President, will the Senator yield for a question?

Mr. WILLIAM L. SCOTT. Certainly.

Mr. ROTH. First, I wish to echo what the distinguished Senator from Alabama said, on the point that many of us have bills before the Committee on the Judiciary: There have been no hearings on them and certainly there is no promise that they will be reported out at any time in the near future.

As the Senator properly pointed out, this may be one of the few opportunities that those of us who are seeking some remedial legislation in this area will have an opportunity to offer an amendment. For that reason, I congratulate the Senator from Virginia for introducing this amendment and intend to support him.

On the question of germaneness, I think it is also worthwhile to point out that one of the reasons given for appointment or creation of additional court judges is to enable the district courts of the United States to efficiently and expeditiously handle the business brought before them. It seems to me that it is very relevant, what he is doing, because what he is doing, in effect, is relieving the district courts of part of the responsibility so that that time can be spent on other matters.

It seems to me that what he is proposing goes directly to the problem that is being addressed by this legislation, so that it is not only directly germane, but also parliamentarily in order.

Mr. WILLIAM L. SCOTT. I say to the Senator that I appreciate his support of this amendment and I intend to support a proposal he has that is more narrow than mine, that I understand relates only to busing. The distinguished Senator from North Carolina, who is presently occupying the chair (Mr. Morgan), posed the question to me, and wanted it answered for the record, as to whether this amendment would apply to pending litigation concerning school matters. I, of course, do not know the specific answer to this. The distinguished Senator from North Carolina is a former attorney general of his State and undoubtedly has an opinion on it. Mine would be that it would not apply, because I would think that once a court took jurisdiction and a case was under consideration in the Federal court, the action by the Congress at this time would not deprive the court of jurisdiction to continue to hear the case unto its conclusion.

Now, that is a curbstone opinion and I think the distinguished Senator knows the general comment among lawyers that a curbstone opinion is worth just about what you pay for it. I did not receive any remuneration from the distinguished Senator from North Carolina, so this is a gratuitous opinion.

Mr. JAVITS. Mr. President, I rise only on this last question, because I think it is a proper question that did not occur to me. Hence, I only offer my opinion with the same humility that Mr. Scott has offered his. I believe it would apply, for this reason: One must refer to the language of the amendment, which says, "shall have any jurisdiction to enter a decree." Hence, it seems to me the intent of Congress would be to deprive the court of jurisdiction to enter a decree. I do not see any automaticity that a jurisdiction attaches prior to the entry of a decree. It necessarily persists at the time when a decree is entered if Congress has exercised its power, and the President, of course, the veto, et cetera, the power by law to end the jurisdiction before the time stipulated for the entry of a decree, by saying the jurisdiction to enter a decree is taken away. So, in my opinion, this would cut off the court's power, even in a pending case.

Mr. BURDICK. Mr. President, if all have spoken, I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

Mr. JAVITS. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from Wyoming (Mr. McGee), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), the Senator from Minnesota (Mr. Humphrey), and the Senator from Washington (Mr. Jackson) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The result was announced—yeas 62, nays 29, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—62

Abourezk
Baker
Bayh
Beall
Bellmon
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Fong
Garn
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hruska
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stennis
Stevens
Stevenson
Symington
Weicker
Williams
Young

NAYS—29

Allen
Bartlett
Bentsen
Buckley
Byrd,
Harry F., Jr.
Cannon
Chiles
Curtis
Eastland
Fannin
Ford
Goldwater
Hansen
Helms
Hollings
Huddleston
Johnston
Laxalt
Long
McClure
Nunn
Proxmire
Roth
Scott,
William L.
Sparkman
Stone
Talmadge
Thurmond
Tower

NOT VOTING—9

Gravel
Hartke
Humphrey
Jackson
McClellan
McGee
Pearson
Taft
Tunney

So Mr. Burdick's motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Baker). The Chair recognizes the Senator from Utah.

Mr. GARN. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. GARN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the end of the bill add the following new section:
>
> Sec. 5. Section 3 of the Act of August 6, 1958 (72 Stat. 497) (relating to the exemption of certain chief judges from the requirement that they relinquish their position as chief judge at age seventy), is amended by striking out the first comma and all that follows up to the period.

Mr. GARN. Mr. President, my amendment to S. 287, the district court judgeship bill, will require all Federal district court judges to surrender their chief judgeship at age 70, without exception. The amendment will affect only one court: the U.S. District Court for the District of Utah. The chief judge of that court, Willis W. Ritter, will be required to relinquish his position as chief judge, although he may continue to serve on the bench.

Repeal of this so-called grandfather clause has received wide support because, as the Judicial Conference of the United States says:

> This exception, for chief judges of two-judge district courts, to the general rule of relinquishing chief judgeship positions at age 70 has outlived its usefulness and should be eliminated.

In addition to the Judicial Conference, this change has received the support of Hon. David T. Lewis, chief judge of the U.S. 10th Circuit Court of Appeals, Hon. Erwin N. Griswold, former Solicitor General of the United States; the U.S. Department of Justice; the Utah State Bar; and others, including several State attorneys general.

I brought up this amendment without the intention of bringing it to a vote today, or any further discussion. A year ago, on March 11, 1975, I introduced S. 1130, which is identical to this amendment, but it has not had hearings.

I would be willing to withdraw this amendment from consideration at this time with the promise from the distinguished Senator from North Dakota that hearings would be held in the near future on S. 1130.

Mr. BURDICK. I want to say to the able Senator that he is entitled to a hearing on his bill. As soon as I get out from under the overload I am in right now, in a very short time——

Mr. FORD. Mr. President, I am unable to hear the distinguished Senators speaking.

Mr. BURDICK. I assure the Senator he will have a hearing on his bill.

Mr. FORD. Mr. President, may we have order?

The PRESIDING OFFICER The Senator is correct. Will the Senate please be in order? Will the Senators please suspend until we have restored order in the Senate?

Mr. HRUSKA. Will the Senator yield?

Mr. GARN. I yield to the Senator from Nebraska.

Mr. HRUSKA I am gratified to hear what the Senator from North Dakota said. We have recently had hearings before the subcommittee on the subject area in which the Senator from Utah is interested. These hearings were mighty profitable and fruitful. I think we should further explore this area and will welcome the participation of my friend from Utah.

I am happy to hear that in consideration for the withdrawal of the amendment there are assurances of additional hearings when the agenda of the subcommittee permits.

Mr. BURDICK. I am sure that the Senator from Nebraska is very much aware of the load we are carrying right now, but we will fit this in.

Mr. HRUSKA. I thank the Senator.

Mr. GARN. I thank the distinguished Senator from North Dakota. With that assurance that hearings will be held on S. 1130, I ask that my amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, I ask unanimous consent that Ralph Neas of Senator Brooke's staff be accorded the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1471

Mr. ROTH. Mr. President, I call up my amendment No. 1471 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware (Mr. ROTH) proposes an amendment as follows:

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH's amendment (No. 1471) is as follows:

On page 2, between lines 22 and 23, insert the following:

"TITLE I—APPOINTMENT OF ADDITIONAL DISTRICT COURT JUDGES".

On page 2, line 23, strike out "That" and insert in lieu thereof "SEC. 101.".

On page 5, line 3, strike out "SEC. 2." and insert in lieu thereof "SEC. 102.".

On page 5, line 11, strike out "SEC. 3." and insert in lieu thereof "SEC. 103.".

On page 8, line 1, strike out "SEC. 4." and insert in lieu thereof "SEC. 104.".

At the end of the bill, add the following:

"TITLE II—JURISDICTION OVER CASES AND CONTROVERSIES INVOLVING PUBLIC SCHOOLS

"SEC. 201. No court created by Act of Congress and having general jurisdiction, original or appellate, with respect to cases or controversies arising under the laws or Constitution of the United States, shall have any jurisdiction to enter a decree requiring directly or indirectly the transportation of students or teachers in order to carry out a plan of racial desegregation of any school or school system. The courts of the several States having competent jurisdiction—and, with respect to such cases and controversies arising in the District of Columbia or in any other territory or possession of the United States, in the Federal courts of an essentially local jurisdiction in such District, territory, or possession—are authorized to exercise the jurisdiction terminated by this Act. In such case or controversy, there is vested in the Supreme Court of the United States appellate jurisdiction by writ of certiorari from the highest State or territorial court exercising jurisdiction over such case or controversy.

"SEC. 202. No order of any court, created by Act of Congress, requiring directly or indirectly the transportation of students or teachers to carry out a plan of racial desegregation of any school or school system operated by a State or local educational agency, as the case may be, which is in effect on the day before the date of enactment of this Act shall remain in force or effect. On the application of a party, any State court of appropriate jurisdiction in the State wherein such State or local educational agency is located may assume jurisdiction of the case for purposes of entering an order for appropriate remedial relief.".

Amend the title so as to read: "A bill to provide for the appointment of additional district court judges, to clarify the jurisdiction of certain courts with respect to public schools, and for other purposes.".

Mr. ROTH. Mr. President, the purpose of this amendment is to remove the judicial authority of the lower Federal courts to order the transportation of students or teachers as a remedy to carry out a plan of racial desegregation of any school or school system. State courts, which are closer to the people and more cognizant of the local impact of court-ordered remedies, would retain jurisdiction. Hopefully the judges in State courts would be more thoughtful in their deliberations before ordering sweeping social reforms for the State over which they preside.

The amendment does not withdraw all Federal court jurisdiction to hear school cases involving asserted denials of Constitution rights. Nor does it place an absolute restriction on the availability of any remedy—including busing—for such denials. It merely substitutes the State courts for the lower Federal courts as the appropriate tribunal in cases where busing may be employed as a remedy under standards announced by the Supreme Court. The lower Federal courts would continue to have concurrent jurisdiction with the State courts where busing is not an issue. Furthermore, the Supreme Court's appellate jurisdiction would be unaffected. The right to appeal from the State courts to the Supreme Court would be preserved, thereby insuring conformity with constitutional standards.

The amendment further provides for the termination of all lower Federal court orders, in force prior to enactment, which require busing as a remedy to carry out a plan of racial desegregation of any school or school system. Upon application of a party, the State courts may assume jurisdiction of the case for purposes of entering an order of appropriate remedial relief.

Court-ordered busing of our children is as wrong in constitutional theory as it is as a matter of social and educational policy. Today, few would argue with the decisions handed down some two decades ago by the Supreme Court in Brown against Board of Education. Brown was a libertarian decision which, when correctly interpreted, meant only this: No State may compel separation of the races in the public schools. In other words, the States may not, on the basis of a child's race or color, designate where he is to attend school. Over the course of the last 20 years, however, the noble principle of Brown has been eroded to the point that we find the present day court announcing that the 14th amendment, far from prohibiting this assignment of students on the basis of race, actually demands it. For the Court in Swann against Board of Education specifically endorsed student busing for the purpose of enforcing racial quotas in the public schools. The principal effect of this and subsequent High Court rulings is to require the assignment of students to the public schools of this Nation on the basis of race, in contravention of the letter and spirit of the Brown rulings. Thus, what began as a clarion call to freedom for all children of this Nation has been tortured by subsequent judicial decision into a major threat to individual liberty and the local community. What was conceived as an expansion of individual rights has, in fact, resulted in a restriction of individual rights.

That this result, which now obtains as the law of the land, was hardly contemplated by the Court in 1954 and 1955 when the Brown decisions were announced, or was even sought by the plaintiffs, is clear from the record in those cases. The proposition is nowhere better stated than in one of the petitioners' briefs which addressed the question of appropriate relief in school desegregation cases. There, counsel for petitioners eloquently argued:

> The Negro children before the Court in these cases are entitled to public education on a non-segregated basis. The only way the relief can be meaningful to them is to abolish the policy of using race as a criterion for assignment of students. Thus, the only effective decree would be one which would enjoin the use of race in the assignment of *any* pupils in the school districts involved.

Memorandum Brief for Petitioners filed May 6, 1955 at pages 10–11. This statement takes on special significance when one realizes that its author was the lead counsel for petitioners in the case, Thurgood Marshall.

The constitutional objective of Brown is that school authorities exclude no pupil directly or indirectly on account of race. The Constitution does not, indeed it cannot, embrace all problems of racial imbalance, even when these problems contribute to racial concentration in some schools. *De facto* racial imbalance which result from housing patterns and complex demographic changes is not subject to court action under the constitution.

Mr. President, no single domestic controversy has so divided the American people or so diverted national attention and energy from the real pressing problems of educating the Nation's youth as that stirred by desegregation plans calling for court-ordered busing of students. There is no hard evidence to support claims that the education of either black or white students is improved when they are shuttled from school to school. Furthermore, there is growing evidence that court-ordered busing is having just the opposite effect, accelerating the flight of white families from the cities. It is tragic but true that this issue is, in fact, dividing the nation and aiding in the rapid deterioration of quality education.

Court-ordered busing has become the concern not only of parents and school administrators, but of the Congress and the President as well. The President is currently studying several alternatives to busing proposed by the departments of Justice and Health, Education and Welfare. The Congress has on at least one occasion enacted statutory limits directed against busing, however, the courts have disregarded this unmistakeable expression of Congressional policy.

Title IV of the 1964 Civil Rights Act states that—

> Nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of students or pupils from one school to another or one school district to another . . . 42 U.S.C. 2000c–6(a).

Unfortunately, the Supreme Court in *Swann* v. *Board of Education*, 402 U.S. 1 (1971), effectively nullified this restriction by interpreting it as applying only to cases of *de facto* segregation and as in no way limiting the courts' historical equitable powers to remedy alleged conditions of *de jure* segregation by means of massive busing.

That Congress has the authority to enact this legislation is clear from the history and precedents under article III have to do with the creation of the lower Federal courts and the determination of their jurisdiction. At the Constitutional Convention, the Framers rejected a proposal that would have required Congress to establish Federal tribunal inferior to the Supreme Court. Instead, the Convention adopted the present provision giving Congress discretion with respect to creation of the lower Federal courts. And while Congress in the Judiciary Act of 1789 created the lower courts, it did not vest them with all the jurisdiction they might have received under article III. For example, it did not confer "Federal question" jurisdiction—that is, cases involving the Constitution, treaties, and laws of the United States—but left litigants to remedies in State courts with appeals to the Supreme Court. General Federal question jurisdiction was not conferred until 1875 and then it was coupled with jurisdictional amount limitations so that claims involving amounts below a certain value had to brought in State courts. These limitations remain in the law to this day. Moreover, the practice from the beginning has been to make Federal court jurisdiction concurrent with that of the State courts. As Justice Frankfurter stated in *Brown* v. *Gerdes*, 321 U.S. 178, 188 (1944) concurring:

> Since 1789, right derived from Federal law could be enforced in State courts unless Congress confied their enforcement to Federal court.

In a related line of decision, the Supreme Court has sustained an expansive view of Congress' authority to limit and define the jurisdiction and remedies available in the lower Federal courts. Typical is the Court's ruling in *Gary* v. *Curtis*, 44 U.S. 236, 244–5 (1844) where it is stated that—

> The judicial power of the United States, although it has its origin in the Constitution, is (except in enumerated instances applicable exclusively to this Court), dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who has the sole power of creating tribunals (inferior to the Supreme Court), for the exercise of the judicial power, and with vesting them with jurisdiction either limited, concurrent, or exclusive, and withholding jurisdiction from them in the exact degree and character which to Congress seems proper for the public good.

See, also *Lauf* v. *E. G. Skinner and Co.*, 303 U.S. 323 (1938).

It thus seems clear that Congress may constitutionally leave to enforcement in State courts a class of rights, or a specified remedy, which it might have given to the lower Federal courts. This is precisely the result that would be achieved by my amendment.

I believe that this amendment, if enacted into law, would be welcomed by Americans of all races as a step toward sanity in national education policy.

Mr. President, I yield back the remainder of my time.

Mr. BARTLETT. Mr. President, I rise to support the amendment of the distinguished Senator from Delaware.

I compliment him on his remarks and approach to the solution of a problem that has beset this country for many years and remains unresolved today. I join with him in supporting a change in our approach to the busing problem.

Mr. President, I shall begin by reviewing very briefly the period when I was Governor of the State of Oklahoma and when forced busing in 1969 came to my attention as a very serious problem facing our educational institutions, legislators, and Governors of the various States.

Like many others, I deliberated at length over the arguments concerning forced busing before making up my mind and before publicly stating my position.

The stated goal of those favoring forced busing for racial balance was a good goal—namely to provide quality education for black children. But in this goal they have failed, and they have failed miserably because they have not provided the fulfillment of that goal. They have expended much money in a useless social experiment that has not worked.

I came to the conclusion that, in effect, busing was an exercise—an unproductive and awkward one at that—to require this generation of children to purge society by sacrificing for the wrongs and inequities generated by parents, grandparents, and great grandparents.

I publicly stated at that time that "discrimination to end discrimination is indefensible and is a cure as sickly as the disease itself." It requires school administrators to play God and decide which students are going to go where and when they will be bused.

Seven years have passed since that time and forced crosstown busing continues. My opinion has not changed but has been buttressed by what we have learned in the interim.

Busing has been promoted on the basis that the end justifies the means. But even ignoring the philosophical problems with that argument, the results which have been achieved have not been worthy.

Forced crosstown busing does not accomplish the goals of either quality education or social integration of the races. To the contrary, forced busing has further polarized the races and has often resulted in the general deterioration of educational opportunities of both the black and white children being bused.

Contrary to many social changes, such as that accomplished by Brown against Board of Education in 1959, which ushered in the era of civil rights, there has been no public acceptance after the rather prolonged trial period of forced busing. Public opinion polls still reflect that the vast majority of Americans, black and white, continue to oppose forced busing.

I looked at some figures of a poll taken by Gallup in 1974, certainly not a recent one, but I think it would be reflective of recent feelings, that only 5 percent of the people in the United States supported forced busing for racial balance.

After 8 years busing remains a rather unimaginative, expensive, and counterproductive means of trying to achieve the goals most Americans desire—quality education for all our young people.

There are alternative, realistic methods of doing what forced busing was supposed to have achieved.

For instance, in my home town of Tulsa, Okla., we are having excellent success with a voluntary busing program.

It is rather interesting that a previous voluntary program had failed because it did not produce an enhancement of the educational opportunity, and its only inducement was the challenge of an integrated school. Many of the students and faculty who were attracted proved to be nonconformist in a necessarily structured educational environment. Their nonconformity soon led to the demise of the program.

However, Tulsa did not give up. They were willing to try other innovative alternatives, and they were successful. Tulsa has turned what were previously all-black schools into learning centers with the highest educational opportunities. The schools were purposely staffed with excellent personnel. The principals and teachers were selected as the most highly qualified and were some of the best available. As a result, the goal which forced busing was supposed to achieve yet failed to achieve is being accomplished voluntarily. Whites are joining their black brothers and sisters for the best of reasons—they all want a good education, and they are getting it.

I think most of those who have spent time working toward quality education, whether at the college level, the vo-tech level, or the public school grades level, will agree that quality education is created. It is created by the people who provide it. It just does not happen because a certain mix of people attend a school. What produces quality education are those charged with the educational process, those on the boards of education and those who are in the faculty and in the administration, either provide quality education, fair education, or poor education.

But certainly we are buying a pig in a poke if we believe that for some reason because the mix of students comes out to certain arithmetic averages we are achieving quality education.

Mr. President, I am pleased to be a cosponsor of the amendment offered by the Senator from Delaware. This amendment is one which I believe will bring an end to a dismal era in the whole educational process of our country. Hopefully, the amendment will be the death knell of the forced busing system, whose goals were good but whose means were unfair, discriminatory, and contrary to the entire concept of social justice and fair play and whose lofty goals were never achieved.

The amendment, hopefully, will mean the return of the neighborhood school system, a system which was successful because parents and children took pride in their local schools, a sense of pride and accomplishment and belonging which has been lost in the maze of cross-town busing plans.

The amendment also focuses on voluntary learning centers where quality education may be provided and where blacks and whites will join in an educational process to achieve a good, sound education.

Mr. President, we are supposed to be a representative democracy, and I believe that the people have spoken many, many times. Yet, this body and the other body have, in one way or the other, ignored the responses we have heard and received. It is time that we be responsive to the people of this Nation and adopt the amendment offered by the distinguished Senator from Delaware. I ask my colleagues to join me in supporting it, and I believe that we will go down a road consistent with the desires of the citizens of this country, the great majority of them, in providing a new avenue, new opportunities, and new horizons for education in the United States.

Mr. JAVITS. Mr. President, the key defect in this amendment is evident from its face, for it says at page 2:

> Shall have any jurisdiction to enter a decree requiring directly or indirectly the transportation of students . . . in order to carry out a plan of racial desegregation of any school or school system.

The other key factor, because it relates to a concept totally different from what has been under discussion, appears at section 202, on page 2, which reads as follows and I beg my colleagues to listen to this carefully. The important word is "no."

> No order of any court, created by Act of Congress, requiring directly or indirectly the transportation of students or teachers to carry out a plan of racial desegregation . . . shall remain in force or effect.

No order of any court requiring transportation shall remain in force or effect. Mr. President, this is an absolute guarantee of enormous social strife, because there are a good many areas in which, after Supreme Court decisions, there is transportation to carry out a plan of desegregation.

Let me note here, parenthetically, that the arguments about racial balance and forced busing are simply epithets. The Court has ruled out, time and again, transportation for racial balance. I argued against it from 1964 on as not being an element of the Federal Constitution. It might be an element of the educational policy or law of a State, but it is no element of the Federal Constitution and therefore does not belong in Federal law, nor has it ever been carried through in Federal law; and this amendment, itself, on its face, recognizes that. It does not speak of racial balance at all.

Second, as to the concept of "forced busing," the busing is not forced where it is the only remedy left—and I will demonstrate that in a moment—in order to right a wrong. That is the only time you have a busing situation now.

The question to be evaluated, therefore, is this: Shall we undertake the danger—and it is a very, very real danger—of an enormous social turmoil by canceling out the decrees which have been entered if they have in them any element of busing? This goes far beyond the question of the jurisdiction of the Court, which the amendment seeks to take away, but deals with balancing the question of very dangerous social discord against what is to be granted by canceling out all these orders.

I say that nothing is to be gained for this reason: We have already settled, by what would appear to be a reasonable national consensus, the whole busing question. That consensus is contained in the educational amendments of 1974 and also is contained in an amendment to an appropriation bill offered in the Senate by Senator ROBERT C. BYRD in 1975. The scheme of the legislation we now have in effect and which is on the books is contained in title II of the educational amendments and is called the Equal Educational Opportunities Act of 1974. It even goes into such finite questions as assignment to a neighborhood school, about which my colleagues have been speaking and which is contained in the law. Also, it makes busing a last resort remedy, prescribing a series of eight prior remedies before you get to the busing.

In addition, it relates to the ruling of Supreme Court about the establishment of school district lines as not subject to being changed unless they are used for the purpose of affirmatively segregating children on grounds of race, color, sex, or national origin. That, of course, is restricted further by the Detroit case, which forbids busing across school district lines, meaning from the city to the suburbs generally, unless the suburb is guilty of unlawful segregation.

As to the busing, that is so narrowly confined in terms of decrees that it cannot even relate, once the question has been decided, to a shift in population which may occur in a given area. But once the subject has been decided, no decree may be modified to accommodate population shifts.

Mr. President, the total of my argument, therefore, is that as we have pretty well settled what we are going to do about the busing issue, as we have decided not to incur a confrontation between the courts and Congress in terms of this particular issue by ordering the courts not to order busing in a case where they believe that is the only way—and that is the way it now stands—in which unlawful segregation of public school education can be dealt with, now to undo all the decrees which are in effect, when we have the remedy so very sharply limited, seems to me to be a social mistake of the first order.

In addition, Mr. President, we have Senator ROBERT C. BYRD's amendment, adopted on September 24, 1975, to an appropriation bill, taking away the power from a Government agency—to wit, the Department of Health, Education, and Welfare—and the only authority which can establish busing as a last resort remedy, subject to all the restrictions I have described, is a Federal court or a court.

It seems to me that, for all practical purposes, that is a social compact with the minorities. As I say, I believe it would be a great social mistake, on a bill relating to the authorization of district judge slots, to overthrow that situation.

It could only result in the deepest kind of resentment, of a kind which produces riots in the streets and smoke from the stores, which we saw so tragically in this country in the 1960s.

It seems to me, also, on a somewhat more parochial note, that there is very little that we can do that could jeopardize this bill more than to introduce into a measure of this character, which is, as I say, of an essentially localized nature for the appointment of judges, so highly controversial a social issue and one so loaded with the capability for disastrous reaction from minorities, where we now have established patterns in that regard. This would even undo them where there is no dispute, no argument, no complaint, where it is all working well.

I think it would, as I say, be a very great mistake, Mr. President. I therefore urge the Senate to defeat this amendment or to table it, as Mr. Burdick has indicated he will move to table it.

Mr. ROTH. Mr. President, first, I have great respect and admiration for the legal and parliamentary ability of the distinguished senior Senator from the State of New York. Nevertheless, I have to disagree with many of the conclusions that he has reached.

One of the important things, I think, to recognize is that there is not a national consensus in favor of busing. To the contrary, I think the recent results of the

Gallup and the Harris polls show the very opposite.

In the 1960's, as many leading commentators in this area have said, there was a general consensus on the part of the public that favored desegregation as a general rule. That is even true today, as reflected in the polls of Harris and Gallup. Nevertheless, there is no consensus anywhere, on court-ordered busing. To the contrary, it is shown that court-ordered busing is not liked either by the whites or the blacks. Earlier, in the consideration of another amendment, it was pointed out that in the case of blacks, something like 40 percent of blacks favored court-ordered busing while 47 percent opposed it. As far as the whites were concerned, it was 15 percent in favor to 75 percent against. So the vast majority of American people are not in favor of this social reform.

As far as the courts are concerned, in substance, I also have to take exception to the conclusions reached by the distinguished Senator from New York. While it is true, as a matter of semantics, that the Supreme Court has not yet washed away the distinction between de facto and de jure segregation, that it has not yet come out and said in so many words that there must be racial balance, the fact remains that, in effect, that is very much what it is doing. A very excellent book recently published, called "Affirmative Discrimination, Ethnic Equality and Public Policy," by the distinguished professor, Nathan Glaser, at Harvard University, points out very clearly that the contrary is happening.

In one area, Glaser points out that the problem with ordering schools to reflect racial balance is that all schools will continue always to be under the jurisdiction of the courts. As he properly points out, the courts are not equipped to handle, in the best way, the development of quality schools.

One of my great concerns, Mr. President, today is the deterioration of the public school system. Many leading observers or commentators on our public school system find court-ordered busing as being one reason—not the only, but one reason—for this deterioration. For that reason, by other legislation, I have proposed that we have a National Commission on Quality Education to see what we can do to improve the education and school system of this Nation. But the fact remains that school busing is divisive when ordered by the court.

My distinguished colleague spoke about violence and smoke. I recall to him that this has happened in many States where court-ordered busing is in effect. It is true in Boston, it has been true in Kentucky, it threatens to be true in other areas. What I want to call attention to is that in my legislation we do not eliminate busing, we merely remove it from the jurisdiction of the Federal court, lower court, and appellate court. The Supreme Court still maintains its constitutional appellate rights so that, if a State court does not follow, it is in a position to direct and correct it.

I think it is about time that we recognized that the school system, in the eyes of the American people, is something that should be controlled locally, that local officials, including local courts, are in a better way, better equipped, to work out solutions that will provide for a colorblind society than has been true so far to date under Federal court-ordered busing.

Mr. JAVITS. Mr. President, I shall not keep the Senate more than 2 or 3 minutes longer. I rise only because the fundamental point which I made has not been replied to, and it cannot. That is that this amendment would put us back exactly 22 years, because it wipes out every decree which has been entered pursuant to the rights declared in Brown against the Board of Education. That is the irrefutable rock upon which this amendment should be wrecked.

Mr. President, it is true that we have had disorder in Boston and we have had disorder in Louisville. But consider the national revolution which we faced in the late fifties and the early sixties and the middle sixties in this particular area, with 11 million outraged Americans who happen to be black and a few other millions who happen to be of Spanish-speaking extraction literally in revolt in their effort to assert these rights.

Finally, Mr. President, I do not wish to be taken—and I think my colleague was very kind and very flattering to me—I think he would know that I know that, in speaking of a consensus, I was not speaking of a national consensus in which the great majority agreed. Of course not. This is not only a highly controverted area, but an area in which we think our system of society, to protect certain basic rights of individuals, may be very unpopular with us.

Some years ago, Stewart Alsop wrote a piece about my own participation in civil rights debates. He was kind enough to quote what he called a rule, to which he gave my name. I said the following: That citizens were protesting bitterly against many aspects of equalization of rights which we call civil rights, but that, notwithstanding their deep antipathy to many of the measures which we were legislating, when they went into the voting booth, they would vote with their consciences and not with their antipathies. I can understand this perfectly as part of our system of government. In a very famous decision, Justice Frankfurter said:

> Don't expect the people whom you help in civil rights or civil liberties cases to be nice people. Many of them are not, and are highly unpopular, highly difficult, and very nasty people.

But, nonetheless, because of the doctrine which permeates our society of there but for the grace of God am I, whether you are President of the United States or the humblest digger of coal or hewer of wood or carrier of water, because of that, we exceeded ourselves in trying to assert these rights.

That is what this argument is all about. Mr. President, I conclude, and I thank the distinguished Senator, by saying: In the interest of domestic tranquillity, let us at least not upset this 22-year-old apple cart by undoing everything which has been done in that time. The only consensus I spoke of is that, like sitting in a tight seat, we settled in law a given situation. I deeply believe it would be highly inadvisable to wrench everything loose by getting out of it at this time.

Mr. ROTH. Mr. President, I, too, shall be very brief. But I think it is important to point out that my amendment would not undo everything that has been done.

As my distinguished colleague said earlier, in many areas there have been remedial orders that are working well and there would be no reason why in those areas where it is working well there would be any changes.

All this legislation does would be to eliminate court-ordered busing by the Federal court, and in those areas where it was still creating divisiveness and disturbances there would be the right for any interested party to go into a State court, or to go into a Federal court, if it so chose, on the busing.

For that reason, it would not have any major changeover in those areas, but basically follow the original Brown edict which was that we should have a colorblind institution.

My amendment would primarily get at the current trend in providing racial assignment to obtain racial balance.

Mr. BURDICK. Mr. President, upon the same grounds, for the same reasons advanced against the amendment of the Senator from Virginia (Mr. WILLIAM L. SCOTT), I also advance against this amendment. When all have spoken, I will make a motion to table.

Mr. HRUSKA. Will the Senator withhold that motion long enough for me to make a brief statement?

Mr. BURDICK. Yes.

Mr. HRUSKA. For the same reasons I cited earlier this afternoon, I expect to vote for and support the motion to table which the Senator from North Dakota will make.

Mr. ROTH. Mr. President, I will ask for the yeas and nays when the motion to table is made.

I also wish to point out to the distinguished chairman of the subcommittee and the ranking member that one of my concerns has been that a number of us, as indicated earlier, have had proposals in this area of court-ordered busing.

I can say that in my own case I have three or four. One of the things that is most bothersome is that hearings have not been held and there really is no opportunity to bring this legislation out on the floor for an up-and-down vote.

Education, I would like to emphasize, is of the greatest importance to the American people. What the causes are of this deterioration is a matter of grave concern to parents, both black and white, in all sections of the Nation.

I think it is extremely important that as a national problem we hold in-depth hearings on these problems to try to arrive at some kind of solution that will truly lead to a colorblind society and not one of divisiveness.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. **MANSFIELD.** Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **HUDDLESTON.** Mr. President, is there time on the amendment?

The **PRESIDING OFFICER.** There is no time on the amendment.

The Senator from Kentucky.

Mr. **HUDDLESTON.** Mr. President, I rise briefly to support the distinguished Senator from Delaware in what he is attempting to accomplish by the amendment that he has offered.

I, too, am very interested in the main piece of legislation that is before us, that of creating additional judgeships, because I recognize that they are badly needed if we are to continue to operate an efficient judicial system in this country.

I have been one who has been pushing, along with Senator BURDICK and others, and with the leadership, in order to get this bill to the floor so that we can act upon it. I would not like to see anything happen that would present any kind of barrier to the expeditious passage of this legislation.

However, the thing that disturbs me—when we discuss questions as to the ability of the Federal court, or any other entity, to order busing—is that it seems to always boil down to a question of whether or not we in some way are trying to restrict the rights of any citizen in this country.

I think there is a legitimate reason to believe that court-ordered busing, as it has been implemented up to this time, has not substantially improved the rights of any particular segment of our society. There is reason, I believe, to take a very reflective view of what has happened, where we are, where we are going, and what we are hoping to accomplish by full integration of our school systems.

The point I want to make—and I can cite the case with which I am most familiar, that is the one at Louisville, Ky.—is that the Federal courts have not always acted with a great deal of prudence in issuing the orders that have brought about massive busing of students.

I point to the situation in Louisville, Ky., where the Jefferson County school system, first of all, was forced to merge with the city school district. Then they were faced with the question of whether or not the racial ratios were correct within the various schools and whether or not some form of integration needed to be imposed to bring about a proper ratio.

The Federal district judge was of the opinion that with the merger of the school systems additional time would be required before it would be possible to know what kind of plan ought to go into effect.

The indications are that he was even given the impression, from the Sixth Circuit at Cincinnati, that additional time would be given after the merger came into effect to look again at the school district boundaries and see whether or not in the course of a year's time satisfactory arrangements could be made that would obviate the need for a massive busing program.

It is difficult enough, as one may suppose, to merge two major school systems and be ready for a new school year coming in just a month. To impose on top of that problem the problem of a massive busing program is not just difficult, it is impossible.

However, the Sixth Circuit imposed, 5 weeks before the opening of school, a massive busing program.

As I said, this simply is a human impossibility to accomplish in a fair and workable way.

The record of the Federal courts in this particular instance, and I am sure in others, is not one that is so exemplary that there might not be a better way to do it, a way suggested by the amendment of the Senator from Delaware.

I hope the Senate will give consideration to that amendment.

As has been pointed out before, this seems to be the only way to get a question of this nature before the Senate so that the Senate can act upon it.

I do not think it would cause any serious impediment to this particular legislation. Hopefully, the Senate will feel that it ought to be considered and acted upon this afternoon.

I thank the Chair.

Mr. **BIDEN.** Mr. President, it is with some reluctance that I support this amendment. Although I am firmly opposed to busing, I am reluctant to vote for this amendment because I am not sure whether it will accomplish that goal. The amendment transfers jurisdiction to issue busing orders from Federal to State courts, with an ultimate right of appeal to the Supreme Court. However, since State courts are bound by Supreme Court precedents, particularly those interpreting the 14th amendment, any State court justice would be required to order busing in the same instance in which a Federal judge would do so. However, I support this amendment because I think that we in the Senate have an obligation to express the view that busing is no longer a viable tool for school desegregation. I think we must go on record to show educators, the courts and the American people that while we are firmly convinced that equal educational opportunity must be a paramount goal of our Nation, busing is not an effective means of achieving that goal. Furthermore, busing may, in fact, prevent us from reaching that goal.

I would like to briefly mention one additional point. The transfer of jurisdiction to the State court with right of appeal to the Supreme Court seems to me to be constitutional. In cases dealing with Federal court jurisdiction, the Supreme Court has ruled that Congress may remove Federal court jurisdiction over a constitutional right as long as an appropriate forum is maintained and the right of appeal to the Supreme Court preserved. This amendment clearly falls within those constitutional bounds.

Mr. **BROOKE.** Mr. President, I am firmly opposed to the Roth amendment to the Federal judgeship bill and strongly urge the Senate to defeat its adoption. That amendment would have far-reaching and drastic consequences for judicial enforcement of Federal law. By closing the doors of the lower Federal courts in all cases involving the transportation of students or teachers in order to carry out a plan of desegregation in any school or school system, it would inevitably hamper the realization of constitutional rights and other vital interests of Federal litigants by relegating them to State tribunals where the judges are less experienced and have less expertise in matters involving questions of Federal law.

In this respect, the amendment runs counter to the fundamental rationale underlying the establishment of a lower Federal court system in the first place—that matters arising under Federal laws and the Constitution are of such importance that the parties should have an opportunity to have their claims adjudicated in a judicial atmosphere free of the influence of narrow and parochial local concerns. The amendment would also have the practical effect of placing substantial and in some instances, intolerable financial and administrative burdens on limited judicial resources at the State and local level and lead to further court backlogs and delays.

Although not framed specifically in those terms, it is clear that a principal effect of the amendment would be to impede Federal civil rights enforcement efforts in school desegregation. Indeed, the proposal might be viewed as little more than a thinly disguised attempt to slow the pace of school desegregation by eliminating the jurisdiction of the lower Federal courts and requiring that these suits be brought before State court judges who it is hoped would be more influenced by opposition within the local community. It is thus clearly susceptible to challenge as an unlawful invasion on the powers of the Federal courts to redress violations of the equal protection clause.

The sole source of Congress authority to regulate lower Federal court jurisdiction derives from its power under article I, section 8, clause 9 of the Constitution "to ordain tribunals inferior to the Supreme Court." The Supreme Court in several cases has affirmed a broad view of Congress authority to determine what matters may be reviewed by the Federal courts and the remedies available to litigrants in those courts. See for example *Lauf* v. *E. G. Skinner & Co.*, 303 U.S. 323 (1938); *Lockerty* v. *Phillips*, 319 U.S. 182 (1943). Each of these cases, however, dealt with congressional curbs on the courts' authority to remedy alleged violations arising from common law and Federal statute. In other words, the rights whose violation triggered Federal court jurisdiction in those cases were derived from statute rather than constitutional provision. The significance of the distinction is highlighted in such judicial expressions as "Save in respect to equitable rights arising under the Constitution, the Congress has the power to limit the jurisdiction of the Court of equity in respect of the issuance of injunctions as well as other matters." *In re Cleveland and Sandusky Brewing Co.*, 11 F. Supp. 198, 206 (N.D. Ohio 1935). As such, the Roth amendment, limiting as it does the power of the courts to hear claims both from statute and the Constitution, finds precious little support in the existing cases.

Furthermore, an individual denied access to the Federal courts under Roth could be denied all remedy unless suit is authorized by State law. And the States might be induced upon enactment to pass laws denying State court jurisdiction in a fashion similar to Scott.

The Roth amendment would then be clearly unconstitutional as it would result in making a remedy for denials of Equal Protection and other constitutionally guaranteed rights unrealizable in any court.

Beyond these basic constitutional objections, the Roth amendment would set a dangerous precedent for the future. In effect, it is saying that any time Congress disagrees with the courts decisions or feels that they have gone too far in any particular area, it may whittle away at the courts jurisdiction rather than devise a reasonable and well thought out legislative alternative to guide the courts in future cases. Such a theory of congressional power contains the seeds of the wholesale destruction of the Federal court system and poses an intolerable threat to the separation of powers and the notion of a politically independent judiciary.

Finally, it should also be pointed out that the Roth amendment would render null and void all previous court orders that have required transportation to implement public school desegregation. This provision is unconscionable as it would result in massive disruptions and widespread chaos. It would be a major retreat in our commitment to insure equal educational opportunity for all our children.

Mr. President, I urge my colleagues to join me in defeating this amendment.

Mr. BURDICK. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from Wyoming (Mr. McGee), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) and the Senator from Washington (Mr. Jackson) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson) and the Senator from Ohio (Mr. Taft) are necessarily absent.

The result was announced—yeas 53, nays 38, as follows:

[Rollcall Vote No. 111 Leg.]

YEAS—53

Abourezk
Bayh
Bellmon
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Durkin
Eagleton
Fong
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hruska
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Weicker
Williams
Young

NAYS—38

Allen
Baker
Bartlett
Beall
Bentsen
Biden
Brock
Buckley
Bumpers
Byrd,
Harry F., Jr.
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Ford
Garn
Goldwater
Hansen
Helms
Hollings
Huddleston
Johnston
Laxalt
Long
McClure
Nunn
Proxmire
Roth
Scott,
William L.
Sparkman
Stennis
Stevens
Stone
Talmadge
Thurmond
Tower

NOT VOTING—9

Gravel
Hartke
Humphrey
Jackson
McClellan
McGee
Pearson
Taft
Tunney

So the motion to lay on the table was agreed to.

Mr. TOWER. Mr. President——

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I would like to make a unanimous-consent request, with the idea in mind that we will stay in session late this evening to pass the pending bill, the NASA authorization, which will not take too long, I understand, after talking with the Senator from Arizona (Mr. Goldwater), the extension of time for the Rules Committee to consider legislation before it; and I understand that there will be five amendments to be offered, all having to do with judgeships.

The idea is that if we finish tonight, we will go over until 12 o'clock noon Monday.

Mr. President, I ask unanimous consent that on the Buckley amendment, there be a time limitation of 40 minutes, to be equally divided between the manager of the bill and the sponsor of the amendment, and that the same apply to the extent of 30 minutes each on the Beall amendment, the Tower amendment, the Morgan-Helms amendment, and the Dole-Pearson amendment.

Mr. JAVITS. Mr. President, reserving the right to object, what is the Helms amendment?

Mr. MANSFIELD. All judges; under the regular procedure.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Maryland had asked to be recognized. The Chair promised to recognize him. Is he willing to yield to the Senator from Texas?

Mr. TOWER. Mr. President, I am perfectly willing to yield to the Senator from Maryland.

Mr. BEALL. I thank the Senator. It will only take me a couple of minutes.

Mr. President, I call up an amendment which I have at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. Beall) proposes an amendment, on page 3, line 16.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Beall's amendment is as follows:

On page 3, line 16, immediately after "Louisiana," insert "one additional district judge for the District of Maryland.".

On page 7, immediately following the items relating to Louisiana, insert the following:

"Maryland .... 8".

Mr. BEALL. Mr. President, this amendment would, if adopted, provide for an increase in the number of U.S. district court judges for the Maryland District from seven to eight.

This modest increase is absolutely necessary to insure the meting out of swift and equitable justice in the Free State and is entirely consistent with the legislative intent of the bill to enable the district courts of the United States to efficiently and expeditiously handle the business brought before them.

It is evident to me that the increased caseload alone in the Maryland District Court would justify the approval of at least one more judgeship.

Mr. MANSFIELD. Mr. President, will the Senator yield, without interrupting his speech?

Mr. BEALL. I yield.

Mr. MANSFIELD. I ask unanimous consent that in view of the fact that there will be a short period of debate on each of these five amendments, they be considered cumulatively, and that the votes occur at the conclusion of the debate on the five amendments, in order.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, I wonder if the majority leader might include in that a provision that all rollcalls after the first one be 10-minute votes.

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Mr. President, reserving the right to object, is the Senator suggesting that there be rollcalls on all five?

Mr. MANSFIELD. Absolutely, because there might be different votes on each one. They might not be the same.

Mr. JOHNSTON. Mr. President, I would guess, after the one I have, which I would guess would be beaten, that they might all go without rollcalls.

Mr. TOWER. Mr. President, reserving the right to object, I ask unanimous consent that it be in order for me to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a

sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Montana?

Without objection, it is so ordered.

Mr. **BURDICK**. Mr. President, this does not foreclose a motion to table; does it?

Mr. **MANSFIELD**. No.

Mr. President, I have just been informed that the Senator from Louisiana likewise will have a judgeship amendment, and I ask unanimous consent that there be 30 minutes on that, time to be equally divided as the others under the rules.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that if there are rollcalls—I speak in the plural—they occur at the conclusion of the debate on these amendments, that they be in order and that following the first one for 15 minutes other rollcalls will consume 10 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MANSFIELD**. The purpose of this is to help the Budget Committee as well as the Senate, because it is in deep consultations and Senators have to be running back and forth and they lose a lot of time in the meantime.

I thank the Senator. I thank the Senator from Maryland.

Mr. **BEALL**. Mr. President, as I was saying, in addition to the increase in the workload, Maryland also needs additional help in order to fully implement the Speedy Trial Act of 1974.

Then, also, it is interesting to note that the Maryland District has already received optimum services from seven active and two senior judges. From 1974 through 1975 there was an increase of civil filings of 25 percent, an increase of 14 percent in criminal filings and a 61-percent increase in bankruptcy filings.

Coupled with these arguments is the fact that this Fourth Circuit District is already receiving optimum services from its seven active and two senior judges. Despite these maximum efforts, however, new filings are outdistancing all human and technological efforts.

However, the third and most convincing argument to be made in favor of increasing the judgeships is that there is a much higher rate of extremely complex litigation in the State than in many other districts. Although on a national comparative basis the district ranges at about midpoint in caseload growth, its judges have been inundated with the type of litigation for which there is no adequate measure on the bare statistical scale, and which has been imposing a tremendous strain on its judges.

A study done by the Administrative Office of the U.S. Courts revealed that the Maryland District, unlike four other districts studied at the same time, had no large identifiable category of cases which can be easily disposed of—such as marine personal injury and other personal injury litigation, copyright and trademark cases, cargo damage cases, and others. Moreover, it was determined that the Maryland District has more multidistrict, multicount, multidefendant criminal matters than any of the other courts studied. Indeed, it has been pointed out by Judge Northrop, Chief Judge of the U.S. District Court, District of Baltimore, that his district ranks fifth in the country in the number of bank robbery cases. Another statistic which illustrates the problem is that Maryland has approximately one-third of all the antitrust and patent cases filed in the Fourth Judicial Circuit.

So given this situation, Mr. President, I think that it is extremely important for the swift and equitable dispensation of justice that the Maryland District be brought up to what we consider to be sufficient strength and that would require one additional judge.

Given the high rate of complex cases encountered in Maryland, we must recognize that such cases require a great deal more trial time than do more simpler cases. It is significant to note, therefore, that the Senate judiciary report on the omnibus district judgeship bill reveals that only four other metropolitan districts have had more trial days per judge than Maryland. Because of this demand, another judge must be approved to enable the court to cope with the ever increasing caseload.

Mr. President, I believe that most convincing substantiation for this argument has recently been supplied by the Administrative Office of the U.S. Courts' Subcommittee for Judicial Statistics. In their latest quadrennial report, which has been completed, but not yet released, they state that although the actual caseload would not on its own merit an increase of judgeships, that because of the "metropolitan nature" and complexity of the Maryland District's cases that they will be recommending a one judge increase for Maryland.

Mr. President, for these reasons, I am hopeful that my colleagues will agree that the Maryland District must have at least one more judgeship if there is to be any realistic chance of reducing the backlog of cases while at the same time providing swift and equitable justice. Accordingly, I strongly urge that the Senate approve this necessary amendment to S. 287.

Mr. President, I ask unanimous consent that a statement by Judge Northrop citing the problems in the Maryland Federal Court, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

[From the Baltimore Daily Record]

Judge Northrop Cites Problems in Maryland's Federal Courts

(Hon. Edward S. Northrop, Chief Judge, U.S. District Court of Maryland, at the Mid-Winter Meeting of the Maryland State Bar Association, January 9, 1976.)

Distinguished members of the United States Congress, the Bench, and of the Maryland State Bar Association, I am here today in the place of Chief Justice Burger who, unfortunately, was unable to absent himself from a Supreme Court conference. I am also here today in the place of Judge Walter Hoffman, Director of the Federal Judicial Center, who was next extended an invitation to discuss the topic of my remarks today, but who also, unfortunately, was committed to a longstanding conference. Both of these gentlemen have asked me to extend their apologies and their genuine disappointment at not being able to speak to you today. Their remarks would have been more general in scope, directed to my subject for today—the current problems of the federal judiciary.

I am sure that many of you have read the Chief Justice's annual year-end report of the federal judiciary in a recent issue of The Daily Record. I will touch on the matters to which he referred, and also add some additional ones which are directly pertinent to Maryland. I will place specific emphasis on the current problems confronting your court here in Maryland.

ABOVE AVERAGE ACCOMPLISHMENT

Before going further, I do want to thank my colleague, Judge Thomsen, for his kind remarks in presenting me to you today. It seems only yesterday—and yet it was fourteen years ago—that I was privileged to join this able jurist, and the years with him and my other very capable colleagues have been most happy and rewarding ones. We have sailed through turbulent times with little friction among us, and the accomplishments of these judges have been far above average, in volume and caliber.

My topic for today reminds me of a joke which I used on occasion when I first came on the Bench, and I think it clearly points up the problems facing us today. The Bench then consisted of Judges Thomsen and Watkins, along with Senior Judge Chestnut, and it had one of the heaviest caseloads in the country. Despite the great efforts of those three jurists, the docket was falling behind. This condition was, of course, perceived by Judges Thomsen and Watkins on their elevation to the Bench, on the resignation of then Chief Judge Coleman and the assuming of Senior Judge status by Judge Chestnut. Then, just as today, an Omnibus Judges' Bill providing for the creation of additional judgeships throughout the country was before the Congress of the United States, but the Bill was not acted upon until the election of President Kennedy in 1960.

In that Bill was included two additional judgeships for the District of Maryland, and I was appointed to the Bench; shortly thereafter Judge Winter joined us. But still the workload increased, due to Supreme Court decision which greatly expanded constitutional rights. We are all aware of the fallacy involved in the expansion of constitutional rights via court decision. But, at that same time, the Congress and the Executive in the late 50's and early 60's, were continuing to extend the jurisdiction of the federal judiciary into all areas, many of which had been thought to be the exclusive provinces of the State Courts. The Maryland District Court caseload continued to grow by sheer numbers and new hinterlands.

Once again Congress recognized the federal judiciary was becoming overburdened, and once more an Omnibus Judges' Bill was placed before that body which created one additional judgeship for the District of Maryland. At that same time, Judge Winter was elevated to the Fourth Circuit—and Judges Kaufman and Harvey joined us.

Subsequently, there was an obvious need for additional judges here, and in an Omnibus Bill provision was made for one for Maryland. However, then Senator Tydings, perceiving the importance of the Third Branch, was able to increase to two. Judge Miller joined the Bench in the later part of 1970 and, following Judges Thomsen and Watkins assuming Senior status, Judges Young, Murray and Blair joined in 1971, bringing the Bench to its current complement of seven active judgeships and two senior judgeships.

Judge Watkins carries a full caseload, along with the seven active judges. Judge Thomsen, because of the increasing pressure of his membership on the Railroad Reorganization Board and very important position as Chairman of the Rules Committee of the Judical Conference of the United States, is just not able to give us full-time assistance, but helps out as much as is humanly possible. Were it not for the efforts of these two able jurists, I do not know how we could manage.

I have digressed to give you some of the background, but returning to the topic for today, back in 1961, there was a striking similarity in the problems facing your federal District Court; an overwhelming caseload, lack of space to accommodate the court facilities, lack of supporting personnel, and an apparent breakdown in communications between the Judiciary and Legislature, enabling us to bring to the attention of the United States Congress the great difficulties of the Judiciary in meeting its responsibilities, due not only to its own decisions, but the expansion of its jurisdiction.

I think this points up the fact that there has been little change in our situation. Because I apparently arrived on the scene before expected and there was the usual lack of space. I was relegated to a portion of the then library, located on the fifth floor and very close to Judge Thomsen's chambers. One day that eminent jurist came into my "chambers" when I happened to be looking out of the window. He asked me what I was doing, and I informed him that I was thinking. His response was "You know you don't have time for that. Get to work."

Though you might consider my analogy somewhat facetious, it is still true today that we are forced to expedite all proceedings, certainly not unthinkingly, but with inadequate time to all aspects of each of the cases I am sure you will agree that this is not the way to handle the important matters that are brought before the federal judiciary.

In his year-end report, the Chief Justice indicates that in the fiscal year 1975, the caseload per judge was 402 cases, as compared with 317 cases per judge in 1970. He further points out that, based on preliminary data and projected filings, the per judge caseload for the fiscal year ending June 30, 1976, will be 450 cases, an increase of 42 percent since 1970.

However, he calls particular attention to the fact that, by virtue of a wide range of changes in procedures and methods, and the input of longer judicial hours, there has been vast improvement in the disposition rate of cases, rising from the average disposition per judgeship in 1970 of 292 cases, to 371 dispositions in 1975, an increase of 27 percent. Nevertheless, and because there is a limit to all human endurance, even that of judges, the new filings continue to outdistance all human and technological efforts, so that 355 cases per judgeship awaited disposition in 1975, as compared to 285 in 1970.

The report continues with the pessimistic projection of 19,400 appellate filings for the current fiscal year, or 600 per judgeship, a phenomenal 113 percent increase since 1968, when the present number of courts of appeal judgeships was established. In that year, 6615 cases awaited disposition in the eleven courts of appeal; as of July 1, 1975, there were 12,128 cases.

It should be abundantly clear that additional judgeships are needed. Yet the Congress has failed to move on the Omnibus Bill, placed before that body in 1972. The Bill, supported by the Administrative Office of the United States Courts and the Judicial Conference, furnished full statistical background for 52 additional District judgeships and 13 additional appellate judgeships. Four years ago Congress required submission of a four-year projection of judicial manpower needs. In 1976, there is a similar mandate for the period of 1976–80, notwithstanding the fact that there has been no Congressional action to meet the needs already delineated. The new Bill has not been presented, but will probably embody a request for approximately 80 additional judgeships.

Currently, a Bill before Congress requesting 45 additional District judgeships has been approved by the Senate Judiciary Committee, but it awaits full Senate action. The District of Maryland has not been included in the Bill. There is also currently before the House Judiciary Committee, chaired by Congressman Rodino, a Bill to provide seven additional appellate judgeships, which the Senate has already cleared.

Now, of course, the statistics to which I have referred pertain to the entire country. These are raw caseload figures, without any built-in compensation factor for time and effort expended in certain types of litigation or the relative case with which some litigation is disposed of, and in no way reflect the number of parties to each case, the relative nature and complexity, or whether the litigation and trial are of a protracted nature. Nor do the figures gauge the degree of judge-

* * * * *

involvement, as in non-jury cases, where the judge is obliged to make findings of fact and conclusions of law as conditions precedent to disposition. However, the sheer volume is sufficient to create a burden insofar as the District Court is concerned.

To give the statistics more impact as far as all of you are concerned, at the end of calendar year 1975, there was an increase in civil filings of 27 percent over 1974 (1882–1483), an increase of 14 percent in criminal filings (879–772) and a 61 percent increase in bankruptcy filings (1263–783). While the volume of increase alone is ample proof of an overload, even more disturbing, as far as the District of Maryland is concerned, is the added effect of the increasingly complex nature of the litigation brought here.

Even though we range about-mid-point in raw figure caseload growth in District Courts throughout the country, we have been inundated with the type of litigation for which there is no adequate measure on the bare statistical scale, and which has been imposing a tremendous strain on the judges of your court.

The unique nature of our caseload became apparent to the Bench back in 1970 when, even with the additional judgeships, we were still experiencing difficulties in keeping pace with the new filings. On the civil side was the involved multi-party, complex antitrust, and patent type litigation, as well as matters raising grave constitutional issues and new and serious legal problems. On the criminal side were the multi-count, multidefendant indictments being brought by several Grand Juries.

In the turbulent 60's, new procedures were adopted by the federal judiciary in order to try to keep pace with the ever-increasing caseload. For examples, there were the adoption of the individual calendar, the introduction of the Magistrate system, and the establishment of the Federal Judicial Center.

The first duty of the Center was to make a definitive study of the overall situation of the Courts in order to determine what innovations might assist in the meting out of justice. The study resulted in recommendations for additional supporting personnel, new techniques such as video-tape proceedings, computerized handling of jury venires, and several others. In addition, the judges were obliged to go back to school for discussion and education in adopting the improved methods for disposition of the expanded litigation being pressed upon the Courts.

As part of its original endeavor, the Center also made a survey to attempt the application of a so-called weighted caseload concept or standard, to measure the personnel needs of the various Courts. The basis of this theory was a detailed time study maintained by all of the judges over a certain period of time. The individual studies were processed through a computer at the Department of Agriculture. The resultant standard, insofar as I am concerned, was completely unsatisfactory since it was bottomed on fallacious theory, and I have some hope that the weighted caseload concept is being reevaluated. However, there is strong opposition to abandonment of this criterion by those District Courts which benefit from its utilization.

Time has proven that the theory is the wrong concept on which to accurately access the caseload burden of the Metropolitan District Courts of which Maryland is one. In these courts are filed 75 percent of the criminal caseload and 56 percent of the civil caseload in the entire Federal Court system. It is, therefore, most important that these courts receive some relief and assistance.

I, early on, felt that the District of Maryland was in a position apart from many others, as far as the caseload was concerned. I requested that the Federal Judicial Center make an indepth study of our Court, the first such study in the country. Since that time, I might add, similar studies have been made in the Eastern District of Louisiana, in New Orleans, the Southern District of Florida, in Miami, the Eastern District of Pennsylvania, in Philadelphia, and in the Central District of California, in Los Angeles. I understand there is also a current request for study of the District Court for the Southern District of New York.

Upon completion of this study—as I have mentioned, the first such to be made in the country—certain procedures were instituted by us which it was hoped would aid in expediting the processing and disposition of our caseload. However, I am sorry to report that we have yet to receive the necessary additional supporting personnel which was suggested by the Center study, and which would permit us to fully implement all of the suggestions made.

However, as a direct result of comparison of the study reports of the five District Courts, it was interestingly revealed that the District of Maryland, unlike the other four, had no large identifiable category of cases which can be easily disposed of—marine personal injury and other personal injury litigation, copyright and trademark cases, cargo damage cases. Moreover, it was determined that we have more multi-count, multi-defendant criminal matters than any of the other courts studied. Indeed, we rank fifth in the country in the number of bank robberies. Also of note is that Maryland has approximately one-third of the antitrust and patent cases filed in the Fourth Circuit.

In addition, Maryland is one of five Districts in the country with criminal caseloads which are one-half of the civil caseloads. Of the other Districts, three are located close to the Mexican border, and the majority of their cases involve illegal immigration and, most recently, illegal importation of drugs or controlled substances. The remaining District, the Eastern District of Michigan, at Detroit, has a more similar caseload to ours, in nature of offenses and complexity of litigation.

A perusal of the nature of the offenses included on our criminal calendar indicates more so-called sophisticated or "white collar" offenses (such as mail fraud, income tax evasion) involving professional persons and public officials, than any other District in our Circuit, and probably in the United States. This type of litigation, almost of necessity, involves protracted trial. Few of our criminal matters fall within the routine category, almost all involving multi-defendant, multi-count indictments.

Adding to our dilemma was the passage of the so-called Speedy Trial Act of 1974. The implementation of this piece of legislation over the five year period beginning July 1, 1975, will climax in your court being virtually foreclosed from trying any but criminal matters. Of course, I am certain that it was very difficult for any Congressman to vote against a speedy trial. In some circles this has been likened to being against the flag and motherhood. However, upon inquiry of some of our elected representatives, it was readily learned that they thought they were voting against the so-called street crimes, burglary, theft, etc. which are triable in the State Courts. They did not realize they were imposing an additional burden on the federal courts of eventually either trying all indicted criminals within sixty days or turning them loose.

Despite repeated warnings from the Chief Justice, Congress has continued, and indeed seems to have speeded up, the enactment of legislation which confers jurisdiction on the federal judiciary involving issues which have no place on our docket, by virtue of either nature or interest, and properly belong before the State Courts, if anywhere.

The continuing flow of legislation, without supplementing the tools of our trade—additional judges and supporting personnel—can only result in a total inundation and frustration of our Federal Judical system. It most assuredly has had a noticeable effect on your district court. But the legislation to provide additional judicial and other manpower pends before a Congress in an election year. The time for action, of course, is now, but it would not appear we can expect any immediate assistance, even though everyone, including the news media, clearly understands our situation and urges action.

In common with the other federal District Courts, we must carry the burden of enforcing the ever-expanding constitutional rights of the individual and the class. To a greater extent than the other courts, however, we of the District of Maryland are faced with the confrontations between federal agencies established by the United States Congress and the State. Our jurisdiction, either by judicial fiat of Congressional act, is practically limitless. Our ever-expanding jurisdiction extends to such momentous constitutional issues as the suitable length of one's hair and the extent of discipline to be meted out in our school system—to the right of a State to perform an age-old function.

I could bombard you with other statistics and generalizations, but I feel sure that all of you, as practitioners of the law, see clearly the delineations and the hue of the picture I have been painting for you. There is every indication that if we do not secure additional judgeships for the District and Maryland, it will be almost impossible to try your civil litigation, no matter what the degree of its complexity, if we continue on the current course. For the * * * one and one-half years, the jury of your court have been gradually falling behind in the disposition of their civil caseloads because of the rate of increase in new filings. We who are most intimately familiar with the situation can see no improvement in sight, you have noted, we are obliged, * * * will be increasingly obliged to turn full attention to criminal matters.

There will be small hope for resolution of meritorious and serious private litigation in a federal forum unless additional judgeships are created and adequate supporting personnel applied. Even more important there must be a slowing down of jurisdiction—expanding legislation on the part of your Congress.

As the Chief Justice stated in his year-end report—"* * * whelmed by increased demand and regulatory legislation, for * * * ened governmental programs of all kinds. Congress enacts. Relations, much of which reached courts for resolution."

Mr. BEALL. Mr. President, at this point I am happy to yield to my distinguished senior colleague from Maryland (Mr. MATHIAS).

Mr. MATHIAS. Mr. President, I thank my colleague for yielding, and I congratulate him on his alert response to what is rapidly becoming a crisis in the U.S. Federal Court in Maryland.

I sometimes look somewhat skeptically on cries for more judges, and I think in many situations more efficient use of judges' time would satisfy the need for more judges, but the Maryland case, as my colleague has pointed out, is really a critical one, and the figures he has cited I think speak for themselves.

So, No. 1, I thank him for bringing this matter to the attention of the Senate, and I urge the managers of the bill and the full Senate to accept the Beall amendment.

I fully support the amendment to S. 287, the omnibus judgeship bill, offered by Senator BEALL which provides for the appointment of an additional Federal district judgeship for Maryland. It is my firm belief that the addition of this judgeship in the near future is essential if we are to avoid overloading the judicial system in Maryland to an intolerable degree.

As pointed out by my colleague Senator BEALL, the urgency of increasing the number of active judges in Maryland beyond its present total of seven active district judges was eloquently described in a recent address by Edward S. Northrop chief judge of the U.S. District Court for Maryland, before the Maryland Mid-Winter Bar Association.

During the course of his remarks, Judge Northrop emphasized the difficulties inherent in relying upon "neutral statistical data" as was done in determining the allocation of district judges in S. 287, the bill presently before us. Specifically, Judge Northrop noted:

> These are raw caseload figures, without any built-in compensation factors for time and effort expended in certain types of litigation or the relative ease with which some litigation is disposed of, and in no way reflect the number of parties to each case, the relative nature and complexity, or whether the litigation and trial are of a protracted nature. Nor do the figures gauge the degree of judge-involvement, as in non-jury cases, where the judge is obliged to make findings of fact and conclusions of law as conditions precedent to disposition.

According to Judge Northrop, the difficulties in simply applying these neutral statistics to Maryland is dramatically highlighted by the nature of the cases which regularly come before the Maryland district court. Citing in-depth studies of five district courts in the United States—including Maryland—Judge Northrop noted that Maryland:

> Unlike the other four, had no large identifiable category of cases which can be easily disposed of—marine personal injury and other personal injury litigation, copyright and trademark cases. Moreover, it was determined that we have more multi-count, multi-defendant criminal matters than any of the other courts studied. Indeed, we rank fifth in the country in the number of bank robberies. Also of note is that Maryland has approximately one-third of the antitrust and patent cases filed in the fourth circuit.
>
> A perusal of the nature of the offenses included on our criminal calendar indicates more so-called sophisticated or "white collar" offenses (such as mail fraud, income tax evasion) involving professional persons and public officials, than any other district in our circuit, and probably in the United States. This type of litigation, almost of necessity, involves protracted trial. Few of our criminal matters fall within the routine category, almost all involving multi-defendant, multi-count indictments.

Given these considerations so cogently set forth by Judge Northrop and Senator BEALL, I urge the Senate to act favorably upon this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BURDICK. Mr. President, the Subcommittee on Judicial Machinery has spent the major part of 3 years on this bill. This is the first time that an investigation into the workload of judges has been made by this subcommittee.

Let me tell you why we did it.

In the 5-year period from 1959 to 1964, we had a 25-percent increase in the number of Federal judges. This only resulted in a 3-percent increase in the number of civil and criminal dispositions.

I point out to our colleagues that by merely increasing judgeships we do not necessarily increase productivity.

To give another specific example, since 1959 there has been a 40-percent increase in the number of Federal district court judges but only a 9-percent increase in the number of civil and criminal dispositions.

In other words, the hearings went into depth to find out what kinds of cases were being tried, and what kinds of procedures were used. By doing so we came up with some criteria to guide us in the selection of judges.

We spent days on this, we examined every area, and we found—and this was confirmed by the Judicial Conference—that a fair average of the workload of a judge would include 400 filings, 358 terminations, and 110 bench days. That gave us some guidelines and some benchmarks upon which to judge the efficiency or effectiveness of our judges.

We did that in all cases.

What is the situation in regard to Maryland in this particular case? We find that their filings are not 400, they are 361; we find their terminations are not 358, they are 332.

If we are going to give a judge on these statistics and on these findings, we are going to have to open the floodgates and give many more judges to other States. Either these criteria are right or they are wrong.

The Judicial Conference has confirmed them. The only difference between the Judicial Conference and the committee was that the conference relied on future projections and we relied on solid established statistics.

But if we are going to hold these people to a workload, and get the work out of them with efficiency, I think we have to hold to these standards. If we give in on any one of them, now, as I said before, we open up the floodgates.

I sincerely urge that the Senate confirm and follow the findings of the committee.

I say to my friends from Maryland that next year we are going to have the quadrennial survey for the past 4-year period, and we will then look into this matter again. But, as the record stands now, they do not meet the criteria, and they should not have a judge at this time.

Therefore, I oppose the amendment.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. BEALL. I yield to my colleague from Maryland.

Mr. MATHIAS. Will the distinguished manager of the bill just refer again to his figures? He reflected the figure of 360.

Mr. BURDICK. Three hundred and sixty-one, the 1975 findings. It is from the Administrative Office.

Mr. MATHIAS. That is not very far from the level of 400 which we are talking about.

Mr. BURDICK. That is right.

Mr. MATHIAS. I think what we are concerned about is there is a rising volume of business in the courts. And we do not want to get behind. So I think it would be extremely helpful and would reassure the public in Maryland, which has to depend on the court, and it would reassure the judges, if we can feel that as the Maryland court volume reaches the critical point we will receive the recognition which under the rules that the Senator himself has established would justify relief at that time.

Mr. BURDICK. Of course, the Senator will. Of course, we will. That is what we are going to do in all cases.

Mr. BEALL. Mr. President, I think it should be pointed out also that while it is true that the distinguished chairman of the subcommittee did mention the criteria used by the committee in establishing the need for judges, the first two cases indicate that Maryland was below the average in case filings or terminations. But, as I pointed out in my opening remarks, the complexity of the cases in Maryland is entirely different from the complexity elsewhere in the country, with the result that in the case of the third criterion, the bench time for judges, we find that the national average is 110, but in Maryland's case, the average bench time is 123 days per judge. So our judges, obviously, are working much harder than do the average judges around the country.

Although I am not a lawyer, I have a great deal of sympathy for hardworking judges, and I think we have to recognize the fact that we do not want to overwork people on the bench.

Also, I point out that the fourth criterion speaks to the efficient use of existing judges, supporting personnel, and procedural devices in order to cope with the existing workload. I point out, in fairness to the Maryland court, and to make sure that all the factors are considered, that when we talk about the efficient use of existing personnel, the Maryland district court has to handle over 4,000 traffic cases because of the Federal Government's jurisdiction over the Baltimore-Washington Parkway alone. So the magistrates are extremely busy; and eventually, many of these cases work their way to the top and filter up to the U.S. district court.

So this court has factors bearing on it that do not bear on other courts in the country.

I am happy to hear the distinguished chairman of the subcommittee say that the committee is going to consider these factors again next year and look to another quadrennial study; and I am confident that when the matter is presented, the committee is going to suggest that Maryland get another judge. Since the committee is going to use this as the basis for its determination, I feel confident that next year Maryland will get the other judge it needs and that, hopefully, we will not have any interruption in the fine service that is being given to the people by this court, by having the judges overburdened to the point where they cannot continue to do the work and will have to continue to work in excess of the national average for judges.

With that kind of assurance from the distinguished chairman of the subcommittee, I will not insist on a vote on this amendment. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 1406

Mr. TOWER. Mr. President, I call up my amendment No. 1406.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas (Mr. TOWER, for himself and Mr. BENTSEN), proposes an amendment numbered 1406:

On page 4, line 10, delete the words "one additional district judge" and insert in lieu thereof the following: "two additional district judges".

On page 8, line 32, insert in lieu thereof the following:

"Western -------------------------- 7".

Mr. TOWER. Mr. President, this amendment would authorize an additional judgeship for the western district of Texas, bringing its total from five to seven judges.

The Judicial Conference of the United States recommended two additional judgeships for the western district. This recommendation was incorporated in the omnibus judgeship bill introduced in the 93d Congress and in S. 287 as originally introduced and as approved by the Subcommittee on Improvements in Judiciary Machinery. Only at the very last stage, did the Judiciary Committee determine to halve the recommendation. The cutback was especially surprising in light of the committee's recommendation of an increase of 16 judges nationwide.

The Judiciary Committee has made a determined attempt to remove politics from the consideration of additional judges and I applaud this effort. Instead, the committee focused on "whether a bench and bar of a particular court were working in a diligent fashion to handle the judicial business of the court."

According to the committee report:

> Before additional judgeships will be created by Congress, a district court of the United States must demonstrate that the workload of that court exceeds the workload which the public has a right to expect that an efficient bench of a given size can reasonably handle.

This is the true test and should not be overshadowed by the three-part statistical standard employed by the committee to assist them in their determinations.

Yet, even exceptions to this statistical standard were allowed: It was not applied to the 10 largest metropolitan districts because they have been unable to achieve rates anywhere near the national average. Indeed, those 10 courts averaged only 301.6 case filings per judge per year. The judges in the western district averaged 439. The judges in the 10 larger metropolitan courts terminated an average of but 306.6 cases—while judges in the western district of Texas averaged 434. Still, despite the fact that the committee admits in its report that it was unable to determine why the large metropolitan courts fail to meet the national average, they were not held to the standard.

Another exception to the formula was made in the case of Oklahoma because of special considerations arising from the use of rover judges in the three judicial districts.

I do not challenge the exceptions made in evaluating the judicial needs of any of these 13 districts. I bring them up only to point out to my colleagues that the statistical standards set forth by the committee have not been adhered to in every instance. Rather, when a compelling case can be made, exceptions can be made—as they were in Oklahoma, the central and northern districts of California, the eastern district of Louisiana, the eastern district of Michigan, the eastern district of New York, and in New Jersey. In those districts, the recommendations were made, to quote the committee report, on a separate evaluation "of the particular district's needs."

A similar evaluation of the needs of the western district provides ample justification for the additional judgeship created by this amendment.

The 68-county western district stretches over more than 91,000 square land miles. It is larger than all but 10 of our States. It is three times the size of Indiana; larger than New York and Pennsylvania combined.

The population of almost 3 million is clumped in widely separated locales. Three judges now sit in San Antonio, a fourth 80 miles away in Austin, and the fifth 583 miles away in El Paso. In addition, court is held in Waco, Del Rio, Midland-Odessa, and Pecos—separated by total distances of 800 miles. With each judge working more than one division, the heavy caseload problems which the western district of Texas shares with other districts is compounded by a heavy travel load burden as well.

Clearly, a workload which might be fairly handled by five judges working in one location overburdens the same five men shuffling between seven court sites. Yet, this significant factor was not taken into account by S. 287. Indeed, in providing the exemption for large metropolitan courts, the committee seems to have tipped the balance the other way.

The performance record of the western district of Texas is one of the best in the Nation though its caseload is one of the highest. Despite its heavy criminal docket, the district disposes of an inordinately large number of criminal cases more expeditiously than any district in the Nation—with an average disposition time of 2.7 months. The median time to trial in civil cases is 6 months—second lowest of the 25 metropolitan courts—despite case filings which ranked 16th out of the 94 districts.

The net effect of the committee standards has been to penalize the western district for its modern and efficient handling of its large caseload—to penalize the judges for their willingness to overwork themselves.

Western district judges have been vigorous in their implementation of modern pretrial procedures. In an effort to expedite the handling of cases and promote the administration of justice, comprehensive pretrials are used in civil cases, thus reducing the numbers of trials and resulting delays. The district's plan for achieving the prompt disposition of criminal cases is an omnibus procedure which has worked most effectively. The multiple selection of juries and the use of six-member juries in civil cases, have served to reduce expenses and promote efficient court administration.

The judges of the western district obviously have taken the forefront in adoption of new methods and procedures—yet one reaches the point where all the new methods and procedures cannot fill the needs of additional judges. We are at that point now in the western district of Texas.

All five Federal judges now serving in the western district have voiced their urgent need for the additional two positions. Their requests have been strongly seconded by attorneys across the district. Newspaper editorials and constituent mail show that the need for increased judge power is so acute as to touch the general population.

The purpose of S. 287, cited in the committee report, is "to enable district courts of the United States to efficiently and expeditiously handle the business brought before them." It is my firm conviction that my amendment would further this cause in the western district of Texas.

Mr. President, for the benefit of my colleagues who have not been to Texas, the western district of Texas stretches from east Texas all the way across to El Paso, a distance of about 800 miles. It is, as I noted, larger than the States of Pennsylvania and New York together in terms of square miles. It is three times larger than the State of Indiana; I do not know how many times larger than the State of South Carolina, but I should be glad to look up that information if the Chair is interested.

I think it is urgent that we get those two additional judges. We are consuming so much of the judges' time in traveltime to get over this huge district, in addition to the inordinately high caseload that they do handle. So I ask for the understanding of my colleagues in trying to assist the five judges that we now have in that district with two additional judges, which would heighten the caseload somewhat in a district that already has an overburdened docket that is compounded by an inordinate amount of traveltime that has to be consumed.

I yield to my colleague from Texas such time as he may require.

Mr. BENTSEN. Mr. President, I rise to lend to my distinguished colleague my support of this amendment by which he is trying to secure an additional judge for the western district of Texas.

There are presently five judges in that district. This bill only calls for one additional judge. In addition to having an excessive caseload, there is a problem, as my colleague has so ably presented, of geography in trying to cover that area. Many areas of it are sparsely settled. Yet they deserve the kind of attention that people get in other areas with greater populations. You can draw a line across that district and find we are talking about 800 miles. We do not have full service to the extent that we would like to have it. That means that they have to go over much of it by car. When you are talking about a 55-mile-an-hour speed limit, you can see how much time is spent trying to traverse that area by those judges.

My colleague has told us with a great deal of eloquence the size of the area. It is true that it is the size of the area of New York and Pennsylvania put together. Frankly, I just do not believe that one additional judge will be able to get the job done, considering the vast areas that are involved. I should appreciate very much the support of this body in seeing that we add the additional judge for the western district.

Mr. TOWER. Mr. President, I thank my colleague from Texas.

I might note that that district includes somewhat over two-thirds of our boundary with Mexico, which places an inordinately high criminal burden on it because of smuggling and narcotic cases and things of that sort. Despite its sparse population, it has, probably, an inordinate number of criminal cases because of its proximity to the border. I hope that will be taken into consideration.

Mr. BURDICK. Mr. President, first of all, let us understand that Texas is receiving five judges, one of which is provided for the western district. The plea just made by my friend from Texas is based upon the fact that, instead of receiving one in the western district, he thought they should receive two. It is true that the Judicial Conference recommended two judges for this district back in 1972. But if we look at the chart, we will see what happened to the projection in 1973 and 1974; it flattened out.

As indicated in the committee report, the statistics for the court at that time included a large number of immigration cases arising from violations at the Mexican border. Since these cases were handled exclusively by magistrates, the Administrative Office of the U.S. Courts adjusted the statistics to exclude the immigration cases handled by magistrates and to include in the workload of the judges only the immigration felony cases which were handled by the judges.

I might say that since this 1972 period, we have had the benefit of our magistrates and they have taken the load off our district judges. That was their purpose.

This adjustment is shown in the statistics for fiscal year 1973 which indicated filings of 525 cases per judge. In the following year, filings declined to 487 per judge and in 1975 there was a further decline to 439 of filings per judge. With this decline in judicial business, the committee recommended only one additional judge instead of two. With this additional judge, the district will have six judges and the average number of filings per judge will be 336 per judge. Thus, if the Tower amendment is approved, the effect will be to lower the committee standard of filings from 400 per judge down to 366 per judge. If this standard were lowered, and in fairness to all other courts, the result would be that new judgeships would have to be created in 58 Federal courts which would be an increase over the 45 Federal courts which are given new judgeships in S. 287 as amended by the committee. There would also have to be an increase in the number of judges authorized for some of the other districts where the average filings per judge would be at 366 or more per judge even if the new judges were authorized as provided by the committee action on this bill.

What I am saying, Mr. President, is that by adding the one extra judge, we would reduce the filings down to this figure.

In introducing this amendment, the senior Senator from Texas alleged that the committee did not take into consideration the geography of the western district of Texas which extends from San Antonio to El Paso. The hearing record of the committee, at page 331, reflects the fact that this matter of geography was not only called to the attention of the committee by Chief Judge Spears, but that there was also a discussion of the number of cases which were filed at the seven places where that court is authorized to sit. Figures compiled by the Administrative Office of the U.S. Courts clearly show that the major trial activity of that court is concentrated in Austin, El Paso, and San Antonio.

The senior Senator said this is a large area. Well, let us see how much business there is. It is not a question of area; it is a question of business.

In 1974, there were only four trials, lasting a total of 6.4 days, at Del Rio; there were only eight trials, lasting a total of 17.9 days, at Midland-Odessa; there were only seven trials, lasting 8.4 days, at Waco, and there were no trials at all in Pecos. Similarly, in 1975 there were only 11 trials at Del Rio, lasting a total of 7.7 days; only four trials at Midland-Odessa, lasting 18 days; only 14 trials at Waco, lasting a total of 7 days; and, again, no trials at all in Pecos. Thus the five judges of this court, with the help of the sixth judge provided in this bill can concentrate their judicial efforts at the three principal cities of Austin, El Paso and San Antonio, with only occasional trial activity at Del Rio, Midland-Odessa, and Waco.

Therefore, Mr. President, I submit that the western District of Texas has been judged fairly by the same standard as applied to all other courts and I am certain that the sixth judge authorized by this bill will furnish enough judge power to handle the judicial business in that court. For these reasons, I feel that the printed amendment No. 1406 should be rejected.

I would also say to my good Senator from Texas, again, we are having another survey, a quadrennial survey, next year and, of course, Texas will again be considered at that time. But based upon the statistics we have before us and based upon the treatment given to every other district, I regret that we cannot consent to the amendment.

Mr. TOWER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Texas has 2 minutes remaining.

Mr. TOWER. Mr. President, one of the reasons for the decline in cases filed and tried is that the U.S. attorney for that district has had to limit the handling of narcotic cases to major conspiracies. This has placed an additional burden on the State courts. It burdens the total judicial machinery in the State of Texas.

Two, I think we can play around with numbers quite a bit, but in a small, compact district, the number of cases does not quite make the difference, I think. It does in a district that is geographically spread over such a long space of territory—800 miles. It goes all the way from Centerville, Tex., in Leon County, out to El Paso. That is a lot of distance. It still means that there is a lot of travel time that has to be expended by these judges. That has to be taken into the bargain. In a small and relatively compact district, judges can handle more cases as individuals, because there is not all the travel time required. But these are enormous distances and, with air service being somewhat less than perfect between and among all the certificated cities of this district, I think it becomes incumbent upon us to take that into consideration as a major factor. Therefore, I urge my colleagues to grant us this additional judgeship.

The PRESIDING OFFICER (Mr. FONG). Who yields time?

Mr. HRUSKA. Mr. President, I join the Senator from North Dakota in opposing the amendment offered by the Senator from Texas.

Mr. President, by every criterion that we have applied faithfully and diligently to the other districts, the allowance of one addition to the Western District in Texas will more than amply satisfy the requirements there.

Geography is taken into account, travel time between the various seats where the court sits is taken into account, the nature of the cases are taken into account. The availability of magistrates, as the subcommittee hearings indicate, in misdemeanor cases has helped a great deal. The caseload, with the filing of cases, is well below the national average. It is down to 366 with the one additional judgeship. That is a big margin.

I am regretful that I must part company with my colleague from Texas, but the statistics and the facts in this case just will not warrant two additional judges. One additional judge is sufficient to meet the criteria the committee has set and applied in this bill.

I urge that the amendment be defeated.

Mr. TOWER. Mr. President, I regret very much what has been said by my distinguished friend from Nebraska, that for the first time in 15 years he has departed from me on a major issue.

I implore him to reconsider on this, his last term in the Senate, and to please grant my humble request.

Mr. President, I yield back the remainder of my time.

Mr. BURDICK. I yield back the remainder of my time, and move to table the amendment.

The PRESIDING OFFICER. All time has been yielded back.

Mr. BURDICK. Pursuant to the unanimous-consent agreement, I believe we defer the vote until all other amendments are heard.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1160

Mr. BUCKLEY. Mr. President, I call up my amendment No. 1160 and ask that it be stated.

The PRESIDING OFFICER (Mr. CULVER). The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New York (Mr. BUCKLEY), for himself and Mr. JAVITS, proposes amendment numbered 1160.

The amendment is as follows:

On page 3, line 24 insert the following: "one additional district judge for the northern district of New York,".

On page 8, line 7, insert the following: "Northern .... 3".

Mr. BUCKLEY. Mr. President, this amendment would add one additional district judge to the northern district of New York.

The northern district of New York is one of the larger judicial districts in the country, consisting of 3 million people scattered over 29 upstate New York counties, including 11 major cities. Since 1927, the northern district has labored under the burden of a burgeoning caseload and a static level of judicial resources. Its two judges now find themselves increasingly unable to cope with the growing workload demands which confront them.

I might add that during the almost 50 years since this district became a two-judge district, the population has increased by over 50 percent—about 50 percent—and as we all know, the complexity of cases has grown proportionately over the years.

For this reason, the Judicial Conference of the United States recommended that the northern district be authorized an additional judgeship; and the Senate's Subcommittee on Improvements in Judicial Machinery approved of the addition of the third judge. The Committee on the Judiciary, however, deleted the proposed judgeship from the final draft of the bill, citing partially inaccurate statistical information, and I regretfully submit, misinterpreting other information in support of their decision.

I believe the committee misapplied its own standards in refusing to approve the new judgeship for the northern district.

The standard of need adopted by the committee in deciding whether to recommend additional judgeships required a successful district-applicant to show two out of three of the following circumstances: First, "bench time" averaging 110 days or more per judge per year; second, annual case terminations in excess of 358 per judge; and third, yearly case filings equal to or in excess of 400 per judge. Although it was in possession of figures dealing with fiscal years 1972 through 1975, the committee chose to rely solely upon 1975 figures in making their determination. In addition, the committee required a showing that the applicant district has made efficient use of existing judicial resources.

The committee's first requirement is that there be at least 110 "bench days" annually.

Mr. President, I have before me a letter from Mr. Robert Lipscher, the circuit executive for the U.S. courts in the second circuit, which contains the sentence:

> The committee report shows 76 trial days and 6 court days for a total of 82 bench days per judgeship, whereas the correct figures are 78 trial days and 39 court days, totaling 117 bench days per judgeship.

In other words, the northern district's caseload clearly exceeds the standard set by the committee.

With reference to the total number of terminations per judge—the committee's second criterion—the northern district figure of 354 which is cited in the committee report falls short of the committee requirement of 358 by only four cases. A more significant figure would be the average number of terminations over the 4-year period for fiscal years 1972–75. The court averaged 406 terminations per judge per year—almost 50 cases in excess of the minimal figure. During that period, only 1 of 4 years fell below the standard of need outlined by the committee. Furthermore terminations steadily increased during the three fiscal years immediatley preceding 1975. Ergo, it is particularly inappropriate that the committee rely solely on terminations during a year in which terminations were abnormally low and in contradiction to a rising trend. In other words, it appears that the committee chose to rely on a year that was abnormally low and one which, based on information I shall refer to shortly, does not reflect future trends.

Finally, there is the question of the number of filings. The Judiciary Committee cutoff point was 400 filings per judge annually. The northern district of New York recorded a total yearly average of 402 filings per judge between fiscal years 1972 and 1975. Although there has been a temporary slump in the last 2 fiscal years from a high of 467 filings per judge to a low of 365, there are strong indications that this is not indicative of a permanent trend. During the first half of calendar year 1975, for instance, 107 filings were recorded in criminal cases alone. This represents a considerable increase from the number of criminal filings during the first half of the previous year; and, assuming civil filings continue at the present level, will result in a caseload of at least 400 filings per judge during fiscal year 1976. In view of the fact that the temporary drop in filings during the last 2 fiscal years has been the result of a lower number of criminal filings, it is particularly significant that the U.S. attorney for the northern district of New York has indicated that the resurgence of criminal filings during that last half of fiscal year 1975 is more representative of the permanent state of affairs.

I would like, Mr. President, to bring the specifics up to date to show that the U.S. attorney's predictions have been substantiated in fact. I have comparisons of the figures applicable to the period of July 1 to November 17, 1974, with those from July 1 to November 17, 1975. These figures, in other words, represent the first months of fiscal year 1976: Whereas, in that period in 1974 there were 46 criminal filings, in the same period in 1975 there were 72, for an increase of 56.5 percent. With respect to civil cases in 1974 during that period, there were 209 filings; in 1975, 257 filings, for an increase of 23 percent. Moreover, in civil cases, the number of motions during that same period increased by 15.4 percent between 1974 and 1975. Clearly, in other words, fiscal year 1975 was not a typical year, not reflective of the experience of the court as a whole.

In short, I believe that a fair investigation of filings, terminations and bench time in the northern district of New York during the 4 years which have elapsed since the last congressional consideration of the addition of judgeships leads to the conclusion that the district satisfies the substance of all three requirements that were laid down by the Judiciary Committee as prerequisites to a recommendation for additional judges.

Mr. President, I would like now to cite what I believe must be the paramount authority regarding judicial need. I have in my hand a letter that was written 2 years ago by Chief Judge Henry J. Friendly, of the United States Court of Appeals for the Second Circuit, who has had the responsibility of, among other things, trying to send additional part-time judges and visiting judges to the northern district to help relieve the load. In this letter the judge speaks of the need for new judges in the northern district, as well as in the eastern district of New York. I would like to quote in full his description of the situation in the northern district:

> Beyond a doubt this is the most critical situation we have. There are now two badly over-burdened judges in this district. A third was needed, but for some inexplicable reason was not granted, when the last omnibus bill was passed. Now the need is even greater. The case is so strong as to need little embroidery from me. Let me emphasize two points. Four major institutions for confinement of New York State prisoners are in the Northern District; yet the new style prisoner applications, unlike traditional habeas corpus, cannot properly be transferred to the district of conviction, and many more will require evidentiary hearings. Also, because the Northern District includes the capital city of Albany, it attracts a disproportionate share of litigation against state officials. Court Management Statistics for United States Courts issued by the Administrative Office in November 1972 show that in this district in fiscal year 1972 the raw filings per judgeship were 469 and the weighted filings were 440, as against the national average of 363 and 335, respectively, and that criminal filings and weighted filings in this district have doubled since fiscal 1969. The Subcommittee on Judicial Statistics, in making its recommendations, emphasized that the filings per judgeship are significantly above national averages. It is a miracle that, particularly since the death of Senior Judge Brennan, two judges have managed to keep part of their heads above water. We should not expect such miracles to continue.

This letter that I just read was, admittedly, written in 1973; and, admittedly, the statistics for fiscal year 1975 showed a dip. But since then, we have had a resurgence.

I also have a note from Judge Foley in which he states that the caseload is becoming impossible and, in addition, states that the northern district must rely on visiting judges continually to keep abreast of the work.

Mr. President, I think it is particularly significant that, in the second circuit's own assessment of the needs within the district courts within the district, the chief judge should have stated that the greatest need lay in the northern district of New York, and that the need of the northern district exceeded that of the eastern district. The full committee, however, has chosen to fill that admitted requirement in the eastern district and to ignore the more pressing needs in the northern district.

I hope that the managers of the bill will see the need—the justice—of reconsidering their action in light of the clear error in the case of sitting days, as well as the more recent statistical information indicating that they were relying on outdated statistics with respect to this.

In short, an impartial investigation of the filings, terminations, and bench time in the northern district of New York during the 4 years which have elapsed since the last congressional consideration of the addition of judges leads to the conclusion that the district satisfies all three requirements laid down by the Judiciary Committee as prerequisites to a recommendation for additional judgeships.

There are, however, conditions particularly reflective of an onerous caseload in the northern district which may not be discerned through the application of the committee criteria.

In the first place, the considerable size of the district and its consequent circuit nature place a burden on judicial resources. One of the two judges must travel between Syracuse, Utica, and Auburn during inclement winter months in order to hold trial and motion terms in those disparate locations. In addition, the clerk's office and the U.S. marshal's office are located in Utica—90 miles distant from the chambers of Chief Judge Foley in Albany. Both of these factors place intolerable travel burdens on the judges and their staffs, and could be relieved by the addition of an extra judge to hold court in two of the aforementioned cities.

In the second place, the 4,000 prisoners located in New York State correctional facilities within the district file a disproportionate number of time-consuming prisoner petitions and petitions for habeas corpus. This is not reflected in the committee figures, but have resulted in a substantial drain on judicial time and resources.

Finally, and most importantly, the northern district, unlike 32 of the 40 districts or district-combinations recommended for additional judgeships by the committee, does not have the services of a full-time magistrate. The committee rightly points out the importance of the magistrate, who, although not permitted to perform some judicial functions, can be of considerable assistance in relieving judges of many of the routine tasks involved during the early stages of litigation. That the omission is crucial may be seen by the fact that the filings per full-time judicial official—that is, judge or magistrate—in the Northern District of New York in 1975 exceeded the number of filings per full-time judicial official in 18 of the 40 districts and consolidated districts recommended for extra judgeships by the committee. Hence, it can be seen that, even employing the understated 1975 figures relied on by the committee, the judicial burden on the two judges of the northern district is more severe than that of a substantial number of the districts recommended for judgeships.

The veracity of what has been said can apply demonstrated by the practical barometer of judicial stress—the "visiting judge time" donated and received by a district. The northern district has consistently relied on the services of visiting judges during the fiscal years 1972–75. In 1975, it received 101 days, amounting to nearly one-half year's work on the part of a visiting judge. Furthermore, unlike many of the districts receiving new judgeships, it has not had the resources to donate any visiting judge time in the past 4 years. In contrast to district courts in Puerto Rico, Miami, Phoenix, and San Francisco, the reliance of the northern district of New York on visiting judges can hardly be attributed to its agreeable climate during winter months.

In summary, both the Judiciary Committee's own standards, fairly applied, and other factors not considered by the committee's limited analysis would demand that the judicial burden on the two judges of the northern district of New York be relieved by the appointment of an additional judgeship to that district. Consequently, we urge support of the amendment.

Mr. JAVITS. Will the Senator yield?

Mr. BUCKLEY. Gladly.

Mr. JAVITS. I join the Senator in this amendment and I would also like to join him in pressing for action on it. I will not be redundant in that regard, but I would like to add two facts:

I think it is very strong and very persuasive that apparently the figures upon which the committee relied, without blaming anyone, do not really reflect the situation. The new figures are before the committee in this amendment. Therefore, there is an equity for making a determination upon new figures. I believe Senator BUCKLEY has made that case very strongly.

I do also wish to add one further point from my own experience. I was an attorney general of New York, and as attorney general it was my duty to defend writs of habeas corpus and other proceedings started by prisoners of our correctional institutions.

It was an unbelievable load of work. Referring to the Attica situation, which is in this area. Attica, which was such a traumatic experience for New York corrections and the New York prison situations, engendered an enormous body of litigation out of the prisons. Having handled that kind of action myself for the 2 years that I was attorney general, and knowing the Attica situation firsthand and what it stimulated in the principal correction institutions of the State, I really submit that it has added an extremely material fact occurring in this area of our State.

Of course, this is a very long period of years, almost 70 years, since anything has happened in this particular area, with a population growth of 1 million, and a tremendous stimulus also in business activity incident to the improved means of transportation from Canada and the intense industrialization of Canada, which has engendered a comparable industrialization in the northern district of New York.

For all of those reasons, and in view of the very excellent statements made by my colleague—and I thank him so much for carrying the ball with this particular amendment—I believe that it really justifies a reconsideration by the committee, which I hope it will have.

Mr. BURDICK. Mr. President, this illustrates once again what would happen if we did not follow the criteria adopted by the committee. It is like the situation we just heard about in Texas where we had 366 filings per judge and here we have 365. If we were to give ground on this case, we would have to give ground in all the other courts where the filings per judges were between 365 and 400. All the good work that we have put into this would go for naught.

We are trying to get production. We are trying to set a fair standard of judicial performance in all courts. I believe we are not unreasonable.

This court falls far below the criteria.

Not only that, but in this district each judge has 27 trials per year. That is all they have. Filings are 365. Back in 1972 and 1973 there seemed to be a spurt in activity because of Selective Service cases when the district had over 400 filings per judge. But the war is over. The Selective Service cases are not there any more, and immediately the caseload drops.

Let us look at the record from the administrative office. In 1970, there were only 314 cases per judge, and in 1971 there were 350. Then in 1962 it jumped to 467 because of Selective Service cases. In 1973 it started to taper down to 409. In 1974 it dropped to 365, and now it continues at 365 for 1975. In other words, when the conference recommended a new judge back in 1972–73, there were far more cases than there are today. We have to take things on their current basis.

Once the Selective Service cases fell away, filings returned to normal. For the past 2 years there have been only 365 cases per judge. This is a caseload that does not overtax the two judges, as shown by the fact that the trials average only 27 per judge, as against the national average of 48 per judge.

Of the 365 cases, 216 are prisoner petitions. We passed the Magistrate Act to relieve the judges of this burden, and we have magistrates taking care of the prisoner petitions now.

When the Senator from New York refers to the fact that that district is in an area where there are a number of habeas corpus filings, I agree. As a matter of fact, they are exceedingly heavy—35 percent of the caseload. But bear in mind that the records show that about 97 or 98 percent of these habeas corpus filings have no merit. Most of them are frivolous, and as a matter of fact most of them are screened out by clerks or magistrates.

Here we have a caseload down to 365, and 35 percent of those are prisoners' petitions, in many cases prepared by the prisoner himself on a per se basis. So there is little imposition on the judges, and no justification if we are going to hold to our criteria. I regret it very much, but they just have not made out a case.

The PRESIDING OFFICER. Who yields time?

Mr. BURDICK. I yield the Senator from Nebraska such time as he may need.

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment. The statistics just will not support another judge in this district. The figures have been cited by the Senator from North Dakota, and the figures even as they are presented do not qualify.

Instead of having the 400 new filings required by committee standards, here there are 365. And, as has been pointed out by the Senator from North Dakota, 35 percent of those new filings are prisoner petitions, and there are the new procedures now, with magistrates to deal with these matters. There are eight part-time magistrates to screen these prisoners' petitions, and if we subtract from the 365 filings the prisoners' petitions, the case for another district judge is further weakened.

The national average for trials per judge is 46, and in this instance the actual trials per judge are 27—almost 50 percent less. The record will not sustain an additional judgeship here, and I urge that the amendment be rejected.

Mr. BUCKLEY. Mr. President, the distinguished chairman of the subcommittee stated that some kind of a Pandora's box would be opened if the committee were to waive its criteria in any particular instance. I certainly agree, if that were to be the case, that it might be hard to turn down other requests. Certainly, neither the senior Senator from New York nor I are proposing that the criteria be waived, but merely that they be fairly applied. As I stated earlier, it is very clear that there was an error with respect to one of the criteria published in the report; there were actually 117 bench days per judge in 1975.

Second, the workload of a court cannot be judged on the basis of a single year, but in terms of experience, past and what one can project into the future. It was stated by the chairman that the reason for the higher load earlier on was because of the large number of Selective Service cases. True, that was a contributing factor to the caseload in 1972 and 1973. On the other hand, we now have that behind us, and yet we see a resurgence of caseloads clearly plotted through calendar year 1975 and continuing, as I understand, into 1976.

The fact is that the people most familiar with the actual work these two judges are called upon to do, namely, the chief judge for the Second Circuit and also the U.S. attorney, who has to process and try his cases and, therefore, who can see the developing workload have testified and certified to the fact that this is an extremely overburdened court, even more than some of the other overburdened courts in New York State.

Finally, as was pointed out by U.S. Attorney Sullivan in a letter to Deputy Attorney General Harold Tyler in September of 1975, the nature of the criminal work has changed significantly. So, even though there may be a decline in number of filings, the fact is that the kind of work that is being handled now requires jury trials lasting 1 or more weeks. This is not the kind of work that is easily disposed of.

I submit that for all of these reasons, by the application of the substance of the committee's criteria, the case is clearly substantial for the need for another judge in the northern district of New York.

I am ready to yield back the remainder of my time.

Mr. BURDICK. I yield back the remainder of my time,

I believe that under the order, the vote will take place after the vote on the amendment of the Senator from Texas.

Mr. President, I move to lay the amendment on the table.

Mr. BUCKLEY. Mr. President, before yielding back my time——

Mr. BURDICK. I withdraw my motion until the Senator has concluded.

Mr. BUCKLEY. In the remote event that the vote on the motion should carry, would the chairman be able to assure the Senators from New York that this matter will be given very careful consideration in April?

Mr. BURDICK. I will be very glad to give that assurance; and at that time the quadrennial survey will be out.

Mr. President, I move that the amendment be laid on the table.

The PRESIDING OFFICER. The vote will occur at the end of the time for debate on all six amendments.

INDOCHINA REFUGEE CHILDREN ASSISTANCE ACT OF 1975

Mr. PELL. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2145.

The PRESIDING OFFICER (Mr. Culver) laid before the Senate the amendment of the House of Representatives to the bill (S. 2145) to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes.

(The amendment of the House is printed in the Record of January 19, 1976, beginning at page 167.)

Mr. PELL. Mr. President, I move that the Senate disagree to the House amendment and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Pell, Mr. Randolph, Mr. Williams, Mr. Kennedy, Mr. Mondale, Mr. Eagleton, Mr. Cranston, Mr. Hathaway, Mr. Beall, Mr. Javits, Mr. Schweiker, Mr. Stafford, and Mr. Taft conferees on the part of the Senate.

OMNIBUS DISTRICT JUDGESHIP BILL

The Senate continued with the consideration of the bill (S. 287) to provide for the appointment of additional district court judges, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. Johnston) proposed an amendment:

On page 3, line 16, after the comma, add "one additional district judge for the middle district of Louisiana,"

On page 7, between lines 34 and 35, insert the following:

"Middle .... 2"

The PRESIDING OFFICER. The Senator from Louisiana is advised that a half hour is allowed on the amendment, 15 minutes be equally divided.

Mr. JOHNSON. Mr. President, the question presented by this amendment is whether this additional judgeship will be added now at a time when it is very badly needed or whether we must wait probably the 3 years that it will take for the new report to be implemented. We are advised that the judicial conference will recommend this additional judge in its 1976 quadrennial report. The interim period is the time that we are terribly concerned about.

As we understand it, there are four criteria by which judges are recommended. On three of these criteria we more than exceed the test. For example, on raw weighted case filings, the rule is 400 or more per judge. In calendar year 1975, Judge West, the single judge in this district, had 608. In other words, he exceeded it by over 50 percent.

With respect to terminations, the test is 358, with a national average. In calendar year 1975, we had 543 terminations.

The third criteria is efficient use of time, and I think this district is a model of efficient use. It has been praised even by the chairman of the committee, who has had occasion to write Judge West and praise his efficient use of time.

The only reason we are not included in the bill is because of days spent in trial. The days spent in trial by this particular judge are very few. The reason is that this judge, in order to try the very heavy docket which he has, does not let a case get to trial unless he has tried every conceivable device for getting that case settled. When he does go to trial, he stays in trial from 7 to 9 hours, which is his average, which is much higher than the average. All of his oral arguments he has in chambers; he does not have them in open court. If he had them in open court, that would count as a day's case. All of his motions calendar, which would be many days in court, he handles in chambers instead of taking the time which he does not have and go into open court.

No one says that this judge is not one of the hardest working, most efficient, one of the best, or one of the most overworked judges in America. That is not the issue. The issue is whether that stark figure of trial days is going to disqualify this district, which has a single judge who is greatly overworked, from getting a new judge. That is the whole issue presented. On every other score we more than measure up to the standards.

Mr. President, the kind of cases he handles—it is in the State capital—are very difficult, very time consuming indeed. For example, last year he had 104 civil rights cases, some of the most weighty and difficult cases of all. Right now he has 110 civil rights cases pending. All attacks on the constitutionality of our State prison, which happens to be named Angola, are all brought here. They are all presently. There is a presently subsisting court order that in effect means that the district judge of this district has taken over the management of a many multimillion dollar prison facility which he manages by day-to-day court order. All major suits involving State agencies are brought here in Baton Rouge in the middle district. Integration cases on our black State University are filed in Baton Rouge. The largest black State university in the world, Southern University, is located in Baton Rouge, and the other one, Grambling, is a very large one, and they are presently under Federal attack. Those two cases alone are time-consuming enough to take the whole time of the court.

The point is that this judge cannot afford the luxury of going to court day after day with trials. That sounds incredible, but it happens to be true in the middle district of Louisiana. The fact is that lawyers are well nigh mistreated by the judge, who must get these cases settled. If he does not, the cases do not get tried, and the ends of justice are not served.

So, Mr. President, I hope that the distinguished floor manager of the bill will relax that one criteria of trial days in order to correct, I think, a very serious lack of judges in the middle district of Louisiana.

Mr. BURDICK. Mr. President, it is true that this district has high filings and high terminations. However, this is a special situation. This court sits only in Baton Rouge. It formerly was a part of the eastern district of Louisiana. Because it was the State capital, there was a peculiar concentration of cases at Baton Rouge. We were asked in 1971 to make this a separate district in order to save travel time from New Orleans to Baton Rouge for a number of court and Justice Department personnel. Under this bill, the eastern district of Louisiana will receive two judges. If the judge in the middle district needs help, he can easily get it from New Orleans.

In fact, the number of trials and total bench time in the middle district—I want the Senator to listen to this—the total bench time trials in the middle district are below the national average and 93.8 percent of the civil cases are settled and disposed of without necessity of court trial.

I only can make a supposition that they must be some small and not very difficult cases to get a high rate of settlement. I do not know. I am only making a supposition.

Under the committee standards for measuring workload, the committee did not feel that a second judge was needed in the middle district.

What criteria do they not meet? Here is a 4-year-old study. Bear in mind that the average bench time per judge is 110 days for an average 48 trials. Let us see about this district. In 1972, they had 42 trials; in 1973, they had 34 trials; in 1974, they had 36 trials; and in 1975, they had 30 trials. So with all due respect to my friend from Louisiana, there is not much business going on there. There certainly is not enough business to justify an additional judge.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. BURDICK. Yes.

Mr. JOHNSTON. I think this is the very point we are making. The Senator says these must not be serious cases. They have a way of determining whether the cases are serious or not. They have a term they call "weighted filings." In the middle district, 409 out of 414 cases filed, I am advised, were weighted filings. The cases are serious. What the Senator says is, of course, very true. But he simply does not have time to sit in court to try these cases. He must get the lawyers together and insist on settlements, and that does not serve the ends of justice. If he did not do this, then he would not be handling this well-above-the-average docket that he has.

Mr. BURDICK. When I made my supposition, I turned out to be correct. I find that in the schedule here, in the administrative office figures, 137 of those cases are prisoner petition cases and, as I understand, the middle district has one full-time magistrate and one part-time magistrate. So right there is a very soft load. One hundred thirty-seven out of the 485 total filings. And the judge does not have to handle them at all, the magistrate screens most of them.

Mr. **JOHNSTON.** As I understand, the civil cases, 409 out of 414, according to my information here, were weighted cases, which were not serious, but, if we I am sure they did have the prisoner cases, whcih were not serious, but, if we just take the civil cases, the civil cases alone are above the average and the vast majority of those are weighted cases.

Mr. **BURDICK.** But the fact remains that that judge is only occupying the bench 34 days, 36 days, 30 days, and 42 days, in a 4-year span of time, when all the other district judges in the country are spending an average of 110 days on the bench. That indicates something to us. It is true that the Senator's State qualifies in the other two criteria but certainly not on the workload.

So, with some degree of regret, I must oppose the amendment.

The **PRESIDING OFFICER.** Who yields time?

Mr. **JOHNSTON.** Mr. President, I yield back the remainder of my time.

Mr. **BURDICK.** Mr. President, I yield back the remainder of my time, and I move to table the amendment.

The **PRESIDING OFFICER.** The vote will occur later.

AMENDMENT NO. 1348

Mr. **DOLE.** Mr. President, I call up my amendment No. 1348 and ask for its immediate consideration.

The **PRSIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Mr. PEARSON, proposes Amendment No. 1348:

On page 3, line 14, after the phrase "district of Indiana," insert the following: "one additional district judge for the district of Kansas,".

On page 7, between lines 29 and 30, insert the following:

"Kansas ---------------------------- 5".

Mr. **DOLE.** Mr. President, I will take only a brief portion of the allotted time. This effort is similar to those already made, but I believe I have a better case, so will not need to talk as long as some of the other Senators.

As my colleagues are aware, this bill at present authorizes the addition of 45 new Federal district judgeships in 43 judicial districts. Our amendment would provide for an additional judge for the district of Kansas raising the number there from four to five.

I might add at the outset that this addition was recommended by the judicial conference, based upon its projection of future needs, and was in the original bill. The committee, however, declined to follow this recommendation, preferring instead to establish a separate scientific means for evaluating relative need.

Accordingly, they applied three statistical criteria to each district, based on fiscal year 1975 data only. First, in order to qualify for an additional position, a district had to have bench time averaging 110 days or more per judge per year; second, annual case terminations had to be in excess of 358 per judge; and third, yearly case filings were required to equal or exceed 400 per judge.

Twenty-six districts met all three criteria and were recommended for one or more additional judgeships. Seventeen districts met only two of the three criteria, yet 15 of those were recommended for an additional judge.

Only two districts one of them the State of Kansas which met two of the three criteria were excluded. Of the districts approved, three had fewer filings per judge than Kansas; eight had fewer terminations per judge than Kansas; and 23 had fewer bench days per judge than Kansas.

The single criterion which data for the Kansas district failed to meet was filings per judge per year. As the report itself points out in discussions of other districts, however, filings may fluctuate from year to year, and this should certainly have been considered in our instance.

Specifically, in the Kansas district over the last 5 years, filings rose from 350 in 1970 to 418 in 1971, dropped to 369 in 1972, rose to 444 in 1973, and dropped to 386 and 384 in 1974 and 1975, respectively. However, filings for the first 8 months of fiscal year 1976—July 1975 through February 1976—projected over the entire year, indicate a very large increase to 431 filings per judge, substantially above the qualifying figure of 400 set by the committee.

The increased load, moreover, is a substantive one representing civil and criminal cases anticipated to require the attention of a district judge. The figures are definitely not inflated by an influx of prisoner petitions, which the committee report suggests are amenable to disposition by district magistrates.

As a matter of fact, an argument may be presented that only 21.1 percent of the total petitions in the Kansas district are prisoner petitions. Yet, while using that as a justification for denying us an additional seat, the committee has approved new judges for the middle district of Alabama, where 33 percent of the filings are prisoner petitions; for Connecticut, where 24 percent have been prisoner petitions; the western district of Missouri, with 32 percent; the eastern district of North Carolina, 31 percent; the eastern district of Oklahoma, 27 percent; the middle district of Pennsylvania, 24 percent; and the western district of Wisconsin, 44 percent.

The point is, then, that the number of prisoner petitions itself is not a sound or consistent rationale for determining the number of judgeships needed. I might note, too, that in any event the percentage of prisoner petitions filed relative to total civil filings has remained steady in the Kansas district over the last 3 fiscal years.

The history of per judge filings in the Kansas district has, certainly, been subject to yearly variation, but gives no indication of a decline or leveling off of the demand on the courts. Indeed, the increasing demand on our court resources has been confirmed by the present Kansas district judges, who make particular reference to the growing complexity of cases and increasing frequency of multilitigation cases.

There is no disagreement among the people of Kansas as to the need for an additional judge. I have letters from the Kansas Bar Association, the Kansas Trial Lawyers Association, the chief judge of the Kansas district, and private citizens requesting more sitting Federal judges. One Kansan in particular, a small business man, said he has had a civil case pending for 4 years—with a significant portion of his capital tied up awaiting the outcome.

That constituent advises me that he and his case must wait, because "our lawyers tell us we have not been able to have a trial in this matter because of the large number of cases filed before our case which have not yet been tried, and because of the many criminal matters that the U.S. district judges must handle." No citizen, Mr. President, should have to wait 4 years to have a case heard and settled.

In summary, I feel that in all fairness the Kansas district judgeship should be authorized. Fifteen other districts which met two of the three criteria based on 1975 data, as did Kansas, were approved. And using the more current 1976 figures on filings—which were not available to the committee—our district easily meets the third criterion.

Mr. President, it would be my hope that members of the committee, and in fact all my Senate colleagues, might be able to support this amendment—not only on the basis of the new data I have presented, but in recognition of the fact that exceptions for those states which have come close to meeting all three standards have clearly already been made. If we are denied this judgeship, the Kansas district will have a burdensome caseload when other districts have been granted relief.

Mr. President, I commend the distinguished ranking minority member and the chairman of the subcommittee for the efforts they have made on this legislation. I know there have been difficult decisions to make and that somewhere the line must be drawn.

I recall being in the House of Representatives at a time when they were about to redistrict, and several Members were about to lose their seats. Naturally, they wanted to add one more and one more and one more—so I can understand the pressures, and I can understand what might happen in the event the bill were completely opened up.

It just seems to this Senator and the Senior Senator from Kansas (Mr. PEARSON), however, that we do in fact meet the criteria—if we consider what is happening this year and do not base it on 1975 data alone. I believe that, based on what I have stated, Kansas has a meritorious and deserving case, and would hope the Senate might be able to give our situation favorable consideration.

Mr. President, I reserve the remainder of my time.

Mr. BURDICK. Mr. President, the committee has watched the situation in Kansas quite closely. In the past 7 years there were 2 years—1971 and 1973—when the filings averaged more than 400 per judge, and that is the time in which the Judicial Conference made its recommendation. However, in all other years the filings were well below the committee standard of 400 filings per judge. For the past 2 years the filings have been 386 and 384 per judge. So, for the past 2 years, these filings have dropped. As Senators know, there have been many reasons for this, which I related in other cases. The simple fact is that this is below the committee standard and no judgeship was recommended. It should also be noted that almost 30 percent of the total caseload in this district are prisoner petitions coming from the Federal penitentiary at Leavenworth as well as some of the State prisons.

The able Senator from Kansas stated that other States have prisoner petitions. That is true, but they also have a heavier total caseload. As I said before, about 95 to 98 percent of those petitions are frivolous and have no merit, very few have evidentiary hearings, and they are generally handled by magistrates. A significant number of these prisoner petitions are handled by the full-time magistrates. This district, at the same time of our hearings, had two full-time magistrates and in the appropriation for fiscal year 1976, there are funds provided for this district to have a third full-time magistrate. Either they have that third full-time magistrate now or they will soon.

The number of trials per judge are about average. With this kind of a picture, the committee concluded that Kansas did not need additional judgeships at this time.

Again, this is a situation which the committee is going to watch very carefully. We are going to look at the quadrennial survey next year, to see whether this downward trend continues or whether's it goes up again.

At the moment, it does not meet the criteria, and we are disturbed by the fact that more than approximately 320 cases are prisoner petitions. They cannot be called substantial cases, and the fact that the filings are below the 400-case standard is another fact against this amendment.

Mr. DOLE. Mr. President, I appreciate the remarks of the distinguished Senator from North Dakota, and I welcome the comment that this matter will be watched closely.

I would suggest again, as I did in my opening remarks, however, that when we look at the first two-thirds of this fiscal year—July 1975 through February 1976—and project those 8 months over the entire period, it appears that we will meet—and in fact, exceed—the 400 mark by 31 filings per judge. That is substantially above the qualifying figure set by the committee.

I do not know how many other areas might be affected if we had more current estimates all the way around. But it does seem to me that since every indication is we in Kansas will exceed the minimum required figure for case filings in fiscal 1976, that should be a consideration.

I point out again that 26 districts met all three criteria and were recommended by the committee for at least one additional judgeship. Texas received five, I think, North Carolina two, and New York one. Seventeen districts met only two of the three criteria, yet fifteen of them were recommended for an additional judge.

I have not had a chance carefully to analyze the difference between these 15 and the State of Kansas, but do know that the only other one denied was in Indiana. The number of case filings there has been on a consistent downward trend, however, unlike ours.

Sure, we have prisoner petitions, although our figures are not as large as the Senator from North Dakota—who was referring only to civil cases, I believe—indicated. We show it to be about 21 percent—far less than other States granted additional judgeships, at least by virtue of this legislation—but in any event feel that the overall picture reveals a very convincing, compelling case for five Federal judges in our State.

Mr. President, I reserve the remainder of my time.

Mr. BURDICK. Does the Senator yield back his time?

Mr. DOLE. I yield back my time.

Mr. BURDICK. Mr. President, I move to table the amendment.

The **PRESIDING OFFICER.** The vote will occur after the other votes on the motion to table.

Mr. MORGAN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MORGAN. Mr. President, I call up the amendment offered by Mr. HELMS previously.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MORGAN. I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

The Senator from North Carolina (Mr. MORGAN), for himself and Mr. HELMS, proposes an amendment:

On page 3, line 25, strike out "and" and insert in lieu thereof "district of North Carolina, one additional district judge for the western district of North Carolina,".

On page 4, line 1, strike out "western districts of North Carolina,".

On page 8, strike out the item relating to North Carolina and insert in lieu thereof the following:

"North Carolina:

Eastern	3
Middle	3
Western	3".

Mr. MORGAN. Mr. President, this is an amendment, which will provide a badly needed judge to the Western District of North Carolina, which I am sure that the distinguished chairman of the subcommittee considering this bill overlooked when they were giving careful consideration to the number of judges that we have and those that we need.

North Carolina has three districts and I am pleased that the bill proposes that an additional judge be provided for the eastern district of my State. It also proposes one other judgeship to be divided between the Middle and Western Districts of North Carolina.

The amendment which Senator HELMS and I are cosponsoring proposes that instead of one judge to be divided between the middle and western districts, that both districts be provided with one judge each. We believe that the caseload in these districts merits the additional judgeships and we believe the judges in those districts desperately need the relief this assistance would provide.

I note that a letter I recently received from an attorney practicing in the Federal courts stated that, in the western district, Judge Jones, who tries every criminal case in that district, "frequently holds night sessions, and Judge McMillian sat on the bench every working day, plus one, in January." His comment is illustrative of those made by many attorneys in the two districts contacted by my office in an effort to obtain firsthand information about the accessibility to the courts by attorneys practicing there and the workload of the judges now sitting in those districts.

I also am told that Judge Jones and Judge McMillian of the Western District of North Carolina sit on the bench more days per year than the judges in all but one Federal district in the whole country. I believe this fact alone warrants an additional judgeship in the Western District of North Carolina.

The case in the Middle District of North Carolina is equally critical.

I am told that in 1974 the national average of filings per judgeship throughout the United States was 358. In the Middle District of North Carolina the number of filings per judge was 389, which is more than the national average.

In 1975, I am told, the national average of filings per judge was 402. In the Middle District of North Carolina it was 455. In the past years, filings in this district have shown a persistent and steady increase, and I am told that the projected figure for 1976 is 567. Again, I think this calls for relief if we are to keep good judges on the bench and attract other outstanding attorneys to the Federal judiciary.

Mr. President, I point out one other fact. That is that this Western District comprises one of the fastest growing districts in the State and in the country, including the city of Charlotte, and I think this should be taken into consideration. We hope that Members of the Senate will look with favor on our amendment.

Mr. HELMS. Mr. President, I shall not consume the Senate's time with a recitation of the statistics which are already available in the committee report, relative to North Carolina and the other States. Before I proceed with brief remarks in support of this amendment, I want to commend the distinguished subcommittee, and particularly the chairman, the distinguished Senator from North Dakota, because I know it was a trying experience to put together the legislation now before us, S. 287. Also, I want especially to commend Mr. Bill Westphal and Mr. J. C. Argetsinger who have been most cooperative with members of my staff and, I am sure, with the staff of my distinguished colleague from North Carolina (Mr. Morgan). I extend my thanks to them on this occasion for their fine cooperation. I want them to know that I understand the problem they have had in trying to keep the creation of new judgeships under control, and the allocation of them on a fair and equitable basis, mindful of the needs of all States.

Having said that, Mr. President, I do hope that the distinguished floor manager of the bill will look once again in the statistics, and the projections of workloads that Senator Morgan and I have received—not only from the judges themselves but from the attorneys in both the Middle and Western Districts. It is a burdensome situation that is growing worse by the day. It is far more burdensome now than the statistics published on page 28 of the report indicate.

I wonder, in view of this, if the distinguished manager of the bill would indicate to the Senator from North Carolina whether there is any hope of our reaching an accommodation in connection with this very real problem in my State. I frankly say to him that I would not participate in this amendment if I did not genuinely feel that it is sorely needed and entirely justified.

Mr. BURDICK. The problem is—I would like to be helpful.

Mr. HELMS. I do know that, sir, and I am grateful.

Mr. BURDICK. The problem is if we give the State another judge, the caseload average will be only 314 per judge. That means everybody in the country would get a judge on that basis. That is the trouble.

When the Senator gets the one judge we gave him—we gave one judge to the State. He wants two. Having given the one judge, the average goes down to 354. If we give another judge, the average goes down to 314, and that is way below the average in the country.

Mr. HELMS. The Senator's statistics are not current, but I recognize that he must use what he has. What will be the situation, I ask the Senator, a year from now? Will there be another assessment of this situation? Can more up-to-date statistics be considered at that time?

Mr. BURDICK. There will be a very comprehensive, what we call a quadrennial survey, taken by the administrative office of the courts. That is taken every 4 years. That should be completed by next April. We are going to look at it very carefully. I have assured my colleagues and I assure the Senator from North Carolina that if there is a growth in load here, it will be taken into consideration. If it meets these criteria, the State will get another judge. It is that simple. We shall look at it very carefully.

Mr. HELMS. If and when, a year from now, a situation should be recognized, supported by the statistics at that time, which manifestly pointed up an emergency situation in terms of caseloads, will there be hope of relief?

Mr. BURDICK. There is a possibility, first of all, of appointing a temporary judge. This has happened in many jurisdictions where an emergency situation really arises. We can act fast if that happens.

If there is some major need for an additional judge, we would hear it, but there would have to be some evidence.

Mr. HELMS. I understand that.

I thank the Senator. I reiterate, he has been most cooperative, for which I am grateful, not only to him and the other members of the subcommittee and the committee, but the staff as well.

Mr. BURDICK. I thank the Senator.

Mr. HELMS. Mr. President, unless my distinguished colleague has further to say, I yield back the remainder of our time.

Mr. BURDICK. I yield back the remainder of my time.

I move to table the amendment.

The PRESIDING OFFICER. The vote on the motion to table will occur following the amendments.

Are there any further amendments?

The question now recurs on the motion to table the amendment of the Senator from Texas.

Mr. BURDICK. We want the yeas and nays.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BURDICK. On all of them.

The PRESIDING OFFICER. It will take unanimous consent to order the yeas and nays on all.

Mr. BURDICK. I ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered on all five motions to table that are pending. The first vote will occur on the motion to lay on the table the amendment of the Senator from Texas and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. Leahy). It is impossible for the clerk to hear Senators when they vote. Will Senators who are not voting clear the well? Will Senators and staff please continue their conversations either in the cloakrooms or out of the well so the clerk can hear the votes?

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from Wyoming (Mr. McGee), the Senator from California (Mr. Tunney), the Senator from Mississippi (Mr. Eastland), the Senator from Colorado (Mr. Haskell), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. Jackson), and the Senator from Minnesota (Mr. Humphrey), would each vote "yea".

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Pearson), and the Senator from Ohio (Mr. Taft), are necessarily absent.

The result was announced—yeas 55, nays 33, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—55

Abourezk
Bayh
Beall
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Cannon
Case
Church
Clark
Cranston
Culver
Eagleton
Fong
Ford
Glenn
Goldwater
Griffin
Hart, Gary
Hart, Philip A.
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Inouye
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott,
  William L.
Stennis
Stevenson
Stone
Symington
Talmadge
Thurmond
Weicker
Williams

NAYS—33

Allen
Baker
Bartlett
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Byrd, Robert C.
Chiles
Dole
Domenici
Durkin
Fannin
Garn
Hansen
Helms
Javits
Johnston
Laxalt
Long
McClure
Metcalf
Morgan
Packwood
Percy
Roth
Sparkman
Stafford
Stevens
Tower
Young

NOT VOTING—12

Curtis
Eastland
Gravel
Hartke
Haskell
Humphrey
Jackson
McClellan
McGee
Pearson
Taft
Tunney

So the motion to lay on the table was agreed to.

Mr. BURDICK. Mr. President, I ask unanimous consent that the rollcall votes on the remaining four amendments be vitiated.

The PRESIDING OFFICER. On the motions to lay on the table?

Mr. BURDICK. That they be disposed of by voice vote.

The PRESIDING OFFICER. Does the Senator refer to the orders for the yeas and nays on the motions to lay on the table?

Mr. BURDICK. Yes. I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table the amendment of the Senator from New York (Mr. Buckley).

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table the amendment of the Senator from Louisiana (Mr. JOHNSTON).

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table the amendment of the Senator from Kansas (Mr. DOLE).

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table the amendment of the Senator from North Carolina (Mr. MORGAN).

The motion to lay on the table was agreed to.

Mr. HATHAWAY. In the State of Maine, we have one Federal judge for the two divisions in the State. We are fortunate in having an excellent judge in Maine. He is efficient and hard-working. But he is in danger of being overworked, for he fulfills other duties, at the direction of the Chief Justice, which substantially add to the duties he performs in the two courts in Maine which serve 1 million people spread out over 33,000 square miles.

My question is whether or not the committee or the Judicial Conference plans to look into the sort of situation which prevails in Maine and other States?

Mr. BURDICK. Yes, the Judicial Conference will be recommending other needed judgeships in 1977 and will consider factors such as geography and the fully scope of a judge's duties.

Mr. HATHAWAY. I thank the Senator for his encouraging response to my concern.

Mr. BAKER. Mr. President, I am delighted to support S. 287, a bill which creates 45 new judgeships to bolster the effectiveness of the judicial process in certain judicial districts.

I also agree with the new policy which the Judiciary Committee employed in making final decisions on where these new judges should be appointed. This three-standard approach to selection will enable the Congress in the future to make more informed judgements in assessing the manpower requirements of the judiciary.

In addition, by going beyond the older method of creating new judgeships only where case backlogs existed, the committee has established a wise policy which will result in much more effective congressional oversight of the Judicial Branch.

There are three amendments to this bill which deal with the question of busing and how it can be used to achieve racial equality within our public schools. Of these three, I support the amendment which has been introduced by Senator ROTH, No. 1471. I make this choice because the Roth amendment goes further in eliminating this unwise policy than do the other two amendments, No. 879 and No. 946. These latter amendments eliminate any federally mandated busing only in the future, while the Roth proposal not only would eliminate future court-ordered busing, but also goes a step further by legislating relief to those who are presently subject to Federal court mandates regarding the busing question.

I have stated before that the Federal judiciary must undo this judicial mischief they have perpetrated by dispensing with court-ordered busing. If such action is not taken, progress made in other areas such as voting rights, open housing, equal employment opportunity and elimination of the so-called separate but equal schools will be jeopardized. I believe the unconscionable burden placed upon school children and their parents by massive forced busing is indeed capable of halting further progress in reaching a final resolution in the area of civil rights.

It is because of this belief that I support the amendment made by Senator ROTH and hope that my colleagues in the Senate will do likewise.

Mr. HUDDLESTON. Mr. President, I am extremely pleased that the Senate has finally taken up the vitally important bill S. 287. This bill would create 45 additional district judgeships in 40 districts and, in so doing, provide much needed relief for our U.S. court system. For years the district courts have been faced with a mounting caseload which has resulted in congestion and delayed justice. Many of the cases on the docket are over 3 years old and in some instances the district courts have been forced to suspend the setting down of civil cases for trial because of the crushing weight of criminal cases.

Since the last Federal district judgeships were created in 1970, total case filings have increased 26 percent. This, however, is only a national average and more astounding increases were recorded in various districts. In the eastern district of Kentucky filings jumped from 876 in 1970 to 1,382 in 1975. The judges, through dedication, long hours and hard work, were just able to keep their heads above water in this flood of cases. However, there is a limit to how far a good judge can stretch his or her time and efforts and I fear that they now have reached their breaking point.

While recent changes, such as the demise of selective service cases, will provide some relief for the courts, there are other matters on the horizon which will place additional pressures on the already overworked judiciary. The Speedy Trail Act, increasing social security cases and environmental questions will place new and additional demands on the courts. Some courts will face unique problems because of their geographic location. For example, in the eastern district of Kentucky we are approaching the stage where an avalanche of black lung cases will have been processed through administrative denial and the claimants will turn to the courts for relief. On February 29, 1976, there were 1,251 black lung cases pending in the court which compares dramatically with the 92 pending on May 31, 1974.

I applaud the excellent job that the distinguished chairman of the Subcommittee on Improvements in Judicial Machinery (Senator BURDICK) has done on this bill. The comprehensive hearings his subcommittee held and his development of innovative methods of determining judicial needs are indications of his extreme dedication to the goal of improving the efficiency and performance of the judiciary. I concur with his belief that Congress must exercise constructive oversight of the judiciary and require a diligent effort on the part of all judges.

The distinguished chairman of the Senate Judiciary Committee (Senator EASTLAND) must also be commended for his outstanding contributions for, without his support, this important bill might still be floundering.

Justice Frankfurter once stated that:

> Mere speed is not a test of justice. Deliberate speed is.
>
> Deliberate speed takes time. But it is time well spent.

Unless there are a sufficient number of judges sitting in our courts we cannot hope to maintain "deliberate speed" and the judicial system and those who look to it for assistance will undoubtedly suffer. The judiciary must be able to deal fairly and rapidly with a wide range of issues. Otherwise, confidence in our democratic form of government will be further undermined. And, given the present mood of the American people, we cannot afford any further loss of confidence.

I have always believed that a basic principle of our system of government is the right of prompt judicial action without unnecessary and unreasonable delay. S. 287 will go a long way toward preserving this principle and I urge its immediate passage.

Mr. HATFIELD. Mr. President, I first want to commend my distinguished colleague from North Dakota for his leadership on this legislation. From all that I have heard from other Senators who have been in the Senate far longer than I have, Senator BURDICK and his subcommittee have given this bill before us a review unequaled in past omnibus judgeship bills. From what I have been told, the Judicial Conference was the prime force in shaping earlier bills, and the subcommittee's involvement in those years was not nearly as extensive as it is now. While I recognize the importance of the involvement of the Judicial Conference in this process, I welcome the more complete involvement of the subcommittee.

In setting up definite standards by which to measure whether or not to add new positions, the subcommittee has taken a wise step. While I can understand the position of my colleagues who might not have a judicial position included in the bill because they do not meet these standards, I think we should recognize that this is a worthwhile position that is taken by Senator BURDICK and his colleagues. In this way, approval or disapproval can be examined in statistical terms.

In addition to the leadership given by the Senator from North Dakota, I also want to salute the fine staff work done over the years on this bill by Bill Westphal and Bill Weller. They have given good backup support to the subcommittee, and have been very helpful to me and my staff when we had questions on the legislation.

I will not go into the background again

surrounding the need for this new judgeship in Oregon. Several times before, when I introduced special legislation in the 91st and 92d Congress to create this judgeship, I shared with my colleagues all the statistical background. I only ask unanimous consent that the section of the report detailing the need for this new position be included in the Record at this point.

There being no objection, the report was ordered to be printed in the Record, as follows:

Oregon

Number of judges	3
Full-time magistrates	1
Civil filings	1,147
Criminal filings	312
Total filings	1,459
Total terminations	1,262
Settlements (percent)	85.7
PER JUDGE CRITERIA	
Filings	488
Terminations	420
Trials	75
Trial days	100
Court days	29
Total bench time (days)	129

This district meets all of the statistical standards set by the committee. This district has a backlog above the national average and most of it accrued in the years 1968–1971 inclusive when its active judges furnished substantial amounts of visiting judge time to other districts. However, the committee was advised that this situation was corrected in 1972. Since the last survey, filings have increased by 516 cases. The district is now conducting an efficient calendar practice which includes the systematic pre-trial of all cases in a conscious and successful effort to shorten trial time. A fourth judge would reduce the current level of filings to 365 per judge and would permit an improvement in median time figures, particularly for criminal cases.

The committee recommends one additional judgeship.

Mr. HATFIELD. Mr. President, the adage that "justice delayed is justice denied" stems from our constitutional guarantee to a speedy trial. It is the responsibility of Congress to see that adequate judicial personnel is provided to carry out this constitutional directive.

Long court delays and crowded dockets erode people's confidence in our judicial system. With neither purse nor sword, our courts must depend on public trust for their support and respect.

I urge approval of this legislation, and I hope the House of Representatives will act promptly on it.

Mr. NELSON. Mr. President, by passing S. 287, the Senate has acted to stem the tide of rising caseloads which has threatened to engulf the Federal judiciary during the past 5 years. This action was long overdue. Nearly 4 years ago, the Judicial Conference alerted Congress to the pressing need for additional Federal judges to cope with a caseload that was escalating at an extraordinary rate. The hearings before Senator Burdick's Subcommittee on Judicial Improvements which documented the need and provided the basis for this legislation occurred 3 years ago. The situation was serious then, and it is acute now. Recent statistics presented in the committee report and in Chief Justice Burger's annual report on the condition of the judiciary indicate that the caseloads in the district courts are continuing to rise, imposing an unsupportable strain on Federal judicial resources.

I am particularly gratified about the passage of this bill because it provides for an additional judgeship for the western district of Wisconsin. That district, one of only five single-judge districts remaining in the United States, has had one of the heaviest caseloads in the country for the past 7 years. Until 1968, the caseload in the western district was normal. However, from 1969 to 1971 alone, the number of cases filed in the district increased 87 percent. The committee report notes that in the past 5 years "filings have increased dramatically." Statistics from the specific years bear out the committee's conclusion. In fiscal year 1972 the national average was 240 civil cases filed per judge; in the western district of Wisconsin, there were 481 cases filed per judge. The committee based its recommendation for additional judgeships on fiscal year 1975 statistics; one of the criteria was filing which exceeded 400 per judge. In the western district, 665 cases were filed. Because the district's caseload was growing at an astronomical rate, Senator Proxmire and I first cosponsored legislation which would have authorized the President to appoint one additional temporary judge in December 1971. Since that time, we have both testified about the need for a second permanent judgeship in this district.

Since 1965, the Honorable James E. Doyle has been the district judge in the western district. He is widely respected for his intellect, integrity, and commitment to individual rights. He has also done a superb job dealing with a caseload which would have strained any judge to the limit. The committee's report notes that Judge Doyle "has greatly extended himself to meet this increasing workload." In fiscal year 1975, the national average for terminating cases for each judge was 358; Judge Doyle terminated an extraordinary 752 cases in that year. It would be fair to say that for the last few years, Judge Doyle has been doing the work of two judges. No one person, however, able and committed, can handle that workload indefinitely. Justice will be served by adding a second judge to the western district of Wisconsin and allowing Judge Doyle to apply his talents to a manageable number of cases.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass? On this question, the yeas and nays have been ordered.

Mr. MANSFIELD. Mr. President, this will be the last rollcall for the day, and no session tomorrow.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Colorado (Mr. Haskell), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from Wyoming (Mr. McGee), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), the Senator from Minnesota (Mr. Humphrey), and the Senator from Washington (Mr. Jackson) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Pearson), and the Senator from Ohio (Mr. Taft) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The result was announced—yeas 87, nays 1, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—87

Abourezk
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—1

Allen

NOT VOTING—12

Curtis
Eastland
Gravel
Hartke
Haskell
Humphrey
Jackson
McClellan
McGee
Pearson
Taft
Tunney

So the bill (S. 287), as amended, was passed, as follows:

S. 287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall appoint, by and with the advice and consent of the Senate, one additional district judge for the northern district of Alabama, one additional district judge for the middle district of Alabama, one additional district judge for the district of Arizona, one additional district judge for the eastern district of Arkansas, one additional district judge for the central district of California, two additional district judges for the eastern district of California, two additional district judges for the southern district of California, one additional district judge for the district of Colorado, one additional district judge for the district of Connecticut, one additional district judge for the middle district of Florida, one additional district judge for the southern district of Florida, two additional district judges for the northern district of Georgia, one additional district judge for the southern district of Georgia, one additional district judge for the northern district of Indiana, one additional district judge for the eastern district of Kentucky, two additional district judges for the eastern district of Louisiana, one additional district judge for the district of Massachusetts, one additional district judge for the eastern district of Michigan, one additional district judge for the western district of Michigan, one additional district judge for the district of Minnesota, one additional district judge for the western district of Missouri, one additional district judge for the district of New Hampshire, one additional district judge for the eastern district of New York, one additional district judge for the eastern district of North Carolina, one additional district judge for the middle and western districts of North Carolina, one additional district judge for the western district of Oklahoma, one additional district judge for the district of Oregon, one additional district judge for the district of Puerto Rico, one additional district judge for the district of South Carolina, one additional district judge for the eastern and middle districts of Tennessee, one additional district judge for the eastern district of Texas, one additional district judge for the northern district of Texas, two additional district judges for the southern district of Texas, one additional district judge for the western district of Texas, one additional district judge for the eastern district of Virginia, one additional district judge for the western district of Virginia, one additional district judge for the western district of Washington, one additional district judge for the southern district of West Virginia, and one additional district judge for the western district of Wisconsin.

SEC. 2. The existing district judgeship for the middle district of Pennsylvania created by subsection (b) of section 2 of Public Law 91–272, June 7, 1970 (84 Stat. 296), shall be a permanent judgeship and the present incumbent of such judgeship shall henceforth hold his office under section 133 of title 28, United States Code, as amended by this Act. Subsection (b) of section 2 of Public Law 91–272, June 7, 1970 (84 Stat. 296), is hereby repealed.

SEC. 3. In order that the table contained in section 133 of title 28, United States Code, will reflect the changes in the numbers of permanent judgeships made by sections 1 and 2 of this Act, such table is amended to read as follows with respect to each such district:

"Districts	*Judges*
Alabama:	
Northern	5
Middle	3
* * * * *	
Arizona	6
Arkansas:	
Eastern	2
* * * * *	
California:	
* * * * *	
Eastern	5
Central	17
Southern	7
Colorado	5
Connecticut	5
* * * * *	
Florida:	
* * * * *	
Middle	7
Southern	8
Georgia:	
Northern	8
* * * * *	
Southern	3
* * * * *	
Indiana:	
Northern	4
* * * * *	
Kentucky:	
Eastern	3
* * * * *	
Louisiana:	
Eastern	12
* * * * *	
Massachusetts	7
Michigan:	
Eastern	11
Western	3
Minnesota	5
* * * * *	
Missouri:	
* * * * *	
Western	4
* * * * *	
New Hampshire	2
* * * * *	
New York:	
* * * * *	
Eastern	10
North Carolina:	
Eastern	3
* * * * *	
Middle and Western	1
Oklahoma:	
Northern	1
Eastern	1
Western	3
Northern, Eastern, and Western	2
Oregon	4
Pennsylvania:	
* * * * *	
Middle	4
* * * * *	
Puerto Rico	4
* * * * *	
South Carolina	6
* * * * *	
Tennessee:	
* * * * *	
Eastern and Middle	1
Texas:	
Northern	7
Southern	10
Eastern	4
Western	6
* * * * *	
Virginia:	
Eastern	7
Western	3
* * * * *	
Washington:	
* * * * *	
Western	4
* * * * *	
West Virginia:	
* * * * *	
Southern	3
* * * * *	
Wisconsin:	
* * * * *	
Western	2."

SEC. 4. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Secretary.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 287.

The PRESIDING OFFICER. Without objection, it is so ordered.

NASA AUTHORIZATION FOR FISCAL YEAR 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 686.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

Calendar No. 686, a bill, H.R. 12453, to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, research and program management, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

There being no objection the Senate proceeded to consider the bill which had been reported from the Committee on Aeronautical and Space Sciences with an amendment to strike out all after the enacting clause and insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $1,288,100,000;

(2) Space flight operations, $205,200,000;

(3) Expendable launch vehicles, $151,400,000;

(4) Physics and astronomy, $165,800,000;

(5) Lunar and planetary exploration, $191,100,000;

(6) Life sciences, $22,125,000;

(7) Space applications, $198,200,000;

(8) Aeronautical research and technology, $189,100,000;

(9) Space research and technology, $82,000,000;

(10) Tracking and data acquisition, $258,000,000;

(11) Technology utilization, $8,100,000.

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Modification for high enthalpy entry facility, Ames Research Center, $1,220,000;

(2) Modification of flight simulator for advanced aircraft, Ames Research Center, $1,730,000;

(3) Construction of supply support facility, Ames Research Center, $1,540,000;

(4) Construction of addition to flight control facility, Hugh L. Dryden Flight Research Center, $750,000;

(5) Construction of addition to lunar sample curatorial facility, Lyndon B. Johnson Space Center, $2,800,000;

(6) Construction of airlock to spin test facility, John F. Kennedy Space Center, $360,000;

(7) Modifications for utility control system, John F. Kennedy Space Center, $2,445,000;

(8) Construction of addition for aeroelastic model laboratory, Langley Research Center, $750,000;

(9) Construction of data reduction center annex, Langley Research Center, $2,970,000;

(10) Construction of refuse-fired steam

generating facility, Langley Research Center, $2,485,000;

(11) Modification of refrigeration system, electric propulsion laboratory, Lewis Research Center, $680,000;

(12) Rehabilitation of combustion air drying system, engine research building, Lewis Research Center, $1,490,000;

(13) Large aeronautical facility: construction of national transonic facility, Langley Research Center, $25,000,000;

(14) Space Shuttle facilities at various locations as follows:

(A) Construction of Orbiter processing facility, John F. Kennedy Space Center, $3,750,000;

(B) Modifications to launch complex 39, John F. Kennedy Space Center, $19,855,000;

(C) Modification for solid rocket booster processing facilities, John F. Kennedy Space Center, $9,700,000;

(D) Construction of Shuttle/Carrier aircraft mating facility, John F. Kennedy Space Center, $1,700,000;

(E) Modifications for crew training facilities, Lyndon B. Johnson Space Center, $780,000;

(F) Rehabilitation and modification of Shuttle facilities, at various locations, $1,760,000;

(G) Modification of manufacturing and final assembly facilities for external tanks, Michoud Assembly Facility, $1,930,000.

(15) Space Shuttle payload facilities at various locations as follows:

(A) Modifications to operations and checkout building for Spacelab, John F. Kennedy Space Center, $3,570,000;

(B) Modifications and addition for Shuttle payload development, Goddard Space Flight Center, $770,000;

(16) Rehabilitation and modification of facilities of various locations, not in excess of $500,000 per project, $17,875,000;

(17) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $5,125,000;

(18) Facility planning and design not otherwise provided for, $12,655,000.

(c) For "Research and program management," $814,055,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $25,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $50,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided,* That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (17), inclusive, of subsection 1(b)—

(1) in the discretion of the Administrator or his designee, may be varied upward 10 per centum, or

(2) following a report by the Administrator or his designee to the Committee on Science and Technology of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate on the circumstances of such action, may be varied upward 25 per centum.

to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (18) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Technology of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Aeronautical and Space Sciences,

(2) no amounts appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriations Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Facilities which may be required in the performance of the contract may be constructed on Government-owned lands if there is included in the contract a provision under which the Government may acquire a title to the facilities, under terms and conditions agreed upon in the contract, upon termination of the contract.

The Administrator shall in January of each year report to the Committee on Science and Technology and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in Acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

Sec. 7. Paragraph (15) of section 5316, title 5, United States Code, is amended by striking out "(6)" and inserting in lieu thereof "(7)".

Sec. 8. Section 6 of the National Aeronautics and Space Administration Authorization Act, 1968 (81 Stat. 170), is amended by striking out the words "the rate of $100" and inserting in lieu thereof the words "a rate not to exceed the per diem rate equivalent to the rate of GS–18".

Sec. 9. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1977".

Mr. MOSS. Mr. President, the Committee on Aeronautical and Space Sciences unanimously recommends H.R. 12453, a bill to authorize appropriations for the National Aeronautics and Space Administration for fiscal year 1977. The total amount recommended is $3,696,850,000, which is $150,000 below the President's request and $780,000 above the House-approved bill. This amount is the sum of $2,759,125,000 for research and development, $123,670.000 for construction of facilities and $814,055,000 for research and program management.

The fiscal year 1977 total is 4 percent more than Congress authorized for NASA in the current fiscal year, but the agency would actually receive less in terms of real purchasing power in the coming fiscal year due to inflation. The amount recommended for fiscal 1977 also is below the funding level that the committee projected to Congress last year when it included a 5-year estimate for NASA spending in its report on the fiscal 1976 authorization bill.

The committee is recommending only two very minor changes in the NASA budget request. After reviewing it in great detail, we concluded that the agency's programs have been very carefully structured to get the maximum benefits from limited resources.

Therefore, after considering NASA's priorities and the need to control Government spending, we decided not to make substantial changes in the budget request.

The most important item in this bill is the provision for continued development of the Space Shuttle. The shuttle is the heart of the reusable space transportation system that will both increase our capabilities in space and reduce the cost of operating there. This system, which will become operational in 1980, will give us routine access to the unique gravity-free environment of space and allow us to exploit space to serve a variety of national needs. I want to emphasize that the shuttle is on schedule and within the cost estimates made more than 4 years ago.

While the shuttle is the main item, the fiscal 1977 NASA authorization bill also contains several new initiatives that the committee strongly endorses. This situation is a modest improvement over last year's authorization bill, which was devoid of new initiatives.

One of the projects is to develop the technology base so that future U.S.-built commercial transports will offer as much as a 50-percent improvement in fuel efficiency. This project will help insure that U.S. transport manufacturers maintain their dominant position in world markets through the 1980's and thereby continue their positive contribution to our balance of payments.

Another project in aeronautical research that will get under way in fiscal year 1977 is construction of a transonic wind tunnel at the Langley Research Center in Hampton, Va. This tunnel, which has been extensively studied by both NASA and the Department of Defense for several years, is urgently needed to support development of civil and military aircraft needed to maintain U.S. leadership in aeronautics.

In space, NASA plans to begin development of a Solar Maximum Mission spacecraft to study the Sun during the peak period of solar activity in 1979–80. The agency also is seeking authorization to proceed with Magsat, a spacecraft to map the Earth's magnetic variations and provide useful information in searching for new deposits of such natural resources as oil and minerals. NASA is planning development of a thematic mapper, an instrument that will add significantly to our current capabilities for monitoring Earth resources from space.

The two LANDSAT Earth resources spacecraft now orbiting the Earth have added greatly to the knowledge of our planet. Development of the thematic mapper illustrates one area in which NASA is moving ahead in spite of strict budget constraints. A third LANDSAT is due to be launched early next year.

In addition to the new projects I have just reviewed, the funds recommended in this authorization bill will support continuing programs in space science, applications and aeronautics.

These funds, in addition to adding to our knowledge, will lay the base for future undertakings in space and aeronautics, provide the needed facilities and support the highly qualified staff needed to do all of these.

Our space program has matured greatly in the past few years, and today much of the activity in space is carried out by other Federal agencies, foreign countries, and private organizations. NASA plans to launch 19 spacecraft this year. Of these, only two are solely NASA projects and two others are joint efforts with foreign countries. The remaining 15 launches are being paid for entirely by other organizations. The fact that private companies are investing their funds in spacecraft and launch vehicles demonstrates to me that space is coming of age in the testing area of the marketplace.

In summary, the program recommended by the committee in the fiscal year 1977 NASA authorization bill is responsible and balanced and supplies the investment needed to continue development of a strong national base in science and technology.

I emphasize that the program represented by this bill is the minimum needed to maintain the U.S. position of leadership in space and to allow us to obtain the full benefits from the money already invested in NASA. NASA's budget request includes a saving of almost $9 million in fiscal year 1977 that will come by cutting personnel, both civil service and contractor, more than 1,600.

In recent years, NASA's budget has been cut more than that of any other agency. NASA managers deserve praise from all of us for setting the highest standards of efficiency and cost-effectiveness.

I urge each Senator to support the bill as recommended by the committee.

A copy of the committee's report is before each Senator. I ask unanimous consent that the summary from that report be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

SUMMARY

The NASA budget request for fiscal year 1977 was for a total of $3,697,000,000, of which $2,758,925,000 was for "Research and Development", $124,020,000 was for "Construction of Facilities", and $814,055,000 was for "Research and Program Management". The House approved an authorization total of $3,696,070,000, of which $2,768,525,000 was for "Research and Development", $117,090,000 was for "Construction of Facilities", and $810,455,000 was for "Research and Program Management".

The Committee is recommending an authorization of $3,696,850,000, an amount $150,000 below the NASA request and $780,000 above the amount in the House-approved bill. Of the total amount the Committee recommends $2,759,125,000 for "Research and Development", which is $200,000 above the NASA request and $9,400,000 below the House-approved amount for this appropriations category; recommends $123,670,000 for the "Construction of Facilities", which is $350,000 below the NASA request and $6,580,000 above the House amount; and, recommends $814,055,000 for "Research and Program Management" which is identical with the amount requested by NASA and $3,600,000 above the amount approved by the House.

This authorization recommendation, while reflecting a 4 percent increase over that recommended for NASA programs for fiscal year 1976, is due to inflationary factors, below the fiscal year 1976 amount. It is also below the funding level for this agency which this Committee projected to the Congress in its 5-year estimate in its report on the fiscal year 1976 bill. Just prior to the submission of its fiscal year 1977 budget request NASA completed a comprehensive study of the roles and missions of its several field installations to clarify and redefine functional assignments, with reassignments as necessary, with the objective of increasing organizational efficiency and effectiveness in carrying out the responsibilities of the agency in the approaching Shuttle era.

As a result of this study, the agency will reduce its Civil Service complement by 500 with a complementary reduction in base support contractor personnel of 1100. These reductions are factored into the funding recommendations presented in this bill. The Committee views the NASA fiscal year 1977 budget request as fiscally constrained and very carefully structured to maximize the use of available resources and accordingly, Committee adjustments are very minor.

This bill provides funding for continued development of the Space Shuttle, the principal element of a reusable space transportation system designed to significantly reduce the cost of space operations and thereby provide a new capability to explore and to utilize space in support of national needs.

While this the major development activity underway today, this bill supports several new initiatives which are endorsed strongly by the Committee. These encompass a solar maximum mission designed to measure solar activity during the forthcoming peak period of maximum solar activity, 1979–80; the development of the thematic mapper, an instrument with greatly enhanced capability over the present Landsat system to be used for earth resources surveys; a magnetic mapping satellite expected to be useful for the location of mineral resources; and, the start of construction of a new transonic wind tunnel designed to support national aeronautical research and development needs. The latter results from a joint study of such needs by NASA and the Department of Defense and is one of the three large aeronautical facilities recommended.

This bill will also support, within the aeronautical research and technology program line item, the initiation of an aircraft energy technology development project designed to provide the technology base for a 50 percent improvement in fuel economy in commercial transports.

This activity is designed to assure the continued competitiveness of U.S. built aircraft. In addition to these new initiatives and the Space Shuttle, the funds recommended in this bill will support ongoing space flight projects in space science and applications, the continuation of a series of research tasks in aeronautical and space research designed to provide a base for future undertakings, the construction of and/or modifications and upgrading of facilities to support these research and development programs, and the highly technical staff to conduct research and manage these multidisciplinary activities.

The Committee is recommending adoption of two legislative amendments, one adding an additional NASA position to Level V of the Executive Salary Schedule and one authorizing compensation to consultants serving on the Aerospace Safety Advisory Panel at rates equivalent to those established for other consultants. A third provision in S. 2864 relating to authorizations for FY 1978, and three provisions in the House-passed bill were not agreed to. The rationale underlying Committee action in each instance is included in the section of the report entitled, "Legislative Changes".

The Committee held hearings on this bill on January 26 and 27, February 3, 5, 17, and 24, and on March 3. During the course of the hearings the Committee examined space and aeronautics programs of the various departments and agencies of the government wherein coordination is required with NASA programs. This included receiving testimony from the Departments of Interior, Commerce, Agriculture, and Defense, and the Energy Research and Development Administration.

The Committee met on March 18, 1976, to mark up the bill and prepare its recommendations to the Senate. The bill was ordered unanimously to be reported.

Mr. MOSS. Mr. President, before yielding the floor, I commend the Senator from Arizona (Mr. GOLDWATER) the ranking Republican member of the committee, for his interest and knowledge in these areas and his work on this bill. I also want to thank the other members of the committee for the time they have put in on this legislation. The Aeronautics and Space Sciences staff deserves commendation for the professional and diligent service which they have rendered through the hearings and the fashioning of this bill. Their constant and careful scrutiny of functions under the jurisdiction of our committee has been done with skill and understanding.

Mr. GOLDWATER. Mr. President, I wish to commend the distinguished chairman of the Aeronautical and Space Sciences Committee for his presentation of the NASA authorization for the fiscal year 1977. I fully support his statement.

The NASA budget before the Senate today is more than a bare bones budget. It is down to the marrow.

To be specific, OMB cut $182.6 million from NASA's request thereby preventing some important new starts. The most important new start that has been deferred is the large space telescope which has strong support from the astronomers. I believe the large space telescope is one of the most important programs ever proposed in the field of astronomy.

In the committee's report accompanying H.R. 12453 the committee urges that NASA give the highest priority to the large space telescope for new starts in the fiscal year 1978 budget. It is my understanding that NASA agrees with the committee's position, and that barring unforeseen circumstances, the large telescope will be at the top of the list next year.

Many of our fellow citizens are concerned about the possible depletion of the ozone layer in the upper atmosphere. I have made my views known on this subject in other floor statements, but I feel it is noteworthy to point out NASA's effort in this area of research. While NASA has $11.6 million specifically budgeted for upper atmospheric research, the total is really $35.7 million in fiscal year 1977. Of this amount, $15.4 million is in the Office of Space Science with a Director of Upper Atmospheric Research having control of $11.6 million within OSS.

The Office of Applications is responsible for $20.3 million. I submit this constitutes a substantial program and should help allay the fears of those who think that the Government is not doing enough.

Under aeronautical research and technology, the committee has approved $8 million for supersonic transport cruise research as requested by the administration. Let there be no misunderstanding about this item. The United States is not building a supersonic transport—much to my regret.

The purpose of this program is to provide the technology for future civil and military supersonic cruise aircraft. Noise and pollution are major factors being considered. This small program is designed, in part, to provide America with a technology base if we ever get back into actually building a supersonic transport. And, I believe that the day will come when NASA's work will enable us to build a reasonably quiet, pollution-free, economical SST.

Mr. President, I believe we can all be proud of the way NASA has carried out its missions under severe budget constraints. While the distinguished Senator from Wisconsin (Mr. PROXMIRE) and I have not always found ourselves in agreement, we are apparently in full agreement on the quality of NASA management.

On March 29, the Senator from Wisconsin made a statement concerning the defense budget. Part of his statement referred to NASA, and I quote:

> Mr. President, it has been my experience that the most effective agency that comes before the Appropriations Subcommittee of which I am chairman, and we have a number of offices come before us as the Appropriations Subcommittee on independent offices, is NASA, the space agency. Why? Because their budget has been held down and they are constrained, disciplined to improve their productivity. They have done that. NASA has one of the best productivity records in the Government. In addition, they have introduced competition into procurement by the Government, and they have been able to hold down their procurement costs. I recommend this policy for the Defense Department. As long as we give them all they ask for, or almost all, we are going to get from them far less discipline and less cost-consciousness than we should get. . . .

America's balance of payments relies heavily on aerospace exports. Only through an aggressive R. & D. program can America remain No. 1 in aeronautics and space. If for no other reason, H.R. 12453 deserves the full support of the Senate.

THE LARGE SPACE TELESCOPE

Mr. MATHIAS. Mr. President, I appreciate very much the report of the Committee on Aeronautical and Space Sciences. I should like to add just a few words to the report of the committee. On pages 10 and 11 the committee recognizes the importance of the large space telescope as the single most exciting and promising scientific application of the Space Shuttle, but has not followed the House in providing a $3 million authorization for the inclusion of hardware development into the program in fiscal year 1977. I have looked into this matter and have consulted with scientists at two of the great universities in my State, Johns Hopkins and the University of Maryland. I am convinced that it is wise, economical, and indeed, necessary for us to follow the other body at least to the extent of authorizing NASA to initiate the program with reprogramed funds. May I take the time of the Senators for a moment to explain the basis of my views. The space telescope is an unique concept which has created widespread enthusiasm among scientists. It will be the most versatile astronomical observatory ever built and will permit observations throughout the entire spectrum from the far ultraviolet through the deep infrared, producing pictures of extraordinary sharpness never before achieved. We will be able to look much further into the universe and back in time than we have ever been able to before and thus see deeper into the mysterious origins of the universe.

You may ask what are the practical results of such a scientific effort. Of course, no one can answer that question precisely. If we knew the answer, we would not have to do the work. Science is always a venture into the unknown. Nevertheless, I can give you a feel for what the answer might be by recalling to your minds a few facts. LST stands officially for large space telescope. Among those who conceived the idea it stands also for the Lyman Spitzer telescope, perhaps a little to Professor Spitzer's embarrassment. He has been one of the leaders in conceiving the idea and in realizing concrete design. Some 25 years ago, Lyman

Spitzer was the initiator of American research into nuclear fusion, to which we now look for our future power supply. It was his theoretical study of the energy sources powering the nearer stars that led Spitzer to initiate this bold program. Who can tell what an understanding of the energy sources of the very distant and energetic objects called quasars might lead to? Or an exploration of the nature of black holes?

Scientific planning for the space telescope is now finished; the industrial concerns have finished their design work. They would like to be able to respond to proposals for hardware development. If we do not now provide the authorization that will permit them to do this in the coming year, the design teams will begin to dissolve, the scientists and engineers will put their energies elsewhere. Ideas that have reached this stage of maturity cannot successfully be deep-frozen for a year and then revived fresh as new. Much of what has been achieved over the last several years of extensive study and design planning at the cost of many millions of dollars will lose its value, and some of that money will have to be spent over again when the program is started up.

Every knowledgeable person agrees that the space telescope is one of the most important scientific uses for the Shuttle. I believe that in the face of this agreement and a continuing expenditure of the development of the Shuttle, we should take advantage of the opportunity that the completion of design work now gives us to go ahead on hardware development for the telescope.

Scientists of outstanding ability at universities in my own State of Maryland are eager to participate in the exciting opportunities afforded by this new venture. But they need the assurance provided by the language in the bill reported by the other body in order to commit 7 years or so of their own research efforts and a substantial portion of their universities' activities in astronomy.

In closing, let me remind you what the President said in his recent message to the Congress on science.

> Today there is mounting evidence that science and technology are more important than ever before in meeting the many challenges facing us. I fully recognize that this country's future and that of all civilization as well depends on nurturing and drawing on the creativity of the men and women in our scientific and engineering communities . . . Scientific exploration and observation in space can add immeasurably to our understanding of the universe around us.

I think, therefore, that we should join the House in recognizing the wisdom of going forward now with the best opportunity to use the creative talents of scientists and engineers in the scientific exploration of space.

Mr. ABOUREZK. Mr. President, I know that my colleagues on the Senate Aeronautics and Space Sciences Committee have labored long and hard on this authorization bill. For the most part, I support it. As a member of that committee once, myself, I am aware of the exemplary diligence shown by the chairman of this committee at arriving at a budget which includes some of the most important and useful technological developments known to man in the space applications and earth resource observation programs.

It is unfortunate, however, that more attention could not have been paid the Earth Resources Observation System and its Landsat satellite. Frankly, I am tired of the broken-record excuses we get every year from administration officials and others who argue that the time is still premature for an operational, ongoing earth resource observation program.

What remains to be proved to these skeptics? What else needs to be done before there is unanimous agreement on the virtue and the utter necessity of making this program permanent and fully operational?

I would venture to say that these skeptics would be hardpressed to find another program which has proved its value so conclusively over and over again—in spite of the odds against them.

Many of the people in NASA and the U.S. Geological Survey responsible for the tremendous success of Landsat and EROS should be heartily congratulated for the excellent service which they have performed so remarkably under these inadequate conditions.

Year after year we continue to call for an operational program. Year after year the same stumbling blocks are presented and the same results occur.

I am somewhat encouraged by the action taken by the House Space Sciences Committee in its action to include a line item in this year's budget authorization bill. While I recognize the pitfalls of taking such an action, it certainly is a positive step in the sense that it recognizes this invaluable program for what it is—a permanent project which has earned the right to be considered on its own merits annually along with every other Federal program. There is no doubt that it will continue to provide a growing number of people with information so unique and useful that there is still no end to the ways in which farmers, researchers, businessmen, and scientists of every field can utilize the data.

Mr. President, I call on my colleagues today to join me in our 4-year effort to establish an on-going operational Landsat system. The time cannot be more appropriate. I urge the Senate Space Committee to act positively in establishing an operational system. There is simply no good reason to prolong the delay.

The **PRESIDING OFFICER.** The question is an agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The **PRESIDING OFFICER.** The question is on agreeing to the committee ment and third reading of the bill.

The bill was engrossed for third reading, was ordered to be read the third time and the bill, as amended, was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MOSS. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Orders Nos. 696, 697, and 698.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

DESCRIPTION OF CERTAIN LANDS TO BE CONVEYED BY THE UNITED STATES TO THE CITY OF ALBUQUERQUE, N. MEX.

The Senate proceeded to consider the bill (S. 2286) to amend the act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, N. Mex., which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, line 14, after "273.85 feet)" insert "a distance of 282.35 feet to", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Act entitled "An Act granting land to the city of Albuquerque for public purposes", approved June 9, 1906 (34 Stat. 227), as amended, is further amended by striking out "A parcel of land situated within the northwest quarter" and all that follows through "containing 0.7041 acre more or less." and inserting in lieu thereof the following:

"A parcel of land situated within the northwest quarter of section 20, township 10 north, range 4 east of the New Mexico principal meridian and within tract numbered 4 and tract numbered 1 of the municipal addition numbered 2, an addition to the city of Albuquerque, New Mexico, said parcel of land being more particularly described as follows:

"Beginning at the northwest corner of track numbered 1 of said addition, said northwest corner being the same as shown on the plat of said addition filed for record in the offices of the county clerk of Bernalillo County, New Mexico, on July 12, 1955, from which point the northwest corner of said section 20 bears north 89 degrees 29 minutes 40 seconds west, a distance of 1,355.11 feet;

"thence south 0 degrees 23 minutes 20 seconds west, a distance of 220.88 feet to a point on a curve on the new southerly right-of-way line of Lomas Boulevard Northeast as shown on the New Mexico State Highway Department right-of-way map for project numbered I-040-3(1)163, and the true point of beginning;

"thence southeasterly, along said southerly right-of-way line on a curve (said curve being concave to the northeast, having a radius of 1,461.13 feet, a central angle of 2 degrees 37 minutes 42 seconds, and a long chord which bears south 88 degrees 17 minutes 40 seconds east, a distance of 67.02 feet) a distance of 67.03 feet to a New Mexico State Highway Department right-of-way marker (station 14+47.46) and a point on the westerly right-of-way of Herndon Street Northeast;

"thence south 1 degree 49 minutes 00 seconds west, along said westerly right-of-way line, a distance of 11.81 feet to the point of curve marked by a New Mexico State

Highway Department right-of-way marker (station 0+50);

"thence southeasterly, along said westerly right-of-way line on a curve (said curve being concave to the northeast, having a radius of 330.71 feet, a central angle of 48 degrees 55 minutes 00 seconds, and a long chord which bears south 22 degrees 38 minutes 30 seconds east, a distance of 273.85 feet) a distance of 282.35 feet to a New Mexico State Highway Department right-of-way marker (station 2+89.89);

"thence north 43 degrees 02 minutes 30 seconds east, along said westerly right-of-way line, a distance of 10.00 feet to a New Mexico State Highway marker (station 2+89.89) and a point on a curve;

"thence southeasterly, along said westerly right-of-way line on a curve (said curve being concave to the southwest, having a radius of 242.58 feet, a central angle of 33 degrees 46 minutes 00 seconds and a long chord which bears south 30 degrees 04 minutes 30 seconds east, a distance of 140.09 feet) a distance of 142.96 feet to a New Mexico State Highway Department right-of-way marker (station 4+56);

"thence north 64 degrees 32 minutes 30 seconds west, a distance of 1,343.09 feet to a point on a curve on the said southerly right-of-way line of Lomas Boulevard Northeast;

"thence southeasterly, along said southerly right-of-way line on a curve (said curve being concave to the southwest, having a radius of 1,361.94 feet, a central angle of 15 degrees 31 minutes 33 seconds and a long chord which bears south 79 degrees 46 minutes 46 seconds east, a distance of 367.93 feet) a distance of 369.04 feet to a New Mexico State Highway Department right-of-way marker (station 7+83.81):

"thence south 72 degrees 01 minutes 00 seconds east, along said southerly right-of-way line, a distance of 200.00 feet to a New Mexico State Highway Department right-of-way marker (station 9+83.81) and the point of curve;

"thence southeasterly, along said southerly right-of-way line on a curve (said curve being concave to the northeast, having a radius of 1,461.13 feet, a central angle of 16 degrees 24 minutes 18 seconds and a long chord which bears south 80 degrees 13 minutes 09 seconds east, a distance of 416.93 feet) a distance of 418.35 feet to the true point of beginning.

Said parcel of land containing 3.6586 acres more or less.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–728), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

S. 2286 would correct an erroneous description of certain lands provided in the act of December 31, 1974, a measure enacted last Congress which amends the act of June 9, 1906. The 1974 act authorized the Secretary of the Interior to quitclaim the reversionary interest to these inaccurately identified lands to the City of Albuquerque. The new description would permit conveyance of approximately 3.7 acres instead of one acre.

BACKGROUND AND NEED

The act of June 9, 1906 (34 Stat. 227), authorized the conveyance of approximately 640 acres of land to the City of Albuquerque, N. Mex., for park and other public purposes with a reversionary interest in the United States if the property was used for unauthorized purposes. The act was amended by the act of August 16, 1950 (64 Stat. 448), which authorized the city to sell up to one-half of the 640 acres upon the condition that the proceeds therefrom be used for the construction of a public auditorium.

Under the 1950 act, the city conveyed into private ownership a total of about 217 acres, most of which was subdivided for residential use. The city has indicated that it is unable to convey the remaining 103 acres as authorized by the 1950 act because the Civic Auditorium has been constructed and paid for.

The act of December 31, 1974 (88 Stat. 1875) authorized the Secretary of the Interior to relinquish a reversionary interest in two parcels of land, totalling approximately one acre, which were part of the 640-acre tract conveyed to the city under the 1906 act. The conveyance was to be authorized only: if the two tracts were no longer suitable for park use; they would be sold for fair market value; the proceeds of sale would be used to acquire other park land; any excess funds remaining from the purchase of the new park property would go to the United States; and the present reversionary interest would be transferred to the new purchase. These provisions would permit the city to use the proceeds of sale from these two parcels to help cover the cost of purchasing a 135-acre tract to be used as a park.

S. 2286 would modify the description of parcel 1 in the 1974 amendment to describe about 3.66 acres rather than the .7041 acres now included in parcel 1. The tract in question, including the additional acreage proposed, is a compact area located next to the City Animal Shelter and is well suited to commercial development. The city has informed the Department of Interior that the land is no longer suitable for park and other public purposes.

The committee regards this bill as providing a technical amendment to the 1974 act. It will insure that the basic purpose of the 1906 and 1974 acts—provision of suitable park land to the city while preserving the necessary reversionary interest—will be met.

LEGISLATIVE HISTORY

Senator Domenici introduced S. 2286 on September 3, 1975. The Subcommittee on the Environment and Land Resources held a hearing on this measure on February 26, 1976. The Department of the Interior recommended the bill's enactment; there was no opposition to the measure.

COMMITTEE RECOMMENDATION

The Senate Committee on Interior and Insular Affairs, in open business session on March 23, 1976, by unanimous vote of a quorum present, recommends that the Senate pass S. 2286, if amended as described herein.

COMMITTEE AMENDMENT

The committee amendment inserted a distance figure similar to that provided in the other segment descriptions of the parcel in S. 2286.

COST

Enactment of S. 2286 will not result in any expenditure of Federal funds.

EXECUTIVE COMMUNICATIONS

The pertinent legislative reports of the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations relating to S. 2286 are set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 25, 1976.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on S. 2286, a bill "To amend the Act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, New Mexico."

We would have no objection to enactment of the bill if amended as suggested herein.

S. 2286 would further amend the Act of June 9, 1906 (34 Stat. 227), as amended, to authorize the Secretary of the Interior to quitclaim to the City of Albuquerque the reversionary interest of the United States in a parcel of land containing approximately 3.7 acres.

The Act of June 9, 1906 (34 Stat. 227), authorizes the conveyance of approximately 640 acres of land to the City of Albuquerque, New Mexico, for park and other public purposes with a reversionary interest in the United States if the property was used for unauthorized purposes. The Act was amended by the Act of August 16, 1950 (64 Stat. 448), which authorized the City to sell up to ½ of the 640 acres upon the condition that the proceeds therefrom be used for the construction of a public auditorium.

It appears that over a period of time, under the 1950 Act, the City conveyed into private ownership a total of about 217 acres, most of which was subdivided for residential use. The City has indicated that it is unable to convey the remaning 103 acres as authorzed by the 1950 Act because the Civic Auditorium has been constructed and paid for.

The act of December 31, 1974 (Public Law 93–574, 88 Stat. 1875) authorized the Secretary of the Interior to relinquish a reversionary interest in two parcels of land totalling approximately one acre, which were part of the 640-acre tract conveyed to the City under the 1906 Act. The conveyance was to be authorized only: if the two tracts were no longer suitable for park use; they would be sold for fair market value; the proceeds of sale would be used to acquire other park land; any excess funds remaining from the purchase of the new park property would go to the United States; and the present reversionary interest would be transferred to the new purchase. The city informed this Department that the proceeds of sale from these two parcels would help cover the cost of purchasing a 135-acre tract to be used as a park.

Ordinarily, this Department opposes the relinquishment of a reversionary interest in land. Reverters are attached to land primarily to ensure that the land, usually conveyed gratis or at less than fair market value, will be used for the purpose it was originally conveyed. In this instance, however, because of the inclusion of the above conditions in the 1974 act, we believed that the purpose of the 1906 act would continue to be carried out and the United States would not lose an interest in land. Therefore, the Department did not object to enactment of the bill which became the 1974 act.

S. 2286 would modify the description of parcel 1 in the 1974 act to describe 3.6586 acres rather than the .7041 acre now included in that parcel. We would point out, however, that this modification is not a relatively simple measure to correct an error in the land description for parcel 1 under the 1974 act. Enactment of S. 2286 would result in over five times the acreage in parcel 1, and would almost quadruple the total acreage of the two parcels conveyed under Public Law 93–574.

The tract in question, including the additional acreage proposed, is a compact area located next to the City Animal Shelter and is well suited to commercial development. The City has informed us that it is no longer suitable for park and other public purposes.

We believe that the public interest will be protected under S. 2286. This is consistent with our position on the bill which became Public Law 93-574, because of the protections and conditions therein (which would also be applicable to the subject additional acreage). Accordingly, we would have no objection to enactment of S. 2286.

We would note that the segment of the 3.7 acre parcel described on lines 10-17 on page 3 of the bill does not include a distance description. All the other segment descriptions of the parcel in the bill include such information. Accordingly, we recommend that the following languages, including the correct distance in feet, be inserted after the closed parenthesis and before the word "a" on line 15, page 3: "a distance of ______ feet to."

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

NATHANIEL P. REED,
Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., February 27, 1976.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your requests for the views of the Office of Management and Budget on the following bills:

1. S. 101, a bill "To direct the Secretary of the Interior to convey certain lands in Geary County, Kansas, to Margaret G. More" (requested January 16, 1976);

2. S. 155, a bill "To authorize the Secretary of the Interior to convey all right, title and interest of the United States in and to a tract of land located in Scotts Bluff County, Nebraska, to Robert L. Summerville of Scotts Bluff County, Nebraska" (requested January 23, 1976);

3. S. 301, a bill "Relating to lands in the Middle Rio Grande Conservancy District, New Mexico" (requested July 31, 1975);

4. S. 1365, a bill "To authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands" (requested June 12, 1975);

5. S. 2004, a bill "To eliminate a restriction on use of certain lands patented to the city of Hobart, Kiowa County, Oklahoma" (requested January 23, 1976);

6. S. 2286, a bill "To amend the Act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, New Mexico" (requested January 23, 1976);

7. S. 2798, a bill "For the relief of the city of Yakutat, Alaska" (requested January 23, 1976);

8. S. 2837, a bill "To amend the Act of August 30, 1890, to except a tract of ground located in Carbon County, Wyoming, from its restrictions" (requested January 23, 1976); and,

9. H.R. 4941, an Act "For the relief of Oscar H. Barnett" (requested January 23, 1976).

The Office of Management and Budget concurs in the views of the Department of the Interior in its reports on these bills, and accordingly: (a) we oppose the enactment of S. 101, S. 155, S. 301, and S. 2837, (b) we have no objection to the enactment of S. 1365 and S. 2286 if amended as suggested by the Department; (c) we oppose the enactment of S. 2004 and S. 2798, although we have no objection to enactment of the Department's substitute bills; and, (b) we recommend the enactment of H.R. 4941.

Sincerely yours,

JAMES M. FREY,
Assistant Director for Legislative Reference.

CONVEYANCE OF CERTAIN FEDERALLY OWNED LAND TO THE TWENTYNINE PALMS PARK AND RECREATION DISTRICT

The bill (H.R. 1466) to convey certain federally owned land to the Twentynine Palms Park and Recreation District, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-729), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

H.R. 1466 would convey approximately one acre of land, located in the town of Twentynine Palms, California, to the Twentynine Palms Park and Recreation District, a political subdivision of the local government.

The bill would require that the tract be used only as a cemetery and historical museum site for the public. Use of the land for any other purpose would cause title to revert to the United States.

BACKGROUND AND NEED

The United States had purchased this one acre tract in 1911 by warranty deed from the Southern Pacific Railroad Company for a fee of $5.00 for use as a cemetery site for members of the Twentynine Palms Band of the Mission Indians. The cemetery contains remains of the ancestors of the Twentynine Palms members having Chemehuevi blood. The land is presently administered by the Bureau of Indian Affairs.

The Twentynine Palms Band of Mission Indians is not located in the area, and does not have the means to maintain the cemetery plot. For this reason, the band is in favor of having the cemetery conveyed to the Twentynine Palms Park and Recreation District in order to preserve the cemetery from adverse use. The district has agreed to assume responsibility for the cemetery. After the tract is conveyed to the Park and Recreation District, it plans to move a stone house from private land and reconstruct it on this historical site for use as an Indian museum to preserve Indian artifacts.

The appraised value of the cemetery site is $500. According to the Department of the Interior, the Park and Recreation District is not in a position to purchase the site; however, if the District received the land by conveyance, it would undertake to beautify the property and preserve its historical significance.

LEGISLATIVE HISTORY

H.R. 1466 was introduced by the late Representative Jerry Pettis on January 15, 1975, and passed the House on October 6, 1975. The Subcommittee on the Environment and Land Resources conducted a hearing on this proposal on February 26, 1976. The Department of the Interior recommended the enactment of H.R. 1466; no opposition to the measure was expressed.

COMMITTEE RECOMMENDATION

The Senate Committee on Interior and Insular Affairs, in open business session on March 23, 1976, by unanimous vote of a quorum present, recommends that the Senate pass H.R. 1466, without amendment.

COST

Enactment of H.R. 1466 will not result in any expenditure of Federal funds.

EXECUTIVE COMMUNICATIONS

The pertinent legislative reports of the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations relating to H.R. 1466 are set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 17, 1976.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on H.R. 1466 in the Senate, a bill "To convey certain federally owned land to the Twentynine Palms Park and Recreation District."

We recommend that H.R. 1466 be enacted.

H.R. 1466 conveys one acre of land, more or less, located in the small town of Twentynine Palms, California, to the Twentynine Palms Park and Recreation District. This parcel was set aside over 60 years ago as a cemetery for Indians of the Twentynine Palms Band of Mission Indians. The cemetery contains remains of the ancestors of the Twentynine Palms members having Chemehuevi blood.

Under section 2, the land conveyed by the bill shall be used only as an Indian cemetery and historical museum site for the public, or else title shall revert to the United States Government.

In 1911, under the authority of the Act of January 12, 1891 (26 Stat. 712), for the relief of the Mission Indians in the State of California, the United States purchased the property by warranty deed from the Southern Pacific Railroad Company. The deed shows $5.00 as the purchase price. This land is presently administered by the Bureau of Indian Affairs.

The Twentynine Palms Band of Mission Indians is not located in the area, and does not have the means to maintain the cemetery plot; therefore, the band is in favor of conveyance of the cemetery to the Twentynine Palms Park and Recreation District so that the cemetery may be preserved. This district is a political subdivision of the local government and has agreed to assume the responsibility for the cemetery. Upon conveyance of the tract, the Twentynine Palms Park and Recreation District plans to remove a stone house from private land and reconstruct the building on this site to be used as an Indian museum to preserve Indian artifacts. The site itself would be of historical interest to the general public and would be carefully preserved.

The appraised value of the cemetery site is $500. Although the district is not in a position to expend any funds to purchase the site, if it received such land by conveyance it will beautify the property and preserve its historical significance.

The Indians' desire is to have this sacred burial ground of their ancestors protected from adverse use. With respect to the wishes of the Band, and in order to protect this cemetery site and its historical significance, we recommend that H.R. 1466 be enacted.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration program.

Sincerely yours,

MORRIS THOMPSON,
Commissioner of Indian Affairs.

EXECUTIVE OFFICE OF THE
PRESIDENT, OFFICE OF
MANAGEMENT AND BUDGET,
Washington, D.C., February 27, 1976.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your requests for the views of the Office of Management and Budget on the following bills:

1. S. 101, a bill "To direct the Secretary of the Interior to convey certain lands in Geary County, Kansas, to Margaret G. More" (requested January 16, 1976);

2. S. 155, a bill "To authorize the Secretary of the Interior to convey all right, title and interest of the United States in and to a tract of land located in Scotts Bluff County, Nebraska, to Robert L. Summerville of Scotts Bluff County, Nebraska" (requested January 23, 1976);

3. S. 301, a bill "Relating to lands in the Middle Rio Grande Conservancy District, New Mexico" (requested July 31, 1975);

4. S. 1365, a bill "To authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands" (requested June 12, 1975);

5. S. 2004, a bill "To eliminate a restriction on use of certain lands patented to the city of Hobart, Kiowa County, Oklahoma" (requested January 23, 1976);

6. S. 2286, a bill "To amend the Act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, New Mexico" (requested January 23, 1976);

7. S. 2798, a bill "For the relief of the city of Yakutat, Alaska" (requested January 23, 1976);

8. S. 2837, a bill "To amend the Act of August 30, 1890, to except a tract of ground located in Carbon County, Wyoming, from its restrictions" (requested January 23, 1976); and,

9. H.R. 4941, an Act "For the relief of Oscar H. Barnett" (requested January 23, 1976).

The Office of Management and Budget concurs in the views of the Department of the Interior in its reports on these bills, and accordingly: (a) we oppose the enactment of S. 101, S. 155, S. 301, and S. 2837; (b) we have no objection to the enactment of S. 1365 and S. 2286 if amended as suggested by the Department; (c) we oppose the enactment of S. 2004 and S. 2798, although we have no objection to enactment of the Department's substitute bills; and, (d) we recommend enactment of H.R. 4941.

Sincerely yours,

JAMES M. FREY,
Assistant Director for
Legislative Reference.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by H.R. 1466, as reported.

OSCAR H. BARNETT

The bill (H.R. 4941) for the relief of Oscar H. Barnett, was considered, ordered to a third reading, read a third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-730), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the Secretary of the Interior to convey by quitclaim deed or by other appropriate instruments, and without consideration, to Oscar H. Barnett, all right, title and interest of the United States in a 20-acre tract of land located in Leake County, Miss., described as the south half of northwest quarter of northwest quarter, section 25, township 11 north, range 7 east of the Choctaw Meridian in Leake County, Miss.

BACKGROUND AND NEED

Department of the Interior records indicate that in 1922, C. W. Triplett, Jr., and his wife purported to convey a 20 acre tract of land to the United States for use as a day school for the Choctaw Indians. The consideration to be paid for the conveyance was to have been $500.00.

Through a misunderstanding of the desires of the Department of the Interior, the grantors had the deed recorded in the county records of Leake County, Mississippi, before it had been submitted to the Department of the Interior for approval and acceptance. In fact, the Commissioner of Indian Affairs had recommended against approval of the deed of conveyance. The Secretary concurred with the recommendation of the Commissioner of Indian Affairs and the deed was not approved.

Title did not pass, and the United States acquired no interest in the land. Instead, the Bureau of Indian Affairs acquired a nearby tract of land on which it established the day school. Accordingly, the Department of the Interior has no interest in the 20 acre tract which is the subject of H.R. 4941.

The Department of the Interior has indicated its understanding that Mr. Barnett has owned the land since 1953 and that the Department would have no objection to enactment of H.R. 4941.

The legislation would remove a cloud on Mr. Barnett's title to the land, which was created by the attempted conveyance to the United States by C. W. Triplett, Jr., and his wife. It would not involve payment of any government funds and the government would not be required to warrant title.

LEGISLATIVE HISTORY

H.R. 4941 was introduced by Congressman Montgomery on March 13, 1975, and passed the House on December 16, 1975. The Subcommittee on the Environment and Land Resources conducted a hearing on H.R. 4941 on February 26, 1976. The Department of the Interior recommended the bill's enactment; there was no opposition to the measure.

COMMITTEE RECOMMENDATION

The Senate Committee on Interior and Insular Affairs, in open business session on March 23, 1976, by unanimous vote of a quorum present, recommends that the Senate pass H.R. 4941, without amendment.

COST

Enactment of H.R. 4941 will not result in any expenditure of Federal funds.

EXECUTIVE COMMUNICATIONS

The pertinent legislative reports of the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations relating to H.R. 4941 are set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 4, 1976.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on H.R. 4941, a bill as it passed the House of Representatives, "For the relief of Oscar H. Barnett."

We recommend that the bill be enacted.

H.R. 4941 would authorize the Secretary of the Interior to convey to Oscar H. Barnett, by quitclaim deed or by other appropriate instrument, without consideration, all right, title, and interest of the United States to a certain tract of land in League County, Mississippi.

Our records indicate that on December 18, 1922, C. W. Triplett, Jr., and his wife proposed to convey the 20-acre tract described in the bill to the United States for use as a day school for the Choctaw Indians. The consideration to be paid for the conveyance was to have been $500.00.

Through a misunderstanding of the desires of the Department of the Interior, the grantors had the deed recorded on December 30, 1922, among the county records of Leake County, Mississippi, before it had been submitted to the Department of the Interior for approval. In fact, the recommendation made by the Commissioner of Indian Affairs on May 4, 1923, to the Secretary of the Interior was that the deed of conveyance not be accepted. On May 5, 1923, the Secretary approved the recommendation of the Commissioner of Indian Affairs, and, thus the deed of conveyance was not approved.

In order for the conveyance to have been effective, it was necessary for it to be approved by the Department of the Interior. Since there was no such approval, title did not pass and the United States acquired no interest in the land described in the bill. The Bureau of Indian Affairs in fact acquired a nearby tract of land on which it established a day school for the Choctaw Indians. Accordingly, this Department has no interest in the land involved in this bill.

We understand that Mr. Barnett has owned the 20-acre tract since 1953. We have no objection to enactment of H.R. 4941 which would remove any clouds on Mr. Barnett's title that may have been caused by the confused transactions in the 1920's.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

JOHN KYL,
Assistant Secretary of the Interior.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill, as reported.

ORDER FOR ADJOURNMENT TO MONDAY, APRIL 5, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATE DEPARTMENT

The legislative clerk read the nominations, reported earlier today, of Thomas S. Gates, Jr., of Pennsylvania, Chief of the U.S. Liaison Office of Peking, People's Republic of China, with the rank of Ambassador; Fred O. Pinkham, of Connecticut, to be an Assistant Administrator of the Agency for International Development; Christian A. Herter, Jr., of New Mexico, to be an Assistant Administrator of the Agency for International Development; David S. Smith, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden; W. Beverly Carter, Jr., of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia; William A. Anders, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway; and Richard J. Bloomfield, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations, which were approved unanimously by the Foreign Relations Committee, be considered en bloc.

The PRESIDING OFFICER. The nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I request that the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER GRANTING PERMISSION TO THE BUDGET COMMITTEE TO FILE ITS REPORT BY MIDNIGHT, APRIL 3, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate Budget Committee be granted authority until midnight Saturday, April 3, to file its report on the First Concurrent Budget Resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HASKELL ON APRIL 5 AND APRIL 6, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Monday and Tuesday next, Mr. HASKELL be recognized for not to exceed 15 minutes on each of both days.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 400—TO ESTABLISH A STANDING COMMITTEE OF THE SENATE ON INTELLIGENCE ACTIVITIES, AND FOR OTHER PURPOSES—ORDER GRANTING AUTHORIZATION TO RULES COMMITTEE TO FILE ITS REPORT BY APRIL 30, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration have until April 30 to file its report on Senate Resolution 400. May I say that this was unanimously agreed to in the Democratic Conference today. It meets with the approval of all the concerned parties and, I think, in view of the circumstances which have developed that it is in the best interests of this legislation to do so in this manner at this time.

The PRESIDING OFFICER. Is there objection?

Mr. PERCY. Mr. President, reserving the right to object, I should simply like to ask the majority leader a question, preceded by a very brief comment.

We all very much want meaningful legislation for oversight in the intelligence agency, some of us just more recently than the distinguished majority leader who, for two decades, has felt the need and seen the necessity with great foresight, but we feel we need to improve oversight by the Congress; we need to reduce proliferation of committees to which intelligence agencies must report and, certainly, try to bring down the amount of time that the director of CIA is required to appear before Congress.

Mr. Colby in 3 years spent 60 percent of his entire time appearing before Congress or testifying, preparing for it or cleaning up afterwards.

So I would ask that if this extension of time is granted what the intentions of the leadership are with respect to the priority that this matter may have when once reported out by the Committee on Rules, and I would like to also comment that I am fully conversant with why the Committee on Rules needs this extra time. The time that the Committee on Rules took in the budget reform legislation saved the Congress, saved the Senate, months of debate and time, improved the legislation dramatically, and I feel that this legislation is subject to further strengthening.

But I would only be concerned at the length of time that would elapse, and whether or not it would be a matter treated as a priority matter.

Mr. MANSFIELD. The Senator is absolutely correct. The Rules Committee did a stupendous job on the budget legislation and because of the time it took and the care it showed we have a good budget committee at the present time which is making its weight felt and is doing an exceedingly good job.

I approve without equivocation this proposal which I made to extend the time of the committee to file its report because, on the basis of the facts explained in the Democratic Conference this morning, and there was no other alternative, and the idea is to do a good, thorough, and complete job.

As far as the Democratic majority leader is concerned, as soon as it is reported out it is his intention, in conjunction with the distinguished Republican leader, to call the legislation up as soon as possible.

Mr. PERCY. Mr. President, I would only like to call to the attention of the Senate that just yesterday in the Rules Committee George Bush, Director of the CIA, urged Congress to "concentrate oversight of foreign intelligence activities."

Here is the man responsible for carrying out this function, he has just been overwhelmingly confirmed by the Senate. I think he is deeply concerned about a continuing proliferation of oversight responsibilities. So I would hope that as the various committees looked at this matter they would not be parochial. I serve on the Foreign Relations Committee, we have an oversight responsibility, and we set the budget for a segment of the intelligence activities of the State Department.

Speaking as one Member, I would be perfectly willing to give up and relinquish that responsibility for budgetary matters, with the assurance that the State Department, the CIA, would fully produce the end result of intelligence, and the Department of Defense, whenever the Foreign Relations Committee, the Armed Services Committee, the Judiciary Committee, and that would include also the FBI, so that any of those committees would have available to them the end product of intelligence.

But if we all retain our prerogatives to set the budgetary levels for these various activities and we do not delegate that to the Intelligence Oversight Committee essentially then I think we have just simply proliferated a problem. We have scattered our responsibility, and we have added another layer on top of another burdensome layer of committees that now number 8, and we would increase it to 10, and instead of working toward a responsible delegation of authority we would be working the other way.

But with the assurance given by the majority leader, the Senator from Illinois has no objection to the unanimous-consent request that has been made.

Mr. MANSFIELD. Mr. President, in further response to the statement raised by the distinguished Republican member of the Government Operations Committee I would like to make a unanimous-consent request.

ORDER AUTHORIZING CALLING UP SENATE RESOLUTION 400 ON MAY 6, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the legislation is reported from the Committee on Rules on April 30 that it be in order for the leadership to call it up on May 6, which will comply with the 3-day rule and make allowances for the weekend.

Mr. PERCY. The Senator from Illinois would be very gratified.

Mr. MANSFIELD. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered. All requests are in order.

Mr. RIBICOFF. Mr. President, I commend the majority leader for his consistent position that the time has come to have proper oversight of the intelligence community. The majority leader has been in back of the church committee's position and the Government Operations Committee's position from the start.

The Government Operations Committee, under mandate from the Senate to report back its action by March 1, was able to do so by February 24, and I want to commend the Senator from Illinois, the junior Senator from Connecticut, and the entire membership of the Government Operations Committee for its hard work both at the hearings and the markup to get this bill out in time. But I do recognize that the Rules Committee was up against a peculiar set of circumstances. They were supposed to have reported back by March 20, but during this intervening period they were engaged on the floor of the Senate in a continuous debate on the Federal Election Commission matter, and it was impossible for the Rules Committee to be on the floor managing that important piece of legislation, and having hearings on this oversight matter.

We also should take into account that the Senate will go into recess on the 14th and return on the 26th, so there will be a period of 2 weeks in which nothing can be done.

I am confident, after conversations with Senator CANNON and Senator ROBERT C. BYRD that they will do everything they can to expedite the matter. It is only fair that they be given this extra time until the 30th of April to work out their thinking and complete their hearings. Under the circumstances, it is a fair request, and I hope the Senate will go along with the request.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PERCY. Mr. President, I commend the distinguished Senator from Connecticut for the way in which the hearings were conducted, for the way the committee held to the schedule that was originally established. Every Senator was heard, every issue was fully aired, and all the discussions and markup were in open session, so that everyone could observe what was being done.

A commendable job was done once again by the distinguished chairman of the Committee on Government Operations, helped in invaluable fashion by the distinguished Senator from Connecticut (Mr. WEICKER), whose expertise and experience in this matter and whose deep-felt feeling go back several years. His experience proved invaluable to the committee in moving us forward to the point that we ultimately reached.

Mr. WEICKER. Mr. President, reserving the right to object insofar as the official unanimous-consent request is concerned, I should like to say a few words.

First, I wish to make it clear that what follows is not in any way directed toward my distinguished colleague from Connecticut, Senator RIBICOFF, who in every way, both in the sense of personal commitment and in the sense of being the chairman of one of our standing committees, has devoted himself to reporting a bill.

Neither do the remarks that follow apply to the distinguished majority leader, who has been in the forefront of the fight for oversight; nor to the Senator from Illinois (Mr. PERCY). But I have a few things to get off my chest, and I am going to go ahead and say them before agreeing to this unanimous-consent request and another delay.

On March 1, the Committee on Government Operations reported Senate Resolution 400 to the full Senate with a recommendation that a permanent standing Senate Committee on Intelligence Activities be established.

We all know the list of abuses and trampled constitutional rights which precipitated this action. I will not repeat them. I will only remind the Senate that these transgressions were not committed by our foreign intelligence agencies alone but also, by our domestic law enforcement and investigative agencies—the FBI and the IRS. I will only remind the Senate that these transgressions were not an aberration or one shot deal. They had become standard operating procedures.

The lesson is that accountability cannot be assured without an accounting process. Congressional oversight is that process in a democracy. Oversight that has constancy, purpose, and legislative power—oversight that is a primary not a secondary responsibility. Oversight that is no longer conducted by a select few whose seniority imposed responsibilities compete for time and attention, but oversight by those who have the time and interest that protecting the Constitution always demands. This is what was called for yesterday—not tomorrow.

By their very nature, intelligence collection and democracy are incompatible partners. Especially for this reason legislative accountability is mandatory. Not accountability at the whim of Presidents, Senators, or Directors of the CIA but by law.

Some would argue that we are overreacting to the heat of the times. I would respond by saying that we have sat on our CIA's and FBI's long enough. Senator BAKER and I introduced similar legislation 1½ years ago. Indeed, the distinguished majority leader first proposed a standing oversight committee two decades ago. Had Senator MANSFIELD been successful in his earlier endeavors, our country might have been spared the recent fiasco of these necessary intelligence and law enforcement agencies.

The task which is before the Senate is an urgent one. It extends beyond the protection of certain institutions of the Senate and the empires of certain of its Members. No entity of government in America can survive without the backing of the American people. If you believe in the CIA, FBI, and so forth we had best clean up their act and our own.

I would hope my colleagues would respond to the tragedies of the past 3 years with meaningful report. We did not have a nightmare. It happened.

So rather than wait for a lapse of national memory and a tragic encore—please let us act to secure the future.

I do not fault the Rules Committee. They have the misfortune of being the last act of the stage of delay. Their request is legitimate and so I support them.

But to those who believe this all too will pass—my response is, do not bet on it.

They have the misfortune of being the last act on the stage of delay. And their request is legitimate, so I support them. To those who believe this all, too, will pass, my response is, "Do not bet on it."

Mr. President, I yield the floor. I shall not object. Once again, I express my deep appreciation to my senior colleague from Connecticut (Mr. RIBICOFF) and for the foresight supplied by the majority leader (Mr. MANSFIELD).

I think, also, it has to be said here this evening that we can sit here and debate on the smallest of points and consume days on picayune matters. And when it comes to the defense of the Constitution and assuring that our kids will have the advantages of a Constitution that gave to us all that we have, apparently we neither have the time nor the attendance to pay much attention.

Mr. RIBICOFF. Will my colleague yield at that point?

Mr. WEICKER. I yield to my distinguished colleague.

Mr. RIBICOFF. I say to the Senate that we should appreciate the concern of the junior Senator from Connecticut. His position has been consistent throughout the consideration of this proposal and similar proposals during his entire term in the Senate. During the hearings, my colleague from Connecticut expressed, time and time again, his continuing concern that if we did not pass, during this session of Congress, a proposal setting up a new oversight committee in the field of intelligence, the matter would die and there would be no oversight committee established. I agree with him. There are those in the executive branch and in this body who would prefer that we not have an oversight committee on intelligence. But it must be clear to all of us, in view of Watergate and in view of the findings of the Church committee, that is absolutely essential that this body assume the responsibility of establishing an oversight committee that can really do the job.

I was at the Committee on Rules this morning and I listened very carefully to the questions being asked by the distinguished Senator from West Virginia of Senator CHURCH. I listened to the colloquy. The questions raised by the Senator from West Virginia were pertinent questions.

The Senator from West Virginia did point out weaknesses in our resolution. Although we reported out that resolution unanimously, I do recognize the potential trouble and doubt. I have the utmost confidence that our majority whip will address himself to this piece of legislation as he did to the establishment of the Committee on the Budget. We did a lot of work on the Committee on the Budget in the Committee on Government Operations and it was an improved bill when it came out of the Committee on Rules.

I am confident that the Committee on Rules will apply itself with deep concern. I am satisfied that when this resolution reaches the floor and the Senate works its will, it will be a good bill, setting up a strong and effective intelligence oversight committee.

I again commend my colleague from Connecticut, who has been a consistent and strong fighter for the cause of civil and personal liberties. I hope that when the bill is reported out from the Committee on Rules, we shall be able to have the support of the Committee on Government Operations in its entirety for the proposal that comes out of the Committee on Rules.

I am sure that our respective staffs and ourselves will be working with the Committee on Rules to try to fashion a measure that can have the support of the overwhelming majority of the U.S. Senate.

Mr. WEICKER. I thank the distinguished Senator.

Mr. ROBERT C. BYRD. Mr. President, I want to express appreciation on behalf of the chairman of the Committee on Rules (Mr. CANNON) and on behalf of myself and others of that committee to the distinguished Senator from Connecticut (Mr. RIBICOFF). That appreciation is not only for his expressions of commendation with reference to the efforts that the committee is making in the course of its hearings on the bill, and which it will be making in the course of the subsequent markup to develop legislation that will have broad-based support—hopefully, we can do that—but also for his expression of faith and confidence in those of us on that committee.

At the same time, I want to compliment him and the members of the Committee on Government Operations for the excellent work that they have done, not only in connection with this resolution, but also in connection with the Budget Reform Act, which originated in the Committee on Government Operations. That act was a very complex one, and I stated at the time it was being debated on the floor that if, indeed, it worked, it would constitute one of the most important pieces of legislation, one of the most salutary landmarks in the legislative process that had occurred in my quarter of a century of service in the Congress of the United States.

I should like to think the same about Senate Resolution 400. I am impressed by the desire for cooperation and working together on the part of all whose assistance is going to be needed as we develop this piece of legislation. I believe confidently that, with the help of Senator RIBICOFF, Senator PERCY, Senator WEICKER, and Senator CHURCH, and other Senators—Senator HUDDLESTON, Senator NUNN, and others—I could continue to name them, but I shall simply say all of those who have been principals in the development of this legislation thus far and the chairmen of the committees that will be affected. I believe that all of us, working together, our staffs and ourselves, with the Committee on Rules will insure that the legislation that finally comes out of that committee will represent a composite viewpoint that is really a consensus of the various parties joining in the effort and will help us to have that broadbased support that I referred to earlier.

It is a complex piece of legislation and, as Senator RIBICOFF has very ably stated, it has several areas of concern to many of us. I believe that reasonable men can come together and work together and produce a product that will be effective and workable and will constitute something of which we all, at the end, can be proud.

SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. MANSFIELD. Mr. President, under the provisions of Senate Resolution 109, I ask that the following Democratic members be appointed to the temporary Select Committee to Study the Senate Committee System, on the basis of the resolution passed on yesterday.

The PRESIDING OFFICER. The Chair, on behalf of the President of the Senate, appoints the following Senators: Senator METCALF, Senator NELSON, Senator STEVENSON, Senator BENTSEN, Senator CHILES, and Senator NUNN to the Select Committee to Study the Senate Committee System.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND FOR CONSIDERATION OF S. 3136 ON MONDAY, APRIL 5, 1976.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the orders for the recognition of Senators have been consummated, there be a period for the transaction of routine morning business, with statements limited therein to 5 minutes each, such period not to extend beyond the hour of 1 o'clock p.m.; after which, the Senate will proceed to the consideration of Calendar Order No. 665, S. 3136, a bill to reform the Food Stamp Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE SENATE TO MEET AT 12 MERIDIAN TUESDAY THROUGH FRIDAY NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate meet daily next week, following adjournment of the Senate, at 12 o'clock noon on Tuesday, Wednesday, Thursday, and Friday, following adjournment of the Senate on Monday, Tuesday, Wednesday, and Thursday, respectively.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON TUESDAY, APRIL 6, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, following the orders for recognition of Senators, there be a period for the transaction of routine morning business of not to extend beyond the hour of 1 o'clock p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACCURACY OF SONNENFELDT QUOTATIONS

Mr. HELMS. Mr. President, a controversy has been developing over certain statements attributed to Mr. Helmut Sonnenfeldt at a briefing for U.S. Ambassadors to European nations. The briefing took place in London 3 months ago, according to my information. According to Rowland Evans and Robert Novak, Mr. Sonnenfeldt argued that the "inorganic, unnatural relationship" between Moscow and Eastern Europe, based on Soviet military prowess threatens world peace. "So," he concluded, according to Evans and Novak, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

In short, the burden of Mr. Sonnenfeldt's argument was that we should in effect recognize Soviet hegemony over the peoples of Eastern Europe, and urge the Eastern European nations to acquiesce in Soviet domination. Although Mr. Sonnenfeldt reportedly called for recognizing the desire of these peoples for "autonomy," he at the same time called for "organic union" with the Soviets. Mr. President, this is a very sophisticated argument which doubtless has little appeal to those who must live under the conditions of "organic union." There are already quite a number of so-called autonomous republics within the larger units of the Soviet Union which could testify about the benefits of organic union.

In short, it appears that what Mr. Sonnenfeldt is arguing is that we should divide Europe into spheres for the sake of détente or of world peace, and that we should do nothing to encourage enslaved peoples to hope that they can be free of totalitarian atheistic communism.

As may be expected, the State Department has denied the accuracy of the Sonnenfeldt quotations which appeared in the Evans and Novak column. The whole notion of the Sonnenfeldt doctrine is repugnant to any freedom-loving peoples, including those in the United States. If Mr. Sonnenfeldt did in fact make the statements attributed to him, then he can no longer be tolerated as an instrument of U.S. policy. In a subsequent column, Evans and Novak reported that Secretary Kissinger himself defended his Counselor, and insisted that the quotations were taken out of context.

Mr. President, I have not seen the entire document summarizing the Sonnenfeldt briefing in London, so I cannot judge the accuracy of all the quotations. However, I have seen the context of one of the most controversial, referring to Yugoslavia, and it appears to me that a fair representation of the whole passage was published. The published account ran as follows:

> While declaring a post-Tito return of Yugoslavia into the Soviet orbit would be "a major strategic setback," Sonnenfeldt suggested that Yugoslavia "should be less obnoxious" to Moscow and disabused of the impression they have a free ride of independence guaranteed by Washington.

Mr. President, the full text of the passage in question as I have received it runs like this:

> We have an interest which borders on the vital in continuing the independence of Yugoslavia from Soviet domination. Of course we accept that Yugoslav behavior will continue to be, as it has in the past, influence and constrained by Soviet power. But any shift back by Yugoslavia into the Soviet orbit would represent a major strategic setback for the West . . .
>
> Our basic policy continues to be that which we have pursued since 1948–49, keeping Yugoslavia in a position of substantial independence from the Soviet Union. Now at the same time we would like them to be less obnoxious, and we should allow them to get away with very little. We should especially disabuse them of any notion that our interest in their relative independence is greater than their own, and therefore, they have a free ride.

Mr. President, I believe that a careful reading of this passage fully bears out the published version in its tone and intention. The Sonnenfeld doctrine continues to keep Yugoslavia suspended in the dialectic, at the same time dashing forever any hope of the Yugoslav peoples that they may eventually return to freedom. The insensitivity of Mr. Sonnenfeldt to the inhumanity of such policies is reason enough for this administration to declare it has no confidence in his judgment, and to ask him to resign.

But, as I said, I have seen but one passage from this remarkable document. The Secretary of State still invokes the cloak of secrecy to hide a policy statement which is obviously contrary to American moral standards. I believe that the only way that the American people will be satisfied in this matter is for the Secretary to release the entire document. If the majority of the quotations are out of context, then it will be apparent for all to see; if they are not out of context, then the whole matter will be dismissed.

It would indeed be ironic if Mr. Sonnenfeldt, who is the State Department's leak champion of all time, should be protected by a policy of official secrecy. On earlier occasions on this floor, I have detailed Mr. Sonnenfeldt's record of security violations, news leaks, and favored promotions that have pushed his career forward at the expense of more qualified and more able foreign service officers. Indeed, Mr. Sonnenfeldt's own fitness to serve has been directly challenged under oath before Senate committees, contradicting his own testimony. Yet the contradictions were never resolved. Discussion of these matters may be found in the CONGRESSIONAL RECORD of December 10, 1973, page 40360, and October 28, 1975, page 34006.

Moreover, in his latest book, "Game Plan for Disaster," Mr. Clark R. Mollenhoff, who was a special counsel to the President, states that he personally brought Mr. Sonnenfeldt's security violations to the attention of Dr. Kissinger, yet Dr. Kissinger set aside the evidence without investigation and instead promoted Mr. Sonnenfeldt.

The time and justification, if any ever existed, for protecting Mr. Sonnenfeldt are long since past. There is no need now to withhold the document summarizing the Sonnenfeldt briefing, since its contents has already been made known around the world. The test of good faith will be to put it out on the table for all to see.

Mr. President, I ask unanimous consent that recent articles about the Sonnenfeldt briefing be printed in the RECORD at the conclusion of my remarks, including the two Evans and Novak columns, a column by C. L. Sulzberger in the New York Times, and a dispatch from Paris to the Washington Post by Jim Hoagland.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 22, 1976]

A SOVIET-EAST EUROPE "ORGANIC UNION"

(By Rowland Evans and Robert Novak)

Intense debate was set off within the Ford administration three months ago when Secretary of State Henry Kissinger's right-hand man declared in a secret briefing that permanent "organic" union between the Soviet Union and Eastern Europe is necessary to avoid World War III.

That policy, going well beyond any public position of hte U.S. government, was enunciated in mid-December by State Department counselor Helmut Sonnenfeldt. He told a London meeting of U.S. ambassadors to European nations that the "inorganic, unnatural relationship" between Moscow and Eastern Europe based on Soviet military prowess threatens world peace. "So," he concluded, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

When transcripts of Sonnenfeldt's remarks hit Washington, some officials complained that this amounted to U.S. underwriting of Soviet dominion over Eastern Europe. As such, these critics contended, the Sonnenfeldt doctrine never had been U.S. policy and certainly should not be now.

Indeed, what was said three months ago may be the victim of President Ford's election-year harder line which has made "détente" an unword. Nevertheless, the Sonnenfeldt doctrine exposes underpinnings of détente as practiced in the State Department until recently.

In their December briefing in London, both Kissinger and Sonnenfeldt stressed the need for the U.S. to come to terms with the Soviet Union as an emerging superpower—now their principal rationale for détente. Contending NATO is undermined by leftist gains in Western Europe, Kissinger declared: "The West is unacceptable." That doctrine has no critics within the administration—in total contrast to Sonnenfeldt's message.

Lacking the attractiveness of past empires, Sonnenfeldt declared, the Kremlin relies on "the presence of sheer Soviet military power" to unify Eastern Europe. Because "a more viable, organic structure" is lacking, "the desire to break out of the Soviet strait jacket" has intensified among Eastern European countries.

The counselor saw this as no boon for the West, declaring: "The Soviets' inability to acquire loyalty in Eastern Europe is an unfortunate historical failure because Eastern Europe is within their scope and area of natural interest. It is doubly tragic that in this area of vital interest and crucial importance it has not been possible for the Soviet Union to establish roots of interest that go beyond sheer power."

After describing detente as a means of affecting the use of Soviet power, Sonnenfeldt warned Eastern Europe's "present unnatural relationship with the Soviet Union" may "sooner or later explode, causing World War III. This inorganic, unnatural relationship is a far greater danger to world peace than the conflict between East and West."

Sonnenfeldt cautioned that "any excess of zeal on our part" could reverse the "desired process" (the Soviet-Eastern European "organic" union). Consequently, he set "a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence. This has worked in Poland. The Poles have been able to overcome their romantic political inclinations which led to their disasters in the past."

While declaring a post-Tito return of Yugoslavia into the Soviet orbit would be "a major strategic setback," Sonnenfeldt suggested the Yugoslavs "should be less obnoxious" to Moscow and disabused of the impression "they have a free ride" of independence guaranteed by Washington.

Critics inside the administration, describing themselves as "appalled" by the Sonnenfeldt doctrine, do not propose encouragement of futile anti-Communist insurrection in Eastern Europe. But they believe Sonnenfeldt's confirmation of Soviet dominion there undercuts Eastern European nationalists such as President Nicolae Ceaucescu of Rumania.

While ruling out Communist party control in Portugal or Italy, Dr. Kissinger's London briefing blamed the danger on the West's own problems, including "domestic paralysis in the U.S."

"The Soviets are not the key element in producing the present instabilities that we now face in Western Europe," he declared. "A Communist Western Europe would be a headache for us. It would be a headache for the Soviets as well. They probably prefer not to see Communist powers taking over in Western Europe. But in the final analysis their ideology requires them to assist in these efforts."

To avoid assistance from Moscow, Kissinger asserted, "we must create the maximum incentives for a moderate Soviet course." But Sonnenfeldt, usually the faithful mirror of his chief, goes even further by putting the U.S. on record for stabilization of the Soviet empire in Eastern Europe to preserve world peace.

[From the Washington Post, Dec. 30, 1975]

THE SONNENFELDT DOCTRINE: DEFLECTING THE RUCKUS

(By Rowland Evans and Robert Novak)

Facing his toughest Republican critics across the breakfast table last week, Secretary of State Henry Kissinger tried—but failed—to deflect their wrath by attributing the Sonnenfeldt doctrine to sloppy State Department notetakers without actually repudiating it.

Members of the Study Committee, a group of conservative Republican Congressmen, were up in arms over a secret briefing in London last December by State Department counselor Helmut Sonnenfeldt. We reported last week that Sonnenfeldt had told U.S. ambassadors to European nations that the U.S. should strive for a permanent "organic" relationship between the Soviet Union and Eastern Europe to avoid World War III.

Breakfasting with the Study Committee three days later, Dr. Kissinger suggested our column was based on inaccurate State Department cables. Trying to keep up with the Secretary of State's smoothly flowing prose, some present even thought he had totally rejected the substance of the Sonnenfeldt doctrine. In fact, he had not.

"Henry's answer did not satisfy me or, I suppose, any of the others, one Study Committee member, a strong supporter of President Ford, told us. Therefore, the ruckus over the Sonnenfeldt doctrine will continue until it is unequivocally repudiated by Kissinger or the President himself.

The breakfast meeting, sought for nearly two years by conservative congressmen seeking a first-hand grilling of Kissinger, immediately turned to the Sonnenfeldt doctrine, Rep. Edward J. Derwinski of Illinois, one of Mr. Ford's most important conservative backers and a national leader in the Polish-American community, suggested the Sonnenfeldt doctrine is "the straw that broke the camel's back" following U.S. acquiescence at Helsinki in Soviet control over the Baltic states.

Derwinski reflected rising anger among ethnic nationality groups that could effect not only Mr. Ford's contest with Ronald Reagan for the Republican presidential nomination but the November general election as well. Accordingly, Derwinski told Kissinger, the matter must be disposed of as quickly as possible.

In reply, Kissinger said he had not read the State Department cable reporting Sonnenfeldt's briefing and did not know what it contained until he read our column (though, in fact, he was in London for that meeting), Kissinger next went into what one congressman called "a song and dance," describing how some junior Foreign Service officer takes notes on such briefings, from which another diplomat drafts the cable, typically leading to distortions.

Kissinger said he could not control every State Department employee—interpreted by some congressmen as an abandonment of Sonnenfeldt. More likely, however, Kissinger was casting blame on that nameless junior notetaker, because he reassured the conservative House members that Sonnenfeldt is "a hard-liner just like you."

All this left Derwinski and the other congressmen unsatisfied. Nor was the explanation viewed as plausible by some high government officials. "Whatever Hal (Sonnefeldt) said in London was in total 'synch' with Henry," one official said. "It always is." What's more, the Sonnenfeldt doctrine as contained in the cable is viewed in the administration as generally consistent with the overall Kissinger-Sonnenfeldt view of the Soviet Union as an emerging superpower.

Finally, the portions we earlier quoted from the seven-page cable reporting Sonnenfeldt's remarks were in no sense isolated but, instead, reflected a theme reiterated time and again.

In one paragraph not quoted in our previous column, for example, Sonnefeldt declared: "We seek to influence the emergence of the Soviet imperial power by making the base more natural and organic so that it will not remain founded in sheer power alone. But there is no alternative open to us other than that of influencing the way Soviet power is used." At another point, Sonnenfeldt said Hungarian leader Janos Kadar's "performance has been remarkable in finding ways which are acceptable to the Soviet Union which develop Hungarian roots and the natural aspirations of the people . . ."

In short, to substantiate Kissinger's explanation, the State Department report on Sonnenfeldt's briefing would have had to be inaccurate and distorted not just in one or two remarks but in its entirety—a most unlikely possibility.

It is too unlikely to be accepted by Ed Derwinski, who wants nothing less than an unequivocal repudiation of the Sonnenfeldt doctrine. If need be, Derwinski will go into the Oval Office to get that repudiation from the President. If he does, there would be covert rejoicing high in the administration from officials who were appalled from the start by a doctrine acquiescing in Soviet dominion over Eastern Europe.

[From the New York Times, Mar. 27, 1975]

MINI METTERNICH IN A FOG

(By C. L. Sulzberger)

PARIS.—The quadrennial intrusion of U.S. internal politics into U.S. external policy is an exercise with which the outer world is fully familiar but not yet fully enthusiastic. Right now we find various factions of voters catered to by the foreign affairs attitudes of various individual Presidential candidates and by the Administration itself as it courts election.

Thus one might advise caution toward President Ford's new insistence on dropping the use of "détente" as a word and suspending certain Soviet-American bilateral meetings. Likewise there is a suspicion that some of the tough talk aimed against different Communist sects hopes to deflect wind from the sails of right-wingers building up ultraconservative appeal.

One curious paradox in current United States policy appears to be that addressed toward Communism in both halves of Europe, West and East. We loudly assail the West European Communists even though, in countries like Italy and France, they are trying to strike out along new paths of independence, something not at all to the Kremlin's liking. But we seem to be telling the East European Communists to make up with Russia.

Rowland Evans and Robert Novak recently reported in their syndicated column that State Department Counselor Helmut Sonnenfeldt had told a meeting of American ambassadors in London that U.S. policy should work for an "organic" relationship between the Soviet Union and the Communist nations of East Europe.

"Organic" is a flabby word which can mean "fundamental," "constitutional" or "organizational." Whatever was actually meant by Mr. Sonnenfeldt, the latest minim-Metternich of Foggy Bottom, the idea sent shivers up the spines of several among his distinguished auditors.

Robert Funseth, State Department spokesman, dutifully repudiated the report but his denial had about as much weight as a flea's belch. I have talked with persons who heard Mr. Sonnenfeldt's statements and who assured me the Evans and Novak account was correct.

And what does it really imply? It would seem to be an invitation to the Kremlin to assert fuller control of Eastern Europe, perhaps even absorbing it into the U.S.S.R. as "Soviet Republics."

After all, at certain moments in the 1940's and 1950's, Stalin contemplated precisely that idea. Indirectly, this contributed to Moscow's split with Tito, which is not yet over. Now what is the point of even indirectly hinting to Russia that we wouldn't care if the project were revived?

Are we pressing Eastern Communists toward Moscow while hoping the Soviets will turn a blind eye if we try to stamp out Western Communists? Is this the kind of spheres-of-influence deal between the two superpowers that many Europeans have for long suspected?

How would China, so often praised by Henry Kissinger, feel about this? Already we have endorsed the existing Sino-Soviet border (resented by Peking) in the Helsinki declarations. Now, having reaffirmed the present borders of East Europe as well, are we murmuring to Moscow that another Budapest (1956) or Prague (1968) wouldn't be resented?

Why did Mr. Sonnenfeldt choose this moment to apply what Denis Healy would call his "tiny Chinese mind" to this issue just as the 83-year-old Tito shows signs of physical weakness? Washington has known for years that Russia wants to bring Yugoslavia back into its orbit but will not risk the attempt while the doughty marshal lives. Yet seeds of dissension and Soviet "sleeper" agents have been planted in his country.

Mr. Kissinger himself, a far more realistic man than his counselor seems to be, even if he isn't flawless, told me four years ago of what Moscow might try to do to disintegrate Yugoslavia after Tito's death. He said: "Certainly it is going to happen but I can't get our bureaucracy to do anything about planning on this. All the bureaucracy does is give me a lot of triple talk."

When Mr. Kissinger said this he was not yet Secretary of State although he was our diplomatic No. 1, a maxi-Metternich. Now he actually holds the most important Cabinet post and is technically in charge of its bureaucracy. Is he satisfied with Mr. Sonnenfeldt's triple talk on this vital subject?

Is the bureaucracy planning now to face the problem by giving East Europe away against its own will and before Leonid Brezhnev even asks? Will Moscow appease us on Communist in the West if we appease Moscow on Commuuists in the East? Who's looney now, as they used to ask in New Jersey?

[From the Washington Post, Mar. 31, 1976]

ON SEPARATING THE SPHERES

(By Jim Hoagland)

PARIS, March 30.—If Soviet tanks had not intervened in 1968, Alexander Dubcek's experiment in liberalizing communism in Czechoslovakia and giving socialism "a human face" might be in full flower today as West European Communist Parties try for a share of power on the same promises.

American diplomats in Western Europe have been mulling this hypothetical situation—and the undercutting effect a continuing "Prague Spring" would have had on American efforts to deny West European Communists respectability—since it was presented to them at a secret briefing in London last December.

Since reports on the briefing were surfaced by columnists Rowland Evans and Robert Novak last week, West European diplomats and politicians have been waiting for the other shoe to drop in the unfolding of U.S. Secretary of State Henry A. Kissinger's policy toward communism in Europe.

The initial report concentrated on American acquiescence in Soviet domination of Eastern Europe. But there is a strong suspicion here that the thrust of the briefing by Kissinger's chief assistant, Helmut Sonnenfeldt, was in fact directed toward the intensifying American diplomatic campaign to discredit Western European Communist Parties.

Kissinger disputed the Evans-Novak version of the Sonnenfeldt briefing yesterday and said the United States did not accept "spheres of influence" in Europe or elsewhere.

But the hedged denials are carrying little weight here after the sharp warnings delivered by the United States to European socialists against cooperating with Communist Parties that have broken ideologically with Moscow. This attempt to secure the American sphere of influence followed the Sonnenfeldt briefing.

The chief targets of the warnings were the French and Italian Communist Parties, which are openly quarreling with Moscow and promise they would offer a national program as independent and humanistic as Dubcek's might have been.

The illegal Spanish Communist Party proclaims the same principles. The American warnings were also made known in Sweden, West Germany and Portugal.

One independent account of the London briefing suggests that Sonnenfeldt expressed relief, in retrospect, that the Dubcek experiment had been terminated before it could bestow credibility on the West European Commmunists.

The apparent American justification of an ideological freeze in Eastern Europe as being in American interests raises the question of a Russian Soviet quid pro quo in Western Europe, and there is at least superficial evidence to support an argument that there is one.

Communist bloc sources questioned on this pointed to the ambivalent Soviet attitude toward the unsuccessful drive for power by the Portuguese Communists last year, a still controversial Soviet diplomatic gambit that may have helped swing the 1974 French presidential election away from a Communist-supported candidate and the growing bitterness between the Kremlin and the Italian Communists as the party moves closer to a share of the national government.

The Soviet ambassador in Paris paid a well-publicized visit to Valery Giscard d'Estaing in the week before Giscard narrowly defeated leftist candidate Francois Mitterrand in the 1974 presidential race.

Communist sources say the visit helped produce the sharp split between the French party and the Kremlin that was formalized last month when French party leader Georges Marchais refused to attend the 25th International Congress in Moscow.

It would not be new for the Soviets to sacrifice local parties in favor of larger Soviet aims. They formed their alliance with Egypt's Gamal Addel Nasser while he was ruthlessly breaking the Egyptian Communist Party, and have remained silent during similar experiences in Syria and Iraq.

Any hint a formal Soviet decision to put the gains of Western European parties second to continuing detente could only widen the gap between Moscow and the West European Communists. It would be as politically embarrassing for the Soviets as are to Kissinger the suggestions that the U.S. views Soviet control of Eastern Europe with favor.

Neither would it be new for the U.S. to prefer an enforced calm in Eastern Europe to an explosive situation. The prevailing sentiment in the State Department after the erection of the Berlin wall in 1961 was relief that the crisis had not escalated into a full-scale confrontation.

In his statement yesterday Kissinger noted that "at the same time we do not want to give encouragement to an uprising that might lead to enormous suffering" in Eastern Europe.

What is new is the apparent shared view by Washington and Moscow of the mutual dangers of political pluralism in their respective spheres of influence in Europe, while competition in Third World areas like Angola remains intense.

The U.S. and the Soviet Union in at least superficial ways now appear to agree that the participation of "reformed" Western European Communists in NATO or NATO-aligned governments would have a general destabilizing impact on Europe and on superpower relations.

The Soviets evidently fear that the Italian, Spanish and French Communists might live up to their promises to be Dubceks if they get to power, while the U.S. argues that the national Communists would never be truly independent forces.

The superpower consensus also appears to extend to Eastern Europe, where any future Dubceks would probably pose, in the context of Kissinger's policies, as many headaches for the U.S. as for the Kremlin.

QUORUM CALL

Mr. **HELMS**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BARTLETT ON MONDAY, APRIL 5, 1976

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that on Monday, after Mr. Haskell has been recognized under the order previously entered, Mr. Bartlett be recognized for not to exceed 15 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

PROGRAM

Mr. **ROBERT C. BYRD**. Mr. President, on Monday the Senate will convene at 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, Mr. Haskell and Mr. Bartlett will be recognized each for not to exceed 15 minutes, and in that order, after which there will be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each. At the conclusion of routine morning business, the Senate will take up Calendar No. 665, S. 3136, a bill to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

I would anticipate rollcall votes on that measure with respect to motions or amendments relating to the same on Monday.

Other measures may be called up on Monday, measures that have been cleared for action and on which rollcall votes could occur. Conference reports being privileged matters could be called up any time and rollcall votes could occur thereon.

ADJOURNMENT

Mr. **ROBERT C. BYRD**. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon on Monday next.

The motion was agreed to; and at 7:12 p.m., the Senate adjourned until Monday, April 5, 1976, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate April 1, 1976:

IN THE JUDICIARY

William B. Poff, of Virginia, to be U.S. district judge for the western district of Virginia vice Ted Dalton, retiring.

DEPARTMENT OF STATE

Charles W. Robinson, of California, to be Deputy Secretary of State.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 1, 1976:

DEPARTMENT OF STATE

William A. Anders, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

David S. Smith, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Richard J. Bloomfield, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

W. Beverly Carter, Jr., of Pennsylvania, a Foreign Service information officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

Thomas S. Gates, Jr., of Pennsylvania, Chief of the U.S. Liaison Office of Peking, People's Republic of China, for the rank of Ambassador.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Christian A. Herter, Jr., of New Mexico, to be an Assistant Administrator of the Agency for International Development.

Fred O. Pinkham, of Connecticut, to be an Assistant Administrator of the Agency for International Development.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Thursday, April 1, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God is love and he who abides in love abides in God, and God abides in him.—I John 4: 16.

Eternal Father, look upon us with Thy gracious forgiveness and lead us to that humility of spirit which will enable us to live helpfully with one another. Come Thou into our hearts that we may do justly, love mercy, and walk humbly with Thee.

Be with us through this day and whatever experiences may be ours grant us the strength of character we need to do our work wisely and well for the good of Congress and the best interests of our beloved country. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 596. Concurrent resolution directing the Clerk of the House to make certain corrections in the enrollment of the bill (H.R. 8617) entitled "An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitation, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8617) entitled "An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes."

The message also announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8089. An act to amend section 404(d) of title 37, United States Code, relating to per diem expenses of members of the uniformed services traveling on official business.

The message also announced that the Senate had passed a bill, joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 2920. An act to name the building known as the Library of Congress Annex to be the Library of Congress Thomas Jefferson Building;

S.J. Res. 76. Joint resolution authorizing and requesting the President to issue a proclamation designating the seven calendar days commencing on April 30, 1976, as "National Beta Sigma Phi Week";

S.J. Res. 151. Joint resolution to authorize and request the President to issue a proclamation designating July 2, 1976, as an official holiday;

S.J. Res. 168. Joint resolution to provide for the reappointment of James E. Webb as a citizen regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 172. Joint resolution to designate the fourth week in June 1976 as "National Tennis Week"; and

S. Con. Res. 108. Concurrent resolution seeking to eliminate discriminatory trade practices of the European Economic Community.

SENATE RECOMMITS NO-FAULT INSURANCE BILL

(Mr. **VAN DEERLIN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. Mr. Speaker, yesterday was a sad day for the American motorist. Thanks to an action taken by the U.S. Senate, they are left with little hope for early reform of the scandalous system that prevails in personal injury insurance.

In turning its back on a Federal standards no-fault bill, the other body has made certain that trial lawyers will continue to skim nearly $2 billion a year from the awards that could—and should—be going to accident victims.

This was a strange turnabout. The Senate had passed a no-fault bill early in the 93d Congress. But this year marked the first time such legislation had been reported out of subcommittee on the House side.

What happened? One has only to scan the list of Senators who voted for recommittal yesterday to see that the defectors came mainly from the ranks of so-called Republican moderates. Six of these switched to opposition yesterday, after having supported no-fault in 1973. Indeed, one was a cosponsor of the bill.

But lest this sound partisan, let me hasten to add that 20 Democrats were among those voting to keep an archaic reparations system that clogs our courts and regularly cheats the neediest victims of adequate compensation.

White House opposition was especially ironic in that President Ford's home State of Michigan has the most successful no-fault law in the country.

In light of the Senate's action, Mr. Speaker, there may be no reason for continuing work on it in this body. Perhaps we shall first need to deal headon with a major, new, well-financed lobbying element on Capitol Hill—the American Bar Association and the Trial Lawyers Association.

EMERGENCY U.N. SECURITY COUNCIL MEETING ON LEBANON

(Mr. RIEGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIEGLE. Mr. Speaker, I am today urgently requesting that President Ford and Secretary Kissinger call for an emergency meeting of the U.N. Security Council to address the savage civil war in Lebanon.

Before more bloodshed occurs, I believe the United States should urge that an emergency United Nations peacekeeping force be created and used in Lebanon to separate the Moslem and Christian factions now at war.

The mounting death tolls, the terrible destruction in Beirut and the surrounding area and the growing risk of a major war in the Middle East make it imperative that a cease-fire be sought now so this dispute can be settled by negotiation without further massive destruction and killing.

REQUEST FOR PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO MEET TODAY DURING 5-MINUTE RULE

Mr. THORNTON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research, Development, and Demonstration of the Committee on Science and Technology be permitted to meet today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

APRIL FOOL

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I take the well of the House to congratulate the American energy companies who have announced this morning they will reject Government guarantees and Government grants in proceeding with a program for synthetic fuels. I am particularly grateful to our oil and other energy companies when they admit they do not need Government assistance in their work.

Also I commend the American Banking Association for admitting that they could use reform, and in their approval of the bill now in the committee chaired by the gentleman from Wisconsin (Mr. REUSS).

Also I commend the AFL–CIO labor leadership for the nonstrike agreement, and I laud American management for agreeing to give labor two or three seats on the boards of directors of all American corporations.

And a happy April 1 to you, Mr. Speaker.

INCREASING SALARIES OF FEDERAL JUDGES

(Mr. TREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TREEN. Mr. Speaker, today I am introducing a bill to increase the salaries of Federal judges. We have been terribly remiss in not facing up to our obligation to deal equitably with this matter. I am appalled that we have seemingly closed our eyes to the need for judicial salary adjustments.

Article III, section 1, of the Constitution provides that the compensation of judges "shall not be diminished during their continuance in office." While we may not have violated the letter of that obligatory provision, we most certainly have violated its spirit. I will have more to say about this in the days ahead.

My bill raises the salaries of district court judges to $62,000; circuit judges to $66,000.

In 1967, Congress committed itself to review judicial salaries every 4 years by establishing the Commission on Executive, Legislative and Judicial Salaries. In 1969, that Commission recommended that district court judges be paid $47,500 and court of appeal judges $50,000. Yet the President recommended and Congress adopted salaries of $40,000 and $42,500. The Commission in 1973 recommended that district judges receive $50,000 and court of appeal judges receive $53,000. The Congress rejected any increase whatsoever.

The salary levels set forth in my bill represent adoption of those 1973 salary level recommendations, adjusted to compensate for the 25.6-percent increase in the Consumer Price Index between June of 1973 and December 1975.

Last year, in action which also affected our own salaries, we provided for a modest 5-percent increase in the salaries of all Federal judges. Unfortunately, this action has tended to relegate this problem to the back burner. But that action was totally inadequate and, my colleagues, as I said before, simple equity cries out loudly for us to take action without further delay.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO HOLD HEARINGS THIS AFTERNOON DURING 5-MINUTE RULE

Mr. THORNTON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research, Development, and Demonstration of the Committee on Science and Technology be permitted to hold hearings this afternoon during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I will not object if the gentleman will assure me that there will be no legislative business during the hearings.

Mr. THORNTON. That is correct; the gentleman from California has that assurance.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CALL OF THE HOUSE

Mr. MYERS of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 150]

Andrews, N.C.
Barrett
Bell
Biester
Bingham
Breaux
Burke, Mass.
Burton, John
Chisholm
Clay
Conyers
Crane
D'Amours
Diggs
Downing, Va.
Eckhardt
Edwards, Calif.
Esch
Eshleman
Ford, Mich.
Fraser
Guyer
Harsha
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Holland
Hungate
Johnson, Pa.
Karth
Krueger
Macdonald
McDade
Mikva
Nix
Pepper
Peyser
Pike
Railsback
Rees
Risenhoover
Rodino
Rosenthal
Sarbanes
Scheuer
Shuster
Stratton
Sullivan
Teague
Udall
White
Wilson, Bob
Young, Ga.
Young, Tex.

The SPEAKER. On this rollcall 375 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ORPHANS OF THE EXODUS

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DOWNEY of New York. Mr. Speaker, all of the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of the families which remain separated.

A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem. At this time I would like to bring to the Members' attention the situation of the Shikhmanter family:

MIRA BORISOVNA SHIKHMANTER

Mira Shikhmanter is a 29 year old mathematician. Her husband, Leonid, was doing graduate work in the Department of Physics in Tomsky University. He interrupted his studies after 2 years with the aim of emigrating to Israel. Upon applying for exit visas in 1973, both lost their positions. Mira was fired from her post and Leonid was assigned to work other than his specialty. No reason was given for the refusal. Nevertheless, this family of ours is living a distressed and poverty-stricken existence.

In a plea from Israel, Mira's parents, Basya and Boris Soibelzon write:

"An unhappy family is turning to you, with tears in their eyes and anguish in their hearts, with a fervent plea to help them in their grief.

"Our century-old dream was materialized and we had returned to the land of our ancestors—our beloved State of Israel. We came to our mother, brothers and sisters. In the USSR, however, our daughter and her family still remain, and the USSR authorities do not permit them to join us in Israel.

"In 1973, our children left Tomsk and moved to Kishinev. . . . During their studies and professional work, they were never involved in anything of a secret nature. In 1974, OVIR, Department of Visas and Permits, refused our children the right to emigrate to Israel, without any basis for such refusal.

"Our daughter has two children, a girl 7 years and a boy, 1 year. Right now the family resides in a rented apartment. . . . Their circumstances are most distressing morally as well as materially. Their apartment is cold and damp and not fit for human living. But they can't afford to live in a better one.

"Dear friends, if at all possible, please help us to come together. Help our children join their parents.

"From the depth of our hearts we wish for you the best of health and success."

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. HAYS of Ohio. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12406) to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12406, with Mr. Bolling in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Wednesday, March 31, 1976, the bill had been considered as having been read for amendment.

Are there further amendments?

AMENDMENT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wiggins: Page 39, line 6 strike out everything after the comma beginning with the words "but shall not" up to and including the words "except that" on line 15 and insert in lieu thereof the following: "but shall not include—

"(A) communications by a corporation to its stockholders and executive officers and their families or by a labor organization to its members and their families on any subject, except that expenditures for any such communication on behalf of a clearly identified candidate must be reported with the Commission in accordance with section 304(e) of the Act;

"(B) nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive officers and their families, or by a labor organization aimed at its members and their families, except that expenditures for any such campaigns must be reported with the Commission pursuant to section 304(e) of the Act;

"(C) the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: 'except that',"

Mr. WIGGINS. Mr. Chairman, I urge the Members to pay careful attention to the explanation of this amendment. If adopted, it will close a major loophole in the present statute and will represent a clear reform of our campaign laws.

Section 321 is that portion of the proposed statute which makes it illegal for national banks, corporations, and labor unions to make a contribution or expenditure in connection with any Federal election. For purposes of the prohibition, contributions and expenditures are defined broadly to include all manner of payments of anything of value, including services to a candidate, committee, or political party.

So far, so good.

Exempted from this broad proscription, however, are three major categories of corporation and union expenditures.

First, corporations and labor unions may use their treasury funds to communicate with their stockholders and executive officers and their families, and with their members and their families on any subject.

This first major exemption was included in the law to protect the first amendment rights of both corporations and labor unions to communicate to those who are closely identified with their interests. But it has been clearly and unmistakenly documented that this "communication" exemption has been used by labor unions to pour millions of dollars into campaigns for the specific purpose of insuring the election or defeat of particular candidates. These expenditures are unreported and come directly from union dues—not the voluntary contributions of union members.

This is how it works. A union or group of unions may endorse a particular candidate for Congress. Admittedly, this is their right. The unions will thereupon communicate their endorsement, and the reasons therefor, by one or more mass mailings to their members. The mailings may include a campaign-style brochure of their favored candidate and a stinging denunciation of his opponent. Frequently, many separate unions will combine their efforts so as to achieve blanket coverage immediately before an election.

Since such communications are deemed to be legitimate union business, the mailings are often transmitted under a nonprofit, federally subsidized, mailing permit.

All of this is done, mind you, with treasury funds of the unions and is not reported at all.

The second major exemption permits corporations and unions to conduct nonpartisan registration and get-out-the-vote campaigns aimed at stockholders and executive officers and their families, and union members and their families. This exemption has also been used, primarily by labor unions, to circumvent the nominal proscription against labor treasury money being used for partisan political activity.

The formula is simple. Registration and get-out-the-vote efforts need not be conducted statewide, or even districtwide. The effort is focused upon those precincts most likely to produce the maximum number of votes for the candidates or political party favored by the union. Workers, paid directly from the union treasury, search out and register union members to vote, with a high degree of assurance that the new registrant will vote "right."

Get-out-the-vote campaigns involve even more flagrant abuses. Large phone bank operations are established on election day to call the faithful to the polls. Transportation is provided.

Anyone among us who honestly believes that these massive efforts are conducted, or are even intended to be conducted, on an evenhanded, nonpartisan basis must also honestly believe in the tooth fairy.

And all of this, of course, is paid for directly out of the union treasury and is not required to be reported at all.

Finally, both corporations and unions may utilize their own funds to establish, administer, and solicit voluntary contributions into a separate segregated fund. This is the exemption authorizing the creation of PAC's—political action committees. Although much attention has been focused upon PAC's, it is evident to all knowledgeable persons that the segregated political funds represent only the tiny tip of an enormous and hidden iceberg. The heavy money is spent directly by the unions and is not reported at all.

My amendment does not remove any exemption now enjoyed by a corporation or a labor union. All of the practices which I have described may continue if my amendment is adopted.

It makes only two changes in present law: First, if a corporation or union communication is on behalf of a clearly identified candidate, the cost of the communication must be reported in the same manner as all other political expenditures; and second, the amount expended by a corporation or union for nonpartisan registration and get-out-the-vote campaigns must be reported to the Federal Election Commission.

A communication urging the defeat of a candidate is understood to be a communication on behalf of his opponent or opponents.

My amendment is a disclosure requirement only, posing no greater burden upon others who seek to influence a Federal election by the expenditure of money.

I can conceive of no rational, objective, nonpartisan basis for opposing this amendment. A similar amendment was adopted in the Senate with bipartisan support.

But, I am told, the unions are lobbying strenuously against its adoption. There can be only one explanation for such opposition: Union leaders desire to hide from the public view the magnitude of their influence on Federal elections.

If they are successful in their efforts, it will be convincing evidence to me that their hidden funds have been spent wisely, not only to purchase elections, but to influence the legislative process in a manner contrary to the public interest as well.

I urge adoption of the amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

In other words, what the gentleman has told the committee is that the effect of his amendment would be to require the reporting of these so-called interior communications by corporations and unions, but even though the cost of one of those communications amounted to, say, $100,000, the cost of communicating an adverse recommendation with respect to a political candidate, it would not be subject to the limitations that otherwise are contained in the law with respect to political contributions?

Mr. WIGGINS. That is true.

Mr. ANDERSON of Illinois. There is no restriction in that regard; they could continue to expend any amount. The only requirement is that it be reported in connection with section 304(e) of the act?

Mr. WIGGINS. That is true. The amounts, Mr. Chairman, that we are talking about run into the millions of dollars. Such expenditures should be reported. The impact of this money on the election process is significant, and the notion that these expenditures should remain hidden from public view is contrary to the public interest.

Mr. ANDERSON of Illinois. If the gentleman will yield further, I certainly congratulate him on his amendment.

This is, Mr. Chairman, an interesting, intricate, and, in my considered opinion, deceptive amendment. I do not mean to imply that my distinguished colleague, the gentleman from California, is in any way trying to be deceitful. I think—a splendid lawyer even though he is—he just offered a major misinterpretation of the law in this instance.

The amendment would require that corporations and labor unions report to the Federal Election Commission the costs of internal communications made by a labor union to its members, or a corporation to its stockholders, in behalf of a clearly identified candidate; and nonpartisan voter registration and get-out-the-vote drives aimed by a labor union at its members, or a corporation at its stockholders.

First, I might point out that there is no threshold in this amendment and that all expenditures, no matter how minimal, have to be reported. The amendment would have the following effects: First, a labor union which distributed mimeographed "Don't Forget to Vote" messages to its members would have to report the cost of the paper to the FEC, no matter how minimal the cost.

Second, a labor union or a corporation official who called a few friends on company phones asking for support of candidate X would have to report the phone expenses, presumably a pro rata share of the monthly phone bill.

Third, a corporation or labor union which included any kind of voter information in a newsletter would have to report that expense.

Note that the amendment appears also to have some holes in it. First, only nonpartisan voter registration and get-out-the-vote drives appear to be covered by the amendment. A corporation or a labor union could do all of the partisan things that it wanted to without having to report anything so long as it stayed away from the mention of a particular candidate.

Second, only communications on behalf of a clearly identified candidate are covered, unlike the truth-in-advertising provision of the independent expenditures section, which covers expenditures on behalf of or against a candidate. "Or against" is carefully eliminated from this amendment. Thus, a corporation or labor union could communicate with its stockholders or members without limit against a candidate without having to report anything. Note carefully the way that the law is written now probably would not require reporting any of this kind of activity under the independent expenditures section, which runs only to communications to the general public.

In addition—and this is the part that rather amazes me—the loopholes in the amendment present some very definite first amendment questions, for to require that even the most minimal communications within a group must be reported to the Government gives rise to legal questions involving free speech and freedom of association.

If the likely effect of the amendment is analyzed in terms of real world conditions, it can easily be seen that the intent of the amendment is not so much to create reporting requirements but to make activity of this kind so difficult as to discourage it entirely.

This is what the court referred to as a "chilling effect" on free speech and association, and as such its constitutionality is highly doubtful.

Mr. Chairman, the fact is that the real intent of this amendment would be such as to inhibit enormously the rather limited facilities and activities of organized labor unions which do not have computers to the extent they are owned by large corporations. The large corporations will not mind the requirement that the one exception to the general rule need not be reported. That of course falls on the unions and corporations. The large corporations will not mind that at all. They have the computers and organization necessary to handle the task but the smaller unions do not.

On its surface the amendment before the House appears to be a proposal to further the purpose of the Federal election law by requiring increased disclosure. In fact it is carefully constructed to favor the big corporations and to stop internal communication on political issues and registration and get-out-the-vote campaigns by local labor unions. I therefore rise in opposition to the amendment.

The 1974 law requires the reporting of "expenditures," as that term is defined in the act, of over $100. There are several exceptions to this reporting requirement. There is an exception for unpaid time volunteered to a candidate. There is an exception for editorials broadcast by a newspaper or radio or television station. There is an exception for internal communications by any corporation.

One factor ties all of these exceptions together. It is that the value of these activities is extremely difficult to compute. How does a candidate estimate the value of time of volunteers? How does a newspaper allocate the proportion of its costs attributable to an editorial? How does a union allocate the costs of a meeting, a few minutes of which are devoted to discussion of the reasons why the union has endorsed a candidate? Answering these questions is difficult in the extreme as a theoretical matter and even harder to deal with as a practical matter.

Nevertheless, the amendment before the House makes one exception to the general rule that such costs need not be reported—that exception falls on unions and corporations. The large corporations will not mind this requirement. They have the cost accountants and the computers necessary to handle the task. But, local unions do not. Those behind this amendment are well aware of these facts. It is their expectation that the result will be that only large corporations will engage in such internal communication because they will be the only ones who can deal with the reporting burdens that the amendment would impose on this exercise of a first amendment right. I would have thought that 2 short years after Watergate would be too soon for such a power-grab by the managers of the Gulf Oil Corp. and their colleagues who are presently before the Securities and Exchange Commission for various violations of law.

The **CHAIRMAN**. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. THOMPSON was allowed to proceed for 2 additional minutes.)

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I am really shocked that the other side of the House would come in with an amendment that would have the Government further intruding into the private affairs of small enterprises. We know about the problems with OSHA and with EPA, and to have the other side now come in with an amendment that would have the Federal Elections Commission looking into the books of these small businesses is something I cannot comprehend.

I agree with the gentleman's statement.

Mr. THOMPSON. It is not the small businesses that concern the gentleman from New Jersey nearly so much as it is the enormity of the task of reporting and the need for sophisticated computer operations in order to be able to make those reports.

There is a very definite first amendment problem. I would have thought that 2 short years, to use the words of my friend, the gentleman from California (Mr. WIGGINS), after Watergate or Camelot, as he has added to that definition, would be rather too soon to repose with the managers of the huge oil companies and their colleagues this right which comes at a time when they are before another Federal commission on charges of violations of law.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON. I yield to my chairman.

Mr. HAYS of Ohio. Mr. Chairman, I would like to say to my friend, the gentleman from California (Mr. WIGGINS), on this Camelot business and the Watergate business, I do not know whether his definition is going to fly, because I have a CB radio in my car and I listen a lot to the truckers, and when they say: "What is your destination?" I do not know if the gentleman knows what this town is called by the truckers. They call it "Watergate City."

Mr. THOMPSON. It is not Camelot City.

Mr. HAYS of Ohio. It is not Camelot City, but Watergate City.

It took me a while to figure out what they meant when they said "Shaky Town," but that is San Francisco, I finally found out.

Mr. VANDER JAGT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, at the very heart of campaign reform was the desire to limit the impact that special interest groups could have on the outcome of congressional elections, so that no special interest group would have an undue influence on the decisions made by the winning candidate later on. This bill that we are considering, taken together with other legislation on the books, does just the opposite. It is a very precise means to use campaign reform legislation to deliver a very, very special advantage to one very special, special interest group, namely, big labor.

I think it is instructive to note what happened on the Senate floor. The printed bill the Senate was considering gave our two great political parties, our two Senate campaign committees and our two House campaign committees the right to contribute $20,000 to each of the congressional candidates, rather than the $5,000 that all other interest groups are limited to.

Now, I think that was a step in the right direction. What is the purpose of putting a limit on what a group can contribute to a candidate? It is to limit the influence that that group will have on that candidate later on.

I do not believe that any of us can be unduly influenced by the party that we represent. We run under the banner of that party. We run on the platform of that party. I do not believe that any political party should be limited to what it can do to help one of its political candidates. But the Senate was erroneously informed that there was bipartisan support on this side for taking the House campaign committees—and only our committees—back to the $5,000 from the $20,000. And that is what the Senate did.

Now, what is the purpose of keeping our campaign committees down and limiting them, as the chairman properly stated that he was doing in response to press criticism that implied the contrary? What is the purpose of limiting our two great political parties and limiting all special interest groups, except one, to pigmy size? Limiting everyone except labor to pigmy size makes giant labor all the bigger. It makes labor's impact all the more disproportionate. It leaves giant labor—and only giant labor—free to lope unfettered across the political landscape—unregulated, unchecked, and unreported.

The Democratic leadership should receive labor's medal-of-the-year award for the brilliant way they are slipping through special advantage for big labor. They have focused the attention of the press on the dispute of how many people can be solicited in a plant and by whom. That is like arguing about how many peas we can solicit for the peashooter that we are limited to by law while labor continues to be able to fire its cannons without any regulations or any reporting whatsoever.

How does it happen tnat labor can campaign apart from the law? Labor can conduct in effect a campaign totally outside the scope of all campaign laws. Their campaigns are exempted from campaign reform! That is what they did in New Hampshire. That was a test-tube campaign. There were not two campaigns for Senator in New Hampshire. There were three, two were regulated, one was not. There was Wyman for Senate, DURKIN for Senate, and labor for DURKIN for Senate. In fact, labor probably spent more to send DURKIN to the Senate than the Durkin campaign spent to send DURKIN to the U.S. Senate. What did they spend their money on under this so-called educational or communication exemption? Labor spent it bringing busloads of "volunteers" from out of State to campaign for DURKIN. They spent it on telephone banks to call people to get them to vote for DURKIN. And they spent it on professional campaign teams. They spent on "nonpolitical" literature. "Nonpolitical" that is a laugh. Tens of thousands of leaflets like the one I hold here, flooded the State of New Hampshire; it pictures the candidate and says:

> Send a fighter to the U.S. Senate.

Under the law, that is not political. That is not campaigning. That is educational. So it does not count. What does it say?

> John Durkin is for placing a lid on inflation, while Wyman helped create it.

That is not political, gentlemen. That is educational, and therefore, it does not count.

> John Durkin is for tax justice. Wyman is against it.

That is not political. That is educational under the law.

Listen to this:

> This time, let's be sure. Vote for John Durkin for U.S. Senate on September 16.

Under the law, that is not political. That is not campaigning. That is educational. That is ridiculous.

Is it any wonder that the majority would like to keep all this hidden in a deep dark secret corner? It so blatantly favors one special interest group that it practically guarantees that that one special interest will have undue influence over the political process. It is a raw political power play to stack the deck in favor of labor and labor's handpicked candidates.

If I were in the majority, I would not want to let the sunshine in on that, iether. Of course, the mapority does not want public disclosure about that! I do not think we are asking very much in this amendment. We are not asking that the situation be corrected. We are not asking that labor be regulated. We are not asking that labor be limited. All we are asking is that labor, like everybody else in America, report what it spends to impact on the outcome of an election. I do not think that that is asking too much. If this body cannot bring itself to vote for fair elections, if this body cannot bring itself to vote for equal treatment for all special interest groups, if this body cannot vote for sunshine and public disclosure, which is the basis of all meaningful campaign reform, then this body will have demonstrated that that one special interest group already has an undue influence on the decisions of this body. And that will be sad indeed.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I would like to say to my friend, the gentleman from Michigan (Mr. VANDER JAGT), that the gentleman from Michigan and I appear on the same program frequently. I have almost got his speech memorized.

I wish the gentleman would get a new version so that it would not be quite so repetitious. I guess he really felt that defeat in New Hampshire badly because, talking about politics, the Republican filibuster in the Senate would not let the Senate make a decision but wanted to send it back to New Hampshire. When it got back to New Hampshire, the people made a decision, and apparently the gentleman is unhappy with that.

As far as the amendment is concerned, you know, I am not going to worry too much about the corporations, but just let me tell how it would affect them. I have got a corporation in my district that has absolutely been bugging me for a year to come out and go through their plant. I never really had time to do it, and I will not know any more after I go through the plant than I did before because I do not understand the technicalities of what they manufacture, but I have agree to go.

But, if this amendment becomes part of the law, the man who escorts me through the corporation will have to determine the cost of his time while he was escorting me through and file a report with the FEC. Maybe when I tell them that they will not want me.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from California.

Mr. WIGGINS. That is not a communication as understood under the law, and will not be reported if this amendment is adopted.

Mr. HAYS of Ohio. Well, if the gentleman says so, that is legislative history, and I guess I will have to go.

What about a management meeting, if a corporation officer asks his colleagues to work for the election of a candidate does that have to be reported?

Mr. WIGGINS. If he in fact works for him, of course, on company time, the law would be violated.

Mr. HAYS of Ohio. If he just gets up in a meeting and asks the question, would that particular 5 minutes have to be reported? I think so.

Mr. WIGGINS. I do not believe so. I do not believe so. No expenditure has been made. There is a present understanding of that statute which has existed for many years as to what constitutes a communication, and it is that understanding which is intended to be perpetuated by my amendment.

Mr. HAYS of Ohio. Well, I think it is fair of the gentleman to interpret his amendment, and if my examples do not lie in his judgment within the purview of the amendment, that is good.

Mr. THOMPSON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from New Jersey.

Mr. THOMPSON. The chairman has made reference to the establishment of legislative history. Legislative history, I respectfully say to my friend from California, which he is attempting to make, distorts the actual existing law. He is attempting to change the existing law, and in the examples which he cited under his amendment, the time of that person taking the gentleman from Ohio, if he is a candidate, through the plant, would clearly have to be reported minute by minute.

Mr. HAYS of Ohio. Well, I think the gentleman from Michigan (Mr. VANDER JAGT) really put his finger on what his amendment seeks to do, and that is to inhibit labor. Let me tell you what it does do, and this might be of some interest to you; I do not know.

The Sierra Club, which has the "dirty dozen" list and which I understand wants to spend $100,000, it is not touched. It does not have to report; it is not a corporation or a labor union. Common Cause does not have to report; it is neither a corporation nor a labor union. The National Rifle Association—I read in the press, I do not know if it is true or not, that they have more influence around here than anybody—does not have to report.

If that is the way you want it, what about the National Right to Life Committee? They do not have to report.

Mr. WIGGINS. If the gentleman will yield further, as the gentleman knows, we define independent expenditures in the bill, and at the chairman's suggestion, we required that all such independent expenditures be reported. The illustration speaks to independent expenditures made by such an organization, such expenditures must be reported under the bill.

Mr. HAYS of Ohio. Except if they communicate with their members they are not covered.

Mr. WIGGINS. I am telling the gentleman that if he feels that the adoption of this amendment creates some special benefit for those organizations which communicate with their members on various subjects, he is in error. If those organizations communicate to their members or the public on behalf of a clearly identified candidate, under our definition of independent expenditure they must report.

Mr. HAYS of Ohio. In communicating with their members?

Mr. WIGGINS. Yes, sir.

Mr. HAYS of Ohio. Then if that is true, why the amendment at all?

Mr. WIGGINS. Because under existing law, corporations or labor unions are exempt from the duty to report the cost of communications which would otherwise be independent expenditures.

Mr. HAYS of Ohio. I think my interpretation is correct, that if these people are communicating with their members, that they do not have to report it. And maybe we will require a Supreme Court case on that, I do not know.

Mr. Chairman, I ask for the defeat of the amendment.

Mr. MOORE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

The CHAIRMAN. The gentleman from Louisiana (Mr. MOORE) is recognized for 5 minutes.

Mr. HAYS of Ohio. Mr. Chairman, I want to see if I can find out how many speakers there are.

Mr. Chairman, I would like to get through with this bill today, if I can.

Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 20 minutes.

Mr. WIGGINS. Mr. Chairman, reserving the right to object, if those Members who wish to speak on the amendment will rise, it will give me a better understanding of what the demands are on the time.

Mr. HAYS of Ohio. Mr. Chairman, I do not wish to speak.

Mr. ASHBROOK. Mr. Chairman, further reserving the right to object, can we generally agree that we will not transfer time?

Mr. HAYS of Ohio. There are only 2 people standing over here, so I think the Members will have to decide that for themselves.

Mr. WIGGINS. There are 5 Members standing. Under the normal rule, that would take 30 minutes. The gentleman from Ohio (Mr. HAYS) has asked to confine the time to 20 minutes.

Mr. HAYS of Ohio. I will agree to 30 minutes.

Mr. WIGGINS. All right.

Mr. HAYS of Ohio. Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous consent request was granted will be recognized for approximately $2\frac{1}{2}$ minutes each.

Mr. MOORE. Mr. Chairman, I thought I had been recognized for 5 minutes. I was on the floor and I was in the well and I had been recognized for 5 minutes.

The CHAIRMAN. The gentleman is correct. The gentleman from Louisiana (Mr. MOORE) is recognized for 5 minutes, without regard to the 30-minute time limit. The remaining time will be worked out.

Mr. MOORE. I thank the Chairman.

The CHAIRMAN. The Chair will allocate the remaining time.

The gentleman from Louisiana is recognized for 5 minutes.

Mr. MOORE. Mr. Chairman, I was not in the Congress when all of the election laws were passed, but I ran for Congress under them and I am now a member of the committee which drafted these amendments to them. I am trying to understand them.

It seems to me that, as the gentleman from Michigan (Mr. VANDER JAGT) said a few moments ago, about the only way one can justify all of this paper shuffling we go through is to let the public know just who is giving money and help to a candidate, so the public can then determine whether or not the candidate is subject to undue influence during the election and after he is elected.

Mr. Chairman, if this is the reason we have these laws then, I submit that these laws we presently have and the bill that is before us gives us only half-truths, half the information, and is a sham.

Due to the fact that political "communications" can be made by unions and corporations for or against a candidate, and neither the amount nor on whose behalf they were made has to be reported, we find out that a great deal of money which is being spent on behalf of candidates to get them elected or defeated by corporations and labor unions are not public knowledge, thus defeating the purpose of the laws. I believe the public has the right to know. I believe union members whose dues are being used for political purposes have a right to know. I believe the shareholders of a corporation whose funds are being spent have a right to know.

As an example, if we look at the 1968 Presidential election according to Washington Post reporters Haynes Johnson and Nick Kotz, 4.6 million voters were registered by COPE; 55 million pieces of literature were distributed by them; another 60 million were passed out at local union halls; 638 city phone banks were established, with 8,055 telephones and 24,611 people manning them; canvassers numbered over 72,000 people, and on election day some 94,000 people were working at the expense of COPE all for the benefit of a particular candidate.

None of this was reported. No one has any idea how much that cost, or what candidate got it, and a union member does not know what it cost him in dues.

As another example let us look at the Durkin senatorial campaign and see what was done there. We heard a moment ago the statement that more money was spent there by the unions on behalf of DURKIN than he spent himself. As a matter of fact, the best figures my staff could come up with in researching this matter through people connected with the campaign showed that $151,900 in union dues was spent by the unions on behalf of Mr. DURKIN and never reported to the members of the union or to the public, in addition to the

$90,000 in cash they gave him. And this is just in the one special election; it does not include the earlier primary or general elections.

That totals $242,000, and if we take out the union's cash contributions to Mr. DURKIN's campaign, his campaign only spent $105,000 in the special election yet the unions spent $151,900 on his behalf or almost 50 percent more than be spent himself.

Mr. Chairman, I do not say this is wrong. We ought to encourage people to be involved in politics, to give money, to help and work for candidates, but we also ought to see that special interest groups efforts are reported because the public has the right to know.

There is no difficulty involved in reporting as if they are sophisticated enought to run an organization like COPE, they are sophisticated enough to know how to report what they are doing; who for, and what it cost.

There are no constitutional problems either. What there is, is a political problem. This is another coverup; it is another sham; another effort to shield special interests from the public's view and only tell half the story of what is really going on.

Mr. Chairman, I urge the Members to vote for this amendment and take away this coverup and hiding of important political facts from the public. How easy it is not to contribute to but spend on behalf of a candidate and thereby make a mockery of the election laws. Members of a union, shareholders of a corporation, and the public have the right to know the full picture which will reveal for the first time where the biggest bulk of special interest support is going and its extent. There can be no defensible objection to this amendment but only special interest cover up politics.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman made a big point that none of these things are reported; yet he reeled off statistics involving the unions. If they are not reporting these figures, where did the gentleman get the figures?

Mr. MOORE. Mr. Chairman, we had to dig for them. Members of the public and members of the union should not have to do what I had to do to get them.

The CHAIRMAN pro tempore (Mr. SMITH of Iowa). The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I ask unanimous consent that I be permitted to yield my time to the gentleman from Minnesota (Mr. FRENZEL).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. ASHBROOK. Mr. Chairman, I object. I believe we established that we would not yield our time to one another.

The CHAIRMAN pro tempore. Objection is heard.

Mr. STEIGER of Wisconsin. Mr. Chairman, in that event I will reclaim my time.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of the amendment.

The amendment offered by the gentleman from California (Mr. WIGGINS), Mr. Chairman, is, of course, not a new amendment. It was adopted in the other body; it is known there as the Packwood amendment. It is a perfectly rational, reasonable, not unconstitutional, and not unclear exercise of the authority of the Congress to make sure that items that are expended in the campaign under the guise of a nonpartisan label ought to be listed. That kind of a contribution that is available now to a corporation or to a labor union ought to be made public.

The public ought to have the opportunity to make a judgment about the extent to which either a corporation or a labor union decides to use funds for promoting a particular candidate or cause. That is all the amendment offered by the gentleman from California (Mr. WIGGINS) does.

Mr. Chairman, I think it is sensible, I think it ought to be adopted, and I hope we will vote "aye" when the time for that vote comes.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I have asked for this time merely out of a desire to reply to the argument that was made by my friend and colleague, the gentleman from New Jersey (Mr. THOMPSON), that somehow the amendment that has been offered by the gentleman from California (Mr. WIGGINS) suffers from a grave constitutional disability and that to adopt this amendment is going to have, to use his words, a chilling effect.

When the gentleman from California (Mr. WIGGINS) was explaining his amendment, I took a moment or two to elicit from him the clear response that all his amendment would accomplish is simply to require disclosure, and nothing more.

There is no limitation whatever on the amount that could be spent. He went on to suggest that millions and millions of dollars could be expended on communications of this type, and the only requirement of his amendment is to demand and require that under the law they be disclosed.

Mr. Chairman, I have read the opinion in Buckley against Valeo which the Supreme Court handed down on the 30th of January of this year. It is true that they used that expression "chilling effect," but nowhere in that opinion did they use that phrase to describe any part of the law that dealt with the disclosure features of the 1974 Campaign Act. They used that approach to refer to certain limitations that had been made upon spending, not upon disclosure.

Then the gentleman from New Jersey (Mr. THOMPSON), in a well-known oratorical device, tries to resort to what I would have to call a reductio ad absurdum by suggesting that some group, some labor union would be required to report the price of the paper that they use in simply sending out a simple flyer to get out the vote.

Mr. Chairman, I would have thought that the gentleman from New Jersey (Mr. THOMPSON), above all Members of this body, was more familiar than that with the kind of communications that a union sends out to its members. I can assure him, if he is not already well aware of the fact, that they do not simply stop there. They go on to indicate precisely the candidates that ought to be supported and the candidates that ought to be defeated.

Mr. Chairman, this is an expenditure for a political purpose. The American people have made it perfectly clear that they want disclosure. They want campaign expenditures reported to a responsible body of the Federal Government, and I think that that is all we are asking for in this amendment that has been offered by the gentleman from California (Mr. WIGGINS).

Without it, Mr. Chairman, this bill is sadly deficient. I strongly urge the adoption of the amendment.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I think that the Wiggins amendment may be the most important amendment to this bill that we will consider. Without it, we will leave enormous sums of money which are now being spent to elect and defeat candidates totally undisclosed. And, we will have made a sham of our entire disclosure laws for election financing.

Mr. Chairman, I, too, would like to talk about the discussion of the gentleman from New Jersey (Mr. THOMPSON), who said that one would have to report every scrap of paper.

Mr. Chairman, the amendment clearly refers to section 403(e), which requires the reporting of contributions and expenditures only of over $100.

It was also said that when something is published in a union newspaper, it would have to be disclosed and prorated. Under section 301 of the act, any kind of statements in newpapers or periodicals of regular circulation are exempt from reporting. Under the act the payment of a monthly phone bill comes under the personal exemption. Everybody knows that the tour guide taking a Member of Congress through a corporation certainly would not come under this act.

Mr. Chairman, the Wiggins amendment clearly says that it has to be a communication on behalf of a clearly identified candidate, so what we are hearing today is a mass of red herrings poured over a most necessary amendment which will provide one thing:

It will provide disclosure. Remember, we are not talking about disclosure of

COPE moneys. We are not talking about political action committee voluntary contributions. We are talking about involuntary contributions, involuntary dues money paid to unions. And we are talking about corporate funds that belong to all the stockholders on the part of corporations.

Mr. Chairman, if the Members want to know exactly what we are talking about, we are talking about communications such as I hold in my hand. Here is one in favor of the most recently elected Member of Congress, a NYSUT brochure telling all about him to all union members in the 39th Congressional District.

It says:

> Dear Brother and Sister Members:
>
> Your New York State AFL–CIO, representing more than two million union men and women workers, has endorsed Mayor Stanley N. Lundine for Congress in the 39th District.

Then the letter goes on to say that for these reasons they encourage and they recommend a vote for Lundine for Congress.

Now, that is wonderful. It is nice to have friends. On the other hand, how many tens of thousands of these went out into the district in direct support of a congressional candidate?

That is perfectly legal of course, but would it not be nice to know what the unions were willing to spend on that particular candidate?

In addition, it is all fun when only the unions are doing it, but I must remind all the Members on that side of the aisle that, under the law, the corporations have exactly the same rights. I heard from the Stock Exchange this morning and they said that there are some 25 million individual shareholders in the United States. So, what is sauce for the goose is likely to be sauce for the gander.

It seems to me that the very least all of us can do is to make sure that these funds are at least identified. My personal preference would be to make them illegal because they are not volunteered moneys, they are corporate funds and they are union treasury moneys.

In fact, there is so much money in this one particular treasury that they did not use a stamp for the Lundine mailing, which was a nonprofit organization stamp financed by every taxpayer in the United States. They had so much money in the treasury that they stuck it into an envelope and paid for a 13 cent stamp so we know they spent about 20 cents a letter.

And we have not yet counted the phone bank. You hire a phone bank for the union or for a corporation and you can call all the stockholders or all the union members, and you can spend literally tens of thousands of dollars or, as in the New Hampshire example, hundreds of thousands of dollars which was not reported. No one would deny that this spending is definitely part of the political process.

So, please do not be confused by the thought that there is some constitutional problem here. We have put restriction on every participant in the political process, political parties, candidates, committees, harmless bystanders, independent committees. The only people we have exempted so far are corporations and unions. It is about time we stopped that. Let us adopt the Wiggins amendment.

The **CHAIRMAN** pro tempore. The gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes to close the debate.

Mr. **DENT**. Mr. Chairman and members of the committee, this is a peculiar amendment. It clearly says what it wants to do, it just wants labor to report what they spend in their educational programs. Who is going to decide what is educational and what is not educational? They say it is not educational if they identify the candidate. Well, labor and the corporations have the courage to at least say when they identify a candidate, they say they are for or against that candidate. But what do we do when an article like the one that was printed in a local paper lately by another political organization, labeled TRIM, and prints their view of your record. This is a new organiaztion. We were finally able to identify it. It is the political arm of the Right to Work group. They did not identify a candidate and say that they are in favor of him or against him or that they want people to vote against him or to vote for him. But they have put pictures in the free news items, very proudly displayed, I thought, in a nice quiet part of the paper, right next to the obituaries.

They said:

> Your Member of Congress had six key votes.

And they said:

> On the six key votes he voted wrong on three. Not voting on another. Our organization rated these votes as to what they thought was good for the public.

One of the votes was consumerism. I was rated as wrong because I voted right for consumerism. They said I voted for foreign aid. They were against that. But I voted against foreign aid. They were wrong in both instances. But do you think that anybody in my home district did not know whom they wanted defeated?

I go to the large department stores during my campaigns, at their request, and they have me come in either an hour early before the store opens or an hour after the store is closed and they have all of their employees there. They are not endorsing me, they do not have to report that they spend money if they spend any. It is the corporation's money if they do they have the whole group of employees before me and they let me talk to them. As managers they recognize it is good practice to allow candidates to present their views.

If we continue the course we are following in the legislation on the floor these public spirited businesses will be forced to stop these public affairs seminars.

I go to production plants, I meet with the inspectors and executives of those plants. They serve a lunch. Sometimes they serve a drink. It is perfectly all right; I enjoy it very much. But that is an expenditure in favor of somebody. We cannot draw these lines as clearly as we are trying to make them. Who is going to say what is purely a meeting with these public officials. They never try to influence anybody. It is really an information meeting. The ADA gave me a bad rating in the State of Pennsylvania. In that rating they have praised those who have 100 percent record for their views. They do not say anything about me, but they have got me on the bottom part of the preferred candidates. If you are at the top, you are good, and when you are on the bottom, you are bad. Does anybody think anyone is fooled as to whom they want defeated?

On legislation dealing with welfare. They may rate a candidate 65 percent in favor of their welfare views. That educational, or is it political propaganda? TRIM, I understand, means tax reduction immediately mandated, or something like that. Circulars that we get from Common Cause, for instance give out ratings.

They do not have to report but it is intended and often does influence an election.

Our friend, the gentleman from Illinois, has the top rating. Is this a campaign contribution or is it educational? I am running against someone, and I am on the bottom of the rating. Are they for me or for my opponent. You know well enough who they favor for election.

Is it all right for them to say, "We favor this Congressman because he stands behind us; he is for our views even if it is contrary to his own district's welfare. They are a great Common Cause, but I cannot find the cause they label common. I never heard them come in and bleed and die for the minimum wage worker to get him a reasonable wage rate. That is a common cause for the little people. I never heard of this organization coming out in favor of voting for payments for compensation for a black-lung miner who has worked in the mine for 30, 40, or 50 years. What is their common cause? Their common cause is measured by how we obey the dictates of Common Cause. And when they send out their circulars and criticize an incumbent because he does not vote with them, it is a political gesture intended to influence the election. Is there any question as to whom they want defeated?

So we are going to have to include everybody who mentions a name of a Congressman in any kind of a rating that they put out, because that rating many times is worse than an outright indictment of the candidate, because on the same issue I have been rated as being right by some organizations, but on the same vote it has been decided that I was wrong by others. So if we are going to do anything and do it honestly, make everybody report.

I will go along with real sunshine not the adulterated kind that only lets the light in on their issues and turns out the lights on issues for all the people.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. WIGGINS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WIGGINS. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 220, not voting 37, as follows:

[Roll No. 151]

AYES—175

Abdnor
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edgar
Edwards, Ala.
Emery
Erlenborn
Esch
Eshleman
Evans, Ind.
Fenwick
Findley
Fish
Fisher
Florio
Flowers
Forsythe
Fountain
Frenzel
Frey
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Gude
Hagedorn
Hamilton
Hammerschmidt
Hansen
Harsha
Hechler, W. Va.
Heinz
Hightower
Hillis
Holt
Hughes
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Colo.
Kasten
Kelly
Kemp
Ketchum
Kindness
LaFalce
Lagomarsino
Latta
Lent
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McHugh
Madigan
Mahon
Mann
Martin
Mathis
Mazzoli
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
Nichols
Nowak
O'Brien
Ottinger
Passman
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Robinson
Rogers
Roush
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Studds
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Traxler
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Wiggins
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOES—220

Abzug
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chappell
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Edwards, Calif.
Eilberg
English
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Flood
Flynt
Foley
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gonzalez
Green
Haley
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Helstoski
Hicks
Holtzman
Horton
Howard
Howe
Hubbard
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Landrum
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lundine
McCormack
McFall
McKay
Madden
Maguire
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nolan
Oberstar
Obey
O'Hara
O'Neill
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pickle
Pike
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Santini
Scheuer
Schroeder
Seiberling
Shipley
Sikes
Simon
Sisk
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stuckey
Symington
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Whitten
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—37

Adams
Barrett
Bell
Biester
Bingham
Breaux
Burke, Mass.
Chisholm
Clay
Downing, Va.
Eckhardt
Fithian
Ford, Mich.
Guyer
Hayes, Ind.
Hébert
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Krueger
McKinney
Macdonald
Nix
Pepper
Peyser
Rodino
Sarbanes
Slack
Stratton
Sullivan
Udall
White
Wilson, Bob
Wilson, C. H.
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Krueger for, with Mr. Eckhardt against.

Mr. Breaux for, with Mr. Burke of Massachusetts against.

Mr. Hébert for, with Mr. Bingham against.

Mr. Guyer for, with Mr. Rodino against.

Mr. Bob Wilson for, with Mrs. Chisholm against.

Mr. Henderson for, with Mr. Nix against.

Mr. Downing of Virginia for, with Mr. Macdonald of Massachusetts against.

Mr. HOWE changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: On page 47, begininng line 5, strike section 114 in its entirety.

Mr. FRENZEL. Mr. Chairman, this amendment strikes section 114. When it is disposed of, I intend to offer an amendment to strike section 115. After that, I do not intend to offer my substitute made in order by the rule, but, rather, reserve it for the minority as part of the motion to recommit. That at least is the present intention, and we think it will save some time.

Mr. Chairman, this striking of section 114 simply removes an unnecessary feature from the bill. Under the present law, a campaign committee may only make expenditures on behalf of the single candidate for which it was formed. The bill, in section 114, says that—

> Any occasional, isolated, or incidental support of a candidate shall not be construed as support of such candidate for purposes of the preceding sentence.

That is what I want to strike. What the bill will allow is for any of us who have a campaign committee to be able to make transfers from that campaign committee to some other candidate. What this section will do is to delude some people who think they are contributing to a particular candidate's campaign and not let them know that some of that money is going to be transferred to somebody else.

In other words, it lets some of our stronger candidates solicit money and transfer it to some of the weaker ones who are not being able to raise the money itself. It is a sort of revenue sharing between the attractive candidates and the weaker candidates.

I do not think it needs a lot of discussion. It is not a terribly important amendment. But what the language of the bill does in this case is to weaken the intent of the reforms of 1974, and it is a retrenchment from that reform.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. FRENZEL. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Chairman, I read in the public press from time to time that certain Members of the majority party in a leadership status have campaign coffers that they fill from various sources and then dole out to other Members of the majority party. This seems to be a sort of circuitous way of getting the funds from the original donor to the ultimate recipient.

But apparently there attaches to it a certain obligation on the part of the receiving Member of the majority party.

I assume the gentleman's amendment would address this sort of double contribution which may even play a part in future elections for party leadership posts on the majority side.

Mr. FRENZEL. Mr. Chairman, I think the gentleman from Maryland (Mr. BAUMAN) makes a good point which I did not raise. There may be some obligation incurred by the weaker candidate to the stronger candidate. That is obviously possible. That provides an extra reason why we should certainly remove this section. We would thereby remove any of the suspicion that one candidate may be carrying others into the Congress with him or her for whatever reasons.

Mr. Chairman, I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 39, noes 76.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk reads as follows:

Amendment offered by Mr. FRENZEL: On page 47, beginning line 11, Strike Section 115 in its entirety.

Mr. FRENZEL. Mr. Chairman, this is another amendment which, in my judgment, is essential to the integrity and the independence of the Federal Election Commission.

Section 115, which appears on page 47 and half of page 48 in the printed bill, provides that the Election Commission can be put out of business by a vote of either House after March 31, 1977.

Mr. Chairman, when the Supreme Court decision was announced, it was suggested that it might be a good idea to reconstitute the Election Commission and have some kind of self-destruct feature which would force the Congress to take another full look at the election law.

Since we have decided to review the whole election law, 58 pages of new and revised and recodified law, there does not exist much reason for destruction any more, other than to cow the Election Commission.

Mr. Chairman, if this amendment is not adopted, the bill will allow the destruction by either House of the Election Commission next year. It means, of course, that if the Election Commission does not do what we want it to do, it is under threat of extinction.

Mr. Chairman, this is a very simple amendment. I think the section in the bill is very simple, and I am not going to belabor it. It is just a question of whether we want an independent Commission which can count on existence or whether we want a Commission that depends for its very existence on its ability to be nice to Congress.

Therefore, Mr. Chairman, I request and urge that the amendment be adopted.

Mr. WIGGINS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in the debate over my amendment several minutes ago, the question was raised as to the constitutionality of the duty to report. I viewed that concern as being unfounded, but I wish to assure the Members that there is a real constitutional problem with the section of the bill which this amendment seeks to strike.

Mr. Chairman, this Commission is created by an act of Congress. It takes the House and the Senate acting together, with the President of the United States adding his signature, to create the Commission.

What we have here, Mr. Chairman, is a bill which permits the Commission to be disbanded upon the action of one House of Congress. We cannot repeal laws by the action of one House of Congress. It takes the Congress and the President to repeal a statute. Yet, we have here what purports to be an attempt to grant to either House, by something called appropriate action, the right to determine that the Commission shall cease to exist on March 31, 1977. Otherwise it will continue.

Mr. Chairman, I do not believe that a statute can delegate to the House of Representatives the responsibility of the Senate, nor can the House delegate to the Senate its responsibility, nor can both of them deny the President the right to act on a law. This provision should be stricken in order to save at least this portion of the bill from constitutional attack.

Mr. Chairman, I urge the adoption of the amendment.

Mr. THOMPSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take all of my 5 minutes.

The gentleman from Washington (Mr. McCORMACK) I understand has a question which relates to each and every one of us and which I think should be made clear in the record.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman from New Jersey for yielding me this time.

Mr. Chairman, I received yesterday in the mail a letter from the Public Disclosure Commission in my State of Washington which reads as follows:

> Some time ago you received from this office a copy of a memorandum to me from Assistant Attorney General James M. Vache in which he informally opined on the extent to which the Federal Elections Campaign Act Amendments of 1974 would supersede and pre-empt the State's Open Government Law (Initiative 276). The substance of that memorandum was reviewed by the Public Disclosure Commission at its March 16, 1976 meeting. The discussion concluded with a motion in which the Commission has expressed its doubt that the Federal law can supersede or pre-empt this state law. Enclosed herewith is a news release giving the content of the Commission's motion.
>
> The desired Attorney General's Opinion has been formally requested. We look forward to an early response.

The Public Disclosure Commission then said:

> The Commission is in doubt as to the effect of the Federal Election Campaign Act of 1974, particularly paragraph 453 of that act relating to its implementation upon the State's public disclosure law. Therefore, until this doubt is removed by receiving a definitive Attorney General's opinion from its counsel, the Commission expects that all incumbents, candidates and political committees supporting and/or opposing incumbents and candidates for such Federal office will voluntarily continue to report under the more exacting provisions of RCW 42.17—among the Nation's first effective public disclosure law.

My question to the gentleman from New Jersey is: Since the opinion of any attorney general could impact upon every Member of the Congress from every State, what is the actual status of the public law, with respect to preemption by the Federal Election Campaign Act of laws of the various States?

Mr. THOMPSON. Mr. Chairman, in response to the inquiry of the gentleman from Washington, let me state that it astounds me really that such an interpretation could come the gentleman's way. Section 453 of the 1974 act which was retained in this act, 2 U.S. Code, section 453, has a specific effect on State law. The precise language of section 453 follows: "The provisions of this chapter and the rules prescribed under this chapter supersede and preempt any provision of State law with regard to elections to Federal office." Nothing could be more clear.

Further, there is in case law a whole body of history which would support this specific section.

In a colloquy with the gentleman from Minnesota (Mr. FRENZEL) on yesterday, that gentleman and I agreed that this law does indeed preempt all State laws.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I thank the gentleman for yielding. I would say that my attorney general in Texas ruled exactly the opposite of what your attorney general ruled. He held that this law did supersede State law. We do not have to comply with the State law as far as the entire election code is concerned. We do have to comply with those provisions of State law governing the placing of our names on the ballot, filing fees and deadlines, things of that kind, but not with provisions in the State code concerning reporting of contributions expenditures, campaign committees and other such matters.

Mr. THOMPSON. Mr. Chairman, I believe that the chairman of the committee has a comment to make and I yield to the gentleman from Ohio for that purpose.

Mr. HAYS of Ohio. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I understood that the attorney general of the State of Washington had not as yet ruled?

Mr. McCORMACK. That is correct.

Mr. HAYS of Ohio. I will tell you what an attorney general's opinion is worth. I was one time in the senate in Ohio and was also the mayor of the village of

Flushing. One of my political opponents got the attorney general of Ohio, who was then a Republican, to rule that I could not hold both offices. He argued the law, and he sent me a nasty letter. I replied and I said, "I received both of your letters and," I said, "Let me give you my opinion, and my opinion is that your opinion isn't worth the paper it is written on. Get a court order." That is the last I heard from him.

The **CHAIRMAN**. The time of the gentleman has expired.

(At the request of Mr. McCormack, and by unanimous consent, Mr. Thompson was allowed to proceed for 2 additional minutes.)

Mr. **McCORMACK**. Mr. Chairman, will the gentleman yield?

Mr. **THOMPSON**. I yield to the gentleman from Washington.

Mr. **McCORMACK**. I want to make it clear that the attorney general of the State of Washington has issued a tentative opinion agreeing that the Federal law preempts State laws. What has happened is that the State public disclosure commission has chosen to ignore this tentative opinion by the attorney general.

Mr. **THOMPSON**. The gentleman from New Jersey can state that the gentleman from Washington in turn can ignore the State agency's letter. It is perfectly clear that the Federal law preempts the laws of the 50 States with respect to Federal elections.

Mr. **McCORMACK**. If the gentleman will yield further, I want to observe that yesterday we in this body accepted an amendment to the bill requiring that we file copies of our campaign finance statements as required by Federal law, with our respective secretaries of state. I voted for that. I think it is appropriate.

Mr. **THOMPSON**. Copies of the statements or reports of the candidates will be filed with the secretaries of state. Mr. Chairman, I yield back the remainder of my time.

Mr. **ANNUNZIO**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Frenzel amendment. As the sponsor of this particular section, section 409 on page 47, I would like to inform the Members of the House that originally my amendment provided for the disestablishment of the Commission commencing with March 31 of 1977, and the next day I reintroduced this section which passed the committee by a sizable vote. The reason that this is a good section is because we hear so much conversation about oversight. All we are saying in the amendment—and it has nothing to do with the independence of the Commission—is that either the Election Committee or the House Committee or the Committee on Rules on the Senate side, commencing with the date of January 3, 1977, conduct a study of the work of the entire Commission as to all the various aspects of the law, including public financing, contributions and limitations, and that the Election Committee responsible for this law report to the full committee its findings, and then the full committee would report to the House its particular findings, and the Senate would have that same responsibility.

I feel it is a good section, and I urge my colleagues to vote down the Frenzel amendment. What we need in the House is more oversight of the actions that involve the future of each and every one of the Members of this House.

Mr. **MIKVA**. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment because, while I strongly favor the oversight doctrine that my colleague, the gentleman from Illinois, has suggested, this is more than oversight. I am in favor of the Committee on House Administration, and the Senate Rules Committee, doing all they can to review how this Commission functions and what ought to be straightened out and what ought not be straightened out. This provision does more than that. Whether it is constitutional or not, it is clearly a deviation from normal policy to say that either House, either this House or the other body, has the power to totally repeal an act of Congress that has been signed by the President. I think it is very bad policy. I think it will be construed as an interference with the independence of the Commission, whether it is intended to be or not.

I think the notion of going through all of the travail and tribulation that we have gone through to reestablish the Commission, and then to say that on March 31, 1977, less than 5 months after the next election, either House can have the opportunity to drop the hatchet and wipe it out, is a suggestion that the Commission had better toe the line and do what we think they ought to do, or else we are going to put them out of business.

I am particularly concerned about how this will be perceived. We ought to have learned a long time ago that laws are not only what they say and do but what they appear to be. I think this kind of a device, if allowed to remain in the law, will be the single most telltale sign that the Congress really did not have its heart in election reform and did not really want to set up an independent, efficient, self-sustaining commission.

I can only say to my colleague, the gentleman from Illinois, that if the Commission does not work out, then the way to get rid of this Commission is the same way we ought to get rid of any other regulatory agency—by a repeal or revision of the law. The repeal or revision ought to pass both Houses of Congress and be signed by the President.

Mr. **ANNUNZIO**. Mr. Chairman, will the gentleman yield?

Mr. **MIKVA**. I yield to my colleague, the gentleman from Illinois (Mr. Annunzio).

Mr. **ANNUNZIO**. Mr. Chairman, I appreciate my colleague, the gentleman from Illinois, yielding.

I have the highest regard for his legal opinion as to the constitutionality of this section, just as I have the highest regard for the opinion of the gentleman from California (Mr. Wiggins). The Supreme Court has already ruled. They have declared that this Commission constituted the way it was in the old law was unconstitutional. And the world did not come to an end. We are still doing business. The candidates have received their money up to this date, and if this section is taken to court and they find it unconstitutional, that is our job in the Congress: to take care of it. That is what we will do. We will take act as we are doing today.

In the meantime I want the gentleman to know I firmly, firmly believe that this House should have oversight because this particular law does affect each and every one of us and does affect our personal future. The least little complaint can destroy us and we should have the oversight.

Mr. **MIKVA**. I think the oversight is independent of destruction, and if we are going to repeal the law which set up this Commission it ought to be done in a bicameral body by both Houses and by the President rather than in this shortcut procedure which I think is unwise.

I urge support of the Federal amendment.

Mr. **MATHIS**. Mr. Chairman, will the gentleman yield?

Mr. **MIKVA**. I yield to the gentleman from Georgia.

Mr. **MATHIS**. Mr. Chairman, is not our distinguished friend, the gentleman from Illinois, the author of a bill to provide for an expiration date on all agencies?

Mr. **MIKVA**. Yes; and under my bill any agency which has been in existence for 10 years ought to go out of business unless the Congress or the President affirm that it should remain. We do not provide that the House can put it out of existence by itself. That is an important difference.

Mr. **HAYS** of Ohio. Mr. Chairman, will the gentleman yield?

Mr. **MIKVA**. I yield to the gentleman from Ohio.

Mr. **HAYS** of Ohio. Mr. Chairman, the gentleman might as well save the paper his bill is printed on. That is never going to happen. If he wants to get a bill out that will pass he could say the agencies will go out of business unless both Houses and the President say that they ought to stay in business.

Mr. **MIKVA**. But there is a great deal of difference between 5 months and 10 years, and that difference ought to be perceived.

I will say we ought to vote for the Frenzel amendment.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Minnesota (Mr. Frenzel).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. **FRENZEL**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 276, noes 120, not voting 36, as follows:

[Roll No. 152]

AYES—276

Abdnor
Abzug
Adams
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bergland
Blanchard
Blouin
Boland
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burton, John
Burton, Phillip
Butler
Carney
Carr
Carter
Cederberg
Clancy
Clausen, Don H.
Cochran
Cohen
Conable
Conlan
Conte
Conyers
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Dellums
Derrick
Derwinski
Dodd
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Florio
Foley
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Green
Gude
Hagedorn
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Jenrette
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Tenn.
Lott
Lujan
Lundine
McCloskey
McCollister
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Calif.
Moorhead, Pa.
Mosher
Mottl
Myers, Ind.
Myers, Pa.
Neal
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patterson, Calif.
Pattison, N.Y.
Pettis
Pickle
Pike
Pressler
Preyer
Pritchard
Quie
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Robinson
Roe
Rogers
Rose
Rosenthal
Roush
Roybal
Ruppe
Russo
Santini
Sarasin
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Simon
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Wiggins
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Fla.

NOES—120

Addabbo
Alexander
Allen
Annunzio
Ashbrook
Bauman
Bennett
Bevill
Biaggi
Boggs
Bolling
Bowen
Brooks
Burleson, Tex.
Burlison, Mo.
Byron
Chappell
Clawson, Del
Cleveland
Collins, Ill.
Collins, Tex.
Corman
Cornell
Cotter
Crane
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Devine
Dickinson
Diggs
Dingell
Duncan, Oreg.
Fary
Flood
Flynt
Ford, Mich.
Gaydos
Giaimo
Gibbons
Gonzalez
Haley
Hall
Hansen
Hays, Ohio
Hightower
Holt
Hubbard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kazen
Landrum
Lloyd, Calif.
Long, La.
Long, Md.
McClory
McDonald
McFall
Madden
Mahon
Mathis
Metcalfe
Milford
Mills
Mollohan
Montgomery
Moore
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Passman
Patten, N.J.
Perkins
Poage
Price
Quillen
Rees
Risenhoover
Roberts
Roncalio
Rooney
Rostenkowski
Rousselot
Runnels
Ryan
St Germain
Satterfield
Shipley
Sikes
Sisk
Slack
Staggers
Stanton, James V.
Steed
Stephens
Stokes
Symms
Taylor, N.C.
Teague
Ullman
Vigorito
Waggonner
Whitten
Wright
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—36

Barrett
Bell
Biester
Bingham
Breaux
Burke, Mass.
Chisholm
Clay
Downing, Va.
Eckhardt
Evins, Tenn.
Flowers
Guyer
Hayes, Ind.
Hébert
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Krueger
Macdonald
Nix
Pepper
Peyser
Rodino
Sarbanes
Stark
Stratton
Sullivan
Udall
White
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Young, Ga.

Messrs. McKINNEY, RANGEL, EARLY, SPENCE, O'NEILL, McCORMACK, SKUBITZ, LAFALCE and CARR changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. PHILLIP BURTON

Mr. PHILLIP BURTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIP BURTON: Page 58, after line 16, insert the following new sections:

SEC. 309. CONGRESSIONAL ELECTION CAMPAIGN FUND.

(a) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new chapter:

"Chapter 97—CONGRESSIONAL ELECTION CAMPAIGN FUND

"SEC. 9051. SHORT TITLE.

"This chapter may be cited as the 'Congressional Election Campaign Fund Act'.

"SEC. 9052. DEFINITIONS.

"For purposes of this chapter—

"(1) the term 'authorized committee' means, with respect to a candidate for Federal office, any political committee which is authorized in writing by such candidate to incur expenses to further the nomination for election or election of such candidate. The authorization shall be addressed to the treasurer of such political committee, and a copy of the authorization shall be filed by such candidate with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization;

"(2) the term 'candidate' means an individual who seeks election to Federal office. For purposes of this paragraph an individual is considered to seek election if he/she (a) takes the action necessary under the law of a State to qualify for election; (b) receives contributions or incurs campaign expenditures; or (c) gives his/her consent for any other person to receive contributions or to incur campaign expenditures on his/her behalf;

"(3) the term 'Commission' means the Federal Election Commission;

"(4) the term 'contribution' means a gift of money made (a) by a written instrument which identifies the person making the contribution by full name or (b) in cash up to $100: *Provided*, That the candidate and his/her authorized committees maintain and file reports in the form prescribed by the Commission, which show the date and amount of each such contribution and the full name and mailing address of the person making such contribution; but does not include a subscription, loan, advance, or deposit of money, or a contribution of products or services or anything else of value;

"(5) the term 'eligible candidate' means a candidate for election to Federal office who is eligible under Section 9053, to receive payments under this title;

"(6) the term 'Federal office' means the Federal office of Senators or Representative;

"(7) the term 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office;

"(8) the term 'matching payment period' means the period beginning on January 1 of each general election year for Federal races and ending on the date on which such general election is held: *Provided*, That for purposes of a special election held to elect a candidate to Federal office, 'matching payment period' means the period beginning on the day after the incident occurred which created a vacancy in the Federal office being sought and ending on the day in which the special election is held;

"(9) the term 'qualified campaign expenses' means only those expenses incurred by a candidate, or by his/her authorized committee in connection with his/her campaign for general election which are for the use of—

"(i) broadcasting stations to the extent that they represent direct charges for air time;

"(ii) newspapers, magazines, and outdoor advertising facilities to the extent that they represent direct charges for advertising space;

"(iii) direct mailings;

"(iv) telephones to the extent that they represent lease and use charges for equipment, and telegrams;

"(v) rental of campaign headquarters: *Provided*, That the funds are not used to pay rent to the candidate, a relative of the candidate, or a business entity in which the candidate or relatives of the candidate have a 10-percent or greater ownership interest; and

"(vi) brochures, buttons, signs, and other printed campaign material: *Provided*, That the term 'qualified campaign expense' shall not include any payment which constitutes a violation of any law of the United States. For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or committee.

"(10) the term 'Representative' means a Member of the House of Representatives, and the Delegates from the District of Columbia, Guam, and the Virgin Islands;

"(11) the term 'State' means each State of the United States, the District of Columbia, Guam, and the Virgin Islands;

"(12) the term 'voting age population' means the voting age population certified under section 320(e) of the Act; and

"(13) the term 'non-Federal office' means all offices other than those Federal offices as defined in paragraph (4) of this section.

"SEC. 9053. ELIGIBILITY FOR PAYMENTS.

"(a) To be eligible to receive any payments under section 9057 for use in connection with his/her general election campaign, a candidate shall certify to the Commission—

"(1) that the candidate is the nominee of a political party for election to Federal office of Representative or is otherwise qualified on the ballot as a candidate in the general election for such office and the candidate and his/her authorized committees have received contributions in connection with that campaign which, in the aggregate, exceed 10 percent of the total amount he/she may spend in the general election under section 9055;

"(2) that the candidate is the nominee of a political party for election to the Federal office of Senator or is otherwise qualified on the ballot as a candidate in the general election for such office and the candidate and his/her authorized committees have received contributions in connection with that campaign which, in the aggregate, exceed 10 percent of the total amount he/she may spend in the general election under section 9055;

"(3) that the candidate and his/her authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under section 9054, and expenditures in excess of the limitations on such expenditures under section 9055;

"(4) that the candidate is seeking election to a specific Federal office.

"(b) In determining the amount of contributions received for purposes of subsection (a) and of section 9054—

"(1) no contribution from any person to a candidate or his/her authorized committees shall be taken into account to the extent that it exceeds $100 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his/her general election campaign;

"(2) no contribution from any person to a candidate or his/her authorized committees shall be taken into acount unless it is dated and received during the matching payment period.

"SEC. 9054. ENTITLEMENT TO PAYMENTS.

"Every candidate who is eligible to receive payments under section 9053 in connection with his/her general election campaign is entitled to payments under section 9057 in an amount equal to the aggregate contributions received by such candidate in connection wih such campaign: *Provided*, That the total amounts of payments to which a candidate is entitled under this subsection may not exceed 50 percent of the sum of the expenditure limitation applicable to such candidate for the specific campaign under section 9055(d)(1) plus the fundraising allowance provided in section 9055(d)(2).

"SEC. 9055. LIMITATIONS.

"(a) Funds received by a candidate or his/her authorized committees under this chapter shall be used only for qualified campaign expenses incurred for the period beginning on the date on which the nominating process is complete in the candidate's State for the Federal office being sought, and ending on the day of the general election, or in the case of a special election beginning on the day after the incident occurred which created a vacancy in the Federal office being sought and ending on the day on which the special election is held.

"(b) No candidate or his/her authorized committees shall be entitled to receive any funds under section 9054 until the candidate and at least one opponent qualified for the ballot under State law as candidates for the general election.

"(c) All payments received under this chapter shall be deposited at a National or State bank in a separate checking account which contains only those funds received under this chapter. No expenditures of any payments received under this chapter shall be made except by checks drawn on this separate checking account at a National or State bank. The Commission may require such reports on the expenditures of these funds as it deems appropriate.

"(d)(1) No candidate for the office of Representative or Senator who receives payments from the Secretary of the Treasury or his delegate under section 9057 may make expenditures in excess of—

"(A) in the case of any campaign for general election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 12 cents multiplied by the voting age population of the State (as certified under section 320(e)); or

"(ii) $150,000;

"(B) $70,000, in the case of any campaign for general election by a candidate for the office of Representative in any other State, Delegate from the District of Columbia, or Resident Commissioner; or

"(C) $15,000, in the case of any campaign for general election by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) An expenditure is made on behalf of a candidate if it is made by—

"(i) an authorized committee or any agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(B) Expenditure does not include any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limits set forth in paragraph (1) of this subsection.

"(C)(i) At the beginning of each calendar year (commencing in 1976) as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established in paragraph (1) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(ii) For purposes of paragraph (i)—

"(I) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(II) the term 'base period' means calendar year 1974.

"(e)(1) No candidate for the office of Representative or Senator who receives payments from the Secretary of the Treasury or his delegate under section 9057 may make expenditures from his/her personal funds, or the personal funds of his/her immediate family in the case of any campaign for general election in excess of, in the aggregate—

"(A) $35,000 in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; or

"(B) $25,000 in the case of a candidate for the office of Representative.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(3) No candidate or his/her immediate family may make loans or advances from their personal funds in connection with his/her campaign for general election unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditure only to the extent of the balance of such loan or advance outstanding or unpaid.

"(f) Notwithstanding any other provision of this chapter, no amount more than the sum of the allowable expenditure limit for a candidate in a given general election race plus the additional fundraising allowance, which are set forth in subsection (e) of this section, shall be paid under this chapter to all eligible candidates in that given election.

"(g) The Secretary of the Treasury shall make distribution of the funds provided under section 9054(a) in the same sequence in which the initial and subsequent certifications are received pursuant to section 9056.

"Sec. 9056. Certification by commission

"(a) INITIAL CERTIFICATION.—Not later than 10 days after a candidate establishes his/her eligibility under section 9053 to receive payments under section 9057, the Commission shall certify to the Secretary of the Treasury for payment to such candidate under section 9057 payment in full of amounts to which such candidate is entitled under section 9054. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9057, and in accordance with regulations promulgated by the Commission shall make such certifications in the same sequence in which the candidates have made submissions to the Commission regarding contributions received within the meaning of section 9053 (4).

"(b) FINALITY OF DETERMINATIONS.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter are final and conclusive, except to the extent they are subject to examination and audit by the Commission under section 9058 and judicial review under section 9060.

"SEC. 9057. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF ACCOUNT.—The Secretary shall maintain in the Presidential Election Campaign Fund established under section 9006(a), in addition to any account which he maintains under such section and section 9037, a separate account to be known as the Congressional Election Payment Account. The Secretary shall deposit into such account, for use by candidates who are eligible to receive payments under section 9053, the amount available after the Secretary determines that adequate amounts are available for payments under sections 9006(c), 9008(b)(3), and 9037(b).

"(b) Notwithstanding subparagraphs (a), in each of the 2 years following a Presidential election, the Secretary shall deposit into the Congressional Election Payment Account that portion of the annual amounts designated by taxpayers under section 6096 that equals the excess above 25 percent of the total amount made available in the last Presidential election in allocating funds under section 9006. The moneys in this Payment Account shall remain available without fiscal limitation.

"(c) PAYMENTS FROM THE CONGRESSIONAL ELECTION PAYMENT ACCOUNT.—Upon receipt of a certification from the Commission under section 9056, but not before the beginning of the matching payment period, the Secretary or his delegate shall, within 10 days after receiving such certification or after the beginning of the matching payment period, whichever is later, transfer the amount certified by the Commission from the account to the candidate. The Secretary shall make distribution of the funds available under subsection (a) in the same sequence in which the initial and subsequent certifications are received under section 9056.

"SEC. 9058. EXAMINATION AND AUDITS: REPAYMENTS.

"(a) After each general election, the Commission is authorized to conduct an examination and audit of the campaign contributions raised for purposes of obtaining matching funds and the qualified campaign expenditures made by all candidates for Federal office who received payments under this chapter.

"(b)(1) If the Commission determines that any portion of the payments made to an eligible candidate under section 9057 was in excess of the aggregate amount of the payments to which the recipient was entitled, it shall so notify that recipient, and the recipient shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the Commission determines that any portion of the payments made to a candidate under section 9057 for use in a general election campaign was used for any purpose other than for qualified campaign expenses in connection with that campaign, the Commission shall so notify the candidate and the candidate shall pay an amount equal to three times that amount to the Secretary.

"(3) Amounts received by a candidate under this chapter may be retained for 60 days after the general election for the purpose of liquidating all obligations to pay qualified campaign expenses which were incurred for the period beginning with the day on which the candidate's nominating process was completed and ending on the day on which the general election is held. After the 60-day period following the election, all remaining Federal funds not yet expended on qualified campaign expenses shall be promptly repaid by the candidate to the Payment Account.

"(4) If the Commission determines that any candidate who has received funds under this chapter is convicted of violating any provision of this chapter, the Commission shall notify the candidate and the candidate shall pay to the Secretary of the Treasury the full amount received under this chapter.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a campaign more than 2 years after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Congressional Election Payment Account.

"SEC. 9059. REPORTS TO CONGRESS, REGULATIONS.

"(a) The Commission shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the Commission deems necessary) incurred by each candidate and his/her authorized committees who received payments under section 9057;

"(2) the amounts certified by it under section 9056 for payment to each candidate and his/her authorized committees; and

"(3) the amount of payments, if any, required from that candidate under section 9058, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a House or Senate document and made available in sufficient numbers for the general public.

"(b) REGULATIONS.—

"(1) The Commission is authorized to prescribe regulations to carry out the provisions set forth in this chapter. The Commission, before prescribing any such regulation, shall transmit a statement with respect to such regulation to the Senate and to the House of Representatives in accordance with the provisions of this subsection. Such statement shall set forth the proposed regulation and shall contain an explanation and justificaiton of such regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed regulation set forth in such statement no later than 30 legislative days after the receipt of such statement, then the Commission may prescribe such regulation. The Commission may not prescribe any such regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9060. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter XX of subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute action in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made under section 9058.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Commission is authorized on behalf of the United States to appeal from and to petition the Supreme Court for certiorari to review judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 9061. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMMISSION.—Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition field in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"SEC. 9062. UNLAWFUL USE OF PAYMENTS.

"It shall be unlawful for any person who receives payment under this chapter or to whom any portion of such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than for the specific purposes authorized by this chapter.

"SEC. 9063. FALSE STATEMENTS.

"It shall be unlawful for any person knowingly and willfully with intent to deceive to (a) furnish any false, fictitious, or fraudulent evidence, books, or sworn material testimony to the Commission under this chapter or to (b) include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the supervisory officer under section 9058.

"SEC. 9064. KICKBACKS AND ILLEGAL PAYMENTS.

"It shall be unlawful for any person knowingly and willfully to give or accept any kickback or make any illegal payment in connection with any payments received under this chapter or in connection with any expenditures of payments received under this chapter.

"SEC. 9065. PENALTY FOR VIOLATIONS.

"Any knowing and willful violation of any provision of this chapter is punishable by a fine of not more than $25,000, or imprisonment for not more than one year, or both.".

SEC. 310. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the validity of the remainder of the title and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 311. The amendments made by this Act apply with respect to elections which are held after January 1, 1978.

SEC. 312. At every place in the Federal Election Campaign Act Amendments of 1976 where the words "Chapter 95 or 96 of the Internal Revenue Code of 1954" are used, substitute the words "Chapter 95, 96, or 97 of the Internal Revenue Code of 1954".

Mr. PHILLIP BURTON (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, I just wish to ask this of the gentleman from California: This amendment comprises exactly the text of H.R. 12780?

Mr. PHILLIP BURTON. The gentleman is correct.

Mr. BAUMAN. With no changes in it?

Mr. PHILLIP BURTON. No changes at all.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PHILLIP BURTON. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I will ask the gentleman this: This is on the matter of public financing for Members of the House and Senate? Is that right?

Mr. PHILLIP BURTON. The gentleman is correct.

Mr. HAYS of Ohio. Mr. Chairman, in view of the fact that all the Members know the issues and all the Members probably know how they will vote, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude at 3 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. ROUSSELOT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. HAYS of Ohio. Mr. Chairman, I move that all debate on this amendment and all amendments thereto finish at 3 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The question was taken; and on a division (demanded by Mr. HAYS of Ohio) there were—ayes 93, noes 48.

RECORDED VOTE

Mr. STEIGER of Wisconsin. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 187, not voting 45, as follows:

[Roll No. 153]

AYES—200

Abzug
Adams
Addabbo
Alexander
Allen
Annunzio
Ashbrook
Ashley
Badillo
Baldus
Beard, R.I.
Bedell
Bennett
Bevill
Biaggi
Blouin
Boggs
Boland
Bowen
Brademas
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burton, John
Burton, Phillip
Byron
Carney
Carter
Chappell
Clancy
Cochran
Collins, Ill.
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Dent
Derrick
Devine
Dodd
Downey, N.Y.
Drinan
Eilberg
English
Eshleman
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fisher
Flood
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fuqua
Gaydos
Giaimo
Ginn
Haley
Hall
Hamilton
Hanley
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Holtzman
Horton
Howe
Hubbard
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Landrum
Latta
Leggett
Lehman
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
Lujan
Lundine
McClory
McCormack
McFall
McKay
Madden
Madigan
Maguire
Mahon
Mathis
Metcalfe
Meyner
Mezvinsky
Milford
Mills
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Nedzi
Nichols
Nolan
Oberstar
Obey
O'Neill
Ottinger
Passman
Patten, N.J.
Pattison, N.Y.
Perkins
Pickle
Pike
Preyer
Price
Quillen
Railsback
Rangel
Rees
Reuss
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rose
Rostenkowski
Runnels
Ryan
St Germain
Santini
Satterfield
Seiberling
Shipley
Shuster
Sikes
Simon
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stark
Steed
Steiger, Ariz.
Stephens
Stokes
Stuckey
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vigorito
Waggonner
Whitehurst
Whitten
Wilson, C. H.
Wright
Wylie
Yatron
Zablocki
Zeferetti

NOES—187

Abdnor
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Aspin
AuCoin
Bafalis
Baucus
Bauman
Beard, Tenn.
Bergland
Blanchard
Brodhead
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burilson, Mo.
Carr
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Coughlin
Crane
Delaney
Dellums
Derwinski
Dingell
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
Erlenborn
Esch
Evans, Ind.
Fenwick
Findley
Fish
Fithian
Florio
Fraser
Frenzel
Frey
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Hagedorn
Hammerschmidt
Hannaford
Hansen
Harkin
Harsha
Hechler, W. Va.
Heinz
Hillis
Holt
Howard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Colo.
Kasten
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Lent
Litton
Lloyd, Tenn.
Lott
McCloskey
McCollister
McDade
McDonald
McEwen
McHugh
McKinney
Mann
Martin
Matsunaga
Mazzoli
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Mitchell, N.Y.
Moffett
Moore
Moorhead, Calif.
Moorhead, Pa.
Mosher
Myers, Pa.
Neal
Nowak
O'Brien
O'Hara
Patterson, Calif.
Pettis
Poage
Pressler
Pritchard
Quie
Randall
Regula
Richmond
Riegle
Rinaldo
Roe
Rooney
Rosenthal
Roush
Rousselot
Roybal
Ruppe
Russo
Sarasin
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shriver
Skubitz
Smith, Nebr.
Solarz
Spellman
Spence
Stanton, J. William
Steelman
Steiger, Wis.
Studds
Symington
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Vanik
Walsh
Wampler
Whalen
Wiggins
Winn
Wirth
Wolff
Wydler
Yates
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—45

Anderson, Calif.
Barrett
Bell
Biester
Bingham
Bolling
Bonker
Breaux
Burke, Mass.
Butler
Chisholm
Clay
Dickinson
Diggs
Downing, Va.
Eckhardt
Flowers
Foley
Guyer
Hayes, Ind.
Hébert
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Krueger
Macdonald
Meeds
Melcher
Nix
Pepper
Peyser
Rodino
Sarbanes
Stanton, James V.
Stratton
Sullivan
Udall
Waxman
Weaver
White
Wilson, Bob
Wilson, Tex.
Young, Ga.

Mr. RUSSO and Mr. KEMP changed their vote from "aye" to "no."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. With the permission of the Committee, the Chair would like to make a brief statement.

The Committee has just limited the time on this amendment and all amendments thereto to 3 o'clock. The gentleman from California (Mr. PHILLIP BURTON) had been recognized for 5 minutes. That will leave approximately 6 minutes to be allocated.

The precedents provide under chapter 29, section 31, of Deschler's Procedures that the Chair has discretion in distributing the time. Due to the obvious impossibility of satisfying all Members the Chair proposes to allocate 3 minutes to the gentleman from Ohio (Mr. HAYS) and 3 minutes to the gentleman from California (Mr. WIGGINS), whereby they may yield time.

The Chair now recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PHILLIP BURTON. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, since the gentleman from Wisconsin (Mr. STEIGER) was made to put the people on that side of the aisle in this predicament by having an unnecessary rollcall, I will try to be magnanimous and ask unanimous consent that the time be extended to 3:15, instead of 3 o'clock.

Mr. BAUMAN. Mr. Chairman, reserving the right to object, it was not the gentleman from Wisconsin that put us in this predicament, but the gentleman that made the motion, the distinguished chairman of the committee.

Mr. HAYS of Ohio. Mr. Chairman, I withdraw my request.

Mr. BAUMAN. Good; it is a good thing the gentleman did.

The CHAIRMAN. The gentleman from California (Mr. PHILLIP BURTON) is now recognized for 4 minutes.

Mr. PHILLIP BURTON. Mr. Chairman, as we all know, this is the proposal to extend to congressional general elections the voluntary money in the election trust fund, limit the matching up to $100 per contribution for the general election—effective January 1, 1978. The provisions extend only to the general elections only.

In order to qualify as a candidate eligible for matching funds, one must raise $10,000 in hundred-dollar amounts or less. A candidate need not accept the funding, even though eligible; but a candidate who does accept the matching funds are then subject to the identical expenditure limits that were a part of the statute prior to the Supreme Court decision a few months ago.

Mr. Chairman, this matter has been

discussed by a great number of our colleagues.

There are two pending amendments, one of which will be withdrawn and the other amendment by the gentleman from Colorado (Mr. Wirth), that provided a simplified pro rata matching mechanism, is acceptable to me.

Mr. Chairman, I now yield to the gentleman from New York (Mr. Solarz).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman from California for yielding.

Mr. Chairman, as our colleagues may know, I had originally planned to offer an amendment to the amendment of the gentleman from California to extend the principle of public financing from general elections to primaries as well. In view of the fact that a great majority of the seats in the House, and a substantial number of the seats in the Senate, are effectively under the control of one party, it seemed to me that public financing should be available for primaries too. However, after the Executive Board of the Democratic Study Group came out against it the other day on the grounds that, in the unlikely event my amendment were adopted, it might compromise the prospects for the passage of the Burton amendment itself, I came to the conclusion that, however dim the chances were for my amendment originally, they were virtually nonexistent now.

I certainly have no desire to require any of my friends from the DSG, or some of the other progressive precincts in the House, to compromise their good government credentials because of essentially tactical considerations. So, on the theory that the great Chinese philosopher, John F. Kennedy, was right when he said "A journey of a thousand miles begins with a single step," I will refrain from offering my amendment this afternoon.

Mr. WIGGINS. Mr. Chairman, I yield myself 30 seconds.

I oppose the amendment and I want to give the Members seven quick reasons why it would be a bad law:

First, Senator Lloyd M. Bentsen, Jr., $511,022.61.

Second, Senator Frank Church, $231,380.78.

Third, Former Senator Fred Harris, $493,278.50.

Fourth, Ellen McCormack, $169,043.90.

Fifth, Terry Sanford, $246,388.32.

Sixth, Governor Milton J. Shapp, $278,010.60.

Seventh, R. Sargent Shriver, $264,582.74.

Mr. HAYS of Ohio. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I want to tell the Members why I basically oppose this amendment, and why I think they might really want to vote against it when I am finished.

About 30 States permit people to go to the election without going through a primary by getting a few signatures on a petition and paying the filing fee. My State is one. I can be purely objective about this because it will not apply to elections and to my plan to run for something else in 1978, so I can be purely objective. They want a Democratic governor in Ohio. But what we could have if this becomes law, we could have 25 or 35 candidates running in every district, and I can tell you that in my district you would have them because I know 25 or 30 people who would figure out some way to get that matching money and keep it, like the seven reasons the gentleman from California mentioned. We could have a Congressman sitting in this House with literally 15 percent of the vote that was cast in the district.

If you want to destroy our two-party system, if you want to fragment the American system, 200 years of which we are celebrating; if you want to destroy it, this is a good way to start and is all you have to do, my friends.

Take a look at what has happened in Italy—and we are all worried about that. It has happened because of a multiparty system, and the only way they can vote against the Government, because it is a coalition, is to vote Communist.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I will yield the rest of my time because the gentleman is going to use it anyway.

Mr. PHILLIP BURTON. The gentleman from California anticipated the gentleman's possible criticism, and if the gentleman had read the provision of the bill, the gentleman would know that there is an absolute limit in each congressional district. If there are 45 candidates running in the gentleman's district, the most money anybody can get, if they raise $10,000 in $100 contributions or less, is $2,000.

Mr. HAYS of Ohio. I have 45 people in my district who would do it for $2,000.

Mr. WIGGINS. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Chairman, I too have more than seven good reasons to oppose public financing for Congressional elections. I endorse the statement of our distinguished chairman, the gentleman from Ohio, and I am glorying in the fact that I am now finally in agreement with him on an important issue in this bill.

Mr. Chairman, I rise in opposition to the Burton amendment which would provide public financing for congressional elections.

I am not going to discuss the usual objections to public financing, but I will list them in passing:

First. Under publicly financed systems, the old, otherwise-unconstitutional expense limitations are reinstated, and challengers are placed totally at the mercy of incumbents. No wonder Members of Congress often favor public financing. It is another self-protection scheme.

Second. Federal financing schemes inhibit private contributions. It will reduce the amount of participation in Federal elections, because people can say that they are participating through the Federal contribution.

Third. Public financing strikes down the "market test" of the popularity of any candidate. Candidates do not have to be attractive. They only need a cause and a few friends and they become a federally propped up candidate.

Fourth. Public financing causes unexciting elections with lowered voter turnouts, because it attracts lots of candidates who are not really serious. In a large field, of course, the incumbent stands out, and the advantages are increased.

Fifth. Public financing represents an unnecessary waste of the taxpayers' money. We have established the section of a check-off, but no taxpayer is donating 1 cent more in income taxes for public financing. Most taxpayers do not check-off, and in America a majority is supposed to rule.

Sixth. The taxpayers' money is certified for candidates by the Federal Elections Commission. Since the FEC has been reduced to the status of a sort of subcommittee of House Administration, guess who is going to get the favorite treatment—the incumbent or the challenger? Giving control of financing, the lifeblood of elections, to the bureaucracy would be foolish even if the FEC were totally independent. The people may never regain control of their own elections.

Seventh. Party responsibility will wither under public financing. Candidates can thumb their noses at their parties, since they can get their money from somebody else, the beleaguered taxpayer.

Eighth. More money will be spent on elections. Most of the big money is spent on the most hotly contested 50 or 60 congressional elections. The onset of free money will create an "amateur night" in every congressional district. Members who have not been opposed before will surely attract opponents under this system.

Nine. Minor party candidates, independents and third parties are always had under public financing schemes. Despite the best efforts, nobody yet has devised a public financing scheme fair to independents.

That is the horrible list, but today I want to talk about other aspects.

First, we are in the middle of a Presidential public financing experiment. No matter how poorly that is working out, it should neither be terminated nor extended until we have the experience of a full campaign behind us. Therefore, the Burton amendment, in addition to its other failings, is premature.

Second, public financing was supposed to be a means of purifying the election process. Has anyone noticed any purer spending in the Presidential elections this year? Money is all the same color, whether it comes from the taxpayers or from private sources. And it is buying the same crummy old campaign gimmicks. I do not see any improvement in the balloons, bill boards or bumper stickers. In short, public financing has not cleaned up anything.

Next, the people are more than a little upset with the use of their money for private political candidates. It was bad enough when every squirrel in the cage announced for Presidency this year. Fourteen candidates have qualified for Federal funds; 134 candidates are seeking the presidency. Many candidates who should have been eliminated in early primaries have been propped up by the

Federal money and stayed in when they should have sunk from sight. Others have temporarily sunk from sight retaining their Federal funds and are currently enjoying the use of those funds even when they are not bona fide candidates. Anyone who wants to extend this kind of misery to the congressional political campaigns does not have much respect for the taxpayers' dollar or their patience. And remember, two-thirds of the taxpayers do not check off and have apparently voted against this system.

Additionally, Federal financing of elections is an expensive overhead item. The FEC now employs about 135 people. That is slightly less than the Clerk, the GAO and the Secretary of the Senate employed for the last election, but it is many more people than would be needed without public financing.

In testimony before a House Appropriations subcommittee, Commission members indicated that its staff might have to be increased to as many as 500 additional people, if congressional public financing were to be added. As a matter of fact, during the first 8 months of the commission's existence, 17,000 man days were spent solely on the public financing aspect of the law. It is far and away the most expensive part of the FEC operation. If you want to see the FEC grow in personnel and expenses, by all means vote for public financing for congressional elections.

Mr. Chairman, there are many more reasons to be opposed to public financing of congressional elections, but there is not time enough to toll the dreadful litany. It is better that we simply vote down this proposition and be prepared to analyze the results of this year's Presidential public financing after we have had the experience.

Mr. WIGGINS. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. McClory).

Mr. McCLORY. Mr. Chairman, I am opposed to all allocations of public funds for political campaigns including the campaigns of candidates for President.

Mr. Chairman, on October 10, 1974, Members of the House of Representatives recorded an historic vote. By 365 to 24, they approved landmark legislation designed to improve dramatically and fundamentally the way in which Americans elect their Presidents.

I was one of those voting "aye" for the conference report that day which enacted amendments to the Federal Election Campaign Act of 1971. Among the most far reaching of those amendments was public support through tax dollars of primary and general campaigns for Presidential candidates.

I said in part, then, Mr. Chairman, to—

> Let public financing achieve in practice the lofty goals which its advocates forecast, before extending it to all Federal campaigns.

Mr. Chairman, today we are debating further amendments to the Federal Election Campaign Act. The time is several months after the beginning of the primary elections. The initial field of candidates was large. It was, in fact, somewhat of a mob scene at the starting gate.

Now the drop-outs have begun, and yet some of their "campaigns"—and I put that word in quotes—go on, even though their headquarters are shuttered, their staffs dismissed, their volunteers gone. They go on, we are told, so as not to betray those delegates who have voted for them. They also continue, we learn, so that additional Federal moneys may be collected to ease campaign debts. As recently as March 22, I understand, payments were authorized by the Federal Election Commission to three such candidates.

One such candidate left the hustings with one pledged delegate, according to the latest Congressional Quarterly figures. So did another. A third numbers 11 delegates behind him, now that he no longer is running. These 3 gentlemen among them boast a total of 13 delegates, far behind the uncommitted tally of 39, yet little more than a week ago they continued to receive Federal payments for what only by the most tortuous definition of the language can be called "campaigns."

Another candidate, also receiving Federal tax moneys, is for all practical purposes a one-issue candidate. What that issue is makes no difference here. That is not the question.

So as we consider these new amendments, my misgivings about our actions of more than 2 years ago grow.

Have tax dollars led to a meaningless proliferation of the primaries? Have we made it too seductively simple for persons without the remotest chance of achieving their party's Presidential nomination to have a primary fling for purposes of prestige or national recognition or whatever reason may lie close to their heart?

Have we played into the hands of the longshot bettors as long as the citizenry will help hedge the bets? Have we, without intent and with high purpose, helped mock a political system already under such close and pessimistic scrutiny by the American people?

I fear we erred, although I voted not only for the conference version of the amendments, but also for the House version which passed August 8, 1974.

Mr. Chairman, in my view, it has not worked as we hoped it would. The public financing portion of the amendments were designed to help eliminate abuses in national political campaigns which then dominated the news and the conscience of the country and the Congress.

Other provisions of those amendments passed in 1974 I still firmly support. But Mr. Chairman, I think that taxpayer support of candidacies already has proven unworkable. The Congress, in voting for morality, for integrity, and for lofty goals, appears to have reaped chaos.

Mr. WIGGINS. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. Symms).

Mr. SYMMS. Mr. Chairman, the public is sick and tired of Congress continually voting itself more and more favors. During the last 3 years we have increased our salaries, voted more money for office allowances, for more postal patron mailings, and for staff salary and also increases, and now this under a gag rule, an outrage.

Federal financing of campaigns, with equal and fixed spending limits, is a blatant move toward self-perpetuation of the Government and more specifically of incumbents. When equal amounts of money are given to an incumbent and to a challenger the incumbent has the advantage of the free postal patron mailings, the advantage of more news coverage, etc. Also, consider the effects of newspaper editorial policy under these circumstances. Oftentimes the only way a candidate can counter unfavorable editorials and newspaper endorsements is to buy advertising. Furthermore, the use of more paid advertising is the only way a nonincumbent challenger can overcome the various advantages granted an incumbent. In summary, when incumbent legislators are making laws governing the intricacies of political campaigns they are naturally going to make subtle provisions that work to their advantage. This is the self-perpetuation aspect. How can the people change the policies of Government when the Government makes the rules as to how it is to be done?

Related to the second point is the question of the federal system. It would seem that if laws are to be made governing the election of U.S. Senators and Representatives and Presidential electors, then these laws should be made by the States; not the Federal Government. Under the Constitution the States are given the responsibility of governing elections and making election laws. Senators and Representatives are chosen to represent the people of a particular State in the National Congress; therefore, the people of that State should determine how this is to be done—consistent with the U.S. Constitution.

Another very important question is: Do we have the right, through taxpayer supported Government financing, to force an individual to contribute to a candidate or to a cause to which he does not subscribe? Second, who is going to determine which candidate is qualified to receive funds? What about independent or "minority party" candidates? It seems that public financing actually closes the system to the average man rather than opening the system as Common Cause would have us believe. The only way to open up the system is to allow free expression in a free society. I urge a no vote.

Mr. WIGGINS. Mr. Chairman, having no further requests for time, I indicate my own opposition to the amendment.

AMENDMENT OFFERED BY MR. WIRTH TO THE AMENDMENT OFFERED BY MR. PHILLIP BURTON

Mr. WIRTH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Wirth to the amendment offered by Mr. Phillip Burton: Page 14, immediately after section 9057(c) of the Internal Revenue Code of 1954, as added by the amendment offered by Mr. Phillip Burton, insert the following:

"(d) Limitation.—The Commission shall, not later than April 1 of each election year, determine whether the amount of moneys in the Congressional Election Payment Account will be sufficient to make all payments to which candidates will be entitled under this chapter during such election year. If the

Commission determines the amount of moneys in the Payment Account will not be sufficient, the Commission shall ratably reduce the maximum amounts to which candidates are entitled under this chapter by a fraction, the numerator of which shall be the sum of moneys then in the Payment Account and moneys estimated to be deposited in the Payment Account before the general election, and the denominator of which shall be the sum of the estimated amounts to which all candidates whom the Commission determines are likely to seek payments under subsection (c) would be entitled under this chapter if the moneys in the Payment Account were sufficient. The Commission, no later than 15 days after June 1, August 1, and October 1 of each year in which a general election for Federal office is held, shall complete a review of (1) the amount of moneys in the Payment Account and the estimated amount of moneys which will be deposited in the Payment Account before the general election involved; and (2) the number of candidates whom the Commission determines are likely to seek payments under subsection (c). Such review shall apply to the 60-day period ending June 1, August 1, or October 1, as the case may be. If the Commission determines, upon conducting such review, that additional moneys are available for payments under this chapter during such election year, such payments as may have been reduced in accordance with the second sentence of this subsection shall be increased on the same basis as they were reduced.

POINT OF ORDER

Mr. BAUMAN (during the reading). Mr. Chairman, I have heard the Clerk read the amendment, and that was not the amendment that was printed in the Record of March 29, 1976.

Mr. Chairman, I make a point of order against the amendment on the grounds that it violates the rule that the House passed.

The CHAIRMAN. Does the gentleman from Colorado (Mr. Wirth) desire to be heard?

Mr. WIRTH. Mr. Chairman, it is the same amendment that was printed in the Record.

The CHAIRMAN. Will the gentleman from Maryland (Mr. Bauman) advise the Chair in what respect he considers it different?

Mr. BAUMAN. Mr. Chairman, rule XXIII, clause 6, says, in part:

> Material placed in the Record pursuant to this provision shall indicate the full text of the proposed amendment, the name of the proponent Member, the number of the bill to which it will be offered and the point in the bill or amendment thereto where the amendment is intended to be offered, and shall appear in a portion of the Record designated for that purpose.

Mr. Chairman, on page 8493, of the March 29 Record, to which the rule specifically makes mention, this particular Wirth amendment appears as the beginning line with the page blank. Immediately after subsection 9057(c) there is no page 14 designated, and the Clerk just read page 14.

Mr. Chairman, it is not the same amendment.

The CHAIRMAN. The Chair has examined the situation. To the best of his knowledge, there are no precedents. Under the circumstances, it would have been difficult if not impossible for the gentleman to have had the page number which he printed his amendment in the Record, and the Chair believes that the omission of the page number alone does not keep the amendment from being in substantial compliance with the rule. In all other respects, the amendment printed in the Record does indicate the point at which the amendment is to be inserted into the amendment of the gentleman from California.

The Chair overrules the point of order.

The Chair recognizes the gentleman from Colorado (Mr. Wirth) for 5 minutes in support of his amendment.

Mr. BAUMAN. Mr. Chairman, has the amendment been read?

The CHAIRMAN. The gentleman is correct. The Clerk will complete the reading of the amendment.

Mr. WIRTH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, in view of the fact that there was one minor change apparently made in the amendment, can the gentleman assure us that the amendment is the same in all respects as it appears on page 8493 of the Record?

Mr. WIRTH. If the gentleman will yield, I can assure the gentleman from Maryland that the amendment is the same.

Mr. BAUMAN. Mr. Chairman, the gentleman is a man of great integrity and I accept his word.

Mr. Chairman, I withdraw my reservation of objection.

Mr. SNYDER. Mr. Chairman, reserving the right to object, I do so for the purpose of making a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SNYDER. Mr. Chairman, in view of the fact that it is 3 o'clock, if the amendment is not read, will the gentleman be able to explain it?

The CHAIRMAN. It has been printed in the Record, and under the rule the gentleman will have 5 minutes to explain his amendment.

Mr. SNYDER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. WIRTH. Mr. Chairman, as I think all of the Members know, under the Burton public financing bill, funds for public financing would not come out of general revenue. They would come out of the voluntary checkoff fund established on the first page of everybody's income tax return. The amount of money in this fund has grown every year, and the best estimate made by the Treasurer and by the Library of Congress is that in any given year approximately 30 percent of the income tax returns filed will have checked off the public financing box. That will raise every year something in the neighborhood of $30 million to $45 million.

Against that, were this amendment to be agreed to, in each 4 years we would be paying for one Presidential election, 66 senatorial elections, and 870 congressional elections. In each election year that would come to approximately $38 million which would have to be in the Treasury.

The purpose of this amendment is to assure that if there is not enough money in the fund to cover that $38 million each year, a method is established for allocating that money or what money does exist in the voluntary fund fairly across each one of the candidates. Mine is a technical amendment to the Burton approach. It goes directly to the voluntary nature of this and the fair distribution of the voluntary checkoff funds.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I commend the gentleman for anticipating the possible problem, and I think this is in our best traditions.

I think the gentleman would also like to assure our colleagues that this leaves completely undisturbed the current priorities in the current law. This in no way affects one way or the other the matching in the Presidential primaries that he mentions or the general election matters; it only assures that no public funds will be used in any way, only the voluntary checkoff money, and that if there is not enough, there will be a proration among the various contestants.

Mr. WIRTH. Mr. Chairman, the gentleman is absolutely correct.

Again it is important to underline that in our examination of the Burton proposal we see that there is no general fund money to be allocated to election funds. All the money which will be allocated comes from voluntary checkoffs from millions of American taxpayers, who, as I am, are sick and tired of a world in which a few special interests are able to purchase politicians and then have an undue effect on political outcomes. We are all tired of having that happen.

Mr. Chairman, it is important that we all understand the reasons for voting for public financing: public financing would reduce the dependence of congressional candidates on wealthy givers and special interest money by providing incentive—50-percent matching funds—for candidates to seek a large number of small, $100 or less, contributions.

Public financing would equalize access to public office for all candidates by placing a reasonable ceiling, approximately $100,000 in the House, on the amount that could be spent by candidates who seek public financing. In Buckley against Valeo the Supreme Court made clear that the only constitutional way to place a ceiling on campaign spending is to make eligibility for matching funds contingent on adherence to spending limits. Without a public financing provision, we will continue to have unchecked spending in House and Senate campaigns.

The system would be totally voluntary. The only money that could be used to finance congressional races would be dollars voluntarily checkedoff on income tax returns. If the congressional checkoff account should not have enough money to cover all races, general revenues could not be used. A candidate's decision to seek public financing would also be completely voluntary. Candidates who choose not to seek public financing could spend as much money as they want.

There would be little potential for abuse. Each House candidate would have to raise at least 10 percent of the general spending limit—approximately $10,000—in order to qualify for Federal matching funds. This threshold would prevent frivolous candidates from receiving Federal funds. Since public financing would be available in general elections only, the specter of a dozen candidates receiving matching funds in a single race would also be eliminated.

Matching payment money could only be spent for qualified campaign expenditures such as broadcast air time, advertising, direct mail and telephone costs. Any person who knowingly and willfully misused Federal matching funds would be subject to criminal prosecution.

Lastly, and perhaps most importantly, public financing would not begin until the 1978 congressional elections. This should underscore the fact that public financing is not an "incumbents' bill" but rather a measure to eliminate the influence of big money, put challengers and incumbents alike on equal footing, and encourage greater public participation in the electoral process.

The Burton amendment is a modified version of H.R. 9100, the Burton-Anderson public financing bill, which more than half the Members of the House have cosponsored.

Following is a summary of the major provisions of the Burton amendment:

SUMMARY

1. Coverage: General elections only, beginning with 1978 congressional elections. Provides public funds only for candidates, and not for political party campaign committees.

2. Public funds: Limited to funds derived from voluntary dollar tax checkoff on income tax returns. No use of general revenue funds.

3. Matching amount: Contributions to candidates of up to $100 per person would be matched with funds derived from the voluntary dollar checkoff.

4. Spending limits: Candidates who accept public financing would be subject to the same overall spending limits and limits on a candidate's own personal funds, originally enacted in the 1974 campaign finance law. The Supreme Court in Buckley against Valeo held that in providing public funds for campaigns Congress could condition the availability of such funds on agreeing to campaign spending limits. (For the 1978 Congressional elections, the general election spending limit would be approximately $100,000).

5. Eligibility threshold: Each candidate would have to raise at least 10 percent of the applicable spending limit in amounts of $100 or less per contribution to be eligible for any public funds.

6 Matching payment limit: A candidate could not receive more than 50 percent of his/her applicable spending ceiling in public funds. In addition, all candidates in a given race could not receive public funds totaling more than 100 percent of the applicable spending ceiling in the race.

7. Qualified expenditures: Matching payment money would be limited to qualified campaign expenditures including such items as broadcast air time; newspaper, magazine, and billboard advertising space; direct mail; and telephone costs.

8. Matching payment period: Only funds raised after January 1st of the general election year would be eligible for matching. Matching funds received by candidates have to be placed in a special account, may be spent only for general election purposes and no actual disbursements may be made until the candidate and at least one opponent are certified for the general ballot.

The executive committee of the New Members Caucus voted unanimously to support a public financing bill (H.R. 12123). Most of the provisions of this bill have been adopted in the Burton amendment.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield so I may ask a question?

Mr. WIRTH. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, the amendment requires a ratable reduction, so the money is equally distributed to those qualified; is that correct?

Mr. WIRTH. The gentleman is correct.

Mr. BAUMAN. So the more candidates, Independents, Republicans or Democrats, who file for Congress, the lesser the amounts will be to those who are qualified?

Mr. WIRTH. The gentleman is correct.

Mr. BAUMAN. Then this will encourage nearly everyone in the United States to file, will it not, if they would like to receive some extra money from the U.S. Treasury.

Mr. WIRTH. Mr. Chairman, the gentleman will find that is not true if he will read the Burton proposal. In order to be eligible, one must qualify for general elections only, and one must be a valid candidate for Federal office.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, one must raise $10,000 in order to qualify for amounts of $100 or less.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it would probably be odd to accept this amendment, because I think it would point up the absurdity of the whole situation. The gentleman from Colorado (Mr. WIRTH) has made a calculation which I think is totally invalid, and that is that there would only be 830 or so—actually I suppose 870 is the right number—candidates for Congress every 2 years.

I can guarantee that if this amendment becomes law, there will be more like 15,000 candidates for Congress every 2 years. This is only the foot in the door, and then when they cannot get enough money from the voluntary check-offs, they will look for more. People more and more are getting fed up with the Senators and others who are dropping off some free money that they run on. They are getting fed up with this sort of thing. There will be fewer people checking off, and the next Congress will be asked to appropriate money out of general revenues, and that is the way these things usually go.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, the gentleman knows full well that I joined with the gentleman last year in opposing any general fund use. I believed the voluntary check-off would provide the money, and it has.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I think we ought to understand that this is money from the general fund. It is money that would be in the general fund if we had not decided to mark it off, because they do not pay it.

The situation is completely misunderstood because everybody thinks this is public financing. The only real public financing is when an individual says, "I want to help you in your campaign. Here is a check for $10, $100, or $1,000."

Mr. Chairman, that is public financing. What we are doing and have been doing is taking it out of the general fund, where it should be, to pay the education bill, to pay for the social security structure, and so forth that we have in this country, and not to give it to politicians in any way, shape, or form.

Mr. HAYS of Ohio. Mr. Chairman, somebody did not get to read far enough, but the thing that really upsets me more than anything is the fact that this grade B unemployed movie actor from California got $1,679,124.19.

Mr. ALEXANDER. Mr. Chairman, the bill we are considering today goes to the very core of our political system—the question of campaign financing.

The campaign finance issue was addressed head on by the 93d Congress. The American public clamored for campaign reform and the Congress responded in passage of the Federal Election Campaign Act Amendments of 1974. That legislation established an overall ceiling for candidate spending, set limits on individual and group contributions, created an independent Federal Elections Commission to administer and monitor Federal campaigns and provided for public financing of Presidential campaigns.

I voted for that bill because it adequately filled a void in defining the atmosphere in which political campaigns should be conducted in this Nation. I also support the bill presented for debate today as I believe it adequately addresses the objections which the Supreme Court has made with regard to the composition of the membership of an independent Federal Election Commission, as well as refining the 1974 law.

I have always subscribed to the belief that a wide base of financial support is consistent with the principles of representative government embodied in our Constitution.

A viable Federal Election Commission is imperative, in my estimation, if we are to reduce the corrupting influence of big money in politics and insure an atmosphere that fosters widespread participation in our election process.

H.R. 12406 reconstitutes the Federal Election Commission—FEC—to be composed of six members appointed by the President and confirmed by the Senate. No more than three Commission members of the same political party.

Any major action initiated by FEC would require an affirmative vote of four of the six Commission members. The bill empowers the Commission to initiate investigations, bring judicial actions, and issue advisory opinions. In every case, the Commission must give due and advance notice to parties under investigation or subject to Commission action. Detailed appeals procedures are also included in the bill's provisions.

The Congress, under the terms of the bill, could veto, in toto, or item by item, advisory opinions issued by the Commission.

H.R. 12406 requires the FEC to enter into conciliation with apparent violators of all but criminal proceedings. The bill redefines a criminal violation as any "knowing or willful" violation which involves the "making, receiving, or reporting" of any contribution or expenditure having an aggregate value of greater than $5,000 during a calendar year. All other election law violators would be noncriminal or civil violations.

The bill eases expenditure reporting and contribution requirements in nonelection years and gives the Congress the option to abolish the Commission after 1 year.

The bill further states that locals of a union and subsidiaries of a corporation are to be treated as part of the parent corporation with respect to the $5,000 limitation on contributions to any one candidate or political committee.

While the bill does not alter the ability of corporations and labor unions to organize political action committees, it does prohibit corporations from soliciting contributions from other than stockholders, executive officers and their families. Labor unions are allowed to solicit contributions from their members.

With regard to Presidential candidates, the bill makes ineligible for matching funds any candidate who spends more than $50,000 of his or his immediate family's personal funds.

It also stipulates that, should the Secretary of the Treasury determine that no moneys exist in the checkoff fund to make payments to candidates, no moneys would be made available to make such payments from other sources. And, candidates ceasing to actively campaign may receive no further matching funds and must return to the Treasury remaining funds not used for legitimate expenditures in closing out the campaign.

I believe that amendment to this bill to make the financing of congressional elections the responsibility of the U.S. Treasury is not in the best interest of the American people.

It is estimated that Federal financing for congressional elections will cost between $20 to $25 million in 1976 alone. And while proponents may argue that sufficient moneys will be available through the checkoff fund, we have no firm assurance that the checkoff fund will be able to meet even the demands of Presidential candidates for matching funds, much less a drain on the Treasury for congressional campaigns.

Perhaps the most disturbing shortcoming of a proposal to publicly finance congressional campaigns is that it will force taxpayers to support candidates with whom they disagree.

I believe we need to await the outcome of our first experience with Federal financing of campaigns to see if public financing of Presidential campaigns has a positive effect on the electoral process.

Democracy, as an institution, is in jeopardy throughout the world. We need look no further than France or Spain or India to see this trend. It is more important now than ever before for individuals to become involved in their choice.

A law with teeth in it to govern the conduct of political campaigns in this country is in the best interest of every American taxpayer and voter.

I urge my colleagues to support the committee bill.

Mr. MURTHA. Mr. Chairman, I do not believe public financing of congressional campaigns will improve our candidates, political education, or citizen participation, and I rise in opposition to this amendment.

I believe there are several reasons to oppose it.

First, let us face it, despite the fact that this is financing from the voluntary checkoff, it will appear to many people that Congress is voting money from the public treasury to finance our own reelection campaigns. With the present standing of Congress in the eye of the public, we do not need that kind of misunderstanding.

Second, the result of public financing of general election congressional campaigns will be more campaign inflation. More TV and radio ads, more bumper stickers, more billboards. I have seen no evidence that the matching funds in the Presidential primaries have been used to increase voter education. They have been used for the traditional campaign practices, and allowing more money to be spent for these things in congressional campaigns may increase name recognition, but I do not see it increasing voter knowledge.

As far as this amendment removing influence of contributors, I doubt that will be the case. First, under the Supreme Court ruling a candidate need not accept the ceiling and matching funds. Second, matching funds alone will not handle all the spending.

We still have contribution limits; we still have disclosure of contributions and spending. Let us leave the facts to the citizens through disclosure, and let them decide. They do not need public matching funds to make that decision.

Finally, Mr. Chairman, I recently took a poll of my area on this question. The results showed 28 percent favored public funding of congressional campaigns; 71 percent opposed it; and 1 percent was undecided. Even more important than the numbers, though, were the comments of the respondents. They showed that the people are tired of a multitude of candidates and messages. They are tired of year-round campaigning. With this amendment the scramble for funds will start just after the primary with more ads, billboards, and campaigning being assured.

We are already turning off more people to the political system than we are turning on to politics. In my poll the people are saying they want fewer frills, shorter campaigns, and less money being spent on politics. This amendment furthers none of those goals.

I urge a "no" vote.

Mr. ROSTENKOWSKI. Mr. Chairman, I must rise in strong opposition to the Burton public financing amendment which we are considering at this time. In the 93d Congress I voted against the public financing of congressional elections. Since that time, many rationalizations have been put forth to justify this concept. I have found none to be convincing. The amendments before us today embody an overeager attempt to implement public financing before its impact can be anticipated. It is a classic case of putting the cart before the horse.

I personally feel that public financing is an ill-fated experiment. Should public financing be adopted, we are in effect saying that we are willing to learn by our mistakes. This particular mistake would cost our taxpayers millions upon millions of their hard-earned dollars without improving the quality of elections.

I have heard many estimates of the cost of financing congressional campaigns with public moneys. Last Tuesday, during the general debate on this bill, I suggested that my own computations indicate that in the next general election year the costs of the program may be well in excess of the 40 million dollars some point to as an upper cost ceiling.

If we assume that each incumbent and his major party opposition candidate qualify for only $35,000 of the matchable $45,000—or 75 percent—and that there will be only two single issue or fringe party candidates in each district who qualify for half that much, or $17,500—39 percent—the proposal will cost the taxpayers $45,675,000.

If the amendment is adopted and the benefits of public financing are extended to include primary elections the costs will go absolutely out of sight.

The legislation also provides for a cost-of-living escalator, which will increase my estimates even further. While some may argue that these figures are high and that my assumptions are incorrect, the fact remains that we do not have any model on which to base our cost estimates. Therefore, one set of assumptions is just as valid as another. Those who argue in this area are just supporting the contentions I made on Tuesday that we just do not have enough information, study and analysis of the Presidential public financing program that would allow us to make an intelligent and informed decision today on extending the program to include congressional elections.

Mr. MEZVINSKY. Mr. Chairman, continued abuses of the election laws, attempts to coerce contributions and support, and the frenzy of spending serve as emphatic statements that our campaign laws need to be seriously revised.

Since the January 30 decision of the Supreme Court, Congress has been given another opportunity to enact meaningful campaign reform laws. The legislation before us today goes beyond reconstituting the Federal Elections Commission, as mandated by the Supreme Court, and addresses other issues such as corporate political action committees, the structure of candidates' campaign committees, and limitations of cash contributions. All of these are important measures but do not reach the core of campaign reform—eliminating money as the operative element of the political system.

My friend and colleague, the gentleman from California, has offered an amendment today which will help us meet that goal. His amendment, carefully drafted to preserve free speech and civil liberties guaranteed by the Supreme Court ruling, can finally put a lid on spending in an arena where spending has been king. Under this proposal a candidate will have a choice—either to accept a spending limit with matching funds for small contributions or to spend as much money as can be raised with no Federal contribution. Although I believe that a vast majority of candidates will accept matching contributions, I think it is equally important that a candidate have the right to select whichever course he chooses to take.

If this amendment is adopted, candidates will be forced to rely less on their money-raising talents and must instead focus on their appeal to the public. We have accepted this concept in our Presidential campaigns and should be able to accept it in congressional races where the issue and impact of money is even more important.

This public financing proposal is both fiscally and philosophically sound. There will be no additional dollar investment by the public. Under this plan, funding will be limited to funds that are already now being collected in the income tax checkoff system. Each campaign is strictly limited and dollar ceilings are set.

I believe that, at a time when our political process is so widely criticized, we must be willing to accept this reform, if only as an experiment in good government. Congress must make certain that American voters have a chance to choose their representatives on the most important factor of all—their worth to hold public office. I urge my colleagues to support this effort.

Mr. MAGUIRE. Mr. Chairman, the methods used to finance congressional political campaigns have been a subject of considerable controversy and heated debate during the last decade.

The central question is the degree to which large donations from limited numbers of people should be permitted to influence the political process. We have already limited the maximum amount an individual can spend on one campaign. We must now decide whether or not to go a step further in curbing the distorting impact of powerful special interests on the political process by introducing matching funds checked off for that purpose by the public—a reform we have already made with respect to Presidential campaigns.

In recent years, an increasing gap has emerged between the realities of running for public office and the vision of the democratic electoral process originally intended. In 1972, 18 wealthy individuals supplied the Committee to Re-Elect the President with nearly $7.5 million in personal contributions. The experiences of 1972 taught us that public disclosure alone is insufficient. The electoral process must be purged of the very source of distorting influences and pressures—big money. The special interests are not prone to parting with their money out of the goodness of their hearts; if they provide a large contribution to a political candidate, it is due to anticipation of something of greater value in return. If there is a single problem which is more responsible than any other for the inability or unwillingness of Washington to serve the interests of the ordinary American and the public interest, it is this: The undue influence of powerful, but narrow, self-serving special interests. The system itself needs to be changed. Public financing is needed, and it is needed now.

The principal objectives of a system of public financing are widely agreed upon:

It should liberate candidates from the special interests and from the onerous and degrading task of raising money in large contributions.

It should prevent one candidate from gaining an artificial advantage over opponents because he is able to raise more money through large contributions or due to incumbency.

It should put all serious candidates in a position to effectively communicate with voters.

The Burton amendment—which is similar to a bill I introduced jointly with Congressman McHugh early last year—proposes the kind of equitable changes we need in congressional campaigns.

We cannot limit reforms to the Presidential aspirants, leaving our own House literally in disorder. It is imperative that Congress take immediate action so that future campaign years will not see abuses similar to those from which the Nation suffered in 1972. Let us take the unique opportunity which this elections bill offers us today to remove from the political process the corrupting effect of large special interest money—money which has been so responsible for the suspicion and distrust with which so many Americans now regard their own democratic process. Now is the time to take the initiative to provide for the kind of electoral system that eliminates back room favoritism, opens the front door to all Americans, and conforms to and serves the public interest.

The Burton amendment provides financial assistance on a matching fund basis beginning in 1978. It provides funding from the voluntary income tax checkoff as is presently done for the presidential campaign. The proposal would impose spending limitations for candidates accepting public financing—approximately $90,000 for House candidates and 12 cents per voter for Senate candidates. Candidates could not receive more than half the applicable ceiling in matching funds. To qualify, a candidate would be required to raise 10 percent of the applicable limit in contributions of $100 or less, and only contributions of $100 or less would be matched with corresponding Federal funds.

In considering various reform measures, we must not lose sight of our objectives: to allow for fair competition between the best people for any national office; to insure an informed electorate with a maximum of public participation in the political process; and ultimately to reinforce the faith and confidence of the electorate. The Burton amendment is a vital step in this direction.

Mr. PHILLIP BURTON. Mr. Speaker, inserted below are copies of letters from various organizations in support of my amendment to H.R. 12406 to provide congressional public financing on a matching fund basis for general elections:

INTERNATIONAL UNION, UNITED
AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS
OF AMERICA—UAW
March 26, 1976.

DEAR REPRESENTATIVE: The UAW urges most strongly that you support H.R. 12406 to reconstitute the Federal Election Commission to meet the constitutional deficiencies which prompted the recent Supreme Court decision. As reported by the House Administration Committee, the bill also contains loophole closing provisions necessitated by the Court's decision.

It is our understanding that an amendment will be offered during consideration of H.R. 12406 to authorize public financing in congressional campaigns. For many years, the UAW has favored public financing, and we urge you to vote for the amendment when it is offered next week.

As reported, the bill's principal objective is to reconstitute the Commission consistent with constitutional requirements. It would also restore more equal treatment of labor union and corporate political activities as clearly set forth in the Federal Election Campaign Act of 1971. In its advisory opinion in the so-called SUNPAC matter, the FEC deviated sharply from congressional intent regarding political activity of labor unions and corporations. H.R. 12406 simply would restore the intent of Congress that such activities be treated fairly and equally. The bill also prohibits proliferation of political committees by both corporations and labor unions.

H.R. 12406 is well drafted, equitable and essential legislation. Time is of the essence; the FEC must be reconstituted if chaos is to be avoided in the Presidential campaign.

We believe H.R. 12406 at this time is an essential step. The adoption of the public financing amendment would constitute another positive step in the continuing effort to achieve meaningful campaign reform.

H.R. 12406 deserves your enthusiastic support; we hope you will vote for it and against weakening amendments. Your consideration of the UAW position on this major legislation will be appreciated.

Sincerely,
STEPHEN I. SCHLOSSBERG,
General Counsel.
DICK WARDEN,
Legislative Director.

PUBLIC CITIZEN,
March 30, 1976.

DEAR REPRESENTATIVE: The House will soon consider H.R. 12406, the Federal Election

Campaign Act Amendments of 1976, which reconstitutes the Federal Election Commission and makes some needed reforms in existing federal election law.

We strongly support the amendment for public financing of congressional campaigns to be offered by Mr. Phillip Burton of California. This proposal, originally introduced last year as a separate bill with 220 co-sponsors, provides for federal matching funds for candidates to the House of Representatives. These funds would be available in general elections only, would match only small contributions, and would be tied to the candidate's acceptance of a spending limitation. Federal funds could never account for more than one-half of the funds spent by a candidate. Based on the successful provision for federal funding of Presidential candidates, matching funding for Congressional candidates would not start until the Congressional elections of 1978, to avoid the possibility of injecting confusion into this year's races.

Public financing of campaigns was upheld by the Supreme Court in *Buckley* v. *Valeo*. The Court accepted the strong arguments in favor of public financing of presidential campaigns. Surely the same arguments support the constitutionality of public financing of Congressional campaigns.

Public financing of Congressional campaigns will serve three salutory purposes. First, it will release candidates from the stranglehold which fat cat and special interest contributors often have on them. The practice of exchanging commitments on specific issues for large cash contributors can be put to an end. Candiates will have to seek support from the people in their district, not just to those who might give large contributions. Second, public fundng can relieve some of the burden of raising funds. Congressional candidates frequently complain about the amount of time they must spend in raising money. Time spent in this way is time taken from discussing the issues with the voters. By reducing the need to raise funds, public funding can refocus campaigns on the crucial issues of the day. Third, public funding, tied as it is to limitations on expenditures, can equalize the amount spent by each candidate for office. If all the candidates in a particular race for Congress accept federal funds, all will be subject to the same spending limitation. Although candidates will still have the option of refusing federal money and spending unlimited amounts to seek election, this system of federal matching funds provides a strong incentive to accede to limitations on expenditures.

We strongly urge you to support the Burton public financing amendment to H.R. 12406.

Sincerely yours,

JOAN CLAYBROOK.

SUPPORT FOR THE FEDERAL ELECTION CAMPAIGN ACT AND PUBLIC FINANCING

STEELWORKERS LEGISLATIVE APPEAL,
Washington, D.C., March 31, 1976.

We urge your support for HR–12406, the Federal Election Campaign Act Amendments as reported by the House Administration Committee, and for the Burton amendment to provide public financing of congressional campaigns.

In addition to reconstituting the Federal Election Commission, the impact of the committee bill is the equalization of treatment of corporate and union political activities, the prevention of employer macing, and the strengthening of FEC procedures as necessary to make its regulatory function effective. It is appropriate that Congress address those issues in conjunction with the reconstitution of the Commission, and we oppose all amendments designed to weaken or strike those important sections.

Furthermore, we strongly oppose any provisions similar to the so-called Packwood amendment which are specifically designed to cripple local union political activities through onerous and discriminatory reporting requirements.

The committee bill would breathe new life into a key component of Congress' most recent political reform effort, as well as establish important new reforms. But Congress must realize that true, comprehensive reform will not be possible until we begin to lessen the importance of private money in the political process. That is the thrust of the Burton amendment to establish public financing of congressional elections, and we urge your support of it.

COMMON CAUSE,
Washington, D.C., March 23, 1976.

DEAR REPRESENTATIVE: When the House considers H.R. 12406, Representative Philip Burton will introduce an amendment to provide for public financing of Congressional campaigns. We strongly urge your support for this key proposal.

The Burton amendment is essentially the same legislation cosponsored in this Congress by more than 200 House Members. It is also very similar to the public financing proposal debated and narrowly defeated by the House in 1974. In the last Congress, the Senate twice passed a comprehensive Congressional public financing measure.

The absence of Congressional public financing is the vital missing link in our campaign finance laws. In upholding the constitutionality of Presidential public financing, the Supreme Court said, ". . . Congress was legislating for the general welfare—to reduce the deleterious influence of large contributions on our political process, to facilitate communication by candidates with the electorate, and to free candidates of the rigors of fundraising." The same arguments hold true for Congressional public financing.

Recent Common Cause studies have revealed the dangerous growth of special interest money in Congressional campaigns. When Congress in 1974 provided public financing for Presidential races, one might have predicted a marked increase in the special interest money flowing to Congressional races—and that is precisely what is going to happen. As of January 1976, special interest groups already had $16 million cash on hand, more than 40 percent above the amount held at a similar stage in 1974.

It is essential that we move to a system of financing Congressional campaigns that is less dependent on special interest money, and more dependent on small private donations. Public financing is the means of accomplishing that transition. The Burton proposal would establish a matching system for Congressional candidates in the general election. Candidates could not receive public funds unless they were able to raise a threshold amount of small contributions. There would be an overall limit on the total amount of public funds that could go to candidates in any one race. Public funds would be matched against small private contributions of up to $100 each. The public funds could only be derived from voluntary funds checked off by taxpayers on their income tax returns.

The evidence to date clearly establishes that the matching system is working well at the Presidential level. Adoption of the Burton amendment would provide the same historic breakthrough for Congressional campaign financing that the 1974 Act has provided for Presidential campaign financing. We urge you to vote for this crucial legislation.

Sincerely,

JOHN W. GARDNER,
Chairman.

PREFERENTIAL MOTION OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. BAUMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. BAUMAN. Mr. Chairman, I have a great deal of affection and respect for the gentleman from California (Mr. PHILLIP BURTON), who has offered this amendment. I certainly admire his use of power and his ability to present his case as he has in this instance in his usual articulate manner.

I sympathize with his desire to provide public funding to enhance the ranks on his side of the aisle. Two-thirds of the membership is really not enough to do what he wants to do in the House of Representatives, apparently. I must say that I think he does a political disservice to the Members on his side of the aisle, particularly those in marginal districts. How can they go home and explain a vote for this amendment?

Mr. Chairman, this Congress has raised its own salaries, has tied its pay to the cost-of-living index, has increased the number of its staff, has increased its stationery allowance 24 percent, has increased its district office allowance 43 percent and has increased its telecommunications allowance. Its office staff allowance has been increased, in overall funding, by $32,000 per office. It has increased the number of office staff members from 16 to 18. It has given itself two newsletters annually, which cost $5,000 to print.

Mr. THOMPSON. Mr. Chairman, if the gentleman will yield, I wonder whether he has used all of that himself?

Mr. BAUMAN. No, this gentleman has turned back many of these allowances the gentleman from New Jersey has made possible.

Mr. THOMPSON. I thank the gentleman.

Mr. BAUMAN. Mr. Chairman, all of these additional allowances added together mean that in 2 years the cost of maintaining one Member of Congress has gone from $376,000 to $488,000, up 30 percent. In the last 20 years, while the United States has increased its population only 30 percent, the dollar has gone down in value 83 percent, and the cost of running the Congress has increased by about 560 percent. And now we come to the Burton amendment.

Mr. Chairman, in my calculation, if this amendment is adopted, we will be subtracting from the Treasury every 2 years $30,550,000 if there are just two congressional candidates who qualify in each district. There will probably be at least three or four candidates who qualify in each district so that we can add to that an additional sum, as well as funding for elections in the other body.

I think it will be difficult for any of us to go back and explain to our constituencies why we were willing to vote ourselves campaign funds on top of what we already have received. We have gone literally from the ballot box to the cash box, and it will be the congressional hand that will be in that cash box if this amendment passes.

Mr. Chairman, I regret that the gentleman from California (Mr. PHILLIP BURTON) has seen fit to offer this amendment and I urge its rejection.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield

Mr. BAUMAN. I yield to the distinguished gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I thank the gentleman for yielding.

As the gentleman well knows, this bill is drafted in such a manner that it cannot be considered to be self-serving. No incumbent Member of this House can receive $1 of that matching money until the electorate decides to send that money back. We are not changing the rules in any way.

Mr. BAUMAN. Mr. Chairman, one of the country newspapers on the Eastern Shore of Maryland, the Talbot Banner of Easton, Md., the other day summed up my view, as follows:

> In our view, the spectacle of a small army of presidential candidates running around the country on the taxpayer's dollar in this election year has soured the public already to the concept of Federal financing of political campaigns. The thought of an even larger army of subsidized congressional candidates is, frankly, nauseating.

Mr. Chairman, this is not just the Burton amendment, it is the nauseating amendment.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the other distinguished gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I would only say this: If the public is so fed up, why are the checkoff moneys in the Treasury for the 1975 taxes double the estimates?

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

It was said that about 30 percent of the public checkoff, and it does not cost any of them a single dime. This means that 70 percent of the public do not want the "dumb" thing.

Mr. JOHN L. BURTON. If the gentleman will yield further, it is up double what it was, as everybody knows.

Mr. BAUMAN. Mr. Chairman, I hope both amendments are soundly defeated.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the preferential motion offered by the gentleman from Maryland (Mr. BAUMAN) to strike the enacting clause.

Mr. Chairman, I almost never head the horoscopes, but last night I happened to turn to that page and read my horoscope for today and it said, "You had better stay in bed."

You know, I had this thing defeated and then my friend the gentleman from Maryland (Mr. BAUMAN) had to get up to support me. And I just beg of you, I beg of you to act like he had not talked and go ahead and vote it down.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Maryland (Mr. BAUMAN).

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. WIRTH) to the amendment offered by the gentleman from California (Mr. PHILLIP BURTON).

The question was taken; and on a division (demanded by Mr. BAUMAN), there were—ayes 74, noes 87.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. PHILLIP BURTON).

The question was taken.

RECORDED VOTE

Mr. MOORE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 121, noes 274, not voting 37, as follows:

[Roll No. 154]

AYES—121

Abzug
Adams
Ambro
Anderson, Ill.
Aspin
AuCoin
Badillo
Baucus
Bedell
Bergland
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Cochran
Cohen
Conte
Conyers
Corman
Cornell
Coughlin
Dellums
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Edgar
Edwards, Calif.
Eilberg
Fascell
Fenwick

Fisher
Florio
Foley
Fraser
Giaimo
Gilman
Green
Gude
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Heinz
Helstoski
Holtzman
Howard
Jacobs
Jordan
Kastenmeier
Keys
Koch
Krebs
Leggett
Lehman
Levitas
Lundine
McCloskey
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta

Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mottl
Neal
Nolan
Oberstar
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Rangel
Rees
Reuss
Richmond
Riegle
Rosenthal
Roush
Santini
Scheuer
Schroeder
Seiberling
Sharp
Simon
Smith, Iowa
Solarz
Spellman
Stark
Stokes
Studds
Thompson
Tsongas
Vander Veen
Waxman
Weaver
Whalen
Wirth
Wolff

NOES—274

Abdnor
Addabbo
Alexander
Allen
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.

Bennett
Bevill
Biaggi
Boggs
Bowen
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney

Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collins, Ill.
Collins, Tex.
Conable
Conlan
Cotter
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson

Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Duncan, Tenn.
Early
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Findley
Fish
Fithian
Flood
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Hagedorn
Haley
Hall
Hammerschmidt
Hansen
Harsha
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Hicks
Hightower
Hillis
Holt
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten

Kazen
Kelly
Kemp
Ketchum
LaFalce
Lagomarsino
Latta
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKay
Madden
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Minish
Mink
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nichols
Nowak
Obey
O'Brien
O'Hara
O'Neill
Passman
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Rinaldo
Risenhoover

Roberts
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis
Stephens
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Winn
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—37

Barrett
Bell
Biester
Breaux
Breckinridge
Burke, Mass.
Chisholm
Clay
Diggs
Downing, Va.
Eckhardt
Flowers
Guyer

Hayes, Ind.
Hébert
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Kindness
Krueger
Landrum
Macdonald
Meeds
Nix

Pepper
Peyser
Rodino
Sarbanes
Stanton, James V.
Stratton
Sullivan
Udall
White
Wilson, Bob
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Eckhardt for, with Mr. Krueger against.

Mr. Rodino for, with Mr. Stratton against.

Mrs. Chisholm for, with Mr. Hébert against.

Mr. Clay for, with Mr. Breaux against.

Mr. Nix for, with Mr. Burke of Massachusetts against.

Mr. **RINALDO** and Mr. **EMERY** changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. **STEIGER** of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have, with one exception, not participated in the debate on this bill; yet, I recognize I bear some of the responsibility for the fact this bill is here. I was one of those who joined as a plaintiff with former Senator McCarthy, Senator BUCKLEY, the New York Civil Liberties Union, Human Events, the Mississippi Republican Party and the Libertarian Party in bringing this suit against the Federal Election Campaign Act of 1974.

The Supreme Court decision in Buckley versus Valeo, which is the reason we have spent these days debating this bill, quite clearly and forthrightly enunciated some of the principles all of us ought to pay more attention to, but my regret is that in the debate of this bill we once again, I am afraid, are seeing the House head down the road of attempting to restrain the first amendment rights of the American people. If this bill passes in its present form, Mr. Chairman, we are once more asking for another set of plaintiffs to bring a suit against a bill passed by the Congress.

Obviously, I hope this bill does not pass in its present form. Obviously, if it does, my hope is that the President will have enough wisdom and, yes, enough courage to veto the bill. This bill is a bad bill; not just because of the reasons that are enunciated so clearly in the views expressed by the gentleman from Minnesota (Mr. FRENZEL), but let me suggest two thoughts to the Members concerned about the rights and privileges of those we have the honor to represent.

Section 109 of the bill—take a look at section 109, page 19, lines 12 through 16, and also page 26, lines 5 through 11. The Members will see in those sections an obvious restriction on the ability of an individual to freely express his or her views. That is, no investigation shall be made public; that is to say, if a candidate knows his or her opponent is under investigation, he cannot say so. That, I think, is clearly a restriction on the speech of an individual.

Section 112 of the bill on page 32, Mr. Chairman, is another inhibition. It says that if an individual independently spends, on his own, money for "the dissemination, distribution or republication, in whole or in part, of any broadcast or any written, graphic or other materials" prepared by the candidate, he can spend no more than $1,000. The Supreme Court said we cannot write such a law. If there were any one message in the Buckley versus Valeo decision, it was that we cannot—cannot, underlined—by an act of Congress inhibit the ability of the American people to spend money freely in elections.

Thus, Mr. Chairman, the motion to recommit ought to be adopted. That will give this body a chance to hold its head high, to say that we really do believe in the constitutional rights we have sworn to uphold. If the motion fails, we will have done a disservice to the Constitution, to ourselves, and to our constituents.

Mr. **HAYS** of Ohio. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto, including pro forma amendments, close in 10 minutes.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The **CHAIRMAN**. Members standing at the time the unanimous-consent request was granted will be recognized for 3⅓ minutes each.

The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. **ROUSSELOT**. Mr. Chairman, I rise in opposition to this bill. I think the debate has now convinced me thoroughly that it is bad legislation.

In January of this year, the Supreme Court held, in a significant and important decision, that the Federal Elections Commission—FEC—was unconstitutionally structured under current law for the purpose of administering Federal election financing. The Court gave Congress 30 days, and subsequently another 20 days, to restructure the FEC along prescribed constitutional lines. Regretfully, instead of acting, Congress has turned the Supreme Court decision into a field day for undoing much-needed election reform. And they have accomplished this feat—appropriately and timely enough—in the middle of a Presidential and congressional election year.

Mr. Speaker, I personally fully acknowledge the need for thorough, well-considered and thought-out amendments and improvements to the present law—reforms that will not only meet the specifications identified by the recent Supreme Court decision—but that will guarantee the proper and prudent administration of Federal elections in the future. The bill that is now being considered, however, goes wildly beyond these purposes and amounts to a shoddily prepared bag of dirty tricks.

Only the first two pages of H.R. 12406 address the task assigned by the Court of restructuring the FEC. The remaining 56 pages of the bill, more than reconstituting the Federal Elections Commission, promote the establishment of an "Incumbent Protection Agency." Among the most offensive provisions of the bill are those which:

First. Further corrode a campaign law which is already biased toward the protection of incumbents;

Second. Give special advantage to labor union political action committees while denying the rights of political expression to the vast majority of workers—70 million—in this country who are unorganized; and

Third. Make dozens of other changes which serve to weaken or otherwise negate the legitimate reforms accomplished in the 1974 act.

It is very unfortunate that this Congress, which has so self-righteously identified itself as the reform Congress, above the Watergate morality and with an anticorruption backlash, would enact such a measure which has been so craftly put together by and solely for the incumbent. They have done it without hearings or consultation with outside experts, witnesses or challengers.

In an editorial that appeared in the March 9 edition of the Washington Star, columnist James J. Kilpatrick has colorfully summed up the problems associated with the heavily biased election reform legislation and calls the whole process that brought about H.R. 12406 a "sorry performance." I include the Kilpatrick editorial at this point in the RECORD and respectfully commend it to my colleagues for their consideration:

[From the Washington Star, Mar. 9, 1976]

MAKING A POOR CAMPAIGN LAW EVEN WORSE

(By James J. Kilpatrick)

Everyone who spends time in a kitchen knows about the leftover problem. Now and then you can do something pretty good with the remains of a leftover roast. But if what you start with is leftover hash, that's what you end with, too. This is the problem Congress faces with the Federal Election Campaign Act.

In January the Supreme Court made hash of that act. Toward the end of its long opinion, the Court toyed briefly with the idea of throwing out the law altogether. Unfortunately, prudence and custom prevailed. The Court made a deferential bow to the supposed wisdom of the House and Senate, and threw the hash back in their laps.

Now a couple of short-order chefs—Wayne Hays in the House and Howard Cannon in the Senate—are doing a dirty apron job. They are about to make bad matters worse, and the lamentable prospect is that they have the votes to prevail. In the months after Watergate, Congress went through great spasms of morality; now the convulsions have subsided, and the Congress is quite itself again. Election reform is a bore.

Under the terms of the Supreme Court's opinion, the most urgent problem had to do with the Federal Election Commission that had been created by the 1974 act. Under the law, the six members were to be named by the House and Senate. No way, said the Court. The Constitution plainly vests such appointive power in the President. If the commission were to survive beyond a 30-day grace period (later extended by 20 days), the commission would have to be reconstituted.

If the Congress had wanted to proceed along rational lines, a two-page bill could have been whipped up to accomplish that aim and nothing more. Everything else could have been left for later action. But few persons ever have charged the Congress with rational behavior. Any such simple procedure would have reflected poorly on the congressional capacity for the devious.

What we have, therefore—what we had a few days ago, at least—is a 46-page bill that is technically by "Mr. Hays of Ohio," but is more truly the prose composition of Mr. Meany of the AFL–CIO. The key provision of this interesting work of art is intended to nullify an even-handed ruling of the commission pursuant to the original act. The purpose is to restore to organized labor the political clout that Mr. Meany conceives as rightfully his.

Under the original law, as the commission decreed in response to an inquiry from the Sun Oil Co., unions and corporations were to be treated equally. Unions could solicit their members for political contributions. Corporations similarly could solicit their employes.

Under the Hays-Meany revision, unions naturally could continue to solicit their members and their families, but a corporation could communicate politically only with "its stockholders and executive officers and their families." The term "executive officer" would be defined to include only those salaried persons with both policymaking and supervisory responsibilities.

The Senate Rules Committee met on a recent afternoon for what is known as a "mark-up session." Remarkably, the committee was not marking up its own bill, for it had none; it was marking up the Hays-Meany House bill, copies of which had been thoughtfully provided. Over the vehement protests of Republicans Robert Griffin and Hugh Scott, Chairman Cannon guided the steamroller down its appointed path. The Democrats had five votes, the Republicans only four, and as the old story tells us, that do make a difference.

The revised provisions represent a sorry performance by too many high-handed cooks. It is a case of hashes to hashes, and crust to crust. Scott predicts a veto if the Hays-Meany bill passes, but so much money is riding upon the commission's continued existence that a veto might well be overridden. "Making law is like making baloney," says Sen. Griffin. "It takes a strong stomach to watch either process."

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, as I have previously stated in this Committee, I am not going to move the substitute H.R. 11736, which was made in order in the rule and is therein numbered 4, for the reason that that amendment will be offered as a part of the motion to recommit.

We have come to this determination because we think it is unnecessary and wasteful of time to debate this matter twice. We think the matter can be settled in the vote on the motion to recommit.

Mr. Chairman, I do, however, want to say that this bill has 73 cosponsors, and a total of about 100 Members have signed this bill or others very much like it. It calls for a simple reconstitution of the Federal Elections Commission on a constitutional basis, as suggested by the Supreme Court. It is a 3-page bill.

What we have before us is a 58-page monster.

This bill simply does what is necessary now. It does not change the rule in the middle of the stream. It does not recodify the election code. It does not reduce the independence of the Election Commission. It does not have any self-serving Congressional favoritism in it. In fact, it does nothing except reconstitute the Election Commission, as was suggested by the administration and as was suggested by Common Cause, by the League of Women Voters and by other interested political observers.

Mr. Chairman, I think we can save ourselves lots and lots of trouble if we support the motion to recommit and vote against this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS of Ohio. Mr. Chairman, I do not propose to use the entire 3 minutes. I just want to reply briefly to the gentleman from Wisconsin (Mr. STEIGER). I do not think, really, if the Members stop to think about what he said, that he needs much reply.

Mr. Chairman, there is an old saying that politics makes strange bedfellows. That was quite a bedfull the gentleman was in bed with.

If the Members listened to what he said, he mentioned the Mississippi Democratic Party, human events, ex-Senator McCarthy was a nice fellow, he does not know where he was running from or where he was going.

If the gentleman from Wisconsin (Mr. STEIGER) and some others of the same ilk do not like this bill, he can file another lawsuit. He has lots of money, as I understand it, and I know of no better way to get rid of it than to share the wealth among lawyers. They lobbied the no-fault insurance to death over in the Senate because they thought there was not enough business for it. And if the gentleman wants to share some of his wealth with them, that is okay with me.

Mr. Chairman, I will speak to the motion to recommit at the proper time. I understand each side has 5 minutes.

I do not propose to take any more time, and I yield back the balance of my time.

Ms. ABZUG. Mr. Chairman, I rise in support of H.R. 12406—the Federal Election Campaign Amendments of 1976—a measure whose passage is vital to the political health of our country.

While we all recognize the necessity for reconstituting the Federal Election Commission, so that it can continue disbursing matching funds to Presidential candidates this year, there are a number of important reforms in this bill that go beyond the 1976 elections.

This bil would limit the proliferation of political committees by either corporations or trade unions, requiring that only one political committee—with a limitation of $5,000 per candidate—could be organized under the organization's aegis.

It should be noted that abuses in the creation of PAC's has been exclusively corporate in nature, and that these practices which were exposed in the last few years are a blight on our national political life.

In contrast the contributions of labor—particularly the AFL-CIO COPE fund have been clearly reported and tied to the trade union's identified issue—positions whch are both known and publicized to its members and the public.

Given that fact, I do find it strange that some of my colleagues are suggesting that these trade unions be required to report all their expenditures on internal communications to their own members.

I would remind my colleagues that there are no such requirements for the many lobbying groups which communicate with this Congress and their own membership.

I question why the labor movement should be required to report every phone call made or newsletter mailed, involving political issues or candidates.

In view of the inequity of this proposal, I urge my colleagues to vote against this requirement.

There are a number of other flaws in this legislation which should be corrected, if we are to produce a significant reform bill. I believe that it is not in the public interest to eliminate the requirement that candidates file reports in their own State, with the secretary of state. Citizens should have the right to easy access to this information and its storage, only in Washington, places a burden on the private citizens, journalists or organizations who wish to inspect the report.

The increase in the ceiling on cash contributions opens the door again to potential error or abuse. I favor maintenance of the $100 cash ceiling.

The special procedure for handling complaints against congressional employees promulgates a double standard of justice and should be deleted. The intent of the law is to insure fair and proper treatment—not special privilege for Members of this House and their staff.

Finally, I wish to point out the importance of coming to grips with the issue of public financing of congressional races. In 1975 over 200 Members of this House have gone on record in support of this concept, yet we have made no progress on this important issue.

The same concerns which motivated our support for public subsidization of Presidential campaigns hold true for congressional races. In fact, it is at that level where public financing would make the most difference in freeing public servants of special interest influence. There is some evidence that more corporate money is flowing into congressional races this year because of the limitations on contributions to the Presidential candidate, making it all the more important that we take action now which will at least cover the 1978 elections.

As a founder of the National Women's Political Caucus, I have watched and encouraged the efforts of women all over this country to use their leadership talent in the political arena.

One of the greatest obstacles to the emergence of more women candidates—and more minority candidates—and more youthful candidates—is the burden of financing a properly organized campaign.

Women are not part of the corporate establishment.

The woman who does not have independent means or a wealthy family is at a particular disadvantage in attempting to enter the political system—although clearly all of us who are not wealthy suffer from the fact that the cost of campaigning has become excessive for all who are not millionaires.

If we are serious in our stated commitment to opening the political process to all groups in our society then we must institute a supervised system of public financing which begins to equalize political opportunity.

I believe that this measure is not only desirable but necessary to change the climate of American public opinion. Most of you, I am sure, have noted with concern the falling off of the voter figures in recent elections and the apathetic attitude toward the political process which has become more pronounced.

The aftermath of Watergate has left the American people profoundly distrustful of politicians and wary of even the most dedicated public servants.

The restoration of confidence in our own political system requires that we make it possible for citizens to compete for office without the prerequisite of individual wealth or corporate identification. We cannot allow special interest money to continue to dominate our political life for that pattern has only served to destroy belief in our system and its leaders.

Mr. BADILLO. Mr. Chairman, within a few minutes the House will vote on the final passage of H.R. 12406, the Federal Elections Campaign Act Amendments of 1976. I shall vote for the measure—we must continue the life of the Election Commission—I shall do so with deep reluctance and disappointment.

When this legislation was first proposed I, and a number of others, thought that it represented a step in the right direction. Although by no means perfect, it was capable of improvement and a number of excellent amendments were being prepared. I was particularly impressed by the one advanced by the gentleman from California (Mr. Burton) which proposed to extend public financing to congressional elections.

The Burton proposal, originally cosponsored by more than 200 Members of the House, sought to establish a system of matching public financing for congressional general elections starting with 1978. It proposed to provide funds for candidates, not political parties, and would have limited moneys spent strictly to funds derived from voluntary dollar tax checkoffs on income tax returns. No use of general revenues was contemplated or proposed.

If stipulated that contributions to candidates of up to $100 per person would be matched by funds derived from the voluntary checkoff program; imposed overall spending limits, as well as limits on a candidate's own personal fund expenditures similar to the ceilings set in the 1974 campaign finance law; and mandated that participating candidates raise at least 10 percent of the applicable spending limit in amounts of $100 or less per contribution in order to be eligible for public funding.

It barred a candidate from receiving more than 50 percent of his or her applicable spending limit from public funds; it placed strict restrictions on the use of such funds which could be expended only for such expense items as broadcasting, air time, newspaper, magazine, and billboard advertising space, and direct mail and telephone costs.

Only funds raised after January 1 of a general election year would have been eligible for matching.

Mr. Chairman, this was a good amendment. We all know that public financing of our Presidential and congressional elections is imperative. Without such financing we can look forward to increased corruption in our political life, and a de facto disenfranchisement of our rank and file citizens as powerful and wealthy interest groups utilize their all too ample resources to elect candidates pledged to guard their interests.

The public is aware of this danger and its determination to guard against it is amply demonstrated by the overwhelming support it gave to the checkoff system of earmarking a portion of its Federal taxes for the public financing of Presidential elections. But safeguarding the integrity of Presidential elections is not enough. We must make sure that the representatives of the people on all levels of government are indeed representative. It is for this reason that we needed the Burton amendment.

Unfortunately, that amendment, although originally cosponsored by more than 200 Members, went down to defeat 121 to 274 just a few moments ago. I am deeply disturbed by this vote and believe that it constituted a disservice to all those in our Nation who trusted us in Congress to safeguard their interests and assure clean, representative politics.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. Bolling, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 12406) to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes, pursuant to House Resolution 1115, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WIGGINS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Wiggins moves to recommit the bill (H.R. 12406) to the Committee on House Administration with instructions to report the same to the House forthwith with the following amendment: Strike out all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

Section 1. The provisions of this Act may be cited as the "Federal Election Campaign Act Amendments of 1976".

FEDERAL ELECTION COMMISSION MEMBERSHIP

Sec. 2. (a) Section 310(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)(1)) is amended to read as follows:

"Sec. 310. (a)(1) There is established a commission to be known as the Federal Election Commission. The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed by the President, by and with the advice and consent of the Senate. No more than 3 members appointed by the President may be affiliated with the same political party.".

(b)(1) Subparagraph (A) and subparagraph (D) of section 310(a)(2) of the Act (2 U.S.C. 437(a)(2)(A), 437c(a)(2)(D) each are amended by striking out "of the members appointed under paragraph (1)(A)".

(2) Subparagraph (B) and subparagraph (E) of section 310(a)(2) of the Act (2 U.S.C. 437c(a)(2)(B), 437c(a)(2)(E)) each are amended by striking out "of the members appointed under paragraph (1)(B)".

(3) Subparagraph (C) and subparagraph (F) of section 310(a)(2) of such Act (2 U.S.C. 437c(a)(2)(C), 437c(a)(2)(F)) each are amended by striking out "of the members appointed under paragraph (1)(C)".

Sec. 2. (a) The terms of the persons serving as members of the Federal Election Commission upon the enactment of this Act shall terminate upon the appointment and confirmation of members of the Commission pursuant to this Act.

(b) The persons first appointed under the amendments made by the first section of this Act shall be considered to be the first appointed under section 310(a)(2) of the Act 2 U.S.C. 437(a)(2), as amended herein, for purposes of determining the length of terms of those persons and their successors.

(c) The provision of section 310(a)(3) of the Act (2 U.S.C. 437c(a)(3)) forbidding appointment to the Federal Election Commission of any person currently elected or appointed as an officer or employee in the executive, legislative, or judicial branch of the Government of the United States, shall not apply to any person appointed under the amendments made by the first section of this Act solely because such person is a member of the Commission on the date of enactment of this Act.

Sec. 3. It is the sense of Congress that the importance of the Federal Election Commission and the orderly implementation of Federal election campaign laws in this election year require that the appointments authorized by the amendments made by this Act be made as soon as possible after the enactment of this Act.

Mr. WIGGINS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion to recommit be dispensed with and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from California (Mr. Wiggins) for 5 minutes in support of his motion to recommit.

Mr. WIGGINS. Mr. Speaker, the motion to recommit contains the text of

H.R. 11736, which was introduced in this House by the gentleman from Minnesota (Mr. FRENZEL) and the gentleman from Illinois (Mr. MIKVA), along with 73 of their colleagues as cosponsors.

All the motion to recommit does is to reconstitute the Commission on a constitutional basis and no more. It is best, I believe, that this House go to conference with the Senate with a bill that works a minimum change in the law. This will, in my opinion, give the House conferees the maximum flexibility in dealing with the Senate bill.

Mr. Speaker, I want the Members to know what this body hath wrought over the last several days. It has produced a bill which makes each one of us vulnerable to the charge that we do not support an independent Election Commission, because the bill that the committee approved is clearly devastating to the independence of the Commission.

The bill which we have reported out contains a clear bias in favor of organized labor. That may not trouble some of the Members, but we are all going to have to stand up and take a position on whether we believe in fairness in our election laws. If we do, if we are going to take that position in public, then we cannot defend the bias in this bill in favor of union expenditures.

Moreover, there was little debate during our consideration of this bill in committee about the PAC language. The bill takes the position that union members belong to the union for purposes of solicitation of funds and that executives and stockholders belong to a corporation for purposes of soliciting funds. A limitation on the right to solicit is a direct affront to the right to participate in political activity. It is contrary, in my opinion, to the first amendment, and it will produce a legal challenge to the bill which the Members have supported this afternoon in committee.

Given the infirmities in the bill, given the effect it has on the independence of this Commission, and given the bias contained in the bill in favor of one strong political faction, the better part of wisdom now is simply to meet the mandate of the Supreme Court and reconstitute the Commission. That is all we should do.

If you vote for the motion to recommit, that will be the effect of your action—action, I might say, which has been supported, as the Chairman has noted, by so-called strange bedfellows, including myself, the gentleman from Illinois (Mr. MIKVA), Common Cause at one time, the League of Women Voters, and assorted others.

I have the highest regard for all of them. I only observe that it is a strange congregation assembled under the covers of one bed.

Mr. MIKVA. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Illinois.

Mr. MIKVA. Mr. Speaker, I want to say to my colleague, the gentleman from California (Mr. WIGGINS), that I supported the original bill with the gentleman from Minnesota (Mr. FRENZEL) because at that time there was great concern that we would get no Commission at all.

There has been and continues to be opposition to the Commission. I think the committee has done a good job on the bill. I think the Committee of the Whole House has done a better job. Many of the amendments supported by my colleague, the gentleman from California (Mr. WIGGINS), and the gentleman from Minnesota (Mr. FRENZEL) have been adopted, with much help from this side of the aisle. I think there is a sufficient bill here with which to go to conference.

Mr. Speaker, I intend to vote against the motion to recommit and to support the bill. I think we have a better bill than I had reason to hope was possible, and it ought to be supported.

Mr. WIGGINS. Mr. Speaker, in answer to the gentleman from Illinois (Mr. MIKVA), I can only say there was a time when the gentleman from Illinois supported the very bill which I offer without change as a motion to recommit.

Mr. Speaker, each Member's vote is going to be understood and should be understood as his personal commitment to fair and objective elections and to an independent commission to interpret the laws regulating that election. Each Member is going to be asked to stand up and be recorded in just a moment on those two issues. I trust that each Member will do the correct thing. In my judgment, that is to vote for the motion to recommit and simply reconstitute the Commission.

Mr. HAYS of Ohio. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker and Members of the House, for 3 days the House has worked on this bill. Although my views did not prevail in every instance, I think we have come out with a product which is workable and which is fair and which will permit the conferees to go to conference with a Senate bill which is, perhaps, more of a monster than this one, to use the words of someone on the other side.

Mr. Speaker, I have a great deal of respect for my friend, the gentleman from California (Mr. WIGGINS). I respect his legal judgment. He and I work amicably together in committee, and I am sorry that I have to oppose him on this.

However, he makes a big thing about an independent commission and says that all his bill does is reconstitute an independent commission.

Mr. Speaker, what his bill does is to reconstitute the part that the court threw out, that the Commission can hand out the dollars, and it leaves it totally free to do whatever it wants to do to Members of Congress.

Mr. Speaker, we can bet our bottom dollar that there will never be any supervision of the executive elections because the Commission is totally appointed by the President and will be, in my judgment, three Republicans and three House Democrats. I might say to the minority that when the situation changes next January 20, it will be perhaps three Democrats and three House Republicans, as they come out.

Mr. Speaker, do the Members believe what I am saying? Let me give some evidence. We had two Members in this House who, I believe inadvertently and unknowingly, took some corporate funds from the Gulf Oil Co. One was our colleague from Oklahoma who got $1,000. The other one was our colleague from Pennsylvania on the other side, who got $6,000.

Our colleague from Oklahoma was prosecuted on an information charge but with respect to the gentleman from Pennsylvania, they allowed the statute of limitations to run. The Deputy Attorney General, who is also from Pennsylvania and also from Pittsburgh according to the press said:

> He is a friend of mine. I could not prosecute him.

That is the kind of independent Justice Department that we have.

The gentleman says we would have an independent commission if this thing were set up and the President could appoint it and the Commission were left intact to do whatever it wanted, without any supervision, with almost no oversight, and without any restraints. Mr. Speaker, I think the people on my side know what we would be handing ourselves by doing that, and I do not think the Members on our side want to do it.

You on the minority do not want to do it because this is a shifting political scene. No one has said that a commission should be a headhunting or witch-hunting commission, it can be independent as all commissions are under legislative oversight. That is the way we have constructed this bill. I ask the Members to vote down the motion to recommit.

Mr. ANDERSON of Illinois. Mr. Speaker, I think the most honest, decent and cleanest way to deal with this whole mess at this late stage in the game—and it has been a most cynical game in my opinion—is to vote for the Frenzel substitute and put a strong and independent Federal Election Commission back on its feet.

The Supreme Court gave us a very simple task to perform back on January 30, and that was to reconstitute the Federal Election Commission so that all of the commissioners would be appointed by the President, subject to confirmation by the Senate. A bill to comply with that simple mandate was introduced on February 5 by Congressmen FRENZEL and MIKVA. It only runs three pages. On February 9, 4 days later, I introduced House Resolution 1027, an emergency rule to discharge the bill from the House Administration Committee so that this House could meet the 30-day deadline set by the Court. The Supreme Court has since extended that deadline by 20 days, and still we have failed to meet it.

The original strategy of the opponents of the FEC was to simply let that deadline lapse and shift its authority to distribute Presidential matching payments to the GAO. When that strategy came under heavy fire from the public and press, a miraculous conversion supposedly occurred somewhere on the road between here and Miami, and those who got religion turned back to the basic text of our Federal election law and began to revise and extend and extend. What finally emerged was a 58-page apocrypha. The revelatory source of these new writings is of questionable authorship. But one thing is clear: they spelled apocalypse for the Federal Election Commission, in no less than three ways. First, if they were accepted, the FEC would be virtually reduced to being an arm of the Congress—the regulators would become the captives of the regulated, contrary to our original intentions and the mandate of the Supreme Court. Second, these writings were purposely designed to be veto bait, thus furthering the cause of dooming the FEC. And third, the new devices thrown into this bill clearly invited another challenge in the courts, again jeopardizing the future existence of the FEC. In short, this bill was a triple boobytrap for the FEC.

Mr. Speaker, while we have managed somewhat in the past 2 days to clean up this bill a little, that triple boobytrap remains essentially intact. I think it is most appropriate that we should be culminating this debate on April Fool's Day because this bill is an April Fool's joke of the first magnitude if ever there was one.

But I suspect that when all is said and done, we will not have fooled the American people, and we will only have made ourselves look foolish. The joke will be on us. We have taken a very simple task and made it extremely complex. Some of the complex aspects of this bill are well intentioned, but they nevertheless contribute to the dead weight we have thrown around the neck of the FEC in this legislation. And now we are being cynically asked to throw it in the water to see if it floats.

Mr. Speaker, I would submit that at this point there is only one way to keep this package from sinking, and that is to throw off the dead weight and adopt the Frenzel substitute for a straight reconstitution of the FEC. Oh, it will be said that this would defeat the enactment of the few features of this bill which actually do make necessary improvements in the election law. But I would submit that those redeeming provisions are already in the bipartisan leadership compromise bill passed by the other body. The soundest and most expeditious way we can now insure a speedy and reasonable conference report would be to send a sturdy, bare bones bill to conference in the first place.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appear to have it.

RECORDED VOTE

Mr. WIGGINS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 246, not voting 33, as follows:

[Roll No. 155]

AYES—153

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Bafalis
Beard, Tenn.
Bennett
Bowen
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Daniel, R. W.
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Fenwick
Findley
Fish
Forsythe
Fountain
Frenzel
Frey
Goldwater
Goodling
Gradison
Grassley
Gude
Hagedorn
Hammerschmidt
Harsha
Hechler, W. Va.
Heckler, Mass.
Heinz
Hillis
Holt
Horton
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Levitas
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Pettis
Pickle
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Roberts
Robinson
Rogers
Runnels
Ruppe
Ryan
Sarasin
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Treen
Vander Jagt
Walsh
Wampler
Whitehurst
Wiggins
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOES—246

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Crane
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Haley
Hall
Hamilton
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hébert
Hefner
Helstoski
Hicks
Hightower
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Landrum
Leggett
Lehman
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McCormack
McDade
McDonald
McFall
McHugh
McKay
Madden
Maguire
Mathis
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pike
Preyer
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Russo
St Germain
Santini
Sarbanes
Satterfield
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Stephens
Stokes
Studds
Symington
Symms
Teague
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
Whalen
Whitten
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Zablocki
Zeferetti

NOT VOTING—33

Barrett
Bell
Biester
Breaux
Burke, Mass.
Chisholm
Clay
Downing, Va.
Eckhardt
Flowers
Green
Guyer
Hayes, Ind.
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Krueger
Macdonald
Meeds
Nix
Pepper
Peyser
Rodino
Stanton, James V.
Stratton
Sullivan
Udall
White
Wilson, Bob
Wilson, C. H.
Young, Ga.

The Clerk announced the following pairs:

Mr. Henderson with Mr. Charles H. Wilson of California.

Mr. Krueger with Mr. Eckhardt.

Mrs. Sullivan with Mr. Stratton.

Mr. Holland with Mrs. Chisholm.

Mr. Pepper with Mr. Burke of Massachusetts.

Mr. Barrett with Mr. Macdonald of Massachusetts.

Mr. Flowers with Mr. Nix.

Mr. Rodino with Mr. Clay.

Mr. Young of Georgia with Mr. Green.

Mr. Breaux with Mr. Udall.

Mr. White with Mr. Karth.

Mr. Hayes of Indiana with Mr. Bell.

Mr. Downing of Virginia with Mr. Biester.

Mr. Guyer with Mr. Johnson of Pennsylvania.

Mr. Peyser with Mr. Meeds.

Mr. Bob Wilson with Mr. James V. Stanton.

Mr. GOLDWATER changed his vote from "No" to "Aye."

Mr. CRANE changed his vote from "Aye" to "No."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 241, nays 155, not voting 36, as follows:

[Roll No. 156]

YEAS—241

Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Cleveland
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Jenrette
Johnson, Calif.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Landrum
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lundine
McCormack
McDade
McFall
McHugh
McKay
McKinney
Madden
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pickle
Pike
Preyer
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Stephens
Stokes
Stuckey
Studds
Symington
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Whitten
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Zablocki
Zeferetti

NAYS—155

Abdnor
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Bowen
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
Derrick
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Eshleman
Fenwick
Findley
Fish
Forsythe
Frenzel
Frey
Goldwater
Goodling
Gradison
Grassley
Hagedorn
Hammerschmidt
Hansen
Harsha
Hébert
Hechler, W. Va.
Hillis
Holt
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDonald
McEwen
Madigan
Martin
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Rousselot
Runnels
Ruppe
Ryan
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Teague
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Wiggins
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—36

Barrett
Beard, R.I.
Bell
Biester
Breaux
Burke, Mass.
Chisholm
Clay
Downing, Va.
Eckhardt
Flowers
Green
Guyer
Hayes, Ind.
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Krueger
Macdonald
Meeds
Nix
Pepper
Peyser
Rodino
Stanton, James V.
Steelman
Stratton
Sullivan
Udall
White
Wilson, Bob
Wilson, C. H.
Winn
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Burke of Massachusetts for, with Mr. Breaux against.

Mr. Green for, with Mr. Steelman against.

Mr. Charles H. Wilson of California for, with Mr. Guyer against.

Mr. Stratton for, with Mr. Henderson against.

Until further notice:

Mr. James V. Stanton with Mr. White.
Mrs. Chisholm with Mr. Bell.
Mr. Pepper with Mr. Holland.
Mr. Nix with Mr. Johnson of Pennsylvania.
Mr. Krueger with Mrs. Sullivan.
Mr. Eckhardt with Mr. Peyser.
Mr. Udall with Mr. Bob Wilson.
Mr. Rodino with Mr. Flowers.
Mr. Clay with Mr. Biester.
Mr. Barrett with Mr. Downing of Virginia.
Mr. Hayes of Indiana with Mr. Winn.
Mr. Macdonald of Massachusetts with Mr. Young of Georgia.
Mr. Karth with Mr. Meeds.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Election Campaign Act Amendments of 1976".

TITLE I—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

FEDERAL ELECTION COMMISSION MEMBERSHIP

SEC. 101. (a)(1) The second sentence of section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)(1)), as redesignated by section 105 (hereinafter in this Act referred to as the "Act"), is amended to read as follows: "The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and eight members appointed by the President of the United States, by and with the advice and consent of the Senate.".

(2) The last sentence of section 309(a)(1) of the Act (2 U.S.C. 437c(a)(1)), as redesignated by section 105, is amended to read as follows: "No more than three members of the Commission appointed under this paragraph may be affiliated with the same political party, and at least two members appointed under this paragraph shall not be affiliated with any political party.".

(b) Section 309(a)(2) of the Act (2 U.S.C. 437c(a)(2)), as redesignated by section 105, is amended to read as follows:

"(2)(A) Members of the Commission shall serve for terms of eight years, except that of the members first appointed—

"(i) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1977,

"(ii) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1979,

"(iii) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1981, and

"(iv) two of the members, not affiliated with the same political party, shall be appointed for terms ending on April 30, 1983.

"(B) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds.

"(C) Any vacancy occurring in the membership of the Commission shall be filed in the same manner as in the case of the original appointment.".

(c)(1) Section 309(b) of the Act (2 U.S.C. 437c(b)), as redesignated by section 105, is amended to read as follows:

"(b)(1) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to, this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954. The Commission shall have exclusive and primary jurisdiction with respect to the civil enforcement of such provisions.

"(2) Nothing in this Act shall be construed to limit, restrict, or diminish any investigatory, informational, oversight, supervisory, or disciplinary authority or function of the Congress or any committee of the Congress with respect to elections for Federal office.".

(2) The first sentence of section 309(c) of the Act (2 U.S.C. 437c(c)), as redesignated (c)), as redesignated by section 105, is amended by inserting immediately before the period at the end thereof the following: ", except that the affirmative vote of five members of the Commission shall be required in order for the Commission to establish guidelines for compliance with the provisions of this Act or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or for the Commission to take any action in accordance with paragraph (6), (7), (8), or (10) of section 310(a)".

(d) The last sentence of section 309(f)(1) of the Act (2 U.S.C. 437c(f)(1)), as redesignated by section 105, is amended by inserting immediately before the period the following: "without regard to the provisions of title 5, United States Code, governing appointments in the competitive service or the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates".

(e)(1) The President shall appoint members of the Federal Election Commission under section 309(a) of the Act (2 U.S.C. 437c (a)), as redesignated by section 105 and as amended by this section, as soon as practicable after the date of the enactment of this Act.

(2) The first appointments made by the President under section 309(a) of the Act (2 U.S.C. 437(a)), as redesignated by section 105 and as amended by this section, shall not be considered to be appointments to fill the unexpired terms of members serving on the Federal Election Commission on the date of the enactment of this Act.

(3) Members serving on the Federal Election Commission on the date of the enactment of this Act may continue to serve as such members until a majority of the members of the Commission are appointed and qualified under section 309(a) of the Act (2 U.S.C. 437c(a)), as redesignated by section 105 and as amended by this section. Until a majority of the members of the Commission are appointed and qualified under the amendments made by this Act, members serving on such Commission on the date of enactment of this Act may exercise only such powers and functions as are consistent with the determinations of the Supreme Court of the United States in Buckley et al. against Valeo, Secretary of the United States Senate, et al. (numbered 75-436, 75-437) January 30, 1976.

(f) The provisions of section 309(a)(3) of the Act (2 U.S.C. 437c(a)(3)), as redesignated by section 105, which prohibit any individual from being appointed as a member of the Federal Election Commission who is, at the time of his appointment, an elected or appointed officer or employee of the executive, legislative, or judicial branch of the Federal Government, shall not apply in the case of any individual serving as a member of such Commission on the date of the enactment of this Act.

(g)(1) All personnel, liabilities, contracts, property, and records determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with the functions of the Federal Election Commission under title III of the Federal Election Campaign Act of 1971 as such title existed on January 1, 1976, or under any other provision of law are transferred to the Federal Election Commission as constituted under the amendments made by this Act to the Federal Election Campaign Act of 1971.

(2)(A) Except as provided in subparagraph (B) of this paragraph, personnel engaged in functions transferred under paragraph (1) shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions.

(B) The transfer of personnel pursuant to paragraph (1) shall be without reduction in classification or compensation for one year after such transfer.

(3) All laws relating to the functions transferred under this Act shall, insofar as such laws are applicable and not amended by this Act, remains in full force and effect. All orders, determinations, rules, advisory opinions, and opinions of counsel made, issued, or granted by the Federal Election Commission before its reconstitution under the amendments made by this Act which are in effect at the time of the transfer provided by paragraph (1) shall continue in effect to the same extent as if such transfer had not occurred.

(4) The provisions of this Act shall not affect any proceeding pending before the Federal Election Commission at the time this section takes effect.

(5) No suit, action, or other proceeding commenced by or against the Federal Election Commission or any officer or employee thereof acting in his official capacity shall abate by reason of the transfer made under paragraph (1). The court before which such suit, action, or other proceeding is pending may, on motion or supplemental petition filed at any time within twelve months after the date of enactment of this Act, allow such suit, action, or other proceeding to be maintained against the Federal Election Commission if the party making the motion or filing the petition shows a necessity for the survival of the suit, action, or other proceeding to obtain a settlement of the question involved.

(6) Any reference in any other Federal law to the Federal Election Commission, or to any member or employee thereof, as such Commission existed under the Federal Election Campaign Act of 1971 before its amendment by this Act shall be held and considered to refer to the Federal Election Commission, or the members or employees thereof, as such Commission exists under the Federal Election Campaign Act of 1971 as amended by this Act.

CHANGES IN DEFINITIONS

SEC. 102. (a) Section 301(a)(2) of the Act (2 U.S.C. 431(a)(2)) is amended by striking out "held to" and inserting in lieu thereof "which has authority to".

(b) Section 301(e)(2) of the Act (2 U.S.C. 431(e)(2)) is amended by inserting "written" immediately before "contract".

(c) Section 301(e)(4) of the Act (2 U.S.C. 431(e)(4)) is amended by inserting after "purpose" the following: ", except that this paragraph shall not apply in the case of legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the employer of the individual rendering such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, nor shall this paragraph apply in the case of legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of insuring compliance with the provisions of this Act or chapter 95 or 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the employer of the individual rendering such services), but amounts paid or incurred for such legal or accounting services shall be reported in accordance with the requirements of section 304(b)".

(d) Section 301(e)(5) is amended—

(1) by striking out "or" at the end of clause (E),

(2) by inserting "or" at the end of clause (F), and

(3) by inserting after clause (F) the following new clause:

"(G) a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, but such loans—

"(i) shall be reported in accordance with the requirements of section 304(b); and

"(ii) shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors;".

(e) Section 301(e)(5) of the Act (2 U.S.C. 431(e)(5)) is amended by striking out "individual" where it appears after clause (G) and inserting in lieu thereof "person".

(f) Section 301(f)(4) of the Act (2 U.S.C. 431(f)(4)) is amended—

(1) by inserting before the semicolon in clause (B) the following: ", or partisan activity designed to encourage individuals to register to vote, or to vote, conducted by the national committee of a political party, or a subordinate committee thereof, or the State committee of a national party, but such partisan activity shall be reported in accordance with the requirements of section 304".

(2) by striking out "or" at the end of clause (F) and at the end of clause (G); and

(3) by inserting immediately after clause (H) the following new clauses:

"(I) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 320(b), but all such costs shall be reported in accordance with section 304 (b);

"(J) the payment, by any person other than a candidate or political committee, of compensation for legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for such services is a person other than the employer of the individual rending such services), other than services attributable to activities which directly further the election of a designated candidate or candidates to Federal office, or the payment for legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of insuring compliance with the provision of this title or of chapter 95 or 96 of the Internal Revenue Code of 1954 (unless the person paying for such services is a person other than the employer of the individual rendering such services). but amounts paid or incurred for such legal or accounting services shall be reported under section 304(b); or

"(K) a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, but such loan shall be reported in accordance with section 304(b);".

(g) Section 301 of the Act (2 U.S.C. 431) is amended—

(1) by striking out "and" at the end of paragraph (m);

(2) by striking out the period at the end of paragraph (n) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraph:

"(o) 'Act' means the Federal Election Campaign Act of 1971 as amended by the Federal Election Campaign Act Amendments of 1974 and the Federal Election Campaign Act Amendments of 1976.".

ORGANIZATION OF POLITICAL COMMITTEES

S53. 103. (a) Section 302(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(b)) is amended by striking out "$10" and inserting in lieu thereof "$100".

(b) Section 302(c)(2) of such Act (2 U.S.C. 432(c)(2)) is amended by striking out "$10" and inserting in lieu thereof "$100".

(c) Section 302 of the Act (2 U.S.C. 432) is amended by striking out subsection (e) and by redesignating subsection (f) as subsection (e).

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 104. (a) Section 304(a)(1) of the Act (2 U.S.C. 434(a)(1)) is amended by adding at the end of subparagraph (C) the following: "In any year in which a candidate is not on the ballot for election to Federal office, such candidate and his authorized committees shall only be required to file such reports not later than the tenth day following the close of any calendar quarter in which the candidate and his authorized committees received contributions or made expenditures, or both, the total amount of which, taken together, exceeds $5,000, and such reports shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.".

(b) Section 304(a)(2) of the Act (2 U.S.C. 434(a)(2)) is amended to read as follows:

"(2) Each treasurer of a political committee authorized by a candidate to raise contributions or make expenditures on his behalf, other than the candidate's principal campaign committee, shall file the reports required under this section with the candidates principal campaign committee.".

(c) Section 304(b) of the Act (2 U.S.C. 434 (b)) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by redesignating paragraph (13) as paragraph (14) ; and

(3) by inserting immediately after paragraph (12) the following new paragraph:

"(13) in the case of expenditures in excess of $100 by a political committee other than an authorized committee of a candidate expressly advocating the election or defeat of a clearly identified candidate, through a separate schedule (A) any information required by paragraph (9), stated in a manner which indicates whether the expenditure involved is in support of, or in opposition to, a candidate; and (B) under penalty of perjury, a certification whether such expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and".

(4) Section 304(b) of the Act (2 U.S.C. 434 (b)) is further amended by inserting immediately after paragraph (14) the following new paragraph:

"(15) when committee treasurers and candidates show that best efforts have been used to obtain and submit the information required by this subsection, they shall be deemed to be in compliance with this subsection.".

(d) Section 304(e) of the Act (2 U.S.C. 434 (e)) is amended to read as follows:

"(e)(1) Every person (other than a political committee or candidate) who makes contributions or expenditures expressly advocating the election or defeat of a clearly identified candidate, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission, on a form prepared by the Commission, a statement containing the information required of a person who makes a contribution in excess of $100 to a candidate or political committee and the information required of a candidate or political committee receiving such a contribution.

"(2) A corporation, labor organization, or other membership organization which explicitly advocates the election or defeat of a clearly identified candidate through a communication with its stockholders or members or their families shall, notwithstanding the provisions of section 301(f)(4)(C), report such expenditures in excess of $1,000 per candidate per election under paragraph (1) to the extent that they are directly attributable to such communications.

"(3) Any person who makes a contribution in response to a solicitation under section 321(b)(3)(B) which, when added to all other contributions made by him to the same recipient during the calendar year, exceeds $100 shall report to the recipient the total amount of such contributions made to such recipient for that year. Paragraph (4) does not apply to reports under this paragraph.

"(4) Statements required by this subsection shall be filed on the dates on which reports by political committees are filed. Such statements shall include (A) the information required by subsection (b)(9), stated in a manner indicating whether the contribution or expenditure is in support of, or opposition to, the candidate; and (B) under penalty of perjury, a certification whether such expenditure is made in cooperation, consultation, or concert, with, or at the request or suggesting of, any candidate or any authorized committee or agent of such candidate. Any expenditure, including but not limited to those described in subsection (b)(13), of $1,000 or more made after the fifteenth day, but more than forty-eight hours, before any election shall be reported within forty-eight hours of such expenditure.

"(5) The Commission shall be responsible for expeditiously preparing indices which set forth, on a candidate-by-candidate basis, all expenditures separately, including but not limited to those reported under subsection (b)(13), made with respect to each candidate, as reported under this subsection, and for periodically issuing such indices on a timely preelection basis.".

REPORTS BY CERTAIN PERSONS

SEC. 105. Title III of the Act (2 U.S.C. 431–441) is amended by striking out section 308 thereof (2 U.S.C. 437a) and by redesignating section 309 through section 321 as section 308 through section 320, respectively.

POWERS OF COMMISSION

SEC. 106. (a) Section 310(a) of the Act (2 U.S.C. 437(a)), as redesignated by section 105, is amended—

(1) in paragraph (8) thereof, by inserting "develop such prescribed forms and to" immediately before "make", and by inserting immediately after "Act" the following: "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954";

(2) in paragraph (9) thereof, by striking out "and sections 608" and all that follows through "States Code" and inserting in lieu thereof "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954"; and

(3) by striking out paragraph (10) and redesignating paragraph (11) as paragraph (10).

(b)(1) Section 310(a)(6) of the Act (2 U.S.C. 437d(a)(6)), as redesignated by section 105, is amended to read as follows:

"(6) to initiate (through civil actions for injunctive, declaratory, or other appropriate relief), defend (in the case of any civil action brought under section 313(a)(9)), or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954, through its general counsel;".

(2) Section 310 of the Act (2 U.S.C. 437d), as redesignated by section 105, is amended by adding at the end thereof the following new subsection:

"(e) Except as provided in section 313(a)(9), the power of the Commission to initiate civil actions under subsection (a)(6) shall be the exclusive civil remedy for the enforcement of the provisions of this Act.".

ENFORCEMENT

SEC. 107. Section 313 of the Act (2 U.S.C. 437g), as redesignated by section 105, is amended to read as follows:

"ENFORCEMENT

"SEC. 313. (a)(1) Any person who believes a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, has occurred may file a complaint with the Commission. Such complaint shall be in writing, shall be signed and sworn to by the person filing such complaint, and shall be notarized. Any person filing such a complaint shall be subject to the provisions of section 1001 of title 18, United States Code. The Commission may not conduct any investigation under this section, or take any other action under this section, solely on the basis of a complaint of a person whose identity is not disclosed to the Commission.

"(2) The Commission, upon receiving a complaint under paragraph (1), or if it has reason to believe that any person has committed a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, shall notify the person involved of such alleged violation and shall make an investigation of such alleged violation in accordance with the provisions of this section.

"(3) Any investigation under paragraph (2) shall be conducted expeditiously and shall include an investigation, conducted in accordance with the provisions of this section, of reports and statements filed by any complainant under this title, if such complainant is a candidate. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(4) The Commission shall afford any person who receives notice of an alleged violation under paragraph (2) a reasonable opportunity to demonstrate that no action should be taken against such person by the Commission under this Act.

"(5)(A) If the Commission determines that there is reason to believe that any person has committed or is about to commit a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the Commission shall make every endeavor to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved. A conciliation agreement, unless violated, shall constitute an absolute bar to any further action by the Commission with respect to the violation which is the subject of the agreement, including bringing a civil proceeding under paragraph (B) of this section.

"(B) If the Commission is unable to correct or prevent any such violation by such informal methods, the Commission may, if the Commission determines there is probable cause to believe that a violation has occurred or is about to occur, institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, in the district court of the United States for the district in which the person against whom such action is found, resides, or transacts business.

"(C) In any civil action instituted by the Commission under paragraph (B), the court shall grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, upon a proper showing that the person involved has engaged or is about to engage in a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

"(D) If the Commission determines that there is probable cause to believe that a knowing and willful violation under section 328(a), or a knowing and willful violation of a provision of chapter 95 or 96 of the Internal Revenue Code of 1954, has occurred or is about to occur, it may refer such apparent violation to the Attorney General of the United States without regard to the limitations set forth in subparagraph (A) of this paragraph.

"(6) (A) If the Commission believes that there is clear and convincing proof that a knowing and willful violation of the Act or chapter 95 or 96 of the Internal Revenue Code of 1954 has been committed, any conciliation agreement entered into by the Commission under paragraph (5) (A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which does not exceed the greater of (i) $10,000; or (ii) an amount equal to 300 percent of the amount of any contribution or expenditure involved in such violation.

"(B) If the Commission believes that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has been committed, a conciliation agreement entered into by the Commission under paragraph (5) (A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which does not exceed the greater of (i) $5,000; or (ii) an amount equal to the amount of the contribution or expenditure involved in such violation.

"(7) The Commission shall make available to the public the results of any conciliation attempt, including any conciliation agreement entered into by the Commission, and any determination by the Commission that no violation of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1954 has occurred.

"(8) In any civil action for relief instituted by the Commission under paragraph (5), if the court determines that the Commission has established through clear and convincing proof that the person involved in such civil action has committed a knowing and willful violation of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1954, the court may impose a civil penalty of not more than the greater of (A) $10,000; or (B) an amount equal to 300 percent of the contribution or expenditure involved in such violation. In any case in which such person has entered into a conciliation agreement with the Commission under paragraph (5) (A), the Commission may institute a civil action for relief under paragraph (5) if it believes that such person has violated any provision of such conciliation agreement. In order for the Commission to obtain relief in any such civil action, it shall be sufficient for the Commission to establish that such person has violated, in whole or in part, any requirement of such conciliation agreement.

"(9) In any action brought under paragraph (5) or paragraph (8) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(10) (A) Any party aggrieved by an order of the Commission dismissing a complaint filed by such party under paragraph (1), or by a failure on the part of the Commission to act on such complaint in accordance with the provisions of this section within ninety days after the filing of such complaint, may file a petition with the United States District Court for the District of Columbia.

"(B) The filing of any action under subparagraph (A) shall be made—

"(i) in the case of the dismissal of a complaint by the Commission, no later than sixty days after such dismissal; or

"(ii) in the case of a failure on the part of the Commission to act on such complaint, no later than sixty days after the ninety-day period specified in subparagraph (A).

"(C) In such proceeding the court may declare that the dismissal of the complaint or the action, or the failure to act, is contrary to law and may direct the Commission to proceed in conformity with that declaration within thirty days, failing which the complainant may bring in his own name a civil action to remedy the violation complained of.

"(11) The judgment of the district court may be appealed to the court of appeals and the judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(12) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 314).

"(13) If the Commission determines after an investigation that any person has violated an order of the court entered in a proceeding brought under paragraph (5), it may petition the court for an order to adjudicate that person in civil contempt, or, if it believes the violation to be knowing and willful, it may instead petition the court for an order to adjudicate that person in criminal contempt.

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than sixty days after the date the Commission refers any apparent violation, and at the close of every thirty-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.".

PROHIBITION ON CONVERSION OF CONTRIBUTIONS TO PERSONAL USE

Sec. 107A. Section 317 of the Act (2 U.S.C. 439a) is amended by inserting after "other lawful purpose" the following: ", except that no such amount may be converted to any personal use".

DUTIES OF COMMISSION

Sec. 108. (a) Section 315(a) (6) of the Act (2 U.S.C. 438(a) (6)), as redesignated by section 105, is amended by inserting immediately before the semicolon at the end thereof the following: ", and to compile and maintain a separate cumulative index of reports and statements filed with it by political committees supporting more than one candidate, which shall include a listing of the date of the registration of any such political committee and the date upon which any such political committee qualifies to make expenditures under section 320, and which shall be revised on the same basis and at the same time as the other cumulative indices required under this paragraph".

(b) Section 315(c) (2) of the Act (2 U.S.C. 438(c) (2)), as redesignated by section 105, is amended by striking out "30 legislative days" in the first sentence and inserting in lieu thereof the following: "30 calendar days or 15 legislative days, whichever is later,".

ADDITIONAL ENFORCEMENT AUTHORITY

Sec. 109. Section 407 of the Act (2 U.S.C. 456) is repealed.

CONTRIBUTION AND EXPENDITURE LIMITATIONS; OTHER LIMITATIONS

Sec. 110. Title III of the Act (2 U.S.C. 431–441) is amended—

(1) by inserting "(a)" before "No" in section 318 (2 U.S.C. 439b), as redesignated by section 105 of this Act;

(2) by adding the following new subsection at the end of section 318 (2 U.S.C. 439b), as redesignated by section 105 of this Act:

"(b) Notwithstanding any other provision of law, no Senator, Representative, Resident Commissioner, or Delegate shall mail as franked mail under section 3210 of title 39, United States Code, any general mass mailing when such mailing is mailed at or delivered to any postal facility less than sixty days prior to the date of any primary or general election in which such Senator, Representative, Resident Commissioner, or Delegate is a candidate for Federal office. For purposes of this subsection the term 'general mass mailing' means newsletters and similar mailings of more than five hundred pieces the content of which is substantially identical and which are mailed to or delivered to any postal facility at the same time or several different times.";

(3) by striking out section 320 (2 U.S.C. 441), as redesignated by section 105 of this Act; and

(4) by inserting after section 319 (2 U.S.C. 439c), as redesignated by such section 105, the following new sections:

"LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

"Sec. 320. (a) (1) No person shall make contributions—

"(A) to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $1,000;

"(B) to any political committee established and maintained by a political party, which is not the authorized political committee of any candidate, in any calendar year which, in the aggregate, exceed $25,000; or

"(C) to any other political committee in any calendar year which, in the aggregate, exceed $5,000.

"(2) No multi-candidate political committee shall make contributions—

"(A) to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $5,000;

"(B) to any political committee established and maintained by a political party, which is not the authorized committee of any candidate in any calendar year, which, in the aggregate, exceed $25,000; or

"(C) to any other political committee in any calendar year which, in the aggregate, exceed $10,000.

The limitations on contributions contained in paragraph (2) do not apply to transfers between and among political committees which are national, State, district, or local committees (including any subordinate committee thereof) of the same political party. For purposes of this paragraph, the term 'multi-candidate political committee' means a political committee which has been registered under section 303 for a period of not less than six months, which has received contributions from more than fifty persons, and, except for any State political party organization, has made contributions to five or more candidates for Federal office.

"(3) For purposes of the limitations under paragraphs (1) and (2), all contributions made by political committees established, financed, maintained, or controlled by any person or persons, including any parent, subsidiary, branch, division, department, affiliate, or local unit of such person, or by any group of persons, shall be considered to have been made by a single political committee, except that (A) nothing in this sentence shall limit transfers between political committees of funds raised through joint fundraising efforts; (B) this sentence shall not apply so that contributions made by a political party through a single national committee and contributions by that party through a single State committee in each State are treated as having been made by a single political committee; and (C) a political committee of a national organization shall not be precluded from contributing to a candidate or committee merely because of its affiliation with a national multicandidate political committee which has made the maximum contribution it is permitted to make to a candidate or a committee.

"(4) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made to a candidate in a year other than the calendar year in which the election is held with respect to which such contribution was made, is considered to be made during the calendar year in which such election is held.

"(5) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate to accept contributions on his behalf shall be considered to be contributions made to such candidate;

"(B) (i) expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate;

"(ii) the financing by any person of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his campaign committees, or their authorized agents shall be considered to be an expenditure for purposes of this paragraph; and

"(C) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(6) The limitations imposed by paragraphs (1) and (2) of this subsection (other than the annual limitation on contributions to a political committee under paragraph (2) (B)) shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(7) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(b) (1) No candidate for the office of President of the United States who is eligible under section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) or under section 9033 of the Internal Revenue Code of 1954 relating to eligibility for payments) to receive payments from the Secretary of the Treasury may make expenditures in excess of —

"(A) $10,000,000, in the case of a campaign for nomination for election to such office, except the aggregate of expenditures under this subparagraph in any one State shall not exceed the greater of 16 cents multiplied by the voting age population of the State (as certified under subsection (e)), or $200,000; or

"(B) $20,000,000 in the case of a campaign for election to such office.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(c) (1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percent difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (b) and subsection (d) shall be increased by such percent difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1974.

"(d) (1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of the President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multipled by the voting age population of the State (as certified under subsection (e)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

"(e) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(f) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

"(g) The Commission shall prescribe rules under which any expenditure by a candidate for Presidential nomination for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(h) Notwithstanding any other provision of this Act, amounts totaling not more than $20,000 may be contributed to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate, by the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees.

"CONTRIBUTIONS OR EXPENDITURES BY NATIONAL BANKS, CORPORATIONS, OR LABOR ORGANIZATIONS

"SEC. 321. (a) It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, in connection with any primary election or political convention, or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section, or for any officer or any director of any corporation or any national bank or any officer of any labor organization to consent to any contribution or expenditure by the corporation, national bank, or labor organization, as the case may be, prohibited by this section.

"(b) (1) For the purposes of this section 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exist for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work. As used in this section and in section 12(h) of the Public Utility Holding Company Act (15 U.S.C. 791(h)), the phrase 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive or administrative personnel and their families, or by a labor organization aimed at its members and their families; or the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization, or by a membership organization, cooperative, or corporation without capital stock.

"(2) It shall be unlawful—

"(A) for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financal reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction;

"(B) for an employee to solicit a subordinate employee;

"(C) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee of the political purposes of such fund at the time of such solicitation; and

"(D) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee, at the time of such solicitation, of his right to refuse to so contribute without any reprisal.

"(3)(A) Except as provided in subparagraphs (B) and (C), it shall be unlawful—

"(i) for a corporation, or a separate segregated fund established by a corporation, to solicit contributions to such a fund from any person other than its stockholders and their families and its executive or administrative personnel and their families, and

"(ii) for a labor organization, or a separate segregated fund established by a labor organization, to solicit contributions to such a fund from any person other than its members and their families.

"(B) It shall not be unlawful under this section for a corporation, a labor organization, or a separate segregated fund established by such corporation or such labor organization, to make two written solicitations for contributions during the calendar year from any stockholder, officer, or employee of a corporation or the families of such persons. A solicitation under this subparagraph may be made only by mail addressed to the stockholder, officer, or employee at his residence, and shall be so designed that the corporation, labor organization, or separate segregated fund conducting such solicitation cannot determine who makes a contribution as a result of such solicitation and who does not.

"(C) This paragraph shall not prevent a membership organization, cooperative, or corporation without capital stock, or a separate segregated fund established by a membership organization, cooperative, or corporation without capital stock, from soliciting contributions to such a fund from members of such organization, cooperative, or corporation without capital stock.

"(4) Notwithstanding any other law, any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund established by a corporation, permitted to corporations, shall also be permitted to labor organizations.

"(5) Any corporation that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, that method, to a labor organization representing any members working for that corporation.

"(6) For purposes of this section, the term 'executive or administrative personnel' means individuals employed by a corporation who are paid on a salary, rather than hourly, basis and who have policymaking or supervisory responsibilities.

"(7) For purposes of this section, the term 'stockholder' includes any individual who has a legal or vested beneficial interest in stock, including, but not limited to, an employee of a corporation who participates in a stock bonus, stock option, or employee stock ownership plan.

"CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

"SEC. 322. (a) It shall be unlawful for any person—

"(1) who enters into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (A) the completion of performance under, or (B) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(2) knowingly to solicit any such contribution from any such person for any such purpose during any such period.

"(b) This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 321 prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund. Each specific prohibition, allowance, and duty applicable to a corporation, labor organization, or separate segregated fund under section 321 applies to a corporation, labor organization, or separate segregated fund to which this subsection applies.

"(c) For purposes of this section, the term 'labor organization' has the meaning given it by section 321.

"PUBLICATION OR DISTRIBUTION OF POLITICAL STATEMENTS

"SEC. 323. Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate through broadcasting stations, newspapers, magazines, outdoor advertising facilities, direct mails, and other similar types of general public political advertising, such communication—

"(1) if authorized by a candidate, his authorized political committees or their agents, shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that the communication has been authorized; or

"(2) if not authorized by a candidate, his authorized, political committees, or their agents, shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that the communication is not authorized by any candidate, and state the name of the person who made or financed the expenditure for the communication, including, the case of a political committee, the name of any affiliated or connected organization required to be disclosed under section 303(b)(2).

"CONTRIBUTIONS BY FOREIGN NATIONALS

"SEC. 324. (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

"(b) As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

"PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

"SEC. 325. No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

"LIMITATION ON CONTRIBUTION OF CURRENCY

"SEC. 326. No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

"FRAUDULENT MISREPRESENTATION OF CAMPAIGN AUTHORITY

"SEC. 327. No person who is a candidate for Federal office or an employee or agent of such a candidate shall—

"(1) fraudulently misrepresent himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly to participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).

"PENALTY FOR VIOLATIONS

"SEC. 328. (a) Any person, following the enactment of this section, who knowingly and willfully commits a violation of any provision or provisions of this Act which involves the making, receiving, or reporting of any contribution or expenditure having a value in the aggregate of $1,000 or more during a calendar year shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of any contribution or expenditure involved in such violation, imprisoned for not more than one year, or both. A willful and knowing violation of section 321(b)(2), including such a violation of the provisions of such section as applicable through section 322(b), is punishable by a fine of not more than $50,000, imprisonment for not more than 2 years, or both. In the case of a knowing and willful violation of section 325 or 326, the penalties set forth in this section shall apply to a violation involving an amount having a value in the aggregate of $250 or more during a calendar year. In the case of a knowing and willful violation of section 327, the penalties set forth in this section shall apply without regard to whether the making, receiving, or reporting of a contribution or expenditure of $1,000 or more was involved.

"(b) A defendant in any criminal action brought for the violation of a provision of this Act, or of a provision of chapter 95 or 96 of the Internal Revenue Code of 1954, may introduce as evidence of his lack of knowledge of or intent to commit the offense for which the action was brought a conciliation agreement entered into between the defendant and the Commission under section 313 which specifically deals with the act or failure to act constituting such offense and which is still in effect.

"(c) In any criminal action brought for a violation of a provision of this Act, or of a provision of chapter 95 or 96 of the Internal Revenue Code of 1954, the court before which such action is brought shall take into account, in weighing the seriousness of the offense and in considering the appropriateness of the penalty to be imposed if the defendant is found guilty, whether—

"(1) the specific act or failure to act which constitutes the offense for which the action was brought is the subject of a conciliation agreement entered into between the defendant and the Commission under section 313,

"(2) the conciliation agreement is in effect, and

"(3) the defendant is, with respect to the violation for which the defense is being asserted, in compliance with the conciliation agreement.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 111. Section 319 of the Act (2 U.S.C. 439c), as redesignated by section 105, is amended by adding at the end thereof the following sentence: "There are authorized to be appropriated to the Federal Election Commission $8,000,000 for the fiscal year ending June 30, 1976, $2,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $8,000,000 for the fiscal year ending September 30, 1977.".

SAVING PROVISION

SEC. 112. Except as otherwise provided by this Act, the repeal by this Act of any section or penalty shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such section or penalty, and such section or penalty shall be treated as remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of any penalty, forfeiture, or liability.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 113. (a) Section 306(d) of the Act (2 U.S.C. 436(d)) is amended by inserting immediately after "304(a)(1)(C)," the following: "304(c),".

(b) Section 310(a)(7) of the Act (2 U.S.C. 437d(a)(7)), as redesignated by section 105, is amended by striking out "313" and inserting in lieu thereof "312".

(c)(1) Section 9002(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a)(1)" and inserting in lieu thereof "309(a)(1)".

(2) Section 9032(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a)(1)" and inserting in lieu thereof "309(a)(1)".

(d)(1) Section 301(e)(5)(F) of the Act (2 U.S.C. 431(e)(5)(F)) is amended by striking out "the last paragraph of section 610 of title 18, United States Code" and inserting in lieu thereof "section 321(b)".

(2) Section 301(f)(4)(H) of the Act (2 U.S.C. 431(f)(4)(H)) is amended by striking out "the first paragraph of section 610 of title 18, United States Code" and inserting in lieu thereof "section 321(b)".

(e) Section 314(a) of the Act (2 U.S.C. 437h(a)), as redesignated by section 105, is amended by striking out "or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code" in the first sentence of such section and by striking out "or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code" in the second sentence of such subsection.

(f)(1) Section 406(a) of the Act (2 U.S.C. 455(a)) is amended by striking out "or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code".

(2) Section 406(b) of the Act (2 U.S.C. 455(b)) is amended by striking out "or section 608, 610, 611, or 613 of title 18, United States Code,".

(g) Section 591 of title 18, United States Code, is amended—

(1) by striking out "608(c) of this title" in subsection (f)(4)(H) and inserting in lieu thereof "section 320(b) of the Federal Election Campaign Act of 1971";

(2) by striking out "by section 608(b)(2) of this title" in subsection (f)(4)(I) and inserting in lieu thereof "under section 320(a)(2) of the Federal Election Campaign Act of 1971"; and

(3) by striking out "310(a)" in subsection (k) and inserting in lieu thereof "309(a)".

TITLE II—AMENDMENTS TO TITLE 18, UNITED STATES CODE

REPEAL OF CERTAIN PROVISIONS

SEC. 201. (a) Chapter 29 of title 18, United States Code, is amended by striking out sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

(b) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the items relating to sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

TITLE III—AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

ENTITLEMENT OF ELIGIBLE CANDIDATES FOR PAYMENTS

SEC. 301. (a) Section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended by adding at the end thereof the following new subsections:

"(d) EXPENDITURES FROM PERSONAL FUNDS.—In order to be eligible to receive any payment under section 9006, the candidate of a major, minor, or new party in a Presidential election shall certify to the Commission, under penalty of perjury, that such candidate shall not knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for election to the office of President in excess of, in the aggregate, $50,000.

"(e) DEFINITION OF IMMEDIATE FAMILY.—For purposes of subsection (d), the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons.".

(b) For purposes of applying section 9004(d) of the Internal Revenue Code of 1954, as amended by subsection (a), expenditures made by an individual after January 29, 1976, and before the date of enactment of this Act shall not be taken into account.

PAYMENTS TO ELIGIBLE CANDIDATES

SEC. 302. Section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) is amended by striking out subsection (b) thereof and by redesignating subsection (c) and subsection (d) as subsection (b) and subsection (c), respectively.

REVIEW OF REGULATIONS

SEC. 303. (a) Section 9009(c)(2) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended by striking out "30 legislative days" and inserting in lieu thereof the following: "30 calendar days or 15 legislative days, whichever is later,".

(b) Section 9039(c)(2) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended by striking out "30 legislative days" and inserting in lieu thereof the following: "30 calendar days or 15 legislative days, whichever is later,".

ELIGIBILITY FOR PAYMENTS

SEC. 304. Section 9033(b)(1) of the Internal Revenue Code of 1954 (relating to expense limitation; declaration of intent; minimum contributions) is amended by striking out "limitation" and inserting in lieu thereof "limitations".

QUALIFIED CAMPAIGN EXPENSE LIMITATION

SEC. 305. (a) Section 9035 of the Internal Revenue Code of 1954 (relating to qualified campaign expense limitation) is amended—

(1) in the heading thereof, by striking out "LIMITATION" and inserting in lieu thereof "LIMITATIONS";

(2) by inserting "(a) EXPENDITURE LIMITATION.—" immediately before "No candidate";

(3) by inserting immediately after "States Code" the following: ", and no candidate shall knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000"; and

(4) by adding at the end thereof the following new subsection:

"(b) DEFINITION OF IMMEDIATE FAMILY.—For purposes of this section, the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons.".

(b) The table of sections for chapter 96 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 9530 and inserting in lieu thereof the following new item:

"Sec. 9035. Qualified campaign expense limitations.".

(c) For purposes of applying section 9035(a) of the Internal Revenue Code of 1954, as amended by subsection (a), expenditures made by an individual after January 29, 1976, and before the date of enactment of this Act shall not be taken into account.

TERMINATION OF PAYMENTS FOR LACK OF DEMONSTRABLE SUPPORT

SEC. 306. Section 9037 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates in primary campaigns) is amended by adding at the end thereof the following new subsection:

"(c) TERMINATION OF PAYMENTS FOR LACK OF DEMONSTRABLE SUPPORT.—

"(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, no payment shall be made under this chapter to any candidate more than 30 days after the date of the second consecutive primary election in which such candidate receives less than 10 percent of the number of votes cast for all candidates of the same party for the same office in such primary election if the candidate permitted or authorized the appearance of his name on the ballot unless the candidate certifies to the Commission that he will not be an active candidate in the primary.

If the primary elections are held in more than one State on the same date, a candidate shall, for purposes of this subsection, be treated as receiving that percentage of the votes on that date which he received in the primary election conducted on such date in which he received the greatest percentage vote. The provisions of this section shall apply as of the date of enactment of the Federal Election Campaign Act Amendments of 1976.

"(2) REINSTATEMENT OF PAYMENTS.—Notwithstanding the provisions of paragraph (1), a candidate whose payments have been terminated under paragraph (1) may again receive payments (including amounts he would have received but for paragraph (1)) if he receives 20 percent or more of the total number of votes cast for candidates of the same party in a primary election held after the date on which the election was held which was the basis for terminating payments to him.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 307. (a) Section 9008(b)(5) of the Internal Revenue Code of 1954 (relating to adjustment of entitlements) is amended—

(1) by striking out "section 608(c) and section 608(f) of title 18, United States Code," and inserting in lieu thereof "section 320(b) and section 320(d) of the Federal Election Campaign Act of 1971"; and

(2) by striking out "section 608(d) of such title" and inserting in lieu thereof "section 302(c) of such Act".

(b) Section 9008(d) of the Internal Revenue Code of 1954 (relating to limitation of expenditures) is amended by adding at the end thereof the following new paragraph:

"(4) PROVISION OF LEGAL AND ACCOUNTING SERVICES.—For purposes of this section, the payment by any person, including the national committee of a political party (unless the person paying for such services is a person other than the employer of the individual rendering such services, of compensation to any individual for legal or accounting services rendered to or on behalf of the national committee of a political party shall not be treated as an expenditure made by or on behalf of such committee with respect to its limitations on Presidential nominating convention expenses.".

(c) Section 9034(b) of the Internal Revenue Code of 1954 (relating to limitations) is amended by striking out "section 608(c)(1)(A) of title 18, United States Code," and inserting in lieu thereof "section 302(b)(1)(A) of the Federal Election Campaign Act of 1971".

(d) Section 9035(a) of the Internal Revenue Code of 1954 (relating to expenditure limitations), as so redesignated by section 305(a), is amended by striking out "section 608(c)(1)(A) of title 18, United States Code," and inserting in lieu thereof "section 320(b)(1)(A) of the Federal Election Campaign Act of 1971".

(e) Section 9004(a)(1) of the Internal Revenue Code of 1954 (relating to entitlements of eligible candidates to payments) is amended by striking out "608(c)(1)(B) of title 18, United States Code" and inserting in lieu thereof "320(b)(1)(B) of the Federal Election Campaign Act of 1971".

(f) Section 9007(b)(3) of the Internal Revenue Code of 1964 (relating to repayments) is amended by striking out "9006(d)" and inserting in lieu thereof "9006(c)".

(g) Section 9012(b)(1) of the Internal Revenue Code of 1954 (relating to contributions) is amended by striking out "9006(d)" and inserting in lieu thereof "9006(c)".

TITLE IV—COMMISSION TO STUDY PRESIDENTIAL NOMINATING PROCESS

DECLARATION OF POLICY

SEC. 401. It is hereby declared to be the policy of the United States to improve the system of nominating candidates for election to the office of the President of the United States by studying such system in a broad manner never before attempted in the two-hundred-year history of this Nation.

ESTABLISHMENT OF COMMISSION

SEC. 402. (a) There is established the Bicentennial Commission on Presidential Nominations (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty members to be appointed as follows:

(1) six members shall be appointed by the President pro tempore of the Senate, on the recommendation of the majority and minority leaders, of whom at least two shall be Members of the Senate and at least two shall be elected or appointed State officials;

(2) six members shall be appointed by the Speaker of the House of Representatives, of whom at least two shall be Members of the House and at least two shall be elected or appointed State officials;

(3) six members shall be appointed by the President; and

(4) two members shall be the chairman of the two national political parties and shall serve as ex officio members.

(c) At no time shall more than three members appointed under paragraph (1), (2), or (3) of subsection (b) be individuals who are of the same political affiliation.

(d) A vacancy in the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made, subject to the same limitations with respect to party affiliations as the original appointment.

(e) Twelve members shall constitute a quorum, but a lesser number may conduct hearings. The Chairman of the Commission shall be selected by the members from among the members, other than ex officio members.

FUNCTIONS OF THE COMMISSION

SEC. 403. (a) The Commission shall make a full and complete investigation with respect to the Presidential nominating process. Such investigation shall include but not be limited to a consideration of—

(1) the manner in which States conduct primaries for the expression of a preference for the nomination of candidates for election to the office of President of the United States and caucuses for the selection of delegates to the national nominating conventions of political parties;

(2) State laws and the rules of national political parties which govern the participation of voters and candidates in such primaries and caucuses;

(3) the financing of campaigns for the nomination of candidates for election to the office of the President of the United States;

(4) the relationship between candidates for election to the office of the President of the United States and the news media, including how candidates achieve public recognition and whether such candidates should be guaranteed access to the television media;

(5) the interrelationship of the elements described in paragraphs (1) through (4) of this section;

(6) alternative nominating systems, including but not limited to a national or regional primary system for the expression of a preference for the nomination of candidates for election to the office of President of the United States and variations on the present nominating system;

(7) the manner in which candidates are nominated for election to the office of Vice President of the United States; and

(8) the extent to which State laws and the Federal Election Campaign Act of 1971 promote or retard independent candidacies for election to the office of President.

(b) The Commission shall submit to the President and to the Congress such interim reports as it deems advisable, and not later than one year after the enactment of this title, a final report of its study and investigation based upon a full consideration of alternatives to our current Presidential nominating system, including an analysis of the strengths and weaknesses of all such alternatives studied, together with its recommendations as to the best system to establish for the 1980 Presidential elections. The Commission shall cease to exist sixty days after its final report is submitted.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 404. (a) The Commission may, in carrying out the provisions of this title, sit and act at such times and places, hold such hearings, take such testimony, request the attendance of such witnesses, administer oaths, have such printing and binding done, and commission studies by any Federal agency or executive department, as the Commission deems advisable.

(b) Per diem and mileage allowances for witnesses requested to appear under the authority conferred by this section shall be paid from funds appropriated to the Commission.

(c) Subject to such rules and regulations as may be adopted by the Commission, the chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional staff personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification in General Schedule pay rates, but at such rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

COMPENSATION OF MEMBERS

SEC. 405. (a) Members of the Commission who are otherwise employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Commission.

(b) Members of the Commission not otherwise employed by the Federal Government shall receive per diem at the maximum daily rate for GS–18 of the General Schedule when they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Commission.

TIMELINESS OF APPOINTMENTS

SEC. 406. It is the sense of the Congress that the appointments of individuals to serve as members of the Commission be completed within ninety days after the enactment of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 407. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE V—MISCELLANEOUS PROVISIONS

USE OF FRANKED MAIL BEFORE ELECTIONS

SEC. 501. Section 3210(a)(5)(D) of title 39, United States Code, is amended by striking out "28" and inserting in lieu thereof "60".

FINANCIAL DISCLOSURE OF FEDERAL OFFICERS AND EMPLOYEES

SEC. 502. (a) Each person referred to in subparagraph (b) herein shall file annually with the Comptroller General of the United States on or before Februrary 15 of each year a full and complete report of net worth as of the end of the preceding calendar year, such report to consist of a statement of assets (and of their reasonable market value) owned by him, or jointly by him and his spouse, and of liabilities owed by him, or jointly by him and his spouse, together with a full and complete statement of income for the preceding calendar year, such statement of income to consist of a list of the identity of each source of income and a list of the amount paid by each source of income to him, or jointly to him and his spouse, during the preceding calendar year, except that in lieu of such statement of income, each individual referred to in subparagraph (b) may file with the Comptroller General of the United States a copy of such person's Federal income tax report for such calendar year.

(b) The provisions of this section shall apply to any person who as an officer or employee of the United States within the executive, legislative, or judicial branch of the Government of the United States received compensation at a gross annual rate in excess of $25,000 during the year 1976 or any subsequent year. The provisions of this section also apply to any individual not described in the preceding sentence who is a candidate within the meaning of section 301(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(b)), except that the report required by subsection (a) shall be filed within thirty days after the date on which he becomes a candidate within the meaning of such section, and on each February 15 thereafter so long as he is such a candidate.

(c) The report required by this section shall be in such form and shall contain such information as the Comptroller General may prescribe in order to meet the provisions of this section. Notwithstanding any provision of law to the contrary, all reports filed under this section shall be maintained by the Comptroller General as public records, open to inspection by members of the public, and copies of such records shall be furnished upon request at a reasonable fee. Any report filed under this section shall be retained by the Comptroller General for a period of five years.

(d) All reports required hereunder shall be certified as being correct by the person filing the same and shall be duly sworn to and properly notarized.

MOTION OFFERED BY MR. HAYS OF OHIO

Mr. HAYS of Ohio. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Hays of Ohio moves to strike out all after the enacting clause of the Senate bill (S. 3065) and to insert in lieu thereof the provisions of H.R. 12406, as passed, as follows:

SHORT TITLE

Section 1. This Act may be cited as the "Federal Election Campaign Act Amendments of 1976".

TITLE I—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

FEDERAL ELECTION COMMISSION MEMBERSHIP

Sec. 101. (a)(1) The second sentence of section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 473c(a)(1)), as so redesignated by section 105, hereinafter in this Act referred to as the "Act", is amended to read as follows: "The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed by the President of the United States, by and with the advice and consent of the Senate.".

(2) The last sentence of section 309(a)(1) of the Act (2 U.S.C. 437c(a)(1)), as so redesignated by section 105, is amended to read as follows: "No more than 3 members of the Commission appointed under this paragraph may be affiliated with the same political party.".

(b) Section 309(a)(2) of the Act (2 U.S.C. 437c(a)(2)), as so redesignated by section 105, is amended to read as follows:

"(2)(A) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed—

"(i) one shall be appointed for a term of 1 year;

"(ii) one shall be appointed for a term of 2 years;

"(iii) one shall be appointed for a term of 3 years;

"(iv) one shall be appointed for a term of 4 years;

"(v) one shall be appointed for a term of 5 years; and

"(vi) one shall be appointed for a term of 6 years; as designated by the President at the time of appointment, except that of the members first appointed under this subparagraph, no member affiliated with a political party shall be appointed for a term that expires 1 year after another member affiliated with the same political party.

"(B) A member of the Commission may serve on the Commission after the expiration of his term until his successor has taken office as a member of the Commission.

"(C) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds.

"(D) Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.".

(c)(1) Section 309(a)(3) of the Act (2 U.S.C. 437c(a)(3)), as so redesignated by section 105, is amended by adding at the end thereof the following new sentences: "Members of the Commission shall not engage in any other business, vocation, or employment. Any individual who is engaging in any other business, vocation, or employment at the time such individual begins to serve as a member of the Commission shall terminate or liquidate such activity no later than 1 year after beginning to serve as such a member.".

(2) Section 309(b) of the Act (2 U.S.C. 437c(b)), as so redesignated by section 105, is amended to read as follows:

"(b)(1) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to, this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954. The Commission shall have exclusive primary jurisdiction with respect to the civil enforcement of such provisions.

"(2) Nothing in this Act shall be construed to limit, restrict, or diminish any investigatory, informational, oversight, supervisory, or disciplinary authority or function of the Congress or any committee of the Congress with respect to elections for Federal office.".

(3) The first sentence of section 309(c) of the Act (2 U.S.C. 437(c)), as so redesignated by section 105, is amended by inserting immediately before the period at the end thereof the following ", except that the affirmative vote of 4 members of the Commission shall be required in order for the Commission to establish guidelines for compliance with the provisions of this Act or with chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or for the Commission to take any action in accordance with paragraph (6), (7), (8), or (10) of section 310(a)".

(d)(1) The President shall appoint members of the Federal Election Commission under section 309(a) of the Act (2 U.S.C. 437c(a)), as so redesignated by section 105 and as amended by this section, as soon as practicable after the date of the enactment of this Act.

(2) The first appointments made by the President under section 309(a) of the Act (2 U.S.C. 437c(a)) as so redesignated by section 105 and as amended by this section, shall not be considered to be appointments to fill the unexpired terms of members serving on the Federal Election Commission on the date of the enactment of this Act.

(3) Members serving on the Federal Election Commission on the date of the enactment of this Act may continue to serve as such members until members are appointed and qualified under section 309(a) of the Act (2 U.S.C. 437c(a)), as so redesignated by section 105 and as amended by this section, except that until appointed and qualified under this Act, members serving on such Commission on such date of enactment may, beginning on March 1, 1976, exercise only such powers and functions as may be consistent with the determinations of the Supreme Court of the United States in Buckley et al. against Valeo, Secretary of the United States Senate, et al. (numbered 75-436, 75-437) (January 30, 1976).

(e) The provisions of section 309(a)(3) of the Act (2 U.S.C. 437c(a)(3)), as so redesignated by section 105, which prohibit any member of the Federal Election Commisison from being an elected or appointed officer or employee of the executive, legislative, or judicial branch of the Federal Government, shall not apply in the case of any individual serving as a member of such Commission on the date of the enactment of this Act.

CHANGES IN DEFINITIONS

Sec. 102. (a) Section 301(a)(2) of the Act (2 U.S.C. 431(a)(2)) is amended by srtiking out "held to" and inserting in lieu thereof "which has authority to".

(b) Section 301(e)(2) of the Act (2 U.S.C. 431(e)(2)) is amended by inserting "written" immediately before "contract", and by striking out "expressed or implied,".

(c)(1) Section 301(e)(4) of the Act (2 U.S.C. 431 (e)(4)) is amended by inserting immediately before the semicolon the following: ", except that this subparagraph shall not apply (A) in the case of any legal or accounting services rendered to or on behalf of the national committee of a political party, other than any legal or accounting services attributable to activity which directly furthers the election of any designated candidate to Federal office; or (B) in the case of any legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(2) Section 301(e)(5) of the Act (2 U.S.C. 431(e)(5)) is amended—

(A) in clause (E) thereof, by striking out "or" at the end thereof;

(B) in clause (F) thereof, by inserting "or" immediately after the semicolon at the end thereof; and

(C) by inserting immediately after clause (F) the following new clause:

"(G) a gift, subscription, loan, advance, or deposit of money or anything of value to a national committee of a political party or a State committee of a political party which is specifically designated for the purpose of defraying any cost incurred with respect to the construction or purchase of any office facility which is not acquired for the purpose of influencing the election of any candidate in any particular election for Federal office, except that any such gift, subscription, loan, advance, or deposit of money or anything of value, and any such cost, shall be reported in accordance with section 304(b);".

(d)(1) Section 301(f)(4) of the Act (2 U.S.C. 431(f)(4)) is amended—

(A) by striking out "or" at the end of clause (F) and at the end of clause (G);

(B) by inserting "or" immediately after the semicolon at the end of clause (H); and

(C) by inserting immediately after clause (H) the following new clause:

"(I) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 320(b), except that all such costs shall be reported in accordance with section 304(b).".

(2) Section 301(f)(4) of the Act (2 U.S.C. 431(f)(4)), as amended by paragraph (1), is further amended—

(A) by redesignating clause (F) through clause (I) as clause (G) through clause (J), respectively; and

(B) by inserting immediately after clause (E) the following new clause:

"(F) the payment, by any person other than a candidate or a political committee, of compensation for legal or accounting services rendered to or on behalf of the national committee of a political party, other than services attributable to activities which directly further the election of any designated candidate to Federal office, or by legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this Act, chapter 29 of title 18, United States Code, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954;".

(e) Section 301 of the Act (2 U.S.C. 431) is amended—

(1) in paragraph (m) thereof, by striking out "and" at the end thereof;

(2) in paragraph (n) thereof, by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(o) 'Act' means the Federal Election Campaign Act of 1971, as amended by the Federal Election Campaign Act Amendments of 1974 and the Federal Election Campaign Act Amendments of 1976;

"(p) 'independent expenditure' means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and

"(q) 'clearly identified' means (1) the name of the candidate appears; (2) a photograph or drawing of the candidate appears; or (3) the identity of the candidate is apparent by unambiguous reference.".

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 103. Section 302 of the Act (2 U.S.C. 432) is amended by striking out subsection (e) and by redesignating subsection (f) as subsection (e).

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 104. (a) Section 304(a)(1)(C) of the Act (2 U.S.C. 434(a)(1)(C) is amended by inserting immediately before the period at the end thereof the following: "except that, in any year in which a candidate is not on the ballot for election to Federal office, such candidate and his authorized committees shall only be required to file such reports not later than the tenth day following the close of any calendar quarter in which the candidate and his authorized committees received contributions or made expenditures totaling in excess of $10,000, and such reports shall be complete as of the close of such calendar quarter (except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph)".

(b) Section 304(a)(2) of the Act (2 U.S.C. 434(a)(2)) is amended to read as follows:

"(2) Each treasurer of a political committee authorized by a candidate to raise contributions or make expenditures on his behalf, other than the candidate's principal campaign committee, shall file the reports required under this section with the candidate's principal campaign committee.".

(c) Section 304(b) of the Act (2 U.S.C. 434(b)) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by redesignating paragraph (13) as paragraph (14); and

(3) by inserting immediately after paragraph (12) the following new paragraph:

"(13) in the case of an independent expenditure in excess of $100 by a political committee, other than an authorized committee of a candidate, expressly advocating the election or defeat of a clearly identified candidate, through a separate schedule; (A) any information required by paragraph (9) stated in a manner which indicates whether the independent expenditure involved is in support of, or in opposition to, a candidate; and (B) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and".

(d) Section 304(e) of the Act (2 U.S.C. 434(e)) is amended to read as follows:

"(e)(1) Every person (other than a political committee or candidate) who makes contributions or independent expenditures expressly advocating the election or defeat of a clearly identified candidate, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 during a calendar year shall file with the Commission, on a form prepared by the Commission, a statement containing the information required of a person who makes a contribution in excess of $100 to a candidate or political committee and the information required of a candidate or political committee receiving such a contribution.

"(2) Statements required by this subsection shall be filed on the dates on which reports by political committees are filed. Such statements shall include (A) the information required by subsection (b)(9), stated in a manner indicating whether the contribution or independent expenditure is in support of, or opposition to, the candidate; and (B) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate. Any independent expenditure, including those described in subsection (b)(13), of $1,000 or more made after the fifteenth day, but more than 24 hours, before any election shall be reported within 24 hours of such independent expenditure.

"(3) The Commission shall be responsible for expeditiously preparing indices which set forth, on a candidate-by-candidate bases, all expenditures separately, including those reported under subsection (b)(13), made with respect to each candidate, as reported under this subsection, and for periodically issuing such indices on a timely preelection basis.".

REPORTS BY CERTAIN PERSONS

SEC. 105. Title III of the Act (2 U.S.C. 431 et seq.) is amended by striking out section 308 thereof (2 U.S.C. 437a) and by redesignating section 309 through section 321 as section 308 through section 320 respectively.

CAMPAIGN DEPOSITORIES

SEC. 106. The second sentence of section 308(a)(1) of the Act (2 U.S.C. 347b(a)(1)), as so redesignated by section 205, is amended by striking out "a checking account" and inserting in lieu thereof "one or more checking accounts, at the discretion of any such committee,".

POWERS OF COMMISSION

SEC. 107. (a) Section 310(a) of the Act (2 U.S.C. 437(a)), as so redesignated by section 105, is amended—

(1) in paragraph (8) thereof, by inserting "develop such prescribed forms and to" immediately before "make", and by inserting immediately after "Act" the following: "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954";

(2) in paragraph (9) thereof, by striking out "and sections 608" and all that follows through "States Code" and inserting in lieu thereof "and chapter 95 and chapter 96 of the Internal Revenue Code of 1954; and"; and

(3) by striking out paragraph (10) and redesignating paragraph (11) as paragraph (10).

(b)(1) Section 310(a)(6) of the Act (2 U.S.C. 437d(a)(6)), as so redesignated by section 105, is amended to read as follows:

"(6) to initiate (through civil actions for injunctive, declaratory or other appropriate relief) defend (in the case of any civil action brought under section 313(a)(9)) or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act and chapter 95 and chapter 96 of the Internal Revenue Code of 1954, through its general counsel;".

(2) Section 310 of the Act (2 U.S.C. 437d), as so redesignated by section 105, is amended by adding at the end thereof the following new subsection:

"(e) Except as provided in section 313(a)(9), the power of the Commission to initiate civil actions under subsection (a)(6) shall be the exclusive civil remedy for the enforcement of the provisions of this Act.".

ADVISORY OPINIONS

SEC. 108. (a) Section 312(a) of the Act (2 U.S.C. 437f(a)), as so redesignated by section 105, is amended to read as follows:

"SEC. 312. (a) Upon written request to the Commission by any individual holding Federal office, any candidate for Federal office, any political committee, or the national committee of any political party, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954. No advisory opinion shall be issued by the Commission or any of its employees except in accordance with the provisions of this section.".

(b) Section 312(b) of the Act (2 U.S.C. 437(b)), as so redesignated by section 105, is amended to read as follows:

"(b)(1) Notwithstanding any other provision of law, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraph (2)(A) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

"(2)(A) Any advisory opinion rendered by the Commission under subsection (a) may be relied upon by (i) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered; and (ii) any person involved in any specific transaction or activity which is similar to the transaction or activity with respect to which such advisory opinion is rendered.

"(B)(1) The Commission shall, no later than 30 days after rendering an advisory opinion of general applicability with respect to a request received under subsection (a), transmit to the Congress proposed rules or regulations relating to the transaction or activity involved if such transaction or activity is not subject to any existing rule or regulation prescribed by the Commission.

"(ii) Any rule or regulation prescribed by the Commission under this subparagraph shall be subject to the provisions of section 315(c).".

(c) Section 315(c)(1) of the Act (2 U.S.C. 438(c)(1)), as so redesignated by section 105, is amended by inserting "or under section 312(b)(2)(B)" immediately after "under this section".

(d) The amendments made by this section shall apply to any advisory opinion rendered by the Federal Election Commission after October 15, 1974.

ENFORCEMENT

SEC. 109. Section 313 of the Act (2 U.S.C. 437g), as so redesignated by section 105, is amended to read as follows:

"ENFORCEMENT

"SEC. 313. (a)(1) Any person who believes a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, has occurred may file a complaint with the Commission. Such complaint shall be in writing, shall be signed and sworn to by the person filing such complaint, and shall be notarized. Any person filing such a complaint shall be subject to the provisions of section 1001 of title 18, United States Code. The Commission may not conduct any investigation under this section, or take any other action under this section, solely on the basis of a complaint of a person whose identity is not disclosed to the Commission.

"(2) The Commission, if it has reasonable cause to believe that any person has committed a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, shall notify the person involved of such apparent violation and shall make an investigation of such violation in accordance with the provisions of this section.

"(3)(A) Any investigation under paragraph (2) shall be conducted expeditiously and shall include an investigation, conducted in accordance with the provisions of this section, of reports and statements filed by any complainant under this title, if such complainant is a candidate.

"(B) Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), afford such person a reasonable opportunity to demonstrate that no action shall be taken against such person by the Commission under this Act.

"(5)(A) If the Commission determines that there is reasonable cause to believe that any person has committed or is about to commit a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the Commission shall make every endeavor for a period of not less than 30 days to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved, except that, if the Commission has reasonable cause to believe that—

"(i) any person has failed to file a report required to be filed under section 304(a)(1)(C) for the calendar quarter occurring immediately before the date of a general election;

"(ii) any person has failed to file a report required to be filed not later than 10 days before an election; or

"(iii) on the basis of a complaint filed less than 45 days but more than 10 days before an election, any person has committed a knowing and willful violation of this Act of chapter 95 or chapter 96 of the Internal Revenue Code of 1954;

the Commission shall make every effort, for a period of not less than one-half the number of days between the date upon which the Commission determines there is reasonable cause to believe such a violation has occurred and the date of the election involved, to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved. A conciliation agreement, unless violated, shall constitute a complete bar to any further action by the Commission, including the bringing of a civil proceeding under subparagraph (B).

"(B) If the Commission is unable to correct or prevent any such violation by such informal methods, the Commission may, if the Commission determines there is probable cause to believe that a violation has occurred or is about to occur, institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business.

"(C) In any civil action instituted by the Commission under subparagraph (B), the court shall grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty which does not exceed the greater or $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, upon a proper showing that the person involved has engaged or is about to engage in a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

"(D) If the Commission determines that there is probable cause to believe that a knowing and willful violation subject to and as defined in section 328 has occurred or is about to occur, it may refer such apparent violation to the Attorney General of the United States without regard to any limitation set forth in subparagraph (A).

"(6)(A) If the Commission believes that there is clear and convincing proof that a knowing and willful violation of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954, has been committed, any conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which shall not exceed the greater of (i) $10,000; or (ii) an amount equal to 200 percent of the amount of any contribution or expenditure involved in such violation.

"(B) If the Commission believes that a violation of this Act or of chapter 95 or Chapter 96 of the Internal Revenue Code of 1954 has been committed, a conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which does not exceed the greater of (i) $5,000; or (ii) an amount equal to the amount of the contribution or expenditure involved in such violation.

"(C) The Commission shall make available to the public (i) the results of any conciliation attempt, including any conciliation agreement entered into by the Commission; and (ii) any determination by the Commission that no violation of the Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, has occurred.

"(7) In any civil action for relief instituted by the Commission under paragraph (5), if the court determines that the Commission has established through clear and convincing proof that the person involved in such civil action has committed a knowing and willful violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the court may impose a civil penalty of not more than the greater of (A) $10,000; or (B) an amount equal to 200 percent of the contribution or expenditure involved in such violation. In any case in which such person has entered into a conciliation agreement with the Commission under paragraph (5)(A), the Commission may institute a civil action for relief under paragraph (5) if it believes that such person has violated any provision of such conciliation agreement. In order for the Commission to obtain relief in any such civil action, it shall be sufficient for the Commission to establish that such person has violated, in whole or in part, any requirement of such conciliation agreement.

"(8) In any action brought under paragraph (5) or paragraph (7), subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(9)(A) Any party aggrieved by an order of the Commission dismissing a complaint filed by such party under paragraph (1), or by a failure on the part of the Commission to act on such complaint in accordance with the provisions of this section within 90 days after the filing of such complaint, may file a petition with the United States District Court for the District of Columbia.

"(B) The filing of any petition under subparagraph (A) shall be made—

"(i) in the case of the dismissal of a complaint by the Commission, no later than 60 days after such dismissal; or

"(ii) in the case of a failure on the part of the Commission to act on such complaint, no later than 60 days after the 90-day period specified in subparagraph (A).

"(C) In any proceeding under this paragraph the court may declare that the dismissal of the complaint or the action, or the failure to act, is contrary to law and may direct the Commission to proceed in conformity with such declaration within 30 days, failing which the complainant may bring in his own name a civil action to remedy the violation involved in the original complaint.

"(10) The judgment of the district court may be appealed to the court of appeals and the judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 314).

"(12) If the Commission determines after an investigation that any person has violated an order of the court entered in a proceeding brought under paragraph (5) it may petition the court for an order to adjudicate such person in civil contempt, except that if it believes the violation to be knowing and willful it may petition the court for an order to adjudicate such person in criminal contempt.

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

"(c) Any member of the Commission, any employee of the Commission, or any other person who violates the provisions of subsection (a)(3)(B) shall be fined not more than $2,000. Any such member, employee, or other person who knowingly and willfully violates the provisions of subsection (a)(3)(B) shall be fined not more than $5,000.".

DUTIES OF COMMISSION

SEC. 110. (a)(1) Section 315(a)(6) of the Act (2 U.S.C. 438(a)(6)), as so redesignated by section 105, is amended by inserting immediately before the semicolon at the end thereof the following: ", and to compile and maintain a separate cumulative index of reports and statements filed with it by political committees supporting more than one candidate, which shall include a listing of the date of the registration of any such political committee and the date upon which any such political committee qualifies to make expenditures under section 320(a)(2), and which shall be revised on the same basis and at the same time as the other cumulative indices required under this paragraph".

(2) Section 315(a)(8) of the Act (2 U.S.C. 438(a)(8)), as so redesignated by section 105, is amended by inserting immediately before the semicolon at the end thereof the following: ", and to give priority to auditing and field investigating the verification for, and the receipt and use of, any payments received by a candidate under chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(b) Section 315(c)(2) of the Act (2 U.S.C. 438(c)(2)), as so redesignated by section 105, is amended—

(1) by inserting ", in whole or in part," immediately after "disapprove"; and

(2) by inserting immediately after the second sentence thereof the following new sentences: "Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.".

(c) Section 315 of the Act (2 U.S.C. 438), as so redesignated by section 105, is amended by adding at the end thereof the following new subsection:

"(e) In any proceeding, including any civil or criminal enforcement proceeding against any person charged with violating any provision of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, no rule, regulation, guideline, advisory opinion, opinion of counsel or any other pronouncement by the Commission or by any member, officer, or employee thereof (other than any rule or regulation of the Commission which takes effect under subsection (c)) shall be used against any person, either as having the force of law, as creating any presumption of violation or of criminal intent, or as admissible in evidence against such person, or in any other manner whatsoever.".

ADDITIONAL ENFORCEMENT AUTHORITY

SEC. 111. Section 407(a) of the Act (2 U.S.C. 456(a)) is amended by inserting immediately after "such title III," the following: "the Commission shall (1) make every endeavor for a period of not less than 30 days to correct such failure by informal methods of conference, conciliation, and persuasion; or (2) in the case of any such failure which occurs less than 45 days before the date of the election involved, make every endeavor for a period of not less than one-half the number of days between the date of such failure and the date of the election involved to correct such failure by informal methods of conference, conciliation, and persuasion, except that no action may be taken by the Commission with respect to any complaint filed with the Commission during the 5-day period immediately before an election until after the date of such election. If the Commission fails to correct such failure through such informal methods, then".

CONTRIBUTION AND EXPENDITURE LIMITATIONS; PENALTIES

SEC. 112. (a) Title III of the Act (2 U.S.C. 431 et seq.), as amended by section 105, is further amended by striking out section 320, as so redesignated by section 105, and by inserting immediately after section 319 the following new sections:

"LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

"SEC. 320. (a)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000, or to any political committee in any calendar year which exceed, in the aggregate, $1,000.

"(2) No political committee (other than a principal compaign committee) shall make contributions to (A) any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000; or (B) to any political committee in any calendar year which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office. For purposes of the limitations provided by paragraph (1) and this paragraph, all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization or any other person, or by any group of such persons, shall be considered to have been made by a single political committee, except that (A) nothing in this sentence shall limit transfers between political committees of funds raised through joint fundraising efforts; and (B) for purposes of the limitations provided by paragraph (1) and this paragraph, all contributions made by a single political committee established or financed or maintained or controlled by a national committee of a political party and by a single political committee established or financed or maintained or controlled by the State committee of a political party shall not be considered to have been made by a single political committee. In any case in which a corporation and any of its subsidiaries, branches, divisions, departments, or local units, or a labor organization and any of its subsidiaries, branches, divisions, departments or local units establish or finance or maintain or control more than one separate segregated fund, all such separate segregated funds shall be treated as a single separate segregated fund for purposes of the limitations provided by paragraph (1) and this paragraph.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made to a candidate in a year other than the calendar year in which the election is held with respect to which such contribution was made is considered to be made during the calendar year in which such election is held.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate to accept contributions on his behalf shall be considered to be contributions made to such candidate;

"(B)(i) expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents shall be considered to be a contribution to such candidate;

"(ii) the financing by any person of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his authorized political committees, or their authorized agents shall be considered to be an expenditure for purposes of this paragraph; and

"(C) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(b)(1) No candidate for the office of President of the United States who has established his eligibility under section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) or under section 9033 of the Internal Revenue Code of 1954 (relating to eligibility for payments) to receive payments from the Secretary of the Treasury or his delegate may make expenditures in excess of—

"(A) $10,000,000, in the case of a campaign for nomination for election to such office, except the aggregate of expenditures under this subparagraph in any one State shall not exceed twice the greater of 8 cents multiplied by the voting age population of the State (as certified under subsection (e)), or $100,000; or

"(B) $20,000,000, in the case of a campaign for election to such office.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a candidate for the office of Vice President, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(c) (1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (b) and subsection (d) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average over a calendar year of the Consumer of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1974.

"(d) (1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of the President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (e)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

"(e) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, 18 years of age or older.

"(f) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

"(g) The Commission shall prescribe rules under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"CONTRIBUTIONS OR EXPENDITURES BY NATIONAL BANKS, CORPORATIONS, OR LABOR ORGANIZATIONS

"SEC. 321. (a) It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, the Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section, or any officer or any director of any corporation or any national bank, or any officer of any labor organization, to consent to any contribution or expenditure by such corporation, national bank, or labor organization, as the case may be, which is prohibited by this section.

"(b) (1) For purposes of this section the term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"(2) For purposes of this section, the term 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section, but shall not include (A) communications by a corporation to its stockholders and executive officers and their families or by a labor organization to its members and their families on any subject; (B) nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive officers and their families, or by a labor organization aimed at its members and their families; and (C) the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization, except that (i) it shall be unlawful for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal, or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction; (ii) it shall be unlawful for a corporation or a separate segregated fund established by a corporation to solicit contributions from any person other than its stockholders, executive officers, and their families, for an incorporated trade association or a separate segregated fund established by an incorporated trade association to solicit contributions from any person other than the stockholders and executive officers of the member corporations of such trade association and the families of such stockholders and executive officers (to the extent that any such solicitation of such stockholders and executive officers, and their families, has been separately and specifically approved by the member corporation involved, and such member corporation has not approved any such solicitation by more than one such trade association in any calendar year, or for a labor organization or a separate segregated fund established by a labor organization to solicit contributions from any person other than its members and their families; (iii) notwithstanding any other law, any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund established by a corporation, permitted to corporations, shall also be permitted to labor organizations; and (iv) any corporation which utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available, on written request, such method to a labor organization representing any members working for such corporation.

"(3) For purposes of this section the term 'executive officer' means an individual employed by a corporation who is paid on a salary rather than hourly basis and who has policymaking or supervisory responsibilities.

"CONTRIBUTIONS BY GOVERNMENT CONTRACTORS

"SEC. 322. (a) It shall be unlawful for any person who enters—

"(1) into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (A) the completion of performance under, or (B) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(2) to solicit any such contribution from any such person for any such purpose during any such period.

"(b) This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 321 prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"(c) For purposes of this section, the term 'labor organization' has the meaning given it by section 321.

"PUBLICATION OR DISTRIBUTION OF POLITICAL STATEMENTS

"SEC. 323. Whenever any person makes an expenditure for the purpose of financing any communication expressly advocating the election or defeat of a clearly identified candidate through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or other similar type of general public political advertising, such communication—

"(1) if authorized by a candidate, his authorized political committees, or their agents, shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that such communication has been so authorized; or

"(2) if not authorized in accordance with paragraph (1), shall clearly and conspicuously, in accordance with regulations prescribed by the Commission, state that such communication is not authorized by any candidate, and state the name of the person that made or financed the expenditure for the communication, including, in the case of a political committee, the name of any affiliated or connected organization as stated in section 303(b) (2).

"CONTRIBUTIONS BY FOREIGN NATIONALS

"SEC. 324. (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or implicitly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office, or for any person to solicit, accept, or receive any such contribution from any such foreign national.

"(b) As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a) (20) of the Immigration and Nationality Act (8 U.S.C. 1101(a) (20)).

"PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

"SEC. 325. No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

"LIMITATION ON CONTRIBUTIONS OF CURRENCY

"SEC. 326. (a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

"(b) Any person who knowingly and willfully violates the provisions of this section shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of the contribution involved, imprisonment for not more than one year, or both.

"ACCEPTANCE OF EXCESSIVE HONORARIUMS

"SEC. 327. No person while an elected or appointed officer or employee of any branch of the Federal Government shall accept—

"(1) any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) honorariums (not prohibited by paragraph (1) of this section) aggregating more than $15,000 in any calendar year.

"PENALTY FOR VIOLATIONS

"SEC. 328. Any person who knowingly and willfully commits a violation of any provision or provisions of this Act, other than the provisions of section 326, which involves the making, receiving, or reporting of any contribution or expenditure having a value, in the aggregate, of $1,000 or more during a calendar year shall be fined in an amount which does not exceed the greater of $25,000 or 300 percent of the amount of any contribution or expenditure involved in such violation, imprisoned for not more than one year, or both.".

(b) Title III of the Act (2 U.S.C. 431 et seq.), as amended by section 105 and subsection (a), is further amended by inserting immediately after section 315 the following new section:

"FRAUDULENT MISREPRESENTATION OF CAMPAIGN AUTHORITY

"SEC. 316. No person, being a candidate for Federal office or an employee or agent of such a candidate shall—

"(1) fraudulently misrepresent himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).".

SAVINGS PROVISION RELATING TO REPEALED SECTIONS

SEC. 113. Title III of the Act (2 U.S.C. 431 et seq.), as amended by section 105 and section 112, is further amended by adding at the end thereof the following new section:

"SAVING PROVISION RELATING TO REPEALED SECTIONS

"SEC. 329. Except as otherwise provided by this Act, the repeal by the Federal Election Campaign Act Amendments of 1976 of any provision or penalty or penalties shall not have the effect of releasing or extinguishing any penalty, forfeiture, or liability incurred under such provision or penalty, and such provision or penalty shall be treated as remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of any penalty, forfeiture, or liability.".

PRINCIPAL CAMPAIGN COMMITTEES

SEC. 114. Section 302(e) (1) of the Act (2 U.S.C. 432(e) (1)), as so redesignated by section 103, is amended by adding at the end thereof the following new sentence: "Any occasional, isolated, or incidental support of a candidate shall not be construed as support of such candidate for purposes of the preceding sentence.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 115. (a) Section 306(d) of the Act (2 U.S.C. 436(d)) is amended by inserting immediately after "304"(a) (1) (C)," the following: "304(c),".

(b) (1) Section 310(a) (7) of the Act (2 U.S.C. 437d(a) (7)), as so redesignated by section 105, is amended by striking out "313" and inserting in lieu thereof "312".

(c) (1) Section 9002(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a) (1)" and inserting in lieu thereof "309(a) (1)".

(2) Section 9032(3) of the Internal Revenue Code of 1954 (defining Commission) is amended by striking out "310(a) (1)" and inserting in lieu thereof "309(a) (1)".

TITLE II—AMENDMENTS TO TITLE 18, UNITED STATES CODE

REPEAL OF CERTAIN PROVISIONS

SEC. 201. (a) Chapter 29 of title 18, United States Code, is amended by striking out sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

(b) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the items relating to sections 608, 610, 611, 612, 613, 614, 615, 616, and 617.

CHANGES IN DEFINITIONS

SEC. 202. (a) Section 591 of title 18, United States Code, is amended by striking out "602, 608, 610, 611, 614, 615, and 617" and insert in lieu thereof "and 602".

(b) Section 591(e) (4) of title 18, United States Code, is amended by inserting immediately before the semicolon the following: ", except that this subparagraph shall not apply (A) in the case of any legal or accounting services rendered to or on behalf of the national committee of a political party, other than any legal or accounting services attributable to any activity which directly furthers the election of any designated candidate to Federal office; or (B) in the case of any legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this chapter, the Federal Election Campaign Act of 1971, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954".

(c) Section 591(f) (4) of title 18, United States Code, is amended—

(1) by redesignating clause (F) through clause (I) as clause (G) through clause (J), respectively; and

(2) by inserting immediately after clause (E) the following new clause:

"(F) the payment, by any person other than a candidate or a political committee, of compensation for legal or accounting services rendered to or on behalf of the national committee of a political party, other than services attributable to activities which directly further the election of any designated candidate to Federal office, or for legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with the provisions of this chapter, the Federal Election Campaign Act of 1971, or chapter 95 or chapter 96 of the Internal Revenue Code of 1954;".

TITLE III—AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

SEC. 301. Section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended by adding at the end thereof the following new subsections:

"(d) EXPENDITURES FROM PERSONAL FUNDS.—In order to be eligible to receive any payment under section 9006, the candidate of a major, minor, or new party in an election for the office of President shall certify to the Commission, under penalty of perjury, that such candidate shall not knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for election to the office of President in excess of, in the aggregate, $50,000. For purposes of this subsection, expenditures from personal funds made by a candidate of a major, minor, or new party for the office of Vice President shall be considered to be expenditures by the candidate of such party for the office of President.

"(e) Definition of Immediate Family.—For purposes of subsection (d), the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.".

PAYMENTS TO ELIGIBLE CANDIDATES; INSUFFICIENT AMOUNTS IN FUND

Sec. 302. (a) Section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) is amended by striking out subsection (b) thereof and by redesignating subsection (c) and subsection (d) as subsection (a) and subsection (c), respectively.

(b) Section 9006(c) of the Internal Revenue Code of 1954 (relating to insufficient amounts in fund), as so redesignated by subsection (a), is amended by adding at the end thereof the following new sentence: "In any case in which the Secretary or his delegate determines that there are insufficient moneys in the fund to make payments under subsection (b), section 9008(b)(3), and section 9037(b), moneys shall not be made available from any other source for the purpose of making such payments.".

PROVISION OF LEGAL OR ACCOUNTING SERVICES

Sec. 303. Section 9008(d) of the Internal Revenue Code of 1954 (relating to limitation of expenditures) is amended by adding at the end thereof the following new paragraph:

"(4) Provision of Legal or Accounting Services.—For purposes of this section, the payment, by any person other than the national committee of a political party, of compensation to any person for any legal or accounting services rendered to or on behalf of the national committee of a political party shall not be treated as an expenditure made by or on behalf of such national committee with respect to the presidential nominating convention of the political party involved.".

REVIEW OF REGULATIONS

Sec. 304. (a) Section 9009(c)(2) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended—

(1) by inserting ", in whole or in part," immediately after "disapprove"; and

(2) by inserting immediately after the first sentence thereof the following new sentences: "Whenever a committee of the House of Representatives reports any resolutions relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.".

(b) Section 9039(c)(2) of the Internal Revenue Code of 1954 (relating to review of regulations) is amended—

(1) by inserting ", in whole or in part," immediately after "disapprove"; and

(2) by inserting immediately after the first sentence thereof the following new sentences: "Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.".

ELIGIBILITY FOR PAYMENTS

Sec. 305. Section 9033(b)(1) of the Internal Revenue Code of 1954 (relating to expense limitation; declaration of intent; minimum contributions) is amended by striking out "limitation" and inserting in lieu thereof "limitations".

QUALIFIED CAMPAIGN EXPENSE LIMITATION

Sec. 306. (a) Section 9035 of the Internal Revenue Code of 1954 (relating to qualified campaign expense limitation) is amended—

(1) in the heading thereof, by striking out "LIMITATION" and inserting in lieu thereof "LIMITATIONS";

(2) by inserting "(a) Expenditure Limitations.—" immediately before "No candidate";

(3) by inserting immediately after "States Code" the following: ", and no candidate shall knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000"; and

(4) by adding at the end thereof the following new subsection:

"(b) Definition of Immediate Family.—For purposes of this section, the term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.".

(b) The table of sections for chapter 96 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 9035 and inserting in lieu thereof the following new item:

"Sec. 9035. Qualified campaign expense limitations.".

RETURN OF FEDERAL MATCHING PAYMENTS

Sec. 307. (a)(1) Section 9002(2) of the Internal Revenue Code of 1954 (defining candidate) is amended by adding at the end thereof the following new sentence: "The term 'candidate' shall not include any individual who has ceased actively to seek election to the office of President of the United States or to the office of Vice President of the United States, in more than one State.".

(2) Section 9003 of the Internal Revenue Code of 1954 (relating to condition for eligibility for payments) is amended by adding at the end thereof the following new subsection:

"(d) Withdrawal by Candidate.—In any case in which an individual ceases to be a candidate as a result of the operation of the last sentence of section 9002(2), such individual—

"(1) shall no longer be eligible to receive any payments under section 9006; and

"(2) shall pay to the Secretary, as soon as practicable after the date upon which such individual ceases to be a candidate, an amount equal to the amount of payments received by such individual under section 9006 which are not used to defray qualified campaign expenses.".

(b)(1) Section 9032(2) of the Internal Revenue Code of 1954 (defining candidate) is amended by adding at the end thereof the following new sentence: "The term 'candidate' shall not include any individual who is not actively conducting campaigns in more than one State in connection with seeking nomination for election to be President of the United States.".

(2) Section 9033 of the Internal Revenue Code of 1954 (relating to eligibility for payments) is amended by adding at the end thereof the following new subsection:

"(c) Withdrawal by Candidate.—In any case in which an individual ceases to be a candidate as a result of the operation of the last sentence of section 9032(2), such individual—

"(1) shall no longer be eligible to receive any payments under section 9037; and

"(2) notwithstanding the provisions of section 9038(b)(3), shall pay to the Secretary, as soon as practicable after the date upon which such individual ceases to be a candidate, an amount equal to the amount of payments received by such individual under section 9037 which are not used to defray qualified campaign expenses.".

TECHNICAL AND CONFORMING AMENDMENTS

Sec. 308. (a) Section 9008(b)(5) of the Internal Revenue Code of 1954 (relating to adjustment of entitlements) is amended—

(1) by striking out "section 608(c) and section 608(f) of title 18, United States Code," and inserting in lieu thereof "section 320(b) and section 320(d) of the Federal Election Campaign Act of 1971,"; and

(2) by striking out "section 608(d) of such title" and inserting in lieu thereof "section 320(c) of such Act".

(b) Section 9034(b) of the Internal Revenue Code of 1954 (relating to limitations) is amended by striking out "section 608(c)(1)(A) of title 18, United States Code" and inserting in lieu thereof "section 320(b)(1)(A) of the Federal Election Campaign Act of 1971".

(c) Section 9035(a) of the Internal Revenue Code of 1954 (relating to expenditure limitations), as so redesignated by section 306(a), is amended by striking out "section 608(c)(1)(A) of title 18, United States Code" and inserting in lieu thereof "section 320(b)(1)(A) of the Federal Election Campaign Act of 1971".

Amend the title so as to read "An Act to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate, and for other purposes."

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12406) was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 606, ATLANTIC CONVENTION

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1085 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1085

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 606) to call an Atlantic Convention. After general debate, which shall be confined to the joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California (Mr. Sisk) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. Anderson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1085 provides for consideration of House Joint Resolution 606 to create an Atlantic Convention delegation. This is a simple 1-hour open rule with time equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations.

House Joint Resolution 606 creates an 18-member delegation to organize and participate in a convention of North Atlantic Treaty parliamentary democracies as well as any other parliamentary democracies which the convention might wish to invite. The purpose of the convention is to explore the possibility of arriving at some common goal to create greater unity among the Atlantic nations.

Resolutions to create a delegation and to call an Atlantic Convention have been introduced in a number of Congresses since 1949. In the 94th Congress, 110 Members sponsored or cosponsored House Joint Resolution 606 and its companion measures indicating a broad bipartisan support.

Mr. Speaker, I urge my colleagues to adopt House Resolution 1085 so that we may proceed to consideration of House Joint Resolution 606.

Mr. Speaker, I had hoped, of course, that we might go ahead and adopt this rule rather quickly and permit the Committee on International Relations to discuss the merits of the bill. However, I have had some requests for time; and therefore, apparently there will be some discussion. I would hope that we can stay away from the merits of the bill, though, and discuss procedure, because really that is all we have involved at this particular point, which is whether or not the House should have the opportunity to actually discuss this Atlantic Convention issue.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, in view of the late hour, it is with some reluctance that I undertake to discuss the substantive nature of the resolution which would be made in order under House Resolution 1085, namely, the joint resolution calling for an Atlantic Convention. However, I have been informed that there may be an effort to defeat the rule, which would make it impossible, of course, for us to undertake a more thorough discussion of the question.

There, Mr. Speaker, in a few minutes I would hope to explain why I think we should today adopt the rule which makes in order consideration of House Joint Resolution 606, which provides for the convening of an Atlantic Convention.

Mr. Speaker, House Resolution 1085 is a simple 1-hour open rule making in order House consideration of House Joint Resolution 606 which provides for the convening of an Atlantic Convention.

Mr. Speaker, I have been a longtime supporter and cosponsor of the Atlantic Convention resolutions authored by my good friend and colleague from Illinois (Mr. Findley), in the past four Congresses. In this Congress, the resolution has been cosponsored by 110 Members of this body.

Mr. Speaker, this resolution has had rough sledding in past Congresses mainly because there has been considerable misunderstanding and misinformation about what it would do. Contrary to some reports spread about this resolution, the delegates to the Atlantic Convention could not barter away our sovereignty or enter into any binding agreements with other parties to the convention. The language of the resolution is quite explicit in this regard, and I quote:

> The convention's recommendations shall be submitted to the Congress for action under constitutional process.

Moreover, the resolution makes quite clear that our delegates will not be acting in an official capacity for the U.S. Government in the sense that they will be acting under instructions from the President or State Department. To quote from the relevant provision:

> All members of the delegation shall be free from official instructions, and free to speak and vote individually in the convention.

So I think it should be quite clear from any objective reading of the resolution that this will be a purely advisory and recommendatory body, and that any recommendations which flow from the Convention must be submitted to the Congress under normal constitutional processes and procedures.

What then is the purpose of this resolution and the Atlantic Convention it authorizes our participation in? Essentially it is to bring together delegates from North Atlantic Treaty parliamentary democracies and other democracies to explore the possibility of agreement on transforming our present relationship "into a more effective unity based on Federal or other democratic principles." The Convention would be convened to draft a declaration embodying this goal, a timetable for its attainment, and to propose a commission or other means to facilitate this transition.

Mr. Speaker, the question naturally arises, is there a need for such an Atlantic Convention? I think there clearly is. I read with interest an article in last Saturday's New York Times by Drew Middleton based on an interview with Gen. Alexander M. Haig, the commander of allied forces in Europe. General Haig expressed concern about Soviet expansionist policies and said the "important objective" is to develop a Western consensus and "hopefully to achieve some corrective action and policies with respect to these global events." General Haig went on to say, and I quote:

> To the degree that the United States is perceived as reliable or hibernated, it's understandable that West Europeans should grope for some other framework, some other structure to provide what they perceive to be their essential security needs.

The general added that the West cannot indulge in competitive arrangements but needs, and I quote:

> The collective resources of the entire Atlantic community to meet this growing global Soviet threat.

Mr. Speaker, I think the Atlantic Convention proposed by this resolution can assist in that goal of bringing the Western democracies into closer unity to preserve and protect those cherished democratic principles which we commonly hold.

Mr. Speaker, our former U.N. Ambassador, Mr. Moynihan, often expounded on the shrinking number of democratic nations around the world and the fact that democracy is under attack today. The remaining democratic nations are having significant internal problems as well. I am reminded of a report by the Trilateral Commission's Task Force on the Governability of Democracies which was released in May of last year. The task force concluded that the democratic political systems in the trilateral regions—Europe, United States, Japan—have "entered a more difficult and uncertain phase, particularly in Europe and the United States. The demands on democratic government have grown, while the capacity of democratic government seems to have shrunk." In short, these democratic nations are becoming increasingly ungovernable. The task force recommended seven "arenas for action" in strengthening our political systems and securing their democratic foundations. One of these recommendations was the "creation of new institutions for the cooperative promotion of democracy" so that democratic countries could "learn from each other's experience how to make democracy function more effectively in their societies." To quote from the task force report:

> Such mutual learning experiences are familiar phenomena in the economic and military fields; they must also be encouraged in the political field.

Mr. Speaker, I think the proposed Atlantic Convention and the recommendations which flow from it can help to perform this function of achieving the cooperative promotion of democracy which is under stress from without and from within. I find it difficult to comprehend that there are those who oppose this resolution on the grounds that it is somehow going to weaken our democracy or reduce our sovereignty. If anything, it should bring about the opposite effect of helping to shore up and strengthen western democratic institutions and thereby increase their abilities to resist totalitarian advances and to govern themselves more effectively.

In conclusion, Mr. Speaker, while I appreciate that this resolution is no panacea for solving the problems of Western democracies, I do think it is an important first step in that direction and a very worthwhile undertaking. I strongly support the resolution and urge its adoption.

Mr. Speaker, I support the resolution and I hope, therefore, that the Members will adopt the rule so that not only the author of the resolution, my friend, the gentleman from Illinois (Mr. Findley), but his cosponsors as well may have the opportunity of an hour of general debate to further explain their rationale in support of this proposition.

Mr. SISK. Mr. Speaker, I yield 7 minutes to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Speaker, I rise in opposition to the rule which makes in order House Joint Resolution 606.

House Joint Resolution 606 offers an idea whose time has come—and passed. There was a time when our Nation looked abroad, when our leaders pondered what course they should follow to gain strength and support from other nations. We sent diplomatic envoys to European capitals, their hats in their hands, asking help. Those events, though, happened 200 years ago. Now we are celebrating the bicentennial of our independence. I believe it is strange indeed, in this Bicentennial Year, that we are asked, in the opening words of this resolution, to work for—and I quote—"a more perfect union of the Atlantic Community."

I have compared this resolution with one proposed in the 93d Congress, House Joint Resolution 205. The preambles differ, but the bodies of the two resolutions are the same. We in the House refused a rule for consideration of this matter in the first session of the 93d Congress, and I say the arguments for it today are no better than they were then. In fact, in this Bicentennial Year, those arguments are even weaker.

I know that the phrase "a more perfect union" is taken from the preamble to our Constitution. I share with other Members of this House the desire and the obligation to make our United States "a more perfect union." I respectfully suggest that all the energy we have, all the hours of each day, can well be used in this effort.

This resolution, perhaps carefully, calls for no action now. But is not the call for an Atlantic Convention, the term of the short title of this resolution, actually an expression of intent? Are we not voting support for an idea if, as provided in this resolution, we create a delegation of 18 members, 6 to be named by our Speaker, 6 by the President of the Senate, and 6 by the President of the United States—are we not saying to other nations that the Congress favors—and again I quote, "more effective unity based on federal and democratic principles."

Where would this language lead us? Are we not asked to open a door and put our Government's foot in it? I see no wisdom in this course.

I am also concerned, in a different way, with another element of this resolution. On line 5 of page 3, subparagraph (d), it states—

> All members of the delegation shall be free from official instructions, and free to speak and vote individually at the convention.

We are saying that officially appointed delegates, spending taxpayers' money, are told in advance that they speak only for themselves. This means they would have no stature in an international meeting. On the other hand, if they speak only for themselves, how in the world could they expect the Congress of the United States or our Government to stand behind them?

I wonder how this sentence got into the resolution. Are the advocates who have pressed for this plan for years expecting to be appointed delegates? Do they want to go to an international meeting with no responsibility to and no instructions from the State Department, the President, or the Congress?

But there is another basic point to be considered here. What evidence is there that other nations seek to be closer to us in this "more effective federal union." History shows us that back in 1960 the Congress considered this same proposal. The legislation passed and a delegation went to Paris for a meeting. The delegates came home, made their report, and the whole project died, because there was not sufficient interest abroad or at home to keep it alive.

Then in 1962 a meeting was held in Paris, to which Members of this House were invited. The only one to accept was Peter Frelinghuysen of New Jersey, a distinguished member of what we then called our Foreign Relations Committee. On his return, he reported that the only time the question of an Atlantic Conference was raised was when he asked Europeans about their interest. They told him, he said, that they were not interested. That was the situation in 1960. It was the situation in 1963. It is the situation today.

Mr. Speaker, they are suspicious of us and our intentions, and this concept will not work in the world as we know it today. Take into account the economics of inflation, the monetary imbalances, the military situation in the various nations. Remember that France has pulled out of NATO, and other countries are threatening to take the same action if their national needs are not met. It might not be useful to catalogue here the details of this argument, but I believe the facts are known to all of us.

We are told this plan will strengthen NATO, but I say it could encompass far more than the Atlantic community. On page 2, lines 5 and 6, we are told the meeting would be open to delegations from North Atlantic Treaty parliamentary democracies and other parliamentary democracies the convention might invite. Such a plan could easily get out of hand.

Our Nation needs the effort, the energy, and the dedication of every one of us—indeed, of every citizen—if we are to have "a more perfect union" here at home. As we observe our Bicentennial, we have an obligation to rededicate ourselves to the principles of freedom with independence laid down by our Founding Fathers. Let us not be diverted from that obligation. In a spirit of devotion to our duties, let us reject this rule and the resolution.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I would like to compliment the gentleman on his statement. I think this is a very serious matter requiring careful attention.

On the one hand proponents of this resolution say we will not lose any of our sovereignty if this resolution is adopted. On the other hand they say this is an important resolution and it will do a great deal toward forging a more effective unity. We cannot have it both ways. Either it does something or it does not. If it does something, I do not think it is something we ought to do. If it does not, why should we bother with it and lead to false expectations on the part of western parliamentary democracies.

Mr. KAZEN. What bothers me about it is that we have not had any indication from other countries that they want this. We have been down this road before. We even sent delegates to this type convention. We were there by ourselves. Nobody else was interested. What makes us think they are interested in it now?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Speaker, I rise in support of the rule.

I think that much of the difference that divides us is semantic and not of substance. If I thought for one moment that this resolution would lead to compromising our sovereignty one iota I would not be standing in support of it. I do not believe that.

I do believe the joint resolution could lead to a strengthening of the NATO Alliance and the community of interest we have with the nations of Western Europe.

I think it comes at a significant time.

For that reason I stand here in support of the rule and I expect to support the joint resolution with the changes which I hope will allay some of the fears that have been raised about this legislation.

Mr. SISK. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I feel somewhat awkward in appearing in opposition to the point of view expressed by my very close personal friend, the gentleman from Texas (Mr. KAZEN). There is not another Member of this House whose sincerity and integrity I respect more. In this instance, however, I think the gentleman's apprehensions are unfounded.

Let us read exactly what the resolution would do. It would authorize us to "participate in a convention made up of similar delegations from such North Atlantic Treaty parliamentary democracies as desire to join in the enterprise, and other parliamentary democracies the convention may invite."

Certainly in this heterogeneous world those of us who believe in the foundation principles of parliamentary democracy ought to find ways to draw together and cooperate. Is there anything wrong in that?

This convention will be authorized to "explore the possibility of agreement." Now, is there anything wrong with exploring the possibility of agreement? Surely, it does not commit us to any agreement. Why would we want to deny our country the right to join with other like-minded countries, those that believe in parliamentary democracy, to explore the possibility of agreement?

Such an agreement might, according to the resolution, develop "more effective unity." Now, what is wrong with more effective unity among those nations of the world who embrace parliamentary democracy?

It seems to me the words that follow have excited and alarmed some people. The words of the resolution describe a more effective unity "based on Federal or other democratic principles." It seems to me that these are the scare words which cause people to see invasions of our national freedom lurking under the veil.

"Federal or other democratic principles." Perhaps some people feel that this presages a kind of suggestion that was made during World War II by Winston Churchill when he offered to the people of France in their hour of darkest need the privileges of common citizenship and common currency with his own people. That would have been one extreme form, perhaps, of an agreement based on Federal or other democratic principles. In behalf of the people of France, their government in exile speaking through General De Gaulle, rejected that offer, so nothing came of it.

NATO itself might be considered an exercise in "Federal or other democratic principles" to achieve more effective unity in common defense. Is there anything wrong with that? Are there Members who would object to our participation in NATO for the military defense of parliamentary democracy for the Western world?

The Common Markets might be regarded as exercises in more effective unity based upon "Federal or other democratic principles" for the purpose of reducing barriers to free trade and promoting interchange of commerce between nations.

The SPEAKER. The time of the gentleman from Texas (Mr. Wright) has expired.

Mr. SISK. Mr. Speaker, I yield 2 additional minutes to the gentleman from Texas (Mr. Wright).

Mr. WRIGHT. Mr. Speaker, are there those of us who are frightened at the prospects of agreements of that kind? The Organization of American States, of which we are a part and a participant, might be considered as a seeking for more effective unity based on Federal or other democratic principles.

I would remind my friends that there are nations in the world that do not always wish us well which have organized and banded together to seek more effective unity among themselves. I think in terms of the OPEC nations. There is a more effective unity, not necessarily designed for our good.

Mr. Speaker, shall we not organize among those like-minded with us to seek ways of promoting our common interests? Is there anything frightening in that?

I have in my hand a letter sent to many of our colleagues by the Veterans of Foreign Wars, an organization of which I have been a member for the last 30 years and in which I once was a rather active member when time permitted me to be before I came to Congress.

I think they are unduly alarmed. The letter says:

> The issue is not to call an Atlantic Convention. The real issue is whether we Americans opt for independence or dependence upon others.

Well, I do not see that this is the issue at all. There is nothing in this resolution that would indicate any particular increase in our dependence upon others. Are we not dependent today upon the OPEC countries? We certainly are dependent upon them for our energy supplies and for the maintenance of our way of life. Shall we not, then, organize with our friends who share common interests with us in reducing that dependency?

Are we not today dependent upon the actions and designs of Soviet Union for the amount of money we have to spend for our defense? Of course, we are dependent upon them. To speak in terms of absolute sovereignty for any nation, utterly independent of the actions of other nations in this world, is to speak in terms of a world that probably never was, certainly is not today and, if it ever was, could never be again. The world is, whether we like it or not, interdependent. The human race is interdependent. The sooner we recognize that fact and find ways of working more effectively with those others who share our problems and our basic ideals of freedom and parliamentary democracy, the stronger and more nearly independent we can be of those who do not share our ideals and sometimes do not wish us well.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho (Mr. Symms).

Mr. SYMMS. Mr. Speaker, I think this is an issue that many of us can see very clearly, and I think we have some very differing points of view, but it is 5 o'clock on Thursday afternoon, and I think many of the Members have already had an opportunity to study this issue, because this resolution has been before us in recent years, to be familiar with it. It was discussed in the 93d Congress, in the past year, and I understand it came before the House in other Congresses before that.

I would think that it would be very advisable that we have a record vote on the rule, which I will be intending to ask for, and I think we can vote the resolution down and settle the issue. I do not wish to preclude some of my friends such as the gentleman from Illinois (Mr. Findley) and others who wish to debate the issue, but I think it has been very well aired.

I would say to my friend from Texas (Mr. Wright) that as I read the resolution on page 2, lines 7 to 15, it says:

> Explore the possibility of agreement on—
>
> (a) a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles;
>
> (b) a timetable for transition by stages to this goal; and
>
> (c) a commission or other means to facilitate this transition.

I think the voters of this country can understand this very clearly. I think the gentleman from Texas (Mr. Kazen) made the point that the time is past for this. America would rather take care of its own problems, and could do better by getting our own foreign policy in order. I think we do not need any future unions with any other countries. What we need, perhaps, is a recommitment to our own goals, our own ideals. We do not need to spend $200,000 to send a group to discuss the possibility that Americans may want to repeal the Declaration of Independence or some other things.

I think it would be the simple thing for the Members to do, since they have had this before them for the last 2 years, to vote down this rule and this issue and not do any more damage to the American taxpayer or American sovereignty.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. Derwinski).

Mr. DERWINSKI. Mr. Speaker, I wish to commend the gentleman from Texas (Mr. Wright). I thought he made a very fine statement, and it properly presented the argument for this resolution.

Referring to the committee report starting on page 3, for a page and a half of background, and the Members find that it is a very fair statement of the developments in Europe and between Europe and the United States for the last 30 years. But I see the problem, all we have to do is take the existing institutions, which would be NATO, the Common Market, and others, and work to make them more perfect than they have been. The problem with this resolution is that it automatically raises too many doubts in the minds of too many people.

My dear friend, the gentleman from Illinois (Mr. Findley) has been the target of a great amount of heat, but unjustifiably so. There is nothing sinister, diabolical, or dangerous in this resolution. It just is not necessary. It just would not be workable. This is a visionary goal that in principle we all could subscribe to.

When I was a young Member of the House, I cosponsored one of these resolutions. Someone called the issue to my attention, and I studied it more carefully. Since then I have not been a cosponsor. But I really think the gentleman from Illinois (Mr. Findley) should not have peen criticized as he has been. There is nothing in this resolution except idealism.

Mr. Speaker, what I am interested in, though, is making current institutions that we have truly work. What we do not need is a new visionary approach on top of present complications in the common market and NATO. It would be an unnecessary exercise.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Idaho (Mr. Symms).

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Speaker, would the gentleman think that there is any way that this could make NATO any stronger?

Mr. DERWINSKI. Any time we have more effective communication with people from NATO countries, yes. But the point is—and I think this is where the gentleman from Idaho (Mr. Symms) and I would agree—that we should use NATO for that purpose.

Mr. SYMMS. That is what I am talking about.

Mr. DERWINSKI. The existing entity.

Mr. SYMMS. And maybe a little more backbone on the part of the United States might also help.

Mr. DERWINSKI. But backbone in our foreign policy has nothing to do with this resolution. Since this resolution has been around, we have had great Secretaries of State, we have had modest Secretaries of State, and the present immodest Secretary of State.

Basically, I would like to sum this up that this is a wonderful visionary idea, but it is just too impractical to consider.

Mr. SISK. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Speaker, I join in commending my colleague, the gentleman from Illinois (Mr. Findley) for his leadership in this matter. My colleague, the gentleman from Illinois (Mr. Derwinski) suggests that this is a visionary idea, that it is impractical. I do not think a little vision now and then does us any harm. It may be that it will not do one scintilla worth of good, but it may also be that it could be one of the finer moments of this body and one small step in the direction of doing what is good.

NATO, for example, which the gentleman from Idaho (Mr. Symms) talked about, has this liability that this resolution covers, and that is that NATO is strictly a Western European-United States thing. It tends to be a white man's club. This resolution opens other avenues to free countries. I think we are going to have to recognize that we are either going to move toward cooperation or chaos. The day that we could say, "Absolute sovereignty, the heck with the rest of the world," that is a day of the past. The nuclear club is no longer our sole possession. This resolution has the possibility of enhancing freedom. And freedom, whether we like it or not, is a diminishing force right now in our world.

When I was a boy, my father told me what your fathers told you, the story of the stick. You take one stick and you can break it. You take six sticks and put them together and it becomes much more difficult.

I think it makes sense for the free people of our world to work together.

Mr. SISK. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. Hays).

Mr. HAYS of Ohio. Mr. Speaker, there was a time when I supported an idea like this. As a matter of fact, we had such a convention one time, and after 6 or 7 days of debate nothing happened.

We have all sorts of interparliamentary bodies to which this House sends members. We have the Interparliamentary Union, and the North Atlantic Assembly, which the gentleman from Illinois (Mr. Findley) now apparently proposes to make an even bigger and grander outfit—a 3-year-term outfit with 10 staff members, at a cost of $200,000 or $300,000.

We have also the British-American Friendship group, the Canadian-American Parliamentarians, the Mexican-American Parliamentarians, the French-American group, and the German-American group. Besides that, the gentleman from Minnesota (Mr. Fraser) has an ad hoc group that he runs to Europe with three or four times a year. They come over here also. They are allied and associated somehow or other with the Council of Europe, of which, by its very name, we are not a member.

That is the Council of Europe; maybe it is called the OECD now, but it used to be the Council of Europe. That organization always invites American delegations over.

We have more organizations in which the NATO nations meet than most dogs have fleas these days, because most dogs now have flea powder. We just do not need another one.

Mr. Speaker, I know it would be gratifying for the gentleman from Illinois (Mr. Findley) to have a 3-year tenure as the ranking member in an organization so he can go to Europe three or four times a year and talk about the problems of the North Atlantic nations. But the North Atlantic Assembly also meets and talks about them. In fact, they have subcommittees meeting every year. I cannot keep track of them all.

I attended a dinner with one of them last night. I did not even know they were in the country until I got invited to dinner. They come over here and testify before committees, and our people go over there and testify before their committees.

This is just another resolution to provide for these groups ad infinitum.

I suppose, to be very candid about it, I should point out that one of the members is Clarence Streit. I like Clarence; I have known him for 20 years. He manages to get to Europe one way or another a couple of times a year, and I think he could probably continue to get over there without this resolution.

Mr. Speaker, there was a big furor here last week about spending $50,000 to get the Magna Carta. This is six times that much. And the money is spent to do what? Nobody knows.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Speaker, I agree with my colleague, the gentleman from Illinois (Mr. Derwinski). Setting aside all the beliefs that this is somehow some kind of a sinister operation and just considering this legislation on the pure merits of what we are doing here, I do not think those Members who advocate this bad idea have proven that there is a necessity for it.

My colleague, the gentleman from Ohio (Mr. Hays), has just stated that we have NATO interparliamentary groups running out of our ears. We do not need another group to take a grand tour.

I just think this is a wholly unnecessary expenditure, even though it is, as was stated, "only $200,000." This is totally unnecessary.

My former colleague, Mr. Frelinghuysen, used to attend some of these sessions, and I have heard my colleague, the gentleman from Ohio, mention that they have been there several times and came back, and that nothing happens. Again I say I believe this is unnecessary.

Mr. Speaker, I encourage my colleagues to vote down this rule.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, I might have left a wrong impression about that Atlantic conference they had in London. There were about 500 participants there. They did meet and talk for about 10 days, and, as I said, nothing happened.

It is not quite true that nothing happened, because they did have a special midnight performance of "My Fair Lady," with the original cast for the delegation. I remember that, and that was a useful cultural experience.

Mr. ROUSSELOT. Perhaps today they might have some new movies to show.

Mr. WHALEN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Ohio.

Mr. WHALEN. Mr. Speaker, I would like to share the concern expressed by my good friend, the gentleman from California (Mr. Rousselot). The North Atlantic Treaty Organization has already been mentioned in terms of the role that it plays in the common defense of the United States and of the free nations of Western Europe.

Mr. ROUSSELOT. In addition these existing organizations discuss economic issues.

Mr. WHALEN. That is true, but let us cite three other organizations. In 1974, the International Energy Agency was created to deal with energy matters. The United States is a partner in that. We are also members of the Organization of Economic Coordination Development, OECD. We are members of GATT, the General Agreement on Trade and Tariffs.

Mr. Speaker, here are four institutions dealing with the concerns expressed in the joint resolution.

My question is, What does this new institution provide that the four existing institutions do not already cover?

Mr. ROUSSELOT. I cannot answer that. I really have listened carefully today to understand ways in which this group is going to perform a worthwhile service, and I still have not heard anything. It just sounds unnecessary.

Mr. WHALEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. SISK. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. MEYNER).

Mrs. MEYNER. Mr. Speaker, I thank the gentleman for yielding.

I rise in favor of the Atlantic Convention resolution.

Mr. Speaker, some of my colleagues have been saying that this resolution is not necessary, but I think we ought to see that it is.

We have all been dismayed in recent years by the retreat of democracy throughout the world and by the increasing military strength of the Soviet Union and by the dangers of a new neo-isolationism in the United States after the debacle of Vietnam.

Certainly, Mr. Speaker, these are real dangers. They highlight the need for greater cooperation among the world's remaining democracies. Historically, the ties between the peoples and governments of the Atlantic community have been very strong. In today's interdependent world, when the West seems to be more and more on the defensive, it is imperative that we make our ties even stronger. The proposed Atlantic Convention is an excellent mechanism for making this happen.

Mr. Speaker, there is nothing to fear here in this resolution. It does not call for any specific form of greater unity among NATO countries. Any proposal recommended by the convention would have no effect unless it was approved through the constitutional process of the representative States.

This resolution is simple and very important. It merely proposes that representatives from the democracies in the Atlantic community get together and discuss methods of greater cooperation.

Mr. Speaker, I believe that this resolution deserves the support of every Member of this body who feels that the world's democracies must hang together or they will surely hang separately.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker and Members, I am not a one-worlder. I do not believe in a world federation. I doubt that anyone on this floor would question my patriotism since I have fought in two wars for my country. Yet, I am accused in the mail I have been receiving lately about the so-called Atlantic Union as though there were some devious plot. In fact, many Members have received literally thousands of letters in the last few weeks on the Child and Family Services Act.

Mr. Speaker, this is something that has been so maligned and so lied about that while I think it is a lousy bill, the lies that have been told about it are unimaginable.

Mr. Speaker, this Atlantic Convention resolution has been subject to the same type of misrepresentation. There is not a thing in this resolution that yields any of our constitutional powers or that yields our Government to a world federation. All it says is, "Let us talk."

I have been interested in listening to what has been said about all of these various organizations and confederations, and so forth, that we belong to. Maybe that is the problem, we belong to so many of them and they are so fragmented and talk about so many different subjects that maybe—just maybe—it is time to sit down and talk about some of the equivalent economic problems that we all face, problems of mutual interest, heavy problems as they confront the NATO countries of the NATO alliance. I doubt that very many people in this country think that the NATO alliance was not a good idea. Since the Berlin airlift we have not seen any Communist advances on a large scale in the NATO countries.

If the Members are concerned about all of these various organizations—and my dear friend, the gentleman from California, who spoke just a little while ago, has been on a few of these trips to some of these meetings and said they did not accomplish a whole lot. If that is the way the Members feel about this then let us get rid of those other organizations. We can do that just as easily as the gentleman from Illinois (Mr. FINDLEY) is attempting to pass this Atlantic Convention resolution.

Mr. Speaker, I repeat that I am not a one-worlder. I am not a Communist, but I see absolutely nothing wrong with debating this resolution, amending it if that will take away some of the fears of the Members, pass it and let us talk. I have seen a lot of people die in two wars, and I do not mean we should back down to anyone, but I would a whole lot rather talk than bleed.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield five minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that when the Committee of the Whole considers the bill, I may include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, crisis management seems always the order of the day in our Government—Congress as well as the executive branch. We fly from one urgent issue to another, rarely having the time—or taking the time—to look ahead, plan ahead, fix worthy goals, and organize our work so as to achieve them in good time.

One exception was when President Kennedy called upon the Congress and the Nation to accept as a goal the technological feat of putting a man on the Moon by 1980. I recall vividly the day he spoke to the Congress in this Chamber and summoned us all to this worthy goal—one which was achieved years ahead of schedule.

Unlike our forefathers we rarely devote our attention to the needs of future generations. The framers of our Government 200 years ago literally gave their lives and fortunes to establish a system to benefit not so much their own generation but the next.

In our crisis management we seem obsessed almost exclusively with the here and now, with little thought for the effect our policies will have on future generations.

Dwight Eisenhower, reflecting on his own experience in crisis management in the White House and on the merit of this very resolution, observed:

> We always seem to deal with urgent problems and leave the important ones for tomorrow.

House Journal Resolution 606, like the lunar mission, is an undertaking worthy of our Nation. It looks to the future, and sets in motion a process through which the liberties of our children can be better secured.

And it is motivated, in great part, by the technology which made possible the lunar achievement. A world that men can encircle in an hour in space is small indeed. No problem on Earth is more than a half-hour by space travel from our shores.

We are all painfully aware of the great changes that are occurring in the international political scene and yet from hearing some of the discussion this afternoon it would almost appear to me that some of our Members are not aware at all of these changes.

No one today looks with much hope to the United Nations as a force for peace, for liberty, and for security. Our most successful alliance, NATO, suffers progressive deterioration, especially on its southern flank.

I want to commend our colleague, the gentleman from Ohio (Mr. HAYS) for the diligent, long term effort that he has made as a leader of the U.S. delegation to the North Atlantic Assembly. I am sure he has done his very utmost to bring about new strength and vitality to NATO. But his testimony, as well as the testimony of others who have spoken here today indicates that deterioration has occurred and there is no prospect for improvement, basing our estimates on the work of existing organizations including the North Atlantic Assembly.

The British Empire, for all of its shortcomings, maintained for many, many years freedom of the seas and in many respects established and maintained the worldwide rule of law. Of course that empire is gone and no doubt gone forever.

The United States has been stung by Korea and Vietnam and the United States shows little will to fill the void left by the disappearance of the British Empire. The impulse of most liberty loving nations is to look inward and to leave external problems to somebody else to handle. That can be said of the United States as well. But, meanwhile, the Soviet Union has relentlessly increased its military power and influence. Almost every expert observer agrees that the

Soviet Union has had two primary objectives in post war policy. The first objective is to dismantle NATO itself.

The second is to accomplish the isolation of the United States from effective world leadership. With NATO suffering grave setbacks, and with the United States looking inward, the Soviet Union must feel these objectives are within grasp.

The nations of Western Europe, allied though they are with us, must feel in these times a strong impulse to accomodate to these unfortunate trends to adjust to the ascendancy of the Soviet influence worldwide.

Yet despite these forebodings, in some ways the nations of NATO are more united and independent than ever.

The question before us is whether we will take steps now to begin a process through which greater cooperation can be achieved among those who prize liberty above all else. Will we build on the foundations of our experience with NATO, with OECD, and with other trans-Atlantic organizational efforts and through this process find the means for greater and more effective unity in this great community of liberty? If we do, we open the possibility that we can peacefully thwart the rise of Soviet influence and at the same time increase liberty and improve the quality of life within the Atlantic community. Moreover, in the light of the confusion caused by the speculation over the Sonnenfeldt doctrine. I would suggest that rejection of this resolution would be badly viewed, indeed.

The process of building greater cooperation, which this resolution seeks to start, will cost us really nothing politically. The financial outlay, considering other endeavors in foreign policy, is modest, indeed, but it has the possibility of bringing about a new unity of purpose and action, thereby making more secure the liberty of all of our peoples, and especially the liberty of generations unborn.

The SPEAKER. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois.

Mr. FINDLEY. Can we not all look at ourselves and agree with the assessment made just the other night on television by Henry Steele Commager to the effect that this generation, unlike the leadership of 200 years ago, gives scant attention to the interests of the next generation. The value of the convention will depend in great measure on the quality of the U.S. delegation. If the very best people in the United States are selected—and I am no candidate for the delegation, I assure the Members—then other nations will surely be inspired to send their best.

The convention has no predetermined objectives except the general one of seeking a formula for more effective cooperation of the NATO nations. In order to dispel some of the confusion that has developed as a result of some unjustified attacks made on the resolution, I will certainly endorse, accept, and support in every way two amendments. One of these will be to strike the word "Federal" from the resolution. It appears only once, but simply to clarify this point, to make it very clear that this convention has no predetermined objective, I will offer an amendment to accomplish that, and my colleague, the gentleman from Ohio (Mr. REGULA) will offer one to clarify the status of sovereignty as the convention takes up any proposals it may have.

I am impressed with the support given this initiative by the greatest of our military leaders of the recent past. All three of the most recent Supreme Commanders of NATO are endorsing this enthusiastically. Gen. Matthew Ridgway, a great general in Korea as well as in the Second World War, just today—when notified of the reservations of the VFW—restated his strong support for this resolution.

The SPEAKER. The time of the gentleman has expired.

Mr. SISK. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, we have all heard a great deal of talk during the course of the debate in this legislation about how the passage of this resolution would somehow result in a surrender of sovereignty which would somehow impair the capacity of our Nation to function as an independent entity in international affairs. But I would remind my colleagues, particularly those who sit on the other side of the aisle, of a comment once made by that great American and great Republican, Wendell Wilkie, who, after returning from a trip around the world in 1944 said:

> Sovereignty is not something to be hoarded but something to be used.

What is at stake here is not the abstract and academic preservation of our constitutional independence but our ability to forge a more effective partnership with the other democracies around the world.

What I like about this resolution is that it calls for a convention not just of our NATO allies but of all the parliamentary democracies of the world so that we can collectively consult and together determine what we can do to reinvest our democratic ideology with more appeal to all the peoples of the world.

The fact is that today democracy is on the retreat and the forces of dictatorship are on the advance. Unless we do something and do it soon the day will come when we will become an island of liberty in a sea of oppression and the liberty we love will have become compromised in the process.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, what has this Congress done to show that we will do something other than just adopt a milk-toast attitude on some of the problems we face, for instance on the Angola situation or a similar situation somewhere else? Having a conference will not show our respect of our sovereignty or independence.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Speaker, I would like to address the issue of what good might come out of the conference that is contemplated in this resolution.

Let me first acknowledge and even underscore the multiplicity of relationships that have evolved between the United States and Western Europe. This includes not only the OECD, the NATO organization including the NATO parliamentary group, and more recently the International Energy Agency which binds Western Europe to the United States in trying to deal with common energy problems, but also the IMF and GATT for money and trade matters.

The problem is that although we do have a multiplicity of relationships, this is not dealing adequately with our problems.

I would like to call the attention of this body to the pronouncement by our Secretary of State about 3 years ago proclaiming 1973 as the "Year of Europe." We were going to set aside a whole year and devote our attention to Europe. What an astonishing proposition that was. What it reflected was the fact that relationships between the United States and Europe had steadily deteriorated over the past decade; but turn this around and suppose that the European Commission, which is sort of the executive body of the European Community, and said that 1973 was going to be the year of America. Well, we would have said, "What in the world is going on?"

The fact is that we have one Secretary of State and one President who are faced with problems throughout the world. They are unable to concentrate on a variety of problems at the same time. What is so badly needed is to institutionalize our relationships, primarily with Western Europe, so that we do not come to the point of having to set aside a special year for Europe. The year of Europe ought to be every year, because there is where the center of democratic freedom is to be found outside the North American Continent. True, there are other countries that are democratic, but if we look for the center of gravity of the countries that are free of oppression, we will find them in Western Europe. We need links. We need consultative mechanisms. We need to institutionalize our ability to coordinate and cooperate not just on security, not just on money, not just on energy, not just on trade, but on all of these things and all of the time.

I would like finally to make the point that we are faced with one of our most frustrating problems in our troubles today in our relations between Turkey and Greece. Had we been working with our European friends, much of that trouble would have been headed off. It could have been headed off at either of several stages earlier than what has now occurred, because both Turkey and Greece are members of NATO. If we had consultative devices, perhaps we could have headed off the coup in Cyprus which triggered all these problems. We would have understood where our common interests lay and worked out these problems that threaten to blow up the whole southern flank of NATO.

I hope we could lay the groundwork for an institutionalized relationship, not dependent upon whether the Secretary of State happens to be in Washington looking to Europe at a time when the problem emerges. We need to do better in our relations with Europe if we want to defend freedom in this world.

Let me finally just quote a man for whom I have great respect, Dr. Walter Judd. I know him well because I ran against him for Congress, but he makes this point:

> Growing Soviet power and influence, together with Western Europe's economic dependence on Middle East oil and America's loss of international prestige and of preeminence in power, combine to reinforce my belief—of 30 years standing—that survival of freedom and of western civilization requires greater economic and political integration of the free world.

Dr. Judd supports this resolution.

Mr. DAN DANIEL. Mr. Speaker, as we debate once again a resolution to call an Atlantic Convention, I believe it is in order that we heed the views of a large group of our fellow citizens—Americans who have been called upon many times over this century to defend the United States.

Two groups—the American Legion and Veterans of Foreign Wars of the United States—speak for these men and women, and they speak eloquently for the maintenance of our present independence, for which they gave so much.

I respectfully request that there be printed in the Record at this time a statement by Thomas C. "Pete" Walker, National Commander-in-Chief, VFW, and a statement by Harry G. Wiles, National Commander, the American Legion. They state more eloquently than I the case against adoption of this resolution.

Veterans of Foreign Wars
of the United States,
April 1, 1976.

To: Members of the 94th Congress.

From: Thomas C. "Pete" Walker, National Commander-in-Chief, Veterans of Foreign Wars of the United States.

Subject: Independence or dependence.

You all know about the "pig-now-poke-later" proposal embodied in the innocent-sounding, yet deeply insidious, H.J. Res. 606 being rapidly and covertly pushed for floor consideration in the House of Representatives, as soon as its sponsors believe they can put one over on us. The issue is not "To Call an Atlantic Convention." The real issue is whether we Americans opt for independence or dependence upon others; sometimes called "interdependence."

The V.F.W. knows who voted which way on the issue the last time the House addressed it when it lost by an eye lash, 210–197.

Believe me, we will keep score this time around.

Why do we care?

We have in the Constitution of the United States a document setting forth the "federal principles" under which we order our affairs.

No one has called upon the American people to express their view as to whether or not we should properly "explore" diluting our hard-won liberties by association with any foreign nations in a wider federal system. The answer from our fellow countrymen, if asked, would be a resounding "NO!"

To the argument that H.J. Res. 606 would only set up a "delegation" that would report to the Congress, the $200,000 thus expended would be a boondoggle of the most obvious type. We aren't about to derogate our sovereignty to any shared federal arrangement with any nation. "Atlantic Union" supporters know they cannot get support if they make an honest disclosure of their real purpose.

"Atlantic Union" is but the latest incarnation of Clarence Streit's 37-year effort—it was called "Union Now" in the 1930s and 1940s—to alter the political arrangement that has kept America free and sovereign for 200 years.

Here are the facts on "Atlantic Union:"

What is the Atlantic Union?

The Atlantic Union proposes to establish a limited world government composed of 14 nations that belong to the North Atlantic Treaty Organization (NATO). It would change NATO from a military alliance into a political organization that would control the political, trade and economic policies of the participating countries.

How would membership in the Atlantic Union affect the United States?

The American people could be forced to support a foreign policy which they oppose. Industry, the farmer and labor would be denied protection against the importation of low-priced European workers. The value of the American dollar would be further destroyed. American citizens would be subject to taxes levied by the Atlantic Union for the benefit of other member nations. The Atlantic Union would control American military forces and dictate the use of American troops abroad in peace or war.

How would membership in the Atlantic Union affect our established form of government?

The surrender of our sovereign powers to the Atlantic Union, or any other international government agency, would weaken or destroy many of the basic rights of the American people as set forth in the Constitution and the Bill of Rights.

What is the relationship between the Atlantic Union and the World Federation movement?

Atlantic Unionists generally oppose world government. They say it is impossible of attainment, not only because of the existence of Soviet Russia and its satellites, which operate on ethical, political and economic theories opposed to those practiced by the West, but also because of vast cultural differences. Atlantic Unionists believe the best way to insure peace, and defeat the forces of Communism in the event of World War III, is to form a powerful international government, a supernation made up of NATO countries, that have general unity of political, ethical, economic and cultural traditions, beliefs and practices.

What is the difference between the United Nations and the Atlantic Union?

The UN is an association of sovereign nations, that gives the U.S. the right to veto proposed policies and the right to withdraw from membership when it chooses. Atlantic Union would force member countries to surrender their sovereign powers as free and independent nations.

How would membership in the Atlantic Union deprive the President, Congress and the people of the United States of the opportunity to formulate our own foreign policies?

American delegates to the Atlantic Union could be out-numbered and possibly out-voted by the combined membership strength of other participating nations.

What is the official V.F.W. policy on Atlantic Union?

The V.F.W. is in absolute opposition to all proposed forms of world government—including Atlantic Union.

Once again, Members of the Congress, stand up for our country and kill off this "pig-now-poke-later" once and for all.

Sincerely,

Thomas C. "Pete" Walker,
National Commander-in-Chief.

Washington, D.C.,
March 30, 1976.

Hon. Dan Daniel,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

The American Legion strongly opposes H.J. Res. 606 because it envisions some new form of unidentified union which could relinquish U.S. sovereignty.

The United States stands as a symbol of constitutional government for the other democracies. Any and all nations are completely free to adopt any or all parts of our constitutional system.

The American Legion supports the NATO concept and the continued cooperation among nations for purposes of friendship, defense, commerce and mutual security. We are unalterably opposed to any action, however small, which envisions a transportation of the present sovereign and independent status of the United States.

Harry G. Wiles,
National Commander,
the American Legion.

Mr. LAGOMARSINO. Mr. Speaker, I rise in opposition to House Joint Resolution 606, to call an Atlantic Convention. It seems to me the proponents have caught themselves in a logical contradiction. On the one hand, they argue the urgent need to forge more tangible links among nations of the Atlantic community. On the other hand, they emphasize that this resolution will have little or no effect on our national sovereignty. Well you cannot have it both ways. Either it does have a bearing on our national sovereignty, or else it does nothing to accomplish the goal the proponents have set for it—in which case, one might ask, why bother?

I think there are at least two reasons why we should not pass this measure. First, I think the effect could be exactly the opposite of that desired by proponents. Rather than easing our political relations with the Atlantic nations, it could place new strains on those relations. It could be viewed in many capitals as an attempt to assert U.S. control over other states—politically, economically, or otherwise. European unity insofar as it offers a bulwark against communism is important, and—we have supported that unity—as witnessed by the Marshall plan, NATO, and our efforts on behalf of the EEC. But if this is something truly desired by the other Atlantic nations, why have they not taken the initiative in proposing the conference?

From all the evidence before us, the interest is entirely one-sided, on our side.

The second reason is that the resolution does indeed affect our national sovereignty. It establishes an unnamed 18 member delegation, specifies that they are to be free from official instructions, and, authorizes them to develop a timetable for "a more effective unity" with the Atlantic community. To be sure, it specifies that the convention's recommendations shall be submitted to the Congress for action "under constitutional process." But what does this mean? The House as we know, does not have any authority with regard to treaties. Are we assigning to these unnamed 18 delegates the power of final agreement by the House to any accord they may reach?

No. Mr. Speaker, either this resolution holds potentially serious consequence for the future political make-up of the United States, or else it has no effect whatsoever on us. In either case, it ought not to be adopted.

Mr. **ASHBROOK**. Mr. Speaker, I rise in strong opposition to House Joint Resolution 606, the Atlantic Union Resolution. Passage of this legislation could lead to a major reduction in American sovereignty.

House Joint Resolution 606 would create an 18 member delegation. The delegation would be authorized to organize and participate in a convention attended by representatives of the North Atlantic Treaty countries.

The long-range objective would be a single, unified central government, an Atlantic Union. According to the bill, the "goal" is to "transform their present relationship into a more effective unity based on federal or other democratic principles."

This point is also brought out in the preamble to the bill. The whereas clause is as follows:

> Whereas a more perfect union of the Atlantic Community consistent with the United States Constitution and the Charter of the United Nations gives promise of strengthening common defense, assuring more adequate energy resources, providing a stable currency to improve commerce of all kinds, and enhancing the economic prosperity, general welfare, and liberty of the people of the member nations:

The key issue we are dealing with here is national sovereignty. It would be impossible to establish an Atlantic Union without some reduction in American sovereignty.

I am unequivocally opposed to the United States sharing its sovereignty with other countries. Congress should be spending its time considering American interests rather than wasting time and money on such ridiculous proposals as the Atlantic Union Resolution.

I find it particularly ironic that we are considering this legislation during the 200th anniversary of our war for independence. After fighting so hard to gain and retain our independence it seems incomprehensible that the Congress would now voluntarily yield part of its sovereignty back to Europe.

I firmly believe that most Americans do not want the United States integrated into a multinational federation. Americans cherish their independence and rightfully so. They want to preserve their existence as a separate and independent nation, not surrender part of their sovereignty to a union of European countries.

I urge that the House repeat its action of 1973 when it defeated a similar bill on a vote of 197 ayes to 210 nays. I urge that the House vote to protect American sovereignty and reject the Atlantic Union Resolution.

Mr. **FRENZEL**. Mr. Speaker, the Atlantic Convention resolution currently before us has somehow managed to get caught in the crossfire between supporters and opponents of world government. However useful that debate may be it has little bearing on the content of this resolution.

House Joint Resolution 606 simply creates an 18-member U.S. delegation with a 3-year mandate to organize a conference among our allies to discuss ways of better dealing with mutual problems. These problem areas range all the way from energy and monetary trade policy to the erosion of our military alliances in the face of growing Soviet military power.

The bipartisan U.S. delegation would consist of members appointed by both Houses of Congress and by the President. They would not be directed to advance any particular set of recommendations nor would they have the power to commit our Government to any specific action. At the conclusion of the conference our delegation would simply submit its recommendations to the Congress for consideration.

It is by no means clear that such a conference will be able to achieve these limited but important objectives. There are disturbing signs of growing economic and political instability among some of our key allies. This atmosphere makes this type of conference all the more important but it also makes it more difficult to come up with mutually acceptable recommendations. Hopefully through this exchange of views we will find useful ways to make our Atlantic Alliance more secure.

The need to strengthen our institutions and those of our allies should be of concern to all of us. Certainly we have a stake in helping other parliamentary democracies to withstand pressures from the Soviet Union and its client states. People with impeccable conservative credentials such as Dr. Walter Judd and Senator BARRY GOLDWATER have endorsed this resolution as have Generals Norstad, Lemnitzer, and Goodpaster. Each of these generals served as Supreme Commander of the NATO Forces and each appreciates the need for greater cooperation among our NATO allies.

House Joint Resolution 606 will not lead to the creation of an Atlantic federal union or undermine our sovereignty. On the contrary, it is designed to seek a higher level of cooperation among our allies leading to a strengthening of our security and our sovereignty. There is no guarantee that such a conference can achieve these objectives but it is important that we make the effort.

GENERAL LEAVE

Mr. **SISK**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of House Resolution 1085, now under consideration.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. **SISK**. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER**. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **SYMMS**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 165, nays 194, not voting 73, as follows:

[Roll No. 157]

YEAS—165

Abzug
Adams
Addabbo
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Bennett
Bergland
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breckinridge
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burlison, Mo.
Carr
Cleveland
Collins, Ill.
Conte
Conyers
Cornell
D'Amours
Daniels, N.J.
Danielson
Diggs
Dodd
Drinan
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Erlenborn
Evins, Tenn.
Fascell
Fenwick
Findley
Fisher
Forsythe
Fraser
Frenzel
Gibbons
Gonzalez
Gradison
Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Hicks
Holtzman
Horton
Howard
Howe
Hungate
Jacobs
Jeffords
Johnson, Colo.
Jordan
Kastenmeier
Ketchum
Keys
Koch
Leggett
Lehman
Lloyd, Calif.
Long, La.
Lujan
McClory
McCormack
McFall
McHugh
McKinney
Madden
Madigan
Matsunaga
Mazzoli
Metcalfe
Meyner
Mezvinsky
Mikva
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Myers, Ind.
Myers, Pa.
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Pike
Preyer
Price
Pritchard
Quie
Railsback
Rangel
Rees
Reuss
Richmond
Riegle
Roncalio
Rooney
Rosenthal
Roybal
Ruppe
Ryan
Sarasin
Scheuer
Schneebeli
Schroeder
Seiberling
Sharp
Simon
Sisk
Skubitz

Smith, Iowa
Solarz
Stark
Steiger, Wis.
Studds
Symington
Thompson
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Wampler
Waxman
Whitehurst
Wilson, Tex.
Wright
Yates
Zablocki

NAYS—194

Alexander
Ambro
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Bafalis
Bauman
Beard, R.I.
Beard, Tenn.
Bevill
Biaggi
Bonker
Bowen
Brinkley
Brodhead
Brooks
Broomfield
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carney
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Downey, N.Y.
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Evans, Ind.
Fary
Fish
Fithian
Flood
Florio
Flynt
Ford, Tenn.
Fountain
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Goodling
Grassley
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Harsha
Hays, Ohio
Heckler, Mass.
Hefner
Helstoski
Hightower
Hillis
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kindness
Krebs
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Tenn.
Long, Md.
Lundine
McCollister
McDade
McDonald
McKay
Maguire
Mahon
Mann
Martin
Mathis
Melcher
Michel
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murtha
Natcher
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Poage
Pressler
Randall
Regula
Rhodes
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Rose
Rostenkowski
Roush
Rousselot
Runnels
Russo
Santini
Satterfield
Schulze
Sebelius
Shipley
Shriver
Shuster
Slack
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steiger, Ariz.
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Traxler
Treen
Ullman
Vigorito
Waggonner
Walsh
Weaver
Whalen
Whitten
Wiggins
Winn
Wirth
Wolff
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—73

Abdnor
Armstrong
Barrett
Bell
Biester
Breaux
Burke, Mass.
Burton, John
Burton, Phillip
Chisholm
Clay
Conable
Corman
Cotter
Dent
Dickinson
Dingell
Downing, Va.
Eckhardt
Esch
Eshleman
Evans, Colo.
Flowers
Foley
Ford, Mich.
Giaimo
Green
Guyer
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Holland
Hughes
Johnson, Pa.
Jones, Ala.
Karth
Kemp
Krueger
Landrum
Lott
McCloskey
McEwen
Macdonald
Meeds
Murphy, N.Y.
Nichols
Nix
Pepper
Peyser
Pickle
Quillen
Roberts
Rodino
St Germain
Sarbanes
Sikes
Stanton, James V.
Steelman
Stephens
Stokes
Stratton
Sullivan
Talcott
Teague
Udall
White
Wilson, Bob
Wilson, C. H.
Wydler
Young, Ga.
Zeferetti

The Clerk announced the following pairs:

Mrs. Chisholm with Mr. Dent.
Mr. Henderson with Mr. Zeferetti.
Mr. Hayes of Indiana with Mr. Krueger.
Mr. Cotter with Mr. James V. Stanton.
Mr. Dingell with Mr. Sikes.
Mr. Flowers with Mr. Pickle.
Mr. Landrum with Mr. Macdonald of Massachusetts.
Mr. Karth with Mr. Murphy of New York.
Mr. Holland with Mr. Nichols.
Mr. Sarbanes with Mr. Teague.
Mr. Roberts with Mr. Stratton.
Mr. Stokes with Mr. Breaux.
Mr. Stephens with Mr. Burke of Massachusetts.
Mr. White with Mr. Giaimo.
Mr. Charles H. Wilson of California with Mr. Ford of Michigan.
Mr. Young of Georgia with Mr. Nix.
Mr. Meeds with Mr. Rodino.
Mr. Hébert with Mr. Clay.
Mr. Green with Mr. Eckhardt.
Mr. Barrett with Mr. Evans of Colorado.
Mr. John L. Burton with Mr. Pepper.
Mr. Corman with Mr. Guyer.
Mr. Downing of Virginia with Mr. Abdnor.
Mr. Foley with Mr. Biester.
Mr. Phillip Burton with Mr. Conable.
Mr. Dickinson with Mr. Esch.
Mr. McCloskey with Mr. Udall.
Mr. Armstrong with Mr. Bell.
Mr. Eshleman with Mr. Heinz.
Mr. Hughes with Mr. Johnson of Pennsylvania.
Mr. Jones of Alabama with Mr. Kemp.
Mr. Lott with St Germain.
Mr. McEwen with Mr. Steelman.
Mrs. Sullivan with Mr. Talcott.
Mr. Wydler with Mr. Bob Wilson.

Mr. PATTISON of New York and Mr. MITCHELL of New York changed their vote from "yea" to "nay."

So the resolution was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 12203, FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS ACT 1976

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 12203) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PRIVILEGES OF THE HOUSE

Mr. HELSTOSKI. Mr. Speaker, I rise to a question of the privileges of the House.

The SPEAKER. The gentleman will state it.

Mr. HELSTOSKI. Mr. Speaker, I have been subpenaed to testify before a grand jury of the U.S. District Court for the District of New Jersey on Friday, April 2, 1976, while the House is in session. Under the precedents, I am unable to comply with the subpena, the privileges of the House being involved, without the permission of the House.

I send the subpena to the desk.

The Clerk will read the subpena.

The Clerk read as follows:

[In the U.S. District Court for the District of New Jersey]

To: Henry Helstoski, Ridge Road, Rutherford 7, New Jersey.

You are hereby commanded to appear in the United States District Court for the District of New Jersey at U.S. Post Office and Court House Building, Federal Square, Room 483 in the City of Newark on the 2nd day of April, 1976 at 10:00 o'clock a.m. to testify before the Grand Jury and bring with you any and all tapes, transcriptions, recordings or memoranda, of whatever nature and kind, pertaining to any and all conversations between Henry Helstoski and Franklin Peroff, which were made, produced, constructed or recorded during the period November 1, 1975 to date, as well as any and all letters, correspondence and memoranda between Henry Helstoski and Franklin Peroff during the period November 1, 1975 to date.

This subpoena is issued on application of the United States. Jonathan L. Goldstein, U.S. Attorney,

By: William W. Robertson, Ass't U.S. Attorney.

March 26, 1976.

AUTHORIZING HON. HENRY HELSTOSKI TO APPEAR IN RESPONSE TO A SUBPENA OF THE U.S. DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 1124) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1124

Whereas Representative Henry Helstoski, a Member of this House, has been served with a subpena to appear as a witness before the Grand Jury of the United States District Court for the District of New Jersey, to testify on the 2nd day of April, 1976, at 10:00 antimeridian, and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by the order of the House: Therefore, be it

Resolved, That Representative Henry Helstoski is authorized to appear in response to the subpena of the United States District Court for the District of New Jersey at such time when the House is not sitting in session; be it further

Resolved, That as a respectful answer to the subpena, a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I rise to announce that the program for today has been concluded.

Tomorrow we will bring up H.R. 12572, the Grain Standards Act amendments.

I understand from the chairman of the committee that the bill should take around 3 hours. I mention that so that the Members may anticipate what time they may leave tomorrow.

FIVE THOUSAND FROM SAUDI ARABIA AND KUWAIT IN THIS COUNTRY ILLEGALLY

(Mr. EILBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EILBERG. Mr. Speaker, there are more than 5,000 people from Saudi Arabia and Kuwait in this country illegally and our Government has no control over their movements and actions.

This situation has come about because the State Department consciously agreed to this arrangement. The Department has also refused to stop this practice although Leonard F. Walentynowicz, Administrator, Bureau of Security and Consular Affairs, and other high officials know it is illegal. In fact they intend to allow more people from these countries to come here illegally this year.

I have written to Secretary of State Kissinger about this matter, but so far, all I have received is requests from the State Department that I do nothing further and a promise that my letter will be answered. My staff has also been told that the State Department is afraid to stop this illegal action because the governments and people of Saudi Arabia and Kuwait would be offended.

These people are permitted to come into this country with an A–2 "official" classification instead of the normal student designation.

However, unlike the other 80,000 foreign students in the United States, these people do not have to tell our Government what school they are attending. They also do not have to attend classes regularly nor maintain a passing grade average, as do all of the other foreign students in the United States.

Additionally, the Immigration and Naturalization Service has no means or legal right to monitor their activities as it can do with all of the other foreign students studying in this country.

Finally, these people have no time limit on their stay here. If they wish they can remain forever.

The State Department has admitted it does not have any idea where these people are or what they are doing.

I repeat, these people are here in direct violation of the Immigration and Nationality Act and the State Department has refused to stop this criminal procedure.

Mr. Speaker, if the Federal Government refuses to respect its own laws, how can we expect our people or foreign governments to obey them?

PENNSYLVANIA AVENUE CORPORATION

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, H.R. 7743, the Pennsylvania Avenue Act amendments bill failed to pass the House under suspension of the rules on March 15. It is my blief that many of the Members did not fully understand the content and merits of this measure before voting on it that day.

I hope we can soon again bring this bill to the floor. I also hope those Members who opposed the bill when it was before us on the Suspension Calendar will more carefully study and analyze this legislation before voting a second time.

Mr. Speaker, to this end, I commend to my colleagues an editorial entitled, "The Pennsylvania Avenue Fiasco, which appeared in the Washington Post on March 22. The text of this editorial follows:

[From the Washington Post, Mar. 22, 1976]

THE PENNSYLVANIA AVENUE FIASCO

The House did not save the taxpayer money when it voted a few days ago to stop all spending on the long-planned redevelopment of Pennsylvania Avenue. On the contrary, unless the whole project is to be abandoned, the ill-considered vote—which might have been avoided by more adroit legislative strategy—simply means that the project will be delayed. And with construction costs climbing steadily, this means that the work projected for the next two years will almost inevitably cost far more, in the end, than the $38.8 million the Avenue's planners asked for.

Obviously, we are not as rich as we thought we were and must reduce public spending. It has also become obvious by now that the earlier proposals for the Grand Avenue, dreamed up in the days of the New Frontier and in the Great Society, were far too grand, if not grandiose for today's more humble tastes and budget. What is more, a dozen years of hyperbolic planning and rhetoric have failed to attract new private investment. Instead, the lengthy planning debates, a moratorium on private development and the uncertainties of bureaucratic and congressional approval have hastened the Avenue's decline. All that came out of the grand commotion is one office building, replacing the old Raleigh Hotel and that unlovely bulk known as the J. Edgar Hoover Building. The Avenue lost a number of stores and shops, including a department store, and, what is worse, the historic and handsome Willard Hotel, which now just stands there, two blocks from the White House, boarded up and rotting away. Inconceivable as this may sound, the most prominent avenue in the capital of the most productive country on earth is turning into a slum.

It needs relatively little earnest money to reverse this shameful trend. For a total of perhaps $15 million, we are told, the Pennsylvania Avenue Corporation could save the Willard, turn the old Lansburgh store into an attractive shopping center where small businesses, which have been or will be displaced by downtown improvements, can be relocated, and plant a few trees along the new National Gallery Annex. This would show potential private investors that the federal government is at long last done with talk and planning and is willing to create an environment between the White House and Capitol Hill in which it is safe to invest in new offices and hotels and to attract residents and tourists willing to spend money.

The Willard, the small business center and the trees cannot do this alone, of course. But they are vital, in our view, to supplement the stimulating effect that Metro and other measures now under way will have on Washington's central business district. Conversely, if Pennsylvania Avenue remains an underdeveloped slum, it will have the effect of a Chinese Wall between the Mall, where the tourisst are, and downtown, where their business is needed. That is a waste, for unless you make all of downtown work, none of it will work. In the end, and leaving rising construction costs aside, drastic and expensive measures will be needed that will cost the nation's taxpayers far more than the money the House "saved" on Pennsylvania Avenue.

The irony is that the new plan to restore the Avenue to a modest measure of respectability was approved by Congress a year ago. Modest start-up funds seemed assured and have been voted by the Senate. By reversing itself, in effect, the House has given a perfect demonstration why private business is reluctant to invest in this scheme, which the federal government started and took responsibility for.

What is needed now is, first of all, that someone explain to the House that minimal spending on Pennsylvania Avenue is no longer a frill but essential to the health of the city, which has been called every American's "second home." The White House also has a responsibility, we believe, to understand this and to back the Pennsylvania Avenue Corporation when it makes another try for some money in the House Rules Committee. The corporation itself must obviously trim its plan some more and work harder, not just on how to make the Avenue attractive, but on how to make it an attractive private investment. As we urged in this space some months ago, the Corporation should also start thinking about going out of business itself and turning over to the existing municipal and federal agencies the job of executing its plan.

RETIREMENT OF CLAUDE C. MYERS, PRESIDENT OF THE FOUNTAIN CITY BANK, KNOXVILLE, TENN.

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, I would like to call the attention of this House to the retirement of one of my distinguished constituents. Claude C. Myers, a man of dedication and courage, has announced his retirement as president of the Fountain City Bank in Knoxville, Tenn. A man of rare ability and initiative, he began his career at the Fountain City Bank in 1926—2 years after it was founded. He has seen it grow as he has also seen the small community of Fountain City grow into a thriving part of Knoxville.

Fountain City, Knoxville, and indeed the entire State of Tennessee has been the better for the work of this quiet man. Claude Myers was named to the Tennessee Planning Commission by the late Governor of Tennessee, Frank Clement. He has also served on the Metropolitan Planning Commission in Knoxville. Claude Myers was then elected Director of the Knoxville Utilities Board. These many good works have been accomplished with a quiet dignity that has set a high standard of excellence for the entire community.

Claude Myers will be honored tonight at a banquet in Knoxville, Tenn.—a fitting tribute for this man who has exemplified the highest standards of good citizenship.

TAX REFORM: AN OVERVIEW

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 30 minutes.

Mr. CRANE. Mr. Speaker, there can be little doubt that the American economy is in trouble. The difficulty is by no means temporary. It is not a short-run dilemma which we face but, quite to the contrary, a very real, long-run difficulty.

The fact is that the living standard of the majority of Americans is declining. The purchasing power of the average family dropped nearly 3 percent in 1975, the second straight year of decline. Taking inflation into consideration, the income for 1975 totaled slightly less than it did 6 years earlier.

The situation is even worse than that unfortunate statistical data would indicate. This decline has occurred despite the fact that nearly 20 million married women—43 percent—are working and 5 percent of the labor force is holding down two jobs. The essentials of life are taking more and more of the income of the average American family. In 1975, 55 percent of consumer outlays went for food, clothing, shelter, fuel, and utilities as opposed to 53 percent in 1973. The difference equals a sum of $21 billion.

The impact upon our economy and our entire way of life cannot be minimized. Middle income families, those earning between $10,000 and $35,000 a year, are responsible for 75 percent of consumer purchases. A recent study estimated that 85 percent of American families are now unable to purchase a new home.

Inflation, which has been brought about by huge governmental deficits and an accompanying artificial increase in the supply of money, is largely responsible for this negative economic picture. Today, there are many calls for "tax reform" being heard. Some argue that if the "rich" were forced to pay a larger portion of their income in taxes, there would be more to go around for the remainder of the society. Some set forth the thesis that "big business" has been earning profits which are too high and that these profits should be taxed at an ever higher rate and the funds redistributed to individuals elsewhere in the economy.

What many mean when they speak of "tax reform" is simply to take more money from those who already are paying the highest possible percentage of their income and profits in taxes. This is a politically popular course, for very few individuals and companies would be forced to pay more while very many individuals and families would be told that they are receiving additional benefits. Unfortunately, the economic system does not work in this way, and those who propose this illusory kind of "tax reform" know that this is true. It may, however, be good politics, and this is what they believe to be the case when they endorse such economically inappropriate policies of "tax reform."

At the very beginning we would do well to dispell the myth which has characterized a good deal of the discussion of tax reform. That myth is that the rich are escaping taxation and that loopholes need to be closed which would provide for more equitable taxation for the rest of us.

The fact is that although the Internal Revenue Code proclaims its intent to tax "all income from whatever source derived"—half of all personal income is untaxed.

The Internal Revenue Code undercuts its own sweeping statement by permitting many exclusions, exemptions, deductions, and credits. The fact is that most of these do not go to the "rich." Instead, most of the tax-free income is in the lower brackets.

The adjusted gross income on individual tax returns in 1972 totaled $747 billion. Most of the unreported or "missing" income of $192 billion consists of social benefits—social security, public assistance, unemployment compensation—untaxed labor income—employer contributions to pension and welfare funds, nontaxable income in kind, and so forth—nonreported income—persons with income below taxable levels who do not file—and imputed income—imputed rent on owner-occupied homes, and so forth.

Corporate taxes are promulgated in such a way that the efficient producer is punished. His industrial expansion is restricted, his capital formation is prevented, and the competitiveness of American industry in international trade is damaged. The American tax system, as a result, receives no payment at all from millions who are unproductive while stifling the initiative of those who are productive by taking away that portion of income which would be reinvested—creating new jobs and helping the economy to expand.

The current 48 percent tax on corporate incomes is a double tax on stockholders, who pay once at the corporate level and again when they report dividends as part of their taxable incomes. It is a detriment to investment because it cuts the return on equity capital. It is also inflationary because it forces corporations to raise prices by $2 for every dollar they add to net.

The fact is that U.S. tax policy has not been based on what is best for the American economy—what will produce the most new jobs and what will strengthen the competitive position of U.S. business and industry. It has been based, instead, on what was perceived as being best for the political interests of those writing the tax laws.

Putting our tax policy in a proper perspective, Prof. Roger Freeman of the Hoover Institution, in his important book, "The Growth of American Government," writes the following:

> When Congress is discussing and deciding tax policy issues, with whom is the legislator likely to place his bet? With the 51 percent (Adjusted Gross Income under $8,000) or with the 0.8 percent (AGI over $50,000)? This alternative explains the growing tendency, particularly apparent since the "close-the-loopholes" drive arose in the late 1950s, to free increasing amounts of personal income in the lower brackets from taxation and to increase the burden where the fewest votes are. It also explains the general bias that favors consumption and penalizes capital formation in the American tax system.

The economic impact of the corporate profits tax is, Dr. Freeman points out, quite different. He writes that—

> It punishes the efficient producer, restricts industrial expansion, penalizes capital formation, and adversly affects the competitiveness of American industry in international trade. Still, the myth that it is largely borne by big business seems to assure the corporate profits tax a prominent place in the American tax system as far as we can see ahead.

The fact is that U.S. capital needs in the near future are massive, with some projections of the required investments ranging up to $4.5 trillion during the next decade. Unless corporations can come up with those funds, the Nation could have real trouble meeting energy and environmental demands and still keep the economy growing.

To make sure that such funds are available, we must consume less in income and save more for investment. Such a shift can only come if the Federal Government redresses its current tax bias against capital that cuts the potential rewards of investment. Clearly, investment means more jobs. In a time of growing unemployment, Congress would do well to reject the politically opportunistic approach of attacking the "rich" and the "loopholes" and turn its attention to the real problems.

The political response to unemployment, recession and inflation which would simply make the government "the employer of last resort," and which would increase corporate taxes, leaving less and less money for re-investment, would only make things worse. Again, this is economically clear to all—including those who make such proposals.

The idea that the provision of meaningless, make-work jobs to those who are unemployed can, in any way, improve the prospects for a healthy economy, is rejected by all who understand even the elementary laws of the marketplace.

Deficit spending, which is increased by such programs, produces inflation, and inflation leads to a curtailment of demand which leads to a cutback in production and to increased unemployment. What some in the Congress propose as a cure is really one of the elementary causes of our current economic decline.

Discussing the need for capital formation, Secretary of the Treasury William Simon noted, in testimony before the Senate Finance Committee, that—

> The desired results will require government policies which will moderate inflation and balance the federal budget over time in order to avoid diverting needed capital away from investment into the financing of chronic government deficits. A continuation of the fiscal and monetary distortions of the past decade will only frustrate our capital investment efforts and lead to still more serious economic problems in the future.

The $4 trillion which we need is nearly three times the total invested in plant modernization and expansion in the last 10 years. If we do not make this investment, we will have only a stagnant economy to look forward to.

Too many in the Congress, instead of understanding the real dilemma we face, proceed along the traditional political and cosmetic path, appropriating billions we do not have for jobs which produce nothing of value but simply provide the illusion of problem solving. Through the inflation produced by this policy, further unemployment is caused, and capital and profits are further depleted. Only economic ruin lies at the end of this path.

The key problem with inflation, states Nobel Prize winning economist F. A. Hayek, is that it disrupts relative prices. Monetary inflation gives the whole structure of the economy a distorted, lopsided character which sooner or later makes a more extensive unemployment inevitable than that which the policy was intended to prevent. It does so by drawing more and more workers into kinds of jobs which depend on continuing or even accelerating inflation. The result is a situation of rising instability in which an ever-increasing part of current employment is dependent on continuing and perhaps accelerating inflation, and in which every attempt to slow down inflation will at once lead to so much unemployment that the authorities will rapidly abandon it and restore inflation.

The result of all this, writes Dr. Hayek, is that—

> We have been led into a frightful position. All politicians promise that they will stop inflation and preserve full employment. But they cannot do this. And the longer they succeed in keeping up employment by continuing inflation, the greater will be the unemployment when the inflation finally comes to an end. There is no magic trick by which we can extricate ourselves from this position which we have created.

Inflation such as the Congress has produced through its reckless spending programs destroys the capital and labor markets by disrupting prices; it then destroys people on fixed incomes when individuals race to outbid one another with the newly created money. In the end it destroys almost everyone when the inevitable contraction and readjustment follow. Depressions are clearly the product of Government-induced monetary inflations. When he was asked what the Government should have done in 1933, the late distinguished economist Ludwig von Mises declared: "The government should have done nothing . . . earlier."

Any political leader or party which pursues a policy of continuing inflation—which is precisely what those who advocate public service employment and higher taxes on business and industry are doing—should do so with a full awareness of the dangers which lie in the path of such an approach.

In his important volume, "Economic Consequences of Peace," John Maynard Keynes wrote:

> Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency. By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. . . . Lenin was certainly right. There is no subtler, surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million is able to diagnose.

The reason for our current economic dilemma is, in large measure, the growing role of the Government in taking wealth from the economy and using it in a nonproductive manner which stifles economic growth and produces recession.

From 1963 through 1968, the percentage of national income represented by domestic spending of Government rose from 24 to 27 or by 12 percent. From 1968 through 1973, it rose from 27 to 32, or by 17 percent. As recently as 1965, Government transfer payments to individuals came to a modest $37.1 billion. In December 1974, Federal, State, and local governments were disbursing cash to individuals at an annual rate of $155.9 billion, for which no services were rendered.

Discussing the real challenge to a free society inherent in the welfare state philosophy, Prof. Warren Nutter of the University of Virginia notes that the instability of the entire Western World can be related to the dilemma raised by big government:

> Who is to benefit at the expense of whom? The answer is fairly simple when the welfare state is small enough. If a quarter or less of national income is flowing through the hands of government, it may seem plausible to a large majority that needed taxes can be collected from the remaining minority. Politicians can credibly campaign on the platform of "soaking the rich." But not when the tax rises to 30, 40, or 50 per cent of national income. . . .

We must not forget that our country became the most prosperous and productive in the world through its ability to generate savings and investments which, in turn, created jobs, improved productivity, and raised the standard of living. As Secretary Simon recently stated:

> Continued prosperity cannot be taken for granted. It must be earned. We must be willing to allocate more of our resources to the future and fewer to satisfying immediate demands.

The single most important tax reform required to stimulate the American economy, reduce unemployment, and restore economic health and growth to our society is that of stimulating capital formation and investment.

Capital accumulation involves the exchange of current consumption for the interest rate is meant to compensate the individual for the postponement of consumption, for risk and for inflation, although it often does this imperfectly. A firm acquires capital to produce for future consumption; the interest rate is what it pays for the use of current resources. Generally, a rising interest rate tends to induce an increased supply of capital, while falling rates induce an increased demand for capital.

The fact is, however, that Government distorts the entire capital market. Increased welfare benefits and social security payments, for example, shift more resources into the income groups that favor current consumption over future consumption. In addition, since such benefits are financed by progressive income taxes, the resources available to the groups that would tend to favor future over current consumption are limited.

Government has also been expanding unemployment benefits and a variety of other programs to protect the public against economic fluctuations. To the extent that the public feels "protected," the incentive to save is reduced. Whether the Government taxes or borrows to finance spending programs, it is clear that it appropriates resources that could otherwise have gone into capital accumulation.

Thus, Government tax and economic policy is, in large measure, directly responsible for the declining amount of capital available for investment in American business and industry. What must be done to restore economic health and vitality is to reverse those tax and economic policies.

In my capacity as a member of the House Ways and Means Committee, I have been urging my colleagues to consider the need for tax incentives for capital formation embodied in the Jobs Creation Act (H.R. 7240) which would provide desperately needed jobs by increasing the investment capital available to businesses for expansion of plants and new machinery.

The Jobs Creation Act is an omnibus bill with provisions ranging from an increase in the investment tax credit to an overhaul of the archaic estate taxes. In the next few weeks the House Ways and Means Committee will consider several items contained in the Jobs Creation Act which will aid economic growth.

There have been no changes in the estate and gift taxes since 1942. The exemption levels no longer bear any resemblance to economic reality, and contribute to the alarming decline in family owned farms and small businesses. The Jobs Creation Act allows small business an extension of time in which to pay estate taxes, and increases the exemption for family farms from $60,000 to $200,000. The heirs of a family operation should not be forced to sell it just to pay taxes.

The committee also has the opportunity to deal with individual income tax return schedules. An important reform to encourage savings is to allow a deduction for the first $1,000 of savings and investments on the income tax form.

The Jobs Creation Act also provides for a permanent investment tax credit of 15 percent, and eliminates the present system of double taxation of dividends. These two provisions will strengthen equity financing by corporations, and decrease reliance upon debt financing. These matters are pending before the task force on capital formation.

The task force should also deal with a reduction in the corporate tax—a tax which is ultimately passed on to the consumer in higher costs—with an increase in the corporate surtax exemption—to help small businesses survive—with a rapid write-off of Government-pollution control devices, with a $1,000 exclusion for capital gains, and with options for employee stock ownership plans.

If we were able to enact all of the Jobs Creation Act, 7.2 million new jobs could be created in the first year after enactment, 9 million the second year, and 10.9 million in the third year. Our GNP would increase by $151.4 billion and Federal revenues will swell by $512 billion. This translates into real economic growth and permanent, meaningful jobs, not transitory pump priming and demeaning public service employment.

Few Americans seem aware of the fact that during the 1960s, the United States put a smaller share of its money into capital investment than any other major free country. Of the 20 most industrialized nations, last year America's investment rate was 18th. One result is that American productivity and overall economic growth has been among the lowest for over a decade.

Writing in "The Public Interest," Prof. Peter Drucker makes it clear that—

> The central problem of American economic policy will . . . have to be the stimulation of 'genuine savings' so as to attain the minimum rate of genuine capital formation—maybe eight or 12 per cent of total personal income—needed for economic maintenance, let alone for economic growth at least at the same rate as labor force growth."

Writes Dr. Drucker:

> The least painful approach to this problem is to increase the share of capital—whether in the form of after-tax corporate profits—in the nation's Gross National Product. This would be helped along by market forces. . . . It would also be the way that best fits existing financial structures.

Unfortunately, it is Dr. Drucker's prediction that political forces will prevent economic forces from being permitted to work. He laments that—

> As long as a government remains under control of an electorate, it is most unlikely to be permitted to form capital; whatever it takes in—except maybe during short, wartime periods—tends to become consumption through "transfer payments".

It is time for us to tell the American people the truth about our economic situation. For too long we have been told that we can both increase transfer payments—welfare, unemployment insurance, social security, subsidies for farmers, businessmen, teachers, veterans, etc.—and also continue our economic growth. Since there is a limited amount of capital available, this is not possible. Finally, the limit seems to have been reached. If ever the time existed for facing the harsh reality of our economic dilemma, that time is now.

It seems to me that two particular changes are needed in the tax laws to stimulate the economy through capital formation. Incentives are needed to encourage more Americans to save more, thereby providing funds which will find their way into capital investment; and more provisions are needed to enable business to keep a greater share of before-tax profits for reinvestment.

In considering a tax reform approach which would stimulate saving and reinvestment we must remember that, as the Lima News pointed out in a recent editorial:

> The ultimate result of all taxes, regardless of what they may be called, and irrespective of where they may be applied or upon whom initially imposed, is to funnel capital into the non-productive governmental sector. This process, taking of wealth from those who earned it and giving it to those who did not, injures the capacity of a nation's people to produce. With less produced, there is less for all to consume. All are harmed.

Beyond this, the editorial notes—

> All taxes, regardless of the name given to them, irrespective of where applied or upon whom initially imposed, are taxes upon production. It is not possible to tax anything else. Consequently, since consumers consume what is produced and must pay the costs thereof, all taxes wind up being borne by productive consumers.

The only real tax reform in the long run is a balanced budget, an end to an artificial increase in the money supply, a cutback in Government social programs, and a lowering of the basic rate of taxation. Tax reform will be meaningful only when it reduces taxes, rather than simply spreading them around in a different way. Tax cuts without an equivalent cut in spending is precisely the kind of political "reform" which, in the long run, makes things worse—and not better.

Today we must concentrate on a tax approach which provides increasing incentives to save and to invest. This involves a plan for accelerated depreciation of plant and equipment for new construction in areas of high unemployment. It involves a number of different ways to make it more possible—and more attractive—to invest funds in future growth.

To those who argue that all such tax approaches simply "benefit the rich," we must remember that statements of this kind are precisely the kind of political responses to economic realities which have brought us to our current situation. Economist Milton Friedman has pointed out that—

> This criticism is sheer demagoguery. The elementary fact is that "business" does not and cannot pay taxes. Only people can pay taxes. Corporate officials may sign the check, but the money that they forward to Internal Revenue comes from the corporation's employees, customers, or stockholders. A corporation is a pure intermediary through which its employees, customers and stockholders cooperate for their mutual benefit. A corporation may be large and control large amounts of capital. Yet it does not follow that a reduction in the check it sends to Internal Revenue benefits wealthy individuals.

What does follow, however, is that capital cannot be invested by business and industry if tax rates are so high that no capital remains to be invested—after taxes have been paid. If capital is not invested, new jobs cannot be created, unemployment continues—and rises—and economic growth comes to a halt.

A second important tax reform measure which I support is the need for tax indexing, which would adjust the income tax rate annually in accordance with the cost-of-living index.

The tax indexing measure (H.R. 1816) is one that I have been working with since my first election to Congress in 1969. Because the tax rate is a percentage of income, and inflation raises incomes without increasing purchasing power, the effect of inflation on our current tax structure is to increase annually the amount of tax a person pays in real terms.

The 1975 annual report of the Council of Economic Advisers revealed that the 1974 inflation rate of 11 percent caused personal income tax payments to rise by $8 billion. This increase is directly attributable to inflation-caused relocation of taxpayers into higher tax brackets. Statistics compiled by the Joint Economic Committee have revealed that real income tax rates for middle-income families last year rose 26.5 percent. By forcing the Internal Revenue Service to adjust tax schedules for inflation, we would put an end to this "windfall tax" and force the Congress to vote on any raise in taxes to support its spending programs.

Consider what this means to the average family. If the inflation rate is, for example, 12 percent a year, and your salary is fortunate enough to increase at the same rate of 12 percent a year, you will not even remain in the same relative economic position. You will, quite to the contrary, suffer a dramatic decline in real, after-tax income.

A 1974 income of $25,000 would have to expand to $168,188 in 20 years to keep pace with a 10 percent annual inflation rate. Even if it did, the taxpayer would be in worse relative condition. In 1974, such an individual would have paid Federal income taxes of $6,020—or 24 percent of his income. This left him 76 percent for personal use. In 1994, with an inflation-swollen income of $168,188, the tax liability would be $89,148, a much larger 53 percent of his income. In 1994, he would have only 47 percent of his income for his own personal use. Thus, such an individual would suffer a 38 percent drop in his standard of living.

What inflation does is to throw us into artificially higher tax brackets, enabling Government to collect higher taxes without enacting legislation calling for such a tax increase. The individual who paid $50,000 for a corporate security in 1967, for example, and sold it 7 years later for $74,000, would barely get back the original price adjusted for the 47.7 percent increase in the Consumer Price Index. Yet, while such an individual would have earned no real profit, the Government would have imposed a tax for more than $6,000 on what is a paper profit, but a real loss.

It is not difficult to see that Government has a vested interest in the system as it is working at the present time. At the same time, individual citizens have a vested interest in changing it.

The solution to the problem is to be found in legislation which I have sponsored calling for "tax indexing." Writing in the October 1975, issue of the Alternative, Jude Wanniski notes that—

> Except for stopping inflation in its tracks from here on out, which is hardly a likely possibility, there seems only one solution to this diabolical process: an annual, automatic correction of the tax schedules for inflation. . . . It would take an Act of Congress. . . . The Act would merely state that if there is inflation in some subsequent year or years a computer would automatically adjust tax brackets and inventory profits so that inflation doesn't overtax anyone. Who can argue with a computer?

This very system was instituted in Canada 2 years ago and, according to reports from that country, it is working very well. On January 1 of every year, Canadian taxes are lowered by precisely the amount required to correct for the inflation of the year ending the previous September. In the current global recession, that in Canada is among the most mild.

The idea of tax indexation is receiving significant support. The best solution to our difficulties, writes tax attorney Henry P. Cheeseman in the Journal of Accountancy, is to "work out a new tax schedule that allows our incomes to be adjusted according to inflation." His idea is a tax schedule which keeps you paying the same percentage of your real income in taxes—when the gains are largely attributable to inflation. Thus, if inflation is 10 percent, your tax bracket would be expanded 10 percent so that you would avoid being thrown into a higher tax bracket.

Dr. William J. Fellner, a member of the President's Council of Economic Advisers, has come out in strong support of tax indexing. A recent report of the Council reveals that the 1974 inflation rate of 11 percent caused personal income tax payments to rise by $8 billion. Mr. Fellner asserted that this increase is directly attributable to the relocation of taxpayers' dollar income into new, distorted taxable income levels. He points out that—

> The $8 billion estimate for 1974 is based on the assumption that the distorting effect of inflation results exclusively from the relocation of taxpayers from non-taxable into taxable brackets, and from lower to higher brackets, because their money incomes reflect an inflationary trend which their real incomes, of course, do not . . . I have concluded that tax indexation . . . would have led to a reduction of tax payments by up to $30 billion.

The inequity of today's situation must be corrected. Today, at a 10-percent inflation rate, the wage earner whose gross income is $15,000 would rapidly be pushed into higher tax brackets even though his real gross income would remain the same. In 20 years, if his pay increases merely offset the inflation rate, his annual salary would be $103,210—which would put him in the 70-percent tax bracket.

Under today's tax system, Government has a vested interest in continuing inflation. Under the system of tax-indexing which I have proposed, that vested interest would be eliminated.

There have been many dire predictions about the fate of our system of free enterprise. Fletcher Byram, chairman of the board of Koppers Co., Inc., recently told a panel of economists that the free enterprise system has 5 good years left of survival. He declared that—

> We don't think it's going to fall apart in less than five years, so we're reasonably safe in the investment of our stockholders' money. But we do not invest capital in anything that doesn't pay out in five years or less. We require that a reasonable dividend be paid by using only 30 percent of our total earnings, so that we can use after-tax earnings to cover the short haul and depreciation.

Mr. Byram noted that—

> The fact is that we're destroying the capital-intensive industries in the United States, as far as the free enterprise system is concerned.

Commenting upon the unfortunate state of our economy, the Santa Ana Register, in an editoral, declared that—

> The best planning that private enterprise can do, indeed the only planning that private enterprise can do to assure itself a place on the future landscape, derives from its ability to read the capital investment market rightly. And that depends on the existence of a capital investment market—which bit of obviousness our politicians seem to have overlooked. . . . With double-wallop taxation and a multiplicity of regulations, resulting necessarily in misallocations and shortages, the political government has so hobbled free enterprise that business' kneeling over is nigh. Unless, of course, incentives may be provided to make investment a popular habit again.

All Americans, particularly low-income Americans, have a vested interest in restoring health to our economy. Unless investment is stimulated, unless new factories are built, new jobs created, and new business ideas developed, these low-income families will be locked into the bottom of a stagnant economy. Instead of having a larger pie for all Americans to share, we will enter an era of internal combat over how to divide an ever diminishing pie. The results of that kind of combat would be disastrous—not only economically, but also with regard to the future of freedom and democracy as well.

It is time that those in public life began to tell some hard truths about the state of our economy.

In a recent speech before the Economic Club of Chicago, Willard C. Butcher, the president of the Chase Manhattan Bank, expressed his disturbance over the fact that—

> People are not being told enough about the essential nature of our economy and our economic problems.

Mr. Butcher pointed out that every worker in private industry in the United States is backed up by an investment of "$20,000 to $30,000." He noted that there is no other way to create new jobs than by supplying the capital to provide the tools, the supplies, and the materials that a job requires. In the face of the massive need for capital investment, however, Mr. Butcher notes that—

> We are confronted by the spectre of a new government policy that could cripple the capital markets.

Because capital is needed to make jobs, the highest priority of our economy should be the stimulation of capital formation. Everything else that we say we want depends upon this. Our present Government policy, quite to the contrary, is designed to use all available capital to finance Government deficits—and costly social programs—leaving almost nothing for business expansion.

Most economic experts believe that the next 10 years will require more than twice as much capital as the last 10. The response of the Congress, however, is not to assist in the formation of such capital but, instead, to increase our deficits in an illusory hope of "priming the economic pump."

Discussing this unfortunate state of affairs, Richard Whelan recently wrote that—

> America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already strained back. This borrowing will abort any recovery by sending interest rates soaring, devastating the housing industry, and drying up the pool of long-term investment capital, the muscle-building protein of the American economy.

The notion of the majority in the Congress that we can spend our way out of the current economic decline is a political notion, not an economic one.

The current rate of inflation and of unemployment have not come upon us either suddenly or unexpectedly. Government policies over the past quarter century have led almost inevitably to this position, and although some tell us that the answer is still more deficit spending, still more redistribution of wealth, and still more stifling regulations—Americans must one day ask themselves whether, if these are really the answers, they would not have worked in the many years since the New Deal in which they have been implemented.

The unfortunate fact is that Government itself is strangling our economy, and today's inflation and recession have been produced by that strangulation. Politicians, caught with the smoking gun, are hardly likely to admit guilt.

If present trends continue, by 1985 half of the national income will be controlled by Government. This means, in effect, that half of all national income will be taken in taxes. The reason for such growth is neither military emergency nor Government programs for building roads or dams or rebuilding cities. The reason for the increase is a series of Government programs which give cash to people who are not producing by taking it in the form of taxes by those who are.

Ten years ago, Government transfer payments to individuals came to $37.1 billion. In 1975, Federal, State, and local governments were disbursing cash to individuals at an annual rate of $155.9 billion. If Americans wonder why profits are down, why investment capital is not available, and why the economy suffers from inflation and recession at the same time—they would do well to consider carefully the problem of mounting transfer payments.

In addition to the substantive problems related to our internal revenue system, we also face a number of other, very pragmatic, difficulties in our relationship with Government.

Our tax forms, and the rules and regulations which govern them, have become so complex that the Internal Revenue Service itself is often unable to comprehend them.

When a House subcommittee staff conducted a random test, it discovered that IRS offices gave incorrect answers to tax questions in 32 out of 124 instances. Representative CHARLES VANIK, Democrat, of Ohio, reported that members of the staff of the Ways and Means Oversight Subcommittee, using typical taxpayer questions supplied by the Library of Congress, called 17 IRS taxpayer assistance offices. The questions were simple, requiring only yes or no answers, with no calculations necessary.

Mr. VANIK said:

> I am deeply concerned by the high level of wrong answers. The callers received 32 wrong answers out of the 124 calls completed. This reflects an accuracy rate of 75 percent or an error rate of 25 percent.

In another test, this one conducted by the Indiana Public Interest Research Group, Inc., IRS offices in six Indiana cities were consulted with an identical tax problem. In Muncie, the IRS office did not compute the tax. In Bloomington, the office did not know how to compute it. In Terre Haute, investigators were provided with advice, but not with any help in computing the tax. In South Bend, Indianapolis and Richmond, the IRS did compute the tax—and the results varied from a refund of $186.40 to a refund of $596.05—a difference of more than $400.

Commenting on the results of the Indiana Investigation, Representative DAVID W. EVANS, Democrat, of Indiana, noted that—

> A tax expert is usually the route taken by the wealthy, who consider it more of an investment than a fee. But for the average family, which is simply looking for accurate tax advice so that it can comply with the law, and not tax shelters, the cost of consulting a tax expert becomes a tax on a tax. What is even more unfair is that the IRS will fine a taxpayer if his return, based on IRS advice, is incorrect.

Another fact about our current system which is, unfortunately, the case in far too many instances, is that our tax laws are not applied equally—but, rather, in an often arbitrary manner. The treatment of American taxpayers by the IRS, a recent Federal study noted, is "whimsical, inconsistent, unpredictable, and highly personal."

The study, undertaken by a team of experts for the Administrative Conference of the United States at a cost of $216,000, is said to be the most extensive outside investigation of the IRS in at least 30 years. The study notes that powers given to the IRS by the Congress make its agents among the most powerful in Government, but that the general lack of laws and regulations makes the application of these powers erratic. It said:

> By default . . . the agency and the commissioner have been left to forage for themselves.

The fact is that the IRS is the largest collection agency in the world, having 74,000 employees, a budget of more than $1 billion, and almost unchecked collection and seizure authority. The Congress, as it has done in so many other instances, has largely abandoned its oversight responsibility with the result that this huge bureaucracy has been unleashed upon the American people.

Surely, now is the time to simplify the tax forms so that any literate citizen can comprehend them and make the laws clear and precise—and applied equally to all.

One of the most important reforms necessary to make our tax system fair and equitable is the substitution for our current rate structure of a flat rate on income above a personal exemption. At the same time, all deductions other than strictly defined business and occupational expenditures should be ended. With such a broadened base, a flat rate of approximately 16 percent would yield approximately the same amount of revenue as the present graduated rates which run from 14 to more than 70 percent. For such a measure to be successful, however, one thing must be made clear. That, as Prof. Milton Friedman points out, is that—

> The elimination of tax preferences must be linked to a reduction in tax rates.

The proposal to provide a single flat tax rate has been endorsed by Secretary of the Treasury William Simon. He recently declared that—

> If every taxpayer were allowed the standard deduction under the 1975 tax law but all other deductions were disallowed and capital gains and other tax preferences were taxed as ordinary income, revenues from personal income taxes would rise by about $50 billion. And we could cut personal tax rates about 30 percent across the board without any loss of revenue.

Under this proposal, the only losers would be a small number of very wealthy taxpayers who are now able to escape taxation by sheltering income. The people in the $10,000 to $20,000 income range would pay less. There would, in addition, be more confidence in the tax system because we would have restored simplicity and equality of treatment to it.

THE BEST TAX REFORM IS LOWER TAXES

Those who tell us that closing "tax loopholes" will, in the long run, mean lower taxes for all Americans, are not being frank. The "loopholes" to which they refer are, essentially, the deductions an individual homeowner takes for his mortgage payments, religious and charitable contributions, and a host of other similar categories.

It is my view that these deductions should be eliminated in the interest of a single, lower rate. Yet, we must not fall into the trap of believing that such deductions are "loopholes for the rich." Dr. Milton Friedman points out that the demogoguery which produces such charges "arises from failure to acknowledge, first, that most of the so-called loopholes were enacted by reasonable men for reasonable objectives and are not simply nefarious schemes to line the pockets of the rich, and second, that the cost of loopholes to the Government grossly overstates the gain to taxpayers."

If our objective is truly to lower taxes, the real reform we need is lowered Government spending, a balanced budget, a reduced deficit, and the need for less money. As early as 1753, Benjamin Franklin suggested a tax standard. He wrote:

> It would be thought a hard government that should tax its people one-tenth of their time to be employed in its service.

Today, the part of your income which you succeed in keeping for yourself is criticized as a "loophole." Walter B. Wriston, chairman of Citicorp, recently noted that—

> The ultimate logic of that assumption is that everything you earn belongs to the state. The benevolent Congress may permit you to keep a little, not as a right, but only as a benefit.

The real tax reform, if we are each to benefit in the long run and to enjoy a larger percentage of the fruits of our own labor, is to lower Government spending, put an end to the artificial increase in the supply of money, and end Government deficits. It is toward this kind of reform that we should be working.

The proposals I have made, for tax incentives for capital formation, for tax indexing, for a single tax, and for simplified and equally applied tax laws, will not solve all of our problems immediately. Anyone who proposes an instant solution for problems which have taken years to develop is simply playing politics with those problems. If enacted, however, these proposals will lay the real foundation for a sound economy, both now and into the future. It is time that we took the first important steps toward restoring health to an economy which, for too long, has become nothing more than a political football for those interested not in the next generation but only in the next election.

MEDICARE AND MEDICAID REIMBURSEMENT OF COMMUNITY MENTAL HEALTH CENTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. HEINZ) is recognized for 10 minutes.

Mr. HEINZ. Mr. Speaker, today I introduce legislation on behalf of myself and Mr. CORMAN which would make changes in title XIX of the Social Security Act—medicaid—to make it possible for community mental health centers to receive to a greater extent than is now possible reimbursement under that program. My distinguished colleague, the Honorable JAMES C. CORMAN of California is today introducing a similar measure for medicare which I am cosponsoring.

The community mental health centers program was initiated in 1963 in an effort to provide mental health treatment programs in every community in the country. The program was an ambitious one, and to date it has been one of Congress's most successful initiatives in the health field.

Initially, this program provided grants to community mental health centers for start up and to cover operating costs during an initial period, after which the center would be expected to derive its revenue from other sources to continue those programs. Subsequently, the Congress enacted the medicare and medicaid programs which, among others may provide additional resources to community mental health centers. Only if these additional funding sources are tapped can the community mental health centers have the necessary financial resources to fully respond to the people in communities which rely on them for mental health services.

Now, over a decade later, there are

more than 600 community mental health centers serving close to 85 million people throughout the country. Yet, if we are to achieve our commitment made in that original law to serve the whole population who require mental health services in their community, we must do more.

In 1975, Congress enacted another extension of the community mental health centers program. It was my pleasure to be directly involved in the development of that legislation which is now public law. That legislation—the Community Mental Health Centers Amendments of 1975—mandated that centers seek all available revenues they can from other funding sources—such as medicare and medicaid. The administration both in its 1976 and 1977 budgets has sought to reduce or eliminate direct grants to CMHC's on the grounds that they can rely entirely on other sources of revenue. The administration points to, among other resources, funding through medicare and medicaid. Unfortunately, at present the barriers to payments to CMHC's by medicare and medicaid make it impossible for centers to achieve any significant funding from these sources. Today, only about 6 percent of CMHC funding comes from the medicare and medicaid programs.

The legislation I introduce today is designed to remove barriers in the medicaid program to payments to community mental health centers, and, thus, allow this program to be more successful and useful by encouraging those who need it to turn to their own communities for assistance rather than costly State mental hospitals.

The major barrier to maximizing CMHC performance under medicaid is the lack of continuity and consistency among State medicaid plans. While the Social and Rehabilitation Services of HEW has national responsibility for the medicaid program, the administration of the program has been decentralized to the States. Under medicaid, the States have been entrusted with determining the specific services to be covered, other than a number of services which are mandatory, as well as the eligibility requirements for such services.

Reimbursements to community mental health centers for provisions of services are severely limited for several reasons.

First, inpatient mental health care is only covered under medicaid if services are provided through a general hospital. This excludes from coverage all those CMHC's operated by a psychiatric hospital, those affiliated with a psychiatric hospital for the provision of inpatient care, or those centers which are free standing and have their own inpatient units. Currently, 78 percent of all federally funded centers are affiliated with a general hospital for provision of inpatient services; however, recent changes in the Community Mental Health Centers Act will result in an increase in the number of free standing CMHC's in the future. These cannot be reimbursed for inpatient care under medicaid. Yet inpatient care in a CMHC inpatient unit is no more, and often less expensive, than similar care in other settings.

Second, while a number of CMHC's are affiliated with a hospital for the provision of inpatient care, outpatient services are provided through the center itself. Under medicaid's mandatory services, only those CMHC's which are directly operated by a hospital can be reimbursed for outpatient hospital services. A majority of the centers—84 percent—are thus excluded from coverage of outpatient services in its medicaid plan. Since most of the services provided by CMHC's are provided on an outpatient basis, this exclusion greatly hampers the funding of CMHC's through medicaid.

Thirdly, even though States are required to screen, diagnose and treat both the physically and mentally ill, and even though CMHC's are now providing these services to many in the under-21 population, reimbursements under the early and periodic screening diagnosis and treatment—EPSDT—program are not available to most CMHC's.

Fourth, physicians' services are included in medicaid's mandatory services, and under the law States may not discriminate on the basis of diagnosis. It would therefore seem that mental health care provided by a psychiatrist would be covered under medicaid to the same extent as physician care for other illnesses. In fact, this is very often not the case. States may place limitations on the number or frequency of treatment and in addition many States require prior authorization for certain services. Through these mechanisms States can restrict mental health services under medicaid and many are, in effect, discriminating against those with mental illness in this manner.

Very few CMHC's in those States which do not cover clinic services receive any substantial reimbursements from medicaid. However, even for the centers which qualify as clinic providers under their State plan, the percentage of funding which comes from medicaid is extremely low—ranging from 1.7 to 21 percent.

The inclusion of clinic services in a State plan does not, however, insure that CMHC's will be reimbursed for their services under medicaid, because the State's definition of a clinic is often inappropriate for a small mental health center. Thirty-five States now include clinic services in their State plans, but only nine of these specifically include CMHC's in their clinic definition.

Only those CMHC's in States which include the optional clinic services and define "clinic" so as to include the services provided by CMHC's are receiving any substantial reimbursement through medicaid. The discrimination in title XIX's mandatory services in favor of institutional providers—such as hospitals and nursing facilities, many of which are profitmaking—and private practitioners, and against comprehensive public and nonprofit private programs is unwarranted. The costs of care in CMHC's is certainly comparable to the costs of care furnished by other providers and practitioners, and often CMHC costs are lower.

By including comprehensive programs such as CMHC's as providers of mandatory services, medicaid could insure that patients have available a full range of coordinated services. In many instances, hospitalization can be avoided, or the length of an inpatient stay kept to a minimum when CMHC services are available. Failure to CMHC's as mandated providers is therefore contrary to the administration's policy of encouraging deinstitutionalization, as well as its policy that centers maximize third party reimbursements.

The new legislation, the Community Mental Health Centers Amendments of 1975 (title III, Public Law 94-63), further complicates this situation by setting new operating requirements for CMHC's which will have the effect of increasing rapidly the number of freestanding CMHC's, and thus the number of centers unable to receive provider status for inpatient and outpatient medicaid mandatory services.

Mr. Speaker, I hope that my Interstate and Foreign Commerce Health and Environment Subcommittee will give serious consideration to these proposed amendments to the medicaid program. The 12-year-old CMHC program has been amazingly successful in reducing the number of Americans shut away in mental hospitals, in rendering humane and efficient care, and in reducing the cost of mental health treatment. It can be of even greater service to our poor and elderly citizens under the new arrangement which Mr. Corman and I propose.

Mr. CORMAN. Mr. Speaker, I am introducing a bill today to include community mental health centers as medicare providers and to remove the special and excessive restrictions on the coverage of mental health care under medicare.

It is a pleasure to have the cosponsorship of the gentleman from Pennsylvania, Mr. H. John Heinz III, on this legislation. In addition, I have joined Mr. Heinz today in introducing a bill to provide similar reimbursement for community mental health centers under medicaid.

The CMHC program has brought about dramatic improvements in the accessibility, quality, and cost of the Nation's mental health services. This program has been highly successful in documenting the value of providing mental health services in a community setting.

Unfortunately, all segments of the population have not been able to benefit from CMHC's. It is a harsh reality that the group least served by CMHC's has the most mental health problems—the elderly. This ironic situation has occurred, however, more because of gaps in medicare coverage than flaws in the CMHC program.

Medicare part A includes certain limitations on the mental health services which may be provided to medicare patients and the facilities which can qualify as providers of such care. These limitations severely restrict reimbursement to community mental health centers. The most serious barrier to reimbursement is the current definition of psychiatric inpatient service providers.

Under medicare, inpatient psychiatric care must be provided in an acute hospital or psychiatric hospital which meets a number of criteria, including a requirement that it be accredited by the Joint Commission on Accreditation of Hospitals. Standards for JCAH accreditation as a psychiatric hospital are not appropriate for community mental health centers, nor are the additional requirements placed on inpatient providers by medicare, such as certain staffing and record requirements.

Not all centers face this problem, however. Those operated directly by a hospital which has JCAH accrediation can be reimbursed—16 percent of federally funded centers—and those centers which have affiliation agreements with JCAH accredited hospitals for provision of inpatient services to CMHC patients—62 percent of federally funded centers—can also be reimbursed. However, free standing centers with no such affiliation agreements cannot qualify as providers of inpatient care under part A.

In addition, failure to qualify as a provider under part A restricts these centers to reimbursements on a fee-for-service basis, rather than a cost basis, making fiscal planning difficult, and excluding from reimbursement appropriate administrative costs. If services are contracted out, the CMHC may not be reimbursed on the basis of the actual cost of the contracted services.

CMHC's also provide partial hospitalization services which can be either phychiatric day hospital services or psychiatric night hospital services. However, medicare regards psychiatric night care as an inpatient service, and hence the limitations on CMHC provider status under part A are preventing many centers from obtaining reimbursements for these less intensive and less expensive forms of care.

In order to provide equality between different types of community mental health centers—some of which now have provider status for inpatient services but some of which do not—and between CMHC's and psychiatric hospitals, this legislation provides that community mental health centers which meet certain standards and criteria be included as Medicare providers.

Under medicare part B, CMHC's generally cannot qualify as providers of outpatient services unless they are one of the 16 percent which are operated by a hospital.

In addition, under part B a supervising physician must be physically present in the facility in order for reimbursements to be made. This excludes from coverage all services usually provided by satellite programs of the center and all care provided through a team approach unless a physician is part of that team as well as present when services are delivered. However, the use of outreach satellite clinics and greater use of paraprofessionals are innovations encouraged in CMHC's to make their programs more accessible while at the same time holding down costs.

This legislation applies equally to provision of inpatient services under part A and medical and other services under part B. Medicare would be amended by this bill so as to include the services provided by a qualifying community mental health center. Services to medicare eligibles should be covered, whether provided in the main center facility or in disbursed clinic affiliated with the CMHC.

Such an amendment would end the inequities where outpatient services provided by an accredited hospital are covered, but these same services when provided by a free standing CMHC are not reimbursable. Moreover, provider status would enable centers to be reimbursed on a reasonable cost basis, and thus receive reimbursement for appropriate administrative costs. If CMHC's are recognized as providers under both parts A and B, partial hospitalization services could be covered. In addition, community mental health center services, whether provided directly by a physician, by CMHC staff working under his direct supervision, or by other CMHC mental health professionals should be covered and reimbursable under part B.

This legislation would also remove the special limitations which are presently imposed upon the medicare coverage of psychiatric and mental health services. Thus, mental health services would be paid for on the same basis as physical health services.

The limit on inpatient psychiatric hospital services of 190 days in a patient's lifetime would be replaced by the acute hospital benefit of 90 days per spell of illness and 60 days of lifetime reserve. Also eliminated would be the $250 annual ceiling on the amount medicare will pay for psychiatric services.

Mr. Speaker, this legislation addresses the dual needs of strengthening medicare coverage and increasing the financial independence of CMHC's as mandated in the Community Mental Health Centers Amendments of 1975.

GENERAL LEAVE

Mr. KINDNESS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Pennsylvania (Mr. HEINZ) on medicare and medicaid reimbursement of community health centers.

The SPEAKER pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from Ohio?

There was no objection.

JAIL FOR FELONS AND DRUG PUSHERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. STEIGER) is recognized for 10 minutes.

Mr. STEIGER of Arizona. Mr. Speaker, one of the national problems the American people are frustrated about is the crime problem. They are naturally unhappy that there is so much of it, and that the rates have been going up since the end of World War II. What really frustrates them, however, is the perception that our criminal justice system, as presently administered, not only fails to solve the crime problem or keep it from growing bigger, but that it actually promotes and sustains the problem.

Mr. Speaker, the citizens of Arizona are fed up with what they view as a pervasive policy of criminal justice that is more concerned with the rights of the accused or convicted offender, and the possibility of saving him, than with the plight of the victim of crime, or indeed of the condition in which the public-at-large, driven from the streets and parks by fear of crime, are forced to live.

I remember once reading that the criminologist—and let us not forget that criminology, indeed sociology in general, is a relatively new discipline—that the criminologist naturally tends to be more concerned about the criminal, and identified with him, than he is about the criminal's victims. The criminal—especially the criminal who is caught and becomes a part of the justice process—is the fellow who's the object of the criminologist's study. Most criminologists, during the past 30 or 40 years have preached the doctrine of rehabilitation, which they generally insist is the natural opposite of vengeance. They have not hesitated to blast as stupid and reactionary any call for a toughening of the laws or procedures governing the treatment of offenders.

The criminologists and their supporters have been successful in America to an extraordinary extent. Many key judiciary decisions have been influenced by the general philosophical climate these people have created, if not always by specific ideological points. These decisions, along with the fact that our judges are themselves not immune from the prevailing attitudes of the academics, have resulted in an almost intolerable situation in many areas of America today.

How often have we read the newspaper accounts—or heard it directly from our friends or acquaintances—of the case where the perpetrator of a crime was caught redhanded, with no question about guilt, but somehow was never brought to trial? Moreover, how often do we read or hear about the case where the accused stood trial, was duly convicted, and then was granted a suspended sentence or probation? And then, how often do we read or hear about the crime committed by a person on probation or who has had a felony sentence suspended?

A great part of the reason for so many suspended sentences and such frequent granting of probation appears to stem from the success, within the American judiciary, of the offender treatment philosophy that says: "The only or major purpose of a penal system is rehabilitation". Judges who believe this—and they seem to be in the great majority—are reluctant to send a man to an overcrowded prison when there are no signs that any of the prisoner rehabilitation efforts of the past 40 to 50 years have had any good effect.

Where does all this leave the public? It leaves them with the same bunch of thugs turned loose on them again and again. And it leaves them very sour on the American criminal justice system.

Most citizens believe, and rightly so, that a fundamental purpose of government is the provision of some protection for the law-abiding public.

Maybe the trouble lies in the dominant correctional philosophy itself. Maybe the rehabilitation of the criminal should not be the major goal of a penal system. Maybe the major goal should be the welfare of the public through the prevention of crime, with offender rehabilitation a secondary concern.

Now, it is apparent that we have had very little success at criminal rehabilitation—either in the prisons or in the elaborate probation systems we have developed, along with the halfway houses, the work-release programs—all of those fine-sounding concepts. I think it is time we admit we just do not know how to rehabilitate a criminal and start thinking about the criminal's victims for a change. If we do this, we can immediately see that the great benefit of a term of imprisonment is that it gets that guy out of circulation for a period of time and puts him where he cannot continue to rob and kill for the duration of that time.

If the courts are too slow in perceiving the truth of the present situation and continue to be guided by discredited sentiments, I think there is no alternative left to lawmakers but to turn to mandatory penalties. Understand me, I would prefer to leave sentencing to judicial discretion; I recognize that there are certain problems with shackling the judges in this regard. However, I think the courts have left us no alternative.

The House Judiciary Committee has been considering a far-reaching bill providing for additional Federal interference into firearm commerce, with many of the amendments offered in committee having a great impact on the ability of private individuals to buy and transfer certain types of guns. The only really good feature of the legislation the committee has been considering is a provision making it mandatory that anybody convicted of using a gun in committing a Federal felony should go to jail for at least 1 year.

A number of other proposals have been introduced, in both Houses, which would reinstate mandatory penalties for certain narcotics trafficking offenses. Additionally, the principal bills for the reform of the Federal criminal code either have such provisions, or amendments have been offered to this effect.

I have introduced a bill that would abolish the exclusionary rule—a rule of evidence that has seriously harmed the American criminal justice system. This inflexible rule protects an untold number of criminals each year by excluding the evidence of a crime because of some technical resolution.

In discussing the exclusionary rule—Suppression Doctrine—Chief Justice Burger stated:

> I can only hope now that the Congress will manifest a willingness to view realistically the hard evidence of the half-century history of the Suppression Doctrine revealing thousands of cases in which the criminal was set free because the constable blundered and virtually no evidence that innocent victims of police error . . . have been afforded meaningful redress.

Of course, the various proposals I mentioned are aimed at only the Federal criminal jurisdiction and consequently would have a very limited direct impact on the general national problem. However, as we all know, the Federal Government and Federal laws seem to act like a magnet on the States—sometimes unfortunately—and often we find a Federal statute being viewed as a model by the State legislatures. For this reason, I think the ball is in our court, right here on Capitol Hill.

Mr. Speaker, I firmly believe that responsible legislators have a pressing responsibility to push in every way for measures that will return the rule of law to our streets and communities and justice to our courts. As Members of Congress, we should support legislation that will convince the public that Congress gives a damn and that would guarantee that violent criminals and narcotics traffickers are going to get more than a smack on the wrist as punishment.

LAW ENFORCEMENT OFFICERS POLL SHOWS OPPOSITION TO REGISTRATION OF FIREARMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, I recently conducted a poll of the law enforcement officers in the 17th Ohio District in order to get their input regarding the current laws to register or confiscate firearms. I sent questionnaires to the sheriff's departments and the local police forces of the cities and villages. Several hundred replies were sent to my office, and, without exception, they contained additional comments some of which are included with these remarks.

The results clearly show that law enforcement officers favor stricter penalties and less coddling of the criminal instead of laws which would impinge on the rights of the gun owner who is not violating any law. The results of the poll are as follows:

OPINION SURVEY OF LAW ENFORCEMENT OFFICERS OF 17TH DISTRICT

1. Do you favor federal registration of *all* firearms?

Yes	5
No	98

2. Do you favor federal registration of all *handguns*?

Yes	16
No	83

3. Do you favor a federal ban on private ownership of all handguns except for licensed clubs?

Yes	1
No	98

4. Do you favor confiscation of all handguns?

Yes	1
No	92

5. Attorney General Levi has suggested selected registration in the U.S., that is in areas of high crime density like Cleveland, Detroit, etc. Do you favor that approach?

Yes	9
No	80

6. If there is to be any additional legislation on so-called gun control, it should be at the state or local level *rather* than at the federal level.

Yes	68
No	23

7. Answer only one of these two questions:

In addition to federal registration of handguns, I favor mandatory prison sentences for anyone convicted of a felony in which a gun was used, yes, 6.

Instead of more federal gun control legislation, I favor mandatory prison sentences for anyone convicted of a felony in which a gun was used, yes, 88.

On the subject of law enforcement, please indicate your views on this question:

As a law enforcement officer, my job would be made easier (a) if all firearms were registered, (a), 3; (b) if all firearms were confiscated, (b), 1; (c) if prosecutors, judges and juries were more firm in convicting and meting out sentence, (c) 93.

In addition to these results, I asked two questions which elicited a very great response. There were more than 50 letters attached to these questionnaire returns and almost all of the law enforcement officers took the time to write comments in response to the questions. Their answers give a great insight into the grassroots feelings of these men who are on the front line in the war against crime. The first general question on the poll which solicited their views was "What do you view as the greatest problem of law enforcement today?"

Let me include here, Mr. Speaker, their answers. Here is what the man back home is thinking, something the liberals and do-gooders here rarely take the time to ascertain. Just listen to the man on the front line:

Gutless judges, lawyers and juries.

* * * * *

The fact that criminals get off by plea bargaining so many times on the first time caught and are free to go back to the streets.

* * * * *

The courts are not doing the job the laws warrant.

* * * * *

Judges and prosecutors favor plea bargaining and grant probation or allow a lesser plea to a reduced charge.

* * * * *

Too liberal drug-law penalties, the decline of all our moral laws (gambling, uni-sex rights, no-fault divorce, abortions, etc.). Let's enforce capital punishment in our courts for crimes befitting such and not look down on corporal punishment in schools.

* * * * *

The courts, attorneys, prosecutors making plea bargaining, reducing felony charges down to misdemeanors, letting them off on reduced charges, not being tough enough.

* * * * *

Laws do not have any meaning, too much probation and parole neutralize any deterrent effect of the law.

* * * * *

Criminals have no fear of our courts as to the punishment they will receive.

* * * * *

Obtaining a fair and just sentence for the crime charged instead of plea bargaining; and shock probation and disproportionate sentences to the crime in question.

* * * * *

Crime in the rural area—(because of the economics).

* * * * *

Releasing of too many criminals that should be put in jail.

* * * * *

Law enforcement should work closer with the courts, other law enforcement agencies, and the public. The problem being that there is a breakdown in communication between departments, between the public and the departments.

* * * * *

I feel that instead of introducing more gun legislation, or some other new legislation similar to this, just enforce the laws we have to the mandatory and maximum prison sentence.

* * * * *

Lack of firmness by judges, suspended sentences, repeat offenders, no capital punishment, victims fear of self-defense, technicalities.

* * * * *

Liberalization of laws, prosecutors, courts and police. Plea bargaining. Too much emphasis on the protection of the offender, to little attention to the victim. No deterrents for criminal activity. Is crime profitable?

* * * * *

The courts do not administer penalties to make the crimes committed unprofitable.

* * * * *

In the past month the Mansfield Chief of Police has requested 26 additional officers, but it is obvious we will not receive adequate funding for this.

* * * * *

Item C above (lenient prosecutors, judges & juries) is a big problem. Many hours may be spent in investigation and case preparation only to have the charge reduced on a sentence so light that there is no effect on the wrong doer.

* * * * *

The prosecutors, city solicitors etc. engaging in plea bargaining rather than trying cases on their own merit. This plus the courts wrist slapping makes law enforcement seem almost a wasted effort.

* * * * *

Police officers are burdened by too many restrictive rules. Criminals are not bound by any rules. The actual facts in criminal cases are being overcome by technicalities which to me is not proof of innocence or guilt. I do not believe the Constitution was written to be interpreted the way it is today. (However, neither do I believe in a Police State)

* * * * *

Courts and judges and prosecutors—prosecutors because they will reduce a charge just to keep from going to trial. Better known as "plea bargaining"—Bull!

* * * * *

Plea bargaining, loop holes, not enough institutions.

* * * * *

Drunks, narcotics, traffic violations.

* * * * *

Failure of our court system and prosecutors to prosecute and sentence felons. The convicted felon is given more consideration than the crime victim. Too much politics in the courts and not enough action.

* * * * *

Lack of cooperation between attorneys and judges with law enforcement.

* * * * *

Lenient judges and shock probation.

* * * * *

Uneducated police officers. The senior officers who had less testing and less requirements when received the jobs.

* * * * *

Repeat offenders and the great amounts of non-police functions heaped upon the police officer, thereby diluting his ability to attack crime.

* * * * *

Of not being recognized as what we really are: a professional organization. Also the court system needs to see that sentencing into penal institutions is done and less probation. Also there should be a National or Statewide minimum starting salary for a Police Officer.

* * * * *

Courts and Judges are probation happy. Prosecutors and their plea bargaining—such as reducing a concealed weapons charge to a disorderly conduct, then a $10.00 fine. Parole Boards putting major felons back in the street in months instead of years.

* * * * *

Courts that are too lenient, especially with repeat offenders.

* * * * *

The judicial part of law enforcement, start sentencing persons convicted of crimes, no probation.

* * * * *

Not using the laws that are already on the books enough—In Ohio too much power by the Pardon & Parole Authority to shorten sentences. All types of do gooders worrying more about the criminals rights than of the victims rights and losses. Too much liberalism from local through national government.

* * * * *

Action in the court room. Judges not consistent and extremely lax in considering the sentence. Too much plea bargaining before court time.

* * * * *

1. Sentence too light or none at all given.
2. Vandalism.

* * * * *

The greatest problem of enforcing the laws is the courts. Stiffer penalties should be levied on all felon convictions.

* * * * *

Failure of the courts and judges. Probation system is very bad.

* * * * *

Courts lacking the willingness to impose stiff penalties on repeat offenders and first offenders if a felony has been committed. If the punishment was stiff the first time around, criminals would think twice before doing wrongful acts.

* * * * *

Judges not handling out stiff enough sentences or no sentences at all, prosecutors playing lets make a deal in the hall way.

* * * * *

The judges are not giving severe enough sentences to people who are caught with hand guns convicted of a felony or any wrongful use of handguns.

* * * * *

The greatest problem is getting the criminal convicted after the arrest is made no matter what the crime! Our courts are too easy!

* * * * *

I have enclosed an editorial. The contents of S. 1 should be amended regardless if it does have 750 pages and Sen. McClellan and friends should be run out of Washington.

* * * * *

The proper interpretation of the laws as they were written for the average layman, not have a judge or attorney place a different meaning or twist the meaning to meet their interpretation. Then let the law enforcement officers make the arrest as in the past years and introduce the evidence as it stands, not as the defense attorney wants it presented. Also the defaming of the eye witness as to their reliability after long periods of time from the time of the crime to the trial.

* * * * *

It seems as if the courts are more concerned about the officer to see if he made mistakes than in convicting the criminal. More like the officer is on trial.

* * * * *

Drinking drivers. Drug abuse. One of the most disgusting problems is knowing that a person or persons sell drugs and has stolen property, and nothing can be done about it.

* * * * *

Courts not being severe enough with convicted persons. Sure, swift and severe punishment is the greatest deterrent to crime.

* * * * *

Inexperienced prosecutors, judges that are afraid of public opinion and the defendants, so-called civil rights of the criminal that result in acquittal of a guilty party due to a technicality. Technicality does not alter the fact that a crime was committed. More money is needed to fight crime.

* * * * *

The courts.

* * * * *

Allowing plea bargaining; too many released on parole that haven't been rehabilitated; the fact that law enforcement personnel fail to do their job because they think the courts are too lenient which doesn't excuse him from doing his job.

* * * * *

Leniency of the courts, attorneys delaying cases until the case can no longer be prosecuted. Cases being dismissed on technicality. The news media will put a gun injury or death on the front page and a fire or auto death is buried in the 2nd section.

* * * * *

We know that we are always going to have problems in law enforcement. However when a serious crime has been committed and the person or persons caught and arrested for what the law says is a crime, we have done our duty to bring these persons before a court of law, in which many circumstances never get that far because of the plea bargaining between the attorneys and the prosecution or if they get to court some judge slaps them on the hand or puts them on probation and they are back on the street where they invariably will do the same thing. (Why not, nothing happened the first time.) And we in law enforcement will have to repeat ourselves without knowing what is going to be done and when are the courts going to hand down the stiff penalties that would keep these people off the street.

* * * * *

A law enforcement officer has no rights anymore. The laws are for the crooks.

* * * * *

Powers of the officer being restricted and answer C [*leniency*] above question.

* * * * *

No serious consideration to the real problems by judges. They will go to any extreme to keep from doing the job the citizens expect of them. There is no gun problem. Only the laxity of the courts.

* * * * *

As I hear—there is no problem—the officers bring them in but they are turned out the back door to be picked up again after someone has been raped again.

* * * * *

The court system. Plea bargaining. Also the two standard system within our society.

* * * * *

The criminal does not fear any penalty. The courts are not firm enough and the criminal has more rights than society. Society is being tried by most courts instead of the criminal.

* * * * *

Prosecutors, judges and juries misinterpreting the law. We do our job at great risks with low salary. 75% of the time the felon is back on the street before we get out of the court house on some type of probation because some $30,000 judge has set himself up above the law.

* * * * *

The numerous laws which protect the criminal element and often hinder prosecution with little or no consideration for victims, or that by probation and parole for repeated offenders contributes to recurring crimes.

* * * * *

1. Permissiveness
2. News media
3. The media glorifies lawlessness
4. The courts are too lenient
5. Disrespect of law and another's property

* * * * *

Judicial process of charged suspects.

* * * * *

Loopholes in the judicial process made available to the criminal by judges, lawyers, and organizations such as the Civil Liberties Union. Shock probation and the like also need a closer look.

* * * * *

The court system. Getting the serious offenders in jail or prisons and keeping them there where they belong and not back on the streets.

* * * * *

The lack of cooperation of the courts and their utter disregard of the rights of the victims of crime.

* * * * *

The greatest problem is the judges being too easy and the lawyers trying to beat the charge instead of seeing that a fair trial is given.

* * * * *

I feel the greatest problem of law enforcement today is the drug problem (including the drunk driver). The law makes it too hard to catch them with it.

* * * * *

The police officer or citizen is on trial more than the criminal. A policeman just wastes his time in court because the judges usually turn everyone loose.

* * * * *

I feel there are a number of things and it is hard for me to say which is the greatest. Society plays a major part in the direction our country is going concerning crime (and other areas). People not wanting to get involved, not caring about other people. Most people we run across today are trying to live in a cocoon, too bad what happens to the other person, it'll never happen to me. Then when something happens to them they holler the loudest.

* * * * *

I feel the lack of judges to do their jobs properly is also a major problem. Not only judges but also juries. Too many people are getting off on a technicality. I believe in treating the criminal right, but he either did it or didn't do it, and a technicality does not mean he did not murder, rob, rape, etc. Which brings up the point of overcrowded jails and prisons. To build more will cost the taxpayers and up Federal spending which is also a burden. On the point of jails however, most have become nothing but a hotel. I can't see why a criminal should live better in jail than a lot of people (honest) working for a living.

* * * * *

I honestly feel the above trends are going to continue and will get worse because it is being tolerated. It will not change unless men get back to the basics which our country was founded on. I am referring to our religious heritage, moral upbringing, a society that cares, a judicial system that works.

* * * * *

There are too many loopholes in the laws that the attorneys use to get the offender off or a reduced sentence. And the judges are too lenient.

* * * * *

Insufficient manpower.

* * * * *

Courts and especially lawyers using every possible means to protect and appeal cases for the violator, who committed the crime in front of many witnesses, who testify as such and the whole world knows the person is guilty. (Probation and some sentences are too light.)

* * * * *

Laxity on the part of the courts to set standards for all offenses throughout the country and go by them.

* * * * *

Leniency of our courts toward lawbreakers. Too much red tape for us to go through only to have it thrown out of court.

* * * * *

Lenient judges with the idea that the criminal must be afforded every protection and courtesy and must not be made to pay for his crime.

* * * * *

If the courts and the law would be taken more firm and judges and juries would come down on laws that are already in existence on gun control.

* * * * *

People kill people, guns don't. I say that because if a person wants to kill someone they don't need a gun.

* * * * *

I firmly believe the best approach is for mandatory prison sentences, for any crime committed with a gun or of any person caught carrying a concealed weapon without just cause.

* * * * *

I think there should be stricter enforcement and penalties for anyone committing a crime with a hand gun or any other weapon and not just a slap on the hand and then turned loose.

* * * * *

It's a shame that the courts and laws are so lax, when this happens, the law enforcement officer does his job, but it's all for nothing when he gets a good pat case, and the court goes into plea bargaining.

* * * * *

1. Make mandatory sentences; no probation, no bargains!

2. Prisons overcrowded, make road gangs. Put them to work to pay for their keep. Example case: sentence first offender 1 year; second offense, 5 years, etc. No probation—this would cut crime and the amount of offenders.

* * * * *

I have been a police officer for 10 years, and a conservative right-winger for eight. There are so many stupid laws on the books right now that if they were all enforced we would all be in jail. There are enough laws on the books right now to effectively deal with the gun control problem.

* * * * *

No gun control of any kind will stop crime or criminals from having guns even if they have to make them. Any weapon used in a crime should be considered deadly and the crime "aggravated," not just guns.

* * * * *

I would request that the LEAA program be reviewed so that smaller communities could receive funds which are needed to improve their operations (training, equipment, manpower, etc.). If the program is to continue, which it apparently is, I would recommend the funds be disbursed in a manner similar to revenue sharing.

* * * * *

If the present laws were carried out to their fullest, many new laws would not be needed.

* * * * *

I also say when a subject commits a crime he gives up his constitutional rights.

* * * * *

I feel that gun registration will lead to black market of guns; therefore, there will be more theft of guns. If you want a gun you can get one.

* * * * *

Our guns are necessary as an alternate line of national defense in case of a national emergency. Don't disarm the public due to a 2% misuse! (That would please our enemies!)

* * * * *

Get rid of the problem by going to its root—put away the criminals who use guns; registration or confiscation of the gun I have at home is not going to solve the problem. I oppose even minor type registration because once it is in effect, it will be modified and expanded until eventually all guns will be confiscated. Don't be misled—this is the ultimate aim.

* * * * *

Law enforcement should be allowed marginal error to enforce laws as read. Judges should not throw out cases on these areas.

* * * * *

My comment is on injustice of putting a dope peddler in prison for 20 to 40 years then releasing him after 30 days (shock probation) but locking up a D.W.I. for 1 year and making him do 1 year.

* * * * *

I don't believe in strikes in law enforcement but if I did strike it would be against judges and prosecutors—not wages. Then the public might understand and do something about it.

* * * * *

I have always felt that stiff (five year minimum) sentences for those convicted of crimes with firearms would help. There should be no parole eligibility until five years have been served.

THE CONTINUING SAGA OF THE U.S. POSTAL SERVICE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Arkansas, (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. **ALEXANDER**. Mr. Speaker, April Fool's Day seems to me to be as appropriate a time as any to turn our attention once again to the track record of the top management at the U.S. Postal Service.

Hardly a day goes by that we do not see an article or an editorial opinion in the national press on the cures that have been proposed for our postal ills. As it often proves difficult for Member of Congress to stay up on their reading of various situations, I thought it would be profitable to compile for convenience of Members of the House recent material on the subject of mail service, an issue which I believe has evolved into the No. 1 consumer concern today.

My distinguished colleagues, PAT SCHROEDER from Colorado, and JOHN ROUSSELOT from California, both members of the House Post Office and Civil Service Committee, have also contributed articles and information for the consumption of our colleagues.

The articles I would like to share with my colleagues cover the issues of rural post office closing, postal deficits, general cutbacks in service, and what the future may hold for postal service in this country.

Ms. SCHROEDER offers her comments on the current state of affairs at the Postal Service and Mr. ROUSSELOT offers several articles in favor of the repeal of the private express statutes that heretofore have given the Postal Service a virtual monopoly over the delivery of most classes of mail.

We commend this material for your reading:

[From the Wall Street Journal, Mar. 24, 1976]

THE MAELSTORMS RURAL AREAS RESIST PLAN TO SHUT DOWN SMALL POST OFFICES—NEW MINDEN, ILL., RESIDENTS FEAR EFFECT OF CLOSING ON BUSINESS, SOCIAL LIFE—"WE'LL BE PUT OFF THE MAP"

(By Joann S. Lublin)

NEW MINDEN, ILL.—As she enters the narrow, one-room post office in this southern Illinois farming community to pick up her mail, Julie Karmeiers muses about the government's proposal to close it down. "A small town doesn't have much going for it," the 25-year-old mother says, "so it really hurts when they take away your post office."

Her two-and-a-half-year-old daughter Andrea tugs at her sleeve and pleads, "I want to see Dorothy." Mrs. Karmeiers picks up the child so that she can ask Dorothy Harmening, the acting postmistress, "Do we have a letter?"

"Well, let's see, Andy," Mrs. Harmening replies with a wide grin. She searches the family's unlocked box. "Yep, here's one," she announces, slipping an envelope under the grilled window.

Like Mrs. Karmeiers, many of New Minden's 279 residents enjoy the personal, friendly service and convenience of their post office. They are distressed by the U.S. Postal Service's plan to close it and give townspeople a rural delivery route instead. Residents would have to drive seven miles to do business at the next closest post office.

A FLOOD OF LETTERS

New Minden residents are not alone in their concern. In recent months, angry citizens from scores of small towns around the country have been flooding Congress with letters and petitions protesting the Postal Service's plans to reduce its $1 billion-a-year deficit by closing or consolidating tiny, uneconomic post offices in rural areas as part of a broad cost-cutting program.

At the moment, opponents of the closings appear to be losing. On March 5, a federal judge who had previously blocked the shutdowns allowed them to resume so long as the Postal Service provided 90-day notice and surveyed affected customers' opinions on the closing and alternative service. Since last July, the Postal Service has closed or consolidated 186 small post offices, primarily from the ranks of its 18,000 third- and fourth-class offices, which served four million rural Americans. The closings resulted in savings of about $1.8 million a year, the government says. It is now considering discontinuing another 1,000 offices, including New Minden's.

The current flap began last June, When the General Accounting Office, an arm of Congress, recommended the elimination of 12,000 of these small post offices. The GAO said $100 million could be saved annually without reducing service.

Responding to the GAO report, the Postal Service in November decided to speed up an existing closings policy. Previously the agency had abolished offices that had a postmaster vacanacy and served fewer than 25 families. The new rules allow shutdowns wherever "equal or better" alternate service is available. Often, a rural route becomes a substitute. The Postal Service argues that the routes provide mail delivery that in many cases is closer and more convenient than a daily trip to the post office.

CONGRESSMEN SUE

"This is not an assault on rural America," asserts one postal official. "It's just that you can't have a post office at every crossroads in this country on the chance that somebody might come along and want to buy a stamp."

The politically popular fight to save the post offices is far from over, however. Rep. Paul Simon (D., Ill.), who organized support for a lawsuit brought by 51 Congressmen, intends to take the matter to trial. "Everything is still open to argument," notes one of Rep. Simon's aides. Financed by two postmaster organizations, the suit contends that the new rules violate postal statutes by eliminating post offices "solely for financial reasons." In addition, two U.S. Senators have introduced bills that would force the Postal Service to consider economic impact and other factors before shutting down rural post offices.

The issues involved in the controversy are evident here in New Minden. The villagers' desire to keep their post office is clear; Rep. Simon recently polled the 61 families who use it, and all 41 who responded indicated opposition to the closing. (Another 39 families in town already get their mail delivered on a rural route originating in Nashville, Ill., seven miles away.)

The Postal Service's motive in attempting to close the office is equally clear: Last year, the unit cost $12,480 to operate and took in only $2,049.

SMALL TOWN U.S.A.

At first glance, the loss of a post office would seem almost immaterial to a sleepy village like New Minden. Located about 50 miles east of St. Louis, the town originally was settled in 1840 by German Lutheran immigrants who became grain and dairy farmers. The ethnic makeup of the community appears to have changed little since then. Many residents are related to one another, are descendants of the town's founders and still speak with slight German accents.

The village consists of about 100 homes, two filling stations, two taverns, a general store and a Lutheran church built in the 19th Century. A Lutheran parochial school, the only school the town has ever had, closed in 1974 for lack of pupils. (Children take buses to attend public schools in Nashville.)

Lately, however, New Minden has experienced some growth, thanks to the recent completion of an interstate highway nearby and the influx of white families from increasingly black East St. Louis. A few new businesses have opened up, young families are renting trailers and a coal company plans to start building a mine next year just outside town. New Minden's population has topped 250 for the first time in recent memory.

Villagers fear that the loss of the post office would hurt the town's emerging prosperity. Rufus Hoffman, owner of the general store, notes that the post office attracts customers. "It helps bring people to town," especially farmers, he says. "It's better for a community to have a post office for business more than anything," observes Thomas Ayers, 51, who moved here seven years ago to open "Katie's Place," a bar and restaurant.

Others worry that if the postal service extends the Nashville rural route that now skirts the edge of town, every inhabitant will have a Nashville address and New Minden's identity will disappear. Selma Weihe, a 73-year-old wife of a farmer, complains that if the post office is eliminated, "we'll probably be put off the map completely."

Villagers contend that in making their plans, Washington bureaucrats haven't adequately considered the vital social role played by the post office. As in many small communities, the office was run for years by the same friendly, dependable person whose social prominence had helped secure her the then-political appointment. And because people must pick up their mail in person, the post office here has always been a popular gathering spot for neighbors to meet and exchange gossip and news.

Hedwig "Hattie" Schuette worked in the post office for 52 years before retiring in February at age 70. She began as an 18-year-old assistant to her brother in her family's general store. Upon her appointment as postmistress in 1944, she moved the office to the living room of her white, two-story home. An American flag flies out front and a hand-lettered sign in the window announces its postal function.

A short, spry woman with brown hair, Mrs. Schuette recalls that she "went through a lot" during her tenure. "Why, I've had two women have heart attacks while they were waiting for the mail," she says matter-of-factly. "So I carried them in and put them on the couch." She frequently would let patrons into her home to make phone calls or use the bathroom.

A SAGE ADVISER

Over the years, townspeople sought out Mrs. Schuette for advice—and not just about parcel post rates or income tax forms. Customers with financial or marital troubles would seek her counsel. "I had to listen to an awful lot of complaints and moanings," she recalls. "I knew everybody's problems."

The tradition of service and socializing continues with Mrs. Harmening, Mrs. Schuette's interim successor. (At 62, Mrs. Harmening feels she's too old to take the job permanently.) For six hours a day, she greets each customer by name and inquires about their health. She says that occasionally, retired farmers or their widows, a large segment of the village populace, will request her help in filling out money orders because they have difficulty writing or don't understand the form.

The elderly also appreciate having a post office that keeps Social Security checks safe in locked boxes and is within walking distance of their homes. "The reason we don't want mailboxes is because we have so much outside riffraff that you can't trust," declares one widow who owns two guard dogs.

CATTLE PRICES AND THE WEATHER

Small-town post offices serve as community centers in other localities, too. In rural areas of Texas, ranchers gather there at the same time every day to check on cattle prices and the condition of the pastures. "Or we sit around and talk about how we sure do need a rain," says George Kelt, a 65-year-old rancher who lives in Chatfield, 50 miles south of Dallas. "We can't just give up everything we have in this country," he adds. "Our little post offices are a part of us."

In the remote Appalachian mountains of eastern Kentucky, the post office is where residents sign up for Social Security cards and where they once registered for the draft. Polly Hicks, postmistress of Mousie, Ky., says that she also calls taxis or arranges rides with neighbors for patrons who need to travel to the county seat.

And when the mail plane arrives in Shungnak, Alaska, a hamlet of 200, "people hang around outside the post office while the postmaster sorts the mail and his wife makes a pot of coffee or tea," says Hilda Woods, a 'former resident who now works as a receptionist, for Sen. Mike Gravel ((D., Alaska).

THREE CUSTOMERS A DAY

William J. Anderson, deputy director of the GAO's general government division, views this defense of rural post offices as unrealistic and overly nostalgic. "You go into a lot of these post offices across the country and maybe three people will come there during the whole day," he observes. "You wonder how it can be a social center."

This attitude rankles citizens of New Minden, where the proposed closing has become "an awfully big deal," according to Mrs. Schuette. "You hear about it from morning till night," she says.

The threatened closing hasn't deterred Jerry Agnew, a 23-year-old resident, from applying to be the new postmaster. Mr. Agnew, who works nights as a postal clerk in East St. Louis, has even drawn up plans to convert his master bedroom into a post office. (Because she has retired, Mrs. Shuette wants her living room back.)

If he gets the postmaster job, Mr. Agnew expects to earn around $12,000 a year, or $2,000 less than his present salary. He believes the pay cut would be worth it because he dislikes commuting and working nights. "Whenever I walk through town and see somebody, they all say, 'I hope you get (the appointment) and I hope they don't close the post office,' " Mr. Agnew says.

[From the Federal Times, Mar. 29, 1976]

On the Postal Scene: Filbey Makes the Break

(By Bob Williams)

It may be another case of too little, too late, but it is good to see Francis S. (Stu) Filbey, once again, heading in the right direction. For months, Filbey, president of the 270,000-strong American Postal Workers Union, had remained silent in the face of a whole host of cost-cutting policies that in sum are making life less than pleasant for many of his members.

The usually gruff union boss, who said his response could be partially attributed to an ultimatum of sorts he received from some 40 local leaders, concedes the $450,000 television and press ad blitz he lined up may not solve postal worker problems.

But he is prepared to tackle the U.S. Postal Service in other forums. In an interview, Filbey, who displayed a wry sense of humor not often revealed in his sporadic trips to Capitol Hill, said Postmaster General Benjamin F. Bailar has had ample time in which to prove himself.

Filbey did not advocate Bailar's ouster directly or indirectly, but he laid out in no uncertain terms his displeasure at the current downhill course of the postal service.

He was not unaware of the ravages of inflation nor was Filbey unconscious of other problems often cited by postal brass. However he attributed the root cause of the postal service's disintegration to "mismanagement" pure and simple.

His assessment of most of those executives brought into USPS during the last several years was less than kind. Filbey, who had nothing encouraging to say about their performance at the postal service, wondered whether the corporations from whence they sprang were well rid of these alleged ace executives.

In fairness, Filbey did not fall all over himself in praise of the few careerists who had made it to the top.

This badmouthing aside, Filbey sees only one way of salvaging the postal service and that is through a massive infusion of tax dollars. He believes the time has come for "Bailar to get off his duff," which is to say that the PMG better start using his might and mien to clear pending subsidy legislation through Congress.

Bailar has testified in favor of congressional appropriations but most observers are convinced postal service lobbying requires substantial acceleration if the dollars are to begin flowing this year. Those who watch USPS agree that whatever powers of persuasion Bailar possesses must also be turned to the Office of Management and Budget and the White House.

As for the APWU public relations campaign, Filbey said it would run at least until August. Further ads on the air or in the prints would be decided by delegates attending the union's Las Vegas convention, scheduled for that time.

Filbey is correct in saying the best hope of saving the postal service from itself lies in Congress, but despite a few cool heads in the House and Senate, it appears that sentiment is quickly turning against postal reorganization.

As a leader in another exclusive union said, "If Bailar keeps lousing things up, I wouldn't be surprised if Congress bought President Ford's first class monopoly busting proposal."

And Rep. Charles H. Wilson, D-Calif., chairman of the postal facilities, mail and labor-management subcommittee, believes postal corporation fortunes will continue to ebb until there is a change in administrations.

Wilson, unabashedly partisan, doesn't mean another Republican in the Oval Office. He has said on more than one occasion that Sen. Hubert H. Humphrey, D-Minn., would be an ideal Chief Executive.

"I've talked to him and he knows the issues," said Wilson, adding that in his estimation the most critical domestic question today is "the U.S. Postal Service."

Filbey, meanwhile, is prepared to follow other avenues if necessary. Further cuts in service may provoke court and arbitration action. He said at a press conference that if all the stops were pulled by USPS, there was a chance his union would consider illegal job action.

Falling back a step, Filbey then told reporters:

"Strikes do happen that are not sanctioned by the national leadership," which may have been a reference to that APWU local presidents' meeting in February.

The strike weapon, if used, could backfire.

Back in March 1970, when a significant number of workers closed the Post Office Department, Congress and the President moved quickly to improve their lot. The settlement for all intents also included the Postal Reorganization Act of 1970, which at the time was ballyhooed as the only instrument that could revitalize the service.

Times have changed.

Postal reform is a failure. Now the quest for postal efficiency, so far as President Ford and many other conservatives are concerned, is turning USPS over to the private sector.

A strike just might boot the majority of the House and Senate in that direction.

A final note—Rep. James M. Hanley, chairman of the postal service subcommittee, was one of the first to respond to a postal service decision to cut business in major cities.

In a formal statement, the New York Democrat said:

"It is about time the postal service recognizes that if it continues to cut back these services, businesses will turn to electronic transfer or alternate delivery systems. It is possible that the potential savings will result in a vast and financially devastating loss of postal service volume."

[From the Washington Post]

Joy to the World: The Mail Has Come

(By Art Buchwald)

WASHINGTON.—"Post Office Threatens to Cut Down Deliveries to Three Times a Week"—headline in last week's newspaper.

It had to happen. In the year 1980 the postmaster general went on television and announced to the country that because of a $600-million deficit and Congress' refusal to permit him to charge $5 for a first-class stamp, the American people would only receive their mail *one* day a year. This would be known as "Mail Day" and would be considered a national holiday. He regretted the decision but assured the American people that they would still receive the best service of any postal system in the world, and he assured everyone that with only a few exceptions no one would be inconvenienced by it.

At first people were angered by the news, but pretty soon they accepted it as they have everything else the U.S. Postal Service has done to them.

In a few years Mail Day became as popular as Christmas and the excitement built up as the day came near.

Little children were told that if they were bad the Mailman (he was pictured as a man in blue uniform with a long white beard) wouldn't bring them any "Records of the month." Department stores hired men to play the role of Mailman and men and women and children would sit on his knee and tell them what they wanted for Mail Day.

People decorated their doors and windows with old birthday and get well cards and put colored lights on their mailboxes.

The hit record played for weeks before Mail Day was Bing Crosby's rendition of "I'm Dreaming of a Sears Roebuck Catalog." There was a great spirit of goodwill associated with the holiday. Doormen and elevator operators and building superintendents became kinder and more attentive. People greeted each other by saying "Have a Merry Mail Day." Charity organizations raised funds on the streets for poor people who had no one to share their mail with.

When youngsters asked where the Mailman lived, their parents told them he lived at the North Pole and he spent the entire year canceling stamps on letters and packages so he could leave them on Mail Day morning for them. When they asked how he delivered the mail they were told he put it in bags and came down the chimney when everyone was sleeping. But if there was a dog in the house he would pass it by. Everyone locked up their dogs on Mail Day Eve.

On the morning of Mail Day the entire family came downstairs and opened their bags of mail. Mothers got all the bills, fathers got all the newspapers and magazines that had piled up for the year. There were letters and postcards and birthday cards and Christmas cards for everyone. Grandmothers and grandfathers opened their Social Security checks. Children gleefully ripped open the junk mail with four-color catalogs and appeals from Indian reservations that didn't exist. There were also packages from stores and mail-order houses and tax returns.

It took all day for people to open the mail. In the evening relatives came by to exchange canceled stamps and have Mail Day dinner with each other. Every TV network put on a televised football game and Andy Williams had a special Mail Day TV program with his entire family.

For 10 years Mail Day was the most exciting day of the year. But then in January, 1990, the postmaster general appeared on television and said that because of rising costs and a $2-trillion deficit the post office would be unable to deliver mail once a year as it had done in the past.

In the future, he said mail would only be delivered one day, during leap year. He felt that in this way the post office could operate with more efficiency and still provide the services that so many people depend on. But he warned that if Congress did not raise the price of a first-class stamp to $49 a letter, the post office would have to take more drastic measures, which included only delivering the mail once every Bicentennial Year.

[From the Washington Post, Mar. 21, 1976]

The Bionic Mailman

(By Jack Anderson)

The "Six Million Dollar Man," as most television addicts know, is a bionic creation who combines humanity and technology. The government has used a similar combination to produce its own scientific wonder, the bionic postal service. The result, however, has been the "One Billion Dollar Boondoggle."

The TV show, of course, is an adventurous invention. The postal production, unfortunately, is the awful truth. The new bionic system, which uses men and machines to process bulk mail in the Space Age, has been misdirecting and mangling packages at an alarming rate.

Parcels intended for home delivery have wound up instead in the musty warehouses and city dumps of Chicago, Detroit and Washington, D.C. Now we have learned that the bulk mail center in Memphis, Tenn., should be added to the menace list. In Memphis, too, mangled mail has been put out with the garbage. Our inside sources have reason to believe that package mail is being detained or destroyed in every one of the 21 bulk mail facilities throughout the United States.

It has cost the taxpayers more than $1 billion for this kind of service. At the risk of saying we told you so, we have been warning about the debacle for five years. As early as January, 1971, we reported that the first bulk mail centers had already cost $60 million more than it was supposed to.

First of all, it was constructed, inexplicably, on swampland near Secaucas, N.J. Because of the boggy ground, the pilings had to be sunk to an extraordinary depth. One day, the workmen made an unexpected, unpleasant discovery. The pilings pierced an underground field of fermenting waste, and the odor of methane gas almost overpowered them.

The Secaucas experience, however, didn't stop the intrepid postal planners. Then-Postmaster General, Ted Klassen, who subsequently was forced to resign because of our revelations, called for an obligatory study. This was conducted by James Hargrove, a consultant with Nixon credentials, who closeted himself for a few weeks and emerged with his findings. "Well," he said, "the rocket's on its way to the moon."

Thus discouraged, Klassen moved into the Space Age. His successor, Postmaster General Ben Bailar, has now admitted privately that the whole bulk mail concept was a mistake.

It was proposed by Richard Nixon's first Postmaster General, Winton Blount, whose construction firm has wound up with $91 million in contracts to build four of the bulk mail centers. The system was conceived, one postal official now says, "on the back of an envelope."

Under the system, package mail must be ferried to the 21 central locations to be processed by high-volume machines. Many packages must be hauled for long distances to be routed through the centers. For example, a parcel moving from El Paso to Midland, Tex., would have to travel 1,483 miles out of its way in order to pass through a bulk mail center.

The slow haul usually counteracts any time that might be gained from the fast processing machines. What comes out of the machines, in any event, aren't always the same parcels that are dumped in. For these mechanical marvels, which cost $150 million to develop, often rip, tear and snarl the packages as if they had been mauled by some ferocious beast.

Our past warnings, meanwhile, have been confirmed by a congressional investigation. A confidential report calls the Postal Service's mechanization attempt a costly failure. "The whole system," states the report, "has been laden with superfluous gimmickry."

For example, an "Automatic Vehicle Identification" system electronically chronicles the arrival and departure of trucks at the bulk mail centers. Previously, the report notes, "this function was handled very easily by a simple file card index."

As another example of over-engineering, the centers have installed complex, telescoping conveyors. Suggests the report: "A simple piggyback conveyor is much easier to operate, cheaper, considerably less dangerous and less prone to jamming."

When a package jams in the conveyors, the address is often torn off. Then the package has to be opened to seek some clue where it is supposed to be delivered. Then it has to be rewrapped and processed through the precarious machinery again.

Many parcels simply have been thrown out. Others have been tossed into corners in post offices, trucks and other hiding places where investigators hopefully won't notice them.

Another dangerous mechanism is the sack shake-out machine. This contrivance lifts sacks full of parcels and dumps them, sometimes letting them drop as much as five feet. The breakables, of course, usually break.

In short, the confidential report charges that the new system, with all its fancy machinery, was still "under-designed from the standpoint of damage prevention." Under the guidance of Rep. Charles Wilson (D-Calif.), the investigators discovered that the Postal Service is actually losing business "because the 'advanced' mechanization requires sturdier packaging. Business mailers are turning to United Parcel Service, which can deliver more fragile packages unharmed more often.

"While UPS strives for simplicity and efficiency, the bulk mail centers are engineered full of unnecessary gadgets which do not perform as well as the less-sophisticated UPS equipment," the House investigators found.

Indeed, the report notes that the investigators "were amazed at the seeming lack of regard for damage prevention incorporated into the Bulk Mail Facility design."

The great parcel post fiasco has helped push the Postal Service to the brink of bankruptcy. And the mail users are paying for it in the form of higher stamp prices.

Mrs. SCHROEDER. Mr. Speaker, as chairwoman of the House Subcommittee which has jurisdiction over "commemorative days," I personally thought that it might be appropriate to designate April Fool's Day as "Postal Service Management Day."

But upon reconsideration, I realized that the "Alice in Wonderland" attitude prevails year round at postal headquarters, and therefore, we should not designate a special day in recognition of the Postal Service's rather unique ability to dismiss reality.

Perhaps the best example of the unreality of the Postal Service can be found in the recent hearings in the bulk mail centers which are tearing apart mail from coast to coast. The Postal Service continues to defend its $1 billion boondoggle, however, in the face of the obvious.

But at least postal management has company—its bureaucracy had doubled since 1971, while those people who actually deliver and process the mail have been reduced.

Postal management calls upon the American people to sacrifice, to pull in their belts, to bite the bullet, and to rewrap those torn packages.

I think that the Postal Service should give us all an example by cutting out its own management waste. Before I will support any cutbacks in service, I want to see the Postal Service start to cutback on its bureaucracy.

While the Postal Service was established in 1971, there were 8,372 management employees—by mid-1975, there were 16,603, with 125 executives being paid more than $38,000.

Perhaps the most striking comparison is made when one realizes that the entire executive branch of Government is limited to 22 level II positions which pay $44,600 and are exceeded only by Cabinet officials, the President and Vice President. The Postal Service alone has 15 positions paying $45,000 or more.

I think it is time for Postal Service management to put its own house in order.

Mr. ROUSSELOT. Mr. Speaker, I would like to bring to the attention of the Members of the House two recent articles which indicate the growing support for the repeal of the private express statutes. I am sure all of my colleagues have been receiving mail which indicates their constituents' growing dissatisfaction with the present Postal Service. The time has come for the Congress to reconsider ending the postal monopoly on first-class mail, especially in light of recent announcements of postal service cutbacks and USPS requests for increased postal subsidies.

The articles, one from the March 22 edition of the Fredericksburg, Va., Free Lance Star, and the second from the March 31 edition of the Christian Science Monitor, follow:

[From the Fredericksburg (Va.) Free Lance Star, Mar. 22, 1976]

PRO AND CON: SHOULD PO SERVICE LOSE MAIL-CARRYING MONOPOLY?

WASHINGTON.—To the consternation of a U.S. Postal Service already beset with financial problems, sentiment has been growing within and outside the federal government to end the letter-carrying monopoly that the agency has enjoyed since 1792.

Once considered inconceivable, the idea has been gaining currency in the business community, in Congress and, most important, in the Ford administration. The President himself, while still a member of Congress, proposed that the business of mail delivery be opened to competition from private industry. More recently Treasury Secretary William E. Simon and Arthur F. Burns, chairman of the Federal Reserve System, have called for a reassessment of the mail monopoly. And on Jan. 16 the Council on Wage and Price Stability, which monitors inflation for the President, issued a lengthy report recommending that the laws protecting that monopoly be repealed.

The letter-carrying monopoly is protected by a set of federal laws called the private express statutes. Originally enacted by the Second Congress in 1792, the laws apply to all letter mail and they give the Postal Service the right to determine just what a letter is. The private express statutes do not cover newspapers and magazines, direct mail advertising ("junk mail") or packages, and the Postal Service has faced growing competition in those areas.

Should Congress end the Postal Service monopoly on letter delivery?

"The postal monopoly on first-class mail will be eliminated," predicts Rep. John H. Rousselot (R-Calif.), "because private industry cannot afford the luxury of an inefficient postal system."

Noting that the volume of first-class mail is decreasing, Rousselot argues that the high cost of mail service is driving business customers to other forms of communication: telephone, computers, electronic funds transfer. He contends that repeal of the private express statutes would force efficiency upon the Postal Service and at the same time bring new revenues to the Treasury from taxes on new competitors.

In its study of the monopoly, the Council on Wage and Price Stability challenged a basic justification for the statutes: that they enable the Postal Service to charge a uniform rate for first-class mail delivery, a great convenience for the customers. But, the council argued, since postal customers are charged the same rate for delivering mail across town as across the country, "some first-class postal customers probably pay more than the costs of servicing them, while other first-class customers are undercharged. Because of the private express statutes, the 'overcharged' customers are denied the option of taking their business to another firm who would charge less."

John Haldi, a New York City business consultant, contends that the discriminatory nature of uniform rates has moral as well as business implications. "To some extent, the Postal Service is playing a reverse Robin Hood, taking from the poorer central cities in order to help the more affluent suburbs," Haldi says.

CON

Supporters of the private express statutes contend they are necessary to ensure low-cost, nationwide mail service. If the protections were lifted, argues Sen. Gale W. McGee (D-Wyo.), chairman of the Senate Post Office and Civil Service committee, "private firms would skim the cream, competing under the prod of the profit motive in cities, leaving long distance delivery and delivery to remote areas to anyone else who would take the unprofitable job. Rates for transcontinental delivery and rural delivery would be astronomical. The national postal institution would founder and die."

The emphasis of monopoly defenders is on rural service. Given the Postal Service's congressional mandate to be self-supporting, they say, there is no way to provide low-cost rural delivery without the monopoly or shifting part of the burden to urban customers and other profit-generating mail users. "I think there is no question that a large part of urban high-density areas probably could be served at lower costs," concedes Richard F. Gould, Postal Service finance chief. "But the other side of the coin is that the rural areas would receive no service or very little service, and the cost of providing that service would be astronomically high."

In response to criticism of uniform rates, monopoly supporters defend the structure as a major benefit of the existing system. "Maintenance of the private express statutes is imperative," insists Postmaster General Benjamin F. Bailar, "if we are to avoid variable postage rates for letter mail in thinly populated areas, increases in regulatory red tape and the complexities and confusions for many citizens that would inevitably attend such change."

[From the Christian Science Monitor, Mar. 31, 1976]

Private Carriers Considered As U.S. Postal Crisis Worsens

(By Robert P. Hey)

Washington.—The nation's deepening postal crisis is prompting a second look here at letting private companies deliver the mail.

Private firms currently are forbidden by law from delivering first-class mail, which includes most letters other than advertisements.

Bills have been introduced into both houses of Congress to repeal this ban, and the President's Council on Wage and Price Stability has given some support to the concept.

Proponents say such a change would provide Americans with more efficient mail service, probably at lower cost to themselves and certainly at lower cost to taxpayers (because government subsidies to the Postal Service would be reduced).

It is feasible, they say. In the words of one, "It's a viable alternative, as United Parcel Service has definitively proven in the delivery of parcels."

And they think the spur of private competition "would make the Postal Service work better because it would give it an incentive to streamline its operation," as one congressional aide expresses it.

On the surface it seems highly unlikely Congress would approve such a change this year. Interviews with congressional sources show staunch opposition from key members of Congress dealing with postal affairs. Instead, they favor somewhat increased subsidies for the deficit-ridden Postal Service. In addition, the congressional majority is not believed ready to approve such a change now.

Some who support the change, however, believe congressional investigations and hearings could cause Congress to change its view.

The prime sponsor of the proposal in the House is Rep. Philip Crane (R) of Illinois, who is joined by 28 cosponsors. Mr. Crane has recommended this concept since 1970. Two similar bills also have been introduced in the House.

Earlier this month, Senator James Buckley (R) of New York introduced such a bill in the Senate; Senators Paul Fannin (R) of Arizona and Jesse Helms (R) of North Caroline back a similar one.

Last October the House soundly defeated such a proposal, 319 to 68. "But that was before a whole lot of water went over the dam," notes one congressional aide. "And what opened the floodgates," he says, were the following:

The report in January of the President's Council of Wage and Price Stability which said permitting competitive systems for first-class mail would benefit mail users and taxpayers.

Continued Postal Service rate increases.

Congressional and Postal Service investigations which revealed many packages are being lost or damaged in the new bulk mail facilities of the postal service.

Postal Service's request for a doubling of its present subsidy to cover rising deficits.

Postmaster General Benjamin Bailar's warning March 29 the Postal Service could be insolvent within one year, and his efforts to cut back on service—eliminating one delivery a day in some cities, and trying to close some rural post offices.

The prime objection to this change by the Postal Service and key members of Congress is that private businesses would serve only moneymaking areas, such as cities, leaving the Postal Service only with the money losing rural communities.

Even if this occurred, says Senator Buckley, "it seems to me the answer lies not in preserving the current inefficiencies and high cost in 100 percent of the first-class mail service, but—if necessary—to extend a direct, above-board subsidy to the post offices we wish to keep open as a matter of public policy."

GENERAL LEAVE

Mr. EARLY. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks and include therein extraneous material on the subject of the special order today by the gentleman from Arkansas (Mr. Alexander).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEBT COLLECTION HEARINGS RESCHEDULED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the Consumer Affairs Subcommittee which I chair has rescheduled the second week of hearings for the Debt Collection Practices Act (H.R. 11969) to April 6, 7, and 8.

These hearings had been set originally for the 13th, 14th, and 15th of this month, but were changed due to the planned markup by the Banking Committee of the financial institutions reform package, now set for the week of April 12.

Rather than postpone the debt collection hearings until later in May, which might have been too late in the year to complete action, I have decided to move the sessions up to the sixth.

Beginning Tuesday, spokesmen from the debt collection industry will be heard, with Government officials and consumer representatives following on Wednesday and Thursday. The sessions will begin at 9:30 a.m. on Tuesday and at 10 a.m. on Wednesday and Thursday in room 2128 of the Rayburn House Office Building.

The subcommittee began its hearings on March 30 with testimony from a former debt collector who wore a mask to protect his identity while he told of the harassing techniques he and his former colleagues had used to collect debts.

Six consumers, all victims of collector harassment, testified on March 31. Three of the six had never even owed any money, but, due to a computer error or some other mistake, they had become the target of a collector's unethical efforts to get money from them.

The Debt Collection Practices Act would put an end to such practices by setting down a list of prohibited practices and establishing the first standard guidelines for debt collection agencies. Inconsistencies in State laws, lack of enforcement, and nonregulation of interstate collection has created a dire need for this comprehensive legislation.

A complete witness list will be available this week from the Subcommittee on Consumer Affairs.

EXCEPTIONAL SERVICE OF JAMES E. DOW, DEPUTY ADMINISTRATOR OF FEDERAL AVIATION ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFall) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, the Federal Aviation Administration's Jimmy Dow, after more than 32 years of devoted service to his Government and to our Nation's aviation manufacturing and air transport industries, retired on March 31, without the usual fanfare attendant to such an occasion.

But I cannot, nor must any of us, let this distinguished gentleman's career in air transportation pass unheralded. And so I take this opportunity, Mr. Speaker, to acknowledge for all of us the exceptional service of James E. Dow, Deputy Administrator of the Federal Aviation Administration. I join with the aviation community, and all of the general public who are so dependent on this Nation's aviation industry, in saluting him for his dedicated service to America. Our country owes a debt of gratitude to men like him who do so much to promote the best interests of the Nation.

When he began his aviation career, airplanes all had propellers on the engines and the DC-3 was the queen of the airways. That was back in December 1943, when Jimmy, fresh out of the University of Maine, went to work for the old Civil Aeronautics Administration at the Cleveland, Ohio, Airport.

A career public servant, Mr. Dow received many awards and honors during his more than 30 years with FAA and its predecessor agencies. In 1966, he was awarded the FAA's Meritorious Service Award in recognition of his management of the FAA en route air traffic control automation program. In 1968, the Secretary of Transportation presented him with the DOT Meritorious Achievement Award for his extremely competent leadership, outstanding performance of duties and effective management while serving as Director of Budget for FAA. He also received the Meritorious Achievement Award from the Secretary again in 1973, the only person in the history of the Department to have received the award more than once.

He began his government career in 1943 as an air traffic controller and, after 13 years in CAA's Central Region, he was transferred in 1956 to the Air Traffic Service in headquarters as a supervisory air traffic control specialist.

Over the next several years his duties were broadened to include planning and research and development projects dealing with the expansion and modernization of the air traffic control system.

In February 1965, Jimmy Dow organized the National Airspace System Special Projects Office and also served as its Director.

In 1967 the agency named him the Director of Budget and subsequently, in August 1972, as the Agency's Associate Administrator for Administration.

In 1975 he served for almost 8 months as Acting Administrator of the FAA until President Ford named an Administrator.

Mr. Dow has served as FAA's Deputy Administrator since August 1974. Previously he was Associate Administrator for Administration and held the post of Deputy Administrator as a collateral duty from July 1973 until August 1974.

He is highly admired by his opposite numbers in industry for patience mixed with a deep knowledge of all facets of aeronautics, together with a pragmatic approach to financial and administrative matters. These have been the keys to Jimmy's success.

President Ford summed it up in a letter to Mr. Dow in accepting Jimmy's resignation following his retirement announcement:

> Your many contributions, particularly in such areas as financial management, congressional relations and international affairs, will provide continuing improvements in aviation service for years to come.
>
> As you prepare to retire after thirty-two years of service to our Nation, it is a pleasure for me to join with your many friends and colleagues throughout government in extending warmest good wishes for every future happiness and success.

I know, Mr. Speaker, that all of us in this great House of Representatives echo President Ford's final words to my great and good friend, James E. Dow:

> Warmest good wishes for every future happiness and success.

Mr. CONTE. Mr. Speaker, one of the most distinguished members of our Federal aviation community has just retired. I rise to honor his achievements and his devotion to public service.

As ranking minority member of the Appropriations Subcommittee on Transportation, I have had the opportunity to work with Deputy FAA Director, James E. Dow.

No one can dispute the fact that we have the safest and most efficient air traffic control system in the world. That record is due to the efforts of men like James Dow. He came to the aviation field upon graduation from the University of Maine in 1943. At that time, James Dow became an air traffic controller trainee in the Civil Aeronautics Administration—predecessor to the FAA.

His 33 years of public service are filled with outstanding singular achievements. He served as the first Director of the National Air Space System Office from 1965–66. In this capacity he was responsible for the development and implementation of semiautomated systems now in operation at all air route traffic control centers in the continental U.S.A.

In 1966, he was the first recipient of the FAA Meritorious Service Award. In 1967 he was honored as the first recipient of the Department of Transportation Meritorious Service Award. The FAA will sorely miss Jimmy for he served as Director of the Budget Office, Associate Administrator for Administration, Deputy Administrator and Acting Administrator.

I am sure that Jimmy Dow will continue to be active in his efforts to insure that the U.S. maintains the safest and most efficient air traffic control system possible.

I want to take this opportunity to say thank you on behalf of all those he served for so long and so well.

Thank you, Mr. Speaker.

CHANGES IN H.R. 12504, A BILL TO CODIFY, REVISE AND REFORM THE FEDERAL CRIMINAL LAWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, on March 15, along with my colleagues DON EDWARDS and AB MIKVA, and 18 additional cosponsors, I introduced H.R. 12504, a bill to codify, revise and reform the federal criminal laws. This bill is substantially similar to a bill Congressmen MIKVA, EDWARDS of California, and I introduced last fall, H.R. 10850.

Since H.R. 10850 was originally introduced, it has received considerable attention from persons concerned with the Federal criminal law. Several people have taken the time to prepare lengthy analyses of our bill with suggestions for necessary improvements. In introducing H.R. 12504, we made a number of changes in the bill. Many of the changes are of a technical or relatively minor nature. Others are somewhat more substantive and should be brought to the attention of our colleagues.

A detailed analysis of the differences between S. 1 and H.R. 10850 appeared in the CONGRESSIONAL RECORD of February 24, 1976, pages 4128–4134. Several of the most important changes we have made in our bill since that time are explained in the material that follows:

GENERAL PURPOSES (§101)

Although the statement of purposes is usually not a matter of great significance, in drafting a new federal criminal code this section takes on critical importance.

Both S. 1 and H.R. 12504 abrogate the so-called "rule of strict construction," that is, that only conduct clearly prohibited by the express terms of a statute will be deemed to be included within the offense. Rather, both bills direct the courts to interpret the statutes in accord with the general purposes of the code. Thus, the section enumerating these purposes must be carefully constructed to give proper balance to all of the various goals with which the criminal law is concerned.

H.R. 12504 replaces the section contained in S. 1 with that proposed by the National Commission on the Reform of the Federal Criminal Laws ("Brown Commission"). The difference is primarily one of emphasis. The Brown Commission tends to stress the need for fair notice of conduct to be prohibited whereas S. 1 tends to emphasize the punitive and deterrent aspects of the criminal law and the desire to include all conduct possibly harmful to society's interests.

Although we agree the rule of strict construction has been honored more in the breach than in literal application, we firmly believe that the overriding concern of the new Federal criminal code must be to provide fair warning of conduct to be prohibited, and in the words of the Brown Commission, "to safeguard conduct that is without guilt from condemnation as criminal." As will appear below, several of the changes we have made in the bill reflect this concern that provisions of S. 1, formerly retained in H.R. 10850, do not meet the constitutional standard of fair notice.

DEFINITIONS (§ 111)

In addition to several technical changes, two substantive modifications have been made:

(1) "included offense" has been defined for the first time to give the courts assistance in applying this concept. The significance of this change can best be appreciated in the context of section 2304 which prohibits imposition of multiple sentences of imprisonment for an offense and a lesser offense included within it. S. 1 also prohibits multiple

sentences for included offenses but fails to define the term. The definition we have adopted is derived from the Brown Commission.

(2) the term "national defense emergency" has been dropped from the code. S. 1 uses the existence of such an "emergency" as a circumstance increasing the penalties for various offenses. However, the term was ill-defined, providing inadequate and vague standards to guide the President in determining when to declare such an emergency. In addition, the penalties for these offenses are sufficiently severe that no increase is warranted.

FEDERAL JURISDICTION

A new section has been added (§ 206), derived from the Brown Commission, authorizing the Federal Government to decline jurisdiction in favor of concurrent state jurisdiction unless a "substantial federal interest" exists.

The section lists several examples of a "substantial federal interest", including (1) when there are interstate aspects of the case which would impede effective state enforcement, and (2) when federal prosecution is necessary to protect federally guaranteed rights.

In codifying the federal criminal laws, we have become aware of the vast expanse of federal jurisdiction already appearing in existing law. This new section is advisory only, ultimately leaving the matter to the discretion of prosecuting authorities. Nevertheless, we believe such a section to be useful to affirmatively authorize restraint of unnecessary Federal jurisdiction and to encourage systematic exercise of the discretion delegated to prosecuting officials.

ENTRAPMENT (§ 513)

The definition of entrapment used in our bill as introduced last fall was derived from the American Law Institute's Model Penal Code § 2.13 (P.O.D. 1962). This provision reverses *United States v. Russell*, 411 U.S. 423 (1973) by shifting the focus from the predisposition of the defendant to an objective evaluation of the methods employed by law enforcement officers.

However, some questions have been raised whether the language of the Model Penal Code is clear in reaching this objective. Therefore, language has been added directly stating that evidence proving predisposition of the defendant to commit the offense is not admissible on the issue of entrapment. By clear implication, this language also excludes admission of evidence of prior criminal convictions for the purpose of disproving entrapment. Prior convictions would only be admissible to impeach the credibility of the defendant as a witness if he testified on his own behalf. *See* Rule 609, Federal Rules of Evidence.

DURESS (§ 531)

S. 1 provides that the defense of duress is not available to a defendant charged with murder. In accord with the recommendation of the Brown Commission and the Model Penal Code, we have deleted this restriction in H.R. 12504.

INCITEMENT OFFENSES (§§ 1114, 1115, AND 1831)

These sections make it an offense to incite certain other offenses, such as evasion of military service, mutiny, insubordination or engaging in a riot. Such provisions must be carefully drafted to protect First Amendment rights.

Although our bill as originally introduced incorporated the safeguards prescribed by the courts, the provisions have now been redrafted to fully and explicitly comply with the holding in *Bradenburg* v. *Ohio*, 395 U.S. 444 (1969). These sections now require incitement to engage immediately in unlawful conduct and knowledge that circumstances exist making it likely that such incitement will produce the intended unlawful objective.

ESPIONAGE (§ 1121)

This section has been redrafted somewhat for clarity. In addition, the definitions of the terms used in this section have been brought directly into the section for greater coherence.

One substantive change of importance: this section now provides that the court may determine "in camera" (closed session) whether the information revealed was improperly classified or had previously been published. Accordingly, both of these matters have been made bars to prosecution, rather than defenses, and are to be treated as questions of law to be determined by the court.

DISCLOSING A FOREIGN DIPLOMATIC CODE OR CORRESPONDENCE (§ 1205)

This section, formerly carried over unchanged in H.R. 10850 from S. 1, has now been amended substantially. A specific intent to injure the United States has been added; the defendant must have *known* that the information was intercepted while in the process of transmission between a foreign power and its diplomatic mission; and a new subsection has been added to exempt reporters from coverage as accomplices or coconspirators under this section.

These changes have been made to preserve the narrow reach of this section as contained in existing law. Although the S. 1 provision applies to a limited category of information, there is a risk that it may be misused for greater secrecy. For example, in releasing information to the press, a government employee may be unaware that information covered by this section is included in the documents made public.

As redrafted, such a person would not be liable under this section because he would not have the requisite specific intent or knowledge of the nature of the information revealed. The recipient, such as a reporter, would not be liable under any circumstances unless he were shown to be a foreign agent acting in the employ and at the direction of a foreign power

TAMPERING WITH A WITNESS (§ 1323)

S. 1 contains the following provision:

A person is guilty of an offense if he . . . does any other act with intent to influence improperly or obstruct or impair the (A) administration of justice; (B) administration of a law under which an official proceeding is being conducted; or (C) exercise of a legislative power of inquiry."

The offense is punishable with up to 7 years imprisonment.

The Senate Draft Report to accompany S. 1 (p. 356) conceded that such a broad residual clause "is at odds with one of the goals of a criminal code revision—to state an offense succinctly and precisely," but asserted such a section was necessary to assure complete coverage.

As originally introduced, our bill reduced the penalty for violation of this section to a Class B misdemeanor (6 months) to be in accord with the general contempt provisions. However, even this change seems inadequate.

Such a broad, vague and discretionary provision has no place in the new federal criminal code. Accordingly, we have chosen to delete this subsection, leaving intact a variety of more specific provisions which will adequately protect the administration of justice from improper conduct.

DEMONSTRATING TO INFLUENCE A JUDICIAL PROCEEDING (§ 1335)

This section has been amended substantially. In H.R. 10850 we narrowed significantly the reach of this provision drawn from S. 1. However, the provision in H.R. 10850 has been criticized as going to the opposite extreme, for being too narrow.

Therefore, this section has been redrafted to include, in addition to demonstrations in or near courthouses, the homes of jurors, judges and witnesses when occupied by such persons and the place where the jury is sequestered. Unlike S. 1, the defendant must be notified of potential violation of this section as a precondition to arrest and prosecution under all circumstances, regardless of the location of the demonstration.

This ensures knowledge of the critical existing circumstance that a protected person is present and subject to improper influence. Thus limited, this section fulfills its narrow purpose of guaranteeing a fair trial for an accused, free of the improper pressures and influences of demonstrations occurring while the proceedings are in progress.

DISOBEYING A JUDICIAL ORDER (§1335)

The penalty for violation of this section has been reduced from a Class D felony (2 years) to a Class A misdemeanor (1 year) in accord with the recommendation of the Brown Commission.

PERJURY OFFENSES

These sections of Chapter 13 have been amended with respect to the critical issue of whether or not the defendant must *know* that the statement made is false to be guilty of perjury.

The Senate Draft Report (pp. 391–92) argues that S. 1 preserves existing law by requiring only that the defendant be *reckless* with regard to the falsity of his statements. It also argues that the Brown Commission supported this formulation.

However, the recklessness standard would include a situation where the defendant believes his statement to be true, though he is aware of some risk of its falsity, and the jury determines (under an objective standard) that he acted without reasonable care.

This is not the position of existing law nor that of the Brown Commission. The case law does not require an affirmative knowledge of falsity, but under existing law a defendant who believed his statement to be true, regardless of the reasonableness of his belief, may not be convicted of perjury.

Thus, this section has been changed to require that the jury find that the defendant did not believe his statement to be true in order to be guilty of perjury.

RAPE OFFENSES

In several of the rape offenses, it is a crime to have sexual relations with a person under the age of twelve years regardless of consent. This is so-called "statutory rape."

S. 1, in accord with the traditional statutory rape provision, would find the defendant guilty even if he reasonably believed the other person to be over the age of twelve years. Both the Brown Commission and the Model Penal Code believed that such a strict liability provision inevitably leads to injustices. Accordingly, we have changed this section to require that the defendant must be reckless, at a minimum, with regard to the victim's age.

MARIJUANA JURISDICTION

Under S. 1, mere possession of a small amount of marijuana would be a Federal offense (30 days imprisonment) even in those states which have acted to decriminalize or legalize marijuana. H.R. 10850 inadvertently retained this unnecessarily expansive Federal jurisdiction.

H.R. 12504 limits Federal jurisdiction over simple possession of marijuana to the special jurisdiction of the United States which is limited to places such as Federal enclaves where no state law applies.

IMMUNITY

As originally introduced, H.R. 10850 provided transactional immunity but nevertheless allowed the witness to refuse to testify, notwithstanding a grant of immunity, on the basis of the privilege against self-incrimination.

H.R. 12504 changes the immunity provisions (Chapter 31) as recommended by the American Bar Association. As changed, if full transactional immunity is granted (with protection against all derivative uses except in a prosecution for perjury), the witness may not refuse to testify on self-incrimination grounds.

It should be noted that under H.R. 12504, as under S. 1 and existing law, a grant of immunity does not in any way affect the right of a person to refuse to testify on the grounds of a privilege other than self-incrimination. Notwithstanding a grant of immunity, a witness may refuse to testify on the basis of the attorney-client, physician-patient or any other privilege recognized by the courts.

TECHNICAL AND CONFORMING AMENDMENTS

In introducing H.R. 12504, we have deleted Title II of the bill, the technical and conforming amendments that comprise almost 400 pages. In their full length, they may be found in H.R. 10850.

There seemed little reason to run the expense involved in reprinting these pages. Title II must be constantly revised every time Congress makes any changes or additions to any section of the United States Code containing a criminal penalty. Before any new Federal criminal code is finally enacted, Title II must be thoroughly updated.

CITIZENS COMBAT URBAN DETERIORATION

The **SPEAKER.** Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, arresting the deterioration of our urban communities is one of this country's most pressing concerns. It is a job in which all of our resources, both public and private, must be mobilized. In the public sector, Congress has provided needed direction and funds toward this end, primarily through the Housing and Community Development Act of 1974.

However, it is the private sector, organizations and individuals, which holds the key to the success of our efforts. It is this sector which must take the programs and funds available and use them to the best benefit of their communities. Most importantly, it is this sector which must mobilize the vital resources generated by the communities themselves.

Therefore, it was with great pleasure and considerable pride that I read an article in the Chicago Tribune of March 31 entitled "Bank's Community Interest Pays Off For All." The article describes the efforts of dedicated individuals to help revitalize Chicago's South Shore area through the revitalization of the South Shore National Bank, which is located in my district. At a time when needed capital was flowing out of the area, the South Shore National Bank helped to arrest and reverse this trend. Most significantly, the bank began a program of "development deposits" which were to be used to fund projects directed toward developing the South Shore community. By the end of 1975, these development deposits totaled nearly $5.5 million, money which has been used to fund housing projects, day care centers, and other worthwhile community projects.

At this time, I would like to insert the Tribune article on the South Shore National Bank into the RECORD. I know that my colleagues will find it highly informative and encouraging to those of us for whom urban development is a priority issue:

BANK'S COMMUNITY INTEREST PAYS OFF FOR ALL

(By Mary Knoblauch)

IBM salesman James O'Neal decided his South Shore neighborhood needed a good day care center. He found the perfect house for the project and went to his bank for a mortgage. His financial status was fine, but the officers wouldn't grant him the loan until he surveyed the nearby property owners on the idea. No approval—no deal. But the neighbors did approve, and O'Neal got his money—another tiny step in South Shore National Bank's experiment to beat the odds on deterioration in old city neighborhoods.

You don't have to be an expert to know when a neighborhood is deteriorating. You can stand in the middle of its pot-holed streets, looking at its boarded-up storefronts, its littered and uncut lawns, and the houses that sit empty, unpainted, or almost visibly ill from lack of upkeep.

There is a listless quality about a neighborhood as it nears the bottom, as if some hypodermic had sucked all the lifeblood out, leaving only the shell.

Much of that lifeblood is money. Sometimes it leaves with the old residents when the neighborhood changes racially. Sometimes its flow inward is cut off by the banks and lending institutions in a practice known as redlining, because the new residents haven't brought in as much as the old.

You don't have money, you don't get money. It's a spiraling, self-sustaining process once it starts, and it's infectious, reaching out into surrounding neighborhoods.

South Shore, once one of the city's most desirable neighborhoods, helplessly watched the process beginning. Rich white people moved out, and working or middle-class black people moved in.

The white people took their bank deposits from the neighborhood and within five years South Shore National Bank lost $36 million of its $80 million in deposits.

By 1972, the drain was so great that the bank owners applied to move the institution from 7054 S. Jeffery Blvd. to the new Standard Oil Building. It looked as if South Shore was on its way to becoming another Woodlawn or Lawndale—whose names are now ironic contrasts to the decayed neighborhoods they describe.

Luckily, though, South Shore was still a neighborhood, and its commission successfully petitioned the controller of currency to keep the bank from moving.

During that period Ron Grzywinski, who had been president of the Hyde Park Bank & Trust Co., was looking for a community and a bank where he could try out a new plan for neighborhood rescue.

The idea, as outlined to a collection of foundations and religious bodies who eventually put up the $3 million purchase price, was to set up a holding company to buy a bank which would serve as a financial anchor to attract and keep money in a community and provide funds for its renewal.

In 1973, Grzywinski became chairman of the board of the South Shore Bank. Milton Davis, whom Grzywinski had lured out of the University of Chicago Graduate School of Business to the Hyde Park Bank, became president.

"First we started talking to people in the lobby," Grzywinski said. "Milton and I served coffee and asked people what they didn't like about the bank."

They got their answer—hours, appearance, lack of parking and drive-in facilities, no free-checking accounts, interest lower than the downtown banks on some accounts—a whole litany.

Davis and Grzywinski set about to make the bank competitive. They sent letters to the neighborhood residents declaring their intention to stay, and they went to 80 neighborhood coffees to explain what the bank, its subsidiaries, and the holding company hoped to do for South Shore. In return, they asked for neighborhood patronage. Much of what they offered had been tried out successfully in Hyde Park.

Government-ordered studies of where the city's large downtown banks got their deposits and where their investments were showed South Shore represented at least $100 million and possibly $175 million in deposits. The problem was to persuade South Shore residents to switch to the local bank.

But even that wouldn't be enough to support the bank's two development subsidiaries—one for profit, one not.

At Hyde Park, Grzywinski and Davis had gone after institutional and corporate depositors, with little luck. This time they concentrated on individuals, both in and out of South Shore, for "development deposits" that would give the bank subsidiaries a credit pool to work with.

Susan Davis, the bank's director of development deposits, works with mailing lists and a straight-to-the-point letter of appeal, sending pleas all over the Chicago area asking people to deposit at least $1,000 in a South Shore savings account.

As the letter explains, each such deposit produces $500 in credit and $25 in annual earnings, all earmarked for community renewal. The depositor collects interest as usual.

The letter, signed by Grzywinski, says in part: "I am seeking you to deposit at least $1,000 of your hard-earned money in a bank you never heard of. . . . In return for doing this safe, but seemingly half-cocked thing with your money, you won't receive a single toaster, popcorn popper, sleeping bag, cookware set, hair dryer, broiler oven, electric toothbrush.

". . . Your savings may help build a child-care center so a welfare mother can go to work. . . . They may help us rebuild the commercial district and regain our feeling of neighborliness and community. . . . If we can succeed in South Shore, other neighborhoods all across the country could learn from our experience and do it, too."

The first year, 1974, brought $863,000 in development deposits—a promising start, but hardly a fortune. But at the end of 1975, the total stood at $5,378,480, and South Shore's financial anchor was solid enough to attract a $1 million housing-rehabilitation project in cooperation with a group of savings and loan associations.

That, in turn, led to an insurance company coalition to provide $12 million in loans to finance property rehabilitation.

"This $45 million bank simply is not big enough to make all the loans necessary in South Shore to turn it around," Milton Davis said, "but on some small level we are beginning to get other institutions involved. The banks and savings and loans downtown are less able to relate to the neighborhood without a local institution. We try to structure deals with these banks."

When Davis and Grzywinski began investigating South Shore, they found that two-thirds of its residents did their banking elsewhere. "It's a job of educating people in their own self-interest. I happen to believe you can get people to do that, but I know it's not an overnight kind of message," Davis said.

But every homeowner who gets a mortgage from South Shore ["We've never had to turn down an applicant for lack of lending money," Davis said], every small business executive who gets a Small Business Administration [SBA] insured loan from South Shore, every student who gets a college loan—every one becomes a walking advertisement for the bank.

Preston Ford, who wanted a loan to start a laundry and dry cleaning business on 79th street is a former head of the business department at Malcolm X College and had previously run a service station. He put together a financial statement and loan proposal for the SBA but was turned down.

"Mary Houghton [one of the bank's vice presidents] went far beyond the call of duty in helping," Ford said. "The average bank would probably have turned me down because the SBA turned me down, but [South Shore] ended up pecking away until we got a deal."

Ford took over Ford-A-Mat Cleaners in January, 1975, "and his business has been increasing every month," Mary Houghton said.

One of the bank's most interesting loans outstanding is to a young woman to help pay for an operation her son needed. "She is separated, and she hasn't worked long enough or lived long enough in one place to have established credit," Houghton said.

"Her credit references were from small stores, and we asked her if there was someone who could stand behind her. But all the people she brought in had the same problems.

"There was no reason to believe she would or she wouldn't pay us back, and she had a more legitimate reason for borrowing than most people do, but she was a marginal borrower."

Making that loan "has got to be symbolic for us," Houghton said, and there are several bank employees whose day is brightened once a month when that particular loan payment arrives.

Each year the bank publishes its "social audit," conducted by the Touche-Ross accounting firm, which details where all the development deposit earnings and loan funds were allocated.

"The bank holding company is an underlying support of neighborhood development," Davis said. "That's our basic concept. If you get a group of investors and get control of it you can structure it so that it becomes the primary catalyst for renewal.

"But it depends on the extent to which the neighborhood has deteriorated. It's much easier to do in a place like Evanston than in an area like Woodlawn."

That does not mean the bank feels South Shore has turned around—only that the bankers there feel renewal is possible.

"People are expecting bankers to address themselves to problems that they never thought were their responsibility before," Davis said. "If you live in Oak Park or South Shore, why should a bank take your money and invest it in Iran?

"Unfortunately, banks have in a sense taken people's money and not been very imaginative in the use of money in the neighborhoods where depositors live. You can see the ads where banks talk about investing their money all over the world. But, unless they're talking about Water Tower Place, there's a minimum of support for projects in the city where they're located."

The city itself plays a part in neighborhood renewal. "The city must cooperate in code enforcement and general municipal services," Grzywinski said. "And there has got to be a significant improvement in the schools.

"At least we got involved at the point where we could start doing something manageable, rather than sitting around five years until the only viable option is to knock it [all] down."

"This community was not chosen by chance," Susan Davis, who lives in South Shore, said. "The biggest attraction is the homes here. Obviously you can't go into the most destitute community, and probably not into the few at rock bottom now. But there are many where you could go."

"I've worked on urban problems in government and for foundations," Mary Houghton said. "I've exhausted the public sector and the philanthropic sector, and now I'm in the private sector."

Will it work this time?

"I don't know," she said. "But I think it's going to be very exciting the next God-knows-how-many years to see if we CAN do it."

STATEMENT BY REPRESENTATIVE PATSY T. MINK REGARDING AN AMENDMENT TO H.R. 12438

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 10 minutes.

Mrs. MINK. Mr. Speaker, during the first session of the 94th Congress, the House approved by unanimous consent an amendment offered by the Honorable PHILIP H. HAYES of Indiana to provide for the exclusion of industrially funded personnel in computing the total number of civilian personnel authorized for the Department of Defense. The following proposed amendment to the Defense Authorization bill, H.R. 12438 will be offered again: "On page 7 of H.R. 12438, immediately after the word 'excluding' insert the following: 'civilian personnel engaged in industrially funded activities' and excluding," to restate the same exclusion.

The House has consistently favored exclusion of industrially funded personnel from the DOD civilian manpower ceiling. I hope it will do so again.

The House version of the DOD Authorization Act of 1976 with the Hayes amendment would have excluded industrially funded personnel from the ceiling, but after extensive discussion, House Conferees gave in to Senate opposition to this provision.

On July 29, 1975, Senator HIRAM L. FONG of Hawaii introduced S. 2207 excluding industrially funded personnel from the manpower ceilings. Subsequently, all Members of the Hawaii delegation united as cosponsors in support of Senator FONG's effort along with many Members from other areas. My own bill, H.R. 11123, with 18 cosponsors, is identical to S. 2207.

I am now advised that Senator FONG will be introducing this bill in the form of an amendment to S. 2965, the Department of Defense Authorization Act of 1977. It appears that support for this measure is growing in the Senate, and the House should again include it in our bill to demonstrate our renewed favor.

The Defense Department's industrial funds are in the nature of revolving funds. These accounts were established in order to put some of the logistic programs of the military services on a business-like basis. The majority of these activities concern maintenance and support functions—the workload of which is subject to frequent and unprogramed changes.

Because of present manpower ceilings on industrially funded activities, installations where they exist are required to operate on a fixed number of employees unrelated to the volume of work contracted. In other words, even though an installation's workload would effectively utilize more employees, it is unable to hire them on a permanent basis because of fixed ceilings. Therefore, these installations must hire people on a temporary basis to meet its manpower requirements. These "temporaries" are hired in place of career employees and dismissed from their jobs at the close of the fiscal year to meet the manpower ceilings assigned to those particular installations. As in the business world, allowing program dollars to determine manpower levels is obviously far more preferable.

With uncertain personnel ceilings comes a decrease in the efficiency of handling the demands of the military. As a result of manpower ceilings and concomitant funding reductions, I am advised that many necessary projects have had to be deferred. Such delays not only impair our shipyard readiness and efficiency, but also mean loss of job opportunities.

There are some 277,248 civilian employees of industrially funded activities in the fiscal year 1977 defense program. Of these, 65,000 are employees of the naval shipyards. Excluding these employees from personnel ceilings would serve to increase the efficiency of industrially funded activities by allowing a more effective use of manpower. Dollar limits of the operations and contracts for construction and maintenance in these activities is adequate control. Adoption of this amendment will maximize efficiency of the maintenance and support missions within the total context of our national defense effort.

As we did on May 20, 1975, I ask my distinguished colleagues to approve this amendment to exclude industrially funded personnel from the DOD manpower ceilings.

Mr. Speaker, to further elaborate on this matter, I insert remarks I made on October 15, 1975, at the Pearl Harbor Association 2-day conference addressing this particular issue:

REMARKS BY REPRESENTATIVE PATSY T. MINK, TO THE PEARL HARBOR ASSOCIATION AT THE ILIKAI HOTEL, OCTOBER 15, 1975

I would like to thank President Wong, the other officers of the Pearl Harbor Association, for inviting me to this Conference. I am always delighted to be with members of the Association with whom I have always felt a close and warm relationship. I expect and intend to continue this close working relationship with your officers and members so long as I shall continue to have an opportunity to remain in public life.

Recently your executive committee requested that I support and comment on legislation which would exclude industrially funded personnel from Congressional ceiling authorizations. I can very well understand your great concern on this issue for it is of the greatest importance to an installation such as the Pearl Harbor Naval Shipyard which includes some 5,033 industrially funded personnel as of September 25, 1975. I understand that the major objective of your conference is to discuss and clarify your position on S. 2207 which calls for the exclusion of civilian personnel employed in industrially funded activities of the Department of Defense from the personnel ceiling mandated through legislation.

Let me first state that I have always supported the concept of excluding the industrially funded personnel from these ceilings, for I can fully understand the need for flexibility in a program that is constantly faced with unprogrammed requirements.

As a government owned operation, I have always marveled over the efficiency of your group's production and maintenance enterprise in meeting the demands of the Navy. The ability of the industrially funded program, which includes naval shipyards, aircraft maintenance plants, maintenance depots, arsenals, and research laboratories, which operate much like private industry, perhaps provide a model for other government agencies to emulate. By offering the most competitive costs and services, the industrially funded program competes in obtaining business from Department of Defense military organizations.

The concept of Government industrial facilities, owned and operated by the Armed Forces, operating side by side with private industry producing similar goods and services, is almost as old as the United States itself. Naval shipyards for construction and overhaul and Army arsenals for ordnance maintenance and production have been in operation since 1800 and 1816 respectively. The current system of uniform cost accounting and control for such facilities, with appropriated funds being used to pay the industrial facilities for services rendered or goods produced on a contractual basis, was not established until 1949.

As a bit of a background on how legislation affecting Department of Defense activities are established, let me first provide you with an analysis of the process. The annual authorization process for the various national defense functions are somewhat fragmented, although the Armed Services Committees have jurisdiction over the bulk of defense spending authorizations. These committees annually recommend appropriation authorizations for major weapons procurement and research, development, test and evaluation, as well as personnel end-strength ceilings, both military and civilian, and student training loads. Less than one half of the regular DOD appropriation is annually authorized, the balance being appropriated under permanent authority. Indirectly, however, by recommending personnel ceilings, the Armed Services Committes annually exercise control over approximately three-fourths of the regular DOD appropriations.

The appropriations bills in which defense funds are provided include the regular Department of Defense Appropriations Act, the Military Construction Appropriations Act, the Public Works for Water and Power Development and Energy Research Appropriations Act, the Foreign Assistance Appropriations Act, and the Department of Housing and Urban Development-Independent Agencies Appropriations Act.

The Department of Defense Military Procurement Authorization Act, which is commonly referred to as the Procurement Bill, is the legislation which addresses itself to the issue of manpower strength levels. H.R. 6674, the Authorization Act of 1976 was first passed by the House on May 20th of this year. Although it was given similar concurrence by the Senate on June 6th, disagreement arose over the conference report, and it was sent back for further deliberation by a second House-Senate Conference Committee. The House agreed to the second conference report on September 25 with similar action taken by the Senate on September 26th.

The Military Procurement Authorization Act of 1976 provides for a civilian personnel ceiling of 1,058,000. The House version of this bill would have excluded industrially funded personnel. However, after extensive discussion, the House Conferees gave in to Senate demands which required that civilian employees of industrially funded activities be included as part of the manpower end strength ceilings.

I agree with my colleagues in the House that end strength control may well complicate the management of civilian personnel even though it does allow the Congress to view the entire aspect of Defense manpower. The end strength ceiling placed on the Department of the Navy civilian personnel level calls for some 310,300 for FY 76. Within this ceiling, industrially funded activities account for approximately one half of the Navy's FY 76 direct hire civilian personnel request.

I believe that civilian personnel ceilings are not effective means of controlling costs. In the case of the Navy and all other military services for that matter, industrially funded end-strengths are based on available workload data at the time that budgets are prepared. However, a number of changes to workload requirements can occur later which do not result in changes or increases to personnel authorization. If the Navy does not have the flexibility to change industrial manpower levels to meet workload changes, the work will need to be accomplished by increasing temporary hires and releasing them prior to the end of the fiscal year, or by substantially increasing overtime, and as a last resort, assigning work to outside contractors. All of these alternatives, I believe, are potentially more costly than allowing an efficient transition and adjustment in work force which elimination of ceilings would bring about. As in the business world, allowing program dollars to determine manpower levels is obviously far more preferable in this case.

With uncertain personnel capabilities comes a decrease in capabilities for handling the demands of the military services. As a result of civilian end strength ceilings and related funding reductions, I am advised that some 15 ships scheduled for overhaul will be subject to continued deferral over the next fiscal year. In my opinion, such delays would not only impair our military readiness and efficiency, but also means a tremendous number of job opportunities lost to the American job market . . . a job market that is in dire need of revitalization. Furthermore, work that might be routinely done at an American shipyard would face the prospect of having their requirements fulfilled at a foreign port, causing a drainage of American dollars to another country.

Our responsibility here today is to develop a strategy through which we might be able to convince both the legislative and executive branch in Washington that industrially funded manpower requirements warrant special and separate recognition. We must convince the Senate that the concept of the industrially funded activities is sound, and that exclusion of its personnel from manpower ceilings is paramount to its successful operation.

In support of this recognition which may lead to exclusion of industrially funded personnel from civilian manpower ceilings, I would submit the following arguments for your consideration:

1. The industrial fund system enables the Department of Defense to obtain the benefits of private industry contracting procedures—precise definitions of cost requirements, and tasks, without surrendering control of operations to private industry.

2. Industrially funded activities do not require annual replenishment from appropriations, because they operate on a revolving fund basis. This enables these activities to operate relatively free of constraints imposed by the annual Congressional appropriations cycle.

3. The process provides an incentive for private industry to hold costs to a minimum rather than lose business to industrially funded enterprises. Conversely, the possibility of losing business to private contractors provides an incentive for industrially funded activities to hold their costs down.

4. Finally, industrially funded activities can provide a capability that can accommodate sudden surges in needed industrial capacity that are brought on by unexpected job requirements. Private industry cannot afford to keep such reserve capacity in operations for unexpected ship overhauls for example.

There are still those who will oppose these arguments and we must be ready to answer to opponents of the industrially funded concept who may raise the following arguments: that DOD industrial activities compete unfairly with private industry, especially because these activities do not have to show a profit, and the lack of a profit motive in industrially funded activities creates problems of efficiency and organization which are frequently cited about government in general—low productivity, inefficient procedures, lack of flexibility in administration, and inability to hire and dismiss personnel in accordance with management objectives.

We must be able to disprove these arguments and clearly demonstrate that our shipyards have superior capabilities to deal with all demands made upon them by the service. We must be able to prove that operations such as the Pearl Harbor Naval Shipyard do not result in decreased cost efficiency. This is the challenge facing the Pearl Harbor Association. We must not only promote the concept of exclusion from the personnel ceilings, but must also clearly show that the entire concept of the industrially funded program is sound and will yield a greater dividend to our Federal government.

The House on October 2 approved a $112 billion Defense Department appropriation bill. This was followed by passage of the Military Construction Appropriations bill which through my insistence will possibly include some $3.356 million for modernization of facilities at the Pearl Harbor Machine shop if approved by the Senate.

With the funds that have been appropriated to the Defense Department, it is quite obvious that the Navy's share will enable them to continue as a solvent customer at the Pearl Harbor Naval Shipyard.

As I have previously stated, I will fully support S. 2207 if it is passed by the Senate and transmitted to the House. The bill, which is presently pending in the Senate Committee on Post Office and Civil Service, will I believe be favorably received by the House. The Honorable David Henderson, Chairman of the House Committee on Post Office and Civil Service, remarked in his testimony to the Armed Services Committee in March, "I was impressed with the Defense Department request for greater flexibility and do not see how your objective of having ceilings can effectively give this flexibility unless you get away from the ceiling idea and try to get control of costs through budgetary means." This must be the sense of Congress as we further pursue this legislation.

Based on your past performance I know that you will more than adequately inform the members of Congress of your thoughts which will hopefully lead to passage of legislation to exclude industrially funded personnel from civilian manpower ceilings. You may be assured that I will continue to do all in my power to fight for this objective in Congress, just as I have always done.

I am extremely proud to join you in this common pursuit, and thank you for inviting me here today.

ISSUES '76: THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Dominick V. Daniels) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the New York Times of March 29 contained a very interesting editorial on the U.S. Economy as a campaign issue.

As a nation, we have come to the realization that our economic vitality depends upon a complex set of interfaced factors—some of which are beyond our control.

By way of example, the decision of the OPEC cartel to quadruple oil prices was a factor over which we had very little control, because of our dependence upon oil imports. As we all know, the increased cost of imported oil has exerted a very negative impact on our economic well-being, exacerbating inflation, and creating an imbalance in our international payments position.

Of course, we have the potential to gain more control over this particular aspect of our economic problems. As a nation, we can make a conscious decision to break the back of the OPEC cartel by cutting our demand for their oil products and increasing our domestic petroleum supplies. If we were to do this, we would wrest economic and political leverage from the hands of the OPEC cartel, and would gain more control over our own economic destiny.

Similarly, there are other aspects of our general economic situation over which we could gain greater control simply by making a conscious policy decision to do so.

My colleagues who advocate free market principles may contend that policy intervention is unnecessary—that the law of supply and demand will eventually settle perturbations in the economy. However, in a world of expanding populations, increasing demand, and dwindling resources, this approach amounts to little more than economic Darwinism—with survival predicated upon wealth and strength.

Obviously, we cannot base our economic integrity upon such simplistic rationales. Policy intervention is necessary, and will become increasingly so in the years ahead.

Mr. Speaker, national economic planning to provide for orderly growth and maximum employment is a concept that has been discussed for many years. The Full Employment Act of 1946 laid the groundwork for the implementation of this concept, but the intervening years have found us reluctant or unable to use economic planning tools to fine-tune our economic engine.

Fortunately, there have been a number of our congressional colleagues who have not forgotten the goals espoused in the 1946 Full Employment Act, nor have they retreated from the challenge of finding some way to achieve these goals.

The distinguished chairman of the Equal Opportunities Subcommittee, Congressman Augustus Hawkins, has been working with colleagues in the House and Senate to develop the Full Employment and Balanced Growth Act of 1976, H.R. 50.

This legislation has been reported out of Congressman Hawkins' Subcommittee on Equal Opportunities, and has been sequentially referred to my Subcommittee on Manpower, Compensation and Health and Safety for consideration.

I am pleased to announce to my colleagues that my subcommittee will begin hearings on H.R. 50 tomorrow morning. During the course of these hearings, my subcommittee will further examine the economic, social, and human dimensions of our national unemployment problem, and will focus particular attention on those aspects of the legislation relative to manpower policy.

Mr. Speaker, I believe my colleagues who are studying the issues surrounding H.R. 50 will find the recent editorial from the New York Times very interesting, and I will include it at the end of my remarks. Additionally, I will include another article which appeared in the Wall Street Journal on March 29, entaitled "Macroeconomics and You," which I found most informative and timely.

Mr. Speaker, I include the two articles at this point in my remarks:

Issues '76: The Economy

The economic disorders of recent years—particularly the rapid inflation of 1973-74 and the deep slump of 1974-75—ensure that economic issues will play a major part in the 1976 Presidential election campaign. The most difficult problems facing the candidates—and the nation—are to decide what the principal economic issues really are, to set priorities for their solution and to find means of dealing with seemingly contradictory problems without aggravating one at the expense of another.

Is the primary issue unemployment—and, more broadly, the wastage of human resources? Over seven million people—nearly 8 percent of the labor force—are still out of work, after the most severe recession of the postwar period. The economy is recovering at a moderate pace, but the Administration expects fairly high unemployment rates—in excess of six percent—to persist for the next few years.

This will mean a long spell of much higher joblessness among particular groups—blacks and other minorities, women, young people and others with low skills and little or no work experience. Those who combine several of those attributes are in the worst shape of all. In central cities today, over half of all young people, male and female, are unemployed. Much of the social decay and high crime rates in the cities is due to the lack of jobs and the large number of people on welfare. How is this wastage of human resources to be ended—and when?

Would government measures to reduce unemployment more swiftly—whether through overall fiscal and monetary stimulus or through specifically targeted programs, such as public works, public-service jobs, or youth employment programs, regenerate inflation? Despite the slump and wide capacity-gap that caused rates of inflation to come down from double-digit levels, inflation is still expected to run this year at an annual rate of 6 to 7 percent, which is very high by postwar standards.

Inflation also has its most severe impact on the poor, including the working poor. And high rates of inflation are likely to bring on swings to deep recession—whether these are seen as resulting from cyclical factors, such as the driving up of interest rates, or from the governmental policies taken to stop the inflation. The fiscal problems of the nation's cities and states—which cannot "print" money as the Federal Government can—are worsened by inflation, as well as by the loss of jobs.

Deciding how to deal with the double problems of unemployment and inflation is not just a technical problem in economics but involves political and social values as well. What should be the responsibility of the Federal Government for insuring "jobs for all"? Should Government be doing more to improve the housing, health and social conditions of the population, and especially the poor? Not only conservatives but many liberals are concerned lest an overcommitment of Federal resources worsen, rather than solve, social problems and sap the strength of the private economy.

However, this political shift reflects a public desire to discover a better and more effective balance between public and private responsibilities, rather than a radical excision of Government's role. All-or-nothing extremism will be dismissed as campaign demagoguery. What the nation seeks from the candidates, most of all, is clarity—clarity and honest judgment on which Federal programs ought to be expanded, which cut back or eliminated, or shifted to the states. How much Government in total does the nation need, how much can it afford—and how much is it willing to pay for? How should the costs of Government be distributed?

What will be the impact of tax changes on capital formation, and on social equity? How do immediate and long-range tax and budget plans relate to reducing both unemployment and inflation?

The impact of budget and fiscal policy must also be related to other crucial needs—to satisfy the nation's long-range energy requirements; to conserve its energy resources and improve the quality of its air, water and land; to modernize its mass transportation system; to rescue its decaying urban areas; to improve its education and health; and—in a world of dangerous military, including nuclear, threats—to safeguard the nation's defenses. There is a critical economic dimension to all these national objectives, and none of them can be solved in a year. All will require long-range thinking and, very likely, long-range planning.

The nation is looking for a clearer sense of direction from its leaders on their approach to these complex, interlocking economic, social, environmental and security issues. It needs practical, not merely ideological, answers.

Macroeconomics and You

(By Lindley H. Clark, Jr.)

Unlike all Gaul, economics is divided into two parts: macroeconomics and microeconomics. Microeconomics is easier to comprehend. It deals with the economic behavior of individuals, families, firms and specific markets.

Microeconomics involves such concepts as marginal utility. If you sit there eating apple pies, the appeal (utility) of each succeeding pie rather rapidly diminishes. In market analysis, a rise in demand with no increase in supply is going to put upward pressure on prices. There's not a lot there to fight about.

Macroeconomics is something else. It deals with the behavior of an entire economy—in short, it tries to tell you how the world works. Funk & Wagnalls' first definition of "macro" is "enlarged or overdeveloped," and in recent years that sometimes has seemed appropriate. Certainly some macroeconomists have been telling us more than they really knew.

In part this has been a reflection of salesmanship. In the years since World War II there have been two principal brands of macroeconomists. First are the Keynesians, those whose views represent various modifications of the ideas of the brilliant British economist, John Maynard Keynes. Among many other things, the Keynesians hold that investment, government spending and taxation are the prime determinant of business cycles.

Then came the monetarists, many of them followers of the University of Chicago's Milton Friedman. They blamed the business cycle chiefly on changes in the rate of growth of the money supply.

In the battle for support from the public and, more particularly, Washington's policymakers, both sides sold their wares somewhat overenthusiastically. In private both groups will concede that there are many things they don't know about how the economy works, many theories that have not been conclusively proved. But the public and the policymakers were looking for answers, not carefully reasoned explanation that few simple and sure-fire answers yet exist.

So they got answers, and macroeconomics was oversold. The Keynesian economists of the Kennedy-Johnson administrations induced euphoria by intimating that the business cycle had been abolished. The monetarist-leaning economists of the Nixon-Ford administrations didn't solve the cycle either, and the public once again was disillusioned.

What do we do? Some critics have suggested that we need a new macroeconomics. Others propose more attention to microeconomics, implying that in watching the forest we may have lost sight of the trees. But what we need most may be a more realistic attitude.

That sort of attitude shows up in "Macroeconomics: The Theory of Income, Employment and the Price Level" (McGraw-Hill), by Michael R. Darby. Mr. Darby, an associate professor at the University of California at Los Angeles, has strong monetarist views, as you would expect from a former student of Milton Friedman. But he is careful to stress that monetarists have no magic solution for all economic problems.

The most imposing obstacle for all economists, monetarist or Keynesian, is politics. The Keynesian economists of the mid-1960's would have found it easier to avoid the resurgence of inflation if they had been able to find out how much the government was planning to spend in Vietnam.

Though the differences among macroeconomists are very real, it's easy to exaggerate them. Mr. Darby says there has been some synthesizing of their views, and he can't resist adding that there also has been something of a monetarist victory.

So careful economic analysis could sometimes prevent the adoption of disastrous government policies. Unfortunately, as the author says in a footnote, "it is not always in the interest of either the political party in power or the party out of power to stick to a clear statement of the true implications of possible policy alternatives. It may be easier to make outrageous campaign promises."

Sometimes it comes down to a question of goals and value judgments. Reducing inflation causes a temporary rise in unemployment, and many people may not believe the reduced inflation is worth the cost. "The author," says Mr. Darby, "can make no special claims for his values, so appraisals of alternate policies are left to each reader."

When it comes to the money supply, though, the author sees no desirable alternative but a fixed growth rate. His preference would be a law or constitutional amendment setting such a rate.

Under such a law, the Federal Reserve System "would be required to maintain the quantity of money within a certain percentage of the stated growth path at all times. This would assure that the average growth rate of the nominal money supply over any substantial period of time must be very close to the growth rate used in establishing the stated growth path. The percentage of variation permitted would establish a margin for error and, if desired, a margin for short-run discretionary variations in money supply growth for reasons of stabilization policy."

Mr. Darby is careful to distinguish such a procedure from the current method, under which the Fed specifies target ranges for the future growth of the various monetary aggregates. Under this system the Fed, if it chooses, can be at either the high or the low end of the range and the variations from the central growth rate can accumulate over time.

Even if the government does choose a policy that will prevent upswings of inflation, there remains the question of what rate of inflation to pursue. As the author says, some economists think that the only proper goal is zero inflation, and that policies should be set so as to get there. Others believe that the costs involved, both in temporary increases in unemployment and in shifts of wealth from debtors to creditors, would make such a move undesirable.

"That is how it is with macroeconomics," Mr. Darby says. "Answering one hard question leads to the posing of others. The work to be done grows at a positive rate." With that sort of attitude, macroeconomics could once again become respectable.

CONGRESSIONAL WATERGATISM ON THE SCHORR CASE—"IT'S NOT FUNNY, MR. BAKER"

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, in last Saturday's edition of the New York Times there appeared a column entitled "Richard Milhous Congress" by Russell Baker. I have always found Mr. Baker to be a perceptive and amusing commentator on the events of the day, but as I read his column it was impossible to muster a smile. He equates the actions of the House regarding the release of the Pike committee report to the Villiage Voice with the attempts of the Nixon administration to suppress information leaks.

As the gentleman from New Jersey (Mr. THOMPSON) pointed out during debate on Monday, the House has never before referred such a matter to an internal committee. He went on to say that—

> Neither Mr. Schorr nor the person who provided him with the information which he had would be guilty of a criminal act.

Why, then, are we proceeding with the Schorr investigation? I fear that Mr. Baker has the answer when he writes:

> Schorr and his sources provide human sacrifices whose dreadful example may intimidate press and Congressional people alike, to the benefit of the secrets establishment in the Executive.

In acting as it has in the Schorr case, the House is setting a precedent for the persecution of those involved in the publication of any item which is considered offensive by a majority of this body, seriously impairing freedom of the press.

Mr. Baker's column of March 27 follows:

RICHARD MILHOUS CONGRESS

(By Russell Baker)

Has it been duly observed that the House of Representatives, having expunged Richard Nixon to save the Republic, is now showing macabre symptoms of Nixon envy? The most telling evidence is the House's recent decision to set up its own "plumbers" squad, the very device which first set the master's foot on the path down Watergate Lane.

The heir to the tradition of Hunt, Liddy, McCord & Company is to be the House's Committee on Standards of Official Conduct, soon to be funded with $150,000 for gumshoe and terror activities aimed at keeping the public in the dark about what the Government is up to. This, it will be recalled, was the same motive which animated Nixon to set the "plumbers" on the road to Watergate, and while the House is at least out in the open about it, there are striking parallels between then and now.

Nixon was vexed by leaks which told the country he had secretly started making war against Cambodia 90 days after he took office. When Daniel Ellsberg circulated the Pentagon Papers showing an ancient pattern of Government deceit about its plans for war in Vietnam, the "plumbers" were authorized to destroy Ellsberg's reputation.

The House's Ellsberg now is Daniel Schorr, a CBS correspondent who caused to be published a House document reporting defects in the C.I.A. Though its contents had been disclosed in earlier leaks, the document had been stamped secret by the House in an effort to show the President, Henry Kissinger and the C.I.A. that the House could respect secrets as gravely as they could.

Messrs. Ford, Kissinger and Colby, then the head C.I.A. man, must have shared a good private laugh at this ham-handed attempt to prove the House a worthy trustee of secrets. The horse, after all, had long since been stolen, and there was something both clownish and craven in the House's ostentatious locking of the pillaged barn's door.

Yet, the gesture must have been satisfying to the Executive secrecy set. They had worked hard to pressure the House back into the traditionally spineless recumbency before the Executive, and here was the House—that famously liberal post-Watergate House which had been elected on a promise to exorcise Nixonism in Washington—ready to surrender its sword to the Nixonesque principle of secrecy. Some exorcism! The House's response to Schorr was very much like Nixon's response to Ellsberg. Dudgeon high and low.

Nixon's fury over the Pentagon Papers made little sense at the time. The papers dwelt chiefly on the duplicity of Kennedy and Johnson policies in Vietnam and put both men in such a nasty light that one assumed at first the papers must have been leaked for Republican political reasons. Why should they madden Nixon?

We now know, of course, that what alarmed him was not their content, but their evidence of how easily embarrassing information could be squirreled out of secret burial vaults. And Nixon had some very awkward secrets to protect. When we know this, his decision to go after Ellsberg makes a certain sense. The punishment for revealing awkward information was to be made so dreadful that the bravest soul would think seven times before daring to take the risk.

Like Nixon hounding Ellsberg, the House has the plumbers on Schorr for larger purposes than personal persecution. Schorr and his sources provide human sacrifices whose dreadful example may intimidate press and Congressional people alike, to the benefit of the secrets established in the Executive.

The issue is not whether the Government ought to have secrets. Obviously it must have some. Just as obviously, it is dangerous to include information that is merely embarrassing for powerful men in the "secret" file. This is the Nixon direction now being taken by the House, and as such it is an assault on liberty.

It is not good enough for the press and CBS, as they have so far done, to ignore the assault and take refuge in the argument that Schorr may be fed to the crocodiles because he made financial arrangements to cover any possible profits from publication of the document. (Any proceeds were to go to a reporters' committee for supporting First Amendment causes.) When the press took refuge in the lesser issue. CBS quickly stopped Schorr from reporting. Shades of the days of the Agnew terror.

It is a splendidly ironic struggle to celebrate the 200th anniversary of the Revolution. If Patrick Henry were in Congress today, one imagines, he could rouse the House, the press and the people to cheers only by crying, "Give me secrecy or give me death!"

FINANCIAL DISCLOSURE

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, in accordance with my practice since the start of my service in Congress in 1965, and in accordance with legislation I have introduced to require full disclosure of assets and liabilities in order to protect against undisclosed conflicts of interest (H.R. 3249) and my conviction that full disclosure is the best protection of the public from potential conflicts, I set forth here and have released to the press today the following complete statement of assets and liabilities of myself and my wife and our 1975 income and taxes paid thereon:

RICHARD L. AND BETTY ANN OTTINGER—STATEMENT OF ASSETS, LIABILITIES, AND CAPITAL AS AT DECEMBER 31, 1975

ASSETS

Cash	$22, 639
Marketable securities—Betty Ann Ottinger (cost $56,727—At market value (Schedule 1)	181, 052
Marketable securities—Richard L. Ottinger Trust dated March 19, 1969 (cost $614,251)—at market value (Schedule 1)	1, 805, 497
Real estate:	
Residences in Pleasantville, N.Y. and Washington, D.C.—at estimated market value	400, 000
Total	2, 409, 188

LIABILITIES AND CAPITAL

Liabilities:	
Notes and loans payable:	
Testamentary trust u/w/o Lawrence Ottinger, f/b/o Richard L. Ottinger	301, 912
Patricia L. Chernoff	150, 000
Trust u/a dated 10/30/57 f/b/o Richard L. Ottinger	50, 000
Other loans payable	40, 000
Total notes and loans	541, 912
Income tax liability on unrealized gain on marketable securities	460, 450
Total liabilities	1, 002, 362
Summary:	
Total assets	2, 409, 188
Total liabilities	1, 002, 362
Net worth	1, 406, 826

RICHARD L. AND BETTY ANN OTTINGER—SCHEDULE OF SECURITIES AS AT DECEMBER 31, 1975

Betty Ann Ottinger:

Number of shares, corporation, and current market value:

184, Simplicity Pattern Co	$2, 921. 00
40, Sears Roebuck & Co	2, 580. 00
160, Travelers Corp	4, 020. 00
175, International Business Machines	39, 243. 75
200, Gulf Oil Corp	4, 100. 00
1,930, Champion International Corp.	35, 222. 50
1,500, Weyerhaeuser Co	55, 687. 50
Par value:	
$37,000, Federal Land Banks, due 1/20/77	37, 277. 50
Total	181, 052. 25

Richard L. Ottinger:

500, American Telephone & Telegraph Co	25, 437. 50
375, Merck & Co	25, 968. 75
2,850, Anheuser Busch, Inc	96, 187. 50
11,898, Simplicity Pattern	188, 880. 75
40, Sears Roebuck & Co	2, 580. 00
1,800, Connecticut General Insurance Corp	80, 550. 00
1,200, Travelers Corp	30, 150. 00
700, Campbell Soup Co	23, 450. 00
1,238, International Business Machines	277, 621. 50
8,100, Xerox Corp	412, 087. 50
1,234, Texaco, Inc	28, 844. 75
400, Champion International Corp.	7, 300. 00
7,494, Weyerhaeuser Co	278, 214. 75
Par value:	
60,000, Federal Land Banks	60, 675, 00
25,000, Iowa Electric & Power Co.	20, 531. 25
25,000, Alabama Power Co	20, 468. 75
50,000, Honeywell Finance, Inc.	47, 500. 00
50,000, Ascension, St. James Br. & Ferry Auth., La	29, 500. 00
15,000 United States Treasury Bills	14, 327. 29
40,000, Washington, D.C	40, 108. 00
95,000, Monroe County, N.Y	95, 114. 00
Total	$1, 805, 497. 29

RICHARD L. AND BETTY ANN OTTINGER STATEMENT OF INCOME AND TAXES

1975, income received, $132,142.

1975, taxes paid; Federal, $33,767; New York State, $12,640; local, $13,016; total taxes paid, $59,423.

ON CARBON MONOXIDE IN SCHOOLBUSES AND OTHER VEHICLES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD).

Mr. KOCH. Mr. Speaker, it has been only 12 years since the book, "Silent Spring," a commentary on the ecological impact of insecticides became a national bestseller. At that time the full effects of air and water pollution were only vaguely perceived. But today, there is little doubt that the environmental movement has forced the pollution problem to a high level of public awareness. Although debate continues over the size of the antipollution expenditures and the ultimate changes required to abate the environmental crisis, few deny the existence of a widespread pollution problem. So much has been written about the myriad of pollutants in an environment that many probably feel that there is no new turf to be spaded in the environmental field. And, the suggestion that indoor air pollution is a problem may appear to be either facetious or overzealous environmentalism. However, the available evidence suggests that there are serious indoor pollution problems. One such problem is that of unhealthy concentrations of carbon monoxide in schoolbuses and other vehicles. Therefore, I am introducing legislation to amend the Clean Air Act to require the Administrator of EPA to establish acceptable carbon monoxide levels for the interior of schoolbuses and other vehicles and to provide for semiannual testing to insure compliance. All environmental legislation introduced to date has dealt solely with the outdoor environment and its quality. My bill is the first piece of legislation to deal with a sorely neglected part of the environment: That of the indoor environment and in particular with carbon monoxide in schoolbuses and other vehicles. In order that my colleagues understand the serious nature of the problem and the urgent need for the enactment of the legislation, I will describe the situations which have prompted me to introduce this bill.

On December 16, 1971 in Seattle, Wash., eight schoolchildren became ill on a schoolbus transporting them to school. The symptoms included those normally associated with carbon monoxide overexposure such as drowsiness; headache, and nausea. Five of the children developed the symptoms to such an extent that they required immediate hospitalization. All of the children who became ill were seated in the rear of the bus which had a rear mounted engine. On December 13, 1974, in Denver, Colo., 13 children and a driver became ill, the symptoms again were those associated with an overexposure to carbon monoxide. These buses also had rear mounted engines. Ironically, these buses were equipped with carbon monoxide detector buttons which should have changed color as soon as carbon monoxide entered the environment. But, the buttons failed and did not change color.

In 1973, the Department of Transportation, National Highway Traffic Safety Administration, through the utilization of contractor services, completed a field survey to measure carbon monoxide levels in the occupant compartments of 112 new and used school buses under varying operating modes. They worked under the assumption that among the components of engine exhaust gases only carbon monoxide is likely to be found in sufficient quantities to pose a potentially significant health hazard. The survey found various levels of interior carbon monoxide. I have contacted the Department of Transportation to determine what levels they recorded but as of today I have not received that information.

Recently a member of my staff who is a biologist conducted tests to determine the interior carbon monoxide levels in New York City schoolbuses. The monitor used was the ecolyzer, which draws air over a catalytically active electrode that converts carbon monoxide to carbon dioxide, the associated ion production being proportional to the carbon monoxide concentration. The buses we tested were located at a school which is on a major east-west thoroughfare where the traffic is normally moderate. The children in the school were all deaf and I felt that any significant concentrations of carbon monoxide would hinder the learning ability of these children. Thirty-five buses were tested on three separate days. In 93 of 105 tests significant levels of carbon monoxide were found. Some of the readings were so high that the indicator went off the monitor. The monitor read from 0 to 100 parts per million. As I will describe later any reading over 20 parts per million is considered significant in a passenger compartment.

According to a recent article in the American Journal of Public Health, 500 Americans die each year from carbon monoxide and many more suffer overexposure symptoms due to the fact that their vehicles are defective from deterioration, damage, or poor automotive design. Problems with carbon monoxide fumes have also plagued auto manufacturers. In 1974, Chrysler recalled more than 6,000 Dodge Coronets and Plymouth Satellites to correct an exhaust system defect that allowed carbon monoxide fumes to enter into the passenger compartment. In addition a warning was recently issued by the company to owners of camper trucks urging them to make sure that the tailpipes are long enough to bring the exhaust fumes out from under the trucks and campers.

Carbon monoxide is a colorless, odorless, nonirritating gas which is generated by incomplete combustion and it is one of the most important of the urban atmospheric pollutants. The gas can cause overexposure symptoms even when a small quantity is present. This is due to the fact that carbon monoxide exerts its toxic effects by essentially starving the body of its vitally needs oxygen. It combines with hemoglobin 200 to 240 more readily than does oxygen. As the carboxyhemoglobin saturation increases, the net effect is to reduce the oxygen carrying capability of the blood inducing hypoxia, or oxygen deficiency of the tissues. In children the rate of metabolism is higher than in adults, therefore, the effects of carbon monoxide exposure is more pronounced. In adults with decreased cardiac output, or those who suffer from angina pectoris, exposure to small quantities of the gas can cause serious consequences. Presently, there are no health requirements for drivers, therefore, drivers with the above condition subjected to carbon monoxide might become ill and endanger the lives of their passengers. The side effects of carbon monoxide exposure are headache, nausea, muscular twitching, disturbed judgment, fatigue, shortened attention span, depressed heart and respiratory action, coma and after long enough exposure, death. Chronic exposure to low levels of carbon monoxide can occur with no recognizable complications, but from which the onset of health degradation might possibly result.

Presently, the Environmental Protection Agency does not have standards which specifically restrict ambient concentrations of carbon monoxide within the passenger space of an operating schoolbus. The levels which are in effect pertain to outdoor ambient carbon monoxide levels and to carbon monoxide levels in enclosed industrial areas. The permitted levels are nine parts per million for a 1-hour exposure period in ambient air and 35 parts per million for a 1-hour exposure period in enclosed industrial areas, and this assumes that the worker is wearing protective gear. As I stated earlier in 93 of 109 tests that my staff conducted the levels exceeded the EPA standards for enclosed industrial areas.

The average readings were in the 60–75 parts per million range. My legislation will require that the Administrator of EPA prescribe standards applicable to the presence of carbon monoxide in the passenger area of buses which in his judgment causes or contributes to, or is likely to cause or contribute to a danger to public health. The monitoring for compliance will be performed by the States during the course of the normal safety inspections which are required by Federal law. The apparatus needed is inexpensive and the test takes less than a minute. Dr. Carl Johnson, of the Jefferson County Health Department, Lakewood, Colo., has indicated in conversations with Mr. Victor Botnick, my staff aide that some surveys of carbon monoxide in buses find that the gas is not present. This indicates according to the doctor, that the buses can be maintained in such a manner as to prevent problems with carbon monoxide. When engines are no longer in tune, and door and window seals begin to crack, or if there is a leak in the exhaust system carbon monoxide will enter the passenger compartment. Therefore, if significant levels are found the problem can be easily solved by adjusting the idle mixture, checking for cracks in the firewall and checking for leaks in the exhaust system. In addition, my bill will require that all buses built from 1977 on will have their exhaust tailpipes extended to a level above the roof of such bus as may be determined by the Administrator. Until this modification is made a certificate of conformity will not be issued. According to Dr. Johnson, and according to my staff aide, Victor Botick, the main point of entry of the carbon monoxide is the rear exit emergency door. The exhaust pipe is located directly below the door and the noxious fumes are blown right into the bus through the cracks around the doorframe. It is interesting to note that the length of the exhaust pipe has recently been shortened to prevent children from riding on it when the bus is in motion. On the other hand the exhaust pipes of trucks are now being extended above the roofs of the truck body in order to keep the carbon monoxide levels to a minimum.

In conclusion, Mr. Speaker, in 1975 21 million children were bused over 2 billion miles in 310,000 vehicles. To continually subject these youngsters to carbon monoxide exposure is totally inexcusable, particularly since we have the methods to detect the gas and the technology to correct the matter. The enactment of this legislation will not require the additional expenditure of Federal moneys. On the State level the expenditures will be limited to the purchase of the monitors and minimal manpower additions since the carbon monoxide testing will be made in the course of the buses regular overall inspection.

MATCHING GRANTS FOR BRANCH LIBRARIES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on February 17 of this year, I voiced strong support for the bill, H.R. 11233, to extend the Library Services and Construction Act and was pleased to see it pass. Those funds are badly needed for construction projects, services to target underserved groups, and the interlibrary cooperative network for which they are authorized.

But the temporary closing of seven branch libraries of the New York Public Library earlier this year dramatized a shortfall in operating funds that has been felt in a number of other areas as well, including Detroit, Atlanta, and Los Angeles. Inflation is cutting back on buying power, as book and periodical, postage, lighting and heating bills rise in addition to salaries. The average price of a book, for example, increased 15 percent from 1973 to 1974. The irony is that this pinch is occurring at the same time as recession spurs a marked national trend in increased library usage.

The New York libraries that were closed have now been reopened with the current use of CETA funds. An eighth branch closing in the Bronx was given a reprieve by the donation of a community resident. I understand that further cuts in library funds may be scheduled for in New York's budget and I suspect that fiscal condition in many other cities may cause them to cut back library funding as well. I find the impulse that prompted aid to the Bronx Library one that may be more broadly shared and I am therefore introducing the bill below.

My bill would provide Federal matching grants to equal private contributions to assist in funding the operating expenses of branch libraries. Sixty percent of any given private contribution will be spent in any specific branch library that the donor may designate. In addition, 50 percent of the Federal matching funds will be spent in libraries that serve lower income areas. The first provision is designed to assure the donor that the impact will be felt in a specific loan branch, while allowing the central library system to use contributions to provide general support services to branches. The second provision is intended to compensate for the lower amount of contributions that would be expected from areas where services are still highly valued.

This bill is designed to supplement existing library programs that are not available for general operating expenses. It is hoped that it could add to the excellent service where it is already being provided and that it could make the difference in keeping libraries open in places where fiscal conditions make this difficult. The bill follows:

H.R. 12953

A bill to provide Federal grants to be awarded by the Commissioner of Education for the purpose of paying operating expenses of public libraries, in amouts which match the amount of certain private contributions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Commissioner shall carry out a program of making grants to central library systems, and such library systems shall use the money received from such grants, to pay operating expenses of public libraries.

(b) A central library system desiring a grant under this Act shall submit to the Commissioner an application therefor within thirty days after the end of any fiscal year in such form and containing such information as the Commissioner may require. Such application shall include the following:

(1) the amount of private contributions which were made to such library system for the purpose of paying operating expenses of public libraries administered by such library system, during the fiscal year immediately preceding the date of such application;

(2) such assurances as the Commissioner may require that—

(A) money received from any contribution described in paragraph (1) of this subsection is used only to pay operating expenses of public libraries administered by such library system; and

(B) in cases where the maker of any contribution described in paragraph (1) of this subsection designates in writing a particular public library to receive such contribution, 60 percent of the money received from such contribution is used to pay operating expenses of such library.

(3) such assurances as the Commissioner may require that—

(A) funds received from such grant will be used only to pay operating expenses of public libraries administered by such library system; and

(B) 50 percent of the funds received from such grant will be used to pay the operating expenses of the public libraries which are located in any locality where the average gross income of the families residing in such locality is at least 25 percent below the average gross income of families residing in the area which is served by such library system (with average gross income determined on the basis of the most recent information available to the Commissioner).

(c) Upon request of the Commissioner, a central library system submitting an application for a grant under this Act shall make its records (relating to private contributions specified in such application) available to the Commissioner for inspection.

(d) Except as provided in subsection (g) of this Act, the amount of a grant to a central library system under this Act shall be an amount equal to the amount of private contributions specified in an application from such library system which the Commissioner approves under subsection (b) of this Act.

(e) A central library system receiving a grant under this Act shall make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to such library system under such grant.

(f) Notwithstanding section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), the Commissioner may advance public money to carry out the provisions of this Act.

(g) For any fiscal year, the Commissioner may not make grants to a central library system under this Act in excess of an amount equal to the amount determined by multiplying $5 by the number of individuals residing in the area served by such library system. The Commissioner shall determine the number of such individuals on the basis of data obtained from the latest decennial census of the United States.

(h) As used in this Act, the term—

(1) "central library system" means, in any political subdivision of a State, an agency or other instrumentality which has administrative control over the public libraries located in such political subdivision;

(2) "Commissioner" means the Commissioner of Education;

(3) "gross income" means all income from whatever source derived;

(4) "operating expenses" means any expenses ordinarily incurred in the operation of a public library, including expenses for salaries, maintenance, supplies, books, lighting, heat, water, and rent, but does not include any expenses for expansion or acquisition of any building or real property;

(5) "private contribution" means any voluntary payment of money to a central library system from any person (other than the United States, any State, or a political subdivision of a State);

(6) "public library" means a library that serves free of charge all residents of a community, district, or region and receives its financial support in whole or part from public funds; and

(7) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

THE MAN ON THE FRONTLINE IN THE BATTLE AGAINST CRIME SPEAKS OUT

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, one of the most interesting experiences I have had in my years in Congress has been reading the comments of police officers who aren't making speeches, passing laws or theorizing in some classroom but fighting crime on a day-to-day basis. I recently asked for their views regarding antigun legislation which is before the House Judiciary Committee. They just did not answer my questionnaire, they wrote in detail what their feelings were on the overall problems of crime.

I asked what they thought the greatest problem law enforcement officers faced today and they gave the answers. Here are some of them:

There are numerous problems. One of the major ones is public opinion and attitude. It is common to hear people state that they would get involved but are fearful to do so because the offender will get a slap on the hand and be free for retaliation.

This is the result of courts failing to sentence offenders to jail for what time is relevant to seriousness of crime. There are too many times a criminal will be back on the street, either on shock parole or light sentences, before the effect of the crime has subsided. This is especially noticeable for 2nd and 3rd time offenders. It is very disturbing to have a person convicted for the 3rd time for breaking and entering and have the person released on shock!! Until the time comes when the police have the same basic rights of criminals, have the support of the public, and stricter sentencing by the courts, there is no legislation that deters crime. Even the FBI and CIA are under investigation due to changes in public opinion. What they do, even if it is the same procedure used for years, is now questionable. There are numerous problems, all of which cannot be listed without writing a book. What it boils down to is that until the courts start handing out stricter sentences, there is no way a policeman can say he has done his job, which is to protect society.

* * * * *

To enforce the law is a matter of relative simplicity. If the attorneys were able to draw a line between responsibility to a client and responsibility to a community and the victims of crimes, the judicial toughness would naturally follow. "We need more prisons, not more people on probation and parole." If the ones on parole and probation were made to adhere to the terms of their release, then fine. Probation and parole as it is today is a sinister joke.

* * * * *

Too many laws to protect the criminal.

* * * * *

The Supreme Court of the U.S.A. And on down the ladder. We need capital punishment.

* * * * *

Technicalities in court procedures and laws by which criminals are released. Lenient judges and parole officers.

* * * * *

Rights of victims. Courts too lax, probation, suspended sentences, etc.

* * * * *

The court system, plea bargaining and probation on felony charges.

* * * * *

Trying to enforce laws for which the criminal knows he'll get a light sentence.

* * * * *

The great amount of work involved in the arrest of a criminal to obtain an indictment only to come in to court with a lazy prosecutor who will plea bargain a case down to a misdemeanor. Or, if convicted, the judge merely slaps the wrist of the criminal and remands him to the nearest probation officer who is either too busy or is not allowed to follow up on his probationers. There is great disrespect for the laws and law enforcement officers at all levels by the general public today. Parole Boards are becoming too damn powerful. A prisoner should be ordered to serve his minimum sentence as ordered by the judge.

* * * * *

Poor prosecutors, lenient judges, the restricted use of capital punishment. (plea bargaining)

* * * * *

Public indifference—apathy. Leniency.

* * * * *

1. The (new) judicial system. 2. Probationary system. 3. Parole system.

* * * * *

I feel that our court systems are a great problem and need some revising in the areas of probation and parole, so that the hardened criminal and repeated offenders, who we work so hard to get out of society, cannot be let back out on the streets with no more than a slap of the hand by the judge.

* * * * *

The news medias—bad reporting—releasing information that causes problems for convictions.

* * * * *

Prosecutors only go with what will make them a feather in their caps. A judge will throw the book at you for a traffic violation, but duff on all other matters.

* * * * *

No support for the arresting officer. Hates to give up time, knowing full well lawyers will find loopholes for release of individual.

* * * * *

Judges be firm in meting out sentences. No shock probation if weapon used.

* * * * *

The complacency and almost total disregard of the American citizen for the well being of country and law enforcement.

* * * * *

Lenience of judges after legitimate arrests have been made—by turning criminals loose again on parole.

* * * * *

Our concern with technicalities instead of whether or not the person is guilty. I think we have gone too far on individual rights and have forgotten about the rights of the victim or society as a whole.

* * * * *

The courts are going to have to pass out stiffer sentences and not turn convicted felons loose so quick to repeat their crimes.

* * * * *

The failure of courts to convict and punish. Citizens failing to pay police living wage.

* * * * *

The crook being given civil rights over law abiding citizens. Judges cutting pleas to lesser penalty crimes. Not locking up criminals and keeping them locked up. Crooks are released on bond too easily.

* * * * *

Low police morale due to non belief in the judicial system and poor spendable income. Concurrent sentencing of multi felony convictions. Judges running unopposed for long terms. Lack of concern by the courts, hospitals and some police for the poor mug who is the crime victim today and always will be.

* * * * *

From an organizational view—communication with personnel because of effect of unionism. From law enforcement view of crime cause and control. Basic philosophies have become much to complex to arrive at any reasonable solution. Drugs a major problem.

* * * * *

Sentences not strict enough, judges, prosecutors, juries do not mete out heavy enough or laws have too many "loopholes" in favor of the one committing the crime. Stiffer, mandatory sentences, laws stricter if laws broken, *enforcement!*

* * * * *

Not stiff enough penalties on the people convicted. The same felons keep getting out and repeating the same crimes. Our biggest percentage of crimes is by the repeater felon.

* * * * *

Often lawyers are able to convince juries to return lesser sentences. Judges should insist on stiffer penalties. Just enforce present laws that exist.

* * * * *

Failure of all judges, local, and Federal to enforce existing laws, and the sorry willingness of prosecutors to "plea bargain." The state and Federal Supreme Court decisions have in part led to, and fostered, this present condition.

* * * * *

Reversal of Supreme Court decision on Miranda law.

* * * * *

The "do-gooders" who are convinced that the criminal is what he is because of other people's faults in conjunction with the courts in putting them on probation.

* * * * *

If there were more teeth in the laws we have now. And make laws so that the judge can make a very light sentence.

* * * * *

Inadequate manpower; outmoded Civil Service Laws; no standards for training in Ohio of police personnel beyond rank of patrolman, then only basic required.

* * * * *

The criminal is given probation instead of a prison term, no matter how many convictions.

* * * * *

Lack of prosecution.

* * * * *

The courts and the law that protects the criminal.

* * * * *

The court system.

* * * * *

Repeated offenses due to lenient judicial systems and penal systems that don't want to contend with hardened trouble-makers so they tend to parole them early.

* * * * *

Trying to convince myself that I should still do the best possible job that I can do even though guilty parties are let off with a "slap on the wrist."

* * * * *

Laws are complicated and not clear to understand.

* * * * *

The courts failure to enforce sentences thereby taking away all fear of punishment for criminal acts.

* * * * *

Public apathy and the courts. Judges as well as prosecutors must do a better job. Attorneys should defend, but not put criminals back on the streets for the sake of a fee paid either by the defendant or counties.

* * * * *

The repeat offenders who continually return to crime after release from prison. The ineffectiveness of the juvenile courts in deterring juveniles from subsequent crimes.

* * * * *

The good guys are losing. While crime leaps by quantum jumps, we cops are constantly playing "catch up ball." We are continually short of manpower and technology.

* * * * *

Reduction of charges in court, the parole system constantly releasing repeat felons, prosecution dropping all remaining charges for a guilty plea on one charge.

* * * * *

Courts and judges.

* * * * *

Sir, we are living in the time of interpretations instead of taking our laws at face value. Plus, I think the judges have too much discretion.

* * * * *

The courts, etc!

* * * * *

Leniency of the courts, plea bargaining, too many loopholes and "rights" for the poor criminal who is just "misunderstood" and not wrong. Shock probation and early outs just to make more room. Make more cells, keep "politics" out of the courts. (Facts not power or pull in outcomes)

* * * * *

See attached sheet [*sheet on Communist rules for revolution which includes registration of guns*]

* * * * *

I think one of the greatest problems is with the courts today. They seem to think that they are in another section of law enforcement and do not seem to realize that we are both working for the same goal.

* * * * *

The soft approach taken by judges on the person up for repeated felons.

* * * * *

The public attitude to the law and to law officers, lack of confidence in the law and courts.

* * * * *

The hyprocisy of our courts in giving out sentences. One such thing is shock parole for 2nd and sometimes 3rd offenders. Also the fact that officers take a good felony case to court and it is plea bargained away to the defense attorney.

* * * * *

Lack of prosecution, judges not doing their jobs on trial work, i.e. its easier to wheel a deal than go to trial. Judges not having a solid guideline in sentencing criminals.

* * * * *

The courts. From the Supreme right on down to and including municipal. Judges have too much leeway on sentencing.

* * * * *

Not having courts and judges who will look at the damage to the victim and the rights of the victim, only the rights of the criminal. The courts have to realize that the more a person gets away with, the more they will attempt to get away with, thus, the tremendous increase in repeat offenses and serious crimes being perpetrated by the juvenile portion of our population.

* * * * *

Judges not handing out firm sentences on crimes committed in general; no prorated deals in 6 months or a year.

* * * * *

The irresponsibility of our judges and courts to properly prosecute and convict felons, due to some minor technicality in the arresting officers statement or report. Failure of our prosecutors to properly prepare their case in court with sufficient evidence to obtain a conviction.

* * * * *

Also stop this favoritism and if he or she commits a crime with a firearm of any kind full enforcement including disarming them afterwards.

* * * * *

The fact that the courts are so lenient in their dispositions and the laws are too weak. If the state and Federal laws were stronger, the rate of crime would disappear.

* * * * *

Most of my duties concern drug abuse but firearms are also my concern. I worked day and night for 5 months to arrest 52 subjects. All were convicted. Over a year spent in court. Shock probation? Plea bargaining? Almost all were on the street before I was out of court!!

* * * * *

Lack of support from the public, courts, and politicians. Law enforcement must have the backing of the law abiding society to function. The people don't know what to do, the judges either don't have courage or are set on destroying the system, and most politicos fall into one of those three categories.

* * * * *

Plea bargaining and piggy back probation for multiple offenders—especially juveniles, also, sunday school instead of prisons and interference from unqualified people such as Parole Boards.

* * * * *

Lack of uniformity in sentencing of convicted felons and the rampant use of "plea bargaining" which reduces original charges to lesser offenses has been dealing a cheap hand to victims of crimes.

* * * * *

Courts that are too lenient.

* * * * *

If the prosecutors, judges and the juries would do their job instead of turning a convicted person loose, and when a person takes another persons life, do away with him.

* * * * *

Too many poorly written and outdated laws. Our laws give the criminal too many ways out instead of the punishment he is due. My job as a police officer is to arrest, the court to prosecute, and the criminal goes free.

* * * * *

The prison sentences are too light.

* * * * *

Lack of courts to prosecute offenders quickly and according to seriousness of crime. Improper use of shock parole for repeat offenders.

* * * * *

The courts; juries and especially judges. I believe in most part the law enforcement does their job, but those who are found guilty are not given the maximum sentence they deserve. In other words, I believe stiffer sentences and tougher parole boards are a deterrent to crime.

* * * * *

The way I see it the whole criminal justice system is messed up and there is no coordination or communication between the police officer, the prosecution, and the correction and probations areas.

* * * * *

The law enforcement officer has no rights any more. The criminal is treated with white gloves all the time.

* * * * *

We arrest the same people many times. Second and third offenders should be taken off the streets.

* * * * *

The courts and our legislative system. Why create more laws when the courts won't do anything about the laws that we already have on the books. A slap on the hand and telling them they're a naughty boy and don't do it again doesn't cut it, period.

* * * * *

The failure of the courts to impose even the minimum sentence for C.C.W. Several of my Brother Officers and myself have taken the stance that we will no longer consent to plea bargaining if a weapon is involved.

* * * * *

What I feel is like throwing flour to the wind. A lot of better men than I have tried, and look what's been done.

* * * * *

Make stiffer laws for persons using a gun in breaking the law. Registration of handguns would be like the years of prohibition. The same thing would happen.

* * * * *

Make mandatory sentence on use of a gun in any crime on state level with no chance of reduction of charge. All results of case must be sent to State Attorney Generals Office for review.

* * * * *

Mandatory prison sentences for crimes in which a firearm was used, and a stiff penalty for the gun dealer who sells a firearm to a known felon (ignorance is no excuse, it's easy enough to get a reoord check on gun purchaser if the dealer doesn't know him personally).

* * * * *

If you take away any firearms from the average citizen, be it handguns or what, it will not be too long before our country will be taken over by other forces.

* * * * *

Enforcement of existing laws (gun concontrols) would be beneficial. Improve funding for expansion of prisons and prison staff.

* * * * *

Let us concentrate on stopping crime, not disarming honest citizens who are our only alley in the fight against crime.

* * * * *

The gun control laws of Sweden are more to my tastes. I believe that any law which is contrary to the people's best interest and the national good by right should not be obeyed. History shows that gun registration and confiscation precedes tyranny.

* * * * *

Just that I don't wish to see any gun registration.

* * * * *

In my scale of values, gun control is the litmus test for politicians. Those who are interested in gaining votes favor gun control, making it a false panacea. Those who are interested in doing something constructive, fight gun control. Investing time and energy in an effort to remove guns from society is at best a waste of time and at worst a dangerous exercise.

As a policeman, I am aware of the dangers of firearms. I am also aware that only a fraction of 1% of the extend guns are abused. As a policeman I am also aware of how thin the police forces are spread. On duty I am responsible for the safety of 7,000 citizens. In all honesty I know I cannot protect them all instantly. The fact that many own guns for their own defense is the best deterrent they have.

* * * * *

About the Saturday night special—I feel that many so-called cheap guns or Saturday night specials may be the only protection an older couple or a poorer family may be able to afford. Why take their protection away because they are unable to afford an expensive firearm.

* * * * *

Start thinking of the rights of gun owners and back to the Spirit of 1776 and our Constitutional rights without interpretation.

* * * * *

I am strictly against any form of gun control except for automatic weapons.

* * * * *

Who is to say what a Saturday Night Special is? Self and family protection comes first. To low or middle income brackets, name brand guns are out of sight. A $30 .38 is better than a stick. The elderly can't fight back so give them a "SNS" for protection and peace of mind.

* * * * *

In my opinion a ban on guns would in general take the guns away from the average citizen. We had a ban on narcotics, are they hard to get on the street?

* * * * *

It is time to put the full letter of the law on the person and not the tool! A gun without a person will not rob or kill anyone.

* * * * *

I think it is high time the judges and law makers start thinking about the victims of crimes instead of the civil rights of a felon.

* * * * *

If the Congress and Senate do not put a stop to what is happening (gun legislation, judges, etc.) then crime will continue to run rampant. After a while something will have to happen and our politicians will then be forced to deal with the problems, possibly going to a police state, which I'm sure nobody wants. The human element should be taken away from the judges, i.e., if a man is found guilty of a crime, he would have to serve a minimum sentence. It does no good to give a person probation (in most instances) nor does shock parole seem to serve the need. If the people who govern this country do not even try to solve the problem then I feel you will witness the largest breakdown in law enforcement ever. Police get tired of working many hours on a case then getting a conviction only to have the defendant given probation. I have been a police officer for four years and have seen law enforcement decline as many officers do not feel it is worth the time and trouble. Officers would much rather sit back and watch the world go by as long as they collect their pay check. Most policemen like their jobs, but, after awhile, you get tired of hitting your head against the wall. Very heavy sentences should be handed out on most felonies and capital punishment should be brought back into our system. Gun control will not work. People should have the right to bear arms. Besides how much money will it cost to confiscate all firearms in this country?

* * * * *

As you state, murders will be committed by other means, if guns are removed. Sentencing, parole and shock release are a farce. Habitual criminals are being freed through these programs. Laws are being made by lawyers, for lawyers.

* * * * *

It is totally elementary to assume that the criminal activities involving weapons will decrease with gun registration. Most of the states have current laws against having a firearm if one has a criminal record, yet the prosecutors won't charge this offense and the courts sluff it off too many times.

EUROPEAN COMMUNITY SEEKS UNFAIR ADVANTAGE OVER U.S. FARMS

(Mr. McCLORY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, the European Community's new feed mixing regulations due to go into effect in April, represent both a clear violation of the General Agreement on Tariffs and Trade and a serious economic blow to the American farmer. The new regulations require that all animal feeds consumed in the Community contain 5 percent nonfat dry milk, a commodity with which the EEC finds itself oversupplied. The dry milk replaces an equal proportion of oilseed products, which the European countries import from the United States.

The economic consequences of this maneuver are plain, but the extent of the damage to American pocketbooks is startling. In the 7-month duration of these regulations, the Department of Agriculture estimates the loss to American farmers at between $136 million and $225 million. And while critically undermining our oilseed exports, the Community opened the way to continue its policy by raising its price support of milk.

To enforce its new edict, the EEC has required what it calls a surety deposit on all oilseed imports. This is little more than a euphemism for tariff, and as such violates GATT, which includes bindings of zero duty on soybeans, soybean cake and meal, cottonseeds, and other oilseed products.

House Concurrent Resolution 600 introduced yesterday, denounces the Community action, and claims the compensation provided for by GATT. I urge the attention and support of the entire House for this resolution, which demands fair treatment for the United States and a fair chance for American farmers.

AN ANALYSIS OF DEFENSE SPENDING BY THE INSTITUTE OF POLICY STUDIES

(Mr. CONYERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CONYERS. Mr. Speaker, the House of Representatives is once again engaged in the stale ritual of approving a military authorization bill. The Pentagon presents an outlandish weapons budget, the Congress lops off an insignificant amount, and official Washington then joins hands to congratulate one another on the reasonableness of the defense appropriations process. And again we acquiesce to the national security managers' notion that the be-all and end-all of America's security is to arm ourselves against the world. I, for one, believe that spending $112 billion on the military in the long run will have far less impact on our Nation's security than providing for the needs of Americans at home.

The Ford administration's 1977 budget reduces Head Start programs by $20 million, maternal and child health services by $112 million, general mental health center services by $88 million, and food stamps by $865 million. At the same time it provides an additional $120 million for 6 AWAC's surveillance and command aircraft, $404 million for 16 F–16 air combat fighters, $318 million for 8 guided missile frigates, and $871 million for 3 B–1 bombers. The logic behind these priorities escapes me totally.

The Institute for Policy Studies last November published a study of the Federal budget, and one of the papers in that study on defense spending deserves review by my colleagues before action is taken on the military authorization bill. Written by Prof. Earl C. Ravenal of Johns Hopkins University, the article examines in a basic way, what do we mean by military security, and what level and type of spending is necessary to achieve it.

DEFENSE

(By Earl C. Ravenal, Institute for Policy Studies and Johns Hopkins University)

THE CURRENT SCENE ON DEFENSE POLICY AND DEFENSE BUDGETS

Because of the backlash from the loss of Vietnam and Cambodia, and the fear of transmitting "wrong signals," many of those in Congress who would normally be critics of defense spending have essentially joined the Administration in supporting high defense budgets, as well as in reaffirming all remaining commitments to allies. The defense budget for FY 1976 seems to have been selected as one of a number of instruments to "correct" impressions or misperceptions of allies and adversaries about the credibility of American commitments and the probability of American responses.

(There might, however, be some axes of difference between the positions of liberals and Administration pragmatists on: (1) the place to reset the American perimeter of "security"; (2) the motive for "choosing" objects of foreign policy, and the basis for alliance—for example, moral versus strategic; (3) the means of implementation of commitments—that is, broadly, the "style" of our political-military policy.)

Many traditional liberal critics this year are asserting, or implying, that the Schlesinger defense budget is "just about right." (That budget, for FY 1976, is about $93 billion in actual outlays and $105 billion in Total Obligational Authority—authorizations.) What this finally demonstrates is the bankruptcy of the traditional liberal position that "we can do the same with less"; in the crunch, the Administration can always make a detailed case for specific items and specific figures—given substantial agreement on objectives. Of course, relatively minimal "efficiency cuts" can always be debated; but these will never add up to the more than $4-5 billion a year, and they are laborious and esoteric to argue, and in any case they are more or less a constant factor.

WHAT NOT TO DO

A quick review of misleading and unproductive approaches to the problem would be the following:

(1) Do not simply cite, attack, or gawk at the absolute size of the defense budget—that is, in absolute current dollars. This in itself proves nothing and is subject to the usual—and at least partially valid—Pentagon objections: inflation, declining percentage of defense in terms of both GNP and federal budget. In any case, it begs the essential question of "requirements."

(2) Do not premise a reduction of defense spending on a reduction, or demise, of the "threat." The real question is not what other countries, and forces in the world, are trying to do to the "interests" and positions of the United States. An honest inventory of these factors would disclose more, rather than fewer, "challenges." The question is whether these positions are really "interests" of the United States or whether they are fictions, or simply interests of only certain limited constituencies within the United States (such as, obviously, our home-based multinational corporations, or certain ethnic groups). In any case, it is far from obvious that a state of "detente" exists, in any meaningful sense, with the Soviet Union; and no radical critique ought to be negligent of the nature of the Soviet state and its designs. The basic questions remain: What is necessary for the security of the United States? What do we mean by security?

(3) Do not simply construct another recitation of numbers—forces, bases, manpower, dollars. Again, the real questions are: What are they for? Do we need them? In any case, many others have done these numerical exercises (Brookings, Congressional staffs, the Defense Department itself) without really tracing the logic or drawing any conclusions.

THE NEED FOR A MORE RADICAL APPROACH

A more radical approach (in the sense of a fundamental approach) is needed. If any significant cuts are to be made in the defense budget, two general statements can be made:

(1) Cuts can be made in any season, even in the backwash of the collapse in Southeast Asia—since it is not these events, in themselves, that dictate the necessities and the possibilities. Most likely, the actual "message" that allies and adversaries are getting from the American collapse and non-performance in Vietnam is the "right" message, the right signal. In fact, the United States is an independable ally; and this might be better for the international system in the longer run, and better for the United States, if it were only to recognize the advantages of this relaxation of expectation of us by the rest of the world. Our allies, and the whole international system, ought to settle down to a lower order of expectations of American response. The point in this context is that there is no reason why our defense budget should not reflect accurately the diminished real capitabilities and will of the United States in the world.

(2) Significant cuts can be made in the defense budget only if there is a fundamental change in American foreign policy objectives. It might, perversely, be useful if the present non-debate in Congress indirectly proves this—by making no significant cuts because it does not challenge premises. Mini-debates about individual weapons systems—or even about "gold-plating" of forces, in general—will usually fall prey to Pentagon expertise, even though such attacks, of course, should continue to be made, under any conditions.

THE POSSIBILITY OF LARGE DEFENSE BUDGET CUTS

The real horizon for defense budget cuts is closer to $40 billion a year—not zero, or the $4–5 billion some liberal critics think is the limit, based on efficiency cuts, or token cuts. The point is that the defense budget ought to be looked at by function (that is, general purpose forces and strategic forces) and then by region of application of general purpose forces—that is, the correlation of our preparations with the responsibilities we have undertaken for defense of other nations in the event of certain contingencies. There is a logic, a connection, between defense preparations and foreign policy objects—despite much careless theorizing to the contrary in recent times (by "bureaucratic politics" theorists). Of course, there are such things as institutional imperatives (of military services), irrational requests, organization politics (within the Executive branch); but these are either constants or constraints—they do not change the logic of "interests," commitments, requirements, forces, and budgets.

Congressional critics can still begin by demanding, intuitively, certainly large-scale cuts in overall defense spending. This is a proper function of Congress; our constitutional system does not require detailed knowledge or overall high-level "responsibility" of the legislative branch. But sooner or later congressional critics must be satisfied that their intuitions are based on real possibilities; they must be sustained by an appreciation of the logic of requirements. The horizon of possibilities of defense cuts must be objectively demonstrated—and consequences must be brought to the surface. This will lead to the kind of "honest" debate that Schlesinger has suggested (even though he figures, in advance, that on those terms he has already won).

General purpose forces and cuts by region

General purpose forces (those not detailed to the deterrence of direct attacks by the Soviet Union, or others, on our homeland, or to mitigating or responding to such attacks) take up about 75% of the entire defense budget. This basic fact is still not clearly perceived by most critics of the defense budget. The cost of the NATO commitment alone is more than $40 billion a year. (Of course, such figures include all apportioned overheads; and this is a proper allocation—see below.) The first thing that this means is that U.S. forces for the "third world" do not amount to much, in budgetary terms (though their effects on the target countries have, of course, been large). It also means that the liberal critique, by its very nature, since it shares the Administration's concern for "priority" defense objects such as Western Europe, Israel, and probably Japan, cannot effect much of a saving. To cut deeply into the defense budget, more would have to be "given up."

Therefore, an honest approach to large-scale cuts in the defense budget must deal explicitly with what has to be given up, including some of the cherished—and consensual—objectives of American foreign policy. One approach to this would be to demonstrate that some of these objects already have been "lost," in the sense that their effective defense has already been prejudiced, by world developments and by the advent of certain domestic constraints. Our alliance systems, in the Pacific and the Atlantic, are already disabled by strategic dilemmas; in any case there is a need to put these relationships on a different basis—one that does not imply the same specific commitments.

In calculating savings that will result from abandoning certain defense objectives, it is important to contemplate the disbanding of the forces that are redeployed from overseas points. It is also important to consider for removal from the force structure all units, even if kept within the continental United States, "dedicated" or earmarked for the defense of the overseas areas in question. This is particularly important in the case of NATO. Such panaceas as the Mansfield Amendment (even this has been dropped for FY 1976!) in most past years did not contemplate the removal of redeployed forces from the force structure—lending themselves to the justified criticism that it is even more expensive to keep such forces in the United States and that, in addition, it would take more airlift and sealift to redeploy these forces in some contingency. In any case, the point is that such panaceas retain commitments while reducing capabilities—the perennial "solution" of liberal politicians, superficial budget cutters, the Administration pragmatists (viz. the Nixon Doctrine); they retain America's exposure to contingencies and prejudice—without discontinuing or avoiding our response.

Budgets for regional defense must be calculated from a zero base. That means that a "full slice" of costs must be included; and the only way to do this is to divide the whole defense budget among all its functions and geographical applications. Though this is arbitrary and "wholesale," it is, in the long run, more accurate and indicative. An example is NATO costs. All official public estimates of NATO costs to the United States, and almost all unofficial estimates, vastly understate the full costs. (They are commonly thought to be on the order of $4 billion to $14 billion a year; even the largest estimates runs about $27 billion.)

One way of "trapping" these costs is to take the FY 1975 defense budget of $85.8 billion, adjust it for supplemental requests actually pertaining to 1975 (this yields $99 billion), allocate portions for strategic forces ($18 billion) and general purpose forces ($58.8 billion, adjust these to include retired pay and Vietnam additions (this yields $23 billion and $76 billion, respectively), and multiply general purpose force costs by the fraction 9/16, representing the portion of active ground units oriented primarily to Europe, readjusting to eliminate Vietnam costs; this yields a full cost for NATO defense of about $40 billion. An alternative is the method used by the Center for Defense Information (Defense monitor, December 12, 1973). This starts with the direct operating costs of troops actually based in Europe ($4 billion), raises it to include the full operating costs of troops based in the United States and committed primarily to the defense of NATO (this yields $17 billion), adds $9.5 billion for other conventional forces available for NATO contingencies, and includes various overheads, such as research and development and administrative expenses, amounting to $3.5 billion. The grand total for Europe by this method is $30 billion.

The important point is that all overhead costs must be included and allocated to functions and regions. Of course, overheads do not diminish automatically with cuts in the more identifiable forces. They must be decreased by decision. But this does not mean that they cannot be identified and that the decisions cannot be taken.

The following is an illustrative treatment of the general purpose forces portion of the defense budget—and then an additional calculation for strategic forces—taken from a study I have made and incorporated in my forthcoming book, *Beyond the Balance of Power*, in the chapter "How Much for Security?"

It is possible to illustrate, substantively, the general purpose (conventional) force structure, the military manpower, and the overall defense budget to which the country could return by the end of a decade, if it were to adopt strict noninterventionist foreign policy premises. Such a force structure would provide the following general purpose forces: 8 land divisions (6 Army and 2 Marine), 19 tactical air wing equivalents (11 Air Force, 2 Marine which are equal to 4, and 4 Navy), with 6 carrier task forces to sustain 2 forward. With the addition of "sufficient" strategic nuclear deterrent forces (a diad of alert bombers with stand-off weapons, and invulnerable missile submarines), it would require under 1,350,000 men (Army under 420,000, Air Force under 420,000, Navy under 370,000, Marine Corps under 140,000). The total defense budget would be about $50 billion a year in 1975 dollars, and about $55 billion for 1976.

This level of defense spending would be about 3½% of a projected gross national product of about $1½ trillion—consistent with many mature nations. The fact that we have been spending, on the average, more than twice this percentage for 25 years is not evidence of "fat" or incompetent procurement (though there may well have been such) but rather testimony that the United States, since the end of the 1940s, has undertaken to provide for much more than its own national security.

This non-interventionist force structure and defense budget is far lower than that of the present Administration for FY 1975: 16⅓ land divisions and 42 tactical air wing equivalents; 2,129,000 men; and expected total defense outlays of $84.8 billion. It is even considerably lower than that of most of the Administration's critics (including the well-known "McGovern defense budget" of 1972, which required 12 land divisions and 28 tactical air wings, 1,735,000 men, and was under-costed, optimistically, at $54.8 billion in 1975 dollars). It differs from the McGovern defense concept principally in abandoning the hope of defending Europe with less than half the present number of American troops, and disengaging from responsibilities in the Eastern Mediterranean. Consequently, our need for Europe-oriented divisions and airlift, expensive anti-submarine forces to secure military transportation, and tactical air support would be far lower.

Also, this defense concept of strategic disengagement would bear little resemblance to the "Eisenhower defense budget," which briefly became fashionable in the 1972 presidential campaign. The latter required (for 1961) 14 full land divisions, plus 3 Army cadre training divisions, making a total of 17; about 40 tactical air wings, and 16 attack carriers; and called for 2,500,000 men. It strove to maintain a forward defense perimeter and acquire allies; and, of course, it depended heavily on the threat of a massive strategic nuclear response, and intended to defend Europe with tactical nuclear weapons. In any case, an "Eisenhower defense budget," which looked like $45 billion in 1961, would be $75 to $80 billion in 1975 dollars, and over $95 billion in 1980.

General purpose forces are derived from (at least indirectly), or justified by (at least ultimately), the requirements of various possible theaters of operation. A non-interventionist force structure would entail a mid-Pacific posture—not the Administration's redundant construction of bases in the Pacific Trust Territories to hedge against the denial of Western Pacific bases and to maintain the capability of intervention in East Asia. It would mean no American forces or bases west of Guam. It would mean no military assistance to Asian clients. It would mean phasing out all military alliances and defense commitments—to be replaced, in some cases, with non-military trust. It would mean the end of declaratory statements of policy that commit us to intervention or the threat of intervention in the defense of asserted interests in East Asia. We would not attempt to replace the American presence by devolving nuclear or other arms upon presumed proxy states, particularly Japan. Nor would we invest American diplomatic effort or national prestige in the establishment of regional defense associations. If such evolve, we might look benignly upon them, or ignore them; we would not acquire a stake in their creation or orientation. We would, in short, allow an indigenous "balance" to establish itself among the great territorial powers in this region, China, Japan, and the Soviet Union, and stand clear of the determination of their competitive and collaborative struggles and schemes, seeking no political or military advantage.

Of course, such moves would be accomplished in an orderly and phased manner. At the end of a half-decade of adjustment, total forces maintained in the active force structure with some nominal orientation to Asia might be: 2 land divisions (1 Army and 1 Marine), and 6 tactical air wing equivalents (2 Air Force, 2 Marine which are equal to 4, and 2 Navy carrier wings operating from 3 carrier task forces, 1 forward, 1 rearward, and 1 in overhaul).

There might also be a considerable deletion of forces kept in our active force structure primarily for a contingency in Europe. At present we provide, in Europe and the Mediterranean, 4-1/3 divisions (all Army), 9 tactical air wing equivalents, and 2 carrier task forces, with a full complement of headquarters and support forces; and, in and around the United States, earmarked for Europe, an additional 4-2/3 divisions (3-2/3 Army and 1 Marine), 6 tactical air wing equivalents, and 4 carrier task forces to back up the 2 forward. At the end of a decade of adjustment, there might remain in Europe no American forces, and in and around the United States, in some sense oriented to Europe and the Mediterranean, 3-1/3 divisions (3 Army and a Marine brigade), 7-2/3 tactical air wing equivalents (5 Air Force, 1/3 Marine which is equal to 2/3, and 2 Navy), and 3 carrier task forces.

Besides the forces loosely oriented to Asia and Europe, this illustrative force structure would include an active strategic reserve of 2-2/3 divisions (2 Army and 2/3 Marine) and 5-1/3 tactical air wing equivalents (4 Air Force and 2/3 Marine which is equal to 1-1/3).

With the shrinking of overseas forces and overseas military objectives, there would also be a diminished function for our surface Navy, our attack submarines, and our anti-submarine aircraft—all dedicated to keeping open the military sea lanes to conduct the forward defense of foreign countries. (We now spend more than $6 billion a year, out of our general purpose funds, on such anti-submarine forces.)

One matter that falls out of the preceding analysis is that some forces should probably be kept as "second chance" forces—that is, without specific justification. As a matter of fact, it would be difficult, in a scenario of complete overseas disengagement—to justify *any* land divisions. But, intuitively (and politically) this would be ridiculous. There seems to be some sort of implicit hedging involved in this judgment.

Strategic forces, the 'Triad," and targeting doctrines

We should challenge the "triad" of redundant strategic forces—fixed land-based missiles, aircraft (bombers), and undersea launchers (submarines). In *any* conception of strategic forces, this redundancy is unnecessary. Moreover, and specifically, the presence of fixed land-based missiles on our soil exposes our homeland to destruction, justifying the often-heard complaint that our "deterrent" forces actually make us *less* secure. Fixed land-based missiles also are destabilizing, increasingly with the development of Soviet accuracy and MIRVs. Invulnerability—and therefore stability—is to be sought in any strategic posture we might decide on.

Another consideration is whether our force should, in any way, take account of developments in the Soviet force. This is the greatest single cause of force expansion, and it might, of course, be self-feeding because of reciprocal behavior of the Soviets. Regardless of the way the Soviets behave and perceive, therefore, a cardinal tenet of our strategic posture ought to be that it is *finite* and absolute—that is, *disconnected* from Soviet responses or non-responses to our moves, or to independent Soviet initiatives. The desideratum should be simply the extent of that target system to which our strategic forces are addressed—and that will be *finite* (leaving aside, for a moment, the question of what that target system should be).

We ought to take another look at what has become a sterile debate about "counterforce" and "countervalue." Morality might very well dictate that we should not, under any circumstances, target civilians. (That might not necessarily mean that there would never be collateral civilian casualties—but that is another question.) The standard argument of liberal "arms-controllers," that deterrence, to be successful, must be ultimately brutal (counter-city) is not tenable. The two alternatives that must be faced then are: (1) strategic surrender, in some form; or (2) some counter-military and minimal use of nuclear weapons, in the most dire circumstances. A possible stance would be: (1) no first use, against any targets, and under any provocation; and (2) even then, targeting only of remote and distinctly military objects—and then with low-yield and very accurate weapons.

Within the strategic category, we can discuss the cost of certain very expensive individual weapons systems—notably the B-1 bomber. This system might cost as much as $90 billion over its 30-year lifetime. Another candidate for specific discussion would be the Trident submarine: ten submarines will cost over $20 billion, just to procure. At the very least—and even if we were to go to a diad of forces including primarily reliance of SLBMs—this project could be substantially stretched out and the next projected units substantially delayed. (On the other hand, a case could be made for some more advanced, longer-range undersea missile system, since the development of Soviet ASW (anti-submarine warfare), sometime in the future, might make it advisable to increase the area of ocean in which our deterrent forces operate.)

WHY DO IT?

Why drastically decrease our force structure and our defense budget—and, by implication, our defensive capabilities throughout the world, and our foreign policy objects? Various answers have been proposed by various sources; they run something like this:

To induce reciprocal moves by the adversary;

To prod allies to assume the burden of their own defense;

To allow the substitution of "other means" of projecting U.S. influence;

To save money;

To shed America's global pretensions;

To retreat, overtly, into a posture that does not care about other nations and peoples (isolationism);

To promote an international system that is more conducive to justice and autonomy for other nations and groups.

One motive that, in my estimation, is not particularly valid is the popular move to "selectivity" of commitments. What is wrong about this is not necessarily apparent on its face; it takes some probing and some logic to defeat this notion. In sum, I think, in a sense, the "hawks" are right about "selectivity." Such a posture is not credible, even to residual allies. Retraction of the American defense posture must be more on an "all or none" basis.

Some of the other rationales are equally objectionable. I think the rationale for a very substantial cut in our defense force and in our defense budget must rest on more "philosophical" factors. I will only briefly enumerate these:

(1) The need for a substantial change in the American role in the world. This is an autonomous factor, independent of the cost of defense responsibilities. It is composed of two elements:

(a) Our posture toward allies—They must be self-sufficient and must consequently be allowed to operate independently in their foreign policies, even to the point of accommodating the present adversaries of the United States.

(b) Our posture toward the third world—We must maintain a policy of non-interference toward revolutionary experiments. But I am not sure that it should be an American objective actively to favor such experiments, along the classic radical-revolutionary line, possibly contemplating subversion of other governments.

Any move toward such a posture would be methodical and phased. There is not explicit reason for such a phased sequence except the general presumption that a large, significant nation does, in fact, behave in a traditional diplomatic fashion, and that any readjustment of the American posture should not be punitive toward allies.

A degree of nuclear proliferation might have to be accepted. This issue cannot be ignored. On the other hand, too much of our recent diplomacy has been devoted to preventing other nations from taking this action. And, in any case, it is questionable whether such moves can be prevented by Amercan attitudes and policies. The case of India is an example of the operation of special strategic factors, not amenable to American action even if such were desirable in itself.

(2) The question of deterrence. It may be time to question the whole notion of the effectiveness and costs of a deterrent, rather than a war-avoiding, posture. It is certain that we can keep out of "other people's wars" at the sub-theater and even at the theater level. (Of course, there might be some "cost" in this kind of avoidance, in some senses of the term, and to some American constituencies.) At the global, strategic level, war-avoidance might be more difficult to substitute for the traditional deterrent posture. But we should ask what is the minimal level of deterrence that is "necessary"—and what actually constitutes deterrence?

(3) The trade-off with domestic uses of funds. The questions are: How these needs can respond to money and other inputs; what are the real sources of American productivity, and security. There are, however, some falacies in the traditional "trade-off" ("priorities") model. In the case of decreases in the defense budget, it is, to say the least, far from clear that "the dividend" will find its way into domestic areas. Independent—affirmative—action is needed on the downside, when cutting defense—budgets, to insure that corresponding programs absorb the "savings." An example of the fact that there is no automatic "dividend" is, of course, the experience of the Vietnam wind-down. There were competitive uses for the funds released; and in any case the first Nixon "game plan" was sufficiently deflationary (demand-reducing) to take up much of this slack.

(4) The function of foreign policy, in basic terms. Surely it is not to provide an overhead cover for the operation of American business, especially U.S.-based multinational corporations. And it is probably not to defend other nations, for themselves, even if they are "sympathetic." It may be simply and only to provide a roof over our continuing domestic dissension about economic and social redistribution and readjustment.

(5) A new set of basic "options" for American foreign policy. Instead of the traditional "spectrum" of alternatives, perhaps the real spectrum is: (a) actively promoting world socialization (even revolution); (b) a sort of self-restraint, amounting to "laissez-faire"; and (c) an active, but humanitarian-only, "intervention" in the affairs of other nations.

THE FAMILY OUT OF FAVOR

(Mr. McKAY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. McKAY. Mr. Speaker, the American family, beleaguered by mounting social, economic, and political pressures, is surrendering many of its basic responsibilities to nonfamily institutions. As a result, the family is losing its influence in American life.

Those of us who believe the strength of our families is inextricably linked to the strength of the Nation, view the deteriorating condition of family life as a critical national problem. This concern over the condition of the family in our society is insightfully discussed in the following article entitled "The Family Out of Favor," by Michael Novak. I commend it to the careful attention of my colleagues:

The Family Out of Favor—The Courage To Marry and Raise Children Presupposes a Willingness (Presently Unfashionable) To Grown Up

(By Michael Novak)

(Note.—Michael Novak, professor of philosophy and religious studies, is the author of "The Rise of the Unmeltable Ethnics" (Macmillian). His most recent book is the forthcoming "The Joy of Sports" (Basic Books).

Recently a friend of mine told me the following anecdote. At lunch in a restaurant, he had mentioned that he and his wife intended to have a second child soon. His listener registered the words, stood, and reached out his hand with unmistakable fervor: "You are making a political statement. Congratulations"

We live in lucky times. So many, so varied, and so aggressive are the antifamily sentiments in our society that brave souls may now have (for the first time in centuries) the pleasure of discovering for themselves the importance of the family. Choosing to have a family used to be uninteresting. It is, today, an act of intelligence and courage. To love family life, to see in family life the most potent moral, intellectual, and political cell in the body politic is to be marked today as a heretic.

Orthodoxy is usually enforced by an economic system. Our own system, postindustrial capitalism, plays an ambivalent role with respect to the family. On the one hand, capitalism demands hard work, competition, sacrifice, saving, and rational decision-making. On the other, it stresses liberty and encourages hedonism.

Now the great corporations (as well as the universities, the political professions, the foundations, the great newspapers and publishing empires, and the film industry) diminish the moral and economic importance of the family. They demand travel and frequent change of residence. Teasing the heart with glittering entertainment and gratifying the demands of ambition, they dissolve attachments and loyalties. Husbands and wives live in isolation from each other. Children of the upwardly mobile are almost as abandoned, emotionally, as the children of the ghetto. The lives of husbands, wives, and children do not mesh, are not engaged, seem merely thrown together. There is enough money. There is too much emotional space. It is easier to leave town than to pretend that one's lives truly matter to each other. (I remember the tenth anniversary party of a foreign office of a major newsmagazine; none of its members was married to his spouse of ten years before.) At an advanced stage capitalism imparts enormous centrifugal forces to the souls of those who have most internalized its values; and these forces shear marriages and families apart.

To insist, in the face of such forces, that marriage and family still express our highest moral ideals, is to awaken hostility and opposition. For many, marriage has been a bitter disappointment. They long to be free of it and also of the guilt they feel, a residual guilt which they have put to sleep and do not want awakened. They loathe marriage. They celebrate its demise. Each sign of weakness in the institution exonerates them of personal failure.

Urban industrial life is not designed to assist families. Expressways divide neighborhoods and parishes. Small family bakeries, cheese shops, and candy stores are boarded up. Social engineers plan for sewers, power lines, access roads, but not for the cultural ecology which allows families of different histories and structures to flower and prosper. The workplace is not designed with family needs in mind; neither are working hours.

Yet, clearly, the family is the seedbed of economic skills, money habits, attitudes toward work, and the arts of financial independence. The family is a stronger agency of educational success than the school. The family is a stronger teacher of the religious imagination than the church. Political and social planning in a wise social order begin with the axiom What strengthens the family strengthens society. Highly paid, mobile, and restless professionals may disdain the family (having been nurtured by its strengths), but those whom other agencies desert have only one institution in which to find essential nourishment.

The role of a father, a mother, and of children with respect to them, is the absolutely critical center of social force. Even when poverty and disorientation strike, as over the generations they so often do, it is family strength that most defends individuals against alienation, lassitude, or despair. The world around the family is fundamentally unjust. The state and its agents, and the economic system and its agencies, are never fully to be trusted. One could not trust them in Eastern Europe, in Sicily, or in Ireland—and one cannot trust them here. One unforgettable law has been learned painfully through all the oppressions, disasters, and injustices of the last thousand years: if things go well with the family, life is worth living; when the family falters, life falls apart.

UNFASHIONABLE FAMILIES

These words, I know, go against the conventional grain. In America, we seem to look to the state for every form of social assistance. Immigrant Jews and Catholics have for fifty years supported progressive legislation in favor of federal social programs: for minimum wage, Social Security, Medicare, civil rights. Yet dignity, for most immigrant peoples, resides first of all in family strength. Along with Southern blacks, Appalachians, Latins, and Indians, most immigrants to America are family people. Indeed, virtually all Americans, outside our professional classes, are family people.

There are, perhaps, radical psychological differences between people who center human life in atomic individuals—in "Do your thing," or "Live your own life," et cetera—and people who center human life in their families. There may be in this world two kinds of people: "individual people" and "family people." Our intellectual class, it seems, celebrates the former constantly, denigrates the latter.

Understandably, to have become a professional means, often enough, to have broken free from the family of one's birth. (How many wounds suffered there!) To have become successful, often enough, leads to the hubris of thinking one can live, now, in paradise, emotionally unfettered, free as the will to power is free.

There are many different traditions, styles, patterns, and emotional laws in different ethnic and regional cultures in America. The Jewish family is not quite like the Italian family; the families of the Scotch-Irish of Appalachia have emotional ties different from those of families from Eastern Europe. The communal families of the South Slavs are not like those of the Japanese. There is not *one* family pattern in America; there are many. All are alike in this, however: they provide such civilization as exists in these United States with its fundamental infusion of nurture, grace, and hope, and they suffer under the attacks of both the media and the economic system. Half the families of the nation have an annual income under $12,500; 90 percent have an income under $22,000. How can a family earning, say, $11,000 a year (too much for scholarship assistance) send three children to college? or care for its elderly?

As for the media, outrageous myths blow breezily about. Everyone says that divorces are multiplying. They are. But the figures hide as much as they reveal. Some 66 percent of all husbands and wives stick together until death do them part. In addition, the death that "parts" a marriage comes far later now than it did in any previous era. Faithful spouses stay together for a longer span of years than ever. For centuries, the average age of death was, for a female, say, thirty-two, and, for a male, thirty-eight. That so many modern marriages carry a far longer span of years with a certain grace is an unprecedented tribute to the institution.

Finally, aggressive sentiments against marriage are usually expressed today in the name of "freedom," "openness," "play," or "serious commitment to a career." Marriage is pictured as a form of imprisonment, oppression, boredom, and chafing hindrance. Not all these accusations are wrong; but the superstition surrounding them is. Marriage *is* an assault upon the lonely, atomic ego. Marriage *is* a threat to the solitary individual. Marriage does impose grueling, humbling, baffling, and frustrating responsibilities. Yet if one supposes that precisely such things are the preconditions for all true liberation, marriage is not the enemy of moral development in adults. Quite the opposite.

In our society, of course, there is no need to become an adult. One may remain—one is exhorted daily to remain—a child forever. It is difficult to have acquired a good education, a professional job, and a good salary, without meeting within one's circle of associates not a few adult children. In medieval paintings, children look like minature adults. In tableaux from life today, adults appear as wrinkled adolescents.

THE SOLITARY SELF

Before one can speak intelligently of marriage, one must discuss the superstition that blocks our vision. We lack the courage nowadays to live by creeds, or to state our doctrines clearly (even to ourselves). Our highest moral principle is flexibility. Guided by sentiments we are embarrassed to put into words, we support them not by argument but by their trendiness.

The central idea of our foggy way of life, however, seems unambiguous enough. It is that life is solitary and brief, and that its aim is self-fulfillment. Next come beliefs in establishing the imperium of the self. Total mastery over one's surroundings, control over the disposition of one's time—these are necessary conditions for self-fulfillment. ("Stand not in my way.") Autonomy we understand to mean protection of our inner kingdom—protection around the self from intrusions of chance, irrationality, necessity, and other persons. ("My self, my castle.") In such a vision of the self, marriage is merely an alliance. It entails as minimal an abridgment of inner privacy as one partner or the other may allow. Children are not a welcome responsibility, for to have children is, plainly, to cease being a child oneself.

For the modern temper, great dreads here arise. Sanity, we think, consists in centering upon the only self one has. Surrender self-control, surrender happiness. And so we keep the other out. We then maintain our belief in our unselfishness by laboring for "humanity"—for women, the oppressed, the Third World, or some other needy group. The solitary self needs distant collectiveness to witness to its altruism. It has a passionate need to love humankind. It cannot give itself to a spouse or children.

There is another secret to this aggressive sentiment, dominated as it is by the image of enlightenment. Ask, "Enlightenment from what?" and the family appears: carrier of tradition, habit, prejudice, confinement, darkness. In this view, the seeds of reaction and repression, implanted by the family of one's birth, are ready to sprout as soon as one sets up a family of one's own.

THE GREAT ESCAPE

Theories of liberation, of course, deserve to be studied in the light of flesh, absurdity, and tragedy. There is a pervasive tendency in Western thought, possibly the most profound cultural undercurrent in 3,000 years (compared to it, C. S. Lewis said, the Reformation was a ripple on the ocean), in which liberation is imagined as a breaking of the bonds of finiteness. Salvation comes as liberty of spirit. "Don't fence me in!" The Fall results from commitments that "tie one down," that are not subject to one's own controlling will. One tries to live as angels once were believed to live—soaring, free, unencumbered.

The jading of everyday, the routines of weekdays and weekends, the endless round of humble constraints, are, in this view, the enemies of human liberty.

In democratic and pragmatic societies, the dream of the solitary spirit often transfers itself into a moral assault upon institutions, traditions, loyalties, conventions. The truly moral person is a "free thinker" who treats every stage of life as a cocoon from which a lovely moth struggles to escape the habits of a caterpillar. This fuzzy sentiment names each successive breakaway "growth" and "development." It describes the cumulative process as "liberation."

There is, of course, a rival moral tradition. I do not mean the conventional variant, which holds that fidelity to institutions, laws, conventions, and loyalties is sufficient. The more compelling alternative—call it "realist"—differs from the romantic undercurrent by associating liberation with the concrete toils of involvement with family and/or familial communities. The romantic undercurrent takes as the unit of analysis the atomic individual. The realist alternative takes as the unit of analysis the family. To put it mythologically, "individual people" seek happiness through concentration upon themselves, although perhaps for the sake of service to others. Most television cops, detectives, cowboys, and doctors are of this tribe. The "family people" define themselves through belonging to others: spouse, children, parents, siblings, nieces, cousins, and the rest. For the family people, to be human is to be, so to speak, molecular. I am not solely I. I am husband, father, son, brother, uncle, cousin; I am a family network. Not solitary. On television, both All in the Family and Good Times have as a premise the molecular identity of each character. The dramatic unit is the family.

There is, beyond the simplicities of half-hour television, a gritty realism in family life. Outside the family, we choose our own friends, like-minded folk whose intellectual and cultural passions resemble ours. Inside the family, however, divergent passions, intellections, and frustrations slam and batter us. Families today bring together professions, occupations, social classes, and sometimes regional, ethnic, or religious differences. Family life may remain in the United States the last stronghold of genuine cosmopolitanism and harsh, truthful differences.

So much of modern life may be conceived as an effort to make ourselves pure spirits. Our meals are as rationalized and unsensual as mind can make them. We write and speak about sexual activity as though its most crucial element were fantasy. We describe sex as though it were a stage performance, in which the rest of life is as little as possible involved. In the modern era, the abstract has grown in power. Flesh, humble and humbling, has come to be despised.

So it is no surprise that in our age many resistant sentiments should war against marriage and family. Marriage and family are tribute paid to earth, to the tides, cycles, and needs of the body and of bodily persons; to the angularity and difficulties of the individual psyche; to the dirty diapers, dirty dishes, and endless noise and confusion of the household. It is the entire symbolic function of marriage and family to remind us that we come from dust and will return to dust, that we are part of the net of earth and sky, inspirited animals at play for our brief moment on this planet, keeping alive our race. The point of marriage and family is to make us realistic. For it is one of the secrets of the human spirit that we long not to be of earth, not to be bound by death, routine, and the drag of our bodies. We long to be other than we are.

A generation ago, the "escape from freedom" was described in terms almost the reverse of those required today. In those days, as writers like Erich Fromm rightly worried, many persons were afraid of risks and responsibilities; many sought shelter in various fixed arrangements: in collectivism, in religion, in family. But dangers to freedom change with the generations. In our own time, the flight most loved is flight from flesh. The restraints Fromm worried about have proven, under the pressures of suburbs, automobiles, jet planes, television, and corporate mobility, all too fragile. Today the atomic individual is as free as a bird. The threat to human liberation today is that the flesh, the embodied psyche, earthy roots, bodily loyalties, will be dismissed with contempt.

The consequence of this freedom is likely to be self-destruction. Whoever nourishes spirit alone must end by the ultimate denial of the flesh. A flaming burst of destruction and death is the image that fascinates us (as in "The Towering Inferno"), that most expresses our drift of soul. For fear of the flesh is fear of death. A love for the concrete and humble gestures of the flesh meant, even in the concentration camps, spiritual survival.

A return to the true conditions of our own humanity will entail a return, on the part at least of a dedicated few, to the disciplines and terrors of marriage and family. Many will resist these disciplines mightily. (Not all, of course, are called to marriage. The single life can have its own disciplines, and celibacy its own terrors. What counts is the governing cultural model. The commitment of "the family people" to the demands of our humanity provide a context within which singleness and even celibacy have a stabilizing strength; and the freedom and dedication of the single, in turn, nourish the family.)

People say of marriage that it is boring, when what they mean is that it terrifies them: too many and too deep are its searing revelations, its angers, its rages, its hates, and its loves. They say of marriage that it is deadening, when what they mean is that it drives us beyond adolescent fantasies and romantic dreams. They say of children that they are piranhas, eels, brats, snots, when what they mean is that the importance of parents with respect to the future of their children is now known with greater clarity and exactitude than ever before.

Marriage, like every other serious use of one's freedom, is an enormous risk, and one's likelihood of failure is rather high. No tame project, marriage. The raising of children, now that so few die in childbirth or infancy, and now that fate takes so little responsibility out of the hands of affluent and well-educated parents, brings each of us breathtaking vistas of our inadequacy. Fear of freedom—more exactly, fear of taking the consequences—adds enormously to the tide of evasion. The armies of the night find eager recruits.

It is almost impossible to write honestly of marriage and family. Who would like the whole world to know the secret failures known to one's spouse and one's children? We already hate ourselves too much. Given our affluence and our education, we are without excuses. We are obliged by our own vague sentiments of progress and enlightenment to be better spouses, better parents, than our ancestors—than our own parents, or theirs. Suppose we are not? We know we are not. Having contempt for ourselves, we want desperately to blame the institution which places our inadequacy in the brilliant glare of interrogation.

Still, just as marrying and having children have today the force of public political and moral statements, it is necessary to take one's private stand. Being married and having children has impressed on my mind certain lessons, for whose learning I cannot help being grateful. Most are lessons of difficulty and duress. Most of what I am forced to learn about myself is not pleasant.

The quantity of sheer impenetrable selfishness in the human breast (in *my* breast) is a never-failing source of wonderment. I do not want to be disturbed, challenged, troubled. Huge regions of myself belong only to me. Getting used to thinking of life as bicentered, even multicentered, is a struggle of which I had no suspicion when I lived alone. Seeing myself through the unblinking eyes of an intimate, intelligent other, an honest spouse, is humiliating beyond anticipation. Maintaining a familiar steadiness whatever the state of my own emotions is a standard by which I stand daily condemned. A rational man, acting as I act? Trying to act fairly to children, each of whom is temperamentally different from myself and from each other, each of whom is at a different stage of perception and aspiration, is far more baffling than anything Harvard prepared me for. (Oh, for the unselfconscious box on the ears used so freely by my ancestors!)

My dignity as a human being depends perhaps more on what sort of husband and parent I am, than on any professional work I am called upon to do. My bonds to them hold me back (and my wife even more) from many sorts of opportunities. And yet these do not feel like bonds. They are, I know, my liberation. They force me to be a different sort of human being, in a way in which I want and need to be forced.

Nothing, in any case, is more poignant and private than one's sense of failing as a father. When my own sense of identity was that of a son, I expected great perfection from my father. Now that I am a father, I have undergone a psychic shift. Blame upon institutions, upon authorities, upon those who carry responsibilities, now seems to me so cheap. Those who fail in their responsibilities have a new claim upon my sympathies. I know the taste of uncertainty. To be a father rather than a son is to learn the inevitability of failure.

FAMILY POLITICS

It would be a lie, however, to write only of the difficulties of marriage and family, and not of the beauty. The joys are known. The more a man and a woman are in love, the more they imitate the life of husband and wife; long sweet affairs are the tribute romances pay to matrimony. Quiet pleasures and perceptions flow: the movement of new life within a woman's belly; the total dependence of life upon the generosity and wisdom of its parents; the sense that these poor muscles, nerves, and cells of one's own flesh have recreated a message to the future, carried in relays generation after generation, carried since the dim beginnings. There may not be a "great chain of being." But parents do forge a link in the humble chain of human beings, encircling heirs to ancestors. To hold a new child in one's hands, only ounces heavy, and to feel its helplessness, is to know responsibilities sweet and awesome, to walk within a circle of magic as primitive as humans knew in caves.

But it is not the private pleasures of family life that most need emphasis today. Those who love family life do not begrudge the price paid for their adulthood. What needs elucidation is the political significance of the family. A people whose marriages and families are weak can have no solid institutions.

In intellectual terms, no theme is so neglected in American life and thought. The definition of issues given both by our conservatives and by our liberals is magnetized by two poles only: "the state" and "the individual." Both leave the family out. Emphasis on the family appears to conservatives a constraint upon the state, and to liberals a constraint upon the individual. Our remarkable humanitarianism holds that attention to family weaknesses will stigmatize those who suffer. No concept in the heavens of theory is as ill-starred. Turning toward the family, our minds freeze in their turning.

The time to break taboos in our minds must surely come. Every avenue of research today leads to the family. Do we study educational achievement? nutrition? the development of stable and creative personalities? resistance to delinquency and violence? favorable economic attitudes and skills? unemployment? sex-role identification? political affiliation? intellectual and artistic aspiration? religious seriousness? relations to authority and to dissent? In all these instances, family life is fundamental. A nation's social policies, taken as a whole, are most accurately and profoundly to be engaged by their impact upon the families that make up that nation.

There are three critical points in American political life today at which a more profound consideration of the politics of the family is closer to the essence than in any previous era: among white ethnics (some 70 million); among blacks (some 22 million); and among upper-class "opinion leaders" of all races (perhaps 10 million).

The meaning of Left and Right has, in recent years, come to be defined according to the tastes, interests, and prejudices of the upper 10 percent of the American population, that (roughly) 10 percent that has a four-year college education, an annual income over $20,000; and professional standing, so as to be paid monthly (not weekly), to possess travel privileges and expense accounts, and a considerable degree of control over the conditions of their work. Thus, Left and Right are now defined by culture rather than by economics, by attitudinal issues salient to those whose economic needs are well beyond the level of survival. The governing language of upper-class attitudes, therefore, distorts the true political struggle. The competition between the left and right wings of the upper 10 percent is interesting and important. It hardly begins to touch the restlessness of the bottom 90 percent.

In this context, the true political leanings and energies of "the white ethnics" are consistently misperceived. Richard Hamilton, in "Restraining Myths," for instance, describes related gross distortions in the conventional wisdom. Suffice it to say that white ethnic voters, traditionally more Democratic than the national average and now more independent, are economic progressives. But in matters touching the family, they are fiercely traditional. The bulwark of conservatism in America is the white Anglo-Saxon Protestant—68 percent for Nixon in 1972; 16 percent for Wallace in 1968 (compared to 7.7 percent of the Catholic vote). Slavic-Americans gave George McGovern 53 percent of their vote in 1972 (down 80 percent for Lyndon Johnson, and 65 percent for Hubert Humphrey). The white ethnics are becoming increasingly impatient with both Republicans (their traditional opponents) and Democrats (their former allies). Neglect of the politics of the family is the central issue. It is on this issue that "a new majority" will—or will not—be built.

For a thousand years, the family was the one institution the peoples of Eastern and Southern Europe, the Irish, and others could trust. The family constitutes their political, economic, and educational strength. The public schools of the United States failing them, they reached into their families and created an astonishingly successful system of parochial schools. Hardly literate, poor, and diffident peoples, they achieved something of an educational miracle. Economically, the Jews, the Greeks, the Lebanese established one another in as many small businesses as they could open. The Italians, the Poles, the Slovaks, the Croatians gave each other economic help amounting to two or three thousands of dollars a year per family. Cousin Joe did the electrical work; Pete fixed cars; Emil helped paint the house; aunts and uncles and grandparents canned foods, minded the children; fathers in their spare time built playrooms, boats, and other luxuries in the basements of row houses.

The family network has also a political force in precinct, ward, or district. People of the upper classes could pass on to their children advantages of inheritance, admission to exclusive schools, and high-level contacts. Children of the immigrants also made their families the primary networks of economic and political strength. Kinship is a primary reality in many unions and in all urban political "machines." Mothers and fathers instructed their children simultaneously, "Don't trust anybody," and "The family will never let you down."

In contemporary conditions, of course, these old family methods and styles have atrophied. There is no way of going back to the past. (Not everything about the past, in any case, was attractive.) Education media help children to become sophisticated about everything but the essentials: love, fidelity, childrearing, mutual help, care for parents and the elderly. Almost everything about mobile, impersonal, distancing life in the United States—tax policies, real-estate policies, the demands of the corporations, and even the demands of modern political forms—makes it difficult for families that feel ancient moral obligations to care for their aged, their mentally disturbed, their retarded, their needy.

It is difficult to believe that the state is a better instrument for satisfying such human needs than the family. If parents do not keep after the children to do their schoolwork, can the large, consolidated school educate? Some have great faith in state services: in orphanages, child-care centers, schools, job-training programs, and nursing homes. Some want the state to become one large centralized family. Such faith taxes credulity. Much of the popular resistance to federal child care arises from distrust of social workers and childhood engineers who would be agents of state power. Families need help in child care, but many distrust the state and the social-work establishment.

Almost everything about both "liberal" and "conservative" economic thought neglects, ignores, or injuries family networks. It is not benign neglect. Millions of dollars are spent on the creation of a larger and larger state apparatus. Resources are systematically taken from the family. Is this an accident? One by one, all centers of resistance to the state are being crushed, including the strongest, family. The trend does not augur well for our liberties.

An economic order that would make the family the basic unit of social policy would touch every citizen at the nerve center of daily life. No known form of social organization weds affect to efficiency in so powerful a way. The family is the primary teacher of moral development. In the struggles and conflicts of marital life, husbands and wives learn the realism and adult practicalities of love.

Through the love, stability, discipline, and laughter of parents and siblings, children learn that reality accepts them, welcomes them, invites their willingness to take risks. The family nourishes "basic trust." From this spring creativity, psychic energy, social dynamism. If infants are injured here, not all the institutions of society can put them back together. Familial arts that took generations to acquire can be lost in a single generation, can disappear for centuries. If the quality of family life deteriorates, there is no "quality of life." Again, emphasis on family life is politically important because it can unite people of diverse religious, ethnic, regional, and racial traditions. Families differ in their structures, needs, and traditional inclinations; but they share many basic economic and political necessities.

A politics based on the social unit of the family would have a revolutionary impact on the sterile debate between Democrats and Republicans, and between libertarians and socialists. To strengthen the family through legislative reform is, indeed, a social intervention, but one which creates a counterpoise to the state. It is the forgotten lever of social change.

In particular, a fresh approach here promises unparalleled gains for blacks. "The repair of the black condition in America disproportionately depends upon the succor of strong families," Eleanor Holmes Norton told the Urban League in Atlanta last year. "We must make marriage and family life unabashedly a tool for improving all our lives." The stunting of black progress in America, she held, was done most effectively through tearing asunder the black family both in slavery and by discrimination. No institution, she observed, had so nourished blacks in the darkness of slavery; none had helped them to joy, laughter, and affirmation through the bitter days, as had the family. No institution is so beloved in black consciousness. None is more at the heart of social hope. "Were it not for law-enforced slavery and discrimination," she said, "our families would have thrived like most others and our time in America would have waxed into prosperity as for all other immigrant groups." She told the assembly, in sorrow, that the percentage of black households headed by women increased to 35 percent in 1975. (By the age of sixteen, two-thirds of all black children have spent some years without a father. In 1973 46 percent of all black children were born outside of wedlock.) The psychological and economic penalties, she argued, are immense. She called for a resurgence of the love and loyalty that had carried blacks in America through the centuries.

Such a call instantly makes possible alliance between the white and black working class. The families of both are in trouble; the difference in degree does not remove the similarity in root and remedy. Our media exalt the flashy, the hedonistic, the individualistic; they dwell upon the destructive orbits of the doomed: James Bond and Patty Hearst. Destruction, hustling, and defiance—one side of the Black Panthers—is picked up; the feeding of children and the nourishing of families receives no public praise. Love between a husband and wife, discipline in children, virtues of work, effort, risk, and application—these now visibly embarrass, as pornography once did. Yet these are the substance of working-class morality. They are the base of all advantage.

A CHOICE FOR SURVIVAL

Why does the preferred liberal solution for the sufferings of blacks look to every avenue of approach—school buses, affirmative action, welfare—except the family? Could it be that the family is too truly at the center, and is the one thing that liberals themselves cannot supply? That the family is the one social standing place for independence?

Economic and educational disciplines are learned only in the home and, if not there, hardly at all. Discipline in black families has been traditionally severe, very like that in white working-class families. Survival has depended on family discipline. Working-class people, white and black, cannot count on having their way; most of the time they have to be docile, agreeable, and efficient. Otherwise, they are fired. They cannot quit their jobs too often; otherwise their employment record shows instability. Blacks as well as whites survive by such rules, as long as authority in the home is strong. From here, some find the base for their mobility, up and out. Without a guiding hand, however, the temptations to work a little, quit, enjoy oneself, then work a little, are too much encouraged by one's peers on the street. Either the home, or the street: This is the moral choice. Liberals too seldom think about the economic values of strong family life; they neglect their own source of strength, and legislate for others what would never have worked for themselves.

Consider the figures for unemployment for teen-agers. The figure frequently given for blacks in New York is 40 percent. The huge number of female-run households among blacks correlates with the unemployment rates. The rough discipline of Slavic, Italian, and Irish fathers regarding the employment of their sons is an economic advantage. One of the requirements for obtaining and holding a job, especially at the unskilled level, where jobs abound, is a willingness to accept patriarchial discipline. Many young black males find such disciplines both unfamiliar and intolerable. Many will not take available jobs; many others quit.

Consider, as well, the educational preparation of black children as they leave their homes, before they enter school. Among successful blacks, patterns are like those among whites. Parents watch over their children. Books and papers are available in the home. Where the parents take education seriously, there is high probability that children will. Where the parents do not, schools cannot reasonably be expected to reach the psyches of the young. Why, then, do we habitually try to help schools, but not families? For both blacks and whites of the working class and all the more for the still more needy "underclass," the provision of books and newspapers to the home, and sessions to assist parents in teaching their children, might be more profitable than efforts in the school.

In a word, a politics aimed at strengthening families, white and black, would be a politics of unity rather than of division. It would also have higher prospect of success.

The chief obstacle in its execution is the mysterious contempt liberals unthinkingly manifest toward their own greatest source of advantage.

As Jean-Paul Sartre has taught us, it is bad faith to plead "to each his own," to permit intellectual laissez-faire. Actions speak louder than shrugs of the shoulder. To marry, to have children, is to make a political statement hostile to what passes as "liberation" today. It is a statement of flesh, intelligence, and courage. It draws its strength from nature, from tradition, and from the future. Apart from millions of decisions by couples of realistic love, to bring forth children they will nourish, teach, and launch against the void, the human race has no future—no wisdom, no advance, no community, no grace.

Only the emptiness of solitary space, the dance of death.

It is the destiny of flesh and blood to be familial.

GENERAL LEAVE

Mr. EARLY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks on the amendment offered in the Committee of the Whole today by the gentleman from California (Mr. Phillip Burton) to the bill H.R. 12406, the Federal Elections Campaign Act amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Robinson and Mr. Treen (at the request of Mr. Rhodes), for the remainder of this week, on account of official duties as members of the Board of Visitors, U.S. Air Force Academy.

Mr. Corman (at the request of Mr. O'Neill), after 3:45 p.m. today and for Friday, April 2, on account of official business.

Mrs. Chisholm (at the request of Mr. O'Neil), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Kindness) to revise and extend their remarks and include extraneous material:)

Mr. Duncan of Tennessee, for 5 minutes, today.

Mr. Crane, for 30 minutes, today.

Mr. Talcott, for 5 minutes, today.

Mr. Heinz, for 10 minutes, today.

Mr. Steiger of Arizona, for 10 minutes, today.

Mr. Ashbrook, for 30 minutes, today.

(The following Members (at the request of Mr. Early) and to revise and extend their remarks and include extraneous matter:)

Mr. Alexander, for 60 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. McFall, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Metcalfe, for 10 minutes, today.

Mrs. Mink, for 10 minutes, today.

Mr. LaFalce, for 5 minutes, today.

Mr. Dominick V. Daniels, for 5 minutes, today.

Mr. Alexander, for 30 minutes, on April 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Conyers, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,001.

Mr. McKay, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,001.

Mr. Anderson of Illinois, to revise and extend his remarks on H.R. 12406 just prior to the vote on the motion to recommit today.

(The following Members (at the request of Mr. Kindness) and to include extraneous matter:)

Mr. Young of Florida in five instances.

Mr. Steiger of Wisconsin.

Mr. Wiggins.

Mr. Conte.

Mr. Emery.

Mr. Lagomarsino.

Mr. Abdnor.

Mr. Kemp.

Mr. Armstrong.

Mr. Burke of Florida.

Mr. Rousselot in two instances.

Mr. Ashbrook in three instances.

(The following Members (at the request of Mr. Early) and tc include extraneous matter:)

Mr. Mazzoli.

Mr. Litton.

Mr. Mikva.

Mr. Long of Louisiana.

Mr. Addabbo.

Mr. Dingell in three instances.

Mr. de la Garza in 10 instances.

Mr. Gonzalez in three instances.

Mr. Annunzio in six instances.

Mr. Anderson of California in three instances.

Mr. Sisk in two instances.

Mrs. Lloyd of Tennessee in five instances.

Mr. Eilberg in 10 instances.

Mr. Waxman.

Mr. Rangel.

Mr. Stephens.

Mr. Fraser.

Mr. Brown of California in 10 instances.

Mr. Badillo.

Mr. Mezvinsky in two instances.

Mr. Alexander in two instances.

Mr. Giaimo in 10 instances.

Mr. John L. Burton in two instances.

Mr. Helstoski.

Mr. Simon.

Mr. Minish.

Mr. Biaggi in 10 instances.

Mr. Fisher.

Mr. Miller of California.

Mr. Rodino.

Mr. Ryan in three instances.

Mr. Dominick V. Daniels in two instances.

Mr. Morgan.

Mr. McDonald of Georgia.

Mrs. Chisholm.

Mr. Bowen.

Mr. Rooney.

Mr. LaFalce in 10 instances.

Mr. Ambro.

Mr. Harrington in five instances.

Mr. Rosenthal.

Mr. Koch.

Mr. Beard of Rhode Island.

Mr. Maguire.

SENATE BILL, JOINT AND CONCURRENT RESOLUTIONS REFERRED

A bill and joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2920. An act to name the building known as the Library of Congress Annex to be the Library of Congress Thomas Jefferson Building; to the Committee on House Administration.

S.J. Res. 76. Joint resolution authorizing and requesting the President to issue a proclamation designating the seven calendar days commencing on April 30, 1976, as "National Beta Sigma Phi Week"; to the Committee on Post Office and Civil Service.

S. Con. Res. 108. Concurrent resolution seeking to eliminate discriminatory trade practices of the European Economic Community; to the Committee on Ways and Means.

S.J. Res. 151. Joint resolution to authorize and request the President to issue a proclamation designating July 2, 1976, as an official holiday; to the Committee on Post Office and Civil Service.

S.J. Res. 168. Joint resolution to provide for the reappointment of James E. Webb as a citizen of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

S.J. Res. 172. Joint resolution to designate the fourth week in June 1976 as "National Tennis Week;" to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 49. An act to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; and

H.R. 8617. An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3060. An act to amend chapter 33 of title 44, United States Code, to change the membership and extend the life of the National Study Commission on Records and Documents of Federal Officials, and for other purposes.

ADJOURNMENT

Mr. EARLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock), the House adjourned until Friday, April 2, 1976, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

January 8, 1976.

To the Clerk of the House:

The Committee on Agriculture pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $973,583.58
3. Amount expended during this period 501,004.92

THOMAS S. FOLEY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Thomas E. Adams, Jr.	Staff consultant (P)	$11,274.99
Steven S. Allen	Staff assistant (P)	12,300.00
James N. Ashmore	do	10,506.24
Margaret L. Bauer	Staff assistant (C)	5,124.99
Susan Bell	Staff assistant (C) (through Oct. 31, 1975). Staff assistant (P) (effective Nov. 1, 1975).	8,199.99
Robert M. Bor	Counsel (P)	18,450.00
Anita R. Brown	Staff assistant (C)	9,481.26
Alison B. Cerri	do	10,506.24
Louis T. Easley	Press assistant (P)	15,467.88
John E. Hogan	Associate counsel (P)	18,193.74
Mary Claiborne Jarratt	Staff assistant (P)	8,610.00
Diane M. Keyser	Staff assistant (C)	5,678.31
Julia W. Kogut	do	10,506.24
Eugene Moos	Staff analyst (P)	18,450.00
Hyde H. Murray	Counsel (P)	18,450.00
Peggy L. Pecore	Staff assistant (P)	11,454.17
Stephen J. Pringle	do	7,687.50
Audrey L. Rollins	Staff assistant (C) (through Aug. 22, 1975).	1,616.10
Mary L. Ross	Printing editor (P)	11,108.33
Mary P. Shaw	Staff assistant (C)	8,712.51
Margo Skildkret	Staff assistant (C) (through Nov. 10, 1975), food programs specialist and budget.	4,416.66
James E. Springfield	Officer (P)	18,450.00
Glenda Louise Temple	Staff assistant (C)	10,506.24
Fowler C. West	Staff director (P)	18,450.00
Kay J. Williams	Staff assistant (C) (through Sept. 30, 1975).	3,999.99
Wanda Marie Worsham	Staff assistant (C)	8,610.00
Jean C. Ringer	Staff assistant (C) (effective Aug. 23, 1975).	8,465.28
Carol A. Dubard	Staff assistant (C) (effective Oct. 1, 1975).	3,543.75
Angelina Roumel Koliopoulos.	Staff assistant (C) (effective Nov. 11, through Dec. 26, 1975).	1,945.41
William A. Imhof	Associate counsel (P) (effective Nov. 9, 1975).	5,200.00
Teresa D. McLaughlin	Receptionist (C) (effective Nov. 1, 1975).	2,362.50
Loretta Owens	Staff assistant (C) (effective Dec. 28, 1975).	158.33
Total		307,931.65

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Sharon Ann Armann	Staff assistant	$7,380.00
John Baize	Subcommittee staff consultant.	9,404.07
Weldon Barton	do	13,376.25
Michael Beschloss	Staff assistant (through Aug. 25, 0975).	916.67
Roxana D. Burris	Sudcommittee staff consultant	9,225.00
Ann E. Cole	Staff assistant	6,193.05
Theresa Colie	Staff assistant (through Aug. 31, 1975).	1,333.34
James A. Culver	Subcommittee staff consultant.	13,087.50
Carol A. Dubard	Staff assistant (through Sept. 30, 1975).	3,125.00
Vernese Feldman	Staff assistant (through Aug. 15, 1975).	750.00
Norman F. Gay	Subcommittee staff consultant (through Nov. 30, 1975).	$10,200.00
Robert John Gray	Subcommittee staff consultant.	12,087.48
William Heylman	Staff assistant (through Aug. 12, 1975).	700.00
Steven J. Hoffman	Staff assistant	3,125.00
L. Leon Geyer	Subcommittee staff consultant.	11,418.75
Gerald R. Jorgenson	do	13,837.50
John R. Kramer	Special counsel	9,225.00
Jacqueline Lane	Staff assistant	7,431.24
Teresa D. McLaughlin	Receptionist (through Oct. 30, 1975).	4,139.59
Robert R. Palmer	Subcommittee staff consultant (through Nov. 15, 1975).	10,293.75
Marion B. Patrick	Staff assistant (through Aug. 22, 1975).	920.00
Dilys Haydee Tosteson	Staff assistant (through Aug. 15, 1975).	750.00
Lydia Vacin	Staff assistant	1,250.31
Doris Farmarco Lloyd	Staff assistant (through July 31, 1975).	1,348.40
Alan M. Gray	Subcommittee staff consultant (effective Aug. 1, 1975).	7,295.84
Angelina Roumel Koliopoulos.	Staff assistant (effective Aug. 18,–Nov. 10, 1975) (effective Dec. 27, 1975).	3,592.78
Jean C. Ringer	Staff assistant (effective Aug. 1–22, 1975).	1,405.56
Jane H. Cleveland	Staff assistant (effective Sept. 3, 1975).	3,572.92
Charlotte Holmes Farwell.	Subcommittee staff assistant (effective Sept. 1, 1975).	6,487.50
Mary Ann Fronce	Staff assistant (effective Sept. 8, 1975).	4,504.17
David L. Wright	Staff assistant (effective Sept. 1, 1975).	10,029.17
Wendell E. Primus	Staff assistant (effective Oct. 1, 1975).	1,290.00
Esther S. Hickey	Staff assistant (effective Dec. 1, 1975).	1,000.00
Leighton W. Lang	Subcommittee staff consultant (effective Dec. 1, 1975).	2,100.00
Scott D. McAdoo	Staff assistant (effective Dec. 15, 1975).	277.33
Total		193,073.27

COMMITTEE ON APPROPRIATIONS (STANDING COMMITTEE)

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Appropriations (Standing Committee) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B) ....
2. Total funds available during this period $1,232,611.32
3. Amount expended during this period 1,232,611.32

GEORGE H. MAHON, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Keith F. Mainland	Clerk and staff director	$18,450.00
G. Homer Skarin	Staff assistant	18,450.00
Samuel R. Preston	do	18,450.00
Hunter L. Spillan	do	18,450.00
Henry A. Neil	do	18,450.00
Aubrey A. Gunnels	do	18,450.00
George E. Evans	Staff assistant (re-employed annuitant).	1,328.00
Earl C. Silsby	Staff assistant	18,450.00
Peter J. Murphy	do	18,450.00
Frederick G. Mohrman	do	18,450.00
Edward E. Lombard	do	18,450.00
Nicholas Cavarocchi	do	18,450.00
Derek J. Vander Schaaf	do	18,450.00
Frederick F. Pfluger	do	18,450.00
John M. Garrity	do	17,491.02
Robert B. Foster	do	17,395.14
Thomas J. Kingfield	do	16,197.32
Donald E. Richbourg	do	16,553.58
Robert C. Nicholas	do	15,091.71
George A. Urian	do	$13,582.59
Dempsey B. Mizelle	do	16,448.78
Charles W. Snodgrass	do	15,204.01
John G. Plashal	do	10,815.74
Byron S. Nielson	do	11,803.62
J. David Willson	do	15,342.59
Americo S. Miconi	do	13,954.29
Robert L. Knisely	do	10,220.87
Richard N. Malow	do	15,363.07
John G. Osthaus	do	13,269.17
Paul E. Thomson	do	10,809.14
Charles G. Hardin	do	10,352.30
Edwin F. Powers	do	14,419.00
C. William Smith	do	13,931.82
Gordon E. Casey	do	14,439.09
Michael S. Weinberger	do	13,837.50
William A. Marinelli	do	15,375.00
Donald P. Smith	do	13,325.01
David R. Olson	Staff assistant (from Sept. 14).	5,265.28
Lawrence C. Miller	Editor	17,025.78
Paul V. Farmer	Assistant Editor	12,861.13
Gerard J. Chouinard	Administrative assistant.	11,474.31
Gemma M. Weiblinger	Administrative assistant to Labor-HEW subcommittee.	7,175.01
Austin G. Smith	Clerical assistant	10,099.64
Dale M. Shulaw	do	8,897.45
Marcia L. Matts	do	7,093.64
Sandra A. Gilbert	do	8,188.47
Patricia A. Kemp	do	6,922.11
Betty Lou Taylor	do	7,030.26
Christine Stockman	do	6,647.03
Toni M. Williams	do	6,160.00
Michael S. Slevin	do	6,406.26
Anna L. Manning	do	6,662.49
Robin A. Harrold	do	4,983.33
Ellen C. Zacofsky	Clerical assistant (from Oct. 26).	2,031.25
Randolph Thomas	Office assistant	7,588.38
F. Michael Hugo	Minority clerk	17,937.51
B. Enid Morrison	Minority staff assistant	15,999.99
Beverly B. Thierwechter	do	9,000.00
Henry Moore	do	14,000.01
Donna J. Brother	do	8,250.00
Susan A. Weaver	Minority clerical assistant.	6,249.99
Valrie Lake	do	5,125.02
Margaret K. Harding	Majority associate staff member.	13,500.00
Samuel A. Mabry	do	13,837.50
Douglas E. Bobbitt	do	7,559.40
George F. Allen	do	10,762.50
Diane Rihely	do	6,083.33
Maxey H. Irwin	do	11,787.51
Fisher Muldrow	do	10,250.01
Lawrence E. Siegel	do	11,960.41
Grace E. Warren	do	3,500.00
Daniel P. Beard	do	13,837.50
Richard Altman	do	13,837.50
Charles Cannon	do	9,316.67
Edward N. Stout	do	13,837.50
Scott Lilly	do	11,900.01
Charles H. Donlan, Jr	do	7,399.98
Gary Bachula	do	13,837.50
Kathleen Smiley	do	11,787.51
Eugene T. Austin	do	13,837.50
Michael J. O'Neil	do	13,614.31
Daniel J. Foley	Majority associate staff member (to July 18).	1,125.00
Jack L. Erickson	Majority associate staff member (to Oct. 10).	4,375.00
Daniel Oran	Majority associate staff member (from Aug. 1).	10,825.00
Dorothy L. Thomas	do	10,300.00
Leo P. Gaten	do	7,725.00
Carmen Scialabba	do	11,250.00
Quentin L. Burgess	Majority associate staff member (from Aug. 15).	6,427.77
William Little	Majority associate staff member (from July 22).	5,850.00
Brian E. Kehoe	Majority associate staff member (from Sept. 1).	6,570.83
Grant W. Anderson	Majority associate staff member (from Sept. 1).	6,408.34
Daniel C. Maldonado	Majority associate staff member (from Oct. 1).	6,750.00
Robert F. Dobek	do	4,433.33
Sean McCarthy	Majority associate staff member (from Nov. 3).	3,625.00
Henry S. Barbour	Majority associate staff member (from Dec. 1).	1,708.33
Charles H. Murphy	Minority associate staff member.	11,766.66
Karen S. Vagley	do	11,531.25
Laurie A. Needham	do	10,500.00
Robert F. Dugan	do	12,167.79
David D. Clement	do	12,748.54

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Jimmy R. Fairchild	Minority associate staff member.	$12, 043. 74
Matthew Scocozza	do	12, 556. 26
Charlotte Casey	do	5, 999. 98
Jack Ford	do	8, 712. 51
Paul C. Roberts	do	13, 500. 00
David K. Kehl	do	13, 500. 00
Charles M. Seeger	Minority associate staff member (to July 7).	483. 67
William J. Dennis	Minority associate staff member (to Sept. 7).	3, 722. 23
Harold R. Walker	Minority associate staff member (to Sept. 15).	4, 625. 00
Marcia G. Madsen	Minority associate staff member (from July 8).	11, 093. 75
Belsy Ann Krugliak	Minority associate staff member (from Dec. 1).	1, 083. 33
Eugene C. Kirueshkin	do	1, 291. 67

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Appropriations (Investigations Staff) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the six month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period (July 1, 1975 to June 30, 1976 — 2, 274, 000. 00
3. Amount expended during this period (July 1 to Dec. 31, 1975) — 767, 728. 46

GEORGE H. MAHON, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Cornelius R. Anderson	Chief	$18, 450. 00
David A. Schmidt	Director	18, 450. 00
Marion S. Ramey	1st assistant director	18, 450. 00
James B. Hyland	2d assistant director (from Sept. 6).	11, 950. 00
Genevieve A. Mealey	Administrative assistant	7, 886. 20
Frances May	Secretary	8, 306. 55
Ann M. Stull	do	5, 576. 76
Barbara L. Chambers	do	5, 870. 00
Contract employees:		
Carl L. Bennett	Investigator	13, 125. 00
Charles Nolz	do	12, 500. 00
W. Dana Carson	do	8, 425. 00
Dorland Davis	do	2, 500. 00
Robert M. Franklin	do	5, 200. 00
Charles G. Haynes	do	14, 375. 00
Maurice A. Herron	do	5, 200. 00
Richard F. McEliece	do	7, 800. 00
Joseph E. Michalski	do	13, 125. 00
Ross P. Pope	Consultant	2, 800. 00
Mary Alice Sauer	Secretary	4, 725. 00
Leon F. Schwartz	Investigator	6, 600. 00
Andrew J. Shannon	do	5, 200. 00
William B. Soyars, Jr	do	7, 800. 00
Leonard M. Walters	do	8, 325. 00
H. Branch Wood	do	10, 925. 00
Department of Agriculture:		
John F. Robison	do	12, 236. 95
General Services Administration:		
Williston B. Cofer, Jr	do	11, 621. 66
Francis J. King, Jr	do	3, 159. 47
George Wakefield	do	8, 440. 94
Department of Health, Education, and Welfare:		
James J. O'Kane	do	7, 809. 12
Martin A. Wall	Clerical assistant	4, 751. 20
Interstate Commerce Commission:		
Robert A. Ferguson	Investigator	5, 255. 13
Department of Treasury:		
Jimmie Osburn	Computer specialist	8, 442. 00
Federal Bureau of Investigation:		
Dan L. Anderson	Investigator	6, 874. 16
Stuart W. Angevine	do	15, 965. 60
George C. Baird	do	10, 671. 20
Willis Bennett, Jr	do	15, 793. 92
Donald A. Brummitt	do	7, 712. 64
Ronald B. Carpenter	do	16, 166. 88
Gerard C. Carroll	do	7, 897. 92
Bernard E. Curnigan	do	12, 777. 28
James B. Denny	do	13, 908. 80
Lewis E. Eisenwine	do	14, 283. 04
David R. Gallagher	do	7, 897. 92
John G. Goedtel	do	$16, 166. 88
Eugene C. Gies	do	15, 793. 92
David W. Johnson, Jr	do	11, 823. 52
Russell N. Kamin	do	12, 366. 24
John C. Layton	do	10, 671. 20
Joseph Malyniak, Jr	do	1, 600. 48
James P. Mansfield	do	16, 166. 88
Earle Morris, Jr	do	15, 793. 92
James K. Murphy	do	5, 211. 92
John J. Radican	do	15, 793. 92
Robert J. Reitwienser	do	5, 211. 92
Thomas C. Renaghan, Jr.	do	13, 672. 00
Rebecca F. Singleton	do	4, 645. 76
James O. Stassinos	do	13, 949. 68
Charles E. Szoka	do	15, 876. 80
Raymond E. Talley	do	15, 040. 80
Robert E. Torrence	do	12, 376. 00
Robert H. Twigg	do	5, 211. 92
Ralph W. Vandergrift, Jr.	do	5, 884. 88
Edwin J. Kelly	do	3, 960. 00
Donald J. Fitzgerald	do	3, 862. 32
Pamela Munro	Secretary	2, 228. 16
Health Benefits		5, 894. 96
Life Insurance		1, 792. 22
F.I.C.A		7. 90
Retirement		28, 554. 94
Travel expenses		82, 566. 26
Miscellaneous expenses		10, 272. 72

COMMITTEE ON ARMED SERVICES

Jan. 14, 1976.

To the Clerk of the House:

The Committee on Armed Services pursuant to section 6(j) of rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $1, 114, 600. 33
3. Amount expended during this period — 396, 441. 21

MELVIN PRICE, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Frank M. Slatinshek	Chief counsel	$4, 470. 00
John J. Ford	Professional staff member.	18, 399. 99
Ralph Marshall	do	18, 140. 58
George Norris	Counsel	17, 463. 03
James F. Shumate, Jr	do	18, 140. 58
John F. Lally	do	18, 116. 62
William H. Hogan, Jr	do	15, 375. 00
Anthony R. Battista	Professional staff member.	17, 424. 99
G. Kim Wincup	Counsel	10, 762. 50
William D. Price	Professional staff member.	12, 812. 49
Richard T. Lunger, Jr	do	9, 737. 49
Paul L. Tsompanas	do	18, 142. 50
Herbert Roback	do	4, 286. 00
Adam J. Klein	Counsel	12, 445. 56
Louis Kriser	Professional staff member.	12, 300. 00
Thomas S. Hahn	do	12, 300. 00
Michael A. West	Executive secretary	8, 712. 51
Berniece Kalinowski	Secretary	10, 469. 63
L. Louise Ellis	do	11, 469. 63
Innis E. McDonald	do	8, 610. 06
Ann R. Willett	do	7, 164. 57
Emma M. Brown	do	7, 687. 50
Nancy S. Jones	do	7, 164. 57
Rita D. Argenta	do	6, 489. 48
Ilene B. Katz	do	6, 150. 00
Diane W. Bowman	do	6, 150. 00
William B. Short, Jr	Clerical staff assistant	9, 427. 08
James A. Deakins	do	8, 672. 91
Issiah Hardy	do	6, 489. 48
Total		325, 974. 75

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Gary A. Holcomb	Professional staff member.	$10, 250. 01
John N. Stratton	Professional staff member (from Aug. 4–Nov. 15, 1975).	5, 265. 00
Justus P. White, Jr	Professional staff member (from Nov. 1, 1975).	$1, 166. 66
Rose C. Beck	Secretary	8, 610. 06
Joyce C. Bova	do	6, 544. 08
S. Janice Coil	do	6, 150. 00
Marion H. Wills	do	5, 637. 51
Marcia A. Lawrence	do	5, 637. 51
Alice M. Sledge	do	6, 150. 00
Beatrice R. Vasvary	Secretary (from Oct. 15, 1975).	2, 438. 33
Marcia L. Fromm	Secretary (from Dec. 11, 1975).	666. 67
Karen L. Snead	Secretary (through Sept. 30, 1975).	2, 499. 99
Brian P. Murphy	Clerical staff assistant (through Sept. 30, 1975).	1, 500. 00
Total		65, 515. 82

COMMITTEE ON BANKING, CURRENCY AND HOUSING

Feb. 11, 1976.

To the Clerk of the House:

The Committee on Banking, Currency and Housing pursuant to section 6(j) of Rule XI Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $2, 052, 348. 99
3. Amount expended during this period — 1, 067, 571. 36

HENRY S. REUSS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Grasty Crews II	Counsel	$18, 450. 00
Jane D'Arista	Professional staff member.	11, 685. 81
William P. Dixon	General counsel	18, 450. 00
Theodore A. Doremus, Jr.	Minority counsel	15, 375. 00
Orman S. Fink	Minority staff director	2, 304. 00
Michael Flaherty	Counsel	16, 056. 67
Mary Ann Graves	Staff economist	18, 450. 00
Monroe W. Karmin	Staff assistant urban affairs.	17, 424. 99
Mary Layton	Secretary to minority	13, 636. 17
William T. Nachbaur	Counsel	10, 462. 49
Paul Nelson	Clerk and staff director	18, 450. 00
Graham T. Northup	Minority deputy staff director.	18, 450. 00
Curtis A. Prins	Subcommittee staff director.	18, 450. 00
Donald L. Robinson	Executive assistant to chairman.	9, 966. 67
Kathy L. Rohrig	Secretary	7, 084. 06
David W. Secrest	Director public affairs	18, 450. 00
Donald Vaughn	Administrative assistant.	11, 943. 12
Ruth Wallick	Staff assistant	10, 250. 01
Total		255, 348. 99

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Deborah Alt	Secretary	$7, 008. 33
Joann Azarkhish	Subcommittee clerk	8, 380. 55
Carolyn E. Blaydes	Special assistant	2, 749. 99
Sallie Anne Bobo	Secretary	6, 537. 51
Pamela G. Bond	do	1, 680. 56
Stefanie J. Boss	do	3, 489. 58
Annette Marie Bouchard	do	1, 541. 67
Virginia S. Brown	Assistant clerk	1, 666. 66
James P. Caldwell, Jr	Professional staff member.	13, 598. 07
Christopher Chamberlain.	Research assistant	5, 333. 32
L. Marie Chaillet	Minority secretary	9, 225. 00
Frances C. Clements	Assistant clerk	5, 517. 09
David O'C. Couch	Investigative counsel	15, 631. 26
Ben W. Crain	Staff economist	6, 392. 92
Jamee A. Decio	Researcher	2, 583. 34
Angus J. Dodds	Research assistant	1, 016. 66
Robert S. Feinberg	Staff assistant, minority.	10, 250. 01
Lawrence I. Feldman	do	9, 152. 09
Mary Ann Freer	Secretary	5, 841. 26
James K. Galbraith	Economist	11, 900. 00
Kenneth D. Garbade	Professional staff member.	1, 319. 44

COMMITTEE ON BANKING, CURRENCY AND HOUSING—Continued

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Louis C. Gasper	Minority staff assistant	$13,837.50
Janet R. Hangin	Secretary	5,075.01
Lois Hart	do	7,348.74
Donald D. Hester	Professional staff member.	4,700.00
Helen Hitz	Administrative assistant.	13,636.17
Lorraine G. Inman	Secretary	7,766.04
Joseph J. Jasinski	Professional staff member.	18,410.64
Richard M. Kay	Assistant clerk	5,214.59
Mary L. Kelly	Secretary	4,243.05
James Allen Kutcher	Subcommittee counsel	9,462.51
Jackson O. Lamb	Professional staff member.	8,645.83
Ellen Marie Larkin	Assistant subcommittee staff director.	9,737.49
Joseph C. Lewis	Subcommittee staff director.	18,450.00
Robert Edward Loftus	Professional staff member.	13,156.49
Linda Lea Lord	Secretary	8,199.99
Margaret F. McCarthy	do	7,008.34
Margaret E. McCloskey	do	4,253.76
James B. McMahon	Staff assistant, minority.	12,300.00
William F. McQuillen	Professional staff member.	11,524.99
Janet Maus	Staff assistant, minority.	12,300.00
Thomas Mayer	Professional staff member.	4,700.00
Kelsay Ray Meek	do	18,386.85
Carl A. Mintz, Jr	Research statistician	11,274.99
Susan P. Ness	Assistant counsel	3,083.34
Nora Olave-Shibusawa	Secretary	1,083.33
Kathleen O'Malley	do	5,329.18
James C. Orr	Professional staff member.	3,747.21
Eliza M. Paul	Research assistant	9,225.00
Susan H. Pollitt	Assistant clerk	694.72
Miriam Wolman Rakow	Subcommittee clerk	9,711.90
Michael A. Rattigan	Research assistant	850.00
Mary Anne Reilly	Minority secretary	5,124.99
Kathy L. Rohrig	Secretary	1,292.21
Barbara D. Salmanson	Subcommittee counsel	10,569.16
Roy A. Schotland	Professional staff member.	4,725.00
Elinor Schwartz	Assistant clerk	500.00
Beverly J. Shay	Secretary, minority	2,650.08
Elaine C. Shephard	Assistant clerk	5,124.99
Ethan Hilton Siegel	Research assistant	5,124.99
William L. Silber	Professional staff member.	3,500.00
James C. Sivon	Research assistant	6,668.75
Merrill Stevenson	Special assistant	6,000.00
Richard L. Still	Subcommittee staff director.	18,414.03
Phyllis Stone	Secretary	6,642.00
Craig E. Swan	Professional staff	5,000.00
Lorna Watson	do	6,150.00
David I. Weil	do	10,137.51
Robert L. Wills	Research assistant	1,875.13
John P. Wynn	Staff assistant, minority.	5,381.25
John R. Youngken	Research assistant	7,687.50
Jack Zackin	Assistant counsel	4,288.89
John M. Dempsey	Assistant clerk	876.67
Marilyn Donahue	Minority secretary	7,431.24
David Glick	Counsel	18,450.00
Emily Hightower	Executive secretary	11,274.99
Mercer L. Jackson, Jr	Minority staff member	18,450.00
Raymond K. James	Counsel	18,450.00
Sylvan J. Kamm	Professional staff member.	11,274.99
Bonnie V. Lockett	Secretary	6,219.09
Diane D. Lohman	Assistant clerk	2,540.01
Benjamin B. McKeever	Counsel	18,450.00
Gerald R. McMurray	Staff director (Housing Subcommittee).	18,450.00
Wanda Jean Raupach	Secretary	9,463.83
Ann L. Roll	do	5,637.51
Catherine M. Smith	Minority secretary	7,431.24
Mary Elizabeth Sullivan.	Assistant clerk	6,595.49
Regina Ann Sullivan	do	1,250.00
Anthony Valanzano	Minority counsel	18,450.00
Total		691,724.51

COMMITTEE ON THE BUDGET

Jan. 15, 1976.

To the Clerk of the House:

The Committee on the Budget pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive.

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period...... $1,103,542.05
3. Amount expended during this period........ 810,565.64

BROCK ADAMS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
George Gross	Executive director	$18,450.00
Shirley Ruhe	Special assistant	8,991.81
Susan Walter	Secretary	7,234.98
Linda Kamm	General counsel	18,450.00
Nancy Teeters	Assistant director, economic analysis.	3,150.00
James Lyday	Economist	18,450.00
Harry Boissevain	do	16,607.58
Nancy Wilson	do	10,314.06
Joanne Brasco	do	7,392.36
M. Bruce Meredith	Assistant director, budget priorities.	18,450.00
Dennis Kedzior	Special assistant	11,180.70
Kathleen Naill	do	7,934.61
Benson Simon	Senior analyst	18,450.00
John Cove	do	18,450.00
Alair Townsend	do	18,450.00
Charles Wiecking	do	18,450.00
Charles Thomas	do	15,969.25
Raphael Thelwell	do	18,450.00
William Cleary	Analyst	18,450.00
Russell D. Hale	do	14,421.75
Peter M. Storm	do	18,327.51
Carlene Crumpton-Bawden.	do	15,281.73
Judith A. Kammins	do	11,180.70
Joseph Manes	do	18,450.00
James A. Rotherham	do	17,828.85
David Garrison	do	14,421.75
Mortimer L. Downey	do	17,828.85
Allen C. Grommet	do	10,092.66
Michael L. Telson	do	13,416.24
Robert J. Leonard	do	5,608.51
Eleanor Senf	Research secretary	6,959.76
David A. Jewell	Public information officer	16,400.01
William Robertson	Writer/editor	15,733.23
John J. King	Administrator	13,243.59
Jane I. Parker	Officer manager	8,000.67
Paul Nelson	Clerk/messenger	5,751.30
Sylvia DeBaun	Librarian	6,164.34
Grace Aldridge	Secretary	6,993.09
Vergie Colby	do	7,340.13
Carolyn Culbreath	do	4,305.73
Bertha Datcher	do	6,760.89
Laura Elder	do	6,959.76
Martha Grundmann	do	7,234.98
Susan Kuykendall	do	5,061.78
Camille Pecorak	do	4,854.93
Cathy Phillips	do	3,392.66
Grace Royal	do	5,526.59
Lois Ross	do	6,760.89
Deborah Sheehan	do	6,800.47
Nancy Stiner	do	7,234.98
Leta Swartz	do	5,083.57
Patricia Tusaie	do	3,815.29
Beatrice Wood	do	7,234.98
Belva Atchison	Word processor	4,456.39
Nicholas Masters	Majority professional consultant	14,421.75
Linda L. Smith	do	13,547.43
Edward Starr	do	12,812.49
Timothy W. Glidden	do	14,421.75
David W. Allen	do	14,421.75
Josephine McAllister	Research secretary	6,959.76
Diane Crandall	do	5,978.98
Alda Douglas	do	4,432.36
Melvin Miller	Minority staff director	18,450.00
Philip Lyons	Minority staff consultant.	10,250.01
Elizabeth Botts	Research secretary	6,406.26
Walter Kravitz	Executive director (July 1–Sept. 21, 1975).	8,100.00
Paulette Charney	Secretary (July 1–Sept. 8, 1975).	2,361.12
Brent Barriere	Student intern (July 1–Aug. 31, 1975).	1,583.34
Kris Kononen	Research secretary (July 1–Aug. 13, 1975).	1,622.06
Maria Parra	Intern (July 1–Sept. 30,1975).	1,346.55
Dorothy Tinajero	Secretary (July 1–July 31, 1975).	1,002.33
Randy Erickson	Intern (July 1–Sept. 14, 1975).	1,952.79
Linda Johnson	Research secretary (July 1–July 15, 1975).	565.83
Ellen Yunger	Secretary (July 1–Oct. 30, 1975).	3,740.68
Carl Schwartz	Special assistant (July 1–Nov. 30, 1975).	2,961.00

COMMITTEE ON THE DISTRICT OF COLUMBIA

Feb. 2, 1976.

To the Clerk of the House:

The Committee on the District of Columbia pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period....... $300,765.35
3. Amount expended during this period.......... 190,841.33

CHARLES C. DIGGS, Jr., Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Edward C. Sylvester, Jr	Staff director	$18,450.00
Robert B. Washington, Jr.	Chief counsel (terminated July 31, 1975).	3,000.00
James T. Clark	Legislative counsel	18,424.38
Ruby G. Martin	General counsel	18,424.38
Dale MacIver	Staff counsel	16,517.13
Daniel Martin Freeman	do	14,199.93
Jacqueline E. Wells	Staff assistant	13,607.13
Dietra Gerald	do	12,300.00
Edward L. Cleveland	do	11,787.51
Nelson F. Rimensnyder	do	11,787.51
Maria L. Otero	Office administrator	11,033.10
Wilbur G. Hughes	Staff assistant	9,457.65
Dorothy M. Anderson	do	7,812.06
Yvonne Chappelle	Staff assistant (terminated Aug. 15, 1975).	1,875.00
Leslie Yates	Staff assistant	6,437.50
Robert B. Brauer	Subcommittee staff assistant (transferred to investigation, Sept. 1, 1975).	4,500.00
La Vonne Manley	Secretary to the staff director.	7,930.68
Grace DeMaio	Secretary	6,879.33
Marguerite Gras	do	6,506.70
Dolores C. Floyd	do	6,316.66
Marcia M. Mills	do	5,637.51
Louise H. Winston	Information assistant/receptionist.	6,382.63
Theodore Richardson	Clerk	5,941.20
Mark Mathis	Minority counsel	15,999.99
James M. Christian	Deputy minority counsel.	13,125.00
Janice Lookner	Minority staff assistant.	8,968.74
J. Dent Farr III	do	8,199.99
Carol B. Thompson	do	7,500.00
Susan T. McCormack	Minority secretary	5,187.48
Total		248,189.19

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Joan T. Willoughby	Staff assistant	$8,712.51
Margi Mosbaek	do	7,687.50
Ralph Ulmer	Minority legislative staff assistant (termination effective Dec. 31, 1975).	6,071.00
Jack C. Barthwell	Research assistant (termination effective Aug. 15, 1975).	1,500.00
Peter A. Leidel	Clerk (termination effective Aug. 15, 1975).	750.00
Beverly Nickens	Subcommittee secretary.	5,381.25
Sarah F. Brown	Subcommittee secretary (termination effective Dec. 31, 1975).	4,418.75
Shirley Ann Richardson	Minority secretary (termination effective Nov. 4, 1975).	3,477.77
David C. Patch	Minority legislative staff assistance.	5,364.59
Kerry Holman	Staff assistant (from Aug. 18, 1975).	5,729.17
Alice C. Sutton	Secretary (from Sept. 22, 1975).	3,162.50
Lorraine McDaniels	do	5,312.06
Barbara C. Jackson	Secretary (from Oct. 1, 1975).	1,383.33
Joyce A. Miles	Secretary	2,756.25
Mary F. Hackley	Clerk (from Oct. 1–31, 1975).	750.00
Helen E. Mannen	Clerk (from Nov. 1–31, 1975).	600.00
David O. Green	do	300.00
Bonita J. Walker	do	300.00
Richard A. Levy	Staff assistant (from Nov. 1–31, 1975).	2,800.00
Barbara R. Jackson	Staff assistant	1,300.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
William J. Chandler	Minority legislative staff assistant (appointment effective Dec. 1, 1975).	$2,041.67
Martha Marble	Subcommittee staff assistant.	13,837.50
Robert B. Brauer	Subcommittee staff assistant (transferred from standing Sept. 1, 1975).	9,337.50
Phil Watson	Subcommittee staff assistant (from July 1–Aug. 31, 1975).	4,500.00
Lawrence C. Smith	Subcommittee staff counsel (appointment effective Sept. 1, 1975).	7,954.17
Patricia A. Levins	Minority legislative staff assistant.	8,908.34
Alfred S. Frank	Minority legislative staff assistant (appointment effective Dec. 8, 1975).	1,811.25
H. Christopher Nolde	Subcommittee counsel	13,837.50
Stuart K. Jones	Minority staff counsel	8,390.00
T. Michael Nevens	Subcommittee staff assistant.	11,274.99
Barbara Norris Chaves	Minority legislative staff assistant.	9,993.75
Wallace Green	Subcommittee staff assistant.	10,250.01
Hugh B. Calkin	Subcommittee staff assistant (appointment effective Dec. 18, 1975).	794.44
David M. Foster	Minority legislative staff assistant.	5,793.75
Total		176,481.55

COMMITTEE ON EDUCATION AND LABOR (STANDING COMMITTEE)

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Education and Labor (Full Committee—Standing Committee—Majority and Minority) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period July 1 to Dec. 31, 1975 $381,522.42
3. Amount expended during this period July 1 to Dec. 31, 1975 381,522.42

CARL D. PERKINS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Donald M. Baker	Chief clerk and associate counsel (July 1–Dec. 31, 1975).	$18,450.00
Donald F. Berens	Administrative assistant (July 1–Dec. 31, 1975).	15,977.70
Patricia R. Bowley	do	9,306.87
William H. Cable	Counsel (July 1–Dec. 31, 1975).	18,450.00
Katherine Kennedy Clark	Research assistant (July 1–Dec. 31, 1975).	11,277.18
Elizabeth A. Cornett	Administrative assistant (July 1–Dec. 31, 1975).	11,274.24
Lelia T. Cornwell	do	10,670.97
Louise Maxienne Dargans	Research director (July 1–Dec. 31, 1975).	18,450.00
William F. Gaul	Associate general counsel (July 1–Dec. 31, 1975).	18,450.00
Hamish L. Murray	Budget specialist (July 1–Dec. 31, 1975).	15,375.00
Daniel H. Pollitt	Special counsel (July 1–Dec. 31, 1975).	18,450.00
Hartwell D. Reed, Jr.	General counsel (July 1–Dec. 31, 1975).	18,450.00
Benjamin F. Reeves	Assistant to chairman and assistant chief clerk (July 1–Dec. 31, 1975).	18,450.00
Mary L. Shuler	Secretary (July 1–Dec. 31, 1975).	$8,935.65
Austin P. Sullivan	Legislative director (July 1–Dec. 31, 1975).	18,450.00
Jeanne E. Thomson	Legislative assistant (July 1–Dec. 31, 1975).	12,000.69
Louise M. Wright	Administrative assistant (July 1–Dec. 31, 1975).	16,796.01
Marian R. Wyman	Special assistant to chairman (July 1–Dec. 31, 1975).	18,470.00
Minority:		
Kim Allinger	Secretary (July 1–Dec. 31, 1975).	6,662.49
Robert C. Andringa	Minority staff director (July 1–Dec. 31, 1975).	18,450.00
Edith Carter Baum	Minority counsel for labor (July 1–Dec. 31, 1975).	18,450.00
Christopher T. Cross	Minority legislative associate (July 1–Dec. 31, 1975).	18,450.00
Charles W. Radcliffe	Minority counsel (July 1–Dec. 31, 1975).	18,450.00
Silvia J. Rodriguez	Secretary (July 1–Dec. 31, 1975).	7,046.88
Dorothy L. Strunk	Minority legislative clerk (July 1–Dec. 31, 1975).	9,225.00
Patricia Ann Sullivan	Secretary (July 1–Dec. 31, 1975).	7,123.74
Total		381,522.42

COMMITTEE ON EDUCATION AND LABOR (FULL COMMITTEE)

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Education and Labor (Full Committee Investigating Staff—Majority nad Minority) pursuant to section 6 (j) of Rule XI, Rule of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period July 1 to Dec. 31, 1975 $432,892.96
3. Amount expended during this period July 1 to Dec. 31, 1975 224,658.71

CARL D. PERKINS, Chairman.

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Carole J. Ansheles	Secretary (July 1–Dec. 31, 1975).	$7,175.01
Goldie A. Baldwin	Legislative assistant (Oct. 1–Dec. 31, 1975).	3,766.26
Portia Battle	Assistant clerk (temporary) (summer) (July 1–Aug. 31, 1975).	1,200.00
Mary Fran Breathitt	Research assistant (July 1–Dec. 31, 1975).	4,868.76
Douglas R. Dean	Assistant clerk (temporary) (summer) (July 1–Aug. 31, 1975).	1,100.00
Mark N. Griffith	Assistant clerk (temporary) (summer) (July 1–Aug. 14, 1975).	806.67
Marilyn S. Hall	Research assistant (July 1–Dec. 31, 1975).	4,950.00
Nancy Melrose Hirst	Secretary (temporary) (July 1–31, 1975).	2,083.33
Kyle L. Jones	Assistant clerk (July 1–Dec. 31, 1975).	2,120.00
Nancy L. Kober	Staff assistant (Sept. 18–Dec. 31, 1975).	2,937.50
Angelita C. Martinez	Assistant clerk (temporary) (summer) (Aug. 1–31, 1975).	550.00
S. Jefferson McFarland.	Research assistant (Nov. 1–Dec. 31, 1975).	1,750.00
Barbara E. Morrison	Secretary (July 1–Dec. 31, 1975).	7,687.50
Michael Lee Moye	Assistant clerk (July 1–Dec. 31, 1975).	$2,548.75
Kathleen A. O'Hara	Secretary (July 1–Dec. 31, 1975).	8,499.99
David Pinkard	Assistant clerk (July 1–Aug. 31 and Dec. 5–Dec. 19, 1975) (temporary).	1,515.00
David S. Putnam	Staff assistant (July 1–Dec. 31, 1975).	6,104.97
Timothy T. Reese	Staff assistant (July 1 Sept. 15, 1975).	2,374.20
Kevin A. Ryan	Assistant clerk (temporary) (summer) (July 1–Aug. 22, 1975).	953.33
Peter Schott	Assistant clerk (July 1–Dec. 31, 1975).	5,840.52
Dean V. Shahinian	Assistant clerk (temporary) (summer) (July 1–Aug. 7, 1975).	678.33
John E. Warren	Research assistant (July 1–Oct. 31, 1975).	4,630.16
Mildred L. Watson	Assistant to budget specialist (July 1–Dec. 31, 1975).	6,930.00
Tyrell, R. Woodard	Assistant clerk (temporary) (July 1–Nov. 23, 1975).	2,670.25
Total, majority		83,740.53
Minority:		
Susan C. DeMarr	Secretary (July 1–Dec. 31, 1975).	$6,406.26
William M. Diefenderfer.	Staff attorney (July 1–Dec. 31, 1975).	11,499.99
Rebecca J. Kite	Secretary (July 1–Dec. 31, 1975).	5,140.85
Martin L. LaVor	Senior legislative associate (July 1–Dec. 31, 1975).	17,189.25
Richard H. Mosse	Assistant counsel (July 1–Dec. 31, 1975).	15,759.39
Mary Ann Rospendowski.	Secretary (Dec. 1–6, 1975).	208.33
Nathaniel M. Semple	Legislative Associate (July 1–Dec. 31, 1975).	13,837.50
J. Charles Sheerin	Counsel for labor (July 1–Dec. 31, 1975).	18,450.00
Yvonne Franklin Smith.	Staff investigator (July 1–Oct. 11 and Nov. 10–Dec. 31, 1975).	10,200.67
Suzanne G. Treacy	Secretary (July 1–Dec. 31, 1975).	6,200.00
Jennifer D. Wysong	Research assistant (July 1–Dec. 31, 1975).	4,700.00
Total, minority		109,592.24

SUBCOMMITTEES OF THE COMMITTEE ON EDUCATION AND LABOR

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Education and Labor (8 Standing Subcommittees plus Task Force on Welfare and Pension Plan) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period July 1 to Dec. 31, 1975 $852,438.51
3. Amount expended during this period July 1 to Dec. 31, 1975 500,017.94

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

(Representative Carl D. Perkins, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John F. Jennings	Counsel (July 1–Dec. 31, 1975).	$18,450.00
Shirley R. Mills	Secretary (July 1–Dec. 31, 1975).	10,775.60
Patrick J. Murphy	Assistant clerk (July 1–Aug. 15, 1975).	900.00

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION—Continued

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
Toni E. Painter	Secretary (July 1–Dec. 31, 1975).	$7,931.97
Ivan Swift	Legislative assistant (July 1–Dec. 31, 1975).	6,409.47
Joseph V. Vicidomino	Assistant clerk (July 1–31, 1975).	600.00
Total		45,067.04

SUBCOMMITTEE ON LABOR-MANAGEMENT RELATIONS (REPRESENTATIVE FRANK THOMPSON, JR., CHAIRMAN)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Jeunesse M. Beaumont	Clerk (July 1–Dec. 31, 1975).	$10,762.50
Hugh G. Duffy	Special counsel (Sept. 1—Dec. 31, 1975).	8,645.83
Donald J. Kaniewski	Research assistant (July 1–Dec. 31, 1975)	6,608.34
Gerard Meara	Assistant clerk (July 1–Aug. 15, 1975).	450.00
S. Jefferson McFarland	Research assistant (July 1–Oct. 31, 1975)	3,208.33
David N. Powers	Assistant clerk (July 1–10, 1975).	350.00
Thomas Wolanin	Staff director (July 1–Dec. 31, 1975).	14,654.16
Susan G. Silversmith	Assistant clerk (July 1–31, 1975).	750.00
Total		45,429.16

SUBCOMMITTEE ON LABOR STANDARDS

(Representative John H. Dent, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Jane K. Anderson	Assistant clerk (July 1–Aug. 9, 1975).	$650.00
Alan R. Barwiolek	Assistant clerk (July 1–31, 1975).	500.00
Julie Domenick	Research assistant (July 1–Dec. 31, 1975).	8,539.58
Suzanne Duffy	Assistant clerk (July 1–31, 1975).	500.00
Adrienne Fields	Clerk (July 1–Dec. 31, 1975).	11,441.66
Cynthia L. Fox	Secretary (July 1–Dec. 31, 1975).	4,954.18
Bernice C. Melton	Assistant clerk (July 1–Sept. 6, 1975).	1,100.00
Robert E. Vagley	Director (July 1–Dec. 31, 1975).	18,450.00
Total		46,135.42

SUBCOMMITTEE ON MANPOWER, COMPENSATION, AND HEALTH AND SAFETY

(Representative Dominick V. Daniels, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Daniel H. Krivit	Counsel (July 1–Dec. 31, 1975)	$17,903.33
Denniese L. Medlin	Clerk (July 1—Dec. 31, 1975)	6,520.84
Marcia Sue Nelson	Legislative associate (July 1–Dec. 31, 1975)	10,357.00
Saralee Schwartz	Research assistant (July 1–Dec. 31, 1975)	5,123.34
Total		39,904.51

SUBCOMMITTEE ON SELECT EDUCATION

(Representative John Brademas, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Robert W. Agee	Research assistant (July 1–31, 1975).	$1,500.00
Moya D. Benoit	Secretary (Dec. 15–31, 1975).	320.00
Thomas L. Birch	Legislative assistant (Sept. 2–Dec. 31, 1975).	5,950.00
Ronald J. Caridi	Legislative assistant (Dec. 29–31, 1975).	122.22
Michael G. Cohan	Research assistant (Sept. 2–Dec. 31, 1975).	3,801.37
Jack G. Duncan	Counsel (July 1–Dec. 31, 1975).	18,450.00
Eleanor M. Finver	Administrative secretary (July 1–Nov. 21, 1975).	3,987.49
Joan M. Godley	Executive secretary (Nov. 5–Dec. 31, 1975).	1,866.67
Grace S. Goekjian	Legislative assistant (July 1–Dec. 31, 1975).	8,756.52
Patricia A. Watts	Executive secretary (July 1–Dec. 31, 1975).	6,252.51
Total		51,006.7

SUBCOMMITTEE ON POSTSECONDARY EDUCATION

(Representative James G. O'Hara, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
David E. Bousch	Staff assistant (July 1–Nov. 30, 1975).	$2,661.12
Webster Buell	Counsel (July 1–Dec. 31, 1975).	11,897.37
Barbara Frush	Assistant clerk (Oct. 23–Dec. 31, 1975).	1,133.33
James B. Harrison	Staff director (July 1–Dec. 31, 1975).	16,739.40
Joshua Muravchik	Research assistant (Oct. 23–Dec. 31, 1975).	3,777.79
Karen Lee Prince	Assistant clerk (July 1–Dec. 31, 1975).	4,100.01
Katherine M. Roche	Assistant clerk (July 1–Aug. 8, 1975).	633.33
Andree E. Reeves	Assistant clerk (July 1–Aug. 31, 1975).	1,000.00
Elnora H. Teets	Clerk (July 1–Dec. 31, 1975).	7,505.94
Total		49,418.29

SUBCOMMITTEE ON EQUAL OPPORTUNITIES

(Representative Augustus F. Hawkins, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Raymond J. Ferry	Special assistant (Dec. 1–Dec. 31, 1975).	$2,000.00
Susan Durkee Grayson	Staff director (July 1–Dec. 31, 1975).	12,556.26
Berthram M. Gross	Staff assistant (July 1–Dec. 31, 1975).	4,400.00
Frances A. Hardin	Staff assistant (Sept. 8–Dec. 31, 1975).	6,138.88
William L. Higgs	Special assistant (July 1–Dec. 31, 1975)	11,731.67
Nathan A. Richardson	Staff assistant (July 1–31, 1975).	700.00
David C. Ruffin, III	Legislative assistant (July 1–Dec. 31, 1975)	8,712.51
Carole M. Schanzer	Clerk (July 1–Dec. 31, 1975).	8,199.99
Mary L. Whitsett	Assistant clerk (July 1–Dec. 31, 1975).	6,028.53
Total		60,467.84

SUBCOMMITTEE ON AGRICULTURAL LABOR

(Representative William D. Ford, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John Couric, Jr	Research assistant (Dec. 1–31, 1975).	$750.00
Toni Jean Grant	Research assistant (July 1–Dec. 31, 1975).	5,925.00
Thomas R. Jolly	Counsel (July 1–Dec. 31, 1975).	18,450.00
Charles J. Kalit	Research assistant (Sept. 1–Dec. 31, 1975).	1,897.61
Roderick W. Kilborn	Staff assistant (Dec. 1–31, 1975).	2,000.00
William S. Margetich	Research assistant (July 1–Sept. 15 and Dec. 1–31, 1975).	2,125.00
Patricia R. Morse	Clerk (July 1–Dec. 31, 1975).	10,479.87
John Oldenburg	Research aide (July 1–Aug. 31, 1975).	1,666.66
Mary R. Paul	Secretary (July 1–Dec. 31, 1975).	5,839.99
Frank H. Rathbun III	Assistant clerk (Dec. 1–31, 1975).	750.00
Heidi Schmidt	Assistant clerk (July 1–Aug. 31, 1975).	1,600.00
James Joseph Soran III	Research aide (Sept. 15–Dec. 31, 1975).	3,406.67
Total		54,890.80

SUBCOMMITTEE ON LABOR STANDARDS (TASK FORCE ON WELFARE AND PENSION PLAN)

(Representative John H. Dent, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Vance J. Anderson	Counsel (July 1–Dec. 31, 1975).	$18,263.87
Kathleen Berish	Stenographer (July 1–Dec. 31, 1975).	4,868.76
Sandra A. Besaha	Assistant clerk (July 1–Aug. 23, 1975).	883.33
Matthew S. Gamser	Assistant clerk (July 1–31, 1975).	500.00
Suzanne Hays	Staff assistant (July 1–Dec. 31, 1975).	6,457.50
Ralph W. Kittle	Assistant clerk (July 1–31, 1975).	500.00
S. Howard Kline	Assistant clerk (July 1–Dec. 31, 1975).	3,890.00
Robin Reid	Secretary (July 1–Dec. 31, 1975).	6,918.75
William M. Sikov	Assistant clerk (July 1–31, 1975).	500.00
Minority:		
Russell J. Mueller	Actuary and minority legislative associate (July 1–Dec. 31, 1975).	18,263.87
Total		61,046.08

COMMITTEE ON GOVERNMENT OPERATIONS

Jan, 12, 1976,

To the Clerk of the House:

The Committee on Government Operations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, December 31, 1975, inclusive:

1, Name, profession, and total salary of each person employed (see attached schedules A and B),	
2, Total funds available during this period	$1,332,606.04
3, Amount expended during this period	825,898.62

JACK BROOKS, Chairman,

COMMITTEE ON GOVERNMENT OPERATIONS

(Hon. Jack Brooks, Chairman)

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
William M. Jones	General counsel	$18,450.00
John E. Moore	Staff administrator	18,450.00
Elmer W. Henderson	Counsel	18,450.00
William H. Copenhaver	Associate counsel	17,854.17

COMMITTEE ON GOVERNMENT OPERATIONS—Continued

(Hon. Jack Brooks, Chairman)

SCHEDULE A—STANDING COMMITTEE PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
John W. Beckler	Professional staff member.	$12,300.00
C. Don Stephens	do	13,837.50
Lynne Higginbotham	Staff member	10,252.49
Catherine S. Cash	do	10,270.53
Ralph T. Doty	Staff member (from Aug. 1 1975).	5,235.84
Marilyn F. Jarvis	Staff member	9,461.85
Catherine L. Koeberlein	do	10,545.42
Lilian M. Phillips	do	8,697.96
Douglas G. Dahlin	Associate counsel (through July 31, 1975).	2,533.51
Miles Q. Romney	do	3,000.00
Dorothy A. McGee	Staff member (through July 31, 1975).	791.67
John Philip Carlson	Minority counsel	18,450.00
Stephen M. Daniels	Minority professional staff member.	13,130.49
Richard L. Thompson	do	13,130.49
Lawrence T. Graham	do	12,361.74
James L. McInerney	do	12,046.38
Clara Katherine Armstrong.	Minority research assistant.	10,330.05
Warren B. Buhler	Minority professional staff member (through Dec. 7, 1975).	13,379.55
Total		252,959.64

STANDING COMMITTEE

(Hon. Jack Brooks, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-month period
Expenses		$10,707.03

SPECIAL INVESTIGATIVE STAFF

(Hon. Jack Brooks, Chairman)

Thomas J. Payne	Professional staff member.	$10,468.80
Emory H. Smith	do	10,762.50
Joy S. Chambers	do	10,250.01
Theodore J. Jacobs	Professional staff member (from Sept. 22, 1975).	8,250.00
Jill C. Kirwin	Staff member	4,612.50
Diane M. Nuckolls	Staff member (from Nov. 24, 1975).	873.61
Judge N. Williams	Clerical staff	4,253.76
Taundra D. Rush	Staff member (through Dec. 19, 1975).	4,240.42
Ralph T. Doty	Clerical staff (through July 31, 1975).	967.27
Thomas K. Sullivan	Minority professional staff member.	12,300.00
Richard M. Tempero	do	13,837.50
Jordan Clark	do	10,762.50
John M. Duncan	do	11,531.25
Sheila G. Nathanson	Minority secretary	5,922.75
Susan M. Cohen	Minority secretary (from Oct. 29, 1975).	1,894.45
Karen L. Tauber	Minority secretary (through Oct. 24, 1975).	3,617.28
Total		114,544.60

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

LEGISLATION AND NATIONAL SECURITY SUBCOMMITTEE

(Hon. Jack Brooks, Chairman)

Name of employee	Profession	Total gross salary during 6-mo period
Richard C. Barnes	Professional staff member.	$12,812.49
David E. Holt	do	12,300.00
Jane L. Jachimczyk	do	7,145.83
Guadalupe R. Flores	do	6,625.02
Dorothy A. McGee	Secretary (from Aug. 1, 1975).	4,334.59
Expenses		2,285.20
Total		45,503.13

INTERGOVERNMENTAL RELATIONS AND HUMAN RESOURCES SUBCOMMITTEE

(Hon. L. H. Fountain, Chairman)

Name of employee	Profession	Total gross salary during 6-mo period
James R. Naughton	Counsel	$18,450.00
Delphis C. Goldberg	Professional staff member.	18,450.00
Gilbert S. Goldhammer	Consultant	10,817.35
William S. McLeod	Professional staff member.	8,199.99
Pamela H. Welch	Clerk-stenographer	6,284.73
Margaret M. Goldhammer.	Secretary	5,275.17
Anthony P. Carnevale	Fiscal analyst (from July 7 to Sept. 7, 1975).	4,490.27
Expenses		5,466.70
Total		77,434.21

CONSERVATION, ENERGY, AND NATURAL RESOURCES SUBCOMMITTEE

(Hon. William S. Moorhead, Chairman)

Name of employee	Profession	Total gross salary during 6-mo period
Norman G. Cornish	Subcommittee staff director.	$17,937.51
David A. Schuenke	Counsel	17,424.99
Edwin W. Webber	Assistant for energy	16,400.01
Robert K. Lane	Assistant for environment.	13,325.01
Ronald J. Tipton	Assistant counsel	9,225.00
Martha M. Doty	Clerk	7,482.51
Eileen W. Theim	Secretary	7,446.36
Expenses		6,820.46
Total		96,061.85

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

GOVERNMENT ACTIVITIES AND TRANSPORTATION SUBCOMMITTEE

(Hon. Wm. J. Randall, Chairman)

Name of employee	Profession	Total gross salary during 6-mo period
William G. Lawrence	Acting subcommittee staff director.	$12,812.49
Miles Q. Romney	Subcommittee counsel (from Aug. 1, 1975).	4,001.55
Bruce R. Butterworth	Research assistant (from Aug. 1, 1975).	5,150.00
Expenses		6,288.73
Total		28,252.77

COMMERCE, CONSUMER, AND MONETARY AFFAIRS SUBCOMMITTEE

(Hon. Benjamin S. Rosenthal, Chairman)

Name of employee	Profassion	Total gross salary during 6-mo period
Peter S. Barash	Subcommittee staff director.	$18,450.00
Herschel F. Clesner	Subcommittee counsel.	18,249.99
Ronald A. Klempner	Professional staff member (from Nov. 1, 1975).	4,666.66
Robert H. Dugger	Professional staff member.	12,300.00
Jean S. Perwin	Professional staff member (from Oct. 1, 1975).	3,750.00
Irene Till	Professional staff member (from Dec. 1, 1975).	1,138.13
D. Faye Taylor	Clerk	6,578.23
Eleanor M. Vanyo	Secretary	6,227.50
Wanda J. Reif	Professional staff member (through Sept. 23, 1975).	5,159.17
Expenses		2,921.22
Total		79,440.90

MANPOWER AND HOUSING SUBCOMMITTEE

(Hon. Floyd V. Hicks, Chairman)

Name of employee	Profession	Total gross salary during 6-mo period
Joseph C. Luman	Subcommittee staff director.	$17,937.51
James L. Gyory	Investigator	10,924.93
Richard E. Grawey	Associate counsel, (from July 14, 1975).	8,575.00
Peter H. Hanley	Professional staff member.	7,745.99
Geraldine A. Fitzgerald	Clerk	5,981.66
Louise Chubb	do	6,327.24
Expenses		3,122.54
Total		60,614.87

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS SUBCOMMITTEE

(Hon. Bella S. Abzug, Chairwoman)

Name of employee	Profession	Total gross salary during 6-mo period
Timothy H. Ingram	Subcommittee staff director.	$17,937.51
Eric Hirschhorn	Subcommittee counsel (from Sept. 22, 1975).	9,075.00
Robert S. Fink	Professional staff member.	12,812.49
William G. Florence	Professional staff member (from Oct. 1, 1975).	2,829.00
Anita W. Wiesman	Clerk (from Sept. 22, 1975).	3,492.49
Ruth H. Matthews	Clerical staff (caseworker) (from Oct. 1, 1975).	3,125.01
Margaret E. Cooper	Secretary (through Sept. 30, 1975.)	2,375.01
Nancy E. Wenzel	Clerk (through Aug. 28, 1975).	2,046.11
L. James Kronfeld	Counsel (through July 25, 1975).	2,291.67
Expenses		4,395.33
Total		60,379.62

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Interior and Insular Affairs pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, 1975 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds avaliable during this period $1,051,206.54
3. Amount expended during this period 681,724.38

JAMES A. HALEY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Charles Conklin	Staff director	$18,450.00
Lee McElvain	General counsel	18,450.00
William Shafer	Consultant on mines, minerals, and public lands.	18,450.00
Adrian Winkel	Consultant on territorial and insular affairs.	18,450.00
Roy Jones, Jr.	Assistant counsel on oversight matters.	12,812.49
William Anderson III	Budget analyst	12,812.49
Brian O'Leary	Special consultant on nuclear energy matters, terminated Dec. 5.	12,055.54
Donald Crane	Special consultant on surface mining legislation, terminated Oct. 31.	11,137.50
Eni Hunkin, Jr.	Assistant counsel, as of July 1.	13,368.04

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—Con.

SCHEDULE A—STANDING COMMITTEE PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
Patricia Murray	Full committee clerk	$13,519.74
Miriam Waddell	Secretary-clerk	9,355.68
Sandra Metcalf	do	8,835.40
James Henson, Jr	Finance clerk	7,175.01
Michael Marden	Minority counsel	16,833.32
Jack Daum	Minority consultant on water and power resources.	13,568.75
Clay Peters	Minority consultant on national parks and recreation.	12,811.85
Thomas Dunmire	Minority consultant on territorial and insular affairs.	11,681.34
James Rock	Minority consultant on public lands, terminated Oct. 22.	7,900.73
Michael Metz	Minority consultant on energy and the environment.	11,125.00
Michael Jackson	Minority consultant on Indian affairs.	10,208.33
Dale Nicholls	Minority consultant on mines and mining.	10,999.98
Janet Niebel	Administrative assistant—Minority.	7,291.66
Sonya Cockrell	Secretary to minority counsel.	5,916.66
Cleveland Pinnix	Consultant, Subcommittee on National Parks and Recreation.	14,093.76
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation.	7,943.76
William Birdsall	Staff assistant, Subcommittee on Energy and the Environment, from Sept. 1–30.	1,333.33
Jessica Tuchman	Consultant, Subcommittee on Energy and the Environment, from Oct. 1–Nov. 30.	4,000.00
Henry Myers	Special consultant on nuclear energy matters, as of Dec. 28.	275.00
Maurice Shean	Consultant, Subcommittee on Territorial and Insular Affairs.	18,225.69
Norman Williams	Consultant, Subcommittee on Mines and Mining, terminated Aug. 31.	4,666.66
Charles Sloss	Counsel, Subcommittee on Mines and Mining, as of Oct. 20.	4,536.12
Franklin Ducheneaux	Counsel, Subcommittee on Indian Affairs.	15,216.15
Betty Jo Hunt	Staff assistant, Subcommittee on Indian Affairs, terminated July 31.	1,531.92
Roy Folsom	Staff assistant, Subcommittee on Indian Affairs, from investigation, Nov. 1.	3,062.50
Thomas Cavanaugh	Consultant, Subcommittee on Public Lands, as of July 21.	15,079.17
Robert Terrell	Minority consultant on public lands, as of Dec. 1.	2,166.67
Total		375,340.20

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Bertha Drotos	Calendar clerk	$9,031.20
Kathy Loeffler	Receptionist	6,918.70
Marston Becker	Printing clerk	11,897.30
Edward Gaddis	Staff assistant	7,175.00
John Peterson	do	4,202.40
Frances Diehl	Secretary to minority consultants.	6,291.60
Gail Whitestone	do	5,774.01
Christine Allwine	do	5,413.88
Mike Benjamin	Minority staff assistant (intern) terminated Aug. 31.	1,000.00
Steve Steinbach	Minority staff assistant (intern) terminated Sept. 30.	1,500.00
Evelyn Bertorello	Clerk, Subcommittee on National Parks and Recreation.	7,431.24
Jim Casey	Consultant, Subcommittee on Water and Power Resources.	$18,450.00
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	7,571.07
Pamela Warfield	Clerk, Subcommittee on Energy and the Environment, terminated Aug. 31.	2,333.34
Stanley Scoville	Staff counsel, Subcommittee on Energy and the Environment.	13,500.00
Dale Pontius	do	12,404.55
David Nix	Staff assistant, Subcommittee on Energy and the Environment.	8,082.08
Janet Sue Fore	Secretary, Subcommittee on Energy and the Environment.	5,131.25
Ann Mattheis	do	4,250.01
Holly Saunders	Secretary, Subcommittee on Energy and the Environment, as of Sept. 1.	2,666.68
Nancy Drake	Clerk, Subcommittee on Territorial and Insular Affairs.	10,250.01
Thomas Laughlin	Staff assistant, Subcommittee on Mines and Mining, terminated Oct. 31.	5,000.00
Karen Lau	Clerk, Subcommittee on Mines and Mining.	5,250.00
Thomas Chow	Staff assistant-intern Subcommittee on Mines and Mining, terminated Aug. 31.	1,000.00
Andrew Wiessner	Staff assistant, Subcommittee on Mines and Mining, as of Nov. 1.	2,500.00
Rebecca Shapiro	Clerk, Subcommittee on Indian Affairs.	6,489.48
Gunilla Foster	Staff assistant, Subcommittee on Indian Affairs.	1,845.00
Joyce Palmer	do	7,687.50
Roy Folsom	Staff assistant, Subcommittee on Indian Affairs, as of Sept. 1; to standing Nov. 1.	3,281.25
Andrew Ball	Staff assistant, Subcommittee on Indian Affairs, terminated Aug. 8.	633.33
Lillian Peters	Staff assistant, Subcommittee on Indian Affairs, from Aug. 1, 31.	500.00
Sharon CocKayne	Clerk, Subcommittee on Public Lands.	7,649.07
John Holden	Secretary, Subcommittee on Public Lands.	5,893.74
Harry Crandell	Consultant, Subcommittee on Public Lands, as of Aug. 1.	12,875.00
Irving Senzel	Consultant under contract.	12,000.00
Lawrence MacDonnell	do	3,350.00
Frank von Hippel	do	2,212.00
Total		230,160.97

COMMITTEE ON INTERNATIONAL RELATIONS

Jan. 5, 1976.

To the Clerk of the House:

The Committee on International Relations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,279,748.11
3. Amount expended during this period 590,571.72

THOMAS E. MORGAN, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Marian A. Czarnecki	Chief of staff	$18,450.00
John J. Brady, Jr	Senior staff consultant	17,393.55
John H. Sullivan	do	17,393.55
Robert Kent Boyer	Staff consultant	$14,677.14
John Chapman Chester	do	16,852.77
Peter A. Abbruzzese	do	15,595.83
Lewis Gulick	do	16,351.11
George M. Ingram IV	do	13,435.80
Charles Paolillo	do	17,737.89
James T. Schollaert	do	14,032.26
Ray Sparks	Editor	12,909.60
Everett E. Bierman	Minority staff director	17,794.98
Stephen E. Ward	Minority staff consultant.	14,349.99
Donald Robert Fortier	Minority subcommittee staff consultant.	11,516.66
James Edward Fox	do	7,958.33
Thomas R. Smeeton	do	11,941.68
Alison L. Brenner	do	7,958.33
Jon D. Holstine	do	12,366.67
Thomas E. Popovich	do	8,808.34
Jeanne M. Salvia	Staff assistant	6,922.62
Mary Louise O'Brien	Staff assistant (terminated August 1975).	2,218.15
Thelma H. Shirkey	Staff assistant (terminated October 1975).	3,476.63
Arlene M. Atwater	Staff assistant	7,519.47
Donna Gail Wynn	do	6,489.18
Martha H. Crouse	do	6,441.21
Diane Lyn Stoner	do	5,438.19
Noel Daoust	Staff assistant (terminated August 1975).	1,605.68
Lillian L. Smith	Minority staff assistant.	7,112.50
Total		314,748.11

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Gerald Emile Pitchford	Subcommittee staff consultant.	$12,300.00
George R. Berdes	do	15,711.81
Robert Michael Finley	do	15,702.12
Herschelle Challenor	Subcommittee staff consultant (appointed Aug. 1, 1975).	14,162.50
Thomas R. Kennedy	Subcommittee staff consultant.	15,682.83
Robert B. Boettcher	do	15,711.81
Michael H. van Dusen	do	15,711.81
Andrew Donald Duskie	do	11,531.25
Ralph Roger Majak	do	15,125.00
Clifford P. Hackett	Special consultant	15,711.81
John P. Salzberg	do	12,353.31
Helen C. Mattas	Staff consultant	8,300.60
Robert A. Stoner	Publications assistant	5,972.58
Josephine Weber	Staff assistant	6,374.70
Shelly Ann Shelton	do	5,630.04
Susan Gustafson	do	4,934.39
Joan C. Sullivan	do	6,731.61
Nancy M. Carman	do	5,457.13
Joyce Raupe	do	5,554.17
Mary H. Clifton	do	3,687.49
Melinda Ann Murphy	do	5,770.85
Rory Wilcox	do	4,356.24
Nancy Lynn Shuba	Staff assistant (appointed July 21, 1975).	3,427.08
Elizabeth Marie Meade	Staff assistant (appointed Aug. 11, 1975).	3,010.42
Sandra P. Reinhardt	Staff assistant (appointed Aug. 4, 1975).	5,050.00
Carol Ann Barry	Staff assistant (appointed Aug. 1, 1975).	4,720.84
Mary Ellen Candage	Staff assistant (appointed Sept. 1, 1975).	3,112.50
Mary Jane Arison	Staff assistant (appointed Nov. 1, 1975).	1,550.00
Alicia M. P. McFall	Staff assistant (appointed Dec. 18, 1975).	306.94
Theana Y. Kastens	Staff assistant (terminated Sept. 30, 1975).	2,124.99
Leslie Ann Yates	Research assistant	4,837.49
Joyce L. Shub	do	8,302.50
Richard Mauzy	do	5,707.16
Victor C. Johnson	Research assistant (appointed Nov. 3, 1975).	1,611.11
Andrew B. Vanyo	Clerical assistant	6,033.33
Mark G. Hanna	Clerical assistant (terminated Aug. 31, 1975).	1,055.20
Fred A. Frameli	do	1,333.34
Andrew Bury, Jr	do	1,166.61

Jan. 13, 1976.

To the Clerk of the House:

The Committee on Interstate and Foreign Commerce pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $2,624,792.27
3. Amount expended during this period 1,337,397.80

HARLEY O. STAGGERS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
W. E. Williamson	Chief clerk	$10,295.00
Kenneth J. Painter	First assistant clerk	18,450.00
Eleanor A. Dinkins	Assistant clerk	10,916.25
Frank W. Mahon	Printing editor	12,950.88
Jean McLean	Clerical assistant	6,918.75
Joanne E. Bell	Clerical-stenographic	7,003.32
Mary Ryan	Clerical assistant	10,403.76
Edwin Earl Thomas	Staff assistant	9,286.50
Russell D. Mosher	Documents clerk (from Oct. 25, 1975).	2,435.90
Robert F. Guthrie	Professional staff member.	18,450.00
Charles B. Curtis	do	18,450.00
Lee Sanford Hyde	do	18,450.00
Elizabeth Harrison	do	18,450.00
Jeffrey H. Schwartz	do	18,450.00
James M. Menger, Jr	do	5,451.00
William P. Adams	do	18,450.00
Robert R. Nordhaus	do	18,450.00
Brian R. Moir	do	12,812.49
Karen Nelson	do	16,912.50
William G. Phillips	Professional staff member.	18,450.00
Margaret Dinneen	Professional staff member (from Oct. 14, 1975).	3,850.00
Lewis Berry	Minority counsel	6,420.00
Henry T. Greene	Professional staff member (minority).	17,950.00
Jan Benes Vlcek	do	17,783.34
Barbara Bullard	Administrative assistant (minority).	9,993.75
Darlene McMullen	Legislative assistant (minority).	8,199.99
Mollie M. Brown	Clerical assistant (minority).	6,662.49
Johnnie L. Gallemore, Jr.	Associate minority counsel.	15,375.00
J. Paul Molloy	do	15,375.00
Joseph Kelley	Clerical assistant (minority).	5,261.11
Ronald D. Coleman	Professional staff member (minority).	15,887.49
Total		394,194.52

SCHEDULE B—INVESTIGATIVE STAFF PARYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Violet M. McCarthy	Clerical assistant	$8,853.42
Anne P. Jordan	do	6,918.75
Barboura C. Flues	do	7,930.92
Susan Tomasky	do	4,766.25
Douglas Stoddart	Clerical assistant (to Aug. 31, 1975).	1,550.00
James R. Connor	Staff assistant	16,422.36
Mary Jane Dox	Clerical assistant	6,150.00
Mark E. Anderson	Clerical assistant (to Aug. 31, 1975).	1,300.00
Sharon E. Davis	Clerical assistant (from Sept. 1, 1975).	3,977.08
Selene M. Byrd	Clerical assistant (from Dec. 1, 1975).	1,000.00
Jan Higgins	Clerical assistant (minority) (from Nov. 17, 1975).	1,283.33
June L. Cassidy	Clerical assistant (minority) (from Oct. 29, 1975).	2,066.67

SUBCOMMITTEE ON COMMUNICATIONS

Name of employee	Profession	Total gross salary during 6-mo period
Harry M. Shooshan, III	Staff director/counsel	17,499.99
Karen Anne Allen	Office manager/secretary.	6,750.00
Teresa L. Enfield	Secretary	5,750.01
Leena S. Johnson	Legislative assistant	8,374.98
George H. Harder, III	Associate minority counsel.	10,916.67
Andrew J. Margeson	Economist	10,583.35
Alan Pearce	do	16,750.02
Sherrye P. Henry	Clerical assistant (to Aug. 10, 1975).	666.67

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Name of employee	Profession	Total gross salary during 6-mo period
Michael R. Lemov	Chief counsel	$18,450.00
Benjamin J. Smethurst	Special assistant	17,710.89
Mark J. Raabe	Senior counsel (to Sept. 19, 1975).	7,265.76
Michael F. Barrett	Senior counsel (to Nov. 16, 1975.)	12,730.11
Albert J. McGrath	Special assistant (to Oct. 31, 1975).	6,205.72
Elizabeth A. Eastman	Office manager	8,334.69
Diane Kirchenbauer	Staff assistant (to Nov. 7, 1975)	5,047.44
Russell D. Mosher	Documents clerk (to Oct. 24, 1975).	4,149.04
James Thomas Greene	Counsel to the subcommittee chairman.	13,837.50
Richard W. C. Falknor	Special assistant	15,375.00
Bernard J. Wunder, Jr	Minority counsel	13,837.50
Lisa C. Wiles	Secretary to chief counsel.	6,924.99
Kirk C. Smith	Special assistant	8,456.25
Shirley A. Fulp	Staff assistant	6,150.00
Elliot A. Segal	do	16,400.01
Bradley D. Stam	Counsel (to Oct. 17, 1975).	6,291.25
John Galloway	Special assistant	15,375.00
Carolyn Ann Emigh	do	12,300.00
Eather H. Higginbotham	Staff assistant	6,406.25
Lester Brown	Research assistant	5,006.25
Richard W. Klabzuba	Special assistant (to Sept. 15, 1975).	2,083.33
Carol Forti	Special assistant	11,274.99
Kathleen M. Bennett	Secretary (minority) (to Sept. 30, 1975).	2,250.00
Mark L. Rosenberg	Counsel	7,943.76
Patrick M. McLain	do	6,281.25
Amy C. Pertschuk	Clerical assistant (to July 11, 1975).	241.87
Ivy Baer	Clerical assistant (to Aug. 29, 1975).	491.67
Janice E. Daniels	Staff assistant (from Oct. 1, 1975).	2,712.50
Rita A. Nickens	Clerical assistant (from Nov. 10, 1975).	736.66
Martha R. Gorham	Staff assistant (from Nov. 10, 1975).	1,841.66
David Coburn	Staff assistant (from Sept. 22–Oct. 22, 1975).	105.00
James L. Nelligan	Special assistant (from Nov. 1, 1975).	6,262.16
Mary E. Foley	Staff assistant (from Aug. 1.–Nov. 15, 1975).	1,906.66
Lowell Dodge	Special counsel (from Oct. 24, 1975).	5,211.10
William D. Braun	Counsel (from Oct. 14, 1975).	6,063.75
Jean M. Davies	Staff assistant (from Aug. 25, 1975).	3,806.25
Robert Clarke Brown	Counsel (from Aug. 18, 1975).	5,920.17
Lori V. Williams	Receptionist/secretary (from July 3–Aug. 22, 1975).	1,250.00
Samuel Dash	Special counsel (from Dec. 1, 1975).	3,000.00

Subcommittee on Energy and Power

Name of employee	Profession	Total gross salary during 6-mo period
Frank Potter	Counsel	18,450.00
Robert M. Howard	Research assistant	13,837.50
Valerie P. Duval	Staff assistant	9,225.00
Barbara H. Witmeyer	Secretary-clerk	5,124.99
Carolyn C. Hanks	Clerk	6,918.75
Danielle M. Beauchamp	do	6,150.00
Patricia C. Leahy	do	6,662.49
Peter D. H. Stockton	Research analyst	10,762.50
Peter S. Hunt	do	15,375.00
Richard T. Fenton	Assistant counsel (to Aug. 31, 1975).	2,333.33
Bruce R. Henke	Staff assistant (from Oct. 1, 1975) (minority staff assistant to Sept. 30, 1975).	7,749.99
Walter W. Schroeder, III.	Research analyst	11,620.84
Marc Linowitz	Clerical assistant (to July 28, 1975).	466.67
Michael Barrett, Jr	Counsel (from Nov. 17, 1975).	4,277.78
James G. Phillips	Research analyst (from Dec. 29, 1975).	155.56
Randall E. Davis	Staff assistant (minority) (from Oct. 1, 1975).	3,750.00
Carolyn G. Speir	Clerk (from Sept. 17, 1975).	2,411.11
William F. Demarest, Jr	Counsel (from Sept. 1, 1975).	9,337.50
Pamela M. Westing	Clerical assistant (from Aug. 1–Aug. 31, 1975).	750.00
Ethel Drennan Murray	Clerical assistant (from Aug. 1–31, 1975).	04.17

Subcommittee on Health and the Environment

Name of employee	Profession	Total gross salary during 6-mo period
Stephan E. Lawton	Counsel	$18,450.00
Jo Anne Glisson	Research assistant	10,250.01
Patricia T. Gomer	Office manager	6,406.26
Sherryl D. Wilson	Secretary (to Oct. 13, 1975).	2,861.10
Donald W. Dalrymple	Assistant counsel	10,250.01
Stephen J. Connolly	Staff assistant	12,812.49
Sydney S. Coale	Clerical assistant (to Aug. 1, 1975).	465.00
Frances Lee dePeyster	Minority staff assistant (from Aug. 1, 1975).	8,583.34
Linda M. Anzalone	Secretary (from July 7, 1975).	4,841.68
Rosalyn Davidson	Clerical assistant (from July 14, 1975).	4,613.20
Deborah M. Prout	Staff assistant (from Dec. 1, 1975).	791.67

Subcommittee on Consumer Protection and Finance

Name of employee	Profession	Total gross salary during 6-mo period
Harvey A. Rowen	Counsel (to Nov. 3, 1975).	12,465.00
Siegmund W. Smith	Staff administrator	18,450.00
Janie A. Kinney	Counsel	15,375.00
Peter Kinzler	do	15,375.00
Nancy Ann Nord	Counsel (minority)	13,337.49
Judith A. Quinn	Secretary	6,662.49
Dale C. Bechtel	do	6,150.00
Marion S. Ryan	Clerical assistant	6,662.49
Mary T. Foldes	Counsel (from Sept. 15, 1975).	7,366.67
Susan Colleen Fry	Clerical assistant (from Aug. 2-31, 1975).	773.33

Subcommittee on Transportation and Commerce

Name of employee	Profession	Total gross salary during 6-mo period
William Kovacs	Counsel	18,450.00
LeRoy Charles Corcoran	do	18,450.00
James Van Deerlin	Legislative assistant (to Aug. 31, 1975).	2,500.00
Lisa M. Spang	Office manager	4,867.76
Wendy J. Gell	Executive assistant	7,943.76
William T. Druhan	Staff assistant	9,249.00
Cheryl E. Sparks	Secretary	4,356.24
Ronald K. Olson	Assistant counsel (to Dec. 14, 1975).	10,481.25
Mary E. Prendergast	Clerical assistant (to Sept. 30, 1975).	1,500.00
Jeffrey B. Bloom	Clerical assistant (to Aug. 31, 1975).	1,000.00
Patrick J. Green	Clerical assistant (from Oct. 1, 1975).	1,950.00
Joseph J. Martyak	Legislative assistant (from Sept. 1, 1975).	5,879.17
John F. Klucsik	Staff assistant (from Sept. 1, 1975).	4,841.67

COMMITTEE ON THE JUDICIARY

Jan. 15, 1976.

To the Clerk of the House:

The Committee on the Judiciary pursuant to sec. 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,738,845.88
3. Amount expended during this period 806,142.71

PETER W. RODINO, Jr., Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Tota' gross salary during 6-mo period
Earl C. Dudley, Jr	General counsel	$18,450.00
Garner J. Cline	Staff director	18,450.00
Herbert Fuchs	Counsel	18,450.00
William P. Shattuck	do	18,450.00
Franklin G. Polk	Associate counsel	18,450.00
Alan A. Parker	Counsel	18,450.00
Thomas E. Mooney	Associate counsel	16,656.24
Michael W. Blommer	Associate counsel (July 1–Sept. 30, 1975).	7,914.00
James F. Falco	Counsel	15,375.00
Alexander B. Cook	Associate counsel	15,118.74
Arthur P. Endres, Jr	Counsel	14,606.25
Francis Christy	Legislative analyst	13,837.50
Alan Coffey, Jr	Associate counsel	12,812.49
Constatine J. Gekas	do	12,812.49
Mary G. Sourwine	Clerical	12,812.49
Pearl L. Chellman	do	8,712.51
Alma B. Haardt	do	8,712.51
Michael Kelemonick	Clerical (July 1–31, 1975).	1,416.67
Florence T. McGrady	Clerical	8,712.51
Alice Smith	do	8,199.99

COMMITTEE ON THE JUDICIARY—Con.

SCHEDULE A—STANDING COMMITTEE PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
Sharon B. Hughes	Clerical (July 1–Oct. 7, 1975).	$3,368.05
Carolyn S. Thompson	Clerical (July 1–Aug. 31, 1975).	1,750.00
Annelie Weber	Clerical	6,245.50
Sara Shafer	Clerical (from Sept. 16, 1975).	3,691.05
Marguerite Klein	Clerical (from Oct. 1, 1975).	3,018.75
Raymond Smietanka	Associate counsel (from Oct. 1, 1975)	5,000.01
Total		291,472.75

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Lynn Alcock	Clerk	$8,353.74
Lorraine Ambrose	Clerk (from Oct. 1, 1975).	2,887.50
Veronica Amick	Clerk	5,637.51
Maurice A. Barboza	Counsel	13,837.50
Rita L. Bartlett	Clerk	6,406.26
Robert S. Bates	Messenger	4,305.00
Cynthia L. Battle	Clerk (July 1–Sept. 19, 1975).	1,645.83
Martin H. Belsky	Counsel	14,349.99
Timothy A. Boggs	Legislative assistant	7,175.01
Sharon A. Brandes	Clerk	3,430.55
Thomas P. Breen	Counsel	10,503.48
Martha K. Brown	Clerk	5,637.51
Robert L. Brown	Assistant counsel (July 1–Oct. 17, 1975).	5,350.00
Anne B. Butler	Clerk	6,150.00
Dinah Clare	Clerk (from Dec. 1, 1975).	833.33
Daniel L. Cohen	Counsel	13,331.25
Lizzie M. Daniels	Clerk	5,739.99
Eva J. Denev	do	9,233.33
Maureen Doherty	do	6,662.49
James B. Farr	Publications clerk	6,662.49
Maura Flaherty	Clerk (from Nov. 17, 1975).	1,527.78
Theresa M. Gallo	Clerk (from July 14, 1975).	6,907.63
Eugene W. Gleason	Research assistant	12,300.00
Joan Gregory	Clerk (from July 14, 1975).	7,384.04
Timothy J. Hart	Assistant counsel	8,712.51
Bruce Henderson	Messenger (from Aug. 2–31, 1975).	581.21
Gail P. Higgins	Counsel	12,300.00
Thomas W. Hutchison	do	13,837.50
Kenneth Klee	Associate counsel	10,762.50
Marguerite Klein	Clerk (from July 9–30, 1975).	2,391.67
Judy Knott	Clerk (from Sept. 22, 1975).	2,731.25
Toni Lawson	Assistant counsel (from Nov. 21, 1975).	2,000.00
Bruce Lehman	Counsel	12,300.00
Catherine LeRoy	Assistant counsel (from Oct. 28, 1975).	3,412.50
Richard B. Levin	Assistant counsel	8,193.99
Sheila M. Lieber	Legal clerk (from Nov. 4, 1975).	570.00
Robert E. McCarthy	do	570.00
Janet McNair	Assistant counsel	11,274.99
Bernadette Maguire	Clerk	6,406.26
Mary E. Manners	do	4,612.50
Audrey Marcus	do	5,637.51
Michael P. Murphy	Messenger (from July 1–Sept. 15, 1975).	1,770.83
Alan A. Ransom	Counsel	13,325.01
Cheri Robinson	Clerk	4,612.50
Tom S. Runge	Counsel (from Nov. 6, 1975).	3,284.73
Dawn M. Ruuspakka	Clerk	5,637.51
Kathleen L. Ryan	Clerk (from Oct. 2, 1975).	2,348.62
Arden B. Schell	Assistant counsel (from July 1–Sept. 22, 1975).	4,783.33
Leonard Shambon	Counsel	11,531.25
Judith M. Shellenberger	Clerk	6,662.49
Sandra Sincavitz	do	7,943.76
William L. Sippel	Assistant counsel (on July 1, 1975).	8,712.51
Kenneth G. Starling	Associate counsel	11,180.70
Joyce M. Straube	Clerk	6,150.00
Gail Sullivan	do	6,918.75
Lawrence Taylor	Editor (from Nov. 10, 1975).	2,833.34
Joseph F. Tigani	Legal clerk (from Nov. 3–Dec. 31, 1975).	850.67
Robert J. Trainor	Counsel (off Dec. 31, 1975).	13,581.24
Jay T. Turnipseed	Counsel	10,412.50
Louis S. Vance	Messenger	$6,278.13
Barry Vann	Economist	4,528.14
Patricia Villareal	Staff analyst	8,968.74
Dorothy C. Wadley	Clerk	7,431.24
Gary Weaver	do	4,452.08
Marice C. Werth	do	5,124.99
Janice A. Zarro	Assistant counsel	9,737.49
Total		441,613.15

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

(Former Committee on Internal Security—H.R 5)

Name of employee	Profession	Total gross salary during 6-mo period
Daniel Butler	Documents clerk	$6,578.37
Anniel Cunningham	Clerk	10,035.50
Florence B. Doyle	do	6,018.51
Mildred V. James	do	4,863.66
Alfred M. Nittle	Counsel	18,450.00
Alma T. Pfaff	Research analyst	8,711.85
Barbara C. Sweeny	Clerk	6,489.48
Mary Myers Valente	do	11,481.18
Total		72,028.55

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Jan. 27, 1976.

To the Clerk of the House:

The Committee on Merchant Marine and Fisheries pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period [1] $631,285.20
3. Amount expended during this period [2] 356,100.84

---

[1] See below:

Authorization pursuant to H. Res. 237	$477,500.00
Expended to June 30, 1975	100,025.16
Balance in fund June 30 and available July 1 to Dec. 31, 1975	377,474.84
Salaries standing committee staff July 1 to Dec. 31, 1975	253,810.36
Total amount available July 1 to Dec. 31, 1975	631,285.20

[2] See below:

Amount expended July 1 to Dec. 31, 1975 (H. Res. 237)	102,290.48
Salaries standing committee staff for period	253,810.36
Amount expended during this period	356,100.84

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Ernest J. Corrado	Chief counsel	$18,450.00
Ned P. Everett	Counsel	18,450.00
Leonard L. Sutter	do	16,912.50
Francis D. Heyward	do	13,837.50
Mary C. McDonnell	do	13,837.50
Carl L. Perian	Professional staff member	16,084.11
Terrence W. Modglin	do	8,968.74
Donald A. Watt	Editor	12,331.23
Francis P. Still	Chief clerk	6,150.00
W. Bernard Winfield	Clerk	14,651.88
Ruth I. Hoffman	Assistant clerk	8,339.91
Jacquelyn M. Westcott	Research assistant	8,968.74
Vera A. Barker	Secretary	11,787.51
Eleanor P. Mohler	do	7,687.50
Mabel Duran	do	7,471.86
Marvadell C. Zeeb	do	6,918.75
Minority:		
Richard N. Sharood	Chief minority counsel	17,937.51
Charles A. Bedell	Deputy Minority counsel.	12,070.29
John H. Bruce (Appointed Sept. 1, 1975).	Professional staff assistant.	7,166.68
Virginia L. Noah	Minority clerk	11,525.96
Gwendolyn H. Lockhart.	Assistant minority clerk.	8,224.69
Jack E. Sands	Deputy minority counsel (transferred from investigative staff, Oct. 1, 1975).	6,037.50
Total		253,810.36

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
James W. Spensley	Counsel	$12,812.43
Julia P. Perian	Professional staff member.	10,250.01
Michael S. Sawyer	Clerk	4,612.50
Carolyn W. Robinson	Stenographer	5,637.51
Wendy L. Friedman	Summer intern (July and August 1975).	1,000.00
Minority:		
George J. Mannina, Jr.	Professional staff assistant.	11,787.51
Austin P. Olney	do	12,300.00
Grant Wayne Smith	do	12,300.00
Ronald K. Losch	do	5,000.01
Jack E. Sands	Professional staff assistant (transferred to standing committee staff, Oct. 1, 1975).	5,750.01
Total		81,450.84

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Jan. 7, 1976.

To the Clerk of the House:

The Committee on Post Office and Civil Service pursuant to section 6 (j) of Rule XI. Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $847,015.59
3. Amount expended during this period 552,300.94

DAVID N. HENDERSON, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo. period
Majority:		
John H. Martiny	Chief counsel	$3,042.00
Victor C. Smiroldo	Staff director and counsel.	18,450.00
Roy C. Mesker	Senior staff assistant	6,458.00
Robert Lockhart	Counsel (through Dec. 31, 1975).	17,988.75
Eli Minton	Associate counsel	17,988.75
J. Pierce Myers	Assistant counsel (as of July 1, 1975).	13,387.50
Edward T. Hugler	Investigator	16,143.75
Alton Howard	Printing editor	12,658.74
Maria Pendleton	Administrative clerk	10,599.99
Dorothy Peters	Executive secretary	9,929.99
Margaret Napier	Document clerk	7,999.98
Richard A. Barton	Subcommittee staff director.	15,631.26
George B. Gould	do	15,631.26
Lloyd A. Johnson	do	15,631.26
Ronald McCluskey	Assistant counsel and subcommittee staff director.	9,227.09
Donald F. Terry	Assistant counsel and subcommittee staff director (as of Aug. 1, 1975).	13,837.50
Minority:		
Theodore J. Kazy	Associate staff director	18,450.00
Joseph A. Fisher	Senior staff assistant	16,809.99
Anthony J. Raymond	Staff assistant	14,375.64
William Manoogian	do	9,225.00
J. Warren Geurin	Investigator	9,570.01
Jean W. Gilligan	Staff assistant	9,270.00
Ray Caultrap	do	8,968.74
Kathryn Reynolds	Secretary	7,431.24
Margaret Barry	do	7,431.24
Total		306,137.68

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Full Committee Investigative Staff—Majority		
JoAnn Ciaravella	Staff assistant	$7,687.50
Patricia Marines	do	8,166.66
Patricia Perdue	Secretary	5,779.18
Kandy Kovaleski	do	5,762.50
Marian Goodman	do	5,125.02
Molly Lyons	Assistant document clerk.	5,739.99
Nancy Desrochers	Secretary	5,499.99
Gordon Freedman	Assistant staff investigator (as of Aug. 4, 1975).	6,312.50

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
Monique Alexander	Secretary (July 21–Aug. 8, 1975).	$325.01
John Gabusi	Staff assistant (through July 31, 1975).	1,625.00
Diane Bakall	Clerk-typist (through July 13, 1975).	260.00
Edward M. Sibble	Research assistant (through Sept. 20, 1975).	2,400.00

Full Committee Investigative Staff—Minority

Name of employee	Profession	Total gross salary during 6-mo period
Robert Branand	Staff assistant	9,225.00
E. Jane Dodds	do	9,209.61
Judith Ann Haugh	Staff assistant (as of July 1, 1975).	7,687.50
Vena Meadfor	Clerk (through Aug. 8, 1975).	633.33
Harry Bleecker	Clerk (through Aug. 15, 1975).	900.00
Megan Smith	Clerk (through Aug. 15, 1975).	750.00
Jeffrey Morgan	Clerk (July 1–Aug. 31, 1975).	1,000.00
John F. Breitenberg	Staff assistant (as of Dec. 1, 1975).	1,416.67

Manpower and Civil Service Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Paul Newton	Staff assistant	13,325.01
George Pierce III	Staff assistant (as of July 10, 1975).	11,456.24
Patricia Pankonin	Secretary	6,534.39
Evalena Carroll	Clerk-typist	4,663.74
Kevin Johnson	Clerk (through Aug. 15, 1975).	750.00
Deborah Willey	Clerk (through July 31, 1975).	500.00

Postal Service Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Rosemary Story	Staff assistant	7,687.50
Lydia Fox	Secretary	5,688.75
Arthur Leonard	Clerk (through July 31, 1975).	500.00
Carolyn Northrup	do	500.00

Postal Facilities, Mail, and Labor Management Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Michael Cavanagh	Staff assidtant	7,687.50
Paula Hemphill	Secretary	6,406.26
Stacy Jones	Clerk-typist	1,291.50
Lawrence Epstein	Clerk (through Aug. 15, 1975).	750.00

Retirement and Employee Benefits Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Ronald McCluskey	Assistant counsel (through July 31, 1975).	1,508.33
Bettie LaMotte	Secretary	6,662.49
Kathleen DuVal	Assistant counsel (Aug. 1,–Nov. 30, 1975).	5,100.00
Stephen Camp	Clerk-typist	1,558.33
Bruce O'Malley	Clerk (through July 14, 1975).	233.33
Linda Reynolds	Clerk (through July 15, 1975).	250.00

Employee Political Rights & Intergovernmental Programs Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Gail Weiss	Staff assistant	9,867.49
Iris Hunt	Secretary (through July 31, 1975).	791.67
Janet Wilkov	Secretary (as of Aug. 11, 1975).	3,811.12
Edward M. Blake	Clerk (through Aug. 22, 1975).	866.67
Virginia Brown	do	810.00

Census and Population Subcommittee

Name of employee	Profession	Total gross salary during 6-mo period
Carol Lumb	Staff assistant	7,687.50
Bertha Ramlow	Secretary	5,124.99
Catherine Clifford	Clerk (through Aug. 16, 1975).	766.67
Matthew Joseph	Clerk (through July 12, 1975).	200.00
Total		198,484.94

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Public Works and Transportation pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to Dec. 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,906,660.37
3. Amount expended during this period 1,028,142.27

ROBERT E. JONES, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Richard J. Sullivan	Chief counsel	$18,450.00
Lloyd A. Rivard	Chief engineer	18,450.00
Lester Edelman	Counsel	18,450.00
Clifton W. Enfield	Minority counsel	7,624.00
Dorothy A. Beam	Executive staff assistant.	14,276.85
Meriam R. Buckley	Calendar clerk (term started July 31, 1975).	1,879.18
Sterlyn B. Carroll	Staff assistant	11,573.87
Ruth S. Costello	do	11,490.54
Erla S. Youmans	Minority executive staff assistant.	12,438.18
Larry Reida	Associate minority counsel.	18,450.00
Robert K. Dawson	Administrator	17,305.29
Robert F. Loftus	Staff assistant	16,485.87
Douglas M. Copley	Minority staff professional staff.	18,116.88
David A. Heymsfeld	Assistant counsel, aviation.	18,193.74
David L. Mahan	do	17,783.76
Errol L. Tyler	Associate counsel	16,997.55
John F. Fryer	Assistant counsel, Surface Transportation clerk, Subcommittee on Water Resources.	16,656.24
Marie M. Lynch	Clerk	9,397.92
Joseph A. Italiano	Editor	13,249.38
Clyde E. Woodle	Transportation engineer.	12,812.49
Marvin R. Evans	Staff assistant	10,250.01
Elizabeth F. Loughlin	Minority librarian	9,225.00
Catherine Ann Evans	Calendar clerk (transferred from Investigation Committee Aug. 1, 1975).	6,437.50
Mary T. Coman	Staff assistant (transferred from Investigation Committee Oct. 5, 1975).	3,018.75
James E. Scott, Jr.	Professional staff member, budget (effective Dec. 1, 1975).	3,150.00
Joan M. Kovalic	Staff assistant (transferred from Investigation Committee Dec. 5, 1975).	1,837.50
Total		324,000.50

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Catherine Ann Evans	Staff assistant	$1,250.00
Alfred W. Rowan	Minority staff assistant (terminated Sept. 30, 1975).	5,375.01
Florence B. Edelen	Minority staff assistant (terminated Nov. 17, 1975).	4,976.05
Stephanie C. Negley	Staff assistant (terminated Aug. 31, 1975).	2,211.06
Salvatore J. D'Amico	Counsel	18,450.00
Carl J. Lorenz	Counsel, Subcommittee on Economic Development.	18,450.00
Robert F. Spence	Staff assistant	10,846.65
Ronald K. Ence	Minority professional staff member, Subcommittee on Surface Transportation.	10,000.02
Sheldon S. Gilbert	Assistant minority counsel.	18,261.78
Carol D. Granville	Staff assistant	9,065.37
Herbert C. Madison	Professional staff assistant—Aviation.	13,837.50
Thomas J. Campbell	Staff assistant	12,499.98
Nancy Vitali	Subcommittee clerk, public buildings and grounds.	9,507.09
Patricia A. Hill	Staff assistant	8,573.10
Richard C. Barnett	Minority staff assistant	10,762.50
Gordon E. Wood	Assistant minority counsel.	18,346.18
Toby J. Stein	Staff assistant	5,654.97
Mary K. Trich	Staff assistant, Subcommittee on Economic Development.	4,596.72
Patricia H. Stone	Minority staff assistant	10,326.90
Machele J. Miller	Staff assistant	6,508.74
John J. Carter	Staff assistant, Subcommittee on Economic Development (terminated July 31, 1975).	1,041.67
Jeffrey S. O'Neill	Minority staff assistant	$14,601.15
Roger P. Furey	Clerk	4,439.57
Olga Wynnyk	Staff assistant	3,928.75
Cheryl Ann Meyers	Minority staff assistant, Subcommittee on Economic Development.	6,292.62
Anne L. Howard	Staff assistant	7,129.49
Robert M. Paul	Professional staff member, Environment and Economic Development.	18,450.00
Ann D. Clineburg	Staff assistant, Subcommittee on Economic Development.	7,028.03
Elizabeth A. Larson	Staff assistant	5,509.38
Joan M. Kovalic	Staff assistant (transferred to standing committee Dec. 5, 1975).	8,925.00
Nancy H. Denholm	Staff assistant	4,596.72
Elisabeth Forshay	Staff assistant (terminated Dec. 5, 1975).	5,894.44
Ann Cole	Minority staff assistant (terminated July 13, 1975).	433.33
Mary T. Coman	Staff assistant (transferred to standing committee Oct. 5, 1975).	2,812.49
Jane C. Lymph	Staff assistant (terminated Sept. 19, 1975).	1,975.00
Cyrus T. Anderson, Jr.	Staff assistant	7,687.50
Patricia Bethune	do	7,687.50
Barbara Bannister	Minority staff assistant	7,175.01
Janet L. Hoobler	Staff assistant	[illegible],612.50
Ann Braniff	Staff assistant (terminated July 21, 1975).	583.3
Henry S. Pflanz	Minority professional staff member, aviation.	12,812.49
Ira N. Forman	Staff assistant	7,514.57
Sharon Curtin	Staff assistant, Subcommittee on Public Buildings and Grounds (terminated Sept. 30, 1975).	3,000.00
Patricia R. Donovan	Staff assistant (terminated Aug. 25, 1975).	1,100.00
Roscoe O. Roberts III	Staff assistant (terminated July 31, 1975).	600.00
Christina A. Bacus	Staff assistant (terminated Sept. 15, 1975).	1,500.00
Randolph W. Deitz	Staff assistant (terminated Aug. 22, 1975).	693.33
Michael J. Toohey	Minority professional staff member, Subcommittee on Water Resources (effective July 1, 1975).	9,225.00
Annadele Rasznick	Minority staff assistant (effective July 28, 1975).	4,812.51
Bonnie E. Barnett	Staff assistant (effective July 18, 1975).	4,652.77
William Fitzgerald	Staff assistant (effective Aug. 1, 1975, terminated Sept. 8, 1975).	1,266.67
Marjorie M. Dowling	Staff assistant (effective Aug. 25, 1975).	4,132.50
Edythe M. Edwards	Staff assistant, Subcommittee on Economic Development (effective Sept. 1, 1975).	6,225.00
Deborah J. Folk	Staff assistant (effective Sept. 17, 1975).	1,567.22
Susan Ricker	Staff assistant (effective Sept. 15, 1975, terminated Dec. 21, 1975).	2,806.94
Alise Peyton	Minority staff assistant (effective Nov. 1, 1975).	2,345.00
Walter L. Mazan	Professional staff member (transferred from investigations and review, Nov. 1, 1975).	5,792.41
Total		390,349.51

SUBCOMMITTEE ON INVESTIGATIONS AND REVIEW

Name of employee	Profession	Total gross salary during 6-mo period
William O. Nolen	Investigator	$14,601.33
Betty Hay Wright	Administrative assistant.	11,318.46
Martha E. Downie	Minority clerk	10,250.01
Agnes M. GaNun	Staff assistant	8,137.20
Kathryn M. Keeney	Chief clerk	11,914.17
Shirley K. Novotny	Staff assistant	7,855.89
George M. Kopecky	Chief investigator	8,033.33
Robert G. Lawrence	Associate counsel	5,285.00
Walter R. May	Chief counsel	5,862.50

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION—Continued

SUBCOMMITTEE ON INVESTIGATIONS AND REVIEW—Con.

Name of employee	Profession	Total gross salary during 6-mo period
John P. O'Hara	Associate counsel	$18,450.00
Paul R. S. Yates	Minority staff director	18,450.00
George P. Karseboom	Professional staff member.	16,986.75
Charles A. Krouse	do	16,968.75
Virginia Middledorf	Staff assistant	8,111.85
Craig Raupe	Professional staff member.	16,940.91
Charles W. Prisk	Staff engineer	3,988.00
Walter L. Mazan	Professional staff member (transferred to Investigating Committee).	11,036.32
Curtis E. Whalen	Minority counsel	9,225.00
John A. Knapp	Staff assistant	1,946.85
Susan M. Lucey	Staff assistant (effective July 12, 1975).	6,385.79
John N. Stratton	Minority investigator (effective Nov. 16, 1975).	2,125.00
Total		213,855.11

COMMITTEE ON RULES

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Rules pursuant to section 6 (j) of Rule XI, Rules of the House Representatives, submits the following report for the 6-month period from July 1, to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $275,019.89
3. Amount expended during this period 249,447.06

RAY J. MADDEN, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Laurie C. Battle	Chief counsel and staff director.	$18,450.00
Donald Gregory Nicosia	Counsel	16,223.70
Winifred L. Watts	Administrative assistant.	14,785.65
Margaret Anne Bundick	Staff assistant	12,607.50
Dorothy Ballenger	do	10,250.01
Claudia G. Moore	do	10,250.01
Richard M. Bates	do	7,896.66
William D. Crosby, Jr	Minority counsel	16,223.70
Jonna Lynne Cullen	Assistant minority counsel.	12,607.50
Linda L. Weaver	Minority staff assistant.	7,943.76
Michael H. Hynes	do	9,225.00
Helen Carol Ortega	do	4,219.45
Margaret E. Broadaway	Research assistant	7,000.00
Trevia A. Dean	do	11,274.99
Amelia T. Lasser	do	9,532.50
Ray Kamikawa	do	4,650.00
Elma Henderson	do	4,650.00
Donna Marie Siss	do	9,737.49
Michael H. Wainwright	do	5,879.17
John J. Dooling	do	10,250.01
Patricia S. Fleming	do	11,250.00
Donald Wolfensberger	Minority staff assistant	12,300.00
Gregory T. Rehak	do	9,199.98
Berlon Michael Mauldin	do	10,000.02
Total		246,407.10

COMMITTEE ON SCIENCE AND TECHNOLOGY

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Science and Technology pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $621,168.04
3. Amount expended during this period 506,306.31

OLIN E. TEAGUE, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Mary S. Bly	Secretary	$7,431.24
Radford Byerly, Jr	Science consultant (from Oct. 1, 1975).	8,610.00
William Garrett Carter	Publications clerk	6,273.00
Regina A. Davis	Clerk	7,687.50
Leon F. Drozd, Jr	Chief Clerk (through July 15, 1975).	$828.75
John V. Dugan, Jr	Science consultant (from Aug. 11, 1975).	13,045.13
David B. Finnegan	Counsel (from Oct. 1, 1975).	9,000.00
George W. Fisher	Clerk (through July 31, 1975).	3,000.00
Helen Lee Fletcher	Secretary	8,416.29
Harold A. Gould	Deputy director	18,200.00
L. Kirk Hall	Technical consultant (through Aug. 31, 1975).	3,250.00
Frank R. Hammill, Jr	Counsel	18,200.00
Kay Skibinski Henry	Secretary (from July 14, 1975).	6,193.05
John D. Holmfeld	Science consultant	15,886.23
Linda Marsha Huey	Secretary (through Sept. 15, 1975).	2,291.68
Robert C. Ketcham	Counsel	18,166.66
J. Thomas Ratchford	Science consultant	18,166.66
Ralph N. Read	Technical consultant	18,166.66
Carol F. Rodgers	Secretary	8,734.98
Patricia J. Schwartz	do	7,175.01
Willis D. Smith	Science consultant (from Oct. 1, 1975).	6,851.25
Donna Lee Sokolowski	Secretary (from Oct. 1, 1975).	2,441.25
Suzanne M. Stamper	Secretary	5,637.51
Michael A. Superata	Minority counsel	12,207.00
Carl Swartz	Minority counsel (through Oct. 5, 1975).	8,374.60
John L. Swigert, Jr	Executive director	18,300.00
Thomas H. Tackaberry	Technical consultant (through Sept. 30, 1975).	2,499.99
Thomas N. Tate	Counsel	15,759.66
Charles A. Trabandt	Minority counsel (from Oct. 1, 1975).	6,562.50
Lillian McBee Trippett	Minority secretary (from Sept. 15, 1975).	2,609.03
Barbara Sutton Weinblatt.	Secretary (from Oct. 1, 1975).	2,625.00
William G. Wells, Jr	Technical consultant	18,100.00
Rebecca S. Wheeler	Administrative assistant.	7,190.76
James E. Wilson, Jr	Technical consultant	18,200.00
Philip B. Yeager	Counsel	18,200.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
April V. Applegate	Secretary (from July 2, 1975).	$4,740.42
Ellen M. Barney	Secretary	4,612.50
Terese M. Boswell	Receptionist (from July 10, 1975).	3,900.01
Darcia D. Bracken	Science consultant	9,481.26
Darrell R. Branscome	Technical consultant	11,274.99
Radford Byerly, Jr	Science consultant (through Sept. 30, 1975).	8,199.99
Josephine F. Cox	Secretary	5,338.40
Nancy Eubank	do	1,416.66
David B. Finnegan	Technical consultant and counsel (through Sept. 30, 1975).	8,750.01
George W. Fisher	Special assistant to chairman (from Aug. 1, 1975).	3,125.00
Geraldine L. Fisher	Secretary	4,305.00
Jeremy D. Frey	Research clerk (to Sept. 7, 1975).	1,340.00
Marguerite L. Fry	Secretary (from Nov. 6-11, 14, 1975).	300.00
James L. Gallagher	Technical consultant	12,812.49
Carole A. Hackes	Research clerk	3,690.00
Mary Beverly Howard	Secretary	5,124.99
Thomas R. Kramer	Science consultant	11,787.51
Martha Maxfield	Secretary (from Oct. 1, 1975).	2,100.00
Thomas H. Moss	Science consultant (from Nov. 7-28, 1975).	2,200.00
Gail Pesyna	Science consultant	8,199.99
Donna L. Sokolowski	Secretary (to Sept. 30, 1975).	2,150.01
Willis D. Smith	Science consultant (from Sept. 1-30, 1975).	2,175.00
H. Gerald Staub	Technical specialist	8,587.51
Thomas H. Tackaberry	Clerk	2,625.00
Anthony C. Taylor	Technical consultant (from July 15, 1975).	10,656.25
Paula M. Teeples	Receptionist (from July 14, 1975).	3,811.12
Charles A. Trabandt	Minority counsel (through Sept. 30, 1975).	6,249.99
A. Lee Wallace III	Minority counsel	$9,737.49
Barbara Sutton Weinblatt.	Secretary (to Sept. 30, 1975).	2,499.99
William S. Widnall	Technical specialist (through Aug. 31, 1975).	833.34

COMMITTEE ON SMALL BUSINESS

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Small Business pursuant to sec. 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December. 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $528,476.29
3. Amount expended during this period 318,335.84

JOE L. EVINS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Myrtle R. Foutch	Clerk	$15,804.16
Justinus Gould	Deputy general counsel.	18,450.00
Henry A. Robinson	General counsel	18,450.00
Donna M. Watson	Secretary	7,175.01
Willa C. Rawls	Secretary—Minority	6,662.49
Carol A. Ward	do	2,874.99
James R. Phalen	Minority counsel	16,800.01
Paul E. Kritzer	Assistant minority counsel.	13,581.24
Kenneth H. Davidson	Staff assistant	5,616.67
Michael J. Ward	Assistant counsel	2,833.34
Irene L. Liberty	Printing editor	10,250.01
Lynn L. Graham	Secretary	5,637.51
Bernard Layne	Financial analyst	13,837.50
Judy Staples	Secretary	4,161.68
Total		142,134.61

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Douglas L. Francisco	Minority staff member	$12,812.49
Emilia E. Parrish	Secretary	7,175.01
Lucille C. Hicks	do	7,431.24
Anthony J. DiStefano	Subcommittee staff member.	12,812.49
Mary E. Hohman	Clerk-typist	5,124.99
Thomas A. Trimboli	Subcommittee counsel	13,241.67
Thomas G. Powers	Counsel	13,837.50
Elmira R. Stewart	Secretary—Minority	5,381.25
Stephen P. Lynch	Professional staff member.	8,399.99
William F. Demarest, Jr	Counsel	4,500.00
Marvin W. Topping	Minority staff member	9,377.49
George E. Moll	Subcommittee staff member.	13,837.50
Raymond S. Wittig	Subcommittee counsel—Minority.	11,274.99
Vincent DeMarco	Staff assistant	1,200.00
Robert M. Walker	do	5,793.75
Elizabeth W. Cingel	Secretary	3,416.66
Michael J. Ward	Subcommittee counsel	6,916.67
Janet M. Olchowski	Secretary—Minority	2,766.67
Mary L. Liggon	Secretary	3,150.00
Sherryl D. Wilson	do	2,383.34
Patricia J. Shannon	do	2,625.00
Jerrold S. Jensen	Subcommittee counsel—Minority.	1,750.00
Total		155,578.70

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Jan. 6, 1976.

To the Clerk of the House:

The Committee on Standards of Official Conduct pursuant, to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedule A).
2. Total funds available during this period $90,999.36
3. Amount expended during this period 69,611.69

JOHN J. FLYNT, Jr., Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John M. Swanner	Staff director	$18,450.00
William F. Arbogast	Assistant staff director	16,233.70
Mariann R. Mackenzie	Secretary	13,598.07
Pamela R. Gray	Assistant clerk	4,326.33
Diane C. Munchak	do	4,305.00
Total		56,903.10

COMMITTEE ON VETERANS' AFFAIRS

Jan. 15, 1976.

To the Clerk of the House:

The Committee on Veterans' Affairs pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $662,545.76
3. Amount expended during this period 332,783.04

RAY ROBERTS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Oliver E. Meadows	Staff director	$18,450.00
Mack G. Fleming	Counsel	18,450.00
Billy E. Kirby	Professional aide	18,450.00
Philip E. Howard	do	18,450.00
John R. Holden	Professional staff member (minority).	18,450.00
Arthur M. Gottschalk	Professional aide (minority).	15,375.00
Robert Siegrist	do	15,375.00
Michael F. Venuto	do	7,052.07
Louis A. Townsend	Professional aide	4,082.30
Francis W. Stover	Assistant counsel	18,450.00
Helen A. Biondi	Chief clerk	17,527.50
Marjorie J. Kidd	Clerk-stenographer	8,742.27
A. Arlene Burnett	do	7,343.14
Candis L. Graves	do	6,232.47
Margaret Hulehan	do	6,252.51
Jill T. Cochran	do	6,252.51
Gloria Royce	do	6,021.90
Barbara Daniel	Clerk-stenographer (minority).	7,790.01
Ron da Kay Miles	Clerk-stenographer	5,381.25
Deborah A. Robey	Clerk-stenographer (minority).	4,356.24
Helen W. Kirkman	Clerical aide (minority)	12,812.49
Alberta Sue Forrest	Clerk-stenographer (minority).	2,450.00
Total		243,746.66

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Alice V. Matthews	Clerk-stenographer	$3,966.09
Vance L. Gilliam	Records clerk	5,447.55
Michael T. McGinn	Investigator	13,837.50
Michael W. Vehle	Investigator (minority)	10,250.01
James A. Arnold	do	9,058.33
William Steve Hurst	Administrative aide	1,600.00
Karen R. Ibrahim	Staff assistant	4,216.66
Elizabeth Lunsford	Counsel, Subcommittee on Housing.	5,861.11
Total		54,237.25

COMMITTEE ON WAYS AND MEANS

Jan. 12, 1976.

To the Clerk of the House:

The Committee on Ways and Means pursuant to section 6(y) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,652,243.91
3. Amount expended during this period 839,464.16

AL ULLMAN, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John M. Martin, Jr	Chief counsel	$18,450.00
John K. Meagher	Minority counsel	18,450.00
John Patrick Baker	Assistant chief counsel	19,193.74
Frederick B. Arner	Professional assistant (P).	$17,602.07
Mabel C. Baker	Professional assistant (P) to Sept. 30.	4,125.00
Loren C. Fox	Professional assistant (P).	16,400.01
William Fullerton	do	18,193.74
Robert Hill	do	16,764.48
James W. Kelley	do	18,193.74
Wilter B. Laessig	Assistant minority counsel (P).	18,193.74
Harold T. Lamar	Professional assistant (P).	18,193.74
Robert Leonard	do	13,325.01
Eugene J. Malone	Assistant minority counsel (P) from Oct. 1.	8,531.25
Harvey E. Pies	do	7,350.00
Marsha Powell	Professional assistant (P) to Sept. 30.	3,033.69
Lou Ann Rowe	do	3,125.01
A. L. Singleton	Deputy minority counsel (P).	18,193.74
Janet Stanzione	Professional assistant (P) to Sept. 30.	2,625.00
Thelma Askey	Staff assistant (C) from Nov. 1.	2,362.50
Florence Burkett	Staff assistant (C)	11,348.52
Cynthia Carpenter	do	6,060.40
Louise Chrissos	Staff assistant (C) from Oct. 1.	4,462.50
Barbara Fry	Staff assistant (C)	6,111.67
Hughlon Greene	do	12,978.96
Grace Kagan	do	13,519.74
Virginia B. Lee	Staff assistant (C) to Sept. 15.	5,276.00
Walter B. Little	Staff assistant (C)	12,978.96
Norah Moseley	Staff assistant (C) from Oct. 1.	2,791.66
Jean Ratliff	Staff assistant (C)	8,111.85
Karen Schwarz	Staff assistant (C) to Oct. 19.	4,737.45
Gloria Shaver	Staff assistant (C)	12,438.18
Carole Vazis	do	9,247.50
Total		151,369.85

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Jeanne Archibald	Staff assistant	$2,543.76
Thelma Askey	Staff assistant (October 1–31).	1,181.25
Mabel Baker	Staff assistant (from October 1).	4,331.25
Elizabeth Bargielski	Staff assistant (from September 2).	4,288.20
Ann Baxter	Staff assistant	6,662.49
Kenneth H. Bernstein	Professional assistant (fromDecember–1).	1,541.67
Mark Bloomfield	Staff assistant (to August 9).	845.00
Suzanne Blouin	Professional assistant	9,649.35
Gloria Bloyer	Staff assistant	5,716.68
M. Kenneth Bowler	Professional assistant	15,375.00
Emily Brisendine	Staff assistant (from October 20).	1,676.38
Janine Broadhurst	Staff assistant(September 2–October 25).	1,995.14
Madeline Bryar	Staff assistant	6,918.75
Louise Chrissos	Staff assistant (to September 30).	3,999.99
Paula Cottrell	Staff assistant	5,124.99
Catherine Davis	Staff assistant (from October 20).	1,972.21
Joan Eisner	Staff assistant (from December 15).	355.56
Connie Faulkner	Staff assistant	6,406.26
Maria Filipczyk	Staff assistant (November 3–17).	458.34
Virginia Fletcher	Staff assistant	13,325.01
Linda Freeman	do	8,199.99
Susan Friedman	Staff assistant (to September 19).	2,743.06
Carole Goddard	Staff assistant (to August 31).	2,000.00
Julian Granger	Professional assistant	13,837.50
Julie Hamos	Staff assistant	5,649.99
Gloria Harrison	Staff assistant (from December 1).	833.33
Charles Hawkins	Professional assistant	10,427.08
Thomas Hendershot	do	13,837.50
Stephen J. Hill	Staff assistant (to August 1).	516.67
Sharon Hughes	Staff assistant (from September 24).	3,806.25
Erwin Hytner	Professional assistant	18,193.74
Allen C. Jensen	do	15,887.49
Thomas Langston	Staff assistant (to August 22).	866.67
Douglas Lapin	Staff assistant (from December 1).	708.33
Harriett Lawler	Staff assistant	$5,637.51
Mary Nell Lehnhard	Professional assistant	9,751.90
Richard Lindholm	Professional assistant (to September 16).	6,902.77
Eugene J. Malone	Assistant minority counsel (to September 30).	7,749.99
Janice Mays	Professional assistant (from December 15).	822.22
Norah Moseley	Staff assistant (to September 30).	2,458.33
Mary O'Connor	Staff assistant (from October 28).	1,511.10
Harvey Pies	Assistant minority counsel (July 10–September 30).	4,749.99
Gayle Pilchard	Staff assistant (October 13–November 26).	1,442.22
Marsha Powell	Staff assistant (from October 1).	3,185.40
Robert Reese	Staff assistant (to August 9).	1,267.50
Paul C. Rettig	Professional assistant	18,193.74
Rosalyn Rettman	Staff assistant (to July 31).	200.00
Judith Rochlin	Professional assistant	10,250.00
David B. Rohr	do	17,846.07
Susan Romatowski	Staff assistant (from September 22).	3,200.00
Lawrence J. Ross	Professional assistant	18,193.74
Alan Rothenberg	Assistant minority counsel (from September 2).	12,178.47
Lou Ann Rowe	Staff assistant (from October 1).	3,543.75
John J. Salmon	Professional assistant	12,987.49
John L. Sherman	do	17,424.99
Janet Stanzione	Staff assistant (from October 1).	2,795.83
Arthur Stein III	Professional assistant (from December 8).	958.33
Thomas Stokes	Staff assistant (to August 31).	1,202.50
O. P. Stufflebeam	Professional assistant (from July 21).	13,479.85
Anne E. Sullivan	Professional assistant	7,943.76
William K. Vaughan, Jr	do	13,837.50
Robert R. Vonick, Jr	Staff assistant	3,975.00
Lucille Whieldon	do	4,059.71
Mary Jane Wignot	Professional assistant	15,817.85
B. H. Wilkins	do	15,375.00
Total		430,837.39

SELECT COMMITTEE ON AGING

Jan. 15, 1976.

To the Clerk of the House:

The Select Committee on Aging pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to Dec. 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $547,669.98
3. Amount expended during this period 202,254.63

WM. J. RANDALL Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Aheron, Susan Lee	Minority subcommittee staff director.	$6,915.00
Blaney, Annmarie	Clerical	400.00
Brennan, James A., Jr	Majority subcommittee staff director.	8,561.25
Bretsch, Robeta Ann	Minority subcommittee staff director.	13,837.50
Chen, Yung Ping	Staff assistant	33.33
Davis, Dolores A	Gerontologist	12,812.49
Garza, Jose S	Majority subcommittee staff director.	11,274.99
Hobbs, Nancy E	Minority subcommittee staff director.	1,466.67
Holman, Mary E	Secretary	1,110.00
Horner, Robert M	Staff director	2,680.00
Howard, Edward F	Majority subcommittee staff director.	13,837.50
King, V. Bernice	Financial secretary	11,732.34
Kuwayama, Fumi (NMN)	Secretary	7,175.01
McClain, Lyle	Counsel	15,375.00
Maloney, Martha Jane	Professional staff assistant.	7,808.35
Murray, Michael W	do	10,250.01
Pless, Nancy L	Secretary	6,406.26
Pollak, Melissa F	do	3,675.00
Rollins, Audrey L	do	5,145.83
Roth, Lorren W	Clerical	3,977.08
Solomon, Albert H., Jr	Chief investigator	4,970.35

SELECT COMMITTEE ON AGING—Continued
SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Con.

Name of employee	Profession	Total gross salary during 6-mo period
Stern, Elliot J	Minority subcommittee staff director.	$13, 387. 50
Thompson, Robert F	Clerical	3, 458. 33
Tischler, John F	Majority subcommittee staff director.	4, 166. 66
Weiner, Robert S	do	5, 276. 25
Total		175, 732. 70

SELECT COMMITTEE ON INTELLIGENCE

Dec. 19, 1975.

To the Clerk of the House:

The Select Committee on Intelligence pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, Dec. 19, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period....... $750, 000. 00
3. Amount expended during this period.......... 320, 193. 44

OTIS G. PIKE, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
A. Searle Field	Staff director	$18, 000
Aaron B. Donner	General counsel	17, 500
John L. Boos	Counsel	17, 500
Jeff Whieldon	do	15, 000
James B. F. Oliphant	do	14, 000
Richard Vermeire	do	14, 000
Carolyn M. Andrade	Administrative assistant.	13, 500
Roscoe Starek	Counsel	12, 500
Gregory Rushford	Investigator	12, 500
Fred Kirschstein	do	11, 000
Jacqueline Hess	Documents clerk	9, 000
Sandra Zeune	Investigator	8, 000
Michal Schafer	Secretary	7, 500
Cheryl Yamamoto	Research assistant	6, 500
Emily Sheketoff	Investigator	9, 000
Peter L. Hughes III	Counsel	15, 000
Alexander Beam	Research assistant	6, 250
Denise Gittin	Secretary	5, 250
Stanley Bach	Counsel	12, 500
Ellen Miller	Investigator	7, 500
Stanley Hecht	Counsel	7, 500
Thomas Hattery	Research assistant	5, 250
John Atkisson	Counsel	11, 500
Herbert Brocks	Documents control clerk.	5, 000
Jim Mengee	Intelligence research	4, 600
Kathy Schroeher	Legislative research	9, 250
Josephine Scheiber	Editor-writer	11, 000
Susan Paisner	Research assistant	5, 250
Susan Poor	do	6, 000
Paul V. Hyndman	Investigator	8, 500
John Burke	Research assistant	6, 250
Total		312, 100

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Gregory Rushford	Investigator	$12, 500
Fred Kirschstein	do	11, 000
Emily Sheketoff	do	9, 000
Sandra Zeune	do	8, 000
Emily Sheketoff	do	9, 000
Ellen Miller	do	7, 500
Total		48, 900

SELECT COMMITTEE ON MISSING PERSONS IN SOUTHEAST ASIA

Jan. 15, 1976.

To the Clerk of the House:

The Select Committee on Missing Persons in Southeast Asia pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from October 9, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period........ $350, 000. 00
3. Amount expended during this period.......... $20, 744. 82

GILLESPIE V. MONTGOMERY, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
J. Angus MacDonald	Staff director (effective Oct. 14, 1975).	$4, 705. 55
Henry J. Kenny	Professional staff assistant (effective Oct. 30. 1975).	4, 736. 12
Job L. Dittberner	Professional staff assistant (effective Nov. 6, 1975).	3, 361. 11
Thelma H. Shirkey	Administrative assistant (effective Oct. 18, 1975).	3, 041. 67
Jennifer M. Miles	Staff assistant (effective Oct. 23, 1975).	1, 605. 55
Charlene S. Dunlap	Staff assistant (effective Nov. 10, 1975).	2, 068. 34
Michael P. Madden	Clerical assistant (effective Dec. 3, 1975).	466. 67
Total		19, 985. 01

AD HOC SELECT COMMITTEE ON OUTER CONTINENTAL SHELF

Jan. 15, 1976.

To the Clerk of the House:

The Ad Hoc Select Committee on Outer Continental Shelf pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from June 30, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attachled schedules A and B).
2. Total funds available during this period........ $136, 942. 67
3. Amount expended during this period.......... 136, 716. 00

JOHN M. MURPHY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Donald Alfred Watt	Editor	$1, 707. 95
Carl L. Perian	Staff director	2, 148. 39
Julia P. Perian	Administrative assistant.	2, 562. 51
Clementine Anthony	Secretary	4, 800. 00
Vivian B. Wiesner	Clerk	2, 499. 99
Bruce J. Terris	Counsel	7, 037. 52
Michael Dickinson	Chief minority researcher.	4, 320. 83
Tina M. Felty (Bowen)	Secretary	4, 278. 34
Robert S. Harrison	Chief clerk	4, 500. 00
Gladys Fenner LeBreton	Research assistant	1, 833. 34
Susan Baffa	Clerk	1, 020. 00
Elizabeth B. Heyward	do	1, 086. 11
Christopher B. Matthews	do	3, 425. 14
Boyd T. Bashore	do	10, 250. 01
Donald A. Crane	Special consultant	479. 23
Martin H. Belsky	Counsel	1, 037. 50
Mary J. Fusco	Secretary	3, 705. 54
Pamela G. LoRusso	Chief clerk	3, 500. 00
Arden Kosatka	Editor	5, 800. 00
Carol L. Snyder	Clerk	2, 933. 35
Lawrence J. O'Brien, Jr	Counsel	4, 958. 34
David L. Cahn	Professional staff member.	5, 875. 00
Mark Greenspan	Research assistant	2, 800. 00
Charles A. Bedell	Minority counsel	1, 537. 50
Daniel Ross	Research assistant	2, 166. 66
Darius Gaskins, Jr	Special consultant	3, 000. 00
Total		89, 273. 25

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

Jan. 15, 1976.

To the Clerk of the House:

The Joint Committee on Congressional Operations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period........ $635, 000. 00
3. Amount expended during this period.......... 269, 984. 84

JACK BROOKS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Eugene F. Peters	Executive director	$18, 450. 00
Francis J. Keenan	Director of projects	18, 224. 61
Cynthia K. Watkins	Staff administrator	10, 500. 00
John C. Ahlers	Staff assistant	15, 375. 00
Bryce H. Pettey	do	2, 255. 56
Wilson R. Abney	do	8, 374. 98
Mark A. Eller	do	11, 662. 51
Robert J. Kelley	do	12, 999. 99
James F. McAllister	Administrative officer	15, 887. 49
Grace Seckler	Placement assistant	4, 675. 01
Gerald P. McCartin	do	2, 495. 94
John W. Molloy	do	5, 499. 99
Earl Francis Rieger	Staff counsel	12, 500. 01
Samuel Merrick	Staff assistant	7, 687. 50
Gayle D. Fralin	Placement assistant	6, 000. 00
Linda Jo Shelton	Staff assistant	6, 000. 00
David Robert Solomon	Placement assistant	5, 000. 01
James Joseph Abrams	Staff assistant	5, 637. 51
Karen Anne Glenn	do	5, 554. 17
Janet E. Moore	Placement assistant	4, 500. 00
English Bradshaw	Staff assistant	5, 725. 00
David Wesley Jones	Placement assistant	4, 612. 50
Mary W. Kopenski	Clerk-typist	2, 300. 01
Ellen L. Jones	Staff assistant	8, 116. 66
Sandra H. Padilla	Administrative officer	8, 374. 98
Michael A. Norris	Placement assistant	5, 083. 33
Donald H. Radler	Staff assistant	15, 000. 00
Fred A. Caccavale	do	4, 445. 84
Rana Shames	Receptionist	4, 250. 01
Beverly R. Blood	Placement assistant	4, 094. 45
Pamela L. Johnson	Clerk-typist	4, 322. 23
Dawn L. Thomas	Placement assistant	2, 722. 22
Susan L. Sadtler	do	2, 561. 80
K. Constantine	Clerk-typist	351. 15
Sara Meyerdierks Ross	do	400. 00
Peter B. Crouch	Temporary assistant	1, 333. 34
Russell S. Gill	do	2, 124. 99
David W. Savercool	do	938. 90
William F. Raines III	do	1, 083. 34
Deborah H. Galt	do	901. 33
Mary C. Dwyer	do	1, 040. 00
Ann Hemenway	do	830. 57
Victor D. Petaccio	Staff assistant	2, 400. 00

JOINT COMMITTEE ON DEFENSE PRODUCTION

Jan. 14, 1976.

To the Clerk of the House:

The Joint Committee on Defense Production pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period........[1] $160, 465. 00
3. Amount expended during this period.......... 80, 663. 44

WRIGHT PATMAN, Chairman.

[1] Does not include supplemental appropriation for October 1975, 5 percent cost-of-living pay raise.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
William H. Kincade	Staff director	$15, 750. 00
Cary Copeland	Assistant staff director.	12, 300. 00
Robert S. Riggs	Professional staff	10, 250. 00
Leon S. Reed	do	6, 662. 49
J. Michael Hemphill	Minority professional staff.	13, 273. 68
Margaret Rayhawk	Research associate	11, 787. 51
Martha Braddock	Executive secretary	5, 893. 74
Mary McElroy	Staff assistant	1, 166. 66
Georgia Crump	do	1, 000. 00
Total		78, 084. 08

Feb. 27, 1976.

To the Clerk of the House:

The Joint Committee on Internal Revenue Taxation pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period..... $1, 324, 380. 00
3. Amount expended during this period....... 669, 843. 91

AL ULLMAN, Chairman.

SCHEDULE A—JOINT COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Laurence N. Woodworth	Chief of staff	$20, 499. 99
Herbert L. Chabot	Assistant chief of staff	18, 450. 00
Bernard M. Shapiro	do	18, 450. 00
Arthur S. Fefferman	Chief economist	7, 993. 00
Harrison B. McCawley	Refund counsel	18, 450. 00
James H. Symons	Statistical analyst	18, 450. 00
John Germanis	do	18, 450. 00
Mark L. McConaghy	Legislation counsel	18, 450. 00
Howard J. Silverstone	International tax counsel.	18, 450. 00
Robert A. Warden	Assistant legislation counsel.	18, 450. 00
Allan S. Rosenbaum	Account	16, 400. 00
Michael D. Bird	Economist	18, 450. 00
Albert Buckberg	do	18, 450. 00
Robert Strauss	do	16, 400. 00
Leon W. Klud	do	14, 727. 00
James W. Wetzler	do	13, 068. 75
Richard L. Bacon	Legislation attorney	17, 681. 25
Michael Oberst	do	17, 424. 99
Don L. Ricketts	do	16, 400. 00
James L. Billinger	do	15, 349. 38
Carl E. Bates	do	14, 349. 99
Paul W. Oosterhuis	do	11, 274. 99
Michelle Scott	do	11, 274. 99
Joseph P. Spellman	Refund attorney	14, 531. 25
Dewitt Fooks Truitt	do	12, 812. 49
Peter J. Davis	Econometrician	9, 225. 00
Tom Hart	do	7, 943. 76
Cynthia F. Wallace	Statistical clerk	8, 712. 51
Joseph E. Fink	do	8, 416. 00
Marcia B. Rowzie	Administrative assistant.	8, 968. 74
Joanne B. McDermott	Executive assistant	11, 787. 50
Michael Cook	Chief clerk	6, 662. 49
Linda R. Savage	Secretary	9, 061. 89
Jamie L. Daley	do	8, 456. 25
Blanche F. Nagro	do	8, 405. 00
Jacqueline S. Pfeiffer	do	8, 199. 99
Alexa B. Gage	do	7, 687. 50
June M. Matthews	do	7, 410. 00
Amelia Del Carmen	do	7, 380. 00
Norma E. Kershner	do	7, 123. 74
Elizabeth A. Dale	do	6, 765. 00
Frances Abelitis	do	6, 713. 76
Mary Gongee	do	6, 354. 99
Janice Campbell	do	4, 920. 00
Lincoln Arnold	Deputy chief of staff (to Aug. 31, 1975).	3, 096. 00
Robert Blum	Legislation counsel (to Nov. 4, 1975).	12, 570. 00
Thomas R. White III	Legislation attorney (to Aug. 15, 1975).	4, 125. 00
William Gerber	Statistician (to Nov. 30, 1975).	6, 162. 49
Maria Winter	Secretary (to Aug. 29, 1975).	2, 343. 62
Guy R. Eigenbrode	Clerk (to Aug. 31, 1975)	1, 500. 00
Alvin Geske	Legislation attorney (as of Aug. 4, 1975).	11, 993. 75
William Lieber	Legislation attorney (as of Sept. 1, 1975).	11, 931. 25
Sharon Frazier	Secretary (as of Aug. 12, 1975).	4, 384. 73
Janet Jerz	Secretary (as of Oct. 28, 1975).	2, 200. 00
Nguyen Van Xe	Clerk (as of Oct. 1, 1975).	3, 100. 00

COMMITTEE ON HOUSE ADMINISTRATION

Jan. 15, 1976.

To the Clerk of the House:

The Committee on House Administration, pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1975 to December 1975, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $741, 612. 68
3. Amount expended during this period 539, 779. 90

WAYNE L. HAYS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Noreen W. Aden	Assistant clerk (minority).	$6, 108. 33
William X. Baranowski	Assistant clerk	6, 406. 26
Carol A. Clawson	Press secretary	13, 468. 74
Cynthia Cortese	Assistant clerk	6, 918. 75
Paul F. Dwyer	Counsel (contracts Subcommittee).	$12, 812. 49
Martha A. Ford	Assistant clerk	6, 427. 41
E. Douglas Frost	Staff director	15, 375. 00
Don R. Gosney	Assistant clerk	5, 124. 99
Chellis C. Gregory	Clerk (Computer Subcommittee).	15, 375. 00
Louis W. Ingram	Minority counsel	15, 375. 00
Gurney Jaynes	Assistant clerk	10, 250. 01
Sharon L. Kite	do	7, 391. 67
Johanna Lucas	do	9, 737. 49
John W. McGarry	Staff attorney	18, 450. 00
Robert McGuire	Assistant auditor	12, 812. 49
Brenda O'Lenick	Assistant clerk	8, 718. 75
Ray R. Murdock	Clerk (Paper Conserv. Subcommittee).	12, 812. 49
William T. Murphy, Jr	Assistant clerk (Pers. and Police Subcommittee) (off October 1, 1976).	6, 322. 91
Linda G. Nave	Assistant clerk (minority).	9, 463. 83
Paula L. Peak	Deputy staff director	12, 812. 49
Frank B. Ryan	Director, information systems.	18, 450. 00
Mary F. Stolle	Assistant clerk	9, 463. 83
Sebastian Tom	Clerk (E. and M. Subcommittee).	14, 014. 62
Joseph Ventura	Clerk (Pers. and Police Subcommittee).	12, 812. 49
Evelyn H. Wilson	Office manager	9, 737. 49
Paul Wohl	Chief counsel and auditor.	18, 450. 00
Heyward T. Hane	Clerk (Oversight Subcommittee) (On Aug. 1, 1975.)	10, 300. 00
Thomas Cooper	Assistant minority counsel. (On Oct. 1, 1975.)	5, 000. 01
John W. Smith	Assistant clerk (E. and M. Subcommittee.) (On Oct. 1, 1975; Off Oct. 31, 1975.)	2, 000. 00
Elsie J. Taylor	Assistant clerk (E. and M. Subcommittee.) (On Nov. 2, 1975.)	3, 851. 38
Total		316, 243. 92

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Judith Simmons	Assistant clerk (Accounts Subcommittee.)	$5, 418. 51
Bernard Mandella	Assistant clerk (Contracts Subcommittee).	4, 714. 73
Phyllis Jones	do	3, 075. 00
Vivienne Hannum	Clerk (Parking Subcommittee).	7, 121. 19
Dixie Spencer	Assistant clerk (Restaurant Subcommittee).	7, 175. 01
Mary-Ellen Candage	Assistant clerk (Off Aug. 31, 1975).	1, 266. 66
Alice Jackson	Assistant clerk (Printing Subcommittee).	7, 123. 74
Barbara Giaimo	Assistant clerk (Elections Subcommittee).	7, 820. 83
Mark Maloney	Assistant clerk (Off July 31, 1975).	655. 33
Ollievia Frasier	Assistant clerk	5, 381. 25
Patrice Connerton	Assistant clerk (Off Aug. 31, 1975).	1, 200. 00
John P. Ford	Assistant clerk (Elections Subcommittee) (Off Aug. 31, 1975; Dec. 1–31, 1975).	2, 666. 66
Richard Oleszewski	Assistant clerk (Elections Subcommittee).	7, 404. 17
Kylene Koch	Assistant clerk (Elections Subcommittee) (Off Aug. 15, 1975).	750. 00
Leighton Lang	Clerk (Restaurant Subcommittee) (Off Nov. 30, 1975).	7, 862. 51
George Yatron	Assistant clerk	3, 075. 00
Grace Cohilas	Assistant clerk (Pers. and Pol. Subcommittee).	$4, 867. 11
Candis Whitley	Assistant clerk	4, 298. 04
Barbara Pogue	Assistant clerk (Contracts Subcommittee).	5, 124. 99
Nancy Brown	Assistant clerk (E. and M. Subcommittee) (Off Aug. 31, 1975).	1, 266. 24
Barbara Dumont	Assistant clerk	6, 150. 00
John D'Aurora	Assistant clerk (On July 7, 1975; Off Aug. 22, 1975).	1, 012. 00
James Gwin	Assistant clerk (Off Aug. 31, 1975).	1, 272. 00
Carol Forbes	Assistant clerk (Computer Subcommittee).	15, 000. 00
Susan Miller	Assistant clerk	5, 637. 51
Charles Howell	Counsel (Accounts Subcommittee).	11, 787. 51
William Canfield	Clerk (L. and M. Subcommittee).	8, 968. 74
Margaret Steele	Assistant clerk (Paper Cons. Subcommittee).	4, 920. 00
James Abernathy	Assistant clerk (Parking Subcommittee).	6, 662. 49
Richard Villa	Assistant clerk (Off Sept. 2, 1975).	1, 429. 45
Harvey Yampolsky	Clerk (Printing Subcommittee) (Off Oct. 17, 1975).	7, 190. 00
Betsy Colombo	Assistant clerk	2, 256. 00
Mary Ann Denning	Assistant clerk (Off Sept. 10, 1975).	1, 400. 00
Janie DeSimone	Assistant clerk (Off Aug. 31, 1975).	1, 200. 00
Charles Kiselyak	do	1, 560. 00
Allison Weaver	Assistant clerk (Off July 31, 1975).	601. 25
Kelly Burke	Assistant clerk (Off Aug. 13, 1975).	860. 00
John Cecil	Assistant clerk (Off Aug. 31, 1975).	1, 200. 00
James Hart	Assistant clerk	4, 100. 01
George Kozel	Assistant clerk (Off July 31, 1975).	601. 25
Robert Zeller	Assistant clerk (Off Sept. 12, 1975).	1, 440. 00
John Shuster	Assistant clerk (Off July 31, 1975).	601. 25
Mark Woods	Assistant clerk (On July 1, 1975); off Aug. 31, 1975).	1, 200. 00
Warner Hassell	Assistant clerk (Parking Subcommittee) (July 1–31, 1975).	533. 33
Emmett Edwards	do	533. 33
Michael Stepanovich	Assistant clerk (On July 21, 1975; off Aug. 31, 1975).	1, 155. 56
Gerard Meara	Assistant clerk (Accounts Subcommittee) Aug. 11–24, 1975).	151. 67
George Ellis	Assistant clerk (Parking Subcommittee) Aug. 1–31, 1975).	583. 33
John Dean	Assistant clerk (On Aug. 1, 1975).	4, 291. 66
Paul Panzarella	do	4, 291. 66
Randy Camp	Assistant clerk (Parking Subcommittee) (On Sept. 15, 1975).	3, 683. 33
Patricia Rones	Assistant clerk (Oversight Subcommittee) (On Oct. 1, 1975).	3, 000. 00
Omega Clay	Assistant clerk (On Oct. 1, 1975).	1, 800. 00
George Franklin	Assistant clerk (Accounts Subcommittee) (On Nov. 1, 1975).	1, 666. 66
Jana Lincoln	do	666. 66
Elizabeth Ray	Assistant clerk (On Nov. 1, 1975).	2, 333. 34
Edward Davey	Counsel (Printing Subcommittee) (On Dec. 1, 1975).	1, 500. 00
Mae Keys	Assistant clerk (E. & M. Subcommittee) (Dec. 5–31, 1975).	848. 61
Lem J. Clark, Jr	Clerk (Restaurant Subcommittee) (On Dec. 1, 1975).	1, 666. 67
Timothy Reese	Assistant clerk (On Dec. 18, 1975).	361. 11
Total		204, 383. 35

COMMITTEE ON HOUSE ADMINISTRATION (HOUSE INFORMATION SYSTEMS)

Jan. 15, 1976.

To the Clerk of the House:

The Committee on House Administration—House Information Systems, pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6 month period from July 1975 to December 1975, inclusive:

1. Name, profession, and total salary of each person employed (See attached schedules A and B).
2. Total funds available during this period...... $2,365,535.58
3. Amount expended during this period........ 2,042,300.85

WAYNE L. HAYS, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Richard Bates	Communications terminal operator (Off 8/2/75).	$1,227.34
Noah St. Clair	Senior systems programmer.	11,533.27
Fredrick Goldberg	Technical Aide (Off August 15, 1975).	845.51
David Brazeal	Computer systems analyst.	10,305.34
William Hill	Senior computer systems analyst.	11,927.13
Benjamin Candler	Programer analyst	9,777.48
Antoinette Gauthier	Communications control coordinator.	5,931.18
Robert Mumma	Senior computer operator.	7,074.54
Curtis Merrick	Section manager	13,549.50
Vernon J. Walters	Programer analyst	9,516.09
Jasper T. Wagliardo	Section manager	12,671.04
Edmond S. Mesko	Information systems specialist.	11,925.90
Gerald L. Barnes	Programer (Off Oct. 30, 1975).	4,312.63
William Freeman, Jr.	Senior computer systems analyst.	12,671.04
Barbara Burda	Senior production control specialist.	5,371.53
Anne Wightman	Programer analyst	8,290.89
Thomas J. Hawk	Communications control coordinator.	6,562.05
John T. Reed	Senior computer systems analyst.	12,549.88
Berthine Washington	Data preparation specialist.	4,396.02
Howard Ulep	Manager, technical support group.	13,984.59
K. Michael Frazier	Programer	8,198.46
Sheldon Grosberg	Administrative assistant.	14,133.71
Stephen Stofko, Jr	Group manager	15,296.10
Patricia A. Ulep	Junior systems factors specialist.	6,581.01
Marsha Madden	Systems factor specialist (Off Sept. 2, 1975).	2,431.27
Frank W. Byrd	Junior data processing shift coordinator.	6,983.90
Deloris Gilliam	Computer operator	4,854.93
Robert W. Garrett	Project manager	13,044.93
Margaret M. Hyland	Senior secretary	5,692.80
Steven Newman	Communication control coordinator.	5,512.77
Elmer Whiting	Senior computer operator.	6,569.25
Dianne Oshetski	Senior secretary (Off July 14, 1975).	409.11
Frances Pratt	Senior secretary (Off Dec. 12, 1975).	5,162.14
Francine Cromwell	Senior executive secretary.	6,800.37
Katherine P. Diamond	Senior data preparation specialist.	4,646.34
Ed Fairleigh	Senior computer operator.	5,217.01
Samuel Rogers	Junior data processing shift coordinator.	7,074.54
Donald C. Morris	Manager	13,984.59
Louis E. Johannes	Technical research assistant.	5,391.51
Barbara E. Swart	Programer	6,194.07
Susan B. Miller	Senior systems factor analyst.	11,553.27
David Underwood	Section manager	12,671.04
Marie V. Williams	Senior information systems specialist.	11,432.51
Kendall R. Free	Senior computer systems analyst (Off July 13, 1975).	787.80
Gerald M. Murphy	Section manager	12,671.04
Katherine J. Bye	Junior technical aide	6,380.49
Hettie K. Prater	Technical aide	7,958.82
Ruth A. Wauters	Systems programer	9,990.18
Thomas C. Brown, Jr	Project manager	10,408.05
Richard G. Maynard	Senior information systems specialist.	13,157.77
H. Gerald McGuire	Group manager	14,423.40
Gerald C. Morrone	Computer systems analyst.	10,407.84
Luis J. Amigo	Programer analyst	8,727.36
Sandra R. Burke	Technical writer	$7,023.24
Lolita D. Werhan	Secretary (Off Aug. 5, 1975).	920.99
James C. Daley	Computer systems analyst.	9,785.22
Mark L. Shriver	Computer operator	5,741.52
Walter E. Haggerty	Section manager	13,790.16
C. Wesley Jenkins	Senior computer systems specialist.	11,616.93
Susan Z. Rudd	Programer analyst	8,024.27
Cletis Harper	Section manager	11,181.93
Dorothy Ellis	Data preparation specialist.	4,683.24
Amos Hilton, Jr	Production control specialist.	4,324.50
Cheryl T. Smith	System factors specialist.	7,276.24
Candace E. Butler	Communications control coord.	5,391.51
James P. Howell	do	5,571.63
Thomas P. Leonardo	Senior computer systems specialist.	10,864.76
Karen Burzinski	Production control specialist.	3,892.95
Neil R. Armann	Technical assistant	13,405.14
Carl F. Schmidt	Systems programer	10,092.66
Henry F. Collins	Senior sections manager.	13,547.43
Brian Connally	Systems programer	9,777.48
Terry G. Mahn	Programer analyst (Off Aug. 22, 1975).	2,236.14
Lea Fowlie	Communications terminal operator.	4,454.50
Robert J. Reardon	Senior systems programer.	12,298.47
Kathleen A. Mohajer	System factors specialist (Off Sept. 2, 1975).	2,431.27
Richard Fields	Manager	13,547.43
Mary Ellen Yarrington	Senior prod. cont. coord. (Off Dec. 15, 1975).	4,931.26
Shriley M. Samuels	Communications terminal operator.	4,356.24
Sharon E. Davis	Communications terminal operator (Off Aug. 31, 1975).	1,416.66
Patricia R. Dowling	Programer analyst	8,462.91
Michael A. Jones	Senior clerk (Off Dec. 24, 1975).	3,347.06
Janet L. Conrad	Communications terminal operator.	4,356.24
Sylestene T. Walker	do	4,356.24
Katherine K. Gidlund	Typist (Off Sept. 17, 1975).	1,624.55
James B. Haga	Senior info. systems specialist.	11,180.70
Aaron Greenberg	Systems factors analyst.	10,723.32
Denise L. Asparagus	Junior administrative control coord.	4,356.24
Elizabeth P. Scattergood	Comm. term. oper. (Off Sept. 30, 1975).	2,124.99
Marilyn Epstein	Programer analyst	7,934.01
Michael S. Dougherty	Senior informations systems spec.	11,925.90
Susan Early	Technical aide (Off Aug. 15, 1975).	845.51
Marilyn J. Knox	Typist	3,892.95
Gloria J. Washington	Data preparation specialist.	4,185.09
Linda Russell	do	4,185.09
Yara N. Romani	Communications control coord.	5,391.51
John Kurpiel	Senior communications term. op.	4,709.56
Linda Molloy	Production control coord. (Off Oct. 31, 1975).	3,197.15
Elizabeth A. Robinette	Senior data preparation specialist.	4,501.29
Steven M. Smith	Junior system factors specialist.	7,354.32
Meridel E. Turch	Senior clerk-typist	4,130.25
James B. Short	Programer analyst	8,288.82
Harlan H. Vinnedge	Computer systems spec. (Off July 31, 1975).	1,367.57
Janet Key	Data preparation specialist.	3,892.95
Helen Blankenship	Typist (Off Nov. 28, 1975).	3,257.82
Alexander Ben	Junior production control coord.	4,683.24
Joel Dibona	Programer analyst	7,934.01
Richard Tischhauser	Senior systems fact. spec. (Off Oct. 24, 1975).	4,953.91
Carol Roberts	Junior info. systems spec.	8,991.81
James T. Sheffer	Computer systems analyst (Off July 20, 1975).	1,094.05
Merritt S. Phillips	Junior computer operator.	4,141.92
Debora J. McDonald	Typist	$3,892.95
Jackie J. Gilliland	Junior programer	5,391.51
Joan M. Frazier	Senior info. systems spec.	12,298.47
Francis A. Gray	Senior comp. systems spec. (Off Aug. 31, 1975).	4,120.66
Thomas E. Pickenpaugh	Junior computer operator.	4,467.74
Lewis Leathersich	Communications term. operator.	3,972.05
Flora A. Posey	Data prep. specialist	3,539.38
Jane G. Dallager	Communications term. op. (Off July 18, 1975).	425.00
Emma Elvira Smith	Senior computer operator.	6,569.73
Alfred C. Quenneville	Junior computer systems analyst.	7,934.01
Robert S. Kidwell	Section manager	13,043.64
Hillel H. Sukenik	Computer systems analyst.	9,777.48
Julette A. Sealey	Typist	4,331.25
Diane D. Zangerle	Secretary (Off July 9, 1975).	260.53
Sharon Lee	Junior data prep. spec. (Off Aug. 31, 1975).	1,211.84
Debra Joiner	Clerk (Off Sept. 19, 1975).	1,315.80
George E. Delcastillo	Senior systems programer.	11,925.90
Susan Willett	Administrative clerk	4,646.34
Joan G. Roberts	Junior systems fact. spec. (Off Sept. 12, 1975).	2,568.19
Beverly Briggs	Communications terminal op.	4,051.15
Elliot C. Chabot	Technical aide (Off Aug. 8, 1975).	713.98
Catherine M. Gvozd	Typist	4,022.61
Richard Guenot	Junior programer	5,391.51
Earl W. Burdette	Section manager	12,298.47
Norman Edward Wilson	Senior comp. systems analyst.	11,180.70
Janice K. Robertson	Computer systems analyst.	10,092.66
Gary Grasmick	Production control coord.	4,119.30
Michelle Eastridge	Secretary	4,621.93
Jean E. Keppler	Communications terminal op.	4,051.15
Robert Ogden	Senior programer	7,234.93
Kenneth Marx	Info. systems specialist.	9,777.48
Sandra L. Sisson	Clerical aide (Off Aug. 8, 1975).	632.92
James Harrington	Technical aide (Off Aug. 31, 1975).	1,127.34
Leslie Bainbridge	Data analyst (Off Aug. 22, 1975).	866.10
Janet P. Schultz	Senior prod. control spec.	4,066.92
Stephen Daniels	Technical aide (Off Aug. 22, 1975).	977.03
Jojean L. Earley	Senior comp. systems analyst (On July 1, 1975).	11,925.90
David Thomas Gaydos	Information systems spec. (On July 1, 1975).	10,723.02
Laurice Walton	Programer analyst (On July 14, 1975).	7,836.61
Linda K. Berdine	Junior secretary (On July 14, 1975).	3,853.10
Gertrude P. Grieb	Computer systems specialist (On July 21, 1975.)	8,998.61
Paula W. MacComber	Secretary (On July 21, 1975).	4,617.42
Bruce W. Fink	Systems factors analyst (On July 28, 1975).	8,077.55
Linda Hall	Secretary (On Aug. 1, 1975).	3,890.01
Kathy S. Hockenberry	Typist (On Aug. 1, 1975).	4,281.93
Phillip E. Bescher	Senior programer analyst (On Aug. 1, 1975).	8,187.65 8,187.65
Joseph O'Brien	Senior information systems specialist (On Aug. 1, 1975).	10,922.72
Robert Towers	Senior programer (On Aug. 1, 1975).	6,058.56
Fauntly Elaine Comer	Programer (On Aug. 25, 1975).	4,654.87
R. Paul Savercool	Courier (On Sept. 15, 1975).	2,214.31
John Mang, Jr	Senior programer analyst (On Sept. 15, 1975).	6,422.19
Kuiper D. Clements	Junior communications terminal operator (On Sept. 15, 1975).	2,331.55
Thomas A. Vann	Senior production control specialist (On Sept. 15, 1975).	2,695.89

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Joel I. Babchak	Senior computer systems specialist (On Sept. 22, 1975).	$7, 317. 16
Michael G. Walker	Senior computer systems analyst (On Sept. 22, 1975).	6, 690. 14
Stephen F. Levitas	Programer analyst (On Sept. 29, 1975).	4, 564. 73
Jack B. Belcher	Programer (On Oct. 1, 1975).	3, 370. 50
Carol A. Preshlock	Junior system factors specialist (On Oct. 9, 1975).	3, 173. 18
Massimo Salino	Programer (On Oct. 14, 1975).	2, 883. 65
Gail A. Grieder	Junior communications terminal operator (On Oct. 14, 1975).	1, 705. 99
Jo Ann Pometto	Secretary (On Oct. 14, 1975).	2, 127. 33
Laura Tovar	Senior clerk typist (On Oct. 14, 1975).	1, 705. 99
Paul S. Arthur, Jr	Programer analyst (On Oct. 28, 1975).	3, 129. 17
Peter C. Kim	Production control specialist (On Oct. 28, 1975).	1, 500. 45
Julie C. Reynolds	Junior communications terminal operator (On Oct. 28, 1975).	1, 395. 81
Ronald Aufiero	Junior programer (On Nov. 3, 1975).	1, 602. 41
Robert W. Barber	System factors specialist (On Nov. 3, 1975).	2, 388. 31
Marion M. Flohr	Typist (On Nov. 3, 1975).	1, 370. 73
Curtis E. James	Programer (On Nov. 3, 1975).	2, 172. 10
Robert Katsuda	Computer system specialist (On Nov. 10, 1975).	2, 746. 35
Sarah Fisher	Junior programer (On Nov. 17, 1975).	1, 350. 07
William Hunter	Senior programer (On Nov. 17, 1975).	1, 811. 82
J. Gregory Knott	Text processing specialist (On Nov. 17, 1975).	1, 493. 80
Claire L. Lagakis	Junior text processing specialist (On Dec. 1, 1975).	920. 50
Warren G. Sproul	Programer analys (On Dec. 15, 1975).	722. 44
Total		1,163,948.85

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2945. A letter from the President of the United States, transmitting an amendment to the supplemental appropriations request in House Document No. 94–375 for the Department of Health, Education, and Welfare for fiscal year 1976 (H. Doc. 94–433); to the Committee on Appropriations and ordered to be printed.

2946. A letter from the Under Secretary of Agriculture, transmitting the annual report relating to the welfare of animals in research, pursuant to the Animal Welfare Act of 1970 (84 Stat. 1565); to the Committee on Agriculture.

2947. A letter from the Secretary of Labor, transmitting a report on the employment of workers under special certificates issued under section 14 of the Fair Labor Standards Act, pursuant to section 4(d)(1) of the act [20 U.S.C. 204(d)(1)]; to the Committee on Education and Labor.

2948. A letter from the Administrator, Law Enforcement Assistance Administration, Department of Justice, transmitting the interim report of the Advisory Committee on Standards for the Administration of Juvenile Justice, pursuant to section 247(b) of Public Law 93–415; to the Committee on Education and Labor.

2949. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations contained in the Seventh Annual Report of the National Advisory Council on Supplementary Centers and Services, dated March 1975, and actions taken thereon, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2950. A letter from the Deputy Assistant Secretary of the Interior transmitting a copy of a proposed contract for a research project entitled "Noise Control of Underground Load-Haul-Dump Machines," pursuant to section 1(d) of Public Law 89-672; to the Committee on Interior and Insular Affairs.

2951. A letter from the Administrator, Federal Energy Administration, transmitting a report on the feasibility of reducing the price of U.S. oil imports by providing incentives for domestic producer/importers, pursuant to section 13(e) of the Emergency Petroleum Allocation Act, as amended (89 Stat. 953); to the Committee on Interstate and Foreign Commerce.

2952. A letter from the Chairman, Federal Trade Commission, transmitting the 61st Annual Report of the Commission, covering fiscal year 1975, pursuant to section 6(f) of the Federal Trade Commission Act [15 U.S.C. 46 (f)]; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE: Committee on Science and Technology. H.R. 11333. A bill to authorize a program of energy research, development, and demonstration to assist in the exploration and development of oil and gas on the Outer Continental Shelf, and for other purposes; with amendment (Rept. No. 94–990, Pt. II). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Resolution 927. Resolution to provide additional copies of housing report; with amendment (Rept. No. 94–991). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 305. Concurrent resolution providing for the printing of additional copies of the committee print entitled "Court Proceedings and Actions of Vital Interest to the Congress, Final Report for the 93d Congress, December 1974" (Rept. No. 94–992). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 537. Concurrent resolution to provide for the printing as a House document of the Constitution and the Declaration of Independence (Rept. No. 94–993). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 538. Concurrent resolution providing for the printing as a House document of the Constitution of the United States (pocket-size edition) (Rept. No. 94–994). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 539. Concurrent resolution to print as a House document the Constitution of the United States (Rept. No. 94–995). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 540. Concurrent resolution to print as a House document "How Our Laws Are Made" (Rept. No. 94–996). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Resolution 1026. Resolution that there be printed as a House document the Report of the Ninth Congressional Delegation to the People's Republic of China (Rept. No. 94–997). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 536. Concurrent resolution to authorize the printing as a House document "Our Flag", and to provide for additional copies (Rept. No. 94–998). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 84. Concurrent resolution authorizing the printing of the report of the proceedings of the 47th biennial meeting of the Convention of American Instructors of the Deaf as a Senate document (Rept. No. 94–999). Referred to the House Calendar.

Mr. BROOKS: Committee on Government Operations. H.R. 12605. A bill to provide permanent changes in laws necessary because of the October-September fiscal year; with amendment (Rept. No. 94–1000). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. H.R. 12606. A bill to provide for the orderly transition to the new October 1 to September 30 fiscal year; with amendment (Rept. No. 94–1001). Referred to the Committee of the Whole House on the State of the Union.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1127. Resolution for the consideration of H.R. 3863. A bill to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado (Rept. No. 94–1002). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By **Mr. FOLEY** (for himself and Mr. Wampler):

H.R. 12944. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 6 months; to the Committee on Agriculture.

By **Mr. ASHLEY** (for himself, Mr. Brown of Michigan, Mr. Moorhead of Pennsylvania, Mr. Stephens, Mr. St Germain, Mr. Mitchell of Maryland, Mr. Fauntroy, Mrs. Boggs, Mr. Patterson of California, Mr. LaFalce, Mr. AuCoin, Mr. Rees, Mrs. Spellman, Mr. Blanchard, Mr. J. William Stanton, Mr. McKinney, Mr. Conlan, Mr. Kelly, and Mr. Grassley):

H.R. 12945. A bill to amend and extend laws relating to housing and community development; to the Committee on Banking, Currency and Housing.

By **Mr. GUDE** (for himself, Mr. Fauntroy, Mr. Fisher, Mr. Harris, Mr. Litton, Mr. McKinney, Mrs. Spellman, and Mr. Whalen):

H.R. 12946. A bill to establish a commission to study the adequacy of the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

By **Mr. HEINZ** (for himself, Mr. Hechler of West Virginia, Mr. Edgar, Mr. Lent, Mr. Simon, Mr. Downey of New York, Mrs. Spellman, Mr. Ottinger, and Mr. Hawkins):

H.R. 12947. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient, alternate uses, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. HEINZ (for himself, Mr. Hechler of West Virginia, Mr. Downey of New York, and Mrs. Spellman):

H.R. 12948. A bill to amend the Internal Revenue Code of 1954 to encourage businesses to purchase surplus school or hospital buildings from governmental and nonprofit entities by providing rapid amortization for such buildings; to the Committee on Ways and Means.

By Mr. HILLIS:

H.R. 12949. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. Staggers, Mr. Conte, Mr. Ottinger, Mr. Brodhead, Mr. Moffett, and Mr. Maguire):

H.R. 12950. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to prevent deterioration of competition in gasoline retailing; and to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ (for himself and Mr. Corman):

H.R. 12951. A bill to amend title XIX of the Social Security Act to require each State having an approved medicaid plan to provide community mental health center services under such plan; to the Committee on Interstate and Foreign Commerce.

By Mr. JENRETTE:

H.R. 12952. A bill to amend the Tariff Schedules of the United States with respect to the rates of duty for palm oil; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 12953. A bill to provide Federal grants to be awarded by the Commissioner of Education for the purpose of paying operating expenses of public libraries, in amounts which match the amount of certain private contributions; to the Committee on Education and Labor.

H.R. 12954. A bill to amend the Clean Air Act to require the protection of passengers of schoolbuses and certain other vehicles from concentrations of carbon monoxide within the vehicle; to the Committee on Interstate and Foreign Commerce.

By Mr. MICHEL:

H.R. 12955. A bill to consolidate Federal financial assistance to the 50 States, the District of Columbia, and the territories for programs in the field of health, to focus those programs on individuals most in need of them, and to eliminate unnecessary restrictions on the exercise of State responsibility for program administration; to the Committee on Interstate and Foreign Commerce.

By Mr. MOAKLEY:

H.R. 12956. A bill to amend the Federal Power Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTTL (for himself, Mr. Anderson of California, Mrs. Boggs, Mr. Edwards of California, Mr. Mathis, Mr. Mazzoli, Mr. Patterson of California, Mr. Seiberling, Mrs. Spellman, Mr. Vander Veen, and Mr. Weaver):

H.R. 12957. A bill to reorganize the activities of the executive branch of the Federal Government to provide small business concerns and individual inventors with increased opportunities to participate in activities carried out by the Energy Research and Development Administration, to stimulate competition in the energy industries, and for other purposes; jointly to the Committees on Science and Technology, Small Business, and Rules.

By Mr. NEAL:

H.R. 12958. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the New River in North Carolina as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'HARA:

H.R. 12959. A bill to amend the National Labor Relations Act to secure to physically handicapped workers, employed in sheltered workshops the right to organize and bargain collectively, and for other purposes; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 12960. A bill to correct inequities in certain franchise practices, to provide franchisors and francisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open-market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself and Mr. Carter):

H.R. 12961. A bill to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services; to the Committee on Interstate and Foreign Commerce.

Mr. SCHULZE:

H.R. 12962. A bill to provide for the burial at the Arlington Memorial Amphitheatre, Arlington National Cemetery, Va., of the remains of an unknown American soldier who lost his life in the American Revolutionary War; to the Committee on Veterans' Affairs.

By Mr. TREEN:

H.R. 12963. A bill to increase the salaries of justices, judges, and certain other personnel in the judicial branch; to the Committee on the Judiciary.

By Mr. BURLESON of Texas:

H.R. 12964. A bill to amend section 358, 358a, 359, and 373 of the Agricultural Adjustment Act of 1938 and title I of the Agricultural Act of 1949 for the purpose of improving peanut programs, and for other purposes; to the Committee on Agriculture.

By Mr. CARNEY:

H.R. 12965. A bill to provide chiropractic treatment when requested for veterans eligible for outpatient medical care; to the Committee on Veterans' Affairs.

By Mr. CORMAN (for himself and Mr. Heinz):

H.R. 12966. A bill to amend title XVIII of the Social Security Act to include community mental health centers among the entities which may be qualified providers of services for medicare purposes, to redefine terms used in such title so as to reflect such inclusion, and to remove the special limitations which are presently imposed on the coverage of psychiatric and mental health services under parts A and B of such title; to the Committee on Ways and Means.

By Mr. HELSTOSKI (for himself, Mr. Howard, Mr. Maguire, Mrs. Meyner, Mr. Patten, and Mr. Nix):

H.R. 12967. A bill to grant a Federal charter to the National Opportunities Camps; to the Committee on the Judiciary.

By Ms. HOLTZMAN (for herself and Mr. Solarz):

H.R. 12968. A bill to amend the Federal Rules of Evidence to permit fair and effective prosecution for rape by providing that evidence of an individual's prior sexual conduct is not admissible in any action or proceeding if an issue in such action or proceeding is whether such individual was raped or assaulted with intent to commit rape; to the Committee on the Judiciary.

By Ms. HOLTZMAN (for herself and Mr. Scheuer):

H.R. 12969. A bill to prohibit use of Airway and Airport Development Act funds for a public airport at Floyd Bennett Field in the Gateway National Recreation Area; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Roe, Mr. McFall, Mr. Harsha, Mr. Wright, Mr. Hammerschmidt, Mr. Johnson of California, Mr. Don H. Clausen, Mr. Henderson, Mr. Taylor of Missouri, Mr. Howard, Mr. Walsh, Mr. Cochran, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Ginn, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Oberstar, Mr. Nowak, Mrs. Lloyd of Tennessee, and Mr. Fary):

H.R. 12970. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 3-year period and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Anderson of California, and Mr. Risenhoover):

H.R. 12971. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 3-year period and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Roe, Mr. O'Neill, Mr. McFall, Mr. Wright, Mr. Hammerschmidt, Mr. Johnson of California, Mr. Don H. Clausen, Mr. Henderson, Mr. Cochran, Mr. Roberts, Mr. Howard, Mr. Roncalio, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Ginn, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Oberstar, Mr. Ambro, Mr. Nowak, and Mr. Edgar):

H.R. 12972. A bill to authorize a local public works capital development and investment program; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Anderson of California, Mrs. Lloyd of Tennessee, Mr. Fary, and Mr. Risenhoover):

H.R. 12973. A bill to authorize a local public works capital development and investment program; to the Committee on Public Works and Transportation.

By Mr. McDADE:

H.R. 12974. A bill ot prescribe certain rules for Federal, State, and local agencies regulating electric rates; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGUIRE:

H.R. 12975. A bill to amend the Freedom of Information Act to improve the handling of information collected for law enforcement, and for other purposes; to the Committee on Government Operations.

By Mr. RINALDO:

H.R. 12976. A bill to amend the Immigration and Nationality Act to authorize certain courts which have naturalization jurisdiction to retain up to $20,000 of the fees collected in naturalization proceedings held in such courts in any fiscal year; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 12977. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on series E and H U.S.

savings bonds, to the Committee on Ways and Means.

By Mr. ST GERMAIN (for himself, Ms. Abzug, Mr. Badillo, Mr. Blanchard, Mr. Brademas, Mr. Brodhead, Mrs. Burke of California, Mrs. Chisholm, Mr. Cohen, Mr. Derrick, Mr. Eilberg, Mr. Fascell, Mr. Gaydos, Mr. Helstoski, Mr. Minish, Mr. Mitchell of Maryland, and Mr. Moakley):

H.R. 12978. A bill to increase the aggregate authority for long-term direct loans to nonprofit sponsors for the construction of housing for the elderly and handicapped; to the Committee on Banking, Currency and Housing.

By Mr. ST GERMAIN (for himself, Mr. Murphy of New York, Mr. Nowak, Mr. Ottinger, Mr. Pepper, Mr. Rinaldo, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Mr. Scheuer, Mr. Sisk, Mrs. Spellman, Mr. Stark, Mr. Stokes, Mr. Studds, Mr. Weaver, and Mr. Charles H. Wilson of California):

H.R. 12979. A bill to increase the aggregate authority for long-term direct loans to nonprofit sponsors for the construction of housing for the elderly and handicapped; to the Committee on Banking, Currency and Housing.

By Mr. SATTERFIELD:

H.R. 12980. A bill to amend title 38, United States Code, to improve the operation and modernize the facilities of the Veterans' Canteen Service of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. STAGGERS (for himself and Mr. Devine) (by request):

H.R. 12981. A bill to amend the Investment Advisers Act of 1940 to authorize the Securities and Exchange Commission to prescribe standards of qualification and financial responsibility for investment advisers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12982. A bill to provide for the protection of franchised dealers of petroleum products from coercive business practices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12983. A bill to expedite the delivery of Alaskan Natural Gas to U.S. markets, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. WON PAT (for himself, Mr. Burgener, Mr. Davis, Mr. de Lugo, Mr. Leggett, Mr. Lloyd of California, Mr. Melcher, Mrs. Meyner, Mr. Mitchell of New York, Mr. Ryan, Mr. Schulze, Mrs. Spellman, and Mr. Charles H. Wilson of California):

H.R. 12984. A bill to maintain and develop the Guam shipyard facility, and for other purposes; to the Committee on Armed Services.

By Mr. BAUCUS (for himself, Mr. Addabbo, Mr. Bafalis, Mr. Brademas, Mr. Fuqua, Mr. Green, Mr. Haley, Mr. Heinz, Mr. Howe, Ms. Keys, Mr. Mann, Mrs. Mink, Mr. Morgan, Mr. Neal, Mr. Nowak, Mr. Oberstar, Mr. Patterson of California, Mr. Preyer, Mr. Randall, Mr. Richmond, Mr. Sarasin, Mr. Sikes, Mr. Waxman, Mr. Wolff, and Mr. Yatron):

H.J. Res. 896. Joint resolution to authorize and request the President to issue a proclamation designating the fourth Sunday in September annually as National Good Neighbor Day; to the Committee on Post Office and Civil Service.

By Mr. DERRICK:

H.J. Res. 897. Joint resolution to authorize and request the President to issue a proclamation designating October 9, 1976, as National Chess Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Abdnor, Ms. Abzug, Mr. Adams, Mr. Addabbo, Mr. Anderson of California, Mr. Anderson of Illinois, Mr. Andrews of North Carolina, Mr. Andrews of North Dakota, Mr. Annunzio, Mr. Ashbrook, Mr. Badillo, Mr. Baldus, Mr. Baucus, Mr. Bauman, Mr. Beard of Tennessee, Mr. Bedell, Mr. Bell, Mr. Bennett, Mr. Bevill, Mr. Biaggi, Mr. Bingham, Mr. Blanchard, Mrs. Boggs, and Mr. Boland):

H.J. Res. 898. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Brademas, Mr. Breaux, Mr. Breckinridge, Mr. Brinkley, Mr. Brodhead, Mr. Broomfield, Mr. Brown of Ohio, Mr. Brown of California, Mr. Burke of Massachusetts, Mr. Phillip Burton, Mr. Butler, Mr. Byron, Mr. Carter, Mr. Cederberg, Mrs. Chisholm, Mr. Don H. Clausen, Mr. Del Clawson, Mr. Cleveland, Mr. Cohen, Mr. Collins of Texas, Mr. Conable, Mr. Conte, Mr. Corman, and Mr. Cotter):

H.J. Res. 899. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Crane, Mr. Dan Daniel, Mr. Robert W. Daniel, Jr., Mr. Danielson, Mr. Davis, Mr. Delaney, Mr. de Lugo, Mr. Dickinson, Mr. Dodd, Mr. Downey of New York, Mr. Downing of Virginia, Mr. Duncan of Oregon, Mr. du Pont, Mr. Edwards of Alabama, Mr. Emery, Mr. English, Mr. Erlenborn, Mr. Fary, Mr. Fascell, Mrs. Fenwick, Mr. Findley, Mr. Fish, Mr. Fisher, and Mr. Fithian):

H.J. Res. 900. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mrs. Flowers, Mr. Ford of Michigan, Mr. Fountain, Mr. Frenzel, Mr. Goldwater, Mr. Gradison, Mr. Grassley, Mr. Gude, Mr. Haley, Mr. Hall, Mr. Hamilton, Mr. Hammerschmidt, Mr. Hannaford, Mr. Hansen, Mr. Harkin, Mr. Harris, Mr. Harsha, Mrs. Heckler of Massachusetts, Mr. Hefner, Mr. Helstoski, Mr. Henderson, Mr. Hicks, Mr. Hillis and Mr. Holland):

H.J. Res. 901. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mrs. Holt, Mr. Horton, Mr. Howard, Mr. Howe, Mr. Hubbard, Mr. Hughes, Mr. Hungate, Mr. Hyde, Mr. Ichord, Mr. Jarman, Mr. Jeffords, Mr. Johnson of Pennsylvania, Mr. Johnson of California, Mr. Johnson of Colorado, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Kemp, Mr. Ketchum, Ms. Keys, Mr. Kindness, Mr. Krueger, Mr. Lagomarsino, Mr. Leggett, and Mr. Lloyd of California):

H.J. Res. 902. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mrs. Lloyd of Tennessee, Mr. Long of Maryland, Mr. Long of Louisiana, Mr. Lott, Mr. Lujan, Mr. McCollister, Mr. McEwen, Mr. McFall, Mr. McHugh, Mr. Madden, Mr. Madigan, Mr. Mann, Mr. Martin, Mr. Mathis, Mr. Mazzoli, Mr. Meeds, Mr. Melcher, Mr. Mezvinsky, Mr. Michel, Mr. Mikva, Mr. Miller of California, Mr. Mills, Mr. Minish, and Mr. Mitchell of New York):

H.J. Res. 903. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Moakley, Mr. Montgomery, Mr. Moore, Mr. Moorhead of California, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Mottl, Mr. Murphy of New York, Mr. Murphy of Illinois, Mr. Nedzi, Mr. Nichols, Mr. Nowak, Mr. Oberstar, Mr. O'Brien, Mr. O'Neill, Mr. Passman, Mr. Patten, Mr. Patterson of California, Mr. Pepper, Mr. Peyser, Mr. Pickle, Mr. Price, Mr. Quie, and Mr. Randall):

H.J. Res. 904. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Rees, Mr. Regula, Mr. Rhodes, Mr. Rinaldo, Mr. Roberts, Mr. Rodino, Mr. Rogers, Mr. Rose, Mr. Rostenkowski, Mr. Roush, Mr. Rousselot, Mr. Russo, Mr. Santini, Mr. Sarasin, Mr. Sarbanes, Mr. Scheuer, Mr. Schneebeli, Mr. Schulze, Mr. Sebelius, Mr. Seiberling, Mr. Shipley, Mr. Shriver, Mr. Sikes, and Mr. Simon):

H.J. Res. 905. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Sisk, Mr. Skubitz, Mr. Smith of Iowa, Mr. Snyder, Mr. Solarz, Mr. Spence, Mr. Staggers, Mr. J. William Stanton, Mr. James V. Stanton, Mr. Stark, Mr. Steed, Mr. Steiger of Wisconsin, Mr. Stratton, Mr. Stuckey, Mrs. Sullivan, Mr. Symington, Mr. Symms, Mr. Taylor of Missouri, Mr. Thompson, Mr. Treen, Mr. Udall, Mr. Vander Jagt, Mr. Vander Veen, and Mr. Waggonner):

H.J. Res. 906. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. McCLORY (for himself, Mr. Walsh, Mr. Whalen, Mr. Wiggins, Mr. Bob Wilson, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, Mr. Winn, Mr. Won Pat, Mr. Wydler, Mr. Yates, Mr. Yatron, Mr. Young of Florida, Mr. Young of Alaska, Mr. Zablocki, Mr. Whitten, Ms. Holtzman, Mr. Dominick V. Daniels, Mr. Forsythe, Mr. Cochran, Mr. O'Hara, Mrs. Pettis, and Mr. Roybal):

H.J. Res. 907. Joint resolution to designate April 13, 1976, as Thomas Jefferson Day; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ (for himself and Mr. de la Garza):

H. Res. 1125. Resolution creating a select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace; to the Committee on Rules.

By Mr. MILLER of Ohio:

H. Res. 1126. Resolution to authorize the President to issue a proclamation designating the week beginning April 4, 1976, as National Rural Health Week; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 12985. A bill for the relief of Marcel John Justin Maury; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.R. 12986. A bill for the relief of the trustee of the bondholders of the Bankers Joint Stock Land Bank of Milwaukee; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII.

436. The SPEAKER presented a petition of John M. Miltenberger, Nazareth, Pa., and others, relative to unemployment benefits; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12438

By Mr. EMERY:

Page 2, line 19, strike out "$7,378,300,000." and insert in lieu thereof the following: "$7,369,700,000, of which $1,179,000,000 shall be used for procurement of 8 FFG7 Frigates, not more than $260,400,000 shall be used for procurement of AD Destroyer Tenders, not more than $260,900,000 shall be used for procurement of AS Submarine Tenders, and not more than $102,300,000 shall be used for procurement of AO Fleet Oilers."

Page 2, line 19, strike out "$7,378,300,000." and insert in lieu thereof the following: "$7,967,300,000, of which $1,179,000,000 shall be used for procurement of 8 FFG7 Frigates."

H.R. 12572

By Mr. HARKIN:

Page 11, line 15 delete the words "export port".

Page 12, line 20 add the phrase "and (e)" following "(a)".

Page 14, strike everything from line 7 down through line 17, and insert in lieu thereof the following:

"(e) The Secretary is authorized to require the supervision of weighing at any location other than those described in subsection (a) to be performed by employees of the Department of Agriculture whenever he determines it necessary to meet the objectives of this Act or to provide for such supervision of weighing to be performed by a State or local governmental agency or any person designated by the Secretary under procedures equivalent to those prescribed for employees of the Department of Agriculture pursuant to a designation of the State or local governmental agency or any person designated by the Secretary made in the manner provided for under subsection (c)."

Page 29, strike everything from line 3 down through line 23 and insert in lieu thereof the following:

"SEC. 15. Section 17 of said Act (7 U.S.C. 87f) is amended by deleting from subsection (e) the term 'section 14' and substituting in lieu thereof the term 'subsection (a) of section 14'; by repealing subsection (g); and redesignating the remaining subsections accordingly."

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of March 31, 1976, page 8918.

HOUSE BILLS

H.R. 12431. March 11, 1976. International Relations. Amends the United Nations Participation Act of 1945 to limit the contribution of the United States to the United Nations to one-sixth of the total assessment of the United Nations for that year.

Declares it the sense of Congress that the President direct the Ambassador of the United States to the United Nations to assure that, in apportioning its assessment to member states, the United Nations consider the financial resources of the oil-producing nations.

H.R. 12432. March 11, 1976. Judiciary. Directs the Secretary of the Treasury to reimburse local governments for the cost of protective and security services for the President or Vice President while the President or Vice President is within the jurisdiction of such local government in an official capacity or attending a national convention of a political party.

H.R. 12433. March 11, 1976. Judiciary. Replaces Federal criminal statutory provisions penalizing "rape" and "carnal knowledge of females under 16" with provisions penalizing "sexual assault". Designates guilty of sexual assual any person who knowingly engages in sexual contact or penetration of another person without such person's consent.

H.R. 12434. March 11, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Old Ninety-Six and Star Fort National Historical Park in South Carolina.

H.R. 12435. March 11, 1976. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1964 with respect to the period of daylight savings time.

Exempts from such Act any State with parts thereof in more than one time zone, and any State that lies entirely within one time zone and is not contiguous to any other State.

Requires the Federal Communications Commission to make adjustments with respect to hours of operation of daytime standard amplitude modulation broadcast stations.

H.R. 12436. March 11, 1976. Education and Labor. Authorizes the creation of a Special Opportunities Industrialization Centers job training and job creation program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations to fund the program for the next four fiscal years.

H.R. 12437. March 11, 1976. Education and Labor. Authorizes the creation of a Special Opportunities Industrialization Centers job training and job creation program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations to fund the program for the next four fiscal years.

H.R. 12438. March 11, 1976. Armed Services. Authorizes appropriations for fiscal year 1977 for aircraft, missile, naval, and other weapon procurement. Limits military and civilian personnel strengths for such period.

H.R. 12439. March 11, 1976. Education and Labor. Amends the National Domestic Volunteer Service Act of 1973 to create a program to provide voluntary service by persons with business experience in solving human, social, and environmental problems. Extends appropriations for programs under the Act through fiscal year 1979.

H.R. 12440. March 11, 1976. Interstate and Foreign Commerce. Grants authority to the Administrator of the Environmental Protection Agency to establish a test protocol for any drug that may present an unreasonable risk to health or the environment, to require 90 days notice when any manufacturer is planning to manufacture or import a new drug, to prescribe rules for the distribution or use of an chemical substance deemed an unreasonable risk to human health or the environment, and to require the revision of inadequate quality control procedures. Exempts pesticides and certain other chemical substances from this Act.

Establishes a Chemical Substances Board in the Environmental Protection Agency to assist the Administrator in carrying out the requirements of this Act.

H.R. 12441. March 11, 1976. District of Columbia. Establishes three retirement funds encompassing (1) District of Columbia firefighters and police officers and specified Federal law enforcement personnel, (2) District of Columbia teachers, and (3) District of Columbia judges, respectively.

Establishes the District of Columbia Board to manage the retirement funds created by this Act.

Details provisions relating to the administration of such funds and revises provisions relating to specified retirement and disability benefits under the retirement programs of such personnel.

H.R. 12442. March 11, 1976. Agriculture. Prohibits new rules and regulations from becoming effective under the Food Stamp Act of 1964 until after the enactment of legislation with respect to the eligibility and purchase requirements of persons receiving benefits under such Act.

H.R. 12443. March 11, 1976. Agriculture. Prohibits specified rules and regulations dealing with food stamp eligibility and purchase requirements from becoming effective before Congress enacts new legislation with respect to such requirements, or June 30, 1976, whichever occurs first.

H.R. 12444. March 11, 1976. Ways and Means. Increases the exclusion from gross income, under the Internal Revenue Code, for gain from the sale or exchange of a residence owned by a taxpayer who has attained the age of 65.

H.R. 12445. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Yellowstone National Park, Idaho, Wyoming, and Montana, as the Yellowstone Wilderness.

H.R. 12446. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Cumberland Gap National Historical Park, Tennessee, Virginia, and Kentucky, as the Cumberland Gap Wilderness.

H.R. 12447. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Colorado National Monument, Colorado, as the Colorado Wilderness.

H.R. 12448. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Theodore Roosevelt National Memorial Park, North Dakota, as the Theodore Roosevelt Wilderness.

H.R. 12449. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Bryce Canyon National Park, Utah, as the Bryce Canyon Wilderness.

H.R. 12450. March 11, 1976. Interior and Insular Affairs. Designates specified lands in North Cascades National Park and in the Ross Lake and Lake Chelan National Recreation Areas, Washington, as the North Cascades Wilderness.

H.R. 12451. March 11, 1976. Interior and Insular Affairs. Designates specified lands in Cedar Breaks National Monument, Utah, as the Cedar Breaks Wilderness.

H.R. 12452. March 11, 1976. Post Office and Civil Service. Amends the Postal Reorganization Act to direct the United States Postal Service to hold a public hearing prior to determining whether to close or consolidate any post office and to allow any person served by a post office which the Postal Service has decided to close to seek judicial review of such decision. Designates the Postmaster General and Deputy Postmaster General by the President with the advice and consent of the Senate. Repeals the authority of the Postal Service Board of Governors to review practices and policies of the Service.

H.R. 12453. March 11, 1976. Science and Technology. Authorizes the appropriation of designated sums to the National Aeronautics and Space Administration for research and development programs, construction of facilities including land acquisition, and research and program management. Sets forth guidelines with respect to the use and availability of funds appropriated pursuant to this Act. Expresses Congressional findings relating to aeronautical test facilities and to application of the Administration's expertise to ground propulsion systems research and development.

H.R. 12454. March 11, 1976. Science and Technology. Authorizes the appropriation of designated sums to the National Aeronautics and Space Administration for research and development programs, construction of facilities including land acquisition, and research and program management. Sets forth guidelines with respect to the use and availability of funds appropriated pursuant to this Act. Expresses Congressional findings relating to aeronautical test facilities and to application of the Administration's expertise to ground propulsion systems research and development.

H.R. 12455. March 11. 1976. Ways and Means. Extends the time period during which recipients of services on September 30, 1975, under Title IV (Aid to Families with Dependent Children) and Title VI (Grants to States for Services to the Aged, Blind, and Disabled) of the Social Security Act may continue to receive services under Title XX (Grants to States for Services) of that Act without individual determinations of eligibility.

H.R. 12456. March 11, 1976. Veterans' Affairs. Increases the monthly educational assistance allowance payable to eligible veterans. Increases the period of entitlement for educational assistance for eligible veterans.

H.R. 12457. March 11, 1976. Ways and Means. Prohibits the consideration of assistance payments under specified housing laws as income or a resource for the purpose of determining the eligibility of a person for supplemental security income benefits under the Social Security Act.

H.R. 12458. March 11, 1976. Interior and Insular Affairs. Designates specified lands in the J.N. "Ding" Darling National Wildlife Refuge, Florida, as the J.N. "Ding" Darling Wilderness.

H.R. 12459. March 11, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize continued appropriations for grants for the construction of treatment works through fiscal year 1977.

H.R. 12460. March 11, 1976. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to prohibit the Secretary of the department in which the National Oceanic and Atmospheric Administration is operating from issuing permits for the taking of the killer whale during the moratorium on the taking of such species. Exempts taking for specified scientific purposes from such prohibition.

H.R. 12461. March 11, 1976. Interstate and Foreign Commerce. Prescribes minimum national standards for utility rate structures in order to alleviate burdens imposed on low-income consumers. Establishes requirements for full evidentiary hearings on proposed rate increases, with adequate representation of consumer interests.

Establishes an Electric Utility Ratemaking Assistance Office within the Federal Energy Administration to provide assistance with respect to ratemaking procedures.

Amends the Federal Power Act to require utilities to comply with standards designed to assure a reliable supply of electric energy.

Authorizes appropriations for grants to State regulatory authorities. Establishes procedures for planning and coordination in the siting of bulk power facilities.

H.R. 12462. March 11, 1976. Public Works and Transportation; Interior and Insular Affairs. Terminates the authorization for the Tocks Island Reservoir project in New Jersey, New York, and Pennsylvania. Requires that property acquired by the Secretary of the Army pursuant to such authorization be transferred to the Secretary of the Interior for management by the National Park Service.

H.R. 12463. March 11, 1976. Ways and Means. Increases the estate tax exemption under the Internal Revenue Code. Raises the amount at which point the filing a Federal estate tax return is required.

Allows the executor of an estate to elect to pay the estate tax in installments if the value of an interest in a closely held business exceeds either 35 percent of the value of the gross estate of the decedent or 50 percent of the value of the taxable estate.

H.R. 12464. March 11, 1976. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to require that comprehensive State plans under such Act include provisions for the prevention of crimes against the elderly.

H.R. 12465. March 11, 1976. Public Works and Transportation. Prohibits the landing or taking off, except in emergencies, of any supersonic aircraft which generates a noise level in excess of the level prescribed for new subsonic aircraft, from Dulles International Airport or Washington National Airport.

H.R. 12466. March 11, 1976. Ways and Means. Amends the Social Security Act with respect to Old-Age, Survivors, and Disability Insurance by directing the Secretary of Health, Education, and Welfare to establish procedures for expediting (1) replacement of lost, stolen or misdelivered benefit checks; (2) initial benefit payments; (3) hearings on eligibility; and (4) final determinations of eligibility.

H.R. 12467.—March 11, 1976. Ways and Means. Creates on the books of the United States Treasury a Federal Mental Health Trust Fund, its monies to be used in payment for enumerated mental health services provided to United States residents and nonresident citizens by qualified mental care providers.

Amends the Internal Revenue Code to impose a series of mental health taxes on employees' income, employers, self-employment income, and unearned income.

H.R. 12468. March 11, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropractors, including X-rays, and physical examination, and related routine laboratory tests.

H.R. 12469. March 11, 1976. Veterans' Affairs. Extends under certain circumstances the delimiting period for completing veterans' education programs.

H.R. 12470. March 11, 1976. Ways and Means. Amends the aid to families with dependent children program of the Social Security Act to grant the States the authority to set the age level, between the ages of 18 and 21 years, below which students will continue to be considered "dependent children" for purposes of such program.

H.R. 12471. March 11, 1976. Merchant Marine and Fisheries. Amends the Merchant Marine Act of 1920 to authorize the Secretary of Commerce to provide assistance to any State, local government, or interstate agency or other public port operated by it in order to bring such port into compliance with any requirements imposed by Federal law, relating to environmental protection, the public health and safety, or port or cargo security.

H.R. 12472. March 11, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 12473. March 11, 1976. Ways and Means. Permits a tax credit, under the Internal Revenue Code, in an amount equal to a percentage of the wages paid by the taxpayer during the taxable year to each eligible employee.

H.R. 12474. March 11, 1976. Interior and Insular Affairs. Regulates surface coal mining operations through a permit program administered by the Secretary of the Interior. Requires applicants to meet minimum environmental protection performance standards. Allows States to establish surface mining control programs at least as stringent as minimum Federal standards.

Includes provisions to fund mineral resources research programs and to provide for reclamation of abandoned mine sites.

H.R. 12475. March 11, 1976. Interior and Insular Affairs. Regulates surface coal mining operations through a permit program administered by the Secretary of the Interior. Requires applicants to meet minimum environmental protection performance standards. Allows States to establish surface mining control programs at least as stringent as minimum Federal standards.

Includes provisions to fund mineral resources research programs and to provide for reclamation of abandoned mine sites.

H.R. 12476. March 11, 1976. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which makes flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area.

H.R. 12477. March 11, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to guarantee loans to States, localities, and interstate agencies for the construction of qualified treatment works.

H.R. 12478. March 11, 1976. Interstate and Foreign Commerce. Amends the Federal Energy Administration Act of 1974 to prohibit the Federal Energy Administrator from conducting or disseminating surveys or related information with respect to public attitudes on energy-related matters.

H.R. 12479. March 11, 1976. Education and Labor. Exempts from the Farm Labor Contractor Registration Act of 1963 contractors of workers engaged in custom cutting or combine operations in connection with the harvesting of grains, or in the shearing of sheep, or baling of hay.

H.R. 12480. March 11, 1976. Education and Labor. Exempts from the Farm Labor Contractor Registration Act of 1963 contractors of workers engaged in custom cutting or combine operations in connection with the harvesting of grains or contractors of workers engaged in the shearing of sheep.

H.R. 12481. March 11, 1976. Ways and Means. Amends the medicare program of the Social Security Act to authorize payment for dentures, eyeglasses, hearing aids, and annual physical examinations.

H.R. 12482. March 11, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropractors, including x-rays, and physical examination, and related routine laboratory tests.

H.R. 12483. March 11, 1976. Agriculture. Amends the Food Stamp Act of 1964 (1) with respect to eligibility standards for households; (2) to establish a program of food coupon grants and eliminate the requirement that food coupons be purchased; (3) to establish a program of nutrition education for recipients of food coupons; and (4) to authorize the use of food coupons to purchase "meals on wheels." Guarantees restoration of wrongfully denied food stamp assistance.

H.R. 12484. March 11, 1976. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the Civil Aeronautics Board to determine applications for certificates for public convenience and necessity for air transportation within time limits which the Board shall adopt by rule or regulation. Requires the Board, if a decision is not reached within the specified period, to issue the certificate as requested, unless the public interest or extraordinary circumstances justify delay.

H.R. 12485. March 11, 1976. Public Works and Transportation. Requires the Civil Aeronautics Board, under the Federal Aviation Act of 1958, to rescind the authority of any air carrier to provide nonstop service between any two points if such authority is not utilized within any continuous one year period. Authorizes the Board, on application of any certified air carrier, to issue or amend an existing certificate, with or without a hearing, to provide nonstop service between such points.

H.R. 12486. March 11, 1976. Post Office and Civil Service. Includes members of the police force of the National Zoological Park within the definition of "law enforcement officer" for purposes of civil service retirement.

H.R. 12487. March 11, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to assist certain totally disabled veterans in acquiring suitable housing units with special fixtures.

H.R. 12488. March 11, 1976. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

Prohibits the importation of any dairy product into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Agriculture.

H.R. 12489. March 11, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 12490. March 11, 1976. Ways and Means. Authorizes the nonrecognition of gain or loss, under the Internal Revenue Code, on the transfer of rail properties or stock or securities of a transferor railroad corporation to the Consolidated Rail Corporation pursuant to an order under the Regional Rail Reorganization Act to carry out the final system plan, in exchange solely for stock of the Consolidated Rail Corporation and certificates of value of the United States Railway Association.

H.R. 12491. March 11, 1976. Public Works and Transportation; Interstate and Foreign Commerce; Merchant Marine and Fisheries. Amends the Interstate Commerce Act and the Harter Act to establish procedures for settling claims with respect to freight in interstate commerce.

H.R. 12492. March 11, 1976. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for publicly financing general election campaigns of candidates for election to Congress. Establishes the Congressional General Election Payment Account, out of which qualified candidates shall be paid funds to match the amounts such candidates have raised through private contributions.

H.R. 12493. March 11, 1976. Judiciary. Authorizes the adminission of a certain individual to the United States for permanent residence.

H.R. 12494. March 15, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 12495. March 15, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the Medicare program for specified services performed by examination, and related routine laboratory chiropractors, including X-rays and physical tests.

H.R. 12496. March 15, 1976. Post Office and Civil Service. Repeals the Postal Reorganization Act. Reenacts provisions relating to postal service which were in effect immediately prior to the enactment of such Act.

H.R. 12497. March 15, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire certain lands to establish the Frederick Law Olmsted Home and Office in Massachusetts as a national historic site.

H.R. 12498. March 15, 1976. Ways and Means. Establishes the Internal Revenue Administration in the executive branch of the Federal Government for the purpose of administering and enforcing the Internal Revenue Code.

Transfers all present functions, instructions, rules, or regulations which were promulgated or administered by the Secretary of the Treasury or his delegate with respect to the enforcement of the Internal Revenue Code, to the Internal Revenue Administration.

H.R. 12499. March 15, 1976. Ways and Means. Amends the Social Security Act to prohibit a recipient of benefits under specified Social Security Act programs and the Food Stamp Act of 1964 from being disqualified for such benefits because of an increase in income attributable to an increase in such benefits.

H.R. 12500. March 15, 1976. Veterans' Affairs. Repeals certain time limitations relating to veterans' education assistance programs administered by the Administrator of Veterans' Affairs.

EXTENSIONS OF REMARKS

IN PRAISE OF CAPITALISM

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ARMSTRONG. Mr. Speaker, although Congress spends much time debating economic issues and the news media are focusing more and more attention on the economy, there is an appalling lack of understanding of the relationship between economic freedom and the other freedoms we cherish. But recently I read an article by Michael Novak, a Catholic theologian and author, which rivets attention on the way in which capitalism fosters freedom and the "innate tendency in socialism toward authoritarianism." I commend this article to the attention of my colleagues:

IN PRAISE OF CAPITALISM

(By Michael Novak)

The day I heard Michael Harrington say that most liberals are "closet socialists," I knew by my revulsion that I had to face an ugly truth about myself.

For years, I had tried to hide, even from myself, my unconscious convictions. In the intellectual circles I frequent, persons with inclinations like my own are mocked, considered to be compromised, held at arm's length as security risks. We are easily intimidated.

The truth is there are probably millions of us. Who knows? Your brother or sister may be one of us. The fellow teaching in the class next to yours; the columnist for the rival paper; even the famous liberated poetess—our kind, hiding their convictions out of fear of retribution, lurk everywhere. Even now we may be corrupting your children.

We are the closet capitalists. Now, at last, our time has come. The whole world is going socialist. Nearly 118 out of 142 nations of the world are socialist tyrannies. We are the world's newest, least understood and little loved minority. It is time for us to begin, everywhere, organizing cells of the Capitalist Liberation Front.

I first realized I was a capitailst when all my friends began publicly declaring that they were socialists. Harrington and John Kenneth Galbraith having called the signal. How I wished I could be as left as they: Night after night I tried to persuade myself of the coherence of their logic; I did my best to go straight. I held up in the privacy of my room pictures of every socialist land known to me: North Korea, Albania, Czechoslovakia (land of my grandparents) and even Sweden. Nothing worked.

When I quizzed my socialist intellectual friends, I found they didn't like socialist countries, either. They all said to me: "We want socialism, but not like Eastern Europe." I said: "Cuba?" No suggestion won their assent. They didn't want to be identified with China (except that the streets seemed clean). Nor with Tanzania. They loved the idea of socialism.

"But what is it about this particular idea you like?" I asked. "Government control? Will we have a pentagon of heavy industry?" Not exactly. Nor did they think my suggestion witty that under socialism everything would function like the Post Office. When they began to speak of "planning," I asked, who would police the planners? They had enormous faith in politicians, bureaucrats and experts. Especially in experts.

"Will Mayor Daley have 'clout' over the planners?" I asked, seeking a little comfort. "Or congressmen from Mississippi?" My friends thought liberal-minded persons would make the key decisions. Knowing the nation, I can't feel so sure. Knowing the liberal-minded, I'm not so comforted.

Since they have argued that oil companies are now too large, I couldn't see how an HEW that included oil would be smaller. My modest proposal was that they encourage monopoly in every industry and then make each surviving corporation head a Cabinet officer.

Practical discussions seemed beside the point. Finally, I realized that socialism is not a political proposal, not an economic plan. Socialism is the residue of Judeo-Christian faith, without religion. It is a belief in community, the goodness of the human race and paradise on earth.

That's when I discovered I was an incurable and inveterate, as well as secret, sinner. I believe in sin. I'm for capitalism, modified and made intelligent and public-spirited, because it makes the world free for sinners. It allows human beings to do pretty much what they will.

Socialism is a system built on belief in human goodness; so it never works. Capitalism is a system built on belief in human selfishness; given checks and balances, it is nearly always a smashing, scandalous success.

Check Taiwan, Japan, West Germany, Hong Kong, and (one of the newest nations in one of the recently most underdeveloped sectors of the world) these United States. Two hundred years ago, there was a China, and also a Russia. The United States was only a gleam in Patrick Henry's eye.

Wherever you go in the world, sin thrives better under capitalism. It's presumptuous to believe that God is on any human's side. (Actually, if capitalism were godless and socialism were deeply religious, the roles of many spokesmen in America would be reversed in fascinating ways).

But God did make human beings free. Free to sin. God's heart may have been social; his design was capitalist as hell. There is an innate tendency in socialism toward authoritarianism. Left to themselves, all human beings won't be good; most must be coerced.

Capitalism, accepting human sinfulness, rubs sinner against sinner, making even dry wood yield a spark of grace.

Capitalism has given the planet its present impetus for liberation. Everywhere else they are hawking capitalist ideas: growth, liberation, democracy, investments, banking, industry, technology.

Millions are alive, and living longer, because of medicine developed under capitalism. Without our enormous psychic energy, productivity and inventions, oil would still be lying under Saudi Arabia, undiscovered, unpumped and useless. Coffee, bananas, tin, sugar and other items of trade would have no markets.

Capitalism has made the world rich, inventing riches other populations didn't know they had. And yielding sinful pleasures for the millions.

Six per cent of the world's population consumes, they say, 40 per cent of the world's goods. The same 6 per cent produces more than 50 per cent; far more than it can consume. No other system can make such a statement, even in lands more populous, older, and richer than our own. As everybody knows, hedonism requires excess.

Look out, world: The closet capitalists are coming out. You don't have to love us. We don't need your love. If we can help you out, we'll be glad to. A system built on sin is built on very solid ground indeed. The saintliness of socialism will not feed the poor.

The United States may be, as many of you say, the worthless and despicable prodigal son among the nations. Just wait and see who gets the fatted calf.

NATIONAL CHAMPIONS AGAIN

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BOWEN. Mr. Speaker, I am pleased and privileged to bring to my colleagues' attention the fact that Delta State University's outstanding women's basketball team has won its second consecutive national championship.

This past weekend at Pennsylvania State University, the Lady Statesmen won four tournament games over the stiffest of competition to win the 1976 Association of Intercollegiate Athletics for Women Championship.

Under the outstanding leadership and tutelage of Coach Margaret Wade, Delta State compiled a record of 33 wins and only 1 loss this year, defeating such powerful competitors as the Peoples Republic of China national team, Immaculata, Mississippi College, Wayland Baptist, Jackson State, and others. The Delta State team also participated in the first women's basketball contest ever staged in New York's famed Madison Square Garden, defeating Queens College in that memorable event. Delta State was the only team, other than a composite U.S. national team, to defeat the team of the Peoples Republic of China.

As the Congressman representing Delta State University, I am very proud of the accomplishments of this great institution, in the fields of academics as well as athletics. Delta State is, in fact, located in my hometown of Cleveland, Miss.

Those of us from Mississippi are also proud of the fact that Delta State has won two consecutive national championships with homegrown talent. Every one of the players on the team's starting lineup is from the State of Mississippi, and I am happy to have three of the five starters as constituents from my own Second Congressional District.

The young women on Coach Wade's national championship team are not only outstanding athletes, they are also excellent students, and several of them are attending Delta State on academic scholarships.

We Mississippians are hopeful that several of the Delta State players will be selected for the U.S. women's basketball team which will compete for the world championship this summer at the Olympic Games in Montreal. During the past three seasons, Coach Wade's Delta State team has compiled a record of 77 wins and only 3 losses, with the 1975 national champions going undefeated in 28 contests. It would seem logical that based on such a record, the United States could well utilize some of this outstanding athletic talent in Olympic basketball competition.

I know my other colleagues from Mississippi join me in saluting Delta State University, Coach Wade, and the Lady Statesmen, and the administration, faculty and student body, ably guided by Dr. Kent Wyatt, the president of Delta State University.

CONGRESSMAN JACK KEMP TESTIFIES IN SUPPORT OF IMPORTANT FLOOD CONTROL PROTECTION AND ENVIRONMENTAL RESTORATION PROJECTS IN WESTERN NEW YORK

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. KEMP. Mr. Speaker, it is obviously not possible to stop the rains and snows which can cause floods, but it is possible to hold back the runoff waters or to contain it—to prevent altogether or to reduce the severity of floods—and thereby protect lives, homes and property.

It is not possible to stop storms and high waves either, but it is possible to stop or to slow the erosion of our beaches—and thereby protect homes and businesses along the shoreline.

It is not possible to keep debris and silt from clogging our streams, but it is possible to remove that debris—and thereby improve navigation.

When we take these actions, we not only better assure protection of life and property, but we also help to restore our environment and to improve our commercial and recreational uses of our rivers and lakes.

One of the most important, traditional responsibilities of Government has been protecting its citizens against natural disasters and in giving them assistance when those disasters occur. The Federal Government has helped and continues to help in both these regards.

The people of western New York, like Americans everywhere, have contributed to and have benefited from this assistance, and we have borne our State and local share of the costs too—usually about half. For example, Lake Erie and the Niagara River are much cleaner today than they would have been without this assistance. Local streams are cleaner and of improved capability for carrying high water into Lake Erie without flooding our communities. But there is a long way to go.

The people of Cheektowaga, Lancaster, Depew, and the city of Buffalo need the Scajaquada Creek flood control project to be completed. The people along the shore of Lake Erie need beach erosion protection. The people of Tonawanda and Amherst need the Ellicott Creek flood control project finished. Municipal and commercial interests need the locks and piers maintained and the harbors improved. The people of the south towns, East Aurora, and Buffalo need the Cazenovia Creek flood control project finalized, as the people of Springville, Cattaraugus, and Gowanda need the Cattaraugus Creek and Harbor project finished. And the entire area's development will be heavily governed by the findings and recommendations of the comprehensive water and related land mangement study for the Buffalo metropolitan area.

I testified this morning, together with my good friend and colleague from western New York, Congressman HENRY NOWAK, in support of funding for these projects—to keep them on schedule and to even advance them when possible. I testified before the Subcommittee on Public Works of the House Committee on Appropriations, and I sought three things for western New York as a member of that committee.

I sought additional funding for the Scajaquada Creek flood control project of $400,000—to advance that project a full year closer to completion than contemplated in the President's proposed budget for the coming fiscal year.

I sought additional funding for the shoreline erosion control demonstration, program, especially along the Great Lakes.

And, I sought support for the administration's budget request levels for additional planning of the Ellicott Creek flood control project; harbor and channel maintenance for Black Rock Lock and Tonawanda Harbor and Buffalo Harbor; diked disposal programs for Black Rock Lock and Tonawanda Harbor and Buffalo Harbor; the Lake Erie wastewater management and Great Lakes water levels control programs and the Buffalo metropolitan area study; and the Cazenovia Creek flood control project.

I am encouraged that we can obtain the funding we need for these projects, especially the additional funding for Scajaquada Creek, and I will certainly work toward that end.

My statement this morning follows:

STATEMENT OF THE HONORABLE JACK KEMP

Mr. Chairman and my fellow Members of the Committee on Appropriations:

I am here this morning to testify in support of—

Additional funding for the Scajaquada Creek flood control project of $400,000;

Additional funding for the shoreline erosion control demonstration program, especially along the Great Lakes; and

The Administration's budget level requests for—

Additional planning of the Ellicott Creek flood control project;

Harbor and channel maintenance for Black Rock Lock and Tonawanda Harbor and Buffalo Harbor;

Diked disposal programs for Black Rock Lock and Tonawanda Harbor and Buffalo Harbor; and

The Lake Erie wastewater management and Great Lakes water levels control programs.

SCAJAQUADA CREEK FLOOD CONTROL PROJECT

Congressman Henry Nowak and I share a common concern over the failure of the Administration to provide for funding of the Scajaquada Creek flood control project. The upstream portion of this project is within my Congressional District, and the downstream portion is within his.

Let me discuss for a moment why we believe the additional $400,000 for the Scajaquada Creek project is justified both in general and specific terms.

The Administration has taken an across-the-board, blanket position in the proposed budget against any new Corps construction starts in FY 77. This enabled the Administration to more effectively hold the line on the growth in spending, an effort for which they should receive our praise and our general support. I personally do not have any qualm about supporting reductions in general in our spending, but the Administration's action goes beyond this.

By taking a blanket position against any new construction starts for a full year, the Administration has failed to consider, at least on a case by case basis, the loss of life and property and the additional high costs to the government in the form of disaster relief and assistance caused by failing to have flood control structures in place. In an effort to reduce the budget in one area, we may be running a very high risk of increasing it even more in others. What we save on Corps construction, we may forfeit on disaster assistance and not building flood control structures will certainly not improve the weather and make floods go away. And even if it were a dollar-for-dollar tradeoff in appropriations between construction starts on one hand and disaster assistance on the other, it does not take into consideration, the hardships inflicted upon the people by failing to provide adequately for their protection against floods.

I think, therefore, that the Congress is obligated to consider on a case-by-case basis exactly where severe flooding conditions warrant construction starts in FY77. I believe, further, that Scajaquada Creek is such a project.

Flooding along this Creek has been persistent and at times severe. Floods in May 1975, January 1959, August 1963, and September 1967, the latter two causing substantial damage, have been replaced in recent years with flooding every year. The Corps' design memorandum concluded that this annual flooding has been caused principally by the nearly complete urban development along its course. Flooding again this Spring is, again in the words of the Corps, a certainty.

This project is ready. The design has been completed. There are no environmental issues. Assurances have been given by the Corps that the stream channelization will be stable and the stream banks restored to prevent silting in Delaware Park Lake. Effective February 9, 1976, the Buffalo District has been given FY 77 capability of $400,000 for this project, a capability communicated to me on February 11 by the District Engineer. This $400,000 would allow the Corps to complete plans and specifications for the project, award a construction contract and initiate construction of the project during FY77.

This is not a large project in dollar terms. It is a large project, however, to those who now must annually suffer from the consequences of not doing this construction work. The total Federal share is estimated at no more than $2,400,000, a small amount as most flood control projects go. The benefits to the people of Cheektowaga, Lancaster, Depew, and Buffalo are certainly worth this investment by the Federal Government.

I ask the Subcommittee to provide for this $400,000 additional funding.

SHORELINE AND BEACH EROSION CONTROL ON THE GREAT LAKES

The continuing failure to provide adequately for shoreline erosion control is my second point of contention with the Administration's proposed budget. The omnibus public works authorization bill of the 93d Congress set forth a program through which demonstration projects could be commenced, providing the Corps with specific information on shoreline erosion control techniques for future operations. That act also established a panel of experts in the subject field to make further advisory recommendations.

Funding was not requested for fiscal year 1976, and the funding request for FY77 is only $200,000. The Congress had the foresight to increase the zero-funding for FY76 to $320,000, and I hope this Subcommitttee will again exert its influences to assure funding greater than $200,000 for FY77.

Unless one has seen the results of beach erosion, both gradual and storm-caused, it is hard to imagine the substantial damage that it can create. I have seen entire areas of beaches washed away—homes and roads undercut and falling into the water, shoreline businesses closed and jobs lost. There are areas of persistent beach erosion in Erie County, and I have been working with the residents and businesses along the water in trying to obtain Federal, State, and local assistance and in devising various "self-help" measures. But, again, it is obvious to me that putting money into stopping or substantially reducing this erosion is more cost-effective than the damage assistance relief which is usually always necessary.

I hope the Subcommittee sends a clear message to the Administration that more is needed to stop this form of natural disaster.

Let me mention a few additional points about the Administration's budget requests for projects in Western New York and about the status of those projects.

ELLICOTT CREEK FLOOD CONTROL PROJECT

The Administration has requested $240,000 to continue preconstruction planning for the Ellicott Creek flood control project in the Towns of Tonawanda and Amherst. This is an increase over the $195,000 provided for FY76, an amount which was not included in the Administration request for that fiscal year but was added by the Congress. The environmental issues have been essentially resolved, and I compliment the present District Director of the Corps, Col. Bernard C. Hughes, for bringing together the once-divergent interests along the Creek into a citizens advisory team to resolve their differences on that level and not here in Washington. It has been a successful undertaking.

OPERATION AND MAINTENANCE FOR LOCAL PROJECTS

The Administration has requested $851,000 to maintain the Black Rock Lock, dredge the Black Rock Channel, and to repair the Bird Island pier; $1,125,000 for channel dredging in Buffalo Harbor; $175,000 for the diked disposal program for Black Rock and Tonawanda Harbor; and $1,615,000 for the completion of the construction of the diked disposal areas for dredged material for Buffalo Harbor.

The FY77 funding level for the operation and maintenance of Black Rock Channel and Tonawanda Harbor of $851,000 is $149,000 less than the FY76 level, due to the fact that the Corps will essentially finish structural repairs of the Bird Island pier by the end of the FY76 transition quarter. The substantially reduced funding level for FY77 for the Buffalo Harbor Diked Disposal Facility—$1,615,000 in FY77 compared to $4,025,000 in FY76—is because the project will be completed during the first quarter of FY77.

COMPARISON OF FISCAL YEAR 76 AND FISCAL YEAR 77 FUNDING LEVELS

A point should be made, in considering the five specific projects, that the FY77 proposed spending is $2,443,000 *less* than the FY76 spending. I hope the Committee keeps this 37-percent reduction for the Western New York area in mind in considering my request for an additional $400,000 for the Scajaquada Creek flood control project.

There are three other projects in the area which will be before the Subcommittee in the future, and I think the Subcommittee should be apprised of their statuses.

CAZENOVIA CREEK FLOOD CONTROL PROJECT

The authorizing study report for the Cazenovia Creek flood control project is currently being reviewed by the Corps' Board of Engineers for Rivers and Harbors—BERH. After BEHR review, the report will be distributed by the Chief of Engineers for final comment to the appropriate Federal and State agencies and then forwarded to the Secretary of the Army for submission to Congress for authorization. Until the project is authorized by the Congress, the Corps cannot request funding for the design and construction. I understand the Committee on Public Works and Transportation intends to report out an omnibus public works, water resources development bill this Session, so I am working very hard to get that report before the Congress in time for consideration in this year's bill. That would enable us to proceed with a request for funding next year.

CATTARAUGUS CREEK NAVIGATION AND FLOOD CONTROL PROJECT

The final design for the Cattaraugus Creek navigation and flood control project will be finished in FY76. This project has not received assurances of non-Federal share funding from local interests—Erie County, Chautauqua County, the Town of Hanover and the Seneca Nation of Indians. The State will provide 50-percent of the non-Federal share of $977,500, but Erie County has indicated its share of the cost, $244,375, is too great in terms of the number of residents which would be served, and the Seneca Nation has indicated it will not participate in the project. Until we receive firm commitments for the local components of the non-Federal share, the Corps cannot express any capability to proceed with construction.

BUFFALO METROPOLITAN AREA STUDY

The Comprehensive Water and Related Land Management Study for the Buffalo Metropolitan Area is progressing quite well. This study was authorized by resolution of the Committee on Public Works on June 14, 1972, and I was pleased to play a major role in winning that approval. The notice of the interim feasibility report, one of four studies that comprise the overall area study, has been issued by the Corps Division Engineer in Chicago. This interim report addresses provisions for improving streambank protection, water-related recreation, fish and wildlife management, and water-related environmental quality management. An immediate development plan has been offered with a benefit-cost ratio of 3.5 and a staged development plan has been offered with a benefit-cost ratio of 4.7. This report will provide a useful base for further discussions and for adoption of an eventual overall plan for this area.

Mr. Chairman, I wish to thank the Subcommittee for its time this morning and for the consideration of these matters.

WILLIAM ORVILLE DOUGLAS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. FRASER. Mr. Speaker, expressing tribute to William O. Douglas is not easily done, if one hopes to write something that is both apt and original. His long, distinguished public career has been hailed often, not only to mark his retirement from the U.S. Supreme Court but during his active service as well.

In fact, I was convinced that the tall, majestic evergeen found in the western part of North America, the Douglas-fir, was named to mark an early triumph of the Justice's career until someone said that no, it was for an American Scot, David Douglas, a botanist; but I still think that both my idea and the tree are right.

Justice Douglas was born in Minnesota 'and we are proud of that. He went on to careers as a jurist, a journalist and a lover of nature. The vigor with which he pursued all of these is legend.

I also recall my strong feelings some years ago when the Justice's extra-legal writings caused a stir here in Washington. While Justice Douglas did not need the few words I published in his defense, I recall my effort with pride.

The dignity with which Justice Douglas left the bench is consistent with his brilliant career. Supreme Court retirements have never been easy. Certainly Justice Douglas' was not. But when his time came, he recognized it and he retired. Many share my sense of loss at his retirement. Few of the stature of Justice Douglas happen our way.

THE PHILADELPHIA INQUIRER ASKS: WHO CARES WHEN WORKERS DIE?

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, I call to the attention of my colleagues the last in a series of articles by the Philadelphia Inquirer on the subject of occupational disease. In this article, the Inquirer examines the attitudes of industry, labor unions, the health professions, and the Government toward the problem of occupational disease.

The Inquirer contends that historic disinterest is the chief characteristic of these attitudes. The Inquirer further charges Congress with contributing to the occupational disease problem by its failure to enact toxic substances control legislation.

I concur with the Inquirer's viewpoint that toxic substances control should be an essential component of our national strategy to attack the root cause of environmentally linked cancer—both in the workplace and in the communities of our Nation.

Toxic substances control legislation was first introduced in the Congress over 5 years ago. It has been reintroduced in two succeeding sessions. It still is not law.

When I first introduced the Occupational Safety and Health Act in 1970, congressional concern was focused on the need to assure America's working men and women a safe and healthy workplace.

We cannot afford any relaxation of this concern. And, the simple fact of the matter is that we need to devote considerably more attention to the problem of occupational disease.

It is clear to me that the Occupational Safety and Health Act alone cannot solve this tragic national problem.

We need toxic substances control legislation to prevent hazardous substances from entering the workplace.

During the course of the 5 days I have devoted to speaking about the problem of occupational disease and the need for toxic substances control, 1,575 American workers have died—the great majority of them from occupationally induced diseases.

Before the year is out, we will have lost more worker lives to occupational disease than the total of lives that were lost in 12½ years of war in Vietnam.

This appalling toll should shock our sensibilities and propel us into corrective action. Every day we delay in coming to grips with the problem, another 315 workers die.

In the 5 years that toxic substances control legislation has been delayed, over 500,000 American workers have died of occupational diseases caused by exposure to hazardous substances.

In the same 5-year period, another 1.3 million Americans have died from cancer environmentally linked to toxic substances.

Mr. Speaker, I urge my colleagues to join with me in supporting the toxic substances control bill. I hope that the series of Philadelphia Inquirer articles I have included in the RECORD will be helpful to my colleagues in broadening their understanding of the need for this vital legislation, and the terrible human cost of our inaction.

Mr. Speaker, the article from the Philadelphia Inquirer is included at this point in my remarks:

[From the Philadelphia Inquirer, Mar. 21, 1976]

THE WORKERS DIE. THE QUESTION IS: WHO CARES?

(By Susan Q. Stranahan)

In the battle to stay alive, the American worker has few allies.

Management is far more impressed with the profit-loss figures from its accounting department than it is with death-injury statistics from its production department.

Unions are far more concerned about winning higher wages and benefits for their members than they are about making sure the worker is alive when it comes time to collect.

Doctors are far more interested in studying tropical diseases than they are in learning about the diseases that afflict the men and women who come to see them every day.

And the federal government is far more willing to treat the problem of worker safety and health with band-aids than it is to confront a carnage that takes a heavier death toll in one year than the Vietnam War did in 12½ years.

For the maimed, the ill and the dying in the American workforce, the answer to the question, "Who cares?," is, so far: no one.

Nothing is more illustrative of this than the failure of Congress to regulate toxic substances.

There are an estimated 44,000 chemical substances which are known to cause an adverse physical reaction in man. Approximately 2,000 of these chemicals are considered by the National Institute for Occupational Safety and Health to be hazardous enough to merit some sort of control.

But only 16 of the substances currently are regulated by the federal government. All 16 of them killed before they were controlled.

As The Inquirer pointed out last Monday, legislation to control the use of toxic chemicals—those that cause adverse reactions in the workplace—was first introduced in Congress in 1971, a full five years ago. It has been reintroduced in the two succeeding Congresses. It still is not law.

Toxic substances control legislation was introduced in Congress just two months after legislators created the Occupational Safety and Health Administration (OSHA), which requires every employer to furnish a workplace "free from recognized hazards that are causing or are likely to cause death or serious physical harm to his employes."

Despite its lofty goals, OSHA has failed.

Six years after the act became law, American workers are dying at the rate of 315 a day. Each year, 100,000 workers die of occupational diseases and 15,000 more die from on-the-job accidents.

One major contributing factor to this toll is the use of untested and unregulated chemicals in thousands of workplaces.

Toxic substances legislation, if adequately funded and enforced, would do what OSHA cannot do—prevent a dangerous substance from entering the workplace.

Although OSHA has the power to halt exposure to a hazardous chemical or process once it is in use, it cannot act before the fact—a restriction that means humans must first face the risk of disease or injury before the government can step in.

Just as millions of Americans work at jobs that daily require them to risk their health and well-being, scores of lobbyists work at trying to insure that a bill like the toxic substances control act is not passed by Congress.

Industry's effort to weaken the legislation have only recently been protested by a lobby of labor unions and environmentalists.

The labor-environmental coalition points to the 500 to 700 new chemical substances that enter the workplace each year—with no independent testing for possible hazards. These chemicals are developed for purposes that range from intensifying the color of paint to getting a shirt whiter in the laundry.

HISTORIC DISINTEREST

The battle to make the workplace safer has been made all the more difficult for the American worker due to the historic lack of interest in the medical-scientific community.

"Occupational medicine is like a young woman being molested on a New York subway. No one wants to get involved," says Dr. Joseph K. Wagoner, director of the division of field studies and clinical investigations for the National Institute for Occupational Safety and Health—the research arm of OSHA.

A lack of trained personnel has always plagued occupational health experts. An add plagued occupational health experts. An additional 8,000 physicians are required in the field to meet current needs, according to one medical estimate.

For decades, industry has dominated—to the point of controlling—what little scientific research has been done on substances and practices in the workplace.

If the research projects weren't being conducted by industry-sponsored laboratories, most were being conducted in medical schools heavily endowed by industry.

It was in the words of union official, Anthony Mazzocchi of the Oil, Chemical and Atomic Workers Union, "corporate- medical incest."

"Medical schools are corporate dominated," he says. "And doctors are a product of their training."

"The bulk of research has been from within industry," says Dr. Samuel S. Epstein, an occupational health expert of Case Western Reserve medical school in Cleveland, who agrees with the critical assessment of his profession.

DATA SUPPRESSED

"As a result, data have been suppressed, distorted or perverted".

This lack of interest in occupational medicine has forced those who specialze in it to seek work where they can find it. Most often, that is with industry.

Company doctors have always been viewed with a jaundiced eye by workers, who are convinced that the doctor's first loyalty rests with the company and not the worker-patient.

"Health care on the job is nearly a contradication in terms at the present time," Leonard Woodcock, president of the United Automobile, Aerospace and Agricultural Implement Workers of America International Union (UAW), recently told a conference of public health workers.

"The general state of affairs is dismal. Medical departments tend to be more concerned with malingerers than with eradicating occupational disease, because this is what they are paid to do and rewarded for.

"Injuries are treated with the main purpose of patching people up to send them back on the shop floor as quickly as possible rather than to cure, care for and rehabilitate them.

"Company medical and industrial hygiene staff work with a basic conflict of interest. They are paid by the company to protect the company."

NOT TRAINED

Whether or not their paychecks or research grants are signed by industry, few doctors are specifically attuned to occupational disease. More than likely, they have been taught more about tropical disease in medical school than about job-related ailments.

"Those doctors probably will never see a case of malaria," says Mazzocchi. "Yet how many working men and women will they treat?"

But the lack of doctors, the disinterest of Congress and the obstinance of industry is not the only reason this nation has an abysmal occupational safety and health record. Even the workers themselves don't always embrace the issue with much fervor.

In 1973, when insulation workers at the Sun Oil Co. refinery in Marcus Hook were considering issues for contract negotiations, local union leaders—in an effort to arouse support for better health and safety programs—drew up a list of members who had died of cancer and heart attacks.

That list contained the names of 59 insulators who belonged to the local in 1954 or who had joined it since then. Beside each name was an ominous record of each man's fate: seven dead of cancer; six dead of heart attacks; 14 retired with disabilities, including five with cancer, and nine men working with physical problems, including previous heart attacks.

NOT MOVED

Arlie "Boots" Butler, one of the men whose names was on the list, remembers the meeting of the union when the issue was raised.

"The executive board (of the union) wasn't moved," he recalls dryly. "I guess it didn't affect them directly."

"I think another thing that they all figured: we have been exposed to so much for so long that maybe it's too late to be concerned."

With one notable exception, unions have failed to rally their members to demand healthier working conditions. That exception is the United Mine Workers of America, whose members are afflicted with "Black Lung" disease.

Their lobbying efforts resulted in enactment of the Coal Mine Health and Safety Act of 1969. The act's goal is the eradication of Black Lung.

So many hazards confront workers of unions like the Oil Chemical and Atomic Workers, that Mazzocchi says his union may invent a disease known as "Rainbow Lung" to get similar protection.

That leaves industry, which always has viewed occupational health and safety as nobody else's business anyway. Taking care of the worker is something an employer can point to with pride—like giving him a turkey at Thanksgiving.

SCOFFS AT CLAIMS

Industry has always scoffed at claims of occupational disease. It's just not good sense to admit that a man's job makes him sick. Or dead.

In defense of its failure to own up to occupational health problems, industry frequently has adopted a fatherly attitude toward employes while opposing any intervention by the federal government or labor.

"Management is definitely on the defensive on health issues," says an international union offical in Colorado. "They are so used to having total responsibility for health and safety. They have a paternalistic attitude that it's their total responsibility. It's one more area of power that is being eroded by unions and government.

Reflecting this attitude is an editorial that appeared in America's Textile Reporter, a publication of the textile industry, whose workers have long been plagued by a disease known as "Byssinosis," or "Brown Lung," caused by inhaling cotton dust fibers.

"We are particularly intrigued by the term 'Byssinosis,' a thing thought up by venal doctors who attended last year's ILO (International Labor Office) meetings in Africa where inferior races are bound to be affected by new diseases more superior people defeated years ago.

"As a matter of fact, we referred to the 'Cotton Fever' earlier, when we pointed out that a good chaw of B.L. dark would take care of it, or some snuff."

The editorial was published in July, 1969.

HOW MUCH SAFETY

"Safety is like motherhood and apple pie," says an official at a Colorado mine. "Everyone is for it, but the question is, How much safety is necessary?"

That is an attitude shared by the federal government. When OSHA was enacted, it made no attempt to come up with maximum levels of exposure by workers to dangerous substances used by industry. Rather, it merely adopted standards already set by the American Conference of Governmental Industrial Hygienists (ACGIH) which, despite its title is unconnected with the government. Rather, it is made up of 1,500 industrial hygienists employed by industry, educational institutions and the government.

Since its founding in 1938, the ACGIH has recommended maximum levels of exposure to various substances used by industry, beyond which a worker's health would be impaired. These are known as Threshold Limit Values (TLVs).

Each TLV is established through a complicated mathematical formula that takes into consideration the length of the working day, experimental data based on animal and human exposure studies and "industrial experience," according to ACGIH.

Many of the TLVs grew out of studies undertaken by industry itself, or by research organizations funded by—and responsible to—chemical, oil, steel or manufacturing companies where the substances in question were vital parts of their daily operations.

STANDARDS FLEXIBLE

Until the TLVs were adopted enmasse by OSHA in 1971, they were voluntary. Even though they are now part of federal law, the standards are flexible enough for industry to live with easily.

Generally, they set quite high levels of exposure.

They also establish "time weighted averages," meaning that a worker can be exposed to extremely high levels of a hazardous substance during the working day if the level of exposure is dropped proportionately lower during the remainder of the day to average out to the TLV.

There is no provision in the TLVs to reguulary monitor the air to determine if the maximum level is being exceeded, or to test workers for ill effects caused by exposure.

Anthony Mazzochi, who is the legislative director for the Oil, Chemical and Atomic Workers Union and worked with chemicals in a Long Island factory before becoming a union official, grows angry when he talks about the lack of strong occupational safety and health programs in this country.

"It's safer on the darkest street in any city in the United States than it is in the average factory in America," he says.

"What the workers of America are doing today is subsidizing industry with years of their lives."

Those are strong words. But there is episode after episode in the annals of American industry to back them up.

Perhaps, none is more graphic than the story of vinyl chloride, which killed and killed and killed again, while industry, unions and the federal government all sat on their hands.

Vinyl chloride, and its byproduct polyvinyl chloride, are everywhere. More than five billion pounds are produced annually in the United States.

The substances are used in the paint in your home, the pipes which bring you your water, in your furniture, the packages containing your food, the tops your children play with and the floors you walk on. They are used in the shoes on your feet, the imitation-leather jacket you wear and even the false teeth in your mouth.

Although the hazards of vinyl chloride were known for years, the substance was not controlled until workers died and thousands more had been exposed to the deadly chemical.

The standard was enacted despite enormous resistance from the chemical industry—which had known for a year before the deaths were disclosed that even low exposures to the substance caused cancer.

How then, did a situation like the vinyl chloride crisis occur?

Vinyl chloride is made from chlorine and petrochemical feedstocks, often as part of the regular oil refining process. Polyvinyl chloride is produced when the chemical structure of vinyl chloride—a sweet smelling gas—is altered polymerized) with pressure and heat and changes from a gas to a white, powder resin.

For years, scientists believed vinyl chloride was harmless. It was even used as an anesthetic at one time.

As American industry and the consuming public rushed into the "plastic age," a few isolated voices were calling for caution.

In 1949, Russian scientists discovered that 18 of 75 polyvinyl chloride workers they examined had a hepatitis-like liver condition. Other European studies in the next decade reported skin lesions and circulatory disorders among polyvinyl chloride workers.

OFTEN IGNORED

In 1974, the Manufacturing Chemists Association, an industry group made up of such giants as Dow, DuPont, Allied, Monsanto and Union Carbide, recommended that exposure levels be set at 500 parts of vinyl chloride per one million parts of air. It was a voluntary standard, and it was often ignored.

Then, in 1961, the Dow Chemical Co., which had become one of the major producers of polyvinyl chloride, made a startling discovery. Laboratory animals exposed to 100 parts per million of vinyl chloride had developed liver damage. Dow began reducing worker exposure in its plants to 50 parts per million.

However, the Dow study, like the previous Russian and European findings, caused barely a ripple in the sea of plastics covering the nation. Instead, the booming chemical industry relied on the results of a study, conducted by Yale University, claiming that 500 parts per million was a safe level.

In 1967, a new danger signal was observed. Polyvinyl chloride workers—particularly those assigned to scrape out the polymerization vats—were developing acroosteolysis, a rare bone disease which causes the fingertips to degenerate.

The Manufacturing Chemists Association commissioned the University of Michigan to study this phenomenon. After three years, university scientists recommended that the industry lower its exposure levels to 50 parts per million.

NOTHING DONE

Again, the recommendation was only that. No one enforced it; no one even regularly measured the concentrations in the air. (Workers learned that they could smell vinyl chloride only when it reached a concentration of 2,000 parts per million.)

With the creation of the Occupational Safety and Health Administration (OSHA) in 1970, the Federal government finally had the tools with which to protect the workers from hazards like massive doses of vinyl chloride.

But acceding to the prevailing belief that vinyl chloride was harmless—despite various scientific warnings—OSHA merely adopted as its standard 500 parts per million—the standard proposed in 1954 by the industry's own Manufacturing Chemists Association.

In Europe, where the plastics industry had experienced a growth as spectacular as that in America, a consortium of major producers in 1969 commissioned a study of the effects of vinyl chloride by an Italian, Dr. Pier Luigi Viola.

In 1970, Viola discovered that rats exposed to 30,000 parts per million of vinyl chloride several hours a day over 12 months had developed tumors. American producers were informed of the findings by Viola.

The European consortium launched a new series of studies to be conducted by Dr. Cesare Maltoni of Bologna, Italy. Industry groups in the U.S. discussed similar studies here. None was begun, however.

In March 1972, almost two years after Viola's discovery, the Manufacturing Chemists Association agreed to financially back Maltoni's project in Italy.

In the fall of that year, Maltoni made a startling discovery: tumors had developed in rats exposed to 250 parts per million of vinyl chloride—half the existing U.S. standard.

Even more foreboding was the observation in a test animal of the first instance of liver cancer—always fatal in humans—as a result of vinyl chloride exposure.

In December of that year, the Manufacturing Chemists Association agreed with the European vinyl chloride producers, co-sponsors of Maltoni's research, to keep all findings confidential "to minimize unwarranted speculation."

IN THE DARK

The federal government, empowered under the Occupational Safety and Health Act to "assure safe and healthful working conditions for working men and women," was kept in the dark.

It was not until January, 1974—when the first death of vinyl chloride workers were reported—that the whole story became known.

There are two versions of events that transpired during the summer of 1973: that of the Manufacturing Chemists Association and that of officials of the National Institute for Occupational Safety and Health (NIOSH), the research arm of OSHA.

On July 17, the chemists' association, representatives of the European chemical companies and NIOSH officials met at the request of the industry group for a briefing on current European vinyl chloride studies.

Later, in testimony before a U.S. Senate subcommittee investigating the vinyl chloride hazard, NIOSH director Dr. Marcus Key claimed the chemical industry was less than candid about its research at the meeting.

Although they described Viola's research—which by this time had faded in significance due to Maltoni's findings—and Maltoni's research on tumors, the crucial discovery of liver cancer was not discolsed.

FIRST DEATHS

Not until six months late—when the proof of Maltoni's research on test animals was borne out by the first human cancer deaths—did NIOSH learn what the chemists' association had known for a year.

The chemical industry participants in the July, 1973 meeting claim NIOSH was not given the data on liver cancer because NIOSH didn't specifically ask for it.

Industry's failure to inform federal authorities about the hazard prompted a heated exchange between California Sen. John V. Tunney, who chaired the subcommittee, and Dr. Theodore R. Torkelson, a Dow Chemical Co. toxicologist representing the chemical industry at the hearings.

When asked by Tunney why it had taken from January to July, 1974 to arrange the meeting with NIOSH, Torkelson explained:

"Well, we wanted to verify it (the liver cancer discovery) by laboratory experiments . . . We wanted to have the right people in NIOSH present. We wanted to have the representatives of the European companies present. It was finally worked out in July."

Tunney continued: "I can understand certainly the desire to confirm data, particularly when it is new data. But when it relates to something as serious as liver cancer and the potential threat to American workers, I can't understand why that wouldn't be given to NIOSH officials who are responsible for trying to protect the health and welfare of American workers . . . "

Torkelson answered: "It wasn't a matter of not wanting their participation. The appropriate studies were already underway in view of the outcome. We needed the results of these studies to interpret the information we had."

Tunney: "Again, I am speaking as a layman without any background in science, but I can assure you if I were a worker in a vinyl chloride plant, it would have made a difference to me."

MORTALITY STUDY

In December, 1973, a Louisville, Ky. surgeon who also was the plant physician at B. F. Goodrich's polyvinyl chloride plant, took special note of the death of an employe of rare liver cancer. Recalling that another employe had died two years earlier of the same thing, he set in motion a mortality study of the plant's workers.

By January, the results were in. Three workers had died of the disease since September, 1971. (To date, at least eight workers at the Louisville plant have contracted liver cancer.)

On January 22, B. F. Goodrich officials notified NIOSH of the deaths. A day later the findings were made public. OSHA found itself in the midst of its first crisis.

Within two months, NIOSH—forced to divert its tiny staff from other projects to handle the emergency—forwarded to OSHA a recommended maximum exposure standard for vinyl chloride of 50 parts per million, one-tenth the prevailing standard.

The impact of the B. F. Goodrich deaths had been tempered somewhat by the fact that the dead workers had been engaged in a process that involved only a few empoyes.

Because of this, it was hoped that the thousands of worker who fabricated polyvinyl chloride products would not be involved.

The respite was brief.

MORE DEATHS

Within a matter of weeks, German officials reported six suspicious cases of liver disease in a plant that made polyvinyl chloride floor tiles. Connecticut health officials documented the liver cancer deaths of two persons, one who had handled only finished polyvinyl chloride products, the other an accountant at the plant.

The effects on the consumer are still unknown.

In April, OSHA announced an emergency temporary standard of 50 parts per million to be reduced by Jan. 1, 1975, to one part per million or in essence, "no detectable level."

As OSHA was wrestling with the crisis, the plastics industry began a concerted effort to prevent control on what had become a $3-billion-a-year operation.

A survey paid for by the plastics industry predicted that the new standard would cost two million jobs and a loss of production and sales as high as $90 billion. It was hinted the entire industry might be forced to close down.

Spurred on by public outcry, plus pressure from labor and environmentalists, OSHA stuck to the one part per million standard. The industry went to court, claiming the standard was not technically feasible.

An appeals court upheld the standard, saying: "They (the industry) simply need more faith in their own technological potentialities."

The standard went into effect on April 1, 1974.

STANDARD UPHELD

Unsatisfied, industry carried its appeal to the U.S. Supreme Court. Last May, the court refused to hear the case, leaving the standard in force.

The new law is now on the books to be enforced by OSHA.

The vinyl chloride industry, despite its dire predictions, says it is now complying with the OSHA regulations. Instead of widespread layoffs and plant closings, the industry is expanding, with four new vinyl chloride producers in operation.

And despite the claims of multi-billion-dollar expenditures, the cost to industry to meet OSHA regulations, according to one private survey, was $300 million.

By the end of 1974, the grim statistics were compiled: 32 cases of vinyl chloride-related cancer had been discovered and 16 people had died. Countless others were exposed and are potential victims. For the dead, the dying and those who wait in fear, the changes came too late.

For the American worker, too often the changes come too late.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on April 1, 1776, the Continental Congress issued comprehensive guidelines regarding the public finances to the standing committee it had created on February 17 to supervise that area of government. Convinced that, "nothing (was) of greater consequence, than that the public accounts should be regularly stated and kept, and justly liquidated and settled," Congress also authorized the establishment of a treasury office and the appointment of an auditor general and a sufficient number of assistants in order to improve the Treasury system.

DISARMAMENT LOBBY TARGETS CONGRESS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. McDONALD of Georgia. Mr. Speaker, Soviet strategists, pointing out the usefulness of "détente" to their revolutionary totalitarian cause to other Communists, have emphasized that "the example of Vietnam shows the tremendous importance, in the climate of détente, of non-military, political methods of combating the export of counter-revolution—as the Communists call American assistance to non-Communist governments resisting Communist takeover—alongside armed revolutionary struggle with the diversified assistance given it by the world of socialism."

The Soviet camp tacticians are endeavoring to achieve "materialization of détente" which they define as "military détente * * * steps to end the arms race." The Soviet Union sees Western disarmament as the way to insure that the United States and the non-Communist world will never again be able to exercise a military option in aiding our non-Communist allies against Soviet-backed aggression.

One of the Soviet tactics in this disarmament drive is to build alliances between the Communists "and other social and political forces, including left-wing currents of the ruling bourgeois parties," which are already involved in some pro-socialist endeavors. The tacticians state that "whatever their form, these alliances help to isolate" anti-Soviet and anti-Communist counter moves and "contribute to the struggle" against private property and the free enterprise system.

Many of the old agitational groups who had worked together in support of the Communist aggressors in Vietnam, Laos and Cambodia met here in Washington, March 13–15, 1976, to coordinate a new project in line with the changed requirements of Soviet strategy. These groups had worked in various coalitions heavily influenced by the Communist Party, U.S.A. such as the People's Coalition for Peace and Justice and the New Mobilization Committee to End the War in Vietnam. They also cooperated with the Indochina Peace Campaign and in the Coalition to Stop Funding the War. After the Communist victories in Indochina last May, these groups moved to the new program without hesitation. The Indochina Peace Campaign became the Campaign for a Democratic Foreign Policy—CDFP—the Coalition to Stop Funding the War became the Coalition for a New Foreign Policy—CNFP—and the National Campaign to Stop the B–1 Bomber selected the first target in the disarmament drive. An initial report on the March anti-B–1 conference was published in these pages on March 23, 1976.

The National Campaign to Stop the B–1 Bomber, the CDFP and the CNFP work with the less publicized leftist think tanks and radical research groups—the Institute for Policy Studies, the Fund for Peace's Center for Defense Information, the North American Congress on Latin America, et cetera—as constituent parts of a unified movement to so reduce America's military capabilities that this country will never again be able to militarily assist one of our allies in resisting Communist aggression and subversion.

In the campaign, the think tanks and research groups provide biased selections of facts and witnesses to send to testify before us; the CNFP acts as the day-to-day lobbying arm; and the B–1 group and the CDFP serve as the grassroots pressure coordinators.

Fifteen years ago, the Communists changed their view of elected legislative bodies. Whereas for decades they had tried to destroy them, the line was changed. As a Czech theoretician concisely wrote:

> Parliament in bourgeois countries is a product of historical development and cannot be erased from life. It is necessary, therefore, to work in it and to use it in the fight against bourgeois society.

The disarmament lobby has developed a sophisticated pressure campaign against Members of Congress they have selected as swing votes. A "Timeline" for action distributed at the March conference states:

TIMELINE

FEBRUARY

Determine your Rep's position on the B–1 and on cutting military spending.

Local Campaigns should probably designate a person to get the Rep's position in writing, if you don't already have it. INFORM NATIONAL CAMPAIGN (send copies of letters, even if Rep claims s/he is undecided.)

Reach Out: Use dollar bills and resolutions to approach new individuals and groups. (Save names and addresses for future mailing.)

Make plans to attend "fiscal '77" in March.

Specialized Work: Some regions should pressure Reps and Senators who are on Armed Services or Budget Committees. Nat'l. Campaign will let you know.

National Campaign delivering testimony, lobbying Budget and Armed Services committees, and continuing outreach.

Presidential candidates will be active in some areas: raise the B–1 issue. Ask, "If you were elected president, would you terminate the B–1 program?" Send quote, date and place to National Campaign.

MARCH

Continue outreach with dollar bill leaflets and resolutions.

Get people to write their first letter to Congress.

"Fiscal '77"—March 13, 14, 15, Washington, D.C.—A Conference to Stop the B–1 Bomber, Cut Military Spending, Meet Human Needs.

Continue specialized pressure on Budget and Armed Services committees. (March 15: last day for Armed Services committees to submit defense estimates to Budget Committees.)

APRIL

Start to pressure your Reps on (1) First Budget Resolution vote due in mid-May (2) the B–1 vote in late May.

(April 15: deadline for Budget Committees to report First Budget Resolution for action by full House and Senate. May 15: last day for House and Senate action on Resolution.)

April 4–11: Act For Peace And Jobs.

April 15: Tax day organizing. Massive leafleting of dollar bills, and other actions.

Be sure your communication network is ready for emergency alerts at key moments in May!!

MAY

May is your most important month.

Climax pressure for lower military spending ceiling in first budget resolution. (Deadline for completion of House and Senate action: May 15.)

May 15: Deadline for Armed Service committees to report Defense Authorization Bill—including B–1 request—to full House and Senate. Full House takes up bill first. Could be as early as May 16, but more likely will be 1–3 weeks later, SO:

Blitz of letters, calls, visits, telegrams, letters to the Editor, etc. to win House votes.

May 27-June 1: Scheduled recess. Make appointment to see Reps, TRY TO SEE SENATORS: IT'S MUCH EASIER TO GET APPOINTMENT AT HOME THAN IN D.C.

JUNE

Senate considers Defense Authorization bill 1–3 weeks after the House completes action.

Blitz of pressures on Senators to drop the B–1.

Be ready for instant alerts. It's impossible to tell what will happen. (There may be attempts to delay the votes, to water down the B–1 termination—anything.

There will be a conference just after the Senate passes the bill, to resolve differences between the two Houses.

Have a good summer!!!

A second Campaign To Stop the B–1 Bomber document gives their "profiles" of Members of the House. Their comments are revealing:

HOW TO STOP THE BOMBER: WIN YOUR REP

If we stop the B–1 Bomber, it will happen late one afternoon in May when the big digital counter in the House of Representatives inches up over 200 votes to 210, 215, 218—218! There'll be a big cheer, and the talk in the chamber, the town and the Nation won't die down for a long time.

Right now we have 164 votes in the House (if we hold all we had last May), so we need another 54 votes.

What follows is a voting profile that will help us work up to 218. The profile suggests who to concentrate on and what approach to try.

After you look it over, please inform us immediately about (1) errors, (2) targeted Reps you know are clearly on record for or against the B–1. We will publish a corrected list in a month.

Representatives and Senators are targeted if we need constituent pressure to:

Change their vote on the B–1

Hold their vote against the B–1

Urge them to lead opposition to the B–1.

The voting profile shows members' past votes on the B–1 (during the Research and Development stage) and their ratings by four citizen's groups. Most of the Targets have been voting wrong, but have high ratings from the groups—which indicates they should be voting correctly. For example, a very high rating from the League of Conservation Voters indicates that a member should vote against the B–1 because of the threat it poses to the environment. The ratings suggest how to approach Target voters.

Pay special attention to Reps who voted "right" for the first time in 1975, because the Aspin amendment was for only a partial cut in B–1 funds (money to purchase parts in advance). Thus some Reps who voted for the amendment may still be undecided about the entire B–1 program.

Other targets include first-termers (even if they voted right in '75) and members in leadership positions.

Focus your energies on the targets. Make your goal a commitment from your own Rep and nearby Reps to vote for termination of the B–1.

The House vote is most important. It comes first, and we are in better shape in the Senate. Your efforts will have a greater impact on Reps. The Senate is likely to follow the lead of the House.

The House vote is scheduled for May; it might slip a little to early June. The Senate will vote soon after the House.

We ask your help in sharpening our information about Congress people. In many cases you know a lot more about them than does National Campaign staff, so please write. Has your Rep or Senator taken an explicit stand on the B–1 or the military budget ceiling? What arguments are most effective? Does s/he face a serious challenge in the elections?

Please send copies of letters you receive from your Reps.

We can help you, too, with additional voting records on military spending, with information about military contracts in your district and state, with rebuttals to pro-B–1 arguments. We can also check if your Rep is doing what s/he promises you (attending committees, putting resolutions in the Congressional Record, speaking up, etc.)

As we narrow the list of targeted voters, we will assign a D.C. Campaign staff-person to each targeted Rep. We hope you'll designate a contact in your area.

Look forward to that delicious moment when your Rep. says, "Yes, I will vote against the bomber." Send us a post card with the quote, the place and the date!

KEY TO VOTE PROFILE

Evaluation: Targets for constituent pressure indicated as follows; "TT," exert heavy pressure for Rep to take leadership role or start voting against the B–1; "T," pressure to change vote; "t," reinforce Rep's position, in all cases this is a Freshman.

House votes

'73: Pike Amendment to terminate the B–1 Program by deleting $473.5 million for B–1 Research and Development. July 31, 1973. Rejected 96–313.

'74: Pike Amendment to terminate the B–1 Program by deleting $499 million for B–1 R&D. May 19, 1974. Rejected 94–309.

'75: Aspin Amendment to delete $187 million in B–1 preproduction money from the Defense Procurement bill. May 19, 1975. Rejected 164–227.

Senate votes

'73: Hughes Amendment to authorize $5 million efficiency study to find alternatives to the B–1. September 21, 1973. Rejected 25–59.

'74: McGovern Amendment to terminate the B–1 Program and initiate efficiency study. June 5, 1974. Rejected 31–59.

'75: McGovern Amendment to terminate the B–1 Program. June 5, 1975. Rejected 32–57.

NOTE. If a Congressperson only voted in 1975 and has no ratings, s/he is a Freshman. All other blank votes should be treated as missed votes.

RATINGS

"NTU:" National Taxpayers Union. Based on 20 key votes in 1974, 5 pts. per vote. High rating means fiscal conservative; AVERAGE RATING 35 PTS. Rating suggests which members may be troubled by the high costs of the B–1.

"ADA:" Americans for Democratic Action. Liberal group that works to reduce defense spending (among other things). A high rating usually denotes "liberal". These members will respond to arguments that the B–1 is an unnecessary weapon and that its high cost competes for the money of needed social programs.

"LCV": League of Conservation Voters. All votes based on environmental issues. A member with a high rating should respond to environmental arguments against the B–1.

"COPE": AFL–CIO Committee on Political Education. Rates members on responsiveness to issues concerning working people. Though COPE does not monitor defense spending, members with high ratings should be interested in the opinions of labor.

The Campaign to Stop the B–1 Bomber then proceeded to list nearly 130 Members of the House as targets for organized pressure to change their votes and oppose the B–1 funding. I will be happy to make copies of that lengthy document available to any of my interested colleagues.

To fulfill our duty to our constituents, we must be aware of organized pressure groups and lobbies on all issues and carefully judge, when our district and Washington officers are visited by anti-defense spending and anti-B–1 advocates, whose interests are best being served by the proposed policies.

R. NELSON SNIDER

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ROUSH. Mr. Speaker, I would like to pay tribute today to one of the great educators from my district, R. Nelson Snider. He will be missed by all, but his contributions to the community will remain a constant reminder to us. My feelings might be expressed by the following editorial that appeared in the Fort Wayne News-Sentinel on Monday, March 29, 1976:

R. NELSON SNIDER

R. Nelson Snider was a motivator (a word he would have detested) of young people over a teaching career which almost spanned a half century.

During that time, Mr. Snider touched the lives of literally thousands of this city's youths and, even though some of the encounters were brisk, the ultimate benefits went to the youngsters. And from the time of his retirement as principal at South Side until his last illness, he brought joy to thousands of adults through "The Anatomy of Humor," an after-dinner talk which he honed to an art.

If, as his long life, which ended Sunday morning at the age of 78, testifies, the measure of our days rests on our influence on others, R. Nelson Snider cast a longer shadow than most.

His devotion to his profession was best evidenced in the faculty he directed for more than 30 years at South Side High School. It was an excellent staff of dedicated teachers who could depend on their principal to provide the kind of leadership and support which makes the proper climate for excellence in teaching.

Nelson Snider leavened a no-nonsense attitude on matters of discipline and seriousness toward learning with a wit which was a balm for young students who had run afoul the rules. He played his difficult role in life without compromising his basic goals but with an understanding of human frailties which made him a friend, as well as the principal, of many South Side graduates over his long career.

While Mr. and Mrs. Snider were a childless couple, they had more children than most and their homes, both in the city and on the farm, were filled with young people down through the years. Nelson Snider, of course, will be missed most by his wife to whom we extend our deep sympathy, and by the entire community.

CHILD AND FAMILY SERVICES ACT

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. LONG of Louisiana. Mr. Speaker, like many of my colleagues, I have received hundreds of letters in recent months expressing concern over the Child and Family Services Act.

People everywhere are disturbed and frightened over reports that this bill will take the responsibility for child rearing from the hands of parents and put it in the hands of Government.

For the most part, these are fears based on information circulated through a single, unsigned flyer which purports to describe the bill's content. In fact, it does not.

To me it is incomprehensible that someone—anyone—would want to deliberately mislead thousands of Americans with false information on an issue so important. Clearly there is ample room for realistic debate on the question of expanding child development programs in this country.

The impact of the recent propaganda campaign has pointed up an aspect of our legislative process today that warrants serious consideration. That is the potential for a proliferation of "canned" material which oversimplifies, or otherwise distorts, issues in a world where problems are becoming increasingly complex.

The one bright note in all this has been the diligence of many members of the press in digging beneath the surface to discover the truth and set the record straight so people can make informed judgments on legislation affecting them.

Such an editorial was recently written by Ms. Helen Derr, religion editor of the Daily Town Talk in Alexandria, La. It is an example of the kind of responsible journalism that is a key to our form of participatory democracy, and I commend it to the attention of my colleagues and the public:

ATTACKS ON "CHILD SERVICES" BILL

(By Helen Derr)

It isn't so!

The Child and Family Services Act of 1975 now in Congress is not going to take over our children. Big Brother isn't yet ready to enter our homes and tell us we can't spank the kids.

The bill in question, Senate Bill 626 and H.R. 2966 (the same bill), was authored by Sen. Walter Mondale (D.-Minn.) and Rep. John Brademas (D.-Ind.)

Like many of you, I've been getting requests to help disseminate information about this bill's efforts to "nationalize" our children.

I've heard it discussed at social gatherings and warned against on television.

The bill, say its critics, will give children "the right of protection from any excessive claims made on them by their parents of authority . . . the right to freedom from religious and political indoctrination . . . freedom to make complaints about teachers, parents or others without fear of reprisals."

Also quoted is what is called a "child advocacy clause" which would allow the state to send an advocate into the home if it feels the parents are not doing a good job.

It isn't so!

Always the skeptic, I began asking about the bill and found its critics quoting only from the Congressional Record or other sources. No one—repeat, no one—was quoting the bill itself!

So I called Congressman Gillis Long's Alexandria office for information which they assured me I would get. A few days later I got a copy of H.R. 2966.

I've read it, ladies and gentlemen. So help me, I've read the bill's entire 71 pages!

It has no Child Advocacy Clause. There is nothing in it about taking over your children or mine.

The bill is a proposal to make available federal funds for states and communities to provide certain public services for children and their families; it has to do mainly with funding day-care centers for working mothers. That's it!

There is a lot of money involved and the bill probably will not become law in this election year.

But there's more at stake.

Portions of several Congressional Records sent to me by Congressman Long's staff indicate the bill is the victim of a "vicious and dishonest campaign against it."

Inserted into the Congressional Record of Dec. 1, 1975, is the text of the unsigned flier which contains the charges that have been reproduced in countless secular and church papers throughout the United States.

Analysis of the flier by the Library of Congress shows that virtually all of the statements in it were arguments of senators and others who were against the bill when it was first introduced in 1971. They are not in the bill now; they never were!

At least two radio stations in the country have had to make public retractions after having used the flier material on broadcasts and have had to admit their personnel did not read the bill itself but were relying on the flier's misinformation.

U.S. News and World Report has printed a rebuttal to the charges, Baptist Press released a story on this falsity, the Methodist Reporter and many other papers have carried stories and editorials on the misinformation.

But it continues.

Where do these insidious attacks come from? The authors of the infamous flier, whoever they are, know they're telling lies. Do they want to create division and loss of faith in our country?

And why are we so ready to believe these attacks without checking more carefully?

Have we lost all faith in our government or are we just apathetic?

Government is big and complicated, but we can find out what's going on.

I spent only a few hours getting the bill, reading it and reading the charges.

But I know for sure now.

The charges just aren't so!

CHILD AND FAMILY SERVICES ACT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MAZZOLI. Mr. Speaker, the proposed Child and Family Services Act has been the subject of much mail which has streamed into Members' offices in recent weeks.

The principal purpose of the proposed Child and Family Services Act is, in the language of the bill, H.R. 2966:

> To provide a variety of quality child and family services in order to assist parents who request such services, with priority to those pre-school children and families with the greatest need, in a manner designed to strengthen family life and to insure decision-making at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government, and the Federal Government, building upon the experience and success of Headstart and other existing programs.

The bill also, in its statement of findings and purposes, reads as follows:

> SEC. 2. (a) The Congress finds that—
>
> (1) the family is the primary and the most fundamental influence on children;
>
> (2) child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe to be most appropriate for their particular needs;
>
> (3) there are many parents who are working full or part time without adequate arrangements for their children, and there are many children whose families lack sufficient resources to obtain adequate health, nutritional, educational, and other services;
>
> (4) it is essential that the planning and operation of programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

Mr. Speaker, despite the findings and purpose of the proposed Child and Family Services Act of 1975, this bill has been the subject of some misleading propaganda.

Mail from constituents attack provisions of the bill which are neither in the bill nor ever contemplated by its sponsors for inclusion in it.

UNSIGNED FLYER BEING CIRCULATED

Mr. Speaker, the following flyer, which, unsigned by any sponsoring organization, has been circulated in mimeographed form in a number of States across the country:

RAISING CHILDREN—GOVERNMENT'S OR PARENT'S RIGHT?

There is before Congress legislation known as The Child & Family Service Act of 1975 (Senate: S262 & House: HR2966). If passed it would take the responsibility of the parents to raise their children and give it to the Government.

CHILD ADVOCACY CLAUSE

In the Congressional Record we read: "If, in the judgment of those who are in charge of such a program (the State by way of the Secretary of Health, Education and Welfare), parents are not doing a good job, the advocate (a "specialist" appointed by the government) would enter the home and direct the education, even with the home. And, if the parent would object, the authority in the home would, De Facto, be transferred to these advocated."

Charter of Children's Rights of the National Council of Civil Liberties is becoming a part of this Child Development Act. Following are four of the several items proposed in this charter. They can be found on page 44138 of the Congressional Record.

(1) "All Children have the right of protection from, and compensation for the consequences of any inadequacies in their homes and backgrounds." (Note: In other words, never punish your child because he may come back to you with a civil suit.)

(2) "Children have the right to protection from any excessive claims made on them by their parents or authority." The question was asked, by way of example, what do you mean by the fact "Excessive claim", and the example was given, "If the mother or father asked the child to take the garbage out and the child doesn't want to, the parents have no right to insist on it."

(3) "Children have the right to freedom from religious or political indoctrination." That means that you have no right to insist on taking them to church, if they do not wish to go. That also means they have the freedom to insist that they be taught nothing, or any ideas, about God.

(4) "Children shall have the freedom to make complaints about teachers, parents and others without fear of reprisals." This speaks for itself.

This piece of legislation was vetoed in 1971, but it is back on the floor of Congress and now has the votes to pass. It is our obligation to tell our legislators: Senators Bayh and Hartke & our U.S. Representatives what we think of this legislation. Only our complaints can change their minds. They take your vote seriously. Take the trouble to write or suffer the consequences of your silence.

CAN THE GOVERNMENT TAKE AWAY YOUR CHILDREN?

Comprehensive child development, the Soviet-style system of communal child rearing which almost became law in this country in 1971 is once again being pushed through Congress. The current bills, H.R. 2966 (House of Representatives) and S626 (Senate), are virtually identical to the original act passed in 1971, but fortunately vetoed by the then president, Nixon. Now it is known as the Child & Family Services Act of 1975 and any changes are merely cosmetic.

In vetoing the original bill which would have removed children from their parents' instruction shortly after birth, Mr. Nixon said that it would weaken the American family by committing "the vast moral authority of the national government to the side of communal approaches to child rearing over against the family oriented approach."

We are in serious danger of "Sovietizing" the education of our children if we let the Child & Family Services Act of 1975 pass. Those who support this Act in the Congress are convinced that it will "Sail through the House."

According to the Congressional Record, the intent of this bill is for the government to be responsible . . . for the nutritional interests of your child, for all Psychological interests of your child."

The following excerpts are taken from the Congressional Record: "What is at issue is whether the parent shall continue to have the right to form the character of the children or whether the State, with all its power & magnitude, shall be given the decisive tools and techniques for forming the young lives of the children of this country."

"As a matter of the child's right, the Government shall exert control over the family because we have recognized that the child is not the care of the parents but the care of the State. We recognize further that not parental, but communal forms of up-bringing have an unquestionable superiority over all other forms. Furthermore, there is serious question that maybe we cannot trust the family to prepare young children in this country for this new kind of world which is emerging."

This all smacks of Communism. This is what in fact has been and is being done in Soviet Russia. This is what can become the law of our land, if the Child & Family Service Act of 1975 is passed by the Congress. We elected this Congress, but do we know what they are attempting to do to our freedoms and our rights?

LIBRARY OF CONGRESS ANALYSIS DISCREDITS FLYER

Mr. Speaker, the statements contained in this flyer distort the purpose of the proposed legislation and falsify the actual language of the bill.

In fact, a point-by-point analysis of this handbill made by the Library of Congress demonstrates that virtually all of the statements in it are not accurate.

I cite, for example, the "Charter of Children's Rights of the National Council of Civil Liberties" referred to in the flyer.

The flyer alleges that this "charter" to which I refer "is becoming a part of" the child and family services bill.

The fact is that such a "charter" has never even been considered in the House of Representatives and will not become a part of the legislation.

Rather, the "charter" cited in the flyer was mentioned in a speech made on December 2, 1971, by Senator CARL CURTIS, of Nebraska, in opposing the comprehensive child development bill which was then under consideration.

The charter, according to Senator CURTIS, was developed by a British organization and, as the Library of Congress study notes, Mr. Speaker, Senator CURTIS did not claim in his statement concerning parental rights that the charter "is becoming a part of" the bill.

SAFEGUARDS OF PARENTAL RIGHTS

Mr. Speaker, the charges in the flyer are irresponsible.

The sponsors of the bill have carefully drafted it to protect the rights of parents and their children: First, participation in any program authorized by the bill would be completely voluntary. Children would not participate without the specific request of a parent or legal guardian.

Second, children would not be tested unless the parent or guardian were informed and given the opportunity to except the child from testing.

Third, the bill contains specific language providing protection against any interference with the moral or legal rights of parents or guardians with respect to the moral, mental, emotional, or physical development of their children.

At this point, Mr. Speaker, I wish to include an editorial entitled "False Alarm," written by Howard Flieger and published in the U.S. News & World Report of March 1, 1976. This editorial states the case concerning the proposed Child and Family Services Act, responsibly and dispassionately:

FALSE ALARM

(By Howard Flieger)

Every now and then a reader writes us in words of terror to warn that a Marxist plot is afoot in Congress to "nationalize" our children—take them away from the protection or control of their parents and destroy the American family, utterly and forever.

The volume of mail received here is not a patch on the sacks of it that have been hitting some congressional offices.

The writers are alarmed over what they've been informed is an insidious scheme to give youngsters the legal right to disobey their parents, and thus become pawns of Government—an all-powerful Big Brother to mold their training, conduct and beliefs.

Strange.

It is strange because there isn't a word of truth in it. No such legislation is before this Congress, or ever has been.

The specific bill that has so many people disturbed is "The Child and Family Services Act of 1975." Its authors are Sen. Walter Mondale (Dem.), of Minnesota, and Rep. John Brademas (Dem.) of Indiana. It is "S. 626" in the Senate, "H.R. 2966" in the House. Read it before you panic.

In its present form, the legislation is both innocent and impotent: innocent because it would do none of the things attributed to it; impotent because it isn't going anywhere.

Briefly stated, the proposal is to make federal funds available to help States and communities provide certain public services for children and their families.

These would include such things as prenatal care, food where needed, part or full-time day care for children of working mothers, tutoring at home where deemed useful, medical examination and treatment for certain handicapped children, and training for parents and about-to-be-parents.

There is nothing compulsory about the legislation now before the Congress. Even if the bill were enacted, anyone who felt like it could ignore each and all of its provisions.

Nothing in it says—or implies—that youngsters have a legal right to disobey their parents or guardians.

Nowhere does it forbid parental guidance advice or preference in religious training. The subject isn't mentioned.

In fact, it says in specific words:

"Nothing in this act shall be construed or applied in such manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents."

So why all the excitement? It is puzzling to Senator Mondale, one of the chief sponsors, who says the measure "is being subjected to one of the most distorted and dishonest attacks I have witnessed in my 15 years of public service."

There is another practical thing to keep in mind about The Child and Family Service Act: It would cost a lot of money. Estimates are that an initial annual expense of 150 million dollars would grow to almost 2 billion by the third year of operation.

This present Congress is in no mood to add such a burden on taxpayers who already are making angry noises about waste and the high cost of Government. Since this is election year, the measure probably has less chance now than a year ago, when it was introduced—and that means practically none.

Also, remember the President is demanding that Congress do more to hold the line on spending. It is a keystone of his campaign to be against this bill, and any like it.

So everybody can stand at ease.

The bill doesn't provide all those wild things the letter-writers fear. It has no realistic chance of adoption. And even should it overcome its rating as one of the longest shots in history and somehow be enacted by Congress, it would be vetoed almost the minute it reached the White House.

The furor is a false alarm. Forget it.

CHILD CARE LEGLISATION

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MIKVA. Mr. Speaker, many of us in Congress have received letters from our constituents in opposition to child care legislation (S. 626 and H.R. 2966) sponsored by Senator WALTER MONDALE and Representative JOHN BRADEMAS. This opposition has been generated by an organized campaign to discredit the bill by spreading a great deal of misinformation about it.

I would like to bring to the attention of my colleagues the following article which recently appeared in the Chicago Daily News and which clears up these misconceptions:

[From the Chicago Daily News, Mar. 27–28, 1976]

CHILD SERVICES BILLS STIR STORM

(By Robert Signer)

WASHINGTON.—They come from all over, from ministers in Illinois, from grandmothers in St. Louis, from schoolteachers in Indianapolis.

Congress, they say, is getting ready to pass legislation that will take children away from their parents. Or will destroy the biblical position on family life. Or will allow the government to experiment with youngsters.

Thousands of people all across the United States have been writing their congressmen to denounce two bills that would provide federal money for health, education and child-care services for American families.

The bills are collectively know as the Child and Family Services Act of 1975, and the legislation has become one of the major unheralded controversies of the 94th Congress.

Seldom does a bill that is going nowhere, by all informed accounts, arouse such stridency as this legislation. Both major sponsors, Sen. Walter Mondale (D-Minn.) and Rep. John Brademas (D-Ind.), have said they do not expect Congress to act on their bills this year, partly because the three-year authorization of $1.85 billion probably would induce a veto by President Ford.

Yet the letters and postcards continue to come in on Capitol Hill. Sen. Adlai Stevenson (D-Ill.) has received 3,771 letters so far this year and Sen. Charles H. Percy (R-Ill.) got 8,000 letters last year and more and 4,000 this year. They are not exceptions.

Many of the letters and postcards are similarly worded, some are mimeographed, with the name of the legislator to be written in, some are handwritten carbon copies. Whatever the format, the protests are a phenomenon.

One letter written to Percy, Stevenson, Rep. Edward Derwinski (R-Ill.) and Rep. Henry Hyde (R-Ill.) from two Illinois couples charged that the bills "would transfer my rights as a parent of my own children into the hands of HEW (Department of Health, Education, and Welfare) bureaucrats, social workers or teachers."

A letter to Rep. Paul Simon (D-Ill.) from Huntington Beach, Calif., says the legislation would bring "the curse of God upon us."

A letter to Stevenson from "a concerned American citizen, mother and schoolteacher," says:

"If passed, this (bill) would take away our freedoms and rights as American citizens and parents. This bill is certainly against God's family plan."

But none of the charges is true, say Mondale, Brademus, Percy, Stevenson, Simon and others involved. Percy and Stevenson are co-sponsors of the Senate bill.

"The amount of misinformation spread about the bills is unbelievable," Simon said in a column sent to his constituents in down-State Illinois.

And Mondale, who received the brunt of the attacks, decries "the wild and completely false allegations."

The accusations arose after a two-page mimeographed flyer was widely circulated as part of an organized campaign to discredit the bills.

The anonymous flyer purports to quote from either the bills or from statments in the Congressional Record, the daily journal of speeches, statements, reprints of articles and other information stemming from House or Senate activities. Most of the "quotes," on examination, turn out to be fabrications.

The charges have become an election issue among some conservative elements. During Alabama Gov. George Wallace's campaign appearances in Florida before the March 9 primary, a printed legal-sized sheet was distributed by local supporters denouncing the family services act.

That flyer was signed by Norman Bie, Jr., who identified himself as a member of the Democratic National Committee from Clearwater, Fla.

Bie says he is not connected with the unsigned flyer, which he described as "not very well written." But he says the flyer "did accomplish a good purpose . . . to call attention to an insidious move by the federal government to gain the power to further manipulate the lives of its citizens and their children."

Both flyers are pastiches of misinformation and rhetorical excesses.

Here are a few of the charges that have been raised against the bills and rebutting information provided by Mondale's office:

The legislation would take from parents the responsibility to raise their children and give it to the government. The legislation, however, says all programs authorized "must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or guardians request such services."

"According to the Congressional Record," the anonymous flyer says, "The intent of the bill is for the government to be responsible . . . for the nutritional interests of your child, for all psychological interests of your child."

Mondale says this statement is inaccurate and "irrelevant to the legislation." The bill specifically prohibits any medical or psychological examination or treatment unless a child's parent or guardian provides written permission.

"We are in serious danger of 'Sovietizing' the education of our children if we let the bills pass," the flyer says. Mondale counters that the bills' sponsors carefully drafted the legislation to protect the rights of parents and children.

Participation in the program is voluntary and the bill prohibits any practice that would "infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians."

There are more charges, but the upshot is always the same. An examination of the terms of the bills demonstrates the allegations to be unfounded.

"There is room for legitimate disagreement on such legislation," Percy has said. "It is unfortunate that the attacks against S. 626 (the Senate version) are largely based on irresponsible misrepresentation of the provisions and purposes of the bill."

Percy and Stevenson, as well as the other congressmen concerned, have been answering each letter in an attempt to rebut the charges. In some cases, people who wrote in to denounce the bills or to ask for information have written back to thank the senators for correcting their misinformation.

Mondale and Brademas say the bills are designed to provide child and family services that they believe are sorely needed. They note, for example, that 40 per cent of the young children in the United States have not been immunized fully against childhood diseases and that the U.S. infant mortality rate is higher than that of 13 other countries.

They stress the voluntary nature of the programs.

A similar bill was passed by Congress in 1971 but was vetoed by then-President Richard M. Nixon. He said the bill "would commit the vast moral authority of the national government to the side of communal approaches to child rearing over against the family-centered approach," a charge that the sponsors deny.

The bills are supported by more than 100 religious and civic organizations, including the PTA, the AFL–CIO, the U.S. Catholic Conference, the United Methodist Church and the National Education Assn.

Some groups, such as the American Federation of Teachers, have raised questions about the legislation but not of the kind described in the outright attacks. The federation, for example, says the bills should designate public schools as the prime sponsors of programs.

Opposing groups include the American Conservative Union and the National Coalition for Children, a group that was formed to work with local organizations to fight what it describes as growing control of students by professional educators.

In any case, as Rep. Robert McClory (R-Ill.) told his constituents this month in a newsletter, "It should be conceded that committee or House action on this measure is most unlikely during this session of Congress."

But oh, those letters.

BYELORUSSIAN INDEPENDENCE

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MORGAN. Mr. Speaker, March 25 is a memorable day in the history of the people of Byelorussia and their many compatriots living in the United States, because on that day in 1918 they realized their centuries' old dream and found themselves free again. Unfortunately, their hopes and aspirations were short-lived, because very shortly after their independence the new State was invaded by the Soviets, and Byelorussia as a nation ceased to exist.

Yet, the people of that unfortunate land never gave up their dreams. Even the Soviets had to recognize the fact they do not consider themselves an integral part of the Soviet Empire, since they have insisted that Byelorussia should have a separate vote in the United Nations.

Since the Soviets insist upon that prerogative, why do they not let the people of Byelorussia decide their own fate by a plebiscite held under the aegis of the United Nations? We in the United States firmly believe in the principles of self-determination, as enunciated by our great President, the late Woodrow Wilson. We also believe that those principles should and must be the backbone of world society. If the Soviets feel so strongly about their cause, and profess to support international justice, why do they not permit the peoples of their Empire to freely indicate what they want their future to be?

Thus, on March 25, we in the United States commemorate the 68th anniversary of the short-lived freedom of Byelorussia and dedicate ourselves to the principle that the world cannot long remain half slave and half free. Let us hope that some day soon all peoples of the world will have an opportunity and choice to freely decide their own destiny, and that all nations some day soon will be able to be real members of a world family of free nations.

HALT THE KILLING OF WHALES

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. EMERY. Mr. Speaker, as a member of the Committee on Merchant Marine and Fisheries and of the Subcommittee on Fisheries and Wildlife, Conservation, and Environment, I want to emphasize the importance of attempting to halt the killing of whales. This activity continues despite all-out attempts by the U.S. Government and conservation groups to impress upon countries like Japan and the Soviet Union that it is against nature's order to kill a species out of existence. The possibility that whales will become extinct is upon us. Unless we all join in an effort to prevent this from happening, this generation may see the last of the great whale.

The Maine State Legislature has joined in the effort. The following is the text of their joint resolution in support of World Whale Day to protest the unjustified killing of this ancient and noble species.

The resolution follows:

JOINT RESOLUTION IN SUPPORT OF WORLD WHALE DAY

Whereas, it has come to the attention of the Legislature that many species of whales are in grave danger of extinction because of the vast numbers being taken by whaling fleets; and

Whereas, it is estimated that at present one whale is killed every fourteen minutes; and

Whereas, this wanton slaughter is unnecessary and cruel and threatens to destroy an intelligent race of sea mammals which have an important part in God's creation; and

Whereas, the United Nations has issued a mandate calling for a total moratorium on whale killing; and

Whereas, it is clear that Maine, whose motto is "Dirigo," must be in the forefront of the protest against the slaughter of whales; now, therefore, be it

Resolved: That we, the Members of the 107th Legislature in Special Session assembled, do hereby protest the unjustified killing of whales and urge that appropriate action be taken at all levels of national, state and local government to end this slaughter; and be it further

Resolved: That the Legislature of the State of Maine join in support of World Whale Day, April 27th, and urge the citizens of Maine to resolve to take what steps they can to end the killing of whales; and be it further

Resolved: That upon passage, suitable copies of this Joint Resolution be sent to the Maine Congressional Delegation, the Save the Whale Fund, Project Jonah and the George C. Soule School in Freeport, Maine.

FALSE ALARM

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. LITTON. Mr. Speaker, an editorial by Howard Flieger was printed in the March 1, 1976, edition of U.S. News and World Report. This editorial addresses itself to disputing rumors associated with "The Child and Family Services Act of 1975."

As many congressional offices have been inundated with mail regarding this issue, I ask unanimous consent to insert the editorial at this point in the RECORD.

FALSE ALARM

(By Howard Flieger)

Every now and then a reader writes us in words of terror to warn that a Marxist plot is afoot in Congress to "nationalize" our children—take them away from the protection or control of their parents and destroy the American family, utterly and forever.

The volume of mail received here is not a patch on the sacks of it that have been hitting some congressional offices.

The writers are alarmed over what they've been informed is an insidious scheme to give youngsters the legal right to disobey their parents, and thus become pawns of Government—an all-powerful Big Brother to mold their training, conduct and beliefs.

Strange.

It is strange because there isn't a word of truth in it. No such legislation is before this Congress, or ever has been.

The specific bill that has so many people disturbed is "The Child and Family Services Act of 1975." Its authors are Sen. Walter Mondale (Dem.), of Minnesota, and Rep. John Brademas (Dem.), of Indiana. It is "S. 626" in the Senate, "H.R. 2966" in the House. Read it before you panic.

In its present form, the legislation is both innocent and impotent: innocent because it would do none of the things attributed to it; impotent because it isn't going anywhere.

Briefly stated, the proposal is to make federal funds available to help States and communities provide certain public services for children and their families.

These would include such things as prenatal care, food where needed, part or full-time day care for children of working mothers, tutoring at home where deemed useful, medical examination and treatment for certain handicapped children, and training for parents and about-to-be-parents.

There is nothing compulsory about the legislation now before the Congress. Even if the bill were enacted, anyone who felt like it could ignore each and all of its provisions.

Nothing in it says—or implies—that youngsters have a legal right to disobey their parents or guardians.

Nowhere does it forbid parental guidance, advice or preference in religious training. The subject isn't mentioned.

In fact, it says in specific words:

"Nothing in this act shall be construed or applied in such manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents."

So why all the excitement? It is puzzling to Senator Mondale, one of the chief sponsors, who says the measure "is being subjected to one of the most distorted and dishonest attacks I have witnessed in my 15 years of public service."

There is another practical thing to keep in mind about The Child and Family Service Act: It would cost a lot of money. Estimates are that an initial annual expense of 150 million dollars would grow to almost 2 billion by the third year of operation.

This present Congress is in no mood to add such a burden on taxpayers who already are making angry noises about waste and the high cost of Government. Since this is election year, the measure probably has less chance now than a year ago, when it was introduced—and that means practically none.

Also, remember the President is demanding that Congress do more to hold the line on spending. It is a keystone of his campaign to be against this bill, and any like it.

So everybody can stand at ease.

The bill doesn't provide all those wild things the letter-writers fear. It has no realistic chance of adoption. And even should it overcome its rating as one of the longest shots in history and somehow be enacted by Congress, it would be vetoed almost the minute it reached the White House.

The furore is a false alarm. Forget it.

EDWARD HÉBERT TO RETIRE

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1976

Mr. DE LA GARZA. Mr. Speaker, Hon. EDWARD HÉBERT has earned retirement and the right to leave Congress at the end of his present term. But his going will leave a gap in this House and its leadership.

I am proud to count myself among the friends of Chairman HÉBERT. From the time I entered Congress this was a man who was unvaryingly considerate and thoughtful. No doubt he remembered his own freshman days in the House. Whatever the reason, he helped me in many ways—as, of course, he had aided many another Member.

His service on the Armed Services Committee, culminating in his chairmanship, has been of inestimable value to our country. He knows, and has acted on the knowledge, that only the strong can be free and in word and deed he has worked for many years to maintain the strength of America's Armed Forces. In this, our Bicentennial Year, the Nation owes a great debt of gratitude to EDWARD HÉBERT, statesman and patriot.

His distinguished record sets an example of excellence, of devotion to his constituents and to his country, that adds to the luster of the Congress. It is sad to note that too often we hear the phrase, "They don't make them like they used to." Well my friends, such is the case with our esteemed colleague from Louisiana. His retirement is our country's loss—and certainly ours here in the House of Representatives. We wish him well and many years of health and happiness—and say as he departs, "Well done, EDDIE HÉBERT. Your Country is proud."

WALTER J. KOHLER, JR.

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. STEIGER of Wisconsin. Mr. Speaker, all Wisconsinites were saddened last week by the passing of one of the most respected public servants ever elected to office in the State.

Walter J. Kohler, Jr. made a contribution to the betterment of our State that will long be remembered. He served three terms as Republican Governor from 1951 to 1957, was chairman of the State's Coordinating Council for Higher Education from 1965 to 1970, and actively participated in many civic and charitable organizations.

Following his death, the Milwaukee Sentinel, Sheboygan Press and Fond du Lac Reporter had editorials in recognition of his years of service. They spoke of his dedication and integrity. The Sheboygan Press perhaps states best the significance of Walter Kohler's life: "His active years will serve as a model for those willing and capable of public service."

I commend these editorials to your attention.

[From the Milwaukee Sentinel, Mar. 26, 1976]

WALTER J. KOHLER, JR.

Reflections on the public career of former Wisconsin Gov. Walter J. Kohler Jr., who died early this week, have tended to stress his contributions to higher education. Kohler, during his three terms as governor, did establish an impressive record in this area, overseeing the creation of the now defunct Coordinating Committee for Higher Education. He was chairman of the committee after leaving office.

But it may be significant that in listing for The Sentinel what he considered the major accomplishments of his tenure in a 1968 interview, the first thing Kohler named was the emphasis placed on public welfare during his terms. He also took special pride in the upgrading of the facilities and staffs at the northern and southern colonies.

This was evidence of the humanitarianism that was an important part of the Kohler character. And it is a trait shared by many other governors who, like Walter Kohler, came to the Statehouse from the business community and brought with them not only management skills but a recognition of social responsibilities.

In brief, he was able to concern himself with the wide ranging nature of state government without overlooking its relationship to the individual. As a result, Walter Kohler Jr. should be remembered in history as an outstanding governor, and a dedicated public servant.

[From the Sheboygan Press, Mar. 23, 1976]

WALTER JODOK KOHLER

The death of Walter Jodok Kohler Jr. ends a life rife with public service.

Mr. Kohler left the comfort and security of a position with the Kohler Co. to serve Wisconsin as its governor for three terms. He could have shunned the call to serve. He didn't and he served well with a sense of duty. He served not for the amenities that accrue to the office. For as John Wyngaard, dean of the Madison press corps wrote in 1958:

"Where other men thrilled to the honor and glory of the highest office in the state, Kohler regarded it as a duty, sometimes pleasurable enough, but often disagreeable too."

His skills were not unrecognized. President Eisenhower in 1954 mentioned him as one of five possible Republican presidential candidates. His service was sought and received by the National Boy Scout Council, the National Board of the American Cancer Society as well as nationally known commercial and industrial institutions.

Mr. Kohler was considered a moderate Republican, yet he won passage of 47 of the 55 bills he proposed to a conservative Republican Legislature during his first term. An expanded highway patrol, and revisions of the criminal, administrative and children's codes are a few of the accomplishments of the Kohler administrations.

Also to his credit, Mr. Kohler was an early critic of Sen. Joseph McCarthy when that was not the Republican thing to do. His refusal to wear a false public image also surfaced during the 1952 campaign when he set precedent. He refused to be photographed milking a cow. His explanation: "I don't know how to milk a cow and I won't pretend I do." He went on to win the election by more than 400,000 votes.

Ill health slowed his pace in recent years. His active years, however, will serve as a model for those willing and capable of public service.

[From the Fond du Lac Reporter, Mar. 23, 1976]

DEATH TAKES WALTER KOHLER

Back in the not-so-distant days when Republicans had a stranglehold on state government just as the Democrats do now, the name Walter Kohler Jr., carried tremendous influence in Wisconsin politics.

Kohler, a native of Sheboygan, served three terms as Republican governor from 1951 through 1957. From 1965 to 1970 he was chairman of the state's Coordinating Council for Higher Education.

While governor, Kohler's support for legislation often meant it would gain the backing of many Democrats as well as Republicans. He had the respect of legislators from both parties as well as the so-called rank and file throughout Wisconsin.

An anecdote that demonstrates his sincerity and aversion for pretense concerns the time photographers asked him to pose milking a cow. In our dairy state, this had become a photographer's cliche. Kohler refused, saying he didn't know how to milk a cow. "And I won't pretend that I do," he added.

The Kohler name drifted from politics after his defeat in the 1957 U.S. Senate race to succeed Sen. Joseph McCarthy. At that time Kohler lost to a man he twice had beaten for governor—William Proxmire.

Death came Sunday night to Kohler at the age of 71. Those who recall his days in office also remember his reputation for integrity and that he served his state well. It is an appropriate last memory of a man who in so many ways helped make Wisconsin a better place to live.

RUBBER WORKERS AND CANCER

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, another incidence of occupationally caused cancer may be unfolding in Port Neches, Tex., among synthetic rubber plant workers. If investigations of the reported leukemia cases at B. F. Goodrich Co. and the U.S. Chemical Co. bear out the link between rubber workers exposed to the styrene and butadiene chemicals and leukemia, the ramifications could be widespread.

The National Institute for Occupational Safety and Health—NIOSH—currently has a team in the Texas plants looking into the leukemia cases. The NIOSH investigation should determine the exact nature of the leukemia and whether or not the cancer is work-related.

A recent study of workers in synthetic rubber plants revealed that the leukemia cancer rates among such workers are consistently higher than the average.

NIOSH will also look into data on leukemia rates in those counties where rubber plants are located in order to determine if there is any relation between elevated rates of leukemia and proximity to synthetic rubber operations.

Nationwide, leukemias account for only 3.5 percent of all cancers. Therefore, the discovery of possibly seven or eight leukemia cases at the two Texas plants is significant. Part of the NIOSH investigation will therefore be to determine just what process or what possible exposure could lead to leukemia among workers.

NIOSH is to be commended for its prompt response to this problem. This kind of decisive action is essential to protect the American worker. In order to continue and to further expand NIOSH capabilities to serve millions of working men and women, the Institute must be adequately funded and appropriately staffed.

Likewise, the Occupational Safety and Health Administration must be funded in order to carry out its congressional mandate to protect the lives and health of more than 65 million workers covered by the Occupational Safety and Health Act.

I regret that over the last 5 years since the passage of OSHA, I have annually had to fight efforts to cut OSHA's funds or otherwise diminish the effectiveness of the law. It is inconceivable to me that when the facts of cancer cases are made known to the American public, anyone could oppose OSHA appropriations or suggest that the law be weakened.

It is known that from 80 to 90 percent of all cancer is caused by environmental factors, and most of environmental pollution has its origin in the workplace. Surely it is time that Congress directed its cancer-fighting efforts at the root of the problem—the causes of cancer. I urge my colleagues to join in a battle to halt this Nation's cancer epidemic by mounting a massive effort to prevent cancer by cleaning up the workplace.

Let us direct our monetary resources at saving our human resources—our workers—through controlling exposure to hazards in the jobsite.

I commend my colleagues' attention to the following articles from the Washington Post:

[From the Washington Post, Mar. 25, 1976]

Goodrich To Probe Possible Link Between Rubber-Making, Leukemia

(By Dan Morgan)

The B. F. Goodrich Co. announced yesterday that it would investigate a possible link between synthetic rubber manufacturing and leukemia after finding that five employees of its Texas plant had contracted the disease since 1966.

At the same time, doctors at the National Institute for Occupational Safety and Health said that private research already was under way to determine the effect on workers' health of styrene chemicals used in such manufacturing.

Drs. Joseph Wagner and Robert Kraft of NIOSH's Division of Surveillance in Cincinnati said in a telephone interview that further study was "very much in order" and deserved "immediate attention" after the Goodrich findings.

They said that the existence of a cancer hazard in the multibillion-dollar synthetic rubber industry would have broad economic impact.

The leukemia cases turned up at the Goodrich Port Neches plant, which makes synthetic rubber for tires and conveyor belts in a process involving the chemical substances styrene and butadiene.

Dr. M. N. Johnson, the company's director of environmental health, said that a 59-year-old man employed at the plant died in February and another worker who became ill with leukemia recently is receiving treatment.

Two retired employees, 76 and 64, died of the disease since 1971, and a man who had left the plant for another job died in 1966.

Cleveland Lane, manager of public affairs communications, said that the company planned to launch a "complete epidemiological study" to determine if there was a link and what substances were responsible.

There are 453 production workers at the Port Neches plant. NIOSH officials in Cincinnati said that, given that total number of employees, the number of leukemia cases turned up was "potentially significant."

But they added that more information was needed about job turnover and general health of present and former employees to determine if the findings were "just the tip of an iceberg."

The discovery of the leukemia cases came as a result of an exhaustive study of employee health records after vinyl chloride used in manufacturing by Goodrich and other companies was linked to a rare liver cancer.

Vinyl chloride is not involved in Goodrich's Texas operations.

NIOSH officials said that the industry and the Oil, Chemical and Atomic Workers Union were sponsoring research on the health impact of styrenes by Harvard and North Carolina Universities.

Employees and unions at the Texas plant were informed yesterday of the leukemia findings, and NIOSH also was informed.

Dr. Anthony J. McMichael, of the Department of Epidemiology at the University of North Carolina in Chapel Hill, said yesterday that there had been a "fairly consistent excess of leukemia deaths" at synthetic rubber company plants studied during the research project.

He said that the number of deaths had varied, but that the death rate for lymphatic leukemia, a particular type of the disease, was higher than for other types.

Lymphatic leukemia is a cancer of white blood cells that chiefly occurs late in life, after the age of 50.

[From the Washington Post, Apr. 1, 1976]

More Leukemia Cases Found in Texas Area

New York, March 31.—More cases of leukemia have been found among synthetic rubber plant workers in Port Neches, Tex., prompting the government to send a team there to investigate.

The National Institute of Occupational Safety and Health confirmed today that three leukemia cases and one possible case have been reported from the Texas-U.S. Chemical Co. plant there.

The new report follows an announcement March 24 by the B. F. Goodrich Co. that it had recorded three leukemia deaths since 1971 among employees in its synthetic rubber plant in Port Neches. A fourth death, which occurred in 1966, involved a former worker, Goodrich said.

A NIOSH spokesman said an investigative team, including an epidemiologist, a statistician and an industrial hygienist from its laboratories in Cincinnati, were to fly to the Texas city today.

"They'll start by looking at the records to see what they've got down there," the spokescan said.

Referring to the experience with cancer and the chemical vinyl chloride, one epidemiologist said: "This may be another hotspot."

NIOSH said it was told Monday by Dr. Houston Hanby, medical officer for a number of plants in Port Neches, that records at Texas-U.S. Chemical show that one worker died in 1971 at age 62, another in 1976 at age 46 and a third has leukemia that is in remission. Another worker died in 1975 at age 64 in what appears to be a leukemia case that was not diagnosed as such, the spokesman said.

There is no evidence, however, of a link between styrene-butadiene rubber and leukemia. Styrene-butadiene rubber is a basic synthetic rubber.

Goodrich said in its announcement last week that the information available so far indicated that each of the cases at its Port Neches plant involved a different kind of leukemia. The most recent three deaths were of workers aged 76, 64 and 59.

CRISPUS ATTUCKS, MARTIN LUTHER KING, JR.—"WE THE PEOPLE"

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. RODINO. Mr. Speaker, on Sunday, April 4 the annual Crispus Attucks-Martin Luther King, Jr., Memorial Parade will be held in my hometown of Newark. The theme of this event will be "We, The People," in keeping with our American Bicentennial.

That phrase "We, The People" aptly describes those two American patriots who lived and died almost 200 years apart but with the same goal—that all people should be free. Crispus Attucks was a runaway slave who found himself in the vanguard of one of the most significant events in all human history: the American Revolution On Boston Commons in March 1770 Crispus Attucks was one of the first Americans to be killed in the pursuit of independence. Attucks was a black man, and blacks were not included in "We, The People"—neither at the time of his death nor 17 years later when those immortal words became a part of our Constitution, nor for more than a century to come.

The gentlewoman from Texas (Ms. Jordan) put this so well nearly 2 years ago when, as the Congress faced the constitutional obligation of impeachment, she said:

> When that document was completed on the 17th of September in 1787 I was not included in that "We the People". I felt somehow for many years that George Washington and Alexander Hamilton just left me out by mistake. But through the process of amendments, interpretations and court decisions, I have finally been included in "We the People."

On that same occasion, the gentleman from Alabama (Mr. Flowers) made the important point this way:

> Surely, at least to me, there is no more inspiring phrase than "We the People of the United States." Not we the public officials of the United States, not we the certified experts, or we the educators, or we the educated, or we the grown-ups over 21 or 25, not we the privileged or whatever. But simply, "We the People."

Crispus Attucks symbolizes so many black men and women and their unselfish contributions—and sufferings—given that this country might endure, that if they could not be free others someday would be.

Dr. Martin Luther King, Jr., was a part of this at once tragic and noble history. Much had changed between the lifetimes of Attucks and King and yet neither man considered himself to be truly free. Like Attucks, Dr. King was martyred in that cause.

Attucks was a part of a proud history; King was a maker of history, a man who shaped not only the time in which he lived, but all America for all time.

Martin Luther King was shot down—killed. But they could not shoot down his dream. For his dream was stronger than life and more powerful than death—and the dream lives on.

The man was the physical embodiment of an idea that armies cannot penetrate nor defeat, and which at this very moment is as alive as our memory of Dr. King and as powerful as the message he spoke and the cause he led.

I wish we could say that Attucks' death marked the beginning of the civil rights movement in this country and that Dr. King's death on April 4, 1968, signified its victorious end, but we cannot. For even though the cause of human dignity and freedom and equality has been advanced in the past two centuries we cannot claim victory until we are all truly Americans, enjoying the same precious rights, living and working together for the common good of all mankind.

It is fitting that the grand marshal of this year's memorial parade is Newark Mayor Kenneth A. Gibson, whose commitment to equality for all people, and whose dedication to fairness and progress has been demonstrated many times over.

And it is also appropriate that this event is dedicated to the late Major Taylor, a former Crispus Attucks Society charter member and past potentate of Galconda Temple No. 24 of the Shriners in Newark.

A BALANCED VIEW OF THE SOVIET THREAT

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. DELLUMS. Mr. Speaker, in the past weeks we have been subjected to a lot of statements from the Pentagon and the administration about the threat posed to our national security by the Soviet military.

Yet there are other valid points of view on this critical issue, points of view which tend to blunt much of the scare tactics being thrown at us.

I would like to insert into the RECORD an article, "A Balanced View of the Soviet Threat," prepared by Allie Bledsoe and Jeff Malachowsky for the ad hoc Coalition for a New Foreign Policy—a national organization of 38 church, civic, peace, and social organizations.

This article presents a balanced assessment of Soviet military capabilities, and I hope my colleagues will read it carefully:

A BALANCED VIEW OF THE SOVIET THREAT

(Prepared for the Coalition by Jeff Malachowsky and Allie Bledsoe)

INTRODUCTION

It's budget time again and the annual debate over military spending is in full swing. Almost on cue, the Soviet monolith rises in the east and bares its teeth. Americans are told to forget detente. Our national security is in peril. We must have more arms.

Since World War II the US Defense establishment has used the Soviet threat argument to justify increased defense expenditures. We needed more money for Korea, Vietnam, and Angola. There was a missile gap and an ABM gap. Now we are warned that the Russians surpass us in every area. They are spending more than we are. They have more bombers, submarines, surface ships, and tactical weapons. Once again the Soviets are pounding at our back door.

In the light of past propaganda campaigns, recent warnings of the Soviet threat must be critically examined. After careful consideration we draw a number of conclusions.

(1) The present Soviet defense structure does not present a threat to US security. Whether or not the Soviets are spending more on defense than we are is irrelevant. They are surrounded by hostile enemies and have more to defend against. The United States continues to maintain technological superiority. Our strategic, naval, and manpower forces are capable of deterring any Soviet attack.

(2) The American people desire a less militaristic, non-interventionist foreign policy. The Pentagon, however, rejects such a change in policy: we must continue to be the policeman of the world. Thus Defense Department spokepeople play on fears of communism. They attempt to convince the American people that freedom and democracy are in more danger than ever before. In the race to maintain "essential equivalence" we unwittingly begin to accept the Pentagon's assumptions: the United States must retain the capability to intervene whenever and wherever it choses.

(3) We cannot be the policeman of the world. This is one of the lessons of Vietnam. National security should be defined primarily as the ability to defend the safety, freedom, and well-being of the American people. We can no longer accept the Pentagon's numerical comparisons nor can we accept the foreign policy assumptions on which they are based. Like our defense objectives, our military spending can, and should, be finite.

In the following pages a more detailed analysis of the Soviet threat is presented. Part 1 presents what we believe to be a more balanced view of US and Soviet military capabilities. Part II addresses the major foreign policy assumptions behind the call to match the Soviets.

I. A BALANCED VIEW OF THE U.S. AND SOVIET MILITARY CAPABILITIES

Defense Department estimates of Soviet capabilities are framed in terms of numbers and percentages rather than missions and goals. We are warned that the Russians are spending more on defense, that they are buying bigger and better weapons and will soon surpass us in both (numbers and technology). Yet we are not told what the protection of Soviet national security requires, nor whether the Russians have succeeded in attaining that level of defense. Is the Defense Department asking the right questions? Are they using relevant measurements? What is being left out?

Spending

According to the Pentagon the Soviet Union is spending 36% more on defense than the US, and will spend 50% more in FY 77. Such figures are obtained by calculating what it would cost us to purchase and operate the Soviet defence establishment at US prices. Calculated in such a way the figures are necessarily biased.

The Soviet defense establishment concentrates on manpower, which because of low wages and conscription, costs them very little. To maintain such an army at US pay rates would be very expensive. If we make the calculations in rubles we find the situation reversed. The US military concentrates on technology. Technology is very expensive in the Soviet Union. Thus the question of who is spending more depends on the price system being used.

CIA and Defense Department reports stress that the dollar comparison does not show what the Soviet Union is actually spending nor what the burden of such spending is on the Soviet economy. The figures do not really tell us anything. Yet they continue to be used in official documents, at congressional hearings, and in press reports.

Since the argument that the Soviet Union is spending more on defense has been refuted, the Defense Department is also emphasizing another figure. We are warned that the Soviet Union allocates 10–15% of their Gross National Product (GNP) for defense.

It is often forgotten that the military plays a much different role in the Soviet Union than in the US. Looked on as a center for political and technical training, it is a part of the structure of Soviet society, not simply an instrument of war.

In addition the Soviet Union has more than the US to defend against. While the Pentagon readily admits that the Russians are the only enemy worth worrying about in terms of military capability, the Soviets face continuing threats from China along their eastern border, NATO forces in Europe, and of course the United States. In short, the protection of Soviet national security requires a larger army.

Strategic nuclear balance

Recent reports from the Pentagon stress the improved capabilities of Soviet strategic nuclear weapons systems. In the production of missiles, nuclear submarines, and air defense systems the US is said to be falling far behind. The Department of Defense insists that such improvements in the Soviet capabilities, unless countered, will destroy the strategic weapons balance.

As in the past, capabilities in the US force structure that more than offset Soviet developments have been brushed aside.

The US outnumbers the Soviet Union 3–1 in numbers of deliverable nuclear warheads.

US missiles, though smaller than those of the Soviets, are far more accurate.

US nuclear submarines are technologically superior to those of the Soviets. Capable of carrying almost twice as many missiles as comparable Soviet models, they are also virtually invulnerable.

The United States possesses low flying penetration missiles which the Soviet Union has not developed the technology to detect and destroy.

Rather than posing a threat to US security, the Soviets are far behind in the development of both offensive and defensive weapons systems. They do not approach a first-strike capability to destroy our retaliatory nuclear weapons. The Soviet Union's spending on civil defense programs should indicate their apprehensions about US intentions not their willingness to launch a first strike as is charged.

The US has surpassed the ability to deter the Soviet Union from initiating a nuclear attack. In destruction capabilities we have reached a point of massive overkill. Even if the Russians were able to destroy every land based missile in the US, Europe, and Asia, the missiles on our Poseidon submarines could still destroy urban areas all across the Soviet Union. We have the ability to kill every human being on this planet and do it 27 times. At what point will we be willing to say we have enough?

Secretary of Defense Rumsfeld argues for the need to have increased flexibility in our strategic forces so that we may have further options. The Pentagon has announced its intention to build even more accurate weapons so as to be able to destroy Soviet missile silos; to "achieve a hard target kill capability". We must have, according to the Pentagon, a hard target kill deterrent.

In the past it was US policy to purposely limit our missile accuracy to allay the Soviet Union's first strike fears. There have been no developments in Soviet weapons that would suggest an abandonment of this policy. If we threaten Soviet missile systems and second strike retaliation capabilities we run the risk of continuing the arms spiral, lowering the nuclear threshold, and eliminating the possibility of arms limitation through negotiations. If we continue to plan for "limited" and "controlled" nuclear attacks we render atomic initiatives thinkable and therefore more probable. The greatest threat to US stability and security may prove to be continued US development of bigger and better strategic weapons.

Quantity vs quality

Estimates of Soviet capabilities are consistently made in measurements designed to emphasize Soviet military superiority. Thus we are forcefully reminded that the Soviets have more of everything than we do. According to the most recent Defense Department report the Soviets have more tanks, more aircraft, more ships, and more submarines. Only rarely do we hear reports as to the quality rather than the quantity of Soviet weapons.

While it is true that the Soviet Union and the other members of the Warsaw Pact possess more tanks than NATO, NATO tanks are far superior in range, accuracy, reloadability, and armor piercing capability. Furthermore, most experts give the battle field in future wars advantage to the anti-tank forces. The US has 23,000 of the most deadly TOW anti-tank weapons, far surpassing in quality and number what is available to the Warsaw Pact.

As in the case of tanks, US tactical air power is technologically superior to that of the Soviet Union. While only 7% of US tactical combat forces are equipped with designs operational in 1960, the Soviet Union continues to rely on improved versions of mid-1950's designs.

US ships are superior to those of the Soviet Union in tonnage, firepower and endurance. The US builds fewer, larger, and more capable ships than the Soviets.

US submarines continue to be superior to those of the Soviets in accuracy, in vulnerability, and number of missiles carried. The Soviet Union possesses no anti-submarine warfare device capable of destroying US nuclear submarines.

Through the Defense Department will cautiously admit that our weapons are technologically superior to those of the Soviets, they will simultaneously warn us that Soviet technology is steadly improving. It is customary to reveal such improvements around appropriations time. During the debate over ABM's we were warned of new Soviet MIRV's, requests to build the B–1 are backed by reports of the new Soviet Backfire, the Trident submarine is proposed amid rumors of improved Soviet anti-submarine warfare.

Just how close have the Soviets come to matching our technology?

The complexity of US technology has been cited as the major obstacle to establishing the ruble cost of the US defense budget. In many cases the Soviets do not have the capability to produce close substitutes of US weapons. Theoretically the ruble cost of such systems would be infinite.

Secretary Rumsfeld cites the Russian T–62 tank as an example of a "product improvement over a previous weapon." Yet former CIA director Graham states that it would take "a left-handed midget" to reload it due to structural deficiencies.

Before the Soyuz-Apollo mission some US space officials expressed concern as to whether Soviet technology was sufficiently advanced to ensure the safety of US astronauts.

We seem to be far enough ahead to stop where we are. It is time to slow down the pace of the weapons race.

Soviet perspective

It has become the standard practice to assume that every increase in Soviet defense spending or capability is directed against the U.S. Increases in Soviet manpower have been seen to be directed solely against NATO, yet, the Soviets have enemies besides the U.S., enemies they consider to be at least equally threatening.

The Soviets perceive an increasing threat from China on their eastern border where they maintain a force of 45 divisions. A substantial percentage of the increase in Soviet military spending has been in response to this fear of the Chinese. For example, of the 31 additional Soviet divisions created since 1967, 28 have been deployed along the Chinese-Soviet border.

Many of the satellite nations may prove to be a source of weakness rather than a source of strength. The increase of 5 Soviet divisions in Eastern Europe is accounted for by the fact that 5 divisions of the Soviet invading force remained behind to occupy Czechoslovakia.

Three quarters of Soviet ground forces in Eastern Europe are stationed around population centers rather than on the front lines. They are an occupying, rather than a front-line strike, force.

There has been a substantial increase in the number of KGB border guards and MVD security troops. These military troops are maintained for internal security purposes.

The Soviet Union has, as former CIA director William Colby pointed out, "a national historical fixation on the problem of invasion." Having been invaded three times in recent history, they are naturally concerned about the possibilities of it happening again. Rather than representing a threat to the U.S., many of their recent increases in spending seem to be for defense, reflecting this fear.

Having examined the Soviet defense establishment, we find recent estimates of their capabilities and intentions to be widely exaggerated. There is no overwhelming threat to U.S. security arising from the "Communist bloc". Soviet capabilities, whether offensive or defensive, can be shown to be consistently inferior to those of the U.S. There has never been, and will not be in the near future, "essential equivalence" or a "balance of power" between U.S. and Soviet weapons systems. Though the Soviet Union has tried desperately to catch up, the U.S. continues to lead the race.

II. MAJOR FOREIGN POLICY ASSUMPTIONS

We have shown that the United States can still win the numbers game. It is time to ask ourselves whether we want to continue to play it.

According to present US policy, the United States must have the forces and the capability to fight the Soviets on any battleground. This policy is dictated by our present definition of national security. We are the protector of the "free world." Our national security, as well as that of our allies, depends upon the maintenance of "international stability." To preserve that stability we must be prepared to fight for "allies" and interests in all parts of the world. We are committed to maintaining the status quo with arms.

This definition of national security has resulted in, at present, over 40 agreements committing our forces to combat in the name of national security. It is the policy that justified our involvement in Korea, Vietnam, and Angola. Its goals are 1) the supression of internal political change (Vietnam), 2) influence or control of the internal and external policies of other countries, by threatening to use or withhold our military power (Europe, the Middle East, Africa).

A further result of this policy is the prevention of regional power balances emerging in areas where they should, e.g. in Northeast Asia between Japan, China, and the Soviet Union.

Has this policy been politically effective?

Military power has proved to be of limited utility as an instrument for political influence. The days of super power hegemony—whether Soviet or American—are over. The smaller countries are growing stronger. Like Vietnam they are protective of their nationalism and determined to rule in their own way. We have been unable to prevent political changes in countries such as France, Italy, or Portugal. Similarly the Russians have been unable to thwart the independent political directions of Egypt, Yugoslavia, and Mozambique.

Secretary of Defense Rumsfeld claims that our military strength is the bulwark of the free world; it must remain formidable. Such declarations make little sense. Many of the allies we defend are universally recognized as the most cruelly repressive in the world (South Korea, Iran, the Philippines, Indonesia, Brazil). We have lost the respect and good wishes of many of the world's people as a result of our interference in Greece, Indochina, Chile, and Angola. In our attempt to police the world, we have succeeded in isolating ourselves.

The policy is as dangerous as it is ineffective.

Maintaining forces to fight all over the world means we risk war all over the world. Thus our division stationed in Korea, like a tethered goat, automatically involves us in any Korean conflict. When we station troops in a country we tie ourselves to that country's future. As in Vietnam, we risk becoming involved in conflicts that do not concern us.

The risk of war is a very serious matter in a nuclear age. When we maintain troops and nuclear weapons in foreign countries that bear no relation to our national security we heighten that risk. By placing forces all over the world we confront the Russians all over the world. They must maintain forces to protect their allies from U.S. intervention. We do not protect our national security, we threaten it. We increase the possibility of war between the Soviet Union and the United States. It is difficult to imagine any "interest" being more vital to our national security than reducing the risk of military confrontation and nuclear war.

We can never spend enough money to buy a military machine capable of controlling change in the world. Developing nations will continue to seek independence, influence, and strength. The "threat" of changes in the status quo will never lessen. We will always "need" more, to meet more "challenges."

The United States should not try to be policeman of the world because we cannot succeed. We cannot hold back the development of new governments and economic and social orders; we cannot prevent evolution and change. Furthermore we do not have the right to dictate the lives of others with our military forces. The goals of such a policy are unobtainable and undesirable.

It is because we pursue such world-wide objectives that our military budget is as high as it is. We buy what the Soviets buy so there will be no "perceived inequalities." We plan complex new weapons systems just in case the Soviets have something on the drawing board. The contest is infinite. No one gains except those that profit from the manufacture of weapons. Everybody loses. The world's supply of combustible material waiting to explode into war grows. The store of resources available to solve our human problems shrinks.

We must return to our founding principles of self-determination for all peoples. We must adopt a foreign policy that is non-interventionist. This means we accept the inevitability of change in the world. We recognize the fact that neither East nor West can supply enough weapons, troops, or money, to impose their ways on people seeking independence.

National security must be redefined as the protection of the safety, freedom, and well-being of all Americans, and the pursuit of our truly "vital" interests. We must determine what military forces are necessary to insure that no part of the United States is invaded or attacked. Once we have achieved that capability we need not increase our spending on defense. We do not have to match the Russians; we do not have to fight the world.

We do have to provide for our needs and solve our problems. The United States is 15th in infant mortality, 15th in illiteracy, 18th in doctor to patient ratio, and 26th in life expectancy. National security is more than just a military problem.

Americans have shown that they do not want to become involved in another Vietnam. They do not want to be wed to eternally rising military expenditures and commitments. They do not want to expend scarce resources on weapons that do not enhance our national security. There are problems to attend at home.

In cutting off aid to Angola, Congress began to consider the views of the American people. Future defense budgets must continue to reflect this rejection of an interventionist, militaristic American foreign policy. We cannot be swayed by the Pentagon's propaganda. The Congress and the Administration must be pressured and informed. It is time to stop playing the numbers game.

SOURCES

(1) Department of Defense:

Annual Defense Department Report—Secretary of Defense Schlesinger FY '76, Secretary of Defense Rumsfeld FY '77.

(2) Congress:

Allocation of Resources in the Soviet Union and China—1975, Hearings before the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee June 18th and July 21, 1975.

Congressional Record, Senate floor debate, June 2nd and 3rd, 1975.

(3) Foreign Policy Magazine:

Summer 1973—article by Les Aspin on the games the Pentagon plays.

Winter 1975—article by Michael Klare on naval power.

(4) Institute for Policy Studies (1901 Q St. N.W.):

The Problem of the Federal Budget.

Foreign Policy Primer.

(5) Brookings Institution:

Setting National Priorities. The 1976 Budget.

In addition the Brookings Institution has published a number of paperbacks on individual weapons systems.

(6) There are a number of resources available from the Coalition For A New Foreign Policy. For a listing of these materials see the Resource sheet. The Ravenal, Warnke, and Musil pieces are particularly useful for a study of the Soviet threat.

THE PEOPLE ARE WORRIED

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ABDNOR. Mr. Speaker, not a day goes by but what the mail brings me several letters from South Dakotans worried about Government spending and the increasing dominance of Government in the daily decisions they must make. They find their taxes for these services at all levels of Government rising steadily and can readily find truth in predictions that by 1985 54 cents of every dollar they earn will go to taxes.

Mrs. Arlene Hamberger and her family have operated the Coast to Coast Store at Scotland, S. Dak. for the past 13 years. They are worried about being able to stay in business and continue the services their customers have come to expect. Personal service has been and will continue to be the key to the success of small business and small towns.

Mrs. Hamberger wrote of her concern recently:

> I am disturbed by high taxes, big spending and inflation. I think I am right when I think deficit spending causes inflation. Our merchandise is being priced so it is hard to sell. We just can't stay in business if taxes go higher.
>
> We have had to eliminate some things we used to do in the store. Is it not possible for government to do the same?
>
> If taxes could be cut, we would have more money to spend for remodeling, new equipment, better stocks of merchandise and the business community would prosper.
>
> When I see how welfare is abused, when I see how government money is spent, it is not hard to realize that this is, sometime in our future, going to cause problems that may be too hard to handle.
>
> We have a nice, small business. We work hard, we like to pay our share of taxes, and I do not know much about Washington, D.C., but it seems like they could make some adjustments down there to help the taxpayers back home.

Mr. Speaker, Mrs. Hamberger is right, and the sooner we start making these "adjustments," the better it will be for all of us.

JOE BARR: L. B. J. AND SAM RAYBURN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. PICKLE. Mr. Speaker, many of you in this Chamber know Joseph Walker Barr well. He served in this body during the 86th Congress as a Representative from the greater Hoosier State of Indiana.

Barr was highly decorated for his gallantry in the Second World War. Before entering public service, he distinguished himself in a wide variety of independent businesses.

Mr. Barr served as Secretary of the Treasury under President Lyndon B. Johnson. Recently he delivered the dedication address at the new Graduate School of Business, at the University of Texas in Austin.

I enclose a news story from the UT Press Service about that occasion:

L. B. J. AND SAM RAYBURN

AUSTIN, TEX.—President Lyndon B. Johnson and House Speaker Sam Rayburn established principles that have significant bearing on business today—and will stand future business leaders in good stead, a former U.S. Treasury Secretary said here Friday afternoon (March 26).

Joseph W. Barr of Washington, D.C., delivering the dedication address for the new Graduate School of Business Building at The University of Texas, cited three of those principles:

Don't waste human resources.

Run public companies publicly.

Make sure the business system works to confer wide benefits.

Mr. Barr, who was a member of the 86th Congress (1958–60), served in the U.S. Treasury as Secretary (December 1968–January 1969) and Under Secretary (1965–68) during the Johnson Administration.

He was introduced at the UT building dedication by Mrs. Lyndon Johnson, a member of the UT System Board of Regents.

"Lyndon Johnson, more than any other man," declared Mr. Barr, "drove into our laws and our lives the basic principle that we cannot waste human resources."

Sam Rayburn, he noted, "established the principle that public companies are truly public and must disclose to investors and creditors the information they need to make an intelligent decision."

Mr. Barr said both men "shared and implemented their conviction that if our business system is to survive, its benefits must be widely shared." In that regard, the speaker said:

"The Rural Electrification Administration, Social Security and Unemployment Compensation were the key issues representing this philosophy that Mr. Sam fought for in the Roosevelt years. The War on Poverty and Medicare were the most representative issues of the Johnson years."

Asserting that President Johnson "accelerated" by a decade or two the progress made in civil rights, Mr. Barr noted:

"Lyndon Johnson was uniquely qualified by conviction, by his legislative mastery and by his southern origin to drive through the Civil Rights Acts of 1964, 1965 and 1968 that for businessmen at least have nearly ended the terrible waste of a segregated society."

The speaker observed that "to limit the economic potential of blacks, Spanish-speaking Americans, Asians, Indians and women because of primitive social bias is madness."

Mr. Barr credited Mr. Rayburn as the major architect of the "Truth in Securities" law that requires full financial disclosure by a public company issuing securities.

"The 'Truth in Securities' portion of the Securities and Exchange Commission law," Mr. Barr said, "is the legislation that has caused the most anguish in the board rooms of many great American corporations in the past two years.

"In the backwash of Watergate the sternly enforced disclosure provisions of the SEC act have forced public companies to lay out on the record the story of any involvement in illegal political contributions or pay-offs overseas."

Mr. Barr said no responsible business leader has suggested that "Mr. Sam's stern dictum be modified or softened."

He added that "in spite of the current agony and trauma, 'Truth in Securities' has helped develop the amazing breadth and depth of our capital markets. Here at least, thanks to Mr. Sam, investors have a chance to make rational investments based on reliable information."

HON. F. EDWARD HÉBERT

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1976

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in expressing our best wishes to the distinguished gentleman from Louisiana, the Honorable F. EDWARD HÉBERT, who has announced that he will not seek reelection to this body. The residents of the First Congressional District in Louisiana will miss the outstanding representation they have received in the House during these past 35 years and millions of other Americans concerned about a strong national defense for our Nation will also feel his absence from Congress.

Louisiana has a long history of sending able legislators to the U.S. Congress and none of those has served longer or with greater distinction than ED HÉBERT. I have been privileged to serve with him and to have worked with him on matters of mutual interest between the Armed Services Committee and Defense Appropriations Subcommittee on which I sit. His background as a newspaperman helped ED HÉBERT retain a sense of public interest during his years of service in Washington.

I want to add my wishes for a successful and enjoyable period of retirement from the Congress for ED HÉBERT and to express my appreciation for his tireless dedication to public service and to this body.

VOICE OF DEMOCRACY WINNER FOR THE STATE OF GEORGIA

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. STEPHENS. Mr. Speaker, the Veterans of Foreign Wars and its ladies auxilliary conduct each year a Voice of Democracy contest where nearly 500,000 high school students from across the country compete for five national scholarships which are awarded as the top prizes.

This year the contest theme was "What Our Bicentennial Heritage Means to Me," and I would like to bring to the attention of my colleagues the speech of Mark Twilley, a 17-year-old senior at Thomson High School in Thomson, Ga., who was the Georgia State winner:

1975–76 VFW Voice of Democracy Scholarship Program—Georgia Winner Mark Twilley

The scene: A session of the Second Continental Congress in Independence Hall in Philadelphia in June of 1776. The members present include such opposing personalities as John Dickinson, the outspoken conservative, and John Adams, the passionate, but frustrated rebel who alienates those around him with his constant badgering for independence. On this particular day the flies are annoying and the heat has become almost unbearable. John Adams is perched nervously on the edge of his chair as if he expects that something is about to occur. Richard Henry Lee, delegate from Virginia, rises before his fellow Congressmen and addresses them. "Gentlemen, I propose that these United Colonies are, and of right, ought to be free and independent states."

The first step toward freedom has been taken. After this day, there ensues a vigorous campaign by John Adams and other rebels to convince the more conservative members of Congress that independence is a necessity. Finally, on July 4, 1776, after days of intense and heated debates, the Congress adopts the Declaration of Independence. The Declaration, written by Thomas Jefferson, restates many fundamental principles of democracy, but its simple beauty inspires the people of the colonies to fight for freedom.

Today, almost two hundred years later, we prepare to celebrate the bicentennial of our country's birth. Across the United States, both small towns and large cities have launched programs to honor America's birthday. However, it appears that the meaning of the signing of the Declaration is becoming obscured by the commercialism of our Bicentennial plans.

To me, our Bicentennial heritage is responsible for my entire way of life today. It is highly improbable that we would still be living under British rule if there had been no revolution, but we would have none of the basic principles of life that were provided for us by the actions of the founding fathers. Such actions have made it possible for us to live in a democratic society. The founding fathers, who had a dream for American independence, like John Adams, are responsible for our freedom today.

Our bicentennial heritage makes me more aware of how important freedom and democracy are and how great a part they both play in my life. Instead of being only a celebration with parties and parades, the Bicentennial should be a time for reassessing the values and principles upon which our freedom is based.

Just as the Declaration stirred men to fight for independence two hundred years ago, it stirs a feeling of patriotism within me today. Because of a realization of what our bicentennial heritage means, I feel a new sense of responsibility as a citizen of the United States. I understand my duty to respect the inherent rights that all men have, the rights that were outlined in the Declaration.

In the same way that John Adams believed that independence was a must for the colonies two hundred years ago, I believe that patriotism is a must for America today. What does our bicentennial heritage mean to me? It means understanding the principles upon which American democracy was based two hundred years ago and carrying out these principles today.

URUGUAY AND ITS POLITICAL PARTIES BEFORE THE COUP OF 1973

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. KOCH. Mr. Speaker, Members concerned about the present situation in Uruguay will be interested in a background paper prepared by Amnesty International concerning the various political parties which competed for power before the military gained control of the government in 1973. As the report indicates, political repression extends to all parties, right, left, or center. The background paper follows:

Political Parties and the Parliamentary System

POLITICAL PARTIES IN URUGUAY: BEFORE THE COUP OF JUNE 1973

The struggle for power on the part of the military—culminating in the present situation—led to confrontations, at different times and to different degrees on intensity, with both the President and the Congress. The first stage, in October 1972, was aimed at gaining control over the executive, and then, with the support of the President, confronting the National Assembly. While the President surrendered to the Armed Forces, the partial concessions of the members of the Congress were not sufficient to assure full control by the military; therefore the crisis was brought to an end with the dissolution of both the House of Deputies and the Senate, on June 27, 1973.

The two main parties, the Blancos and the Colorados (the Whites and the Reds respectively), have dominated the political scene for many years. Their differences are more historical than political; they are both basically conservative, but with liberal and left wings. Radical members of both parties joined the Frente Amplio (Broad Front) together with Communists, Socialists, Christian Democrats and other left-of-center groups, and participated for the first time in elections in 1971, when they were a serious challenge to the traditional parties.

The Movimiento de Liberacion Nacional (MLN-Tupamaros) objected to the electoral approach and involved themselves in violent actions. Their dissatisfaction arose partly from a growing feeling of frustration, in the economic recession which the country was undergoing, with the increase in poverty, the widening of the socio-economic gap and a stagnated political bi-party system; also, guerrilla movements all over the Continent were being inspired by the success of the Cuban revolution and, following the downfall of Che Guevara and the foco theory in Bolivia, they were anxious to prove that urban guerrilla tactics could also be successful.

Some groups of the left—particularly the Movimiento Revolucionario Oriental and the March 26 Movement—maintained close relations with the guerrilla organization, but did not identify openly with them.

However, during the electoral campaign, the Tupamaros ceased all armed actions, in order to allow the electorate of the left to show its feelings without an atmosphere of violence. This effort to break the domination of the Blancos and Colorados did not succeed and Juan Maria Bordaberry was elected to succeed Jorge Pacheco Areco. The election results are as follows:

Colorado candidates:	
J. M. Bordaberry	325, 246
Dr. J. Battle	217, 344
A. Vasconcellos	44, 437
Gen. J. Ribas	8, 381
Total	595, 408
Blanco candidates:	
W. F. Aldunate	383, 113
Gen. M. Aguerrondo	201, 452
Total	584, 565
Frente Amplio candidate (one candidate only):	
Gen. Liber Seregni	270, 000

The fact that Bordaberry had less votes than the major Blanco opponent did not prevent him from taking office, under the complicated Uruguayan electoral system.

In the 1972 Congress, there were a wide variety of tones—from the extreme nationalist right to some splinter Colorado and Blanco leftwing groups that gave their votes to the Frente Amplio candidate.

Under these conditions, President Bordaberry had great difficulty in obtaining a safe majority in Congress and, by the Acuerdo Nacional (National Agreement), he had to receive the support of two major Colorado groups and two Blanco groups—both received representation in the cabinet, with ministers appointed by those factions. It was a precarious situation: without Blanco support, the President could only count on 55 legislators in the Chamber of Deputies, while the opposition (Blancos and Frente Amplio) together had 75 representatives. It is precisely this delicate position that the military exploited, provoking a clash between the President and members of his own party in the coalition, thereby making him more dependent on the military.

The generals' strategy of undermining and dividing the executive-legislative relationship was accompanied by an effort to split the political forces in Congress between the traditional parties and the leftwing opposition. It was achieved both through accusations against individual legislators, and collective accusations aimed at reducing the prestige of the Congress in public opinion, through exposing the corruption among its members.

In the campaign against individual members, the military demanded the repeal of parliamentary immunity, in order to submit several Congressmen to military courts. Interestingly, they began, in October 1972, with Jorge Batlle Ibanez, the presidential candidate of the rival Colorado "list fifteen", who was a leading member of one of the groups comprising Bordaberry's coalition. Accused of corruption and imprisoned during the first crisis period, he was to be followed by another pro-Government Colorado, Amilcar Vasconcellos, who was charged with attempting to undermine the morale of the military by defamation. This led to the second crisis in February 1973. The third and last crisis that brought about the autogolpe (self-coup) was initiated by the Armed Forces' demand to punish leftwing ex-Blanco Senator Enrique Erro, accused of protecting terrorists. With other parliamentarians of the left, Senator Erro had repeatedly denounced the brutal techniques employed by the military and, in 1971, was involved in the preparation of a parliamentary report on the application of torture by the military. Subsequently, he went into exile, only to be arrested by the police in Argentina, where he is still detained.

In the first two cases, the Armed Forces managed to weaken President Bordaberry's support from his own party, thereby placing him at the mercy of the military. In the third state, once the Government was under their control, the military attacked the left-wing opposition, supported by the apathy of the traditional parties.

Parliamentary support for the President was drastically reduced with the adoption of his submissive line, as is shown by the reluctant attitude of Congress towards the renewal of the state of emergency. By June 1973, only his own *Colorado* re-electionist group, a few *Blanco acuerdistas* and even fewer extreme rightwing *Colorados* supported him. In refusing the Army's ultimatum, to revoke parliamentary immunity in the case of Senator Erro, Congress was afraid of establishing a precedent that could be used against any members, irrespective of political orientation. This created, for the first time, a coalition of the majority of the Houses in confrontation with an intransigent military. In the struggle for prestige, any retreat by the military would have changed their whole image of being all-powerful and the undisputed leaders of the nation.

Such a situation produced the so-called *autogolpe*, by which the military forced the President to declare the dissolution of Congress (June 27, 1973).

THE PARLIAMENTARY SITUATION; AFTER THE COUP OF JUNE 1973

Having dissolved the Uruguayan elected Congress, President Bordaberry—guided by the military—proceeded to appoint a *Consejo de Estado* (Council of State), which included some of the former parliamentarians who supported unconditionally the Government. However, the overwhelming majority of the right-of-center group and all of the left-wing group vociferously opposed the measure. This opposition led to the indiscriminate persecution of former members of Congress. Some had time to find refuge in neighboring countries—particularly Argentina; others were arrested. In the wave of detentions, the leadership of the *Frente Amplio* was the principal target, but members of the *Blanco* and *Colorado* parties were also arrested for short periods of time and a few are still in prison. In outstanding cases, following strong external pressure, some individual parliamentarians were released into exile.

All the component political parties of the *Frente Amplio*, with the exception of the Christian Democrats, were declared illegal and membership in these organizations was considered to warrant a 2 to 8 year sentence (December 1973). Socialist, Communist and leftwing Catholics have been charged already, in accordance with this legislation, under military justice. For all parties, including the *Blancos* and *Colorados*, political activities were banned and this measure has been rigorously applied by the military.

In September 1974 and January 1975, all political parties from the right to the left appealed for the re-establishment of the Constitution and the "normal functioning of political parties," but, so far, no relaxation has been observed. Furthermore, any hope of national elections taking place at the stipulated time—November 1976—have been dispelled by the rejection by most military leaders of any possibility of a return to the parliamentary system.

NOTEWORTHY CASES

1. *General Liber Seregni:* Presidential candidate for the *Frente Amplio* in the 1971 elections; arrested July 9, 1973 following mass demonstrations against the military takeover; held incommunicado and in poor condition for long period; released *conditionally* Nov. 2, 1974.

2. *Rodney Arismendi:* Secretary General of the Communist Party (banned in December 1973); arrested May 1974 but, under considerable internal and external pressure, the authorities released him into exile in January 1975 (he is currently in Havana).

In the meantime, in October 1974, his successor, *Jaime Perez,* who had also been a Deputy in the Congress, was detained and brutally tortured. He is one of many members of the Communist Party at present imprisoned in Uruguay.

3. *Enrique Erro:* Former Minister and Senator in Uruguay who fled into exile; imprisoned in Argentina since March 1975, under the provisions of the Argentinian State of Siege. He is 63 and is reported to be in very poor health.

4. Senator Juan Pablo Terra: Former Senator and President of Christian Democrat Party; subsequently United Nations adviser; arrested November 19, 1975; released about six days later; due to his condemnation of political persecution, censorship, etc., he was previously prevented from attending international Christian Democrat meetings; questioned about UN business; he is still prevented from leaving the country, as the authorities have kept his travel documents.

5. A recent case, as an illustration of common events: Prensa Latina news agency cable from Buenos Aires, October 9, 1975:

"A Fourth Army Corps communique reported that four political leaders were arrested on Monday in the city of Minas. The imprisoned were Ruben Omar Piquinela, of the Socialist Party, Pedro Zalaza, National (Blanco) Party Senator, Godofredo Fernandez, Communist Party Secretary in the Department, and Marcelino Perlas, whose political affiliation was not made known.

The official document said that, following a search of the homes of the four leaders, Zabalza, Piquinela and Perlas were set free. Dodofredo Fernandez remained in the custody of military justice, because of his political affiliation, asserted the Army."

6. Ex-Senator Zelmar Michelini (Colorado, member of the Frente Amplio, now in exile in Buenos Aires) has declared:

"It is essential to coordinate, on an international level, a campaign for the defense of Uruguayan political prisoners, denouncing the way in which they are kept in detention, the ill-treatment which begins with torture during interrogation, continuing during their imprisonment, and, even after their release has been ordered, causing many of them to flee the country. The campaign of oppression and intimidation even extends to their relatives and lawyers.

"The Judicial System continues to be very slow, in accordance with the policy of the ruling military. The colonel-judges continue to lack the impartiality, fairness and freedom necessary to be able to mete out justice. In fact, it is merely a question of punitive resolutions imposed by people who still think they are soldiers in a war which they have won. The trial is merely a formality. One has the impression that the verdict is still being dictated en masse by the military hierarchy."

TRIBUTE TO JOHN I. GROOM—KSMA RADIO, SANTA MARIA, CALIF.

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. LAGOMARSINO. Mr. Speaker, death has claimed John I. Groom, co-owner of radio station KSMA, Santa Maria, Calif. As the age of man goes it was a premature claim, and he will be sorely missed, for Mr. Groom made a large imprint on his profession and his community.

Born in Kansas City, Mo., in 1924, a resident of California since 1929 and of Santa Maria since 1948, John Groom was a pioneer broadcaster in the Santa Maria area, respected in the radio industry on the central coast and throughout the West; a man who always put the business of making a "buck" secondary to performing a "radio" service to his area.

Because he served throughout his life honorably with distinction, I ask the Members of the House to join with me in extending condolences to his widow, Nona Mae; his son, John; his daughter, Mrs. Luther Earnhart, Jr.; and his many friends who are saddened by his passing.

WHO WILL OWN THE SUN?

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mrs. CHISHOLM. Mr. Speaker, this month's issue of The Progressive contains an insightful article entitled, "Who Will Own the Sun?" written by Mark Northcross, an energy planner and environmental consultant in California. Mr. Northcross raises the issue of public development of solar energy utilities.

As the solar energy concept receives an increasing amount of attention in the press and as public interest in this subject grows, we should be formulating a coherent policy which will insure that all segments of the American public are included in the benefits of solar development. The solar industry cannot become viable until the first costs of solar equipment are lowered. Currently, the first costs of solar equipment for a single family dwelling range from $6,000 to $12,000; title III of H.R. 6860, the Energy Conservation and Conversion Act of 1975, provides a tax credit for homeowners for this solar equipment. Unfortunately this provision offers an incentive only to those persons who are in a tax bracket to afford an expensive heating and cooling conversion unit. People in moderate- and low-income neighborhoods, where there is also an energy crisis, are given no incentive under present policy to develop solar energy for their own use or for their community's use. We must change this policy in order that low- and moderate-income persons can benefit from the development of this promising energy industry from its practical inception. Community-controlled solar utilities may be one answer for the energy problem for America's urban areas.

At this time, I would like to commend Mr. Northcross for his article. I recommend it to my colleagues:

WHO WILL OWN THE SUN?

(By Mark Northcross)

Solar energy has begun to capture the American people's imagination. Clean, inexhaustible, capable of heating and cooling, convertible to electric power, the sun offers the ideal solution to the world's energy crisis. It could become America's energy cornucopia—if Congress doesn't turn it into just another corporate asset to be exploited for the sake of private greed.

Power derived from solar energy is still in the remote future, and at this time can be counted only as an important project for research and development (R&D). But solar space and water heating is technically feasible right now, and people are beginning to recognize that fact.

Ben McCarty of the Energy Research and Development Administration (ERDA), in describing the first few months of existence of ERDA's Solar Division, said, "We've mostly been answering mail from the public; there's tremendous public interest in solar energy."

Government and business are increasingly aware of this popular groundswell. Federal solar energy R&D expenditures, almost nonexistent a quarter of a century ago, surged to more than $80 million this fiscal year. Major manufacturers of conventional heating, ventilating, and air conditioning (HVAC) equipment, such as Westinghouse and General Electric, are starting solar equipment lines. Manufacturers of materials heavily used in existing solar heating technology are becoming advocates of solar energy.

In perhaps the most startling shift of technological allegiance, the nation's private utilities are now examining the possibility of utility ownership and control of solar heating equipment for residential and commercial buildings.

Still, the big decisions on the future of solar energy are being made by Congress, and by the Ford Administration. Last year, with much fanfare, Congress passed the Solar Heating and Cooling Demonstration Act of 1975, the first big piece of solar legislation. It provides money for builders to put solar heating and cooling equipment on both new and existing buildings, with the Federal Government picking up the tab. The law has two stated purposes: to gather data on the performance of solar systems under a variety of conditions, and to stimulate the infant solar equipment industry into mass production. While builders who want to participate in the program have been swift to submit proposals, Congress has been slow to provide the funds to make the program work.

The National Plan for Solar Heating and Cooling, a document prepared by ERDA last year after passage of the demonstration act, stated that between $100 million and $300 million would have to be spent in the next five years for demonstration projects to provide adequate stimulation for the solar energy industry. Last year, about $5 million was allocated by Congress for the demonstration program. The Administration budget for 1977 asks for $18 million for demonstration projects.

"It's really less than a drop in the bucket," said Garry DeLoss, a Washington-based Nader's Raider specializing in energy.

The House of Representatives has the greatest control over how much money goes into energy R&D, including solar. Within the House, the Committee on Science and Technology, and more specifically its Subcommittee on Energy, decides where the dollars go. The subcommittee's chairman, Mike McCormack, Washington Democrat, is a former research chemist for the Hanford nuclear plant of the former Atomic Energy Commission (AEC). As the author of the Solar Heating and Cooling Demonstration Act, McCormack considers himself a strong solar advocate, but he also considers himself a strong nuclear advocate—a position that many find contradictory. Of the two faces of McCormack, the nuclear side speaks louder.

The real competitor with solar energy for Federal money is nuclear power, although competition really isn't the right word for the relationship. Allocations for the various aspects of nuclear development run into the billions, scores of times the amounts provided for solar R&D. The problem is that the Federal Government, and the big lenders who provide the utilities with the funds to build nuclear plants, have been investing in nuclear energy for more than twenty-five years. "We've already spent billions on nuclear energy and we know it still doesn't work right," the Ford Administration and its allies seem to be saying, "but if we change priorities now and go after solar energy, all that time and money will have been wasted."

The institutions that will be most directly affected by the politics of Federal energy money are the nation's utilities. Surprisingly, despite the commitment of the utilities and their financiers to nuclear power as the major long-term energy source, some of the big private utilities are looking at solar energy as another long-term alternative.

"The demonstration program," ERDA's National Plan for Solar Heating and Cooling asserts, "will actively encourage utility company participation in developing plans for . . . utility company ownership and lease of solar heating and cooling systems." The Electric Power Research Institute (EPRI), a three-year-old think tank entirely funded by the nation's private utilities, is doing just that.

"Our program," explains Pete Bos, manager of EPRI's solar program, "is 'What can solar energy do for us?' " The utility scenario for implementing solar energy is simple: The utility installs, owns, and maintains the system; the homeowner, landlord, or businessman leases it from the utility, and makes a monthly payment to cover installation costs, financing costs, maintenance, and profit.

A basic problem with solar energy is one of high initial costs for solar equipment, compounded by the low costs of competing fuel. According to HUD, cost estimates for solar space and water heating equipment from builders seeking to participate in the demonstration program are ranging from $6,000 to $12,000 per unit. With such high initial costs, the life-cycle costs of solar energy must be significantly lower than the comparable cost of conventional fuels—electricity, heating oil, and natural gas—if solar heating and cooling is to be cost-effective. While the life-cycle costs of solar heating do compare favorably with those of conventional heating, the payback period at current solar initial costs and competing fuel costs is often from ten to twenty years. The typical homeowner, landlord, or businessman just does not look at investments over such a long time frame. However, such large organizations as the Federal Government, the big corporations, and utilities do.

Even if rising fuel prices shorten the payback period for solar energy equipment to a point where the investment begins to make sense to individuals, the higher initial costs mean that the alternative will be available only to those who can spend several thousand dollars. Low-income people and most of the middle class would find solar energy out of reach. Renters would be helpless to install systems on buildings they do not own. It is doubtful that mortgage bankers would support a massive program of solar equipment loans. Besides, the high-interest loans currently available for home improvements might kill the cost-effectiveness of solar energy. The demonstration program is supposed to lower first costs for solar equipment by encouraging mass production; so far it hasn't, and many doubt that it ever will.

Unless some kind of government intervention takes place to lower the first costs of solar equipment, solar energy will become an amenity for the homes of the affluent, and an expensive toy for the wealthy members of the back-to-the-earth movement.

While utility ownership may be an option that would affront energy populists, others, including consumer advocates, are not ready to reject the idea outright.

"Let's face it," HUD's Arthur Rieger commented, "utilities are used to investing capital, and they aren't first-cost sensitive."

"I'm sympathetic to the idea of publicly owned utilities investing in solar equipment," declared Nader's Raider DeLoss, "and private utility ownership is a place where the profit motive might be put to good use."

Supporters of private utility investment argue that the utilities not only have access to big money and a willingness to spend it on long-term projects, but know how to judge equipment, already have service organizations, and could place the kind of massive orders that result in low production costs.

Yet some of those who are thinking about large-scale implemention of solar space and water heating are not sure that giving the right to the sun's energy to private utilities would be a good thing. "We don't want to give them a monopoly," said DeLoss, who cites the potential evils of excessive profit-taking and monopolistic favoritism in equipment purchases.

While some utilities still view solar energy as a competitor, an ever growing number know that they will not be able to keep pushing oil or coal-fired electricity, natural gas, or heating oil to their customers. Nuclear power presents technical and political problems, and the utilities know it. Energy conservation has grave implications for the long-term interests of utilities: It means decreasing demand, and consequently a smaller market. Solar heating and cooling offer an opportunity to satisfy growing demand through actual expansion of the utilities' markets. On the other hand, universal use of solar energy for heating and cooling would severely curtail the market for conventional energy on sunny days and pose severe peak demand problems on cloudy days. Combined solar and conventional energy for heating and cooling is not only technically advantageous, but enables the utilities to have their cake and eat it too: They keep their existing market for conventional energy, and expand their total market through the control of solar energy.

This is EPRI's goal in the solar demonstration program—solar-assisted electric energy. The Southern California Gas Company is playing the same tune in its solar demonstration program, except that it calls it solar-assisted *gas* energy.

Must we sell the sun to private interests before we can use it to heat our homes? There are few alternative ways to lower the high initial costs of solar equipment, besides the hypothetical reduction through mass production or the long-term financing provided by utility ownership. Ongoing research by the Federal Government is not directed toward achieving low initial costs. Systems are growing more expensive as researchers look for ways to avoid reliance on any conventional energy assistance. As it turns out, combined solar and conventional sources result in cheaper systems.

"I think solar can be used if it has low first costs," says ERPI's Bos, "but the way it's being used now, it may turn out to be the opposite."

Another alternative to utility ownership is direct Federal subsidy in the form of loans and tax cuts to homeowners, landlords, and businessmen to encourage widespread installation of solar equipment. The Energy Conservation and Conversion Act of 1975, passed by the House as last year's major omnibus energy bill, was designed to provide these subsidies—but not for everyone. This legislation would provide a tax credit to homeowners who install solar energy equipment. However, only well-to-do homeowners with a tax bill big enough to squeeze in a $6,000 to $12,000 solar system would benefit. Low-interest loans would be provided under the law for the installation of solar equipment. Funds would be limited, as usual.

There is one other realistic alternative for implementing solar heating and cooling in buildings—publicly owned solar utilities.

The city of Santa Clara, California, has its own municipal utility. Santa Clara wants to use the capital investment power of its public utility to install solar heating units on local homes, apartments, and businesses. The Santa Clara solar utility would work just like a private utility, except that the community at large, through the municipal utility organization, would own the solar equipment.

There are many advantages in this approach. Public solar utilities would enjoy the financing power of big private utilities, but would be amenable to public control. Mass purchases, mass production, and mass installation could be achieved, but without excessive profit-taking or monopolistic favoritism.

About two million housing units are built each year in the United States, and if every one were to be equipped with a solar space and water heating unit, at a low estimate of $6,000 each, the cost would be $12 billion a year. That $12 billion won't even touch the seventy million existing housing units that must be heated.

The technology for solar heating and cooling is here now. The economic benefits are here too—if you are comfortable with a ten- or twenty-year payback period for investments. What is really missing is the cash to put it all together.

Wall Street is not interested. Even private utilities find it difficult to raise money for conventional projects from the big lenders. Utility bonds are not considered a highly attractive investment by the major banks. Wall Street has a commitment to nuclear and fossil fuel power, and there are technical problems with utility ownership of solar equipment which are considered major risks by financial institutions. How does a utility discontinue service for non-payment on a self-contained solar system located on someone's house? How can a private corporation own a part of someone else's building? "Utility ownership will not be easy," says EPRI's Bos. "Wall Street must recognize it."

What Congress has done in the past to implement risky public interest capital investment is to provide a series of guarantees in the form of money and legislation to remove Wall Street's fears, assure the corporations of big profits, and get the big banks to finance the investment. This was the way the railroads were built 100 years ago, and it may well be the way solar energy will be developed. With the right legislation to clear up the legal issues, and some loan guarantees or other measures to sweeten the pot, the private utility option will meet the three big criteria: corporate control, corporate profits, and low-risk investment for Wall Street.

But there is no reason why every new technology must be filtered through a corporate ledger before the public can reap its benefits. The nuclear lobby and the oil companies tell us that solar energy development is twenty or thirty years away. The truth is that solar heating and cooling development is ready to take off today, and money spent by the Government to install solar heating units saves money and creates basic construction and manufacturing jobs *now*—not after twenty years of research and development.

With intensive government regulation, private utility ownership would provide widespread solar development, but with the multitude of evils associated with private monopoly control of a resource. The community-controlled solar utility is the best vehicle for massive public investment in solar energy. All Congress must do to make solar utilities real is decide that this time, massive capital investment by the public in a new technology will be carried out by publicly controlled agencies operating in the public interest.

SENIOR CITIZENS OF IOWA SPEAK OUT

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MEZVINSKY. Mr. Speaker, I mailed a questionnaire to senior citizens in the First Congressional District of Iowa, asking for their views on a variety of subjects.

More than 1,000 people took the time to answer the questions and return them to our office. I was also pleased with the substantial number of letters which were included—either expanding upon the questions or explaining the writer's thoughts on other issues.

Of particular importance, I think, was the overwhelming support for some form of national health care. As you will note in the results below, more than 70 percent of the respondents believe that Congress should pass legislation in this area.

This type of communication is highly valuable in assessing the programs and proposals which this Congress is—or should be—considering. I would like to share with you the results:

1. Which of the following would you give the highest priority in terms of government spending for elderly programs?

[In percent]

Housing	26.3
Transportation	10.6
Health care	60.7
Recreation and leisure activities	2.4

2. What type of transportation help for the elderly would you prefer?

Reduced rates on existing public transportation systems	50.4
Reduced rates on existing taxicab systems	20.4
Separate bus or taxi service for senior citizens	29.2

3. National health care has been suggested as an alternative to our system of privately financed medical care. Do you thing Congress should pass legislation in this area?

Yes	71.4
No	28.6
If yes, would you prefer:	
National health insurance limited to covering the cost of catastrophic illness?	16.8
Comprehensive national health insurance financed and administered in a manner similar to Social Security	55.2
Private health insurance, which is underwritten by the federal government	22.8
Other	5.2

4. What do you consider the most serious problem facing senior citizens today, that is, what do you think I should work on first?

Health care costs	29.9
Inflation/high prices	18.1
Taxes/property taxes	13.2
Social Security income limits	11.0
Housing	9.6
Government spending	4.1
Social Security payments too low	3.9
Transportation	2.1

In addition to these, many other problems were listed by individual respondents, including crime, the working age limit, shortage of doctors, unemployment, postal costs, welfare, big government, isolation and loneliness, and lack of recreational facilities.

THE MADAM MAYOR OF SAUSALITO

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. JOHN L. BURTON. Mr. Speaker, I have the honor of representing what is considered to be one of the most beautiful congressional districts in the Nation. The community of Sausalito, in southern Marin County just across the Golden Gate Bridge from San Francisco, is part of this congressional district. Sausalito has a colorful history and retains that color to the present.

Just recently the city elected a new mayor, who may properly be called "Madam Mayor" in all respects.

A recent article in the Los Angeles Times concerning Mayor Sally Stanford is of such interest that I am sure the Members would be pleased to share it with me.

I know, Mr. Speaker, that all Members wish Miss Stanford well as she embarks upon the fitting cap of a full and wonderful life, by serving as the mayor of Sausalito.

The article follows:

THE MADAM MAYOR OF SAUSALITO

(By Harriet Stix)

SAUSALITO.—When the Broadway musical based on Sally Stanford's life is written, as it inevitably will be, the wild scene in Sausalito's city council chambers last Tuesday evening will surely be the finale. Amid shouts of joy and extravagant applause, the petite 72-year-old grandmother was unanimously elected mayor of this picturesque community just north of San Francisco.

She is, no doubt, the only Madam Mayor in the country.

For Sally Stanford was, during the '30s and '40s, proprietor of San Francisco's best-known brothel. Her Pine St. house was a city landmark—just a couple of blocks from the Fairmont and Mark Hopkins hotels, within walking distance of such venerable men's clubs as the Pacific Union, the Bohemian and the Union League. She's a respectable restaurateur now, but to a lot of people in Sausalito she is still "That Woman."

Nevertheless, she was the biggest vote-getter in the council election and as such, by tradition though not by law, in line to be mayor. But would her fellow council members, some of whom are not exactly among her fans, go along with tradition? Even the day before they were to meet Miss Stanford was saying:

"I can count on only two votes—and one of them is my own."

On an ordinary evening, 25 people might show up for a council meeting. If a really hot issue is to be discussed, there will be perhaps 40. On this night more than 150 people jammed the council chamber to see that justice was done.

They included jeans-and-sandals groupies, jacket-and-tie businessmen, even a scattering of the sweater-and-pearl set. It was standing room only.

When Miss Stanford finally appeared in the doorway—just over 5 feet tall in her black patent high heels, her long, graying hair neatly coiled on top of her head, even she seemed surprised at the reaction, the explosion of applause, the cheers as everyone rose to greet her. In a room wherein formal dress was the standard, she was striking in an elegant black suit to which was pinned the diamond brooch that she wears even on cotton shirts at her Sonoma County ranch. There were more diamonds in her ears, on her fingers, her wrist, a double rope of pearls circling her neck. Blue eyelids, bright pink lipstick and nails, a pink crocheted shawl.

She took her seat at the end of the table and waved to her constituency as other council members drifted in. After she was sworn as a newly reelected member of the council, the outgoing mayor Evert H. Heynneman presented her with a bunch of flowers, a gesture which prompted another standing ovation. Council member Robin Sweeny, who also got a bunch of flowers, and a rather smaller hand, commented "That's a hard act to follow."

(Later, the mayor got to open the package Miss Stanford had brought for him—a pink and peach I. Magnin box containing a silver champagne cooler. The outgoing mayor of nearby Larkspur, who had dropped in for the festivities, confided that her gift from a fellow councilman had been a brick with her name on it.)

FIRST OFFICIAL ACT

Mrs. Sweeny, gray-haired, with horn-rimmed glasses and wearing a tailored shirt and long skirt, was elected vice mayor with one abstention—she didn't vote for herself. Miss Stanford was not so shy when her nomination for mayor followed and as she said "aye," the shouting started all over again. Moving to the mayor's seat, she gave a rap of the gavel, leaned forward and said, "As my first official act as mayor I now adjourn this meeting." Again more pandemoniun as the crowd pressed forward.

Miss Stanford had had the foresight to bring along a case of champagne and the city manager had provided another. When that ran out there were jugs of wine to keep the party going.

It was a sweet victory for Miss Stanford, who ran for the council seven times before she was finally elected four years ago.

Indeed, it's not easy for even the most bland of candidates to pin down a constituency in this picturesque but somewhat schizophrenic waterfront community, whose permanent population of 6,000 is swelled by as many as 60,000 tourists on a summer's weekend. There are the upper middle-class conservatives who live on The Hill, the tourist-oriented businessmen, the barge and houseboat dwellers below. There's a sizeable homosexual community, too, as well as bed and breakfast commuters. Miss Stanford has operated a fashionable restaurant in the town for more than 25 years.

BORN ON OREGON FARM

She was born Marcia Busby on a poor farm in Oregon. She was a bootlegger and ran a speakeasy in Ventura County during the 1920s before her debut as San Francisco's Madam Sally Stanford (she borrowed the name from the university).

In 1949 she decided San Francisco was "too full of squares" and that it was time to go legitimate. So she opened the Valhalla restaurant on Sausalito's waterfront. It's a colorful spot—decorated in Victoriana with red carpets, Tiffany lamps, gilded mirrors, sofas and fresh flowers. A red light glows around the clock in an upstairs window. Miss Stanford is there every night, greeting guests from the 19th-century dentist's chair at one end of the bar. Through the years, Miss Stanford went a little "square," too, sponsoring a Little League baseball team, supplying instruments for the high school band, speaking out regularly at city council meetings. Eventually she decided that the logical thing for her to do would be to speak from the other side of the council table and in 1962 made her first run for office. Apparently she was not yet quite square enough.

On the council, Miss Stanford is considered to have generally voted with the town's business interests. One newcomer to Sausalito, who says he "wound up voting for her" after attending one of her coffees, sees her as "a good old girl" who is also a polished politician: "She gives the impression of being very straightforward, but she never answers anything she doesn't want to."

He supported her, he says, because although it is "inconvenient not to be able to go downtown after 7:30 a.m. on a weekend because of the horde of tourists that pours in, if my tax rate would down $200 I might be able to put up with it."

Miss Stanford says she looks forward to being called Madam Mayor—but don't call her Ms. "I couldn't give a damn about women's lib," she said. "Women should have the same rights to work and live, the same salaries, the same access to mortgages, but the feminists carry it too far with all this Ms. stuff." The mayor-elect, who has been married more than half a dozen times and has two adopted children, says: "There's nothing nicer than a nice little family, nothing like home and fireside."

Miss Stanford's victory at the polls was marred only by the death of her black and tan German shepherd dog, Leland Valhalla Stanford, run over near her Sonoma ranch. She buried him during the weekend in a beautiful metal casket lined with gray velvet and with a little pillow."

CAPITALIZES ON REPUTATION

In 1973, Miss Stanford was honored with a "distinguished citizens award" at a Senior Citizens' Fair in San Francisco. Last year she was invited by the town of Coloma in El Dorado County to be a marshal in the town's annual parade—theme: "Ladies of the Gold Rush Era." However, after some complaints from the community the invitation was withdrawn. Miss Stanford said she "couldn't care less," commenting on her opponents that they were "probably some old customers who don't want their past to wipe out their future. In fact, I thought some of the names on that committee sounded familiar. . . ."

Miss Stanford has not attempted to conceal her past, rather she capitalizes on her reputation as a "character." Council meetings are enlivened by her frequent one-liners; she's been known to doze off at duller moments and frequently slips to the door to puff on a cigaret, forbidden in that hallowed hall.

Miss Stanford says she will not run again for the council, that this will be her last term. "I would like to have a few years to myself," she says. But in the next breath she adds that she has been "looking over" the County board of supervisors and finds them, by and large, "a bunch of nitwits out there."

And even if she does decide against making a run for county government, Miss Stanford hints that her enemies had better give up any idea they may have of seeing the last of her. "I believe," she says firmly, "in reincarnation."

FALLS CHURCH HIGH SCHOOL BAND

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. FISHER. Mr. Speaker, the band of Falls Church High School, located in my district, has been designated by Gov. Mills E. Godwin, Jr., as Virginia's official representative at the Bicentennial Festival of States to be held this month in St. Petersburg, Fla.

In a letter to Band Director James Stegner, Governor Godwin wrote:

> The Falls Church High School Band has long been a symbol of superior performance in marching and music and has gained for the State of Virginia the reputation of developing in its young people a bountiful image of our State's future through youth of high moral character and fiber.

Over the years, this band has been rated among the top 20 high school bands in the United States. More than 200 students participate in the band program, and it is my understanding that approximately half of the students earn honor roll grades.

It is a pleasure for me to congratulate the Falls Church High School Band and Director Stegner on its most recent honor.

H.R. 10686—IMPORTANT FOR CANCER RESEARCH

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. SIMON. Mr. Speaker, because there has been some unfortunate misunderstanding of the proposal to make census data available for medical research purposes, I thought the letter which I am having inserted in the Record here, written by Dr. John W. Berg, director of the Iowa Cancer Epidemiology Research Center of the University of Iowa, might be of interest to my colleagues.

My hope is that we will recognize the need for making progress in medical research as well as keeping census records available for responsible geneologists and historians.

The letter follows:

March 18, 1976.

Hon. Paul Simon,
U.S. House of Representatives,
Washington, D.C.

Dear Sir: I am writing (belatedly because of an accident) in support of HR 10686 which would release census data for medical research purposes. In my view, such a release would enhance substantially efforts to control diseases such as cancer. If census data were available we could do two kinds of studies relatively easily that now are essentially impossible. We could try and associate current cancer risk of the aged with residency, economic status, and occupation in their youth. Most cancers like many other chronic diseases have at least a 30 or 40 year incubation period and early history of elderly patients (half of all Iowa cancers are in people over 70) is directly relevant.

The other great opportunity that would be opened up for us would be to learn much more about that part of cancer risk (and again risk of many other diseases) that is due to familial risk factors. On a practical level we could move closer to identifying people who ought to be studied carefully for cancer because their membership in a cancer family has been established. On a theoretical level, by identifying and dealing with familial risk separately we would get a much sharper picture than we now have of the role of other, environmental factors.

I would not advocate opening cancer records for this purpose if I thought there was any real chance for any abuse of the information. I do not think there would be partly because, in general, I trust medical ethics, but also because we in cancer registries and hospitals already have and guard information on these people that is more sensitive because it is current and more detailed. We here in Iowa certainly have had no security problems and I foresee none just because we add a little more 50-year-old data about the patients.

In summary, then, I believe the bill offers much to medical research and no dangers.

Sincerely,

JOHN W. BERG, M.D.

EQUAL ACCESS OR PRESIDENTIAL PREROGATIVE?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. RANGEL. Mr. Speaker, in this Presidential election year, many candidates from all points on the political spectrum are rediscovering the potential use of the Office of the Presidency for political advantage. Nowhere is this more evident than in the President's access to coverage by the electronic media. An incumbent President can summon the network crews literally at will into the White House for a Presidential "press conference" that is nothing more than a thinly veiled campaign speech. Under several rulings by the Federal Communications Commission, these press conferences are considered bona fide news events, and the networks are under no obligation to make equal time available to the President's campaign opponents.

While the campaign is still in the primary stage, the candidate most directly hurt by this FCC policy is Ronald Reagan. While Mr. Reagan and I probably agree on nothing else, I can understand his frustration at the FCC's lack of concern for this unfair Presidential prerogative. But Mr. Reagan is, at least, in a better position than most candidates; he can afford to purchase network time to rebut the President. Those hurt most by the FCC ruling are the so-called minor candidates, who are not afforded free air time, cannot afford to purchase it and, indeed, are not even taken seriously by the network news executives. These candidates face an even more frustrating situation, for they are unable to get their viewpoint to the American people via the public airwaves.

Mr. Speaker, I contend that the FCC's rulings in this area are contrary to the "marketplace-of-ideas" spirit that should prevail in our electoral process. My eloquent colleague from New York, Representative SHIRLEY CHISHOLM, knows only too well the consequences of these rulings and of the network policies they perpetuate. She had the unfortunate and most unfair experience of being branded a minor candidate by the network news executives during the 1972 Presidential campaign, despite her broad, nationwide support. In an article in the January issue of Encore magazine, Representative CHISHOLM warned of the dangers inherent in these FCC rulings. I would like to insert her article into the RECORD at this point, and I hope my colleagues will reflect upon the forceful arguments therein:

[From Encore American & Worldwide News, Jan. 5, 1976]

WHEN "FREE SPEECH" BECOMES A WEAPON

(By Shirley Chisholm)

The recent decision of the Federal Communication Commission to exempt presidential press conferences and news interviews from the equal time provision (Section 315 of the Communications Act) will hamper the political process in general, and the candidacies of minority hopefuls in particular. Coming right before an important election year, this ruling denies Congressional intent and the egalitarian principles of our democracy by exempting these two obvious forms of political weaponry.

CBS, which has now been joined by the other two major networks, asked the FCC to exempt presidential press conferences from the equal time provision in order to facilitate their coverage of "major candidates." This of course excludes minority party hopefuls, but, primarily, it gives the incumbent president a decided advantage. President Ford could conceivably call a press conference the week before the election to "announce" that through his efforts the economy is improving, that the crisis in the Middle East is nearing settlement, that detente has been accomplished by Henry Kissinger. The Democratic nominee, or a third party candidate, would not be afforded the opportunity to respond to what could clearly be called a political forum.

Although the networks claim that these press conferences are news events and therefore not subject to equal time, I think it is clear that the opposite is true. Consider the definition by former presidential press secretary George Reedy, writing in *The Twilight of the Presidency:* "Press conferences are held entirely at the discretion of the President. He is in complete control of their scheduling and format; he sets the date and time of day for all his press conferences. The President determines exactly what portions are to be devoted to announcements, prepared statements, or questions. The President chooses which reporters ask questions, and there are hardly any follow-up questions." Clearly, the presidential press conference is one of the most artfully used weapons in politics; and now the FCC is sanctioning its use and is consequently giving Ford unlimited access to the airwaves if he wants it.

In the September decision on equal time, the FCC also exempted still another political forum, the "news interview," from regulation under an equal time law. I have a personal interest in this aspect of Section 315; as a presidential candidate of the Democratic Party in 1972, I challenged the networks to apply this, and won in the U.S. Court of Appeals. In 1972, the Sunday network interview panel, "Meet the Press," invited all the Democratic candidates except myself who were eligible and who had declared themselves candidates to appear on an hour-long special. It was the decision of the program planners that I was not a legitimate candidate, even though I was clearly qualified and clearly running. In other words, the network officials were making their own determinations as to who is or is not a "serious" candidate. The Court of Appeals indicated that, under communication legislation, this was not the prerogative of the network officials. Now, the FCC has declared that such shows are "news" and therefore not subject to equal time provisions. And I would predict that if another minority candidate—whether Black, a woman, or representing any other minority—would declare for the presidency, the networks would arbitrarily and automatically rule out that candidate's chances, and then deny that person access to the airwaves.

The ramifications of this ruling extend to candidates on the local and state levels as well. A radio station could invite two out of three candidates to debate election issues, and the third would have no recourse. In the New York Senate race, any television or radio show could invite the incumbent and either the Democratic or Republican challenger, and legally ignore the excluded candidate.

I also contend that the decision will frustrate the efforts of any and every third party candidate whether liberal, conservative, or minority, by allowing three network officials to decide who the "important" candidates are. Minorities have had a hard enough time getting access and fair coverage under Section 315; now it will be impossible.

A reversal in this decision is crucial to our political system. I have filed suit on grounds that the FCC is going against Congressional intent to regulate political uses of the media. Furthermore, the decision to revise Section 315 is one that should be made by Congress, not the seven commissioners.

The power of the media in shaping public opinion and ultimately influencing elections is already too extensive. Freeing the networks from Congressional obligations in political campaigns will not encourage open, unbiased, and comprehensive coverage of candidates; it will merely render the job of the networks that much easier. Such a decision could be nothing but harmful to the voters and, indeed, to the entire political process.

MORE ON GRAND JURY ABUSE

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. HELSTOSKI. Mr. Speaker, as a cosponsor and strong supporter of H.R. 2986, the Grand Jury Reform Act, I would like to bring to the attention of my colleagues and constitutents another example of grand jury abuse. The following article, "American Grandstand" by David Marsh, appeared recently in Rolling Stone and adequately describes this contemptible practice of a prosecutor stabbing in the dark, dragging on an investigation, producing little in the way of results, and wasting the taxpayers' money. I am most concerned about these incidents of harassment and urge my colleagues to read this article which so well illustrates the weakness of the present grand jury system:

[From Rolling Stone, Apr. 8, 1976]

PANIC IN PAYOLA PARK

(By Dave Marsh)

In the three years since the first rumbles of the Great Payola Revival of 1973 emerged from a Newark federal grand jury, the music industry has been repeatedly portrayed, through innuendo, as a corrupt manipulator of the public. The attack has come principally from such pillars of the national press as Jack Anderson and the New York Times, abetted by a flow of press releases from the office of the U.S attorney in Newark, Jonathan Goldstein. Even Rolling Stone rather gullibly headlined a report "Payola Indictments: Tip of the Iceberg" last July, when the grand jury finally handed down indictments against 19 mostly small-time music business executives. The prosecutors implied that the original 19 were but the first trickles of a flood, and that a host of figures (including Clive Davis) would eventually be hauled into court.

But the flood simply hasn't commenced. Clive Davis has reestablished himself in the music industry, despite the fact that his New York indictment for income tax evasion was set up by the prosecutor to look like part of the Newark investigation. Even Kenneth Gamble and Leon Huff, the only major music business figures indicated, have remained startlingly unaffected. (Their trial starts April 1st.) The Newark grand jury has had the books of nearly every record company in the U.S. for more than one year without returning a single additional indictment. In effect, what the prosecutor has done is vindicate the music business; given similar scrutiny, it's unlikely that any other $2 billion industry in American would have come away so clean. The corruption in the music business simply isn't the bottomless pit that the prosecutor and the columnists have claimed.

But the recent conviction of four Brunswick Records executives in the first trial stemming from the Newark indictments again has Jonathan Goldstein shooting from the lip. The conviction of these small-time operators of a minor record company, Goldstein alleges, serves notice to the rest of the music industry that "past practices will no longer be tolerated and will be prosecuted to the fullest extent of the law." He also contends that the convictions "expressed a public outcry against what defense counsel stated was a common business practice: the payment by recording companies of monies to employees of radio stations in return for having their records played."

All of this is completely unsupported by the facts. If the record industry is so riddled with corruption, Goldstein would have indicted many more than the 19. He has failed to establish that anyone outside of the Brunswick gang considers payola a standard practice. Goldstein is basing his claim on statements made by the defense counsel, who also claim that their clients are innocent. Such selective credulity is hardly becoming in a federal prosecutor. As for the public's outcry, it remains unheard by anyone except Jonathan Goldstein and his minions.

Goldstein is less interested in ridding America of the scourage of payola, however, than he is in scoring the political points which might gain him a federal judge's chair. A prosecutor truly interested in wiping out payola would have struck equally against bribe takers in radio. Instead, Goldstein, used three radio personalities—from Detroit, Cleveland and Chicago—as his principal witnesses in the Brunswick case. All three were granted immunity from prosecution. One of them, E. Rodney Jones, remains to this day the program director of WVON, the most powerful R&B station in the Chicago market. Neither Jones nor WVON has suffered so much as the suspension of its federally granted broadcast license. Apparently Goldstein finds it more difficult to coordinate his investigation with the Federal Communication Commission than with the press.

More likely it's that radio, as a regional rather than national phenomenon (and a faceless one at that) simply lacks the glamour of payola. The fact remains that as long as radio personalities understand that the government is willing to let them get away with talking bribes, there will be those who demand them. And payola will remain a problem, however minor.

If there were a payola scandal, then, it would be radio's problem as much as the record industry's. In the 1960 investigation, you'll remember, it was disc jockeys like Alan Freed who took all the falls. But even within radio, to judge from the Newark probe, payola is not a significant factor in determining what becomes a hit; even the three radio witnesses called by the prosecution deny that payola ever influenced airplay on a given record. Thus, Ralph J. Gleasons dictum still holds: no matter how much money is dispensed, a record becomes a hit only if its got it in the grooves.

If the U.S. attorney or the Newark grand jury has evidence to the contrary, it is time for them to present it. After all, what are they waiting for? If they do not, their witch hunt ought to end immediately, before they waste any more of our money.

WATERLANDS CONTRACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MILLER of California. Mr. Speaker, I would like to place in the RECORD a copy of a letter I recently sent to Secretary of the Interior Thomas Kleppe concerning the pending contract between the Bureau of Reclamation and the Westlands Water District in central California.

The manner in which this contract was negotiated, its terms, and its implications for small farming and water quality have been the subject of intensive Senate hearings by Senators HASKELL and NELSON. Both in Washington, D.C., and more recently in Fresno, Calif., strong objections were lodged against this contract, which would commit large amounts of water for the next 40 years at prices significantly below real market value.

As a result of these hearings, Senators HASKELL and NELSON have recently called upon the Secretary to renegotiate the contract. I have done the same, for the reasons expressed in the letter I place in the RECORD, below. Many others share this belief both in Washington and California, many in public positions and private citizens. I call upon Secretary Kleppe to heed these requests and open the Westlands Contract to the public scrutiny and public participation it should receive.

The letter follows:

WASHINGTON, D.C., *March 25, 1976.*

Hon. THOMAS KLEPPE,
Secretary of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: Over the course of the past eight months, committees of the United States Senate have held hearings and investigated the contract pending between the Westlands Water District in central California and the United States Bureau of Reclamation. The accumulated evidence establishes clearly that the Westlands Water District has been operating in a manner inconsistent with the purposes and intent of the Reclamation Act of 1902. Moreover, approval of the pending contract would exacerbate water quality problems confronting northern California, where the waters destined for Westlands originate.

In his testimony before the Joint Committee on July 22, 1975, Commissioner of Reclamation Gilbert G. Stramm stated that the Secretary holds the power to disapprove the contract. I believe that the public record mandates that you exercise this authority.

The original hearings, conducted in Washington, D.C., last July, generated a dramatic public outcry against the Westlands contract. At recent congressional hearings in Fresno, California, the crowd which came to participate in the public discussion of this issue overflowed the auditorium. Major newspapers have devoted a substantial amount of space to conditions in the Westlands District. Furthermore, I, and I am sure other members of the California delegation in Congress, have received a great number of constituent protests about the contract.

This growth in public discussion and awareness is in marked contrast to the process by which the draft contract originally came to your desk. Is I noted in Fresno, there was no public input into the drafting of this contract. Indeed, there was little governmental input. The directors of the official water boards, from whose district the waters will be diverted, were not even consulted about the potential impact of the increased diversion upon their salinity problems. This contract was conceived and drafted in secrecy, without benefit of public scrutiny and without the advice of people whose lives will be substantively affected by its provisions. I do not consider that to be an acceptable way of formulating public policy. This is not the way we in Congress write laws, and I submit that it is not the way agencies of the Executive Branch should write contracts.

Over the past several months, I have received a number of press releases describing your interest in cooperating with state governments. I have noted these with interest, because over the same period, it seems to me, I have seen much which suggests that the Department of the Interior is not terribly concerned with this pledge. Whether it concerns the State's opposition to OCS Sale No. 35 last December, or the operations of the Central Valley Project which result in a denigration of State pollution standards, it appears to me that the Department has considered the opinions of responsible California officials in a totally superficial way.

Currently, the State is undertaking a comprehensive study on the questions of total water management and environmental protection. Several officials at the State level, numerous local agencies, and concerned citizens, including my own office, are contributing to this intensive effort. In Contra Costa County, we are particularly concerned about the impact on our environmentally sensitive Delta of removing over a million acre feet of fresh water from the Sacramento River. Local interests in other areas have similar concerns. The comprehensive water study now underway will allow us to study the entire water question in California from a position of expertise, and on that basis, we will be able to plan sensibly for the future.

To permit the approval of the Westlands contract with this work underway is to exhibit absolute contempt for the people of California. It is another strong reason why you should disapprove the Westlands contract.

I know that responsible officials within California are anxious to work with the Department of the Interior on this matter. I will be most willing to participate in any way possible. The necessary first step, however, in addressing these problems and improving the working relationship between the Department and us in California, is yours. Again, I urge that you reject the present contract.

Sincerely,

GEORGE MILLER,
Member of Congress.

JUSTICE WILLIAM O. DOUGLAS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. JOHN L. BURTON. Mr. Speaker, Justice William O. Douglas will go down in history as a giant of American jurisprudence. During Justice Douglas' long tenure on the Supreme Court, he proved himself to be a true conservative and a strict constructionist. Justice Douglas' construction of the first amendment literally interpreted the phrase, "Congress shall make no law abridging the freedom of speech," as simply that. No law that abridged an American's freedom of speech was constitutional. Along with Justices Black, Rutledge, and Murphy, Justice Douglas was a consistent defender of the Bill of Rights and a champion of individual liberty. With the appointment of Mr. Chief Justice Earl Warren, Justice Douglas saw many of his dissenting opinions become the law of the land.

Our Nation and citizenry are much better off for the service of Justice Douglas on our Supreme Court. He will be sorely missed by all freedom-loving people in this Nation.

AN OVERVIEW OF THE HISTORY OF LEGAL SERVICES BY CONGRESSMAN ROBERT DRINAN

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BADILLO. Mr. Speaker, the legal services program, despite its relatively short existence, has had a stormy history. The concept of legal assistance as a right for all has been denounced as subversive by some, and hailed as the true safeguard of constitutional rights by others. The gentleman from Massachusetts (Mr. DRINAN) has for years spearheaded the effort to maintain and expand these vital services. Recently, at the awards luncheon of the National Legal Aid and Defenders Association, he delivered a fascinating address detailing the program's origin and history. I am sure that his remarks will be of interest to all and, for the convenience of my colleagues, I am inserting them into the RECORD:

LEGAL SERVICES WAS A TOUGH BUREAUCRACY FOR MR. NIXON TO KILL . . .

Therefore, we don't want to have the United States Supreme Court compel us to do those things which we are not doing right now. The poor simply must be heard about those things that adversely affect them. My mind goes back ten years to the mid-year meeting of the ABA in 1964–65. I was present there when the basic decision was being made: should we collaborate with the OEO? Frankly, it could have gone either way, but recognizing what the American Medical Association did at that time—oppose even Medicare—the leaders of the ABA, to their eternal credit, said that we shall not fight this Government assistance, we shall collaborate; and they have a hesitant yes. I recall Dean Bamberger, way back in 1965 at your annual meeting in Arizona; he said, "How will lawyers representing poor people fight the cycle of poverty"—that is the basic purpose of OEO, a war on poverty—and leaders of the NLADA were frankly cautious at that time, and skeptical. The ABA had already endorsed the OEO Legal Services, but your organization brought about a very happy marriage, and I recall Dean Bamberger, fielding questions for three and a half hours ten years ago, and Earl Johnson, Jr. who is here—he and Mr. Bamberger turned the tide, and local legal aid groups came in and applied for Federal funds.

I recall Mr. Bamberger, once again, in January 1966, at the mid-winter meeting of the ABA in Chicago. He said, "There is going to be a social change in this country and if lawyers want to stand by and watch it happen and not participate in it, or shape it, that is their choice." And you know, obviously, how it came out. The war on poverty happened due to the ideas of Edgar and Jean Kahn and Gary Bellow and Earl Johnson, Jr. and many others. In early 1965, there were two legal assistance movements: the eighty-nine year old movement, the child or the step-child of the ABA, charitably financed at that time at a level of $4 million, and led by the middle-aged establishment lawyers in the cities of America. And you had this little infant, two years old, with a budget of $500 thousand, financed by the Ford Foundation and a little bit by the feds. It was led by youthful attorneys with some vague idea of social reform. Well, I like to reminisce a bit about the OEO; I won't spend long on this, but I think that we must recognize that one of the fundamental, primary missions of the old OEO was to have its grantees challenge, by class action or test cases, any law or regulation that discriminated against the poor. You know their history: that in sixteen cases, the OEO lawyers witnessed successful challenges to the Constitutionality of welfare residency laws. You know the history of the *Serrano* decision in 1971, saying that property taxes alone cannot be the one basis for funding of the schools. You know about class actions in California, where the California Supreme Court held that reductions made by the Welfare Department were invalid; and that meant a twenty-four per cent increase to the welfare recipients, and they numbered at that time a million four hundred thousand. Well, those are all the things that I am proud of, but the OEO and its successes have gone through a purgatory, or even an inferno; I hope that all the days of Donald Rumsfeld and Howie Phillips and Frank Carlucci are over; and I have the hope that now we are beginning a whole new era, and, as of October 13, 1975, we are going on to heights that we never even dreamed about.

Legal Services was a tough bureaucracy for Mr. Nixon to kill. In Congress I lived through those three years when the White House was hoping somehow it would go away. Other programs died at the hands of that administration: Model Cities went away and Urban Renewal was snuffed out and sections 235 and 236 Housing were killed. But Legal Services somehow had several lives; it had the backing of the establishment lawyers and of the ABA; it had the backing to some extent of the sixty percent of Congress who are members of the Bar, and it had a few people like yourself out there, who don't believe in "benign neglect." But you know the wars. Spiro Agnew was one of the leaders and, in the *ABA Journal,* he complained, in 1972, that the legal services program has gone way beyond the idea of a governmentally financed program to make legal remedies available to the indigent; and now, listen to this: "It expends much of its resources on efforts to change the law on behalf of one social class—the poor." Well, for once Spiro was right. You were doing all of those things and from all of this agitation over those years we had, and I come to my second point, the birth of this Legal Services Corporation.

Sometimes I wonder, frankly, and have doubts whether this is the best approach, but this is the approach that we have and I say to you that you must not say, "now we have arrived in paradise;" you must say, "we have just begun to fight," because this is an entirely new ballgame. As your president has said, I serve on Congressman Kastenmeier's subcommittee and I urge you and beg you to lobby us to death, these seven people in whose hands will be the future of legal services, to an astonishing degree.

I want to pinpoint the tragic story of what has happened to the charter of the Legal Services Corporation, by reliving with you the Thursday night massacre on June 21, 1973; in a nine hour session on the floor of the House, twenty-four restrictions were placed on that particular bill that is so important to all of us. In the findings of the eventual Act, I'm happy to say, are these words: that "attorneys providing legal assistance must have full freedom to protect the best interests of their clients, in keeping with the Code of Professional Responsibility, the Canons of Ethics and the high standards of the legal profession." But I raise with you the basic question whether that particular very idealistic and sweeping statement has not been compromised by what the Congress has already done. The Corporation statement in another place does say that the Corporation shall insure the preservation of the attorney-client relationship and the protection of the integrity of the adversary process from any impairment. But here are just some of the compromises that happened that night and along the way: Congressman Quie proposed—and it passed 200 to 181—a provision that no funds can be used to influence legislation or executive orders, except where you are asked to do so by a government agency. This is a mishmash of language which, however you read it, does compromise, even contradict the preceding clause. Let me read to you something that tells you why that is wrong: this is President Edward Wright, the President of the ABA and a person chiefly responsible for drafting the present Code of Professional Responsibility. He is testifying two years ago in the U.S. Senate and I read to you the transcript: Senator Cranston, "Mr. Wright, do clients have a right, under the code of professional ethics, to expect their attorneys to pursue any lawful objective, through any lawful means?" Mr. Wright, "Yes, Senator." Senator Cranston, "Is urging a change in the law through the passage of legislation the pursuit of a lawful objective through lawful means?" Mr. Wright, "Yes, Sir." Senator Cranston, "Are clients who can afford to pay attorneys entitled to have their attorneys seek changes in statutes in the legislatures or before Congress?" Mr. Wright, "Yes, Senator." Senator Cranston "Are the provisions of the Code of Professional Ethics intended to extend its duties and protections to every client, irrespective of whether he can pay for a private attorney?" Mr. Wright, "Absolutely, Senator." That shows you that we, as attorneys, cannot allow the Congress to compromise our duties under the Canon of Ethics of the ABA.

Legislative advocacy therefore simply *must* be allowed. Every day I am quite literally subjected to legislative advocacy by attorneys who work for clients who can pay. Let me give you a little vignette of a set of attorneys who work for the Petro/Chemical Industry. Two years ago, when allocations were going to be legislated by the Congress, this particular set of attorneys wrote the regulations, wrote the language in the bill, lobbied everybody to pass it, and secured in the final bill the exact wording that would be beneficial to the plastics and petro/chemical industry, untouched and unharmed and unamended. That's what the lawyers for the wealthy do and I want the lawyers for the poor to be able to do the same thing. (*Applause*). When people in Washington and others say that lawyers for the poor shouldn't really get involved in advocating legislation they are just wrong. The old Legal Services *did* do legislative advocacy and let me give you some "for instances." Reginald Heber Smith devoted a chapter in his book "Justice and the Poor" to legislative advocacy by attorneys who work for the poor.

And what happened in Massachusetts years ago? Credit became cheaper for the poor in Massachusetts because of legislative advocacy by some of the very earliest persons who were involved in Legal Assistance. And what happened in New York City, employment conditions were improved in a series of statutes promoted and enacted because Legal Aid attorneys in New York lobbied for those statutes. And what happened in Cleveland? The harshness of this wage garnishment law was eased in Cleveland because lawyers working for the poor lobbied in the chambers of the legislature.

What are some of the other compromises that they have put in this charter? They have compromised in serious ways your right to be an attorney, your right to comply with the ethical standards of the profession to which you have been called. Private law firms, if they are engaged more than fifty per cent of their time or effort in public interest matters, are barred from participating in the work of the corporation. Why should the Legal Services Corporation be permitted to patronize all the fat cat law firms who have never done anything for the poor, and be required by law to discriminate against those firms that want to help the poor?

Another thing that you are restricted in doing, you cannot encourage others to picket, boycott, or strike. It's a violation of the First Amendment rights, it seems to me, of both the lawyer and the client, to impose that. I know that the language might not be that categorical but why is it that the lawyers of America have sat back and allowed the Congress of the United States in the Thursday night massacre two years ago, to compromise your rights? Why should you be restricted from arguing in amnesty cases as you are? Why should nontherapeutic abortions be beyond your limit and why should desegregation cases be beyond the pale of what you can do? Why is it that the statute says that you must refrain from "any voter registration activity (other than legal advice and representation)?"

I was instrumental, with many others, in putting through a new voter rights act with bi-lingual elections and bi-lingual material. Does this particular statute in the Corporation charter mean that you can't go out and educate people and tell them how to use their new rights to a bi-lingual election? I expect to file legislation in the immediate future to repeal that ban on private law firms and repeal the ban on desegregation cases and in due course, at the proper moment I will file bills or amendments to wipe out every restriction on your services. (Applause).

I come now to that enormous question of the back-up centers. Incidentally, we are looking desperately for a new name for the back-up centers. That particular word, as you know, is not in the statute, and the best term that has yet been advanced is to call them the Safe Streets Centers. It has also been suggested that we shall call them the National Defense Conservation Institutes—who could be against that? Or perhaps the Front End Centers instead of the Back-up Centers. . . . At that particular dark moment in the life of Congress, June 21, 1973, former Congresswoman Green said that these units are the centers of agitation, that they are on the cutting edge of social reality, that they should be neutral about all of these questions that they were litigating. Unfortunately, the wipeout of these Centers passed the House that dark night by a vote of 233 to 139. That particular motion, authored by Senator Helms in the Senate, was fortunately defeated.

What did Mrs. Green say that night? She said that a Center at Harvard University did research work that was used by the plaintiffs in the Detroit segregation case; she went on to say that one of these fourteen or sixteen centers was working in national health insurance and she said surely that has nothing to do with legal aid to the poor. Other members of the House joined in this hue and cry and the centers went down, or at least the authority of the Corporation to deal with outside entities was restricted.

The Back-up Centers became the issue somehow that President Nixon used. It is very curious that in 1971, when he first proposed this corporation to get the OEO legal services out of the Executive branch, to have some independence and autonomy, neither he nor anybody in the administration ever attacked the existence of the Back-up Centers. And in 1971, 1972, 1973 and into 1974, never had the Back-up Centers been a question requiring presidential approval. But in 1974, two or three weeks before he would resign, President Nixon demanded another pound of flesh. He said that "I will sign the legal services corporation only if the back-up centers are terminated." It was that which caused us to capitulate, if you will, because we were desperate to have a Corporation after three years of negotiating in good faith with the Administration. But the back-up centers became the sacrificial lamb, and their death was the price which the White House demanded in return for the approval of the Legal Services Corporation. President Nixon signed it on July 25, 1974 under enormous public opinion and pressure stating that since there were hundreds of thousands of dollars being spent to represent the President, couldn't we have a little to represent the poor.

Just two weeks ago, your very distinguished President Mr. Brooks testified before the subcommittee, chaired by Congressman Kastenmeier of Wisconsin. There was only one person against the Back-up Centers, some gentleman from the New Jersey Farm Bureau, but it turned out that there was no Back-up Center in New Jersey and he was just lashing out at all of you people, because you told farm workers, who were underpaid or not paid, to sue the farmers! In any event, there was excellent testimony and the record is really immaculate.

We had a markup the other day and it passed unanimously but with one qualification that I want to share with you. An inquiry was made at the markup as to how much money has been used for these Back-up Centers. When the corporation or its predecessor received 71 million, roughly 5 million was spent for the sixteen backup centers; when they received 88 million, it was roughly 6 million. A proposal was made that we put a ten percent ceiling on the use of the funds for back-up centers. I was opposed to that. I stated that we, a subcommittee of the Congress have no right to interfere with the autonomy of this newly constituted corporation and the directors. I argued and lost. It was a political thing. A particular member of the subcommittee implied that if we wanted his vote, it would be conditioned upon the existence of this ten per cent limitation. That's how history is made. I said that I don't want the directors of the corporation, or everybody involved in Legal Services, coming back here two years, five years from now saying, "well, where did this ten per cent come from anyway?" I said to my colleagues on the subcommittee, "There is not a shred of evidence that this is a wise thing. We've never had any documentary proof whatsoever that this limitation is good." But perhaps it will sweeten it up politically; perhaps it will not. As you know D-day is March 31, 1976, after which there will be no funding for the Centers.

Dean Cramton, as you may know, testified on October 29 before us that "The Legal Services Corporation neither supports nor opposes this legislation at this time." We had all of the Establishment people, the ABA, come. Dean Crampton concluded his testimony by stating this: "We start with the premise that Congress knew what it was doing in outlawing Back-up Centers and that it imposed limitations on the Corporation for what it believed were good reasons." Well, there are two wrong premises there, with all due respect. The Congress didn't know what it was doing and there were no good reasons. (*Applause*).

Your distinguished President, Mr. Brooks, put his finger on it and in the best testimony of the day here is what he said. "Why have the Back-up Centers become so controversial? Because they have been effective in improving the quality of legal services to poor people. As a result they have helped clients win important cases against powerful interests, and have assisted in obtaining legislation which protected poor people from exploitation." You couldn't really put it better.

However, Mr. Brooks concluded with the bottom line: "But it was not the back-up center lawyers that did these things. It was judges who ruled that their cases were meritorious, and legislators who decided that their proposals were sound." And that's what we have to tell the American people—that the poor have a right to go to court just like the non-poor do and if you want to deprive them of that, then you are giving them fifty percent justice, unequal justice. You are making them second or third class citizens even before you begin the process of advocacy.

I come to my third and final point: some questions and some recommendations. First, I'm sorry that I have had so little to say about the criminal side, the defenders. I don't mean to neglect you. I know your enormous importance in the country and in this organization; but please give us something controversial for the Congress. LEAA is not very controversial right now; I guess we should make it so. And I'm extremely interested. I raise these questions to move your mind: something to think about, something about which you should communicate with me and your own congressmen. Should the Corporation eventually embrace all of the needs that are here; all of the needs on the civil and the criminal side? It may be premature until the Corporation is established. But I don't think really that we can put that on the back burner. In the alternative, should we go back to square one and rethink the LEAA completely?

I urge you to have unity in this extraordinary group; and after the three years of crisis that you have lived through, I think that you need unity and you need progress and you need cohesion, more than ever before. At the same time I would say that you should agitate among yourselves and be very divisive, even while you are unifying the organization. Why? Because right now your organization has to give us a vision of where you want to be three, five, ten years from now. You have been so concerned and uneasy about the existence or nonexistence of funding over the past year, that you haven't thought of this. I commend to you a rereading of the book that I'm sure you have read by Earl Johnson, Jr., put out last year, called *Justice and Reform*. Here is a vision based upon his complete knowledge of this situation. Mr. Johnson writes that if we really want to say that we are serving the poor in America, we shouldn't be happy with a million cases each year; we should say that there are at least six million people who need services, hence we should say that our target in the immediate future is to go from one million to six million cases. And that means that we would go up to twelve thousand or even fifteen thousand attorneys. That would mean (and don't gasp now) that the Corporation on the civil side alone would have an appropriation each year, not of ninety million dollars, but of at least $350 million. Where are the legally indigent people? Mr. Johnson, and many others, have said that there are probably a hundred and ten million non-poor people. They are not under the poverty line, but they are not affluent enough to hire their own attorneys. This is the client population which, frankly, right now is not reached. They are somewhere between the very poor and those that are in the middle-middle income class that can afford attorneys. We have to confess that we have not done very well in reaching them. As you know the Corporation has to do a complete survey on who is not being reached and what are the best ways. And they are going to reassess everything, including the English system, I suppose, where the Government does pay the differential between what the lawyer charges and what the client is able to pay.

But it seems to me that we have to recognize that this whole program was born in the War on Poverty. In all the literature about the new program, I don't see those words I used to love so much: a war on poverty. That's the only kind of war that I like. And I want to get back to the War on Poverty and say that we are not going to be content with just giving out some type of legal remedy. We are going to change all the institutions of society so that poverty won't exist anymore. That is still the basic purpose of the Corporation for Legal Services. (*Applause*).

I dream even of a budget in the relatively near future of $500 million. That sounds a lot. Five hundred million dollars—how can that be justified? In the Constitution itself it has those magnificent words that one of the purposes of the American government is "to establish justice." If we can spend all types of billions of dollars to get good health and to have national security—we can at least spend a half billion dollars "to establish justice." Even if we did spend that sum, that would be one fifth of one percent of the total budget. I assure you, therefore, that you have a long way to go, even though you have achieved a lot in a short time.

Let me quote you something that was said in 1971 by a very influential American, an attorney. This was concerning a proposal at that time for an independent Legal Services Corporation. Here is what that man said: "In the long uphill struggle to secure equal rights in America, the Federal program of legal services for the poor is a relative newcomer to the cause; yet it has already become a workhorse in this effort. Even though surrounded by controversy, this program can provide a most effective mechanism for settling differences within the system, and not on the streets." And that was President Richard Nixon. Vice-President Agnew in 1973 said that he approved "reforming the law to rectify old injustices or correcting the law"—and listen to this—"correcting the law where it has been allowed to be weighted against the poor." You therefore, are conservatives in the great Nixon-Agnew tradition. (Laughter). But more fundamentally, you are the conservatives in the legal profession. Why? Because you want to guarantee that equality whose writ runs back to Runnymede. You want to guarantee the rights that were wrested from the kings of England. You want to enforce the Constitution. You want to make certain the promises of equality that came in the Fourteenth Amendment.

And so, my dear friends—the people I admire the most in the legal profession—*the poor in America are waiting*. Will they really get the equal justice to which they are entitled—or will they get justice only when their complaints are minor—or when their complaints are compatible with the ideology of the particular political party or political temperament at that time? Or will they, the poor, have the power to pursue any legal objective with any legal means, in keeping with the flaunted ideal of the legal profession?

We are a profession that is pledged to uphold unpopular causes. I assure you that the War on Poverty is the most unpopular of all unpopular ideas. How much longer will the poor have to wait for justice? Fifty years ago, Charles Evans Hughes and Reginald Heber Smith recognized that the poor were silent or unheard. Those two people and all the moral aristocracy of the legal profession, at that time and since, have launched a movement which has flowered in the last ten years. But flowers wither and this great program could go away. I assure you that this movement is based on eight hundred years of Anglo-American law by which we as attorneys are called to the bar of the moral architects of the society in which we live. Your movement is centered on the moral concept of real equality—of absolute justice—of total fairness to all. And the future, my dear friends, of that movement is in your hands. I beg you not to be discouraged. I urge you to fight with unabashed idealism, and I tell you that if you are not controversial you are probably not doing your job very well. I urge you to join ranks together, civil and criminal, plaintiffs and defendants, public and private people or agencies. Why? Because it's the *poor* you serve. We have a distinction of defendants and plaintiffs, of civil and criminal only because of the different sources of funding. But you serve the poor. And somehow we have to say we are going to have an effective National and local and regional organization that serves the poor, whether they are consumers or whether they are alleged criminals. Our futures are uncertain—our problems are immense and we have miles to go before we sleep.

Let me conclude by quoting what Solon the ancient Athenian Jurist used to say, twenty-five hundred years ago; he said that Justice will not come until those who are not hurt feel as indignant as those who are. Thank you very much.

ENERGY POLICY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. DINGELL. Mr. Speaker, the New York Times of March 30 carried an editorial of which all Members of this body should be aware. The message is that our Nation cannot continue to ignore the necessity to develop a coherent and rational energy policy.

There are aspects of this editorial with which many Members may take issue. Indeed, I would have argued the case in somewhat different fashion, but this is relatively unimportant. What is important is the message that the country lacks, and very badly needs, the kind of perspective which can only be developed in the light of a long-term energy policy.

The Subcommittee on Energy and Power, which I have the honor to chair, last week completed a 2-day hearing on issues involved in the development of a middle- and long-term energy policy. For this purpose, we assembled a blue-ribbon panel of energy and systems experts, to present and discuss a number of papers that reveal both divergence and convergence of views by these experts. We are attempting to expedite publication of these studies and hearings and to make them available at the earliest possible moment.

The time for an informed discussion on the elements of a long-range energy policy is long overdue. These elements will include, among other things, energy pricing policies, the mix of energy sources to be expected, the costs and benefits associated with varying degrees or types of Federal involvement in energy development, the potential for energy conservation, energy centralization versus decentralization, foreign policy issues, including balance of trade considerations and other social and economic considerations. All of these are important aspects of energy policy evolution and all must be taken into account in the process.

To date, our Nation's progress has been considerably less than satisfactory. In large measure, this is perhaps inevitable, reflecting as it does widely differing viewpoints on an issue that vitally affects every citizen. Lacking a national consensus on these questions, Congress has not taken a clear position on any of these.

I believe, however, that the continuing debate is sharpening these questions and that the public may be far more ready to accept difficult steps and sacrifices than may be generally acknowledged. The subcommittee, which has already moved significantly to deepen our understanding of these matters, expects to continue and intensify its efforts in coming months.

The editorial follows:

ISSUES '76: ENERGY

The term of the next President will in all likelihood bridge the transformation of this country from a carefree squanderer of energy, as it long has been, into an acutely energy-conscious society of the kind that rising costs and scarcity are forcing it to become.

Congress and the Ford Administration have vast unfinished work in fashioning a coherent energy policy in the months before the election; the modest energy bill that finally emerged, after a full year of hauling and screaming, scarcely begins to address critical and specific issues involved in balancing the energy budget.

In the election campaign, however, the longer-term challenge should define the debate among the candidates. How is this far-reaching transformation of a social structure and ethic to be accomplished? Can the burdens and benefits be made to fall equitably across the whole population, or will some segments be squeezed for the enrichment of others? Will, indeed, the transformation proceed under measured policy direction or continue as before by default, by a haphazard interplay of the competing interests and values?

First priority in any long-range energy policy must go to conservation, to reducing the demand side of the energy equation by eliminating wasteful practices and improving the efficiency with which energy is produced, delivered and employed. Study after study has shown conservation of existing energy resources to be the most effective and readily available "new source" of supply to meet urgent needs.

Conserving energy, no less than the parallel means of expanding supply by increasing production, involves agonizing tradeoffs. Candidates like President Ford, who have relied primarily upon the price mechanism and theoretical free-market behavior to discourage consumption, offer a straightforward and blunt formula: If the price is higher, people will use less. But this policy forces hardships indiscriminately upon poorer segments of the population and upon essential and socially beneficial consumption of energy as well as on wasteful uses.

The alternative to the price mechanism is Government direction—regulation, subsidies, controls. These techniques offer ways of distributing the burdens of scarcity where they can best be carried and of emphasizing the broad social interest in energy-related decisions as they are made. They also invite bureaucratic bungling, inefficiencies and loopholes from which the most nimble could benefit in more than fair share.

The obvious device that combines these two alternatives is a high gasoline tax—politically unpopular and requiring rare courage from the candidate who dares to advocate it. The price would rise, with all the conservation inducements that would provide; the extra revenues would go, not to the oil companies, but to the Federal Treasury which could then pump them back into society through rebates to the low-income groups and to consumers most reliant upon gasoline for their livelihood, and also through some form of subsidies to energy producers and technologies showing most promise of national benefit.

Energy policymaking is plagued by the necessity, in the words of the Brookings Institution, "to sort out real from imaginary problems and real from imaginary choices." The choice between solar and nuclear power, for instance, is imaginary. Both can play their roles in supplying this country's energy; candidates may well differ on the relative reliance to be placed on each.

One of the most prevalent, but imaginary, policy problems is the one contained in the catch phrase, "ending reliance on imported oil." As a practical matter, there are virtually no energy experts who believe that total self-sufficiency is even possible for this country under existing technology; nor, weighing the economic, social and environmental costs involved in massive expansion of domestic energy supplies, is elimination of all oil imports necessarily desirable.

Instead of echoing the outmoded rhetoric of President Nixon's Project Independence, this country's next leaders would do far better to evolve specific programs for a Project Interdependence, in which oil producers and importers would share genuine mutual interest in long-term stability of contracts. Dependence on imports from unreliable foreign sources, however, remains a national danger; reducing that dependence is vital, and it will require a massive effort to get it down from the present 45 percent even to one-third or less.

* * * * *

The literature of energy policy is full of catch phrases to trap the unwary and score debating points. Everyone involved can be eloquent about the need for sacrifices by everyone else. The policy leadership which this country needs for the years to come will have to make a convincing case to the electorate for sacrifices in an energy-conscious society. It would be the refusal to make those sacrifices, not the sacrifices themselves, that would inhibit growth in living standards and tarnish the quality of life for the nation and all its citizens.

POLICE OFFICERS SPEAK OUT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ASHBROOK. Mr. Speaker, during the course of our hearings on gun control, I heard politicians speak out time and time again for restricting the rights of the law-abiding citizen. Often these so-called leaders indicated that they were speaking for their policemen. In Chicago, for example, Mayor Daley proclaimed that he was speaking for the police in supporting antigun proposals. However, I pointed out to the mayor that the policemen of his city in their own publication had conducted a poll and 73.5 percent of the patrolmen believed that current gun laws are adequate and did not favor extending gun control laws.

This seems to be a general situation everywhere. The rank-and-file union members do not want so-called gun control but their leaders say they do. The law enforcement officials on the local police department or the sheriff's department do not want restrictive laws passed which hurt the average citizen but not the criminal. I recently asked for the opinions of more than 1,000 local law enforcement officials in my area. Here are some of the comments I received from them:

If Americans guns are taken, America will no longer be the land of the free nor the Home of the brave.

* * * * *

If gun control legislation is put into effect, almost anyone can and will make a crude firearm of some kind. If this is not good enough the criminal or whoever, will use some other means in which to use in a criminal act, such as a knife, a club or even use the throwing of a projectile.

* * * * *

Laws which make it a violation for a citizen to defend himself are ridiculous. Please oppose this type of legislation.

* * * * *

Take the person away from the gun (prison) not the gun away from the people.

* * * * *

I would like to have mandatory prison sentences on crime or felony where a gun was used.

* * * * *

Criminals would still be able to secure guns, even if gun control legislation were pushed. I think it's high time we take a second look at the criminal for what he is and not penalize the honest person to get at the criminal.

* * * * *

I do not feel any type of registration would have a significant effect on premeditated criminal activity. I would expect a noticeable decrease in crimes of passion involving firearms if they were effectively confiscated.

* * * * *

Jails are full of repeat violators. If stiffer sentences were administered the first time, I feel there would be fewer repeaters.

* * * * *

I believe the Federal Government should supplement the law enforcement agencies, prosecutors, courts and prisons financially to the point where our judicial system would once again have meaning and purpose.

The criminal element will not be affected by gun control and if the so-called do-gooders continue, criminals will be the only ones with guns. A registered gun can kill the same as unregistered.

* * * * *

Gun control should begin with the State and local government and the laws already on the books should be more forcibly enforced and punishment should come accordingly.

* * * * *

It's not the 98% that we are having trouble with. Why penalize these people. Burn the people that use any weapon to commit a felony.

* * * * *

I think there is enough gun control at the present time and in the future. I would like to see judges give mandatory prison sentences instead of finding more ways to dismiss the case. To stop plea bargaining on repeat offenders.

* * * * *

Please work to continue funding for officers, training and equipment. Better pay and training are needed more, I believe, than any other thing. Plea bargaining is a national disgrace the way it is now.

* * * * *

They should enforce the gun laws already on the books instead of worrying about making new ones.

* * * * *

Let's back up and find a better way to protect the hunters and sportsmen, before passing a gun law.

* * * * *

1. Require Federal Judges to be elected by their districts
2. Plea bargaining only to be conducted in open court.
3. Require experienced attorneys only to run for prosecutors office.
4. Set fixed sentences for criminal offenses after 1st offense.

* * * * *

I feel that if we go with gun control it is going to hamper us on solving crimes in which weapons are used. At least at the present, you are required to register when you buy a handgun and it gives us some way of tracing back to ownership of a weapon.

* * * * *

A Federal law forcing state courts to put anyone in jail that uses a firearm in the commission of a felony and also the carrying of a concealed weapon or theft of a firearm.

* * * * *

The language of affidavits must be almost letter perfect or the defense attorney will get the charge(s) dropped, the law leans too strongly toward the defendant.

* * * * *

As for gun control the New York State Sullivan Law and the New York State crime rate (including crimes in which firearms were used) tells it all. Heavy mandatory sentences which cannot be lightened by parole authorities would be a start in the right direction.

* * * * *

I firmly believe in what I have marked. There should be some federal laws or something to jack up the courts.

* * * * *

As a law officer for ten years I believe the criminals will have guns anyway so registration of guns seems to me will not be the answer. Stiffer penalties will help.

* * * * *

Gun control will never work in this country. You will disarm the law abiding citizen and give the criminal another strangle hold on John Q. Public. Most police officers realize this.

* * * * *

I feel that some laws aren't stiff enough and should be done over, or reconsidered; and most laws are adequate but they are not followed through in the courts. We have enough gun laws. Let's make those judges impose the sentences.

* * * * *

There are enough gun laws on the books right now; the police should be allowed to charge felons with them on top of the original charge.

We need more law enforcement officers as crime is getting out of control. We need more men in counties as well as in cities to help control crime.

* * * * *

I think that everyone is overlooking a very serious problem. If gun control is passed (extreme) people who own weapons are not just going to walk up and hand over these weapons without a confrontation.

* * * * *

Your item 7B (mandatory sentences) should be law and the laws handcuffing enforcement officers should be repealed. Please give the law-abiding citizen a break for a change.

* * * * *

There are enough gun laws on the books now, which should take care of the various types of situations, if the defense attorneys and judges would quit worrying about the defendant and more about the victims of the crimes being committed.

* * * * *

I am in favor of running ballistics tests on all guns sold as new. The results listed in a federal computer bank. Then anyone with the need to know could request info on any serial number or match a bullet to a gun. I realize it's impossible to get to a single gun but it could narrow it down. Also if a gun is damaged after a crime, it is impossible to get a ballistics test. All a law enforcement officer would have to do would be require the test results by serial number, make, year, caliber, etc. I think this would greatly help the law enforcement officer.

* * * * *

Don't take the guns away from the citizen. If people don't use guns they will use knives or pipes or clubs. Any way you look at it people will kill one another one way or the other.

* * * * *

I do agree that before a firearm is purchased the subject should put in a request at least 5 days in advance. And he should not be allowed to purchase it if he is not a reputable citizen for at least 5 years prior.

We already have a form of registration in the Gun Control Act of 1968; crime has still risen. New York's Sullivan Law is the strongest in the country but has failed to work since its first year and has caused many honest N.Y. residents a great deal of misfortune. It seems that the court and sometimes even Congress works overtime in working to protect a criminal's rights but not the rights of the honest man. In registration or confiscation many more honest citizens will be hurt than the criminal who will obtain a gun anyway he can. A criminal will not register or turn in his gun.

* * * * *

I feel that all citizens have the right to bear arms. People that use guns to force other people to abide to their wishes or else, should have very stiff criminal penalties with no chance of parole or probation.

* * * * *

That a mandatory sentence be imposed on anyone using a gun in the commission of a crime. The poor individual is serving the time and the SLA, BLA, Indians, or the influential are not being prosecuted with the same set of rules.

* * * * *

I think this gun control business is a bunch of baloney. I have owned a gun since I was 16 years old and was taught how to use it safely. I am not an irresponsible person and I resent the fact that some yokel is wanting to take this privilege away from me as a law-abiding citizen of a free country. No gun law is going to keep some nut from committing a crime or offense of any kind, if he or she so desires to do so. What we do need is to have a court system that will deal severely with those who violate the law.

* * * * *

The law cannot enforce the drug law. How can they enforce a law banning firearms?

I believe an officer should be able to confiscate a handgun from a subject of unstable character, without a court ruling.

* * * * *

Forget spending tax dollars to define Saturday night special. The make of the gun is unimportant—the deed is important. Most cheap guns are bought by the poor home owner, who can't afford a S & W or Colt. They are terrified by the courts letting the criminal loose.

* * * * *

I feel that all sensible-minded men and women should be taught to use a gun and be permitted to carry it at all times—knowing this, a thug would think twice. Please don't let the Hitler regime get in the U.S.A.

* * * * *

I feel there should be more effort in registering the person instead of the firearm itself—also a dealer should have a record check of individual buying gun before selling it.

* * * * *

Gun Control will not help; it will only take guns away from the people that need them. The criminal will have a gun.

* * * * *

I believe guns will always be available to those who want them and want to pay black market prices. I draw a comparison to narcotics which is also illegal yet it's there if you know where to go and have the money to pay the price; and look at narctics traffic, it is skyrocketing. Our entire system needs use of stronger penalties on nearly all laws.

This country must revert to conservatism. Vote the liberals out of office. Outlaw communism in our country. Mandatory 10 year sentence for anyone convicted of using a firearm in the commission of a crime.

In question five above (selected registration), I do feel we should be more selective in registration of firearms to individuals. I feel, if a person wants to purchase a firearm he should have a character check prior to completion of sale.

* * * * *

I don't think that gun control will help at all. I think that putting them to death would help more.

* * * * *

Gun control as "crime control" is useless as long as present Federal and state laws are not enforced—why not an investigation into the reasons for non-enforcement?

* * * * *

I do not favor gun control but I could see where registration of handguns should be legislated. I feel that the whole criminal justice system must be revised to work together as a system instead of separately.

* * * * *

Civil rights has gotten out of hand. Everyone is afraid anymore of rights being violated and the criminal going free.

* * * * *

We cannot enforce the current laws; criminal elements are prohibited from owning guns today.

* * * * *

Why have gun control for the honest citizen depriving him of the right to protect his life, family and home? More gun control isn't going to stop the criminal from getting the gun he wants. And he sure as heck isn't going to register it. The courts and the legislatures are all primarily made up of attorneys. One has to protect the livelihood of the others. I believe the American people are losing complete faith and trust in our legislature and judicial system. Why create more laws to complicate the ones already on the books. We need a judicial system that isn't afraid to do the job that needs to be done, instead of bowing to pressure from their peer groups. It's a shame the way our entire court system works. I'm not only talking about my area but the entire country. I have talked with many officers from all over the country and they feel the same way I feel. Our court system is a farce.

Impose the maximum sentence on any offence where a weapon is involved, with a minimum of three years to be served before any chance of parole.

* * * * *

I feel all persons, excluding convicted felons, should continue to enjoy the right to own and bear arms.

* * * * *

Gun control legislation would not be necessary if a criminal was prosecuted and the sentence handed down was upheld. Even domestic arguments and killing won't stop with gun control. Passion killing would happen anyway, the choice of weapons would be different.

* * * * *

If there were mandatory laws of imprisonment for anyone using a weapon in the commission of a crime and no provisions for probation etc. that could be given by bleeding-heart judges.

* * * * *

If guns are registered, the criminals will steal another gun to commit a crime, and only the criminals will have guns. Do you think a criminal would register his guns?

* * * * *

I don't feel that gun confiscation is right. It defies the U.S. Constitution. In the Constitution under Article II it gives us, the people of the United States, the right to keep and bear arms, and that right shall not be infringed. So banning or confiscating handguns is unconstitutional; furthermore, it deprives us (the people of the U.S.) of our constitutional rights.

* * * * *

I do not feel that someone that wants to commit a crime is going to register a gun. It would do more harm to the honest person that needs to protect his home or property.

I know you agree with me that for all crimes whereby a gun or any weapon is used, the sentence should be so severe (without probation rights) that even the most hardened criminal will hesitate. Leave the honest man and his guns alone.

* * * * *

The Supreme Court has too much power in that they make decisions that help the criminal and not law-enforcement.

* * * * *

I favor getting rid of the bill that makes the law enforcement official the criminal and lets the criminal go free to work his crimes on innocent people. Give us a little leeway and back us more.

* * * * *

Gun control is a threat to our national security—a means to disarm the U.S. as in Poland, Cuba, etc. . . . It also follows the standard Federal philosophy of making so many pay so much for the actions of so few.

* * * * *

I feel gun control would be harmful only to law-abiding citizens who would feel compelled to turn in their guns. The only deterrent to crimes involving a weapon would be stiffer penalties and mandatory minimum sentences with no parole.

* * * * *

We must not forget that this country was fought for and won by legislation, treaties, deals and *guns*. Criminal prosecution for abusers of guns is a must; automatic sentences must be given. There is even a mandatory jail sentence for D.W.I. But, manslaughter with a vehicle is a misdemeanor and probation is normally given. Our standards need to be put in order.

* * * * *

All gun control laws will do is take away the guns from the law-abiding citizen and not from the criminals.

* * * * *

When you outlaw guns only outlaws will have guns. Organized crime will be in the gun business.

I believe a certificate of graduation from a free state instituted school in the use of firearms should be required before the sale of any firearm.

* * * * *

Enforce laws regarding the use of guns for crimes.

* * * * *

If the courts would hand down stiffer sentences instead of probation (even on repeat offenders), especially where guns were used, I feel the crime rate would drop.

* * * * *

Our statistics don't indicate a problem with weapons and the law abiding. It is the repeat offender we have the problem with as there is no deterrent punishment.

* * * * *

I am a retired police lieutenant who has obtained a Federal Firearms License and am now a gunsmith. I compare Federal Firearms Registration or Confiscation to the folly of the Volstead Act. As you well know that made more criminals and drunks than this country could cope with. Firearms confiscation??? Booze was made in the twenties and I know how easy it is to make a gun; do away with them and "pot metal" trash will sell to criminals for fifty times what they are worth. I can make you a shooting gun in a couple of hours and I don't even have a machine shop. Criminals??? Let me make a quote from Admiral William F. (Bull) Halsey, USN, WWII, "Kill the Bastards."

* * * * *

Persons wanting to purchase a handgun should apply for a clearance check through the local law enforcement agency before purchase is made. No person convicted of a serious crime or drug charge should ever be permitted to own a firearm.

* * * * *

Most of the good guys would cooperate. None of the bad guys would cooperate.

The gun itself is not the potential weapon, but rather the individual who has control over it. There are many other items that may take the place of a gun that may be used in a crime.

* * * * *

I feel that federal registration of firearms will make people more responsible and aware of their obligations to own a firearm, and will make our work easier in terms of investigation and more accurate records. To confiscate all firearms would be against the 2nd Amendment. I am a strict believer and enforcer of the Constitution.

* * * * *

I have resigned as a law officer; but I try to be a law-abiding citizen. If they enact gun confiscation laws, they better not come after mine!!! This is only one of the few rights that a peaceful citizen still has.

* * * * *

Courts should assist and be more firm with meting out sentences. Anyone seems able to find a loophole in the law which releases them from sentencing. Officers reluctant to write tickets because courts ignore them.

* * * * *

If firearms were confiscated, only criminals will have guns. I saw this in World War II. France, Belgium, Holland—the Germans tried this, it was a big mistake, as I have a handgun from a family in Belgium.

* * * * *

Make courts adhere to mandatory sentences and prisoners serve mandatory sentences. There is no such thing as rehabilitation. Also untie the hands of law enforcement.

* * * * *

Get rid of "shyster" lawyers who get the criminals released on bond and freed on parole or probation after a crime has been proven.

* * * * *

If the laws we have on the books now were enforced we would not need any new ones.

* * * * *

The courts should make it easier on law enforcement officers to testify without doing so on time off and also trying to make the law officers look like fools on the stand. We aren't.

* * * * *

Federal control and regulation of police salaries. I feel that Congress should treat all policemen fair.

* * * * *

Give death penalty when gun is used in robbery or murder and no way out of it unless 99–100 years or life. Criminals can always steal, make, or buy any gun they want. Take the criminals' rights not the people's.

* * * * *

Control of guns can have nothing but negative results for the law abiding American. Now, mandatory prison time for gun users in criminal acts is another ball of wax. This is the law we need, but, with liberal lawyers making the laws on every level, sooner or later we sure as heck will get it locally or nationally.

* * * * *

The registration control of any type of weapon is much too complex to enforce to prevent crime. Proper punishment for improper use would be far more long-reaching and effective gun control.

* * * * *

Laws to protect people, not the criminal. Strict enforcement by judges, etc. Mandatory sentencing on crimes so criminal knows before and no "slick" attorney can find "loopholes." Law abiding citizens deserve protection from non-law-abiding. As you said—"People kill, not guns."

* * * * *

A stiff prison sentence of "at least 5 years" for anyone using a firearm in a crime and that person serving the full 5 years, not getting out on probation to commit the same crime.

* * * * *

No more federal gun laws. Mandatory sentence for use of a gun during a felony. Individuals have the right to own guns. Registration, confiscation or what, will not restrict the lawbreaker from obtaining and using a gun illegally. Registration or confiscation of guns from the public only harasses them. Let's enforce the present laws. If judges can't or won't enforce the laws properly, then federal laws should be drawn up in order to release soft judges from their judgeships.

We have too many judges that are interested in protecting the criminals rights, instead of protecting the average citizen. Again, it's the minority that is heard. Let's get judges on the ball, and enforce properly the present laws. Here's where our problems are. We have too many legislators worrying about the criminal instead of the average citizen.

* * * * *

Do not feel any additional weapons legislation is needed. What is needed is mandatory and binding requirements on all courts to deal harshly with any offender using a weapon to commit any crime. If this were in effect, I believe that within one year we would begin to see a reduction in serious armed crime.

* * * * *

Stop releases on shock probation from prison sentences.

* * * * *

Instead of massive foreign aid, the money should be used to build larger prisons. I believe our citizens have a right to be and feel free when walking a street at night.

* * * * *

If guns are registered only the law abiding citizen will register. The purchase of a weapon should be more difficult and a personal record should be made. Sale of weapon should be controlled. Now they can even be bought at discount stores. Make the sentence on any crime with a weapon (gun—rifles—shot guns) a mandatory jail sentence with no exceptions.

When I go on a call with a gun involved, I still get scared (year veteran). Judges and lawyers should go on this type of call and I feel their views would be different on how the law should be read.

* * * * *

Additional laws on gun control are absurd. It's hard enough to enforce the laws we now have. Let's look at the real problem which is the inadequacies and leniencies of judicial and prosecutorial system.

BUTCH JOECKEL

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mrs. SPELLMAN. Mr. Speaker, I would like to take this opportunity to tell my respected colleagues about Mr. Charles Edward "Butch" Joeckel, Jr., the Maryland Veteran of the Year for 1975.

Mr. Joeckel is a highly decorated U.S. Marine veteran of the Vietnam war who was awarded the Silver Star, Navy Commendation, and Purple Heart for heroism. He has become, since the war, a tireless advocate for the rights and rewards his fellow veterans need and deserve.

Undaunted by the loss of both legs during the Vietnam conflict, Butch has since served as adjutant to the Prince Georges Detachment Marine Corps League in 1970 and commandant in 1973, and is presently serving his fellow veterans as a national service officer with the Disabled American Veterans. Through these various positions and because of his overriding concern for his comrades, Mr. Joeckel has worked, with remarkable success, to keep the achievements of the American veteran fresh in the memory of those who can best help their cause.

Recently, I introduced legislation to correct a serious oversight in the Veterans' Administration housing assistance program for the disabled veteran. When this bill is enacted into law, 2,300 men and women who sustained crippling injuries while defending their country will be eligible for Federal assistance to obtain appropriate housing. It was Mr. Joeckel who brought this legislative omission to my attention.

This was only one example of Butch's efforts on behalf of the disabled veteran. Indeed, events such as the aforementioned are commonplace for Butch, yielding uncommon results from the local, State, and Federal bureaucracies.

To most of us, the loss of both legs would have justified a future filled with self-pity and a life-long dependence on others. To Butch, it was a motivating force, a continued reminder of the suffering of countless soldiers who were seriously wounded during the war. These men and women, who sacrificed so much, must not be forgotten and must not be abandoned by the Nation they helped to save. To Butch, the absence of both legs is a source of strength, not a reason for weakness.

Butch and I are longtime friends and have frequently attended the same social functions. Often, I have watched Butch glide around the dance floor and wondered how many people, faced with the same obstacles, would have overcome them as Butch did. How many people would have had the courage, not merely persistence, to overcome extreme adversity and go on to succeed as Butch has? He is not only a relentless campaigner for the just rights of veterans but also a symbol of strength of the human spirit.

I am sure my colleagues in the Congress of the United tSates will join me in extending to Mr. Charles Edward Joeckel, Jr., the Maryland Veteran of the Year, our deepest gratitude and warmest congratulations.

MRS. GRACE McCARTHY TO BE HONORED

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. RYAN. Mr. Speaker, on April 7, Mrs. Grace McCarthy will be honored at a testimonial dinner on the occasion of her recent completion of 18 years of service to Pacifica, Calif., a city only 19 years old.

This successful professional woman and outstanding community leader has served in many capacities over the years including 3 years as mayor and 4 years as vice mayor. In 1971 she served as chairperson of the San Mateo County Council of Mayors and has also served for 1 year as chairperson of the revenue and taxation committee of the League of California Cities. In 1975 Grace McCarthy was named "Woman of Achievement" by the San Francisco Area Business and Professional Women's Clubs. This was the first time the honor had gone to someone outside San Francisco.

In addition, Mrs. McCarthy has served 12 years on the city council, 6 years on the park, beach and recreation commission, 2 years as vice-chairperson of the central coast regional coastal zone conservation commission and has served on the ocean coastline planning committee of the Association of Bay Area Governments.

With all these important duties she still had time to serve for 10 years on the executive staff of the San Francisco Girl Scout Council and teach junior high school English for 12 years in Pacifica schools.

I would like to offer my personal thanks to Mrs. Grace McCarthy and congratulate her for her many years of unselfish and loyal service to Pacifica, Calif.

NEEDED: A CURE FOR PROVINCIALISM

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD a most thoughtful article by S. Frederick Starr about the need in our colleges and universities to give greater attention to education about foreign cultures.

Dr. Starr is secretary of the Kennan Institute at the Woodrow Wilson International Center for Scholars in Washington and associate professor of history at Princeton University. His article, "Needed: a Cure for Provincialism," was published in the March 8, 1976 issue of "The Chronicle of Higher Education."

The article follows:

NEEDED: A CURE FOR PROVINCIALISM

(By S. Frederick Starr)

Is provincialism on the rise in the American university? Recent evidence suggests that it may be. The number of undergraduates studying foreign languages has declined by 15 per cent in the past five years, with the major languages of international communication showing the sharpest drops. Study of foreign languages today claims barely half the percentage of total undergraduate course enrollments that it did in the mid-1960's. Monolingualism, always strong, is spreading.

Nor is the study of foreign cultures booming. The number of foreign-area-studies programs has plummeted. In the process, many faculty positions formerly held by persons with a deep familiarity with a specific foreign society have been turned over to generalists. The American Council on Education estimates that about one in 20 undergraduates enrolls in courses that consider foreign peoples and cultures in any way. This is roughly equivalent to 2.5 per cent of the 18-to-21-year-olds in the population as a whole.

Such developments have been followed closely by specialists at a number of institutions, among them the Modern Language Association and the World Studies Data Bank. All corroborate the same gloomy conclusion—that American higher education is increasingly inclined to ignore languages, cultures, and political systems of most of the other 95 per cent of the earth's people.

It cannot be denied that the serious study of such crucial areas as China, the Soviet Union, and Africa is going forward on more campuses now than a generation ago. Foreign-area studies are thus quite decentralized today, a far healthier situation for our education as a whole than that which existed in the past. Moreover, a number of state systems—notably those in California, Wisconsin, and New York—maintain programs on an impressive scale. If one includes student fees, the total investment in international studies has advanced steadily to the present. And if the numbers studying the major international languages is diminishing, an upsurge of interest in Arabic, Persian, and Tagalog is also taking place. Such factors must be weighed against the evidence of decline.

FEW STUDENTS STUDYING A FOREIGN LANGUAGE

The true picture, however, may actually be worse than the indexes suggest. After all, to say that several million undergraduates are studying foreign languages is to say very little indeed, since the majority of students never get beyond the first-year level. A measurement of language competence at the time of graduation would be far more significant—and more depressing. Only a miniscule number of American college graduates can read, write, and speak effectively in any language other than English, and all available evidence suggests that the number is dropping.

For all the progress made in recent decades, the greatest strengths are still concentrated in the study of just a few major world areas. Others, scarcely less important, remain grossly neglected. Thus, while nearly 300 million people speak Hindi, fewer than 300 Americans are studying the language. There are another half-billion people on earth whose languages together claim the interest of fewer than 500 American students.

All this, added to the severely reduced number of American students and faculty members studying abroad and a corresponding drop in the number of foreign scholars on American campuses, reinforces the conclusion that the current generation may be even less adequately prepared to function in an interdependent world than its predecessors. If not corrected, the situation will be perpetuated by an entire generation of teachers. A survey in 1973 indicated that only 5 per cent of those studying in teacher-education programs received *any* foreign-area training, while only 53 per cent of those receiving Ph.D.'s today are expected to demonstrate even a reading knowledge of a foreign language.

Are we observing the delayed impact of the post-Vietnam isolationism? The debacle in Southeast Asia may have hastened the decline of academic interest in the rest of the world, but it did not initiate it. Indeed, many of the tendencies that strike us so forcefully today were already present before the Tet offensive. Thus, the 58-per-cent increase in the study of modern foreign languages at colleges and universities between 1960 and 1970 coincided with a much larger increase in the student body. The percentage of undergraduates choosing to study foreign languages peaked as early as 1963 and has been declining steadily ever since. Clearly, then, the causes of the decline in the study of foreign peoples lie deeper than yesterday's headlines.

NEGLECT OF INTERNATIONAL EDUCATION

Many factors contribute to the universities' neglect of international education, not least of them the behaviorist revolution in the social sciences. But if provincialism is being perpetuated on the American campus, it was surely not created there. Few American newspapers print more than three columns of foreign news during an entire week, and even fewer maintain foreign-affairs specialists on their staffs. A 1973 UNESCO study found that less than 2 per cent of the programming on commercial television touched on foreign themes. The cultural isolationism that our physical separation from other nations once fostered has been perpetuated in a world of instant communication and interdependence.

Students understand without being told that an educated person in this country is not expected to be closely acquainted with any culture but his own. With the help of student pressure, the requirement that a reasonable level of competence in a foreign language be gained before graduation was eliminated between 1966 and 1974 at one out of five American colleges and universities surveyed by the Modern Language Association.

Moreover, some 90 per cent of our colleges and universities today have no foreign-language requirements for admission, even for applicants who have studied at high schools that offer excellent programs of instruction. The impact on high-school programs has been predictably disastrous.

The cost to us of our neglect of foreign-language and area studies is immense. Such fields as government, business, law, and journalism are denied the steady flow they deserve of new recruits with broad, yet specific, foreign-area training. Now that we are regularly negotiating with many of the 141 governments in the United Nations over matters of vital concern to our domestic well-being, self-interest requires that we be better informed than ever in the past. As President Ford put it in a speech at Notre Dame University last year, "This nation can no longer afford to be isolationist."

FUNDING OF FOREIGN-AREA PROGRAMS

By far the largest part of the estimated half-billion dollars a year needed to sustain foreign-area programs in the United States is borne by state educational systems, private endowments, and student fees. The federal contribution, which never surpassed 15 per cent of the total, is nonetheless crucial and has declined steadily. But no member of the present Administration has put forward a seriously conceived program for implementing the President's thesis in the field of education. Given this, it may be useful to bring together some of the more promising proposals that have been circulating widely in other quarters. Surprisingly, they do not all require vast outlays of funds.

As a first step, it may be necessary to reintroduce some form of requirements to reverse the quantitative decline in the study of key foreign languages and to give the cue to secondary and primary schools to reassess their programs in the area. Requirements are no panacea, however, and, without other changes, they could do as much harm as good. Drastic revisions in the methods of instruction will in all likelihood be necessary if the qualitative picture is to be significantly affected.

It is probably impossible, for example, to bring large numbers of students to a high level of competence in foreign languages when their studies are constantly interrupted by the simultaneous demands of three or four other courses. It would be far better to compress the process into a single, focused semester or year. Consortia of universities might decide to pool resources to create a series of super-intensive off-campus centers to which students could retire for short periods with the reasonable expectation of coming to grips with a foreign tongue.

APPLICATION OF A LANGUAGE SKILL

Once acquired, a foreign language should be applied immediately. Under the present system, this is rarely possible, since only the most senior students have acquired sufficient mastery of a language to use it regularly in their work. Hence, at even our greatest universities, most study of foreign peoples and international issues is carried out entirely through English-language sources, the main exception being courses on foreign literatures. Were professors and deans to encourage and assist students to use their language skills throughout their program of study—whatever the field of concentration—the languages would be reinforced and the education as a whole deepened.

How much foreign-language and area education is enough? Clearly, if one is confronted in one's work with a problem that has an important international dimension, it is important to be able to recognize that dimension and to possess the full range of skills needed to explore it further. Beyond that, it is important that there exist *somewhere* in the United States a self-sustaining group of experts on the languages and cultures of practically every society on earth. Though central to the concept of the original National Defense Education Act, this principle has never adequately been implemented. Nor can it be without a greater degree of federal coordination and support than has heretofore existed.

All discussions of the present and future pool of people with foreign-language training are rendered so imprecise as to be virtually useless by the absence of accurate and widely accepted standards for measuring competence in foreign languages. Until such measures are developed and applied nationally, we will have no choice but to continue to depend on the nonqualitative measures of enrollment that are now used. As things stand, what passes for near-fluency at one school may not pass muster as kitchen chatter at another. Indeed, the measures by which foreign-language skills are evaluated are far less standardized than are those by which karate *aficianados* rank their peers.

These are a few of the more obvious demands of the moment. The *sine qua non* for addressing successfully the issue of provincialism and monolingualism as a whole, however, is not any one legislative or administrative act, but for our expectations in the area to be significantly raised. A whole series of double standards with which we have long rationalized away our failures will have to be abandoned in the process.

It must be freely admitted that such a change in expectations does not correspond to the immediate aspirations of most students. Numerous national commissions, study groups, and individual experts in diverse fields have argued that it corresponds to the long-range interests of students, however, and certainly to the broader needs of American society as a whole, of which university students are a privileged part.

OUR PUBLIC FORESTS—THE NEED FOR ACTION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1976

Mr. BROWN of California. Mr. Speaker, the people of this country are becoming increasingly concerned over the seemingly unchecked use of clearcut harvesting in our national forests. Public awareness of this subject has grown daily since the widely publicized Monongahela decision by the Federal District Court in West Virginia was upheld on August 21, 1975. This decision, upholding the application of the 1897 Organic Act providing that trees in our national forests cannot be sold unless they are dead, mature or of large growth, and others like it, have forced the Congress and the citizens of this Nation to look once again at the forest practices being used in our public forests. Concern is mounting in every region of the country as evidenced by the following two articles which I insert in the Congressional Record.

Action to define our priorities for the use of our national forests through adequate guidelines and parameters must be taken quickly to curtail further abuse of our public wilderness areas, future recreation areas, and needed watersheds.

The articles follow:

[From the New Orleans States-Item]

The Economics of the Forest

(By Les Brumfield)

Wood is becoming a precious thing. If you don't believe it, just go to the nearest lumber yard and price a few board feet of white pine, fir, oak, cypress or walnut. If you have a fireplace and are thinking of outwitting the utility companies, try pricing a cord of firewood first.

Not only is wood indispensable to the makers of furniture, houses, books and newspapers, in its natural state as trees it is indispensable to many species of wildlife.

Wood also is indispensable to the hunters of wildlife and to the recreation industry they support. Testimony to the importance of hardwood trees is the Louisiana Wild Life and Fisheries Commission's practice of giving away thousands of oak seedlings each year on a first-come-first-serve basis.

In Louisiana, as elsewhere, hardwood trees have vanished at an astonishing rate as land has been cleared for farming and other uses. Several years ago, Dr. Richard K. Yancey, assistant director of the Wildlife Commission, observed in the commission's publication, The Conservationist, that hardwoods were being cleared so rapidly in the delta bottomlands of north Louisiana that they would, for all practical purposes, be eliminated by 1991.

"Obviously this is going to have a disastrous effect on forest game populations and the sport of hunting," Dr. Yancey wrote.

The contest for wood and how best to manage it is invading the 155 National Forests under jurisdiction of the U.S. Forestry Service.

The forest products industry, supported by the Forestry Service, wants to continue managing the National Forests to suit its own commercial purposes. Environmentalists are objecting. The Forestry Service is mandated, they say, to uphold multiple use of the forests, which are public resources. If left to the Forestry Service and the industry, the national forests will be "clear cut" on a massive scale, with large swaths of trees, regardless of their age and species, being cut and marketed at the same time. The "managed" forests then would be replanted primarily in softwoods (fast-growing pines) for quick, periodic harvesting.

This type of monoculture (or single-species) forestry is fine for private lands, but it should not be permitted on national forests, says environmentalists.

At the heart of the debate, which has moved into Congress, is something that sounds vaguely like a Mexican lizard—the "Monongahela decision."

At the annual meeting of the Appalachian Hardwood Manufacturers, Inc. in New Orleans earlier this month, Eliot H. Jenkins, president of the National Forest Products Association, attacked the Monongahela decision as though it were a scourge from outer space that soon would spread "economic" and social chaos" throughout the land.

The decision meant a shortage of wood, a further crippled housing industry and the loss of thousands of jobs, Jenkins warned.

Reading on, I discovered that *Monongahela* "might well become a household word in 1976." That's doubtful. Still, what had Jenkins so upset?

The answer, I soon discovered, was a court fight, won by environmentalists, over clearcutting in the Monongahela National Forest in West Virginia. In 1973, a Federal District Court in West Virginia ruled in favor of the West Virginia Izaak Walton League, the Sierra Club and other environmental groups against Secretary of Agriculture Earl L. Butz and several Forestry Service officials. The court decided that the 1897 Organic Act, which the environmentalists invoked, applied. The act provides, roughly, that trees cannot be sold from national forests unless they are dead, mature or are of large growth. The trees must be marked out and *selectively* cut.

No wonder Jenkins was rallying his troops. Such antiquated production methods simply go against the grains, so to speak, of today's high-speed, mass-production forestry technology. Furthermore, appeals courts had upheld the Monongahela decision which, in Jenkins' words, is in danger of spreading westward.

For the inevitable "other side" of this story, I phoned Tom Barlow in Washington, D.C. Barlow is with the Coalition to Save Our National Forests.

Surprisingly, he, too, agrees that the Organic Act must go, that it simply will not do. For one thing, thinning of young trees is sound forestry; thinning permits the remaining trees to grow faster because of the lessened competition for nutrients. The young trees that are thinned should be marketed, said Barlow, and the Organic Act prohibits that. Environmentalists are not even against all clear-cutting, said Barlow. Clear-cutting in small tracts actually enhances wildlife and is a common game-management practice.

What the environmentalists are opposed to, he said, is unrestricted clear-cutting and "cornrow" growing and harvesting of trees, regardless of age and species.

The use of the Organic Act had been just a device to get the whole issue onto the table and establish clear guidelines for managing the national forests for the benefit of everybody. There might even be room for compromise with the forest products people, said Barlow.

[From the New York Times, Sept. 1, 1975]

CLEAR-CUT DECISION

For decades the Federal Government has sanctioned the clear-cutting of timber in the national forests, only to discover now through a ruling of the United States Court of Appeals that, for the most part, the practice has been illegal since 1897. The Forest Service's lame argument that a lower Federal court had construed the law too narrowly could not stand up against the contention of conservationists that the language of the law was too plain to be denied.

The so-called Organic Act nearly eighty years ago authorized the sale only of "dead, matured or large-growth trees," each tree to be clearly marked before sale. Clear-cutting, which removes in a single sweep all trees in a designated area, has generally been viewed as an easier and cheaper method for the timber industry when allowed to harvest trees on the public lands.

The ruling, unless overturned by the Supreme Court, is a major victory for conservation—but it is not an unclouded one. When a court concedes that a decision of "serious and far-reaching consequences" is based on legislation that may have become "an anachronism," it invites reconsideration of the law. Such a review can be good if the legislators are unhurried by panic and unharried by excessive pressures. Time is needed for public hearings and public discussion.

Acting on the court's decision, the Forest Service has so far banned all further timber sales in four eastern states, where after so many decades of overcutting there are naturally fewest concentrations of mature trees. To impose such a ban elsewhere—unless it is forced by further lawsuits—would be a none-too-subtle compulsion on Congress to act under the gun. An attempt to attach to the Agriculture Department's appropriations bill a rider specifically allowing the current degree of clear-cutting to continue for another year is the first undesirable product of a needless hysteria.

Even if the Forest Service should extend the ban on timber sales, it will be well to remember that 75 per cent of the country's timber is on private lands, unaffected by the clear-cutting law, and that of the remaining 25 per cent, an undetermined portion could still meet the criteria required for use of that method.

Congress ought not let itself be hurried into any action to encourage indiscriminate use of a practice that in some circumstances may be sound and useful but is much more often wasteful, ugly and destructive.

THE DEMISE OF SOCIAL SECURITY

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ROUSSELOT. Mr. Speaker, though it may have come as a surprise to some who believe that big Government social programs are the cure-all for the needs of our Nation's elderly and retired, the employees of New York City are no longer to be on the receiving end for social security benefits. The word came from Mayor Abraham Beame, when he recently served notice that he intends to pull New York City employees out of the social security system in 2-years' time. Mayor Beame apparently made the decision reasoning that the city employees are already adequately covered by city pension plans and that social security is costing the city too much money—about $200 million per year.

Not unexpectedly, some immediately attacked the mayor. "It's the great step backward in the city's history," said one. To the individual worker, however, it may well be a step forward. The money that would have been paid for social security payments—and that now will not be sent to Washington—will end up in his paycheck in the average amount of $900 per year. That money can now be used by the worker to bolster his retirement through a private carrier, or spent as he otherwise sees fit.

In any event, the private sector will benefit. An editorial that appeared in the March 24 edition of the San Gabriel Valley Tribune points out that New York City is not the first municipality to go off social security. In fact, there have been 322 other local governments representing some 45,000 employees that have decided to opt for other than Federal Government retirement protection. Furthermore, 207 other Government agencies have delivered the required 2-year notice of their intent to extricate themselves from the Government plan.

The editorial goes on to suggest that if Government employees have the option of dropping social security, other workers, not in Government employment, should have the same option.

Mr. Speaker, in my opinion, this is a suggestion that deserves serious consideration. After all, if city municipalities and Federal agencies have determined that there is a better way to go than the dead end route of social security, we may do well to reassess the value of continuing to require that our citizens participate in it on a mandatory basis.

The article follows:

CITIES LEAVE SINKING SS

New York's Mayor Abraham Beame has notified the federal government that his city is planning to end Social Security coverage for employes of most municipal agencies.

Beame thus has complied with federal regulations calling for a two-year notice of a tentative termination date. New York City, as of now, is slated to end Social Security coverage for employes March 31, 1978. The action will affect 125,000 municipal workers and result in a $200 million a year loss to the federal government's Social Security fund.

This is the largest group of employes to pull out of Social Security since its inception 40 years ago. However, since 1959, there have been 322 local governments representing 45,000 employes that have dropped Social Security coverage—including cities in the San Gabriel Valley such as West Covina and Covina.

Even more alarming is that 207 other government agencies with more than 50,000 employes have given the required two years notice of intention to terminate ties with Social Security.

At the present time, any government employe who has dropped Social Security, but has 10 quarters of coverage under the system, is entitled to its major benefits—such as retirement and disability payments.

Each year Social Security taxes go up—either the percentage of withholding or the base amount upon which the tax is levied. Today the tax is 11.7 per cent on the first $15,300 of earnings. Social Security officials and the President have indicated that Social Security taxes must continue to be increased or the system will go broke.

With hundreds of thousands of local government employes having the option of staying in Social Security or leaving, an unrealistic burden is being placed on the private sector.

If government employes have the option of dropping Social Security coverage, we feel any worker in the country should have the same prerogative.

It is time to let our representatives and senators in Congress know that we are fed up with the Social Security ripoff.

STATEMENT BY SENATOR HUBERT H. HUMPHREY ON THE ECONOMY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BRADEMAS. Mr. Speaker, I insert at this point in the RECORD the text of an excellent interview with Senator HUBERT H. HUMPHREY on the Nation's economic problems.

The interview appears in the March 1976 issue of the journal, "Catering Industry Employee."

The interview follows:

HUBERT HUMPHREY ON THE ECONOMY

(NOTE.—In this exclusive interview, the Minnesota Senator says our economic problems can be solved by a change in national leadership.)

Q. Our members, as well as most people in general, are confused by the myriad of economic reports and their complexity. If possible, in somewhat layman's terms, could you, as chairman of the Joint Economic Committe, tell our people how the committee views the current state of the economy and what the projections are for the balance of this year?

A. Attempting to forecast economic condition always is difficult. There are developments that one cannot predict. In an election year, this particularly is true.

It is my judgment, however, that we will see some significant improvements in economic conditions in 1976, compared to the abysmal depths of the 1974–75 recession.

In the fall of 1975 we experienced a fairly strong recovery from the disastrous 1974–75 recession, with output spurting ahead, unemployment down slightly and real personal income improving.

The trouble is that some recent statistical indicators seem to tell us that the strength of the recovery may not be as strong as we had hoped. We must recall that unemployment today is higher than at the deepest point in any prior post-war recession.

When I add up this evidence, plus the fact that the President has proposed a restrictive budget for Fiscal Year 1977, I see the prospect for modest expansion of our economy in 1976. But unless a more aggressive economic policy is decided on by Congress this year, a slowdown in economic growth will occur next year.

Unemployment probably will average about seven and one-half percent during 1976 and, if the Administration's plans are approved, could continue above seven percent during most or all of 1977.

In summary, without basic changes in the national economic policy, our economy will be characterized by the continued tragic waste of our nation's human and industrial resources.

Q. How important is a drop in unemployment compensation, as it directly relates to the redirection of the Federal deficit by increasing revenue going into the Federal Treasury?

A. Putting Americans back to work is the most effective way of reducing the Federal deficit. Each one percentage point drop in the unemployment rate brings in approximately $12 billion in tax revenues and results in a reduction of approximately $2.5 billion in unemployment compensation payments and $3 billion in food stamps, welfare and the like.

Therefore, the Federal Treasury saves or gains approximately $17 billion for each one percentage point reduction in national unemployment. This is the basis for my contention that the only way to eliminate the Federal deficit is to put America back to work.

TOURISM, TAX REFORM, AND GLOBAL ECONOMY

Q. Our International Union has fought for passage of legislation which calls for the promotion of tourism to the United States and within the United States. All of us, including industry, feel that this is an excellent way to stabilize and increase employment while stimulating the economy. What are your thoughts on this?

A. I fully agree that promoting tourism in the United States is helpful to the economy. At a time when our economy is in trouble, anything we can do to bring in additional spending will increase our income, expand job opportunities and, given the slack in the economy, have little or no effect on inflation. As we celebrate our nation's bicentennial, the time is ripe for a concerted effort on the part of the U.S. to attract tourists to our land.

Q. What possibility do you foresee for a comprehensive tax reform bill passing during this session of Congress?

A. I am optimistic that a compresensive tax reform bill will be passed during this session of Congress. The House of Representatives passed such a measure in December 1975 and the Committee, which takes the lead on this bill in the Senate, is expected to begin hearings soon. I am hopeful that this important work will be concluded by Congress this summer.

Q. Do you agree, as some have stated, that part of our economic problems are directly related to the fact that we can no longer concern ourselves with a national economy, but, in fact, must perceive our new role as a leader in a truly global economy?

A. Certainly some of the problems we have faced in recent years in our nation's economy can be related to the fact that we now are part of a global economy. All one need do is remember the lines at the gasoline stations and the increased price of food products to understand just how directly all of us are affected by the developments elsewhere in the world. The oil embargo and the Soviet grain deal had as direct an effect as any domestic economic event in recent history.

We must recognize the growing interdependence of nations and people if we are to design a national policy that is in the best interest of our citizens. Isolationism, trying to go it alone, simply will not work. There is a tremendous amount to be gained by cooperating with our neighbors in the world, and our challenge must be to see that this cooperative process is designed in such a way as to be fair and just to all nations.

DEFENSE, ENERGY, AND MULTINATIONALS

Q. Is it not possible to create innovative and productive domestic programs to solve some of our major problems here at home, without reducing our defense capabilities?

A. It is possible to create innovative programs and to adopt intelligent policies to solve major domestic problems without reducing necessary defense capabilities.

In fact, I believe that a valid concept of national security in the modern world must include domestic cohesion and strength. How secure is a nation with 35 percent of its young minority citizens unemployed? How secure is a nation where crime and disorder rob the freedom of law-abiding citizens to move in their own neighborhoods? How secure is a nation with millions of its citizens crowded into slums, with inadequate schools and little or no recreational opportunity?

National security is much more than guns and missiles. National security requires that the people of our country have confidence in their government, see it as responsive to their needs, believe in the essential fairness of our institutions and have the firm conviction that it will provide their children and grandchildren with a social, economic and moral environment in which they and their families can live in happiness.

Q. How important is it economically for us to achieve greater independence in energy production? Along these lines, do you foresee a break-up of the Middle East oil cartel? What alternative forms of energy do you envision to be the most useful and practical for the near term and the long term developments?

A. Energy self-sufficiency is a most important political and economic goal for the United States. However, it is a long-term goal that will not be achieved for some years.

I foresee little likelihood that the oil cartel will be broken up. It has worked quite effectively in the interest of its member countries, at least in the short run. I believe that its future will only be in jeopardy if the industrialized nations of the world, including the United States, embark on a convincing program of energy conservation and development of alternative forms of energy.

While we must pursue every reasonable alternative energy source, it is my judgment that solar energy has been badly neglected and deserves a higher priority in governmental research and development spending efforts.

In the short run, energy conservation is the best way to lessen our dependence on foreign energy sources. It simply must be given more attention than it has been during the past several years. Also, Congress now has authorized the creation of an oil reserve that will, at least in part, insulate us from the politically motivated embargo of the type America experienced last winter.

Q. How profound an effect have the multi-Nationals had on our entire economy? What do you feel should be done, if anything, in this area?

A. While these corporations have at times engaged in investments abroad which have resulted in tremendous new sales and jobs for their American branches, they have often shifted production overseas and cost America jobs.

With the growth of these corporations, it is increasingly important that we learn more about their impact on American workers and their jobs. With this information in hand, we in Congress can do a better job of protecting our citizens from decisions by giant corporations which may not be in the best interest of our people.

ENVIRONMENT

Q. There is a profound struggle emerging between those who advocate economic growth and expansion and those who call themselves environmentalists and consumer advocates. Can you truly balance the scales so that we can achieve a semblance of growth while not destroying our environment?

A. I am convinced that we can achieve balanced growth and development in America. However, government today is inadequately prepared to make the kinds of judgment that are necessary to pursue rapid growth without damaging our environment. For many years, I have advocated a more conscious attempt on the part of government to plan its policies in a comprehensive and consistent manner in order to achieve this goal.

THE SILENT PARTNER OF HOWARD HUGHES—PART XIV

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. HARRINGTON. Mr. Speaker, I am inserting today the 14th installment of the Philadelphia Inquirer's exposé regarding Howard Hughes' privileged relationship with sectors of the U.S. Government. In this segment, reporters Donald L. Bartlett and James B. Steele discuss legal ties between Hughes and Richard Nixon. They also explore the investments by some Hughes executives in a southern California singles community, Marina Del Rey.

The article follows:

NIXON AND HUGHES: THE LEGAL TIES

(By Donald L. Bartlett and James B. Steele)

Inquirer Staff Writers

For executives working in the secret empire of billionaire Howard Robard Hughes, and for the law firm working on the personal legal affairs of then President Richard M. Nixon, the spring and summer months of 1970 were indeed a busy time.

While attorneys in the law firm of Nixon's lawyer, Herbert W. Kalmbach, were executing a variety of financial and business documents on behalf of one group of Hughes executives, other Hughes executives were arranging for the delivery of secret political campaign contributions to the President.

A partner in the Kalmbach law firm and an accountant retained by the firm prepared the President's 1969 federal income tax return—a return which, according to a congressional study, contained a quarter-million-dollar error consisting of improper deductions and unreported income.

The same Kalmbach law partner and accountant later signed on as general partners in a multi-million-dollar real-estate venture backed by Hughes executives—a venture intended, in part, to reduce or eliminate the federal income tax payments of those executives through a tax shelter.

Consider, for a moment, a few excerpts from a 1970 calendar of selected spring and summer activities, excerpts culled from an assortment of congressional reports, court records and other legal documents:

April 10, 1970—Kalmbach, perhaps the most successful fund-raiser in the history of Republican politics, and Frank DeMarco Jr., partners in the Los Angeles and Newport Beach, Calif., law firm of Kalmbach, DeMarco, Knapp & Chillingworth, meet with President Nixon at his office in the White House.

Over a cup of coffee, DeMarco reviews the President's 1969 tax return, just prepared by the law firm and containing, among other things, an unlawful deduction for Nixon's back-dated gift of presidential papers. The President signed the return and Kalmbach and DeMarco take it to the second floor of the White House to get Mrs. Nixon's signature. Later in the day, DeMarco hand-delivers the tax return to an official of the Internal Revenue Service (IRS).

June 15, 1970—DeMarco notarizes a lease agreement signed by officers of Marina City Corp., a company controlled by executives of Hughes Aircraft Co., and officers of Systems Capital Corp., a company represented by the Kalmbach-DeMarco law firm.

The Hughes executives will eventually invest millions of dollars of the aircraft company's money in Systems Capital Corp. The money comes from the assets of the Howard Hughes Medical Institute, a tax-exempt charitable organization that owns 100 percent of the aircraft company's stock.

July 5, 1970—Richard G. Danner, a onetime Federal Bureau of Investigation (FBI) agent who is managing one of Howard Hughes' Las Vegas gambling casinos, meets with Charles G. (Bebe) Rebozo, long-time friend and financial adviser to Nixon, at the President's San Clemente home.

After sipping coffee on the patio, Danner hands Rebozo a plain manila envelope containing $50,000 in cash from the Hughes organization, a secret campaign contribution. Rebozo writes "HH" on the corner of the envelope. Danner meets with the President but he does not mention the $50,000, because he recalls, "Rebozo had always made it clear that he didn't want any discussion with the President having to do with contributions. . ."

Aug. 19-20, 1970—Danner flies from Las Vegas to Miami, where he meets once again with Rebozo. Memories are hazy about the precise date and location of the meeting, but Rebozo believes that it took place at his home in Key Biscayne.

Then Danner hands Rebozo another manila envelope containing another $50,000 in cash from the Hughes organization. Rebozo places the envelope in a safe deposit box along with the envelope containing the first $50,000.

Sept. 18, 1970.—DeMarco and Arthur Blech, a Los Angeles accountant who assisted in the preparation of Nixon's 1969 tax return and who previously had represented the President's brother Donald, in his tax problems with IRS, are named general partners in Del Rey Investors, a California limited partnership.

The Kalmbach DeMarco law firm also represent Del Rey Investors, a partnership formed by Hughes Aircraft Co. executives who have invested in the development of facilities at a luxury marina and apartment complex at Marina Del Rey, Calif. The Marina is called the world's largest small-craft harbor and is located near aircraft company property.

These are but a few examples of the kind of transactions that form a maze of interrelationships involving the Hughes empire, Nixon and his administration and the law firm that represented the President.

Indeed, one day the Kalmbach-DeMarco law firm was working for the President, who had received substantial secret contributions from the Hughes organization, and the next day the law firm was working for Hughes executives.

It should be noted that Kalmbach no longer is associated with the Los Angeles law firm. Kalmbach, who admitted that he directed secret cash payments to the Watergate burglars, resigned from his law practice before he began serving a prison sentence for campaign finance law violations in a case that grew out of the Watergate scandal.

The close ties between former President Nixon's personal law firm and executives in the Hughes organization were turned up by The Inquirer during its eight-month investigation into Hughes' business affairs and especially his dealings with the federal government.

As The Inquirer disclosed earlier this week, Hughes companies have received and spent billions of dollars in American tax money—largely in connection with Defense Department contracts—without any serious independent audit or public accounting.

At the same time, Hughes has received favored treatment from a variety of federal agencies, from the IRS to the Civil Aeronautics Board and Defense Department, and scores of federal employes have moved from the government payroll to the Hughes payroll.

The Inquirer also disclosed that Hughes Aircraft Co. assets—and thus the assets of the Howard Hughes Medical Institute, an organization designated a charity by IRS—have been used in private financial arrangements intended to reduce or eliminate the federal income tax payments of individual Hughes executives.

In addition, the aircraft company has invested millions of dollars in companies that are losing millions of dollars, while making only token payments to the medical institute, the charity for which it is the sole support.

It is this intermingling of the personal business interests of Hughes aircraft executives with the business interests of the company itself—a company controlled by a tax-exempt charity—and the precisioned regularity with which politically well-connected law firms materialize in Hughes business dealings, that are worth exploring in some detail in connection with a single venture involving Hughes executives, a project called Marina del Rey.

There is a certain popular image of Marina del Rey.

Newsweek magazine, in a cover story on the swinging singles scene, published in its July 1973, issue, described it this way:

PACESETTER

"The unchallenged pacesetter of singles hanky-panky is Marina del Rey, a sprawling landfill community south of Santa Monica. Singles make up no less than 70 percent of Marina's 7,000 population, most of them settled into the area's 14 mammoth apartment colonies.

"Significantly, nearly half of Marina's singles have been divorced at least once. For them a singles complex seems to represent a sort of sexual supermarket—chock full of glittering new goodies to help obliterate painful old memories."

The Los Angeles Times, in an article published Dec. 1, 1974, described it this way:

"It's no news that Marina del Rey has been slapped with labels like Marina del Play, the 'sultry singles' ghetto or the capital of the 'pickup pits.' And the symbols of making it, either professionally or socially, seem to be on many Marina habitues' minds and bodies as they strut their stuff nightly."

Quoting a divorced anesthesiologist who said he had lived at Marine del Rey for four years, the newspaper article went on to say:

"This place is paradise. I mean, I love living here 'cause everyone looks so pretty. Matter of fact, you could say it's the home of the Pretty People. Not the Beautiful People. The Beautiful People are phonies, tinseled stuck-ups. The Pretty People, on the other hand, are just—well, naturally pretty."

Whatever the habits of its residents, Marina del Rey is spread over 800 acres of land and water owned by Los Angeles County and leased to private businesses that began developing the area in the 1960s.

A county official puts the present population of the community at 9,000 permanent residents and 6,000 yachts and lesser craft.

Its single largest complex was developed by companies and partnerships dominated and controlled by Hughes Aircraft Co. and its executives.

That complex is called Marina City and it includes six 13-story, curved, high-rise apartment buildings, with garden and ocean view units, renting for as much as $2,300 a month.

There are banquet rooms and restaurants, facilities for more than 400 boats and an exclusive private club called Marina City Club, which offers life memberships with fees ranging from $4,000 to $6,000.

The club itself boasts, among other things, two swimming pools, six tennis courts, two handball courts, an indoor driving range, health spa facilities and four dining rooms including the Wine Tasting Cellar, which seats "twelve discriminating connoisseurs."

There also is an electronic golf course, a computerized version of the famous course at Pebble Beach, in which a golfer drives a ball at a screen projecting a picture of the Pebble Beach course.

The sensitized screen determines where the ball actually would have landed on the course, and the location then is projected on the screen. The process continues until the ball arrives nine feet from the cup. It then is putted in on a small green in front of the tee.

ONE GOAL

A promotional brochure describes the Marina City Club as "a unique residence and private club . . . engaged in the aggressive pursuit of one goal. To provide the finest in service and facilities to the distinguished men and women who form its membership."

To date, about $50 million has been invested in the Marina City complex A planned expansion calls for the building of an 800-room hotel.

At least a half-dozen interlocking companies and limited partnerships have been involved in the development of Marina City. According to court records and other legal documents filed in the Los Angeles County Superior Court and Los Angeles County recorder's office, they include:

Marina City Co., a limited partnership that is responsible for the overall development of Marina City and is the lessee of the county property. The original limited partners included Robert A. Maheu, former chief of Hughes Nevada operations, and Walter W. Hudson, a former Hughes Aircraft executive. The partnership now is controlled by a Hughes Aircraft Co. subsidiary.

Marina City Properties Inc., a California corporation, is both the general partner and a limited partner of Marina City Co. A pending lawsuit in Los Angeles County Superior Court states that the stock of Marina City Properties Inc. is owned by Hughes Aircraft.

Del Rey Investors, a limited partnership. The general partners are Frank DeMarco Jr. and Arthur Blech, the tax lawyer and accountant who prepared President Nixon's 1969 federal income tax return.

Executive Investors Ltd., a limited partnership that is the limited partner of Del Rey Investors. When the Executive Investors partnership was formed in 1969, John D. Couturie, then treasurer of Hughes Aircraft, was the general partner. There were more than 60 limited partners, including the top executives of Hughes Aircraft.

Horizons West, a limited partnership. The general partners are Arthur Blech, who was Nixon's tax accountant, and Alan R. Wolen, another attorney in the Kalmbach-DeMarco law firm that represented the President.

Management Investors Ltd., a limited partnership that is the limited partner of Horizons West. The general partner of Management Investors when it was formed was John D. Couturie, then treasurer of Hughes Aircraft. Couturie retired from the company last year. There were more than 60 limited partners, including the top executives of the aircraft company.

The purpose of all the interrelated partnerships and companies could best be explained, of course, by the executives of Hughes Aircraft. But they have refused to discuss their individual and corporate business interests with The Inquirer.

Generally, such partnerships, in addition to serving as an investment device, are a means of sheltering income and thereby reducing or eliminating federal income tax payments of individual partners.

PAPER LOSS

This usually comes about through a mismatching of expenses and income. The limited partner is entitled to deduct his share of the partnership's expenses—expenses that can be made to far exceed his actual cash investment in the partnership.

Thus, the investor ends up with a paper loss in the partnership. He then applies that artificial loss to his income from other sources that would be taxable, thereby reducing or eliminating his federal income tax liability.

In other words, a paper loss from a partnership investment enables a business executive to collect his salary from the company that employs him—and pay little or no federal income tax on that salary.

While these investment schemes are designed to produce paper losses, they are, at the same time, aimed at making an operating profit or at least breaking even. Or, as one tax law specialist puts it:

"The one thing they don't want are real losses."

But real losses, apparently, are just what the Marina City project has recorded.

PERSONAL EXPLANATION

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BEARD of Rhode Island. Mr. Speaker, I wish to explain the absence of my recorded vote on H.R. 12406, the Federal Election Commission bill. Just after having voted against recommitment, I left the House Chamber and did not hear the bells calling for another vote. This is a vote I deeply regret having missed and wish to have the Record note that had I responded to the call for the vote, I would have cast my vote in favor of H.R. 12406.

THE SONNENFELDT CONTROVERSY REVISITED—PART 1

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ASHBROOK. Mr. Speaker, recent newspaper items have reported on what is now referred to as the "Sonnenfeldt Doctrine," the alleged new policy with the Soviet Union and the Eastern European Communist countries which would surely banish any hope for freedom that the peoples of these countries still cherish. According to the Evans-Novak column, appearing in the Washington Post on March 22, Helmut Sonnenfeldt, holding the key office of counselor of the State Department, told a meeting of American ambassadors in London last December that "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one." Instead of stressing the theme observed by the United States for 15 years during Captive Nations Week on the third week of each July, the theme of eventual freedom, Mr. Sonnenfeldt, according to the column, sought to bring the satellite nations "within the context of a strong Soviet geopolitical influence."

This policy, ironically advanced in our Bicentennial commemoration of U.S. freedom, would effectively secure for the Soviet Union an almost complete domination of these states.

If this new policy as reported by the press is in effect, it should not be surprising to those of us familiar with his record, as Mr. Sonnenfeldt is no newcomer to controversy. In 1973 I inserted 15 items in the Congressional Record questioning Mr. Sonnenfeldt's fitness and suitability for the position of Under Secretary of the Treasury to which he had been nominated. On the Senate side Senators Harry Byrd and Jesse Helms directed attention to his qualifications from the standpoints of national security and the lack of requisite background for the Treasury job.

The Senate Finance Committee held 3 days of hearings which at times became rather heated as a number of witnesses charged that Mr. Sonnenfeldt was unreliable due to leaks of sensitive information dating as far back as 1954. Conflicting testimony under oath suggested the possibility of perjury. Secretary Kissinger withdrew Mr. Sonnenfeldt's nomination as Under Secretary, nominated him as counselor of the State Department, and the nomination sailed through Senator Fulbright's Foreign Relations Committee without opposition, although some of the same witnesses again asked to be heard and were unanswered.

As the ranking minority member of the House Committee on Internal Security I had a great interest in this case. Our committee had been holding extensive hearings on the Federal employee security program which sought to appraise the suitability of Federal employees for employment based on various security criteria. I think it is safe to say that if the Internal Security Committee had not been abolished by the House in this Congress, much more would be known about the Sonnenfeldt case today. To date, Mr. Sonnenfeldt's suitability based on national security standards stands unresolved. It is interesting to note that regardless of who was responsible for the now famous 17 wiretaps—Mr. Nixon, Mr. Hoover, or Mr. Kissinger—press accounts single out Mr. Sonnenfeldt as one of that select group.

Although the present controversy centers around a foreign policy issue, evaluating the fitness of a policymaking official necessarily includes security standards. During the Sonnenfeldt nomination controversy I was criticized by several newspapers and a good columnist friend for my involvement in a matter under Senate but not House jurisdiction. One headline, flattering but incomplete, had me alone blocking the nomination. The salient point for consideration here is that if the national security review of Mr. Sonnenfeldt's record had been made and a final and public judgment secured, he might well have been removed from a position of responsibility at State and therefore not involved in the present foreign-policy controversy.

The following two insertions which will follow these remarks address the controversy from both a national security and a foreign policy viewpoint. The foreign policy item is, of course, the Evans-Novak column which initially set off the controversy.

The second insert is an excerpt from the recently published book, "Game Plan for Disaster," by the Pulitzer prize-winning investigative reporter and author, Clark Mollenhoff. Before returning to the Washington bureau of the Des Moines Register & Tribune as its bureau chief, Mr. Mollenhoff had served as special counsel to President Nixon for about a year and had been directed to seek out and alert the President to mismanagement and wrongdoing in the executive branch. The Mollenhoff account of his experience in the White House with the *Sonnenfeldt* case gives some insight into how, if the Sonnenfeldt charges are true, a cover-up can be perpetuated which first began in 1954.

The two above-mentioned items follow:

[From the Washington Post, Mar. 22, 1976]

A SOVIET-EAST EUROPE "ORGANIC UNION"

(By Rowland Evans and Robert Novak)

Intense debate was set off within the Ford administration three months ago when Secretary of State Henry Kissinger's right-hand man declared in a secret briefing that permanent "organic" union between the Soviet Union and Eastern Europe is necessary to avoid World War III.

That policy, going well beyond any public position of the U.S. Government, was enunciated in mid-December by State Department counselor Helmut Sonnenfeldt. He told a London meeting of U.S. ambassadors to European nations that the "inorganic, unnatural relationship" between Moscow and Eastern Europe based on Soviet military prowess threatens world peace. "So," he concluded, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

When transcripts of Sonnenfeldt's remarks hit Washington, some officials complained that this amounted to U.S. underwriting of Soviet dominion over Eastern Europe. As such, these critics contended, the Sonnenfeldt doctrine never had been U.S. policy and certainly should not be now.

Indeed, what was said three months ago may be the victim of President Ford's election-year harder line which has made "détente" an unword. Nevertheless, the Sonnenfeldt doctrine exposes underpinnings of détente as practiced in the State Department until recently.

In their December briefing in London, both Kissinger and Sonnenfeldt stressed the need for the U.S. to come to terms with the Soviet Union as an emerging superpower—now their principal rationale for détente. Contending NATO is undermined by leftist gains in Western Europe, Kissinger declared: "The dominance of Communist parties in the West is unacceptable." That doctrine has no critics within the administration—in total contrast to Sonnenfeldt's message.

Lacking the attractiveness of past empires, Sonnenfeldt declared, the Kremlin relies on "the presence of sheer Soviet military power" to unify Eastern Europe. Because "a more viable, organic structure" is lacking, "the desire to break out of the Soviet strait jacket" has intensified among Eastern European countries.

The counselor saw this as no boon for the West, declaring: "The Soviets' inability to acquire loyalty in Eastern Europe is an unfortunate historical failure because Eastern Europe is within their scope and area of natural interest. It is doubly tragic that in this area of vital interest and crucial importance it has not been possible for the Soviet Union to establish roots of interest that go beyond sheer power."

After describing detente as a means of affecting the use of Soviet power, Sonnenfeldt warned Eastern Europe's "present unnatural relationship with the Soviet Union" may "sooner or later explode, causing World War III. This inorganic, unnatural relationship is a far greater danger to world peace than the conflict between East and West."

Sonnenfeldt cautioned that "any excess of zeal on our part" could reverse the "desired process" (the Soviet-Eastern European "organic" union). Consequently, he set "a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence. This has worked in Poland. The Poles have been able to overcome their romantic political inclinations which led to their disasters in the past."

While declaring a post-Tito return of Yugoslavia into the Soviet orbit would be "a major strategic setback," Sonnenfeldt suggested the Yugoslavs "should be less obnoxious" to Moscow and disabused of the impression "they have a free ride" of independence guaranteed by Washington.

Critics inside the administration, describing themselves as "appalled" by the Sonnenfeldt doctrine, do not propose encouragement of futile anti-Communist insurrection in Eastern Europe. But they believe Sonnenfeldt's confirmation of Soviet dominion there undercuts Eastern European nationalists such as President Nicolae Ceaucescu of Rumania.

While ruling out Communist party control in Portugal or Italy, Dr. Kissinger's London briefing blamed the danger on the West's own problems, including "domestic paralysis in the U.S."

"The Soviets are not the key element in producing the present instabilities that we now face in Western Europe," he declared. "A Communist Western Europe would be a headache for us. It would be a headache for the Soviets as well. They probably prefer not to see Communist powers taking over in Western Europe. But in the final analysis their ideology requires them to assist in these efforts."

To avoid assistance from Moscow, Kissinger asserted, "we must create the maximum incentives for a moderate Soviet course." But Sonnenfeldt, usually the faithful mirror of his chief, goes even further by putting the U.S. on record for stabilization of the Soviet empire in Eastern Europe to preserve world peace.

GAME PLAN FOR DISASTER

(By Clark Mollenhoff)

One incident demonstrated to me that Dr. Kissinger was not sufficiently concerned about laxity in personnel selection at the National Security Council. In December 1969 a former foreign service officer called to my attention the fact that one of Dr. Kissinger's key aides at NSC had been accused of giving "top secret" information to "intelligence agents of a foreign power." The problem had never been satisfactorily resolved. The man named was Helmut Sonnenfeldt, a Soviet-American affairs specialist, who, it was claimed, made the disclosure of top-secret information to intelligence agents of the Israeli Embassy in Washington in the late 1950s. Another foreign service officer told me that he had witnessed what he described as "a serious security violation" in connection with arrangements the U.S. had with one of Israeli's Arab neighbors. He said that former State Department Security Evaluator Otto F. Otepka had some knowledge of the scope of the initial investigation and of the reasons it was dropped.

Obviously, this was not something I could resolve, but I had an obligation to pass the information on to the proper authorities. I arranged to see Dr. Kissinger to tell him of the charge, the evidence which should be available in State Department files or at the FBI as a result of the original investigation, the questions pending, and witnesses who were willing to testify. Dr. Kissinger expressed "grave concern," assured me I had "done the right thing" in bringing the information to him, cautioned me against telling anyone else about it, and said he would handle it. I offered to arrange for the witnesses to talk to him, but he wanted nothing said to them until he and Al Haig decided how to follow through on the matter. A couple of weeks later, when I called to check on the progress of the case, Dr. Kissinger said that he had "been busy" and had turned it over to Al Haig. I forgot about it for several weeks, until I received a telephone call from an informant at the State Department who said he had learned that Sonnenfeldt was to be promoted to FSO–1 despite a technical lack of qualification because he had spent too little time at foreign posts. That was the least of the problems, as far as I was concerned.

This time I went to see Haig. He declared that he was "concerned" over the charges but did not want to move precipitously and felt it would not be proper to tell me what action was being taken. I made several other calls to Haig to try to determine whether the allegations about Sonnenfeldt had been generally supported or had washed out in the investigation. In each case I was brushed aside with the same assurance that the matter was being properly pursued. Shortly after I left the White House, I learned that Sonnenfeldt had been promoted from FSO–2 to FSO–1 in the career foreign service, on the recommendation of Dr. Kissinger. The men whose names I had supplied to Kissinger and Haig told me they had never been questioned about the Sonnenfeldt matter, and I wondered how it could have been resolved without that elementary investigative step. By this time I had learned that Sonnenfeldt and Kissinger had been friends since their youth in New York, and that Sonnenfeldt was the first man Dr. Kissinger had asked to join him on the NSC after Mr. Nixon hired him for that job in November 1968. Perhaps Dr. Kissinger himself had simply questioned Sonnenfeldt and had been satisfied with his denial of the charges. It was no surprise to learn later that Dr. Kissinger leaned heavily on Sonnenfeldt in making decisions pertaining to the 1972 trips to Peking and Moscow and had, in fact, given Sonnenfeldt responsibility for the 1972 Strategic Arms Limitation (SALT) talks in Moscow and the sale of American wheat to the Soviet Union.

Although participation in such historic agreements is usually prized by foreign service officers, Sonnenfeldt's responsibility in the massive wheat sales to the Soviet Union in 1972 became an albatross around his neck when he was nominated by President Nixon in 1973 to be under secretary of the treasury in charge of all East-West trade agreements. Sonnenfeldt denied that he had given highly classified information to a foreign power in testimony contrary to that of two other witnesses, but the Senate Finance Committee never resolved that conflict. Under questioning by Senator Harry Byrd of Virginia, Sonnenfeldt admitted that he had had a key supervisory role in the wheat transaction and conceded that in hindsight it was a mistake for the U.S. not to have limited the sales. He admitted that there had been no necessity for the $140 million wheat subsidy in connection with the sales to the Soviet Union but said that he had not tried to assess its impact on the national economy because he had no expertise on grain prices, grain supplies, or economics. He said he left those tasks to others.

Controversy over Sonnenfeldt caused his nomination to be stalled in the Senate Finance Committee for more than six months before Chairman Russell Long permitted it to be reported to the Senate floor for action. But before the nomination could be acted upon, it was withdrawn, and Sonnenfeldt was nominated as counselor of the State Department. That nomination, as one of Secretary of State Kissinger's top aides, was confirmed without debate on December 19, 1973.

CONGRESSIONAL PUBLIC FINANCING

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. AMBRO. Mr. Speaker, after today's crushing defeat of the public financing amendment, I am moved to wonder what happened to the commitment to congressional campaign reform of 225 Members of this Chamber who cosponsored the original Congressional Public Financing Act of 1975.

I am moved to wonder how many of those cosponsors at the time they jumped on the bill sent out self-congratulatory press releases to the folks back home telling them what a grand gesture this was for the sake of cleansing the political process.

And I am moved to wonder what forces have eroded support for this legislation in recent weeks.

Public financing of political campaigns is the best method available to render the political process more responsive to the national interest as opposed to special interests, whether big business or big labor.

Special interest groups, with their inordinate power to influence legislators and legislation by massive campaign contributions, have for too long taken their toll on the democratic process.

It is time that the Members of this Chamber, as well as our colleagues in the Senate, turn for campaign support to the only group we have been elected to serve—the American people.

A limited supply of public financing, supported by voluntary checkoff contributions from the American people, will diminish the overwhelming influence of lobbyists and their wealthy clients. We have all felt the weight of these power brokers whose campaign support is so critical to the election efforts of incumbents and challengers alike.

Public financing means voluntary support from our citizens—political contributions effortlessly made through checkoff on income tax return forms. Public financing does not mean a raid on the U.S. Treasury and general revenues were never intended to be used to support this fund.

Incumbents and challengers would have equal opportunities to participate in these contributions of the American people.

Setting a validation figure for direct contributions would assure that only legitimate candidates have access to the public financing system. Specifying a ceiling on the amount of money candidates can raise for matching fund and limiting contributions for those participating in the system would go a long way toward equalizing the opportunities of all political aspirants.

I realize there are difficulties legitimately anticipated in any pioneering effort of this sort. These difficulties are administrative and can be resolved by cooperation among the respective branches of this Government.

I fail to understand how this Congress can refuse to make such a commitment that would at least attempt to purge our institutions of the undue influence of small, select groups.

According to one report, special interest groups in this country control a $16-million war chest that can be used to influence legislation in myriad ways. That amount is 40 percent higher than the total held by these groups in early 1974.

This Bicentennial Year is the time to throw off the shackles of King Lobby and reaffirm our commitment to "promote the general welfare."

THE UNITED STATES AND THE ARAB BOYCOTT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. WAXMAN. Mr. Speaker, despite the increased attention which has been focused on the growing scope and influence of the Arab boycott, there are continuing indications that the administration is hesitant to take comprehensive and forthright action against it. Indeed, the Arab boycott clearly continues to receive the acquiescence of the State Department. Prior to the Justice Department's decision to sue the Bechtel Corp., alleging that Bechtel's compliance with boycott demands constitutes a violation of our antitrust laws, the State Department asked the Attorney General to withhold. Federal Reserve Chairman Arthur Burns' letter to the Nation's banks asking them to stop issuing letters of credit containing boycott demands was softened after pressure was applied by Secretary of State Kissinger.

These two recent instances highlight the continuing betrayal of fundamental American principles which has marked our response to the moral issues presented by the Arab boycott. The Export Administration Act clearly states that it is the policy of the United States to oppose restrictive trade practices and boycotts. For years, however, the Department of Commerce, encouraged by the State Department, circulated trade offerings from Arab nations which sought to exact discriminatory demands on American companies and their employees. These policies have made abundantly clear that the spirit of our antiboycott laws has been set aside in order to curry favor with the Arab oil-producing nations, with whom we have a growing economic and political relationship fueled by the vast influx of petrodollars.

Implementation of the boycott is completely arbitrary. Since 1948, the Chase Manhattan Bank has served as Israel's agent in handling its government bonds in the United States. General Electric supplies the Israeli Air Force with jet engines. Despite the crucial role these two corporations play in Israel's economic and military security, both firms are not blacklisted and do extensive business in the Arab world. They are able to operate in such a manner precisely because their services are as indispensable to Arab needs as they are to Israel's.

Therein, I believe, lies the key to breaking the Arab boycott's influence on our economy and society. American goods and services are the most sought after in the world. The Arab nations, who so desperately want to develop their societies, are increasingly relying on American resources. This relationship, instead of being characterized by discriminatory demands that are alien to our traditions and laws, should instead dictate that, as a condition of its continuance, no such demands will be tolerated.

Indeed, 24 leading American corporations have announced that they will not become involved in the Arab boycott with Israel. The list includes some of our most prestigious firms, such as American Brands, Continental Can, El Paso Natural Gas, General Foods, General Motors, Kennecott Copper, McDonnell-Douglas, RCA, Xerox, and Texaco. These corporations have set a courageous example for the American business community and the world.

Nevertheless, the President and his Secretary of State adhere to the judgment that it is better in the long run to ignore our commitment to free trade and human dignity. In the meantime, our citizens are being discriminated against, and important sectors of our economy are being held hostage to political demands.

This is wrong, and need not be. Recently, Sol Stern wrote a comprehensive overview of the dilemmas and contradictions of the Arab boycott for the New Republic. His article is informative and provocative, and deserves to be widely read and discussed. The article and the list of American companies which have refused to comply with Arab boycott demands follows:

ON AND OFF THE ARABS' LIST

(By Sol Stern)

For years the General Tire and Rubber Co. of Akron, Ohio carried around an albatross known as the "Arab League Boycott of Israel." The company had originally been placed on the Arab blacklist because it held a one-third equity share in an Israeli tire company. Though General Tire and Rubber subsequently sold all its shares in 1963 it still couldn't get off the blacklist, ostensibly because it was honoring a technical services agreement with the Israeli company.

Then sometime in 1970 a man named Louis Lauler approached the top executives of General Tire and Rubber with a way out. Lauler said he represented Triad Financial Establishment, a Lebanese-based conglomerate headed by a Saudi Arabian businessman named Adnan Khashoggi. Triad had wide experience with the intricacies of getting off the blacklist, according to Lauler, and he showed a brochure with the names of other companies it had represented in such matters. Anxious to get into the Arab market, General Tire and Rubber agreed to accept Triad's services and a contract was signed. The fee was $150,000—one-third immediately and the rest to be paid when the company was finally removed from the list.

In 1973 the Arab boycott office in Damascus removed General Tire and Rubber and its subsidiaries from the list. By that time the company had already terminated its contract with the Israelis. Nevertheless company officials thought that Triad had done the trick and the final payment of $100,000 was made to a Triad subsidiary named Perco Est. located in Vaduz, Liechtenstein—a well-known tax haven.

When I asked them to comment about the payment, General Tire and Rubber officials insisted the company had done nothing improper. Vice President and General Counsel Tress Pittenger said: "We paid a fee for professional services to help us get off the list." Asked what services Triad performed, Pittenger said it helped his company in drawing up documents that had to be submitted to the boycott office in Damascus.

Khashoggi and Triad have been characterized in recent news reports in the New York Times and The Washington Post as major conduits for millions of dollars of questionable payments made in bribes paid by American companies to secure contracts in the Arab world. What is revealed here for the first time is that American companies were also paying to get off a boycott list that the Arabs claim is a principled part of their war against Israel. Furthermore, according to General Tire officials, the company was able to write off the full $150,000 as a normal business expense and the IRS allowed the deduction.

In retrospect it is not altogether surprising that the U.S. government considers such a payment to be a proper business expense in the Middle East. Since 1972, by its own diplomatic behavior, the government has demonstrated that in the scramble for Arab petrodollars anything goes.

That signal came as early as June 8, 1974 when Henry Kissinger signed for the United States a far-ranging economic cooperation agreement with Saudi Arabia. The agreement projected how the United States could "be helpful in the realization of Saudi aspirations," and it established a Joint Commission on Economic Cooperation. The government commission has been the major vehicle for channeling billions of dollars of new business into Saudi Arabia. All of it however has been on Saudi Arabia's terms—meaning exclusion of hundreds of blacklisted U.S. companies plus discrimination against American Jews.

Henry Kissinger knows how seriously the Saudis take their anti-Semitism. During Kissinger's very first meeting with the late King Faisal, in November 1973, the Saudi monarch got things started with a lecture on the Jews. As authoritatively described by Kissinger's biographers, Bernard and Marvin Kalb, Kissinger listened in silence as the King described how the Jews had led the 1917 Russian revolution and then set up the expansionist state of Israel. Looking straight at Kissinger, Faisal said that "all over the world [the Jews] were putting themselves into positions of authority." Faisal told Kissinger, according to the Kalbs, "that the Jews were trying to run the world, but that he would stop them with his oil weapon."

Faisal at least tried to be as good as his word. The agreements his ministers signed with the United States note that the joint programs will be "sensitive to the social, cultural, political and religious contexts of Saudi Arabia." Nothing in the agreements, however, indicates that the United States insisted on any relaxation of the boycott against US companies or of Saudi Arabia's discrimination against American Jews. When I raised the question of Saudi Arabia's exclusion of Jews with Jackson Hearn, a Commerce Department official who works on the Joint US-Saudi Commission, he shrugged and said: "It's not just Jews. The Saudis do not permit Communists and atheists either."

As to the boycott, though a federal statute states that it is US policy to oppose boycotts against friendly countries, the administration has made it abundantly clear that the Arab boycott is just one of those annoyances that must be put up with for the greater good of US foreign and economic policy. In testimony before a congressional committee last December, Under Secretary of Commerce James A. Baker said that while the administration is concerned about the restrictive trade practices imposed on US companies by the boycott, that had to be balanced by the need to support "legitimate US interests in the Middle East."

The interests on the economic side, according to Baker, are these: US exports to the Arab countries are expected to reach $10 billion by 1980 and each billion of that total represents 40,000 to 70,000 jobs for American workers. Thus, said Baker, the administration opposes all attempts to legislate against compliance with the boycott because it ". . . could result in the loss of significant trade opportunities by US interests and business concerns."

American businessmen understand the priorities. Consider the following transaction recently concluded between a Connecticut manufacturer and two businessmen in Kuwait. Several months ago the Kuwaitis ordered $4470 worth of household tools from The Stanley Works in New Britain. To finance the deal the customers opened a line of credit with The Commercial Bank of Kuwait—a correspondent of New York's Chemical Bank in turn issued a standard letter of credit to The Stanley Works which included the following "special instruction": Documents must include your certification stating that the producing company or the company exporting the goods is not a company boycotted by the Ministry of Customs and Ports, Israel Boycott Office, State of Kuwait, and that it is not in any way affiliated to any such company.

A declaration in exactly the above language was made by The Stanley Works on its invoice. The export documents were delivered to the Chemical Bank's International Department, where a clerk checked them off against the requirements of the letter of credit. The Stanley Works then received payment, and the goods were shipped to Kuwait, concluding what a spokesman for the Chemical Bank called a "routine clerical transaction."

Now it is a matter of public record that Kuwait's blacklist consists of some 1500 American companies, individuals and organizations—including such household names RCA, Ford, Xerox, and Coca-Cola. Thus when The Stanley Works as a condition of sale attested that it was not "in any way affiliated to any such company," it was surrendering to a most sweeping restraint of trade.

Why should a 100-year old firm, with 11,000 employees and annual sales of around $500 million succumb so easily? Representatives of The Stanley Works refuse to answer that question but it is no secret that what is at stake generally for American companies is an Arab export market that totaled $5 billion last year and is expanding. Encouraged by their government, almost all American firms are indeed "routinely" complying with any boycott declarations requested of them by their Arab customers—whether what is being sold is jet fighter planes or household tools. The boycott requirements are so pervasive that a businessman selling 100 crates of popcorn to a customer in Libya has to declare that he has "no direct or indirect contact with Israel and would act on the grounds and regulations of the Arab boycott of Israel."

Without even blinking the banks are now processing thousands of export documents with declarations such as these. Yet at a recent New York State Assembly subcommittee hearing on the boycott, representatives of all the major banks insisted they were doing nothing improper or unethical. All cited recent statements by Ford administration officials in support of their position.

The Arabs themselves make it all sound even more innocent. They tell Americans not to worry about a boycott that does not discriminate against anyone on ethnic or religious grounds. The boycott, according to official Arab statements, is nothing but a legitimate act of self-defense against Israel.

The issue, however, is not whether the Arabs have the right to boycott Israel but whether US institutions and companies are forced to abandon their own principles and laws. Conceivably a boycott against Israel might be carried out so scrupulously that American Jews and other innocent parties were not also hurt. The trouble with this particular boycott, though, is that it has never been very scrupulous about anything. And what is worst of all is that those few American firms that take American principles seriously and refuse to knuckle under are then discriminated against as part of a process abetted by the US government itself.

The Damascus boycott office is supposed to carry out the decisions of a boycott council consisting of one representative for each of the 20 Arab League states. The council meets twice a year to consider adding or removing firms from the blacklist and also to amend the boycott regulations. Included among the dozens of "violations" that could get a firm or individual blacklisted are the following: establishing plants in Israel; granting licenses to Israeli companies; holding shares in Israeli companies. Also in hot water are navigation companies that transport Jewish immigrants to Israeli and foreign banks that grant loans to Israeli companies. The criteria are so elastic that Mohammed Mahgoub, the boycott office's Commissioner General for more than a decade, once said: "The boycott includes companies when it is proven by definite evidence that they, their proprietors or controllers have Zionist inclinations."

It is questionable whether the boycott officials go about collecting any evidence at all. The council meetings are star chamber proceedings. Companies are never informed that they are being considered for the blacklist; they have no opportunity to be present, nor are they afforded due process. Blacklisted companies often find out only by word of mouth or through a self-serving press release issued by the Damascus office.

The boyoctt office has never officially released its boycott list but a Lebanese publisher named Victor Bandaly supplements his income by selling a version of the list. The Senate subcommittee on multinational corporations has released a 1972 Saudi Arabian copy. Those lists are striking illustrations of how arbitrary and venal the whole operation is. Phil Silvers, Shelley Winters and Isaac Stern are on one of the lists. The Shalom Aleichem Folk Institute, a network of Yiddish schools in New York, and Yeshiva University are on another, apparently for "material contributions" to Israel But the General Electric Company, which sells Israel jet engines for its fighter planes, is not on any list—obviously because the Arabs want jet engines too. On the other hand the Arabs found the Topps Chewing Gum Company to be a menace because it licensed an Israeli factory to produce "Bazooka" bubble gum.

Apart from the vagaries of the Arab League blacklist, each Arab country has its own boycott office and is entitled to undo or add to what has been done in Damascus. Therefore there are 20 Arab boycotts, and the disparities are striking.

Saudi Arabia and the Persian Gulf sheikdoms have added their own historical anti-Jewish bias to the general boycott requirements. Companies working on contract in Saudi Arabia are told not to bring in either Jewish personnel or products made by Jewish firms. Algeria, on the other hand, despite its militant rhetoric on the Arab-Israeli conflict, is quite pragmatic when it comes to trade and has just quietly signed major contracts with two prominently blacklisted firms. Though on the blacklist, the Ford Motor Company sold trucks to the Jordanian army.

The one experience common to blacklisted firms is contact with those Arab "agents" offering their good services. An official of the Monsanto Company, blacklisted in 1966, says: "There have been no end of agents coming to us and offering to get us off the list for a fee. We decided we just weren't going to pay *baksheesh." Fortune* magazine tells the story of how the Bulova Company hired a Syrian lawyer and paid him a retainer to get them off the blacklist, only to discover soon after their agent had apparently emerged on the wrong side of the Syrian regime and was hanged in the Damascus square.

Often American companies are squeezed simply because of inter-Arab rivalries or the vested interests of the bureaucrats in Damascus. That seems to have been behind the attempt of the boycott office to muscle the Chase Manhattan Bank in the '60s.

Chase Manhattan had been Israel's chief fiscal agent in the United States since the founding of the state—meaning that it handled Israel's bond issues. The Arabs knew that and also knew it to be a direct violation of their boycott principles. Nevertheless, Chase was never bothered—probably because of its role in the Arab world, and its oil company connections.

Then in July 1964, the boycott office suddenly issued a press release in Damascus announcing that Chase had been blacklisted for violating the rules of the Arab boycott—the charge was that the bank was "chief fiscal agent for Israel." Commissioner General Mahgoub gave the Arab countries six months to settle their accounts with the bank. Shortly thereafter, as if to reinforce the seriousness of the action, the Syrian government issued instructions for all banks operating in the country to begin liquidating all their transactions with Chase Manhattan.

Mahgoub kept the pot boiling with another announcement from Damascus that Kuwait was calling off plans to deposit $200 million with Chase. In New York, however, the representatives of Kuwait denied any knowledge of the proposed $200 million deposit. *The NY Times* quoted banking sources suggesting that Mahgoub was pressuring Chase to break with Israel with the proposed $200 million as "compensation."

Chase was not about to be bribed but it was concerned enough to undertake a diplomatic campaign at the highest levels to "persuade" the Arabs to take the bank off the list. John J. McCloy, the man Richard Rovere once called the "Chairman of the American Establishment" and who was then a Chase director personally took the issue up in Cairo with President Nasser. A Chase Vice President was dispatched to Jordan where US Ambassador Robert Barnes introduced him to the Jordanian representative on the boycott council. The approach used, according to Barnes, was that "it was counterproductive for the Arabs to try to boycott banks since you can't follow money." A similar approach was used with the Lebanese representative to the boycott council. Chase also submitted documents to the boycott office denying it had violated the boycott rules.

The attempt to pressure Chase was led by Syria with Mahgoub's support. Chase, however, was using its own leverage with the more moderate Arab states, such as Egypt. The Egyptians had a $10 million outstanding loan from Chase and were looking for more—so they were willing to help. The strategy worked. After the next meeting of the boycott council, in January 1965, Mahgoub was forced to back off and announced that the action against Chase Manhattan had been suspended because of the "certified documents" submitted by the bank. If the Commissioner General was disappointed, however, there is always new business for blacklisters. A few weeks after the Chase affair Mahgoub called another press conference to announce that Sophia Loren was banned throughout the Arab world for appearing in a movie about Israel.

Whatever was said in the documents submitted by Chase (no one at the bank today seems to know), the fact is that the bank continues to handle Israel's bond issues, still a violation of section 18b of the boycott rules. On the other hand the bank is even more massively involved in the Arab world today, handling $1 billion in overnight deposits for the Saudi Arabian Monetary Agency and a $200 million real estate portfolio for Kuwait. And the Arabs keep reminding Chase that they are watching its behavior.

Thus shortly after Chase Chairman David Rockefeller made a Middle East trip last year Kuwaiti officials announced that they were taking steps to put Chase on the blacklist again. What had apparently angered the Kuwaitis was some chance remarks Rockefeller made in Jerusalem praising Israel for the way it maintained the city. Chase was concerned enough to have a vice president stop off in Kuwaiti to explain things, and eventually the Kuwaitis cooled off. In fact, as David Rockefeller himself subsequently acknowledged, it is highly unlikely that the Arabs would do anything quite so drastic. The Arab interest in an institution as powerful as Chase is now much more along political lines. Ultimately it is the knowledge that they too "have a friend at the Chase" that accounts for the willingness of the Arabs to wink at the bank's continuing violation of their boycott rules.

For its part Chase Manhattan is forever saying it has no politics, that it only wants to do business. But the record is that Chase officials have intervened politically for the Arabs. In 1968 David Rockefeller and John J. McCloy, along with several prominent oilmen, met with President-elect Nixon to urge on him a Mideast policy more friendly to the Arabs. During the 1973 war McCloy urged the Nixon administration not to ship arms to Israel. Last year, shortly after the breakdown of the negotiations for an interim agreement between Israel and Egypt, David Rockefeller was part of a delegation of Establishment "wise men" who met with Henry Kissinger and offered support for Kissinger's criticism of Israeli "intransigence."

One American company that took a clear cut no-nonsense line with the boycott was RCA, which was blacklisted in 1966 for granting a license to an Israeli record company to use the RAC label. Until that time RCA had been doing about $10 million annually in sales to the Arab world. As a result of the blacklisting it lost over 90 percent of that business. Furthermore RCA has been routinely cut out of contracts by other companies trying to observe the boycott rules. And when the US government channels business into Saudi Arabia RCA is automatically excluded.

The licensing arrangement in Israel was not much of an offense—at least not compared to handling Israeli bonds—and it is clear that RCA could have maneuvered its way off the list, just as Chase Manhattan and General Tire and Rubber did. But RCA officials have consistently refused to deal, though they too have been contacted by "agents" offering to intercede with the boycott office—for a fee. RCA's International Vice President, Eugene P. Seculow says: "Our position has been very simple. We believe in free trade and we are attempting to do business everywhere in the world where it is not against US laws. But we won't comply in any way with the boycott or try to negotiate our way off the list." Seculow called the boycott "capricious and insidious" in its effect on the US business community.

More sanguine view of the boycott is offered by Robert Barnes, the ex-US ambassador who helped Chase Manhattan get off the list: "There are quiet ways to handle these things"—one way being a "contribution" in the form of a investment of developement capital in an Arab country. That is how the Ford Motor Company is now trying to do it. It has been negotiating with the Egyptian government for over a year to get off the list through a proposed joint venture to build a $150 million assembly plant in Egypt. Coca-Cola and Xerox are reported to be involved in similar negotiations—all with the blessings of the US government.

One direct way out of the whole morass would be to make compliance with the boycott illegal for all American companies. At least a half dozen anti-boycott bills are now under consideration, the most far-reaching of which was introduced in the House by Elizabeth Holtzman (D, NY) and Peter Rodino (D, NJ) along with 60 co-sponsors. It would prohibit participation in the secondary aspects of the Arab boycott by Americans firms and provide stiff civil and criminal penalties. On the face of it support for such legislation appears strong. Newspaper editorials have been almost unanimous in attacking an operation that by its very nature runs counter to American principles of freedom of trade. The boycott hardly has a political constituency willing to make a case for it openly.

Furthermore, the anti-boycott position is already mandated as official US policy. The Export Administration Act of 1969 states that "it is the policy of the United States (A) to oppose . . . boycotts fostered or imposed by foreign countries against other countries friendly to the United States, (B) to encourage and request domestic concerns . . . to refuse to take any action, including the furnishing of information or the signing of agreements . . ." that has the effect of furthering those boycotts. The proposed new legislation puts teeth into what all concede to be US policy.

What the anti-boycott forces have been up against however is an administration determined to pursue its Mideast policies without having to confront the Arabs in any way over the moral issues raised by the blacklist. Indeed, until very recently it was the policy of the Commerce Department to circulate to US firms commercial tenders containing boycott requirements. One such tender required American companies bidding on a contract to supply pre-fabricated buildings to certify that the materials were not manufactured "by any companies boycotted officially by the Iraqi Government." The US was thus facilitating not only the boycott of Israel but restraint of trade against other American companies.

The Anti-Defamation League went to court last year to get Commerce enjoined from further distribution of the tenders. The government backed off and agreed to end the practice, thus conceding one small victory to the anti-boycott forces. But an internal Commerce memo at the time throws some light on the administration's broader strategy in the fight. Dated August 11, 1975, the memorandum was written by Peter Hale, Director of the Commerce Action Group for the Middle East. Hale pointed out that the State Department was already disturbed by the Commerce Department's policy of disseminating the tenders "in view of the consideration being given by Congress to more restrictive legislation against the boycott." Hale went on to report that the State Department ". . . may press for some change in our practice . . . as a further effort to head off damaging legislation."

Aside from occasional gestures there have been only two moves by the federal government to deal with the boycott directly. One action came when, after an independent investigation, the Justice Department concluded that the secondary aspects of the boycott involved serious violations of US antitrust laws. Before the Justice Department went ahead with a planned landmark suit against the Bechtel Corporation, however, the State Department was allowed to present its views on the possible foreign policy implications of the case. Henry Kissinger was so concerned that he personally cabled Attorney General Levi from China, during the President's trip there last November. According to a highly placed State Department source, Kissinger's worry was that the antitrust action "could be seen by the Arabs as a deliberate US government decision to act against their policy. Thus it could have had an adverse effect on the peace-making process."

Levi held his ground, however, and the suit was filed on January 16. It charged that Bechtel, one of the biggest prime contractors doing business with the Arab world, was refusing to deal with Arab blacklisted US subcontractors and for this purpose the company maintained a boycott list. Bechtel's initial response did not deny compliance with boycott requirements but said the suit was "unwarranted" in that the boycott was not illegal under US law.

In one more attempt by an independent agency to go beyond previous administration policy, Federal Reserve Board Chairman Arthur Burns last December sent out a letter to all member banks warning them about the practice of issuing letters of credit containing boycott provisions. Such participation in the boycott, even "passively," was "in the board's view, a misuse of the privileges and benefits conferred upon the banking community."

Banking circles considered the warning practically a mandate from the agency they regard as their regulator. At least one major bank, the Chemical, put a moratorium on issuing letters of credit involving boycott conditions. It was clear that if the ruling stood the whole pattern of boycott conditioned trade with the Arab countries would be disrupted.

The banks were in a state of consternation and so was the State Department, the Commerce Department and the Treasury Department. All made strong representations to the Federal Reserve Board asking for what one bank official called a "liberalization" of Burns' ruling. Bowing to the pressure Chairman Burns issued a new clarifying letter in January. The key words were that the previous letter "was not intended to create a new legal obligations for banks." The new letter also said that primary responsibility for implementing and enforcing US policy on the boycott rested with the Department of Commerce. The banks uttered a collective sigh of relief and went back to issuing their letters of credit. They already knew how the Commerce Department enforces US policy.

In all fairness the responsibility should not be borne by the Commerce Department alone. Peter Hale, the Commerce Department's boycott man says: "Basically US policy on the boycott falls under the umbrella of Henry Kissinger. It is a question of US foreign policy." As presented by a high department official in a recent background briefing, here then is the State Department's view of why there should be no confrontations with the Arabs over the boycott: "The U.S. has a major interest in preserving the peace in the Middle East," said the official. "It is our overriding political concern. But it takes two sides to make peace and the Arabs are at least 50 percent. To play a role we must be seen by the Arabs as at least aware of their problems—at least reasonably sympathetic. They want to be seen as people who have a just cause." The official went on to say that the Arabs have reason to believe that the boycott prevents Israel from getting stronger, that there is a consensus among them on this and they can't be talked out of it. The department is aware of the boycott, it is opposed to it and it urges companies not to abide by it. But, said the official, "the only effective way to reduce the boycott and ultimately eliminate it is to solve the Arab-Israeli conflict."

In other words, until US diplomacy succeeds in bringing the millenium to the Middle East, Americans will just have to put up with political and economic blackmail. It is clear that whether it is in the form of "agents' fees" or increased "capital development" or just plain political kowtowing, the major function of the Arab boycott is to exact tribute. And as long as a blacklist of American companies is accepted as a routine part of doing business in the Middle East, there will be no end to the threats and intimidation. That prospect is morally compounded by the government's double-talk about opposing boycotts.

The Justice Department's suit against the Bechtel Corporation, if pursued to a successful conclusion, could do something to restore the balance—despite the State Department. But that is likely to involve years of litigation. In the meantime the ball is now with Congress, where support for anti-boycott legislation is on the rise. Making it illegal for American companies to comply with the boycott might force Henry Kissinger, despite himself, to say something about American principles the next time he sits down with a prince from Saudi Arabia.

[From the New York Times, Mar. 19, 1976]

TWENTY-TWO COMPANIES BAR ANY COOPERATION WITH ARAB BOYCOTT

The American Jewish Congress has received assurances from 24 leading United States concerns that they would not become involved in the Arab boycott of Israel.

Rabbi Arthur Hertzberg, president of the American Jewish Congress, said that the pledges had been made in response to a nationwide drive initiated by the organization last December, when it began a campaign to require American concerns to tell their shareholders whether they were participating in the Arab boycott.

The 22 concerns that replied with assurances they would not comply with the boycott were named at a news conference Tuesday in Stephen Wise Congress House, 15 East 84th Street, at which Rabbi Hertzberg praised their action as an encouragement to others to defy the boycott.

Rabbi Hertzberg said that hundreds of other American concerns and some leading banks were submitting to the boycott. He spoke of "the American industry's craven surrender" to the Arab boycott. The 22 companies were:

American Brands, Beatrice Foods, Bucyrus-Erie, Continental Can, El Paso Natural Gas, General Foods, General Motors, Georgia-Pacific, Greyhound, Kennecott Copper, McDonnell-Douglas, Ogden.

Pitney-Bowes, RCA, Xerox, Scott Paper, G. D. Searle, Simmons, Texaco, Textron, U.S. Gypsum, Warner Communications.

REFORMING THE FREEDOM OF INFORMATION ACT

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. MAGUIRE. Mr. Speaker, the Freedom of Information Act is a milestone in the development of open government, in providing the American people with the information they need to effectively involve themselves in the work of their own Government. The elimination of unnecessary secrecy is critical to the effective operation of a democratic government. I am a strong supporter of the act and its objectives.

There is, however, a need for some minor modifications in the act which—without affecting its substance—would facilitate lawful and legitimate criminal investigations. In addition, steps need to be taken to more nearly fulfill the intent of open government with respect to availability in reasonable time, of internal documents which are critical in the formulation of agency decisions. The amendments I am introducing today are intended to achieve both of these purposes.

The amendments would make the following changes in the existing law:

FACILITATING LAW ENFORCEMENT

First. If an agency is asked for information which it did not originate, and if the original source is an agency also subject to the Freedom of Information Act, the request may be referred to the originating agency. Such a revision serves two purposes: a) It avoids unnecessary duplication of effort; b) It avoids tying up the courts with multiple suits in separate jurisdictions by the same individual for identical information.

Second. Under the present wording of the Freedom of Information Act, a court is permitted to retain jurisdiction and allow an agency additional time to complete its efforts to comply with a request for information if the court is convinced that there are exceptional circumstances and that the agency has made every effort to comply within the allotted time. The proposed amendment would make it mandatory for a court to retain jurisdiction and provide additional time under such circumstances. If the situation is exceptional and the agency is making every effort to comply, it makes no sense to allow a capricious ruling penalizing the agency for its efforts.

Third. In the case of a request made to any agency component or division, the principal purpose of which is criminal investigation, the time period for response is extended from 10 to 60 days, and the time period for response to an appeal is extended from 20 to 30 days. This permits the additional time which may often be necessary to select those portions of the information requested which can be released without endangering the successful completion of a criminal investigation.

Fourth. Where large volumes of material are involved, an additional 30 days shall be allowed for each 200 additional pages of information, provided that the individual making the request is given an opportunity to confer with personnel at the agency involved about possible ways of reformulating a request in order to reduce its scope and volume. This will prevent the loss of inordinate amounts of time in plowing through files involving extensive criminal investigations to pick out of several hundred or thousand pages the material which can be safely released—all within a very short time period. At the same time, it eliminates unnecessary paperwork by offering a person submitting a request the opportunity of eliminating from the scope of his request information which is readily available to him elsewhere, but which would consume staff time at the agency and hold up the fulfillment of the entire request.

Fifth. In addition to investigatory files as such, other records which relate directly to a criminal investigation, even though they may not physically be part of the investigatory file, are to be covered by the exclusion relating to criminal investigations. Further, the exclusion relating to investigatory files is to extend 2 years from the time when the files are last utilized in the active phase of an investigation. This will both avoid the disclosure of information which might be prejudicial to the safety or effectiveness of law enforcement agents—for example, identifying them to those under investigation—and prevent the opening of files during a period when additional information might reasonably be expected to make possible the successful conclusion of a temporarily inactive investigation.

DISCLOSING THE WAY AN AGENCY MAKES UP ITS MIND

The public decisions of Government agencies are often only the final step in a long process, most of which is obscure to the public. And it can be frustrating to be told that a possibly objectionable decision is based on thorough agency studies, but that these studies are in the form of confidential inter-agency or intra-agency memoranda which are, of course, not available to the public.

The original justification for excluding such memoranda from the scope of the Freedom of Information Act was that it would cause Government agencies to operate in a fishbowl. But with reasonable safeguards to protect current operations, there is no reason why an agency's decision processes should not be open to scrutiny. The amendment I am offering protects against premature disclosure of inter- and intra-agency memoranda, but provides that no longer current work shall be released. The agencies may prevent disclosure during the time they believe would be harmful, or for 2 years—whichever is shorter.

These amendments do not affect the basic structure or purpose of the Freedom of Information Act, nor are they intended to do so. They do, however, provide for the changes necessary to make legitimate law enforcement activities more effective, and to make more open to the people the processes of the Government which is supposed to serve their needs.

The bill follows:

H.R. 12975

A bill to amend the Freedom of Information Act to improve the handling of information collected for law enforcement, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 552(a) of title 5, United States Code, is amended—

(1) by striking subparagraph (C) of paragraph (4), and redesignating subparagraphs (D), (E), (F), and (G) as subparagraphs (C), (D), (E), and (F), respectively:

(2) by striking out "Each agency" in paragraph (6)(A) and inserting in lieu thereof "Except as provided in paragraph (7), each agency";

(3) by redesignating paragraph (6)(C) as paragraph (6)(D) and inserting immediately after paragraph (6)(B) the following:

"(C) Any agency may refer a request for a document which originated in another agency, or for that portion of a document containing information obtained from another agency, to that other agency for direct response, with the consent of that other agency and with notice to the person making such request. Such referral and notice shall constitute full compliance with this subsection by the referring agency, provided that the agency to which such referral is made is itself subject to the provisions of this subsection. Any referral pursuant to this paragraph shall not extend the time periods for processing the request beyond those provided by subparagraph A of paragraphs 6 or 7, as appropriate, except that the agency to which the referral is made shall have a comparable time period after its receipt of the referral.

(4) by striking out the second sentence of paragraph (6)(D) (as redesignated by paragraph (3)) and inserting in lieu thereof the following: "If the Government can show that exceptional circumstances exist and the agency is exercising due diligence in attempting to respond to the request, the court shall retain jurisdiction and allow the agency additional time to complete its review of the records to the extent that the court determines is reasonable in the particular case."; and

(5) by adding at the end thereof the following new paragraph:

"(7)(A) Except as provided in subparagraph (B), any agency component, the principal purpose of which is criminal investigation, shall, upon any request for records, or appeal from a denial of access to records, (which records do not encompass an aggregate of more than two hundred pages of records)—

"(i) determine within sixty days after the receipt of any such request whether to comply with such request and shall immediately notify the person making such request of such determination and the reasons therefore, and of the right of such person to appeal to the head of the agency any adverse determination; and

"(ii) make a determination with respect to any appeal within thirty days after the receipt of such appeal. If on appeal the denial of the request for records is in whole or in part upheld, the agency shall notify the person making such request of the provisions for judicial review of that determination under paragraph (4) of this subsection.

"(B) The time limits provided by subparagraph (A) (i) and (ii) may be extended at either the request or appeal level, or both, for an additional thirty days for each additional two hundred pages, or portion thereof, encompassed by such request or appeal, except that, prior to the expiration of the initial period provided by subparagraph (A)(i) or (ii), as appropriate, the person making such request is notified of the total number of pages within the scope of the request or appeal and the date by which the processing of the request or appeal must be completed. For the purpose of shortening the processing time allowed by this subparagraph, the agency shall provide such person an opportunity to confer with agency personnel in order to attempt to reformulate the request in a manner which will meet such person's needs while reducing the number of pages of records within the scope of the request or appeal, and shall further advise such person of the right to submit for consideration by the agency any reasons why the request or appeal should be accorded expedited processing in order to avoid severe hardship.".

(b) Section 552(b) of title 5, United States code is amended—

(1) by amending paragraph (2) to read as follows:

"(2) related solely to those internal rules and practices of an energy which do not ordinarily affect the general public;";

(2) by striking out paragraphs (5), (6), and (7) and inserting in lieu thereof the following:

"(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency, except that this section shall apply to such memorandums and letters upon the expiration of (A) a period during which premature disclosure of such memorandums or letters would harm the authorized and apropriate purpose for which they are being used, or (B) two years after the date of their production, whichever occurs first;

"(6) records the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

"(7) records compiled, created, or maintained for law enforcement purposes, which pertain to criminal law enforcement investigations which are currently active or which have been acitve within the preceding two years or other records to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) constitute an unwarranted invasion of personal privacy, (D) disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source, (E) disclose investigative techniques and procedures, or (F) endanger the life or physical safety of any informants, employees of law enforcement agencies, or their families."; and

(3) by striking out the last sentence of such section and inserting in lieu thereof the following: "Any substantial, reasonably segregable portion of a record not already in the public domain which contains significant information pertaining to the subject of a request, shall be provided to any person requesting such record after deletion of the portions which are exempt under this subsection.".

SEC. 2. The amendments made by section 1 of this Act shall apply with respect to any request for information pending or made on or after the date of enactment of this Act.

UNITED STATES MAY TRAIN EGYPTIAN FORCES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ROSENTHAL. Mr. Speaker, there is more than meets the eye to the administration's intention to sell six C-130 combat transports to Egypt. Hidden in the language of the Presidential determination and accompanying White House documents initiating the aircraft sale is the word "training."

At first reading it appears that this means training for the maintenance and operation of the C-130's. But the administration apparently has more, much more, in mind.

It intends to begin an extensive training program for Egyptian military personnel on a wide variety of matters at U.S. military training centers. The President has placed no restrictions on the number of Egyptian personnel involved, the cost, the military specialties in which they would be trained, or the location of their training.

Under the Presidential determination, this training could cover operation of major military equipment, including jet aircraft, missiles and armored vehicles; biological and chemical warfare; radar and electronic techniques; logistics and supply; and the most sophisticated weapons of destruction. In addition, it could mean making available to Egypt U.S. tactics and weapons operations techniques on which Israeli and U.S. forces depend. Such knowledge, once shared with Egypt, could easily be compromised.

Since these training agreements may individually be for less than $25 million, the threshold for congressional jurisdiction under section 36(b) of the Foreign Military Sales Act, the American public and the Congress may never have a formal opportunity to debate and review them.

That should not be permitted to happen. This decision on training is potentially as significant and harmful to peace as the sale of the C–130's.

This Presidential go-ahead for U.S. training of Egyptian forces contradicts the administration's earlier public assurances that nothing else is anticipated beyond the sale of six aircraft.

Apart from the statement in the Presidential determination, the administration has made only oblique references to this military training program for Egypt. In testimony before the International Relations Committee earlier this week the Secretary of State said:

> "We have no commitments to Sadat beyond the six C–130s and the training of a few officers in the United States. . . .

Does he mean training officers to fly the C–130's or training unrelated to the aircraft sale?

In order to classify this question, I have written to the Secretary of State requesting an explanation of what is meant by the administration's references to "training" for Egyptian personnel.

Another question arises over the Secretary's testimony regarding "no commitments to Sadat beyond the six C–130's." He has repeatedly assured the Congress that it has been informed of all agreements growing out of the Sinai accords. Yet a search of his testimony before the House International Relations Committee between the October 1973 Middle East war and March 4, 1976, when he was specifically questioned about the C–130 sale, reveals no mention of any U.S. commitment, direct or indirect, written or oral, to sell U.S. military equipment to Egypt.

This is in contrast with President Ford's statement in an interview last fall prior to President Sadat's visit that he felt this country had "an implied commitment" to sell arms to Egypt.

What is the truth?

We also have heard a great deal lately, Mr. Speaker, about the deteriorating condition of Egyptian equipment due to an allegedly total cutoff of Soviet materiel.

If Egypt's war machine is turning into "scrap metal," as President Sadat contends, it is not for lack of equipment, spare parts and replacements but due to "Egyptian standards of maintenance," according to a recent article in the authoritative Economist of London.

A realistic assessment of the Egyptian army, "the biggest army in the region," according to the Economist, shows it "has been subjected to an ambitious programme of reorganisation and absorbing new types of weapons." It said:

> By 1977 or 1978 it could be a more powerful instrument than ever before.

The article, from the March 24, 1976, confidential foreign report of the Economist, says "reliable military intelligence sources" report that "supplies from the Soviet block have definitely not dried up, as Egypt has been claiming for months." In fact, it continues, "during 1975 and the first few months of this year Egypt received arms worth $1.5 billion from the Russians."

Egypt is going shopping for Western arms for "essentially political," not military reasons, according to the Economist. The strongly anti-Communist Arab oil sheiks who are financing Sadat's weapons buying spree "are willing to foot the bill for purchases if made in the west," it explains.

I commend this article to all my colleagues and am inserting it in the RECORD following my remarks.

Egypt's problems with the Soviets may stem as much from an inability or unwillingness to pay for the arms it wants or has, than from other factors. This, and the attitude of its financial backers along the Persian Gulf, have resulted in a turn to the West.

And it has been a very fruitful turn. Just this week, the way was opened for Egypt to purchase 120 Alpha jet fighters from Germany and France. This is in addition to 300 British Jaguar fighter-bombers, 200 British Hawk jet fighters, over 100 French Mirage jets, several hundred British and French helicopters, missiles, tanks, and assorted other equipment.

While Israel has only one major country it can turn to for military equipment, Egypt enjoys access to all the world's arms merchants.

Although Egypt's military strength is intact, her economy is in rather poor health. That is the area where the United States can and should help. President Sadat is to be commended for taking the first Arab steps toward peace in the Middle East, and he is to be encouraged. I applaud his efforts to shake Soviet dominance and seek Western friendship, and I have voted for $1.25 billion in economic and agricultural assistance for Egypt in the past 2 years.

As I have previously stated, I believe this is the best way to bring peace, not by further escalation of the arms race or by being a major arms supplier for both sides.

The sale of C–130 combat transports and Presidential determination to begin U.S. training of Egyptian military personnel establishes an undesirable and potentially dangerous precedent. I oppose both moves as being against the interest of peace and stability.

The article referred to follows:

The Middle East Arms Race

The polite officialese for the present behaviour of Middle East arms buyers is 'diversifying sources of supply'. More than ever, the arms trade in the Middle East is a free-for-all; the major powers have allowed small dealers a fairly clear run, confident that the customers will have to turn to them for bulk buying and really sophisticated items.

America and Russia, as the main armourers, remain the final arbiters of the regional balance of power. But they have shown little inclination to hold the arms race in check this year. In the west alone, the Arab states have bought arms worth $12 billion since 1974, and have spent a further $4 billion in the Soviet block; Israeli purchases from the west total close to $5 billion over the same period.

Egypt, with the biggest army in the region, presents the biggest puzzle. Although President Sadat's recent public behavior suggests a definitive break with the Russians, the Egyptians are pressing on with the rebuilding of their war machine. The Egyptian army has been subjected to an ambitious programme of reorganisation and absorbing new types of weapons. By 1977 or 1978 it could be a more powerful instrument than ever before.

Today, the Egyptians have 650,000 men under arms (after demobbing reservists who had served without a break since the 1967 war) organised in five infantry divisions, five mobile divisions, two armoured divisions, six brigades of special forces and 26 commando battalions. They are equipped with 2,500 T–62, T–65 and T–54 tanks, 2,600 armoured full-track vehicles (many fresh off the Soviet assembly lines in 1975), 2,200 heavy guns (120mm calibre)—plus two brigades equipped with 500 Frog and Scud ground-to-ground missiles. How many of these weapons, except the very newest, are still usable is another matter; sophisticated arms can soon become useless—'scrap iron' in President Sadat's phrase—under Egyptian standards of maintenance.

The Egyptian air force has 515 combat planes, including at least 30 Mig-23 fighter-bombers (notwithstanding reports that the Russians had taken them away). The rest are mostly French Mirage 111s, Soviet Mig-21s, Mig-17s, Sukhoi-7s, Sukhoi-20s, together with 30 heavy Tupolev bombers. There are unconfirmed reports of a secret Soviet-Egyptian deal to supply an unknown quantity of Mig-25s next year, but in the changed political climate this may well fall through. Egypt's anti-aircraft missile defence system now includes 150 batteries of Sam-6, Sam-3 and Sam-2 missiles. Egypt's navy has five destroyers, three frigates; 12 submarines, 12 missile boats, 30 torpedo boats and 14 minesweepers.

A close look at this list, based on reliable military intelligence sources, suggests that supplies from the Soviet block have definitely not dried up, as Egypt has been claiming for months. During 1975 and the first months of this year Egypt received arms worth $1.5 billion from the Russians. Only a few months ago, a Soviet shipment of spare parts reached Alexandria, and the Egyptian war minister, General Mohammed Gamasi, paid visits to Jugoslavia, Czechoslovakia and Poland, before going on to Paris this week. Jugoslavia is Egypt's main source of aircraft spare parts, and it is now known that President Tito rushed 130 tanks to Egypt as part of the east European airlift during the 1973 war. Czechoslovakia and Poland are both regular suppliers of spare parts and tanks. Moreover, at their Libyan depots, the Russians are believed to maintain huge supplies of spare aircraft engines and at least 1,000 T–62 tanks, available for delivery to Egypt within 24–36 hours.

The reason why Egypt goes shopping in the west is clearly essentially political. But there are other factors as well. It pays to buy from the Americans and Europeans, since the Arab oil sheikhs are willing to foot the bill for purchases if made in the west. There may also be a military calculation involved. General Gamasi may have picked up the idea from the Israelis, when he saw that captured Soviet equipment could be successfully integrated into an army based on western arms. He is convinced that with weapons from both east and west, Egypt will have the quality and quantity to gain the upper hand in any clash.

Egypt's most important source of western weaponry is, of course, America. To reduce congressional opposition, the Egyptian and American governments are thought to have worked out a five-stage plan for American deliveries. The stages are as follows:

1. The delivery of six Hercules C–130 giant transport aircraft—(The basic details have been published but Israeli reports suggest that the planes will be equipped with advanced electronic equipment appropriate for intelligence missions.)

2. Communications equipment.

3. Sophisticated electronic devices, including decoy planes.

4. Full-track armoured vehicles, the Tow anti-tank missile, and Hawk anti-aircraft missiles.

5. Some 20–40 jet fighter aircraft. There are indications that Egyptian pilots have already begun training with American instructors in Saudi Arabia and Iran.

The Egyptians have been looking for western engines that could be built into 230 of their Mig–21s. The engines they would most like is the General Electric G–17–19, which, according to some aviation experts, could improve the aircraft's performance by 20 per cent. These engines are already used in the Israeli Phantoms and are built into the Israeli Mirages. But the Egyptians may have to make do with French Atar engines; one of General Gamasi's prime tasks in Paris this week is no doubt to see how the French would guarantee delivery. Gamasi is also working out the background details for other deals that are expected to be concluded when President Sadat visits Paris next month; these include the purchase of 120 Mirage F–1 fighter-bombers, 120 Franco-German Alfa jets (for strikes against ground targets), 200 Gazelle helicopters, and torpedo boats.

Abu Dhabi and Saudi Arabia are said to be chipping in $3 billion toward the cost of Egypt's arms purchases in the west, and the Arab oil states have also promised Egypt and Jordan the use of some of the advanced weapons they have bought from the west in the event of another war. Abu Dhabi itself has spent $500m on 32 Mirage–5s, 18 Mirage interceptors and a British Rapier defence system. Kuwait, for a similar sum, has acquired 36 Mirage–111s for delivery this summer, and 32 Mirage F–1s. (It has also received Chieftain tanks from Britain.)

Saudi Arabia has bought 38 Mirage–111s, a mobile air defence system and 200 AMX tanks from France. From America, the Saudis wil receive 20 F–5B, 70 F–51, and 20 F–5F combat aircraft this year, and are said to have signed a secret agreement for 100 F–4 Phantoms, 400 helicopters (mainly Bell), 26 naval vessels, including missile boats, and equipment for two complete military harbours. By the end of 1976, Saudi Arabia will have received 1,000 American tracked vehicles and 1,000 Tow anti-tank missiles.

Libya, with 24 Soviet Mig–23s, 26 Sam batteries and 1,000 T–62 tanks in hand, has bought 110 Mirage—111s and 38 Mirage F–1s from France (with an option on a further 50). The Libyans are now awaiting delivery of four missile boats that are under construction in Genoa and of French 'Daphne' type submarines from Spain.

Jordan has some 200 American-made M–48 tanks, Hawk missiles, 36 F5–1 combat aircraft delivered via Iran and a further 22 supplied directly from America.

Syria is exclusively supplied by the Soviet block. Its current military strength consists of 425 fighter jets including 45 Mig–23s, 2,100 tanks (including the new T–62), with 500 more on order, over 1,000 heavy guns, more than 40 anti-aircraft missile batteries and 500 ground-to-ground Frog and Scud missiles. *Iraq* has 250 combat planes and 1,100 tanks, all from the Soviet bloc.

What are the Israelis doing to keep up their side of the balance? Since 1973, *Israel* has spent $1.5 billion a year on arms. In 1976–77 it will have $2.5 billion available from America for defence shopping.

Israel has already bought M–48 tanks for delivery in 1977, and will start receiving the M–60 in 1978. Its air force has F–15 fighters and is due to receive the F–16 when production is complete. Also on order: Tow anti-tank missiles; 110 Lance surface missiles; the FR–4 reconnaissance aircraft; Bell helicopters; Cobra 'flying gunboats' equipped with anti-tank missiles; Hawk anti-aircraft missiles; 'smart' bombs; Maverick and Redeye night vision equipment.

The Israelis are also expanding their domestic armaments industry. After developing the Kfir fighter-bomber, the Israelis are preparing a new model and building a new type of missile boat with an advanced version of the Gabriel sea-to-sea missile. But the two most significant new products in the making are a new kind of helicopter designed for anti-tank warfare and a new tank. This tank will be specifically designed for desert warfare. It will have an American-made engine, a 105mm gun of local manufacture and an array of gadgets for protecting its crew against atomic, biological and chemical warfare. Other novelties include a range-finder guided by a laser beam, infra-red night sights and a device for magnifying starlight.

MIAMI'S ALAN COURTNEY ALWAYS DOES HOMEWORK

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BURKE of Florida. Mr. Speaker, it is with extreme pleasure that I commend to you an article which recently appeared in the March 25, 1976, edition of the Sun-Sentinel, a respected newspaper in my congressional district, regarding one of the best radio people-to-people broadcasters in America today. This article gives me an opportunity to add my voice to the multitude of fans of this great American whose name is Alan Courtney and to say thanks to him for his work to preserve our American way of life. He is a Constitutionalist dedicated to exposing the pressure from the left wing of the political spectrum whose purpose is to socialize America.

I first met Alan Courtney when I first moved to Florida in 1949. He may not remember the occasion, but he had an open mike and was doing interviews at Young Circle in Hollywood and I was one of the people he interviewed. He was concerned about Leftists in our country then as he is today. My respect for, and my admiration for, the work Alan Courtney does has grown over the years.

For several years he has been interested in a national drive to enact legislation which I have introduced in the Congress which would amend the social security law to remove the earnings limitation on social security recipients. He has tirelessly collected petitions with thousands of signatures and forwarded them to the chairman of the House Ways and Means Committee for consideration.

The following article written by Ralph de Tolendano will help to introduce you to this great American. It echoes my sentiments respecting this great man but even more it echoes the respect and sentiments of thousands of others who have grown to love and respect him for his courage and good commonsense.

The article follows:

MIAMI'S ALAN COURTNEY ALWAYS DOES HOMEWORK

(By Ralph de Toledano)

WASHINGTON.—Alan Courtney is a kindly man, but his kindliness has the ironic tilt that comes with the wisdom of years. By that, I mean that he is philosopher enough to know that gratitude as a quality of human nature is not in oversupply on this spinning planet.

Night after night, he sits before the microphone of Miami's most popular and respected radio talk show, discussing the books or the ideas of the famous, the near-famous, and the would-be famous who pass through the city.

He takes the phone calls of the concerned, the perplexed, or the downright kooky with patience and equanimity—and the kindliness disappears only when confronted by bigotry or viciousness.

He has been doing this for more years than I care to remember, since I was on his program when he ran a similar show in New York City. His listeners may disagree with him, but none that I know hate him—though he deals with highly controversial people and subjects—except for the aforementioned kooks and bigots.

Recently, in a piece for TV Guide, Patrick Buchanan—one of the few really good people Bob Haldeman was not able to banish from the Nixon White House—paid brief tribute to Alan Courtney. I am adding my words because I believe that he should be on network radio as a man who has helped to keep the 1st Amendment alive in these United States.

Like many authors, I have been sent from time to time by my publishers on those back-breaking, sleep-killing, and mind-torturing tours to promote this or that book. It has always been a delight to be on Alan Courtney's program.

Not, let me hasten to add, because he and I agree on most subjects. I have been on with others where there has been a similar area of agreement. But, as I walked into the studio, they have said to me, "I'm sorry, but I just haven't been able to read your book." And they conduct the interview on the basis of a few underlined sentences from the jacket blurb, or from the notes prepared by an assistant.

Alan has read the book and given it real thought. Or, if the person he is interviewing is not an author, he has made himself conversant with the interviewee's ideas, his record.

He is interested not in striking sparks, in putting his guest on the hot seat, but in eliciting those ideas for the edification of his wide audience.

This is not unique, but it is rare. It bespeaks a turn of mnd which is an adornment to the medium of radio. And it adds a dignity to radio which television, with its dependence on flash, on the sword-thrust of the one-liner which amuses or destroys but never educates, lacks.

I write this not to pat a friend on the back—although I number Alan as one of my good friends—but because he and others like him do not get the national recognition they deserve. Once upon a time, the wise money had written radio off as an important medium, but, today, it is alive and well and making an important contribution. The wise money, as is often the case, was not so wise.

The radio talk show, when it is conducted as Alan Courtney conducts it, is an important and significant part of the journalistic whole. Because it can last for up to four hours with a single guest, it gives the listener the kind of in-depth reporting which is impossible on TV and has gone out of style in many of our newspapers.

The guest on a good radio talk show cannot indulge in verbal acrobatics. He must answer questions, and answer them in sufficient detail to satisfy the interviewer.

And not only the interviewer. The listener has his chance to phone in, to confront the author or the public figure with questions that cannot be brushed aside with a quip. The people's "right to know" is satisfied on an Alan Courtney program—though it is the superficial superstars of the TV evening news shows who prate endlessly about it.

The good radio talk show, of which Alan Courtney's is one of the best, is reporting and journalism as it should be. A newspaperman father—not famous but conscientious in his profession—taught me pride in the reporter's trade. He and Alan Courtney would have gotten along fine.

TRIBUTE TO GEORGE STONEMAN ELEMENTARY SCHOOL, SAN MARINO, CALIF.

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. ROUSSELOT. Mr. Speaker, one of the most significant activities of the American Revolution Bicentennial celebration is the recognition by each community of its own heritage and those distinguished citizens whose determined spirit and outstanding achievements contributed to the American purpose.

The grammar school which I attended in my hometown of San Marino, Calif., was named for an eminent American, a man of notable accomplishment, a soldier and a public servant, George Stoneman.

Built in 1930, this small school with an enrollment of approximately 200 students, has represented quality education and has upheld the fiber of our American life by uniting students, teachers, and parents in the common goal for high achievement. The children of San Marino who live in the Stoneman School district have received a rewarding educational experience. The beloved and respected Miss Helen Byfield was the first principal of Stoneman School, and she was principal when I was there. Glady Ruth, Eleanor Pratt, and Eunice Jones have served as principal, and today the students are under the able leadership of Mr. William Langton.

In tribute to their school from the students, teachers, and parents, a commemorative Betsy Ross flag, which represents the past, present, and future of the United States, has been flown over the Nation's Capitol and is dedicated to the past, present, and future students of the George Stoneman Elementary School.

The man for whom George Stoneman Elementary School was named was born at Busti, Chautauqua County, N.Y., on August 8, 1822. A graduate of the U.S. Military Academy he served in the Mexican War and spent time in Oregon, Arizona, and Texas before settling in California where he was Governor from 1883 to 1887.

While serving in Texas during the Civil War, he was ordered by General Twiggs to surrender to the Confederates. Stoneman refused, evacuated the fort, and with his men, sailed by steamer to New York. General Stoneman further distinguished himself as a cavalry soldier in a raid on the Macon Railroad in July 1864. He was made the Chief of the Army of the Potomac. His leadership brought on the Battle of Williamsburg, and his troops were engaged in the Atlanta campaign deep in Confederate territory. Stoneman's cavalry soldiers participated extensively in a raid in the Chancellorsville campaign, which in military history has been held up as one of the most perfectly planned and executed battles. At Andersonville Prison his troops managed to liberate some prisoners, but Stoneman himself was held prisoner for 3 months. He took part in the advances of the Union Army from eastern Tennessee to southwestern Virginia and North Carolina, and one of the closing events of the war, the Saltville Raid.

A few years after the war, Stoneman retired from the service and settled in California. He purchased ranch property from B. D. Wilson, part of the Shorb estates, and it is there that the George Stoneman Elementary School stands today. He served as railroad commissioner for 6 years before becoming elected as Governor of California. During Governor Stoneman's administration, the State tax rate was lower than it ever had been in the history of California. Following his term as Governor, George Stoneman returned to his ranch in the area which is now San Marino to raise his four children. A son, George John Stoneman, still resides in the area, as does a grandson, George Stoneman II, and a great-grandson, George B. Stoneman, a doctor practicing in the Los Angeles area. The first George Stoneman spent his last years in his native New York where he died in 1894.

ASSISTANCE TO NATION'S HOMEBUILDERS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. LaFALCE. Mr. Speaker, the Nation is beginning to recover from its worst recession in housing in a great many years. Housing starts have fallen way off, and the demand for decent housing continues to far outstrip the available supply. The recession has taken a terrible toll on the construction trade as a whole. In my district in western New York State, unemployment among the construction trades people has often exceeded 50 percent.

Another group that has been particularly hard hit is the Nation's homebuilders. Adding to the problem of high mortgage interest rates discouraging potential home buyers has been the difficulty home builders have experienced in acquiring necessary operating capital. Despite the fact that the average American homebuilder is by all standards a small businessman, the Federal agency entrusted to "aid, counsel, assist, and protect the interests of small business concerns"—the Small Business Administration—has been derelict in its duties, at least with respect to the homebuilder.

When I first learned that the homebuilder was excluded from SBA loan assistance and other programs, I wrote to then Administrator Thomas S. Kleppe to inquire about the reasons underlying this policy. The response I received was illuminating—homebuilders are engaged in "speculation" and therefore should not receive loan assistance because they might not repay their loans. It was incredible how simple this rationalization was, but also how inequitable and unreasonable. Most homebuilders are financially strong members in their communities. If they are poor investors, they do not remain in the homebuilding industry for long.

There is nothing in existing law which prohibits the SBA from granting loans to the small homebuilder—it is merely a case of SBA-originated regulations. Because I realize the important role that homebuilders play in local development efforts and meeting the needs of the Nation for more housing, I introduced legislation that would permit the small homebuilder to receive SBA assistance, just as other small businesses qualify. The response to this initiative from my colleagues in this body has been very strong, and I certainly appreciate their support.

Mr. Speaker, at this point I would like to insert the names of my colleagues that have cosponsored my bill to provide SBA assistance to the homebuilder. Then in response to many requests for the text of the bill, I will have the proposal printed in full. Finally, I will insert a statement I gave before the SBA and SBIC Legislation Subcommittee of the House Small Business Committee in support of this legislation.

I recommend it to those who confuse the average homebuilder with the huge land developer and those who do not understand why the Small Business Administration should give assistance to our Nation's homebuilders.

COSPONSORS OF HOMEBUILDER ASSISTANCE BILL

There are at present three versions of my bill introduced. The text of all three is identical—only the cosponsors are different. I first introduced H.R. 9734 without cosponsors. My colleagues who supported this initiative appear on two later bills as cosponsors.

H.R. 10633: Mr. Addabbo, Mr. AuCoin, Mr. Badillo, Mr. Baldus, Mr. Bedell, Mr. Breaux, Mr. Burgener, Mr. Downey of New York, Mr. Duncan of Oregon, Mr. Goldwater, Mr. Harrington, Mr. Howard, Mr. Jenrette, Mrs. Lloyd of Tennessee, Mr. Mazzoli, Mr. Mineta, Mr. Nowak, Mr. Oberstar, Mr. Ottinger, Mr. Pattison of New York, Mr. Seiberling, Mr. Whitehurst, and Mr. Winn.

H.R. 12096: Mr. Bafalis, Mrs. Burke of California, Mr. Cleveland, Mr. Cochran, Mr. Duncan of Tennessee, Mr. Fuqua, Mr. Gilman, Mr. Hanley, Mr. Hannaford, Mr. Helstoski, Mr. Lott, Mr. McCollister, Mr. Mitchell of Maryland, Mr. Patterson of California, Mr. Regula, Mr. Risenhoover, and Mr. Wydler.

The text of the bill and testimony follows:

H.R. 9734

A bill to amend the Small Business Act to provide that determinations by the Administration of the reasonable assurance of repayment of prospective loans be made on a case-by-case basis and to clarify the eligibility of small business homebuilding firms for assistance under the Small Business Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by inserting the following after the semicolon at the end of the first clause; "or to finance residential housing construction or rehabilitation for sale or rental, including the acquisition and development of land;".

(b) Section 7(a)(7) of the Small Business Act (15 U.S.C. 636(a)(1)) is amended by inserting at the end thereof the following new sentence: "Any determination made pursuant to this paragraph shall be on a case-by-case basis.".

(c) Section 18 of the Small Business Act (15 U.S.C. 647) is amended by inserting at the end thereof the following new sentence: "Notwithstanding the foregoing sentence, this section shall not be construed to prohibit activities by the Administration which involve borrowers who may, from time to time, take advantage of other Federal programs in carrying out their business.".

SBA Assistance to the Small Home Builder

(Statement of John J. LaFalce Before the Subcommittee on SBA and SBIC Legislation of the House Small Business Committee, March 18, 1976)

H.R. 9734, H.R. 10633, and H.R. 12096 would enable the small home builder to receive loan assistance from the Small Business Administration. I was very pleased with the reception my bill received from a sizable number of the members of the full committee as well as from the House in general. In total, the bill now has over 40 cosponsors and I think this strong support is well warranted.

Last year, I learned that the home builder, regardless of his size, is precluded by SBA regulations from receiving loan assistance. I wrote to then Administrator Thomas S. Kleppe to determine why the SBA had initiated such a policy of exclusion and was informed basically that home builders as a class are "speculators" and that SBA regulations prohibit the agency from making loans that will provide funds for "speculation."

I think it would be helpful to have in mind for purposes of this discussion a profile of the small home builder. Many people suffer under the impression that the home builder is synonymous with the large land developer—this just is not so. According to Bureau of Census statistics from 1972, almost 80% of all construction firms engaged in residential housing have less than $250,000 in gross annual receipts. The typical home builder employs from one to five craftsmen and constructs less than 20 units of housing a year.

To further outline precisely the extent to which the home building industry is limited to small firms, let me include at this juncture the following Census Bureau statistics:

Construction firm receipts

Amount	Number of firms	Percent of industry
Less than $10,000	29,889	6.82
$10-24,999	53,893	12.31
$25-49,999	78,298	17.88
$50-99,999	88,661	20.24
$100-249,999	90,834	20.74
Total less than $250,000		77.99

I believe the figures will demonstrate that one should not confuse the home builder with the land developer. Their financial needs are different. The home builder is generally thinly capitalized. When he purchases a plot of land and builds a few new homes on it, he generally knows that the homes can and will be sold. Home builders who cannot make these kind of decisions do not remain home builders for very long. Therefore, small home builders who have successful track records have clearly demonstrated their credit-worthiness. The small home builder is no more a speculator than the entrepreneur who runs a restaurant or a drug store, and most home builders have excellent financial records.

The point is that many small home builders are unable to obtain loans from banks because of the modest size of their operation. This problem affects the small builder no less so than other small businessmen attempting to obtain bank financing, and like other small businessmen, the home builder needs help from time to time from some other source to make the financial arrangements necessary for the firm's economic well-being. The Small Business Administration was established to meet the needs of all small business enterprises and it has not completely fulfilled its mission. No other agency or department of the federal government can provide the same kind of assistance to the small businessman, be he restaurateur or builder, and this most certainly includes the Department of Housing and Urban Development.

I am sure you know a number of home builders in each of your districts and you know them to be small but reliable businessmen most often with very good financial track records. I think it is time Congress overrode the SBA's exclusionary regulations in this area, and adopted an amendment that would ensure that the home builder, like other small businessmen, is eligible to obtain SBA loans and assistance.

ENCOURAGING AMERICAN GENIUS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. BRADEMAS. Mr. Speaker, several days ago I had the pleasure of visiting the Corcoran Gallery of Art here in Washington and seeing the changes that have been made to improve this outstanding museum and in particular, to enhance the capacity of the museum to display its American art.

I think the strides that have been made at the Corcoran Gallery of Art under the leadership of the chairman of its board of trustees, David Lloyd Kreeger and its director, Roy Slade, are most commendable and I ask unanimous consent to insert at this point in the Record an editorial in the Washington Post of March 27, 1976, concerning this important American institution.

The editorial follows:

Encouraging American Genius

Among the unequalled collection of old American paintings which until recently had been carelessly stacked in the dank basement of the Corcoran Gallery of Art was a portrait of its founder, William Wilson Corcoran. It was the happy idea of the Corcoran's new management to resurrect the memory of this unusual man, along with the paintings and sculptures he collected as part of the gallery's bicentennial celebration. A rags-to-riches businessman of Irish descent, Mr. Corcoran was born in Georgetown in 1798. He became a banker and in his 88 years had more influence on both the republic and this city than most people realize. In partnership with George Riggs, he became the financial agent for the federal government. Corcoran & Riggs sold the U.S. bonds which financed the Mexican War and made a killing in London and Paris when the market for those bonds declined at home. Mr. Corcoran himself served this city as a kind of latter-day Medici, bringing culture to the still uncouth capital and, in his later years, giving much of his fortune and most of his energy to "encourage American genius," as he put it.

Although he freed his slaves seven years before the Emancipation Proclamation, Mr. Corcoran's sympathies were with the South. When the storm broke, he moved to Europe with all his valuables, not to return unitl the Civil War was over. Much of his philanthropy and the energy with which he revived his gallery was aimed at impressing a suspicious federal government with his patriotism and devotion to the entire nation.

All this is shown at the gallery, with a reproduction of Mr. Corcoran's living room, portraits of his—yes—13-year-old wife, paintings, sculpture and memorabilia—an exhibition, in short, whose effect is much like having a visit with the old gentleman. A fascinating biographical essay in the catalog reinforces the acquaintance.

Mr. Corcoran would, no doubt, be most pleased with the recent transformation of his gallery. Only a few years ago, you may remember, the Corcoran was not just in dire financial condition, but, to put it bluntly, a mess. The building and its security were in such bad shape that the trustees could not buy insurance for the collection. A mismanaged, overpaid and oversized staff threatened to overwhelm the exhibition program. An infatuation with artistic fads and novelty caused the neglect of the gallery's unique treasures from the past. Tension within the management rose to a terrible point.

Within a remarkably short time a new board of trustees, chaired by David Lloyd Kreeger, and a new staff, directed by Roy Slade, have managed to put Mr. Corcoran's house in order. The worst plumbing and financial leaks have been plugged. The gallery walls have been painted in daring but pleasing colors. The atrium, resplendent with velvet settees and posh ferns against a deep green wall, reflects the spirit of the building rather than the chaos of our time. Most important, the new display of the Corcoran's collection of 19th-century American art is nothing short of stunning. It should once and for all dispel the myth that American art began in 1913 with the abstractions of the Armory Show and the Ashcan School. New acquisitions (Anne Truitt, Kenneth Noland, Helen Frankenthaler and Richard Diebenkorn, among others) demonstrate the continued vitality of American art. A "Washington Room," with rotating exhibits of local artists, keeps the Corcoran rooted in the community. The privately catered Corcoran Cafe offers a welcome improvement over the government-issued chow dished out in the city's other museum cafeterias. All this would surely have pleased Mr. Corcoran. And this surely merits far greater public support than it receives.

The gallery's founder realized that if his museum were to function it would have to receive financial assistance from the federal government. But Mr. Corcoran often complained that this support was not forthcoming because of his open sympathy for the Confederacy. If that was a sin, he has surely redeemed himself. Entirely on its own private resources the Corcoran Gallery of Art has now become an important national institution and in itself a worthy contribution to the "American Genius."

LOCKHEED COVERUP?

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Ms. HOLTZMAN. Mr. Speaker, Lockheed's bribes to Japanese Government officials have been a matter of grave concern. It is more troubling to learn that the names of the Japanese Government officials who were bribed will not be disclosed to the public.

Prof. Jerome Cohen, of Harvard Law School, a noted authority on Japan, has raised serious questions about the motives of the Japanese and American Governments in concealing these names and the possible effect of this concealment on the attitude of the Japanese people toward the United States. Professor Cohen's article, which appeared in the New York Times on March 29 follows:

LOCKHEED COVERUP?

(By Jerome Alan Cohen)

CAMBRIDGE, MASS.—Is the United States Government covering up the full story behind Lockheed's $12 million payoffs in Japan?

The suspicions of the Japanese people are increasing daily. This is casting a pall on our vital relationship with Japan. Yet in the United States little attention has focused on our Government's strange behavior.

As the Lockheed scandal quietly began to brew last fall, the State Department took the position that to release the names of foreign Government officials involved would harm our international relations. Indeed, in December, Lockheed's lawyer, former Secretary of State William P. Rogers, prevailed upon Henry A. Kissinger to persuade the Federal District Court to prohibit the Securities and Exchange Commission from disclosing the names.

Fortunately, the court order could not bind Senator Frank Church's Subcommittee on Multinational Corporations, which in early February courageously exposed Lockheed's large-scale bribery. Unfortunately it did not require Lockheed executives to disclose the names of implicated Japanese Government officials but only identified private middlemen. Particularly in questioning by Senator Charles Percy, the subcommittee took elaborate precautions not to identify these officials.

The subcommittee's disclosure created an uproar in Japan and an unprecedented national demand, formally endorsed by the Parliament and by Prime Minister Takeo Miki, that the United States turn over all relevant information, including the names of Japanese officials. For a few days Mr. Kissinger persisted in the position that to do so would harm our relations with Japan. The fact, however, was that our refusal to make the data available was actually doing great harm to relations with Japan. Moreover, the subcommittee was threatening to subpoena the names from Lockheed, an action it finally took last Thursday.

Under these pressures, after a period of waffling, the State Department switched to a second line of defense. Of course, we would turn over the names, Deputy Secretary of State Robert S. Ingersoll told Senator William Proxmire's Banking Committee, but only after the S.E.C. had completed its investigation. This would take at least six months, he informed an infuriated Mr. Proxmire.

This new line proved so provocative to Japanese public opinion that the State Department was forced to soften it immediately and offer a third rationalization for foot-dragging.

We are prepared to share the names with Japan on a confidential basis, President Ford wrote Prime Minister Miki, but only under conditions guaranteeing not only that there would be no interference with the S.E.C. investigation but also that there would be no unfair damage to the reputations of the officials involved.

Arrangements recently concluded provide that Japanese agencies will not be permitted to disclose the names of any officials unless and until the Government institutes legal proceedings against them. Moreover, the United States will test Japan's compliance by only gradually transmitting the names.

These very strict conditions, which would prevent the Japanese Parliament from using the information for its own investigation, have enraged broad segments of Japanese opinion. In view of the Japanese Government's dismal record in pursuing the legal responsibility of high officials implicated in previous scandals, the Japanese people are understandably skeptical that the names of any high officials bribed by Lockheed will be made public in the near future, if at all.

Moreover, many have asked, should the United States try to tell the Japanese people how they ought to use information essential to the cleansing of their own political process? Is it for us to determine how Japan should weigh the conflicting claims, on the one hand, of the need of the Parliament and the people to avoid a cover-up and, on the other, the need to protect Japanese officials from unfair publicity?

In the background, of course, lurks United States concern that the Lockheed case if mishandled might rock our most important ally's Government out of office and confront Japanese democracy with its first great postwar crisis.

Yet our own Government's behavior seems inexplicably to be compounding the risk by increasing popular pressure upon the ruling party.

In Japan the suspicion is growing that the United States has more at stake than meets the eye. Two hypotheses have emerged. One is that the Central Intelligence Agency is involved in ways that our Government is desperately trying to suppress. The second is that Lockheed funds may have been laundered in Japan and secretly funnelled into Richard M. Nixon's 1972 campaign fund in return for our ex-President's pressure upon Japan to buy Lockheed.

In opening the Lockheed hearings, Senator Church said that Lockheed had been pursuing one foreign policy by supporting a leading right-wing nationalist while the United States had been pursuing another by supporting a moderate Japanese Government that opposed the ultraright.

Actually, Lockheed made its payments to Yoshio Kodama, Lockheed's secret agent in Japan, precisely because behind the scenes Mr. Kodama was tremendously influential with the leaders of the Liberal-Democratic Party, having helped, with our blessing, to put them in power.

What now needs investigation is the United States side of the relationship. Was Lockheed really pursuing an independent policy or was it operating in intimate contact with at least certain segments of the United States Government? Is a time bomb ticking in Washington as well as Tokyo?

INCREASE FUNDING FOR DRUG TREATMENT

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 1, 1976

Mr. WOLFF. Mr. Speaker, today on the floor of the House I spoke of the need for the Federal Government to increase its funding for drug treatment. We have been asked to appropriate $1 billion in aid to Turkey in return for the right to operate our military bases. At the same time New York City is being forced to reduce their funding for the treatment of heroin addicts who were hooked on the Turkish heroin which was so prevalent on our streets several years ago. I think that we must divert the millions which are needed to rehabilitate the American citizens who were addicted to Turkey's largest illegal export from the money which we are being asked to pay to the Government of Turkey which lifted the ban on the production of opium.

I would like to bring an excellent article on this issue which appeared in the New York Times to my colleagues' attention. Mr. Roger Wilkins concluded in his article, "Surgery or Suicide":

> There is no question that austerity is required to restore the fiscal health of both the city and the state but the erosion of the quality of life here has been one of the major factors driving firms and people out of the city and undermining its fiscal stability. Drug based street crime is central to that decline. Thus while deep and painful fiscal surgery is clearly required, indiscriminate hacking at the entirety of the anti-drug universe may ultimately prove to be more suicidal than surgical.

I would like to associate myself with the remarks of Mr. Wilkins and I ask permission that the full article be reprinted in the RECORD at this point.

[From the New York Times]

SURGERY OR SUICIDE

(By Roger Wilkins)

On a recent night on a quiet street in Greenwich Village a group of middle-class New Yorkers formed and grew rapidly around a man who had just been helped from the sidewalk and was standing befuddled, shaking his head. He is a doctor who had just been mugged at the doorway of his handsome brick town house.

There is clucking in the crowd, "Terrible," says an elderly man. "Just awful," answers a slender young woman in jeans. "You're not safe anywhere," the man says. "No wonder those companies are leaving town."

Just about a hundred blocks uptown at the corner of 116th Street and Eighth Avenue there is another kind of crowd. It is the constant mob of floaters, dreamers, purposefully lawless businessmen and corrupted children who constitute one of this city's most notorious open-air markets in drugs. There are languid men with magic hands holding glassine bags that pass from person to person and disappear before the brain is sure what the eyes have seen. These are women and children whose eyes are as blank as their drug-blotted minds. It is at once a teeming bazaar and the ultimate in urban desolation.

Those two street scenes in Manhattan, twelve local stops and light years apart, are rigidly connected. The shoppers in the bazaar uptown can require up to $400 per week to feed their cravings. They suffer from being junk-heap Americans: those citizens who are not needed by the economy just now or perhaps ever. The jagged edges and rancid smells of the places where America's affluent has never reached define their current and future lives, their sense of themselves and of their incredibly limited human connections. The drugs sop up the emptiness for a while and the quest for the money for them will be carried to any corner of the city where it is likely to be found.

New York's arteries are thus poisoned by joblessness, hopelessness and dope. The numbers are getting worse. Dr. Robert I. Dupont, director of the National Institute on Drug Abuse, says that, though there was a dip in heroin addiction during 1972 and 1973, the recent upsurge to as much as 300,000 to 400,000 people nationwide demonstrate that the nation is in the grip of a continuing heroin epidemic.

Mexican heroin is gushing into the country and there are indications that Turkish farmers are increasing their poppy crops. With unemployment holding steady at catastrophic levels in the city's minority communities—40 to 50 percent by some expert estimates—the market for the increasing imports is strong. Sterling Johnson Jr., New York's special narcotics prosecutor, asserts that drug use in Manhattan is again reaching the record levels achieved in the early 1970's.

One of the people engaged in fighting the epidemic is an attractive, slender young black man who works as an undercover New York City policeman and who risks his life on the streets of Harlem most working nights. When asked why he persisted in that line of work, he said: "That's what I can do for my brothers and sisters. I can fight to get this poison off the streets. And there's a lot more brothers and sisters on the force who feel like I do, but they're cutting back because of the fiscal crisis."

Indeed, the fight against drugs is being cut back so sharply that a narcotics grand jury which sat in New York from November to January alleged in a special report that the decrease in enforcement personnel had put the drug traffic on "the semi-licit status of speakeasies during Prohibition and streetwalking in Times Square." There are figures which seem to support that contention. For example, the funds for the special prosecutor's office are projected to be down from $2.4 million last year to $1.1 million next year, necessitating a decrease in personnel from 122 to 50.

Rehabilitation programs are also being slashed to the bone. State residential treatment programs, which were demonstrably weak and outrageously expensive, have appropriately been cut in the state budget by 64 percent, but the money has not been shifted to more effective efforts. Instead state aid to local programs has also been cut—by a whopping 32 percent. And, there are reliable reports that City Hall is considering the total elimination of the $5.1 million in support it provides local community-based treatment programs such as Phoenix and Odyssey Houses and Daytop Village.

There is no question that austerity is required to restore the fiscal health of both the city and the state but the erosion of the quality of life here has been one of the major factors driving firms and people out of the city and undermining its fiscal stability. Drug-based street crime is central to that decline. Thus, while deep and painful fiscal surgery is clearly required, indiscriminate hacking at the entirety of the anti-drug universe may ultimately prove to be more suicidal than surgical.

I would also like to direct my colleagues to the article which appeared in the Washington Post today which observes that heroin addiction is up 43 percent in the District of Columbia. This is no time to reduce the Federal commitment to drug abuse treatment. I insert Mr. Leon Dash's article at this point:

[From the Washington Post, Apr. 1, 1976]

D.C. Heroin Addicts Up 43 Percent in Year

(By Leon Dash)

The number of heroin addicts in the District of Columbia has increased by almost 43 per cent—from 7,000 to 10,000—in the past year, according to estimates prepared by the narcotics treatment administration.

Although this estimate is well below the peak addict population of 16,400 in 1972, the figures show that heroin addicts here now number only 400 fewer than were estimated in 1970. That year was followed by the "heroin epidemic" that engulfed Washington and the nation early in the decade.

Dr. Fred R. West, director of NTA, said he thinks "the increase is due to an influx of a new type of heroin, from Mexico. "It's called 'brown heroin,'" West said, "because of its discoloration."

George E. Powell Jr., NTA's statistician who prepared the figures at the request of The Washington Post, said most of the "brown heroin" is believed to end up in the Mount Pleasant area of the city. But Powell said, "brown heroin" also has been found "all over the city" in varying quantities.

By 1973, the addicted population had dropped to 14,200 in the city and five heroin-overdose deaths were recorded, according to Dr. James Luke, District medical examiner.

But in 1974, overdose deaths totaled 16, Luke said, and peaked at 32 in 1975. The first two months of this year, he said, has recorded about the same level with six deaths.

Dr. Robert L. DuPont, head of the National Institute of Drug Abuse, said recently that heroin addiction is increasing steadily around the country after an 18-month downturn that started in mid-1972.

"The trend is now for a worsening situation in heroin abuse," DuPont said. "The epidemic is continuing. It never really ended."

DuPont estimated that there are 300,000 to 400,000 daily heroin users in the country today compared to 200,000 to 300,000 during the period of the downturn. The number heroin users nationally DuPont added, still has not reached the 1971 peak of 500,000 to 600,000.

DuPont said that he was not surprised by the increase in addiction in Washington. "I think the increase here is part of a national trend," he said.

What is disturbing, DuPont said, "is that the District was very far down. It's coming back from a very low base; the trend is very discouraging, very menacing," he asserted.

Mexico, DuPont said, now supplies 90 per cent of the heroin used in the United States, a percentage that NTA's Powell said corresponds to the amount of "brown heroin" in the District.

A recent National Institute of Drug Abuse report indicated that the price of absolutely pure heroin went up from 95 cents a milligram in mid-1972 to $2.71 a milligram in late 1974, when the drug became scarce. Last year, the price dropped to $2.34 when more Mexican heroin became available.

During the same period, the report stated, the strength or purity of heroin sold on the street increased from a low of 6 per cent to 12.3 per cent.

In a recent interview, District narcotics squad Det. Sgt. Walter Milam said the purity of "a spoon" of heroin—or 1,700 milligrams of a severely cut product—has increased from 1.1 per cent in 1972 to 5.5 per cent today. Milam explained that "a (tea) spoon" of heroin is the measurement of one dosage for the heroin addict.

NTA head West said the number of narcotic treatment agency's patients had increased in the past year from 1,400 to 1,956.

West said the three major reasons for the increase in addiction is the higher percentage of the drug's purity, a lower price and a larger supply. "Because of the larger supply," West said, "the price went down $5 or $10."

HOUSE OF REPRESENTATIVES—*Friday, April 2, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

We know that in everything God works for good with those who love Him.—Romans 8: 28.

Eternal God, with faith in Thee may Thy Spirit lead us as we labor together for the welfare of our country. Keep us ever aware of Thy presence among us, around us and within us. Give us wisdom, love, and patience that Thy life may move through us for the good of our people.

Grant us grace fearlessly to contend against evil and to make no peace with oppression; and, that we may reverently use our freedom. Help us to employ it in the maintenance of justice among people and nations to the glory of Thy holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1466. An act to convey certain federally owned land to the Twentynine Palms Park and Recreation District; and

H.R. 4941. An act for the relief of Oscar H. Barnett.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12453. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2145) entitled "An act to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, Mr. KENNEDY, Mr. MONDALE, Mr. EAGLETON, Mr. CRANSTON, Mr. HATHAWAY, Mr. BEALL, Mr. JAVITS, Mr. SCHWEIKER, Mr. STAFFORD, and Mr. TAFT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 287. An act to provide for the appointment of additional district court judges and for other purposes; and

S. 2286. An act to amend the act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, N. Mex.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 12203, FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS ACT, 1976

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on H.R. 12203, making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MAKING IN ORDER ON MONDAY OR ANY DAY THEREAFTER CONSIDERATION OF HOUSE JOINT RESOLUTION 890, EMERGENCY SUPPLEMENTAL APPROPRIATIONS, 1976

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order in the House on Monday next or any day thereafter to consider the joint resolution (H.J. Res. 890) making emergency supplemental appropriations for the fiscal year ending June 30, 1976, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF LEBANESE VISAS

(Mr. MICHEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, I am today introducing legislation which will allow Lebanese citizens in this country to remain here rather than be forced to return to that war-torn country at this time. The bill directs the Attorney General to extend the visa of any Lebanese citizen whose visa expires during the 6 months following enactment of the bill.

Humanitarian concerns make it essential that we take this action. It would be cruel, indeed, to ship people out to a country as strife-torn as Lebanon just because of a technicality. We certainly are not trying to set any precedent regarding the regulations and procedures of the U.S. Immigration Office. The overriding concern here is that we not force law-abiding, honest people out of this country at a time when they literally have no place to go—a situation which may be true on any given day, considering the guerrilla-style warfare which has been going on in Lebanon and the effect it can have on airports and other transportation facilities.

I certainly hope, as I am sure all Americans do, that the current 10-day Lebanese truce for elections will turn into the beginnings of a permanent peace there. But we have been disappointed many times in the past, as ceasefires and truces turned to shambles in a matter of hours or days. Much as we hope it will not happen again, it could, and we need to take our actions with that possibility in mind.

In this light, I would hope the Congress would act to provide some assurances for the approximately 2,000 Lebanese aliens who are currently in this country on nonpermanent visas that we are concerned about their safety, as well as the future of Lebanon.

U.S. GRAIN STANDARDS ACT OF 1976

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1120 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1120

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12572) to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1120 provides for consideration of H.R. 12572 to amend the United States Grain Standards Act to improve the grain inspection and weighing system.

This is an open rule providing for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture.

H.R. 12572 assigns the responsibility for official inspection at export port locations to the Secretary of Agriculture. The Secretary may require that these inspections be carried out by Department of Agriculture employees or he may delegate the authority to State agencies which would operate under his continuing oversight. The Secretary retains the right to revoke the delegation of authority to State agencies at any time.

Inspections at interior ports would be carried out by State or private agencies designated by the Secretary. These agencies must meet specified criteria including a strengthened conflict of interest rule in order to qualify. The Department of Agriculture would only assume these duties if there is no qualified inspection agency at an interior port.

Weighing of grain at port locations is assigned to the Secretary of Agriculture, but he, again, may delegate this authority to State agencies. No Federal controls would be provided of weighing services at interior ports, but the Secretary would be required to make a study of these operations and report legislative recommendations to the Congress within 1 year of enactment.

In addition, the bill strengthens civil and criminal penalties for knowing violations of the act.

It is my understanding that several amendments will be offered to the bill, but these amendments, so long as they are germane, would be in order under the rule. Therefore, Mr. Speaker, I urge my colleagues to adopt House Resolution 1120 so that we may consider H.R. 12572.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the statement just made by my good friend, the gentleman from California (Mr. SISK). This rule provides for 1 hour of general debate on H.R. 12572, the United States Grain Standards Act of 1976, and makes the bill open to all germane amendments. The rule does not contain any waivers of points or order.

The purpose of this bill is to strengthen the grain inspection and weighing system, to bolster the faith of foreign customers in our export procedures, and to assure that they receive the quality and quantity of grain for which they pay.

Mr. Speaker, I know of no objection to this rule. I have no requests for time and I reserve the balance of my time.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. THONE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 295, nays 0, answered "present" 2, not voting 135, as follows:

[Roll No. 158]

YEAS—295

Adams
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bennett
Bergland
Bingham
Blanchard
Blouin
Boggs
Boland
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carr
Carter
Chappell
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Delaney
Dellums
Derrick
Derwinski
Devine
Diggs
Dodd
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howard
Howe
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Kasten
Kazen
Kelly
Keys
Kindness
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
Lundine
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Mazzoli
Meeds
Meyner
Mezvinsky
Michel
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pike
Poage
Pressler
Price
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Sarasin
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr
Snyder
Solarz
Spence
Staggers
Stanton, J. William
Stark
Steed
Stuckey
Studds
Symms
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Wirth
Wolff
Yates
Yatron
Young, Alaska
Young, Fla.
Zablocki

NAYS—0

ANSWERED "PRESENT"—2

Goldwater
Moss

NOT VOTING—135

Abdnor
Abzug
Addabbo
Andrews, N.C.
Armstrong
Badillo
Barrett
Beard, Tenn.
Bell
Bevill
Biaggi
Biester
Bolling
Bonker
Breaux
Brown, Calif.
Brown, Ohio
Broyhill
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Cederberg
Chisholm
Clancy
Clawson, Del
Clay
Conlan
Corman
Cotter
Crane
Davis
de la Garza
Dent
Dickinson
Dingell
Downing, Va.
Duncan, Oreg.
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fithian
Florio
Flowers
Flynt
Fraser
Frenzel
Giaimo
Green
Guyer
Harrington
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Henderson
Hinshaw
Holland
Horton
Hughes
Johnson, Pa.
Jones, Tenn.
Karth
Kastenmeier
Kemp
Ketchum
Koch
Krueger
Lott
McCloskey
McKay
Macdonald
Matsunaga
Melcher
Metcalfe
Mikva
Milford
Mills
Mink
Moffett
Mosher
Mottl
Murphy, N.Y.
Nichols
Nix
Obey
Pepper
Peyser
Pickle
Preyer
Quillen
Randall
Riegle
Roberts
Robinson
Rogers
Rose
Rosenthal
Rostenkowski
Ryan
St Germain
Santini
Sarbanes
Schneebeli
Sikes
Spellman
Stanton, James V.
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Sullivan
Symington
Talcott
Teague
Treen
Udall
White
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Young, Ga.
Young, Tex.
Zeferetti

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Abdnor.

Mr. Hébert with Mr. Andrews of North Carolina.

Mr. Zeferetti with Mr. Armstrong.

Mr. Dent with Mr. Bell.

Mr. Green with Mr. Frenzel.

Mrs. Chisholm with Mr. Guyer.

Mr. Duncan of Oregon with Mr. Beard of Tennessee.

Mr. Eilberg with Mr. Biester.

Mr. Jones of Tennessee with Mr. Heinz.

Mr. Koch with Mr. Brown of Ohio.

Mr. Badillo with Mr. Horton.

Mr. Pickle with Mr. Kemp.

Mr. Rosenthal with Mr. Wylie.

Mr. Sikes with Mr. Talcott.

Mrs. Spellman with Mr. Broyhill.

Mr. Stratton with Mr. Burke of Florida.

Mr. Teague with Mr. Cederberg.

Mr. Charles H. Wilson of California with Mr. McCloskey.

Mr. Florio with Mr. McKay.

Mr. Hays of Ohio with Mr. Winn.

Mr. Henderson with Mr. Treen.

Mr. Hughes with Mr. Clancy.

Mr. Karth with Mr. Del Clawson.

Mr. Krueger with Mr. Lott.

Mr. Matsunaga with Mr. Quillen.

Mr. Macdonald of Massachusetts with Mr. Robinson.

Mr. Melcher with Mr. Conlan.

Mr. Murphy of New York with Mr. Crane.

Mr. Nichols with Mr. Peyser.

Mr. Moffett with Mr. Steiger of Arizona.

Mr. Mottl with Mr. Stephens.

Ms. Abzug with Mr. Steiger of Wisconsin.

Mr. Barrett with Mrs. Sullivan.

Mr. Bevill with Mr. Dickinson.

Mr. Biaggi with Mr. Esch.

Mr. Breaux with Mr. Bob Wilson.

Mr. Nix with Mr. Bonker.

Mr. Cotter with Mr. Brown of California.

Mr. Burke of Massachusetts with Mrs. Heckler of Massachusetts.

Mr. Hayes of Indiana with Mr. Preyer.

Mr. Fithian with Mr. Riegle.

Mr. Pepper with Mr. Fraser.

Mr. Rogers with Mr. Holland.

Mr. Sarbanes with Mr. Johnson of Pennsylvania.

Mr. James V. Stanton with Mr. Ketchum.

Mr. St Germain with Mr. Mills.

Mr. Stokes with Mr. Edwards of California.

Mr. White with Mr. Downing of Virginia.

Mr. Wright with Mr. Dingell.

Mr. Young of Georgia with Mr. Randall.

Mr. John L. Burton with Mr. Schneebeli.

Mr. Harrington with Mr. Steelman.

Mr. Giaimo with Mr. Symington.

Mr. Flynt with Mr. Roberts.

Mr. Phillip Burton with Mr. Wydler.

Mr. Clay with Mrs. Mink.

Mr. de la Garza with Mr. Mikva.

Mr. Eckhardt with Mr. Eshleman.

Mr. Flowers with Mr. Evins of Tennessee.

Mr. Obey with Mr. Milford.

Mr. Corman with Mr. Evans of Colorado.

Mr. Davis with Mr. Hefner.

Mr. Kastenmeier with Mr. Mosher.

Mr. Metcalfe with Mr. Ryan.

Mr. Rostenkowski with Mr. Rose.

Mr. Santini with Mr. Young of Texas.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. FOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12572) to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Washington (Mr. FOLEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12572, with Mr. LANDRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Washington (Mr. FOLEY) will be recognized for 30 minutes, and the gentleman from Nebraska (Mr. THONE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 12572. H.R. 12572 is in response to the growing need to strengthen and improve the grain inspection and weighing systems so as to assure that our customers here and abroad will have faith in the integrity of the system and that they can receive the grade, quality, and quantity of grain for which they contract and pay.

In the last 15 years, the U.S. agricultural policy has become much more export oriented as grain production has increased to meet the growing world demand for food and feed grains. In that short period, U.S. grain exports have increased from slightly more than 1 billion bushels a year to some 3 billion bushels a year.

Last year, the United States exported $21.9 billion worth of agriculture products most of it grain which is subject to inspection under the United States Grain Standards Act.

Earnings from commercial grain exports made an important contribution, not only to farm income, but also to jobs in the transportation and storage industries and to the overall economic recovery in this country in the latter part of 1975.

During this period of export expansion, serious weaknesses in the national grain inspection services developed. Investigations have gone forward in several areas into allegations that grain has been misgraded and short weighted that bribes have been paid to inspectors, that grain has been stolen systematically, and that other Federal laws have been violated. Overall, since August of 1974, there have been a total of 78 separate indictments, including the indictment of 7 firms.

Thus far, there have been 59 convictions resulting in fines and prison sentences for individuals and for the 7 firms involved. Five grain firms convicted of grain inspection irregularities have, additionally, accepted an affirmative action plan laid out by the USDA. Other grain inspection irregularities are still under investigation, and it can be assumed there will be further indictments and convictions.

It is essential to continued economic recovery, and for the economic position of the United States in the world for years to come, that the quality of American grain exports and the integrity of our grain inspection system be maintained at as high a level as possible.

The legislation is designed to correct the defects that have given rise to widespread scandal and caused a loss of confidence in the U.S. grain inspection system. It provides essentially that official inspection at export port locations be the responsibility of the Secretary of Agriculture. The Secretary may provide for the work to be done either directly by USDA employees or, through a delegation of authority, by personnel of State agencies which would operate under his supervision and control. The Secretary would have complete discretion as to whether or not to make a delegation of authority to a particular agency and could revoke it at any time upon notice without a hearing. It is expected that the Secretary would apply uniform standards for official inspection at ports. All the reins of control over standards of inspection, qualification of employees and fee schedules would remain with the Secretary so that the same uniformity of standards and guidelines could be accomplished either directly through Federal employees or through State employees under a delegation of authority. Further, the Secretary could require that the State agency abide by whatever Federal policies and practices are established on fees for inspection and, if he desired, provide that the fees would cover only the actual cost of service and would not be designed to provide revenue for other purposes.

It was deemed desirable by the committee to continue to allow the Secretary to make use of qualified State agencies, if he should desire, in areas where they have been doing a good job. Many such agencies have considerable expertise and have performed inspections services effectively and objectively—some up to 80 years—with no cause for complaint.

The bill also requires the Secretary of Agriculture to undertake supervision of weighing of grain at port elevators. For the first time, there would be Federal regulation of weighing of grain shipped in export channels. As in the case of grain inspection at ports, the Secretary can exercise his authority directly through the use of USDA employees or through a delegation of authority to State agencies subject to his continued supervision and control. Responsibility for supervision of weighing would continue to lie with the Secretary. The Secretary may also, at his discretion, provide for the actual weighing work and certification of weights as well as the testing of scales to be conducted by USDA personnel or designated State or private agencies subject to standards and procedures prescribed by him.

In addition, the bill strengthens the system for official inspection at interior points in the United States by providing for designation of official inspection agencies only if they meet specified criteria, including a strengthened conflict of interest rule. The conflict of interest requirement would prohibit an agency—including its officials and employees—from having a financial interest in any business involving the storage, commercial transportation, merchandising, or handling of grain, except that a governmental agency, grain exchange, board of trade, or chamber of commerce could be designated if the conflict of interest were not such as to jeopardize the integrity or effective and objective operation of the system. If a qualified designated agency was not available to perform official inspection at interior points, the Secretary could step in and provide this service with USDA personnel.

No Federal controls would be provided of weighing services at interior points, but the Secretary would be required to make a study of the weighing system both at interior and export locations and submit legislative recommendations within a year of adoption of the act.

Penalty provisions of the act have also been improved. Specific authorization is given for refusal of official inspection or weighing supervision to persons who violate the act or provisions of criminal law relating to the handling of grain. In addition, provision is made authorizing civil penalties of up to $50,000 for knowing violations subject to evidentiary-type hearings. The criminal penalties have been strengthened by providing that the provisions of the General Criminal Code shall apply to the more egregious offenses; namely, bribery, assault, intimidation, and interference with personnel conducting activities under the act and that other offenses would give rise to penalties of imprisonment of up to a year and a fine of not to exceed $10,000 for initial offenses.

The cost to the USDA under the act would be offset largely by user fees. When inspection and supervision of weighing are performed by USDA personnel, fees would cover the USDA costs of performing the service and 75 percent of its other expenses. When activities are conducted by State or private agencies, fees would cover up to 75 percent of the total USDA expenses.

In the wake of repeated scandals which call into question the integrity and effectiveness of our system for the inspection and weighing of grain, and in response to deep concern on the part of the Congress, the Department of Agriculture has established an affirmative action plan which places strong requirements upon grain exporting firms. The main limitations of this program, however, arise from the fact that, except where compliance is required by court order as the result of criminal proceedings, participation is strictly voluntary.

The bill, H.R. 12572, would place at the Secretary's disposal all the tools he requires for an affirmative action program in addition to providing stronger penalty provisions which would go a long way toward assuring compliance.

What would be the cost of H.R. 12572? It is difficult to assess the cost with certainty because it will depend in part on the extent to which the Secretary will delegate inspection and supervision of weighing functions at port elevators and also on the volume of grain to be inspected and weighed. Our best judgment is that for fiscal year 1977, the total Federal costs should be approximately $50.5 million, and, after deducting user fees, the net Federal cost should be $5.8 million. In addition, the cost to State and private agencies should approximate $31.7 million.

Mr. Chairman, I urge my colleagues to join me in support of H.R. 12572 as an urgently needed tool to improve the grain inspection and weighing system so that buyers will continue to look upon the United States as a source of supply for their grain requirements.

Mr. THONE. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Chairman, I rise in general support of the committee bill. However, I reserve the right to vote in favor of what I consider to be perfecting amendments or a substitute which I understand will be offered by Mr. MOORE of Louisiana.

First, I wish to compliment our committee chairman, Mr. FOLEY, for his patient and persistent action to bring this bill to the floor in what I consider to be an acceptable form which most of us can endorse.

There were a number of scandals involving the intentional misgrading of grain, short weighing and the use of improperly inspected carriers which were exposed in 1974 and 1975. Several persons have been indicted in the eastern district of Louisiana and the southern district of Texas, and several have pleaded guilty and have been sentenced. The temptation exists to rush to the floor with a bill which will temporarily address such problems, and then the permanent legislative solution is delayed or what is perhaps worse never brought to the floor at all.

Grain standards, grain inspection, grain weighing and the methods and procedures used to get our grain from the fields here in our country to our markets, domestic and foreign, is a highly complex business. Given the fact that the U.S. grain crop in 1975 was valued at over $33 billion and that $12.5 billion of grain was exported in 1975, we are talking about big business—one which figures largely in our current favorable balance of payments and contributed $22 billion to our exports in 1975.

The fact that our exports have risen so much and so fast in recent years—from about $2.5 billion in 1970 to more than $11 billion in 1975—has contributed in large part to the problems and scandals which have arisen in the grain trade. In 1945 only 3½ billion bushels of grain were U.S. inspected, and by 1975 that figure had grown to about 10 billion bushels here in the United States and 2 billion bushels of U.S. grain inspected in Canada. The strain that increase placed on personnel, facilities, et cetera, was tremendous. The activity in ports such as New Orleans, where over half of our grain is exported from, has reached the point where the loading of grain is a 24-hour a day business.

Now it is important that we not interrupt or curtail the flow of our grain from this country given our surpluses and the needs in world markets. However, we must rid our grain trade of corruption of scandals, because such activity is bad in and of itself and also because such activity can have an adverse effect on retaining our markets overseas. The United States is currently faced with the pleasant situation where it has grain surpluses in a seller's market. However, there is evidence even now that competition from countries such as Brazil will increase in the future.

This is not to say that U.S. grain inspection is not still at a high standard, which most other countries find difficult to attain. No other country, I understand, uniformly has its grain inspected and weighed and then accepted by purchasers at the point of export as does U.S. grain. Most countries ship their grain overseas subject to inspection and weight at the point of destination. Apparently, the confidence of purchasers throughout world markets permit this important distinction that U.S. grain has enjoyed over the years. It is important that world buyers continue to buy our grain for its quality, grade, weight, and so forth, and that the high degree of confidence in our grain inspection and weighing systems be retained.

The Department of Agriculture was lax in their supervision during a period when the amount of grain being exported and the number of inspections were accelerating. Commencing in fiscal year 1976, an additional $5 million was appropriated for grain supervisory personnel, the Office of Investigation—USDA—increased investigations of the grain system, and the Department, according to Under Secretary Knebel, is moving promptly to impose a voluntary affirmative action program which would require class 1 weights at all export points and elevators and otherwise addresses potential short weighting and inspection problems.

This bill adds some major reforms to existing law, which I believe all of us can endorse and which were endorsed in principle by USDA:

First. It provides that official inspection—or the services related to weighing—may be refused by the Secretary if persons violate proscribed activity standards, are convicted of crime, or where the Secretary's action by providing such service with respect to certain grain would be inimical to the act.

Second. Civil penalties of up to $50,000 for each violation were provided for in the bill.

Third. Of the prohibited acts listed in section 13 of the act, three are made felonies under title 18 of the United States Code and subsequent offenses of the other prohibited acts mentioned in section 13 are made felonies carrying imprisonment of up to 5 years and fines up to $20,000, or both. Second offenses formerly were misdemeanors. The remainder—first offenses—are made misdemeanors, but the penalty is increased to up to 1 year imprisonment, $10,000 fine, or both—formerly $3,000 fine or 6 months in jail or both.

Fourth. A strong conflict of interest provision is contained in the bill such that officers, employees, et cetera, of inspection agencies will purge themselves of interests in transportation, storage, or other commercial handling of grain, and conversely, those with interests in commercial grain handling firms will purge themselves of interests in inspection agencies.

Fifth. Authority is provided to suspend or revoke designations of official inspection agencies.

Sixth. Authority was given the Secretary to require official inspection agencies to meet their responsibilities by increased training, staffing, reporting, et cetera.

Seventh. Persons with a financial interest in grain are given an opportunity to observe the weighing, loading and official inspection of grain under conditions prescribed by the Secretary.

The foregoing reforms—together with the increased attention and emphasis that USDA is giving and will be giving the supervision of grain inspections and weighing—would no doubt largely, if not totally, take care of the problems of the U.S. grain inspection and weighing systems. Thus, I believe those who claim this legislation went beyond the needs of reform—to give total Federal responsibility for inspection and weighing at export port locations to USDA—have considerable validity to their arguments. You will hear the pro and con arguments on whether this bill goes too far or not far enough on its federalization of grain inspection and weighing. Moreover, you will undoubtedly be given an opportunity to vote on various amendments that would lessen or increase that federalization.

Mr. MOORE of Louisiana will have a substitute that would give the Secretary greater discretion to utilize existing local government and private agencies for grain inspection and weighing supervision at export port locations. It is my present intention to vote for the Moore substitute, because I believe it limits the federalization of our grain system sufficiently to reform and correct it.

Others who argue that the committee bill does not go far enough in its federalization—I disagree with. Such amendments go well beyond that needed to reform the existing system. A total Federal system at export port locations, at inland terminals or the establishment of a new Federal agency to handle grain inspection is not in the public interest. Such reforms are unnecessary, costly and get Uncle Sam further involved in our business sector where his—and his millions of employees—intrusion is even now resented by citizens and taxpayers as excessive.

I urge my colleagues to support reasonable amendments offered to H.R. 12572 that would moderate the federalization of grain inspection and weighing at export port locations. However, I would urge you to vote against any amendments which would expand on the Federal intervention and involvement in our U.S. grain inspection and weighing systems. Finally, I would urge your support for the committee bill in its present form, if it cannot be moderated by amendment, as a piece of legislation which is workable and reflects long, hard hours of work and effort by our committee.

In closing, there was quite a stir created a month or so back when the U.S. General Accounting Office recommended in its February 17 report that our present national grain inspection system should be transferred almost exclusively to the Federal Government.

To obtain the views of one of our States, long in the grain export business, on the GAO report, I requested the Commissioner of Agriculture and Commerce of the Commonwealth of Virginia to submit an official review of the GAO report. While agreeing that there is obviously some weakness in the current system, Commissioner Carbaugh informed me that his department is unconvinced that GAO's recommendations are realistic or will solve all problems associated with the inspection and weighing of export grains at U.S. ports.

The complete analysis of the GAO report, on irregularities in the marketing of grain, by the Virginia Department of Agriculture and Commerce follows:

Analysis of the GAO Report on Irregularities in the Marketing of Grain

(By the Virginia Department of Agriculture and Commerce)

INTRODUCTION AND LACK OF OBJECTIVITY IN GAO REPORT

We are deeply concerned that the United States General Accounting Office recommended in its February 17, 1976 report that our present national grain inspection system be transferred almost exclusively to the Federal government. After a careful review and analysis of the GAO report, we are unconvinced that its recommendations are realistic or will solve all problems associated with the inspection and weighing of export grains.

Most objective studies dealing with system or program changes clearly state objectives, define alternatives to meet the stated objectives, present measurement criteria and provide the reader with sound conclusions and recommendations. On the other hand, less objective studies as the one prepared by GAO are filled with such statements as "we believe" and "can" and contain only inferences about changes in program effectiveness and costs, either incremental or total.

It is obvious that some weaknesses have occurred in the current export grain inspection system and as a result there has been some erosion of confidence in the system both domestically and foreign. However, the weaknesses and problem areas appear to be explicitly due to ineffective supervision of the total system. In fact, many of the mentioned problems have arisen from shortcomings of USDA supervision. In our view it seems highly reasonable to strengthen the supervision aspect at the Federal level prior to making drastic program changes.

It is also obvious that action is needed to regain current losses of credibility and confidence. However, to think these losses can automatically be regained by changing to a complete Federal program is very untrue and unrealistic. To the best of our knowledge, such terms as integrity, confidence, uniformity and consistency are not necessarily equilibrated with the terms Federal programs and/or Federal employees. In fact, one could argue the opposite.

SOME CHARACTERISTICS OF VIRGINIA'S GRAIN PROGRAM

We are proud of our grain inspection program in Virginia. Our long record of service speaks for itself and exemplifies the fact that a State-Federal program can operate both efficiently and effectively. We adhere to Federal standards, maintain open communications with Federal personnel and have competent, well-trained and motivated inspectors. Our personnel are carefully supervised and trained and are tested and licensed by USDA personnel. Also, our inspection policies in Virginia follow USDA regulations for exported grain.

It has been inferred that perhaps the Federal government would take over all export inspections and leave all domestic inspections to either State or private firms. Over 90 percent of Virginia's inspection program is geared to export facilities with the remainder being utilized by inland country points. If it is uneconomical for the proposed Federal takeover to cover the inland country points, it would be highly uneconomical for these areas to be covered by State programs.

PROBLEM AREAS NOT DIRECTLY ASSOCIATED WITH STATE SUPERVISION

We call to your attention that indictments have occurred at five major export facilities and we believe only one of these facilities was under State inspection. Therefore, it appears that the majority of problems have occurred in areas where states were not involved. Also, in the past few years, there appears to have been a trend at the Federal level to reduce the number of Federal supervisors at most licensed points throughout the United States. While this reduction was occurring, non-grain inspection duties were added to the present work load of the Federal supervisors. Simultaneously, U.S. grain production and U.S. grain exports were being increased.

Grain is one of the few commodities that can be commingled safely and economically in our marketing channels. The process of commingling necessitates that grain should be inspected more than once. Therefore, a referee system of checks and balances along with program flexibility must be maintained. They can be properly maintained with a State-Federal program.

ADDITIONAL INFORMATION REQUIRED BEFORE A DECISION IS MADE

The House and Senate Agricultural Committees should demand additional information prior to making a decision in this area such as: First, the impact of an all Federal program on the Federal budget must be thoroughly analyzed. Historically, in other areas, an all Federal program has been more expensive. Second the causal effects of a more costly program on lower farm grain prices and higher consumer retail prices must be well understood.

A MAJOR SHORTCOMING OF THE GAO REPORT

We are extremely concerned that the GAO report failed to consider and to recognize the importance of a sound inspection program for non-exported grain. It is well recognized that an effective grading system is a prerequisite to effective movements of grain, both domestically and foreign. In fact, our grading system has been instrumental in building our export programs. Since a majority of U.S. grain production is consumed domestically, it is difficult to conceive that the GAO report was deficient in addressing this area. Those responsible for the GAO report plus other governmental officials and policymakers should be concerned about all producers and ultimate users of grains, i.e., this report shows a lack of concern for users of domestic grain while emphasizing the further development of a system to protect foreign buyers. One should not infer from this that our Department is against U.S. grain exports. Our Department strongly supports U.S. exports of grain because such exports allow us to improve the diets of others, make positive contributions to the U.S. balance of payments, and enable our farm producers to take advantage of economies of size in their overall farming operations.

RECOMMENDATIONS

The long run interests of our grain industries can best be served by establishing a sound State-Federal grain inspection system. The following recommendations are offered: (1) establish a more effective monitoring procedure for the entire system; (2) change the U.S. Warehouse Act to require 100 percent supervision in the weighing of export grains—the same organization that weighs the grain should also inspect and grade the grain; (3) review and update present grain standards and establish more effective criteria to be used in establishing future grades; (4) establish improved administration procedures in USDA that cover such areas as training, sampling procedures, supervision and communications between Federal and non-Federal inspectors; and (5) establish effective means to ensure that field personnel can upgrade their skills and expertise.

However, an alternative to an all Federal system could provide the Secretary of Agriculture with the authority to enter into an agreement with individual states whereby inspection and weighing programs may be continued with State personnel under Federal supervision. Such arrangements could be on an annual, renewable basis and those states with exceptional "track records" could continue to perform the services. Precedents have been established in other Federal programs such as the Federal Food and Drug Administration.

BENEFITS OF A SOUND STATE-FEDERAL GRAIN INSPECTION SYSTEM

The National Association of Marketing Officials, (NAMO), as well as the National Association of State Departments of Agriculture, (NASDA) have gone on record in favor of a State-Federal grain inspection system.

In addition, Secretary of Agriculture Butz appointed a special task force of representatives from key states and USDA in an effort to resolve the present problems associated with the inspection of both domestic and export grains.

We strongly believe a State-Federal grain inspection system will:

1. Eliminate most inherent conflicts of interest by non-State official inspection agencies. No alternative system examined could possibly eliminate all possible conflict of interest. The proposed State-Federal system would go the furtherest in this direction, without overly increasing inspection costs.
2. Provide all inspection points within a given state with the same management.
3. Increase USDA control over the grain inspection system. (Only Federal and State personnel.)
4. Reduce discrimination in responding to trade requests for inspection services.
5. Reduce licensees' allegiance to the trade which can result in susceptibility to improper influence and bribery.

CONCLUSIONS

It is inconceivable and appalling to think that policymakers would change our present system based on information contained in the GAO report. The Virginia Department of Agriculture and Commerce would certainly hope that the committee will give a strong consideration to the recommendations which have been made by individuals and agencies who have been involved in grain inspection systems over the years which the GAO report omits.

(Prepared by S. Mason Carbaugh, Commissioner, Virginia Department of Agriculture and Commerce, March 1, 1976.)

Mr. FOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. Poage).

Mr. POAGE. Mr. Chairman, if it is appropriate to pass legislation of this kind, this is a good bill. It has had serious, sympathetic, honest study. I join with the gentleman from Virginia (Mr. Wampler) in congratulating our chairman (Mr. Foley) on the splendid job that was done in considering this bill. I think it has had one of the best considerations of any piece of legislation that has come out of our committee in a long, long time. He has been fair. Everybody has been heard. Everybody has offered their views and their suggestions.

I find no fault with the drafting of the bill. I find no fault with the effect of the bill, if we accept the philosophy that the Federal Government should assume this responsibility. I do, however, challenge the philosophy. I do not believe it is the responsibility of the Federal Government to determine these grades for the purchasers. Of course, I recognize, as we all do, that to the extent that the United States exports high quality goods of any kind, that we add to the credibility of our producers and that we expand our markets. It is a good thing. I believe in exporting good quality products; but let me call attention to this bill and what it does.

The basis of this bill is to control the grading and the weighing of grain at export ports. It does not materially affect the grading at inland markets in our home areas. That will go on substantially as it has gone on, where we are dealing with ourselves, with our own standards; but this is grading and weighing the grain that moves, as the gentleman from Virginia pointed out, $12 billion of it last year in export. It is important that we try to keep that as good quality as we can. I think it is also important that we try to maintain the credibility of the U.S. Government. What this bill does, or any bill that is passed upon that assumption does, is to put the stamp of the United States of American on that grain and say that this is No. 1, this is No. 2, and when it gets to Rotterdam or Tokyo, it turns out to be No. 4, what have we done to the credibility of our country?

I think we are destroying the credibility of the United States when we have a U.S. inspector put the stamp of the American Government on that grain and say what it is.

Mr. Chairman, I am in thorough accord with the idea that that purchaser should have a right to know what he is getting, but let him send his inspector or his representative. Let him go to the ports. Let us give him adequate facilities. I am very much in favor of providing all the space, all the facilities, that they need. Let the representatives of the purchasers make their own inspections and keep the stamp of the United States off of this.

Mr. Chairman, I think we are making a great mistake when we lead people to believe this; that the United States is standing behind these grades. I know we are not going to lead the Russian state trading company to believe they are getting a guarantee from the United States, but we are going to mislead a great many of the smaller, uninitiated buyers, to believe they are getting a guarantee from the U.S. Government and when the United States repudiates that guarantee, as we must, then I think it is a bad thing for our Government.

I would much prefer to simply provide the facilities. Let the buyer make his own decision. That is why I am personally going to vote against this bill.

This bill is going to pass. There is enough criticism of what has been going on; well-founded criticism. There are enough people who believe this will cure these abuses to assure its passage.

I hope this will cure the corrupt practices. I sincerely hope it will help, because this bill will very likely become law. It is a very well thought out bill, but it is going to involve the credibility of the United States. I fear that it is going to make many people feel that Uncle Sam has run out on his promises. I do not like to see this happen. I do not think that we can put the U.S. stamp of approval on a commodity without backing that approval up with a Government guarantee of quality to the foreign buyer. This bill contains no such guarantee, and I do not think we can afford to give such a guarantee, but without it will not the foreign buyer who does not get what he understood he was to get, feel that our Government—not some inspector—has defrauded him? And I cannot but feel he will be justified in that feeling.

Mr. THONE. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Chairman, I thank the gentleman from Nebraska for yielding time to me. The private discussion around the Chamber this afternoon is whether or not this bill is really needed. Yes, this bill is needed, and I am going to vote for it and I am going to vote against any weakening amendments.

Obviously, one is entitled to ask the question, why is this bill needed? It is needed to restore foreign customer faith in our grain quality, its delivery and its weight. Such faith does not now exist. That is why the U.S. portion of the worldwide sales of grain has gone down. We have to restore this confidence, to restore our proper role in the world marketplace.

It does not benefit just the farmers either, because the entire economy of the United States, both urban interests and rural interests, is predicated upon the ability of the U.S. farmer to sell surplus products overseas in order to have a favorable balance of trade and in order to have a strong economy for urban dwellers as well as rural residents.

The present law contains serious inherent weaknesses.

It lacks sufficient controls and clearly defined lines of authority. It presently tolerates conflicts of interest, and the inspection system is not responsive to the Department of Agriculture's own supervision. It is suggested through this legislation that grain inspection at all export points be regulated and done by the Federal Government, that the Federal Government supervise grain weight at export points. The bill strengthens the inspection system at interior elevators, and it increases civil and criminal penalties of the existing laws, all things that are going to have to be done if we are going to reestablish the faith of the foreign buyer in our system.

People can legitimately ask if this is a proper role for the Federal Government to play. The answer is very definitely yes, because the Federal Government is playing no more than that traditional role that it can constitutionally play as a referee in the economy of the United States. This bill does not make the Federal Government a partner with free enterprise, nor does it make it a competitor with the free enterprise segment of our economy, but it legitimately and rightly makes the Federal Government a referee. This is a rightful role for the Federal Government to play. It is a proper role for the Federal Government in grain inspection, especially as to overseas sales. If the full weight of the Federal Government is going to be behind these sales, then legitimately the Federal Government has to have the authority to back up its responsibility.

I would only have one word of caution for anybody who feels that, whether this bill or anything stronger that will be offered this afternoon, is the solution to all of the problems in this area. The answer is no. Because as I read about the operations of the cheaters at the Gulf ports, I can only say that, looking at the sophistication of their operation and their modes of cheating both in inspection and in weighing, that any law we put on the books will allow that type of people to get around it.

So, in closing, whatever law we put on the books, oversight of the Congress is going to be very essential to keep it working properly.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. HIGHTOWER).

Mr. HIGHTOWER. Mr. Chairman, I rise in support of H.R. 12572.

Mr. Chairman, it is personally gratifying for me to know that I am part of a system of Government that has the ability and the will to correct itself when deficiencies are detected.

No one in this Congress would deny the necessity of our intended action today. The purpose of the bill under consideration is to correct deficiencies in the grain inspection, which was established by an act of Congress. Deficiencies in the system have enabled a scandal to develop, a scandal that has diminished our Nation's credibility in the eyes of nations who have purchased American grain.

The judiciary branch is exercising its responsibility. Since August of 1974 there have been 78 separate indictments and 59 convictions for theft of grain, misgrading, short weighing and improper storage examination, bribery, violation of the Grain Standards Act, conspiracy to defraud and violations of the Internal Revenue Act.

We are exercising our responsibility by modifying the Grain Standards Act to correct its deficiencies. The bill we are considering is a compromise between extremes, and I recommend it as a workable and effective compromise.

The House Agriculture Committee conducted extensive hearings and carefully studied the comments and recommendations expressed by all sectors of the grain inspection system, as well as from those affected by it. Final committee deliberations on the bill were postponed until we could examine the recommendations of the General Accounting Office, which conducted an exhaustive investigation of the grain inspection system.

It is a tribute to my colleagues on the committee that we were able to report a bill with 32 of the 37 members who voted recommending its enactment.

Although there was strong sentiment by many members of the committee that we should recommend a completely federalized inspection system, the provisions of this bill reflect the committee's recognition of the fact that the vast majority of agencies implementing the present system have performed in an exemplary manner. It is also recognition of the tested principle that guilt by association is repugnant in a democracy.

Amendments will be offered today that would mandate either fully federalized inspection at export points or at both inland and export points. Advocacy of such measures presents a basic assumption that I am unable to accept. As a participant in the Federal Government, I like to believe it is the best system in the world, but my belief is tempered by the knowledge that it is imperfect. Recognition of that fact prevents me from assuming that Federal employees are blessed with a higher degree of integrity than the people we serve. The Federal Government is representative of the people, sharing both the perfect and the imperfect.

I believe it is unreasonable to assume that Federal employees, just because they are Federal employees, can usurp the roles of private or State agencies and perform their functions with greater efficiency and integrity.

The point we must keep in mind is not who does it, but how it is done. It is our responsibility to enact the laws that provide the guidelines for those who perform the functions and prescribe penalties for violation of those laws.

Our responsibility will have been fulfilled by enactment of this bill.

Mr. THONE. Mr. Chairman, I yield 5 minutes to the distinguished minority whip, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I think that the Agriculture Committee, and particularly the chairman, Mr. FOLEY, and the ranking minority member, Mr. WAMPLER, deserve a great deal of credit for the earnest and studious manner in which they have pursued this matter, and indeed for the bill they have produced.

It is, in my view, a moderate piece of legislation, well designed to solve the problem that exists with regard to the inspection and weighing of export grain, while at the same time avoiding the kind of sweeping approach we all too often get into when we go far beyond what is needed.

That sort of approach generally carries some very unsatisfactory side effects with it, and needs to be resisted. Therefore, I shall oppose the amendments to this bill which would broaden and extend the federalization of these functions to areas where no demonstrable problem exists.

I would also like to say that I hope that having passed this bill in its present form, we would insist on our points in conference, as I understand that our friends in the Senate are likely to go much too far on this matter.

Mr. Chairman, my hometown of Peoria is one of the great centers of grain trading in the Nation; indeed, we are the second largest volume shipper of grain. The inspection and weight supervision functions there are carried out by the Peoria Board of Trade, and I know of no suggestion that it is not done fairly and efficiently.

I regard it, therefore, as most commendable that this bill would not impose upon interior locations such as Peoria a massive new federalized inspection and weighing operation, but rather permits the Secretary of Agriculture to designate a State or local government agency, or a private agency, such as the Peoria Board of Trade, to perform these functions.

The bill also contains safeguards against conflicts of interest with regard to such agencies by prohibiting agency officials and employees from holding a financial interest in any business involving grain handling, except that a governmental agency, grain exchange, board of trade or chamber of commerce can be designated if, in the opinion of the Secretary, the integrity of the system is not jeopardized.

This is a sensible approach. And we can be assured that the integrity will not be jeopardized if the agency involved contains in its membership a mix of interests, that is, if neither buyers nor sellers predominate.

The well-run boards of trade in Peoria, St. Louis, Chicago, Omaha, Lincoln, Minneapolis and other interior locations all operate on the basis of this kind of a mix, and that is as it should be.

A recent study by the Interstate Commerce Commission, which focused on the matter of railroad claims for losses in shipments, examined the operation of these markets in some detail, and uncovered no problems.

It is, therefore, right and proper that this bill, in moving to clear up some of the problems which have existed in some very localized areas on the gulf coast, recognizes the honest and efficient operation of these interior markets locations, and does not disrupt their proceedings by imposing a heavy-handed Federal system.

For these reasons, I shall support this bill, and vigorously resist any amendments which lean in the direction of increased federalization of grain inspection.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. Mr. Chairman, I am very disappointed in this bill. I think that not enough is done with respect to the conflict of interest problems that we have had in our inspection system. Very little has been done to add uniformity to our inspection and our grading and weighing system.

I think that the bill lacks a lot from the standpoint of going far enough. There is virtually nothing done in the bill with respect to the problems of our interior or inland terminals. Whatever good there is in the bill seems to be directed totally toward our export problems. Certainly those are tremendous problems, but we should not stop with trying to solve those problems.

It is obvious, at least in this Member's mind, Mr. Chairman, that this is a grain trade bill; this is a grain trade association bill; this is a chamber of commerce bill. This is not a bill structured to lend any great assistance to farm producers nor to the importers of our exported grain.

I suppose, Mr. Chairman, that I may vote for the bill on final passage, but that will only be because the prospects seem fairly promising that we can get a decent bill out of the Senate and, therefore, hopefully, a decent conference report. Pending that, it is hoped that the bill may be improved on the floor this afternoon.

Mr. THONE. Mr. Chairman, I yield 4 minutes to the Congressman from the big First District of Kansas, the gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Chairman, I thank the gentleman from Nebraska (Mr. THONE) for that kind introduction.

Mr. Chairman, I appreciate this opportunity to discuss H.R. 12572, legislation to amend the U.S. Grain Standards Act.

Let me say at the outset, I have a very strong interest in this bill in that the district I am privileged to represent grows more wheat than any State in the Nation. Grain producers in my district and throughout the United States are depending upon this body to end recent abuses within the inspection system and restore the American farmer's rightful and legitimate image as the world's leading producer of quality grain.

All of us are familiar with the recent grain inspection scandals and the abuse at certain export points that have prompted this legislation. The House Agriculture Committee under the able leadership of Chairman TOM FOLEY and the ranking minority member, BILL WAMPLER, are to be commended for their practical and reasonable approach to this controversy.

Understandably, with all of the publicity given to recent abuses within the inspection system at the ports, overreaction to this problem can be expected. There has been pressure for total federalization of the inspection system. In typical fashion, in response to a serious problem where legislative reform is obviously needed, we have had those who automatically propose Federal control. Instead, however, the committee has rolled up its sleeves and tried to remove the spoiled apple instead of throwing away the entire barrel. The majority within the committee has tried to build on the strengths of the present grain inspection system and correct its glaring weaknesses.

In essence, this bill establishes Federal inspection at export points. It also provides the Secretary of Agriculture the discretion to delegate authority to proven State agencies with ongoing Federal oversight. The Secretary would also be charged with the responsibility for supervision of all weighing of grain at export points. Official inspection at interior points would be designated by the Secretary to qualified private or State agencies with inspection programs which meet Federal guidelines. This bill further strengthens the U.S. Grain Standards Act by providing a strict conflict of interest requirement and increased civil and criminal penalties for violation of the act. And, if the Secretary determines an agency is in violation of the act, he may designate the Federal system at that point.

Mr. Chairman, I believe this to be a most reasonable approach. Let me be parochial for a moment and for the benefit of my colleagues, relate this approach to the Kansas grain inspection system.

Our Kansas system has been grading and testing grain since 1897. The system employs 193 full-time and 67 seasonal employees. If any shipper or buyer is not satisfied with the results of State inspection he has the right of appeal and a Federal inspection is conducted.

I know of no serious complaint against the Kansas system. It is efficient. It is self-supporting. In fact, the system pays 20 percent of all charges and fees into the Kansas general fund, State revenue that would be lost under a more costly Federal system. It was the opinion of the majority of the committee that minor problems within proven State systems could be better remedied by increased Federal oversight rather than a complete Federal takeover and abolishment of the State systems.

Mr. Chairman, I do not see what can be gained by federalizing a successful inspection system like we have in Kansas. Conversely, there could be serious problems. To whom would the farmer appeal? Who will pay for the increased cost? If Uncle Sam pays the bill, this program will compete for dollars needed for other vital agricultural programs. How is a Federal employee any more honest or experienced than our present State employees who have domonstrated both qualities to the satisfaction of Kansas farmers over the years? How could the Kansas system survive if the terminals with 50 million or more bushels storage come under Federal control? These five Kansas terminals produce most of the revenue needed to support the entire system.

Mr. Chairman, the problem at hand has been abuse within the private inspection systems at various export points. This bill provides Federal grain inspection, supervision of weighing at these locations. The Secretary of Agriculture may delegate Federal authority and supervision to State agencies of proven ability and experience as long as they satisfy Federal requirements. This bill provides the necessary corrective measures without unnecessary and costly action that could eliminate the Kansas grain inspection system.

I urge the consideration and support of my colleagues in behalf of H.R. 12572 as reported by the committee.

Mr. FOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, I appreciate the opportunity to say a few words in behalf of this bill.

I want to say, to start with, that I agree with those, and have for some time, who say that grain exports are no longer just the concern of producers in this country or of the people who happen to be processors or handlers of grain. There are national concerns. Grain exports are a national asset, and without them, we would have inflation running much more rampant than it is at the present time. Without the opportunity of earning the money that we earn in selling grain, the cost of petroleum imports would undermine the value of our dollar greatly.

Mr. Chairman, I have become convinced that we do need some independent inspectors grading grain. It is not practical to say that foreign countries can have somebody standing there as each ship is loaded. If we are going to be the storekeeper and the seller and promote our grain sales, we ought to provide inspectors, graders, and weighometers which the users pay for, especially at the export points. It saves personnel and costs the users less if we have an independent referee there to do it instead of requiring the people in the trade, both sides to have people standing around waiting for a shipload of grain that they might be interested in.

Mr. Chairman, it is a lot less costly and a lot more efficient to have the Government doing the job and they pay a fee for the service.

In addition to that, we have had an adulteration problem. I have been to Houston, to New Orleans, and to Seattle. At several of these ports, while there is a great deal of difference in the amount of adulteration of products that have been added to, it just made me sick 3 or 4 years ago when I saw a ship loaded with dirty grain. It happened to be from Japan. It had come in loaded with automobiles. They knocked down the decks to the bottom and filled that ship with grain. It just made me sick when I saw the corn that went into that ship. It did not look anything like the corn we raise in Iowa. It had rice hulls and trash in it. It had all kinds of dirt and debris in it.

Mr. Chairman, the reason they do it is because the standards have been too lax. We permit that foreign material to be added.

They are not docked for foreign material and are paid for it. There is an economic incentive to add stuff to all material to our grain because the payment for the added weight is greater than the cost of adding it.

Mr. Chairman, weighing also is a very important thing. I found this out from some shippers who ship on the Illinois Central Railroad and also had barge transportation available. They said that, in spite of their advantages, they were not sending more grain to New Orleans because they were afraid of short weighing down there. So that denies the producers in that area the best possible market for their grain.

Mr. Chairman, I would like to have a better bill than this. I would like to have had several additional provisions such as making foreign material a dockage item. I would like to have prohibited outright the adulteration of the grain at this time instead of having it studied, but I think there is a lot of good in this bill. We need this vehicle to get to the Senate and, hopefully, get a better bill. We may have to take two bites to get what we want, but I do want, at the same time, to commend this committee for having moved on this last bill. Senators were saying that they would not do anything while awaiting for a GAO report which, in my opinion, was not needed. We knew what was wrong. A GAO report would not add evidence we needed to know what to do. It just delayed the matter and gave an opportunity to those who really were opposed to doing anything to water down what we were doing.

Therefore, Mr. Chairman, I commend the House committee for moving ahead with this bill. I also want to say, in commendation of the committee, that this is one of the few bills that we have had in the last few years where the initiative for the bill originated in the Congress.

Too often we have waited and waited until someone from downtown asks us to act but this is a bill where the initiative started on the Hill. The bill was drafted on the Hill and whatever is going to be done is going to be done because the legislative branch of the Government is standing up and taking care of its responsibilities in this particular area as we see them after talking to our constituents and seeing firsthand what has happened to the grain in this country before it reaches our customers.

Mr. THONE. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. Mr. Chairman, I think all of us agree today that this bill is coming to us as a result of a problem. However, I do not believe the comments we have heard thus far about the farmers being shortchanged, underweighed, or poorly graded is the problem. I do not believe that losing our foreign markets is the problem but are all symptoms of the problem.

What is the problem? The first part of the problem is the fact that we have had very poor USDA supervision or administration of weighing and grading of grain, which they presently have the authority and duty to do.

The second part is that we have had some dishonest individuals who saw a chance to make money at somebody else's expense in addition to poor administration and possible administrative dishonesty. I submit that you cannot legislate honesty and better administration. What we can do, and what this bill proposes to do is to tighten up the administrative procedure as far as is possible by giving the Secretary of Agriculture more power and providing significant deterrents to keep people from becoming dishonest in the future.

In this regard I support the committee bill and I support the chairman and members of the committee who have assisted in accomplishing this. But, Mr. Chairman, the bill went one step beyond and in so doing it went too far. The bill provides that no longer can local governments, local chambers of commerce, grain exchanges, local boards of trade weigh and inspect grain. We have wiped them out under the bill. We have done this in an effort to insure that we will no longer have any dishonesty or poor administration by USDA. This will not solve the problem. It seems that this solution is an example of what some always attempt to do when attempting to solve a problem, simply throw more Federal money at it, more Federal employees, and more Federal bureaucracies.

If there is one thing that every Presidential candidate has talked about—save maybe one or two—is that we do not need more Federal Government.

We now have the biggest deficit in the history of our country and the highest taxes ever. We have seen the Government payrolls go from 1 out of 10 people working for the Government 10 years ago to 1 out of 7 today.

The people rightly feel that there has been set up in Washington too much bureaucracy and too many regulations and we do not need any more.

So I submit that the bill in all other respects will cure the problem insofar as it can be cured and will certainly alleviate some of the symptoms we have been discussing such as dishonesty and poor administration and does not need this additional next step. Therefore, Mr. Chairman, I intend to offer a substitute near the end of the deliberations on the bill today that will simply allow these people that are inspecting and weighing grain today to continue to do so but under the increased civil and criminal penalties that this bill calls for and under the increased supervision of the USDA which this bill calls for, and under the conflict of interest section which this bill calls for.

They can have, and will do the job as good or better than Federal employees.

Mr. BERGLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WEAVER).

Mr. WEAVER. Mr. Chairman, I rise in support of the bill we have before us. A Federal system of export grain inspection is essential. I would like to point out, however, that the State of Oregon has its own inspection system presently working. It is irreproachable, and this bill would allow the Secretary of Agriculture to contract with the State of Oregon and maintain the Oregon system. The Secretary would still have the ultimate responsibility, and the Federal system would remain integral.

Mr. Chairman, exports must be irreproachable and uniform to maintain our No. 1 status in grain exports in the world.

I would like to mention a little-recognized condition. We hear much today about how America is slipping from No. 1 position. The Soviet Union is forging ahead—ahead in what? While we have the military capacity to obliterate any potential enemy, so does the Soviet Union. It is a standoff. But the United States is clearly and absolutely No. 1 in food production. We export over half of all grains moving in world trade. We have the most magnificent farm establishment the world has ever known. And the Soviet Union must come to us to make up their food deficits.

Mr. Chairman, the nation that dominates food production has the potential to secure unto itself a power far greater than any military might provides, for food is living power, not deadly power. Yet we have no policies to use this living power, this food power. We should build massive grain reserves by buying today when farm prices are low and slipping. We should create a single agency to bargain for prices in world grain export markets.

Mr. Chairman, this bill is a step in that direction. It should be passed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THONE. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. HAGEDORN).

Mr. HAGEDORN. Mr. Chairman, I rise to support H.R. 12572. I believe it is a step forward in cleaning up the system. I am going to support a strengthening amendment later, but I generally approve the thrust of it and commend the committee for moving forward.

I think the most essential part of this important amendment to the Grain Standards Act is the fact that the Congress is going to impose some stiff penalties for people who do violate the law. Obviously, the weakness in the past is the fact that we have been very deficient in applying stiff penalties and, therefore, we have not had the strong deterrent to illegal activities that have taken place and that have brought us to this point in time where the Congress is asked to respond in a strong, forthright manner to insure the purchasing countries that they are going to have clean grain; and that they are going to receive grain which meets the high standards which they believe they are purchasing at the time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BERGLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, again this bill represents a long, hard effort by the Committee on Agriculture, of which I am a member. I also want to commend the chairman of the committee for his hard work and diligence in getting this bill out. I voted against this bill when it came out of committee basically because I thought it was too weak and was not as strong as it should have been. Like the gentleman from Missouri (Mr. BURLISON) who spoke earlier, I will probably vote for it here today because it is better than nothing.

What this bill is like is putting a bandaid on a gaping wound. We have the ability and power here to get more than just a bandaid. There are three areas in which I think this bill needs to be strengthened: First of all, regarding Federal inspections in our export terminals. I would like to have Federal inspections not only at the export terminals but also at the major inland terminals. However, I understand there is a problem with this, and we probably could not get it passed. But all the GAO recommendations indicate that if we are really going to clean it up, those are the two areas in which we have got to have Federal inspection.

Also we must have Federal supervision of weighing at the export port. I understand there may be an amendment offered today that would clean up this bill by requiring Federal supervision of grading at the export terminals. I will then have an amendment to that amendment to make the weighing conform to that, and to also have Federal supervision of weighing at the export terminals.

This is one of the biggest problems that the GAO found, and that was the problem of weighing not only at the export terminals, but also at the inland terminals. So I will have an amendment this afternoon, if there is an amendment offered, to provide for Federal inspection and Federal supervision of weighing only at the export terminals.

There is one other problem area and that concerns the gag rule on page 29 of the bill, section 15. It is nothing more than that—a gag rule. We have already on the books enough laws to prevent the disclosure of trade secrets and company policy and things like that. If it were not for the diligent efforts of an intrepid news reporter, we would not even know about the scandals in the grain trade. He got this information from talking to the people directly involved at the export location. If we go ahead and keep this gag rule which can be held over the heads of these personnel who are working there, they are going to be very quiet, and they are not going to want to give out this kind of information to news reporters and other interested persons.

The reason given for keeping this gag rule in there, as I call it, is to keep trade secrets, and to protect companies from individuals divulging company policies. Again, I submit we have adequate laws on the books to prevent that, so I will be offering an amendment today to strike out that section, section 15 appearing on page 29 of the bill, so that we will not have this hanging over the heads of employees who will be doing the inspecting and who will be doing the weighing.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

I am interested in the gentleman's point about the Federal inspectors at inland weighing terminals. Would not the point really be to check the weight of the grain before it goes on the ship? Would there be a discrepancy between the two?

The CHAIRMAN. The time of the gentleman from Iowa (Mr. HARKIN) has expired.

Mr. FOLEY. Mr. Chairman, I yield an additional minute to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, in reply to the gentlewoman from New Jersey (Mrs. FENWICK), I do believe that, first, in the export terminals there might be some discrepancies in receipt, but they are small individual amounts now in their case. We commonly have a discrepancy of 100 pounds per car or something like that, which is what the GAO found; but when we add them all up, they found that in a 2-month period of time their shortages added up to 200,000 pounds. That is why we have to extend it to the export terminals.

Mrs. FENWICK. Mr. Chairman, if the gentleman will yield further, is there a feeling there is pilfering between the two points?

Mr. HARKIN. Surely; they are shortweighing, that is what they are doing, but it is such a minor amount that most people do not say anything about it. In fact, that was one company's policy; for every car that came in they shorted the weight by 100 pounds. A hundred pounds out of a couple thousand or 4,000 or 5,000 pounds does not amount to much.

Mr. THONE. Mr. Chairman, I yield 1 minute to the gentlewoman from Nebraska (Mrs. SMITH).

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in support of H.R. 12572, the United States Grain Standards Act of 1976, as reported by the Committee on Agriculture. I commend the members of the committee, and especially my esteemed colleague from Nebraska (Mr. THONE) for dealing forthrightly with the serious problems this legislation seeks to correct.

We all acknowledge with some shame and embarrassment the illegalities which have been brought to light over the past 18 months in the operation of our grain inspection and weighing system. These misdeeds reflect upon the integrity and reliability of the United States, and therefore, they reflect on each of us.

We pride ourselves on the quality of food and fiber we produce in this country. We feel we have the best. We know our agricultural commodities are in demand by other countries around the world. This commerce is vital to our economic well-being. We would suffer seriously if we were to lose even a small number of these customers and the billions in business they represent.

It is inexcusable, therefore, that our overseas customers have had to suffer from such shoddy practices as misgrading, short weights, and the violation of cleanliness standards in some of the grain shipments they have received. It is a known fact that some of our valued customers went elsewhere. We may never recover some of this business.

The continuation of the scandals in this business cannot be tolerated, and measures to guard against repetition in the future must be taken. This legislation addresses itself to the correction of the defects in our grain inspection and weighing system which have permitted the abuses that have been brought to light.

Mr. Chairman, I feel this bill takes the proper approach in vesting with the Secretary of Agriculture the responsibility for the official inspection and weighing of grain at both the export ports and the interior elevators. He is given the option of performing these requirements with employees of the Department of Agriculture or he can use other agencies under the Department's supervision. This permits him to continue to use qualified State agencies which have good records and thus avoid serious disruption in the operation of the system. Many of these State agencies have served honorably and efficiently for years without violation or complaint. This is also true at the local elevator level where the system has been strengthened through the designation of official inspection agencies which meet specified criteria.

By strengthening the penalties for criminal violations of the system, the legislation provides a stiff deterrent to anyone engaging in bribery, theft, intimidation, and illegal practices in the inspection and weighing of grain.

This is a good bill, Mr. Chairman, to deal with the prevention of scandals of the kind which weigh upon the Nation's conscience because of the indiscretions of a few. It is needed and I urge its adoption.

Mr. THONE. Mr. Chairman, I yield myself the balance of the time remaining for the minority.

Mr. Chairman, first I too would like to acknowledge the work on this bill of our personable and persuasive and most able chairman of the committee, the gentleman from Washington (Mr. FOLEY), and the equally accomplished and dedicated ranking Republican member, the gentleman from Virginia (Mr. WAMPLER). Both of them introduced the initial legislation, H.R. 9467, of which this bill is now a refinement.

This is not a routine or necessarily a simple piece of legislation. It is in some respects far reaching. It is a consensus bill after exhaustive hearings, field inspection trips, reports, and careful and patient markup sessions. I think several of the speakers here have reiterated this. The bill does not include all the provisions I had hoped would be included in the bill, but it is clearly the "will" of the majority of the committee after a thorough and orderly process. It has my support as a positive approach to a bad situation.

The situation as I see it in the gulf ports is crying out for harsher law enforcement, better supervision, and legislative reform.

As busy and as preoccupied as most of us are here, we only too often do not give legislative reports the attention they deserve. The reports frequently gather dust rather than gain Members' review. I would like to strongly recommend to each Member here that he or she look over carefully this Report No. 966 which accompanies this legislation. It is one of the best reports I have seen. On page 2 is a good list of what this bill does. All these are needed and effective reforms.

The first point listed specifies that official inspection at export port locations would be carried out by the Federal Government either through USDA personnel or, at the discretion of the Secretary of Agriculture, through State agencies. That provision will receive more attention later this afternoon.

There is an excellent minority report regarding this on page 81, led by the gentleman from Minnesota (Mr. BERGLAND). As I understand it, the gentleman intends to have further discussion regarding his amendment on this important provision.

But, Mr. Chairman, I find myself in strong agreement with all the other provisions in this bill strengthening the Grain Standards Act.

The report also contains some other excellent dissenting views, and as has been discussed here before, some of the Members think the bill goes too far. The gentleman from Florida (Mr. KELLY) and the gentleman from Louisiana (Mr. MOORE) have dissenting views in that regard. The gentleman from Missouri (Mr. BURLISON) and the gentleman from Iowa (Mr. SMITH) have articulated on the floor their contrary views in this regard.

Nobody denies that proper inspection and weighing are vital in preserving confidence in the functioning of the U.S. grain marketing system. Both buyers and sellers have an interest in having the inspection and weighing done fairly and accurately and in accordance with the rules and regulations and laws. This has just not been the case. Without doubt confidence in the U.S. grain marketing system has been shaken. We have had much colloquy already on that. During the 1974 and 1975 marketing years exports accounted for about 51 percent of the wheat, 30 percent of the soybeans, and 22 percent of the corn production in this entire country. In fiscal 1975 the volume of all agriculture exports was 21.6 billion, and 12.5 billion was for corn, wheat, soybeans, and other grains.

No one disagrees that reforms are needed. In all of the information available it has been pointed out that there has been widespread abuses such as theft of grain, misgrading, short weighing, and faulty inspection of ships, among other things. Numerous charges of bribery and conspiracy to violate the grain standards, and the Warehouse Acts have resulted in fines and prison sentences for many.

I, along with several of my colleagues on the House Agriculture Committee, had the opportunity to visit New Orleans in January and see firsthand what was actually going on at the export ports. Although a 3-day visit does not make one an instant expert, I came away from there somewhat shaken and downcast with additional information based on interviews and onsite inspections that convinced me that drastic action was needed. We had the opportunity to visit with Mr. Gallinghouse, the U.S. attorney for the eastern district of Louisiana, who has been most instrumental in cleaning up this mess in New Orleans, and I can say here and now he is deserving of our Nation's thanks for such a fine job.

So far as meaningful reform is concerned at the export level, I think Mr. Gallinghouse said it well.

This legislation is essential if those abuses are to be corrected. Private inspection has

> been a dismal failure at the gulf ports. They work seven days a week, three shifts a day, and mere souping up of supervisory personnel just won't cut the mustard here.

Further, Mr. Gallinghouse in a colloquy with Senator Dole during Senate hearings on September 25, 1975, said:

> Please understand, you suggested that I seemed to be talking about a federalized system. I want to make it clear, and I think you should know this so you could evaluate my observation. I am not one who believes that the arm of the Federal Government is long enough or strong enough to reach out into every part of the country and solve all the problems. I am not suggesting that the people in Federal Government have a monopoly on integrity. Basically, my philosophy is if we can do something through private enterprise, local or State government, we should try to do it and not extend the authority of the Federal Government.
>
> I can tell you this, speaking as a man who has some pretty conservative philosophical viewpoints; and, I have studied government carefully and thoroughly. I have been a State official. I can tell you if I have ever seen anything that requires a national strategy, a national system, a national direction, and a national responsibility, it is in this very sensitive grain-handling area.
>
> Senator Dole. Do you think this extends internationally?
>
> Mr. Gallinghouse. Yes, sir, and that is what makes this thing, as we view it, so serious and significant. I am thinking about what the people in the rest of the world are thinking about the United States of America, too.

This bill will help restore confidence in our grain trade throughout the world. The selling of our grain to foreign buyers is so every important to our Nation's economic well-being and is particularly important to our Midwest farmers, a portion of whom I am trying to faithfully represent.

Let me also make a needed point, a positive point.

Our great ability to produce grain in abundance in the United States is matched only by our ability to efficiently market and handle such tremendous quantities. Efficiency of that system must not be unnecessarily impaired if the United States is to continue to be the undisputed world leader. H.R. 12572 will not unduly restrict our preeminence in world-wide grain commerce. With the proper attitude of the exporters, and all others concerned, this legislation will be a long-term plus in this regard, not a minus. This is important. The world currently likes the American system. It is easy to deal with, and price is competitive.

Other points that again merit enumeration:

First. Every bushel of grain that leaves the farm must be marketable. The success of the marketing services performed is measured by how great a proportion of the total crop is made merchantable.

Second. Grain inspection reflects the evaluation of certain quality characteristics, but it cannot improve or alter those characteristics as they exist. Grain is a raw field crop—not a manufactured product. Nature controls its basic inherent quality, not the decisions people make.

Third. The business is conducted on a wholesale rather than a retail basis. Commodities are handled on a rapid, bulk, high-volume basis. The resulting economies of volume provide maximum returns to the grower and minimum costs to the end user. Grain inspection practices must protect the productivity of the handling system. Any time-consuming inspection constraints not warranted which reduce handling below full capacity will prevent meeting even current USDA export projections.

Fourth. Grain standards must be broad enough to accommodate technological advances. They must also be narrow enough to adequately serve the end user's requirements consistently.

Fifth. The grain marketing system must remain free, honest, and fully competitive. Such free competition remains the most effective discipline in protecting a sound system. This will fulfill the requirement in the act's declaration of policy "that grain may be marketed in an orderly manner and that trading in grain may be facilitated."

It is my view that this legislation should be passed. It should restore public confidence both at home and abroad in our grain inspection and weighing system, thus allowing the continuation of our expansion of the Nation's farm exports.

We have had a breakdown in a very significant link of the U.S. grain marketing system and H.R. 12572 is needed to insure adequate inspection, handling, grading, and weighing of grain.

Mr. Chairman, let me conclude by saying this. I think this is a good consensus bill. It is not a perfect bill, but we unquestionably have a real problem here. I hope we have a resoundingly affirmative vote on final passage.

Mr. FOLEY. Mr. Chairman, I wish to take the time remaining to express my appreciation to the gentleman from Virginia (Mr. Wampler) and the gentleman from Texas (Mr. Poage) and all the Members who have worked long and hard on this bill.

Hearings began on H.R. 12572 in September of last year and the bill has been involved in markup for many months. It does not represent what every member of the committee would wish to have in the bill but it does represent the best judgment that the committee as a whole can make on this complicated and difficult issue. I am satisfied the bill takes an enormous step forward in improving the inspection and weighing of grain so essential to the vital export trade.

I hope at the conclusion of the reading of the bill under the 5-minute rule when time comes for final passage it will merit the overwhelming support of the Members of the House.

Mr. HAGEDORN. Mr. Chairman, I would like to speak in behalf of H.R. 12572, a bill amending the United States Grain Standards Act. Serious problems currently exist in our national grain inspection system, problems that are having an increasingly severe impact upon U.S. grain exports and balance of payments. The General Accounting Office has determined that many foreign customers believed that they had regularly received lower quality and weight grain from the United States than they had contracted for. As a result, many had reduced their purchases of U.S. grain to the extent possible, while several had discontinued purchases entirely. This has been noticed most particularly with respect to corn, soybeans, and wheat.

While I am certainly not one who believes that every problem in our society calls for a federally imposed solution, I believe that our Constitution fully recognizes the major role that must be played by the Federal Government with respect to foreign and interstate commerce. I believe also that H.R. 12572 attempts to build upon the existing Federal-State-private grain inspection system as well as possible, limiting the Federal Government to a supervisory role where this is feasible, and in all instances attempting to rely upon the current structure where that structure has proven effective.

This legislation would provide for the Federal inspection of grain at all export port terminals, with the Department of Agriculture allowed to delegate their primary authority to responsible State agencies. Such State agencies would continue to enforce federally mandated standards and would be subject to continuing oversight by the Department of Agriculture. At inland points, where grain to be trafficked in interstate commerce is inspected, the Department of Agriculture is authorized with designating either a State or local agency, or a private agency to operate the official inspection program. As a last resort, Agriculture Department personnel would be authorized to directly enforce the program.

An important provision of H.R. 12572 insures that conflicts of interest shall be minimized in the inspection and weighing of grain, with the Secretary of Agriculture charged with insuring that the integrity and effectiveness of the system is not threatened by interested administrators. While I do not believe that USDA personnel are generally any more honest or reliable than personnel employed by the private inspection network, reducing conflicts of interest, such as where boards of trade or other groups in which grain merchandisers hold influence in official inspection agencies, can only be beneficial, to the farmer, the merchandiser, and to the purchaser of grain. That it is simply a structural conflict that exists, and not an aspersion upon the integrity of individuals employed within the system, is well illustrated by provisions in H.R. 8572 requiring USDA to give preference in hiring to personnel displaced under the provisions of this act from the existing system.

Other provisions of this bill give the Secretary increased supervisory authority over the weighing services involved in grain trade, while continuing to rely primarily upon the private weighing companies that already operate. These would apply only to export terminals, with interior terminals remaining free from new Federal regulations. Many States, however, license grain weighers and grain scales. The Secretary is also given revised authority to impose effective sanctions against those who violate the rules of the new grain inspection system, with such persons being liable to sharply increased civil and criminal penalties.

I believe that this bill will improve the position of our country in world grain markets, restoring our ability to compete for the confidence of the foreign purchaser. Our exports having increased by 200 percent, from 1 billion to 3 billion bushels annually over the past 15 years, it is not surprising that our grain inspection is in need of an overhaul. Minor problems that have been left unattended have gradually swelled into problems which have great impact upon the American farmer. This legislation is a major step toward insuring that our exports are judged solely on their quality, and are not shadowed by doubts arising out of our domestic inspection system. I am confident that American farmers can compete quite favorably on these terms, and believe that H.R. 12572 is designed to allow this. With a minimum upheaval, this bill offers an important potential contribution to the economic recovery of the United States.

Mr. GRASSLEY. Mr. Chairman, the United States is the most efficient producer of food in the world. The United States is, as well, the largest exporter of food in the world. Foreign nations in need of dependable, high quality imported food supplies count on the United States to fulfill those needs that they cannot meet themselves. Unfortunately, the faith of foreign nations in our ability to deal with them squarely has been eroded by deceptive and criminal practices on the part of those responsible for inspecting and weighing American exports of grain. This loss of confidence in the American willingness to deal fairly and forthrightly threatens both our national image, and the welfare of the most efficient producer of food in the world, the American farmer.

I believe that our credibility abroad can be restored. That restoration requires that Congress take quick, affirmative action. It is mandatory that Congress prove its willingness to insure a consistently high quality of American exports of grain by putting into law H.R. 12572, the bill under consideration today.

This measure strikes at the roots of the criminal activity that has plagued the Nation's export points. Five aspects of H.R. 12572 will provide the assurance that is required to restore confidence in the American export trade. First, all grain leaving the country will have to be inspected by the U.S. Government or an agent thereof. Second, all grain leaving the country will be required to be weighed under the supervision of the U.S. Government. Third, any potential arrangement conducive to conflicts of interest in the inspection and weighing of grain will be outlawed. Fourth, the entire system whereby grain is inspected, weighed, and shipped from interior points to American ports will be studied to determine if future corrective action is needed. And fifth, stringent penalties will be imposed on anyone who seeks to violate the terms of this legislation.

H.R. 12572 is a carefully thought-out and responsible piece of legislation that deserves the support of every Member of this body. Our foreign customers are demanding congressional action, and quickly, and it is now the time to fulfill their expectations.

Mr. VIGORITO. Mr. Chairman, I rise in support of H.R. 12572, the United States Grain Standards Act of 1976, as reported by the Committee on Agriculture.

The committee bill is a workable and, in my view, an effective response to the corruption that has pervaded the marketing of United States grain through our export ports. The bill incorporates many of the recommendations of the General Accounting Office in their recent investigatory report on grain marketing problems.

The basic reform that will be implemented by H.R. 12572 is that it will eliminate entirely the involvement of private inspection agencies at the port elevators. The private inspection agencies were responsible for virtually all of the misgrading, dishonest weighing, and other malpractices that have plagued the handling of corn, soybeans, and other grains through the export elevators. The bill sets up a completely Federal system of quality grading and weight supervision at the ports, except that States would be allowed to continue grading activities under the careful scrutiny and supervision of the Federal personnel. Furthermore, any State could be promptly replaced by Federal personnel whenever any problem should occur in the future.

It is significant that H.R. 12572 for the first time provides for direct Federal supervision of weighing activities, in addition to grading of grain for quality. Such a coordinated system of grading and weight supervision should provide an effective means to restore integrity to U.S. foreign grain marketing.

Direct Federal grading and supervision of weighing will not, of course, automatically assure that complete honesty will prevail. However, it does eliminate the fragmented situation that has confused responsibility and has made it virtually impossible to successfully administer an honest and efficient system. The reforms incorporated in H.R. 12572 will concentrate ultimate responsibility in the U.S. Secretary of Agriculture, who then can be held accountable for any abuses that might occur.

Mr. Chairman, I am convinced that the Committee on Agriculture has produced a good bill in response to the grain marketing problems that have occurred, and I urge my colleagues to support H.R. 12572.

Mr. McCOLLISTER. Mr. Chairman, I strongly urge passage of H.R. 12572, the Grain Standards Act amendments. The grain inspection scandals that have been investigated at New Orleans and other ports are deplorable and must stop. We need to restore the confidence of foreign buyers in purchasing our grains and assure them that they will receive the same quality grain they contracted for in their agreements with American firms.

Agriculture exports play a vital role in our world export trade. Four years ago we exported only $8 billion worth of farm commodities. Last year agricultural export sales reached $22 billion. I am proud to say that Nebraska farmers contributed about $1.2 billion of that total. This vastly expanded export market has had tremendous benefits for this nation. We must move quickly to restore faith in our grain markets that have been shaken by mishandling. No buyer is willing to buy grain or any other product where quality is either unknown or uncertain. As a small businessman for 20 years, I know the importance and necessity of backing up products to customers. If you cannot produce and deliver a consistent, good-quality product, you will go out of business. It is as simple as that.

Farmers have no control over what happens to their grain once it leaves the farm. Quality controls need to be implemented so that our farmers can have confidence that their products are delivered to the customers as agreed. H.R. 12572 is the right approach to solving this problem. It allows for Federal inspection where it is most needed—at the export port terminals. Yet the price tag is reasonable—an estimated $75.52 million annually which after deducting users' fees would mean about $5.3 million in Government funds. A small price to pay to preserve the integrity of our grain export markets.

The bill allows the Secretary of Agriculture to determine who will carry out official inspection services at inland terminals. A "no conflict of interest" section prevents those businesses who have a financial interest in the storage or merchandising of grain from acting as official inspectors. This means that State or local government agencies or private agencies like boards of trade or chambers of commerce can still perform this type of service. Many are already doing the inspections and doing them effectively.

The bill addresses the problem of weighing. Again, the problem of shortweights has been at the export port terminals, not at interior points. The Secretary of Agriculture is required to supervise the weighing process of all grain at port elevators. USDA is directed to further study the situation at the inland terminals to see if a weighing problem does exist. Civil and criminal penalties for violations are provided. This puts some teeth into the law that was missing before. Civil penalties of up to $50,000 for each violation are provided. Bribery and other criminal offenses can bring penalties of up to one year in prison and a $10,000 fine.

I strongly urge passage of the legislation. It is vital for the future growth of our grain export markets.

Mr. OBERSTAR. Mr. Chairman, I intend to support the Bergland amendment when it is offered and I offer an explanation of the excellent inspection service which the twin ports of Duluth and Superior enjoy, and an editorial from the Duluth News-Tribune praising that inspection system. While I am proud of the twin ports' outstanding record and commend the people who have worked hard and honestly to establish that record, the very fact that Duluth-Superior stands out is an indictment of the system elsewhere in the United States and an appeal for the reform that this bill and the Bergland amendment assure.

TWIN PORTS GRAIN INSPECTION PROFILE

There are three levels of grain inspection in the twin ports: Federal, State, and private. The State inspection initiates all local grain inspections—there are State grain inspectors in both Minnesota and Wisconsin with similar responsibilities and qualifications. They inspect the grain leaving the boxcars and trucks for the elevators, they inspect the elevator inventories, and they inspect the grain being loaded onto the ships. They fall under the supervision of the Federal inspectors. The private inspectors inspect inhouse grain for the company's information, to determine what bins the grain should be stored in, and also to determine whether they agree with the grade assigned to the grain load by the State. If they do not agree, they may appeal the grade classification to the Federal inspectors who will then inspect the load as well. If the Federals, after their own testing, assign a different grade than that given the load by the State, the Federal grade prevails. During this time, the State is able to explain why it arrived at the grade it did. Buyers as well as sellers may make an appeal to the Federal inspection team. The system which prevails in the twin ports has worked very well and is well thought of by all parties concerned, locally as well as nationwide.

There are anywhere between 60 to 115 State grain inspectors on the Wisconsin side during the shipping season. On the Minnesota side, there are between 50–75 depending on how busy it gets. Both systems operate on a fee basis and are self-sustaining governmental operations. To supervise them, there are 20 Federal inspectors who are headquartered in Duluth and cover both ports.

Wisconsin has more employees than Duluth because they also handle grain weighing. In Minnesota, the privates do their own weighing; it is not a State function.

An editorial follows:

[From the Duluth News-Tribune,
Aug. 5, 1975]

Portly Praise

That was a noteworthy compliment for the Duluth-Superior port.

It came from Donald Wilkinson, the Wisconsin secretary of agriculture who will become the director of the U.S. Marketing Service on Sept. 1. That agency is part of the Department of Agriculture, and Wilkinson's first task will be to cure the ills of the grain inspection procedures in some of the nation's ports.

Specifically, those ills thus far have been found at Gulf Coast ports—New Orleans and Galveston. Federal grand juries have indicted a number of grain inspectors and some grain company executives for misgrading grain or short-loading ships.

What does Wilkinson propose to do?

"My recommendation," he told the Associated Press in Madison, Wis., "will be based on an extremely successful inspection program conducted at the Duluth-Superior port, one of the major grain exporting points in the country."

In the Twin Ports, he explained, the U.S. Marketing Service has the Wisconsin or Minnesota Agriculture Department do the actual grain sampling, grading and weighing, under the supervision of the U.S. Marketing Service.

"This situation (in Duluth-Superior)," Wilkinson said, "is unlike the port of New Orleans where the federal government used a different authority and contracted with a private grading service."

It is reassuring to receive such high praise for the grain inspection procedures here, as it suggests that the scandalous skeletons found in the New Orleans grain elevators will not be found in the Duluth-Superior elevators.

Rather, if extensive investigations are made of the inspection practices here, they will be made not to find ills, but to find ways of making the inspection practices of other ports as accurate and as honest.

The implications to foreign grain buyers should be clear: if you load your grain in Duluth-Superior, chances are excellent that you'll get what you pay for.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding. I rise in support of H.R. 12572, the U.S. Grain Standards Act of 1976, and I want to comment only briefly, as a member of the Subcommittee on International Resources, Food, and Energy, on the international ramifications of this measure.

Our friends from abroad have voiced complaints concerning the quality of American grain exports—complaints which we now know were justified and verified by the revelations from the 1975 New Orleans grain scandals. Theft, misgrading, and short-weighing of grain, together with indictments against federally licensed grain inspectors are irregularities that have undermined the quality and integrity of our Nation's grain export program, a program that amounted to $12.5 billion in fiscal 1975—the amount subject to inspection prior to export. The General Accounting Office, in the course of its study of grain inspection irregularities, visited nine countries—India, Israel, Italy, Japan, Korea, the Netherlands, Spain, the United Kingdom, and West Germany—and in its report of February 26, 1976, "Assessment of the National Inspection System," the GAO stated:

> Our inquiries . . . revealed much dissatisfaction with U.S. grain sold abroad. Many foreign customers believed they regularly received lower quality and weight than they paid for. The resulting cost in terms of diminished foreign sales in past years and other effects is not calculable. Many buyers, however, said they had reduced their purchases of U.S. grain because of the problems they had experienced and were buying more from other countries. A few said they had stopped buying U.S. grain altogether.

During the last 10 years, foreign buyers filed formal complaints with the U.S. Department of Agriculture involving 582 export grain shipments. The GAO reported:

> The complaints all concerned the quality of the grain received except for 17 shipments which involved short weights.

Mr. Chairman, the following comments made by the Committee on Agriculture in its report accompanying H.R. 12572 are significant and should be noted:

> The quality of American grain in world markets has been an important factor in the success of our commercial and humanitarian export programs.
>
> It is essential to continued economic recovery, and for the economic position of the United States in the world for years to come, that the quality of American grain exports and the integrity of our grain inspection system be maintained at as high a level as possible.

The irregularities of grain inspection and grain weighing that are detailed in the GAO report and in the report of the Committee on Agriculture must not be allowed to continue any longer. These improprieties have had a detrimental effect domestically and internationally.

Mr. Chairman, in the interest of eradicating the grain inspection abuses that are undermining the integrity and character of our Nation, I urge my colleagues to support this legislation and to restore our export grain program as an important segment of American foreign policy.

The CHAIRMAN. All time for debate has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Grain Standards Act of 1976".

SEC. 2. Section of said Act (7 U.S.C. 74) is amended by striking in the second sentence the word "and" before "to provide" and by adding in such sentence immediately before the semicolon ", and to regulate the weighing of grain in the manner hereinafter provided".

SEC. 3. Section 3 of said Act (7 U.S.C. 75) is amended by changing subsection (i) defining the term "official inspection", subsection (j) defining the term "official inspection personnel", and subsection (m) defining the term "official inspection agency", and adding new subsections (v), (w), and (x) to read, respectively, as follows:

"(i) The term 'official inspection' means the determination (by original inspection, and when requested, reinspection and appeal inspection) and the certification, by official inspection personnel, of the kind, class, quality, or condition of grain, under standards provided for in this Act, or the condition of vessels and other carriers or containers for transporting or storing grain insofar as it may affect the quality or condition of such grain; or, upon request of the interested person applying for inspection, the quantity of sacks of grain, or other facts relating to grain under other criteria approved by the Secretary under this Act (the term 'officially inspected' shall be construed accordingly).

"(j) The term 'official inspection personnel' means persons licensed or otherwise authorized by the Secretary pursuant to section 8 of this Act to perform all or specified functions involved in official inspection, or in supervision of official inspection.

"(m) The term 'official inspection agency' means any State or local governmental agency, or any person, designated by the Secretary pursuant to subsection (f) of section 7 of this Act for the conduct of official inspection (other than appeal inspection).

"(v) The term 'export port elevator' means any elevator, warehouse, or other storage or handling facility at an export port location in the United States from which grain is shipped from the United States to any place outside thereof.

"(w) The term 'export port location' means a commonly recognized port of export in the United States or Canada, as determined by the Secretary of Agriculture, from which grain produced in the United States is shipped to any place outside the United States.

"(x) The term 'supervision of weighing' means the supervision of the weighing process and of the certification of the weight of grain, and the physical inspection of the premises at which the weighing is performed to assure that all the grain intended to be weighed has been weighed and discharged into the elevator or conveyance represented on the weight certificate or other document.".

SEC. 4. Section 7 of said Act (7 U.S.C. 79) is amended by changing subsections (e) and (f) and adding new subsections (g), (h), and (i) to read, respectively, as follows:

"(e) The Secretary shall cause official inspection to be performed at export port locations, for all grain required or authorized to be inspected by this Act, by authorized employees of the Department of Agriculture or other persons under contract with the Department as provided in section 8. If the Secretary determines that a State agency is qualified to perform official inspection in accordance with the criteria of subsection (f)(1)(A) of this section, the Secretary may, in his discretion, delegate authority to the State agency to perform all or specified functions involved in official inspection (other than appeal inspection) at export port locations subject to such rules, regulations, instructions, and oversight as he may prescribe, and any such official inspection shall continue to be the direct responsibility of the Secretary. Any such delegation may be revoked by the Secretary, at his discretion, at any time upon notice to the State agency without opportunity for a hearing. The Secretary may provide that grain loaded at an interior point in the United States into a rail car, barge, or other container as the final carrier in which it is to be transported from the United States shall be inspected in the manner provided in this subsection or subsection (f), as the Secretary determines will best meet the objectives of this Act.

"(f)(1) With respect to official inspections other than at export port locations, the Secretary is authorized, upon application by any State or local governmental agency, or any person, to designate such agency or person as an official inspection agency for the conduct of all or specified functions involved in official inspection (other than appeal inspection) at locations at which the Secretary determines official inspection is needed, if:

"(A) the agency or person shows to the satisfaction of the Secretary that such agency or person:

"(i) has adequate facilities and qualified personnel for the performance of such official inspection functions;

"(ii) will conduct such training and provide such supervision of its personnel as are necessary to assure that they will provide official inspection in accordance with this Act and the regulations and instructions thereunder;

"(iii) will not charge official inspection fees that are discriminatory or unreasonable;

"(iv) and any related entities do not have a conflict of interest prohibited by section 11 of this Act;

"(v) will maintain complete and accurate records of its organization, staffing, official inspections, and fiscal operations, and such other records as the Secretary may require by regulation;

"(vi) will comply with all provisions of this Act and the regulations and instructions thereunder;

(vii) meets other criteria established in regulations issued under this Act relating to official inspection agencies or the performance of official inspection; and

"(B) the Secretary determines that the applicant is better able than any other applicant to provide official inspection service.

"(2) Not more than one official inspection agency for carrying out the provisions of this Act shall be operative at one time for any geographic area as determined by the Secretary to effectuate the objectives stated in section 2 of this Act, but this subsection shall not be applicable to prevent any inspection agency from operating in any area in which it was operative on Agust 15, 1968. No state or local government agency or person shall provide any official inspection for purposes of this Act except pursuant to an unsuspended and unrevoked delegation of authority or designation by the Secretary, as provided in this section, or as provided in section 8(a).

"(g)(1) Designations of official inspection agencies shall terminate at such time as specified by the Secretary but not later than triennially and may be renewed in accordance with the criteria and procedure prescribed in subsections (e) and (f).

"(2) A designation of an official inspection agency may be amended at any time upon application by the official inspection agency if the Secretary determines that the amendment will be consistent with the provisions and objectives of this Act; and a designation will be canceled upon request by the official inspection agency with ninety days written notice to the Secretary. A fee as prescribed by regulations of the Secretary shall be paid by the official inspection agency to the Secretary for each such amendment, to cover the costs incurred by the Department in connection therewith, and it shall be deposited in the fund provided for in subsection (i) of this section.

"(3) The Secretary may revoke a designation of an official inspection agency whenever, after opportunity for hearing is afforded to the agency, the Secretary determines that the agency has failed to meet one or more of the criteria specified in subsection (f) of this section or the regulations under this Act for the performance of official inspection functions, or otherwise has not complied with any provision of this Act or any regulation prescribed or instruction issued to such agency under this Act, or has been convicted of any violation of other Federal law involving the handling or official inspection of grain: *Provided,* That the Secretary may, without first affording the official inspection agency an opportunity for a hearing, suspend any designation pending final determination of the proceeding whenever the Secretary has reason to believe there is cause for revocation of the designation and considers such action to be in the best interest of the official inspection system under this Act. The Secretary shall afford any such agency an opportunity for a hearing within thirty days after temporarily suspending such designation.

"(h) If the Secretary determines that official inspection by an official inspection agency designated under subsection (f) is not available on a regular basis at any location (other than at an export port location) where the Secretary determines such inspection is needed to effectuate the objectives stated in section 2 of this Act, and that no official inspection agency within reasonable proximity to such location is willing to provide and has or can acquire adequate personnel and facilities for providing such service on an interim basis, official inspection shall be provided by authorized employees of the Department, and other persons licensed by the Secretary to perform official inspection functions, as provided in section 8 of this Act, until such time as the service can be provided on a regular basis by an official inspection agency.

"(i)(1) The Secretary shall, under such regulations as he may prescribe, charge and collect reasonable inspection fees to cover the estimated cost to the Department of Agriculture incident to the performance of official inspection, except when the inspection is performed by an official inspection agency or a State agency under a delegation of authority. The fees authorized by this subsection shall, as nearly as practicable and after taking into consideration any proceeds from the sale of samples, cover the costs of the Department of Agriculture incident to its performance of official inspection services in the United States and on United States grain in Canadian ports, including 75 per centum of the estimated total supervisory and administrative costs related to such official inspection of grain. Such fees, and the proceeds from the sale of samples obtained for purposes of official inspection which become the property of the United States, shall be deposited in miscellaneous receipts of the United States Treasury.

"(2) Each designated official inspection agency and each State agency to which authority has been delegated under subsection (e) shall pay to the Secretary fees in such amount as the Secretary determines fair and reasonable and as will cover the costs incurred by the Department relating to direct supervision of official inspection agency personnel, and direct supervision by Department personnel (outside of the Washington office) of its field office personnel. Such fees shall not exceed 75 per centum of the estimated total Federal costs related to the official inspection of grain by such agencies, except costs incurred under paragraph (4) of this subsection and sections 9, 10, and 14 of this Act. The fees shall be payable after the services are performed at such times as specified by the Secretary and shall be deposited in miscellaneous receipts of the United States Treasury. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation or designation, which shall be reinstated upon payment, within such period as specified by the Secretary, of the fee currently due plus interest and any further expenses incurred by the Department because of such termination.".

SEC. 5. A new section 7A is added to said Act to read as follows:

"WEIGHING

"SEC. 7A. Notwithstanding any other provision of law—

"(a) Except as the Secretary may otherwise provide in emergency or other circumstances which would not impair the objectives of this Act, all grain received at or shipped from export port elevators at export port locations in the United States shall be weighed. The Secretary shall cause supervision of the weighing of all such grain to be performed by authorized employees of the Department of Agriculture. If the Secretary determines, in accordance with the criteria of subsection (c) of this section, that a State agency is qualified to perform supervision of weighing, the Secretary may, in his discretion, delegate authority to the State agency to perform such supervision at export port locations subject to such rules, regulations, instructions, and oversight as he may prescribe, and any such supervision of weighing shall continue to be the direct responsibility of the Secretary. Any such delegation may be revoked by the Secretary, at his discretion, at any time upon notice to the State agency without opportunity for a hearing. The Secretary is authorized to implement an agreement entered into with the Government of Canada to provide for United States supervision of weighing of United States grain received at or shipped from export port elevators at Canadian ports and the requirements of this subsection shall apply to United States grain so received and shipped after the entering into of such an agreement.

"(b) No weighing supervision shall be provided for the purposes of this Act at any export port elevator until such time as the operator of the elevator has demonstrated to the satisfaction of the Secretary that he (1) has and will maintain, in good order, suitable grain-handling equipment and accurate scales for all weighing of grain at the elevator, and will cause such scales to be tested properly by competent agencies at suitable intervals, in accordance with the regulations of the Secretary; (2) will employ only competent persons with a reputation for honesty and integrity to operate the scales and to handle grain in connection with weighing of the grain, in accordance with this Act; (3) when weighing is to be done by employees of the elevator, will require its employees to operate the scales in accordance with the regulations of the Secretary and to require that each lot of grain for delivery from any railroad car, truck, barge, vessel, or other means of conveyance at the elevator is entirely removed from such means of conveyance and delivered to the scale without avoidable waste or loss, and each lot of grain weighed at the elevator for shipment from the elevator is entirely delivered to the means of conveyance for which intended, and without avoidable waste or loss, in accordance with the regulations of the Secretary; (4) will provide all assistance needed by the Secretary for making any inspection or examination and carrying out other functions at the elevator pursuant to this Act, and (5) will comply with all other requirements of this Act and the regulations hereunder.

"(c) The Secretary may provide that the actual weighing and certification of weights and the inspection and testing of scales (or any one or more of such functions) at any location described in subsection (a) shall be performed either by authorized employees of the Department of Agriculture or by State or local agencies or other persons designated by the Secretary if he determines that it will effectuate the objectives of this Act. In such event, the Secretary may designate a State or local agency or person to perform any such functions if the agency or person shows to the satisfaction of the Secretary that (1) it has adequate facilities and qualified personnel for the performance of such functions, (2) will conduct such training and provide such supervision of its personnel as are necessary to assure that they will provide the service in accordance with this Act and the regulations and instructions thereunder, (3) will not charge fees that are discriminatory or unreasonable, (4) does not have a conflict of interest prohibited by section 11 of this Act, (5) will maintain complete and accurate records of its organization, staffing, and operations and such other records as the Secretary may require by regulation, (6) will comply with all provisions of the Act and the regulations and instructions thereunder, and (7) meets other criteria established in regulations issued under this Act relating to the performance of such functions. Designations made pursuant to this subsection shall be subject to the same provisions as designations for official inspection agencies under section 7(g).

"(d) The Secretary is authorized (1) to investigate the weighing and the certification of the weight of grain shipped in interstate or foreign commerce; (2) to require by regulation the maintenance of complete and accurate records of the weighing of such grain for such period of time as the Secretary determines is necessary for the effective administration and enforcement of this Act; and (3) to prescribe by regulation the standards, procedures, and controls for accurate weighing and certification of weights of grain including safeguards of equipment, and the calibration and maintenance thereof, at locations specified in subsection (a) of this section.

"(e) The Secretary shall conduct a study concerning the supervision of weighing, the weighing and certification of weights of grain, and the inspection and testing of scales used in the weighing of grain at both export port elevators and other than export port elevators. The Secretary shall report the results of the study to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry not later than twelve months after the effective date of this Act, together with any recommendations for legislation that he determines necessary for strengthening the adequacy and reliability of the system.

"(f) No State or local governmental agency or person shall weigh or state in any document the weight of grain determined at a location where weights are required to be supervised or the weighing or inspection and testing of scales is required to be performed as provided for in this section except in accordance with the procedures prescribed pursuant to this section. No person shall use any scales which have been disapproved by the Secretary or a State or local government agency or person designated by the Secretary.

"(g) The provisions of this section shall not limit any authority vested in the Secretary under the United States Warehouse Act (39 Stat. 486, as amended, 7 U.S.C. 241 *et seq.*).

"(h) The representatives of the Secretary shall be afforded access to any elevator, warehouse, or other storage or handling facility from which grain is delivered for shipment in interstate or foreign commerce or to which grain is delivered from shipment in interstate or foreign commerce and all facilities therein for weighing grain.

"(i)(1) The Secretary shall, under such regulations as he may prescribe, charge and collect reasonable fees to cover the estimated costs to the Department of Agriculture incident to the performance of the functions provided for under this section, except as otherwise provided in paragraph (2) of this subsection. The fees authorized by this paragraph shall, as nearly as practicable, cover the costs of the Department of Agriculture incident to performance of its functions related to weighing, including 75 per centum of the estimated total supervisory and administrative costs related to such services. Such fees shall be deposited in miscellaneous receipts of the United States Treasury.

"(2) Each agency to which authority has been delegated under this section and each agency or other person which has been designated to perform functions related to weighing under this section shall pay to the Secretary fees in such amount as the Secretary determines fair and reasonable and as will cover the costs incurred by the Department relating to direct supervision of the agency personnel and direct supervision by Department personnel (outside of the Washington office) of its field office personnel incurred as a result of the functions performed by such agencies, but such fees shall not exceed 75 per centum of the estimated total Federal costs related to the weighing functions of such agencies, except costs incurred under sections 9, 10, and 14 of this Act. The fees shall be payable after the services are performed at such times as specified by the Secretary and shall be deposited in miscellaneous receipts to the United States Treasury. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation designation, which shall be reinstated upon payment, within such period as specified by the Secretary, of the fee currently due plus interest and any further expenses incurred by the Department because of such termination.".

Sec. 6. Section 8 of said Act (7 U.S.C. 84) is amended (a) by amending subsection (a) to read as follows:

"(a) The Secretary is authorized (1) to issue a license to any individual upon presentation to him of satisfactory evidence that such individual is competent, and is employed by an official inspection agency, or a State agency delegated authority under section 7(e), to perform all or specified original inspection or reinspection functions involved in official inspection of grain in the United States; (2) to authorize any competent employee of the Department of Agriculture to (i) perform all or specified original inspection, reinspection, or appeal inspection functions involved in official inspection of grain in the United States, or of United States grain in Canadian ports, and (ii) supervise the official inspection of grain in the United States and of United States grain in Canadian ports; and (3) to contract with any person to perform specified sampling and laboratory testing and to license competent persons to perform such functions pursuant to such contract. No person shall perform any official inspection functions for purposes of this Act unless such person holds an unsuspended and unrevoked license or authorization from the Secretary under this Act.".

(b) By amending subsection (b) to insert "or by a State agency under a delegation of authority pursuant to section 7(e)" after "official inspection agency".

(c) By amending subsection (d) and adding new subsections (e) and (f) to read as follows:

"(d) Persons employed by an official inspection agency (including persons employed by a State agency under a delegation of authority pursuant to section 7(e), persons performing official inspection functions under contract with the Department of Agriculture, and persons employed by a State or local agency or other person conducting functions relating to weighing under section 7A shall not, unless otherwise employed by the Federal Government, be determined to be employees of the Federal Government of the United States: *Provided, however,* That such persons shall be considered in the performance of any official inspection functions or any functions relating to weighing as prescribed by this Act or by the rules and regulations of the Secretary, as persons acting for or on behalf of the United States, for the purpose of determining the application of section 201 of title 18, United States Code, to such persons and as employees of the Department of Agriculture assigned to perform inspection functions for the purposes of sections 1114 and 111 of title 18 of the United States Code.

"(e) The Secretary of Agriculture may hire (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) as official inspection personnel any individual who is licensed (on the date of enactment of this Act) to perform functions of official inspection under the United States Grain Standards Act and as personnel to perform supervisory weighing or weighing functions any individual who, on the date of enactment of this Act, was performing similar functions: *Provided,* That the Secretary of Agriculture determines that such individuals are of good moral character and are technically and professionally qualified for the duties to which they will be assigned.".

Sec. 7. Section 9 of said Act (82 Stat. 765, 7 U.S.C. 85) is amended by adding a new sentence at the end thereof to read as follows: "The Secretary may summarily revoke any license whenever the licensee has been convicted of any offense prohibited by section 13 of this Act, or convicted of any offense proscribed by title 18, United States Code, with respect to performance of functions under this Act.".

Sec. 8. Section 10 of said Act (7 U.S.C. 86) is amended—

(a) by changing the title to read "REFUSAL OF INSPECTION AND WEIGHING SERVICES AND CIVIL PENALTIES";

(b) by amending subsection (a) to read as follows:

"(a) The Secretary may (for such period, or indefinitely, as he deems necessary to effectuate the purposes of this Act) refuse to provide official inspection or the services related to weighing otherwise available under this Act with respect to any grain offered for such services, or owned, wholly or in part, by any person if he determines (1) that the individual (or in case such person is a partnership, any general partner; or in case such person is a corporation, any officer, director, or holder or owner of more than 10 per centum of the voting stock; or in case such person is an unincorporated association or other business entity, any officer or director thereof; or in case of any such business entity, any individual who is otherwise responsibly connected with the business) has knowingly committed any violation of section 13 of this Act or has been convicted of any violation of other Federal law with respect to the handling, weighing, or official inspection of grain, or that official inspection or the services related to weighing has been refused for any of the above-specified causes (for a period which has not expired) to such person, or any other person conducting a business with which the former was, at the time such cause existed, or is responsibly connected; and (2) that providing such service with respect to such grain would be inimical to the integrity of the service.

(c) by amending subsection (c) and adding new subsections (d) and (e) to read as follows:

"(c) In addition to, or in lieu of, penalties provided under section 14 of this Act, or in addition to, or in lieu of refusal of official inspection or services related to weighing in accordance with this section, the Secretary may assess, against any person who has knowingly committed any violation of section 13 of this Act or has been convicted of any violation of other Federal law with respect to the handling, weighing, or official inspection of grain a civil penalty not to exceed $50,000 for each such violation as the Secretary determines is appropriate to effectuate the objectives stated in section 2 of this Act.

"(d) Before official inspection or services related to weighing is refused to any person or a civil penalty is assessed against any person under this section, such person shall be afforded opportunity for a hearing in accordance with sections 554, 556, and 557 of title 5 United States Code.

"(e) Moneys received in payment of such civil penalties shall be deposited in the general fund of the United States Treasury. Upon any failure to pay the penalties assessed under this section, the Secretary may request the Attorney General to institute a civil action to collect the penalties in the appropriate court identified in subsection (h) of section 17 of this Act for the jurisdiction in which the respondent is found or resides or transacts business, and such court shall have jurisdiction to hear and decide any such action.".

Sec. 9. Section 11 of said Act (7 U.S.C. 87) is amended by designating the provisions thereof as subsection (a) and adding new subsections (b) and (c) to read as follows:

"(b)(1) No official inspection agency or a State agency delegated authority under section 7(e), or any member, director, officer, or employee thereof, and no business or governmental entity related to any such agency, shall be employed in or otherwise engaged in, or directly or indirectly have any stock or other financial interest in, any business involving the commercial transportation, storage, merchandising, or other commercial handling of grain, or the use of official inspection service (except that in the case of a producer such use shall not be prohibited for grain in which he does not have an interest); and no business or governmental entity conducting any such business, or any member, director, officer, or employee thereof, and no other business or governmental entity related to any such entity, shall operate or be employed by or directly or indirectly have any stock or other financial interest in, any official inspection agency or a State agency delegated inspection authority. Further, no substantial stockholder in any incorporated official inspection agency shall be employed in or otherwise engaged in, or be a substantial stockholder in any corporation conducting any such business, or directly or indirectly have any other kind of financial interest in any such business; and no substantial stockholder in any corporation conducting such a business shall operate or be employed by or be a substantial stockholder in, or directly or indirectly have any other kind of financial interest in, any official inspection agency.

"(2) A substantial stockholder of a corporation shall be any person holding 2 per centum or more, or one hundred shares or more, of the voting stock of the corporation, whichever is the lesser interest. Any entity shall be considered to be related to another entity if it owns or controls, or is owned or controlled by, such other entity, or both entities are owned or controlled by another entity.

"(3) Each State agency delegated supervision of weiging authority under section 7A and each State or local agency or other person designated by the Secretary under such section to perform services related to weighing shall be subject to the provisions of subsection (b) of this section. The term 'official inspection agency' as used in such subsection shall be deemed to refer to a State or local agency or other person performing such services under a delegation or designation from the Secretary, and the term 'use of official inspection service' shall be deemed to refer to the use of the services provided under such a delegation or designation.

"(4) If a State or local governmental agency is delegated authority to perform official inspection or supervision of weighing, or a State or local governmental agency is designated as an official inspection agency or is designated to perform weighing functions, the Secretary shall specify the officials and other personnel thereof to which the conflict of interest provisions of this subsection (b) apply.

"(5) Notwithstanding the foregoing provisions of this subsection, the Secretary may delegate authority to a State agency or designate a governmental agency, a board of trade, chamber of commerce, or grain exchange to perform official inspection or to perform services related to weighing, except that for purposes of services related to weighing only, he may also designate any other person, if he determines that any conflict of interest which may exist between the agency or person or any member, officer, employee, or stockholder thereof and any business involving the transportation, storage, merchandising, or other handling of grain or use of official inspection or weighing service is not such as to jeopardize the integrity or the effective or objective operation of the functions performed by such agency.

"(c) The provisions of this section shall not prevent an official inspection agency from engaging in the business of weighing grain.".

Sec. 10. (a) Section 12 of said Act (7 U.S.C. 87a) is amended by inserting after the term "official inspection agency" each time it appears in subsections (b) and (c), the term "and every person licensed to perform any official inspection function under this Act".

(b) Section 12 of said Act is further amended by adding the following new subsection (d), at the end thereof:

"(d) Every person who, at any time, has obtained or obtains official inspection shall, within the five-year period thereafter, maintain complete and accurate records of purchases, sales, transportation, storage, treating, cleaning, drying, blending, and other processing, and official inspections of grain, and permit any authorized representative of the Secretary, at all reasonable times, to have access to, and to copy, such records and to have access to any grain elevator, warehouse, or other storage or handling facility used by such person for handling of grain.".

Sec. 11. Section 13 of said Act is amended:

(a) By inserting in subsection (a)(11) "7(f)(2), 7A," after "section 5, 6,";

(b) By striking the word "or" at the end of subsection (a)(10), striking the period at the end of subsection (a) and inserting a semicolon in lieu thereof and adding new subsections (a)(12) and (a)(13) as follows:

"(12) knowingly engage in falsely stating or falsifying the weight of any grain shipped in interstate or foreign commerce, or

"(13) knowingly prevent or impede any buyer or seller of grain or other person having a financial interest in the grain, or the authorized agent of any such person, from observing the loading of grain inspected under this Act and the weighing, sampling and inspection of such grain under conditions prescribed by the Secretary."; and

(c) By inserting in subsection (b)(2) the words "or weighing" after the word "inspection".

Sec. 12. Section 1114 of title 18 of the United States Code, as amended, is hereby amended by (1) striking the phrase "any employee of the Bureau of Animal Industry of the Department of Agriculture," and (2) inserting immediately after the phrase "or of the Department of Labor" the words "or of the Department of Agriculture".

Sec. 13. Section 14 of the United States Grain Standards Act (7 U.S.C. 87c) is amended to read as follows:

"CRIMINAL PENALTIES

"Sec. 14. (a) Any person who commits an offense prohibited by section 13 (except an offense prohibited by paragraphs (a)(7), (a)(8), and (b)(4) in which case he shall be subject to the general penal statutes in title 18 of the United States Code relating to crimes and offenses against the United States) shall be guilty of a misdemeanor and shall, on conviction thereof, be subject to imprisonment for not more than twelve months, or a fine of not more than $10,000, or both such imprisonment and fine; but, for each subsequent offense subject to this subsection, such person shall be subject to imprisonment for not more than five years, or a fine of not more than $20,000, or both such imprisonment and fine.

"(b) Nothing in this Act shall be construed as requiring the Secretary to report minor violations of this Act for criminal prosecution when he believes that the public interest will be adequately served by a suitable written notice of warning, or to report any violation of this Act for prosecution when he believes that institution of a proceeding under section 10 of this Act will obtain compliance with this Act and he institutes such a proceeding.

"(c) Any officer or employee of the Department of Agriculture assigned to perform weighing functions under this Act shall be considered as an employee of the Department of Agriculture assigned to perform inspection functions for the purposes of sections 1114 and 111 of title 18."

Sec. 14. Section 16 of said Act (7 U.S.C. 87e) is amended to read as follows:

The Secretary is authorized to conduct such investigations; hold such hearings; require such reports from any official inspection agency, any State agency delegated authority under section 7(e), licensee, or other person; require by regulation as a condition for official inspection, among other things (a) that there be installed specified sampling and monitoring equipment in grain elevators, (b) that approval of the Secretary be obtained as to the condition of carriers and containers for transporting or storing of grain, and (c) that persons having a financial interest in the grain which is be inspected (or their agents) shall be afforded an opportunity to observe the weighing, loading, and official inspection thereof, under conditions prescribed by the Secretary. The Secretary is further authorized to prescribed such other rules, regulations, and instructions as he deems necessary to effectuate the purposes or provisions of this Act. Whether any certificate, other form, representation, designation, or other description is false, incorrect, or misleading within the meaning of this Act shall be determined by tests made in accordance with such procedures as the Secretary may adopt to effectuate the objectives of this Act, if the relevant facts are determinable by such tests. Proceedings under section 9 of this Act for refusal to renew, or for suspension or revocation of, a license, shall not, unless requested by the respondent, be subject to the administrative procedure provisions in sections 554, 556, and 557 of title 5, United States Code.".

SEC. 15. Section 17 of said Act (7 U.S.C. 87f) is amended by deleting from subsection (e) the term "section 14" and substituting in lieu thereof the term "subsection (a) of section 14"; and by changing subsection (g) to read as follows:

"(g) Any present or former officer or employee of the Department of Agriculture or of any State agency delegated authority under this Act or any official inspection agency, or any agency or person designated to perform services related to weighing under section 7A, or any present or former licensee, who shall make public any information obtained under this Act except pursuant to authority from the Secretary or a court order or otherwise in connection with law enforcement proceedings by the Federal Government, or pursuant to a request from a committee of the Congress, shall be guilty of a misdemeanor, and upon conviction thereof be subject to the penalties set forth in subsection (a) of section 14 of this Act. Nothing contained herein shall be construed as prohibiting such person from divulging information which he reasonably believes involves conduct prohibited under this Act or under title 18 of the United States Code.".

SEC. 16. Section 19 of said Act (7 U.S.C. 87h) is amended to read as follows:

"APPROPRIATIONS

"SEC. 19. There are hereby authorized to be appropriated such sums as are necessary for monitoring in foreign ports grain officially inspected under this Act; improvement of official standards for grain, improvement of inspection procedures and equipment, and other activities authorized by section 4 of this Act; development and issuance of rules, regulations, and instructions; and other Federal costs incurred under this Act.".

STUDY OF GRAIN STANDARDS AMENDMENT

SEC. 17. In order to assure that producers, handlers, and transporters of grain are encouraged and rewarded for the production, maintenance, and delivery of the quality of grain needed to meet the end-use requirements of domestic and foreign buyers, the Secretary is hereby authorized and directed to conduct an investigation and make a study regarding the adequacy of the current grain standards established under the United States Grain Standards Act. To determine the items of concern to buyers, both foreign and domestic, and how sellers in the United States might best satisfy those needs, the Secretary may seek the advice of and may employ the services of representatives of the grain industry, land-grant colleges, and other members of the public (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service). On the basis of the results of such study, the Secretary, in accordance with section 4 of the United States Grain Standards Act, shall make such changes in the grain standards as he determines necessary and appropriate, and, not later than one year after the enactment of this Act, submit a report to the Congress setting forth the findings of such study and action taken by him as a result of the study.

REPORTS OF COMPLAINTS

SEC. 18. The United States Grain Standards Act is amended by inserting after section 19 the following new section:

"REPORTING REQUIREMENTS

"SEC. 20. On February 1 of each year, the Secretary shall submit to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry a summary of all complaints received by the Department of Agriculture from foreign purchasers and prospective purchasers of grain and other foreign purchasers interested in the trade of grain: *Provided*, That the summary shall not include a complaint unless reasonable cause exists to believe that the complaint is valid, as determined by the Secretary.".

SEC. 19. The Secretary shall submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry one year after the effective date of this Act setting forth the actions taken by him in implementing the provisions of this Act.

EFFECTIVE DATE

SEC. 20. This Act shall become effective on the thirtieth day after enactment hereof; and thereafter no State agency shall provide official inspection at an export port location or supervision of weighing at an export port elevator at an export port location without a delegation of authority and no agency or person shall provide official inspection service in any other area without a designation under the United States Grain Standards Act, as amended hereby, except that any agency or person then providing such service in any area, who pays fees when due, in the same manner as prescribed in section 7 or 7A of the United States Grain Standards Act, as amended hereby, may continue to operate in that area without a delegation or a designation but shall be subject to all provisions of the United States Grain Standards Act and regulations thereunder in effect immediately prior to the effective date hereof, until whichever of the following events occurs first:

(1) a delegation or designation of such agency or person to perform such services is granted or denied by the Secretary pursuant to said Act, as amended hereby; or

(2) such agency, or two or more members or employees thereof, have been or are convicted of a violation of any provision of the United States Grain Standards Act in effect immediately prior to the effective date hereof; or convicted of any offense proscribed by any other Federal law involving the handling or official inspection of grain; or

(3) the expiration of a period as determined by the Secretary of not more than two years following the effective date hereof.

Mr. FOLEY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 1, line 5, strike the word "said" and insert in lieu thereof the phrase "the United States Grain Standards".

Page 2, line 5, after the word "and" insert "by striking the period at the end of subsection (u) and inserting a semicolon in lieu thereof and".

Page 2, lines 18 and 23, page 3, lines 3, 7, and 12, strike the period at the end of each such line and insert in lieu thereof a semicolon.

Page 7, line 9, strike the words "in the fund" and insert in lieu thereof the word "as".

Page 9, line 24, strike the phrase "(4) of this subsection" and insert in lieu thereof "(3) of subsection (g)".

Page 16, line 19, strike the word "of" and insert in lieu thereof the word "or".

Page 18, line 4, strike the phrase "sections (e) and (f)" and insert in lieu thereof "section (e)".

Page 25, line 21, add after "inserting" the words "in subsections (a)(7) and (a)(8) the words 'or personnel of agencies delegated authority or of agencies or other persons designated under this Act' after 'personnel' and".

Page 28, line 1, after the colon insert "SEC. 16.".

Mr. FOLEY (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD, and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENTS OFFERED BY MR. BERGLAND

Mr. BERGLAND. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. BERGLAND: Page 4, line 4, strike lines 4 through the word "hearing." on line 15.

Page 9, lines 14 through 16 strike "and each State agency to which authority has been delegated under subsection (e)".

Page 18, lines 6 through 7 strike "persons employed by a State agency under a delegation of authority pursuant to section 7(e),".

Page 22, lines 9 and 10 strike "or a State agency delegated authority under section 7(e),".

Page 24, line 5 strike "to perform official inspection or".

Page 28, lines 4 and 5 strike "any State agency delegated authority under section 7(e),".

Page 32, lines 7 and 8 strike "official inspection at an export port location or".

Mr. BERGLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BERGLAND. Mr. Chairman, I ask unanimous consent that these seven amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BERGLAND. Mr. Chairman, I want to join with my colleagues in paying proper recognition and respect to the distinguished chairman of the committee, the gentleman from Washington (Mr. FOLEY), and the distinguished ranking minority member, the gentleman from Virginia (Mr. WAMPLER). These gentleman have shown the patience of Job, and have allowed every dissenting point of view to be heard fully and completely, and yet have had the skill with which to make the decisionmaking process work. From this leadership, we have produced what I consider to be a good piece of legislation, weak in only one regard, and I propose, Mr. Chairman, to repair that defect.

Mr. Chairman, the committee bill preempts the 21 active ports that are engaged in the exporting of grain in which the inspection of that grain has been performed by private agencies. The bill does, however, allow the Secretary to license State agencies, admittedly under very strict control and very precise circumstances, these State agencies to provide the services of inspecting grain that moves from about 17 ports in 10 States.

My amendment, Mr. Chairman, would preempt the State agencies. It would disallow the right of the Secretary to license the States in the inspection of grain. Mr. Chairman, I think it is important that we preempt the State agencies, as we have already preempted the private agencies, in order to establish uniformity.

Whether the grains move from the Port of Duluth, Minn., the Port of Seattle, Wash., the Port of Houston, Tex., or the Port of New Orleans, La., if grains move out under a Federal standard, that standard should be the same. There should be no variation between ports just because there happens to be a variation in the circumstances used to grade that grain.

In addition, Mr. Chairman, by preempting the States in this regard it would authorize and allow a time-honored and very practical practice often employed by regulatory agencies, that of rotating personnel. In the course of hearings, we found that many of the indictments which have been handed down and many of the convictions in the courts were in large part due to the cozy private arrangements developed between the inspector and those whose products he inspected. They obviously, over a period of time, developed personal relationships and friendships that tended to prejudice professional judgments of the inspectors.

I think therefore, Mr. Chairman, that it is important to the country that these persons be rotated so that no inspector could possibly develop the personal relationship with those with whom he is doing business to such an extent that his professional judgment could in any way be compromised.

And so, Mr. Chairman, I urge the support of this amendment. It would certainly not cost the taxpayers any more money. I think, Mr. Chairman, indeed it could result in a savings in cost, because if we had Federal supervision of State agencies, as provided for in the committee bill, we will need Federal inspectors at those ports inspecting what the State inspectors do. If we preempt them, the Federal inspectors can render the service, provide the original inspection, and do the kinds of things that would be done by State inspectors under Federal supervision. I think my amendment could result in less cost to the taxpayers and certainly could provide the kind of uniformity that is so essential if the grain export of this country is to continue to grow, which is in the best interests of all concerned.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Minnesota ((Mr. OBERSTAR).

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is making a very valuable contribution to this legislation and our grain export program with his amendment.

I do have a concern which I would like to be enlightened on.

Mr. Chairman, our Port of Duluth operates under a private inspection system. About 90 or 95 percent of the total export from the Port of Duluth for international trade is grain.

Last year, it was 4.2 million tons of grain. A couple of years ago, in 1973, to be exact, it was 8 million tons of grain, much of it shipped to Russia.

The inspection by the U.S. Department of Agriculture grain inspection service in Duluth just this year resulted in a report saying that if all ports had as good an inspection service as Duluth, there would not be any problem anywhere in the country.

Mr. Chairman, what will happen, I ask the gentleman, to those private inspectors in Duluth under the gentleman's amendment?

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. BERGLAND) has expired.

(On request of Mr. OBERSTAR, and by unanimous consent, Mr. BERGLAND was allowed to proceed for 2 additional minutes.)

Mr. BERGLAND. Mr. Chairman, if my amendment were adopted, the State agency providing service in Duluth would be preempted. There is a provision in this bill which sets aside certain of the civil service requirements, so the employees could be transferred from the State payroll to the Federal payroll without having to go through the rather cumbersome civil service testing agency.

Mr. OBERSTAR. If the gentleman will yield further, these are private inspectors in Duluth.

In Superior, the port operates under a State agency. In Duluth, on the other side of the same harbor, they are private inspectors.

Would the private inspectors have the same opportunity for Federal employment as State inspectors?

Mr. BERGLAND. The same would apply in both instances. However, in Duluth, with private systems, they are already preempted and would become eligible for Federal employment. However, this amendment would only directly apply to those ports where there is a State agency, such as in Superior, Wis.

Mr. OBERSTAR. If the gentleman will yield further, would those private inspectors at Duluth have a preference for consideration for Federal employment, or would they be just thrown in a bag with all other applicants?

Mr. BERGLAND. The bill is silent in that regard. If the Secretary of Agriculture would take over inspection of grain moving through the Duluth port, which would be the case if this bill passes, with or without my amendment, the Secretary would obviously give preference and priority to those employees who are currently doing good work at Duluth.

I think if there were some way to do it legislatively, I would like to blanket them in. We cannot, unfortunately, do this. However, it would certainly be this Member's hope that the Department of Agriculture would give priority to and hire those employees who have done a good job and who want to continue to work in the grain inspection area.

Mr. OBERSTAR. I thank the gentleman.

Mr. Chairman, notwithstanding the outstanding record of the private inspection service at Duluth, and considering the importance of this trade in our national export picture, I will support the gentleman's amendment, in the interest of national uniformity and in the interest of eliminating these problems elsewhere in the country.

Mr. BALDUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Minnesota (Mr. BERGLAND) and commend him for the leadership he has taken in offering this amendment. It is a constructive approach, and I believe it adds balance to the bill.

Mr. Chairman, I yield back the balance of my time.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Committee on Agriculture has many able, dedicated, and committed members; and none is more so than the gentleman from Minnesota (Mr. BERGLAND). It is not on many occasions that we find ourselves in disagreement. This, however, is one such occasion.

The committee bill provides that the Secretary of Agriculture shall be responsible for conducting inspections at export ports. It further provides that he can accomplish that by using either one of two classes of employees. He can require that inspections be performed by employees of the U.S. Department of Agriculture at exact ports; or, at certain export locations, he may choose to use qualified State agencies. Although he is in no way required to do so, he may use qualified State agencies to conduct that inspection. I should like to emphasize that there is no obligation on the part of the Secretary to delegate such authority to State agencies. Instead, may use USDA personnel exclusively. It seems to me and to a majority of the committee that it is only wise to allow that flexibility.

We have some State systems that have functioned both very effectively and very efficiently for many, many years. One such State agency has been providing services for 80 years and has never been touched by scandal or by other problems in its operations.

To prevent these particular agencies from receiving delegated authority from the Secretary, in my opinion, does not permit the Secretary's authority to carry far enough. He ought to have the flexibility afforded by this opportunity. The Secretary would retain in central control and assume full responsibility for the system in either case. Moreover, he would have authority, under the committee bill, to withdraw this delegated authority from any State agency without a hearing. He may simply take away the authority of the State agency.

Thus, the system is fully protected if the Secretary decides to revoke that delegation.

Mr. Chairman, this is probably the most controversial single issue that came before the Committee on Agriculture. I will advise the Members of the Committee that the final vote on this question was 22 to 19, and there were members from both parties on both sides of the issue. It does appear to me to be only wise to continue the flexibility that the committee bill provides rather than to require that the Secretary use only USDA personnel.

There is one other problem. This bill allows for a 2-year transition period before its provisions go into full effect. That gives the Secretary needed time, since the complications arising from this transition will no doubt be very great. The flexibility which the Secretary would have under the committee bill to use qualified State employees in export inspections will go a long way toward making this transition smooth, equitable, and efficient. We do not want either our producers or our foreign purchasers saddled with disruptions or unnecessary difficulty as we change from the present system to that proposed under this bill.

Mr. Chairman, I respectfully hope that the Committee will reject the gentleman's amendment and stay with the committee bill.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Chairman, I thank the gentleman for yielding.

I wish to associate myself with the remarks of the gentleman from Washington and I rise in opposition to the amendment.

Mr. HARKIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, I rise in support of the Bergland amendment.

As the distinguished chairman of the committee just pointed out, this matter was very hotly debated in the committee. As I remember, there were three votes taken upon this issue. The first time it was in terms of Federal inspectors at the export facilities, and the first time it narrowly lost. A few days later another vote was taken on the very same issue, and it won overwhelmingly. I do not remember the vote, but it won overwhelmingly.

Then about 2 weeks went by, during which the thing just laid on the table. After that time another debate ensued on this one point, and as the committee chairman pointed out, it passed by a very narrow margin, the vote being 21 to 19.

Lest members here feel that it is because some of us are accused of wanting to increase the Federal bureaucracy, and that we are the only ones supporting this, I would like to draw the Members' attention to an editorial that appeared in the Washington Post on March 6, a guest editorial, by Walter C. Klein. Walter Klein is the president of the Bunge Corp. I am certain he is not the kind of person who favors increasing bureaucracy or anything like that.

Let me read for the Members some of the things that he said. He said:

> I doubt that a self-policing system, even coupled with closer supervision by private and state inspection agencies, can of itself restore public confidence.
>
> Finally, with respect to port elevators, the present system has inherent defects that can best be cured by the institution of federal controls.

Mr. Chairman, this is the president of one of the major grain exporting firms in this country.

He went on to say how his company had suffered by being brought into court where they had to plead nolo contendere to the charges.

Then he went on to say this:

> There can be no better control than a complete, thorough, accurate check by federal inspectors at the loading port.

Mr. Chairman, the full editorial follows:

Head of Big Grain Firm Favors Federal Inspection

(By Walter C. Klein)

Controversy over federal grain export policies and the "grain scandals" at Gulf ports have brought unusual attention to the grain trade and, in particular, proposals in Congress for a federal grain inspection system.

For three basic reasons I favor having the U.S. Department of Agriculture take over the functions at port elevators that are presently handled by private and state inspection agencies.

First, closer federal control probably would have spared the corporation of which I am president the ignominy of pleading nolo contendere last fall to charges against it and certain of its employes relating to improper weighing practices at our grain elevators. Although the improper practices were in no way authorized or condoned, the corporation was included in the action under the established legal theory that an employer may be found responsible for the actions of its supervisory employes.

Second, although our company has instituted tough internal controls over weighing and grading, and undoubtedly other grain companies have done likewise, I doubt that a self-policing system, even coupled with closer supervision by private and state inspection agencies, can of itself restore public confidence.

Finally, with respect to port elevators, the present system has inherent defects that can best be cured by the institution of federal controls."

SELF-POLICING

To understand the major area of potential abuse and why I am restricting my proposals to the port elevators, one must first review the present procedures for the weighing and grading of grain.

Weighing and grading agencies—either the states or government-licensed boards of trade, chambers of commerce, or grain exchanges—perform two functions.

First, they supervise the weighing of grain. The degree of supervision is largely up to the parties buying and selling the grain.

Second, the private and state inspection agencies handle the sampling and grading of grain under the U.S. Grain Standards Act. The U.S. Department of Agriculture generally supervises the grading activities of the inspection agency.

LONG DELAYS

When grain is sold in the United States, the buyer and the seller agree upon whether the weights and/or grades at the point of shipment or at the point of delivery will be used in determining the amount to be paid for the grain. The two parties are able to monitor closely the weights and grades at the "other end" of the distribution system because the grain will be weighed and graded (or weights and grades will be closely estimated) at both points.

However, this type of policing breaks down where foreign shipments are involved as (1) shipments are made in very large units, (2) extensive breakage of the grain occurs in both loading and unloading, (3) in some overseas ports, facilities for accurate weighing of grain do not exist, (4) it is a relatively long time between loading and unloading of ocean vessels, and quality deterioration can occur, and (5) with ocean vessels often being discharged into many individual barges or other containers for further distribution, the chance of spillage and other errors greatly increase.

For these reasons, the monitoring of the grain at the point of discharge would have little value. If there are problems, they need to be detected and corrected at the loading point in the United States. There can be no better control than a complete, thorough, accurate check by federal inspectors at the loading port.

To correct the potential for abuse I propose changes in the weighing and grading procedures at the port elevators as follows:

All export grain at port elevators should be sampled and graded by USDA personnel. At present, such federal inspection of grain is neither required nor available. Federal inspection takes place only when one of the parties has appealed an initial grade issued by a private or state inspection agency.

A separate department within the USDA should be established to handle appeals of grades determined by primary federal inspection. This department would assure uniform standards for all grading of grain.

Full-time supervision of weighing procedures should be required at all port facilities.

All federal inspectors should be rotated among locations on a regular and frequent schedule.

USDA personnel, rather than personnel of private or state inspection agencies, should certify whether ocean-going vessels are ready for loading. In times of high freight rates, this has been an area especially subject to abuse.

These reforms would be a major step in maintaining confidence in the weighing and grading of shipments of U.S. grain abroad.

Mr. Chairman, I just sent out a questionnaire to all of the farmers in my district. The first question I asked in that questionnaire was:

> Are you in favor of Federal inspectors of grain at all of the export facilities?

Mr. Chairman, 70 percent of those responding said yes. Again, I can assure the Members that the farmers in my congressional district are not in favor of any big Federal bureaucracy, but they realize the inherent conflicts of interest that are now present in the grain inspection system at our export facilities.

Mr. Chairman, they want to market their goods abroad. We need it not only for the farmers, but for the balance-of-payments problem that this country faces.

As Mr. Klein has stated, if we are going to restore confidence in our grain exports and in our inspection facilities, then the only way we can do it is by having Federal inspectors at the export facilities.

Mr. Chairman, I urge a favorable vote on the Bergland amendment.

Mr. RICHMOND. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Bergland amendments.

Mr. Chairman, I sat through the lengthy deliberation mentioned by our distinguished chairman. The markup took many weeks, during which we gradually developed the bill. The overriding fact seemed to be the General Accounting Office evaluation, which concludes that the fundamental problems are so serious that a phased-in federalization of the inspection and weighing systems at export terminals is absolutely necessary.

The Senate and the House, as we know, ordered the GAO study on this subject. GAO did a thorough investigation of the grain standard inspection problem of the United States and came up with an absolute mandate that we should federalize inspection.

Mr. Chairman, I do not want to waste money. I do not want to unnecessarily increase the employees of the U.S. Government. We certainly have enough Federal employees now, but our present grain inspection system seriously damages the reputation and credit of the United States. Just think, at present, the average foreign buyer prefers to buy Brazilian soybeans or Canadian wheat over American products. That is where we consumers must express outrage. We Americans must know that our American products are just as good and just as acceptable, if not more so, than any other products in the world. As the gentleman from Oregon (Mr. WEAVER) said, we Americans sell 50 percent of all of the food shipped in the world. Just the thought that American products are considered less desirable than those from other countries is a trend that none of us wants to support.

Mr. Chairman, a Federal inspection system would help to regain credibility with foreign buyers. There are 30 active ports in the United States handling exports. These ports should gradually be federalized over 2 years. There is no reason why capable inspectors now working under State supervision could not be hired under the Federal program.

This is a program that the Senate Committee on Agriculture approved. The GAO mandated that we have it This great body, representing every American, can ill afford to do anything which might reduce our exports of food which are responsible for $22 billion of much needed foreign exchange.

Mr. MOORE. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendments offered by the gentleman from Minnesota (Mr. BERGLAND).

Mr. Chairman, a moment ago during the general debate, I stated that the only shortcoming in this bill, and I repeat, the only shortcoming in the bill, is that the bill went too far in eliminating agencies that are now doing the inspections, such as grain exchanges, chambers of commerce and local government agencies. Therefore, it is consistent with those remarks that the Bergland amendment does a greater wrong to the bill than already exists by removing the State agencies which the bill does allow to inspect but only after they have been delegated that authority by the Secretary of Agriculture.

Those remarks I made previously are even more pertinent to this amendment than to the bill and I would urge that the amendment be rejected.

There is no evidence of the necessity for this amendment or indeed any evidence that it will solve the problem—the problem of poor administration and dishonesty.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Virginia.

Mr. WAMPLER. I thank the gentleman for yielding.

Mr. Chairman, during the January recess of the Congress, five members of our committee—and I was privileged to be one of those five—visited the New Orleans area in an effort to better acquaint ourselves with the alleged irregularities in the inspection of grain at export terminals. During our visit there we were privileged to meet with a group from the New Orleans Board of Trade which has for a number of years performed the services of inspecting grain in the Port of New Orleans.

As I understand it, the New Orleans Board of Trade has been long established and is a well respected organization and one that provides many trade functions.

During our discussion with these representatives, it was related that the New Orleans Board of Trade operates this grain inspection service at a loss of some $65,000 a year. They perform the grain inspection service as a quasi public service function, along with a number of other activities, in the interest of the promotion of export trade through the Port of New Orleans. There has been a great deal of publicity surrounding the grain scandals in the New Orleans area, which has been generally attributed to elevators in New Orleans when in fact they involved terminals outside of the Port of New Orleans.

I would say to the gentleman from Louisiana that I think that many private grain inspection agencies have performed good service. I think it is unfortunate that we have been unable to adopt a legislative technique with which to preserve this type of private inspection service and eliminate the inherent conflict of interest that exists in this type of relationship.

I repeat to the gentleman from Louisiana that there have been many private grain inspection agencies that have done a good job and whose employees have been honest. I think it is unfortunate that there has been this blanket indictment of this type of inspection service.

Mr. MOORE. Mr. Chairman, I thank the gentleman from Virginia for his remarks, and I would also point out that in every single instance of wrongdoing that has been brought to our attention, it has occurred under the direct supervision of the Federal grain inspectors. I would further state that the Federal grain inspectors are on the job 7 days a week, 24 hours a day, and any wrongdoing that has been done was done under their supervision. So I certainly cannot support the idea that all Federal grain inspectors will be more honest than the people who have been working for the private agencies.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I am delighted to yield to the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. Mr. Chairman, I thank my distinguished colleague, the distinguished minority whip for the comments he has made about the Port of New Orleans and concerning the New Orleans Board of Trade. I would like to point out further that considered within this bill, and considered within the inspection requirements, that there are some 175 miles of ports in the so-called Port of New Orleans but that there are only two grain elevator inspection services which exist within the Port of New Orleans proper, and those are under the jurisdiction of the New Orleans Board of Trade.

As the distinguished minority member on the committee pointed out, this is a nonprofit group of distinguished citizens who since 1916 have been promoting the good will of the United States for the Port of New Orleans and who certainly since they took over the grain inspection responsibilities have conducted themselves with honesty, integrity and with the efficiency for which they are so well known. As a matter of fact, when one of the elevators did get into difficulty down the river from us, but yet considered in this bill as the port of New Orleans, the USDA asked the Board of Trade of New Orleans to take over this operation because they had maintained a conscientious staff of honest inspection and weighing personnel who were willing to devote the extra effort and the extra hours to keep a facility necessary to the grain industry and to the favorable balance of trade.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NOLAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, the gentleman from Louisiana pointed out that there is Federal supervision. I would only remind the gentleman and the Members of the House that the GAO study concluded, among other things, that the supervision applicable or available under existing law was wholly and totally inadequate.

But what I would also like to mention is something I do not believe has been brought out to this point. That is the fact that under the current system of inspection, the GAO found in their study, which included interviews of some 60 foreign buyers, that foreign buyers were resolving the matter themselves by simply terminating purchases from the United States and going to other countries such as Brazil for their soybeans and other products. In fact, the study found that 6 foreign buyers had quit purchasing products from the United States entirely, and another 20 foreign buyers had reduced their purchases from the United States and were looking to other countries for their products simply because they were tired of getting shortweighed and adulterated materials.

I would also remind the Members of

the House that the GAO concluded the best way to remedy this situation was through the establishment of a strong Federal grain inspection system similar to that recommended in the Bergland amendment. So I strongly urge the Members of the House to recognize the importance of the Bergland amendment.

If we are going to stop losing foreign markets, if we are going to restore America's image and the respect with which our products are viewed by other countries, and if we are going to restore a balance to our trade deficits and help improve domestic markets for our own producers, we must establish Federal grain inspection at our export facilities.

Mr. Chairman, I strongly urge adoption of the Bergland amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIRTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had a question which I wanted to ask of the chairman of the committee and of the gentleman from Minnesota (Mr. Bergland) if I might. First of all, I want to commend the gentleman and the committee on putting together what I call a very balanced piece of legislation.

I do remain a bit puzzled about the Bergland amendment. The argument has been made to me that one of the problems with the Bergland amendment is that it affects all of the export ports around the country, whereas the problem really rests in two or three of those. I would like to have the chairman's reaction to that point that was made. The bottom line of the statement says that we should not have to federalize the whole service. If the problem exists only in a few places, let us focus on the few places where it does exist.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

I want to say that his statement reflects my own viewpoint. There have been serious scandals, most of them associated with private inspection operations, and most of them in the area of the gulf ports.

We have on the west coast, for example, the states of California, Oregon, and Washington providing inspection at export ports. Elsewhere, we have Minnesota, Virginia, South Carolina, Alabama, and Mississippi operating inspection at export ports. All of these would be prevented from performing any further export inspections if the Bergland amendment is adopted. To my knowledge, there has been no serious question raised about the operation of any of these State systems, and the Secretary ought to have the flexibility to utilize them if, in his judgment, they enhance the effectiveness of this system.

Mr. WIRTH. So that the point that the chairman is making is that a number of the State inspection systems at ports have worked very well.

Mr. FOLEY. Yes.

Mr. WIRTH. And consequently there is no need to federalize them.

Mr. FOLEY. No, there is no reason to totally preempt them, as the Bergland amendment would do.

Mr. WIRTH. I thank the gentleman.

Mr. BERGLAND. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Minnesota.

Mr. BERGLAND. I thank the gentleman for yielding.

The gentleman's observation, of course, is correct. The problem has been confined to a few ports around the borders of the United States. My amendment, however, is not designed to strike at a State or a port necessarily, but rather to remedy what I regard to be an inherent defect in a system which would provide Federal supervisors watching over the shoulders of some other agencies and employees.

In order to standardize a program, we ought to have the Federal people do the job, whether that port be in the South, the gulf coast region, or the Far West.

Standardization is important, and by having these agencies preempted, a certain amount of rotation can be established. If a State agency is going to do the work, we cannot rotate inspectors who will work for a State agency and exchange them for other employees in another State halfway across the United States. It is not designed to strike a State necessarily.

Mr. WIRTH. I might also ask, the point has been made that were the Bergland amendment passed there would be a Federal backup effect from the ports throughout the interior of the country.

Mr. BERGLAND. I am not quite sure I understand the gentleman's question. The bill provides for Federal supervision of grain inspection at all locations but it is merely supervision and licensing all the interior points.

Mr. WIRTH. But if there were more careful supervision at all of the export ports, the effect of that internally in the country would also be felt. In other words this would have an impact on cleaning up what has been in some places a questionable system throughout the country.

Mr. BERGLAND. That is precisely the point. We have lost business, as testified to by my colleague, the gentleman from Minnesota (Mr. Nolan). The whole industry has come under this suspicion because of the unscrupulous practices of a few. I might say that the majority in the business have been honest, hard-working people, but the few have brought about difficulties for the many. That is not a unique situation.

But, yes, if we can straighten this mess out and regain confidence of the foreign buyers in the American products it will result in good for the producers, those engaged in the export trade, and be of general benefit to all people of the United States.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that this amendment brings to the forefront the whole crux of my opposition to this bill. This amendment is based upon the assumption that the Federal Government can do things better than anybody else in this country. I do not believe that putting a Federal badge on somebody will make him any better than he was before we put the badge on him. I like to wear the U.S. flag and all that but I do not believe the Federal official is any better than a State official or a county official or the operator of a private elevator at the end of the railroad line.

The reason there is no complaint about grading of the private elevators at the end of the railroad line is that they are doing the inspecting of the grain they are buying. They are buying the grain and they are doing the inspecting of it and of course there is no complaint.

Obviously they look after their interest and they see that they get what they pay for. We are not hearing any complaints off out there at the production end of the line.

Why should we hear complaints at the other end of the line? The reason we hear complaints at the other end of the line is simply because too often the buyers at the other end of the line are not inspecting the grain they are buying. Sometimes they are not looking at it. If they were there would not be any complaints.

All I am suggesting is that we should make the buyer or his agent look at the grain that he buys and base his decision upon his own judgment, not upon the seal of the United States or of any State or private agency.

As long as we are going to assume that putting on a Federal cap makes everybody honest and intelligent, just so long as we are going to need to federalize everything in this country, not simply grain inspection but everything else. If there be any validity to the suggestion of the gentleman from Minnesota, then we ought to wipe out our States and we ought to wipe out our local governments because his amendment assumed that they have not intelligence nor integrity enough to exist.

Why should we allow the citizens of the States or the cities to levy local taxes? The amendment assumes that they obviously are corrupt. That they are obviously ignorant. That the thing to do is federalize them and then they will be wise, happy, and intelligent. I do not believe anything of the kind.

I think that the chairman of the committee has put his hands on the point. The gentleman from Washington (Mr. Foley) is correct when the gentleman says the Federal Government can name these State agencies and they would do just as good as if the Federal Government employed the inspectors. The mere fact that the man gets a cap or a badge from the Federal Government does not have anything to do with his ability or his honesty. I, frankly, feel it is an insult to every State agency and every State inspector to infer that only Federal inspectors can be honest and intelligent.

If we are going to accept the philosophy that the Federal Government should inspect grain at the ports, then this is an excellent bill. Most of this body does accept that philosophy. Therefore, even though I am going to vote against the bill, most Members should vote for it and without amendment, because if they believe that we should have a Federal inspection system, we have brought them a good bill and they ought to support it.

Mr. BERGLAND. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. BERGLAND. Mr. Chairman, I want to commend the gentleman. The gentleman has been consistent. The gentleman has taken a point of view from the day the committee started marking up the bill. The gentleman has never deviated. The gentleman makes a good point. In the course of covering the proceedings on this matter, we were informed by certain agents of foreign buyers that they had sent a representative of their own to the United States to witness the loading of their grain and they were run off the place and threatened with trespassing.

This invites foreign buyers to be on the premises at the time the grain is loaded on their boats. This is the point originally made by the gentleman from Texas and certainly ought to be recognized.

Mr. SYMMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Texas and point out that we have had laws against fraud in this country since the very founding of the Republic.

We have bank embezzlements take place and the bank examiners go in and find the problem and if the people are at fault, they are taken to court and put in jail without all this big to-do.

I think the principle is the same here and the gentleman makes the point very well that if we are Hamiltonians, we will vote for the bill and if we are Jeffersonians, we will vote against it.

Mr. Chairman, I will simply conclude by saying I will vote against the amendment and I will join the gentleman from Texas (Mr. POAGE) and vote against the bill.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I just want to ask the gentleman why the gentleman supposes that the president of the Bunge Corp., we might term him a Hamiltonian or Jeffersonian, I do not know what he is, but he is in favor of Federal inspectors at the port facilities. I wonder why that might be? Does the gentleman have any observation on that?

Mr. SYMMS. He is not hurt by this Federal inspection service.

Mr. HARKIN. But what he is hurt by, he is hurt if there are not Federal inspectors, because he is finding they are losing business abroad from this country. He knows if we have Federal inspectors, we are going to keep those customers.

Mr. SYMMS. The way this bill is written, the buyer has the privilege to come aboard that vessel and have his own inspection right now under this bill, without this amendment; so he is already protected. If he wants to have an inspector on board to check it himself, he can certainly do so.

Mr. HARKIN. But again, this foreign buyer can buy it from other countries. They are going to other parts of the world to buy it and we have to get back those customers.

Mr. SYMMS. And the man Mr. Bunge, is in those other countries with an international company, so it does not bother him.

Mr. HARKIN. I am interested in this country. I am interested in the business that comes from this country.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I think we are losing sight of what kind of an inspection service we have here. Putting a striped suit on a referee does not make him a superman, but the fact that he is not a member of either team helps to give confidence that he will perhaps make fair calls. What a spectacle it would be if both teams were to have their managers as referees and make joint calls. That is what we are talking about here.

This is not an ordinary inspection service such as we have in meat inspection for the protection of a third party, the consumers. This is a service for the people who are selling and buying. They are paying for it. All they have asked the Government to do is to provide them with an impartial grading and weighing service. They say, "I will pay for it; I want an impartial service operated effectively and efficiently and uniformly." Uniformity is an important matter here.

One of the problems we have here is that Members tend to see the inspection service that they have seen it as operated locally in their areas. I visited and spent most of the day at the Seattle port about 2 or 3 years ago—maybe it was 4 years ago—and I do say that it was a well-operated port. I must also point out, however, that it was operated by a State agency and most of the wheat going through that port comes from the State of Washington. The State Department of Agriculture has every reason to have pressure on it to operate a port in a most fair and judicious and good manner. It is not the same at other ports I have visited.

We do not have that same situation everywhere. Very little of the grain at New Orleans comes out of Louisiana—very little. Almost all of it comes from the great bread basket of the Midwest. I think that as long as we are going to have a grain business such as we have with billions of tons of grain being shipped overseas, upon which all of the consumers in this country are dependent for earning the money to pay for the imports of oil that come into this country and for helping to stabilize the dollar, then we ought to protect our grain business and we should provide an impartial service to those who want it.

Many other countries are different from us in that they have State trading companies. They do not understand it when they come to the Department of Agriculture and they are told, "Well, that was the U.S. grade put on there, but it was not really a U.S. inspector." They do not understand that, and they never will.

I think the exporting points we have ought to have a uniform inspection service where we know that the grade put on there by a person who has no financial interest, is subject to all of the pressures of Federal law, who is subject to removal from his Federal job and everything else.

The least we can do is to vote for the Bergland amendment and have uniform inspection as a service to the people who are paying for it at export ports.

Mr. MEZVINSKY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Iowa.

Mr. MEZVINSKY. Mr. Chairman, I would like to commend the gentleman for his remarks. It has been nearly a year since I introduced H.R. 8347, a measure aimed at correcting some of the problems in our Nation's export grain inspection and weighing system—problems, unfortunately, is a euphemism here because, in truth, the existing situation was spawning a major scandal with both national and international implications.

Through last summer, a Federal investigation uncovered unparalleled corruption where conflict of interest and bribery appeared to be the standard operating procedure in the inspection and weighing of U.S. export grains. By the end of September last year, a Federal grand jury investigating the goings on at the New Orleans export port had indicated 48 individuals and four corporations, charging some 265 violations of Federal criminal statutes, including counts of bribery, corrupt influence on inspection personnel and evasion. Our Nation's grain inspection and weighing system was not presenting a very pretty picture to the world.

Of course, our foreign grain customers did not need a grand jury's shower of indictments to tell them that the integrity of our Nation's grain inspection and weighing system was questionable. Since 1966, the USDA has received nearly 600 complaints from foreign buyers regarding the quality and quantity of U.S. grain. In short, they were getting less, or a lower quality of grain than they bargained for.

To restore foreign buyers' confidence in America's product, and protect this market which is vitally important both to our farmers and to our Nation's balance of trade, it was clear that something had to be done, that fundamental changes in the system had to be made.

The Agriculture Committee requested that the General Accounting Office conduct a complete evaluation of the entire marketing chain for grain. GAO devoted almost 8 months to that task and produced the most comprehensive study of the grain inspection system ever compiled.

I think the key finding of the GAO was that the corruption of the present system is so pervasive that to effectively attack the problem demands that the Federal Government step in and accept direct responsibility for the inspection system.

Although the bill before us today makes major strides toward tightening the Nation's grain inspection and weighing system, it is fundamentally flawed by its lack of a requirement of Federal inspection at all export ports. By allowing the Secretary of Agriculture to continue to designate this authority to the States, the present bill fails to properly recognize either the GAO's recommendation or, more importantly, the scandalous conditions that prompted it.

I do not accept the notion that to put the inspection process solely in the domain of the Federal Government somehow passes unfair, negative judgment on the State inspection agencies which have done a good and honest job in the past. In order to restore foreign confidence, it is necessary for the Federal Government to stand behind our grain exporting system by taking direct responsibility and accountability for the enforcement of grain grading standards and the accuracy of grain weighing.

The amendment offered by the gentleman from Minnesota will do just that, and at the same time offers an opportunity to insure that finally we will have uniform standards applied at all export ports. As the gentleman from Iowa just noted, uniformity is an important matter here. We have such uniformity in other areas such as in meat inspection.

This will be an important step toward restoring the credibility of our Nation's inspection and weighing system and can help mend the reputation of our grain exports.

Approval of this amendment will demonstrate to our world customers that we are serious about cleaning up our grain export system and that the Federal Government is willing to accept its responsibility in this area.

If we fail to do so, I fear that other nations may take it as a signal that this Congress does not want to be bothered with this problem, that we do not take it seriously—that we simply do not care.

I urge the adoption of this amendment.

Mr. BURLISON of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I say to my colleagues that the adoption of this amendment will dramatically improve this legislation. We have an investigative arm—the Congress has. It is known as the General Accounting Office. The General Accounting Office has made an exhaustive investigation of this issue.

Mr. Chairman, I think we ought to hear what they have to say. We ought to pay some attention to them. If not, we ought to eliminate our investigating arm.

Mr. Chairman, this is what the General Accounting Office had to say, after its exhaustive investigation into whether we ought to have a Federal inspection system. Such a system would:

Restore integrity and confidence in the inspection system.

Provide greater uniformity and consistency in inspection procedures and operations.

Establish an independent system, eliminating actual and potential conflicts of interest.

Develop an inspection force conforming to uniform hiring and training requirements.

Permit rotation of the inspection force among specific localities.

Provide greater flexibility in use of inspection personnel, especially where seasonal work may be involved.

Provide for maximum use of standardized equipment and better maintenance of equipment.

Reduce the number of multiple or duplicate inspections presently required.

Reduce the number of inspection agencies to increase administrative efficiency.

Increase foreign trade or at least reduce chances of customers choosing to buy from other sources.

Place inspectors under direct control of USDA to provide more effective authority to deal with inspector deficiencies.

Eliminate present inequities whereby some inspectors earn annual salaries or incomes from $30,000 to, in some cases, $78,000.

That is a partial summary of what the investigative arm has found. The GAO made its report in a document which is dated February 17, 1976.

Mr. Chairman, I would urge my colleagues on the committee to support this amendment and thereby monumentally strengthen this weak bill.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, my colleague from Colorado brought up the point which I think is very important for us to address here, and that has to do with the fact that if we clean things up at the port level, it will indeed tend to clean things up inland; and that is the reason why many of us, including myself, feel so strongly that we should be sure that we do indeed really clean things up at the port level.

As our distinguished chairman, who has done such a great job on this bill, told us, there are places where we have had trouble with State agencies inspecting at port levels. It is fortunate that there are many cases where this is not the case. But the only way we here can address this is by making the change so that it will not be possible to have State inspection agencies in those locations where there has been trouble.

The Secretary has had the authority in the past, where he could indeed make these changes, but the Secretary has not seen fit to do so; and that is why we have this problem.

There are some of us who are greatly concerned that political pressure might come to bear on the Secretary. It has happened in the past. The Bergland amendment would finally clean up the situation. We should all understand that grain sold abroad is sold with what they call a certificate final. The buyer, when it arrives in that port, has no recourse. He has to accept that grain because of the way the contract is. If it is not what he thought it was, the only thing he can do is hope that an adjustment will be made. He does not have an opportunity to inspect the grain and either accept it or reject it.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. I thank the gentleman for yielding.

As I understood the remarks, the gentleman is making synonymous with cleaning up the situation the converting of all employees to Federal employment; is that right?

Mr. BEDELL. No, sir. I am saying we have had trouble in the past with State agencies. I am saying we now have the choice to say we are not going to go on with that possibility, and we are going to straighten it out. And some of us who are concerned about this matter feel that this is an opportunity to see that that is done.

Mr. MOORE. If the gentleman will yield further, I think everybody in the Chamber is concerned about straightening out the problems where they exist. But I thought I understood the gentleman to say that we could clean up the situation, and if we adopt the Bergland amendment, we clean that up by taking the State agencies out and making them all Federal employees.

I simply submit, therefore, that it would seem to me what the gentleman is concluding is that Federal employees are cleaner or more honest or more capable than State employees or local employees would be, in which case I would ask: What about the Federal meat inspectors in Los Angeles who have been indicted? What about the Postal Service? What about the food stamp program? And what about the poor USDA supervision involved in this case?

Mr. BEDELL. Mr. Chairman, we are not talking about individuals; we are talking about the system. It has certainly been shown that the system as we have had it has tended to lend itself to problems, and the reason it has is not because of the individuals; it is because of the way the system operates.

If this amendment were adopted, we would have the opportunity to move people around from place to place, as we do with Federal inspectors. It has been true that problems arise in small groups wherein they are inspecting for small groups of shippers. We found that in New Orleans when we were down there.

I do not want to prolong this discussion, but I repeat that it is only the system we are trying to change. Nobody thinks we will change people by the legislation we pass.

Mr. MOORE. Mr. Chairman, I am glad to hear the gentleman agree with me on that point. That is one of the points I was making, and I totally agree with the gentleman.

But I submit that under the existing system the USDA can alter the regulations pertaining to any of the employees by moving them from State to State or from port to port within the State, and have a consolidated training program and all the other items the gentleman mentioned. I think that can be done by regulation with the existing agencies we have now. We do not have to try to accomplish it with only Federal employees.

Mr. BEDELL. Mr. Chairman, I think the question is what we can do to improve the situation. We want to do everything we can to make the system as effective as we possibly can, realizing that we will have fewer people involved in the system.

Mr. MOORE. Mr. Chairman, if the gentleman will yield further, let me state that I agree with him. Let us do everything that is necessary, not everything we can, because we may go too far as does this amendment.

Mr. SEBELIUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to say what I have to say in 1 minute. I only want to make one final point.

The gentleman from Washington (Mr. Foley) has a good State system out there in Washington. The gentleman from Virginia (Mr. Wampler) also has a good system, and many other States do. If this amendment is adopted, we are going to bring those systems to an end.

I am very much interested in seeing that the good State systems work.

There is another point involved in this. There is only so much money to pay for fees. If we fix this so that in the State of the gentleman from Washington (Mr. Foley) or in the State of the gentleman from Virginia (Mr. Wampler) the fees that are at the export points within that State go to the Federal Government all that is left are the little towns and little elevators that are going to be taken care of by the States, we are going to find they are going to go broke because they will have to raise fees 2 or 3 times in every State that has export points. That will happen if we make this totally Federal.

I would plead for the good system in the State of Washington and would hope that we do not do that to them. Also, I think we should let the Secretary of Agriculture make the determination, because he can give them notice without any reason and cut them off if he wants to.

Mr. Chairman, I urge my colleagues to consider good State systems that have been in existence far longer and with a much better record than the USDA.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to say further that in my own State, for example, we have a very good private inspection system. We are an inland State, but we may become a seaport State because of our inland seaport in Lewiston, Idaho.

By section 6 of this bill we allow the Federal Government to hire the inspectors without civil service exams, and if they tend to become too federalized, they are going to have to go and hire the same people, that do it now. That is the point I wanted to make for the benefit of my friend, the gentleman from Idaho (Mr. Bedell), that they would end up hiring the same people. I do not see where there will be any benefit or any change if we are going to have the same inspectors doing this inspection, and I think goes back to the focal point of federalizing the program.

Mr. SEBELIUS. Mr. Chairman, I thank the gentleman, and I think he has made a very valid point. We do want to make this system work.

I do not have any export points in my State, of course, but we do ship out an awful lot of grain. I am very concerned that if we take this away from them, we will not have a viable system. I think they should not have to prove themselves all over again. I think the system works as the situation appears now. They are not guilty of anything, and they should have a chance to continue.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Minnesota (Mr. Bergland).

The question was taken; and on a division (demanded by Mr. Bergland) there were—ayes 30, noes 37.

RECORDED VOTE

Mr. BERGLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 183, not voting 137, as follows:

[Roll No. 159]

AYES—112

Alexander
Allen
Ambro
Andrews, N. Dak.
Annunzio
Aspin
Baldus
Beard, R.I.
Bedell
Bergland
Bingham
Blanchard
Blouin
Bolling
Brademas
Breckinridge
Brodhead
Brown, Calif.
Burlison, Mo.
Carney
Cohen
Collins, Ill.
Conyers
Cornell
D'Amours
Delaney
Dellums
Diggs
Downey, N.Y.
Drinan
Early
Edgar
Edwards, Calif.
Emery
Evins, Tenn.
Fary
Fascell
Findley
Ford, Mich.
Fraser
Gaydos
Gibbons
Hagedorn
Harkin
Harris
Hechler, W. Va.
Helstoski
Holtzman
Howard
Howe
Hungate
Jacobs
Kastenmeier
Keys
Leggett
Lehman
Litton
Long, Md.
Lundine
McHugh
Maguire
Mezvinsky
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murtha
Nedzi
Nolan
Nowak
Oberstar
Ottinger
Patterson, Calif.
Pattison, N.Y.
Perkins
Preyer
Price
Quie
Railsback
Rangel
Reuss
Richmond
Roe
Roncalio
Rooney
Rosenthal
Scheuer
Seiberling
Shipley
Simon
Slack
Smith, Iowa
Solarz
Staggers
Studds
Symington
Taylor, Mo.
Thompson
Thone
Tsongas
Vander Veen
Vanik
Waxman
Whalen
Wolff
Yates
Yatron

NOES—183

Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Ashbrook
Ashley
AuCoin
Bafalis
Bauman
Bennett
Boggs
Bonker
Bowen
Breaux
Brinkley
Brooks
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Butler
Byron
Carr
Carter
Clausen, Don H.
Cleveland
Collins, Tex.
Conable
Conte
Coughlin
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Derrick
Derwinski
Devine
Dingell
Dodd
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Erlenborn
Evans, Ind.
Fenwick
Fish
Fisher
Flood
Foley
Ford, Tenn.
Forsythe
Fountain
Frey
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harsha
Hawkins
Hébert
Hicks
Hightower
Hillis
Holt
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jordan
Kasten
Kazen
Kindness
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lujan
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKinney
Madden
Madigan
Mahon
Mann
Martin
Mazzoli
Meeds
Meyner
Michel
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Natcher
Neal
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Pettis
Pike
Poage
Pressler
Pritchard
Rees
Regula
Rhodes
Rinaldo
Risenhoover
Rodino
Roush
Rousselot
Runnels
Ruppe
Russo
Sarasin
Satterfield
Schroeder
Schulze
Sebelius
Sharp
Shriver
Shuster
Sisk
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Stuckey
Symms
Taylor, N.C.
Thornton
Traxler
Ullman
Van Deerlin
Waggonner
Walsh
Wampler
Weaver
Whitehurst
Whitten
Wiggins
Wirth
Young, Alaska
Young, Fla.

NOT VOTING—137

Abdnor
Abzug
Addabbo
Armstrong
Badillo
Barrett
Baucus
Beard, Tenn.
Bell
Bevill
Biaggi
Biester
Boland
Broomfield
Brown, Ohio
Broyhill
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Cederberg
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Cochran
Conlan
Corman
Cotter
Crane
Davis
de la Garza
Dent
Dickinson
Downing, Va.
Duncan, Oreg.
Eckhardt
Eilberg
Esch
Eshleman
Evans, Colo.
Fithian
Florio
Flowers
Flynt
Frenzel
Fuqua
Giaimo
Green
Gude
Guyer
Harrington
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Henderson
Hinshaw
Holland
Horton
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kelly
Kemp
Ketchum
Koch
Krueger
Lott
McCloskey
McKay
Macdonald
Mathis
Matsunaga
Melcher
Metcalfe
Mikva
Milford
Mink
Moffett
Morgan
Mosher
Mottl
Murphy, N.Y.
Nichols
Nix
Obey
Pepper
Peyser
Pickle
Quillen
Randall
Riegle
Roberts
Robinson
Rogers
Rose
Rostenkowski
Roybal
Ryan
St Germain
Santini
Sarbanes
Schneebeli
Sikes
Spellman
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Sullivan
Talcott
Teague
Treen
Udall
Vander Jagt
Vigorito
White
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wright
Wydler
Wylie
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Zablocki against.

Mr. Eilberg for, with Mr. Stratton against.

Mr. Zeferetti for, with Mr. Nichols against.

Mr. Koch for, with Mr. Duncan of Oregon against.

Mr. Melcher for, with Mr. Henderson against.

Ms. Abzug for, with Mr. Fuqua against.

Mr. Baucus for, with Mr. Jones of Tennessee against.

Mrs. Chisholm for, with Mr. Jones of North Carolina against.

Mr. Fithian for, with Mr. Kelly against.

Mrs. Mink for, with Mr. Burke of Massachusetts against.

Mr. Udall for, with Mr. Macdonald of Massachusetts against.

Mr. Badillo for, with Mr. Flynt against.

Mr. Mottl for, with Mr. Pickle against.

Mr. Moffett for, with Mr. Teague against.

Mr. Stokes for, with Mr. Sikes against.

Mr. Charles H. Wilson of California for, with Mr. Robinson against.

Mr. Clay for, with Mr. Harrington against.

Mr. Matsunaga for, with Mr. Boland of Massachusetts against.

Mr. Metcalfe for, with Mr. Bevill against.

Mr. EMERY and Mr. Howe changed their vote from "no" to "aye."

Mr. McDADE changed his vote from "aye" to "no."

So the amendments were rejected.

The result of the vote was announced as above recorded.

Mr. LATTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it seems like every time a problem arises we have a tendency to overreact. Maybe we are overreacting here. I was glad to see the result of this last vote. That was some indication that perhaps we are not going to overreact in this instance.

Mr. Chairman, I was very much impressed by an editorial which appeared in Toledo Blade on February 23, 1976, entitled "Grain Abuses Bring Overreaction."

The article is as follows:

GRAIN ABUSES BRING OVERREACTION

The General Accounting Office—Congress' watchdog agency—was right in pointing out weaknesses in the current system of inspecting grain exports but wrong in recommending that the Agriculture Department take over the job.

There is no question that abuses have been uncovered involving cheating and conflicts of interest that could undermine the nation's massive $21 billion-a-year farm-export business. It is also true, however, that the irregularities have been highly localized and found mainly in the New Orleans and the New York ports.

By advocating that the Agriculture Department assume direct responsibility for sampling, grading, and weighing grain, the GAO has overreacted to the problem. If the Agriculture Department performed its oversight function properly, there would be no need to create another bureaucracy to replace federally licensed inspectors who, by and large, apparently have been doing a creditable job.

As one local grain official pointed out, there is obviously no assurance that a federal employee will be any more honest than those who now work for the states or private trade groups. Indeed, the dangers of contaminating the Agriculture Department itself with bribery and fraud would be far more likely if members of its staff were directly involved in grain inspection. That would be moving in the wrong direction.

By remaining one step removed as it now is, by overseeing the work properly as it has not always been doing, and by insuring vigorous prosecution of wrongdoing, the department could go a long way toward remedying the situation. It can be hoped that Congress will conclude for once that a federal take-over is not the inevitable answer to every problem and forgo legislation on this one.

AMENDMENT OFFERED BY MR. HARKIN

Mr. HARKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARKIN: Page 29, strike everything from line 3 down through line 23 and insert in lieu thereof the following:

SEC. 15. Section 17 of said Act (7 U.S.C. 87f) is amended by deleting from subsection (e) the term "section 14" and substituting in lieu thereof the term "subsection (a) of section 14"; by repealing subsection (g); and redesignating the remaining subsections accordingly."

Mr. HARKIN. Mr. Chairman, this is the amendment I referred to earlier in the debate, to try to take out this provision which I call the gag rule. This bill includes, in revised form, a section from the administration proposal which would make it a crime for any "present or former officer or employee of the Department of Agriculture or of any official inspection agency, or any agency or person designated to perform services relating to weighing under section 7A, or any present or former licensee, to make public any information obtained under the Grain Standards Act without the authority of the Secretary of Agriculture or a Congressional committee." An exception applies to information which a person "reasonably believes" relates to an unlawful activity, which, of course, places the burden of proof on someone who may wish to expose wrongdoing.

I believe that this provision would prohibit persons currently or formerly engaged in enforcement of the grain inspection program from providing information on lawful activities to individual Members of Congress, the press, and the general public.

Presumably, a former grain inspector who was asked to write an article about the current scandal or discuss his experiences with the press would be prevented from doing so without first obtaining official clearance. I think the first amendment problem here is obvious. I think it is unconstitutional to have this kind of gag rule in the law.

Also, I think the exceptions that would allow the release of information of unlawful activities by no means assures that corruption will be brought to public notice. In many instances, it will be impossible to establish wrongdoing without the assistance of information which, as it relates to a specific act, concerns nothing unlawful.

For example, it might be alleged that grain received at point B has been shortweighed. In order to establish this, it will be necessary to know the weight given at point A. At point A, however, the grain was honestly weighed. Therefore, no information may be released on weighing at point A without authorization. And, so the wrongdoing at point B may go unconfirmed.

Only with a great deal of effort can one avoid the conclusion that the Department of Agriculture proposed this provision in an attempt to cover up the current scandal and to hold a sword over the heads of all of the personnel that will be involved in this inspection service from now on. It is a kind of subtle threat that anyone talking to any reporters, to the press, or to individual Members of Congress, unless there has been reasonable belief that there has been some wrongdoing, would be subject to a misdemeanor.

Of course, to uncover wrongdoing, in many cases, we have to talk to people about perfectly legitimate, lawful enterprises which they are undertaking.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. Mr. Chairman, I yield to the gentleman from Washington.

Mr. FOLEY. Is the gentleman suggesting that he believes that the Department has recommended this particular section barring the publication of information in an effort to cover up the present scandal? Is that the gentleman's statement?

Mr. HARKIN. Not only to cover up the scandal, but also to try to keep a lid on these things in the future. The Department, I think has indicated this fact on this whole process.

Mr. FOLEY. The gentleman is aware that this provision has been in the law for many years, in more stringent form than this contained in this bill?

Mr. HARKIN. I believe by keeping it in the bill that the Department can use it in the future as a sword over the heads of its personnel. There has never been a conviction under this section, but again the implied threat will keep people from discussing the facts and information we have on this scandal, which came out of the personnel talking to members of the press, for example, about some of the things that were going on.

I have a feeling that if this is left in the bill, it will be used in the future to shut up those personnel, and used as an effective means to gag them. So, I believe that if we really want to open up the facts, we should do away with this gag rule.

There are plenty of laws in existence to keep trade secrets and commercial and financial dealings, secret. This was one of the reasons brought up in the committee in order to block this amendment, but there are plenty of provisions in present law, especially under the Freedom of Information Act, that would keep these people from talking in the public domain of trade secrets and commercial dealings.

Again, I urge the committee to adopt this amendment and do away once and for all with this gag rule.

Mr. FOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this provision has been in the act for many years, but the Committee on Agriculture, in order to avoid any possibility that anyone might be concerned that this might shut off information to the press, coming from any employees who had knowledge of misconduct, adopted the following exceptions listed here: under court order, in accordance with law enforcement proceedings, a committee of Congress. Further, it states that nothing contained herein shall be construed as prohibiting such person from divulging information which he reasonably believes involves conduct prohibited under this act or under title 18 of the United States Code.

So the suggestion of the gentleman from Iowa that this could become a gag rule preventing people in the Federal service and in the designated inspection agencies from reporting misconduct to the press is simply not justified under any circumstances. There is a clear exemption here, if the other exceptions fail. If a person is acting to report misconduct or violations of law, he would have a perfect opportunity to do so.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Iowa (Mr. Harkin).

Mr. HARKIN. I thank the gentleman for yielding.

The present law says, "Any officer or employee of the Department of Agriculture." But this bill extends it, and it says, "Any present or former officer or employee of the Department of Agriculture." So they are not the same. This one has much more far-reaching effects than the present law.

Also, I would respond to my distinguished chairman by saying that many times we find out about the wrongdoing not by talking to the wrongdoers or to somebody who knows about the wrongdoing, but by piecing together many different pieces of information which may not have anything at all to do with wrongdoing but may point the finger to the person who is guilty in the situation.

Mr. FOLEY. All the exception requires is that the person reasonably believes that the conduct violates the act.

What the gentleman pointed out as a danger to first amendment freedom has never been in force and has never gagged anyone.

In addition to what is provided for in existing law, we have acted by a large majority of the committee to consider anybody reporting any information, not only to the press, but to any other person.

Mr. HARKIN. If the gentleman will yield further, then why did they change the wording to say "former employees"? Does that not reach back?

Mr. FOLEY. The grain business is intensely competitive; and the purpose of this section, in part, is to prevent the corruption of employees by private agencies who would like to have information regarding grain sales by their competitors.

Mr. HARKIN. But that is covered already by trade secrets under present law. Trade secrets are already covered in the law. We do not need a gag rule.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Harkin).

The question was taken; and on a division (demanded by Mr. Harkin) there were—ayes 16, noes 60.

So the amendment was rejected.

AMENDMENT OFFERED BY MRS. BOGGS

Mrs. BOGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mrs. Boggs: Page 19, line 11, insert the following immediately after the first period: "Any individual who is hired by the Secretary pursuant to this subsection shall, for purposes of the annuity computed under section 8339 of title 5, United States Code, be credited (subject to the provisions of sections 8334(c) and 8339 (i) of such title) with any service performed by such individual before the date of enactment of this subsection in connection with this Act."

Mr. MICHEL. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Illinois (Mr. Michel) reserves a point of order against the amendment.

The Chair recognizes the gentlewoman from Louisiana (Mrs. Boggs) in support of her amendment.

Mrs. BOGGS. Mr. Chairman, the amendment that I propose recognizes the difficulty that will be foisted upon the workers who have been with the private agencies.

The workers who have been employed by the private agencies in the Port of New Orleans, where there has been no evidence of any wrongdoing, having expressed to the Louisiana congressional delegation the difficulties in which they find themselves. They find that after working for 18, 19, or 20 years and having a perfect record in perseverance, in production, and in honesty, they would perhaps be deprived of their jobs.

We heard in earlier debate that the experience with the Myrtle Grove operation for the Port of New Orleans proved that the USDA had insufficient members of certain classifications, weighers, samplers, and inspectors, to take over the operation of an additional elevator and they had to turn to the private agencies and to the workers they employed in order to keep this grain elevator in operation.

There is no way that an all-Federal inspection service can be activated rapidly unless the Government hires inspectors, samplers, and weighmasters from the private inspection agencies.

Mr. Chairman, I am very grateful to the committee for recognizing this problem by amending section 6, subsection (e), and I would like to read from the committee report, as follows:

> Subsection (e) is amended to authorize the Secretary to hire without regard to Civil Service requirements persons to perform official inspection functions and supervisory, weighing, or other weighing functions if they were currently licensed to perform official inspection functions or they were currently performing similar functions in the case of functions related to weighing. The Committee intends that fairness and equity be shown in the employment of persons working for private and public agencies who are displaced because of Federal preemption of inspection and weighing functions under this Act. If qualified, the Committee expects that these people be given preference in employment to fill available positions over other new applicants, and that, insofar as practicable, they be considered along with qualified employees of the Department for positions of at least comparable responsibility and rank to that enjoyed in the private or State system. In setting their pay within the appropriate grade, to the extent possible, cognizance should be taken of the rank, benefits and longevity the employees had under the system where employed."

Mr. Chairman, I am very grateful to the committee for placing this in the act. All my amendment does is to simply add on to the provisions of this section the provision that workers now in the private sector who could go into the Civil Service system under the provisions of the act would also have the opportunity of being able to have the privilege of having the annuity system open to them. They, of course, would be computed into the annuity system under the provisions of section 8334(c), which, of course, says that—

> Each employee or Member credited with civilian service after July 31, 1920, for which retirement deductions or deposits have not been made, may deposit with interest an amount equal to . . . percentages of his basic pay received for that service.

Then there is a sliding scale with respect to the percentage of interest that must be paid into the service.

As was pointed out to us in letters, some of the union members who had contracts said that all of their benefits were inherent within their bargaining contract. People who have 20, 19, 18, or 17 years of service, would have all of these benefits, of course, taken away from them if they are not allowed to participate in an annuity system under the Federal arrangements.

Mr. Chairman, I urge the adoption of this amendment.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Illinois (Mr. Michel) insist upon his point of order?

Mr. MICHEL. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. MICHEL. Mr. Chairman, I do so because, in my opinion, the amendment is not germane to this bill, which amends the U.S. Grain Standards Act, and says, on page 18:

> The Secretary of Agriculture may hire (without regard to the provisions of title V, United States Code, governing appointments in the competitive service) . . . any individual who is licensed to perform functions on the date of enactment.

Then it is provided further that the individuals be of good moral character and that they be professionally qualified, et cetera.

The amendment of the gentlewoman from Louisiana (Mrs. Boggs), however, seeks to amend title 5, section 8339, 8334 (c), and 8339(i).

Mr. Chairman, an amendment to another statute does not make it germane to this bill, and I would cite as my authority on that, the Record of August 17, 1972, page 28913, as follows:

> Under rule 16, to a bill reported from the Committee on Agriculture providing price support programs for various agricultural commodities, an amendment repealing price-control authority for all commodities under an Act reported from the Committee on Banking and Currency is not germane. July 19, 1973, etc.

If the amendment of the gentlewoman from Louisiana were in the form of a bill, it would undoubtedly be referred to the Committee on Post Office and Civil Service, because it has to do with the retirement benefits of employees that would be selected by the section.

I submit on those grounds, therefore, Mr. Chairman, that the amendment is not germane to this bill and ought to be ruled out on a point of order.

The CHAIRMAN. Does the gentlewoman from Louisiana (Mrs. Boggs) desire to be heard on the point of order?

Mrs. BOGGS. Yes, please, Mr. Chairman.

The language of section 6(e), I feel, is sufficiently broad and certainly the committee report language is sufficiently broad to insist that the workers who are of good moral character, as the bill says, could be employed without regard to various Civil Service regulations in order to quickly be able to put into effect a service that will be highly necessary for the Government if we indeed are going to take over the work of the private agencies and the State agencies.

Mr. Chairman, the language is sufficiently broad where it goes on to suggest that positions of at least comparable responsibility and rank to those enjoyed in the private and State systems be given to them and that in setting their pay within the appropriate grade, to the extent possible, cognizance should be taken in order to take into consideration these rank and longevity benefits, so that the employees had, under the system where employed, the benefits that they had under longevity. The benefit system under which they were employed certainly included an annuity provision, and I think that this language that this amendment extends to the bill simply points that out.

The CHAIRMAN. The Chair is prepared to rule.

The Chair has read the language on the page of the committee report and section 6(e) of the bill already deals with the status of the Civil Service requirements with respect to appointments of Federal inspectors. The amendment does not directly amend title 5, U.S. Code, and it would further affect the status of those Federal employees under the Civil Service law by permitting them to credit the prior private service to their Civil Service retirement if they become Federal employees. The amendment imposes a further condition upon their hiring.

Therefore, the Chair rules that as far as germaneness is concerned, the amendment is germane to section 6(e) of the bill, and overrules the point of order.

Mrs. BOGGS. I thank the Chairman and I urge the adoption of my amendment.

Mr. FOLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is an amendment on which I do not think the Committee on Agriculture can really advise the Committee of the Whole. It really becomes a question of understanding what the amendment proposes to do. Then the Members must decide whether they wish to support the amendment or not.

The amendment unfortunately was not one which would have fallen within the Committee on Agriculture's normal jurisdiction.

We attempted in this bill to offer some degree of protection to those private, as well as State employees, who might be losing their positions as a result of a new system of inspection by giving them priority in hiring over new applicants with the Civil Service Commission. However, the committee did not feel that it could tread so far into the jurisdiction of the Committee on Post Office and Civil Service so as to place these employees under the Federal retirement system.

I do not know if there is a precedent for allowing persons with private retirement systems to get full credit for their years of service in private employment prior to entering the Federal service. This would occur to some degree under this amendment because, whether they worked for a State agency or a private agency, they would get full credit for their previous years of service. The amendment offered by the gentlewoman from Louisiana (Mrs. Boggs), however, does require that they pay their own contributions. If a person has worked for 25 years in private service, I presume that after then working with the Federal Government for a minimum time of 3 years, he would be able to retire at whatever the Federal retirement plan provides.

Mr. Chairman, the only reason I rise now is to note that this is a matter which has been reviewed by the Committee on Post Office and Civil Service. There is legislation pending in that committee to provide similar benefits for State employees in some States where the meat inspection has been taken over by the Federal Government.

Mr. THONE. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Nebraska.

Mr. THONE. Mr. Chairman, I rise with some reluctance on this because I have been working with the gentlewoman from Louisiana (Mrs. Boggs) on this problem for some time. We have been tremendously sympathetic about it. Very frankly, Mr. Chairman, I thought we had been extraordinarily liberal as indicated by the provision that we put in the bill, subsection (e) of section 6 to forego the civil service examination. I believe the point the gentleman from Washington is raising is a very good one in that now we are getting into the private area here and attempting to blanket in private agency people to participate in the Federal civil service retirement system.

Mr. FOLEY. The amendment requests that they be given priority in hiring.

Mr. THONE. That is correct.

Just in conclusion, because I know the hour is late, but the experts in the USDA and the Civil Service Commission have in the past objected strongly to doing this even for State employed people insofar as blanketing them in because of the problem that arose under the meat inspection service where we had a dual system and counsel carefully researched this for us because we had believed we could take care of this legislatively and we determined in our group that we could.

Mr. MOORE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would first point out that if my substitute is adopted, this debate we are in will not be necessary and the amendment being offered by the gentlewoman from Louisiana would not be necessary as these jobs would not be federalized creating these problems.

Since we have done that the way the bill stands now, then I think we do have a legitimate concern about what happens to some 3,000 people involved. They do qualify, according to the bill in section 6, to be rehired by the Federal Government to become Federal inspectors, but we do not take care of the situation about their retirement plans or annuity programs. The amendment clearly refers to existing Federal law which would require them to buy into the retirement program. They are not being given anything but the chance to buy their time in this retirement program.

I submit that it is unusual and maybe it should not be, but the point is we have lost these jobs through this bill, and I think it is only fair to try to be just.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Does not the gentleman feel that it might be preferable to introduce this proposal in bill form and bring it to the Committee on Post Office and Civil Service so that there could be a full opportunity to consider the bill and its ramifications, rather than present it as an amendment to this act without hearings?

Mr. MOORE. I would certainly agree with the Chairman that it could be done that way. But the point is we have already gone halfway in this bill, and I see no reason for not going on and finishing the picture under this bill, rather than coming back with a separate bill that may never get anywhere.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I think that the committee has done a pretty good job, as I said earlier, in drafting this bill, if we believe in the premise. I think that the points have been made here. But I would like to ask the gentleman one question. We have some people who have already been convicted and are in jail, who are these inspectors? Are they going to get involved in this amendment, too? Are they going to be covered in the blanket coverage?

Mr. MOORE. If the Secretary of Agriculture is foolish enough to hire them, yes.

Mr. SYMMS. In other words, are we on the floor of the House going to vote for this thing and give blanket coverage so that they can get out of jail on parole and can go back to inspecting and be hired by the Federal Government?

Mr. MOORE. The bill gives the Secretary of Agriculture the power to hire anybody he wishes to be inspectors.

Mr. SYMMS. If the gentleman will yield further, I appreciate the gentleman's talking about going halfway, but this bill, the way it is written without this amendment, is going to allow State inspection services to operate, and if we go this far, we are going to have this covered up quite a bit, and we are going to have a lot of criticism on the bill. It has not gone so far that it may not do all the violence to the system that the gentleman from Louisiana is concerned about, and I think this amendment is going to add just some mischief to the legislation and possibly open up a Pandora's box. It probably should, as our distinguished chairman, the gentleman from Washington, point out, be left to another committee.

Mr. MOORE. I appreciate the gentleman's concern. I simply point out that

I do not see any necessity for federalizing these employees to begin with. If we are going to do that and lose their jobs for them, and then provide that we can hire them back, I think we ought to provide fully under what terms we can hire them back, and that they be allowed to buy into the Federal retirement program.

Mr. SYMMS. If the gentleman will yield further, I think they should realize that they may be federalizing jailbirds.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding.

The bill says:

> *Provided*, That the Secretary of Agriculture determines that such individuals are of good moral character and are technically and professionally qualified for the duties to which they will be assigned.".

There is no intention, the way the bill is written, nor in the amendment offered by the gentlewoman from Louisiana, to attempt to hire jailbirds or people who are not honest under the provisions of this act.

Mr. MOORE. Of course, the gentlewoman is correct, and we know that the Secretary of Agriculture has that power now to hire whomever he may wish. All we have simply done here is put that into the bill providing for existing grain inspectors who are inspecting grain at the present time.

Mr. Chairman, I urge support of the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am gravely concerned by the amendment offered by the gentlewoman since I am fearful that it opens the door to a very dangerous precedent. I am as sympathetic as anyone to the plight of State employees, local employees, or private employees who may be losing their jobs because of this bill, but I have been listening to the debate with care and as of this moment I have not heard one word which would indicate the number of employees involved or the degree to which our retirement system would be exposed if this amendment were adopted.

From the gentlewoman's comments I heard something to the effect that there may be employees who have been previously employed for 5 years or 10 years or 20 years, and I believe the date was given as far back as 1920. That is quite a long time. I respectfully submit that if these people were today blanketed in and were able to buy into our Federal retirement system by simply paying into that system what they would otherwise have paid in over the years, we would be exposing our own Civil Service retirement system to an unbearable burden.

Do not forget along with that, these employees will doubtless continue to have the right to retain whatever retirement benefits they have accumulated under their present employer. If we had before us some type of statistical information, or some evidence based on committee hearings, telling us how many employees are able to buy in under this system or what it would cost them to buy in or what would be the exposure to the Civil Service retirement system, then I respectfully suggest we could vote upon this issue with some degree of intelligence.

It has been said by someone here that since we have gone halfway we might as well go the other halfway. I respectfully submit we have gone halfway in the light of day, we have gone halfway on the basis of committee testimony, and we have gone halfway on the basis of debate and information. Are we going to be asked to go the other halfway in total darkness? I submit we should not.

It may be this is a good plan. I am not prepared to say that it is, nor is anyone in this Chamber prepared to say that it is. I am not prepared to say that it is not.

But I state this: If we are going to discharge our responsibilities in a responsible manner, then we must know what it is we are voting upon. With great reluctance I will be compelled to vote against the amendment, and I regretfully state that if the amendment is adopted, then I again will with great reluctance feel I will be compelled to vote against the bill although I would like very much to support it.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I would like to clarify one part of the gentleman's statement. The United States Code 8339 is what refers to the year 1920 and not the amendment. Under the United States Code, workers can buy into the annuity system starting in 1920 with 2½ percent interest, and coming down through 1969 with 8 percent interest, so that if any of these workers trying to buy into the annuity system had 20 years or 19 years or 17 years, and so on, they would have to pay the interest that would be obliged through this sliding scale that is set up under the United States Code 8339 and under the provisions of 8334(c). These workers would start with the prevailing interest rates and payments in 1956.

Mr. DANIELSON. Mr. Chairman, I thank the gentlewoman for clarifying that particular point.

I respectfully state it does not change my argument because we still do not know how many, how much, how long, and in addition we would be setting up, I respectfully submit, Mr. Chairman, a most dangerous precedent.

If we are to do this for the grain inspectors, then let us suppose we are going to hire a chauffeur, a driver, to work for the U.S. Government. He has 15 years in seniority some place else. When he comes in, are we going to give him 15 years seniority under our Federal system by his simply paying his contribution?

I did think 1920 would be lawfully far back.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Danielson was allowed to proceed for 1 additional minute.)

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for his very succinct statement.

In addition I might add there are other considerations which have not been mentioned. We have recently passed a pension bill and we do not know how many of these people might have pensions under which they are vested and they would be able to get something under their private pensions and then they would be able to come in under the Federal system and get a pension under the Federal pension system.

A measure like this should be carefully studied. I certainly appreciate the gentleman's comments. I agree and I hope we vote this down.

Mr. DANIELSON. I hope, Mr. Chairman, that if this is a worthy provision our responsible committees should look into it and do so and come back with a report, so that we know what we are talking about; but let us not buy a pig in a poke. We are spending taxpayers' money when we do it.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Louisiana (Mrs. Boggs).

The amendment was rejected.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MOORE

Mr. MOORE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute **offered by** Mr. Moore: On page 1, strike everything after the enacting clause and substitute therefor the following:

That this Act may be cited as the "United States Grain Standards Act of 1976".

Sec. 2. Section of *the United States Grain Standards* Act (7 U.S.C. 74) is amended by striking in the second sentence the word "and" before "to provide" and by adding in such sentence immediately before the semicolon ", and to regulate the weighing of grain in the manner hereinafter provided".

Sec. 3. Section 3 of said Act (7 U.S.C. 75) is amended by changing subsection (i) defining the term "official inspection", subsection (j) defining the term "official inspection personnel", and subsection (m) defining the term "official inspection agency", and by striking the period at the end of subsection (u) and inserting a semicolon in lieu thereof and adding new subsections (v), (w), and (x) to read, respectively, as follows:

"(i) The term 'official inspection' means the determination (by original inspection, and when requested, reinspection and appeal inspection) and the certification, by official inspection personnel, of the kind, class, quality, or condition of grain, under standards provided for in this Act, or the condition of vessels and other carriers or containers for transporting or storing grain insofar as it may affect the quality or condition of such grain; or, upon request of the interested person applying for inspection, the quantity of sacks of grain, or other facts relating to grain under other criteria approved by the Secretary under this Act (the term 'officially inspected' shall be construed accordingly);

"(j) The term 'official inspection personnel' means persons licensed or otherwise authorized by the Secretary pursuant to section 8 of this Act to perform all or specified functions involved in official inspection, or in supervision of official inspection;".

"(m) The term 'official inspection agency' means any State or local governmental agency, or any person, designated by the Secretary pursuant to subsection (f) of section 7 of this Act for the conduct of official inspection (other than appeal inspection);"

"(v) The term 'export port elevator' means any elevator, warehouse, or other storage or handling facility at an export port location in the United States from which grain is shipped from the United States to any place outside thereof;

"(w) The term 'export port location' means a commonly recognized port of export in the United States or Canada, as determined by the Secretary of Agriculture, from which grain produced in the United States is shipped to any place outside the United States;

"(x) The term 'supervision of weighing' means the supervision of the weighing process and of the certification of the weight of grain, and the physical inspection of the premises at which the weighing is performed to assure that all the grain intended to be weighed has been weighed and discharged into the elevator or conveyance represented on the weight certificate or other document.".

SEC. 4. Section 7 of said Act (7 U.S.C. 79) is amended by changing subsection (e) and (f) and adding new subsections (g), (h), and (i) to read, respectively, as follows:

"(e) (1) The Secretary shall cause official inspection to be performed at export port locations, for all grain required or authorized to be inspected by this Act, by authorized employees of the Department of Agriculture or other persons under contract with the Department as provided in section 8. If the Secretary determines that a State agency is qualified to perform official inspection in accordance with the criteria of subsection (f) (1) (A) of this section, the Secretary may, in his discretion, delegate authority to the State agency to perform all or specified functions involved in official inspection (other than appeal inspection) at export port locations subject to such rules, regulations, instructions, and oversight as he may prescribe, and any such official inspection shall continue to be the direct responsibility of the Secretary. Any such delegation may be revoked by the Secretary, at his discretion, at any time upon notice to the State agency without opportunity for a hearing. The Secretary may provide that grain loaded at an interior point in the United States into a rail car, barge, or other container as the final carrier in which it is to be transported from the United States shall be inspected in the manner provided in this subsection or subsection (f), as the Secretary determines will best meet the objectives of this Act.

"(2) Notwithstanding any other provision of this subsection, if the Secretary determines that a local or other governmental organization, board of trade, chamber of commerce or grain exchange is qualified to perform official inspection in accordance with the criteria of subsection (f) (1) (A) of this section, the Secretary may designate such organization or entity to perform all or specified functions involved in official inspection (other than appeal inspection) at export port locations subject to such rules, regulations, instructions or oversight as he may prescribe. Any such designation shall be subject to the provisions of subsection (g) of this section.

"(f) (1) With respect to official inspections other than at export port locations, the Secretary is authorized, upon application by any State or local governmental agency, or any person, to designate such agency or person as an official inspection agency for the conduct of all or specified functions involved in official inspection (other than appeal inspection) at locations at which the Secretary determines official inspection is needed, if:

"(A) the agency or person shows to the satisfaction of the Secretary that such agency or person:

"(i) has adequate facilities and qualified personnel for the performance of such official inspection functions;

"(ii) will conduct such training and provide such supervision of its personnel as are necessary to assure that they will provide official inspection in accordance with this Act and the regulations and instructions thereunder;

"(iii) will not charge official inspection fees that are discriminatory or unreasonable;

"(iv) and any related entities do not have a conflict of interest prohibited by section 11 of this Act;

"(v) will maintain complete and accurate records of its organization, staffing, official inspections, and fiscal operations, and such other records as the Secretary may require by regulation;

"(vi) will comply with all provisions of this Act and the regulations and instructions thereunder;

"(vii) meets other criteria established in regulations issued under this Act relating to official inspection agencies or the performance of official inspection; and

"(B) the Secretary determines that the applicant is better able than any other applicant to provide official inspection service.

"(2) Not more than one official inspection agency for carrying out the provisions of this Act shall be operative at one time for any geographic area as determined by the Secretary to effectuate the objectives stated in section 2 of this Act, but this subsection shall not be applicable to prevent any inspection agency from operating in any area in which it was operative on August 15, 1968. No State or local governmental agency or person shall provide any official inspection for purposes of this Act except pursuant to an unsuspended and unrevoked delegation of authority or designation by the Secretary as provided in this section, or as provided in section 8(a).

"(g) (1) Designations of official inspection agencies shall terminate at such time as specified by the Secretary but not later than triennially and may be renewed in accordance with the criteria and procedure prescribed in subsections (e) and (f).

"(2) A designation of an official inspection agency may be amended at any time upon application by the official inspection agency if the Secretary determines that the amendment will be consistent with the provisions and objectives of this Act; and a designation will be canceled upon request by the official inspection agency with ninety days written notice to the Secretary. A fee as prescribed by regulations of the Secretary shall be paid by the official inspection agency to the Secretary for each such amendment, to cover the costs incurred by the Department in connection therewith, and it shall be deposited in the fund as provided for in subsection (i) of this section.

"(3) The Secretary may revoke a designation of an official inspection agency whenever, after opportunity for hearing is afforded to the agency, the Secretary determines that the agency has failed to meet one or more of the criteria specified in subsection (f) of this section or the regulations under this Act for the performance of official inspection functions, or otherwise has not complied with any provision of this Act or any regulation prescribed or instruction issued to such agency under this Act, or has been convicted of any violation of other Federal law involving the handling or official inspection of grain: *Provided*, That the Secretary may, without first affording the official inspection agency an opportunity for a hearing, suspend any designation pending final determination of the proceeding whenever the Secretary has reason to believe there is cause for revocation of the designation and considers such action to be in the best interest of the official inspection system under this Act. The Secretary shall afford any such agency an opportunity for a hearing within thirty days after temporarily suspending such designation.

"(h) If the Secretary determines that official inspection by an official inspection agency designated under subsection (f) is not avaliable on a regular basis at any location (other than at an export port location) where the Secretary determines such inspection is needed to effectuate the objectives stated in section 2 of this Act, and that no official inspection agency within reasonable proximity to such location is willing to provide and has or can acquire adequate personnel and facilities for providing such service on an interim basis, official inspection shall be provided by authorized employees of the Department, and other persons licensed by the Secretary to perform official inspection functions, as provided in section 8 of this Act, until such time as the service can be provided on a regular basis by an official inspection agency.

"(i) (1) The Secretary shall, under such regulations as he may prescribe, charge and collect reasonable inspection fees to cover the estimated cost to the Department of Agriculture incident to the performance of official inspection, except when the inspection is performed by an official inspection agency or a State agency under a delegation of authority. The fees authorized by this subsection shall, as nearly as practicable and after taking into consideration any proceeds from the sale of samples, cover the costs of the Department of Agriculture incident to its performance of official inspection services in the United States and on United States grain in Canadian ports, including 75 per centum of the estimated total supervisory and administrative costs related to such official inspection of grain. Such fees, and the proceeds from the sale of samples obtained for purposes of official inspection which become the property of the United States, shall be deposited in miscellaneous receipts of the United States Treasury.

"(2) Each designated official inspection agency and each State agency to which authority has been delegated under subsection (e) shall pay to the Secretary fees in such amount as the Secretary determines fair and reasonable and as will cover the costs incurred by the Department relating to direct supervision of official inspection agency personnel, and direct supervision by Department personnel (outside of the Washington office) of its field office personnel. Such fees shall not exceed 75 per centum of the estimated total Federal costs related to the official inspection of grain by such agencies, except costs incurred under paragraph (3) of subsection (g) and sections 9, 10, and 14 of this Act. The fees shall be payable after services are performed at such times as specified by the Secretary and shall be deposited in miscellaneous receipts of the United States Treasury. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation or designation, which shall be reinstated upon payment, within such period as specified by the Secretary, of the fee currently due plus interest and any further expenses incurred by the Department because of such termination.".

SEC. 5. A new section 7A is added to said Act to read as follows:

"WEIGHING

"SEC. 7A. Notwithstanding any other provision of law—

"(a) Except as the Secretary may otherwise provide in emergency or other circumstances which would not impair the objectives of this Act, all grain received at or shipped from export port elevators at export port locations in the United States shall be weighed. The Secretary shall cause supervision of the weighing of all such grain to be performed by authorized employees of the Department of Agriculture. If the Secretary determines, in accordance with the criteria of subsection (c) of this section, that a State agency is qualified to perform supervision of weighing, the Secretary may, in his discretion, delegate authority to the State agency to perform such supervision at export port locations subject to such rules, regulations, instructions, and oversight as he may prescribe, and any such supervision of weighing shall continue to be the direct responsibility of the Secretary. Any such delegation may be revoked by the Secretary, at his discretion at any time upon notice to the State agency without opportunity for a hearing. The Secretary is authorized to implement an agreement entered into with the Government of Canada to provide for United States supervision of weighing of United States grain received at or shipped from export port elevators at Canadian ports and the requirements of this subsection shall apply to United States grain so received and shipped after the entering into of such an agreement.

"(2) Notwithstanding any other provisions of this subsection, if the Secretary determines that a local or other governmental organization, board of trade, chamber of commerce, or grain exchange is qualified to perform supervision of weighing in accordance with subsection (c) of this section, the Secretary may designate such organization or other entity to perform such supervision at export port locations subject to such rules, regulations and instructions as he may prescribe. Any such designation shall be subject to the provisions of subsection (g) of section 7 of this Act, as amended, with respect to procedures for termination, revocation, suspension and other relevant matters."

"(b) No weighing supervision shall be provided for the purposes of this Act at any export port elevator until such time as the operator of the elevator has demonstrated to the satisfaction of the Secretary that he (1) has and will maintain, in good order, suitable grain-handling equipment and accurate scales for all weighing of grain at the elevator, and will cause such scales to be tested properly by competent agencies at suitable intervals, in accordance with the regulations of the Secretary; (2) will employ only competent persons with a reputation for honesty and integrity to operate the scales and to handle grain in connection with weighing of the grain, in accordance with this Act; (3) when weighing is to be done by employees of the elevator, will require its employees to operate the scales in accordance with the regulations of the Secretary and to require that each lot of grain for delivery from any railroad car, truck, barge, vessel, or other means of conveyance at the elevator is entirely removed from such conveyance and delivered to the scale without avoidable waste or loss, and each lot of grain weighed at the elevator for shipment from the elevator is entirely delivered to the means of conveyance for which intended, and without avoidable waste or loss, in accordance with the regulations of the Secretary; (4) will provide all assistance needed by the Secretary for making any inspection or examination and carrying out other functions at the elevator pursuant to this Act, and (5) will comply with all other requirements of this Act and the regulations hereunder.

"(c) The Secretary may provide that the actual weighing and certification of weights and the inspection and testing of scales (or any one or more of such functions) at any location described in subsection (a) shall be performed either by authorized employees of the Department of Agriculture or by State or local agencies or other persons designated by the Secretary if he determines that it will effectuate the objectives of this Act. In such event, the Secretary may designate a State or local agency or person to perform any such functions if the agency or person shows to the satisfaction of the Secretary that (1) it has adequate facilities and qualified personnel for the performance of such functions, (2) will conduct such training and provide such supervision of its personnel as are necessary to assure that they will provide the service in accordance with this Act and the regulations and instructions thereunder, (3) will not charge fees that are discriminatory or unreasonable, (4) does not have a conflict of interest prohibited by section 11 of this Act, (5) will maintain complete and accurate records of its organization, staffing, and operations and such other records as the Secretary may require by regulation, (6) and the regulations provisions of the Act and the regulations and instructions thereunder, and (7) meets other criteria established in regulations issued under this Act relating to the performance of such functions. Designations made pursuant to this subsection shall be subject to the same provisions as designations for official inspection agencies under section 7(g).

"(d) The Secretary is authorized (1) to investigate the weighing and the certification of the weight of grain shipped in interstate or foreign commerce; (2) to require by regulation the maintenance of complete and accurate records of the weighing of such grain for such period of time as the Secretary determines is necessary for the effective administration and enforcement of this Act; and (3) to prescribe by regulation the standards, procedures, and controls for accurate weighing and certification of weights of grain including safeguards of equipment, and the calibration and maintenance thereof, at locations specified in subsection (a) of this section.

"(e) The Secretary shall conduct a study concerning the supervision of weighing, the weighing and certification of weights of grain, and the inspection and testing of scales used in the weighing of grain at both export port elevators and other than export port elevators. The Secretary shall report the results of the study to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry not later than twelve months after the effective date of this Act, together with any recommendations for legislation that he determines necessary for strengthening the adequacy and reliability of the system.

"(f) No State or local governmental agency or person shall weigh or state in any document the weight of grain determined at a location where weights are required to be supervised or the weighing or inspection and testing of scales is required to be performed as provided for in this section except in accordance with the procedures prescribed pursuant to this section. No person shall use any scales which have been disapproved by the Secretary or a State or local government agency or person designated by the Secretary.

"(g) The provisions of this section shall not limit any authority vested in the Secretary under the United States Warehouse Act (39 Stat. 486, as amended, 7 U.S.C. 241 et seq.).

"(h) The representatives of the Secretary shall be afforded access to any elevator, warehouse, or other storage or handling facility from which grain is delivered for shipment in interstate or foreign commerce or to which grain is delivered from shipment in interstate or foreign commerce and all facilities therein for weighing grain.

"(i) (1) The Secretary shall, under such regulations as he may prescribe, charge and collect reasonable fees to cover the estimated costs to the Department of Agriculture incident to the performance of the functions provided for under this section, except as otherwise provided in paragraph (2) of this subsection. The fees authorized by this paragraph shall, as nearly as practicable, cover the costs of the Department of Agriculture incident to performance of its functions related to weighing, including 75 per centum of the estimated total supervisory and administrative costs related to such services. Such fees shall be deposited in miscellaneous receipts of the United States Treasury.

"(2) Each agency to which authority has been delegated under this section and each agency or other person which has been designated to perform functions related to weighing under this section shall pay to the Secretary fees in such amount as the Secretary determines fair and reasonable and as will cover the costs incurred by the Department relating to direct supervision of the agency personnel and direct supervision by Department personnel (outside of the Washington office) of its field office personnel incurred as a result of the functions performed by such agencies, but such fees shall not exceed 75 per centum of the estimated total Federal costs related to the weighing functions of such agencies, except costs incurred under sections 9, 10, and 14 of this Act. The fees shall be payable after the services are performed at such times as specified by the Secretary and shall be deposited in miscellaneous receipts to the United States Treasury. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation or designation, which shall be reinstated upon payment, within such period as specified by the Secretary, of the fee currently due plus interest and any further expenses incurred by the Department because of such termination.".

SEC. 6. Section 8 of said Act (7 U.S.C. 84) is amended (a) by amending subsection (a) to read as follows:

"(a) The Secretary is authorized (1) to issue a license to any individual upon presentation to him of satisfactory evidence that such individual is competent, and is employed by an official inspection agency, or a State agency delegated authority under section 7(e), to perform all or specified original inspection or reinspection functions involved in official inspection of grain in the United States; (2) to authorize any competent employee of the Department of Agriculture to (i) perform all or specified original inspection, reinspection, or appeal inspection functions involved in official inspection of grain in the United States, or of United States grain in Canadian ports, and (ii) supervise the official inspection of grain in the United States and of United States grain in Canadian ports; and (3) to contract with any person to perform specified sampling and laboratory testing and to license competent persons to perform such functions pursuant to such contract. No person shall perform any official inspection functions for purposes of this Act unless such person holds an unsuspended and unrevoked license or authorization from the Secretary under this Act.".

(b) By amending subsection (b) to insert "or by a State agency under a delegation of authority pursuant to section 7(e)" after "official inspection agency".

(c) By amending subsection (d) and adding new subsection (e) to read as follows:

"(d) Persons employed by an official inspection agency (including persons employed by a State agency under a delegation of authority pursuant to section 7(e), persons performing official inspection functions under contract with the Department of Agriculture, and persons employed by a State or local agency or other person conducting functions relating to weighing under section 7A shall not, unless otherwise employed by the Federal Government, be determined to be employees of the Federal Government of the United States: *Provided, however*, That such persons shall be considered in the performance of any official inspection functions or any functions relating to weighing as prescribed by this Act or by the rules and regulations of the Secretary, as persons acting for or on behalf of the United States, for the purpose of determining the application of section 201 of title 18, United States Code, to such persons and as employees of the Department of Agriculture assigned to perform inspection functions for the purposes of sections 1114 and 111 of title 18 of the United States Code.

"(e) The Secretary of Agriculture may hire (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) as official inspection personnel any individual who is licensed (on the date of enactment of this Act) to perform functions of official inspection under the United States Grain Standards Act and as personnel to perform supervisory weighing or weighing functions any individual who, on the date of enactment of this Act, was performing similar functions: *Provided*, That the Secretary of Agriculture determines that such individuals are of good moral character and are technically and professionally qualified for the duties to which they will be assigned.".

SEC. 7. Section 9 of said Act (82 Stat. 765, 7 U.S.C. 85) is amended by adding a new sentence at the end thereof to read as follows: "The Secretary may summarily revoke any license whenever the licensee has been convicted of any offense prohibited by section 13 of this Act, or convicted of any offense proscribed by title 18, United States Code, with respect to performance of functions under this Act.".

SEC. 8. Section 10 of said Act (7 U.S.C. 86) is amended—

(a) by changing the title to read "REFUSAL OF INSPECTION AND WEIGHING SERVICES AND CIVIL PENALTIES";

(b) by amending subsection (a) to read as follows:

"(a) The Secretary may (for such period, or indefinitely, as he deems necessary to effectuate the purposes of this Act) refuse to provide official inspection or the services related to weighing otherwise available under this Act with respect to any grain offered for such services, or owned, wholly or in part, by any person if he determines (1) that the individual (or in case such person is a partnership, any general partner; or in case such person is a corporation, any officer, director, or holder or owner of more than 10 per centum of the voting stock; or in case such person is an unincorporated association or other business entity, any officer or director thereof; or in case of any such business entity, any individual who is otherwise responsibly connected with the business) has knowingly committed any violation of section 13 of this Act or has been convicted of any violation of other Federal law with respect to the handling, weighing, or official inspection of grain, or that official inspection or the services related to weighing has been refused for any of the above-specified causes (for a period which has not expired) to such person, or any other person conducting a business with which the former was, at the time such cause existed, or is responsibly connected; and (2) that providing such service with respect to such grain would be inimical to the integrity of the service."

(c) by amending subsection (c) and adding new subsections (d) and (e) to read as follows:

"(c) In addition to, or in lieu of, penalties provided under section 14 of this Act, or in addition to, or in lieu of refusal of official inspection or services related to weighing in accordance with this section, the Secretary may assess, against any person who has knowingly committed any violation of section 13 of this Act or has been convicted of any violation of other Federal law with respect to the handling, weighing, or official inspection of grain a civil penalty not to exceed $50,000 for each such violation as the Secretary determines is appropriate to effectuate the objectives stated in section 2 of this Act.

"(d) Before official inspection or services related to weighing is refused to any person or a civil penalty is assessed against any person under this section, such person shall be afforded opportunity for a hearing in accordance with sections 554, 556, and 557 of title 5, United States Code.

"(e) Moneys received in payment of such civil penalties shall be deposited in the general fund of the United States Treasury. Upon any failure to pay the penalties assessed under this section, the Secretary may request the Attorney General to institute a civil action to collect the penalties in the appropriate court identified in subsection (h) of section 17 of this Act for the jurisdiction in which the respondent is found or resides or transacts business, and such court shall have jurisdiction to hear and decide any such action.".

SEC. 9. Section 11 of said Act (7 U.S.C. 87) is amended by designating the provisions thereof as subsection (a) and adding new subsections (b) and (c) to read as follows:

"(b)(1) No official inspection agency or a State agency delegated authority under section 7(e), or any member, director, officer, or employee thereof, and no business or governmental entity related to any such agency, shall be employed in or otherwise engaged in, or directly or indirectly have any stock or other financial interest in, any business involving the commercial transportation, storage, merchandising, or other commercial handling of grain, or the use of official inspection service (except that in the case of a producer such use shall not be prohibited for grain in which he does not have an interest); and no business or governmental entity conducting any such business, or any member, director, officer, or employee thereof, and no other business or governmental entity related to any such entity, shall operate or be employed by or directly or indirectly have any stock or other financial interest in, any official inspection agency or a State agency delegated inspection authority. Further, no substantial stockholder in any incorporated official inspection agency shall be employed in or otherwise engaged in, or be a substantial stockholder in any corporation conducting any such business, or directly or indirectly have any other kind of financial interest in any such business; and no substantial stockholder in any corporation conducting such a business shall operate or be employed by or be a substantial stockholder in, or directly or indirectly have any other kind of financial interest in, any official inspection agency.

"(2) A substantial stockholder of a corporation shall be any person holding 2 per centum or more, or one hundred shares or more, of the voting stock of the corporation, whichever is the lesser interest. Any entity shall be considered to be related to another entity if it owns or controls, or is owned or controlled by, such other entity, or both entities are owned or controlled by another entity.

"(3) Each State agency delegated supervision of weighing authority under section 7A and each State or local agency or other person designated by the Secretary under such section to perform services related to weighing shall be subject to the provisions of subsection (b) of this section. The term 'official inspection agency' as used in such subsection shall be deemed to refer to a State or local agency or other person performing such services under a delegation or designation from the Secretary, and the term 'use of official inspection service' shall be deemed to refer to the use of the services provided under such a delegation or designation.

"(4) If a State or local governmental agency is delegated authority to perform official inspection or supervision of weighing, or a State or local governmental agency is designated as an official inspection agency or is designated to perform weighing functions, the Secretary shall specify the officials and other personnel thereof to which the conflict of interest provisions of this subsection (b) apply.

"(5) Notwithstanding the foregoing provisions of this subsection, the Secretary may delegate authority to a State agency or designate a governmental agency, a board of trade, chamber of commerce, or grain exchange to perform official inspection or to perform services related to weighing, except that for purposes of services related to weighing only, he may also designate any other person, if he determines that any conflict of interest which may exist between the agency or person or any member, officer, employee, or stockholder thereof and any business involving the transportation, storage, merchandising, or other handling of grain or use of official inspection or weighing service is not such as to jeopardize the integrity or the effective or objective operation of the functions performed by such agency.

"(c) The provisions of this section shall not prevent an official inspection agency from engaging in the business of weighing grain.".

SEC. 10. (a) Section 12 of said Act (7 U.S.C. 87a) is amended by inserting after the term "official inspection agency" each time it appears in subsections (b) and (c), the term "and every person licensed to perform any official inspection function under this Act".

(b) Section 12 of said Act is further amended by adding the following new subsection (d), at the end thereof:

"(d) Every person who, at any time, has obtained or obtains official inspection shall, within the five-year period thereafter, maintain complete and accurate records of purchases, sales, transportation, storage, treating, cleaning, drying, blending, and other processing, and official inspections of grain, and permit any authorized representative of the Secretary, at all reasonable times, to have access to, and to copy, such records and to have access to any grain elevator, warehouse, or other storage or handling facility used by such person for handling of grain.".

SEC. 11. Section 13 of said Act is amended:

(a) By inserting in subsections (a)(7) and (a)(8) the words "or personnel of agencies delegated authority or of agencies or other persons designated under this Act" after "personnel" and in subsection (a)(11) "7(f)(2), 7A," after "section 5, 6,";

(b) By striking the word "or" at the end of subsection (a)(10), striking the period at the end of subsection (a) and inserting a semicolon in lieu thereof and adding new subsections (a)(12) and (a)(13) as follows:

"(12) knowingly engage in falsely stating or falsifying the weight of any grain shipped in interstate or foreign commerce, or

"(13) knowingly prevent or impede any buyer or seller of grain or other person having a financial interest in the grain, or the authorized agent of any such person, from observing the loading of grain inspected under this Act and the weighing, sampling, and inspection of such grain under conditions prescribed by the Secretary."; and

(c) By inserting in subsection (b)(2) the words "or weighing" after the word "inspection".

SEC. 12. Section 1114 of title 18 of the United States Code, as amended, is hereby amended by (1) striking the phrase "any employee of the Bureau of Animal Industry of the Department of Agriculture," and (2) inserting immediately after the phrase "or of the Department of Labor" the words "or of the Department of Agriculture".

SEC. 13. Section 14 of the United States Grain Standards Act (7 U.S.C. 87c) is amended to read as follows:

"CRIMINAL PENALTIES

"SEC. 14. (a) Any person who commits an offense prohibited by section 13 (except an offense prohibited by paragraphs (a)(7), (a)(8), and (b)(4) in which case he shall be subject to the general penal statutes in title 18 of the United States Code relating to crimes and offenses against the United States) shall be guilty of a misdemeanor and shall, on conviction thereof, be subject to imprisonment for not more than twelve months, or a fine of not more than $10,000, or both such imprisonment and fine; but, for each subsequent offense subject to this subsection, such person shall be subject to imprisonment for not more than five years, or a fine of not more than $20,000, or both such imprisonment and fine.

"(b) Nothing in this Act shall be construed as requiring the Secretary to report minor violations of this Act for criminal prosecution when he believes that the public interest will be adequately served by a suitable written notice of warning, or to report any violation of this Act for prosecution when he believes that institution of a proceeding under section 10 of this Act will obtain compliance with this Act and he institutes such a proceeding.

"(c) Any officer or employee of the Department of Agriculture assigned to perform weighing functions under this Act shall be considered as an employee of the Department of Agriculture assigned to perform inspection functions for the purposes of sections 1114 and 111 of title 18."

SEC. 14. Section 16 of said Act (7 U.S.C. 87e) is amended to read as follows:

"SEC. 16. The Secretary is authorized to conduct such investigations; hold such hearings; require such reports from any official inspection agency, any State agency delegated authority under section 7(e), licensee, or other person; require by regulation as a condition for official inspection, among other things (a) that there be installed specified sampling and monitoring equipment in grain elevators, (b) that approval of the Secretary be obtained as to the condition of carriers and containers for transporting or storing of grain, and (c) that persons having a financial interest in the grain which is to be inspected (or their agents) shall be afforded an opportunity to observe the weighing, loading, and official inspection thereof, under conditions prescribed by the Secretary. The Secretary is further authorized to prescribe such other rules, regulations, and instructions as he deems necessary to effectuate the purposes or provisions of this Act. Whether any certificate, other form, representation, designation, or other description is false, incorrect, or misleading within the meaning of this Act shall be determined by tests made in accordance with such provisions as the Secretary may adopt to effectuate the objectives of this Act, if the relevant facts are determinable by such tests. Proceedings under section 9 of this Act for refusal to renew, or for suspension or revocation of, a license, shall not, unless requested by the respondent, be subject to the administrative procedure provisions in sections 554, 556, and 557 of title 5, United States Code.".

SEC. 15. Section 17 of said Act (7 U.S.C. 87f) is amended by deleting from subsection (e) the term "section 14" and substituting in lieu thereof the term "subsection (a) of section 14"; and by changing subsection (g) to read as follows:

"(g) Any present or former officer or employee of the Department of Agriculture or of any State agency delegated authority under this Act or any official inspection agency, or any agency or person designated to perform services related to weighing under section 7A, or any present or former licensee, who shall make public any information obtained under this Act except pursuant to authority from the Secretary or a court order or otherwise in connection with law enforcement proceedings by the Federal Government, or pursuant to a request from a committee of the Congress, shall be guilty of a misdemeanor, and upon conviction thereof be subject to the penalties set forth in subsection (a) of section 14 of this Act. Nothing contained herein shall be construed as prohibiting such person from divulging information which he reasonably believes involves conduct prohibited under this Act or under title 18 of the United States Code.".

SEC. 16. Section 19 of said Act (7 U.S.C. 87h) is amended to read as follows:

"APPROPRIATIONS

"SEC. 19. There are hereby authorized to be appropriated such sums as are necessary for monitoring in foreign ports grain officially inspected under this Act; improvement of official standards for grain, improvement of inspection procedures and equipment, and other activities authorized by section 4 of this Act; development and issuance of rules, regulations, and instructions; and other Federal costs incurred under this Act.".

STUDY OF GRAIN STANDARDS AMENDMENT

SEC. 17. In order to assure that producers, handlers, and transporters of grain are encouraged and rewarded for the production, maintenance, and delivery of the quality of grain needed to meet the end-use requirements of domestic and foreign buyers, the Secretary is hereby authorized and directed to conduct an investigation and make a study regarding the adequacy of the current grain standards established under the United States Grain Standards Act. To determine the items of concern to buyers, both foreign and domestic, and how sellers in the United States might best satisfy those needs, the Secretary may seek the advice of and may employ the service of representatives of the grain industry, land-grant colleges, and other members of the public (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service). On the basis of the results of such study, the Secretary, in accordance with section 4 of the United States Grain Standards Act, shall make such changes in the grain standards as he determines necessary and appropriate, and, not later than one year after the enactment of this Act, submit a report to the Congress setting forth the findings of such study and action taken by him as a result of the study.

REPORTS OF COMPLAINTS

SEC. 18. The United States Grain Standards Act is amended by inserting after section 19 the following new section:

"REPORTING REQUIREMENTS

"SEC. 20. On February 1 of each year, the Secretary shall submit to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry a summary of all complaints received by the Department of Agriculture from foreign purchasers and prospective purchasers of grain and other foreign purchasers interested in the trade of grain: *Provided*, That the summary shall not include a complaint unless reasonable cause exists to believe that the complaint is valid, as determined by the Secretary.".

SEC. 19. The Secretary shall submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry one year after the effective date of this Act setting forth the actions taken by him in implementing the provisions of this Act.

EFFECTIVE DATE

SEC. 20. This Act shall become effective on the thirtieth day after enactment hereof; and thereafter no State agency shall provide official inspection at an export port location or supervision of weighing at an export port elevator at an export port location without a delegation of authority and no agency or person shall provide official inspection service in any other area without a designation under the United States Grain Standards Act, as amended hereby, except that any agency or person then providing such service in any area, who pays fees when due, in the same manner as prescribed in section 7 or 7A of the United States Grain Standards Act, as amended hereby, may continue to operate in that area without a delegation or a designation but shall be subject to all provisions of the United States Grain Standards Act and regulations thereunder in effect immediately prior to the effective date hereof, until whichever of the following events occurs first:

(1) a delegation or designation of such agency or person to perform such services is granted or denied by the Secretary pursuant to said Act, as amended hereby; or

(2) such agency, or two or more members or employees thereof, have been or are convicted of a violation of any provision of the United States Grain Standards Act in effect immediately prior to the effective date hereof; or convicted of any offense proscribed by any other Federal law involving the handling or official inspection of grain; or

(3) the expiration of a period as determined by the Secretary of not more than two years following the effective date hereof.

Mr. MOORE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MOORE. Mr. Chairman, I have offered this amendment in the nature of a substitute, which strikes everything after the enacting clause and puts the bill right back in, with the exception of two important changes. In sections 4 and 5 of the bill I put language in as a new subsection in (a)(2) which would allow the existing grain exchanges, local government organizations, boards of trade and chambers of commerce, which the Secretary finds qualified, to inspect grain or supervise the weighing of grain, but only after the Secretary finds them qualified to do so under the strong conflict of interest section of the bill, under the strong criminal and civil penalties of the bill and under the strong supervisory powers of the Secretary of the bill.

Mr. Chairman, I offered this amendment in committee and it failed. The USDA is not opposed to my substitute, as it comes closer to the administration bill than does the present bill.

I pointed out in general debate and I pointed out in debate on the various amendments that I do not believe we are going to make this system any better by federalizing all the employees. As a matter of fact, of the 3,000 grain inspectors in business today, the Federal Government is going to hire perhaps 800 of them. So we are going to have the same men, just working, so they are the only grain inspectors for different employers. How is that going to solve the problem? In addition, only 19 out of these 3,000 have been indicted or found guilty of any wrong doing. It seems to me that is not very good evidence or reason to drastically change the system to make it all Federal when only 19 were guilty.

Further, the existing organizations inspecting grain have made the changes suggested by USDA. They have purged their organizations of the people who have been guilty or even possibly guilty of any kind of wrongdoing. They are as anxious as any of you to solve the problem. I believe that they can or will do as good a job, if not better, than any Federal employee we can hire to do the job.

When we look at such situations as the recent meat-inspecting scandals in Los Angeles in 1975 where some 15 Federal inspectors have been indicted and convicted, we cannot argue the conclusion that the Federal inspectors are going to do any better job in grain than they have done in meat. They were formerly State meat inspectors and we federalized them and what good did it do?

Look at the Postal Service, the food stamp program and other programs that are directly run by the Federal Government. They are federalized yet have significant problems in many instances worse than in grain inspection. The problem is one of administration and one of honesty which can exist no matter what the level of government or what the organization.

Mr. Chairman, I also point out that these organizations are providing a tremendous service. They can do it cheaper and they can do it better for the taxpayers, the grain shippers, the grain buyers and grain producers in this country.

These organizations inspecting grain are important economic entities to their locale. We are crippling them if we take away the right to inspect grain and are hurting the areas near them. I believe we have solved the problem as well as can be done with the strong good provisions of this bill.

We do not have to take the next step of federalizing all the employees. The committee debated this issue and was divided over it on two or three occasions. We were not sure then and should not now be that we have to eliminate these inspecting organizations.

So, I urge support of the amendment in the nature of a substitute. It does nothing more than keep the same bill, but allows these organizations to continue to function under its strong guidelines and penalty provisions.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding to me, and would like to commend the gentleman for his amendment.

I have a private inspection service in my State which works very well. I know that I agree with what the gentleman is saying. I also would like to call the attention of the members of the committee to the minority views written by the gentleman in the well and the gentleman from Florida. I would like to commend him for his leadership on this issue and for the great deal of thought which he has put into this.

I encourage the members of the committee to read this report.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Louisiana (Mr. MOORE).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. MOORE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

Mr. MOORE. Mr. Chairman, I demand a division.

On a division (demanded by Mr. MOORE) there were—ayes 19; noes 62.

So the amendment in the nature of a substitute was rejected.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12572) to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes, pursuant to House Resolution 1120, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SYMMS. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SYMMS moves to recommit the bill, H.R. 12572, to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 33, not voting 153, as follows:

[Roll No. 160]

YEAS—246

Adams
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Bafalis
Baldus
Beard, R.I.
Bedell
Bennett
Bergland
Blanchard
Blouin
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burlison, Mo.
Butler
Byron
Carney
Carr
Carter
Clausen, Don H.
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Delaney
Dellums
Derrick
Derwinski
Devine
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erlenborn
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fisher
Flood
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frey
Gaydos
Gibbons
Gilman
Goldwater
Gonzalez
Grassley
Gude
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Hechler, W. Va.
Helstoski
Hicks
Hightower
Hillis
Holtzman
Howard
Howe
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jordan
Kasten
Kastenmeier
Kazen
Keys
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
Lundine
McClory
McCollister
McCormack
McEwen
McFall
McHugh
McKinney
Madigan
Maguire
Martin
Mazzoli
Meeds
Meyner
Mezvinsky
Michel
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Moss
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pike
Pressler
Preyer
Price
Pritchard
Quie
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rooney
Rosenthal
Roush
Roybal
Ruppe
Russo
Sarasin
Scheuer
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Solarz
Staggers
Stanton, J. William
Steed
Studds
Symington
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Vanik
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Tex.
Wirth
Wolff
Yates
Yatron
Young, Fla.
Zablocki

NAYS—33

Archer
Ashbrook
Boggs
Breaux
Burleson, Tex.
Collins, Tex.
Ginn
Goodling
Hammerschmidt
Hansen
Hébert
Holt
Ichord
Johnson, Colo.
Jones, Okla.
Landrum
Latta
Mann
Miller, Ohio
Mills
Moore
Passman
Poage
Rousselot
Runnels
Satterfield
Schroeder
Shuster
Snyder
Symms
Waggonner
Wiggins
Young, Alaska

NOT VOTING—153

Abdnor
Abzug
Addabbo
Armstrong
Badillo
Barrett
Baucus
Bauman
Beard, Tenn.
Bell
Bevill
Biaggi
Biester
Bingham
Boland
Broomfield
Brown, Ohio
Broyhill
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Cederberg
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Cochran
Conlan
Corman
Cotter
Crane
Davis
de la Garza
Dent
Dickinson
Downing, Va.
Duncan, Oreg.
Eckhardt
Eilberg
Esch
Eshleman
Evans, Colo.
Fish
Fithian
Florio
Flowers
Flynt
Forsythe
Frenzel
Fuqua
Giaimo
Gradison
Green
Guyer
Harrington
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Henderson
Hinshaw
Holland
Horton
Hubbard
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Karth
Kelly
Kemp
Ketchum
Kindness
Koch
Krueger
Long, La.
Lott
McCloskey
McDade
McDonald
McKay
Macdonald
Madden
Mahon
Mathis
Matsunaga
Melcher
Metcalfe
Mikva
Milford
Mink
Moffett
Morgan
Mosher
Mottl
Murphy, N.Y.
Nichols
Nix
Obey
Pepper
Peyser
Pickle
Quillen
Railsback
Randall
Riegle
Roberts
Robinson
Rogers
Roncalio
Rose
Rostenkowski
Ryan
St Germain
Santini
Sarbanes
Schneebeli
Sikes
Slack
Spellman
Spence
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Sullivan
Talcott
Teague
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
White
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Young, Ga.
Young, Tex.
Zeferetti

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. Melcher against.

Mr. Eckhardt for, with Mr. Long of Louisiana against.

Until further notice:

Mr. Addabbo with Mr. Abdnor.
Mr. Eilberg with Mr. Forsythe.
Mr. Sikes with Mr. Peyser.
Mr. Zeferetti with Mr. Railsback.
Mr. Chappell with Mr. Spence.
Mr. Morgan with Mr. Kelly.
Mr. Koch with Mr. Kindness.
Ms. Abzug with Mr. Del Clawson.
Mr. Baucus with Mr. Broomfield.
Mrs. Chisholm with Mr. Bell.
Mr. Fithian with Mr. Cochran.
Mrs. Mink with Mr. Johnson of Pennsylvania.
Mr. Udall with Mr. Steelman.
Mr. Badillo with Mr. Talcott.
Mr. Mottl with Mr. Kemp.
Mr. Moffett with Mr. Crane.
Mr. Stokes with Mr. Clancy.
Mr. Charles H. Wilson of California with Mr. Brown of Ohio.
Mr. Clay with Mr. McDade.
Mr. Matsunga with Mr. Burke of Florida.
Mr. Metcalfe with Mr. Broyhill.
Mr. Stratton with Mr. Harsha.
Mr. Teague with Mr. Guyer.
Mr. Nichols with Mr. Steiger of Arizona.
Mr. Duncan of Oregon with Mr. Vander Jagt.
Mr. Henderson with Mr. Conlan.
Mr. Fuqua with Mr. Downing of Virginia.
Mr. Jones of North Carolina with Mr. Esch.
Mr. Burke of Massachusetts with Mr. Gradison.
Mr. Macdonald of Massachusetts with Mr. Eshleman.
Mr. Pickle with Mr. Wylie.
Mr. Boland with Mr. Bob Wilson.
Mr. Bevill with Mr. Mahon.
Mr. Rostenkowski with Mr. Lott.
Mr. Nix with Mr. Ketchum.
Mr. Barrett with Mr. Madden.
Mr. Biaggi with Mr. Steiger of Wisconsin.
Mr. Bingham with Mr. Winn.
Mr. Giaimo with Mr. Wydler.
Mr. Flynt with Mr. Fish.
Mr. Murphy of New York with Mr. Milford.
Mr. Pepper with Mr. McDonald of Georgia.
Mr. Rogers with Mr. McKay.
Mr. Roncalio with Mr. McCloskey.
Mr. Sarbanes with Mr. Horton.
Mrs. Spellman with Mr. Heinz.
Mr. James V. Stanton with Mrs. Heckler of Massachusetts.
Mr. Stark with Mr. Randall.
Mrs. Sullivan with Mr. Roberts.
Mr. Vigorito with Mr. Slack.
Mr. White with Mr. Stephens.
Mr. Wright with Mr. Treen.
Mr. Young of Georgia with Mr. Evans of Colorado.
Mr. Karth with Mr. Dickinson.
Mr. Hays of Ohio with Mr. Stuckey.
Mr. Young of Texas with Mr. Van Deerlin.
Mr. Beard of Tennessee with Mr. Ryan.
Mr. John L. Burton with Mr. Santini.
Mr. Cotter with Mr. Riegle.
Mr. Hayes of Indiana with Mr. Obey.
Mr. Dent with Mr. Harrington.
Mr. Phillip Burton with Mr. Hawkins.
Mr. Corman with Mr. Hefner.
Mr. Florio with Mr. Holland.
Mr. Flowers with Mr. Hubbard.
Mr. Mathis with Mr. Krueger.
Mr. Mikva with Mr. St Germain.
Mr. Rose with Mr. Schneebeli.
Mr. Davis with Mr. Bauman.
Mr. de la Garza with Mr. Cederberg.
Mr. Green with Mr. Frenzel.
Mr. Quillen with Mr. Mosher.
Mr. Robinson with Mr. Armstrong.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. In addition to the committees to which the report of the Select Committee on Intelligence was referred on February 16 and March 16, 1976, the Chair, pursuant to his authority under clause 5, rule X, has referred the report to the Committee on Standards of Official Conduct for study of the report and recommendations of the select committee under the same restrictions and conditions as those stated in the Chair's announcement contained on page 3158 of the RECORD of February 16, 1976.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader the program for next week.

Mr. O'NEILL. If the distinguished minority leader would be kind enough to yield, I will be happy to respond.

Mr. MICHEL. I will be happy to yield to the majority leader.

Mr. O'NEILL. Mr. Speaker, we have concluded the program for today, and when we adjourn today, we will adjourn to meet on Monday at 12 o'clock noon.

The program for the House of Representatives for the week of April 5, 1976, is as follows:

For Monday, the Consent Calendar and the Suspension Calendar. Votes on suspensions will be postponed until the end of all suspensions.

The suspensions are as follows:

H.R. 8957, U.S. Commission on Civil Rights authorization;

H.R. 11722, deprivation of employment on account of political contribution;

H.J. Res. 491, Allen J. Ellender fellowships;

H.R. 11140, national cemetery, Quantico, Va.;

H.J. Res. 670, Thomas Jefferson Day;

H.J. Res. 726, National Bicentennial Highway Safety Year;

S.J. Res. 35, National Employ the Older Worker Week;

S.J. Res. 101, National Family Week;

S. 2308, Bristol Cliffs Wilderness Area, Vt.;

H.R. 11559, saline water conversion program;

H.R. 5446, International Navigational Rules;

H.R. 11670, Coast Guard authorization; and

H.R. 13012, national influenza immunization program.

And then we will have House Joint Resolution 890, emergency supplemental appropriations, fiscal year 1976.

On Tuesday we will have the Private Calendar, and there are two suspensions. Votes on the suspensions will be postponed until the end of all suspensions.

The suspensions are as follows:

H.R. 12605, fiscal year adjustment; and

H.R. 12006, fiscal year transition.

Then there will be:

H.R. 12388, Energy Research and Development Administration supplemental authorization, under an open rule, with 1 hour of debate; and

H.R. 3863, Eagles Nest Wilderness, Colo., under an open rule, with 1 hour of debate.

On Wednesday we will have:

S. 1941, Animal Welfare Act amendments, a conference report;

H.R. 11337, mid-decade census, subject to a rule being granted; and

H.R. 10686, availability of census records, subject to a rule being granted.

H.R. 12678, national health promotion and disease prevention, subject to a rule being granted.

On Thursday we will have:

H.R. 12438, Defense authorization, subject to a rule being granted, taking the general debate only.

On Friday, we will have:

H.R. 12438, Defense authorization, votes on amendments and the bill.

Conference reports may be brought up at any time, and any further program will be announced later.

Mr. MICHEL. Mr. Speaker, if I might ask the majority leader one question on item 13, the unnumbered national influenza immunization program, does the gentleman know whether that is going to be limited to that flu vaccine item for which the emergency supplemental appropriation is?

Mr. O'NEILL. The answer is "Yes"; it is limited to the flu vaccine.

Mr. MICHEL. I thank the majority leader.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from New Jersey.

Mr. THOMPSON. Mr. Speaker, the majority leader's announcements, his candor and his leadership are virtually incomparable in the House. We know precisely what we are going to do next week, when, and why, and in some instances—well, just everything you need to know and love to know concerning the coming week.

I would just like to express the appreciation, and I am sure I speak for a great majority of the Members, to the gentleman for his leadership, friendlyness and wisdom which I repeat is just incomparable.

Mr. MICHEL. Mr. Chairman, I just wanted to make the observation that I was happy to yield to the gentleman from New Jersey for the observation made about the majority leader.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT TO MONDAY, APRIL 5, 1976

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 12572, United States Grain Standards Act of 1976.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONFERENCE REPORT ON H.R. 7988, HEALTH RESEARCH AND HEALTH SERVICES AMENDMENTS OF 1976

Mr. STAGGERS submitted the following conference report and statement on the bill (H.R. 7988) to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, and to establish a national program with respect to genetic diseases; and to require a study and report on the release of research information:

CONFERENCE REPORT (H. REPT. 94-1005)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7988) to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, and to establish a national program with respect to genetic diseases; and to require a study and report on the release of research information, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. (a) This Act may be cited as the "Health Research and Health Services Amendments of 1976".

(b) Whenever in this Act (other than in titles III, V, VI, VII, and XI) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—REVISION OF NATIONAL HEART AND LUNG INSTITUTE PROGRAMS

SEC. 101. (a) Congress finds and declares that—

(1) diseases of the heart, blood, and blood vessels collectively cause more than half of all the deaths each year in the United States and the combined effect of the disabilities and deaths from such diseases is having a major social and economic impact on the Nation;

(2) elimination of heart and blood vessel diseases as significant causes of disability and death could increase the average American's life expectancy by about eleven years and could provide for annual savings to the economy in lost wages, productivity, and cost of medical care of more than $40,000,000 per year;

(3) chronic lung diseases have been gaining steadily in recent years as important causes of disability and death, with emphysema being among the fastest rising causes of death in the United States;

(4) chronic respiratory diseases affect an estimated ten million Americans, emphysema an estimated one million, chronic bronchitis an estimated four million, and asthma an estimated five million;

(5) thrombosis (the formation of blood clots in the vessels) may cause, directly or in combination with other problems, many deaths and disabilities from heart disease and stroke which can now be prevented;

(6) blood and blood products are essential human resources whose value in saving life and promoting health cannot be assessed in terms of dollars;

(7) the provision of prompt and effective emergency medical services utilizing to the fullest extent possible advances in transportation and communications and other electronic systems and specially trained professional and paraprofessional health care personnel can reduce substantially the number of fatalities and severe disabilities due to critical illnesses in connection with heart, blood vessel, lung, and blood diseases;

(8) blood diseases, including nutritional anemia due to inherited abnormalities (such as sickle cell anemia and Cooley's anemia (thalassemia), anemias resulting from failure of the bone marrow, hemorrhagic defects (a common cause of death in patients with leukemia and other malignancies, and of disability from inherited diseases such as hemophilia)), and malignancies of the lymph nodes and bone marrow, such as leukemia, have a devastating impact in spite of recent advances, and constitute an important category of illness that requires major attention; and

(9) the greatest potential for advancement against heart, blood vessel, lung, and blood diseases lies in the National Heart, Lung, and Blood Institute, but advancement against such diseases depends not only on the research programs of that Institute but also on the research programs of other research institutes of the National Institutes of Health.

(b) It is the purpose of this title to enlarge the authority of the National Heart, Lung, and Blood Institute in order to advance the national attack upon heart, blood vessel, lung, and blood diseases and to enlarge its authority with respect to blood resources.

SEC. 102. Sections 411, 418(a)(6), and 419A (c) are each amended by striking out "National Heart and Lung Institute" and inserting in lieu thereof "National Heart, Lung, and Blood Institute".

SEC. 103. (a) Section 412 is amended—

(1) by inserting "and with respect to the use of blood and blood products and the management of blood resources" after "diseases" in the matter preceding paragraph (1);

(2) by inserting "and to the use of blood and blood products and the management of blood resources" before the semicolon at the end of paragraph (1);

(3) by inserting "and to the use of blood and blood products and the management of blood resources" after "diseases" in paragraph (4);

(4) by inserting "and on the use of blood and blood products and the management of blood resources" after "diseases" in paragraph (5);

(5) by striking out "heart diseases" in paragraph (6) and inserting in lieu thereof "heart, blood vessel, lung, and blood diseases and the management of blood resources";

(6) by inserting "and to the use of blood and blood products and the management of blood resources" after "diseases" in paragraph (7); and

(7) by inserting at the end of the section heading "AND IN THE MANAGEMENT OF BLOOD RESOURCES".

(b) Section 412 is amended by striking out "National Heart and Lung Advisory Council" and inserting in lieu thereof "National Heart, Lung, and Blood Advisory Council".

SEC. 104. (a) Section 413(a) is amended—

(1) by striking out "Disease" in the first sentence and inserting in lieu thereof "Diseases and Blood Resources"; and

(2) by inserting "and blood resources" after "diseases" in such sentence and in paragraph (7).

(b) Section 413(b) is amended—

(1) by striking out "calendar" each place it occurs in paragraph (2) and inserting in lieu thereof "fiscal"; and

(2) by adding at the end of such paragraph the following: "Each such plan shall contain (A) an estimate of the number and type of personnel which will be required by the Institute to carry out the Program during the five years with respect to which the plan is submitted, and (B) recommendations for appropriations to carry out the program during such five years".

(c) Section 413(c)(1) is amended by striking out "fifty" and inserting in lieu thereof "one hundred".

(d) Section 413(c)(2) is amended—

(1) by striking out "operate" and inserting

in lieu thereof "operate, alter, renovate"; and

(2) by inserting "and blood resource" after "disease".

(e) Section 413(d) is amended—

(1) by striking out "Assistant Director for Health Information Programs" each place it occurs and inserting in lieu thereof "Assistant Director for Prevention Education, and Control";

(2) by striking out "and pulmonary" in the second sentence and inserting in lieu thereof ", blood, and pulmonary" and by inserting "and blood" after "pulmonary" in the third sentence; and

(3) by inserting "and blood resources" after "diseases" in the second sentence.

(f) The section heading of section 413 is amended by striking out "DISEASE" and inserting in lieu thereof "DISEASES AND BLOOD RESOURCES".

SEC. 105. Section 414(b) is amended (1) by striking out "and" after "1974,", and (2) by inserting before the period a comma and the following: "$10,000,000 for fiscal year 1976, and $30,000,000 for fiscal year 1977".

SEC. 106. (a)(1) Subsection (a)(1)(A) of section 415 is amended by—

(A) striking out "fifteen" and inserting in lieu thereof "ten", and

(B) striking out ", blood vessel, and blood diseases" and inserting in lieu thereof "diseases".

(2) Subsection (a)(1)(B) of such section is amended by striking out "fifteen" and inserting in lieu thereof "ten".

(3) Subsection (a)(1) of such section is amended—

(A) by striking out "and" at the end of subparagraph (A),

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and", and

(C) by inserting after subparagraph (B) the following new subparagraph:

"(C) ten new centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for blood, blood vessel diseases, research in the use of blood products, and research in the management of blood resources."

(b) Section 415(a) is further amended—

(1) by inserting "and for research in the use of blood and blood products and in the management of blood resources" after "diseases" in paragraph (1)(A);

(2) by striking out "chronic" in paragraph (1)(B);

(3) by striking out "paragraph (1)(A)" in paragraph (2) and inserting in lieu thereof "paragraph (1)";

(4) by inserting ", pulmonary, and blood" before "diseases" in paragraph (2),

(5) by striking out "cardiovascular disease" in paragraph (2)(A) and inserting in lieu thereof "cardiovascular, pulmonary, and blood diseases"; and

(6) by striking out "such disease" in subparagraphs (B), (C), and (D) of paragraph (2) and inserting in lieu thereof "such diseases".

(c) Section 415(b) is amended—

(1) by inserting "the management of blood resources and" before "advanced"; and

(2) by amending the first sentence after paragraph (4) to read as follows: "The aggregate of payments (other than payments for construction) made to any center under such an agreement for its costs (other than indirect costs) described in the first sentence may not exceed $5,000,000 in any year, except that the aggregate of such payments in any year may exceed such amount to the extent that the excess amount is attributable to increases in such year in appropriate costs as reflected in the Consumer Price Index published by the Bureau of Labor Statistics.".

(d) The section heading of section 415 is amended by inserting "AND BLOOD RESOURCES" after "DISEASES".

SEC. 107. (a) Section 417(a)(1) is amended by striking out "Director of the Office of Science and Technology" and inserting in lieu thereof "Director of the National Science Foundation".

(b) Section 417 is amended by striking out "National Heart and Lung Advisory Council" in subsection (a) and in subsection (b)(3) and inserting in lieu thereof "National Heart, Lung, and Blood Advisory Council".

(c) The section heading of section 417 is amended by striking out "AND LUNG" and inserting in lieu thereof ", LUNG, AND BLOOD".

SEC. 108. Section 418 is amended—

(1) by inserting "and to the use of blood and blood products and the management of blood resources" after "diseases" in paragraphs (1), (2), (3), and (4) of subsection (a);

(2) by redesignating paragraphs (4), (5), and (6) of subsection (a) as paragraphs (5), (6), and (7), respectively, and by adding after paragraph (3) the following new paragraph:

"(4) recommend to the Secretary (A) areas of research in heart, blood vessels, lung, and blood diseases and in the use of blood and blood products and the management of blood resources which it determines should be supported by the awarding of contracts in order to best carry out the purposes of this part, and (B) the percentage of the budget of the Institute which should be expended for such contracts;"; and

(3)(A) by amending paragraph (2) of subsection (b) to read as follows:

"(2) The Council shall submit a report to the Secretary for simultaneous transmittal, not later than November 30 of each year, to the President and to the Congress on the progress of the Program toward the accomplishment of its objectives during the preceding fiscal year."

(B) For purposes of section 418(b)(2) of the Public Health Service Act (as amended by subparagraph (A)), the period beginning July 1, 1975, and ending September 30, 1976, shall be considered a fiscal year.

(C) The amendment made by subparagraph (A) shall take effect as of January 1, 1976.

SEC. 109. Section 419A is amended—

(1) by inserting "and projects with respect to the use of blood and blood products and the management of blood resources" after "training projects" in subsection (a);

(2) by inserting "and into the use of blood and blood products and the management of blood resources" after "diseases" in subsection (b);

(3) by inserting "and for research and training in the use of blood and blood products and the management of blood resources" after "diseases" in subsection (c);

(4) by striking out "in amounts not to exceed $35,000" in paragraph (1) of subsection (c) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(5) by striking out "in amounts exceeding $35,000" in paragraph (2) of subsection (c) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

SEC. 110. Section 419B is amended—

(1) by striking out "and" after "1974," and by inserting before the period at the end of the first sentence a comma and the following: "$339,000,000 for fiscal year 1976, and $373,000,000 for fiscal year 1977"; and

(2) by striking out "diseases of the blood" and inserting in lieu thereof "blood diseases and blood resources".

SEC. 111. (a) Section 301 is amended by striking out "heart diseases" in paragraphs (c) and (h) and inserting in lieu thereof "heart, blood vessel, lung, and blood diseases and blood resources".

(b) Section 301 is amended by striking out "National Heart and Lung Advisory Council" in paragraphs (c) and (h) and inserting in lieu thereof "National Heart, Lung, and Blood Advisory Council".

SEC. 112. The title of Part B of title IV is amended to read as follows:

"PART B—NATIONAL HEART, LUNG, AND BLOOD INSTITUTE"

TITLE II—NATIONAL RESEARCH SERVICE AWARDS

SEC. 201. (a)(1) Subsection (a)(1)(A)(i) of section 472 is amended (A) by striking out "in matters" and inserting in lieu thereof "or under programs administered by the Division of Nursing of the Health Resources Administration, in matters", and (ii) by inserting before "are directed" the following: "or Division of Nursing".

(2) Subsections (a)(1)(A)(iii) and (a)(1)(B) of such section are each amended by striking out "non-Federal".

(b) Subsection (c)(1)(A)(i) of such section is amended by striking out "health research or teaching" and inserting in lieu thereof "health research or teaching of any combination thereof which is in accordance with usual patterns of academic employment".

(c) Subsection (c)(2)(A) of such section is amended by striking out "health research or teaching" and inserting in lieu thereof "health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment".

(d) The first sentence of subsection (d) of such section is amended by inserting a comma before the period and the following: "$165,000,000 for fiscal year 1976, and $185,000,000 for fiscal year 1977".

SEC. 202. (a) Subsection (a)(1)(A)(i) of section 472 is amended by striking out "the disease or (diseases) or other health problems to which the activities of the Institutes and Administration are directed" and inserting in lieu thereof "diseases or other health problems".

(b) Subsection (b)(2) of section 472 is amended by striking out "to the entities of the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "within the Department of Health, Education, and Welfare".

SEC. 203. (a)(1) Subparagraph (A) of the first paragraph (4) of subsection (c) of section 472 is amended by striking out "and the interest on such amount" down through and including "was made".

(2) The last sentence of subparagraph (B) of such paragraph is amended by striking out "at the same rate as that fixed by the Secretary of the Treasury under subparagraph (A) to determine the amount due the United States" and inserting in lieu thereof "at a rate fixed by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing on the date the United States becomes entitled to such amount".

(b) The amendments made by subsection (a) shall apply with respect to National Research Awards under section 472 which are made from appropriations for fiscal years ending on or after June 30, 1975.

SEC. 204. Section 473(b) is amended by adding after paragraph (2) the following new paragraph:

"(3) The National Academy of Sciences or other group or association conducting the study required by subsection (a) shall conduct such study in consultation with the Director of the National Institutes of Health.".

SEC. 205. Subsection (c) of section 473 is amended by striking out "March 31" and inserting in lieu thereof "September 30".

TITLE III—DISCLOSURE OF RESEARCH INFORMATION

SEC. 301. (a) (1) The President's Biomedical Research Panel (established by section 201(a) of the National Cancer Act Amendments of 1974 (Public Law 93–352)) and the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (established by section 201 of the National Research Act (Public Law 93–348)) shall each conduct an investigation and study of the implication of the disclosure to the public of information contained in research protocols, research hypotheses, and research designs obtained by the Secretary of Health, Education, and Welfare (hereinafter in the subsection referred to as the "Secretary") in connection with an application or proposal submitted, during the period beginning January 1, 1975, and ending December 31, 1975, to the Secretary for a grant, fellowship, or contract under the Public Health Service Act. In making such investigation and study the Panel and the Commission shall each determine the following:

(A) The number of requests made to the Secretary for the disclosure of information contained in such research protocols, hypotheses, and designs and the interests represented by the persons for whom such requests were made.

(B) The purposes for which information disclosed by the Secretary pursuant to such requests was used.

(C) The effect of the disclosure of such information on—

(i) proprietary interests in the research protocol, hypothesis, or design from which such information was disclosed and on patent rights;

(ii) the ability of peer review systems to insure high quality federally funded research; and

(iii) the (I) protection of the public against research which presents an unreasonable risk to human subjects of such research and (II) the adequacy of informed consent procedures.

(2) (A) Not later than May 31, 1976, the Panel shall complete the investigation and study required to be made by the Panel by paragraph (1), and, not later than June 30, 1976, the Panel shall submit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report on such investigation and study. The report shall contain such recommendations for legislation as the Panel deems appropriate.

(B) Not later than November 30, 1976, the Commission shall complete the investigation and study required to be made by the Commission by paragraph (1), and not later than December 31, 1976, the Commission shall submit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report on such investigation and study. The report shall contain such recommendations for legislation as the Commission deems appropriate.

(b) Section 211(b) of the National Research Act (Public Law 93–348) is amended by striking out "July 1, 1976" and inserting in lieu thereof "January 1, 1977".

TITLE IV—GENETIC DISEASES

SEC. 401. This title may be cited as the "National Sickle Cell Anemia, Cooley's Anemia, Tay-Sachs, and Genetic Diseases Act".

SEC. 402. In order to preserve and protect the health and welfare of all citizens, it is the purpose of this title to establish a national program to provide for basic and applied research, research training, testing, counseling, and information and education programs with respect to genetic diseases, including sickle cell anemia, Cooley's anemia, Tay-Sachs disease, cystic fibrosis, dysautonomia, hemophilia, retinitis pigmentosa, Huntington's chorea, and muscular dystrophy.

SEC. 403. (a) Title XI is amended by striking out parts A and B and inserting in lieu thereof the following:

"PART A—GENETIC DISEASES

"TESTING AND COUNSELING PROGRAMS AND INFORMATION AND EDUCATION PROGRAMS

"SEC. 1101. (a) (1) The Secretary, through an identifiable administrative unit within the Department of Health, Education, and Welfare, may make grants to public and nonprofit private entities, and may enter into contracts with public and private entities, for projects to establish and operate voluntary genetic testing and counseling programs primarily in conjunction with other existing health programs, including programs assisted under title V of the Social Security Act.

"(2) The Secretary shall carry out, through an identifiable administrative unit within the Department of Health, Education, and Welfare, a program to develop information and educational materials relating to genetic diseases and to disseminate such information and materials to persons providing health care, to teachers and students, and to the public generally in order to most rapidly make available the latest advances in the testing, diagnosis, counseling, and treatment of individuals respecting genetic diseases. The Secretary may, under such program, make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the development and dissemination of such materials.

"(b) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $30,000,000 for fiscal year 1976, $30,000,000 for fiscal year 1977, and $30,000,000 for fiscal year 1978.

"RESEARCH PROJECT GRANTS AND CONTRACTS

"SEC. 1102. In carrying out section 301, the Secretary may make grants to public and nonprofit private entities, and may enter into contracts with public and private entities and individuals, for projects for (1) basic or applied research leading to the understanding, diagnosis, treatment, and control of genetic diseases, (2) planning, establishing, demonstrating, and developing special programs for the training of genetic counselors, social and behavioral scientists, and other health professionals, (3) the development of programs to educate practicing physicians, other health professionals, and the public regarding the nature of genetic processes, the inheritance patterns of genetic diseases, and the means, methods, and facilities available to diagnose, control, counsel, and treat genetic diseases, and (4) the development of counseling and testing programs and other programs for the diagnosis, control, and treatment of genetic diseases. In making grants and entering into contracts for projects described in clause (1) of the preceding sentence, the Secretary shall give priority to applications for such grants or contracts which are submitted for research on sickle cell anemia and for research on Cooley's anemia.

"VOLUNTARY PARTICIPATION

"SEC. 1103. The participation by any individual in any program or portion thereof under this part shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, any other program.

"APPLICATIONS; ADMINISTRATION OF GRANTS AND CONTRACT PROGRAMS

"SEC. 1104. (a) A grant or contract under this part may be made upon application submitted to the Secretary at such time, in such manner, and containing and accompanied by such information, as the Secretary may require. Each application shall—

"(1) provide that the programs and activities for which assistance under this part is sought will be administered by or under the supervision of the applicant;

"(2) provide for strict confidentiality of all test results, medical records, and other information regarding testing, diagnosis, counseling, or treatment of any person treated, except for (A) such information as the patient (or his guardian) gives informed consent to be released, or (B) statistical data compiled without reference to the identity of any such patient;

"(3) provide for community representation where appropriate in the development and operation of voluntary genetic testing or counseling programs funded by a grant or contract under this part;

"(4) in the case of an applicant for a grant or contract under section 1101(a) (1) for the delivery of services, provide assurances satisfactory to the Secretary that (A) the services for community-wide testing and counseling to be provided under the program for which the application is made (i) will take into consideration widely prevalent diseases with a genetic component and high-risk population groups in which certain genetic diseases occur, and (ii) where appropriate will be directed especially but not exclusively to persons who are entering their child-producing years, and (B) appropriate arrangements will be made to provide counseling to persons found to have a genetic disease and to persons found to carry a gene or chromosome which may cause a deleterious effect in their offspring; and

"(5) establish fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting of Federal funds paid to the applicant under this part.

"(b) In making any grant or entering into any contract for testing and counseling programs under section 1101, the Secretary shall (1) take into account the number of persons to be served by the program supported by such grant or contract and the extent to which rapid and effective use will be made of funds under the grant or contract; and (2) give priority to programs operating in areas which the Secretary determines have the greatest number of persons who will benefit from and are in need of the services provided under such programs.

"(c) In making grants and entering into contracts for any fiscal year under section 301 for projects described in section 1102 or under section 1101 the Secretary shall give special consideration to applications from entities that received grants from, or entered into contracts with, the Secretary for the preceding fiscal year for the conduct of comprehensive sickle cell centers or sickle cell screening and education clinics.

"PUBLIC HEALTH SERVICE FACILITIES

"SEC. 1105. The Secretary shall establish a program within the Service to provide voluntary testing, diagnosis, counseling, and treatment of individuals respecting genetic diseases. Services under such program shall be made available through facilities of the Service to persons requesting such services, and the program shall provide appropriate publicity of the availability and voluntary nature of such services.

"REPORTS

"SEC. 1106. (a) The Secretary shall prepare and submit to the President for transmittal to the Congress on or before April 1 of each year a comprehensive report on the administration of this part.

"(b) The report required by this section shall contain such recommendations for additional legislation as the Secretary deems necessary.".

(b) (1) Section 1121(b) (5) is amended

by striking out "ending June 30," each place it occurs.

(2) Parts C and D are redesignated as parts B and C, respectively.

(3) The heading of such title is amended to read as follows:

"TITLE XI—GENETIC DISEASES, HEMOPHILIA PROGRAMS, AND SUDDEN INFANT DEATH SYNDROME."

(c) The amendments made by subsections (a) and (b) shall take effect July 1, 1976.

TITLE V—FEDERAL FOOD, DRUG, AND COSMETIC ACT AMENDMENTS

SEC. 501. (a) Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 410 (21 U.S.C. 349) the following new section:

"VITAMINS AND MINERALS

"SEC. 411. (a)(1) Except as provided in paragraph (2)—

"(A) the Secretary may not establish, under section 201(n), 401, or 403, maximum limits on the potency of any synthetic or natural vitamin or mineral within a food to which this section applies;

"(B) the Secretary may not classify any natural or synthetic vitamin or mineral (or combination thereof) as a drug solely because it exceeds the level of potency which the Secretary determines is nutritionally rational or useful;

"(C) the Secretary may not limit, under section 201(n), 401, or 403, the combination or number of any synthetic or natural—

"(i) vitamin,

"(ii) mineral, or

"(iii) other ingredient of food,

within a food to which this section applies.

"(2) Paragraph (1) shall not apply in the case of a vitamin, mineral, other ingredient of food, or food, which is represented for use by individuals in the treatment or management of specific diseases or disorders, by children, or by pregnant or lactating women. For purposes of this subparagraph, the term 'children' means individuals who are under the age of twelve years.

"(b)(1) A food to which this section applies shall not be deemed under section 403 to be misbranded solely because its label bears, in accordance with section 403(i)(2), all the ingredients in the food or its advertising contains references to ingredients in the food which are not vitamins or minerals.

"(2) (A) The labeling for any food to which this section applies may not list its ingredients which are not vitamins or minerals (i) except as a part of a list of all the ingredients of such food, and (ii) unless such ingredients are listed in accordance with applicable regulations under section 403. To the extent that compliance with clause (i) of this subparagraph is impracticable or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary.

"(B) Notwithstanding the provisions of subparagraph (A), the labeling and advertising for any food to which this section applies may not give prominence to or emphasize ingredients which are not—

"(i) vitamins,

"(ii) minerals, or

"(iii) represented as a source of vitamins or minerals.

"(c)(1) For purposes of this section, the term 'food to which this section applies' means a food for humans which is a food for special dietary use—

"(A) which is or contains any natural or synthetic vitamin or mineral, and

"(B) which—

"(i) is intended for ingestion in tablet, capsule, or liquid form, or

"(ii) if not intended for ingestion in such a form, does not simulate and is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet.

"(2) For purposes of paragraph (1)(B)(i), a food shall be considered as intended for ingestion in liquid form only if it is formulated in a fluid carrier and it is intended for ingestion in daily quantities measured in drops or similar small units of measure.

"(3) For purposes of paragraph (1) and of section 403(j) insofar as that section is applicable to food to which this section applies, the term 'special dietary use' as applied to food used by man means a particular use for which a food purports or is represented to be used, including but not limited to the following:

"(A) Supplying a special dietary need that exists by reason of a physical, physiological, pathological, or other condition, including but not limited to the condition of disease, convalescence, pregnancy, lactation, infancy, allergic hypersensitivity to food, underweight, overweight, or the need to control the intake of sodium.

"(B) Supplying a vitamin, mineral, or other ingredient for use by man to supplement his diet by increasing the total dietary intake.

"(C) Supplying a special dietary need by reason of being a food for use as the sole item of the diet.".

(b) The Secretary of Health, Education, and Welfare shall amend any regulation promulgated under the Federal Food, Drug and Cosmetic Act which is inconsistent with section 411 of such Act (as added by subsection (a)) and such amendments shall be promulgated in accordance with section 553 of title 5, United States Code.

SEC. 502. (a)(1) Section 403(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(a)) is amended (A) by inserting "(1)" after "If", and (B) by inserting before the period at the end a comma and the following: "or (2) in the case of a food to which section 411 applies, its advertising is false or misleading in a material respect or its labeling is in violation of section 411 (b)(2)".

(2)(A) Section 201(n) of such Act is amended by inserting "or advertising" after "labeling" each time it occurs.

(B) Section 303 of such Act is amended by adding at the end the following new subsection:

"(d) No person shall be subject to the penalties of subsection (a) of this section for a violation of section 301 involving misbranded food if the violation exists solely because the food is misbranded under section 403(a)(2) because of its advertising, and no person shall be subject to the penalties of subsection (b) of this section for such a violation unless the violation is committed with the intent to defraud or mislead.".

(C) Section 304(a) of such Act (21 U.S.C. 334(a)) is amended by adding after paragraph (2) of the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), no libel for condemnation may be instituted under paragraph (1) or (2) against any food which—

"(i) is misbranded under section 403(a) (2) because of its advertising, and

"(ii) is being held for sale to the ultimate consumer in an establishment other than an establishment owned or operated by a manufacturer, packer, or distributor of the food.

"(B) A libel for condemnation may be instituted under paragraph (1) or (2) against a food described in subparagraph (A) if—

"(i)(I) the food's advertising which resulted in the food being misbranded under section 403(a)(2) was disseminated in the establishment in which the food is being held for sale to the ultimate consumer,

"(II) such advertising was disseminated by, or under the direction of, the owner or operator of such establishment, or

"(III) all or part of the cost of such advertising was paid by such owner or operator; and

"(ii) the owner or operator of such establishment used such advertising in the establishment to promote the sale of the food.".

(b) Chapter VII of such Act is amended by adding after section 706 (21 U.S.C. 376) the following new section:

"ADVERTISING OF CERTAIN FOODS

"SEC. 707. (a)(1) Except as provided in subsection (c), before the Secretary may initiate any action under chapter III—

"(A) with respect to any food which the Secretary determines is misbranded under section 403(a)(2) because of its advertising, or

"(B) with respect to a food's advertising which the Secretary determines causes the food to be so misbranded,

the Secretary shall, in accordance with paragraph (2), notify in writing the Federal Trade Commission of the action the Secretary proposes to take respecting such food or advertising.

"(2) The notice required by paragraph (1) shall—

"(A) contain (i) a description of the action the Secretary proposes to take and of the advertising which the Secretary has determined causes a food to be misbranded, (ii) a statement of the reasons for the Secretary's determination that such advertising has caused such food to be misbranded, and

"(B) be accompanied by the records, documents, and other written materials which the Secretary determines supports his determination that such food is misbranded because of such advertising.

"(b)(1) If the Secretary notifies the Federal Trade Commission under subsection (a) of action proposed to be taken under chapter III with respect to a food or food advertising and the Commission notifies the Secretary in writing, within the 30-day period beginning on the date of the receipt of such notice, that—

"(A) it has initiated under the Federal Trade Commission Act an investigation of such advertising to determine if it is prohibited by such Act or any order or rule under such Act,

"(B) it has commenced (or intends to commence) a civil action under section 5, 13, or 19 with respect to such advertising or the Attorney General has commenced (or intends to commence) a civil action under section 5 with respect to such advertising,

"(C) it has issued and served (or intends to issue and serve) a complaint under section 5(b) of such Act respecting such advertising, or

"(D) pursuant to section 16(b) of such Act it has made a certification to the Attorney General respecting such advertising,

the Secretary may not, except as provided by paragraph (2), initiate the action described in the Secretary's notice to the Federal Trade Commission.

"(2) If, before the expiration of the 60-day period beginning on the date the Secretary receives a notice described in paragraph (1) from the Federal Trade Commission in response to a notice of the Secretary under subsection (a)—

"(A) the Commission or the Attorney General does not commence a civil action described in subparagraph (B) of paragraph (1) of this subsection respecting the advertising described in the Secretary's notice,

"(B) the Commission does not issue and serve a complaint described in subparagraph (C) of such paragraph respecting such advertising, or

"(C) the Commission does not (as described in subparagraph (D) of such paragraph) make a certification to the Attorney

General respecting such advertising, or, if the Commission does make such a certification to the Attorney General respecting such advertising, the Attorney General, before the expiration of such period, does not cause appropriate criminal proceedings to be brought against such advertising,

the Secretary may, after the expiration of such period, initiate the action described in the notice to the Commission pursuant to subsection (a). The Commission shall promptly notify the Secretary of the commencement by the Commission of such a civil action, the issuance and service by it of such a complaint, or the causing by the Attorney General of criminal proceedings to be brought against such advertising.

"(c) The requirements of subsections (a) and (b) do not apply with respect to action under chapter III with respect to any food or food advertising if the Secretary determines that such action is required to eliminate an imminent hazard to health.

"(d) For the purpose of avoiding unnecessary duplication, the Secretary shall coordinate any action taken under chapter III because of advertising which the Secretary determines causes a food to be misbranded with any action of the Federal Trade Commission under the Federal Trade Commission Act with respect to such advertising."

(c) The amendments made by subsection (a) shall take effect 180 days after the date of the enactment of this Act.

TITLE VI—ARTHRITIS ACT AMENDMENTS

Sec. 601. This title may be cited as the "National Arthritis Act Technical Amendments of 1976".

Sec. 602. (a) Section 2 of the National Arthritis Act of 1974 (Public Law 93–640) (hereinafter in this section referred to as the "Act") is amended by—

(1) inserting "(a)" after "Sec. 2.";

(2) inserting a comma and "including $2,500,000,000 in medical expenses," after "$9,200,000,000; in paragraph (3); and

(3) inserting a new subsection (b) at the end thereof as follows: "(b) It is therefore the purpose of this Act to provide for—

"(1) the formulation of a long-range plan—

"(A) to expand and coordinate the national research, treatment, and control effort against arthritis;

"(B) to advance educational activities for patients, professional and allied health personnel, and the public which will alert the citizens of the United States to the early indications of arthritis; and

"(C) to emphasize the significance of early detection and proper control of these diseases and of the complications which may evolve from them;

"(2) the establishment and support of programs to develop new and improved methods of arthritis screening, detection, prevention, and referral;

"(3) the establishment of a central arthritis screening and detection data bank; and

"(4) the development, modernization, and operation of centers for arthritis screening, detection, diagnosis, prevention, control, treatment, education, rehabilitation, and research and training programs.".

(b) Section 3 of the Act is amended by striking out "chief medical officer" and inserting in lieu thereof "Chief Medical Director" in subsection (b)(4).

(c) The section heading for section 4 of the Act is amended by striking out "Demonstration" after "Committee".

Sec. 603. (a)(1) Section 431(c) of the Public Health Service Act is amended by inserting "(hereinafter in this part collectively referred to as 'arthritis')" after "musculoskeletal diseases".

(2) The fourth sentence of section 434(b) of such Act is amended by striking out "and related musculoskeletal diseases".

(3) Section 434(e) of such Act is amended by striking out "and related musculoskeletal diseases (hereinafter in this part collectively referred to as "arthritis')".

(b) Section 438 of such Act is amended by—

(1) inserting "the" before "health" the first time it appears in the first sentence of subsection (a); and

(2) inserting "established" after "bank" in the second sentence of subsection (a).

(c) Section 439 of such Act is amended by—

(1) inserting "new and existing" before "centers" in the first sentence of subsection (a);

(2) striking out "$13,000,000" and inserting in lieu thereof "$8,000,000" and striking out "$15,000,000" and inserting in lieu thereof "$20,000,000" in subsection (h); and

(3) redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

TITLE VII—DIABETES PLAN

Sec. 701. Section 3(i)(2) of the National Diabetes Mellitus Research and Education Act (42 U.S.C. 289c–2) is amended to read as follows:

"(2) The Commission shall cease to exist after September 30, 1976.".

TITLE VIII—HEALTH SERVICES

AMBULATORY SURGICAL SERVICES

Sec. 801. (a) Section 319(a)(7) is amended by—

(1) inserting after subparagraph (K) the following new subparagraph:

"(L) ambulatory surgical services;" and

(2) redesignating subparagraphs (L) and (M) as subparagraphs (M) and (N), respectively.

(b) Section 330(b)(2) is amended by—

(1) inserting after subparagraph (K) the following new subparagraph:

"(L) ambulatory surgical services;" and

(2) redesignating subparagraphs (L) and (M) as subparagraphs (M) and (N), respectively.

TITLE IX—INDIAN HEALTH SERVICE

Sec. 901. Section 225 is amended by adding at the end thereof the following new subsection—

"(j) Notwithstanding any other provision of law, the Secretary may, where he deems advisable, allow the Indian Health Service to utilize nonprofit recruitment agencies to assist in obtaining personnel for the Public Health Service.".

TITLE X—APPOINTMENT OF ADVISORY COMMITTEES

Sec. 1001. All appointments to advisory committees established to assist in implementing the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, shall be made without regard to political affiliation.

TITLE XI—MISCELLANEOUS PROVISIONS

Sec. 1101. Section 212 of the Public Health Service Act is amended by adding after subsection (d) the following new subsection:

"(e) Active service of commissioned officers of the Service shall be deemed to be active military service in the Armed Forces of the United States for the purposes of all rights, privileges, immunities, and benefits now or hereafter provided under the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App. U.S.C. 501 et seq.)."

Sec. 1102. (a) The second paragraph (4) of subsection (c) of section 472 of the Public Health Service Act is redesignated as paragraph (5).

(b) Section 507 of the Public Health Service Act is amended by striking out "hospitals of the Service, of the Veterans' Administration, or of the Bureau of Prisons of the Department of Justice, and to Saint Elizabeths Hospital, except that grants to such" and insert in lieu thereof "Federal institutions, except that grants to".

Sec. 1103. Title IV of the Public Health Service Act is amended by adding after section 475 the following new section:

"VISITING SCIENTIST AWARDS

"Sec. 476. (a) The Secretary may make awards (referred to as 'Visting Scientist Awards') to outstanding scientists who agree to serve as visting scientists at institutions of post-secondary education which have significant enrollments of disadvantaged students. Visiting Scientist Awards shall be made by the Secretary to enable the faculty and students of such institutions to draw upon the special talents of scientists from other institutions for the purpose of receiving guidance, advice, and instruction with regard to research, teaching, and curriculum development in the biomedical and behavioral sciences and such other aspects of these sciences as the Secretary shall deem appropriate.

"(b) The amount of each Visiting Scientist Award shall include such sum as shall be commensurate with the salary or remuneration which the individual receiving the award would have been entitled to receive from the institution with which the individual has, or had, a permanent or immediately prior affiliation. Eligibility for and terms of Visiting Scientist Awards shall be determined in accordance with regulations the Secretary shall prescribe."

Sec. 1104. Section 786 of the Public Health Service Act is amended by inserting before the period at the end of the first sentence "and $3,500,000 for the fiscal year ending June 30, 1975 and $2,000,000 for the fiscal year ending June 30, 1976".

Sec. 1105. (a) Section 742(a) of the Public Health Service Act is amended by striking out "and" after "1974," and by inserting after "1975" the following: ", and $60,000,000 for the fiscal year ending June 30, 1976".

(b) Section 740(b)(4) of such Act is amended by striking out "1975" and inserting in lieu thereof "1976".

Sec. 1106. Section 1511(b)(5) of the Public Health Service Act is amended by striking out "1535" and inserting in lieu thereof "1536".

(b) Section 1613 of such Act is amended by striking out "1510" and inserting in lieu thereof "1610".

(c) The last sentence of section 1631 of such Act is repealed.

Sec. 1107. (a) Section 132(a)(1)(A) of the Developmental Disabilities Services and Facilities Construction Act (42 U.S.C. 6062) (hereinafter in this section referred to as the "Act") is amended by striking out "134" and inserting in lieu thereof "133".

(b) Section 134(b)(1) of the Act is amended by striking out "134" and inserting in lieu thereof "133".

(c) Section 134(b)(1) of the Act is amended by striking out "136" and inserting in lieu thereof "135".

(d) Section 301(a) of the Developmentally Disabled Assistance and Bill of Rights Act is amended by striking out "101(7)" and inserting in lieu thereof "102(7)".

And the Senate agree to the same.

Harley O. Staggers,
Paul G. Rogers,
David E. Satterfield,
James W. Symington,
James H. Scheuer,
Tim Lee Carter,
James T. Broyhill,
Managers on the Part of the House.

Harrison A. Williams, Jr.,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
Alan Cranston,
William D. Hathaway,
John A. Durkin,
Thomas F. Eagleton,
Gaylord Nelson,
Jacob K. Javits,
Richard S. Schweiker,
Robert Taft, Jr.,
J. Glenn Beall, Jr.,
Robert T. Stafford,
Paul Laxalt,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7988) to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, and to establish a national program with respect to genetic diseases; and to require a study on the release of research information, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Title I—Revision of National Heart and Lung Institute Programs

Findings

The Senate, in a provision not in the House bill, specified Congressional findings, with respect to the impact of diseases of the heart, lung and blood vessels and blood disease and the need for the proposed legislation.

The conference substitute conforms to the Senate amendment, with technical changes.

Advisory Council

The House bill changed the name of the National Heart Lung Advisory Council to the National Heart, Lung and Blood Advisory Council.

The Senate amendment contained no comparable provision.

The conference substitute conforms to the House bill.

Experts and consultants

Existing law authorizes the Director of the National Heart and Lung Institute to obtain the services of not more than 50 experts and consultants.

The House amendment increased this number to 100.

The Senate amendment contained no comparable provision.

The conference substitute conforms to the House bill.

Assistant Director

Existing law establishes within the National Heart and Lung Institute (redesignated as the National Heart, Lung and Blood Institute under provisions of both the House bill and the Senate amendment) an Assistant Director for Health Information Programs.

The House bill changed the name to Assistant Director for Prevention, Education, and Control.

The Senate amendment changed the name to Assistant Director for Prevention and Information.

The conference substitute conforms to the House bill.

Authorization for prevention and control programs

The House bill authorized appropriations of $20 million for fiscal year 1976 and $30 million for fiscal year 1977 for heart, blood vessel, lung, and blood disease control programs.

The Senate amendment authorized appropriations of $10 million for fiscal year 1976 and $25 million for fiscal year 1977 for such programs.

The conference substitute authorizes $10 million for fiscal year 1976 and $30 million for fiscal year 1977 for such programs.

Centers

Existing law authorizes the development of fifteen centers for research, training, and demonstrations respecting heart, blood vessel, and blood diseases, and fifteen such centers for chronic lung diseases.

The House bill increased the responsibilities of the heart, blood vessel, and blood disease centers to include research in the use of blood and blood products and in the management of blood resources. Further, the House bill expanded the responsibilities of the lung disease centers by deleting the word "chronic."

The Senate amendment authorized the development of ten centers for research, training, and demonstrations respecting heart diseases; ten such centers for chronic lung diseases; and ten such centers for blood, blood vessel diseases, research in the use of blood products, and research in the management of blood resources.

The conference substitute conforms to the Senate amendment, except that it authorizes the development of ten centers for lung diseases, as opposed to chronic lung diseases.

Functions of the Advisory Council

The House bill added to the existing authority of the National Heart, Lung, and Blood Advisory Council the prerogative to recommend to the Secretary of Health, Education, and Welfare areas of research conducted or supported by the newly designated National Heart, Lung, and Blood Institute which the Council determines should be supported by the awarding of contracts and the percentage of the budget of the Institute which should be expended for such contracts.

The Senate amendment contained no comparable provision.

The conference substitute conforms to the House bill.

Report of the Advisory Council

Both the House bill and the Senate amendment required that the Advisory Council submit by November 30 of each year a report to the Secretary for simultaneous transmittal to the President and to the Congress on the progress of the National Heart, Blood Vessel, Lung, and Blood Disease Program during the preceding fiscal year. However, the Senate amendment stipulated that for purposes of this requirement, the period beginning July 1, 1975 and ending September 30, 1976 shall be considered a fiscal year and the House amendment contains no comparable provision.

The conference substitute conforms to the Senate amendment.

Authorizations for Research

The House bil authorized appropriations of $340 million for fiscal year 1976 and $375 million for fiscal year 1977 for carrying out the programs of the redesignated National Heart, Lung, and Blood Institute (except prevention and control programs).

The Senate amendment authorized $338 million for fiscal year 1976 and $372 million for fiscal year 1977 for such purposes.

The conference substitute authorizes $339 milion for fiscal year 1976 and $373 million for fiscal year 1977 for such purposes.

TITLE II—NATIONAL RESEARCH SERVICE AWARDS

Authorizations

The House bill authorized appropriations of $175 million for fiscal year 1976 and $200 million for fiscal year 1977 for payments for National Research Services Awards.

The Senate amendment authorized $160 million for fiscal year 1976 and $176 million for fiscal year 1977 for such purposes.

The conference substitute authorizes $165 million for fiscal year 1976 and $185 million for fiscal year 1977 for such purposes.

Accrual of Interest

Under existing law, interest accrues on National Research Service Awards from the time the award is made in instances in which recipients fail to fulfill applicable service requirements.

The House bill changed existing law to make interest on the award computed from the time the United States becomes entitled to recover all or part of the award.

The Senate bill contained no comparable provision.

The conference substitute conforms to the House bill.

Study Respecting Biomedical and Behavioral Research Personnel

Under existing law, the Secretary is to annually submit a study respecting biomedical and behavioral research personnel.

The Senate amendment changed the date for submission of the report to September 30, and the House bill contained no comparable provision. The House bill required that the entity conducting the study conduct such study in consultation with the Director of the National Institutes of Health.

The conference substitute conforms to the changes made in existing law by both the House bill and the Senate amendment.

TITLE III—DISCLOSURE OF RESEARCH INFORMATION

The House bill contained a provision which required the President's Biomedical Research Panel to conduct an investigation and study of the implication of disclosure to the public of information contained in research protocols, research hypotheses, and research designs obtained by the Secretary in conjunction with an application or proposal for a grant, fellowship, or contract under the Public Health Service Act and to submit a report on the investigation and study to the House Committee on Interstate and Foreign Commerce and the Senate Committee on Labor and Public Welfare. The House bill also included a provision which deferred, from July 1, 1976 to January 1, 1977, the establishment of the National Advisory Council for the Protection of Subjects of Biomedical and Behavioral Research.

The Senate amendment contained no comparable provisions.

The conference substitute conforms to the House bill, except that the National Commission for the Protection of Human Subjects is also required to conduct the investigation and study, and technical changes are made with respect to the dates on which the Panel is to complete its investigation and submit its report.

The Conferees express their concern that inadequate attention is being paid to the problems of transfer of research progress, technology, and information from the "bench to the bed," an area frequently referred to as the interface between research and the health care delivery system. This includes such areas as extensive clinical trials, demonstration projects, specific disease control programs, the assessment of new health technologies, health education, and the fields of preventive medicine and public health. The Conferees have received assurance that the report of the President's Biomedical Research Panel will address these important issues.

TITLE IV—GENETIC DISEASES

Short Title and Statement of Purpose

The House bill provided for the following short title: "National Genetic Diseases Act." Under the Senate amendment the short title was "National Sickle Cell Anemia, Cooley's Anemia, Tay-Sachs and Genetic Diseases Act."

The House bill stated a purpose of establishing a national program for genetic diseases, including sickle cell anemia, Cooley's anemia and Tay-Sachs disease. The Senate amendment, in its statement of purpose, stipulated that genetic diseases are to include but not be limited to sickle cell anemia, Cooley's anemia, Tay-Sachs disease, cystic fibrosis, dysautonomia, hemophilia, retinitis pigmentosa, Huntington's chorea, and muscular dystrophy.

The conference substitute conforms to the Senate amendment.

Testing and Counseling Programs and Information and Education Programs

The House bill required that testing and counseling programs be established and operated primarily in conjunction with other existing health programs, including programs established under title X of the Public Health Service Act (family planning programs) and under title V of the Social Security Act (maternal and child health programs). The Senate amendment contained comparable requirements, except that it did not specify programs under title X of the Public Health Service Act or under title V of the Social Security Act.

The conference substitute conforms to the House bill, except that only programs assisted under title V of the Social Security Act are specified.

The Senate amendment further provided that a priority in the awarding of grants and contracts for genetic disease counseling and testing programs was to be given to projects which are recipients of awards for sickle cell anemia testing and counseling programs on the date of enactment. There was no similar provision in the House bill.

The conference substitute conforms to the Senate amendment with technical amendments.

The House bill authorized $20 million for each of fiscal years 1976 and 1977 to support genetic disease testing and counseling programs and information and education programs. The Senate amendment authorized $20 million for fiscal year 1976, $25 million for fiscal year 1977, and $30 million for fiscal year 1978 for such programs; and an additional $15 million for each of fiscal years 1976, 1977 and 1978 to support sickle cell anemia testing and counseling programs.

The conference substitute authorizes $30 million for each of fiscal years 1976, 1977, and 1978 to support genetic diseases testing and counseling programs and information and education programs, and provides that the Secretary shall give special consideration in the awarding of grants and contracts to sickle cell anemia testing and counseling project applications.

Research Project Grants and Contracts

Both the House bill and the Senate amendment authorized the Secretary to award grants and contracts for research projects with respect to genetic diseases.

Both the House bill and the Senate amendment set forth four purposes for which the Secretary could award research grants and contracts. They are identical except that as the first purpose the House bill provided that projects for basic or applied research leading to the understanding, diagnosis, treatment, and control of genetic diseases would be eligible for funding. The Senate amendment included projects for basic research, including lower organisms, applied research, and research training.

The conference substitute conforms to the House bill.

The House bill instructed the Secretary to undertake genetic disease research under the general authority of section 301 of the Public Health Service Act. The Senate amendment provided for a specific authority and authorized $80 million for fiscal year 1976, $100 million for fiscal year 1977, and $120 million for fiscal year 1978; and earmarked 10 percent of the sums appropriated each year under the authority for research projects with respect to Cooley's anemia. The Senate amendment further provided for a separate authorization for sickle cell anemia of $15 million for each of fiscal years 1976, 1977 and 1978.

The conference substitute conforms to the House bill, except that the Secretary is directed, in making grants and entering into contracts for research projects, to give priority to applications which are submitted for research on sickle cell anemia or for research on Cooley's anemia.

TITLE V—VITAMINS AND MINERALS

The Senate amendment contained provisions not included in the House bill relating to regulation of vitamin and mineral products under the Federal Food, Drug, and Cosmetic Act (hereinafter referred to as "the Act").

Under the Senate amendment, the Secretary of Health, Education and Welfare would generally have been prohibited from establishing maximum limits on the potency of vitamins or minerals in dietary supplements or classifying vitamins or minerals as drugs solely because they exceeded the level of potency determined by him to be nutritionally rational or useful. In addition, the Secretary would have been prohibited from limiting the combination of vitamins, minerals or other ingredients in dietary supplements. However, under the Senate amendment, the Secretary would have retained full authority to limit the potencies and combinations of vitamins, minerals and other ingredients in foods in the exercise of his authority under chapter V of the Act (relating to drugs) and under provisions of the Act respecting unsafe foods and foods which are not generally recognized as safe. In addition, the Senate amendment contained provisions on the authority of the Secretary inapplicable to vitamin and mineral products for use by children or by pregnant or lactating women.

The Senate amendment also contained provisions with respect to the labeling and advertising of vitamin and mineral products. It prohibited a product containing vitamins or minerals from being deemed misbranded solely because its label lists all ingredients of such a product. However, the amendment required that the labeling of such products could not list ingredients which are not vitamins or minerals except as a part of a list of all ingredients of the product and unless such ingredients are listed in accordance with applicable regulations. Moreover, the Senate amendment prohibited the labeling of or advertising for any such product to give prominence to or emphasize ingredients which are not vitamins or minerals or are not represented as a source of vitamins or minerals.

In addition, the Senate amendment afforded the Secretary significant new authority with respect to the advertising of certain products containing vitamins or minerals. (Under existing law, the Federal Trade Commission has exclusive authority with respect to the advertising of such products.) Under the Senate amendment, such products would be deemed misbranded if their advertising were false or misleading in a material respect. However, criminal penalities could not be imposed against persons who were in violation of the prohibitions against false or misleading advertising unless such a violation was committed with the intent to defraud or mislead. Further, such products which are misbranded because their advertising is false or misleading in a material respect and are held for sale to the ultimate consumer in an establishment not owned by a manufacturer, packer or distributor, could not be seized unless (1) the advertising was disseminated in the establishment in which the product was held for sale to the ultimate consumer, the advertising was disseminated by or under the direction of the owner or operator of such establishment, or all or part of the cost of such advertising was paid for by the owner or operator, and (2) the owner or operator used the advertising to promote the sale of the product. Finally, the Senate amendment required the Secretary to consult with the Federal Trade Commission prior to initiating action with respect to such products deemed misbranded because of their advertising.

The Conference substitute conforms to the Senate amendment except that:

1. It adds two technical amendments (clarifying the intention of the Senate amendment) to provide specifically that foods represented for use by individuals in the treatment or management of specific diseases and foods represented for use as the sole item of a meal or of the diet are excluded from the limitations on the Secretary's authority.

2. Except in instances in which immediate action is necessary to eliminate an imminent hazard to health, it requires the Secretary to provide notification to the Federal Trade Commission of his intentions to initiate an action with respect to false or misleading advertising, and it affords the Federal Trade Commission the opportunity to take specific enforcement action against false or misleading advertising for a period of up to 90 days before the Secretary may take comparable action.

Since the House has taken no action during this Congress with respect to this matter, it is important to provide more legislative history concerning these complex new provisions. Thus, presented below is a detailed description of the new provisions, as well as statements of the intentions of the managers with respect to their implementation.

Products Subject to the Conference Substitute

Under the conference substitute, products subject to its provisions are defined as safe human foods for special dietary use which are or contain any natural or synthetic vitamin or mineral and which are intended for ingestion in tablet or capsule form or in small units of liquid measure. In addition, such foods not intended for ingestion in tablet, capsule, or liquid form are subject to the provisions of the substitute only if they do not simulate conventional foods, if they are not represented to be conventional foods, and if they are not represented for use as the sole item of a meal or of the diet.

The definition of "special dietary use" in the conference substitute applies only to the foods to which the substitute is applicable and not to other foods, such as foods represented for use by infants or foods represented for use as the sole item of a meal or of the diet, that may be subject to 403(j) of the Act.

Thus, vitamins and minerals in tablet, capsule, or liquid form as well as those products which are represented for special dietary use in humans and which do not simulate and are not represented as conventional foods or substitutes for conventional foods and which are not represented for use as the sole item of a meal or of the diet, are products subject to the provisions of the substitute.

Except with respect to products defined above, the conference substitute does not alter existing provisions of the Federal Food, Drug, and Cosmetic Act with respect to foods and drugs.

The Secretary retains his current authority to regulate the nutritional formulation and composition of, and potency of vitamins, minerals and other ingredients in conventional foods such as milk, enriched bread and enriched rice, as well as in products which simulate conventional foods such as soybased protein substitutes for meats and poultry. The Secretary also retains his current authority to regulate the nutritional formulation and composition of, and potency of vitamins, minerals and other ingredients in foods represented by labeling, advertising, or other promotional materials for use as the sole item of a meal or of the diet. Because consumers purchase these foods as nutritional equivalents of a well-balanced meal or diet, the conferees believe it is essential that the consumer of such products can be confident that a meal or diet based upon such products is nutritionally adequate and balanced and provides for the proper maintenance of the user's health for the duration of his use of these products.

Limitations on the Secretary's Authority

Under the conference report, three significant restrictions would be imposed on the Secretary with regard to the regulation of products subject to the conference substitute. First, new section 411 (a) (1) (A) of the Act prohibits the Secretary from using his existing authority under sections 201(n) or 403 of the Act (relating to misbranding) or under section 401 of the Act (relating to standards of identity) to impose maximum limits on the potency of safe vitamins and minerals contained in products subject to the conference substitute. This provision would not restrict the Secretary from prescribing minimum potency levels for vitamins or minerals in such products in order to prevent the addition of insignificant or useless amounts.

Second, new section 411(a) (1) (B) of the Act prohibits the Secretary from classifying as a drug a natural or synthetic vitamin or mineral, offered by itself or in combination, solely because it exceeds the level of potency that the Secretary determines is nutritionally rational or useful.

Third, new section 411(a) (1) (C) of the Act prohibits the Secretary from using his authority with respect to misbranding or establishment of standards of identity to limit the combination or number of any safe vitamin, mineral or other ingredient of food in products subject to the conference substitute.

Exceptions to Limitations on the Secretary

Under the conference substitute (proposed new section 411(a) (2) of the Act), the limitations on the Secretary, described above, do not apply with respect to a product otherwise subject to the provisions of the conference substitute where such product is represented for use by (1) individuals in the treatment or management of specific diseases or disorders, (2) children, or (3) pregnant or lactating women.

The provision with respect to foods intended for use in the treatment or management of specific diseases or disorders was adopted in conference in order to make clear that the proposed new section 411(a) of the Act does not override the Secretary's authority under sections 401, 403, or 201(n) of the Act to limit the potency and combination of vitamins, minerals, other ingredients in foods, or foods, represented for use in the dietary treatment or management of individuals with specific diseases or disorders, or of post-operative or convalescing medical patients. Since each of these foods must be precisely formulated to meet the needs of individuals with specific diseases and disorders, the conferees believe it to be important that the language in the conference substitute clearly preserve the authority of the Secretary to regulate as foods the nutritional formulation, composition, and potency of each product represented for such uses. Inclusion of this language is not, however, intended to permit the Secretary to limit (under sections 401, 403, or 201(n) of the Act) the potency or combination of a safe vitamin, mineral, food ingredient, or food represented in its labeling and advertising to be solely for use by adults, other than pregnant or lactating women, as a nutritional supplement to general human dietary intake.

Dietary management with these products is not only of major clinical value to the individual, but can be lifesaving in many instances. In the case of a number of inborn abnormalities of metabolism, such as phenylketonuria and maple syrup urine disease, these foods provide the only means for prevention of mental retardation, particularly in infants and young children, or for the partial restoration of mental capacity in older children. Special formula feedings are essential to long-term maintenance of severely debilitated individuals. Low sodium foods are useful in dietary management of individuals with severe forms of hypertension, acute heart failure, acute nephritis, toxemias of pregnancy and similar disorders when the degree of sodium restriction must be greater than that achievable with conventional foods. Chemically defined formula diets are extremely useful for nutritional management of patients prior to and subsequent to gastrointestinal surgery.

The Senate amendment included, in proposed new section 411(a) (2) of the Act, a specific reference to the Secretary's authority to act by regulation. This reference was deleted by the conferees as unnecessary. It is not intended that the omission of this reference should be understood as in any way restricting the Food and Drug Administration's present authority to adopt regulations defining and enforcing the provisions of the Act. The Secretary in recent years has relied increasingly on administrative rulemaking to enforce the requirements of the law. Rulemaking affords opportunity for broader participation in the formulation of agency policy, promotes clarity of legal requirements, and assures equitable application of the law, while at the same time it reduces the cost to the taxpayer of case-by-case enforcement. The Secretary's legal authority, under section 701(a) of the Act, to adopt binding regulations has been recognized by the Supreme Court. *Weinberger v. Hynson, Westcott and Dunning, Inc.*, 412 U.S. 609 (1973); *Abbott Laboratories v. Gardner*, 387 U.S. 136 (1967). This authority has recently been upheld by the United States Court of Appeals for the Second Circuit. *National Nutritional Foods Assn. v. Weinberger*, 512 F. 2d 688 (C.A. 2, 1975).

For the purposes of the conference substitute, the term "children" is defined to mean individuals under the age of 12 years. The conferees are also concerned that attention should be given to those vitamin and mineral preparations that are not intended for use by infants, children or pregnant or lactating women, but may be taken by or administered to them inadvertently. Just as the fetus may be affected by excessive doses of some food supplements, excessive doses of vitamins and minerals taken by children during the period of rapid growth and maturation can interfere with their normal development. Because of such possibilities of unrecognized or unanticipated harm, it is intended that the Secretary retain full authority to promulgate regulations designed to assure that unsuitable or inappropriate vitamin and mineral preparations are not inadvertently administered to individuals in these vulnerable groups.

Except as specifically provided, the conference substitute does not alter the drug or food provisions of the Federal Food, Drug, and Cosmetic Act. If a product containing vitamins, minerals or other ingredients is a drug within the meaning of section 201 (g) of the Act, the Secretary may, with respect to such product, exercise his authority under Chapter V of the Act. For example, the Secretary may bring an action for misbranding of a product which purports to be or is represented as a drug (within the meaning of section 201 (g) of the Act) if its labeling fails to bear adequate directions for its purported use or for the use for which it is represented (within the meaning of section 502 (f) (1) of the Act). See *V. E. Irons, Inc.* v. *United States*, 244 F. 2d 34 (C. A. 1, 1957); *Alberty Food Products* v. *United States*, 194 F. 2d 463 (C. A. 9, 1952); *United States* v. *Vitasafe Co.*, 345 F. 2d 864 (C.A. 3, 1965); *United States* v. *Article of Drug . . . B-Complex Cholinos Capsules*, 362 F. 2d 923 (C. A. 3, 1966).

The Secretary also has the authority to regulate the composition and potency of a product subject to the provisions of the conference substitute on the basis of safety. If a high potency preparation of a vitamin or mineral is a drug as defined by section 201 (g) of the Act and the Secretary determines that within the meaning of section 503(b) of the Act, it is not safe for use except under the supervision of a physician, such a high potency preparation is subject to regulation as a prescription drug under the Act.

Similarly, if any vitamin, mineral or other food ingredient is not generally recognized as safe by qualified experts and meets the other criteria of the definition of a "food additive" under section 201(s) of the Act, it would be subject to regulation under section 409 of the Act. If such a vitamin, mineral or other ingredient is intentionally added to a food, such food is adulterated (within the meaning of section 402(a) (2) (C) of the Act) unless its use is in conformity with a regulation issued by the Secretary which prescribes the conditions under which it may be safely used or exempts it for investigational use by qualified experts. It is on precisely this basis that the Secretary has, by regulation, restricted the potency of the vitamin folic acid that may be added to a food.

Provisions with Respect to Labeling and Advertising

Under the conference substitute, the Secretary retains the authority to initiate en. forcement actions against a product to which the conference substitute is applicable if its labeling is false or misleading in any particular. In addition, the conference substitute contains special provisions respecting the labeling and advertising of these products.

The conference substitute provides that a food to which the conference substitute is applicable shall not be deemed misbranded under section 403 of the Act solely because its label bears a listing of all of the ingredients in the food, or solely because its advertising contains references to ingredients in the food that are not vitamins or minerals. Thus, for example, if a tablet or capsule of vitamin C contains rutin, a substance that the Secretary has concluded has no dietary usefulness, the list of ingredients as well as the advertising for the product may refer to rutin without causing the food to be deemed misbranded.

However, because of the conferees' concern that consumers not be misled into a belief that such substances have nutritional value, the conference substitute provides that the labeling, so such a product may not list ingredients that are not vitamins or minerals except as a part of a list of all the ingredients of the food, in accordance with applicable regulations promulgated by the Secretary pursuant to section 403 of the Act. The Secretary is directed that in circumstances where compliance with this provision is impracticable or results in deception or unfair competition, exceptions shall be established by regulation. Further, the conference substitute provides that the labeling or advertising of a food to which the conference substitute is applicable may not give prominence to or emphasize ingredients which are not vitamins or minerals or are not represented as a source of vitamins or minerals.

The conference substitute also provides the Secretary new authority over the advertising of foods subject to the conference substitute. Seizure and injunction actions are authorized in instances in which the advertising of a food to which the conference substitute is applicable is false or misleading in a material respect. However, in order to protect an innocent retailer from seizures based upon deceptive advertising claims made by a manufacturer, the conference substitute provides that libel for condemnation may not be instituted against such products which are misbranded because of their advertising unless (1) the advertising was disseminated in the establishment in which the product was held for sale to the ultimate consumer, the advertising was disseminated by or under the direction of the owner or operator of such establishment, or all or part of the cost of such advertising was paid for by the owner or operator, and (2) the owner or operator used the advertising in the establishment to promote the sale of the food.

The conference substitute would also add a new section 707 to the Federal Food, Drug, and Cosmetic Act which would require that the Federal Trade Commission be afforded the opportunity to take certain specific enforcement actions under the Federal Trade Commission Act for a period of up to 90 days before the Secretary could initiate an enforcement action under Chapter III of the Act with respect to the advertising of a product subject to the provisions of the conference substitute. It would prohibit the Secretary, except under limited circumstances, from initiating such an enforcement action before, during, or after the expiration of the 90 day period, if the Federal Trade Commission takes action in accordance with the conference substitute.

These provisions are intended to provide the Secretary with authority to protect the public from consumer fraud perpetrated by the false advertising of these products. They are intended to serve as a partial substitute for the authority denied to the Secretary under other provisions of the conference substitute.

Proposed new section 707 of the Act would require the Secretary to notify the Federal Trade Commission before he initiates any action, under Chapter III of the Federal Food, Drug, and Cosmetic Act, with respect to any food which the Secretary determines is misbranded under proposed new section 403(a)(2) of the Act because of its advertising or a food's advertising which the Secretary determines causes the food to be so misbranded. The notice by the Secretary must contain (1) a description of the Secretary's proposed action, (2) a description of the advertising which the Secretary has determined causes the food to be misbranded under section 403(a)(2) of the Act, and (3) a statement of the reasons for the Secretary's determination that the advertising has caused the food to be so misbranded. In addition, the notice from the Secretary must be accompanied by records, documents, and other written materials which the Secretary determines support his determination that the food is so misbranded because of its advertising.

If, within a 30 day period beginning on the date of receipt of the notice and accompanying written materials from the Secretary, the Federal Trade Commission notifies the Secretary in writing that—

(1) it has initiated an investigation of the advertising (referred to in the Secretary's notice) to determine if it is prohibited by the Federal Trade Commission Act or a rule or order promulgated thereunder;

(2) it has commenced or intends to commence a civil action in the courts under section 5, 13, or 19 of such Act with respect to such advertising or the Attorney General has commenced or intends to commence a civil action under section 5 of such Act with respect to such advertising;

(3) it has issued and served or intends to issue and serve a complaint under section 5 (b) of such Act with respect to such advertising; or

(4) it had made certification to the Attorney General under section 16(b) of such Act with respect to such advertising,

the Secretary is prohibited from initiating his proposed action for an additional period of time, which is not to exceed 60 days. If the Commission notifies the Secretary that neither the Attorney General nor the Commission intends to take any of these actions or fails to respond to the Secretary in writing within the 30 day period, the Secretary may initiate his proposed action.

If, before the expiration of the 60 day period beginning on the date the Secretary receives notice from the Commission that the Attorney General or the Commission intends to take one of the actions described above, the Commission or the Attorney General has not commenced a civil action, the Commission has not issued and served a complaint or made certification to the Attorney General which has caused appropriate criminal proceedings to be brought against the advertising, the Secretary may act under Chapter III of the Federal Food, Drug, and Cosmetic Act.

The Commission is required to notify the Secretary promptly of the commencement of a civil action, the issuance and service of a complaint, or the causing by the Attorney General of criminal proceedings to be brought against the advertising described in the Secretary's notice.

The conferees intend that the Commission or the Attorney General, where practical, take appropriate regulatory action under the Federal Trade Commission Act pursuant to a notice from the Secretary. The conferees believe that the period of 90 days provided in the conference substitute is sufficient time within which to take such action. However, in instances in which the Secretary determines that, although action has not been taken by the Commission or the Attorney General within the 90 day period, such action is imminent, he may defer taking his proposed action to permit the Commission or the Attorney General to take action.

Under the conference substitute the notification and other procedural requirements in subsections (a) and (b) of proposed new section 707 of the Act do not apply with respect to any action under Chapter III of the Act with respect to any food or food advertising to which the conference substitute is otherwise applicable, if the Secretary determines that such action is required to eliminate an imminent hazard to health. Under these circumstances the Secretary would neither be required to provide formal notification to the Commission nor delay his proposed enforcement action. However, under the conference substitute, if the Secretary takes any action under Chapter III of the Act with respect to a food because of its advertising or with respect to a food's advertising under proposed section 403(a)(2) of the Act, proposed section 707(d) of the Act requires the Secretary to coordinate the action with any action of the Federal Trade Commission with respect to the advertising of such food.

The conferees recognize that for many years the Food and Drug Administration and the Federal Trade Commission have operated in overlapping areas of jurisdiction in the regulation of false claims and that both agencies have been functioning under written memoranda of understanding concerning jurisdiction and liaison since 1954. The conferees expect both agencies to continue to coordinate their regulatory actions in a manner to avoid unnecessary duplication and waste. The conferees also emphasize that the conference substitute is not intended to modify the primary role of the Federal Trade Commission in exercising its regulatory authority over the false or misleading advertising of food products.

Although the substitute gives the Secretary substantial new authority with respect to the advertising of vitamin and mineral products, the conferees intend that the Secretary use his authority under existing section 306 of the Federal Food, Drug, and Cosmetic Act which provides for written notice or warning in lieu of judicial action where the Secretary believes that such notification or warning adequately protects the public interest.

TITLE VI—ARTHRITIS ACT AMENDMENTS

The Senate amendment contained a title, not included in the House bill, which amended the National Arthritis Act (Public Law 93-640). The Senate amendment made it clear that arthritis and related musculoskeletal diseases are to be collectively referred to as arthritis for the purposes of the Act; (1) added a statement of purposes of the Act; (2) corrected the reference to the Chief Medical Director of the Veterans Administration as an ex-officio member of the National Commission on Arthritis; (3) lowered the authorization of appropriations under that Act for the Arthritis Commission from $2 million to $1.5 million; (4) revised the authorizations of appropriations under the Public Health Service Act for arthritis screening, detection, prevention, and referral demonstration projects and the Arthritis Screening and Detection Data Bank from $2 million for fiscal year 1975, $3 million for fiscal year 1976 and $4 million for fiscal year 1977 to $1.5 million for fiscal year 1975, $4 million for fiscal year 1976, and $4 million for fiscal year 1977; and (5) amended section 439 of the Public Health Service Act to provide that the Secretary may assist in the development, modernization, and operation of *new and existing* comprehensive arthritis centers and to revise the authorizations from $11 million for fiscal year 1975, $13 million for fiscal year 1976, and $15 million for fiscal year 1977 to $5 million for fiscal year 1975, $13 million for fiscal year 1976, and $21 million for fiscal year 1977.

The conference substitute conforms to the Senate amendment, except that it would authorize under the Public Health Service Act $11 million for fiscal year 1975, $8 million for fiscal year 1976 and $20 million for fiscal year 1977 for the development, modernization and operation of new and existing comprehensive arthritis centers, and would not change existing law with respect to authorizations for demonstration projects and the Arthritis Screening and Detection Data Bank.

TITLE VII—DIABETES PLAN

The Senate amendment contained a title, not included in the House bill, which extended the expiration date of the National Diabetes Commission (established under Public Law 93-354) to September 30, 1976.

The conference substitute conforms to the Senate amendment.

TITLE VIII—HEALTH SERVICES

The Senate amendment contained a title, not included in the House bill, which amended sections 319 (migrant health centers) and 330 (community health centers) of the Public Health Service Act to add ambulatory surgical services as a supplemental health service which could be offered by such centers.

The conference substitute conforms to the Senate amendment.

TITLE IX—INDIAN HEALTH SERVICE

The Senate amendment contained a title, not included in the House bill, which amended section 225 of the Public Health Service Act to permit the Indian Health Service to utilize non-profit recruitment agencies to assist in obtaining personnel for the Public Health Service.

The conference substitute conforms to the Senate amendment.

TITLE X—APPOINTMENT OF ADVISORY COMMITTEES

The Senate amendment contained a title, not included in the House bill, which prohibited consideration of political affiliation in making appointments to advisory committees established to assist the Secretary in implementing the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and the Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970.

The conference substitute conforms to the Senate amendment.

TITLE XI—MISCELLANEOUS PROVISIONS

Soldiers' and Sailors' Civil Relief Act

The Senate amendment contained a provision, not included in the House bill, which equated active service of commissioned officers of the Public Health Service with active military service in the Armed Forces for the purposes of all rights, privileges, immunities, and benefits provided under the Soldiers' and Sailors' Civil Relief Act of 1940.

The conference substitute conforms to the Senate amendment.

Visiting Scientist Awards

The Senate amendment contained provisions, not included in the House bill, which (1) authorized the Secretary to grant stipends, in amounts not to exceed $25,000 per annum, to visiting scientists who enter into agreements with the Secretary to assist minority schools in developing programs in biomedical sciences, and (2) authorized the Secretary to make grants to minority schools to initiate the development of undergraduate programs relating to biomedical sciences.

The conference substitute authorizes the Secretary to make awards (referred to as "Visiting Scientist Awards") to outstanding scientists who agree to serve as visiting scientists at institutions of post-secondary education which have significant enrollments of disadvantaged students. The amount of each such award shall include such sum as is commensurate with the salary or remunerations for physician shortage area scholarships the institution with which he has, or had, a permanent or immediately prior affiliation.

Health Professions Student Assistance

The Senate amendment contained provisions, not included in the House bill, which extended the authorizations of appropriation which the individual had received from at $3.5 million for fiscal year 1975 and $2 million for fiscal year 1976, and for health professions student loans at $60 million for fiscal year 1976.

The conference substitute conforms to the Senate amendment.

Harley O. Staggers,
Paul G. Rogers,
David E. Satterfield,
James W. Symington,
James H. Scheuer,
Tim Lee Carter,
James T. Broyhill,
Managers on the Part of the House.
Harrison A. Williams, Jr.,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
Alan Cranston,
William D. Hathaway,
John A. Durkin,
Thomas F. Eagleton,
Gaylord Nelson,
Jacob K. Javits,
Richard S. Schweiker,
Robert Taft, Jr.,
J. Glenn Beall, Jr.,
Robert T. Stafford,
Paul Laxalt,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE REPORT ON H.R. 12678

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H.R. 12678, National Health Promotion and Disease Prevention Act of 1976.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

FUNCTIONAL DISCOUNT

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO. Mr. Speaker, What is a functional discount? Why is it needed?

A functional discount is not a payment for services rendered. The services rendered are duplicated in almost every respect by entities other than wholesale distributors. The chain store warehouses its own merchandise, breaks bulk, checks in stock and rotates merchandise to make sure it is fresh and saleable in the hands of the ultimate consumer.

Under the law as it presently stands, without the proposed functional discount amendment, a distributor is entitled to payment for services rendered the manufacturer if the manufacturer makes such payment available to one or more competitors.

It is imperative, however, to realize that a functional discount is not merely a payment for services rendered: in fact, it is concerned with the wholesale status within the distributive spectrum. It is a recognition of the unique contribution accorded to the economy, as a whole, by the wholesaler by virtue of the character of his selling.

Suppose that a manufacturer decides to launch a new brand. He looks around in order to determine the most effective way of obtaining national distribution. He may go to chain stores and ask them to put the new brand on their shelves but the chain stores respond that their shelf space is at a premium. They have made computations of the number of times a given product at a given price must turn over in terms of the cubic inches of space it occupies on their shelves. The chain stores, the department stores, the discount houses and the vending machine operators unconditionally refuse to carry the new product.

Then he discovers that there are a number of small retail outlets which are available for the brand. But he cannot afford to sell to them. His credit men tell him that these small retailers have no financial standing and his firm cannot afford to extend credit to them or to supervise the myriads of billings that would be necessary to shepherd these retail accounts. His statisticians tell him that there are more than a million and a half small retail outlets selling tobacco and the firm is not in a position to service that many customers.

Furthermore, his production men tell him that he cannot ship in the small quantities in which these stores traditionally order. His sales manager tells him that he does not have and cannot afford the missionary personnel or salesmen necessary to service these hundreds of thousands of small accounts.

What does he do? Either he gets out of business or he finds somebody in the distributive system who is equipped to perform this function. He goes to the wholesale distributor because he is uniquely geared to service small retail outlets, which is the only outlet that will introduce his product in the market. The wholesale distributor takes on the product and sells it to the small retail outlets because his sole function in the marketplace, as distribution scientist, is to make available to the small retailers the products that the manufacturer creates.

The wholesale distributor is the indispensable link between the manufacturer and the retail outlet when a new product is to be introduced. But despite the unique status of the wholesale distributors in introducing the product, once it has achieved national stature, manufacturers proceed to sell to the direct buying chains and markets at the same price charged to the wholesale distributor. This means, of course, that the retail customer of the wholesaler is necessarily priced out of the market. He is prohibited from competing with the direct buying retailer by the manufacturer's discriminatory price to the wholesale distributor.

Of course, this situation is easily remedied. The manufacturer can grant a functional discount to the wholesaler and thus enable the wholesaler's customer, the independent entrepreneur to acquire the product at a price competitive with that paid by the direct-buying retailer. He can do so, but far too many do not.

The most recent economic study on the subject indicates that approximately 60 percent of merchandise sold in the United States adhere to functional discount pricing policies. One price is charged the direct-buying retailer. A lower price is accorded the wholesale distributor and still other or different prices are accorded the institutional buyer or the user of the product for further processing. This system has operated with reasonable effectiveness throughout the four decades during which the Robinson-Patman Act has been law.

The fly in the ointment is that although 60 percent of manufacturers do employ functional discount pricing, 40 percent of major consumer goods manufacturers do not. Distributors are in an unviable position where the rules of economics employed by the benighted 40 percent are applicable rather than the rules established by the 60 percent who regularly grant functional discounts.

Why do we seek a functional discount amendment to the Robinson-Patman Act?

We seek a functional discount amendment because without a functional discount amendment manufacturers can continue to refuse to grant functional discounts under the law, as it is now construed. We seek a functional discount amendment to preserve the small retailers who are surely being forced "to the wall." The rate of business failures in small independent entreprenurial establishments is mounting disproportionately to the overall economy.

Basically, a functional discount amendment is needed not for the purpose of increasing the profits of the middleman but for the purpose of preserving the small merchant in business. In the final analysis that is the primary purport of the Small Business Administration.

We need a functional discount for the benefit of manufacturers as well. We have already mentioned the fact that a new brand cannot be ushered into the marketplace without the active cooperation of the wholesale distributor. It is equally true that once a brand has acquired national stature, it must sustain that position. It has been proven that a brand cannot sustain demand solely through distribution by way of direct-buying retailers. The independent retailer affords the advantage of ubiquity, convenience and accessibility. This easy availability of the product not only creates the demand, it sustains it compellingly.

A functional discount amendment to the Robinson-Patman Act will benefit the manufacturers seeking honeycomb distribution within the United States. It will benefit the retailer of moderate size who seeks to compete pricewise with the larger direct buying entities and it will benefit the American consumer by creating an impulse for a reduction in price of the products he seeks to obtain. Moreover, it will eliminate the built-in price discrimination which inevitably must occur when a supplier establishes a one-price policy and limits the number of customers he is willing to serve. For all of these reasons, a functional discount amendment should be enacted to further the objectives which the Robinson-Patman Act was designed to achieve.

CONGRESS AS POSTAL SUICIDE PREVENTION SQUAD

(Mr. HANLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to share with you and our colleagues the text of the statement made by me on the occasion of a press conference on Friday, March 26, 1976 concerning what I believe to be the outlook for the U.S. Postal Service in the immediate, short-term resolution of their plight. Of course, the offering of any long-range plan and program to accommodate the fiscal realities of the operation of a full-service mail system with easy access, reasonable rates, and universal availability will have to await the stabilization of the current crisis.

It is my hope that this House will take appropriate measures to protect the interests of the public and private mailing patron so that service can be maintained despite economic pressures to cut back. In doing so, it must be made plain to the USPS that its operation and the overseership of the administration, particularly that of the President and the Office of Management and Budget, will be the subject of intense scrutiny and objective critical analysis.

I add also the text of my letter to Mr. Ford illustrating just one of the areas of service which many of our fellow Members have expressed concern about protecting. I refer to the impact of crisis economics on the use of the mails by nonprofit charitable institutions:

STATEMENT BY JAMES M. HANLEY, CHAIRMAN, SUBCOMMITTEE ON POSTAL SERVICE, MARCH 26, 1976

"The Postal Service is the brainchild of the Executive Branch. The President and the Post Master General, the Board of Governors, the Rate Commission, are the responsible parties for the health of our mail service.

Ironically, Congress finds itself in the role of a suicide prevention squad.

The question now is whether the patient can survive its self-inflicted wounds."

No one has been more disappointed than I in the poor record of the Postal Service over the last few years. No one has been more insistent than I, that the waste be trimmed from the Postal Service budget, and that the Postal Service husband its resources as carefully as its customers do their household budgets.

And no one has emphasized more than I, that the Postal Service is just that, a *service* to the American people, which must receive greater assistance from the general treasury if it is going to continue the services which have served us all so well.

My dismay at recent announcements of service cuts and proposed service cuts has been unbounded. Massive closing of small, but vital post offices, cutting of business deliveries, the almost certain reduction of service to five days, the refusal to deliver door-to-door in new areas, combined with other reductions in service in the past may well starve the Postal Service into an untimely death. These, and other services which may fall by the wayside, are both desirable and necessary. And, unfortunately, many of them do not pay their own way.

On the other hand, I have been extremely disappointed at the reluctance of many in the Postal Service to accept this "service first" philosophy. The Postal Service has only slowly awakened to the fact that increased funding for public service is a necessity.

About a week ago, I had an informal meeting with the Postmaster General, Benjamin F. Bailer, to express my concern, frustration, and opposition to many of his policies. I urged him to be more forceful in assisting all of us in Congress to resolve the financial and service crisis the Postal Service is in. I said that it was essential that he fully recognize that we certainly were not going to throw money down a rat hole; that before anyone in Congress was going to agree to increased funding we must be assured that, while necessary economy moves would continue, cuts in essential services would not be necessary.

I am pleased, therefore, to announce that on Tuesday the Postmaster General wrote me a letter as a result of that meeting which indicates that he has seen the light, or at least a glimmer of it. In the letter, the Postmaster General emphasized that, ". . . if the constraints of our current financial crisis could be eased by the infusion of additional funds, otherwise inevitable reductions in service could be avoided." Mr. Bailar also admitted that, "We are—first, last and always—a public service organization and our only reason for being is to provide services which meet the public need. If additional appropriations are not forthcoming, however, our flexibility—short of further rate increases—will be virtually extinguished.

This statement should help place the current debate about the future of the Postal Service in better perspective. It clearly ties in service with the question of funding.

Let me emphasize that I wholeheartedly endorse essential cost-cutting which does not materially affect levels of service. There is much that can and should be done to make the Postal Service a leaner, more efficient organization. I am all in favor of cutting the fat out of postal operations. However, cutting services in the magnitude being contemplated is not cutting fat, it is cutting the muscle and sinew which gives strength to much of this Nation's economic, cultural, and social life.

In October, the House of Representatives passed H.R. 8603, which contains some important elements of the approach we should take. As approved by the Committee, the bill provided periodic authorization for increased public service funding and would establish a Commission which, among other things, would make a definitive study of the necessary level of public service funding for the Postal Service. The Alexander amendment, providing for annual appropriations of all Postal Service expenditures, deleted the specific authorization language but left the question open-ended.

The Senate is now holding hearings on a similar approach. I hope that Mr. Bailar's statement will help us move toward a quick solution of the legislative problem which can provide funding which will ensure adequate levels of service, increased Congressional oversight, and a professional, independent study of future Postal Service needs. While I cannot speak for Mr. Bailar, I cannot help but say that I feel that this new attitude on the part of the Postal Service indicate that the Postal Service is joining with many of us in Congress to fight the indifference and nonchalance of the Administration toward the plight of the Postal Service.

SUBCOMMITTEE ON POSTAL SERVICE
OF THE COMMITTEE ON POST
OFFICE AND CIVIL SERVICE,
Washington D.C. March 3, 1976.

The PRESIDENT,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I am writing to urge you and your Administration to cease ignoring the serious plight of the Postal Service and work with the House and Senate Post Office and Civil Service Committees to solve the financial problems which threaten to destroy mail service in this country.

And to speak of destruction is not idle talk. The ever-increasing postal deficit threatens the very foundation of mail delivery in this country. The only answer which the Administration has even haltingly given is that users must pay the total cost of the service and that if revenues are not adequate, service must be slashed accordingly. This simplistic argument totally ignores that the Postal Service has historically performed many services which have greatly aided the economic growth of this country and even today is a vital communications network. The country cannot afford a serious decline in service.

I am particularly concerned about the impact of the Postal Service's financial situation on our nonprofit charitable organizations. Through the nonprofit second-class category, churches, charitable institutions, labor unions, veterans organizations, educational institutions and many others send important publications throughout the country. Many simply cannot absorb projected rate increases of up to 800%, and during our hearings, representatives of nonprofit groups predicted the demise of many of these publications. These institutions also use the mail to solicit funds for these worthy causes and their very ability to do so is being threatened.

Currently pending in the Senate is a bill, S. 2844, which would temporarily increase authorizations for public service funding for the Postal Service by $1.5 billion a year for two years. In the interim, a commission would be established to define the public service components of the Postal Service and establish a clear formula for public service funding. I have sponsored a similar approach in the House which was adopted, with one significant change, on October 30, 1975.

I find the Administration's almost adamant opposition to this, or almost any other, ameliorative legislation incomprehensible. I would ask you personally to review the position of the Office of Management and Budget and remember the importance of the mail to your constituents when you were a Member of the House.

I sincerely hope that the Administration's position will be reconsidered before it is too late.

With every best wish, I am

Sincerely,

JAMES M. HANLEY,
Chairman.

PANAMA CANAL—ALTERNATIVES OTHER THAN SURRENDER

(Mr. DAN DANIEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, as the executive branch proceeds with its plans to hand over the Panama Canal and the Canal Zone to the current government of the Republic of Panama, I believe it would be well to consider alternatives other than surrender.

Harry G. Wiles, National Commander of The American Legion, has recently toured the Canal Zone, and has submitted to the President his recommendations for a somewhat different approach to the matter.

I respectfully request that Commander Wiles' letter be reprinted in the RECORD, so that we may consider his proposals which offer a better course of action for our Government.

THE AMERICAN LEGION,
Washington, D.C., March 24, 1976.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Having just returned from a visit to the Panama Canal Zone, I am deeply concerned about the trend toward a gradual withdrawal of United States responsibility and interest in the Caribbean area, and especially the Canal Zone itself. I am likewise concerned about continuing advocacy by members of the Department of State to relinquish United States sovereignty in the Canal Zone which would symbolize a growing U.S. weakness and lack of national will to protect our vital interests.

I well understand the dilemma in which some of your predecessors and associates have placed the Presidency at this time. However, I see no alternative to facing the proposition that the Canal Zone is part and parcel of U.S. territory and cannot be given away, unless and until the people of the United States, and their representatives in Congress feel it is in their interest to do so. In the final analysis, it is the people who paid for the Canal and who have borne the burden of its construction, maintenance and protection for the past 72 years.

I strongly urge you, Mr. President, to reevaluate the administration's policy on the Panama Canal with a view to finding a viable alternative to present attitudes and trends. One prospect is to resume the immediate major modernization of the Canal which would give employment, improve the earnings and standards of the entire area, and improve relations between Panama and the United States. As you know, we have already spent more than $17.0 million on such a modernization program. More to the point, resumption of the modernization effort would meet the growing demands of Canal users at a time which the average size of vessels using the Canal is increasing, and this suggestion would square off with Canal pilots who strongly recommend such action. Moreover, such a modernization is authorized under existing treaty provisions and does not require negotiations or treaty changes.

Another suggestion which I believe has merit is the re-establishment of the Navy's Special Service Squadron which was homebased in the Canal Zone for two decades prior to World War II. This token naval force was most effective during those years and now it would symbolize a continuing U.S. interest in the area. Such a small force would not be provocative and yet it would reassure United States citizens living there as well as those within our own boundaries. It would serve as a symbol of stability and strength in many ways.

Mr. President, The American Legion is mandated to retain U.S. sovereignty of the Canal Zone and Canal. It is my judgment that this mandate, representing grass roots sentiment, will not change in the foreseeable future because the sovereignty in the Canal Zone continues in our national interest. This fact is reinforced by the Soviet Union's continued efforts to penetrate the Western Hemisphere and in light of recent Soviet-Cuban collaboration in Africa.

I urge you in behalf of the 2.7 million members of The American Legion to take a firm stand on this smouldering Canal Zone situation. I believe the general public would be inspired by your initiative and give you their support.

Sincerely yours,

HARRY G. WILES,
National Commander.

STATUS OF THE PUBLIC LAW 480 RICE EXPORT PROGRAM

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, because the Public Law 480—food for peace—programs represent approximately 40 percent of the U.S. rice exported, rice producers and merchants are vitally concerned wth the progress of sales under the program.

Last year the Congress appropriated sufficient funding to finance rice shipments to meet the goal established by the President. The admnistration's objective of selling 850,000 metric tons of rice under Public Law 480 has been stated as applying to the 1975–76 rice marketing year. However, in vew of the fact that the market prices are lower than the budgeted price the appropriated funds should be used for purchasing a minimum of 1 million tons of rice to be shipped under Public Law 480 programing during the 1975–76 marketing year.

The following chart details the status of the Public Law 480 rice export program from August 1, 1975, the beginning of the marketing year, to April 2, 1976. It is my understanding that yesterday the Interagency Staff Committee approved the allocation of 100,000 tons of rice for sale to Indonesia. In addition, it is expected that early next week, probably on Monday, bids will be requested on the sale of the remaining rice now allocated to South Korea.

It should be noted that the amounts listed under "Programs Completed" in the chart represent rice purchase levels established in purchase authorization Nos. BG–7018, BG–7021, BG–7022, and BG–7022 issued to Bangladesh and purchase authorization Nos. KS–7063 and KS–7064 issued to South Korea.

APR. 2, 1976, STATUS OF PUBLIC LAW 480 RICE PROGRAM—1975-76 MARKETING YEAR

[In thousands of metric tons]

Country	Programs completed, Aug. 1, 1975 to Apr. 1, 1975	Quantities to be purchased	Outstanding agreements		Agreements under development	Total
			Purchase authorizations issued	Invitations to bid issued		
Bangladesh	170	50	0	0	0	220
South Korea	[1] 60	[1] 52	[1] 52	0	[1] 52	[1] 164
Portugal	0	[1] 45	[1] 45	0	0	[1] 45
Zaire	0	27	0	0	0	27
India	0	0	0	0	200	200
Guinea	0	0	0	0	10	10
Syria	0	0	0	0	50	50
Indonesia	0	0	0	0	100	100
Total	230	174	97	0	412	816

[1] Both South Korea and Portugal normally buy brown rice. These figures are the milled equivalent based on the USDA formula of 90 percent extraction from brown rice. The rice industry normally uses an 85 percent extraction formula.

NATIONAL FOREST MANAGEMENT PRACTICES—A CLEAR CUT AT THE ISSUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 5 minutes.

Mr. AuCOIN. Mr. Speaker, in a recent educational television program by NOVA entitled "The Renewable Tree," and in testimony given on forest reform legislation, the supposed views of Dr. Jerry Franklin, chief plant ecologist at the Forest Service Science Laboratory in Corvallis, Org., were quoted in raising the question whether clearcutting is an ecologically desirable forest management tool.

In both cases, we have seen a classic case of the use of selected portions of a more complex scientific argument to support conclusions very different than the scientist intended.

In the case of the NOVA program, this occurred by omitting the key thoughts of Dr. Franklin. The program portrayed sections of what he said in a manner that led viewers to reach a different conclusion than Dr. Franklin intended. This was then compounded by some of the witnesses who testified before the Senate and House Agriculture Committees, who cited Dr. Franklin in support of their views that the forest harvesting practice known as clearcutting is harmful and deleterious to natural resource management on national forest land.

I have little doubt that those citing Dr. Franklin believed they were accurately portraying his views. But in fact they were not.

Dr. Franklin has effectively and eloquently summarized his attitude toward clearcutting in a letter to the chairman of the Senate Subcommittee on Environment, Soil Conservation and Forestry, and I ask unanimous consent that this letter be printed in its entirety.

I shall also be requesting that the chairmen of the House and Senate committees include Dr. Franklin's letter in the hearing record, and supply each witness who cited or quoted Dr. Franklin with a copy of his letter.

Forestry Sciences Laboratory,
Corvallis, Oreg., March 24, 1976.

Hon. J. O. Eastland,
Subcommittee on Environment, Soil Conservation and Forestry, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In view of the extensive exposure some of my comments on Douglas-fir regeneration received in the recent NOVA program on Trees: A Renewable Resource and, most recently, in the Senate and House hearings on National Forest management, I feel that it might be appropriate to clarify the record by putting my comments into their original context. I will be brief although I can elaborate on request. I would appreciate it if my letter could be made a part of the hearing record.

My comment that it is not essential to clearcut to regenerate Douglas-fir, or most other species, is well known and has been exposed in the scientific literature as well as on NOVA. It is a documented fact. What NOVA did was to take that comment out of context, however, making it only partially true. It has since been used by others in a similar vein to make it appear that I, as an ecological scientist, feel it is not ecologically desirable to clearcut Douglas-fir.

I spent half a day with the NOVA crew being interviewed and I estimate that they took 45 minutes to 1 hour of videotape of me back to Boston. Among the parts which they did not use were the following points:

1. That the comment on getting as good or better Douglas-fir regeneration under partial shade, as opposed to clearcuts, applied only to establishment of new trees and not to their subsequent growth. Once established seedling growth is typically much better under open conditions;

2. That, in any case, clearcutting is a sound ecological practice on most sites in the Douglas-fir region. It works well and the information that is available to me indicates clearcutting is typically the best method;

3. That alternative cutting methods in our old-growth Douglas-fir forests can potentially have more serious environmental impacts than clearcutting. Alternative methods require more roads, more frequent stand entries, etc., requirements which tend to have undesirable environmental impacts, without even considering other substantial effects such as on subsequent forest growth and harvesting costs;

4. That, assuming timber production is one of the more important objectives on a given area, clearcutting is the most desirable practice, giving full consideration to other resource values, overall environmental impacts, and economics, over much of the Douglas-fir region.

My position has been and remains that a silvicultural technique is not and should not be a key issue in controversies of this sort. The question is really one of land allocation to various combinations of uses and, once this is determined, the techniques follow logically. The appropriate technique will be determined by the nature of the site and forest stand and by the management objectives; since the combinations of these are essentially infinite the forester needs the widest array of alternative techniques available to him. Clearcutting is one that should often be used where timber production is an important land use.

What I had hoped to do in my original article was to simply point out that many forest trees can be regenerated over a broader range of ecological conditions than is often recognized. They generally require neither partial shade nor large openings but can regenerate well under a variety of conditions. This is a blessing for it allows us to give greater weight to overall environmental impacts, growth of the new stand, insect and disease problems, effects on other resource values, and economics in selecting silvicultural techniques. These are very important considerations in selecting methods that are ecologically sound for the forest and associated resource; and not just for an individual tree seedling.

I hope this information will help put my other, better known statements in perspective. I will be glad to provide additional information, if needed, on silvicultural techniques as viewed from the perspective of an ecological scientist.

Sincerely yours,

Jerry F. Franklin,
Chief Plant Ecologist.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS UNEMPLOYMENT FIGURES CONTAIN A WARNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'Neill) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, today's unemployment figures show that economic recovery may be slowing, even using the administration's seasonally juggled figures.

It is good news that unemployment declined, no matter by how little. But it is bad news that the decline is substantially less than the administration claimed for January and February.

The real tragedy is that anyone can think that 7.5 percent unemployment is good news. The people have become so accustomed to hearing high unemployment figures under the Republicans that the administration can pass off 7.5 percent as an accomplishment. It is not, by any standards.

The Congress is determined to continue the recovery, even if the President sticks to a totally unrealistic budget that would slam on the brakes.

The House Budget Committee yesterday approved a realistic budget that meets our defense needs and provides for more than a million new jobs. That will make a real dent in our high unemployment rate.

This administration is all thumbs when it comes to economic policy, and, unfortunately, those thumbs are always pointing down.

It was Congress that forced economic recovery on the President in the first place. We are going to keep right on doing it, for the benefit of the people.

VOTING RECORD OF CONGRESSMAN JONATHAN B. BINGHAM

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, yesterday, I was unavoidably absent during part of the consideration of Federal Election Campaign Act of Amendments of 1976. Had I been present, I would have voted "aye" on rollcall No. 152—an amendment striking out language providing for termination of the authority of the Commission on March 31, 1977—and "no" on rollcall No. 153—motion to limit debate on the amendment to provide for partial public financing of congressional elections.

CURBING PRESIDENTIAL ABUSE OF 45-DAY RESCISSION PERIOD

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I wish to share with my colleagues recent correspondence which I have had with Senator Edmund Muskie in his capacity as chairman of the Senate Budget Committee with respect to empowering Congress to cut off Presidential rescissions before the 45-day period of their effectiveness expires.

The administration has grossly abused the rescission process, and the present 45-day period provided in the Budget and Accounting Act, to frustrate the will of Congress. In a return to Nixonian practices, the result has been effective impoundment of vitally needed funds.

The 45-day provision is a major loophole which must be blocked.

I am happy to disclose that Senator MUSKIE agrees and proposes to take action as described in his letter.

FEBRUARY 27, 1976.

Hon. EDMUND S. MUSKIE,
Chairman, Senate Budget Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: I have just recently realized that the Budget Control Act contains no provision for requiring that funds proposed for rescission by the President be released in less than 45 legislative days when not approved by either the House or the Senate.

Enclosed is a copy of a letter I have written to the Speaker regarding this matter and urging prompt action to remedy the situation.

By not providing some mechanism for demanding a quick release of funds proposed for rescission, we are giving the Executive unnecessary opportunity to thwart the will of Congress. I am anxious to work with you in correcting this problem and look forward to learning how I may be of assistance.

Sincerely,

RICHARD L. OTTINGER,
Member of Congress.

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, D.C., March 29, 1976.

Hon. RICHARD L. OTTINGER,
U.S. House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR DICK: I appreciate receiving a copy of your letter to the Speaker regarding the 45-day impoundment period provided in Title X of the Congressioal Budget and Impoundment Control Act during which the President can impound funds regarding which he has made a rescission request.

I agree with the position you have expressed. The staff of the Budget Committee has been considering possible amendments to the impoundment control title of the Budget Act to deal with this problem. One of the more promising seems to be to authorize the use of an impoundment resolution in the case of funds impounded in connection with a rescission request. As you know, an impoundment resolution passed by either House requires the President to make funds available for obligation which have been "deferred." So a simple amendment of the rescission section could provide that funds which otherwise might be impounded for 45 days pursuant to a rescission request must be obligated upon the passage of one House or the other of an impoundment resolution.

OMB has used the 45-day provision to effect impoundments which frustrate the Congressional intent in enacting the Impoundment Control Act. That defect needs to be remedied. Let's stay in touch on this.

With best wishes, I am,

Sincerely,

EDMUND S. MUSKIE.

TAX-DEDUCTIBLE CONTRIBUTIONS FOR UNITED NATIONS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, several years ago, I had a discussion with various United Nations officials about the U.N.'s financial problems, including its debt which was then around $100 million. I was shocked to learn how difficult the U.N.'s financial situation was and how it managed to keep afloat only by the tremendous financial skill of some of its dedicated officials.

I was advised at that time that several leading American foundations had expressed a willingness to make some contributions which would have gone a long way toward alleviating the UN's debt and related financial problems. However, they were unable to do so because, as I learned to my surprise, the U.N. does not qualify for tax-deductible contributions.

The financial problems of the U.N. are still grave, and have become more difficult because of the financial recession and reduction by the United States of its contributions. While I think a very good case can be made that the U.S. contributions should not exceed 25 percent, there was a tacit understanding at the time the United States reduced its contributions that it would increase its voluntary contributions to specialized agencies. For various reasons, such an increase has not materialized.

While the United States can perhaps justify its actions, nevertheless, this has led to some feelings, particularly on the part of less developed countries, that the United States is not living up to its commitments.

It seems to me that one way to assist the U.N. financially and also to make a more favorable impression on the less developed countries whose good will and support we obviously wish to retain, is to permit private citizens and foundations in the United States to make tax-deductible contributions to the U.N. and its specialized agencies. The amount of individual contributions is not likely to be great in dollar terms and contributions by charitable foundations represent income that will not benefit the U.S. Treasury in any case. So the tax loss to the U.S. Treasury is likely to be negligible. At the same time, the benefits to the United States in terms of good will and strengthening the U.N. could be considerable.

For all the foregoing reasons, I am today introducing a bill which will make contributions to the United Nations and its agencies and specialized agencies of which the United States is a member tax deductible. The text of the bill, and a list of agencies which would be eligible follows these remarks:

I. U.N. AGENCIES

U.N. Headquarters.
U.N. Office at Geneva.
Economic Commission for Europe (ECE).
Economic and Social Commission for Asia and the Pacific (ESCAP).
Economic Commission for Latin America (ECLA).
United Nations Conference on Trade and Development (UNCTAD).
United Nations Environment Programme (UNEP).
World Food Council (WFC).
United Nations Children's Fund (UNICEF).
United Nations Development Program (UNDP).
Office of the United Nations High Commissioner for Refugees (UNHCR).
United Nations Institute for Training and Research (UNITAR).
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).
United Nations Research Institute for Social Development (UNRISD).

II. SPECIALIZED AGENCIES

United Nations Dvelopment Organization (UNIDO).
International Labour Organization (ILO).
Food and Agriculture Organization of the United Nations (FAO).
United Nations Educational, Scientific and Cultural Organization (UNESCO).
World Health Organization (WHO).
International Bank for Reconstruction and Development (IBRD).
International Finance Corporation (IFC).
International Development Association (IDA).
International Monetary Fund (IMF).
International Civil Aviation Organization (ICAO).
Universal Postal Union (UPU).
International Telecommunication Union (ITU).
World Meteorological Organization (WMO).
Inter-Governmental Maritime Consultative Organization (IMCO).
World Intellectual Property Organization (WIPO).
International Atomic Energy Agency (IAEA). (This was established "under the aegis of the United Nations"; it reports annually to the General Assembly.)

H.R. 13013

A bill to amend the Internal Revenue Code of 1954 to allow a deduction for any contribution, bequest, or gift to the United Nations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (c) of section 170 of the Internal Revenue Code of 1954 (defining charitable contribution) is amended by inserting after paragraph (5) the following new paragraph:

"(6) The United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Section 170(b)(1)(A) of such Code (relating to percentage limitations for individuals) is amended by striking out "or" at the end of clause (vii), by inserting "or" at the end of clause (viii), and by inserting after clause (viii) the following new clause:

"(ix) an organization referred to in subsection (c)(6),".

SEC. 2. (a) Section 2055(a) of the Internal Revenue Code of 1954 (relating to transfers for public, charitable, and religious uses) is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and by inserting after paragraph (4) the following new paragraph:

"(5) to or for the use of the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Section 2106 (a)(2)(A) of such Code (relating to transfers for public, charitable, and religious uses) is amended by striking out "or" at the end of the clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof "; or", and by inserting after clause (iii) the following new clause:

"(iv) to or for the use of the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

SEC. 3. (a) Subsection (a) of section 2522 of the Internal Revenue Code of 1954 (relating to charitable and similar gifts) is amended by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and by inserting after paragraph (4) the following new paragraph:

"(5) the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Subsection (b) of such section 2522 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and by inserting after paragraph (5) the following new paragraph:

"(6) The United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

SEC. 4. The amendments made by the first section of this Act shall apply with respect to any gift or contribution payment of which is made after the date of the enactment of this Act, in taxable years ending after such date. The amendments made by section 2 of this Act shall apply with respect to the estates of decedents dying after such date. The amendments made by section 3 of this Act shall apply with respect to gifts and transfers made after such date.

CONFERENCE REPORT ON H.R. 12203

Mr. PASSMAN submitted the following conference report and statement on the bill (H.R. 12203) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–1006)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12203) "making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 13, 19, 20, 22, 23, 28, 29, 30, 33, 35, 64, and 65.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 8, 9, 10, 11, 16, 21, 34, 42, 43, 46, 54, 58, 59, 60, 61, 66, 67, 68, 69, and 70, and agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$16,300,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$19,800,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,400,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$275,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,875,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the section number named in said amendment insert the following: "113"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the section number named in and amendment insert the following: "113"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the section number named in said amendment insert the following: "115"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,000,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$145,634,909"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$225,000,000"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"SEC. 505. Not to exceed $1,550,000 of the funds appropriated or made available pursuant to this Act for fiscal year 1976 shall be made available to the Office of the Inspector General of Foreign Assistance: *Provided*, That not to exceed $375,000 of the funds appropriated or made available pursuant to this Act for the period July 1, 1976 through September 30, 1976 shall be made available to the Office of the Inspector General of Foreign Assistance."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 14, 24, 25, 26, 27, 31, 32, 36, 37, 38, 39, 40, 47, 48, 52, 53, 55, 57, 72, and 73.

OTTO E. PASSMAN,
CLARENCE D. LONG
(except amendments 36, 37, 52, 53),
DAVID R. OBEY,
BILL CHAPPELL, Jr.,
EDWARD I. KOCH
(except amendments 36, 37, 52, 53),
CHARLES WILSON
(except amendments 36, 37, 52, 53),
GARNER E. SHRIVER
(except amendments 36, 37, 52, 53),
SILVIO O. CONTE
(except amendments 36, 37, 52, 53),
LAWRENCE COUGHLIN
(except amendments 36, 37, 52, 53),
ELFORD A. CEDERBERG,
Managers on the Part of the House.

DANIEL K. INOUYE,
GALE W. MCGEE,
LAWTON CHILES,
J. BENNETT JOHNSTON, Jr.,
EDWARD W. BROOKE,
MARK O. HATFIELD,
CHARLES MCC. MATHIAS,
MILTON R. YOUNG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12203), making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES

Funds appropriated to the President

Economic Assistance

Amendment No. 1: Food and nutrition, Development Assistance: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$426,600,000".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$112,500,000".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendent No. 3: Population planning and health, Development Assistance: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$146,400,000".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: "That not less than $103,000,000 of such amount shall be available only for population planning: *Provided further*,".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 5: Deletes language proposed by the House which would have provided not more than $135,000,000 for population planning during fiscal year 1976.

Amendment No. 6: Appropriates $33,450,000 as proposed by the Senate instead of $45,000,000 as proposed by the House.

Amendment No. 7: Deletes language proposed by the House which would have provided not more than $33,750,000 for population planning during the transition period.

Amendment No. 8: Education and human resources development, Development Assistance: Appropriates $60,800,000 as proposed by the Senate instead of $82,000,000 as proposed by the House.

Amendment No. 9: Appropriates $8,800,000 as proposed by the Senate instead of $20,500,000 as proposed by the House for the transition period.

Amendment No. 10: Technical assistance, energy, research, reconstruction, and selected development problems, Development Assistance: Appropriates $57,400,000 as proposed by the Senate instead of $72,000,000 as proposed by the House.

Amendment No. 11: Appropriates $11,100,000 as proposed by the Senate instead of $18,000,000 as proposed by the House for the transition period.

Amendment No. 12: Loan allocation, Development Assistance: Places a floor of $300,000,000 on the amount of funds to be used for loans for development assistance as proposed by the House instead of $275,000,000 as proposed by the Senate.

Amendment No. 13: Places a floor of $75,000,000 on the amount of funds to be used for loans for development assistance as proposed by the House instead of $74,000,000 as proposed by the Senate for the transition period.

Amendment No. 14: International organizations and programs: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: "$175,250,000; *Provided*, That not more than $20,000,000 shall be available for the United Nations Children's Fund: *Provided further*, That not less than $1,000,000 shall be available until expended only for the International Atomic Energy Agency to be used for the purpose of strengthening safeguards and inspections relating to nuclear fission facilities and materials: *Provided further*,".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 15: Appropriates $16,300,000 instead of $19,200,000 as proposed by the House and $13,400,000 as proposed by the Senate for the transition period.

Amendment No. 16: United Nations Environment Fund: Appropriates $7,500,000 as proposed by the Senate instead of $5,000,000 as proposed by the House.

Amendment No. 17: American schools and hospitals abroad: Appropriates $19,800,000 instead of $20,000,000 as proposed by the House and $9,800,000 as proposed by the Senate.

Amendment No. 18: Appropriates $2,400,000 instead of $2,500,000 as proposed by the House and $1,150,000 as proposed by the Senate for the transition period.

Amendment No. 19: Indus Basin Development Fund, grants: Appropriates $9,000,000 as proposed by the House instead of $22,500,000 as proposed by the Senate.

Amendment No. 20: Appropriates $2,250,000 as proposed by the House instead of $4,500,000 as proposed by the Senate for the transition period.

Amendment No. 21: Indus Basin Development Fund, loans: Appropriates $10,000,000 as proposed by the Senate instead of $5,000,000 as proposed by the House.

Amendment No. 22: Contingency fund: Restores language proposed by the House and deleted by the Senate and appropriates $5,000,000 as proposed by the House.

Amendment No. 23: Restores language proposed by the House and deleted by the Senate and appropriates $1,250,000 as proposed by the House for the transition period.

Amendment No. 24: International disaster assistance: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: "and 495A".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $45,000,000 for disaster assistance instead of $20,000,000 as proposed by the House.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which is as follows: ": *Provided*, That of this amount $25,000,000 shall be available only for Guatemala disaster relief assistance".

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which is as follows: ": *Provided further*, That the President shall submit quarterly reports to the Committee on Appropriations of the United States Senate and to the Committee on Appropriations of the House of Representatives on the programming and obligation of funds appropriated for International Disaster Assistance".

Amendment No. 28: International narcotics control: Appropriates $37,500,000 as proposed by the House instead of $32,500,000 as proposed by the Senate.

Amendment No. 29: Appropriates $9,375,000 as proposed by the House instead of $8,125,000 as proposed by the Senate for the transition period.

Amendment No. 30: Deletes language as proposed by the Senate and retains language as proposed by the House which will terminate the availability of the unobligated balances of the contingency fund for use through September 30, 1976.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes "Operating Expenses of the Agency for International Development" under the paragraph dealing with the reobligation of funds previously appropriated.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

"None of the funds made available under this Act for "Food and nutrition, Development Assistance," "Population planning and health, Development Assistance," "Education and human resources development, Development Assistance," "Technical assistance, energy, research, reconstruction, and selected development problems, Development Assistance," "International organizations and programs," "United Nations Environment Fund," "American schools and hospitals abroad," "Indus Basin Development Fund," "International narcotics control," "African development program," "Security supporting assistance," "Operating Expenses of the Agency for International Development," "Middle East Special requirements fund," "Military assistance," "International military education and training," "Inter-American Foundation," "Peace Corps," "Migration and refugee assistance," or "Assistance to refugees from the Soviet Union or other Communist countries in Eastern Europe," shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the current fiscal year without the approval of the Appropriations Committees of both Houses of the Congress."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers agree that any activity, program, project, type of materiel assistance, or other operation specifically set forth by recipient or country and by amount to be obligated in fiscal year 1976, or the Transition Quarter, in the fiscal year 1976 Congressional Presentation Document shall be deemed to have been justified and the Committees informed. Similarly, amounts not in excess of the amounts proposed therein for obligation in fiscal year 1976, or the Transition Quarter, shall be deemed to have been justified and the Committees informed.

Any activity, program, project, type of materiel assistance, or other operation not specifically set forth by recipient or country and by amount to be obligated in fiscal year 1976, or the Transition Quarter, in the fiscal year 1976 Congressional Presentation Document shall be deemed not to have been justified and the Committees not informed. Similarly, amounts in excess of the amounts proposed therein for obligation in fiscal year 1976, or the Transition Quarter, shall be deemed to not have been justified and the Committees not informed.

Constructive consent will be implied if no objection is raised within fifteen days after notification of the proposed reprogramming.

Middle East Special Requirements Fund

Amendment No. 33: Restores language proposed by the House and deleted by the Senate which will not allow any of the funds appropriated under this heading to be used to provide a United States contribution to the United Nations Relief and Works Agency.

Security Supporting Assistance

Amendment No. 34: Appropriates $1,689,900,000 as proposed by the Senate instead of $1,712,500,000 as proposed by the House.

Amendment No. 35: Deletes the word "and" proposed by the Senate.

The managers are aware that the earmarking provisions contained under this heading may be at variance with those contained within certain authorizing legislation. It is the intent of the conferees that when such variances occur, funds shall be obligated on the basis of earmarkings contained herein. So long as these earmarkings are satisfied, the remainder of the funds could be made available for other activities and projects that have been justified to the Congress within each program activity.

Amendment No. 36: Reported in disagreement. The managers on the part of the House will offer a motion to insist on the House position which appropriates $25,200,000 for the transition period instead of $411,575,000 as proposed by the Senate.

Amendment No. 37: Reported in disagreement. The managers on the part of the House will offer a motion to insist on the House position which does not provide language earmarking funds for the four Middle East countries as proposed by the Senate.

Operating expenses of the Agency for International Development

Amendments Nos. 38, 39, and 40: Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the amendments of the Senate which appropriate $194,600,000 during fiscal year 1976 and $55,500,000 for the transition period.

The managers agree that funds provided under this heading have been authorized within the following accounts: Food and nutrition, Development assistance (FY 1976—$103,400,000, TQ—$20,000,000), Population planning and health, Development assistance (FY 1976—$38,600,000, TQ—$12,800,000), Education and human resources development, Development assistance (FY 1976—$15,200,000, TQ—$10,200,000), Technical assistance, energy, research, reconstruction, and selected development problems, Development assistance (FY 1976—$14,600,000, TQ—$6,900,000), American schools and hospitals abroad (FY 1976—$200,000, TQ—$100,000) and security supporting assistance (FY 1976—$22,600,000, TQ—$5,500,000). Therefore, the managers agree that nothing would prohibit obligations or expenditures from this account because of lack of authorization.

Military Assistance

Amendment No. 41: Provides $275,000,000 for liquidation of contract authority, instead of $323,913,000 as proposed by the House and $200,000,000 as proposed by the Senate.

International Military Education and Training

Amendment No. 42: Appropriates $23,000,000 as proposed by the Senate instead of $25,000,000 as proposed by the House.

Amendment No. 43: Appropriates $5,750,000 as proposed by the Senate instead of $6,250,000 as proposed by the House.

Inter-American Foundation

Amendment No. 44: Places a limitation on obligations of 7,500,000 instead of 5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 45: Places a limitation on obligations of $1,875,000 instead of $1,250,000 as proposed by the House and $2,500,000 as proposed by the Senate for the transition period.

General Provisions

Amendment No. 46: Section 108. Deletes the House language and retains the language proposed by the Senate which provides that none of the funds appropriated or made available pursuant to this Act shall be used to provide assistance to North Vietnam, South Vietnam, Cambodia, or Laos.

Amendments Nos. 47 and 48: Section 111. Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the amendments of the Senate which waive and forgive all amounts due and owing on loans made to certain institutions in Israel from funds available under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480).

Amendment No. 49: Section 113. Changes the section number but retains language proposed by the Senate which places a limitation of $103,000 on Official Residence Expenses of the Agency for International Development for fiscal year 1976 and $28,500 for the transition period.

Amendment No. 50: Section 114. Changes the section number but retains language proposed by the Senate which places a limitation of $19,000 on Entertainment Expenses of the Agency for International Development for fiscal year 1976 and $4,750 for the transition period.

Amendment No. 51: Section 115. Changes the section number but retains language proposed by the Senate which places a limitation of $91,000 on Representation Allowances of the Agency for International Development for fiscal year 1976 and $23,000 for the transition period.

TITLE II—FOREIGN MILITARY CREDIT SALES

Foreign military credit sales

Amendment No. 52: Reported in disagreement. The managers on the part of the House will offer a motion to insist on the House position which appropriates $30,000,000 for the transition period instead of $212,200,000 as proposed by the Senate.

Amendment No. 53: Reported in disagreement. The managers on the part of the House will offer a motion to insist on the House position which does not provide language earmarking funds for Israel for the transition period as proposed by the Senate.

TITLE III—FOREIGN ASSISTANCE (OTHER)

Independent agency

ACTION—International Programs

Peace Corps

Amendment No. 54: Appropriates $80,826,000 as proposed by the Senate instead of $80,000,000 as proposed by the House.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That of this amount $7,599,000 shall be for Peace Corps volunteer readjustment allowances, as authorized by Public Law 94–130".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 56: Appropriates $24,000,000 instead of $20,000,000 as proposed by the House and $25,729,000 as proposed by the Senate for the transition period.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That of this amount not less than $2,684,000 shall be used to fund Peace Corps volunteer readjustment allowances, as authorized by Public Law 94–130".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Department of State

Migration and Refugee Assistance

Amendment No. 58: Retains language proposed by the Senate which places a limitation of $3,054,390 on the funds available for the United States Refugee Program.

Amendment No. 59: Appropriates $700,000 as proposed by the Senate instead of $800,000 as proposed by the House for the transition period.

Emergency Migration and Refugee Assistance Fund

Amendment No. 60: Retains language and appropriates $5,000,000 as proposed by the Senate.

Assistance to Refugees from the Soviet Union and Other Communist Countries in Eastern Europe

Amendment No. 61: Retains language as proposed by the Senate which adds "and Other Communist Countries in Eastern Europe" to the appropriation heading.

Funds Appropriated to the President International Financial Institutions Investment in Asian Development Bank

Amendment No. 62: Appropriates $145,634,909 instead of $85,317,454 as proposed by the House and $170,634,909 as proposed by the Senate.

The managers agree that these funds should be allocated as follows: Paid-in capital—$24,126,982. Callabel capital—$96,507,927 and Special funds—$25,000,000.

Investment in Inter-American Development Bank

Amendment No. 63: Appropriates $225,000,000 instead of $200,000,000 as proposed by the House and $250,000,000 as proposed by the Senate.

Amendment No. 64: Restores language proposed by the House and deleted by the Senate which deletes the earmarking provisions placed under this heading in the fiscal year 1975 appropriation bill.

INVESTMENT IN INTERNATIONAL DEVELOPMENT ASSOCIATION

Amendment No. 65: Appropriates $320,000,000 as proposed by the House instead of $375,000,000 as proposed by the Senate.

TITLE IV—EXPORT-IMPORT BANK OF THE UNITED STATES

Limitation on Administrative Expenses

Amendment No. 66: Places a limitation on the use of corporate funds for administrative expenses of $11,412,000 as proposed by the Senate instead of $11,416,000 as proposed by the House.

Amendment No. 67: Places a limitation of $20,000 on entertainment allowances as proposed by the Senate instead of $24,000 as proposed by the House.

Amendment No. 68: Places a limitation on the use of corporate funds for the transition period of $2,948,000 as proposed by the Senate instead of $2,949,000 as proposed by the House.

Amendment No. 69: Places a limitation of $5,000 on entertainment allowances for the transition period as proposed by the Senate instead of $6,000 as proposed by the House.

TITLE V—GENERAL PROVISIONS

Amendment No. 70: Section 505: Deletes language proposed by the House which would have provided that no part of any appropriation contained in the Act would have been available for obligation or expenditure for any country which, on the date of enactment of the Act, had been in default, for one year or more, on any payment of principal or interest on any debt owed by that country to the United States if such debt had not been disputed by that country prior to the enactment of the Act.

Amendment No. 71: Section 505: Places a limitation of $1,550,000 on funds to be made available in fiscal year 1976 to the Office of the Inspector General of Foreign Assistance and includes necessary language proposed by the Senate. The Senate proposed a limitation of $1,400,000. In addition, a limitation of $375,000 is placed on the funds available for the transition period instead of $350,000 as proposed by the Senate.

The Managers agree that the Office of the Inspector General of Foreign Assistance has a legacy of poor management evidenced by salary levels which are excessive and a work product which falls short of acceptable standards.

The Managers, therefore, direct that reductions necessitated by the funding level established in this bill are to be taken from salary and related benefits to the maximum extent possible.

Amendment No. 72: Section 506: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which is as follows:

"Sec. 506. Beginning three months from the date of enactment of this Act, no part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act unless (1) such debt has been disputed by such country prior to the enactment of this Act or (2) such country has either arranged to make payment of the amount in arrears or otherwise taken appropriate steps, which may include renegotiation, to cure the existing default."

Amendment No. 73: Section 507: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which is as follows:

"Sec. 507. The amounts appropriated in this Act shall be available only upon the enactment of authorizing legislation."

Conference Total—With Comparisons

The total new budget (obligational) authority for the fiscal year 1976 and the transition period recommended by the Committee of Conference with comparisons to the fiscal year 1975 amount, the fiscal year 1976 and transition period budget estimates, and the House and Senate bills for fiscal year 1976 and the transition period follow:

New budget (obligational) authority, fiscal year 1975	$3,675,056,982
Budget estimates of new obligational) authority, fiscal year 1976	[1] 5,789,640,909
Transition period	[1] 534,229,000
House bill, fiscal year 1976	5,001,497,454
Transition period	388,425,000
Senate bill, fiscal year 1976	5,328,640,909
Transition period	978,179,000
Conference agreement	5,179,890,909
Transition period	[2] 404,775,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1975	+1,504,833,927
Budget estimates of new (obligational) authorfiscal year 1976	−609,750,000
Transition period	−129,454,000
House bill, fiscal year 1976	+178,393,455
Transition period	+16,350,000
Senate bill, fiscal year 1976	−148,750,000
Transition period	−573,404,000

[1] Includes $25,000,000 for fiscal year 1976 and $39,000,000 for the transition period not considered by the House—these requests were included in S. Doc. 94–160 and S. Doc. 94–161.

[2] Reflects conference agreement except for two items that are in disagreement where the House amounts have been used.

Otto E. Passman,
Clarence D. Long
(except amendments 36, 37, 52, 53),
David R. Obey,
Bill Chappell, Jr.,
Edward I. Koch
(except amendments 36, 37, 52, 53),
Charles Wilson
(except amendments 36, 37, 52, 53),
Garner E. Shriver
(except amendments 36, 37, 52, 53),
Silvio O. Conte
(except amendments 36, 37, 52, 53),
Lawrence Coughlin
(except amendments 36, 37, 52, 53),
Elford A. Cederberg,
Managers on the Part of the House.
Daniel K. Inouye,
Gale W. McGee,
Lawton Chiles,
J. Bennett Johnston, Jr.,
Edward W. Brooke,
Mark O. Hatfield,
Charles McC. Mathias,
Milton R. Young,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Robinson (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Abdnor (at the request of Mr. Rhodes), for today, on account of official business.

Mrs. Chisholm (at the request of Mr. O'Neill), for today, on account of illness.

Mr. Jones of Tennessee (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Matsunaga (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Young of Alaska) to revise and extend his remarks and include extraneous material:)

Mr. Don H. Clausen, for 5 minutes, today.

(The following Members (at the request of Mr. Mineta) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. AuCoin, for 5 minutes, today.

Mr. O'Neill, for 5 minutes, today.

Mr. Murphy of Illinois, for 10 minutes, today.

Mr. Levitas, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Young of Alaska) and to include extraneous matter:)

Mr. Lent.

Mr. Forsythe.

Mr. Fish.

Mr. Spence.

Mr. Rousselot in two instances.

Mr. Anderson of Illinois in two instances.

Mr. Cohen.

Mr. Harsha.

Mr. Hansen in six instances.

Mr. Rhodes.

Mr. Lagomarsino.

Mr. Ashbrook in four instances.

(The following Members (at the request of Mr. Mineta) and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Cotter in 15 instances.

Mr. Brademas in six instances.

Mr. Rosenthal.

Mr. McDonald of Georgia.

Mr. Murphy of New York.

Mr. Leggett.

Mr. Riegle in two instances.

Mr. Brinkley.

Mr. Hayes of Indiana.

Mr. Hawkins in two instances.

Mr. Minish.

Mr. Solarz.

Mr. Dominick V. Daniels.

Mr. Sisk.

Mr. Conyers.

Mr. Downey of New York.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 287. An act to provide for the appointment of additional district court judges and for other purposes; to the Committee on the Judiciary.

S. 2286. An act to amend the act of June 9, 1906, to provide for a description of certain lands to be conveyed by the United States to the city of Albuquerque, N. Mex.; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1466. An act to convey certain federally owned land to the Twentynine Palms Park and Recreation District; and

H.R. 4941. An act for the relief of Oscar H. Barnett.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on April 1, 1976, present to the President, for his approval, bills of the House of the following title:

H.R. 49. An act to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes;

H.R. 200. An act to provide for the conservation and management of the fisheries, and for other purposes; and

H.R. 8617. An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

ADJOURNMENT TO APRIL 5, 1976

Mr. MINETA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Monday, April 5, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2953. A letter from the president and interim national executive director, Girl Scouts of the United States of America, transmitting the 26th annual report of the Girl Scouts (H. Doc. No. 434); to the Committee on the District of Columbia and ordered to be printed with illustrations.

2954. A letter from the Director, Freedom of Information Office, Office of Communications and Public Affairs, Federal Energy Administration, transmitting a report on the Federal Energy Administration's activities under the freedom of information program during calendar year 1975, pursuant to 5 U.S.C. 553(d); to the Committee on Government Operations.

2955. A letter from the Secretary of the Interior, transmitting a proposed plan for the use and distribution of the award granted to the three affiliated tribes of the Fort Berthold Reservation in docket No. 350–F before the Indian Claims Commission, pursuant to section 2(a) of Public Law 93–134; to the Committee on Interior and Insular Affairs.

2956. A letter from the Administrator, Agency for International Development, Department of State, transmitting an interim report on the Agency's planning for the implementation of section 107 of the Foreign Assistance Act of 1961, as amended (89 Stat. 859), involving the support of expanded private efforts to promote the development and dissemination of intermediate technology appropriate for developing countries; to the Committee on International Relations.

2957. A letter from the Commissioner, Immigration and Naturalization Service. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (8 U.S.C. 1154(d)); to the Committee on the Judiciary.

2958. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) (or (2)) of the Immigration and Nationality Act, as amended, together with a list of the persons involved, pursuant to section 244(c) of the Act [8 U.S.C. 125(c)]; to the Committee on the Judiciary.

2959. A letter from the Secretary of Transportation, transmitting the annual report on railroad-highway demonstration projects, pursuant to section 163(j) of the Federal-Aid Highway Act of 1973 (Public Law 93–87) (H. Doc. No. 93–435); to the Committee on Public Works and Transportation and ordered to be printed.

2960. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Charleston Harbor, S.C., in partial response to section 6 of the River and Harbor Act of 1954, and to seven congressional resolutions, the latest of which was adopted October 19, 1967 (H. Doc. No. 94–436); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

2961. A letter from the Chairman, U.S. Water Resources Council, transmitting the annual report on progress in the preparation of Level B plans for river basins, pursuant to section 209(b) of the Federal Water Pollution Control Act Amendments of 1972; to the Committee on Public Works and Transportation.

2962. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's fifth quarterly report on trade between the United States and the nonmarket economy countries, pursuant to section 410 of the Trade Act of 1974; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 5465. A bill to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians; with amendment (Rept. No. 94–1003). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 890. Joint resolution making emergency supplemental appropriations for preventive health services for the fiscal year ending June 30, 1976, and for other purposes. (Rept. No. 94–1004). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee of conference. Conference report on H.R. 7988. (Rept. No. 94–1005). Ordered to be printed.

Mr. PASSMAN: Committee of conference. Conference Report on H.R. 12203. (Rept. No. 94–1006). Ordered to be printed.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. House Resolution 12678. A bill to amend the Public Health Service Act to provide authority for health information and health promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act, to revise and extend that act; with amendments (Rept. No. 94–1007). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOMINICK V. DANIELS (for himself, Mr. Perkins, Mr. Esch, and Mr. Gaydos):

H.R. 12987. A bill to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes; to the Committee on Education and Labor.

By Mr. BRINKLEY:

H.R. 12988. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. CARTER (for himself, Mr. Gude, Mr. Moakley, Mr. Florio, Mr. Beard of Rhode Island, Mrs. Mink, Mr. Young of Florida, Mr. Richmond, Mr. Burgener, Mr. Won Pat, Mr. Patterson of California, Mr. Neal, Mr. Hefner, Mr. Esch, Mr. Spence, Mr. Patten, and Mr. Kindness):

H.R. 12989. A bill to establish the National Diabetes Advisory Board and to take other actions to insure the implementation of the long-range plan to combat diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. CONTE:

H.R. 12990. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the first $5,000 of interest received on certain savings deposits in the case of individuals over 65 years of age; to the Committee on Ways and Means.

By Mr. FOUNTAIN:

H.R. 12991. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 12992. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of certain domestic corporation dividends as foreign oil-related income; to the Committee on Ways and Means.

By Mr. JENRETTE:

H.R. 12993. A bill to prohibit discrimination on the basis of marital status, and for other purposes; jointly to the Committees on the Judiciary, and Education and Labor.

By Mr. JENRETTE (for himself, Mr. Brodhead, Mr. Fithian, Mr. Drinan, Mr. Davis, Mr. Kindness, Mr. Early, Mr. Burgener, Mr. Brinkley, Mr. Lott, Mr. Hungate, Mr. Dominick V. Daniels, Mr. Ottinger, Mr. Mann, Mr. Fuqua, Mr. McEwen, Mr. Harrington, Mr. Baldus, Mr. Thone, Mr. Andrews of North Dakota, Mr. Hechler of West Virginia, Mr. Lloyd of California, and Mr. Murphy of New York):

H.R. 12994. A bill to amend title 39, United States Code, to require the U.S. Postal Service to make certain considerations prior to the closing of third- and fourth-class post offices; to the Committee on Post Office and Civil Service.

By Mr. MATHIS:

H.R. 12995. A bill to direct the Administrator of General Services to convey certain lands and all improvements thereon to the city of Albany, Ga.; to the Committee on Government Operations.

H.R. 12996. A bill to direct the Administrator of General Services to convey certain land and all improvements thereon to the city of Albany, Ga., for no more than 25 percent of the fair market value of such land; to the Committee on Government Operations.

By Mr. MICHEL:

H.R. 12997. A bill to provide that the Attorney General shall extend for a period of 6 months the visa of any alien of Lebanon whose visa would expire during such period; to the Committee on the Judiciary.

By Mr. MOLLOHAN (for himself, Mr. Bennett, Mr. Bowen, Mr. Chappell, Mr. Del Clawson, Mr. Dent, Mr. Eilberg, Mr. Hyde, Mr. Jenrette, Mr. Kazen, Mr. Kindness, Mr. Lloyd of California, Mr. Lundine, Mr. Snyder, and Mr. Waggonner):

H.R. 12998. A bill to amend the Solid Waste Disposal Act to prohibit the promulgation of certain regulations respecting beverage containers sold, offered for sale, or distributed at Federal facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself and Mr. Brown of California):

H.R. 12999. A bill to amend the Federal Power Act to provide for the reform of electric utility regulation by the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. Staggers, Mr. Smith of Iowa, Mr. Conte, Mr. Ottinger, Mr. Brodhead, Mr. Moffett, and Mr. Maguire):

H.R. 13000. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to prevent deterioration of competition in gasoline retailing; and to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. McClory, and Mr. Gude):

H.R. 13001. A bill to amend the Small Business Act to establish a direct, low interest loan program to assist small business concerns in the development of solar heating and cooling equipment for residential structures; to the Committee on Small Business.

By Mrs. PETTIS:

H.R. 13002. A bill to amend the Federal Power Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REGULA:

H.R. 13003. A bill to provide that States may elect to use area triggers for purposes of emergency unemployment compensation benefits; to the Committee on Ways and Means.

By Mr. RONCALIO (for himself and Mr. Goldwater):

H.R. 13004. A bill to establish an independent United States Air Traffic Services Corporation, and for other purposes; jointly to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. ROSENTHAL (for himself and Mr. Fisher):

H.R. 13005. A bill to protect purchasers and prospective purchasers or condominium housing units and residents of multifamily rental structures being converted to condominium units, by providing for the establishment of national minimum standards for condominium sales and conversions (to be administered by an Assistant Secretary for Condominium Housing, Department of Housing and Urban Development); and to insure that financial institutions engaged in the extension of credit to prospective purchasers of condominium units make credit available without discrimination on the basis of age, sex, race, religion, marital status or national origin; to the Committee on Banking, Currency and Housing.

By Mr. ROYBAL:

H.R. 13006. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mrs. SCHROEDER (for herself and Mr. Nolan):

H.R. 13007. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of cost-of-living increases in monthly social security benefits, railroad retirement annuities, public or private retirement, annuities, endowments, or similar plans or programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TSONGAS:

H.R. 13008. A bill to amend the Comprehensive Employment and Training Act of 1973 to estalbish an Office of Youth Employment in the Department of Labor to administer youth programs under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. YOUNG of Alaska:

H.R. 13009. A bill to authorize the Secretary of the Interior to convey all right, title, and interest of the United States in an to a tract of land located in the Fairbanks Recording District, State of Alaska, to the Fairbanks North Star Borough, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ANDREWS of North Carolina (for himself, and Mr. Mills):

H.R. 13010. A bill to amend the Budget and Accounting Act, 1921, to emphasize the fact that the President's annual Budget is a proposal or recommendation only, requiring action by the Congress (with or without modification) for its effectuation, and to require that Federal agencies make this fact clear in all of their budgetary statements and publications; to the Committee on Government Operations.

By Mr. DUNCAN of Tennessee:

H.R. 13011. A bill to amend the Internal Revenue Code of 1954 to allow a limited exclusion in the case of income received by an individual from hobbies and other activities not engaged in for profit; to the Committee on Ways and Means.

By Mr. ROGERS (for himself and Mr. Carter):

H.R. 13012. A bill to amend the Public Health Service Act to authorize and require the establishment and implementation of a national influenza immunization program; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING:

H.R. 13013. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for any contribution, bequest, or gift to the United Nations; to the Committee on Ways and Means.

By Mr. SIMON (for himself and Mr. Edgar):

H.R. 13014. A bill to end the authorization of the Helm Reservoir Project, Skillet Fork, Ill.; to the Committee on Public Works and Transportation.

By Mr. SMITH of Iowa (for himself, Mr. Neal, Mr. Simon, Mr. Thone, Mr. Bergland, Mr. Bedell, Mr. Grassley, Mr. Melcher, Mr. Quie, Mr. Hughes, Mr. Litton, Mr. Sharp, Mr. Alexander, Mr. Fithian, Mr. Weaver, Mr. Symington, Mr. Mann, Mr. Breaux, Mr. Hillis, and Mr. Harkin):

H.R. 13015. A bill to amend section 142 of title 13 and section 411(a) of title 7, United States Code, to prevent a change in the definition of a farm prior to June 30, 1976, to relieve the Secretary of Commerce of the responsibility of taking censuses of agriculture every fifth year, and require the Secretary of Agriculture to collect comparable information using sampling methods; jointly to the Committees on Post Office and Civil Service and Agriculture.

By Mr. LEVITAS:

H. Con. Res. 602. Concurrent resolution disapproving the proposed sale to Egypt of C–130 aircraft and related support equipment; to the Committee on Internal Relations.

By Mr. ROSENTHAL (for himself, Ms. Heckler of Massachusetts and Mr. Solarz):

H.J. Res. 908. Joint resolution designating April 8, 1976, as "National Food Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

344. By the SPEAKER: Memorial of the House of Representatives of the State of Washington, relative to the United Nations' conference on the law of the sea; to the Committee on International Relations.

345. Also, memorial of the Legislature of the State of Idaho, relative to control of wild horses and burros; jointly, to the Committee on Interior and Insular Affairs, and Merchant Marine and Fisheries.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 1, 1976, page 9178:

HOUSE BILLS

H.R. 12501. March 15, 1976 Public Works and Transportation. Terminates the authorization of the navigation study and survey of the Wabash River in Indiana by the Secretary of the Army, acting through the Chief of Engineers.

H.R. 12502. March 15, 1976. Judiciary. Establishes the Violent Crimes Compensation Commission to make grants to qualifying States, such grants to comprise 50 percent of the cost of a State's program to compensate victims of violent crimes.

H.R. 12503. March 15, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resources Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to sale of timber found on National Forest Service lands.

H.R. 12504. March 15, 1976. Judiciary. Revises the Federal Criminal Code. Revises the Federal Rules of Criminal Procedure. Establishes a Criminal Victim Compensation Fund to compensate the victims of criminal offenses for financial loss.

H.R. 12505. March 15, 1976. House Administration. Amends the National Museum Act of 1966 to authorize appropriations to the National Museum of the Smithsonian Institution for fiscal years 1978–80.

H.R. 12506. March 15, 1976. Merchant Marine and Fisheries. Removes the limit on the amount authorized to be appropriated for the administration of provisions setting aside Barro Colorado Island in the Panama Canal Zone for scientific observation and investigation and for the maintenance of laboratory and other facilities established to carry out such research.

H.R. 12507. March 15, 1976. Public Works and Transportation. Authorizes the regents of the Smithsonian Institution to construct museum support facilities for additional national collections of scientific, historic, and artistic objects.

H.R. 12508. March 15, 1976. Ways and Means. Authorizes any individual who has attained the age of 65 or who is a disabled individual, under the Internal Revenue Code, to elect to take a limited tax credit for the amount of real property taxes paid or accrued by the taxpayer to a State or political subdivision on the taxpayer's principal residence, or for the amount of rent constituting such real property taxes.

H.R. 12509. March 15, 1976. Ways and Means. Amends the program of Grants to States for Services of the Social Security Act to require an increase in the amount of the fund from which payments are made to the States pursuant to such program each time benefit amounts are increased under the Old-age, Survivors, and Disability Insurance Program.

H.R. 12510. March 15, 1976. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement benefit.

H.R. 12511. March 15, 1976. Ways and Means. Allows a limited tax credit, under the Internal Revenue Code, for amounts paid by an individual for reasonable public transit transportation between his or her place of residence and place of employment, except that in the case of a disabled individual a tax credit shall be allowed for reasonable transportation expenses between his or her place of residence and place of employment.

Authorizes taxpayers to elect a tax deduction in lieu of the tax credit.

H.R. 12512. March 15, 1976. Ways and Means. Amends the Internal Revenue Code to allow an additional personal exemption and without exemption for a taxpayer, a spouse, or a dependent who is disabled.

H.R. 12513. March 15, 1976. Banking, Currency and Housing. Prohibits State and local laws which permit the construction of buildings or other obstructions which interfere with the effective operation of solar heating and cooling equipment.

H.R. 12514. March 15, 1976. Judiciary. Replaces Federal criminal statutory provisions penalizing "rape" and "carnal knowledge of females under 16" with provisions penalizing "sexual assault". Designates guilty of sexual assault any person who knowingly engages in sexual contact or penetration of another person without such person's consent.

H.R. 12515. March 15, 1976. Judiciary. Imposes increased penalties on an individual who steals, knowingly converts to use, or knowingly receives a converted firearm of the United States or any of its departments and agencies.

H.R. 12516. March 15, 1976. Judiciary. Requires specified minimum prison sentences for any individual who uses or carries a firearm during the commission of any felony threatening life or property for which such individual may be prosecuted in a Federal court.

H.R. 12517. March 15, 1976. Judiciary. Imposes additional penalties on anyone who transports, receives, or sells any stolen firearm or stolen ammunition, which constitutes a part of interstate or foreign commerce while knowing or having reasonable cause to believe the firearm or ammunition was stolen.

H.R. 12518. March 15, 1976. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants for local public works projects, provided that such projects are designed to alleviate unemployment and do not involve the damming or other diversion of water.

H.R. 12519. March 15, 1976. Armed Services. Repeals provisions of the United States Code relating to additional pay for performance of administrative duties by members of the Armed Forces Reserve and National Guard.

H.R. 12520. March 15, 1976. Armed Services. Revises procedures for adjustments in military compensation regarding monthly pay, subsistence allowances, and allowances for living quarters.

H.R. 12521. March 15, 1976. Education and Labor. Authorizes Federal grants to States for the education of educationally deprived children, handicapped children, and Indian children, and for adult and vocational education programs.

H.R. 12522. March 15, 1976. Judiciary. Regulates the transfer and production of handguns, establishing procedures to insure compliance with Federal, State, and local laws pertaining to licenses, permits, waiting periods, and possession of such handguns. Establishes penalties for using or carrying a firearm in the commission of a violent crime.

H.R. 12523. March 15, 1976. Interstate and Foreign Commerce. Amends the Federal Power Act to require that rate increases for the interstate sale of electricity may not be granted until public hearings on such increases have been completed by the Federal Power Commission.

Requires 30 days' notice of all rate changes by a public utility to the Commission and to the public.

H.R. 12524. March 15, 1976. Banking, Currency and Housing. Amends the Housing Act of 1949 to expand the definition of "rural areas" to include places not part of or associated with an urban area which have a population of between 10,000 and 20,000 people and which have a serious lack of mortgage credit for lower- and moderate-income families.

H.R. 12525. March 15, 1976. Education and Labor. Authorizes the creation of a Special Opportunities Industrialization Centers job training and job creation program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations to fund the program for the next four fiscal years.

H.R. 12526. March 15, 1976. Armed Services. Makes it unlawful for any individual or entity to solicit or enroll any member of the Armed Forces in any labor organization or for any member of the Armed Forces to join, or encourage others to join, any labor organization. Sets forth penalties for violations of this Act.

H.R. 12527. March 15, 1976. Interstate and Foreign Commerce. Increases the authorization of appropriations to carry out the functions, powers, and duties of the Federal Trade Commission for fiscal years 1976 and 1977.

H.R. 12528. March 15, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to acquire by condemnation specified lands, and contracts for the sale of timber thereon, within the Big Thicket National Preserve, Texas.

H.R. 12529. March 15, 1976. Interstate and Foreign Commerce. Revises the distribution of rail service continuation assistance to States under the Regional Rail Reorganization Act of 1973.

H.R. 12530. March 15, 1976. International Relations. Authorizes a certain officer of the Public Health Service to accept a position offered by the University of Alberta, Canada.

H.R. 12531. March 16, 1976. Interstate and Foreign Commerce. Requires that electric utility rate charges for a subsistence quantity of electric energy provided to residential consumers not exceed the lowest rate charged any other electric consumer.

H.R. 12532. March 16, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to prohibit the reduction of an individual's old-age insurance benefits because of outside earnings of an individual from either wages or self-employment.

H.R. 12533. March 16, 1976. Veterans' Affairs. Authorizes the Administrator of veterans' Affairs to provide outpatient dental services and treatment to certain disabled veterans.

H.R. 12534. March 16, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 12535. March 16, 1976. House Administration. Amends the Federal Election Campaign Act of 1971 to require candidates for Federal office to return excess contribution funds not put to specified uses to the persons making such contributions or to deposit such contributions in the Presidential Election Campaign Fund.

H.R. 12536. March 16, 1976. Post Office and Civil Service. Provides, under the Legislative Reorganization Act, that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved.

H.R. 12537. March 16, 1976. Ways and Means. Amends the program of Aid to Families with Dependent Children of the Social Security Act to remove the limitation on the number of recipients of protective or restricted payments for children in their care which may be counted by the State in determining the amount of the Federal Aid to Families with Dependent Children payment.

H.R. 12538. March 16, 1976. Banking, Currency and Housing. Amends the Community Development Act of 1974 to allow the Secretary of Housing and Urban Development to extend discretionary grant funds to specified new community projects.

H.R. 12539. March 16, 1973. Ways and Means. Amends the Social Security Act to provide, under title XX (Grants to States for Services), that no State shall be required to administer individual means tests for provision of education, nutrition, transportation, recreation, socialization, or associated services relating to the use of multipurpose senior centers provided thereunder to individuals aged 60 or over.

H.R. 12540. March 16, 1975. Post Office and Civil Service. Specifies instances in which wages paid by private employers are to be excluded from surveys taken to determine wages to be paid Federal prevailing rate employees.

Removes restrictions placed on the Civil Service Commission in defining individual local wage areas for prevailing rate employees who work for the Veterans' Canteen Service or for specified nonappropriated fund instrumentalities of the armed forces. Requires that such employees working in comparable conditions with prevailing rate employees in Federal agencies be paid not less than such agency employees.

H.R. 12541. March 16, 1976. Banking, Currency and Housing; Science and Technology. Authorizes the Federal Energy Administrator to provide financial assistance in the form of loan guarantees, interest subsidies, or grants for the implementation of eligible State energy conservation programs.

Establishes an Energy Extension Service in the Energy Research and Development Administration to develop a program of technical assistance and practical demonstration of energy-conserving technologies for agricultural and commercial purposes.

H.R. 12542. March 16, 1976. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by an individual as a pension, annuity, or similar benefit under a public retirement system.

H.R. 12543. March 16, 1976. Judiciary; Rules. Requires that the public be given an opportunity to participate in the rulemaking proceedings of Federal agencies. Requires that proposed rules be submitted to Congress for disapproval before they become effective.

H.R. 12544. March 16, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the Medicare program for specified services performed by chiropractors, including x-rays, and physical examination, and related routine laboratory tests.

H.R. 12545. March 16, 1976. Public Works and Transportation. Authorizes additional appropriations for the prosecution of comprehensive development plans for specified river basins under the jurisdiction of the Secretary of the Army.

H.R. 12546. March 16, 1976. Ways and Means. Amends the Internal Revenue Code to exempt until January 1, 1977, specified sales, exchanges, or other dispositions of property by a private foundation to a disqualified person from the five percent tax on self-dealing.

H.R. 12547. March 16, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to require the Secretary of Health, Education, and Welfare to establish criteria and minimum standards for the training and licensure of radiologic technologists. Directs that State and local governments be encouraged to minimize exposure of the public to ionizing from all sources.

Authorizes the Secretary to make grants to States to carry out such purposes.

H.R. 12548. March 16, 1976. Education and Labor; Judiciary. Establishes a Commission on School Integration to study the results of, and other questions relating to, the racial integration of public schools, and the use of busing to achieve such integration.

H.R. 12549. March 16, 1976. Agriculture. Amends the Food Stamp Act of 1964 to prohibit from becoming eligible for food stamps an individual 18 years of age or older who receives half of his income from any member of another household which is not eligible for food stamps.

H.R. 12550. March 16, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to repeal the age limitation on appointments to the Public Health Service.

EXTENSIONS OF REMARKS

"REFORMING THE FEDERAL FOOD STAMP PROGRAM"—A STATEMENT BY REPRESENTATIVES EDWARD I. KOCH AND JAMES H. SCHEUER

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. BRADEMAS. Mr. Speaker, I believe that Members of Congress will read with interest an article in the New York Times of March 13, 1976, entitled "Reforming the Federal Food Stamp Program" by our distinguished colleages in the House, the Honorable EDWARD I. KOCH and the Honorable JAMES H. SCHEUER, of New York.

The article follows:

REFORMING THE FEDERAL FOOD STAMP PROGRAM

(By EDWARD I. KOCH AND JAMES H. SCHEUER)

WASHINGTON.—Liberals and conservatives agree that the food-stamp program should make it possible for every American to receive a nutritionally adequate diet and that this should be accomplished with maximum efficiency and at minimum cost to the taxpayers, with minimum opportunities for fraud.

Conservatives, however, have proposed food-stamp legislation that sacrifices these goals by discriminating against the working poor, increasing administrative costs unnecessarily and allowing large-scale fraud by food-stamp vendors to continue. Alternative bills have been introduced in the House and Senate to improve the present program without these inconsistencies.

The major charge made by those attacking the food-stamp program is that it is filled with recipient fraud. Actually such fraud occurs in a tiny fraction of cases—only 0.08 percent as reported by the Agriculture Department.

Only 4.3 percent of people in the food-stamp program are ineligible, and about half of these are a result of caseworker error. The remaining ineligibles could be attributed to recipient error, but a department report observed that "errors caused by recipients are usually unintentional, arising from carelessness or lack of knowledge concerning the program."

The numerous errors in determining who is eligible for food stamps result from the complex set of itemized deductions from gross income required by the present program. The alternative, nonconservative food-stamp-reform bills would simplify the present eligibility process by setting a standard deduction of $125 to $135 per month for each household.

The major fraud in the food-stamp program is perpetrated by some of the 6,700 vendors—the vendors are banks, post offices, credit unions and check-cashing businesses—who distribute stamps to eligible recipients in return for a cash payment. According to an Agriculture Department official over $17 million has been hoarded or embezzled by 170 vendors. That kind of crime isn't recipient fraud, it's large-scale white-collar business-executive crime.

Vendor fraud is made possible by the transfer of large sums of money under the purchase requirements that make it necessary for a recipient to pay for a portion of his food stamps. The Senate Agriculture Committee has estimated that just eliminating the purchase requirement would save $100-million in administrative costs annually.

A second consequence of the purchase requirement is the failure of the current program to provide a nutritionally adequate diet to everyone. A recent study of the New York State food-stamp program showed that 27.4 percent of the households in the program could not afford to purchase their full allotment of stamps. Many more cannot afford to participate at all.

How poor is poor?

Anyone who has to struggle to maintain a decent standard of nutrition on a limited income would see the limits proposed by some bills as unrealistic and, indeed, cruel.

Senator James Buckley's and Representative Robert Michel's bill would shrink the present eligible food-stamp population by 32 percent by using the existing $5,050 poverty line as the eligibility standard. Unwilling to wait for Congressional action, the Administration recently proposed food-stamp regulations that would do the same thing. Some alternative legislation recognizes economic realities and sets a net income limit of $8,436 for a family of four.

The Buckley-Michel legislation and the Administration's regulations actually contain substantial work *disincentives* by making ineligible a working four-person household if the household's take-home pay exceeds $4,679. Yet a four-person household receiving between $4,679 and $5,050 in welfare or unemployment compensation could obtain from $1,101 to $1,212 in food-stamp aid.

This situation would be reversed by alternative legislation that provides an increased monthly deduction of $30 for working families over that granted to nonworking families. In addition, that legislation encourages people to work by using their take-home pay, and not their gross income (which includes income and Social Security taxes), in computing the eligibility ceiling.

Finally, the primary cause of the growth of the food-stamp program is unemployment. Only last year, when unemployment rose almost 4 percent—from 5 percent to 9 percent—in a matter of months, the number of eligibles jumped from 15 million to 19.5 million. Until we can put our employable citizens to work, we have no moral right to penalize the victims of the recession.

The food-stamp program is a valuable and necessary program that has been maligned for its administrative shortcomings. The Congress should strike a needed balance between helping the poor and cutting program costs, between encouraging the working poor and weeding out those clearly not in need.

THE DIFFICULT QUESTIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HAMILTON. Mr. Speaker, I include my Washington Report entitled, "The Difficult Questions":

THE DIFFICULT QUESTIONS

Hesitantly the hand of one of the eighth graders in a school which I recently visited went up in the back of the room and in a soft voice the student asked, "What kind of things do you worry about, Mr. Hamilton?"

That difficult question should make it apparent why politicians muff the answer to questions occassionally. It also made me think about the questions of public policy which most concern me.

In thinking through my concerns, I got some help from the Congressional Budget Office which recently suggested to Congressmen the major budget choices before them this year. It may be useful to set out several of these choices so that some of the questions that "worry" Congressmen in 1976 can be identified.

First, it should be noted that the questions may not be what many persons think they are from following news reports and campaign speeches. The Congress does not discuss whether social security benefits should be paid this year or whether our Army should be maintained. The questions which the Congress confronts are usually more apt to be: should social security benefits be increased faster than the cost of living? Should there be 13 or 16 Army divisions and how heavily should they be equipped?

It is apparent that despite the political rhetoric that tends to exaggerate and simplify issues, the real questions with which the Congress wrestles are usually much narrower and much more on the margins of the issues where it is quite possible, even probable, for reasonable persons to have different answers for them.

According to the Congressional Budget Office, the principal spending decisions for the 1977 fiscal year relate to defense, unemployment, health, and aid to state and local governments, and federal pay levels.

DEFENSE

The key defense question is to what extent the build up of Soviet military capability in recent years justifies increased spending on United States general purpose and strategic forces. Do we need 400 or 500 Navy ships? Should they have nuclear or conventional power? Should we have 13 or 16 Army divisions? Should we have 22 or 26 wings in the United States Air Force?

UNEMPLOYMENT

With unemployment rates declining, but still far above historic levels, how much should we spend to create jobs and should the money be spent on public works, public service jobs, anti-recession grants to states and local governments, or some other means of providing jobs?

HEALTH

Health care prices are rising more rapidly than other prices. What steps can the federal government take to hold them down? Should we reduce federal health spending, as the President proposes, or expand federal health insurance protection? And if so, by how much?

REVENUE SHARING

Even though present federal aid to state and local governments totals almost $68 billion, to what extent should we increase that aid or should we phase part of it out? Should we use catagorical grant programs or consolidated programs to reduce the amount of control the federal government exercises over these funds?

FEDERAL PAY

Should we adopt a modest adjustment for federal pay, like the 4.7% increase the President recommends? Or should we establish a system of indexation which would provide automatic cost-of-living increases for federal employees? Or should we place a two year moritorium on pay raises?

On the revenue side the Congress must decide what steps to take to replenish the reserves in the social security trust funds. It must decide whether to extend the tax reductions enacted in 1975. And if further tax reductions are needed, it must decide which taxes to reduce and how to reduce them.

But the Congress faces an even more difficult task than answering these questions. That task is how to strike a balance between the stimulus the economy must have if it is to continue its recovery and the restraint needed to avoid rekindling high rates of inflation. Making decisions about spending, revenues, and deficits or surpluses involves difficult judgments about what is likely to happen in the economy, about how inflation and unemployment will be affected by various budget policies, and about the relative importance of various federal activities.

These, then, are some of the things that "worry" Congressmen this year. That eighth grader asked a more difficult question than he realized.

CHRISTOPHER JAMES HAMMOND: VOICE OF DEMOCRACY FINALIST WINNER

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. FISH. Mr. Speaker, the Veterans of Foreign Wars of the United States and its ladies auxiliary recently conducted its annual Voice of Democracy Contest. Nearly 500,000 secondary school students nationally, participated in the contest, with each State winner coming to Washington for the final judging of the essays.

This year, New York State's winning contestant, and the second place finisher among the 50 finalists is from the 25th Congressional District. Christopher James Hammond is a 17-year-old student attending Carmel High School, in Carmel, N.Y.

The theme of Christopher Hammond's prize-winning essay is "What Our Bicentennial Heritage Means to Me." As we are in the midst of our Nation's Bicentennial celebration, I thought it would be appropriate to share this prize-winning essay with my colleagues in the House of Representatives:

The 1975–76 VFW Voice of Democracy Scholarship Program

(By Christopher Hammond)

I imagine that if I were a great philosopher or historian I wouldn't have any trouble at all in discussing what our bicentennial heritage means to me. I would most probably describe the many stages, both positive and negative, that have led us to become the great nation we now are. However, it would be factual, orderly, and possibly extremely boring.

On the other hand, if I were totally uneducated, it would be difficult for me to speak on anything except the way in which our commercial society has taken such meaningful events as Christmas, Easter, or Independence Day, and found a way to make a profit because of them. This may explain why everything from garbage cans to T-shirts is now red, white and blue.

However, I am not a philosopher, or historian, nor am I totally ignorant. I am a young man, 17 years of age, who has lived in the United States all of my life. I have been brought up like many: learning from social studies books, the media, and the forceful views of politicians, about everything from Jamestown to the revolution, from Watergate to Viet-Nam.

If I have learned anything from this accumulation of random knowledge, it is that I am an individual and because of my individuality I have developed my own bicentennial views. I do not know wrether they are inherited, socially programmed, or unconsciously rationalized, but I do know the difficulty of explaining them.

My views can not be explained or defined as beliefs or even as an understanding. They can only be explained as an emotional experience . . . When I walk down the streets of a tremendous American city like New York, and realize that the towering buildings and exhibitions of such an advanced culture were possible because a small handful of men had the guts and stamina to cast away the shackles of a tyrannical existence to seek a new world that had so much to offer. I experience a warm feeling inside when I realize that if ever the time shall come when I might find faults in my country I have the right to express my disagreements as loud and as long as I desire. I have the right to challenge any force which threatens my inalienable rights to freedom of worship, freedom from fear, freedom from want, and the freedom to express myself, either through speech or with my vote.

It is almost incomprehensible to me when I remember the hundreds of thousands of men who have suffered and died in order to achieve and protect my rights to those freedoms.

In a way this emotion I feel consists partly of gratitude as well as pride. Gratitude to those men who fought for the ideal of a free democracy, an ideal which enables me to look with pride at the American flag, an ideal so precious that Americans have gone to war more than once to protect it.

It is of course true that there are people who choose to abuse our great gift of democracy, but they are only a small percentage compared to the tremendous numbers of men and women who are dedicated to the preservation of our great society. Our system is flexible enough to accommodate the flaws in human nature. It is a system of change: for, with, and because of the people—and of these, I am one.

It has never dawned on me why I feel these emotions, yet I do realize how special they are to me, and how difficult they are to explain. I can only wish that all people in America could understand and appreciate that strong minds, strong hearts, and 200 years, both of hardship and happiness, have made us the greatest country in the world.

This year more than ever, when it is time to raise our flags and explode fireworks into the warm July sky, I know I will be proud to lift my head and say without fear, "Thank you . . . I am an American."

FULL EMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HAWKINS. Mr. Speaker, I would like to call the Members attention to the following article from the March 19 edition of the Washington Post. This article covers the excellent 2-day Full Employment Conference conducted by the Joint Economic Committee and draws special attention to Vice President Rockefeller's support of the concepts of full employment and national economic planning:

[From the Washington Post, Mar. 19, 1976]

Two-Day Conference on Full Employment Legislation Launched

(By Hobart Rowen)

Vice President Nelson Rockefeller yesterday helped Sen. Hubert H. Humphrey (D-Minn.) launch a two-day conference on full employment, designed to drum up support for new legislation to assure jobs—government jobs, if necessary—for all adults who want to work.

That legislation, the Full Employment and Balanced Growth Act of 1976—better known as the Humphrey-Hawkins bill—was not specifically endorsed by the vice president.

But as evidence of his own long-time interest in national economic planning, one of the focal points of the Humphrey-Hawkins bill, the vice president opened the conference, technically a hearing before the Joint Economic Committee.

Humphrey arranged the session to help celebrate the 30th anniversary of the passage of the Employment Act of 1946, which established "maximum employment, production and purchasing power" as a national goal, and created both the Joint Committee and the Council of Economic Advisers.

The Humphrey-Hawkins bill goes much beyond the 1946 act, not only specifying the achievement of a 3 per cent unemployment rate as the "full employment" goal after four years, but subordinating the Federal Reserve system to the rest of the economic management bureaucracy.

The basic goal of jobs for all as an inherent right has the backing of a labor-left-black coalition and Humphrey yesterday urged these groups and others to push for the bill with the same urgency they brought to civil rights legislation in 1964.

Rockefeller said, "There can be no better time than this bicentennial year to review the objectives of the Employment Act of 1946."

He carefully warned that "dominant central government in Washington is already placing impediments and non-productive restraints . . . upon economic enterprise."

But he also noted that "the American enterprise system was by no means a totally private endeavor. Government has always played not only a significant but a crucial part in American economic life."

The vice president also took the opportunity to recommend enactment by this Congress of the Energy Independence Authority "to get our economy rolling again." This proposal which would cost $100 billion by some estimates, was inspired by Rockefeller as a solution to the energy problem, and although endorsed by President Ford, has not been conspicuously pushed by the administration.

For the most part, the format of yesterday's session provided a recapitulation of the grass roots sentiment for a new attack on unemployment, as uncovered by the JEC in a series of regional hearings over the past few months.

Those hearings, Humphrey said, had brought home the great enconomic and social waste of unemployment, and highlighted the fact that economic conditions in the major cities of the country "were generally much worse than the national averages."

In introducing his bill at the end of last week, Humphrey called for "a new economics," and a break with "traditional theories that rely largely on manipulation of fiscal and monetary policies to adjust the business cycle.

That theme, in various ways, was echoed yesterday by Vernon Jordan, president of the National Urban League, Mayor Kenneth Gibson of Newark, and Bishop James Rausch, general secretary of the U.S. Catholic Conference.

A decidely more lukewarm approach was taken at an afternoon session by former Economic Council chairman Paul W. McCracken, who, in effect, advised the committee to leave well enough alone, and General Electric chairman Reginald H. Jones, who argued that in the years since 1946, there already had been too much expansion of the government sector and neglect of "the producer sector that supports it."

Today, the conference will hear, among others, from Federal Reserve Chairman Arthur F. Burns, and Economic Council chairman Alan Greenspan, who are likely to oppose the legislation.

The way the bill would work, all able-bodied adults (age not defined) would have the right to a job at "fair rates of compensation." Each year, in conjunction with an economic report spelling out numerical goals for jobs, production and purchasing power, the President would submit a plan for achieving those targets.

If there is a jobs "gap," the President would be required to close it with a variety of "government of last resort" programs—public service employment, standby public works, antirecession grants for state and local governments, training and special youth programs.

The Fed would be required to coordinate its policies with the President's plan, submitting within 15 days after the transmission of the economic report a statement of how it intends to cooperate, or "a full justification for any substantial variations from the President's goals and recommendations."

An anti-inflation section is included in the bill, but wage and price controls are carefully side-stepped to assure labor support.

Sponsors say there will be an effort to pass the bill this year. But the bill—titled for Rep. Augustus Hawkins (D-Cal.) as well as Humphrey—would appear to have little chance in its sweeping form.

It was introduced too late to earn a full evaluation in this week's Congressional Budget Office listing of economic options, but several of the more than 100 backers of the bill in the House intend to ask the CBO to do a full "costing-out" on the bill.

HOUSE RESOLUTION 1085

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. JOHNSON of Pennsylvania. Mr. Speaker, yesterday, I was absent when the House considered House Resolution 1085, the rule which provides for the consideration of House Joint Resolution 606, to create an Atlantic Convention delegation. Since I am opposed to House Joint Resolution 606, I would like for the RECORD to show that had I been present, I would have voted "no" on rollcall No. 157, providing for the consideration of House Resolution 1085.

I ask that the RECORD show my opposition to both the rule and the bill.

GET HOSTAGES OUT OF KOREA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. SOLARZ. Mr. Speaker, in light of President Park's vigorous action against a modest protest issued by some of the most distinguished citizens in South Korea, I believe that the United States should give increasingly serious thought to the position of our troops remaining in South Korea. As a recent Chicago Sun Times editorial pointed out, there is increasing danger that "U.S. servicemen on the Korean Peninsula are becoming hostages to the whims of an erratic, unpopular, and increasingly dangerous dictator." I believe that this editorial eloquently describes the difficult position in which we find ourselves in that part of the world.

Any American withdrawal from South Korea—and I might point out that a number of the current Presidential candidates have called for a troop withdrawal—should be very carefully thought out in advance. I agree with the Sun Times that any plans should be publicly announced, carefully staged, and prepared in close consultation with U.S. allies, especially Japan. Mr. Speaker, the editorial of March 23, 1976, follows:

[From the Chicago Sun Times, March 23, 1976]

GET U.S. HOSTAGES OUT OF KOREA

Thailand on Saturday ordered the United States to get virtually all its military forces out of the country within four months. And President Ford told us recently that the United States is continuing to withdraw its forces from Taiwan. Neither one of these actions is likely to cause any harm to the United States. In fact, they almost certainly will do a lot of good. U.S. military bases abroad often attract violent anti-U.S. protests the way lightning rods attract lightning. The Thai withdrawals will quiet a lot of that anger and help improve U.S. relations not only with the Thai government but also with some of Thailand's neighbors, like Vietnam. The Taiwan withdrawals are part of a continuing, coherent policy of advancing U.S. relations with the Chinese government in Peking.

The United States now ought to begin withdrawing at least some of its 37,000 troops from South Korea, too, in close consultation with Japan. In many ways, South Korean President Chung Hee Park is behaving the way South Vietnam President Ngo Dinh Diem behaved before the United States became embroiled in the Vietnam disaster. He is becoming isolated from all but a few advisers; he is strangling not only opposition, but criticism, and he is alienating his own people. Some of the features of the Park Policy are described in our letters space today by Jai Hyon Lee of Macomb, a professor.

The more dictatorial Park becomes, the more he will erode the support—and the traditionally fierce anti-Communist spirit—of his people. And as morale declines, the possibility of a war with the North increases In this way, the 37,000 U.S. servicemen on the Korean peninsula are becoming hostages to the whims of an erratic, unpopular and increasingly dangerous dictator.

U.S. military withdrawals from South Korea ought to be publicly announced, carefully staged and prepared in close consultation with U.S. allies, especially Japan. But most of all, they should begin promptly.

THE PRESS IN THE UNITED STATES

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. ROUSSELOT. Mr. Speaker, there is an old and fairly well-known maxim that says that "good news doesn't sell newspapers." There is another maxim, however, perhaps less well known, that is quoted by the French writer Jean Giraudox. It says, "There are truths that can kill a nation."

Last March 4, in a speech given before the Management Conference at the University of Chicago, Mr. Walter B. Wriston, chairman of Citibank, explored the present-day implications of these two phrases and asks whether the press in the United States has extended too far the bounds of propriety in recent years, and in doing so, run dangerously close to the fate spoken of by Giraudox.

Mr. Wriston says:

> In a free nation the perspective must be longer than one life or the current problems. Endless harping upon the shortcomings of our society and on the powerlessness of the individual not only undermines morale at home, it is a needless diminution of our world prestige.

Mr. Wriston goes on to quote an editorial which appeared in the London Telegraph:

> "It's time America's friends spoke out with some nasty questions to . . . the press, sections of Congress, television commentators, comedians, university pundits and a lot of other people who think there is a dollar to be made out of denigrating their country's institutions and leaders." No wonder the British poet and critic, Stephen Spender, exclaimed that Americans are "the most anti-American people in the world."

Mr. Speaker, I believe that the comments of Mr. Wriston are very timely and deserve the thoughtful reading and consideration of my colleagues.

LIBERTY, LEADERSHIP, AND LICENSE

(Remarks by Walter B. Wriston, Chairman, Citibank)

Birthday celebrations are always a time for looking back and looking forward. On the occasion of our 200th birthday, Americans have obeyed this natural tendency and look back in wonder at the distance we have come from scattered states in the wilderness to the world's premier democracy—the only democracy upon a continental scale in all human history. But if we are to believe the dominant theme of what we read, Americans no longer look forward with the extraordinary confidence that astonished de Tocqueville: "America is a land of wonders, in which everything is in constant motion and every change seems an improvement." This attitude, not so long ago, was the prevailing American philosophy. Today it would have to appear as a paid newspaper advertisement to appear at all.

This change in attitude cannot be attributed entirely to recent events, because the troubles of America one hundred years ago were not unlike some of those from which we suffer today. The nation was then recovering its poise after the misdoings of President Grant's Administration. Scandals scarred the cities, even though the notorious Tweed ring had at last been broken. The state of the economy could only be described as a depression. Nevertheless, when men looked back from 1876 to 1776 their perspective improved and, despite many troubles, there was a lively awareness of fundamental progress which awakened fresh confidence. Optimism, without which democracy withers, was the dominant mood.

Now we look back over another century. In superficial ways it might appear that little has changed. We are just emerging from another humiliating executive scandal and from a recession deeper than many earlier troughs in the economy. Some of our cities are declining and the largest teeters on the edge of bankruptcy. Nonetheless, any rational person would say that the achievements of the last century in the conquest of diseases, in increased longevity, in civil rights, in scientific strides, in a communications revolution, in progress in arts and letters constitute a catalog of marvels.

Yet the accent today is not on evidences of progress in a multitude of fields; the heaviest emphasis is upon failure. The media, supported by some academic "liberals" would have us believe that things are not just going badly, they are growing progressively and rapidly worse. The dominant theme is the new American way of failure. No one wins, we always lose. Jack Armstrong and Tom Swift are dead. If an individual says anything that sounds important, it is either ignored or nit-picked to death by commentators. Logical argument has given way to sniping. We no longer have great debates. The accusatory has replaced the explanatory. Let one scientist resign and say that nuclear power is a lethal accident waiting to happen and he is awarded the front page with pictures. He has unlimited interviews on television. The massive achievement of hundreds and hundreds of scientists, and the comfort of millions of citizens who enjoy the products of nuclear power go for nothing. We daily see illustrated a point made by the jurist Oliver Wendell Holmes: "When the ignorant are taught to doubt, they do not know what they safely may believe." The media should beware of sowing the dragons teeth of confusion.

Two or three years ago the focus of the media was upon those who proclaimed that the task of recycling the avalanche of oil dollars funneled into the coffers of the Arabian oil exporters was not only impossible, but was certain to disrupt the world's monetary structure. Alarm was the order of the day. Those of us who said the free market could handle it were ignored. What has become of that uproar? Scarcely an echo remains. The heralded catastrophe did not occur—so there is said to be no news to print. There is no song of triumph that the free markets functioned. Success brings only silence. If events have not the power to scare the public to death, ignore them, or find a new Cassandra to idolize.

The Concorde is the current bugaboo. Lost in the shuffle is the fact we have hundreds of supersonic military airplanes that break the sound barrier many times daily, making an estimated 40,000 supersonic flights a year. We are used to these. They are not news. When, however, after long consideration, and on a carefully monitored basis, a responsible official approves a minimum number of passenger supersonic flights subject to scientific and economic analyses, one would think from the uproar that we were precipitating nothing less than disaster.

It is this technique of incessantly accenting the negative that erodes optimism, one of the cornerstones of democracy. To function at all, a free society must be supported by the firm faith that man is capable of fashioning ways of life that time will prove better than his earlier efforts.

In a free nation, the perspective must be longer than one life or the current problems. Endless harping upon the shortcomings of our society and on the powerlessness of the individual not only undermines morale at home, it is a needless diminution of our world prestige. An editorial in the *London Telegraph* put it succinctly: "It's time America's friends spoke out with some nasty questions to . . . the press, sections of Congress, television commentators, comedians, university pundits and a lot of other people who think there is a dollar to be made out of denigrating their country's institutions and leaders." No wonder the British poet and critic, Stephen Spender, exclaimed that Americans are "the most anti-American people in the world."

The fate of our Republic depends upon whether Americans can recover a profound belief in the democratic process. In order to regain that faith, we must have leaders, even if the quality of that leadership is not perfect in the eyes of the omnipresent media.

The progress of mankind is not always advanced by the most photogenic or the most glib among us. J. Bronowski in his great book went further. ". . . The ascent of man is not made by lovable people. It is made by people who have two qualities: an immense integrity and at least a little genius." In today's world, thoughtful people have to ask the question whether any leader can survive long enough to move us back into a belief in ourselves. Since every leader is human and therefore flawed, it follows that no official is or can be perfect. "If you demand a perfect leader or a perfect society," Abraham Maslow wrote, "you thereby give up choosing between better and worse. If the imperfect is defined as evil, then everything becomes evil, since everything is imperfect." The fundamental difference between better and worse has not changed over the years; what has changed is the manner in which the better is ignored and the worse reported incessantly.

That is why Daniel Moynihan, whose faith in his own country was too obvious and whose words were too plain, is no longer on the public payroll. Clearly he is not cast in the mold of the professional diplomat. Had he been he could not have made the needed impact. The pretense for objection to him was his style; the substance was his forthright patriotism. No one should have been surprised at his actions since he spelled out in great detail what he would do in his article in *Commentary*. There was adequate chance during Senate hearings and votes to prevent his appointment if his views were not the sentiments of the public. Truth spoken in plain English made some uncomfortable; and terror on the left must be pacified.

The democratic ship requires real leaders; without them it has no steerage way. Leadership need not be perfect to deserve support. This is not to say that crime, duplicity, or even stupidity should not be exposed—they should. In the long run the only way to be accepted in any marketplace is by making a product or supplying a service that people want. This is as true of political leadership and of ideas as it is of material goods or services. No one has ever improved on Oliver Wendell Holmes' dictum "that the best test of truth is the power of the thought to get itself accepted in the competition of the market."

Real leadership requires vision. And vision by definition is a view of the future which cannot be proved at the moment of utterance. That makes it no less important. In an ancient book, no longer available for study in public schools, it is written: "Where there is no vision the people perish." Time has vindicated that maxim.

Since the scandals of Watergate, the news business has been demanding total disclosure from our leaders. No one should or would want to denigrate the important part the press played in revealing that mess. However, the illusion has now been created that a cloud of secrecy has been thrown over every act of government hiding dark motives. But not all secrets are evil. The framing of sensible policies requires candid speech, because only in this way can leaders fully explore various alternatives. Confidentiality is often essential to candor. Else nothing is achieved while rival factions seek media support before a decision is reached.

The framing of our own Constitution illustrates the point. Not only was the press barred entirely from all the meetings, but each delegate had to pledge to preserve the confidentiality of the discussion. Without obedience to that fundamental rule the great compromises that lie at the heart of its success could never have been achieved. Once agreement was reached, public disclosure of the result and debate properly followed.

There is an old saying that no man can be a hero to his valet since the valet's duties made him see his employer at his most undignified. The news business now seeks the intimacy of the valet. The media peer at us from all angles and at all hours of the day and night; it loves to record all our human frailties. This voyeurism has been accompanied almost simultaneously with the judicial repeal of effective libel laws and transfer of classified documents for profit to the news media. This trend toward the total destruction of privacy reached its fictional apex in George Orwell's "1984."

You will recall that in that grim forecast all society was monitored by a "telescreen" which transmitted every sight and sound. You had to live, said Orwell, "in the assumption that every sound you made was overheard, and, except in darkness, every move was scrutinized." Justice Brandeis might have been thinking about that possibility in an essay written in 1890. With remarkable foresight, the Justice defended the right to privacy; he foresaw "instantaneous photographs and mechanical devices" invading the "sacred precincts of private and domestic life." He also predicted the day when "personal gossip attains the dignity of print, and crowds the space available to matters of real interest." He reverted to the same theme in the Olmstead Case where he spoke of the "right to be let alone" as "the most comprehensive of rights and the right most valued by civilized man."

From your State of Illinois came one of our greatest leaders. There are few leaders in history who have been as savaged by the press as Abraham Lincoln; yet he framed the great issues of the day in a way that vindicated the Union. So limited were the media of his day that the personal attacks still left him areas of privacy which the modern values of the news business would no longer permit. That raises a substantive question: Are we making ourselves ungovernable by total exposure of all human frailties exacerbated by constant repetition of things which often turn out to be fundamentally irrelevant to the conduct of leadership?

In the unlikely event that Lincoln could have gotten himself elected to the Presidency in today's journalistic environment, the front page treatment of the leak from the Oval Office would have driven him from office. The lead for this "investigative report" would recall how Lincoln failed to show up for his own wedding when the ceremony was first scheduled; that revelation could then furnish the subject of an hour special with Dr. Joyce Brothers. Such a bizarre lapse of memory combined with his behavior upon the death of Ann Rutledge would supply more ammunition than was used to dump Senator Eagleton from the Democratic ticket in 1972. The story would then reveal that when Mrs. Mary Livermore of Chicago talked to the President in 1862 about relief for wounded soldiers, Lincoln's face had ghastly lines and "his half-staggering gait was like that of a man walking in his sleep." Fortunately for the fate of our Union, there was no talk show to interview Mrs. Livermore. As the facts came out, one would hear Lincoln worry about his wife's health. We would learn of his unease about the fact his wife's own brothers served in the Confederate Army, a conflict of interest big enough to drive any commander-in-chief from office in the midst of a war.

Today's demands of the news business for a full medical report on the health of the President, would have revealed that just ten days after his second inauguration, Lincoln was so exhausted that he presided over his cabinet meeting from his bed. In addition to his physical problems, Lincoln had political problems with most of his cabinet. His Secretary of State, in the words of one diarist "was intensely anxious to control and direct the War and Navy movements, although he had neither knowledge nor aptitude that was essential for either." To further improve the functioning of the White Houe team, a breathless world would learn that some cabinet members did not even meet each other for months after their appointments.

Eventually, an enterprising reporter would have revealed the awful truth that the President was a politician and interested in staying in office, even at the risk of offending what some believed to be the priorities. Never was this more clearly illustrated than in the first meeting between the President and Charles Francis Adams, himself the grandson of a President. Brought to the White House by Secretary of State Seward, and expecting to get instructions regarding his appointment to be Minister to the Court of St. James', Adams thought that the President appeared disheveled in dress and distracted in manner. Lincoln offered his new minister no advice at all on foreign policy, but after greeting him briefly turned immediately to consult Seward about a post office appointment in Chicago. All of these details are true. But they had little to do with the quality of Lincoln's leadership in saving our Union.

Many of Lincoln's problems were reported and magnified by a hostile press, but in those days the news business was not the monolith it is perceived by many to be today. There were hotly partisan papers, and lots of them. Today the media, which monitor life in America around the clock, insist that they are neither liberal nor conservative, yet there tends to be a marked sameness in their views. Columnist Tom Wicker called attention briefly to a profound truth: "The press inevitably reflects in its attitudes and broadcasts the perceptions of the people who write and produce them. Their perceptions tend to be remarkably similar, since these men and women influence each other as well as the public."

We have moved a long way from our traditional values when a leak, however inconsequential its nature, will command far greater attention in the media than voluntary disclosure of all facts on a vital issue. It would now appear that leaked information, even when the transmittal of such material is in clear violation of the law, is now printed or put on the air unhindered by any rule of law or ethics.

While leaks are nothing new, the reception accorded them by the media is far different today from times past. When Senator Benjamin Tappan of Ohio gave a copy of the still secret treaty for annexing Texas to the *New York Evening Post* in 1844, the *Post* then, as it would now, printed it. An uproar ensued, Tappan admitted his part in it, and was thereupon censured by the Senate. This is a far cry from the leaking of the names of American intelligence officers with no effective censure from anyone.

In addition to a change in values, there is another vital shift in our society. An effective right of reply has always been a characteristic of a free society. As a practical matter, only an employee of the news business itself has the unlimited power of effective refutation. Recently when someone accused Walter Cronkite and John Chancellor of having at one time been CIA agents, they had all the time they needed to deny it on their own shows in prime time and their colleagues saw to it that the story died. Others of us would not have had that advantage, and might, like some victims of Senator McCarthy, chase a lie for 20 years. It is the power to pick page one or page 29, or no page at all that really matters. A journalist Leopold Tyrmand recently put it this way: "Deciding who stays on the stage and who leaves, while they keep the stage forever, gives them an air of invincibility that seems unpardonable to all those to whom democracy is instinct, intuition, and an elusive promise of something better. The real source of the media's monopoly is the formidable power of repetition, totally reserved for them. An opinion must be incessantly sustained to become earth-shaking or simply correct. We can imagine Copernicus writing letters to editors announcing that the planet is round, and having only one published. Should the media, for some reason, have preferred to claim that it is flat, Columbus wouldn't have set sail till now."

Most businesses, other than the news business, are accountable for their actions to some federal bureaucracy or court. If a mouthwash claims to prevent colds but is found not to do so, then a ruling with the force of law will require each new advertisement to carry a disclaimer. We have no pure news laws, and no bureaucracy, indeed no judge can require a network of a newspaper to retract a misleading story in specified type size for a specified number of days. No one would suggest such a law, nor should they. But in an age when corporate directors are properly being held acountable for management's transgressions of laws or values, directors of companies in the news business are often told flat out they cannot influence editorial policy. This caveat obtains even if directors perceive these policies are not in the public interest.

The recital of these facts is not in any way an attack on the First Amendment. Quite the contrary, I believe very strongly that a free press is absolutely essential to our liberty. Yet freedom itself can turn into license, and that is why accountability is required by society. The distinguished editor and journalist, Vermont Royster, recently put it this way: ". . . No man is free if he can be terrorized by his neighbor, whether by swords or by words; this is the justification of laws against violence and against libel and slander."

Power without accountability is an invitation to trouble. History teaches that when any sector of our society grows too powerful it is only a matter of time before that power is curbed. Usually the sector affected, be it business or labor or the police or the press, fails to appreciate why society is reacting as it is to what they perceive to be right and just. The news business which makes its money criticizing others reacts to criticism the same way you and I do. Senator Fulbright recently wrote that not all people who suggest the news business could be improved are Fascists, even though editors go "into transports of outraged excitement, bleeding like hemophiliacs" from the pin pricks of their critics. Like other sectors of our society whose power has become very great, some in the news business seem to believe that the end justifies the means. The "truth" must be revealed, no matter how obtained or how irrelevant, or how, in the judgment of legal authority, adverse to the public interest. A dedication to the truth is a noble objective. However, some truths are more significant than others, some have no significance. Some for the protection of privacy, some for reasons of state should not be told at all.

If we are to preserve the First Amendment—a guarantee of freedom not only almost unique in political history, but also precious to our democracy—the media should reflect that the effective functioning of a democracy requires the most difficult of all disciplines, self-discipline. The freedom of us all rides with the freedom of the press, but its continued freedom and ours will depend in the end upon the media not exploiting to the fullest their unlimited power. It can and must criticize the Government but it cannot replace constitutional authority by saying no secrets are valid.

Today on our Bicentennial then we have a situation unprecedented in the history of the world. When the founding fathers urged the adoption of the First Amendment, every state had sedition laws and libel was an effective restraint. Several state constitutions had restrictive clauses. No less a friend of liberty than Thomas Jefferson defended the restrictive Virginia statute: "While we deny that Congress have the right to control the freedom of the press, we have ever asserted the right of the states, and their exclusive right to do so." The sedition laws were repealed one by one, libel laws withered away, the Supreme Court extended the prohibition of the First Amendment to the states. For the first time man has created one sector of society with virtually no restraints in law or ethics, except self-restraint. Freedom of expression collides with the right of privacy on a daily basis. This poses questions for us all.

In a world in which one government after another gives up democracy, all of us must justify our freedom by the use we make of it every day. When freedom is abused until it becomes license then all liberty is put in jeopardy. History suggests that often liberty is curbed because we assert that any diminution of a raw assertion to freedom is too high a price to pay to preserve its substance. On our Bicentennial it should not be too much to hope that men and women of good will can learn to exercise the self-discipline required to discard license in time to preserve liberty.

FIRST AMENDMENT RIGHTS

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Ms. HOLTZMAN. Mr. Speaker, the Authors League of America calls our attention to a particularly flagrant example of a retrogressive trend on the part of Government agencies to abridge first amendment rights, including the right to learn through literature viewpoints with which we may disagree. I commend to you their letter of protest against a New York school district's book-banning order.

The text follows:

THE AUTHORS LEAGUE
OF AMERICA, INC.,
New York, N.Y., March 29, 1976.

Hon. EWALD B. NYQUIST,
Commissioner of Education,
State Education Building,
Albany, N.Y.

DEAR COMMISSIONER NYQUIST: The Board of the Island Trees School District has removed from its Junior and Senior High School Libraries several books, including "The Fixer" by Bernard Malamud, "Laughing Boy" by Oliver LaFarge, "The Naked Ape" by Desmond Morris, "Down These Mean Streets" by Piri Thomas and "Black Boy" by Richard Wright. This action sets a sad example for New York school students of fear of the printed word, intolerance and a total disregard for the First Amendment. It is incredible that adults entrutsed with administerng a school district in New York could engage in such an act of book-banning.

The Board obviously is incapable of understanding that the freedoms to read and to teach were guaranteed by the First Amendment to prevent government officials from suppressing books of which they disapprove. If these valuable works, two of them Pulitzer Prize winners, can be banned by a majority of the Island Trees Board at this time, so can the next book which offends that majority, and the next, and the next. And when a new majority with other political or literary predilections supplants them, it could purge the District's library shelves of those books which it finds repugnant.

The selection of books for school libraries should be the responsibility of the District's professional librarians and teachers. If school board members can override these professional judgments because of their political or social views, or "literary tastes," then freedom to read and teach are in serious danger.

The Authors League urges that the Department of Education adopt regulations to protect these essential freedoms against such censorship. School boards should not be permitted to remove books from libraries or reading lists without a public hearing. Adequate notice should be required and defenders of the book given full opportunity to speak on its behalf. The School Board's decision should be in writing, setting forth the specfic educational reasons which the Board contends justify removal or banning of the book. Professional personnel or residents of the school district should be permitted to appeal book-banning orders directly to the Commissioner of Education, with a minimum of delay.

Since more than fifty years have passed since the Scopes Trial, it is time for New York to adopt adequate safeguards to guarantee for teachers and students the constitutional freedoms for which Clarence Darrow and Arthur Garfield Hays fought so gallantly.

Sincerely yours,

IRWIN KARP.

EDITOR LEON SMITH

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. BRINKLEY. Mr. Speaker, it was with a great sense of shock and sadness that I learned today of the untimely death of Leon Smith, one of Georgia's most courageous and dedicated journalists.

As the editor of the Thomaston, Ga., Times and Free Press, Leon was often a crusader and always an objective reporter. Regardless of his editorial views—which always remained on the editorial pages or in his personalized "N.R."—Not Responsible—column, his news pages were always open for objective reporting of all the news.

Ever a man of his word, Leon frequently would call my Washington office to talk with me or my news assistant, or on occasion we would call him with an announcement of interest to his beloved Thomaston and Upson County. He would always say something like, "We'll give it good play," or "I'll open up some space right away before we go to press," and he would do it. He believed in the public's staying informed of what was going on in Washington and the Congress.

A man with the courage of his convictions, Leon sometimes took on controversial issues. One example which comes readily to mind is the Spewrell Bluff Dam project in his county, which stirred up more than a little dissent. Leon supported the project to the end, but never abused the privilege of running a newspaper by preventing the other side from being heard. He did this on other issues as well.

This was Leon Smith: a newspaperman through and through, with the tenacity of a lion when it came to the public good, but the gentleness of a lamb when it came to hearing your viewpoint. We will all miss him, and professional journalism today has one more slot that will be very difficult to fill.

To his dear wife, Mildred, and family, there can be little solace at this time. I have been in their home and have seen the intense caring one for the other. I have seen the family pride on the important family occasions, such as when Al got his senior class ring. And even if I had not known Leon, I would have judged him to be a gentleman because of his son. We played tennis once and it was I who was provided the best equipment at hand, which was Al's.

Mr. Speaker, I came to know and love this man, because he was a good man. He was a considerate friend whether at the rostrum, together at a civic club, or in Washington, D.C.

He has left a principled legacy of living for us to remember with pride and to emulate as the very good example of a brother and fellow man.

FEDERAL AND STATE AID IS STILL TAXPAYERS' MONEY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. LENT. Mr. Speaker, as we proceed presently to consideration of budget resolutions, we can anticipate that almost everybody will want to hold down the growth of Federal spending—except in the program area in which one is interested. In this connection, my colleagues might do well to heed the words of Mr. Robert L. Morgan, publisher of the Mid-Island Times, the Jericho News-Journal, and the Syosset Advance, in the following editorial which appeared in the March 12 editions of these newspapers in Nassau County, N.Y.:

THINKING IT OVER

(By Robert L. Morgan)

When the late President Harry Truman said, "The Buck stops here" the buck he was talking about was a much smaller one than is now being passed to President Ford.

It appears that every division of government, right up to the state, is engaging in the deception to taxpayers that there is some entity in Washington who will pay the high cost of government.

Governor Carey got up his message to the Assembly with the idea that taxes won't have to be raised if the Federal government pays the bill. The local school districts keep pushing that the state should pay more of the load. And, all of this deception only adds up to one thing. If more money is spent by governments, more money has to be paid by the taxpayers.

It matters little whether you call the tax a U.S. Income Tax or a State Tax or a School Tax, the taxpayer is going to pay it.

With little respect for the intelligence of the people, politicians and people from local areas will sound off with impassioned pleas for more aid from the State or the Federal Government when they know full well that they are deluding the taxpayer. He is supposed to stand and clap his hands while being fooled.

Obviously, it is just plain buck passing because the local or state official wants to be thought of as the person who does things for people and not just one who asks them to pay for the service. This is all classed as good politics, but it is also very poor economics.

The reason it is poor economics is because the state does not get back one dollar for every dollar it sends the Federal Government. Under an analysis by the Citizens Public Expenditure Survey Inc. last year it showed that New Yorkers must send $1.41 to Washington to get back $1.00. The reason is that aid is usually apportioned according to economic circumstances and the poor states get back more than $1.00 for each one sent to Washington. But even if this were not the case and a new sharing plan were devised, the cost of collecting and managing and clerical working would never give back $1.00 for each one collected. So, the cost of hypocrisy in government is also an added expense for taxpayers.

YOUNG CETA GRADUATE POLICE OFFICER, LOUIS RAZO, WINS MADERA OFFICER OF THE YEAR HONOR

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. SISK. Mr. Speaker, it gives me pleasure to call to the attention of this House living evidence of the resultfulness of the Comprehensive Education and Training Act as exemplified in the police department of the city of Madera. All too often we hear of this act's alleged failures. We are told that CETA is not used to train persons into permanent jobs in public employment, but is a kind of short-term work relief that vanishes when Federal funding runs out.

The city of Madera, which I have the honor to represent, has applied CETA funds in the spirit of the act itself. Today, I want to tell the story of one CETA employee, a 19-year-old youth who was chosen for employment as an officer-trainee in that city's police department. This youth, Louis Razo, applied himself so diligently and with such fine spirit that he was soon given an important undercover assignment—to find the sources of the narcotics flow in the community. Using his training in police methods in combination with his ability to mingle with youthful users of narcotics, he was able to assemble for his superiors a blueprint of the narcotics trade in Madera. He obtained evidence which led to numerous arrests and a complete breakup of the narcotics traffic. When his role in the arrests was revealed, he was subjected to threats and abuse to himself and his family, but he stuck courageously to his task and his testimony was responsible for important convictions. In recognition of his achievement, young Officer Razo was selected as Officer of the Year for Madera by the Madera Exchange Club which annually selects the police officer whose work has been the most outstanding. Officer Razo has been hired by the Madera Police Department as a permanent member of the force. With his fine beginning, I am sure he will continue to be a valuable addition to the forces for law and order in Madera. The CETA funds that helped train this officer have already been more than repaid, in his work thus far. They will continue to prove the wisdom of their investment for years to come. I am sure you join me in saluting CETA graduate, Officer Louis Razo of Madera, Officer of the Year.

FOR BASE REALINEMENTS

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. MEZVINSKY. Mr. Speaker, yesterday, the Secretary of the Army announced a so-called study for base realinements that was purported to "improve Army combat capability by reducing nonessential overhead and support personnel and associated costs."

That sounds good and we are all for that, in principle. But, it is the Army's tactics that are so galling. Ever since I first came to Congress, a vast amount of my time has been spent in trying to predict when the next reorganization will be announced, where the realinement will come, and how much time we will have to scrutinize their decision and make our views known. The Army has consistently employed a style of gamesmanship designed to reduce the time between congressional discovery and implementation to the maximum extent possible. This latest move is no exception. We are told we have 30 days to comment on a plan that is so imprecise that it is not even down on paper.

I am personally acquainted firsthand with the case of the Rock Island Arsenal. On every occasion decisionmakers have proudly predicted that the "future looks rosy for the Rock Island Arsenal" and cited budget and staff recommendations to prove their forecast. At the same time, our community has thirsted for these words in the face of the latest sortie of Army job cutting. Now, when the economy is so uncertain and unemployment so devastating, the Army has fostered reassurances that jobs would be secure—until yesterday, when 320 more Quad City jobs were put in jeopardy.

This kind of manipulation of employee lives and hopes is unconscionable. The Army has refused to permit the community and the Congress to have any real voice in the decisionmaking. And, their continued misdirection destroys credibility. How can they expect Congress to meet their insistent demands for more and more tax dollars if the military systematically misleads countless Members about the installations in their home district? How can they expect the public to heed their claim to bigger and bigger shares of the Federal budget when they so callously treat people as pawns in their endless reorganizations?

Unfortunately, the Army seems to never learn.

CONGRESSMAN JOHN BRADEMAS AWARDED HONORARY DOCTORS DEGREE BY THE UNIVERSITY OF EVANSVILLE

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HAYES of Indiana. Mr. Speaker, I was very pleased as I am sure my colleagues in the House of Representatives will be to learn of the recent award to my distinguished colleague from Indiana, Congressman John Brademas, of the degree of Honorary Doctor of Humane Letters by the University of Evansville.

The citation accompanying the degree was read by Wallace B. Graves, president of the university, on the occasion of Founders Day, at which Mr. Brademas delivered the principal address.

I insert in the Record the text of this citation:

Congressman John Brademas Awarded Honorary Doctor Degree

John Brademas, Native Hoosier, distinguished scholar, eminent public servant, devoted churchman, the University of Evansville, upon the occasion of its one hundred and twenty-second anniversary extends to you its admiration and gratitude.

At a time when the nation's confidence in the integrity and resourcefulness of its political institutions has been measurably shaken, you are a source of renewing faith and reassurance. You are a statesman of classic stature, a man of uncommon intelligence, of compassionate understanding, and great courage.

At a time of unprecedented change in human affairs, you are helping educational institutions of many kinds to comprehend the bewildering complexities of contemporary life and to find the way towards survival with dignity.

You have a rare sense of the priorities among the needs of this nation and among the world's people. You give vital leadership both in the work of government and of your church.

Therefore the trustees and faculty of the University of Evansville have authorized me to confer upon you, John Brademas, the Honorary Degree, Doctor of Humane Letters, with the rights and responsibilities which are incumbent and with a full measure of respect and good wishes for your continuing good influence in a world of great need.

PANAMA: THE AMERICAN CANAL

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. MURPHY of New York. Mr. Speaker, the debate on the Panama Canal continues unabated. Many of our colleagues have commented, both in this congressional forum and in the national media, that there can be no compromise in the threatened giveaway of the Panama Canal. But the Washington Post, in a recent editorial, seems to imply that there is something unreasonable about the American presence in the Canal Zone.

In my years in this body, I have heard no reason which compels me to believe there is any truth to that approach. I have responded to the Washington Post's position, and I wish to share that response with my colleagues:

House of Representatives,
Washington D.C., March 29, 1976.

The Washington Post,
Washington, D.C.

Gentlemen: The Post's recent editorial on the strike of American employees in the Panama Canal Zone is an outstanding example of selective, out-of-context commentary designed to present a singularly biased point of view. As a member and former Chairman of the House Subcommittee on the Panama Canal, I respectfully suggest you consider the following:

The "15,000 privileged American Zonians" are not, as you infer, an elite band of maritime robber barons who "profit personally from the maintenance of the status quo." They are simply employees of the independent Panama Canal Company who, like employees of other independent agencies such as the CAB, ERDA, EPA, EEOC, FEA, FPC, USIA, VA, USPS and dozens of others, have a serious grievance with their employer . . . the United States Government . . . but who have no place to turn when their local Governor is non-responsive, or who yields only to an Administration anti-personnel policy.

Key Canal jobs are open only to American citizens because the Canal Zone is American, bought and paid for in the most expensive land acquisition the United States has ever engaged in. We paid $10 million in the beginning, and have since purchased each individual plot from landowners. Over the years, we have invested nearly $7 billion in the development of the Canal. I can find no difference in maintaining predominately American operational control of the Panama Canal than in similar control of New York

Harbor, Pearl Harbor, or at every dock along the Mississippi River. American territory should remain in American control, not in the hands of foreign agents.

For that is precisely the case you have ignored. General Torrijos is not exactly the benevolent shepherd of Panamanian destiny which you portray. His is a corrupt military dictatorship, with proven world-wide drug smuggling connections, whose 1968 coup brought in the Communist party as the only one permitted by the 59th Administration in the 70 year history of the Canal.

Torrijos is the man who militarily seized the Panama Power and Light Co. and the Canal Zone Bus Service, Inc.—both American owned companies—under artificially concocted guises accusing the companies of subversive activities against the revolutionary government. The Power company was simply told to sell out—or else (at a $65 milliion loss), and the busses were hijacked and held "in protective custody" by the Guardia Nacionale. And in April 1973, it was Omar Torrijos, through the notorious General Noriega, who threatened U.N. Ambassador John Scali that if this country vetoed a U.N. Security Council resolution concerning the Canal, he had best do so from Tocumen Airport and then immediately leave the country.

Castro's "patient negotiations" to which you refer are supported by his promise that "to the struggle against the imperialists by 1.2 million Panamanians, we can add 9 million Cubans . . .", presumably in the same fashion Castro supports the Angolan crisis. And Torrijos has stated in no uncertain terms that if the United States does not knuckle under, there will be war. To quote the General, when he was asked what happens if the U.S. does not pull out of the Canal Zone soon: "Then we would have to walk the Ho Chi Minh trail. (It) is long, and exerts a heavy toll in blood."

I might add that Torrijos' urgings that Panamanians stay on the job during the recent strike could be expected to be successful—not because of a blind devotion to a marvelous leader, but because people who don't do as they are told tend to disappear down there.

Mr. Roosevelt hardly "imposed a one sided treaty on a supine Panama." At the time, plans were well advanced to run the Canal through Nicaragua. Panama's secession from Colombia was specifically engineered to maintain the Canal in the Isthmus of Panama. The Panamanian Declaration of Independence (Nov. 4, 1903) quite clearly outlines the Panamanian recognition that without the Canal, they would remain a backwoods jungle.

The Canal is the major source of income for all Panamanians, who receive much higher wages working for the Canal than in local endeavors, giving their country the highest per-capita income of any Central American country. The United States has invested $7 billion in the Canal itself, roads, schools, bridges, defense, and general maintenance of an American possession. The Panama Canal, which the United States built from a plague infested jungle, is the single most important waterway in the Western hemisphere. Seventy percent of its traffic either originates or terminates at American ports, and its passage cuts 8,000 miles and 20 days of travel from interocean travel.

There have been no less than six treaties negotiated before, during and after the opening of the Canal, all of which confirm American sovereignty in the Canal Zone. We bought it, and possess the deeds. We built it when no other nation could or cared to. And we continue to support its unstable political history with more than $200 million in health, sanitation and economic aid.

In 1967, House Minority Leader Gerald R. Ford said Administration attempts to give away the Canal were "shocking." The only thing more shocking today is that Mr. Ford allows Ambassador Bunker to continue treaty negotiations which the Congress cannot possibly ratify.

JOHN M. MURPHY,
Member of Congress.

BLOWING THE WHISTLE ON OSHA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HANSEN. Mr. Speaker, the high costs and high-handedness of big Government are ruining the Nation's economy and imposing severe economic hardships on all Americans, destroying the country's business and industrial climate with the resulting massive loss of employment opportunities.

On behalf of the oppressed, I am today launching "Operation Paul Revere," a national effort to alert citizens to avenues and actions which can protect their legal rights and individual liberty against bloated bureaucracy and unconstitutional Government regulations.

It is time to take on the reckless Congress and high-handed regulators through every remedial constitutional avenue open to the American citizen, whether it be legislative, executive, or judicial. The individual citizen is limited in his ability and means to fight the massive might of the Federal Government, but through coordination and organization, it has been done, it can be done, and we are going to see that it is done.

The first project for "Operation Paul Revere" is to stop the abuse of American citizens by the Occupational Safety and Health Administration. This agency is acting in oppressive, arbitrary, and unconstitutional fashion in direct contravention to due process, individual liberty, and right to privacy, and protection from selective enforcement of the law. To stop OSHA is to open the door to hopeful action against other similarly abusive Government agencies and actions.

"Operation Paul Revere"—or OPR—plans to deal with all aspects of OSHA's oppressiveness but its first action is to announce to the business community of the Nation that by recent court decision they can now reject the much hated OSHA warrantless searches under the shield of the fourth amendment.

Every businessman should consult his attorney to see how the possibility of joining this action will benefit him, and to strengthen this action as it passes final review before the Supreme Court.

Two fourth amendment cases are paving the way which can be used as patterns for other citizens to follow—one in Texas handled by Attorney Robert E. Rader, Jr., of Dallas, and one in Idaho with the law firm of Runfit & Longeteig of Boise.

The Dallas case—Gilbert's Products, Inc.—recently established a court opinion that the Occupational Safety and Health Act attempted "a broad partial repeal of the fourth amendment" and is "beyond the powers of Congress." The Idaho case—Barlow's, Inc.—pending before a three-judge district court panel involves similar logic and is an especially clear case for constitutional determination.

Although the U.S. Department of Labor has appealed the ruling to the U.S. Supreme Court, the law of the land now is on the side of any citizen who cares to join the effort against OSHA under proper guidance by legal counsel. It is clear OSHA does not intend to be bound by the fourth amendment and we now need to unite and fight in every way possible.

At issue is the Government's right to search without warrant or to have search authority without establishing probable cause as determined by a magistrate. Congressional authorization of such so-called fishing expeditions is a violation of constitutional fundamentals.

In OSHA, Congress has compounded its folly of continual unconstitutional delegation of powers by attempting to delegate authority to the Executive which they have usurped from the judiciary—a serious violation of the separation of powers doctrine and a person's right to due process.

Two other significant cases against OSHA under the Bill of Rights—Atlas Roofing Co., Inc., and Frank Ivey Jr., Inc.—involve Attorney McNeill Stokes, of Atlanta, Ga. These have been received by the Supreme Court and contend OSHA violates the right to trial by jury as guaranteed by the seventh amendment to the Constitution.

The issues in these cases are very grave and far reaching, involving a head-on collision with the power of the executive branch of Government to impose unilateral, self-executing fines on citizens without affording the fundamental requirements of procedural due process of law, the right to confront his accusers, and the right to be tried by jury in the courts, not by administrative officials of the executive branch of Government.

Another case against OSHA of note was won by Rapid City, S. Dak., businessman Ray Godfrey in a U.S. District Court which made it possible to give the Federal Government a taste of its own medicine—redtape. The judge ruled that a business does have a right to protect itself against phony inspectors and a written record of answers to questions "reasonably related" to the identification is permissible.

It is time to challenge OSHA and I intend for my office to serve as a clearinghouse for those seeking information on what has been done and can be done. Also, I am spearheading support for legitimate citizen efforts to help fund the efforts of those people of principle who are waging these expensive legal and constitutional questions to OSHA's authority.

"Operation Paul Revere" is designed to encourage united and coordinated citizen effort to reestablish in this Bicentennial Year the basic rights our Founding Fathers fought for and won for the people of this land 200 years ago.

Mr. Speaker, an excellent analogy of

two of the cases I noted was recently made by Columnist James J. Kilpatrick, which I include at this point:

Two Battles Won Against the Bureaucracy

The war against bureaucratic excess, as countless Americans know, is mostly a series of losing battles. You don't win many, but you do win a few. The business community, it is pleasant to report, has just won a major engagement in Texas and a brisk skirmish in South Dakota.

In both cases, the fight involved the Occupational Safety and Health Administration (OSHA). It is perhaps worth emphasizing that no businessman, in principle or in practice, is opposed to health and safety. The pervasive criticism of OSHA is not based on the need for safety, but on the abuse of power.

In the view of many employers, OSHA issues regulations without number and often without reason. Some of the agency's inspectors, it is charged, are both stupid and arrogant. Under the law, these inspectors have power to function virtually as prosecutor, judge and jury; the inspectors, in effect, can impose fines that can be appealed only at heavy cost. In many cases, the federal inspections duplicate or conflict with inspections by insurance companies and by state agencies. But to the extent that OSHA has made employers more safety-conscious, it may do good.

The major victory came Jan. 26 before a three-judge federal court in the Eastern District of Texas. The case involved Gibson's Products, Inc., a discount store in Plano. On Oct. 23, 1974, OSHA inspectors presented themselves at the stores and demanded admission to non-public areas. Gibson's refused, and they all wound up in court.

The 1970 act creating OSHA says that inspectors are authorized "to enter without delay and at reasonable times any factory, plant, establishment, construction site, or other area, workplace or environment where work is performed by an employee of an employer."

Gibson's took the view that the quoted provision violates the Fourth Amendment's prohibition against unwarranted searches. The three federal judges agreed. In an opinion by Circuit Judge Thomas Gibbs Gee, the court found that the act attempted "a broad partial repeal of the Fourth Amendment," and this is "beyond the powers of Congress."

In certain limited circumstances, said the court, federal agents may enter private property without a warrant. By way of example, agents may reasonably inspect such regulated and licensed activities as distilleries and gun dealerships. Agents may enter coal mines; they may inspect a pharmacist's records on drugs. But the Constitution does not permit "broad and indiscriminate inroads on Fourth Amendment safeguards, wrought in the name of administrative expedience." In brief: If an employer chooses not to admit OSHA inspectors voluntarily, the agents will have to get a judicial warrant under the familiar rules of probable cause.

In Rapid City, S.D., Ray Godfrey won his skirmish Feb. 19 before U.S. District Judge Andrew Bogue. Godfrey runs a small brake service. When a stranger purporting to be an OSHA inspector showed up last December, Godfrey demanded that the visitor prove his identity by filling out a detailed questionnaire that Godfrey had prepared for just such an occasion. The stranger balked, and OSHA took Godfrey to court.

Godfrey won a victory that was substantial if not total. Judge Bogue ruled that an employer may indeed demand that an intrusive public servant fill out a form of explicit identification, including such questions as "How long have you worked for this agency?" The court outlawed such impertinent queries as "Have you ever used an alias?" and "Do you have a criminal record?" and "What are your qualifications for your job?"

"It is the feeling of this court," said Judge Bogue, "that it might be possible, but not easy, to compress into the total lines contained in the OSHA law more fertile opportunities for doubt, error and abuse of individual liberties. The execution of this law, as opposed to the intent of it, leaves much to be desired."

The two judgments, and especially the Texas judgment, should relieve employers of some of the petty harassment that has rubbed them raw. OSHA inspectors, having been informed of specific violations, can still get warrants on a showing of probable cause. Well and good; but it won't be quite so easy, from now on, for them simply to throw their weight around.

REVENUE SHARING

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. LAGOMARSINO. Mr. Speaker, revenue sharing has long been an issue of great importance to me and my constituents. Many of my colleagues also share this concern. Therefore, I present for my colleagues' consideration an editorial from the Lompoc Record entitled: "Revenue Sharing."

Revenue Sharing

Are the citizens of states, counties and cities to remain puppets on the Washington string?

Congress seems to think local citizens can't be cut loose. Look what is going on in the House subcommittee considering re-enactment of the general revenue sharing measure.

First scene of the show goes like this: A bill is introduced calling for renewal of general revenue sharing for five and three-quarters years. The legislation provides predictable funding for long-range budgeting to states, counties and cities. Funds are simply a return of a portion of federal income taxes to the communities based on a formula. That formula considers state and local needs such as poverty level, taxes and population. How this money is spent is decided by citizens of state, county and city governments. There are few strings attached.

Scene two: House subcommittee begins voting on the bill. A seven to six majority says: "Let's just give states, counties and cities the money for one year at a time, Congress should control local spending. We don't trust citizens of local government to spend it for what they need. We know what they need."

Scene three: A Congressional minority says: "We think states, counties and cities know how to budget. Grass roots government is the balance of power in the federal system. Let the governments closest to the people decide how to spend the tax dollars."

Closing scene: This is the yet unwritten part for state, county and city government. It asks, are the strings necessary? Does Washington have the best answers? A chorus of local voices for long-term revenue sharing can change votes. Since 1972 when the program was first authorized, more than $30 billion will have been paid to pearly 39,000 state, county and city governments. The program expires Dec. 31, 1976. The end of the show is close at hand. Will the grass roots write the finale or will Washington?

THIS ELECTION RAP WAS OVERSTATED

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. RHODES. Mr. Speaker, last week, an organization known as Environmental Action, Inc., announced its "Dirty Dozen" list for 1976, allegedly comprised of Members of Congress who have shown a disregard for environmental issues. So arbitrary and questionable were the 14 votes on which this group based its ratings that close to 100 Members on both sides of the aisle have signed a letter asking the Fair Campaign Practices Committee to look into the ethical aspects of issuing ratings.

While we wait for the Fair Campaign Practices Committee to issue its judgment, we can derive encouragement from the fact that many members of the press have made an effort to go beyond slogans and examine the complete voting records of those Members adversely affected by the "ratings game." One good example is an editorial which appeared in the Warren Times Observer, of Warren, Pa. This responsible piece of journalism examines the environmental voting record of Congressman ALBERT JOHNSON:

[From the Warren Times Observer, Mar. 29, 1976]

This Election Rap Was Overstated

Nobody can label incumbent Rep. Albert W. Johnson a dedicated environmentalist. The Congressman's record shows his efforts have often been to pushing programs designed to aid the environment—but when those programs conflict with the economic issues Johnson has always defended with the highest priority, he has been apt to opt for the businessman's solution to the problem.

So if one were to "rate" his performance in Congress in terms of his support of environmental issues, Johnson's score would come no higher than the median. Though Johnson is perhaps best known in this area for his opposition to a proposed study of the Allegheny River's suitability for classification as a federal "wild" or "scenic" river, voters looking beneath the surface will find the Congressman has gone on record in a whole host of issues.

And in most of them, he has come out in the end as being against proposals that could be classified as "preservationist" or "restrictive." These stands have not endeared him to groups such as the Allegheny River Protective Association and others that have opposed his stance on specific issues.

But even Johnson's severest critics cannot claim that he has shown no interest in or concern for the use of our woodlands, waterways and other national resources.

One Washington group tried to claim last week that Johnson was among the "Dirty Dozen" in disregard for environmentally-oriented issues before Congress.

That's hogwash.

Environmentalists can find ample opportunity to criticize Johnson's positions if they examine his record on the issues.

But the man has simply not been that bad in terms of disregard of the environment. Rather, Johnson's principles on environmental issues seem from an examination of his record to be geared toward programs that would permit continued use of natural resources, by hikers, campers, hunters, sportsmen—and, yes, by business including oil and lumbering interests.

He has not been, as the "Dirty Dozen" appellation would seem to imply, either uninterested in or hostile to proposals attempting to preserve or protect our environment. He has balked at supporting proposals that put preservation or protection ahead of continued use that stimulates the economy and provides the nation with materials, jobs and products.

He is open to crticism, of course, on those positions. And in the past he has received criticism aplenty, including some stiff swipes in this space.

But though we might disagree with Rep. Johnson in several areas, we cannot condone this kind of broad-brush, half-truths attack that attempts to discredit the man on an arbitrary, capricious and wholly unsound basis.

The "Dirty Dozen" appellation hung last week on Rep. Johnson looks like a "cheap shot"—one the voters should spurn as they make their decision next month on the actual facts. Rep. Johnson is no crusading environmentalist; but on his voting record, neither is he a blithering brigand who would lay waste the environment which is his home as well as ours.

THE CONCERN OF OUR CITIZENS REGARDING FOREST LEGISLATION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. BROWN of California. Mr. Speaker, over the last few weeks, as national forest timber management has become an issue of interest, there has been speculation regarding the identity of interest groups in support of stricter forest management guidelines. Though it has been assumed by some that only "environmentalists" are in support of clarifying guidelines and parameters, it now appears that many other sectors of our society are becoming increasingly concerned and active in demonstrating their worries.

The following article and resolutions, which I would like to insert into the CONGRESSIONAL RECORD, express such hopes and concerns of citizens in Alaska and the business community. They will be eagerly watching our actions in the next few months.

The material follows:

[From Business Week, Oct. 20, 1975]

WHEN TO SPARE THAT TREE

For years, environmentalists have demanded that Congress set tougher restrictions on clearcutting in the national forests. And for years, Congress has ducked, leaving the Forest Service to decide how a particular tract should be lumbered.

Now an unexpected court decision has changed that. The federal district court in West Virginia has ruled that a forgotten law, the Organic Act of 1897, prohibits cutting anything except mature trees and old growth. The Fourth Circuit Court of Appeals upheld the decision in August, and the Forest Service reacted by stopping all timber sales in the four states in that circuit—North Carolina, South Carolina, Virginia, and West Virginia.

The critical need for this lumber makes it necessary for Congress to write new rules. And it should make the most of the opportunity.

Clearcutting is not always bad. Some stands of timber—Douglas fir, for instance—will regenerate themselves faster if the lumbermen make a clean sweep and give new seedlings maximum light and air. But on steep slopes, fragile soil, and the banks of streams, clearcutting destroys not only the forest but also the land beneath.

The record of the Forest Service in supervising clearcutting is spotty. Like any government department, it sometimes gives in to strong political pressure. Even the timber industry will acknowledge that there have been cases in which the service allowed wholesale leveling that created water pollution, soil erosion, and other environmental damage.

A set of standards for timber management, established by Congress, would stiffen the Forest Service's back when necessary. It also would answer the complaints of lumbermen who say they have no way of knowing when they will be allowed to clearcut.

STATE OF ALASKA BOARD OF FISH AND GAME RESOLUTION

RELATING TO TIMBER CUTTING IN SOUTHEASTERN ALASKA

Whereas, the U.S. Forest Service has entered into contracts with private timber cutting companies for the taking of timber from the Tongass National Forest which comprises the bulk of the Southeastern Alaska wild, and

Whereas, the parties proceeded on the basis that there was enough available marketable timber in the Tongass Forest to fulfill these contracts and established three categories of areas for cutting based on the estimate af available timber, and

Whereas, since the commencement of these contracts, vast acreages have been withdrawn from the original contract area to satisfy the terms of the Alaska Native Land Claims Settlement and there is question concerning validity of original timber inventories, and

Whereas, cutting operations have already been permitted to move from price contract to contingency areas such as Tenakee Springs, Freshwater Bay, Port Frederick, and Kuiu Island, and

Whereas, cutting obligations appear to be leading to the inclusion in this cutting area of Kadashan Bay, an area rich in crab and containing one of the prime salmon spawning streams in Southeastern Alaska which has heretofore been set aside as a vital watershed research area and which, Fish and Game Department biologists believe, will have considerable future value as a research area, and

Whereas, it would appear from the recent published Tongass National Forest Land Use Planning Statement (ID # 75012301) that the Forest Service further proposes to allow cutting practices designed to maximize the board footage cut without specific provision for watersheds, fish and wildlife protection or the preservation of existing land; commercial, subsistence and recreational fisheries and other vital water uses, for example:

a. There appears to be no adequate concern or provision for protection of the estuarine and stream communities valuable to salmon, trout; king, tanner and dungeness crab; clams, scallops, herring, cod, halibut and other species. No guarantees are established with regard to broad stream buffers. The effects do not appear to be considered by the Forest Service as detrimental to fish and shellfish habitat. Log dumps, rafting and towing activities may cause the physical interruption of the fisheries.

b. The clearcutting authorized in the contract drastically changes fish and wildlife habitat and causes permanent changes to the ecological system.

c. Adequate research on the protection of birds and waterfowl has not been completed, and

Whereas, extensive and in depth criticism of the U.S. Forest Service proposal is set forth in the Department of Fish and Game's Memorandum attached hereto and incorporated herein by this reference, which memorandum is hereby endorsed.

Now therefore the Board of Fish and Game resolves that the Department of Fish and Game should pursue a policy of habitat protection and take such steps as are necessary to require revision of the proposed Land Use Plan (ID No. 75012301) insofar as the same threatens irreparable damage to this state's renewable fish and wildlife resources, and

Be it also resolved that if, on review, it appears inadequate timber sources are available to satisfy the present contract commitments without sacrificing vital fish, wildlife and recreational uses of the State, that the State seek to have the U.S. Forest Service and the contracting parties abrogate or renegotiate their contracts to bring harvest levels into reasonable balance with other valuable renewable resources.

Copies to be sent the U.S. Forest Service, Secretary of Interior, Timber Companies contracting with the U.S. Forest Service in Southeastern Alaska, Director of Sport Fisheries and Wildlife, Secretary of Agriculture, Governor of Alaska and Alaskan Congressional Delegation.

LEGISLATURE OF THE STATE OF ALASKA, SENATE JOINT RESOLUTION NO. 12

RELATING TO THE PERENOSA TIMBER SALE ON AFOGNAK ISLAND

Be it resolved by the Legislature of the State of Alaska:

Whereas the Perenosa timber sale on Afognak Island is presently being pursued in the face of widespread opposition from the public, the Kodiak borough, local legislators, and Koniag, Inc., the local Native corporation; and

Whereas questions raised in administrative appeals, including the uncertainty of reforestation, the effect of herbicides, insecticides and road building on salmon spawning streams, and the elimination of critical elk and bear habitat, have never been satisfactorily answered by the Forest Service; and

Whereas repeated requests for a stay of activities pending appeal were turned down by the Forest Service; and

Whereas the wildlife, commercial and sport fish, and recreational resources within the sale area are extremely valuable to the citizens of the state and will be particularly important in satisfying the growing recreational demands of Anchorage and the entire southcentral area; and

Whereas since the sale was made, land selections by Native corporations on Afognak seriously limit the amount of suitable land available for general public use and further question the advisability of committing 120,000 acres to single purpose use at this time; and

Whereas the Forest Service's own Forestry Sciences Laboratory, which cautioned against large-scale logging on Afognak until more is known about the island's soil instability and special reforestation problems, was largely ignored; and

Whereas large-scale cutting of Afognak timber, bound for Japan, ignores the larger public need for a balanced utilization of Alaska resources and provides little more than a minimal dollar return for Alaskans; and

Whereas this return, only 25 per cent of the net sale price, is only a token amount considering the probability of having to hand plant seedlings, the loss of recreational resources to the state, the added services required, and the degradation of critical commercial crab and salmon spawning and rearing areas;

Be it resolved that the Ninth Alaska State Legislature respectfully requests the Secretary of Agriculture to negotiate for bilateral cancellation of the Perenosa timber sale contract, based on changed circumstances and public protest, or, as a minimum alternative, modify the present contract to better protect the nontimber public resources of the area, including a reevaluation of the size and location of the cutting areas, and provision for protection of state waters from pollution.

Copies of this resolution shall be sent to the Honorable Earl Butz, Secretary, Department of Agriculture; the Honorable John B. McGuire, Chief, United States Forest Service; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

A DISCOURSE ON THE POLITICS OF NURSING

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. RIEGLE. Mr. Speaker, registered nurses are the largest group of licensed health professionals—over 850,000—and active in all aspects of health care including hospitals, nursing homes, clinics, industry, community and mental health centers, research, and teaching. In addition, nurses are now establishing themselves as a strong political influence in the area of health care legislation. The Nurses Coalition for Action in Politics—NCAP—is one group which is encouraging nurses to participate in the political process at every level. Nurses are beginning to take an increasingly active part in the legislative process at the national level. Recently, they were one of the groups who successfully pushed for an override of the President's veto of the 1976 Labor-HEW appropriations bill.

A faculty team at the University of Michigan in Ann Arbor, Dr. Beatrice J. Kalisch and Dr. Philip S. Kalisch, have written an interesting article, "A Discourse on the Politics of Nursing," that I would like to insert in the Record for the interest of my colleagues:

A Discourse on the Politics of Nursing

(By Beatrice J. Kalisch and Philip A. Kalisch)

In observing that "the mass of men lead lives of quiet desperation," Thoreau used the traditional masculine gender, but astute observers today will have to admit that "quiet desperation" aptly describes the political life and status of the nurse.

Nurses belong to one of the largest (850,000 active RNs) and most neglected groups in our voting population. Politically, most nurses are unorganized; they are neither joiners nor participants. The nurse does not usually have the time, the energy, the available resources, the self-direction, the confidence, the assertiveness, or the will to move into active roles in our government. No nurse has even been elected to Congress and, so far as the writers know, none have attempted such a challenge. Only a handful have served in state legislatures and in local government. Yet nursing is inevitably becoming more and more shaped by political decisions.

Nursing and politics have ordinarily been studied as separate subjects; when political decisions affect nursing programs, such separation is no longer possible. Of course most nurses abhor the idea that politics could ever be involved in any of their policies, deliberations, or activities. Nursing must indeed always be above the various confines of favoritism, corruption, or specialized interest. It must be in the "patient's interest." But such conceptions are merely the products of the language of symbolism used. Decisions are not made in a patient-interest vacuum. The symbols serve to ornament the prose rather than to inform one about objective reality.

WHAT IS POLITICS?

The heart of politics concerns power and the allocation of scarce resources. To be sure, many nurses will react to "politics" as though it were a dirty word. Such a feeling is not without justification. Politics is a hard and cruel business, especially so when related to health care and matters of life and death. It is cruel because it involves conflict, and in any competitive struggle for scarce resources not everyone can emerge victorious.

Since nursing is constantly subjected to the constraints of scarce resources, politics inevitably enters into all phases of the nurse's life, realized or not, with its implication of a severe form of favoritism or corruption. For example, when a nurse hears that politics was involved in an arbitrary decision to freeze nurse's wages, she might automatically conclude that some other group or category received a favor or benefit to which it was not entitled. Now if the benefit or favor was outside the limits of the law, corruption was obviously involved; if legal requirements were met, then the appropriate label would simply be "power politics."

Politics concerns the promotion of one's interest group and the *use* of whatever resources are available to protect and advance that interest. Such activity may or may not involve corruption, favoritism, and collusion. Nursing is a political matter, and those who take the responsibility to understand all that this implies are better off than those who undertake their work without knowledge of nursing's political dimensions. The way that nurses have been manipulated, historically, both from within and outside the profession, often reminds one of a hot knife cutting through butter.

Traditional worship of authority, still sometimes inculcated through the educational process, the socialization of the young nurse in the mores of the institution, the reliance on those above to make the right decision, the fear of questioning and generating open controversy—all combine historically and currently for political naiveté in nurses as a class. In addition, nurses are often young women, many of whom eventually leave the profession altogether, or severely limit their interest and participation after they become married and begin to rear families. From the professional interest group point of view, this turnover in membership is a debilitating factor in terms of maintaining a cohesive, active membership base as a political resource with which to advance the meritorious and to discourage eroding factors.

The benign neglect of political factors in the education of nurses fosters the omission of a critical element in understanding, planning and executing nursing services. A simple course in American government as part of a general education requirement is no substitute; nursing is unique insofar as applying the principles of politics is concerned, and a course in "politics of nursing" is desperately needed. For whether they like it or not, student nurses will be increasingly involved in a political environment as they embark upon their professional careers. The ones who succeed will be the ones who learn to understand it, adjust to it, and turn it to the advantage of their profession. This is not to imply that schools of nursing should consign their curricula to such a study, but political factors in nursing should not entirely be ignored.

Politics also includes all efforts to influence public policy, which is to say the decisions and actions of public officers and employees. Legislative, executive, and judicial bodies are not unified forces. "The Congress" simply does not exist in reality. Congress is composed of numerous subgroups, particularly committees, which exert power in the policy-determining process.

THE CONSEQUENCES OF POLITICAL NEGLECT

The communication most state legislators or congressmen have with their districts inevitably puts them in touch with organized groups and with individuals who are relatively well-informed. The representative knows his constitutents mostly from dealing with people *who do* write letters, *who will* attend meetings, *who have* an interest in his legislative stance. Thus his sample of contacts with a constituency of several thousands or several hundred thousand people is heavily biased; even the contacts he apparently makes at random are likely to be with people who grossly overrepresent the degree of political information and interest in the constituency as a whole. Are nurses, despite their large numbers and potential political clout, likely to be considered as long as they continue to remain relatively silent?

As an example of politics in action, the outright disdain that the nation's most powerful politician has for nursing was amply documented in the President's veto of the Nurse Training Bill on January 2, 1975 and again on July 25, 1975. He arbitrarily determined that the "measure would authorize excessive appropriations levels—more than $650 million over the three fiscal years covered by the bill. Such high federal spending for nursing education would be intolerable at a time when even high priority activities are being pressed to justify their existence."

Such reasoning is hard to believe when Americans are spending over $115 billion annually for all health services and nursing education is valiantly attempting to pull itself up and into the mainstream of meeting its demands. Also without apparent foundation was the additional statement that—

"This act inappropriately proposes large amounts of student and construction support for schools of nursing. Without any additional federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

"Such an increase suggests that our incentives for expansion have been successful, and that continuation of the current federal program is likely to be of less benefit to the nation than using these scarce resources in other ways. One result of this expansion has been scattered but persistent reports of registered nurse unemployment, particularly among graduates of associate degree training programs."

That unemployment in the auto industry was excessive no one would deny. but all across the nation help wanted ads for nurses remained consistently high according to a March, 1975 survey by the American Hospital Association.

Although the second Presidential veto was quickly overridden by Congress, it was obvious that the vetoes of the Nurse Training Acts of 1974 and 1975 were political decisions and nurses were again being acted upon rather than acting upon. They were expendable and a whole host of much less justifiable politically "sacred cows" were not. As long as politics is treated by nurses as a forbidden field, misinformed outsiders professionally skilled in its mysteries can impose their will on nursing. Thus defeat of proposals that seem reasonable to nurses may continue to appear like an infuriating, indefensible betrayal of "patient interest" rather than as an adjustment or trade-off among a variety of competing claims.

INSTITUTIONAL POLITICS

Institutional politics, based on many of the same principles, plays a large role in the nurses daily life and also deserves close attention. Hospitals and schools of nursing are political structures. They provide the framework for health care professionals to develop careers and therefore provide platforms for the expression of individual interests and motives. The advancement of a nurse's career, particularly at the higher administrative levels, depends upon the accumulation of power as the vehicle for transforming individual interest into activities which influence other people. "Selling out nursinig" from a professional standpoint in order to attain and maintain professional advancement is frequently regarded as necessary for an ambitious nurse to move up the political pyramid of the hospital or university, given the locker-room mentality of the political elite in health care.

A LESSON FROM MACHIAVELLI

We can learn something along these lines by harkening back more than 460 years to 1513, when Niccolo Machiavelli, an Italian patriot deeply involved in the diverse political maneuvers of sixteenth century Italy, addressed pertinent advice to Lorenzo de' Medici which was later published as The Prince five years after his death. In this short book Machiavelli undertook to treat politics scientifically, judging men by an estimate of how in fact they do behave as political animals rather than by ideal standards concerned with how they ought to act. The hardheadedly consistent refusal of the author to submit political behavior to moral tests has earned the name "Machiavellian" for amoral instances of power relations among nation states and other organized groups.

Machiavelli understood how success is always a minimal conditions of political greatness. In *The Prince* he presents a manual of advice on the winning and retention of power. He never pretended that his book was a guide for the virtuous. On the other hand, he did not set out to prescribe the way to wickedness. He meant his account to be a practical guide to political power. Machiavelli realized that men seldom get to choose the circumstances most favorable to their political hopes. They must settle for what is possible rather than for the ideal.

In reading the following extracts from *The Prince*, substitute "physician," "hospital administrator," "nursing service director," or "dean" for "Prince" and apply these Machiavellian maxims to authoritarian situations in health care delivery and nursing education and service:

A Prince should be concerned for the people he governs only to the extent that such concern strengthens his hold . . .

A Princes good Counsell ought to proceed from his owne wisedome.

A Prince above all things ought to wish and desire to bee esteemed Devout, although he be not so indeed.

A Prince ought to sustaine and confirme that which is false . . ., if so be it turne to the favour thereof.

A Prince need not care to be accounted Cruell, if so be that hee can make himselfe to be obeyed thereby.

A Prince ought not to trust in the amitie [good] of men.

It is better for a Prince to be feared than loved.

Cruelty which tendeth and is done to a good end, is not be to be reprehended.

A Prince ought to exercise Crueltie all at once: and to doe pleasures by little and little.

A vertuous Tyrant, to maintaine his tyrannie, ought to maintain partialities and factions amongst his subjects.

A Prince ought alwaies to nourish some enemie against himself, to this end, that when he hath oppressed him, he may be accounted the more mightie and terrible.

A Prince ought to know how to wind and turne mens minds, that he may deceive and circumvent them.

A Prince ought to have his mind disposed to turne after every wind and variation of Fortune. [A man for all seasons].

A Prince in the time of peace, maintaining discords and partialities amongst his subjects, may the more easily use them at his pleasure.

The meanes to keepe subjects in peace and union and to hould them from rebellion, is to keepe them always poore.

A Prince ought to commit to another those affaires which are subject to hatred and envie, and reserve to himselfe such as depend upon his grace and favour.

Fear of introducing a more democratic climate in nursing education and service is evidenced by such typical occurrences as:

Selection of deans of schools of nursing and directors of nursing service by committees dominated (overtly or covertly) by physicians, hospital administrators, and others rather than by a democratic consensus among the nurses.

Failure to consider the vital issues of administration, such as the budget, in open meetings and instead concentrating on relatively meaningless trivia.

Unquestioned acceptance of all directives from above and the expectation of the absolute acceptance of directives given to those below (the military model of command).

Excessive obedience and worship of authority by staff nurses and faculty members and the lack of open constructive criticism of administrative policies even though the interest of patients is involved.

THE DESIRABILITY OF DEMOCRACY

Nursing and patient care will enormously benefit by greater use of democratic principles such as: delegating specific authority to specific nurses for specific tasks by democratic procedures; requiring all those to whom authority has been delegated to be responsible to those who selected them; distributing authority among as many nurses as is reasonably possible; rotating tasks among individuals; communicating the vital information as frequently as possible; and providing equal access and open allocation of scarce resources. When such principles are applied, they insure that the political structures that are developed will be controlled by and responsible to *all* the nurses. The Machiavellian nurse administrator will be forestalled as those occupying positions of authority will be more "open," flexible, and subject to votes of confidence. They will not be able to accrue power and become authoritarian, because ultimate decisions will be made by the group at large.

Unquestioned support of the status quo implies that nurses accept such incongruous facts as the continuation of the physician as the last of the big time private entrepreneurs in addition to his practicing medicine. As long as the great gulf remains between the power of physicians and nurses, as long as physicians exercise power politics and nurses abhor politics, the opportunity for nurses to participate responsibly on the American medical care scene will be muted. What is more, the junctures between nursing and national, state, and local politics will be governed overwhelmingly by forces external to the profession.

The price of silence is deadly high. Health care in the United States is currently in a drastic state of flux. Nurses are under attack from both above and below. The emerging allied health professions encroach upon responsibilities that were once exclusively those of the nurse. At the same time schools of nursing and related governmental offices are pyramided with such bureaucratic structures as a "college of health professions" or a "department of health manpower," diluted of much of their power, and placed under the direct jurisdiction of a non-nurse. In addition, the coordination between the nurse practitioner and the physician's assistant or associate remains unresolved. What is more, the exact form and nature of impending national health insurance legislation needs a larger nursing input.

THE CHALLENGE AT HAND

Greater political consciousness will occur as there is an increase in the number of single nurses, unlike their predecessors in the 1940s and 1950s who married young, became mothers early, and had no opportunity to see themselves in any way but in relation to parents, husbands, or children and not as professionals. Political consciousness raising for nurses has had some small beginnings such as the birth of Nurses' Coalition for Action in Politics (N-CAP). Indeed it may be further fed by the social ripples of the activities of such women's liberation or rights groups as the National Organization for Women (NOW) and the Women's Equity Action League (WEAL). Waiting for such external forces, however, is not the solution. Nurses' Coalition for Action in Politics and ANA's lobbying activities are proper openings for developing greater intelligence and action concerning effective political pressure points on behalf of nursing.

Inevitably, tens of thousands, perhaps hundreds of thousands, of nurses will still retain a detachment, apathy, or outright hostility to anything associated with politics. Many of these nurses are so caught in their present mindset as nurses, women, and mothers, as to be prevented from gaining a true political consciousness or having the time or energy to do anything even if their consciousness were raised. What is more, development of such an outlook runs counter to numerous strong interest groups.

Politically speaking, the model nurse is not the quiet, submissive, hardworking individual who makes the best of every situation, but the cold, calculating professional who uses all available resources to advance the health care world around her. The model nurse seeks power: the capacity to help determine her own and others' action for improving patient care in all its dimensions. Perhaps the most important political change, which an alteration in the nurse's role portends, is the possibility of an improvement in the lopsided balance between values of power and cooperation among the nurse and physician groups. When physicians and other political elites are resocialized to some of the nurse's values, greater cooperation in decision making will subject outmoded constraints on the nurse to the glaring light of objectivity and promote open analysis of roles and responsibilities as the basis of costs and benefits to the public.

The failure of nurses to become a viable political force as a group is only a reflection of broader trends. Any area in which women have dominated has generally been considered nonpolitical. Since politics by definition is concerned with the interplay of power relationships, and involvement with power is somehow a masculine attribute, most nurses will tread on foreign ground. But if the political manipulation of nurses becomes apparent to the rank and file, the results are likely to have an effect that is opposite to that intended. Previously nonpolitical subjects will almost always become political when reality comes to be perceptibly discordant with social myths and when an interchange of information creates organizational action. In recent years, action on the part of women has brought into the political arena such topics as birth control, abortion, and child rearing and freed them from the traditional role prescription and psychological terms in which they were formerly enmeshed.

Politics is an art and not a science. The "rules and regulations" are guidelines only, and within the guidelines there is wide latitude for flexibility and maneuver. The art of advancing nursing depends upon people, timing, and events; personalities, luck, and know-how are as important as the rules and regulations. Opportunism, compromise, trade-offs, and timing are not necessary evils, but the basic and legitimate principles of operation. The employment of practical politics by nurses can not accomplish for nursing that which is not within the material or intellectual capacities of nurses. It is at once the weakness and strength of politics in a democracy that the fate of its members lies largely in their own hands. Where power rests ultimately upon the political participation of all nurses, it is their wisdom, collectively formed and expressed, that will determine its degree of success.

ELECTING THE "RIGHT MAN" SIMPLY ISN'T ENOUGH—A STATEMENT BY ADLAI STEVENSON

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. BRADEMAS. Mr. Speaker, I am inserting in the RECORD an article excerpted and adopted from a speech delivered at the Los Angeles Town Hall by the late Adlai Stevenson in 1952, during his first campaign for the Presidency.

The article, "Electing the 'Right Man' Simply Isn't Enough," appeared in the March 21, 1976, issue of the Washington Star:

ELECTING THE "RIGHT MAN" SIMPLY ISN'T ENOUGH

(By Adlai Stevenson)

A candidate has to talk and I think he should talk as plainly as possible about public questions, to admit what he doesn't know and what he can't answer.

If he purported to know the right answer to everything, he would be either a knave or a fool. If he had no emphatic veiws at all, he would probably be just as untrustworthy; and if he was evasive, he would probably be either cunning or a political coward, of which we have altogether too many; and finally, if he should arrive at election time with almost everybody satisfied, then you should by all means vote against him as the most dangerous charlatan of them all.

In other words, you who try to vote intelligently have quite a chore. From my brief experience in Illinois, I am persuaded that forthright discussion of the real public questions is neither beneath the dignity of political candidates or above the intelligence of the American people, and it most certainly is the condition precedent to any intelligent choice except by the faculty of intuition, which is by no means infallible in these days of ghosts and of press agents.

For far too many of us, the presidential election is a quadrennial orgy of absorption in political matters all centering around the single issue of the identity of the man who will serve as president for the next four years. It seems to me to contain some subconscious element of expiation for past sins.

It is as if that large percentage of us who pay no attention to politics in government for three years remorsefully seek to repair the deficiency by talking loudly in the fourth year about the importance of electing the right man—our man—to the highest public office of all. If the people at large can only be brought to understand the wisdom of what we are shouting and elect our man, then the nation will be safe for at least four years more. We have discharged our responsibilities as citizens, a little tardily, perhaps, but nevertheless adequately and effectively. Then we can turn exclusively to other concerns until the time rolls around again and we must clamorously assure the national salvation.

Now, I say we must rid ourselves of the easy notion that the right man in one job solves all of our problems. We need to level out this sharp but narrow peak of citizen interest in politics and government in presidential years with the long and deep valley of apathy that lies in between.

There are other pitfalls to be found in our traditional habits of thinking about politics and about party leaders. We like to reduce complex issues to simple slogans. Better still, we like to deal in personalities to the exclusion of issues. And to the extent we must unavoidably get into issues at all, we like to weave them all into a simple sort of brightly colored cloak which will cover our man completely and distinguish him clearly from his competitors. This creates the comfortable delusion that we have not subordinated principles and personalities and that we know exactly where our man stands on everything.

Most importantly, it lends itself beautifully to the oversimplified kind of argument we love so much in which we can throw around freely the sharp, short and fighting and meaningless words like liberal, conservative, leftist, rightist, socialist, fascist, communist and all of their shopworn and barren brood. These are all conventions which afflict the layman as well as the party professionals.

America's stability in a time of world revolution was not accomplished by pretending that there were shortcuts to safety, to prosperity, to freedom or social justice, or that they could be bought at a discount. I say this because I would not have you think that I believe that all there is to good government is honesty and efficiency. These are only means to an end. In the tragic days of Mussolini, the trains in Italy ran on time as never before and I am told in its way, its horrible way that the Nazi concentration system in Germany was a model of horrible efficiency.

The really basic thing in government is policy. Bad administration, to be sure, can destroy good policy, but good administration can never save bad policy. So what I beg of you to ponder in all your governmental judgment is not just how to do a job, but, and far more important, what to do and if you can find a man who knows both what to do and how to do it, well, you are very lucky, indeed.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on April 2, 1776, the Continental Congress directed its president to send Washington a letter of thanks and appreciation for his leadership in the strategy leading to the occupation of Boston by the Continental Army. The letter read in part:

> Those Pages in the Annals of America, will record your Title to a conspicuous Place in the Temple of Fame, which shall inform Posterity, that under your Directions, an undisciplined Band of Husbandmen, in the Course of a few Months, became soldiers. . . .
>
> Accept . . . the Thanks of the United Colonies, unanimously declared by their Delegates, to be due to you, and the brave officers and Troops under your Command . .

Also, on April 2, 1776, the Continental Congress approved the preparation of blank commissions and letters of marque and reprisals which were to be filled in when they were issued to commanders of privateers. The commission authorized the commander of a privateer, "to fit out and—in a warlike manner—by force of arms, to attack, seize, and take the ships and other vessels belonging to the inhabitants of Great Britain * * *"

PARK RIVER PROJECT

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. COTTER. Mr. Speaker, yesterday, Hartford City Councilman Nicholas Carbone testified before the House Appropriations Public Works Subcommittee on the Park River project in Hartford.

Mr. Carbone testified about the need to accelerate this project, a position which I support. Following is a copy of his statement:

STATEMENT OF COUNCILMAN NICHOLAS R. CARBONE

Mr. Chairman, honorable members of the committee, I wish to thank you for making time available for me to appear before you. I wish to speak about the Park River Local Protection Project in Hartford, Connecticut.

SUMMARY OF REQUEST

The City of Hartford requests that the $9,000,000 appropriation requested by the New England Division, Corps of Engineers, for the Park River Local Protection Project in Hartford, for FY 1977, be increased by $1,000,000 so that construction of Part II of the project, an auxiliary conduit, could start, and be completed, about one year earlier than indicated in the budget request.

REFERENCE

On February 17, 1976, Colonel John H. Mason, Division Engineer, New England Division, Corps of Engineers, testified before this committee concerning his budget requests. His testimony is recorded on pages 754–792 of "Hearings before a Subcommittee of the Committee on Appropriations, House of Representatives, Ninety-fourth Congress, Second Session, Part 1." On page 788 of the Hearings record, the completion schedule for the Auxiliary Conduit is indicated as September, 1981. On page 789, it is stated that the funds requested for FY 1977, are the minimum necessary to meet the estimated completion dates. A total of $9,000,000 has been requested for this project.

REQUEST

The City of Hartford requests that the Congress appropriate about $1,000,000 over and above the $9,000,000 budget request of the New England Division, Corps of Engineers, so that this project may be completed about one year sooner than is now planned. We believe that the New England Division, Corps of Engineers, has the capability to complete the plans and specifications for the second part of this project, and initiate construction, in FY 1977, providing additional funds are appropriated. This would complete the auxiliary conduit, and the entire project, one year sooner than now planned. This would maintain the schedule established by the Corps of Engineers in August of 1974, in their Design Memorandum No. 2.

When Colonel Mason testified before the Senate Public Works Subcommittee, he was questioned by Senator Stennis about new construction starts in the New England Division, among other things. Apparently, the reason for delaying the start of the auxiliary conduit was budgetary constraints. The Park River Project was one of the projects mentioned by Senator Stennis. Concerning this project, Colonel Mason testified that his capability would be $10,000,000 or an additional $1,000,000. The additional $1,000,000 would be for the award of a continuing contract for the construction of the auxiliary conduit in FY 1977 which would move the project completion ahead by one year. The City of Hartford urges the Congress to appropriate the $1,000,000 needed to increase the budget request to $10,000,000.

REASONS FOR REQUEST

The City of Hartford is anxious to have this project completed as soon as possible, for several reasons:

1. The City continues to be vulnerable to flooding and flood damages. It has been over twenty years since the devastating flood of August 1955. This was the flood which prompted the start of this project. The sooner the project is completed, the sooner the City will be protected from flooding. Under present conditions, a flood of considerably less magnitude than the design flood for this project could cause the Park River to overtop existing flood protection works and cause flooding behind the dikes along the Connecticut River. Although the chances of this happening may not be great, it is certainly a possibility. This could be disastrous for Hartford, and even surrounding areas.

2. Although primarily for the protection of Hartford, this project will be of value to the neighboring towns of Newington and West Hartford. When this project is completed, potential flood heights in portions of those two towns would be reduced. This project will be especially helpful to the Town of West Hartford, where flooding would be reduced in highly developed areas, and the Piper Brook Redevelopment area which is now ready for development. New development of the Piper Brook Redevelopment Project has already been hampered by the non-completion of the Park River Local Protection Project.

3. The Underwood Redevelopment Project in Hartford is being held up pending completion of the Park River Local Protection Project. This is a 33.3 acre project in the central portion of the city. A large part of the project is bounded by the Park River, and most of the project area is in a flood plain established after the start of the project. About a third of the project area is privately owned. Net project cost has been estimated at about $2,000,000. The federal share is three quarters or about $1,500,000. Completion of the Park River Project will facilitate development of this area. Development of this project will require twenty to thirty million dollars of private investment, and, of course, be quite beneficial to Hartford's tax base.

4. As indicated above, private investment in both the Underwood Redevelopment Project in Hartford and the Piper Brook Redevelopment Project in West Hartford has been impeded by the flooding potential in these areas. There are indications that private investment has been impeded in other areas for the same reason. Completion of the flood control project would make these areas more attractive for private investors, and Hartford urgently needs new development to expand its tax base.

5. The State of Connecticut has an unemployment rate of about 10.6%. The City of Hartford has an unemployment rate of 23% to 25%. The construction industry in the Hartford area has been particularly hard hit by the recession. The unemployment rate in the construction industry in the Greater Hartford area is about 50%, with some trades or crafts as high as 70%. The City of Hartford is, of course, pleased that construction of this project will start in about two months. We are confident that this will be of significant benefit to the local construction industry, and will be beneficial to the economy of Hartford and the surrounding area. However, we do believe the construction industry and the economy could easily absorb the effects of starting the construction of the auxiliary conduit next year, rather than two years from now. The construction industry in the Hartford area should be helped as much as possible, as soon as possible.

6. Behind the State Capitol, there is a temporary dike. Actually it is in Hartford's Bushnell Park. When the project is completed, the dike will be removed and the park restored. For some reason, this dike has been a source of irritation to state officials in the Capital who can readily see the dike, and they are anxious to have it removed and Bushnell Park restored to its former appearance. Although this is not a very compelling reason for maintaining the Corps' previous schedule, it nevertheless would be helpful to remove this dike as soon as possible.

APPRECIATION FOR PAST ASSISTANCE

Hartford does not wish to be critical of the Corps of Engineers or the Congress. Hartford is protected from Connecticut River floods by dikes, pumping stations and pressure conduits, all constructed by the Corps of Engineers. Hartford is grateful for the existing flood protection.

The New England Division has been doing an excellent job on this Park River Project. It is expected that bids for the first phase will be received on May 6, 1976, and that work could start in June, 1976. It is a large and difficult project, and their efforts are appreciated. However, we did expect that construction funds would be requested for the second phase, or auxiliary conduit, for the 1977 fiscal year. We had been advised that the second phase would start about a year after the first phase. We know of no valid reason for the change in schedule, and were surprised to learn that second phase construction funds had not been requested in the budget.

Based on Colonel Mason's testimony in the Senate Subcommittee Hearings, it is our feeling that he might welcome the appropriation of an additional $1,000,000 to start construction of the auxiliary conduit in FY 1977. It is Hartford's hope that the Congress will see fit to appropriate it.

GERALDINE ARRIGO

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Ms. HOLTZMAN. Mr. Speaker, in deep sorrow I offer this tribute to my constituent, Geraldine Arrigo, who died on Monday, March 29, 1976.

The strength of a community largely depends on the dedication and quality of its volunteer leaders. Gerry was one of the best.

For many years, she worked to serve the Flatbush community. She served with enormous energy and talent as executive secretary of the Flatbush-Nostrand Chambers of Commerce, as an active member of Friends of Community Hospital, and as a dedicated worker with numerous other church and civic groups. Her interest in, and concern for, the neighborhood's people and their problems continued in the face of her own struggle with pain. Even from her hospital bed, and until a few days before her death, her interest in Flatbush remained strong.

Gerry Arrigo gave our Flatbush community more than her energy and ability. She gave it her cheerfulness, her optimism, and her love. We shall miss these gifts deeply.

I wish to express to her husband, Frank, and to her four children, not only my personal condolences, but the sympathy and gratitude of all the people of Flatbush whom she served so well.

OUR CONTINUED PRESENCE IN SOUTH KOREA

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. SPENCE, Mr. Speaker, one of the most important issues before us today is the question of our continued presence in South Korea. In my opinion, it would be a dangerous mistake for Congress to reduce the amount of military assistance at this time. South Korea is vital to our interest in East Asia, and it is important to our own interests, as well as the interests of freedom, to insure the existence of a free South Korea.

The United Nations has passed resolutions calling for the abolition of its military commend in South Korea, thus leaving the full responsibility on the United States alone. If we were to pull out, the Communists would certainly view this as an open invitation to invade and take over the South.

Capitulation to those isolationist voices in this country and elsewhere who would have us abandon South Korea would bring our line of defense in East Asia back to Guam and Saipan. In turn, this would surely lead to further Communist aggression in East Asia, and erosion of U.S. power in that key strategic area. The significance of such an eventually should be very obvious to the future status of Japan's freedom and independence.

Mr. Speaker, in this connection I would like to call the attention of my colleagues to a very timely article by Dr. Roger Pearson, who is Executive Director of the Council on American Affairs. Dr. Pearson's article, entitled "United States-Korean Relations Today," analyzes the recent history of Korea, the current conditions there, and the problems that would arise if the United States were to withdraw.

Dr. Pearson's article appears in the book "Korea in the World Today," which also contains chapters by Senator JAKE GARN of Utah and Congressman JOHN MURPHY of New York. I insert Dr. Pearson's article in the CONGRESSIONAL RECORD at this point:

INTRODUCTION: UNITED STATES-KOREA RELATIONS TODAY

(By Roger Pearson)

As the position of the anti-communist world continues to deteriorate in Southern Asia, our attention is drawn all the more closely to the strategically crucial Northeastern sector of that vast landmass.

Our post-Vietnam foreign policy in East Asia is now focused more and more on Japan and its gateway to the continent—Korea. Bounded on the north by Communist China and the Soviet Union and only thirty miles from the closest Japanese island, the Korean peninsula is the one area where the interests of the four great powers in Asia (the U.S., the U.S.S.R., the People's Republic of China, and Japan) converge.

The key to preserving Japan's independence rests in the survival of a free South Korea. And just as Berlin is the focal point and symbol of Western defense in Europe, Seoul and South Korea now play the same role in East Asia.

This delicate balance is dependent upon U.S. support and participation in the defense of the Republic of Korea. If we sacrifice Korea on a temporary isolationist impulse, it could lead to a further erosion of U.S. influence and prestige in Asia and eventually a withdrawal to Guam and Saipan. Such an event could only result in a more aggressive posture by the communist powers. Clearly our first line of defense in East Asia and the Western Pacific must remain a strong and closely supported Republic of Korea.

A position on the precipice is nothing new to the Koreans. In this century, three major wars have been fought in and around Korea involving Great Powers—the Russo-Japanese War of 1905, World War II and the Korean Conflict. Japan seized control of Korea in 1905 and formally annexed the peninsula in 1910. Thus for almost 40 years Japan ruled Korea. During World War II an independence movement developed and the Cairo Conference of 1943 declared "that in due course Korea shall become free and independent." With the sudden surrender of the Japanese, the Americans were caught without a definite postwar program for Korea and quickly agreed to divide the peninsula with the U.S.S.R. at the 38th parallel.

The Soviets wanted to discuss with the Americans and the Koreans a "trustee" arrangement, but would not allow Rhee or any non-Communist Koreans to participate. The arrangement broke down and the 38th parallel became an extension of the Iron Curtain.

The United States attempted to break the impasse by referring the problem to the United Nations. A commission was established to supervise free elections and true to form was not allowed into the North by the communists in control there.

They had begun an extensive program of rearmament in the North in 1945, whereas the United States had only a limited supply and training program in the South. This advantage, bolstered by Dean Acheson's unfortunate comments concerning our "defense perimeter" in early 1950, led to the June 1950 attacks by the North Koreans and the war. A tremendous influx of U.S. support was required to halt the advance of the North Koreans and later the Chinese. By June 1951 the United States was ready to accept an armistice line at the 38th parallel; however, negotiations dragged on with the communists hoping to wear down the United States and gain further concessions. President Eisenhower pursued a U.N.-sponsored truce which he obtained in 1953.

A mutual defense treaty was signed in 1954 between the U.S. and South Korea to complete the bilateral agreement. Thus U.S. troops and U.N. observers have been stationed at the border for over 20 years.

The U.N. command remains because there is no agreement on a new truce or peace arrangement to replace it. However, in keeping with the present trend of U.N. actions, the General Assembly passed resolutions last November which would dissolve the U.N. Military Command. This action can only encourage the North Koreans in their territorial ambitions.

Thus the United States remains the guarantor of the survival of South Korea. Our troops there serve as a deterrent and a concrete assurance that we will come to the aid of the South Korean army as we did in 1950. Although the Republic of Korea has the fifth largest army in the world, to defeat an invasion by the North, U.S. strategic aid is probably essential. Our forces certainly act as a check on adventurous moves from Communist China or the U.S.S.R.

Consider the fact that Seoul is only about 30 miles from the demilitarized zone and well within range of heavy artillery. As the seat of government, the center of communications and finance, the industrial center, and the home of a fifth of the country's population, Seoul's occupation would be disastrous. The United States government has fully realized this and has provided some $3.7 billion in military assistance since June 1950.

Although the Republic of Korea forces are strictly geared to self defense, the North has been increasing its aggressive stance. North Korea now spends 15–20 percent of its gross national product on its military forces and just recently several tunnels capable of permitting thousands of invaders to cross into South Korea were discovered running under the DMZ. In addition armored and aircraft units were moved forward by the communists last summer and guerrilla raids on the South Korean coasts occur frequently.

Fortunately, support for President Park's anti-Communist government runs strong and deep even among those who disagree with some of his policies. The people are firmly opposed to the communists, having experienced their rule firsthand in 1950, and are determined to oppose another invasion with all their strength.

There has been some criticism of the restrictions on civil liberties now in effect in South Korea from some parts of the U.S. Congress and the press. Certainly Americans have always favored the widest possible individual liberty everywhere in the world; those of us who are realistic, however, know very well that current conditions differ sharply from place to place in this imperfect world. I know that most American congressmen who have discussed the situation with President Park have taken the opportunity to urge a lifting of certain restrictions on political activity as soon as conditions permit. They in turn have been reminded by President Park, with some justification, that Americans might have stricter laws if a roughly equal aggressive power occupied the Northeastern United States as far south as a line 30 miles from Washington, D.C. Certainly our own country has felt obliged to curtail some liberties in wartime in our history, especially during the Civil War and World War II.

No impartial observer can fail to agree that there is simply no comparison between the amount of freedom enjoyed by the ordinary citizen in South Korea and the iron discipline imposed by what is probably the firmest dictatorship in the world today—the so-called "Democratic" Republic of Korea. Speaking for myself, I have been impressed by the vigor of the opposition parties in South Korea who persistently press their disagreements with the government while uniting firmly behind the Constitution of an independent non-Communist South Korea.

A brief comparison of the economic systems in the North and South will give us some insight into the amount of freedom and prosperity enjoyed by the respective populations.

North Korea is characterized by a collectivist economy built around a large armament industry. A six-year government plan to increase industrial and agricultural output, in the hope of keeping up with the Republic of Korea, has floundered on the rocks of worldwide recession. North Korea has begun to default on its loans and seems unwilling to turn its own industry from armaments to exportable goods.

The Republic of Korea, on the other hand, has averaged a 10 percent per annum growth rate in GNP over the past decade. Its per capita GNP is third in East Asia, ranking behind only Japan and the Republic of China. The relative prosperity of the economy rests on exports of light industrial products largely to the United States (with whom total trade was almost $3 billion in 1974) and Japan. The Middle East and Europe have recently become major purchasers of Korean goods. The standard of living has increased tremendously in the past decade and is far higher than in North Korea. Even the oil crisis has not proved an impossible burden and the South Koreans (who have recently discovered their own oil) seem to have weathered the worst of the crisis in good stead.

Fortunately, South Korea has a stable government, a rapidly growing economy and strong national defense. It is and must remain, the first line of defense for the United States in East Asia. Its strategic position makes it critical to the defense of Japan and Taiwan. The U.S. presence in Korea serves as a deterrent to Chinese or Soviet intervention.

Our continued involvement is necessary to provide security and stop further communist aggression in East Asia. It is mainly through firm U.S. support that active military aggression can be discouraged and the peace maintained in Korea. It is in our national interest to remain firm in our resolve and purpose and thereby prevent another tragic war.

DEMOCRAT-NAPPING ZAPS BROADCASTING

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, it would be amusing if it were not so sad that one of the main arguments being raised against broadcasting House floor proceedings is that the TV cameras would catch Members napping on the floor. I think those Democratic leaders who have used this argument to block House broadcasting have probably done the House image more of a disservice than actual broadcasting could ever do. I think they now owe it to the House to permit broadcasting just to show the

American people that a majority of their Representatives are not asleep on the job. Those few Members who are so inclined to recline in the House Chamber could be awakened and warned in advance of the advent of this 20th century innovation called television, and quietly retire to their offices, or, better yet, from their offices. If this arrangement seems too disruptive to the dignity, decorum, propriety and traditions of this body, we could simply move these Democrat-nappers to the darker corners of the Chamber, out of camera range.

Mr. Speaker, if all these efforts do not sufficiently move the Democrat-nappers, perhaps we could take a leaf from the environmental action "Dirty Dozen" list, and draw up a congressional inaction "Dirty Dozer" list. In any event, I resent the implication of these broadcast critics that there is somehow a constitutionally protected "right to nap" in Congress and that this would be infringed by broadcasting. I suspect what has happened is that these broadcast critics have misread the congressional immunity from arrest clause of the Constitution—article I, section 6—and that they somehow think it reads as follows:

> The Senators and Representatives shall . . . in all cases, except treason, felony, and breach of the peace, be privileged for a rest during their attendance at the session of their respective Houses.

I would hope someone could awaken the Democrat-nappers long enough to explain that the constitutional protection is "from arrest," and not "for a rest."

Mr. Speaker, at this point in the Record, I include an editorial from the April 1, 1976, Washington Post, entitled, "TV and the Freedom to Nap," and an editorial from the March 29, 1976, Washington Star, entitled, "Time for Another Nap":

[From the Washington Post, Apr. 1, 1976]

TV and the Freedom To Nap

A majority of the House Rules Committee last week summed up the case for broadcast coverage of House floor debates—by voting the idea down. In a noisy meeting, committee members rehashed the usual concerns. Some feared that coverage might be one-sided. Others worried that their more flamboyant colleagues might get too much publicity. Still others grumbled that the cameras might focus on empty chairs, or members napping in their seats, or other scenes that make House members seem inattentive or inept. Committee Chairman Ray Madden (D-Ind.) suggested that broadcasting of House proceedings could have two undesirable effects: putting voters to sleep, or rousing them to vote incumbents out.

All in all, the panel displayed little love for the broadcast media, little faith in the public, and a striking lack of confidence in the House itself. They did not seem to think their colleagues might refrain from grandstanding—or napping—if the cameras were on. They did not think television and radio coverage might improve floor debate and give members more opportunities to explain their votes and views. Nor did they think voters might understand that congressmen do have business in committees and in their offices, and that absence from the chamber does not necessarily mean that one is loafing on the job.

Instead, Mr. Madden and his colleagues reinforced the notion that the House is irretrievably inefficient and slack, that its operations can't stand more public scrutiny—and that most members like it just that way. If that is true, it is the best argument yet for broadcast coverage. But it also explains why the committee voted 9-6 to shelve the whole idea for this year.

The House's resistance to broadcasting does seem to be fading gradually. Many members have been impressed by the constructive impact of TV coverage on state legislatures. Some House committees have opened their meetings to the cameras without suffering any ill effects. The Democratic leadership has shifted ground somewhat and now maintains that the real issue is not whether but how broadcasting of floor debates should be arranged. Majority Leader Thomas P. O'Neil (D-Mass.), for instance, asserts that just a bit more study of the managerial problems is required. But since various plans have been thoroughly studied several times, that sounds all too much like a convenient excuse. The Rules Committee's performance last week shows that the basic barrier remains the same: Key members of the House are unwilling either to change their mode of operations or to put their present image on the air.

[From the Washington Star, Monday, Mar. 29, 1976]

Time for Another Nap

The issue before the House on whether to televise floor proceedings—or rather the issue not before the House, since the Rules Committee sandbagged the legislation—boils down to a matter of image.

Listen to Majority Leader Tip O'Neill at a committee meeting last February: "If you think the public's rating of Congress is low now, just wait till we get TV."

Rules Committee Chairman Ray Madden defined the opposition to television with more precision the other day. He figured coverage of floor activity—which frequently could be more aptly described as a lack of activity—could "endanger our chances of coming back to Washington."

That's it, in a nutshell. When the chips are down, politicians protect their flanks, which in the case at hand meant fending off those cameras that might catch some member napping in his chair, or show wide expanses of empty chairs, or focus on a member who arrived in a disheveled state after too big a night on the town.

Why, someone watching the TV set back home, according to Mr. Madden, might get the idea that "we're out fishing or hunting or playing golf or something." Of course, everyone in Washington knows that's not the case; those 435 hard-working legislators hardly ever stray from their desks, except when they go to the cashier's window to pick up their pay, which now amounts to $44,625 a year.

Besides, according to some opponents, it's common knowledge how one-sided TV is. Those television moguls up in New York would be sending orders down to the cameramen in the House telling them which members to put on the tube in a good light and which ones to make look like a fool, and which side of the issues to play up.

We don't care what Rep. John Anderson (he supported televising the proceedings) says about there being "certain inherent risks in a free society" that a person just has to accept. Letting the folks back home get a peek at how their man is doing in Washington is just too big a risk to ask a congressman to take.

Thanks to Majority Leader O'Neill and Speaker Albert and Mr. Madden, who saw that the resolution to authorize television in the House chamber got shuffled back to a subcommittee, the membership can relax now—and return to their chairs for a quiet, untelevised snooze.

LEGGETT FOREIGN AID VOTES

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. LEGGETT. Mr. Speaker, I wish to point out for the Record that when the House considered the foreign assistance appropriations bill, H.R. 12203, on March 4, I was incorrectly recorded as voting against it. That bill passed by a vote of 214 to 152, and I was for it. I was, however, properly recorded on the other votes on H.R. 12203, as follows:

For an amendment to bar funds for foreign political activity;

Against an amendment barring funds for countries which are delinquent in debt repayment;

For an amendment to add $9 million for private relief programs;

Against an amendment to strike $85.5 million for the UNDP;

Against an amendment which sought to reduce military aid to Israel by $200 million.

To make matters completely clear, I wish to indicate that when the House considered the security assistance authorization bill on the previous day, March 3, all my votes were correctly recorded. As the Record for that date indicates, I voted for the bill, which passed 240 to 169, as well as for an amendment to prohibit aid to Chile and against an amendment which would have barred trade with Vietnam. I also spoke on this bill, as follows:

> Mr. Leggett. Mr. Chairman, I said last September when we considered H.R. 9005, the economic and food aid bill, that we should give the closest scrutiny to the proposed security assistance program when it came before us. That bill firmly established the reforms which we instituted in food and economic assistance in 1973. The security assistance legislation before us today, H.R. 11963, undertakes reforms that are equally important.
>
> I do not support every provision of this legislation. I am still concerned that the $9 billion ceiling it sets on the aggregate value of all foreign military sales is too high. It is, however, a lot lower than the $12 billion we sold in 1974, and it is certainly better than no ceiling. Moreover, I am much less convinced than our committee of the value of military education and training and the need to continue this type of assistance as grant aid.
>
> Despite these reservations, I do believe H.R. 9005 institutes a number of needed reforms. It places important new controls, in addition to the ceiling, on the conduct of foreign military sales. It establishes the principle that we will phase out grant material assistance at the end of fiscal year 1977, unless we subsequently authorize specific amounts for specific countries. And it provides for termination of all military assistance advisory groups, or other organizations performing similar duties, effective October 1, 1977, unless we specifically authorize them.
>
> The new provisions which the bill institutes for foreign military sales would plug a big loophole in our current control mechanism. That gap involves commercial sales of defense articles and services. These sales are now subject to license, but are not really under effective accounting and control.
>
> H.R. 11963 would restrict sales of major defense equipment to government-to-gov-

ernment transactions. Export licenses for sales of over $25 million would be prohibited if they involved items meeting the definition of "major defense equipment," which includes those with R. & D. costs of over $50 million and production costs of over $200 million. All sales of this type would thus be brought under the congressional veto procedure which now applies to our government-to-government credit sales. This will bring all major sales under the type of scrutiny which we have been giving to major FMS credit sales.

The provisions of the bill terminating grant material aid in fiscal year 1978, unless it is authorized on a specific case-by-case basis, have been long discussed, and in my view they are long overdue. For too long we have had grant programs that were neither needed nor effective, and which have served only to prop up repressive and unpopular regimes. Moreover, more and more of the recipients of our grants are in the financial position to provide for their legitimate military needs.

In cases where it can be demonstrated that material grants would serve a truly vital security interest, and that the country in question clearly lacks the resources to support the needed force, we can make a specific authorization for the grants needed. But such instances should become the exception, rather than the rule, as is now the case.

As I indicated, I am much less convinced than our committee that military training is "an effective and productive form of security assistance and should be continued under separate authority." Does U.S. military training really inculcate an American influence or a "democratic orientation," as many proponents allege? That we train our clients well in military skills I have no doubt, but where is the evidence that we turn them into pro-American democrats? From Pakistan to Greece and Turkey, from Korea to Chile and Argentina, I look in vain for such evidence. Furthermore, our committee appears to recognize the tenuousness of its distinction with its assertion that "wherever feasible, military education and training should be on a reimbursable basis." It appears to me that we ought to follow the logical dictate of the committee's proposal on material grants, and terminate the regular grant training program as well.

The issue of the MAAG's and military groups is not unrelated. Do they really provide an effective and needed influence with recipient governments, or are they more likely to strengthen the political role of the host military? Our experience in countries like Greece and Pakistan hardly suggests the untruth of the latter. Again, let us authorize the really needed advisory group as an exception, rather than continue the current rule of military business as usual overseas.

I have dwelled on the broader reforms incorporated in the bill, not because they are the only provisions of import, but because in many respects they are the most far-reaching. Obviously, the funds authorized, as well as the specific provisions on such countries as Angola, Chile and Korea, are of prime concern to us.

I am not prepared to say that every dollar of grants and credits authorized by this bill is really essential. The bulk of the funds are, of course, for the Middle East aid package. I think most of us will be quick to support funding that is clearly needed to support the understandings of the executive branch with the governments of the Middle East.

The level of support to be provided Israel—about $2.3 billion—should be sufficient to enable the Israeli defense forces to maintain a substantial margin of military superiority over those of its Arab neighbors. This is not an approach without risks, but it should have the benefit of enhancing the Israelis' sense of confidence and security. I am hopeful that we will see evidence of the impact of our support on the Israelis in the form of greater willingness on their part to pursue new avenues of negotiation in areas unmentioned in our committee's report, such as the Palestinian question.

Let me reiterate that I emphasize the broader reform aspects of H.R. 11963 not to the exclusion of other provisions, but because of the long-term benefits which these reforms can have. In short, they can basically alter our approach to security assistance, a reorientation which in my estimation is long overdue and has been delayed by the Vietnam war. It is primarily on this basis that I urge my colleagues to support the bill before us.

BRITISH IGNORING THE ABYSS, SAYS SOLZHENITSYN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. McDONALD of Georgia. Mr. Speaker, since coming out of the Soviet Union, Alexander Solzhenitsyn has spent countless hours trying to warn the West of the impending danger from the Soviet Union. But already one senses that the press is beginning to down his efforts and ignore him. It is indeed unfortunate that prophets are seldom listened to, particularly when their message is painful. One would think, due to the proximity of England to the Soviet Union, the people there would be more sensitive to Solzhenitsyn's message. However, this does not seem to be the case. One person is appreciative of his message and that is David Floyd of the London Daily Telegraph, who in the March 25, 1976, edition continues his attempts to awaken Great Britain to its peril in this regard. The item follows:

BRITISH IGNORING THE ABYSS, SAYS SOLZHENITSYN

(By David Floyd)

The Russian author Alexander Solzhenitsyn has repeated his warnings of the disaster threatening Britain and the West and made some harsh criticisms yesterday of British policy towards Russia and the spread of communism since the Russian Revolution.

The "crevasse" which had opened in Russia in 1917 was growing wider and more peoples were falling into it, he said. But the British were unconcerned.

"Even today you are lulled into thinking that these fine islands of yours will never be split in two by that crevasse, will never be blown sky-high. And yet the abyss is already there, beneath your very feet."

Solzhenitsyn's 40-minute commentary on Britain and the British was broadcast in English translation last evening on BBC Radio 3. The text was spoken (not translated, as reported in The Daily Telegraph yesterday) by Richard Pasco, with Solzhenitsyn's own voice in Russian heard occasionaly in the background.

The imminent "global catastrophe" did not threaten Britain alone, he said. "All of us are standing on the brink of a great historical cataclysm, a flood that swallows up civilisation, and changes whole epochs."

But it was mainly Britain's shortcomings that he complained of. He did not know much about Britain's domestic affairs, he said, but had always followed Britain's foreign affairs with the keenest interest.

His main complaint was at the way the British had managed to ignore what was taking place in Russia and the Communist world. Twice the Russians had helped save the freedom of Western Europe, he said. "And twice you repaid us by abandoning us to our slavery."

MILLIONS DYING

When millions of peasants were dying of famine in Russia in the 1930s, Solzhenitsyn said, "not a single Western newspaper printed photographs or reports of the famine—indeed, your great wit Bernard Shaw even denied its existence.

"For decades your rulers, your members of Parliament, your spokesmen, your journalists, your leading thinkers managed *not even to notice* the 15 million-strong Gulag Archipelago. Up to 30 books on the Gulag were published in Europe before mine and hardly any of them was noticed."

After the 1939-45 War Britain and the Western Allies had chosen to hand back to the Soviet authorities millions of Soviet citizens who had dared to flee from Communism.

"Then our freedom-loving Western Allies—and not least among them you British—treacherously disarmed and bound them and handed them over to the Communists to be killed.

"Nor did you shrink from using your rifle-butts on 70-year-olds, the very men who had been Britain's allies in the First World War, and who were now being hastily handed over to be murdered."

The British people had been so anxious to forget the war, Solzhenitsyn said, that they had closed their eyes to Stalin's deportation of whole nations, to the massacre at Katyn Forest, to the Warsaw rising, to the occupation of six nations of Europe and the cutting of a seventh into two parts.

"Whenever a new tyranny came into existence, however far away—in China, say, or Laos—Britain was always the first to recognise it, eagerly pushing competitors aside for the honour.

"And when you decided to reaffirm your valour in the eyes of the world and recover your self-respect, then your country manifested incomparable daring—against Iceland and against Spain, countries which could not even answer you back."

Solzhenitsyn attributed much of the West's decline to "the misty phantom of socialism." It had created the illusion of satisfying people's thirst for justice, he said. "Socialism has lulled their conscience into thinking that the steamroller which is about to flatten them is a blessing in disguise, a salvation."

But the greatest danger of all was that the West had lost the will to defend itself.

STRENGTH SAPPED

"And Great Britain—the kernel of the Western world—has experienced this sapping of its strength and will to an even greater degree, perhaps, than any other country." Britain's importance in the world today was less than Rumania's or Uganda's, Solzhenitsyn said.

Solzhenitsyn recorded his talk during his recent visit to Britain. He has given similar interviews in France and Spain.

The increasing publicity he is receiving in the West has prompted the Soviet authorities to step up their campaign to discredit him.

The latest attack took the form of an especially scurrilous piece of writing in the *Literary Gazette*, which depicted Solzhenitsyn claiming an inheritance of property owned by his, supposedly, landowning ancestors from the hands of the pretender to the Russian throne.

THE SONNENFELDT CONTROVERSY REVISITED—PART II

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. ASHBROOK. Mr. Speaker, in remarks in yesterday's RECORD found on page 9215, reference was made to what is now called the "Sonnenfeldt Doctrine," which, allegedly, is a new policy advanced by Counselor Helmut Sonnenfeldt of our State Department, calling for an "organic" union between the Soviet Union and the Eastern European countries. As previously pointed out, the Evans-Novak column of March 22 first reported on the London meeting of American ambassadors where Mr. Sonnenfeldt allegedly propounded this new policy.

The Evans-Novak column was followed up by Human Events, the alert conservative weekly here in Washington, whose reporter sought to elicit from the State Department further pertinent information on the issue. As the April 3 issue of Human Events indicates, getting a straight story from State on the Sonnenfeldt affair is about as difficult as catching a greased pig with a pair of greasier boxing gloves.

A second Evans-Novak column, appearing in the Washington Post on the 30th of March, further obfuscates the issue, detailing attempts by Secretary Kissinger to placate members of the Republican Study Committee consisting of conservative Members of Congress.

The third pertinent item in this State Department shell game is a column by C. L. Sulzberger in the New York Times of March 27, 1976. Mr. Sulzberger had better success in trying to confirm the first Evans-Novak story:

> I have talked with persons who heard Mr. Sonnenfeldt's statements and who assured me the Evans and Novak account was correct.

The three above-mentioned items follow:

[From the National Conservative Weekly, Apr. 3, 1976]

KEY KISSINGER AIDE WRITES OFF EASTERN EUROPE

The key to Ronald Reagan's upset victory in North Carolina last week was the challenger's toughly worded attacks on that current unword in the President's lexicon "detente." In light of new developments, however, the Kissinger-Ford foreign policy may be far more vulnerable than even the Reagan camp realizes. The reason: Back in mid-December, Kissinger's long-time friend and key aide, Helmut Sonnenfeldt, declared in a secret briefing that permanent, "organic" union between the Soviet Union and Eastern Europe was critical to the avoidance of World War III.

"Organic," according to Webster's Third New International Dictionary, means "constituting a whole whose parts are mutually dependent or intrinsically related," individual entities which "have a life and character deriving from their participation in the whole."

In short, Sonnenfeldt clearly seemed to be arguing that Eastern Europe—which includes Czechs, Hungarians, Rumanians, Poles, Germans and other nationalities whose descendants and relatives will play a critical role in upcoming Republican primaries—be placed under greater Soviet domination.

According to columnists Evans and Novak, who uncovered the Sonnenfeldt text, Kissinger's top aide told a London meeting of U.S. ambassadors to European nations that the "inorganic, unnatural relationship" between Moscow and Eastern Europe, based on Soviet military might, threatens world peace. Their desire to break away from their Russian slave masters, he indicated, could provoke a serious clash between the East and the West. "So," he concluded, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one."

Piling up one astonishing statement after another, Sonnenfeldt mourned the fact that Eastern Europe is far less loyal to the USSR than he believed should be the case. "The Soviets' inability to acquire loyalty in Eastern Europe," he declared, "is an unfortunate historical failure because Eastern Europe is within their scope and area of natural interest. It is doubly tragic that in this area of vital interest and crucial importance it has not been possible for the Soviet Union to establish roots of interest that go beyond sheer power."

Sonnenfeldt apparently pointed to Poland with some pride as a nation that had tossed away its "romantic political inclinations" and was now more submissive to the Kremlin. And he suggested that Yugoslavia should kowtow to the Soviet Politburo as well. While acknowledging that the return of Yugoslavia into the Soviet orbit would be a "major, strategic setback" for the West, Sonnenfeldt then argued that Yugoslavia "should be less obnoxious" to Moscow and disabused of any notion that Washington is likely to guarantee its independence. Sonnenfeldt cautioned against any intensive pressures against the Soviets, saying that "any excess of zeal on our part" could reverse this "desired process" of organic union.

The Sonnenfeldt statements, as reported by the columnists, have stunned even many of Kissinger's remaining admirers. For knowledgeable Washingtonians know that Sonnenfeldt faithfully reflects Kissinger's own views on foreign policy. Indeed, Kissinger himself attended the London conference, stressing the need for the West to come to terms with the Soviet Union as an emerging superpower.

For Kissinger to disavow Sonnenfeldt's statement would be less than credible. They have been friends since their youth in New York, and Sonnenfeldt was the first man Kissinger asked to join him on the National Security Council after Kissinger joined Nixon in 1968. When Sonnenfeldt's nomination to the under secretary of the treasury post in 1973 became immersed in controversy—largely because of his role in the Soviet wheat deal—Kissinger made him counselor to the State Department. He is considered a loyal lieutenant.

The revelation of Sonnenfeldt's kissoff of Eastern Europe has already sent shock waves through the White House, which is well aware of the political dynamite of the State Department counselor's remarks. Efforts to get the full text of what Sonnenfeldt said have been repeatedly rebuffed by the Administration. When HUMAN EVENTS contacted Sonnenfeldt's personal assistant, Maxine Martin, Ms. Martin curtly told us that her office was not going to release what her boss said in London.

Reporters at the State Department were also given a huge runaround in a press briefing by Robert Funseth on March 22. Asked if Funseth would release Sonnenfeldt's remarks "so that we can examine the context" of the reported statements, Funseth gave a blunt "No." Funseth said these remarks are "classified."

"Well, then," Funseth was asked, "are the quotations accurate?" Funseth responded: "We are just not going to get into the business of commenting on reports which claim to be based on leaked documents." Funseth denied that Sonnenfeldt's reported statements represented U.S. policy toward Eastern Europe, but he persistently refused to say whether the statements were accurate.

The dialogue between reporters and Funseth went like this:

Question: Has Mr. Sonnenfeldt said whether or not it is an accurate account?

Answer: I consulted with Mr. Sonnenfeldt in preparing my briefing this morning.

Question: And he said the quotes were not accurate?

Answer: I said I was not going to get into commenting on whether quotes that purport to be based on leaked documents are accurate or inaccurate.

Question: Bob, in the past, when it serves your purpose, you do not shrink from saying that a quoted statement, leaked or not, is accurate or inaccurate or taken out of context. Why are you shrinking from doing so now?

Answer: I do not think I have.

Question: Can we get it straight whether you are repudiating (a) the column or/and (b) Sonnenfeldt?

Answer: Well, (b), we are not in any way repudiating Mr. Sonnenfeldt. There is nothing I have said today that would suggest that. And (a), Yes, we are repudiating the column.

Funseth's responses are hardly likely to calm the controversy or contain the political damage. The Evans-Novak column has already begun to impact upon the National Republican Heritage (Nationalities) Council, which is employed to harvest the ethnic vote for the GOP. Headed by Rep. Edward J. Derwinski (R.-Ill.), the council, according to Executive Director Julian Niemczyk, has been peppered with phone calls about the article.

Niemczyk told Human Events that it has created quite a "stir." When asked how he put out the fires, Col. Niemczyk said he would "rather not comment" at the moment, indicating he had not yet received a satisfactory answer from the Administration. The council is sponsoring the Annual Heritage Groups Convention May 20–23 in Philadelphia, and there are indications that the Sonnenfeldt remarks may become a major subject of discussion.

Some politicos now believe that the Sonnenfeldt "advice" in London may develop into the most explosive issue in the Reagan challenge to Ford and is almost certain to be used by one or more of the Democratic candidates in the primaries and the fall election. Unless the Ford Administration can quickly clear up the matter, the dominant question in the political campaign under way may well be: Does the Ford Administration really favor increased Soviet dominance over Eastern Europe? And, if not, why does the Ford Administration permit Sonnenfeldt, who is said to mirror Kissinger's views, to be a major spokesman for American foreign policy?

[From the New York Times, Mar. 27, 1976]

MINI-METTERNICH IN A FOG

(By C. L. Sulzberger)

PARIS.—The quadrennial intrusion of U.S. internal politics into U.S. external policy is an exercise with which the outer world is fully familiar but not yet fully enthusiastic. Right now we find various factions of voters catered to by the foreign affairs attitudes of various individual Presidential candidates and by the Administration itself as it courts election.

Thus one might advise caution toward President Ford's new insistence on dropping the use of "détente" as a word and suspending certain Soviet-American bilateral meetings. Likewise there is a suspicion that some of the tough talk aimed against different Communist sects hopes to deflect wind from the sails of right-wingers building up ultraconservative appeal.

One curious paradox in current United States policy appears to be that addressed toward Communism in both halves of Europe, West and East. We loudly assail the West European Communists even though, in countries like Italy and France, they are trying to strike out along new paths of independence, something not at all to the Kremlin's liking. But we seem to be telling the East European Communists to make up with Russia.

Rowland Evans and Robert Novak recently reported in their syndicated column that State Department Counselor Helmut Sonnenfeldt had told a meeting of American ambassadors in London that U.S. policy should work for an "organic" relationship between the Soviet Union and the Communist nations of East Europe.

"Organic" is a flabby word which can mean "fundamental," "constitutional" or "organizational." Whatever was actually meant by Mr. Sonnenfeldt, the latest mini-Metternich of Foggy Bottom, the idea sent shivers up the spines of several among his distinguished auditors.

Robert Funseth, State Department spokesman, dutifully repudiated the report but his denial had about as much weight as a flea's belch. I have talked with persons who heard Mr. Sonnenfeldt's statements and who assured me the Evans and Novak account was correct.

And what does it really imply? It would seem to be an invitation to the Kremlin to assert fuller control of Eastern Europe, perhaps even absorbing it into the U.S.S.R. as "Soviet Republics."

After all, at certain moments in the 1940's and 1950's, Stalin contemplated precisely that idea. Indirectly, this contributed to Moscow's split with Tito, which is not yet over. Now what is the point of even indirectly hinting to Russia that we wouldn't care if the project were revived?

Are we pressing Eastern Communists toward Moscow while hoping the Soviets will turn a blind eye if we try to stamp out Western Communists? Is this the kind of spheres-of-influence deal between the two superpowers that many Europeans have for long suspected?

How would China, so often praised by Henry Kissinger, feel about this? Already we have endorsed the existing Sino-Soviet border (resented by Peking) in the Helsinki declarations. Now, having reaffirmed the present borders of East Europe as well, are we murmuring to Moscow that another Budapest (1956) or Prague (1968) wouldn't be resented?

Why did Mr. Sonnenfeldt choose this moment to apply what Denis Healey would call his "tiny Chinese mind" to this issue just as the 83-year-old Tito shows signs of physical weakness? Washington has known for years that Russia wants to bring Yugoslavia back into its orbit but will not risk the attempt while the doughty marshal lives. Yet seeds of dissension and Soviet "sleeper" agents have been planted in his country.

Mr. Kissinger himself, a far more realistic man than his counselor seems to be, even if he isn't flawless, told me four years ago of what Moscow might try to do to disintegrate Yugoslavia after Tito's death. He said: "Certainly it is going to happen but I can't get our bureaucracy to do anything about planning on this. All the bureaucracy does is give me a lot of triple talk."

When Mr. Kissinger said this he was not yet Secretary of State although he was our diplomatic No. 1, a maxi-Metternich. Now he actually holds the most important Cabinet post and is technically in charge of its bureaucracy. Is he satisfield with Mr. Sonnenfeldt's triple talk on this vital subject?

Is the bureaucracy planning now to face the problem by giving East Europe away against its own will and before Leonid Brezhnev even asks? Will Moscow appease us on Communists in the West if we appease Moscow on Communists in the East? Who's looney now, as they used to ask in New Jersey?

[From the Washington Post, Mar. 30, 1976]

THE SONNENFELDT DOCTRINE: DEFLECTING THE RUCKUS

(By Rowland Evans and Robert Novak)

Facing his toughest Republican critics across the breakfast table last week, Secretary of State Henry Kissinger tried—but failed—to deflect their wrath by attributing the Sonnenfeldt doctrine to sloppy State Department notetakers without actually repudiating it.

Members of the Study Committee, a group of conservative Republican congressmen, were up in arms over a secret briefing in London last December by State Department counselor Helmut Sonnenfeldt. We reported last week that Sonnenfeldt had told U.S. ambassadors to European nations that the U.S. should strive for a permanent "organic" relationship betwen the Soviet Union and Eastern Europe to avoid World War III.

Breakfasting with the Study Committee three days later, Dr. Kissinger suggested our column was based on inaccurate State Department cables. Trying to keep up with the Secretary of State's smoothly flowing prose, some present even thought he had totally rejected the substance of the Sonnenfeldt doctrine. In fact, he had not.

"Henry's answer did not satisfy me or, I suppose, any of the others," one Study Committee member, a strong supporter of President Ford, told us. Therefore, the ruckus over the Sonnenfeldt doctrine will continue until it is unequivocally repudiated by Kissinger or the President himself.

The breakfast meeting, sought for nearly two years by conservative congressmen seeking a first-hand grilling of Kissinger, immediately turned to the Sonnenfeldt doctrine. Rep. Edward J. Derwinski of Illinois, one of Mr. Ford's most important conservative backers and a national leader in the Polish-American community, suggested the Sonnenfeldt doctrine is "the straw that broke the camel's back" following U.S. acquiesence at Helsinki in Soviet control over the Baltic states.

Derwinski reflected rising anger among ethnic nationality groups that could affect not only Mr. Ford's contest with Ronald Reagan for the Republican presidential nomination but the November general election as well. Accordingly, Derwinski told Kissinger, the matter must be disposed of as quickly as possible.

In reply, Kissinger said he had not read the State Department cable reporting Sonnenfeldt's briefing and did not know what it contained until he read our column (though, in fact, he was in London for that meeting). Kissinger next went into what one congressman called "a song and dance," describing how some junior Foreign Service officer takes notes on such briefings, from which another diplomat drafts the cable, typically leading to distortions.

Kissinger said he could not control every State Department employee—interpreted by some congressmen as an abandonment of Sonnenfeldt. More likely, however, Kissinger was casting blame on that nameless junior notetaker, because he reassured the conservative House members that Sonnenfeldt is "a hard-liner just like you."

All this left Derwinski and the other congressmen unsatisfied. Nor was the explanation viewed as plausible by some high government officials. "Whatever Hal (Sonnenfeldt) said in London was in total 'synch' with Henry," one official said. "It always is." What's more, the Sonnenfeldt doctrine as contained in the cable is viewed in the administration as generally consistent with the overall Kissinger-Sonnenfeldt view of the Soviet Union as an emerging superpower.

Finally, the portions we earlier quoted from the seven-page cable reporting Sonnenfeldt's remarks were in no sense isolated but, instead, reflected a theme reiterated time and again.

In one paragraph not quoted in our previous column, for example, Sonnenfeldt declared: "We seek to influence the emergence of the Soviet imperial power by making the base more natural and organic so that it will not remain founded in sheer power alone. But there is no alternative open to us other than that of influencing the way Soviet power is used." At another point, Sonnenfeldt said Hungarian leader Janos Kadar's "performance has been remarkable in finding ways which are acceptable to the Soviet Union which develop Hungarian roots and the natural aspirations of the people . . ."

In short, to substantiate Kissinger's explanation, the State Department report on Sonnenfieldt's briefing would have had to be inaccurate and distorted not just in one or two remarks but in its entirety—a most unlikely possibility.

It is too unlikely to be accepted by Ed Derwinski, who wants nothing less than an unequivocal repudiation of the Sonnenfeldt doctrine. If need be, Derwinski will go into the Oval Office to get that repudiation from the President. If he does, there would be covert rejoicing high in the administration from officials who were appalled from the start by a doctrine acquiescing in Soviet dominion over Eastern Europe.

AFL-CIO SUPPORTS FULL EMPLOYMENT BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HAWKINS. Mr. Speaker, I am extremely pleased that the Full Employment and Balanced Growth Act of 1976, H.R. 50 has received tremendous widespread support. An indication of the increasing prospect of passage is the outstanding letter of endorsement AFL-CIO President George Meany sent to the Speaker of the House:

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., March 11, 1976.

Hon. CARL ALBERT,
Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: The AFL-CIO fully supports the revised H.R. 50 and S. 50, about to be introduced in the Congress.

The labor movement has fought for full employment throughout its existence. We believe an economy of full employment and full production is the only economy that makes sense in a growing, expanding nation.

We have been pleased to work with you, the sponsors of this legislation and the chairman of the responsible committees in redrafting this measure. The rewritten bill, we believe, is sound, achievable and necessary.

Therefore, we support the Full Employment Bill without reservation and you are at liberty to make our support a matter of public record.

Sincerely,

GEORGE MEANY,
President.

A REPORT ON THE FOREIGN INTELLIGENCE ADVISORY BOARD

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD a most thoughtful analysis of the role of citizen "oversight" of the President's Foreign Intelligence Advisory Board.

The analysis, an article entitled "Foreign Intelligence Advisory Board: A Lesson in Citizen Oversight?" was written by Deborah Shapley and published in the March 12, 1976 issue of Science magazine.

The article follows:

FOREIGN INTELLIGENCE ADVISORY BOARD: A LESSON IN CITIZEN OVERSIGHT?

(By Deborah Shapley)

The President's Foreign Intelligence Advisory Board (PFIAB) has been emerging from its characteristic secrecy lately, in the course of recent examinations of the U.S. intelligence community. Created 20 years ago in a climate of criticism of national intelligence much like today's, the PFIAB (which has turned out to be best known for its advice on science and technology) offers one example of the strengths and limits of citizen "oversight" of intelligence.

The PFIAB's past experience is worth examining because, in his reform proposals of 17 February, President Ford drew on the PFIAB model. He proposed the creation of a new three-member Intelligence Oversight Board, made up of private citizens, with specific authority to investigate the intelligence community and report abuses. Two of the three candidates Ford has proposed for the new board have been PFIAB members.

What is the PFIAB? It is a small, blue-ribbon group of prominent citizens, military experts, and scientists created by President Eisenhower in 1956 at the time of breaking scandals about improper Central Intelligence Agency (CIA) involvement in Iran and Guatemala. Its members serve at the pleasure of the President (Although successive Presidents have tended to reappoint the same people over the years[1]). They are private citizens who, in their daily occupations, are not primarily involved with intelligence activities. The group meets for 2 days in Washington every other month. It never publicizes its findings; members rarely talk to the press. In short, it has an apparently cherished 20-year tradition of secrecy.

The Ford proposals would keep PFIAB in existence, but some of the board's critics in Congress may object to a continuation. They cite its track record over the years, which, as far as is known, has not included the uncovering of major bureaucratic abuses. To the contrary, the critics say, the board is known for its advocacy of intelligence in general, and of certain technical systems of data collection in particular. One vehement critic, Senator Mike Mansfield (D-Mont.), says that the board's value as an "impartial reviewing agency" has been so dubious that "it would be easier, cheaper, and more logical to abolish it."

Critics and proponents agree, however, that the board's chief contribution over the years has been as a vehicle for a handful of scientists—namely, Edwin H. Land of Polaroid Corporation, William O. Baker of Bell Laboratories, and James R. Killian of the Massachusetts Institute of Technology—to influence technical decisions.

Land and Baker have served on the board continuously for 15 and 17 years, respectively; Killian retired from it for health reasons in 1963, having served for 6 years. Edward Teller and John S. Foster, Jr., have sat on the board since 1971 and 1973, respectively.

Land and Killian, with Baker as a consultant, served on the PFIAB's predecessor, the Technical Capabilities Panel (TCP). The TCP was set up by Eisenhower in 1954 to assess the country's vulnerability to surprise attack. But it is best remembered because the scientists, led by Land, decided that the U-2 spy plane—then an obscure design held by Lockheed Aircraft Corp.—should become the backbone of U.S. reconnaissance. Several sources say the group pushed for the most advanced design, for the most sophisticated cameras and radars, and for getting the Air Force (which was unenthusiastic about the project) to build the plane within 2 years.

When Eisenhower set up the board in 1956[2] Mansfield and congressional leaders were moving to establish a joint House-Senate oversight committee. Killian was made chairman of the Eisenhower board, and the board was ordered, among other things, to "conduct an objective review of the foreign intelligence activities of the government." But like the TCP, the Eisenhower board was known for its advocacy of certain technologies.

One particular problem it faced was what kind of satellite system should follow the U-2. At that time, the Air Force supported direct radio transmission of images from a satellite, through its Midas program. However, the board chose to back the CIA's view that better photographic resolution and greater coverage were possible if, instead, film were dropped from the satellite and recovered by airplane.

The latter plan proved the better one. Within months of the shooting down of Francis Gary Powers' U-2 plane in May 1960, the first aerial recovery of a capsule dropped from a Discoverer satellite took place. Yet, even today the problems associated with transmission of high-resolution images from space have not been fully resolved.

It was under President Kennedy, in the aftermath of the Bay of Pigs invasion fiasco, that the PFIAB came closest to playing the watchdog role which has always been implied in its mandates. Kennedy claimed he had been badly misinformed prior to the invasion attempt. He was convinced that the intelligence community needed to be thoroughly overhauled. Clark Clifford, whom Kennedy appointed to the board, recalls that PFIAB then enjoyed considerable power because the President backed it. "He let the [intelligence] community know that if they didn't cooperate they were definitely in peril."

According to official records, between May and November of 1961 the PFIAB met 25 times. This was more often than it had convened during its previous 5 years of existence. Clifford estimates that of the 180 recommendations it made to Kennedy, some 170 were adopted. Among the recommedations were proposals to establish the science and technology directorate in the CIA and to consolidate some military intelligence activities in the Defense Intelligence Agency.

Under both Johnson and Nixon the board seems to have gone into a decline, although the lack of available information on its technical achievements may simply be due to the tighter security surrounding the more recent history of intelligence gathering. However, Clifford, who was chairman under Johnson, makes no bones about the fact that there was a definite decline in presidential interest in the board. And a congressional staffer ventured that "if you had asked him, President Johnson probably couldn't have named who was on the board."

Nixon is said to have met more frequently with PFIAB, but it is unclear whether, as a result, the board had more influence. Several people on the board or close to it during that period say it had no knowledge of covert operations—either of the domestic spying revealed in 1974 or of the CIA's involvement in Watergate. According to some accounts, the board helped persuade Nixon to approve the *Glomar Explorer* caper—CIA's daring, but only partly successful, attempt to use an alleged ocean mining barge to raise a sunken Soviet submarine.

President Nixon clearly viewed the prestige of appointment to the board as a way to reward political friends. He appointed a number of such friends—who had no particular background in intelligence—to it: John Connally, Clare Booth Luce, George P. Shultz, and economist and sculptor Leo Cherne.

This history, although sketchy, does not bear out the notion that PFIAB has been a zealous overseer of the more sordid activities of the intelligence community. Some who are familiar with it, such as Clifford, argue that it is inherently unable to be much of a watchdog. Since it is part of the executive, yet meant to police the executive, it will always resemble the hound in the Sherlock Homes story who failed to bark during the robbery because he was friendly with the thief.

Others, such as Baker, argue that the board's job never was meant to be general oversight of the bureaucracy. It was to pass on the quality of intelligence itself. "Judging the quality of intelligence is almost wholly separable from judging the bureaucracy that produces it," he says.

But CIA critics Victor Marchetti and John D. Marks, in their book *The CIA and the cult of Intelligence* (Knopf, New York, 1964; pages 334–335), argue that even in this more limited, technical advisory role the PFIAB has done the intelligence community a disservice.

The PFIAB had tended to operate with the assumption that all information is "knowable" and that the intelligence community's problems would be solved if only more data were collected by more advanced systems. This emphasis on quantity over quality has served to accentuate the management problems that plague American intelligence and, in recent years at least, has often been counterproductive.

---

[1] *Members appointed by Eisenhower:* James R. Killian, Jr. (chairman), Gen. John E. Hull (chairman), William O. Baker, Adm. Richard L. Conolly, Gov. Colgate W. Darden, Jr., Lt. Gen. James H. Doolittle, Benjamin F. Fairless, Joseph P. Kennedy, Robert A. Lovett, Edward L. Ryerson. *Members appointed by Kennedy:* James R. Killian, Jr. (chairman), Clark Clifford (chairman), William O. Baker, Lt. Gen. James H. Doolittle, Gordon Gray, Edwin H. Land, William L. Langer, Robert D. Murphy, Frank Pace, Jr., Gen. Maxwell D. Taylor. *Members appointed by Johnson:* Clark Clifford (chairman), William O. Baker, Gordon Gray, Edwin H. Land, William L. Langer, Robert D. Murphy, Frank Pace, Jr., Adm. John H. Sides, Gen. Maxwell D. Taylor. *Members appointed by Nixon:* Gen. Maxwell D. Taylor (chairman), Adm. George W. Anderson, Jr. (chairman), William O. Baker, Leo Cherne, Gov. John B. Connally, John S. Foster, Jr., Robert W. Galvin, Gordon Gray, Edwin H. Land, Franklin B. Lincoln, Jr., Amb. Clare Booth Luce, Franklin D. Murphy, Robert D. Murphy, Frank Pace, Jr., Gov. Nelson Rockefeller, George P. Shultz, Edward Teller, *Present membership:* George W. Anderson (chairman), William O. Baker, Leo Cherne, John S. Foster, Jr., Robert W. Galvin, Gordon Gray, Edwin H. Land, Clare Booth Luce, George P. Shultz, Edward Teller.

[2] It was then called the President's Board of Consultants on Foreign Intelligence Activities. The name was changed to its present form in 1961.

The PFIAB's lack of success as a stern overseer of the intelligence community could have been due to the fact that it lack specific powers of enforcement. President Ford has proposed that the new Intelligence Oversight Board have such powers. But it may turn out after all, that part-time citizens' committees are, by definition, not quite up to the massive task of intelligence oversight.

INCORPORATING THE GOLD STAR WIVES OF AMERICA

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. FORSYTHE. Mr. Speaker, for some time I have actively been engaged in trying to insure that the Gold Star Wives of America, Inc., be granted a Federal charter as befits its status as a national organization. Although our efforts have not been successful thus far, recent developments indicate that the 10-year moratorium on the granting of Federal charters may soon end. If that is true, then I know of no group more deserving of the national incorporation provided by a Federal charter than the Gold Star Wives of America. For the benefit of my colleagues in the House, I am including in the RECORD of these proceedings a recent statement discussing the nature of the organization and its need for a Federal charter:

STATEMENT REQUESTING SUPPORT FOR GRANTING A FEDERAL CHARTER TO GOLD STAR WIVES OF AMERICA, INC.

For a number of years, Gold Star Wives of America, Inc., has been seeking incorporation in the form of a Federal Charter so that our organization might be accorded the provisions, privileges, and prerogatives that have been granted to many other national veterans organizations. Legislation has been introduced in both the Senate (S. 1998) and the House (H.R. 11013 and H.R. 12119). The purpose of this statement is to better acquaint you with our organization, its purposes, and the reasons a Federal Charter is being sought.

Gold Star Wives of America came into existence 31 years ago when World War II was leaving thousands of widows and fatherless children in its wake. Existing organizations had been established on the basis of the war involved so that there was no established organization to which to turn. From the small nucleus of a few widows meeting in New York City in 1945, membership spread throughout the country, and wherever a sufficient number of members resided close enough, chapters were formed. The organization functions through Chapter, Region, and Member-at-Large representation. Membership in Gold Star Wives is open to widows of any person who died while a member of the armed forces of our country, or who died subsequent to such service as a result of injury or disability incurred during active service. Remarried widows remain eligible for membership.

The objectives and purposes of Gold Star Wives were well-chosen at the time the national organization was formed and remain just as appropriate for the needs existing today as we strive to:

(1) Assist in upholding the Constitution and laws of the United States of America, and to inculcate a sense of individual obligation to the community, state, and nation.

(2) Honor the memory of those who made the supreme sacrifice in the service of our country.

(3) Safeguard and transmit to posterity the pinciples of justice, freedom, and democracy for which members of our armed services fought and died.

(4) Provide the benefits of a happy, healthful and wholesome life to minor children of persons who died in the service of our country.

(5) Promote activities and interests designed to foster among its members the proper mental attitude to face the future with courage.

(6) Aid when necessary the widows and children of persons who died in the service of our country.

(7) Do any and all things necessary and incidental to carry out the general purposes and objects of this organization.

Gold Star Wives of America was incorporated in the State of New York on December 15, 1945. During a conference in 1967 with the Veterans Administrator's staff, it became apparent that the objectives of our organization could not be attained without a Federal Charter. National officers of Gold Star Wives were advised then that obtaining a Federal Charter must be priority legislation for the organization. Therefore, since that time our greatest efforts have been toward this goal, while at the same time we encountered increasing difficulties in our efforts to be of assistance to the thousands of new Vietnam widows because of the lack of this needed charter.

For lack of a Federal Charter, we have repeatedly been hindered and prevented from giving the assistance to new widows that could have been available to them through Gold Star Wives of America. Efforts to make our organization known through survivor assistance officers at military installations have been refused on the basis of not being recognized as a reputable organization, while in other instances, contacts at military bases resulted in inquiries going to the Department of Defense regarding the reliability of Gold Star Wives of America. Our experiences on these occasions would indicate that the only way our organization could acquire the respect and stature so necessary to conduct our activities is through Congressional recognition.

Membership continues to be nationwide, with members in almost every state and chapters in half the states. We take pride in the fact that although the organization was formed by World War II widows, the membership has always remained open to those who have later become widows of servicemen in any active-duty assignment. A number of Korean widows are active members. During the Vietnam Conflict, the scope of the opportunities to be of service to those with whom we have a common bond increased tremendously. Membership grew and the number of local chapters increased as hundreds of new widows turned to Gold Star Wives of America for assistance with their financial and emotional problems. In spite of this, the percentage of eligible membership is small and we are certain that Congressional approval through Federal incorporation would improve this situation.

The local chapters of Gold Star Wives assume numerous and varied activities and projects in their communities as service organizations, and many of our members-at-large perform charitable and volunteer work in the name of Gold Star Wives.

Annual dues have been kept purposely low in order that every widow can afford to be a member of Gold Star Wives of America. The National Treasury receives $3.00 of the $5.00 dues and the local chapter (or region for members-at-large) retains $2.00. The local chapters engage in varied fund-raising projects to support their local charitable activities. All members are invited to participate in one large fund-raising project on a National basis each year—a Stay-at-Home Tea inaugurated 15 years ago. An invitation to a Stay-at-Home Tea, with a tea bag enclosed, is mailed to all GSW members.

She may have her cup of tea in her own home, alone, with friends, or with fellow members at a chapter tea party, and she mails her donation to the Fund Raising Chairman, who is a member of the National Board of Directors. Proceeds from this successful venture have made it possible for Gold Star Wives of America to place a plaque in memory of our husbands in the Memorabilia Room at Arlington National Cemetery honoring the Unknowns and to establish a memorial to our husbands through the funding of the 52 state markers in the Congressional Medal of Honor Grove at Valley Forge, which were dedicated on Constitution Day, 17 September 1969. The hosting chapter for the Annual National Convention is provided funds from this source to make a Welfare Project contribution to its community. A gift of at least $500 has been made to Fitzsimmons Hospital in Denver, the Veterans Hospital at Atlanta, the Fort Snelling VA hospital in Minneapolis, toward the new VA Hospital in San Diego, the Columbus, Georgia Community Organization for Drug Use Control, the Chapel Building Fund at Jefferson Barracks National Cemetery at St. Louis, the Buttonwood-Evergreen Halls for the emotionally disturbed at Burlington, New Jersey, and an Orlando, Florida organization working with retarded people.

It is sad, but a deplorable fact, that the only person who can be completely aware of a widow's problems is another widow. We know from many experiences that members of our organization have provided the emotional stability necessary to enable a new service widow to "face the future with courage"—or to even face the future at all. Often times this painful experience has been further complicated by unfortunate circumstances surrounding survivor benefits, and members of our Legislative and Service Committees respond to each and every request for assistance.

Since 1965, Gold Star Wives of America has actively participated in the annual Women's Forum on National Security, composed of some 17 women's national organizations, most of which have been Federally Chartered.

The officers and directors of Gold Star Wives of America believe that our organization definitely does provide a service that is unique and which is not available from any other organization. Gold Star Wives of America is not an auxiliary of any other veterans organization. We are frequently asked about our sponsors; however, a widow's sponsor is her deceased husband, and therein lies much of our problem. It is essential that Gold Star Wives establish an identity of its own. We long for the day the average citizen will know the difference between a Gold Star Wife and a Gold Star Mother! The majority of our members are widows of servicemen—most of our husbands did not live to become veterans. It is the only national organization composed entirely of service widows which devotes itself exclusively to the welfare of the widows and orphans.

It is further our belief that Gold Star Wives of America more than adequately meets the specific standards set up as prerequisites to Federal Charters, and to continue to be denied this Congressional endorsement would seem to be discriminatory.

Thank you for permitting us to familiarize you with the activities and objectives of Gold Star Wives of America. We would appreciate your support of this vital legislation so that it may receive the consideration we believe is merited.

WHAT PRICE SAFETY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HANSEN. Mr. Speaker, the nightmare of the Occupational Safety and Health Act is put in excellent perspective by Mr. M. Stanton Evans in the April 3, 1976, issue of Human Events. His column follows:

WHAT PRICE SAFETY?

(By M. Stanton Evans)

The road to ruin for American business is paved with the good intentions of federal bureaucrats.

At least you're supposed to assume they're good. Sometimes I wonder. Take the Occupational Safety and Health Administration (please). The stated object of this agency is to improve safety conditions for American workers. There is precious little proof that it has done so—but plenty of proof that it has caused immeasurable grief for their employers.

Consider, first of all, OSHA's record of metastatic growth. The law that gave it birth runs to a modest 31 pages, which could, of course, be troublesome but not impossible for average citizens to master. As usually occurs, however, Congress permitted executive agents in the Department of Labor to run amok—pumping out an endless batch of OSHA regulations in the *Federal Register*.

At last count, there were some 800 pages of such regulations, setting forth the safety standards that strike the bureaucrats as proper. These standards number no less than 4,400—2,100 devoted to business generally, 2,300 focused on the maritime and construction trades. They are enforced by an army of a thousand-plus inspectors.

These standards are not only voluminous, they are often of eye-glazing complexity. One of the most notable, isolated by Prof. Murray Weidenbaum of Washington University in St. Louis, consists of gobbledygook on ladders, including this delectable specimen: "The angle (a) between the loaded and unloaded rails and the horizontal is to be calculated from the trigonometric equation: Sine a=difference in defection 9/ladder width."

Small wonder that the Federation of American Scientists says: "Regulations are voluminous and complex, the language convoluted beyond recognition except by a scientist or lawyer. . . . Businessmen who have no legal or scientific training are unable to understand OSHA regulations. Unfortunately, few efforts are being made to translate the information into readable language. . . . Equally unnerving to the businesses is the sheer volume of the regulations—thousands of them apply to one small operation."

That the average citizen doesn't understand the mumbo jumbo is of small concern to OSHA. The important thing is that you be in compliance. OSHA agents make unannounced pop inspections and issue citations on the spot that can lead to fines of hundreds or thousands of dollars. There is no provision for advisory opinions on whether a given ladder, exit or trash can is out of sync with OSHA's mysteries. In fact, it is a criminal offense for anyone without authority to do so to give you notice of an OSHA inspection.

Even assuming the standards can be understood and met, the costs can be prohibitive. Robert Stewart Smith, formerly in charge of safety and health evaluation for the Department of Labor, has examined the costs and benefits of OSHA in an excellent analysis for the American Enterprise Institute (1150 17th St., N.W., Washington, D.C. 20036). On his showing, the costs are heavy, the benefits negligible.

Smith quotes findings by the National Association of Manufacturers that OSHA compliance costs range from $35,000 (for businesses with 100 employes or fewer) to $350,000 (for businesses with up to 1,000 employes). This estimate is confirmed by the fact that the first 33 businesses obtaining small business loans for the purpose of OSHA compliance averaged loans of $200,000 apiece.

Such costs are reflected in prices charged to consumers, and they are growing rapidly. Total costs of compliance came to $2.5 billion in 1972, $3.2 billion in 1973. And this is just for openers. Full compliance with existing OSHA noise standards would cost $13.5 billion, and under one proposed noise standard it would cost $31.6 billion. (This doesn't count the additional millions in levied fines.)

Over against these heavy costs are Smith's findings that OSHA had apparently done little or nothing to improve the industrial accident record. Sifting OSHA's own inadequate data with other figures, Smith discovered (a) that injury rates were higher, not lower, in industries with good compliance ratings, and (b) that between 1970 and 1973, industrial accidents in OSHA's so-called "target industries" fell by less than 1 per cent more than they would have in the absence of the program.

"At the very least," Smith concludes, "the results cast serious doubt on the effectiveness of the target program. . . . A more ominous, but still speculative, implication . . . is that OSHA, whether because of its standards or because of its failure to discover violations, may not be affecting the conditions which cause injury.

"Given the limited potential of a perfectly enforced set of standards and the likelihood that inspectors discover only the most obvious violations, it is perhaps not surprising that the estimated effects on injuries are so small that they cannot be distinguished from zero."

The net of it is that we are administering a vast bureaucracy, armed with constitutionally questionable powers, costing consumers untold millions—to achieve a statistically insignificant impact on the safety record of American industry.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on April 3, 1776, the Continental Congress authorized that the blank commissions for the commanders of private ships of war and letters of marque and reprisal, "be sent to the general assemblies, conventions, and councils or committees of safety of the United Colonies, to be by them filled up and delivered to the persons intending to fit out such private ships of war, for making captures of British vessels and cargos * * *" It is estimated that between 1,151 and 2,000 American privateers were commissioned to carry on operations during the Revolutionary War.

THE GI BILL IN HUMAN TERMS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. DOWNEY of New York. Mr. Speaker, on March 15, 60 of my colleagues joined me in urging the Education and Training Subcommittee of the Veterans' Affairs Committee to hold hearings on proposals which seek to extend veteran's education benefits due to expire on May 31, 1976.

The career plans of many veterans will be seriously altered if a legislative remedy to this expiration problem is not promptly considered and passed. I have received dozens of letters from my constituents expressing this sentiment. These letters frame the problem of limited VA educational benefits in human terms. I present two of them:

Hon. THOMAS DOWNEY,
Congressional Office Building,
Washington, D.C.

DEAR CONGRESSMAN DOWNEY: My family and I urge your support of Bills H.R. 7586 and H.R. 7221. I am a veteran, a police officer and a student of N.Y. Institute of Technology.

If V.A. benefits are terminated in May 1976, I will be deprived of 20¼ months of benefits I earned in the service of my country.

Until the CAPP Program was instituted, my employment as a Suffolk County Police Officer prevented college attendance on a full time basis. At present, with the VA benefits, I can provide for my family, attend college on a full time basis (12 credits/semester) and maintain an excellent average. (I am on the Dean's List.)

Although college credits are not required or recognized by the Department, and I've been successful in advancement without it, surely this pursuit of learning has broad and long term advantages for my community and my profession.

I am certain there are many Police Officers in the same predicament . . . . left with benefits they earned, but could not utilize before, and now are faced with impending loss of these benefits, because of an arbitrary cut-off date.

With your help and support, this date can be extended to allow us to use these benefits we already have earned, and in so doing, improve ourselves and the service we provide to our community.

Thank you for your consideration in this matter.

Hon. THOMAS J. DOWNEY,
House of Representatives,
Washington, D.C.

MY DEAR SIR: There are two bills before the Congress that I and many of my college associates feel very strongly about. They are H.R. 7586 and H.R. 7221. These bills dealing with V.A. educational benefits are the only way many of us will be able to continue our education.

As a veteran and a police officer trying to raise a family in these hard economic times I find it almost unbelievable that any member of Congress could vote against these bills. Yet, I am aware of certain members who were separated prior to 1964. This, Sir, is totally unfair and an outrage. Many individuals separated from the service as long ago as 1956 are currently enjoying educational benefits, some twenty years after they left military service. I suggest also that many members of the Congress also benefited from those extended benefits. Now, during a period when municipal salaries are being frozen, prices are rising at astronomical rates and no end in sight, we are expected to sacrifice again.

What are are asking for is a fair deal. We do not seek higher benefits. We seek to finish our education. All we are asking for is that the time limitation be removed. A chance, Sir, to share in the benefits of this great country that we the veterans and police help to protect.

I will anxiously await your thoughts and intentions on the above matter.

H.R. 12021

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. MINISH. Mr. Speaker, I am proud to be a cosponsor with the gentleman from Kentucky, Dr. CARTER, of H.R. 12021, legislation designed to carry out the recommendations of the National Commission on Diabetes for a stepped-up fight against diabetes.

As a sponsor of the measure which created this Commission 2 years ago, I want to stress that this new bill is the essential first step toward fulfilling the Commission's long range plan to combat diabetes. Through passage of this legislation, we will signify the Congress commitment to finding the cause and a cure for diabetes.

Diabetes mellitus, Mr. Speaker, is a major health problem affecting more than 10 million Americans. Last year in the United States as many as 300,000 deaths could be attributed to diabetes and its complications, thus making diabetes the third ranking cause of death after heart disease and cancer.

In addition to the very real emotional and social burden of diabetes, the economic cost to the Nation of this disease exceeds $5.3 billion per year. It makes sense, therefore, for us to invest a relatively small amount of money to develop a full-scale attack on this widespread disease.

H.R. 12021 would establish a National Diabetes Advisory Board to review, evaluate, and advise with regards to the implementation by the Federal Government of the Commission's long-range plan. This Board will report to both the Congress and the President describing and evaluating progress made each year with respect to the effort to conquer diabetes. The reports are to include legislative and appropriation recommendations for the forthcoming fiscal year.

In addition, the legislation authorizes funds for "Distinguished Scientists Awards." These shall be awarded by the Secretary of Health, Education, and Welfare to individual scientists who have shown outstanding productivity in research related to diabetes so that they may continue their efforts.

Lastly, funds are included in the bill for the establishment of diabetes research and training centers. These centers, which were included in the original diabetes legislation, are to play a major role in generating the necessary manpower for diabetes research and for clinical care.

Currently, a wide range of activities related to diabetes—research, education, and training—is occurring at the National Institutes of Health, within other Federal agencies, and outside Government in a number of human service organizations. Because the scope of diabetes is so broad there is a need to oversee these efforts and to coordinate implementation of the Commission's recommendations. I believe this legislation, which has been referred to the Committee on Interstate and Foreign Commerce, will create a mechanism to accomplish that purpose. I urge that panel to act promptly and favorably on H.R. 12021.

IMPORTATION OF SPECIALTY STEEL

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HARSHA. Mr. Speaker, earlier this year the International Trade Commission, after many months of study and research, found that the importation of certain specialty steels have caused substantial injury to our domestic industry and recommended that the President impose limitations on the importation of these steel products.

Because of the extreme importance of prompt action to protect our domestic supply of crucial specialty steel products, protect the jobs of thousands of American workers, and maintain a vital domestic industry, I, together with other Members of the House and the Senate, met with the President personally to discuss this matter and to impress upon him the urgent need for providing the specialty steel industry the protection it must have to compete with Government-owned and Government-assisted foreign producers.

The President subsequently decided to attempt to negotiate agreements with foreign nations to restrict their shipments of specialty steel to this country and to impose quotas to reduce imports if this attempt fails. I feel this was a reasonable decision and clearly reflects the President's understanding of the urgent need for import relief.

In order to demonstrate the relationship between unemployment in the specialty steel industry and the importation of specialty steel products, information from the Bureau of Labor Statistics on unemployment rates in counties throughout the country where specialty steel operations are located was obtained. The statement setting forth the unemployment rates in these counties was recently brought to my attention and shows that unemployment in these counties is appreciably higher than it is nationally. To me, this is a clear indication of the seriousness of the situation and supports the President's action in recommending protection for this crucial industry. As I believe these figures will be of interest to my colleagues, I would like to include them in the RECORD:

UNEMPLOYMENT IN COUNTIES WHERE SPECIALTY STEEL OPERATIONS ARE LOCATED

As an indicator of the relationship between layoffs in the specialty steel industry and the high level of imports of specialty steels, Colt Industries Inc. asked the Bureau of Labor Statistics to provide the unemployment rate for each of 39 counties in the United States in which specialty steel operations are located. The 39 do not include every county in which such an operation is located, since the selection omits the specialty locations of the two largest of the steel companies (U.S. and Bethlehem) and of the smaller companies (Phoenix as an example). The selection also omits counties which are seats of major cities.

The data—which are preliminary for both months show that from November 1975 to January 1976 the unemployment rate:

Increased in 24 counties;

Decreased in 3 counties;

N/A (Data not available) for January in 12 counties.

The counties for which the rates were sought are located in the nine states of: Connecticut, Indiana, Kentucky, Michigan, Missouri, Minnesota, Ohio, Pennsylvania, Texas.

The data are based on the count of unemployment insurance claims. The national unemployment percentage is announced on the second of each month for the preceding month. The county data have been obtainable on basis of a month's delay. The national unemployment rate for January 1976 seasonally adjusted was 7.8 percent (not seasonally adjusted 8.8). Among the specialty steel counties noted below, 24 had a rate above 7.8 percent, 18 of the 24 a rate above 8.8 percent.

One can infer from the data that economic recovery in the majority of the listed counties is delayed and, by the unemployment test, is lagging behind the nation as a whole.

County and State	January rate	November rate	Company facility
I. Specialty steel counties listed according to high to low rate of unemployment in January 1976:			
Scioto County, Ohio	15.6	15.1	
Chatauqua County, N.Y	14.4	8.9	
Linn County, Oreg	14.2	11.6	
Butler County, Pa	13.7	9.3	
Westmoreland County, Pa	12.8	11.3	
Mercer County, Pa	12.4	11.3	
Tuscawaras County, Ohio	10.8	11.6	
Daviess County, Ky	10.3	8.3	
Washington County, Pa	10.2	9.0	
Mahoning County, Ohio	10.1	9.5	
Henry County, Ind	9.9	9.3	
Butler County, Ohio	9.9	9.0	
Union County, N.J	9.9	9.0	
Northampton County, Pa	9.9	11.3	
Muskingum County, Ohio	9.6	9.0	
Allen County, Ind	9.2	8.2	
Stark County, Ohio	9.1	8.6	
Beaver County, Pa	9.0	8.0	
Cambria County, Pa		8.7	5.5
Onandaga County, N.Y		8.6	10.8
Jackson County, Mo		8.5	8.9
Washington County, Oreg		8.4	7.6
Venango County, Pa		8.3	7.9
Hardin County, Ky		8.2	7.7
Cuyahoga County, Ohio		7.8	7.4
Albany County, N.Y		(1) 7.2	5.5
Marion County, Ohio		6.7	6.3

(1) Allegheny Ludlum.

County and State	Company rate	January rate	November rate
II. No information for January from counties listed in order high-to-low in November 1975:			
New Haven County, Conn			13.2
Oakland County, Mich			11.6
Macomb County, Mich			11.0
Oneida County, N.Y			10.8
Fairfield County, Conn			9.6
Allegheny County, Pa. (excluding Pittsburgh)			7.7
Hennepin County, Minn			5.8
Berks County, Pa			NA
Cooke County, Tex			NA
Coshocton County Pa			NA
Crawford County, Pa			NA
Guernsey County, Ohio			NA
III. Heavily urbanized specialty steel counties not included:			
Baltimore			
Cook, Ill. (Chicago)			
Harris, Tex. (Houston)			
Los Angeles			
Marion, Ind. (Indianapolis)			
Milwaukee			
Tulsa			
Wayne, Mich. (Detroit)			

IDAHO ATTORNEYS' CASE AGAINST OSHA

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. HANSEN. Mr. Speaker, in order to clarify the fourth amendment case now pending against the Occupational Safety and Health Act, I submit a partial review of Barlow Inc. against Dunlop, et al., as outlined by Mr. Barlow's attorney:

Barlow's, Inc. is an Idaho corporation located in Pocatello. The business of the corporation involves the installation of electrical wiring and fixtures, plumbing and fixtures, and heating and air conditioning equipment. The corporation purchases much of its supplies, particularly rolled steel, from sources outside the State of Idaho and is, therefore, engaged in interstate commerce. Mr. Ferrol G. "Bill" Barlow serves as the President and General Manager of the corporation and takes an active part in the day-to-day conduct of the business.

During the late morning of September 11, 1975, while Mr. Barlow was occupied at the customer service counter of the corporation's business establishment, he was approached by Mr. T. Daniel Sanger who identified himself as a Compliance Officer for the Occupational Safety and Health Administration. After concluding an initial interview, Mr. Sanger announced that he was ready to conduct a general inspection of the private portions of the corporation's business premises. Upon learning that the Compliance Officer had no search warrant, Mr. Barlow refused Mr. Sanger the right to conduct such an inspection.

It appears that Mr. Sanger sought only to conduct a routine inspection of the corporation's business establishment. The development of the case has disclosed that there have been no complaints by Barlow's, Inc.'s employees concerning possible violations of the Occuptional Safety and Health Act, nor have any facts come to light giving rise to "probable cause" to believe that an OSHA violation exists on the corporation's business premises.

On December 30, 1975, an Order was entered by the Federal District Court in a case entitled, In the Matter of Establishment Inspection of Barlow's Inc., which required Barlow's to submit to the OSHA inspection. That Order was served on Barlow's, Inc., on January 5, 1976, and once more Mr. Barlow denied the officer admission to inspect and search the premises.

On January 6, 1976, the day after service of the above mentioned court order, suit was filed in the same Federal District Court seeking a determination of the constitutionality of the pertinent provisions of the Act and an injunction against their enforcement.

ISSUES PRESENTED BY THE CASE

The Fourth Amendment to the Constitution of the United States provides as follows:

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

The United States Supreme Court has long since established the basic rule that all warrantless searches are presumed "unreasonable" unless proven otherwise. The flexibility of this proposition reflects the Court's recognition of the fact that there are times when the requirement of seeking a search warrant from a judicial official must be relaxed as "unreasonable" in the face of emergency situations. Thus, an automobile reasonably (i.e. "probable cause" exists) suspected to contain contraband may often be searched without a warrant because of the danger that the automobile might be moved and the evidence of the crime destroyed.

Further, it is recognized that certain government licensed businesses such as liquor or gun dealerships may be inspected and searched by government officers upon the theory that those persons who have chosen to engage in such "pervasively regulated and licensed enterprises" have at least impliedly consented in advance to such warrantless inspections.

The question presented by this case is whether these two general exceptions to the warrant requirement may be applied to every business enterprise subject to OSHA regulation.

First, it is Barlow's position that Congress may not dispense with the constitutional requirement of search warrants by the legal fiction of finding "probable cause" to believe that violations of OSHA regulations exist in every business sought to be inspected.

Second, Barlow's contends that the "licensed enterprise" exception to the need for search warrants may not be constitutionally applied to each and every enterprise subject to OSHA regulation. Barlow's has not expressly or impliedly consented to searching of its private premises as a condition to its right to purchase materials from outside Idaho.

HISTORY OF THE CASE

As mentioned above, the case of *Barlow's, Inc.* vs. *Dunlop, et al.*, constitutes an independent attack upon the government's right to conduct a warrantless search, which the government sought to establish in the case of *In the Matter of Establishment Inspection of Barlow's Inc.*

It is notable that since the date of the Idaho District Court's decision, a three judge district court panel in Texas concluded in a somewhat similar case that Section 8(a) of the Act is constitutional but only because the court construed the Section to require the Government to seek and obtain a search warrant from a neutral magistrate.

Mr. Speaker, the court in the Texas decision, dated January 26, 1976, concluded with this statement:

"While we recognize that our approach is subject to criticism as remedial to the verge of redrafting, if there is a place for unusual deference anywhere in the relations between the branches of our Federal Government it surely exists where a court of first instance is required to pass upon the constitutionality of a broad national enactment of the Congress. We think it reasonable to assume that Congress intended nothing beyond its constitutional powers and that the requirement of a search warrant for resisted inspections was not made explicit in part because the need for a warrant was clear in those days before Biswell and its progeny appeared. And after all, Congress need not re-enact the bill of rights as a preamble to every statute to be sure that the statute will be construed against its background and with a recognition that Congress' fidelity to fundamental rights is as firm as ours."

Mr. Speaker, the Idaho lawyers went on to say:

"The court's willingness to stretch the language of the Act in order to incorporate the constitutional requirement of a search warrant is probably based on the peculiar fact situation of that case; but in any event, the court's reasoning strongly supports Barlow's theory of the case and significantly increases the likelihood of receiving a favorable decision from the three judge district court.

While it is not certain that the defendants in this matter would appeal an adverse lower court's decision, Barlow's intends to take this matter to the Supreme Court if it should be defeated in the lower court. The reasoning behind the parties' possible different approaches lies in the unique character of this case. It is remarkably clean and free of confusing and diverting side issues which might have served to prevent a final resolution of the constitutional questions. It is a basic canon of constitutional construction that such major issues of law should be considered if and only if the court cannot decide the case on other grounds. This tends to give stability and predictability to the basic law of the land. This case presents no other issues which would require or allow the Supreme Court to avoid a final determination of the constitutionality of Section 8(a) of the Act.

THE VICTIMS OF OCCUPATIONAL DISEASE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, in conjunction with its recent series of articles on occupational disease and the need for toxic substances control legislation, the Philadelphia Inquirer of March 21 included a set of three short stories on the victims of occupational disease.

The first is a story about former employees of the Philadelphia Navy Yard who worked as pipe coverers. As a result of their exposure to asbestos on the job, these men are now dying of asbestosis—and they have filed a suit against asbestos manufacturers all across the Nation which supplied the Navy yard with asbestos or asbestos-related products.

The second story concerns a former employee of DuPont's Chambers Works in Salem County, N.J., who is now dying of bladder cancer as a result of his exposure to toxic chemicals.

Three hundred other employees of the same plant have also contracted bladder cancer.

The third story concerns the Gauley bridge disaster, and is a shocking account of an epidemic of acute silicosis among tunnel workers in West Virginia. This appalling chapter in the history of occupational disease was written at the height of the depression, when workers' lives were expendable. In this case, so many workers died on the job that the employer resorted to mass burials in West Virginia cornfields.

Mr. Speaker, I was particularly interested in some of the comments of the DuPont chemical worker, which underscore the persistence and ubiquity of denial. No worker believes he is going to die because of his work. Others around him may get sick and die, but not him.

"None believes in his own death," said Sigmund Freud. This is one of the problems confronting those of us who strive to awaken the national conscience about the needless tragedy of occupational disease. I do not believe that workers are apathetic about health hazards on the job—instead, I believe they are simply denying the role their work is playing in accelerating their death process. There are also economic factors which influence worker attitudes about health hazards on the job. Workers do not want to lose their jobs; they are willing to assume health risks just to remain employed.

Mr. Speaker, American society has surely advanced to the point where it is possible to have both a job and sound health. A worker should not have to choose between the two alternatives.

The Occupational Safety and Health Act has enabled us to take great strides to provide American working men and women with safe and healthful working places. But there is much that remains to be done.

Occupational disease kills over 100,000 American workers each year. We are really not going to get this problem under control until we enact effective toxic substances control legislation.

La Fontaine said, "We believe no evil till the evil's done." Well, the evil of toxic substances surrounds us.

Hundreds of thousands of premature deaths result from environmentally linked cancer. The proliferation of toxic substances in our society is the root cause of this cancer epidemic. When are we going to shut off the tap that is poisoning our people and our environment?

Environmental contamination by toxic substances costs this Nation millions of dollars each year in the loss of fish and wildlife and livestock, and the degradation and destruction of our precious water, air, and soil resources.

When are we going to say that the time has come to stop this frightful and needless waste?

When are we going to enact an effective toxic substances control bill?

Mr. Speaker, I hope that the answer to all of these questions will be provided by the 94th Congress.

This Congress has the opportunity to perform a great service in the compelling national interest.

We will soon be considering legislation concerniing toxic substances control. I hope that, when this measure comes to the House floor, my colleagues will join with me in supporting a strong and effective bill.

Statistics on cancer indicate that 1 in 4 Americans will die of this disease. This means that there are over 100 of us in this room today who will die of cancer—and who are probably now carrying within us the seeds of our own destruction.

Most of those seeds have been planted by exposure to hazardous substances.

I hope my colleagues will agree that the time has come to call a halt to this grim harvest.

Mr. Speaker, I include at this point in my remarks the article from the Philadelphia Inquirer concerning occupational disease victims, and remind my colleagues that we are all being victimized by toxic substances:

[From the Philadelphia Inquirer, Mar. 21, 1976]

THE VICTIMS—STRICKEN ASBESTOS WORKERS SUE

(By Murray Dubin)

Joe, 48, of South Jersey: "I got out of the service in '55 and there were three apprenticeships open at the Navy Yard—rigging, painting and pipe covering. I didn't like painting, and rigging guys were always lifting and pulling heavy things. I figured pipe coverers just covered pipes."

Joe made a bad choice. He says he is dying because of it.

He and 40 other former Navy Yard workers, and seven widows of former Navy Yard workers, have filed suit in Philadelphia against 24 asbestos manufacturers. The suit charges that the manufacturers failed to warn the workers about the health hazards of asbestos.

Asbestos is recognized for saving many lives because of its use in fireproofing buildings and in automobile brake linings. Now, however, the fiber is revealing its more demonic side, a side that is destroying people.

The most feared asbestos-related disease is mesothalioma, an almost always fatal type of cancer that affects the abdominal wall. Relatively rare, the disease has been found in those who have worked with asbestos (estimates say about 5 million workers breathe a significant amount of asbestos dust every day).

More common is asbestosis, an emphysema-like disease that scars the lungs, markedly decreasing breathing capacity and increasing chances of lung cancer and other forms of cancer.

FEAR HARASSMENT

There is no cure for asbestosis, and no hope of improvement for its sufferers.

Joe and four others who suffer from asbestosis and are parties to the suit sat in the Broad Street office of Melvin Brookman, their attorney, last week, Joe and Ben, both of South Jersey, asked that their correct names and communities not be used. They are afraid of harassment.

The other three are: Lou Robbins, 62, of Levittown, 25 years in the Navy Yard installing sheet metal; Thomas Conte, 66, of South Philadelphia, 32 years as a welder; and Ernest Washington Jr., 54, of West Philadelphia, five years as a welder. Joe and Ben were both pipe coverers.

All five men are wearing wrist watches as if time had become very important to them. Washington excuses himself three times during a 90-minute interview to go to the bathroom. "My muscles . . . I can't hold it in no more," he says. Robbins' voice is high and raspy and painful to listen to.

"In 1970, we were taking our regular x-rays at the yard," says Joe, the father of four. "The bases of my lungs were dark. They told me to go to my regular doctor. He said if I didn't get out of the Navy Yard, it would kill me.

"Asbestosis? Nah, how the hell should I know what it was?"

"My doctor asked me what I did for a living," adds Ben, 53. "When I told him, he said there was no medicine for me."

None of the five says he is physically able to work. They all stay at home, driving their wives to work, visiting shopping malls, watching television, counting the hours.

Their foods are restricted; celery is too hard to chew. "We eat cream soups," says Joe.

There is no more late night socializing, no long walks, no dancing, no energy for much of anything. And there is no sex.

"It's not a laughing matter," says Joe.

"I know two guys whose wives left them because of this," says Washington. "I got a wonderful, understanding wife." The others nod.

They all agree that they will live out their lives without an operation. "Once they start cutting you, if you got a month more, you're lucky," says Joe. "They wanted to do a biopsy on me. No way."

Conte lost a brother-in-law from asbestosis. He tries not to think about what may happen to him. "I'm scared. If I can't sleep, I knock myself out with four or five shots of scotch," he says, scratching the tatoos on his arm.

RECALL WORK

They ruefully recall all the asbestos dust they have breathed, the asbestos sheeting they used as a blanket while working, the asbestos they used while welding.

"The manufacturers should have given us a warning," says Joe.

Since 1972, the Navy Yard has provided workers with paper overalls, respirators, special lockers, showers and an end to any new asbestos use. But these five men say the changes probably were too late for them.

Attorney Brookman says work on the suit began 11 months ago with one widow of a Navy Yard worker. It quickly mushroomed into the current 48 petitioners.

Filed in Common Pleas Court in late January, the suit names asbestos manufacturers all over the country, ranging from giants like Johns-Manville and Owens-Corning to local companies like the Amatey Corp. of Norristown.

Companies contacted would make no comment on the suit. As yet, a hearing date has not been set.

SUPPLIED YARD

Brookman says that all the companies named supplied the Navy Yard with asbestos or asbestos-related products.

The five men say they have become involved in the lawsuit so that their families will have some money.

"They (asbestos companies) owe me," says Ben. "They shortened my life. They screwed me."

"People ought to know what it can do to you," says Joe.

None of the five have become avid asbestosis experts, preferring not to know everything about the disease that may kill them.

"If I got five years left, it's a lot," says Washington. He has planned his funeral, signed the papers that will give his body to medical science and "pull the plug" if he is only being kept alive by technical means.

"I've got one client that asked me to handle his funeral for him," Brookman says. "He wants to be cremated. He told me the only thing left will be ashes.

"And the asbestos, because that won't burn."

DUPONT PRAISED BY ONE WORKER

According to a recent federally-funded survey, one in four American workers has an occupational disease. Few of them are like Manuel Pollock.

Probably the most obvious difference is that he's cheerful about his disease—bladder cancer.

His former employer, the E. I. DuPont de Nemours Co., has accepted "full responsibility" for his cancer, according to Pollock, including transporting him to and from the hospital when he goes in for a check-up.

"They never have been chintzy on medical care," says Pollock, who retired in January 1975 after 39 years at DuPont.

Manuel Pollock is 62 and weighs 125 pounds—down three pounds from the days when he emptied barrels and shoveled chemicals into vats at the DuPont Chambers Works in Salem County, N.J.

"I'm not frail," he says, objecting to a description of him which appeared some time ago in a newspaper story about Salem County's bladder cancer rate—the highest in the country.

Since then, Pollock has been interviewed by the New York Times, CBS and a New York television crew.

Pollock is the former president of the independent union that represents 4,300 of the Chamber Works' 7,000 employes. Although approximately 300 other workers at the plant have contracted bladder cancer, Pollock is the only one available, according to the union, to discuss his illness.

NOT BITTER

Unlike many workers around the country who have been stricken by occupational diseases, Pollock is not bitter. In fact, he has only the highest regard for DuPont.

He figures that's why CBS newsman Dan Rather didn't use any portion of an hour and a half filmed interview with him in a special television report on occupational cancers.

"I'm not controversial," Pollock says.

Indeed, if DuPont wanted to send out a missionary for its safety and health programs, they couldn't find anyone much better than Pollock.

"There isn't anything you can't have for safety," he says, referring to equipment provided workers to prevent exposure to the scores of chemicals produced at the Chambers Works.

Unlike the days when Pollock used to work bare-chested mixing chemicals—with the dust coating his body and filling his lungs—many workers today are provided "chem suits," similar to space suits worn by astronauts, complete with self-contained air supplies.

AWARE OF RISKS

And although Pollock never knew what hazards he faced, he believes the workers today are fully informed by DuPont of health risks they take daily.

For example, 18 months before DuPont informed the National Institute for Occupational Safety and Health that the chemical hexamethylphosphoric triamide caused nasal tumors in rats, workers were notified, according to Leslie R. Morris, who succeeded Pollock as president of the union.

The chemical, known as HMPA, is a solvent. According to Morris, DuPont told workers that although tumors were found in rats, none had been found in humans. Production of the chemical continues.

Such announcements by DuPont to its employes at the Chambers Works have occurred with increasing frequency. Although DuPont feared a "mass exodus" of workers when several other substances it produces were discovered to be cancer-causing, according to Morris, that didn't occur.

NOT MILITANT

The union is "not militant at all" about occupational hazards, Morris says.

"I feel they (company officials) are leveling with us because there are too many government agencies we can go to," says Morris, "DuPont is very sensitive to adverse publicity. And they know the union will go to any extremes to mandate that our people are knowledgeable about hazards."

In its 33-year history, the union has taken only one strike vote, over the issue of whether union representatives could conduct union business on company time. The strike vote failed.

Two-year-long efforts by the United Steelworkers of America to organize the Chambers Works and other DuPont plants also have failed.

Morris admits that an hourly wage of $7.13 for 85 percent of the chemical workers keeps many of them content. DuPont's traditional paternalism toward its employes also is a factor, Morris and Pollock say.

"The attitude used to be, DuPont took care of us during the Depression, so why should we ruffle their feathers now," says Morris.

"Workers have the feeling that, Hell, I'm not going to get it (cancer)," says Pollock. "Or, they think that if anyone gets it, the guy beside me will."

"Or, if I do get it, the company will take good care of me."

A HORROR STORY OF GAULEY BRIDGE

Forty years ago, in a Congressional hearing room, victims of one of the most gruesome outbreaks of occupational disease unfolded to the nation the horror story that became known as the Gauley Bridge Disaster.

The number of dead: 476. The number of dying: 1,500. Mass burials: 169 workers buried in a cornfield, two or three to a hole.

The cause of death: acute silicosis.

A Congressional subcommittee recommended that Congress finance a study of silicosis; the suggestion died in committee. Public discussions of labor and industry cooperation to eradicate the disease were convened; they produced nothing more than talk. Some minor changes were made in workmen's compensation laws; none would compensate the victims of Gauley Bridge.

In 1930, the New Kanawha Power Co., a subsidiary of Union Carbide and Carbon Co., began construction of a 16,250-foot-long tunnel through a mountain at Gauley Bridge, W. Va.

Officially the tunnel was to bring hydroelectric power to an undeveloped region of the state. In fact, the purpose of the tunnel was to supply power to another subsidiary of Union Carbide.

Much to the tunnel planners' delight, test borings indicated the mountain contained vast deposits of pure silica, a valuable commodity in steel processing—precisely the type of work done by the subsidiary at the other end of the tunnel.

The nation was in the midst of the Depression and workers—particularly unskilled blacks from the South—were easy to attract to the site. Hundreds, with the promise of good wages, poured into Gauley Bridge.

Many would never leave alive.

In 1936—when the first national attention was focused on the Gauley Bridge outrage—a black man named George Robison described conditions at the construction site to a stunned Congressional committee:

"As dark as I am, when I came out of that tunnel in the mornings . . . nobody could have told which was the white man. The white man was just as black as the colored man.

Men like Robison told the committee about fellow workers dying in the tunnel and being carted out for immediate burial.

Workers were herded into the tunnel immediately after a blast, before any dust could settle, by supervisors wielding pick-ax handles.

Concerned families were reassured by the company. One was Mrs. Charles Jones, who lost three sons within 13 months, and whose husband was dying of silicosis.

Mrs. Jones told the committee:

". . . The tunnel foreman came and asked why the boy (her youngest son) was not at work . . . I told him I thought the tunnel dust was killing them. He said, 'No, that is just a foolish idea of yours. I have been working in tunnels for 30 years. It will not hurt them.' "

When doctors opened up Shirley Jones' lung, after his death, they found a hard, silica filled mass.

Although some workers requested respirators (which cost $2.50) to reduce the amount of dust inhaled, the contractor refused.

"The company openly said that if they killed off those men there were plenty of other men to be had," said a witness before the Congressional committee.

As the Depression wore on and the labor supply swelled, hourly wages dropped from 40 cents to 25 cents. Still, the workers came. In all, more than 2,000 men were employed. Almost one-fourth of them died.

If working conditions were terrible, living conditions were just as bad.

Tunnel workers were housed in decrepit shacks, with as many as 10 or 15 men squeezed into a building. Each week every man was charged 75 cents for shack rent, 25 cents for the doctor, 25 cents for the hospital and 25 cents for electricity (many cabins had none).

In 1932 and 1933, a total of 400 lawsuits were filed against Rinehart and Dennis by workers and their families. Two hundred of them were promptly thrown out because they had been filed after the one-year statute of limitations had expired.

Several trials were held. They turned out to be mockeries of justice. Jurors rode home in Rinehart and Dennis owned automobiles. Company supervisors, some barely able to talk because they too had come down with the disease, testified that dust had not been a problem in the tunnel.

Finally, in 1933, about 170 of the remaining lawsuits were settled out of court for a paltry $130,000 for all the plaintiffs. A lawyer for a few of the victims learned that the settlement occurred after other lawyers in the case had accepted a payment of $20,000 to accept the tiny settlement.

After lawyers fees of $30,000, victims received payments ranging from $80 to $1,000.

Most of the men who lived long enough to collect the settlement took the small sum granted them. Then, they went off to die.

MORE GUNS, MORE DEATHS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. CONYERS. Mr. Speaker, I am confident that the long-delayed debate and decision in the 94th Congress on stricter control of handguns will take place soon on the floor of the House. I venture to say that if each and every one of my colleagues were in a position to be impartial and dispassionate about the facts of handgun violence that the Subcommittee on Crime accumulated in more than 8 months of public hearings across the country, we would all move immediately to enact strict handgun control legislation. Needless to say, other considerations all to frequently intervene.

The facts of the matter demonstrate a strong correlation between the number of handguns available and the number of handgun-related crimes and acts of violence that occur. For example, gun homicide is highest in the South—72 percent of all homicides—and lowest in the Northeast—44 percent. It is not surprising, then, that firearms ownership is highest in the South—59 percent of all households—and lowest in the Northeast—33 percent. Accidental gun deaths occur four times more frequently in the South than in the Northeast. The family handgun is six times more likely to be used in the killing of a member of the family than against an intruder, and almost two-thirds of all such killings result from a family dispute or argument between friends. The FBI has concluded that most such killings would have ended as nothing more serious than a shouting match or fist fight were it not for the presence of handguns. The public safety commissioner of the city of Atlanta has testified that three out of four gun-related deaths could have been prevented were a handgun not available.

Because my views on the need for strong handgun control legislation are well known, I wish to place in the RECORD the views of a distinguished journalist whose conservative credentials are impeccable, Mr. Roscoe Drummond. Recently Mr. Drummond wrote a series of five columns on the urgent need for strong handgun legislation. It appeared in the Cincinnati, Ohio, Enquirer and numerous other newspapers across the country. I recommend his analysis of the handgun crisis to each and every Member:

MORE GUNS, MORE DEATHS

(By Roscoe Drummond)

This is the first of a five-part series on the controversial issue of stricter gun-control in the United States.

The United States is the most heavily privately armed nation in the world. It also has the highest crime rate of any nation in the world.

And crime is steadily mounting—up 18 percent last year over the year before.

And the spread of handguns is steadily mounting—one new handgun is sold in the United States every 13 seconds.

The number of handgun homicides and handgun fatalities from accidents is steadily mounting.

Crimes involving handguns were responsible for 20,000 murders in 1974 and $2.8 billion in loss of property.

I cannot believe that a majority of Americans will remain complacent much longer while elected officials dally.

Something must and can be done. The arsenal of handguns in private possession in the United States per capita is 20 times greater than in Great Britain. What is the consequence? More people are killed with handguns in a day and a half in the United States than are murdered by all firearms in Britain in a year. The rate of gun homicide in the United States is more than 200 times that of Japan and higher than in any other country anywhere in the world. A subsequent column will detail the measures other nations take which account for their lower crime rates.

It is impossible to separate the rise in handgun possession from the rise in handgun crimes and handgun killings. They are visibly related. The facts are beyond dispute.

The conventional myth spread by opponents of stricter gun control is that "guns don't kill people—people kill people." The truth is that the very possession of guns leads people to kill people. Here are the facts which demonstrate this truth:

Firearm ownership is highest in the South (59 percent of all households) and lowest in the Northeast (33 percent).

Gun homicide is highest in the South (72 percent) and lowest in the Northeast (44 percent).

Accidental gun deaths occur more than four times as frequently in the South as in the Northeast.

I ask readers to ponder these facts very carefully. Their essential truth is that, where guns are possessed by a greater number of people, that is where the higher rate of gun crime and gun fatalities occurs.

This can lead to no other conclusion but that possession of guns by innocent people in their homes or on their person is more of a peril than a protection.

This isn't just theory. What happens in real life proves it to be true.

Consider: The Eisenhower Commission, none of whose members was eager to have the government do anything more than that essential for protecting life, made a special study of "Firearms and Violence in American Life." It found that for every burglar stopped by a gun, four homeowners or family members are killed by a gun in accidents and that one-fourth of these victims are children under 14 years.

Consider: Atlanta's public safety commissioner has testified that "three out of four deaths could have been prevented were a handgun not available.

Most bodily harm to people from guns does not come from gun-carrying professional criminals. Most killings and injuries are the result of disputes between acquaintances where spontaneous violence is generated and the weapon at hand, a gun, is used to win the argument.

Just as the possession of handguns is not a good means of insuring safety and security, the opposite is equally true. The nonavailability of handguns means the noncommission of much violent crime.

Handguns figure in 54% of all homicides. No other weapon comes near to it.

This is why every national commission which has studied the cause and prevention of violence urges stricter handgun legislation.

This is why the U.S. Conference of Mayors urges a total ban on the manufacture, importation, sale and possession, of any kind of handgun by anyone except for use by the police and the military.

[Second of a series]

ON THE RIGHT TO BEAR ARMS

(By Roscoe Drummond)

This is the second of a five-part series on the controversial issue of stricter gun control in the United States.

The most confusing myth in the whole handgun debate is that any licensing or regulation of firearms is widely seen as a violation of the Constitution. It is argued that, if Congress went so far as to ban the manufacture of handguns, this would certainly be struck down by the Supreme Court. Not so.

There is no such constitutional right, but it is widely espoused by gun-control opponents and it deters some legislators and gun-control supporters because the myth sounds so plausible on the surface.

Whenever I write about the need for stricter gun control, I get numerous letters from readers asking why I am against the Constitution and asserting that the government must not be allowed to "take away our right to 'bear arms.' "

It is an appealing argument unless you read the Constitution.

The second Amendment does refer to the right "to bear arms," but the right to bear arms is expressly and exclusively related to the maintenance of a state militia. Here is how it reads:

"A well-regulated militia being necessary to the security of the free state, the right of the people to keep and bear arms shall not be infringed."

This amendment thus authorizes citizens to bear arms in the service of the militia; it does not guarantee an unrestricted right to own firearms.

The history of the Second Amendment shows that its purpose was to protect the right of the states to maintain their own security forces by forbidding the federal government to infringe upon that right.

This is not just an arguable interpretation by guncontrol advocates. It is the unanimous interpretation of the Supreme Court of the United States. Four different cases have come before it centering on this issue and the court has consistently held that the Second Amendment applies only to the maintenance of a state militia and does not guarantee an unlimited right to bear arms.

The judicial precedents are unbroken. They are all to the same effect; namely, that the amendment protects the collective right of the people to bear arms in a military capacity for the security of the states.

The Supreme Court's rulings go back as far as 1875 and 1886, and the latest came in 1939. In its verdict in United States vs. Cruikshank, these are the court's words:

"The bearing of arms for a lawful purpose is not a right granted by the Constitution. The Second Amendment declares that it shall not be infringed, but this, as has been seen, means no more than it shall not be infringed by Congress."

In United States vs. Miller, Mr. Justice McReynolds, a judicial conservative, put it this way:

"With obvious purpose to assure the continuation and render possible the effectiveness of such (militia) forces the declaration and guarantee of the Second Amendment were made. It must be interpreted with that end in view."

In addition, the Supreme Court has stated that the right to possess and bear arms must have a reasonable relationship to maintaining such militia, and has indicated in United States vs. Tot that handguns have no such relationship and thus can be regulated by the federal government.

There has been no contrary verdict by the Supreme Court on any occasion.

Despite this clear judicial record, it is evident that there are still proponents and opponents of stricter gun control who, from lack of information, assume there is a constitutional right to keep and bear arms for personal use. There will continue to be honest differences of opinion on how and how far to go in dealing with handguns, but let's try to keep the debate within the bounds of fact.

A recent letter from a reader challenged me with this argument. He wrote: "On the American Broadcasting Co.'s nightly news, Harry Reasoner reported there were more deaths due to choking on food than by handguns. So, now let's outlaw food."

That is absurd. Food is indispensable; handguns are not indispensable. People can't get along without food; people can get along without handguns—and live longer!

[Third of a series]

GUN CONTROL: WHAT IS NEEDED?

(By Roscoe Drummond)

Those Americans who oppose any effective gun-control legislation—perpetually a minority according to all opinion polls—are absolutely sincere and honest in their views. They are not the tools of any interest but their own. However, I think it is unfair to attack the profirearms lobby simply because it seeks energetically to make its views prevail in Congress.

That is its right.

But there are vast commercial interests behind this lobby whose stake in its success is to protect the profits of a $2 billion-a-year business of the gun manufacturers. Through these 156,000 licensed dealers in the United States, six million new guns—2.5 million of them handguns—will be sold this year.

That's Big Business. And however much they may feel they are serving the public and meeting a demand in the marketplace, these gun producers and sellers help finance a powerful lobby which protects their financial interests. The National Rifle Assn. (NRA) informs its members and friends that it needs $500,000 annually to cover its antigun-control research and publicity.

That is its right.

But it is the responsibility of Congress to assess the validity and determine the weight which should be given to its claims.

One of the NRA's claims is that it is not politically safe for a senator or representative to vote in favor of gun control legislation. This is more myth than reality and, when carefully examined, should open the way to congressional action.

Let's look at the facts.

The NRA eagerly cites the 1970 defeat of Sen. Joseph Tydings of Maryland as impressive proof of the political power of organized and active opponents of gun control; also the defeats of Sen. Albert Gore of Tennessee, Charles Goodell of New York and Thomas Dodd of Connecticut.

Every knowledgeable Washington correspondent knows these senators lost their seats for reasons unrelated to their votes on gun control. Gore had alienated Tennessee voters because of his stand on the Vietnam War. Goodell was given short shrift by the White House, and Dodd had been fatally censured by the Senate for personal misuse of campaign contributions. Tydings had lost needed liberal support because of his no-knock crime bill and because of allegations of conflict of interest.

There is even stronger evidence which deflates the claim that support for gun control is a virtual death sentence to a politician. It isn't. It is more nearly a survival kit. Consider.

Twenty-seven congressmen who either introduced or supported measures favorable to firearms manufacturers were defeated in 1974. On the other hand, not a single congressman who sponsored restrictive firearms legislation lost his seat in that election.

In answer to the question: "Would you be more likely or less likely to vote for a political candidate who took a position on strict controls of firearms?" the Gallup Poll found that 62% said "more likely," 26% said "less likely" and 12% had no opinion. When the responses were broken down by race, party affiliation and regions, they showed little variation, although more women (67%) said "more likely" than men (58%).

The opponents of stricter gun control quite understandably exploit the political maxim that a vocal, articulate, letter-writing minority can exert a disproportionate influence on legislative action.

FAIR ENOUGH

This means that unless majority opinion lifts its voice and begins to make its influence felt in Washington in ways equal to its numbers minority government will dominate. Congress will listen—and act—when its members believe that a majority of Americans are determined to see the nation better protected against gun homicides and other gun crimes and accidents, and when they realize that a vote for stricter gun control will not endanger their seats in the next election.

A galvanic progun-control lobby will help make democratic government work—and will save lives.

[Fourth of a series]

WHO SUPPORTS GUN CONTROL?

(By Roscoe Drummond)

Who wants stricter gun control?

Good question.

The mail I receive from readers indicates many opponents of gun control seem to think its advocates are radicals, incurable "do-gooders," Communist-inclined and, at best, pretty near to being un-American.

They aren't. They are your next-door neighbors. They are solid citizens, political leaders who, more than many others, have earned respect. They are men and women who have informed themselves of the relation of the massive spread of handguns to rising crime and rising gun fatalities; men and women who want nothing more than to protect themselves, their families and their country.

The following is a representative cross-section of the kind of people and the kind of organizations actively working for stricter gun-control legislation.

The law: The American Bar Assn., National Assn. of Attorneys General, National District Attorneys' Assn.

Law enforcement: International Assn. of Chiefs of Police, National Sheriffs' Assn.

Church-related groups: YWCA, United Methodist Church, Union of American Hebrew Congregations, Unitarian Universalist Assn.

Farm: American Farm Bureau Federation.

Business: Committee for Economic Development.

Units of Government: American Federation of State, County and Municipal Employees, National Assn. of Counties, National Conference of State Legislatures, U.S. Conference of Mayors.

Labor unions: AFL–CIO.

Civil Rights groups: Common Cause, American Civil Liberties Union.

There are more. Five special presidential commissions which studied the cause and cure of rising crime and handgun deaths have unanimously urged stricter gun control. Each reached the same conclusion—more effective gun control is needed.

All recommended national licensing and registration.

More than any other public officials, mayors see the direct impact of handgun crime in the rising rates of violence in cities and towns throughout the country.

This undoubtedly explains why the nation's mayors want to see the federal government go further than anything yet enacted, including a drastic restriction on production of handguns.

The report on "Handgun Control '75," prepared by William R. Drake and Joseph D. Alviani for the U.S. Conference of Mayors and adopted by the conference, concludes with these words:

"Handgun control is clearly an issue whose time has come. The issue itself is clear and the alternatives are before us for action. The choice is primarily one of whether to act and when to act. If we are wise, in the near future we will as a society ban the manufacture, sale, possession and distribution of handguns except for use by the military, the police, and suitably controlled sportsmen's clubs. The price for not taking such an action is far greater than our cities and society can bear."

The United States has a higher rate of crime than any country in the world.

Great Britain requires a certificate of competence from police to buy or own a gun.

In France all guns must be registered and owners undergo an intensive investigation before licensing.

Australia requires a license to possess or carry, and registration of all firearms.

Twenty-nine European countries do the same.

Five European countries prohibit the private possession of handguns.

In the United States we have a plethora of laws. But they are weak and, because they are full of loopholes, they are not effectively enforced.

[Last of a Series]

HANDGUNS: MYTHS AND FACTS

(By Roscoe Drummond)

The opponents of stricter gun control and its advocates can't both be right.

If more handguns in the hands of more people in their homes, stores and offices would reduce gun crime and gun deaths, then all present restrictions, however feeble, should be repealed.

But it wouldn't. The evidence already detailed in this series demonstrates that guns don't protect their possessors; they imperil them. One key fact destroys this misconception: In that part of the country where handgun ownership is highest, handgun crimes, shootings and accidental handgun deaths are highest.

In this concluding column, let me set out the principal myths which muddy the gun-control controversy together with the facts which destroy these myths:

Myth: Handguns are a protection to the home and to the person. Stricter controls will not keep guns away from criminals; they will keep them away from innocent people for self-protection.

Reality: All the police data show that little, if any, protection comes from handgun possession. On the contrary, the mere presence of a weapon in the home or on the person increases the danger of bodily harm from the criminal. There is a direct correlation between increase of gun ownership and the increase of gun crime and gun deaths.

Myth: It is illegal and unconstitutional, a violation of the Second Amendment, to interfere in any way with the "right to bear arms."

Reality: There is no such constitutional right. The Second Amendment only guarantees the right "to bear arms" in serving the state militia, which is specifically mentioned. The Supreme Court has so ruled.

Myth: Handguns serve a valid sporting purpose.

Reality: Gun controls do not restrict the use of rifles or shotguns, only handguns. Sporting use is not why people buy 2.5 million handguns a year. Few people use such weapons for target practice.

Myth: The anticontrol lobby can politically punish and nearly defeat any member of Congress who votes against its wishes.

Reality: Unproved. Most of the evidence is to the contrary. The lobby claims it has defeated many congressmen who supported gun control. Its claims far exceed its performance. All the polls show that more than two-thirds of the public consistently supports gun control. Not a single congressman who has sponsored restrictive firearms legislation was defeated in the latest congressional elections.

Myth: Cheap "Saturday-Night Specials" account for most handgun crime.

Reality: All categories of handguns figure in most crimes. Expensive weapons kill and maim just as frequently.

Opponents of stricter gun control rightly contend that most criminals will be able to circumvent most provisions for licensing and registration. This is why the U.S. Conference of Mayors concludes that the only adequate counter to growing gun crime is a "ban on the manufacture, sale and personal possession of handguns."

Advocates of gun control recognize that manufacturers, dealers, hunters and target-shooting sportsmen have legitimate interests which should be safeguarded.

But the general public and even the majority of handgun owners have virtually nothing to gain and very much to lose from the continued proliferation of such weapons.

REPORTS ON REVENUE SHARING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. RANGEL. Mr. Speaker, one of the most important decisions facing this body during this session of Congress is whether or not to extend the General Revenue Sharing Authority. I am presently examining expert testimony on the program's effectiveness and will use this information along with input from my own constituents as a basis for arriving at a decision. I am concerned, of course, that the program has in fact improved upon the quality of services provided to the poor and minority citizens at the local level.

In the meantime, my friend, the Honorable Kenneth A. Gibson, mayor of Newark, testified on the success of the revenue sharing program in that city. His statement was made before the congressional Subcommittee on Intergovernmental Relations on October 8, 1975, and I would like to commend it to my colleagues at this point:

TESTIMONY BY THE HONORABLE KENNETH A. GIBSON

Mr. Chairman, members of the committee, my name is Kenneth Gibson. I am the mayor of the city of Newark, New Jersey.

I am honored by this opportunity to appear before your committee today. I speak as one who has long supported the concept of general revenue sharing. I first recognized the need for this kind of Federal assistance many years ago. When the present revenue sharing law was being debated in the Congress, I travelled to Washington on many occasions to testify for its passage. For these reasons, I am particularly pleased to be here today to discuss the success of general revenue sharing and urge the prompt and early re-enactment of this program.

General revenue sharing is unlike any other program administered by the Federal government. It offers each municipality the opportunity to utilize the funds it receives under the program according to its own needs and priorities.

In Newark, we have used our general revenue sharing funds to maintain the delivery of basic city services.

Public safety, sanitation, and education are the traditional responsibilities of any municipal government. In recent decades city halls have expanded their responsibilities in order to provide additional services. We have introduced extensive health care programs to aid those who could not afford their own. We have instituted public assistance programs for those unable to work, and manpower programs to return the unskilled to meaningful places in our society. We have started to build and manage housing when the public market could no longer provide housing the people could afford. We have introduced programs to aid the consumer, clean our air and rivers, promote economic growth, and create mass transit systems, to name a few among many.

To some degree cities have absorbed the cost of these added services. However, more and more of the money for these important programs has come from State and Federal Governments as Americans have come to recognize not only the need for these programs but also the increasingly limited ability of cities to afford them on their own.

Yet the delivery of basic services still remains the major responsibility of city halls across America. And while categorical programs have provided outside funds to help meet the costs of additional services, the Federal government has continued under the assumption that cities could continue to afford the cost of basic services simply because they were already paying for them.

If this were once true, it is no longer so. The cost of maintaining basic services has risen incredibly. The major portion of these costs is personnel. More than three quarters of Newark's operating budget pays the salaries of our policemen, firemen, teachers, and sanitationmen. Federal programs have helped us train our teachers, buy better equipment for our police force, and recycle our garbage—and these are very important things we vitally need—but the cost of paying these employees remains essentially our own. And with inflation, increased fringe benefits, and earlier retirement, the cost of personnel has multiplied many times over since the second world war.

In fact, the cost of maintaining basic services has become so high that it is slowly strangling urban America. Most cities have only one means of raising money they need to maintain basic services. This is the property tax. With no other alternative, city after city has faced the unpleasant prospect of cutting vital services or raising the property tax.

The problem has been complicated, too, by the radical reshaping of American life over the last three decades and the effect these changes have had on America's cities.

Mechanization has displaced a large portion of the Nation's rural population and made her cities into national centers for the unskilled and jobless. At the same time the automobile has enabled millions of middle class Americans to move from city to suburb while industry and commerce have followed the Nation's new superhighways to industrial parks and shopping centers far from city boundaries.

These changes have meant increased service demands on city government. At the same time that the ratable base on which property taxes could be levied to pay for them has decreased severely. In Newark ratables have dropped by 20% during the last decade, and if inflation were calculated the loss would be even greater.

Thus, while other municipalities have looked to growing ratables to offset the increased cost of government, the Nation's urban centers have had to raise their property taxes higher and higher to meet the increased costs of inflation as well as provide additional services for urban residents from a shrinking ratable base.

And the problem perpetuates itself. The higher we are forced to raise taxes to provide basic services, the more businesses and homeowners are forced to leave. This means fewer jobs, greater demands on city services, and fewer ratables to provide them. If we were to cut down on the delivery of services, the result would be the same. More businesses and homeowners would be forced to leave. And either way, fewer new businesses and developers would be interested in coming in to assist us in rebuilding our cities.

Mr. Chairman, general revenue sharing is the only form of Federal assistance that enables urban areas to break this cycle. It is the only Federal program that permits us to maintain basic services without destroying the ratable base upon which the future social and economic prosperity of our cities depend.

We firmly believe in the future of our cities. We know that the role of urban centers of American life is changing. In the industrial age of the nineteenth and early twentieth centuries, America's cities were the centers of her manufacturing strength. In the post industrial age ahead they can be centers for the vast transportation and communication industries which are now only beginning to evolve as the source of this nation's future greatness. America's cities are undergoing a transition from one role in American life to another. This is the cause of the urban crisis we face today.

What we are in the future, however, depends on our ability to meet the needs of the present as we plan for the years ahead. This means that we must be able to supply basic services, as well as additional services as their needs become apparent, without raising our property taxes so high that we destroy our opportunity for the future.

Before revenue sharing began, Newark's property tax rate was $9.63 per $100 assessed valuation. Because we were able to use our revenue sharing dollars to meet the costs of basic service delivery, we in Newark were able to stabilize our property taxes for the past two years. However, this year we have again been caught up in an ever-rising property tax spiral that has cost us hundreds of businesses and left us with thousands of abandoned houses.

In 1975, a family owning a $20,000 house must pay over $1,900 in property taxes. Businesses must still channel a large portion of their earnings into taxes—money that could otherwise have gone for industrial expansion. And prospective developers still find the tax burden too high to make location in Newark as attractive as it otherwise would be.

The Federal Government has many programs that assist us in our efforts to provide vitally needed new social services for city residents. However, except for revenue sharing, you offer us no program that enables us to offset the destructive burden of paying for the services we already provide. General revenue sharing offers us the opportunity of using Federal funds for our own priorities.

This year the city of Newark will receive approximately $8.6 million in general revenue sharing funds. If the revenue sharing program is not re-enacted, then we in the city of Newark are confronted with the prospect of one hundred point increase in our property tax or a 20% reduction in an employee work force that was already slashed by 13% last year or same combination of the two. All this comes before we consider the pressures on municipal revenues due to the increased costs of borrowing, the increased cost of personnel, the increased cost of materials and supplies, the increased cost of welfare, and the reduction in the assessed valuation of property due to urban decay.

Needless to say, the termination of the revenue sharing program would spell the end of municipal government in Newark as we have traditionally known it. The very thought of such a situation is almost too awful to contemplate. Yet, unless the Federal Government acts and acts soon, this is precisely and without exaggeration the situation we will face in Newark in 1976.

General revenue sharing offers us an alternative to the inequities of the property tax. It enables us to alleviate the pressures which are slowly eating away at the economic foundations on which we exist. In this way we can make our cities more attractive to businessmen and developers and promote the kind of new growth that we must have.

General revenue sharing must be re-enacted. The new bill should include some provision to make revenue sharing funds "inflationproof." Without general revenue sharing, the burden on local tax resources will increase as never before. Everything that we will have achieved from five years of revenue sharing support will be lost and whatever opportunities our cities will become that much more difficult to reach.

"OLDER AMERICANS AND THE BICENTENNIAL"

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, April 2, 1976

Mr. COHEN. Mr. Speaker, a distinguished Maine historian, Dr. William Pierce Randel, has undertaken an important Bicentennial project sponsored by the National Council on the Aging, Inc., and funded by the National Endowment for the Humanities.

Dr. Randel, professor emeritus of the University of Maine, has prepared a series of articles examining the role of senior citizens in American society. These articles have followed the monthly topics of the American Issues Forum of the American Revolution Bicentennial Commission. These topics are intended to help engage all segments of American society in a reexamination of the issues which underlie the development of our Republic.

The subjects of the January and February articles in this series are "Working in America" and "The Business of America." Professor Randel considers these topics from the vantage point of older Americans, the millions of senior citizens who have contributed so greatly to this Nation throughout our history. As Professor Randel demonstrates, there is a great deal more the United States must do to repay its debt to these citizens. I urge my colleagues to read his articles and to take his message to heart.

The articles follow:

[From the American Issues Forum: Older Americans in Our Society, January 1976]

WORKING IN AMERICA

(By William Pierce Randel, professor emeritus, University of Maine)

Work has always been highly regarded by the American people. It was elevated from a mere virtue to almost a sacred duty in the 17th Century, when the unwritten Gospel of Work was taking form. The first settlers had a desperate need to convert the New World wilderness into a productive garden, and long hard work alone could do it. But long after that need was met and the garden so well cultivated as to produce considerable wealth, devotion to work remained an article of faith and a yardstick of piety.

In early Jamestown and Plymouth, the responsible authorities publicly condemned all shirkers. Three centuries later, the so-called upper classes thought an indolent worker was depraved. No wonder ordinary citizens worked as long as they could and often longer than they actually needed to.

Devotion to work, in other words, promised dual salvation—from poverty with all its misery and from the reputation of defective character. Both evils were lifelong threats for all except the lucky few who had escaped upward to affluence. But the means of salvation was also available. Men and women had the comforting privilege of working all their lives.

There was a catch to it, however. While most workers were able to attain salvation through endless labor, it was denied to some by permanent disability. For the rest there was always the chance of its being snatched away by accident or serious illness. Inability to work was seldom the individual's fault. Yet, society, in its blind loyalty to the Gospel of Work, tended to view it as if it were, and to look down on unemployables as hardly better than loafers. Grossly unfair, we might all agree; but what passes as fair and reasonable at any given time often outrages sensibility in later times.

So much for the dark ages. In shifting attention toward the present, we must acknowledge a major change in American attitudes about work and workers. Just when the breakthrough came would be impossible to pinpoint, but at some moment only decades ago the nation made an astonishing discovery. Thanks to advancing technology it no longer needed the lifetime labor of a large segment of the population.

As a matter of fact, there wasn't that much work to go around in certain areas of work. Unemployment was increasingly a source of worry. If society could not provide to everyone the old-time salvation through work, some new plan would have to be developed. Ignoring options such as less than full time work, a "quick and easy" answer was devised. That new plan was to release the older members of the work force from further employment, at some agreed-upon birthday, with pensions replacing wages as income.

A NEW WAY OF LIFE

Pensions were nothing new. They had long served as rewards for military veterans and for certain public figures. What *was* new was extending the pension idea to all employees, in both the public and private sector of the economy. Instead of working on indefinitely until they died or outlived their ability, employees would be free, after reaching a particular age, to enjoy their remaining years without financial worries. During those years they could do nothing at all, pursue one or another hobby, take on volunteer work or even part-time jobs. Full-time work, for a new employer, was frowned on, as a threat to some younger worker; and to discourage it, some pensions were reduced or suspended if the retiree chose to act so perversely.

The results of this innovation have been tremendous, and varied. According to the NCOA-Harris Poll report, "The Myth and Reality of Aging in America," the majority of retirees enjoy their new status—more, indeed, than they had thought they would. Three out of four report finding life more interesting than they remember it as being at any earlier age. A few—one in six—find their pension income inadequate, but "not having enough to live on" is not a personal problem for the great majority, by their own admission. (It is, of course, questionable as to what constitutes "enough." It may be that older persons have been conditioned to accept low income as an inevitable concomitant of old age.)

Most have had no trouble deciding how to spend their time and energy; every available option has attracted large numbers. But for a sizable number there is an uneasy sense of something missing. The old-time system offered specific salvation, through work and its attendant social approval. The pension-retirement system removed this sanction and, in the minds of many retirees, provided no adequate substitute. Also lost in the process was the appreciation shown by younger people, never perhaps extensive but always present, for oldsters who, by continuing to work, were demonstrating their devotion to the common cause of "productive life." Pensioned retirement ended this sympathetic attitude and opened the way for a whole set of prejudices, or stereotypes. All of them, in particular ways, are hostile to the image of the elderly that the elderly would much prefer.

MANDATORY RETIREMENT

Boon that pensioned retirement assuredly has been, there is clearly room for improvement. One common complaint of the retirees themselves concerns the mandatory retirement age—65 as most generally adopted. Some workers, saddled with boring, mindless assignments, yearn for escape, and provisions for early retirement are increasingly available. But there is strong employer resistance to deferring retirement beyond the arbitrary age. What this does, of course, is penalize the employee in sound health who likes his work, finds in it a highly personal salvation, and fears that retirement can provide nothing for him that remotely compares with his work satisfaction.

Complaints over this indifference to the individual, seem particularly justified among the better educated—college teachers, for example, or research specialists—whose capacity for continued productivity is least affected by physical condition. But the arbitrary cutoff age hurts workers at every skill level who are eager and demonstrably able to continue for several more years. Using chronological age as sole basis for ending employment is, in modern parlance, an easy cop-out for management. Developing a functional concept, one that recognizes both actual differences between kinds of work and individual condition, would be more difficult.

Most retirees, whether or not they would have liked to continue working beyond the mandatory retirement age, express no interest in new employment even if it is well suited to their skills and experience. Only 20 percent of those questioned by the Harris Pollsters would "definitely" or "possibly" consider offers for such work. One reason is the fear, not ungrounded, that accepting further full-time paid employment might jeopardize established retirement income. It is generally safer to start an entirely new career, in self-employment, if the urge to continue working is strong enough, and safer yet to make a job of a hobby or of volunteer work.

Life without purpose, as countless thinkers remind us, is unbearable. As the philosopher Carl Jung succinctly put it, "Man cannot stand a meaningless life." In the old days of lifetime labor, even at the most humdrum levels, work did provide specific meaning. Interestingly, the NCOA-Harris study found that retired workers missed the people at work almost as much (74 percent to 73 percent) as they missed the money the job brought in. Also, 62 percent missed most the work itself and 59 percent said the thing they missed most about their job was the feeling of being useful.

A question demanding attention, just now, is whether the pensioned retirement system provides, or can provide, meaning that is at all comparable. For many retired Americans, the answer seems to be Yes. But for a substantial minority, several million individuals, meaning proves elusive. Helping these people discover meaning in retirement is a challenge to ingenuity and collective good will.

HELP IN THE SEARCH

A good deal of public money is currently being spent on organized recreation for retirees. This is better than merely providing park benches for the elderly, but it is a poor substitute for genuine aid in the search for meaning. Some retirement communities, through their own initiative, have solved or at least reduced the problem through programs of mutual aid. Port Charlotte University in southern Florida, with its many how-to-do-it courses, all taught by resident members of the Port Charlotte retirement community, is a conspicuous example of what can be done without external aid. But most communities would need experienced outside help and guidance, plus pump-priming support, to organize such a facility. If the result is the discovery of meaningful activity by increased numbers of retirees, the cost would be justified. Special techniques, of course, would need to be developed for the many retired people who live alone or remote from others with similar needs.

Until we are ready, as a nation, to call a halt to our vaunted progress, and to settle for present actuality as adequate for all future time, we can hardly accept a condition that denies meaning, or a means of discovering it, to any segment of the population. Some few individuals may never be able to find a meaning in their existence, but most of us can, through purposeful activity of our own free choice. The options are limitless.

Work, in the form of a lifelong paid employment, is no longer a primary source of salvation. As redefined, however, to include all purposeful activity, it still stands high in American regard. Pensioned retirement makes old age far more enjoyable than it once was, but it does not, and never can, eliminate the need of purpose. Systems change, but work as salvation remains a constant, not to be denied to any American, at whatever age.

[From the American Issues Forum: Older Americans in Our Society, February 1976]

THE BUSINESS OF AMERICA

(By William Pierce Randel, professor emeritus, University of Maine)

In a nation that has always exalted work, and that owes its high standard of living to productive enterprise, idleness is anything but a virtue. The very sight of able-bodied men or women doing nothing and not even looking for work can raise the hackles of the industrious. Such loafers are guilty of flouting the national commitment to the Work Ethic.

Conversely, individuals able and willing to work but unable to find it suffer a mortifying loss of self-respect. The great world of useful occupations has passed them by. The ultimate degradation, for such people, is becoming dependent on others.

Advancing age increases the complexity of this relationship between individuals and the world of productive enterprise. Not all Americans want to continue working after 65, the usual retirement age, but a substantial number of them—6.5 million by a conservative estimate—would like to, and about 2.5 million do, in full or part-time jobs. For some of these, compulsory retirement is still ahead, at 68, 70, or even later. A few, including Congressmen and Supreme Court Justices, are exempt from any age limit. It is interesting to note that President Ford, in a recent executive order, exempted Arthur S. Flemming, Commissioner on Aging in the Department of Health, Education, and Welfare, from the mandatory federal retirement age of 70 in his administrative category. It may also be observed that in July 1975 Mr. Ford reached the retirement age (62) that is compulsory in the Foreign Service and in numerous private companies.

The 4 million 65-and-older who want employment but cannot find it are a reservoir of potential productivity that the business community shows slight interest in tapping. One obvious reason for this lack of interest is that employing retirees would undermine the theoretical justification for an arbitrary retirement age. It might also throw out of kilter established pension schemes. Another reason, particularly now, is the scarcity of jobs caused by recession conditions. The major reason, however, is far less obvious—the impact of Social Security.

SOME EFFECTS OF SOCIAL SECURITY

Created in 1937, Social Security has a dual purpose: to increase job openings for young people by removing the oldest members from the work force, and to provide for the latter the means of financial assistance in retirement. It has done both. But with passing years its effect has been to foster certain notions about older Americans. Age 65, when Social Security income begins for most former workers, has come to indicate, to the public at large, the onset of physical and mental decline. The fact that people age at widely varying rates is disregarded. Men and women over 65 are all lumped together as poor employment risks.

At the same time, the obvious good health of many people in their mid-60s can cause resentment among workers, especially the youngest, who are concerned about their own slow progress toward leisure and affluence. For them the Social Security contribution withheld from every paycheck is the insult added to the injury of the income tax withheld. Instead of viewing the Social Security deduction as adding to their own eventual retirement income, they begrudge it as a forced contribution to idle employables. In the extreme form of this resentment, Social Security becomes only a fancy term for relief or welfare.

Unreasonable as this may be, it is understandable. Human beings are quite capable of believing totally opposite things—is this case, that retirees on Social Security are no longer qualified for real work, and that, being still healthy, their idleness makes them parasites on the active work force.

Even volunteer work is not easy for retirees to find. Of the 35 percent of people 65 or older who would welcome it, more than a third never do find any. In an effort to alter this curious circumstance, the Administration on Aging within the Department of Health, Education and Welfare, has tried, in its decade of existence, to expand volunteer opportunities. Among other experiments are RSVP (Retired Senior Volunteer Program), SCORE (Service Corps of Retired Executives), VISTA (Volunteers in Service to America), and the Senior Aide and Foster Grandparent programs. Other federal departments have also tried to help. The Department of Labor has its Senior Community Employment Program, and the Department of Interior its Recreation Programs. Insofar as they serve other retirees, these programs are reasonably effective, but their outreach to the private sector has not yet won much enthusiasm or cooperation.

The federal agencies may not be aggressive enough. Senator Frank Church, Chairman of the Senate Special Committee on Aging, seems to think so. He has urged the Administration on Aging to step up its efforts, especially in fostering creativity among the old and in seeking business cooperation. A few large stores have commissioned and put on sale handcrafted items made by old people, but such interest is rare in the extreme. The stereotypes of old people as inept and ineffectual may be operative here; business does not shut the door completely to elderly artists, but it is open only a crack. Some Senior Centers, however, have sponsored retail shops with all the products made by Older Americans.

A LARGE MARKET

The indifference of business in general to creativity among the old is matched by its astonishing slowness to view the old, collectively, as a vast and growing body of consumers with special needs. Historically, industry and business have always been alert to any new chance to make and market goods. They responded promptly, and no doubt profitably, to the "rock generation," designing and producing millions of serapes, medallions, moccasins, blue denims, beaded forehead bands, quasi-Indian jackets, and other hallmark adornments of this counterrevolution. Retail shops, loud and bright in the multimedia fashion, sprang up all across the country. The young people gladly accepted all the novelties introduced by Research and Development people in manufacturing firms. There's nothing strange about all this. It's the way American industry and business have always operated.

How many factory owners have ever ordered their R. & D. staffs to consider the special needs of old people? How many retail stores offer products developed by R. & D. that old people would welcome and gladly buy? To ask what these products are is to miss the whole point. Nobody can predict what they will be until industry invents them and retailers put them on sale. When that happens, people will ask, as they always do at first sight of some desirable new product, "Why didn't anybody ever think of that before?" What American business has not yet realized is the profit potential of creating hitherto unknown essentials for the many 20 millions of older Americans.

If it is impossible to predict what new inventions R. & D. might introduce, consultation with old people would almost certainly yield a list of various improvements upon what is now familiar. Examples easily suggest themselves. Large-size letters and numerals on telephone dials and kitchen appliances. Push-buttons to close and open windows. Toilet seats at adult height instead of close to the floor to accommodate small children. Beds that can be raised or lowered. Simple, easily reached signals for emergencies.

FAILURE TO LOOK AHEAD

Most prospective buyers of homes for their old age are too young to foresee future needs. What may seem entirely adequate for their 60s may turn into nightmares of discomfort 20 years later. Realistically visualizing the future may be impossible for most individuals, but it is well within the powers of American industry.

The foregoing random remarks are only one observer's opinions and should not be taken as a wholesale indictment of American industry. This observer holds industry in high esteem and has boundless faith in its ability to create needs by anticipating them. What it has always done it can do again, for America's aging, but first it must recognize them as a consumer group—a very large one—with extensive present needs and others not yet dreamed of. Not very long ago, scientists were quite sure there were only 92 elements. More have been discovered. Consumers, as elements essential to industry and business, are easier to discover.

Some older Americans, victims of abject poverty or crippling poor health, are not within this growing untapped market. But millions are financially sound and well able to consume what they recognize as beneficial. If business and industry recognized this fact, and geared up to produce what would help so many, the results might be astonishing. The stereotype of the aging as helpless, incapable of good judgment, and poor credit risks would be broken. Old people would benefit by the availability of products turned out especially for them. New jobs would be created, and youthful resentment toward the old would diminish. Business profits would increase; the economy would improve. Beyond all that, the private sector would develop an overdue respect for the aging, whose well-being would no longer be left, as it is now almost exclusively, to the government.

SENATE—*Monday, April 5, 1976*

The Senate met at 12 o'clock meridian and was called to order by Hon. J. Bennett Johnston, a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who has brought us safely to the beginning of this new week, we beseech Thee to quiet our inner being that above the clash and clamor of the world and the confusion of many voices, we may hear Thy still small voice saying, "This is the way, walk ye in it."

Restore to us and to all Americans that simplicity of life, that openness of purpose, that directness of speech, that old-fashioned trust, and that love of country which were the marks of the Founding Fathers. Deliver us from the devious way which obscures evil and confuses issues. Keep our lives under the rule of the law of Mount Sinai and the Master's sermon from the mountain.

Help us to live worthily of our heritage and to have a share in the unfinished revolution in "one nation under God."

In the holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., April 5, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. J. Bennett Johnston, Jr., a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, April 1, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the permanent Subcommittee on Investigations of the Committee on Government Operations, the Tactical Air Subcommittee of the Committee on Armed Services, the Select Committee To Study Governmental Operations with Respect to Intelligence Activities, and the Committee on Commerce be authorized to meet during the session of the Senate today.

I ask unanimous consent that all other committees be authorized to meet until 1 p.m., or the end of the morning business whichever occurs later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am glad to.

Mr. HUGH SCOTT. I may not be on the point, but we have the food stamp bill today. In order that we can get something on the hot line, I would like to inquire whether votes are expected or not.

Mr. MANSFIELD. I would anticipate that there would be votes today. I would point out that the Senate has only 13 or maybe 14 legislative weeks left, that we are approaching the cutoff of the period for authorizing legislation to which appropriations are attached, which terminates on May 15, and the Senate should be on notice that from now on there will be votes if necessary on Monday and Friday, and it should be on notice that if legislation piles up, we may well be in on Saturday.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar under "New Reports."

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The second assistant legislative clerk read the nomination of William H. Taft IV, of Virginia, to be General Counsel.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER THAT HOUSE JOINT RESOLUTION 670 BE HELD AT THE DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that House Joint Resolution 670, to designate April 13, 1976, as Thomas Jefferson Day, when it reaches the Senate, be held at the desk until later this afternoon or tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR MANSFIELD'S APPEARANCE ON "FACE THE NATION"

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the transcript of a broadcast in which I participated, "Face the Nation" of March 28, 1976, be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Face the Nation

Herman. Senator Mansfield, Secretary of State Kissinger has said that the United States will not accept further Cuban military interventions abroad. This seems to imply some kind of action. If it should, would you support it?

Senator Mansfield. No, not at this time. I think he's talking off the top of his hat. He's not following through with any plans. I think it's useless rhetoric at this time. Perhaps it's a warning, but I don't think it has much behind it at the moment.

Herman. Is it dangerous rhetoric?

Senator Mansfield. I think it is.

Announcer. From CBS News, Washington, a spontaneous and unrehearsed news interview on Face the Nation with Senate Majority Leader Mike Mansfield, Democrat of Montana. Senator Mansfield will be questioned by CBS News Correspondent Marya McLaughlin, Syndicated Columnist Carl T. Rowan, and by CBS News Correspondent George Herman.

Herman. Senator Mansfield, those are very serious things for a leader of the Democratic Majority of the Senate to say about the United States Secretary of State, that he is indulging in—in re Cuba—in useless rhetoric and rhetoric which may be dangerous. Why do you think he is doing it?

Senator Mansfield. In the first place, so far as I can find out, there has been nothing done to back up those words, and if we say something, we ought to mean what we say. Second, I think that before statements of that kind are made, there should be consultation at least with the Foreign Relations Committees of both Houses, and third, I think it would be better to keep our mouth a little more tightly shut and our powder a little more dry.

Rowan. Senator, the House Democratic Leader, Tip O'Neill, said yesterday that Mr. Ford may be threatening Cuba for partisan and political reasons. Do you think there is some partisan politics in this?

Senator Mansfield. Well, I wouldn't go quite that far, but unfortunately it seems to me that it is becoming a part of the campaign because there is a sizeable vote in Florida which is at stake in the coming election. I hate to see foreign policy used for campaign purposes. I don't mind foreign policy being discussed during a campaign, I think it's mandatory, necessary.

McLaughlin. Senator Mansfield, if Dr. Kissinger is just making these remarks, or these warnings, as you say, off the top of his hat, doesn't that really go to credibility of the United States if he is saying we are going to do something that he has not evidently discussed with the leadership or anybody. Is it not maybe that we've had enough of Henry Kissinger?

Senator Mansfield. No, I wouldn't say that. He's a brilliant man. He has a fine mind. I think he is caught betwixt and between, but he's raising paradoxical questions, because if you refer to Cubans in, let us say, Rhodesia, or Mozambique, then you've got to tip that on the other hand against the situation which is in existence there, the Ian Smith government. You can't have it both ways.

Rowan. Senator, let me ask you this. Let's suppose, however, that some Cuban volunteers do show up backing guerrillas out of Mozambique, and Mr. Kissinger wants a sea and an air blockade of Cuba, do you think the Congress would go along with him?

Senator MANSFIELD. Can't say. I would hope not. I wouldn't vote for a blockade of that nature because I think it would be ineffective. I would also note that we have not been without our difficulties in the area of intervention. I think of Vietnam, unfortunately, a tragedy. I think of the Dominican Republic, and I think also of the attempt to get us involved either covertly or overtly in Angola.

HERMAN. Well, let me turn it around. A lot of people, fairly thoughtful, serious people, are saying the other thing. We simply cannot let Cuba continue to get away with this. Does that——

Senator MANSFIELD. Cuba is a sovereign nation. Cuba can do what it wants just as we can do what we want, and we can't tell any other country what it should or shouldn't do, and as far as participation in African adventures are concerned, it is not for us to say who should or should not become involved.

McLAUGHLIN. Senator Mansfield, do you think—have you seen——

Senator MANSFIELD. Certainly we shouldn't.

McLAUGHLIN. Have you seen any indication——

HERMAN. We shouldn't become involved.

Senator MANSFIELD. No.

McLAUGHLIN. Do you see an indication that we have a clear cut Cuban policy, or that we have a clear cut African policy?

Senator MANSFIELD. No, we have no African policy to speak of, a little bit of aid here and there to some if not most of the countries. It doesn't amount to a great deal. I don't find too much fault with that because I think it's primarily a European area, which should be—at least the countries of Europe, who had colonies there, should be the ones who should take up the slack. We could help on the periphery. As far as Cuba is concerned, it is my understanding that there was an attempt being made to try and bring about a normalization of relations with Cuba but the Angolan intervention on the part of the Cubans has sort of shot that out of the air.

HERMAN. Let me explore just a little further the substance, or lack of substance, in the implied threats to Cuba. A spokesman for the Joint Chiefs of Staff of the Pentagon said the Joint Chiefs of Staff are participating in a National Security Council review of possible action which might be taken with regard to Cuba. Is something actually happening, or is this all really empty rhetoric?

Senator MANSFIELD. I've never heard of anything happening, and if anything is being contemplated, I would suggest that they consult with the Congress in the meantime, before and not after, as is the usual case.

HERMAN. Well, is there a danger that this can become a sort of self-fulfilling prophecy, that by all these statements, and by putting our country, or at least the Ford Administration so far out on a limb, they will get in a position where they cannot afford to retreat.

Senator MANSFIELD. Not yet.

ROWAN. Senator, with regard to Angola, the President said the Congress had lost its guts.

Senator MANSFIELD. Not at all.

ROWAN. Is there a possibility that there may be somebody running against Congress, if you don't give the Administration some backing?

Senator MANSFIELD. Everybody runs against Congress, it seems, but Congress survives, and will.

McLAUGHLIN. Do you worry about all this talk having a really bad effect on so-called detente in the situation with Russia?

Senator MANSFIELD. I think it doesn't help detente anymore than I think the abolishment of the word detente is helpful. I think it is rather childish. If it's detente, it's detente, it's still in the dictionary and we ought to continue to use it.

HERMAN. One of our major problems in the time of John Kennedy when he met with Nikita Khrushchev in Vienna, was the question of American credibility, getting the Soviet Union and other countries of considerable power to believe that when we would say we would do something, we would do it. Are we now losing it because of all this rhetoric?

Senator MANSFIELD. I don't think so. Our credibility will be there. You can rest assured of that if our vital interests, our national security is concerned.

HERMAN. But doesn't that loose talk weaken it?

Senator MANSFIELD. It doesn't help it.

ROWAN. Senator, back to detente. The Reagan camp says over and over it's been a one way street where we give to the Soviets and get nothing in return. Do you think it's been a one way street?

Senator MANSFIELD. No, I do not think so. I don't think that Secretary Kissinger, President Nixon before him, or President Ford at the present time are doing anything to sell out the United States, I don't think it's a one way street. I think we got took on the grain deal the first time, but that's something I think is separate and apart from detente as we understand it.

ROWAN. Well, there are some people who say we ought to be cutting off grain sales now by way of punishing the Soviet Union for that Cuban adventure in Angola. Would you cut off grain sales to them?

Senator MANSFIELD. I would not. I want to see our farmers have the opportunity to sell their products any place in the world.

McLAUGHLIN. Senator Mansfield, I know that in this business you have said that you don't think politics are directly involved in what Secretary Kissinger has said, but don't you feel that there's a possibility that Governor Reagan has pushed this Administration—President Ford—further to the right, and that could be, at least partially, as the sort of saber rattling, that's a very extreme expression for——

Senator MANSFIELD. Oh, that's a—that may well be a part of the campaign, but I don't mind foreign policy being a part of the campaign providing it's discussed on a constructive level and not emotionally. And, as far as Secretary Kissinger is concerned, I really think deep down that what he is trying to do is to explain American foreign policy to the American people and I think that's his duty. I don't think he's becoming involved in the campaign.

McLAUGHLIN. Would you like to see Secretary Kissinger come up to the Hill before the Senate Foreign Relations Committee and explain what our policy is towards Cuba, and also in Africa?

Senator MANSFIELD. Well, I think he explained that on Thursday or Friday of this week. Unfortunately, my duties on the floor kept me from attending the Committee meeting, but I recollect from the news prints that it wasn't as aggressive as it had sounded.

ROWAN. Senator, there is one thing I am unclear on and that is, what would you do with regard to the Rhodesian situation? One of your colleagues, Senator Dick Clark, says that we ought to take the initiative from the communists. What would you do in terms of policy or any kind of action to frustrate any Cuban or Soviet move?

Senator MANSFIELD. Well, I would think that's primarily the responsibility of the United Kingdom, and I think it's been doing all it can to try and get Mr. Smith to face up to the realities of the situation, where you find the white population on the short end on a 20 to 1 basis. I think even South Africa is trying to urge Mr. Smith to give Mr. Nkomo, and some of the others, some consideration so that a multi-racial government can come into effect. As far as initiative on our side is concerned, I don't think there is anything we can do or should do at this time.

ROWAN. So you want basically a hands off attitude on the part of the U.S.?

Senator MANSFIELD. That is correct.

HERMAN. I'm a little bemused by that phrase, anything we can do, as opposed to anything we ought to do. There's an awful lot of talk lately about the change in the balance of power between the United States and the opposing forces in the world. Do you think we are losing ground, and that we are going the wrong way on the scales of power?

Senator MANSFIELD. No, I think we are paying for our mistakes in Vietnam and elsewhere, but I think also those mistakes may well be bringing us back to reality. We're beginning to realize that we have a limited population, and limited resources, that we are becoming a have-not nation in many respects, that we cannot police the world. I think even Dr. Kissinger made that statement in Dallas last week. And I think we have to be aware of what we are, what we have, what we can do, and not what some people would like to have us do on a worldwide basis.

HERMAN. Well, in a concrete legislative fashion then, should we be increasing the defense budget, should we be cutting the defense budget, or is it about right?

Senator MANSFIELD. I think we ought to cut it. I think that there is a lot of fat which could be done away with. I think we spend too much money on research and development of exotic weapons which don't turn out to be what their originators thought they would be. I'm for a strong defense, as is every American, but I'm not for wasteful expenditures in the Defense Department, or in any other department of government.

ROWAN. Well, they are now asking for about $113 billion in spending authority. What do you think would be the proper figure?

Senator MANSFIELD. Oh, I couldn't give you a figure, but I do think it could be reduced.

McLAUGHLIN. Senator Mansfield, when I asked you before if you thought that Secretary Kissinger should come up and talk with the Senate Foreign Relations Committee, what he said on Thursday and Friday was not exactly as you have just said what he has been saying in public; it was more modified. Does that seem right to you?

Senator MANSFIELD. Well, it's hard for me to say because I wasn't at the committee meeting. All I could note what the press accounts carried, and that was to the effect that there was a modification of what he had said out in the hinterland and what he'd said before the committee.

McLAUGHLIN. Well, you don't think there has been any change in his attitude? You just think he says one thing when he's before the committee and one thing when he's in public?

Senator MANSFIELD. Well, I don't think that's a good policy, if it turns out to be so categorized, because you just can't hide behind one thing and the other, when we have the kind of open information processes that we have.

ROWAN. Senator Mansfield, let me bounce back to this question of military superiority. Mr. Ford and Mr. Kissinger are under pressure from Reagan forces to say that the policy of détente has caused the U.S. to lapse into a second-class status. Now you get a lot of secret military data based on what you know, has the U.S. lost its position of military leadership?

Senator MANSFIELD. I would say that we

are on a parity, at least with the Soviet Union, all things considered.

HERMAN. And which way are we moving?

Senator MANSFIELD. Up, but so is the Soviet Union.

HERMAN. No, relative to the Soviet Union—are we gaining or losing? Parity is just an instantaneous——

Senator MANSFIELD. Only the future will be able to answer that question.

HERMAN. You don't have any feeling that we might be losing ground, as a lot of people have said?

Senator MANSFIELD. No, I don't think we are. As a matter of fact, I think we've got too much in the way of military personnel scattered in too many areas throughout the world.

ROWAN. Then would you go ahead under the circumstances and press for another strategic arms limitation agreement?

Senator MANSFIELD. Yes, indeed, I would, not only a limitation, but I would adopt the Henry Jackson idea of a reduction in armaments because I think that is the ultimate answer, not limitations, because you can limit, but then you go up—if you reduce, then you go down.

HERMAN. Senator, as I listen to all the campaign talk, I suspect you might call some of it rhetoric—I seem to hear a lot of talk about two major villains—one is Cuba and the other is Washington, D.C. Is this a proper way for the people to hear a campaign explained?

Senator MANSFIELD. Well, Cuba has been the villain in the minds of people who don't like us, but we're used to it, and we can roll with it.

HERMAN. But what do you think of a politician who adopts that as one of his major points of rhetoric?

Senator MANSFIELD. Well, I think he's in with the mood of the people because people are blaming us, blaming the Congress especially, though they don't blame their individual congressmen and senators when they go home—they blame the administration—they are even blaming the courts more.

HERMAN. —mood of the people can either be sensitive and intelligent appreciation, or it can be called demagoguery.

Senator MANSFIELD. Well, I know, but the demogoguery is one side of those who are seeking office, when they campaign against Washington en toto. They don't get down to specifics, whereas as far as the votes will be concerned, I have an idea come November—I'm not talking about the primaries—that the American people will have a pretty good idea of what their government in Washington is and what it is all about.

MCLAUGHLIN. Senator, one of those who has been criticizing Washington has been Jimmy Carter. Another man who is mentioned but has not been in any of the primaries is Hubert Humphrey. Is it getting too late for Hubert Humphrey, or can he waltz into the convention and pick up the tips?

Senator MANSFIELD. He can't waltz into it, but he's available, I'm sure. He's waiting on the sidelines, and it depends upon events.

MCLAUGHLIN. Do you think he should get into the primaries?

Senator MANSFIELD. No, I think he's doing just right.

ROWAN. What about Senator Humphrey's comment that those candidates who are running against Washington are really indulging in racism, that they are really running against minorities and the poorest people in the land?

Senator MANSFIELD. Well, I really wouldn't agree with that, because I think what they're running against is the government, and that includes all of us.

ROWAN. Speaking of Humphrey again, as a matter of principle, do you think the Democratic Party ought to give the nomination, or can give it to some one who has not entered any of the primaries?

Senator MANSFIELD. Oh, yes, if he has the votes at the convention, and I would point out that Hubert Humphrey has campaigned many times for the presidency, and he's made his mark.

ROWAN. Carter says he's got a loser's image, and that that's why the party ought not nominate him. Do you think he's got a loser's image?

Senator MANSFIELD. Hubert's one of the best, broad-minded, intelligent, a keen capacity to understand people. No, I wouldn't agree.

HERMAN. Are you campaigning for him?

Senator MANSFIELD. No, I'm not. I'm trying to be honest about him.

MCLAUGHLIN. Could it be a modified endorsement? I mean, can we——

Senator MANSFIELD. No, no, I'm not endorsing any one, because I've got to live with too many of them, and I'm going to get along with all of them.

ROWAN. Carter also says he's too old. He'll be 65 in May. Is that too old to put a man in the White House?

Senator MANSFIELD. Now, you are pushing me too far. (Laughter) But I don't think so. I have great admiration for all of the people running on the Democratic ticket, even when I disagree with them, and I think as far as Mr. Carter is concerned, that he cannot be underrated, he's a most formidable candidate, and he will have to be reckoned with in the weeks and months ahead.

HERMAN. I suppose we should just note for the record here that the Senator had his 73rd birthday a week and a half ago.

Senator MANSFIELD. That is correct.

HERMAN. Senator, what about charges that the administration in power can manipulate the economy, and that we have an improvement in the economy every four years when the incumbent president tries to get himself reelected?

Senator MANSFIELD. Oh, it can help, and it applies to both Democratic and Republican administrations. They can put out projects here and projects there, and they both do it.

HERMAN. Is that what is now happening? The economy is improving considerably—it is partially a political effort?

Senator MANSFIELD. No, I think it is mostly coming from the private sector. Unfortunately the government has done too little. The unemployment rate is still too high, and the inflation rate is still too high..

HERMAN. Do you favor, for example, the Humphrey-Hawkins bill to bring unemployment down?

Senator MANSFIELD. I do.

ROWAN. What about those who say that this improvement in the economy that we're seeing is proof that President Ford was right in vetoing all those big spending bills that you and your Democratic colleagues wanted to make into law?

Senator MANSFIELD. I think he was wrong because the kind of projects which he vetoed would have been very helpful to the economy, and would have reduced the unemployment rate still more because, while we have about seven, seven and a half million unemployed officially, if you'll look at the underemployed, those who have quit looking for jobs, those who would like to have jobs, I think the figure would be up around ten million.

MCLAUGHLIN. Senator Mansfield, the futility in Congress caused by presidential vetoes, and some changing attitude towards new social programs, did that have anything to do with your decision not to run again?

Senator MANSFIELD. No, this was a decision my wife, Maureen, and I had been considering for some time. We got together, and I never make a decision without consulting her—she has always been right—on occasions I've been wrong—much more wrong than I care to admit—so, no, this was something which was done in the family, and she was the one who made it official, as far as I was concerned, because what I am, she is.

HERMAN. It will take a moment to digest that one. (Laughter)

ROWAN. Let me ask a little personal question in terms of the vetoes and so forth—some critics say that your genteel, permissive leadership of the Senate led to an accretion of presidential power, decline in the power of the Senate. How do you answer those critics?

Senator MANSFIELD. They are wrong, because presidential power has been increasing ever since the time of Franklin D. Roosevelt under all majority leaders, and I think that what we've done in the Senate since I have been the majority leader has been constructive, has been in the interest of the nation as a whole, and the Senate as well, has received little publicity, but has been evolutionary in character, and I think the Senate is better off because of it.

ROWAN. Some people say that with a little Lyndon Johnson-type arm-twisting in the Senate and Rayburn-type badgering in the House, you would have overridden the President more times and would have some social legislation—

Senator MANSFIELD. Well, let me tell you, Mr. Rowan, that the last time I thought we had the votes to override the President was on the veto of the public works bill, public service works bill. Unfortunately, we lost three votes at the last moment, and those things happen, but I've no apologies to make for my years in the leadership. I think the Senate has acted superbly, it has acted independently, and each senator has been considered as an equal. There has been no arm-twisting, and there could be no arm-twisting any more.

HERMAN. Quite a long time ago in this program, quite a long time ago in the Senate, you've expressed the opinion that the United States should leave the rest of the world alone, should stop acting as a policeman or even as a traffic cop—

Senator MANSFIELD. Not leave the rest of the world alone.

HERMAN. Well, I now bring you to the question of the United States' role in the Middle East.

Senator MANSFIELD. Well, I'm in favor of the sale of the C–130's to Egypt, and further sales if need be to maintain a reasonable equilibrium in that area. After all, if we can create divisions among the Arab states, I think it's in our interest, and I think it is in the interest of Israel as well, and here we have Sadat who has really thrown his cards on our table, who has broken with the Soviet Union, who is in economic difficulties, who has given up—who has reached an agreement on a part of the Sinai, and I think he ought to be given whatever assistance we can.

MCLAUGHLIN. Senator Mansfield, some of the other senators who have heard about Egypt wanting additional arms sales say that they think that that request would put the C–130 transport deal in jeopardy, that they are so opposed to it. You don't see that in the Hill at all?

Senator MANSFIELD. Well, I hope not. I'm not opposed to it. I think if we want to keep a friend and maintain some degree of equilibrium and fairmindedness in the Middle East, we've got to at least carry through this sale of C–130's to Egypt. And furthermore, as far as arms are concerned, I noted just a day or so ago that the Egyptian Foreign Minister concluded a sizeable arms sale with the French.

ROWAN. Senator, very clearly they are going beyond C–130's, Sadat is going to ask for fighter planes, maybe tanks and so forth. Are you saying that you also would favor the United States selling those kinds of arms to Egypt?

Senator MANSFIELD. If they don't buy them from us, they'll buy them from France, as elsewhere, and I think we ought to maintain some kind of a hold in the interest of achieving equilibrium and maybe peace in the Middle East.

HERMAN. Do you think there is a chance of expanding this foothold for America among the Arabs, for example Syria and Jordan?

Senator Mansfield. Syria will be difficult though Assad, I understand, is not an unreasonable man. King Hussein has been in a most difficult position, but you've got to give him some encouragement too on the other side, and I think that Saudi Arabia would come along, so if we can maintain this break and give these people some hope, I think it would be for the benefit of Israel in the long run.

Herman. Thank you very much, Senator Mansfield, for being with us today on Face the Nation.

Announcer. Today on Face the Nation, Senate Majority Leader Mike Mansfield, Democrat of Montana, was interviewed by CBS News Correspondent Marya McLaughlin, Syndicated Columnist Carl T. Rowan, and by CBS Correspondent George Herman. Next week Senator Henry Jackson, the candidate for the Democratic presidential nomination, will Face the Nation

THE PROPOSED STANDING COMMITTEE ON INTELLIGENCE ACTIVITIES

Mr. **MANSFIELD**. Mr. President, in Sunday's Washington Post there appeared a cartoon which I think was most unfair to the distinguished assistant Democratic leader, the Senator from West Virginia (Mr. Robert C. Byrd). The title of the cartoon is "We Don't Mind Your Getting a New Watchdog, As Long As He's Just Like This One," relative to the proposed oversight committee now under consideration in the Rules Committee.

I would point out that at the Democratic conference on Thursday last, the question of a permanent standing Committee on Intelligence Activities was taken up, on my initiative. I would point out also that at that conference, the Senator from Connecticut (Mr. Ribicoff) and the Senator from Idaho (Mr. Church), as well as the Democratic leadership and the Senator from Nevada (Mr. Cannon), the chairman of the Rules Committee, were in attendance.

It was stated at that meeting that it would be the intent to allow an extension of time, for good and sufficient reasons, to the Committee on Rules and Administration for the consideration of legislation reported out initially by the Government Operations Committe under Senator Ribicoff, which had been referred, I believe, to other committees.

After that meeting, Senators Robert C. Byrd, Ribicoff, Church, Cannon, and I met, and we agreed that what the conference had recommended was the best way to face up to a situation which called for further consideration. In Thursday's Record, when I submitted Senate Resolution 400, to establish a standing Committee of the Senate on Intelligence Activities and for other purposes, for an extension, I said the following:

> Mr. President, I ask unanimous consent that the Committee on Rules and Administration have until April 30 to file its report on Senate Resolution 400. May I say that this was unanimously agreed to in the Democratic Conference today. It meets with the approval of all the concerned parties and, I think, in view of the circumstances which have developed that it is in the best interests of this legislation to do so in this manner at this time.

Further on, I said, in reply to a question raised by the Senator from Illinois (Mr. Percy) relative to the time taken by the Rules Committee to come up with legislation creating a Budget Committee:

> The Senator is absolutely correct. The Rules Committee did a stupendous job on the budget legislation and because of the time it took and the care it showed we have a good budget committee at the present time which is making its weight felt and is doing an exceedingly good job.
>
> I approve without equivocation this proposal . . .

That is, for the extension—

> . . . which I made to extend the time of the committee to file its report because, on the basis of the facts explained in the Democratic Conference this morning, and there was no other alternative, and the idea is to do a good, thorough, and complete job.
>
> As far as the Democratic majority leader is concerned, as soon as it is reported out it is his intention, in conjunction with the distinguished Republican leader, to call the legislation up as soon as possible.

May I say, Mr. President, it was at the suggestion of the distinguished assistant Democratic leader, the Senator from West Virginia (Mr. Robert C. Byrd), that the date for it to be taken up after it would be reported out of the Rules Committee on April 30 was May 6, and because of the suggestion by Senator Robert C. Byrd the Senate agreed that on May 6 we would take up the creation of a Committee on Intelligence Activities.

May I say that this met with the approval of Senators Ribicoff, Church, and all parties concerned.

I think the record should be straight. I do not like to see any colleague of mine in this body, Republican or Democrat, treated unfairly. I hope what I have had to say will help to clear the record.

I believe that it is only fair to give credit where credit is due and because of that I took it upon myself this morning to rise in support of my distinguished colleague, the Democratic whip, the Senator from West Virginia (Mr. Robert C. Byrd).

I hope that this clears the record and keeps things straight.

Mr. **HUGH SCOTT**. Mr. President, I think the cartoon was most unfair to the distinguished assistant majority leader and particularly in view of the explanation of the distinguished majority leader himself.

Actually, the status of this bill is one which has required the attention of four committees. It was reported by the Committee on Government Operations. The Committee on the Judiciary has fulfilled its function under the reporting provisions and has made its recommendations to the Committee on Rules and Administration. The Committee on Foreign Relations has before it certain recommendations and either has or will shortly make its recommendations, I would assume, to the Committee on Rules and Administration, or if not, to the full Senate. The Committee on Rules and Administration itself completed hearings this morning on the bill. We are prepared to proceed with markup, according to the Chairman of that committee, early next week.

There are many differences of opinion on this bill that go fundamentally to questions of the difference between oversight and overall jurisdiction, the questions of the difference between the displacement of functions which have been performed by existing committees, or whether or not there should be a committee on general oversight and surveillance or a committee which removes jurisdiction from other committees, a proposal which has run into very substantial resistence on the part of a number of distinguished witnesses.

However, the chairman of the Rules Committee has done a fine job, and he is very anxious, as he told me this morning, to try to make our report before we even go into recess, but we will certainly make it well within the time fixed by the Democratic Caucus.

So, there is no intent here to delay on the part of anyone.

I myself have, I suppose, been the object of as much press commentary and criticism as anyone around here. I have endured it for 34 years. I think I can endure it a little longer. I always remember that the Bible says that "it is hard for thee to kick against the pricks." You will find that in the New Testament, Mr. President, in the Acts, 9: 5. And I try to observe that.

I yield back the remainder of my time.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from Colorado (Mr. Haskell) is recognized for a period not to exceed 5 minutes.

TAX REFORM ACT OF 1975—H.R. 10612

AMENDMENT NO. 1557

(Ordered to be printed and referred to the Committee on Finance.)

THE EROSION OF THE TAX BASE

Mr. **HASKELL**. Mr. President, this year Congress has a unique opportunity to attack the erosion of our tax base for income tax purposes that has been proceeding with snowball effect over the last 20 years. In the Committee on Finance there is a bill pending, H.R. 10612, that bears the title of the Tax Reform Act of 1975.

I would like to say a word on the erosion of our tax base which I hope that some of our colleagues will read in the Record: In 1960, for example, the corporate income taxes accounted for 35 percent of Federal revenues. This fell to 27 percent in 1969. It further fell to 14 percent in 1975. As all of us know, the statutory corporate rate is 48 percent; however, the average rate paid by a corporation is about 35 percent.

Similarly an erosion of the income tax base in individual taxes has occurred. As I believe all of us know, the effective rate over $100,000 of income for an individual is 70 percent; however, based upon 1973 figures the actual effective tax paid by people who earn over $100,000, whether they earn $500,000 or $1 million or $2 million, is approximately 32.1 percent.

I think these figures graphically illustrate the fact that the base upon which taxes are levied has been eroded.

Basically this arises from two sources. Special tax rates are provided to people particularly well considered by Congress. Also many artificial deductions in the code exist.

An artificial deduction is defined by the Committee on Ways and Means of the House of Representatives in its report on the recent revenue act as deductions "that do not accurately reflect current expense." These are somewhat euphuistically referred to as incentives.

Obviously, if we continue this trend of giving special rates and giving special artificial deductions or incentives which lower taxes for the wealthy, only the average wage earner will be left to pay any tax.

This year I intend to introduce a series of amendments, which I will press in the Committee on Finance, and if not successful there I will press on the floor, designed to recoup the loss of revenue occasioned by these twin sources of erosion, artificial deductions and special rates.

Initially I have four amendments. I may have more later. But the four amendments I have would raise $15.5 billion. I pointed out that the 1976 income tax cut designed to help the lower- and middle-income groups is $12.3 billion. So, if enacted, my very modest amendments would net the Treasury somewhere around $3.5 billion and serve to reduce the deficit which members on both sides of the aisle, of course, decry.

The amendment which I will ask consent to introduce at this time would repeal the so-called DISC provision. The DISC provision permits anyone exporting goods for sale overseas to pay approximately one-half the normal tax rate.

The revenue loss for the year we are currently in is $1.5 billion.

The claim for DISC, of course, is that we should help our exports so we should subsidize them. However, I quote from an editorial in the Wall Street Journal. Incidentally, the Wall Street Journal decries the free enterprisers rushing to the House Ways and Means Committee, asking for export subsidies. Among other things, it says that the simon-pure Mr. Simon, now of the Treasury, late of Salomon Brothers, like Abou Ben Adhem, leads all the rest.

One sentence in this editorial bears consideration, and it reads as follows:

> The British have been almost fanatical in subsidizing exports, and if they keep at it much longer, they will be eligible for membership in the third world.

Mr. President, I ask unanimous consent to have this editorial printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HASKELL. One comment on the uneconomic effect of DISC is very important. Those who defend it claim it creates jobs. Actually, the converse, in all probability, is true.

Professor Horst, who is of the Fletcher School of International Law and Diplomacy, has testified as follows before the Senate Committee on the Budget; and I read this because it is particularly interesting:

> Let me turn next to the impact of the DISC on U.S. employment. If DISC contributed $3.3 billion to U.S. exports, those exports would immediately stimulate production in the export industries, and then, by the usual multiplier process, throughout the economy. This line of reasoning is fine, as far as it goes. The problem is it does not go far enough. In particular, it conveniently ignores the way those exports drive the value of the dollar up in foreign exchange markets, and consequently the greater ease our foreign competitors have in exporting to the United States.
>
> This process may be gradual. The exact timing may be difficult to predict. But if you have been following the way our growing balance of trade has been causing the dollar to go up in foreign exchange markets over the last year, you know the process is working. As the dollar goes up, our own multinationals are going to find exporting from the United States increasingly unattractive. Our foreign competitors will find it easier to export to the United States at a profit. American automotive workers, textile and shoe workers, and many others may find their jobs displaced by the growing imports.
>
> The multiplier process works in reverse. If you want to estimate the real contribution DISC makes to U.S. employment, you must first add the jobs created by exports, then subtract the jobs destroyed by imports. Because the industries which must compete with imports are often labor intensive, DISC may well be destroying more jobs than it creates.

I point out to those who claim that DISC is creating jobs, in addition to the reasoning of a preeminent authority on foreign trade that it does not create jobs, that it has a disincentive for creating jobs, we have the fact that the AFL–CIO, which I assume is interested in creating jobs, opposes DISCs as a giveaway.

For that reason, Mr. President, I ask unanimous consent to submit at this time the first of a series of amendments which I intend to submit to H.R. 10612. The amendment today, as I say, would remit to the U.S. Treasury $1.5 billion. I have three or four more amendments, which will total $15 billion in uncollected revenues which we are giving away in the name of "incentives."

The ACTING PRESIDENT pro tempore. The amendment will be received and appropriately referred.

Mr. HASKELL. Mr. President, I yield back the remainder of my time.

EXHIBIT 1

THE SOMETIMES FREE MARKETERS

There's hardly anything that discourages us more than seeing a long line of American businessmen trooping up to the House Ways and Means Committee to plead for export subsidies.

There is Reginald Jones of General Electric, who toasts the free market Thursdays through Tuesdays, on Wednesday pleading for export subsidies. There is David Garfield of Ingersoll Rand pleading for export subsidies. There is Russell Laxson of Honeywell, speaking on behalf of the National Association of Manufacturers—the foremost sometimes champion of the free market. Mr. Laxson says the NAM wants export subsidies. And look, the usually simon-pure free marketer William Simon, recently of Salomon Brothers, now of the U.S. Treasury, is also asking for export subsidies.

At issue is whether or not to continue the DISC gimmick to promote exports that was inspired by the idea that the U.S. economy had lost its "competitiveness." What this means, in theory, is that of American Widget can't sell its widgets abroad at a profit for less than $1, and foreigners are only willing to pay 95 cents, the American taxpayer should give the foreigners five cents for each $1 widget they buy.

Of course, the program arranges all this in a way that makes it look less blatant. U.S. companies that set up Domestic International Sales Corporations (DISCs) to handle exports get to defer federal taxes on 50% of the DISC's earnings. The Office of Management and Budget estimates that DISCs last year increased U.S. exports $1.6 billion at a cost to the Treasury of $1 billion in lost revenues. If all this is in the name of earning foreign exchange it was an expensive way to go about it.

The lost revenues are of some significance in this year of massive federal borrowing. But the faulty principles that DISC represents are even more troublesome. First of all, it is a dubious argument that subsidies strengthen U.S. competitiveness abroad, as the checkered history of the heavily subsidized U.S. merchant marine will attest. Second, through the DISC subsidy, one sector of the private economy; that is the kind of inequity that ultimately destroys confidence in the fairness of the tax system. Finally, DISC enables foreigners to buy U.S. goods at lower prices than are available to Americans.

The revenue loss to the Treasury, which of course must be covered by bond sales, would be much more efficiently invested through a general reduction in business taxes. Folding DISC and using the anticipated revenue gain to that end would, for example, permit a cut to 46% in the corporate tax rate. While the net result might mean a reduction in exports, the change would mean that all U.S. companies, their employes, and their customers would share the benefits.

There's no economic reason why the U.S. government should intervene in the market to subsidize exports, just as there's no economic reason why it should intervene to restrain exports. The whole reason for trade, whether between Kansas and California or between Japan and the United States, is that each region benefits from the other's advantage in producing the traded goods. In departing from this principle, businessmen who argue for export subsidies—whether through DISCs or the Export-Import Bank—must perforce use the same logic employed by those who wish to restrain exports.

We are especially unimpressed by arguments that the United States must skew its economy toward export sales because its competitors are doing so. Because U.S. trading partners are so foolish as to design inefficiencies into their economies hardly makes the case that we should follow suit. The British have been almost fanatical in subsidizing exports, and if they keep at it much longer they will be eligible for membership in the Third World. The recent Common Market proposal for a European Export Bank is heartily supported by the British because the Germans would be paying the bills.

American businessmen are now being tangled in the same snare that caught their British counterparts a generation ago. They are pleading for tax subsidies that drain other segments of the economy when they should be making the case for general economic growth through generalized tax reductions. DISC increases government's role in the free market; tax-reduction reduces it. It's disheartening to find so many free marketers lined up behind DISC on bended knees.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 15 minutes.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Mr. Lee Rucker, of my staff, have the privilege of the floor during the consideration of and the vote on S. 3136.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WE'RE NO. 1

Mr. BARTLETT. Mr. President, during the fall of every year, the students, alumni, and supporters of our best collegiate football teams, from time to time enthusiastically yell, "We're No. 1."

They are competing for the championship football ranking in the Nation—and there is only one No. 1 college football team finally determined shortly after the end of the season bowl games January 1.

There was a time when "We're No. 1" was more than the passionate declaration of a sports fan. It was a statement of pride and enthusiasm that characterized the spirit of an entire nation. In this spirit we proudly faced every contest, every challenge. Americans wanted always to be the first, the strongest, the best. We wanted to be No. 1, and nothing less.

As we strived to establish new standards of liberty, opportunity, and prosperity for our people we assumed a position as a leader among many nations, an example to all nations of efficient, strong, and just government by the governed. But, in our determination to preserve those rights of liberty, opportunity, and prosperity for ourselves and others, we also assumed a great burden—the burden of defending our ideals in international competition which, from time to time, would be threatening and treacherous.

The primary reason the founding fathers formed a new government to replace the Federation was to create a union strong enough to survive in a hostile world.

Recognizing this challenge we set about to establish a military capability to sustain our position as a world leader. In terms of military strength, and determination to use our strength whenever necessary to defend our interests, America at the close of World War II stood without question as not only the No. 1 military power, but the dominant military power in the world. A shattered world lay at our feet. There was no land we could not have conquered. Yet we were true to the principles which guided our Revolution. We dedicated our efforts to encouraging and defending freedom and rebuilding our allies and former adversaries.

Our time of dominance had to pass unless our weapons were ruthlessly employed. The Soviet Union through great sacrifice was bound to narrow the gap in military capability between us. They were bound to build the weapons which could harm us. We can no longer destroy any potential enemy and remain relatively unharmed. But we can still remain preeminent or No. 1.

Our military supremacy faces an awesome and continuing challenge. The Soviet Union, pursuing a goal of global application of its own Communist ideals, has charted a course designed to give it military superiority, not parity, in the world. In the heat of this competition, serious questions have arisen about America's resolve to remain the leader of the free world, to retain our position as the most powerful Nation and the most determined.

At question is not only America's military capability, but the American spirit which once, not so long ago, moved us to proclaim that we would always be the first, the strongest, the best—No. 1 and nothing less.

Now, conventional wisdom, hedonism, materialism, the distaste for war, and a myopic view of the U.S. international interests and obligations have tempered our military goals. To be "No. 1" is no longer in vogue in some circles. Now, we are told by some, Americans should be satisfied with a military capability that is "second to none." To demand only that we be "second to none" militarily is consciously to reject the goal of being No. 1, and is, unmistakenly, a sign of weakness.

Although the difference might be considered merely semantic, especially in the context of political/military rhetoric, I believe the difference provides a substantive, albeit subtle, distinction between superiority and inferiority. For the United States, and all those who rely upon us as the leader of the free world, that difference is one of critical importance.

With military parity there can be no margin of error—we rely on the CIA, a most expert and reliable assessor of military strength of the Soviets—But the CIA can only tabulate what it knows and not what it does not know. Its assessments may often be subjective, and it does not claim to be omniscient or infallable. Just recently, the CIA states that they may have underestimtaed the annual military expenditures of the Soviet Union in relation to its GNP by a factor of 100 percent. It is currently thought that the Soviet Union is spending close to 15 percent of its GNP on defense, while the United States spends approximately 6 percent of its larger GNP on defense.

If the United States believed it possessed military superiority, then our position relative to the Soviet Union would not necessarily change because of such a miscalculation; we might very well retain superiority. However, if our goal was only military parity with the Soviet Union, a serious miscalculation of Soviet capability would leave us with something less than parity—a position our Nation cannot afford to accept.

Conventional wisdom speciously begs the question when it says we should not be in an arms race with the Soviet Union. Obviously, we are in a qualitative arms race that recognizes a negative quantitative imbalance; and we must compete successfully with any nation so clearly dedicated to becoming the dominant military force in the world. The costs may be significant, but fortunately, America can maintain military superiority by sacrificing a much smaller share of our gross national product than the Soviet Union—if we have the will.

Certainly, this does not mean that we should refuse to limit the arms race wherever equitable limitations can be agreed upon by the United States and the Soviet Union. Such limitations, when applied to both nations equitably and enforced stringently with credible surveillance, can indeed reduce the risk of military confrontation and the cost of military preparedness. As in the current strategic arms limitation talks, the United States, in negotiating specific restrictions on weapons development and deployment, must always insist and be certain beyond any doubt that such agreements do serve the best interests of the United States.

But there is a major caveat that is vital to SALT II or any agreement of military parity. If the Soviet Union does not believe in lessening tensions as we proceed to limit arms production and deployment, the agreement can be a snare and a delusion.

In our desire to ease tensions between the United States and the Soviet Union, and in our willingness to negotiate equitable limitations on arms development, we must recognize that the Soviet Union has not discarded its goal of becoming the dominant military force of the world. It has only, with our consent, narrowed very slightly the bounds of competition.

Therefore, accompanying the signing of any agreements on arms limitation, including SALT II, there must be a candid and unequivocal commitment that the United States will strive for superiority in conventional weaponry and all other areas not subject to mutually accepted limitation. Only in this manner can we formulate future policy and negotiate future agreements from a position of strength rather than weakness. If such a policy were adopted now, it would also strengthen our position in the current SALT negotiations. It would discourage the Soviets from taking further military and political advantage of détente, by demonstrating that our desire to ease tensions is not based on weakness or a lack of will. I also believe that we should proceed with negotiations including and beyond SALT II only after the Soviet Union demonstrates convincingly its desire to ease tensions. Russia must discontinue its aggressive military actions against other nations, or détente is but a hollow hope.

I have asked a number of high ranking military officers just how we do stack up with the Soviets. It is disconcerting when some say, "it depends on what the situation is" or "it varies with the location." Because I do not believe any military expert believes we have an excess of military power in sophisticated strategic or conventional weapons vis-a-vis the Soviets. The deciphered answer is sobering—that in some instances we cannot claim superiority or even parity.

If I am interpreting correctly the militaryese of high ranking officers, we must significantly expand our R. & D., procurement of sophisticated nuclear and conventional weapons, and numbers of military and civilian personnel in order to achieve a momentum of military power which will guarantee our security through superiority.

In the years since World War II, our

efforts to maintain military superiority have in no way denied the Soviets the pursuit of their legitimate interests. Unfortunately, we have every reason to believe the United States would not be so fortunate should our relative positions change. If the Soviet Union were to achieve military superiority, the United States would most surely be denied the pursuit of its legitimate interests.

I believe military superiority is a legitimate and necessary objective for a nation upon whom the destiny of the free world rests so heavily. It is a goal which I believe the majority of the American people demand for their country.

Even though we have been less vocal, even though the cry, "We're No. 1," has been reserved for our favorite football team in its most exciting moments. I believe the American spirit still quietly commands us always to say loudly and proudly that we are the first, the strongest, the best—No. 1 and nothing less.

Mr. President, I ask unanimous consent that a digest of a recent statement by Mr. Solzhenitsyn that was in the Washington Post on Sunday, April 4, 1976, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 4, 1976]

SOLZHENITSYN'S WARNING

(By Alexandr Solzhenitsyn)

It is with a strange feeling that those of us who come from the Soviet Union look upon the West of today. It is as though we were neither neighbors on the same planet nor contemporaries—and yet we contemplate the West from what will be *your* future, or look back 70 years to see our past suddenly repeating itself. And what we see is always the same: adults deferring to the opinion of their children; the younger generation carried away by shallow, worthless ideas; professors scared of being unfashionable; journalists refusing to take responsibility for the words they squander so profusely; universal sympathy for revolutionary extremists; people with serious objections unable or unwilling to voice them; the majority passively obsessed by a feeling of doom; feeble governments; societies whose defensive reactions have become paralyzed; spiritual confusion leading to political upheaval. What will happen as a result of all this lies ahead of us. But the time is near, and from bitter memory we can easily predict what these events will be.

Twice we helped save the freedom of Western Europe. And twice you repaid us by abandoning us to our slavery. It is clear what you wanted. Once again you wanted to extricate yourself as quickly as possible from this terrible war, you wanted to rest, you wanted to prosper.

But there was a price to pay. And the noble philosophy of pragmatism laid down that once again you should close your eyes to a great many things: to the deportation of whole nations to Siberia; to Katyn; to Warsaw—in that same country for whose sake the war had started; you should forget Estonia, Latvia and Lithuania; you should hand over six more of your European sisters into slavery and allow a seventh to be cut in two; at Nuremberg you should sit amicably side by side with judges who were every bit as much murderers as those on trial and never let this disturb your British sense of justice. Whenever a new tyranny came into existence, however far away—in China, say, or Laos—Britain was always the first to recognize it, eagerly pushing aside all competitors for the honor.

All this required great moral fortitude—and your society was not found lacking. All one had to do was to repeat again and again the magic formula: "The dawn of a new era." You whispered it. You shouted it. And when you grew sick of it and decided to reaffirm your valor in the eyes of the world and recover your self-respect, then your country manifested incomparable daring—against Iceland, Spain, countries which could not even answer you back.

Tank columns in East Berlin, Budapest and Prague declared that they were there "by the will of the people," but not once did the British government recall its ambassadors in protest from any of these places. In Southeast Asia unknown numbers of prisoners have been killed and are still being killed in secret; yet the British ambassadors have not been recalled. Every day in the Soviet Union psychiatrists murder people with their hypodermic syringes merely because they do not think along accepted lines or because they believe in God—and again the British ambassador is never recalled.

But when five terrorists—who had actually committed murder—were executed in Madrid, then the British ambassador *was* recalled and the din reverberated throughout the world. What a hurricane burst forth from the British Isles! You have to know how to protest. It's got to be done with a great deal of anger—but only so long as it does not run counter to the spirit of the age and presents no danger to the authorities of those protesting. If only you could make use of your British skepticism for a moment—it can't have deserted you entirely—and put yourselves in the position of the oppressed peoples of Eastern Europe—then you can view your unseemly behavior through our eyes! The prime minister of Spain was murdered and all cultured Europe was delighted. Some Spanish policemen, even some Spanish hairdressers, were murdered—and the countries of Europe went wild with joy, as if their own police were insured against the Terrorist International.

Meanwhile the crevasse grows ever wider, spreads even further across the globe, shifts into other continents. The most populous country in the world has plunged headlong into it. So, too, have a dozen others. So, too, have numerous defenseless tribes—Kurds, Northern Abyssinians, Somalis, Angolans—without the British with their great tradition of freedom showing the slightest anxiety over such petty matters. Even today you are lulled into thinking that these fine islands of yours will never be split in two by that crevasse, will never be blown sky-high. And yet the abyss is already there, beneath your very feet. Every year several more countries are seized and taken over as bridgeheads for the coming world war, and the whole world stands by and does nothing.

Even the oceans are being taken over—and need one tell you British what that means or what the seas will be used for? And what of Europe today? It is nothing more than a collection of cardboard stage sets, all bargaining with each other to see how little can be spent on defense so as to leave more for the comforts of life. The continent of Europe, with its centuries-long preparation for the task of leading mankind, has of its own accord abandoned its strength and influence on world affairs—and not just its physical influence but its intellectual influence as well.

Modern society is hypnotized by socialism. It is prevented by socialism from seeing the mortal dangers it is in. And one of the greatest dangers of all is that you have lost all sense of danger, you cannot even see where it's coming from as it moves swiftly towards you.

You imagine you see danger in other parts of the globe and hurl the arrows from your depleted quiver there. But the greatest danger of all is that you have lost the will to defend yourselves.

We, the oppressed peoples of Russia, the oppressed peoples of Eastern Europe, watch with anguish the tragic enfeeblement of Europe. We offer you the experience of our suffering; we would like you to accept it without having to pay the monstrous price of death and slavery that we have paid.

But your society refuses to heed our warning voices. I suppose we must admit, sad though it is, that experience cannot be transmitted: everyone must experience everything for himself.

Of course, it's not just a question of Britain; it's not just a question of the West—it concerns all of us, in the East as well as in the West. We are all, each in his own way, bound together by a common fate, by the same bands of iron. And all of us are standing on the brink of a great historical cataclysm, a flood that swallows up civilization and changes whole epochs. The present world situation is complicated still more by the fact that several hours have struck simultaneously on the clock of history. We have all got to face up to a crisis—not just a social crisis, not just a political crisis, not just a military crisis. And we must not only face up to this crisis but we must stand firm in this great upheaval—an upheaval similar to that which marked the transition from the Middle Ages to the Renaissance. Just as mankind once became aware of the intolerable and mistaken deviation of the late Middle Ages and recoiled in horror from it, so too must we take account of the disastrous deviation of the late Enlightenment. We have become hopelessly enmeshed in our slavish worship of all that is pleasant, all that is comfortable, all that is material—we worship things, we worship products.

Will we ever succeed in shaking off this burden, in giving free rein to the spirit that was breathed into us at birth, that spirit that distinguishes us from the animal world?

Mr. BARTLETT. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes.

U.S. MILITARY STRENGTH

Mr. WILLIAM L. SCOTT. Mr. President, I commend the distinguished Senator from Oklahoma for the remarks he has just made on the floor of the Senate. Certainly, I agree with his conclusions, that the American people want to remain the No. 1 power militarily.

He spoke of the percentage of the gross national product or of the overall budget that was being spent by the Soviet Union as compared with that spent by the United States. I believe a factor he is well aware of but did not mention is that there is a difference in personnel-related cost in the Soviet Union and the cost to the United States. We live under a free economy and the Soviet Union a controlled economy, where the cost of labor and material is cheaper, so when we speak of the dollar value spent by the Soviet Union compared with the dollar value spent by the United States, it may not show the true relationship in military spending between the two countries. I am sure that the distinguished Senator is aware of this.

Mr. BARTLETT. If the Senator will yield, the distinguished Senator from Virginia is making a cogent point.

I want also to thank him for his gracious comments on my statement.

Mr. WILLIAM L. SCOTT. Let me add, Mr. President, that through the media we are hearing suggestions, and I do not know whether the quotations of high Government officials are accurate or inaccurate, but quotations with regard to our relative standing militarily in the world as compared with the Soviet Union—the suggestions being made that the American people cannot be informed as to our position compared with that of the Soviet Union.

I have great confidence in Americans doing the right thing when they have the facts. I believe that if the American people have full information, they will support a strong national defense to be used in the defense of this country and in working with other nations within the free world.

I dislike to hear the suggestion made that any Government official has to keep something secret from the American people because the American people will not support it. I cannot buy this philosophy at all.

Under our form of government, the ultimate will rests with the people. They should be informed and in my opinion having adequate information will make the right decision.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 1511

Mr. FORD. Mr. President, I ask unanimous consent that Bill Hamilton of my staff be granted the privileges of the floor during the discussion and vote on S. 1511.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR UNDER RULE VIII

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar under rule VIII be dispensed with.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY, INTERNATIONAL COFFEE AGREEMENT, 1976—EXECUTIVE H, 94TH CONGRESS, 2D SESSION

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the International Coffee Agreement, 1976—Executive H, 94th Congress, 2d session—transmitted to the Senate today by the President of the United States, and that the treaty together with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the International Coffee Agreement, 1976. In doing so, I am the fourth President since 1962 to seek favorable Senate consideration of an International Coffee Agreement. The 1976 Agreement is similar to those of 1962 and 1968, but it contains a number of innovative features which represent a considerable improvement for consumers. I strongly urge that the Senate give advice and consent to ratification of this Agreement, thus agreeing that the spirit of cooperation, which has characterized the international coffee community these past 14 years, should be continued and strengthened.

Negotiation of the 1976 Agreement began in January of 1975 and continued throughout the year. On October 28, 1975, the Senate unanimously approved the Protocol for the Continuation in Force of the International Coffee Agreement of 1968, as Extended, which allowed the continued existence of the International Coffee Organization through September 30, 1976, preserving it as a source of statistical information and as the forum for negotiation of the new Agreement. These negotiations were completed in December and resulted in a greatly improved International Coffee Agreement.

The Coffee Agreement of 1962, and its successor, the Coffee Agreement of 1968, were designed to stabilize the export earnings of producing countries by moderating the traditional boom or bust cycle of coffee production. These Agreements were largely successful in meeting their objectives. Overproduction was brought under control and accumulated surpluses were reduced without a disastrous disruption of the market. At the same time, consumers enjoyed relative price stability. However, the Agreements were not designed to deal with situations of short supply.

The situation the coffee community faces today differs considerably from the situations in 1962 and 1968. Coffee is no longer in surplus, and inventories in both producing and consuming countries are low. On July 17, 1975, the coffee growing regions of Brazil were hit by the most severe frost since 1918, destroying hundreds of millions of coffee trees and thus sharply reducing the productive capacity of the world's largest producer for the next several years. The world faces a period of short supply of coffee. How long this period may last will depend on how well the international coffee community can manage its efforts to restore production and stocks.

The International Coffee Agreement of 1976 was concluded after the Brazilian frost and takes into account our experience in the 1962 and 1968 Agreements. It contains a number of new features designed to deal with the situation we expect to face in the future. The Agreement contains strong new incentives for the early restoration of normal supplies to consumer member markets.

The most important features of the new Agreement are the following:

—The Agreement is intended to stabilize prices within the range of long term market trends and to encourage the restoration of adequate production levels. There are no fixed price objectives.

—Consumers are provided with assurances there will be no restriction on the flow of coffee to the market while prices are high. Thus, the Agreement commences with its export quotas in suspense. Producers have assurances of renewed consumer cooperation should a temporary production surplus reappear. The Agreement should act as a stimulus to producing countries to restore production to levels adequate to meet consumption needs at reasonable prices.

—Those coffee producers who perform best during the next two years will be rewarded with a permanent increase in their basic quotas, which is an additional incentive to ship to the market every available bag of coffee.

—Quotas will go to those countries which have coffee available to ship through a new and more flexible system of annual quota distribution.

—The Agreement is the most generous in its quota allocation to the smallest producers, and allows them the highest growth rates.

Now, as in 1962 and 1968, coffee remains in financial terms the most important non-petroleum commodity exported by developing countries. A large number of developing countries in Latin America, Africa and Asia rely on coffee as a major source of their export earnings. Altogether, 43 producing nations participated in the negotiation of the new Agreement and are expected to join it.

As the world's largest consuming country, coffee is also important to the U.S. In 1974, we imported coffee valued at $1.5 billion. In that same year, we exported agricultural and manufactured products to the coffee producing countries worth over $15 billion. We are good customers of the coffee producing countries, and they are good customers of ours.

We and the other consuming countries have constructed a unique cooperative relationship with the coffee producing countries within the framework of International Coffee Agreements. We have attempted, with a good measure of success, to find constructive solutions to the problems which affect the production and trade of coffee. I strongly urge this mutually beneficial effort as represented in the new Agreement be continued.

I am also transmitting the report submitted to me by the Department of State on the International Coffee Agreement of 1976.

I recommend that the Senate give early and favorable consideration to this Agreement and its advice and consent to ratification. The Secretary of State will submit legislation to implement the Agreement through September 30, 1979.

GERALD R. FORD.

THE WHITE HOUSE, *April 15, 1976.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

REPORT OF THE NATIONAL CANCER INSTITUTE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid the following message before the Senate from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am pleased to submit to you the report on the activities, progress, and accomplishments of the National Cancer Institute during calendar year 1974, as well as a program plan for the next five years. The Director's Report and the Plan were prepared in accordance with Title IV, Part A, Section 410A(b), Public Health Service Act, as amended (42 USC 286e(b)).

The Administration is pleased to note the progress and accomplishments in cancer research, especially on cancer treatment and detection, and in promotion of the use of cancer knowledge in medical and health practice. A number of centers of cancer expertise have been established across the country. The results of the research and control activities must surely foretell an ameliorating influence on the formidable cancer statistics that face us today.

Our intensified cancer research effort was born of public concern about the problems of cancer, which takes many forms, and it has our continuing support and commitment. The recommendations of the National Cancer Program Plan for substantial increases in funding, expanded research training, and new construction of research facilities must, however, be annually reviewed in the context of limited budgetary resources and other competing demands.

Our national involvement is symbolized by the National Cancer Program. People in Government and in the private sector must share the responsibility in this total effort against cancer. This report and this plan are a mark of our progress toward the ultimate solutions to the problems of cancer.

GERALD R. FORD.

THE WHITE HOUSE, *April 5, 1976.*

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed H.R. 12572, an act to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system, and for other purposes, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the constitution, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 1466. An act to convey certain federally owned land to the Twentynine Palms Park and Recreation District; and

H.R. 4941. An act for the relief of Oscar H. Barnett.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. JOHNSTON).

At 4:52 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed House Joint Resolution 670, to designate April 13, 1976, as "Thomas Jefferson Day," in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 2308) to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area, without amendment.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate the following letters, which were referred as indicated:

REPORT OF OPINION AND FINDINGS IN CROWN COAT FRONT CO., INC. VERSUS THE UNITED STATES

A letter from the Chief Commissioner, United States Court of Claims, transmitting, pursuant to law, an opinion and findings of the Review Panel in Crown Coat Front Co., Inc. versus the United States, Con. Ref. 5-72 (with an accompanying report); to the Committee on Appropriations.

REPORT OF THE DISTRICT OF COLUMBIA LAW REVISION COMMISSION

A letter from the Chairperson, District of Columbia Law Revision Commission, transmitting, pursuant to law, the annual report of the District of Columbia Law Revision Commission (with an accompanying report); to the Committee on the District of Columbia.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate the following petitions which were referred as indicated:

Senate Resolution No. 23, adopted by the legislature of the Commonwealth of Kentucky; to the Committee on the Judiciary:

"SENATE RESOLUTION NO. 23

"A concurrent resolution requesting Congress to adopt a resolution proposing an amendment to the Constitution of the United States to require, with certain exceptions, that the total of all federal appropriations shall not exceed the total of all estimated federal revenues in any fiscal year

"Whereas, with each passing year this nation becomes more deeply in debt as its expenditures grossly and repeatedly exceed available revenues, so that the public debt now exceeds hundreds of billions of dollars; and

"Whereas, the annual federal budget continually demonstrates an unwillingness or inability of both the legislative and executive branches of the federal government to curtail spending to conform to available revenues; and

"Whereas, unified budgets do not reflect actual spending because of the exclusion of special outlays which are not included in the budget nor subject to the legal public debt limit; and

"Whereas, knowledgeable planning, fiscal prudence, and plain good sense require that the budget reflect all federal spending and be in balance; and

"Whereas, fiscal irresponsibility at the federal level, with the inflation which results from this policy, is the greatest threat which faces our nation, and constitutional restraint is necessary to bring the fiscal discipline needed to restore financal responsibility; and

"Whereas, Article V of the Constitution of the United States provides that amendments to the constitution may be proposed by the Congress whenever two-thirds of both houses deem it necessary, and we believe such action is vital;

"Now, therefore, be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

"SEC. 1. That Congress is requested to adopt a resolution proposing an amendment to the Constitution of the United States to require that, in the absence of a national emergency, the total of all federal appropriations made by the Congress for any fiscal year may not exceed the total of all estimated federal revenues for that fiscal year.

"SEC. 2. That the Clerk of the Senate is directed to send copies of this resolution to the presiding officers of both houses of the legislature of each of the other states in the union, the Clerk of the United States House of Representatives, the Secretary of the United States Senate, and to all members of Congress from the Commonwealth of Kentucky."

House Resolution No. 135, adopted by the legislature of the Commonwealth of Kentucky; to the Committee on the Judiciary:

"HOUSE RESOLUTION NO. 135

"A resolution petitioning Congress to provide protection for landowners from the potential infringement on their rights by a Land Conservation and Development Commission

"Whereas, there is constant pressure being applied to create a Land Conservation and Development Commission which will make plans and create guidelines by regulation of land privately owned by citizens of this commonwealth and this country; and

"Whereas, this pressure is being applied by people other than those free citizens who own the land, and who have attained such land according to the constitution of this commonwealth and these United States; and

"Whereas, the development of such a commission or regulations and laws pertaining to same, create danger to these individuals rights by incorrect information from unreliable sources, misleading information, lack of adequate participation by the people who own land; and

"Whereas, it is the privilege and the responsibility of the legislative branch of government to provide by law for the protection of each citizen basic right to land ownership;

"Now, therefore, be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

"Section 1. That the Congress of the United States be, and hereby is, petitioned and urged to provide protection from these potential dangers to the right to land ownership and the privilege of use of such land by the owners and that this assembly has recently and many times in the past stood up against this danger.

"Sec. 2. That the Clerk of the House of Representatives shall transmit copies of this resolution to the Secretary of the Senate of the United States, the Clerk of the House of Representatives, and each member of the Congress from this state.

HOUSE BILL REFERRED

The following bill was read twice by its title and referred to the Committee on Agriculture and Forestry:

H.R. 12572. An act to amend the U.S. Grain Standards Act to improve the grain inspection weighing system, and for other purposes.

ORIGINAL CONCURRENT RESOLUTION REPORTED DURING THE ADJOURNMENT OF THE SENATE

Under the authority of the order of Thursday, April 1, 1976, Mr. Muskie, from the Committee on the Budget, submitted the following report:

S. Con. Res. 109. An original concurrent resolution setting forth the congressional budget for the U.S Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976), together with additional minority, and supplemental views (Rept. No. 94–731).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HASKELL, from the Committee on Interior and Insular Affairs, without amendment:

S. 75. A bill to study certain lands in the Sierra National Forest, Calif., for possible inclusion in the National Wilderness Preservation System, together with minority views (Rept. No. 94–732).

By Mr. CANNON, from the Committee on Rules and Administration, with an amendment:

S. 2945. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act (Rept. No. 94–733).

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 64. A bill to provide for the addition of the names of the States of Alaska and Hawaii to the list of the 48 States inscribed upon the walls of the Lincoln National Memorial (Rept. No. 94–734).

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with amendments:

S. 867. A bill to amend the act entitled "An act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928) (Rept. No. 94–735).

S. 885. A bill to designate certain lands in the Shenandoah National Park, Va., as wilderness (Rept. No. 94–736).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 3242. A bill to provide for the personal safety of persons engaged in furthering the foreign intelligence operations of the United States. Referred to the Committee on the Judiciary.

By Mr. METCALF (for himself, Mr. Mansfield, and Mr. Fannin):

S. 3243. A bill to authorize the Secretary of the Interior to convey certain property to the Hadley Memorial Hospital, Washington, D.C. Referred to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 3244. A bill to amend the Higher Education Act of 1965 to assist major research libraries. Referred to the Committee on Labor and Public Welfare.

By Mr. DURKIN (for himself and Mr. Moss):

S. 3245. A bill to amend section 5 of the Fair Packaging and Labeling Act to reduce oversize and excessive packaging of consumer commodities. Referred to the Committee on Commerce.

By Mr. BEALL:

S. 3246. A bill to amend the Higher Education Act of 1965 to require the Commissioner of Education to make payments of interest for eligible students within 30 days of receipt of a proper voucher, and for other purposes.

By Mr. GLENN:

S. 3247. A bill to authorize appropriations to the Energy Research and Development Administration for the initiation of construction of additions to existing uranium enrichment facilities for the fiscal year 1976 and for the period July 1, 1976 through September 30, 1976, by amending Public Law 94–187. Referred to the Joint Committee on Atomic Energy.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BEALL:

S. 3242. A bill to provide for the personal safety of persons engaged in furthering the foreign intelligence operations of the United States. Referred to the Committee on the Judiciary.

PERSONAL SAFETY OF PERSONS ENGAGED IN U.S. FOREIGN INTELLIGENCE OPERATIONS

Mr. BEALL. Mr. President, I am sending to the desk legislation which will seek to protect the personal safety of Americans engaged in foreign intelligence operations.

In recent years almost every institution, public and private, in America has come under a rising tide of criticism. In some cases this criticism was deserved and healthy in a free and democratic society, but there are limits beyond which criticism becomes shrill and distructive. We are rapidly approaching or may have already passed that point in the public debate about the Central Intelligence Agency.

I am the last person who would defend the abuses and illegal conduct of our overseas intelligence community. Philosophically I deeply believe in the concept of limited government. Our Nation must always be governed within the constraints of our Constitution and our laws. We are a nation of laws, not of men and our freedoms are only safe as long as we adhere to that principle. But our freedom and security can also be threatened from two other directions:

First. The overt or covert actions of our major foreign adversaries.

Second. The conduct of small but highly motivated groups who seek to achieve self-appointed "moral" objectives through acts of terrorism or the deliberate disclosure of confidential information. This latter point becomes especially significant when the information disclosed jeopardizes our national security or that of our allies and directly or indirectly reveals the identity of overseas intelligence activities and/or the agents involved.

Whether the critics of the CIA realize it or not, there is a very important place for confidentiality in our national security system. We can no longer tolerate, with legal impunity, the despicable conduct of organizations such as the Fifth Estate and its publication Counter-Spy. The murder of CIA Station Chief Richard S. Welch was a tragic but entirely predictable outcome of such irresponsible disclosures. The Washington Post in a December 29, 1975, editorial stated:

> Public identification of Richard Welch was tantamount to an open invitation to kill him. The surprise is not that this happened to him, but rather that it had not happened previously to others. That none of the critics pulled the trigger is meaningless. There are enough potential killers at large around the world to spare the critics that chore.

Mr. President, I ask unanimous consent that this editorial be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. In spite of the tragedy of the murder of Richard Welch; in spite of the widespread editorial condemnation of this type of malicious public disclosure; and in spite of the almost universal revulsion of the people against organizations such as the Fifth Estate—these selfrighteous zealots continue, to this day, their efforts to destroy our intelligence operations by disclosing the identity of our overseas personnel.

Mr. President, I am somewhat reluctant to draw additional attention to the activities and publications of this thoroughly irresponsible organization, but I would note that the winter, 1976 edition of Counter-Spy magazine claims to disclose the identity of the CIA station chiefs and personnel who are currently serving in seven countries. The article goes on to state that—

> More disclosures are expected in coming months, as this tactic proves effective at undermining the sinister activities of the Central Intelligence Agency. According to authoritative sources in the intelligence community, the release of names has caused

serious morale problems among Agency personnel around the world.

This type of conduct simply cannot be allowed to continue. I do not believe that the first amendment covers such conduct. Disclosing confidential information about foreign intelligence operations and agents can place in jeopardy the security of our Nation and its 215 million people. The overriding interest of all Americans demands protection under these circumstances. I believe that we should promptly enact legislation that would make illegal the knowing disclosure of intelligence personnel and operations by current or former employees of the Central Intelligence Agency, Defense Intelligence Agency, National Security Agency, and the other components of our intelligence community.

Lord Chalfont, the former Minister of Disarmament of the United Kingdom, has stated that—

> The defense of the West involves a whole complex of diplomatic and political activity of which espionage and counter intelligence are an integral part. Yet we have seen, in recent months, a coordinated attack upon the American Central Intelligence Agency which has materially affected the security of the United States and the West as a whole.

Howard K. Smith's "Commentary" of January 21, 1976, thoughtfully and incisively noted that—

> The CIA is over-criticized. In this jungle world, secret acts to confound adversaries and sustain friends are normal in all nations.

Mr. President, I ask unanimous consent that Howard K. Smith's "Commentary" be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BEALL. Mr. President, I do not condone the misconduct of the Central Intelligence Agency, nor do I believe that it should be allowed to operate beyond the limits of its legal mandate. Part of the problem stems from the dangerous international environment of the cold war. Part of the problem stems from the failure of the Central Intelligence Agency Oversight Committees in both the House and the Senate to play their watchdog roles in a diligent and consistent manner. Before this controversy erupted, I had joined in cosponsoring S. 317 which would bring both domestic and foreign intelligence oversight responsibilities together into one joint committee.

In closing, Mr. President, I would note that S. 3242 would make it unlawful to disclose classified information that would identify or tend to identify any individual or entity who is or has been associated with U.S. foreign intelligence operations. Violations would carry a maximum penalty of $15,000 or 15 years imprisonment or both. I hope the Judiciary Committee will give this legislation its prompt and favorable consideration.

We live in a far too dangerous era for us to dismantle or cripple our foreign intelligence apparatus. We must instead correct its faults as quickly as possible so that it can once again devote all of its attention to gathering the type of information our decisionmakers need to shape our foreign and military policies.

Mr. President, I ask unanimous consent that the text of S. 3242 be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 793 of title 18, United States Code, is amended by adding at the end thereof the following subsection:

"(h) (1) Whoever, (A) being or having been in authorized possession or control of information identifying or tending to identify any individual or entity as being or having been associated with or engaged in the foreign intelligence operations of the United States, which information has been specifically designated as requiring a specific degree of protection pursuant to the provisions of a statute or Executive Order of the President of the United States, willfully discloses such information to any person not authorized to receive it or to the public; or (B) not being duly authorized by or pursuant to law to do so, willfully imparts or communicates to any person or makes public any information identifying or tending to identify any individual or entity as one who at any time has been or is presently engaged in furthering foreign intelligence operations on behalf of the United States, with the intent to disclose an affiliation or relationship of such individual or entity with such foreign intelligence operations, knowing or having reason to believe that such disclosure may prejudice the safety or well-being of the individual identified or adversely affect such entity so identified—

"Shall be fined no more than $15,000 or imprisoned not more than 15 years, or both.

"(2) As used in this subsection, the term 'authorized possession or control' means with authority to have access to, to receive, to possess, or to control information as a result of the provisions of a Federal statute or an Executive order of the President.".

EXHIBIT 1

RICHARD S. WELCH

The murder of Richard S. Welch, CIA station chief in Athens, was the entirely predictable results of the disclosure tactics chosen by certain American critics of the agency as part of their effort to destroy it. His was one of the names published in a periodical called Counter-Spy; in a book, former CIA officer Philip Agee has also named names. Precisely because those using these tactics include experienced former CIA men, they would be in a position to know that public identification of Richard Welch was tantamount to an open invitation to kill him. The surprise is not that this happened to him, but rather that it had not happened previously to others. That none of the critics pulled the trigger is meaningless. There are enough potential killers at large around the world to spare the critics that chore.

"If anyone is to blame for Mr. Welch's death, it is the CIA," explained Tim Butz of Fifth Estate, the group here that publishes Counter-Spy. "We don't want to see anyone shot." One can understand why Mr. Butz does not wish to acknowledge that his group set Mr. Welch up for the hit. He no doubt believes every word he says. To blame the victim for the murder, however, is simply to flee one's own responsibility for contributing to it. What other result than killing did Mr. Butz and his colleagues expect when they fingered Mr. Welch? The ironies are overwhelming. Here are some American foes of the CIA adopting the morality and even abetting the technique—indirect assassination—which they have so often described as characteristic of the agency itself. Here are critics of the CIA employing a disclosure tactic virtually certain to lead to assassination, just as the rest of the country comes to the view, which the government has already formally embraced, that assassination is an unacceptable abuse of power.

Institutionally the CIA has a good deal to account for over the years. It is, however, currently making an accounting in the only way acceptable in a democratic society: according to internal and congressional processes of review. That review must, of course, go on—with due vigilance against such perils to individuals as have been freshly dramatized in Athens. To think that any of the CIA's past excesses constitute a moral license for extra-legal punishment of its employees is just wrong. Richard Welch, after all, was not the agent of a hostile power. He was an American citizen serving his government, and he had been accused of no crime. We mourn his death.

EXHIBIT 2

COMMENTARY, ABC EVENING NEWS, JANUARY 21, 1976

The question is tough but pressing: Are we, media and Congress, demanding a level of purity from leaders that is beyond human capacity? My inclination, I confess, is to think we are asking too much.

Government is criticized and sued for tapping an official's phone. Well, I think officials in sensitive places should be checked from time to time. Moscow's plant of St. John Philby in Britain and Gunther Guillaume in Germany are warnings enough. Indeed, if I were in such a position I would expect surveillance.

Kissinger is blasted for taking his secret phone conversations with him when he went to the State Department. I feel if he didn't keep conversations secret, he would be irresponsible. Dealing with 150 sovereign, proud, often irresponsible and aggressive nations requires secrecy for bargaining.

I believe the CIA is over-criticized. In this jungle world, secret acts to confound adversaries and sustain friends are normal in all nations. If the FBI did not keep extensive files it could not fight the Mafia with its hundred-thousand connections, or keep the heroin trade from growing much worse.

I agree with critics that powers have been abused, law-breaking officials should be punished, strict oversight instituted. But in this, as in many respects, the pendulum has swung too far and dangerously damaged our force as an influence for peace in the world and safety at home.

By Mr. DURKIN (for himself and Mr. Moss):

S. 3245. A bill to amend section 5 of the Fair Packaging and Labeling Act to reduce oversize and excessive packaging of consumer commodities. Referred to the Committee on Commerce.

PACKAGING CONSERVATION ACT OF 1976

Mr. DURKIN. Mr. President, there are undoubtedly millions of Americans who have felt the heartbreak of putting 15 cents into a candy machine, pulling the lever under a favorite chocolate treat, and unwrapping the delight only to find that it is much smaller than the package in the little window.

Aside from the frustration, that type of incident points out a commonly wasteful experience.

First of all, if the outside wrapper or container of a product is bigger than it has to be, that is a waste of the natural resources used in making that packaging.

Further, packaging material does not grow naturally. It takes electricity or heat to process the raw materials into packaging, which means that waste in wrapping causes waste in energy.

Before you eat that smaller-than-expected candy bar, you throw the wrapper away, and all those little instances of overpackaging eventually add up at the dump, or solid waste management center, as they call it now. Sooner or later the public works director is in to see the mayor about another acre to plow under or another bulldozer to do the plowing. That is waste of the taxpayers' money.

And speaking of money, how about you there holding the 15-cent candy bar? How much extra did you pay just for the deceptive wrapping? More advertising space for the candy company, and less candy for you.

For all these reasons, Mr. President, I am introducing today the Small Candy Bar in the Big Candy Bar Package Act of 1976, better known as the Conservation Packaging Act. I consider it a consumer bill, an energy bill, an environmental bill, and a finance bill. I also consider it long overdue, and am hopeful the Commerce Committee can get to it sometime this year.

Some legislative history is in order.

In 1966, Congress enacted the Fair Packaging and Labeling Act which outlawed the use of deceptive packaging—packages designed to deceive the customer about the quantity of product he was about to buy. But under Federal Trade Commission rulings, that has a very narrow application.

A stroll through any drug store or supermarket demonstrates further curbs are needed. Bobby pins, roll-ons, ball point pens, vitamins, and nail polish can be found everywhere encased in plastic bubbles and mounted on bright pieces of cardboard three and four times the size of the product. Childrens' toys are another offender in the area.

In fact, since 1958, the consumption of packaging materials has increased nearly 71 percent, or about 44 percent for each man, woman, and child. Almost half of all paper products, three-fourths of all glass produced, more than 8 percent of all steel, 14 percent of all aluminum, and 29 percent of all plastics are used for packaging and containerization.

The legitimate purpose for packaging is to protect a product from damage or pilfering and to keep it neat and clean prior to purchase. But most packaging goes far beyond this into the area of advertising and enticement. Too much packaging is used to snare the buyer through color, graphics, or appearance of larger size, and this legislation recognizes this as a problem of public policy which ought to be addressed.

People who study these things, Mr. President, say that packaging constitutes 42 percent of all the trash collected by municipal and private collectors. Especially with new environmental laws governing dumps, the amount of packaging to be disposed of becomes an increasingly important factor in the cost of operating these facilities. One study predicted that this legislation would reduce the amount of solid waste in the United States by about 5 million tons a year, with a saving to local government alone of $50 million annually.

Packaging costs are also a factor in the retail price of retail products. Overpackaging means overpricing. A recent study by the Environmental Protection Agency found that the cost of all packaging, as a percentage of the cost of a consumer product, has doubled since 1958. A special Consumer Inquiry Panel of the House Committee on Government Operations found that 600 grocery items had shrunk in content without any equivalent decrease in the price of packaging. My own brief review convinces me that this legislation could reduce packaging by 10 percent, at an annual saving to consumers of roughly $1 billion.

Finally, Mr. President, there are the all-important energy and resource costs. For instance, to make 2,000 pounds of containerboard requires 3,688 pounds of wood, 261 pounds of lime, 360 pounds of salt cake, 75 pounds of soda ash, and 41 million Btu's. Multiply this times 2.7 million to get the amount of containerboard produced each year, and you begin to get an idea of what is at stake in cutting down on unnecessary packaging of all sorts.

If we are serious about saving costs, saving energy and saving our natural resources, then the Conservation Packaging Act of 1976 is a logical next step. It will not be expensive to implement, will not unduly infringe on the free enterprise system, and will not require an extensive new framework.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Packaging Conservation Act of 1976".

SEC. 2. The purpose of this Act is to reduce the amount of oversized and excessive packaging of consumer commodities and thus to reduce the waste of natural resources, the increase in solid waste, the cost of consumer commodities so packaged, and the deception of consumers engendered by such packaging.

SEC. 3. Subsection (c) of section 5 of the Fair Packaging and Labeling Act (15 U.S.C. 1454(c)) is amended by—

(1) inserting after "necessary to prevent the deception of consumers" the words, "to reduce oversized and excessive packaging of consumer commodities,".

(2) striking out "or" at the end of paragraph (3), striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and inserting immediately after paragraph (4) the following:

"(5) prevent the oversized or excess packaging of consumer commodities."; and

(3) adding at the end of such subsection the following: "For purposes of this section, a package shall be deemed to be oversized or excessive if, considering the possible needs for sanitization, unitization, commodity protection, or prevention of theft of the consumer commodity contained in such package, such package is larger or more extensive than is reasonably necessary to enclose such commodity."

By Mr. BEALL:

S. 3246. A bill to amend the Higher Education Act of 1965 to require the Commissioner of Education to make payments of interest for eligible students within 30 days of receipt of a proper voucher, and for other purposes.

Mr. BEALL. Mr. President, as the ranking minority member of the Education Subcommittee, I believe that it is imperative that the guaranteed student loan program work well. This is a program whereby the Federal Government guarantees loans made by private lending institutions to students. This program is of immense importance to middle-income Americans, who are caught in a difficult economic squeeze and who are finding it increasingly burdensome to cope with rising post-secondary education costs.

To appreciate the magnitude and importance of this program, I would point out that in fiscal year 1975 loan commitments exceeding $660 million were made to over 500,000 students. Since the program's inception in 1966, 8.6 million students have benefited and the total amount of the loan guarantees has exceeded $9 billion.

Since the program is so widely used, I am always disturbed to hear reports of students unable to secure such loans from banks and other financial institutions. Banks claim that such loans are not very attractive, when alternative loan opportunities are considered, because the administrative and service costs of such loans are high. Since this program is voluntary on the part of the private lending institutions, it is important that the Federal Government make certain that it encourage, not discourage—particularly as a result of redtape—maximum participation. Yet, it appears that such redtape is delaying the disbursement of interest on such loans to financial institutions, and that such delay is detrimental to the program's growth and continued success.

Now, Mr. President, if it is true, as lending institutions claim, that such loans are marginal, the Federal Government by delaying payment on the interest due and owing to banks, obviously makes such loans less attractive and discourages participation. It is my understanding that presently such interest payments often are not made until a quarter to a half year has elapsed after the due date.

To remedy this situation, I am introducing today legislation to require the Office of Education to pay the interest claims to lending institutions on guaranteed student loans within 30 days after the receipt by the Commissioner of Education of the appropriate itemized voucher.

Many banks set aside a certain percentage of funds for student loans and I certainly would hope that more banks would participate in the program. However, there is one thing that financiers do not like, and that is uncertainty. When one adds the higher service and administrative costs to the uncertainty of the payment of the interest, problems result. For these reasons, many banks are decreasing their commitments to and allocations under the guaranteed student loan program. This is unfortunate, for the students are the losers.

Mr. President, I recognize this is an exceedingly complex subject and the Education Subcommittee has been exploring amendments, under the leadership of Senator Javits, to the guaranteed student loan program to improve the program and lender participation, particularly in relation to the determination of the special allowance rate and to make certain that such rate reflects market conditions. I regret the fact that legislation like this is necessary, but we cannot allow procrastination and redtape to hinder or discourage an operation of a successful loan program, which is helpful—and in many cases critical—to many students and their parents in the financing of their higher education.

Mr. President, this proposal was originated by Congressman Gude, who so ably represents the Eighth Congressional District of Maryland. The Congressman proposed this measure on the House side, and I am pleased to introduce a companion bill in the Senate. I ask unanimous consent that the text of the measure be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 428(a) of the Higher Education Act of 1965 is amended by striking out the last sentence of paragraph (3)(A) and inserting in lieu thereof the following:

"The Commissioner shall pay this portion of the interest and administrative cost allowance to the holder of the loan on behalf of and for the account of the borrower within 30 days of receipt by the Commissioner of an itemized voucher in such form as the Commissioner shall by regulation prescribe."

Sec. 2. (a) The amendment made by the first section of this Act shall be effective with respect to any interest or administrative cost allowance payment for which a voucher is submitted after the effective date of the regulations promulgated under subsection (b).

(b) The Commissioner of Education shall promulgate the regulations required to implement the first section of this Act not later than 90 days after the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 755

At the request of Mr. Burdick, the Senator from Colorado (Mr. Haskell) was added as a cosponsor of S. 755, a bill to establish an arbitration board to settle disputes between supervisory organizations and the United States Postal Service.

S. 1949

At the request of Mr. Curtis, the Senator from Alabama (Mr. Allen) was added as a cosponsor of S. 1949, to amend section 103 of the Internal Revenue Code of 1954.

S. 2019

At the request of the Senator from Minnesota (Mr. Humphrey), the Senator from California (Mr. Tunney) was added as a cosponsor of S. 2019, a bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals.

S. 2332

At the request of Mr. Stafford, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 2332, a bill to amend the Rehabilitation Act of 1973 to provide funding for Governors' Committees on Employment of the Handicapped, and for other purposes.

S. 2547

At the request of Mr. McGovern, the Senator from Iowa (Mr. Clark) was added as a cosponsor of S. 2547, a bill to amend title XVIII of the Social Security Act.

S. 2812

At the request of the Senator from Illinois (Mr. Percy), the Senator from Wyoming (Mr. Hansen) was added as a cosponsor to S. 2812, the Regulatory Reform Act of 1976.

S. 2868

At the request of Mr. Thurmond, the Senator from Florida (Mr. Stone) was added as a cosponsor of S. 2868, a bill to provide chiropractic treatment when requested for veterans eligible for outpatient medical care.

S. 2905

At the request of the Senator from Michigan (Mr. Philip A. Hart), the Senator from New Mexico (Mr. Montoya) was added as a cosponsor to S. 2905, the Commodity Supplemental Food Program Act of 1976.

S. 2910

At the request of the Senator from Pennsylvania (Mr. Schweiker), the Senator from Mississippi (Mr. Eastland) was added as a cosponsor to S. 2910, a bill to establish the National Diabetes Advisory Board and to insure the implementation of the long-range plan to combat diabetes.

S. 2925

At the request of Mr. Muskie, the Senators from Tennessee (Mr. Baker and Mr. Brock), the Senator from Florida (Mr. Chiles), the Senator from Arizona (Mr. Fannin), and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 2925, the Government Economy and Spending Reform Act of 1976.

S. 3004

At the request of the Senator from Minnesota (Mr. Humphrey), the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3004, a bill to establish a National Commission on Food Costs and Pricing to appraise the food marketing industry

S. 3008

At the request of Mr. Garn, the Senator from New Mexico (Mr. Domenici) and the Senator from Texas (Mr. Tower) were added as cosponsors of S. 3008, a bill to amend the Equal Credit Opportunity Act to prescribe administrative procedures for the Board of Governors of the Federal Reserve System.

S. 3036

At the request of Mr. Stone, the Senator from Pennsylvania (Mr. Schweiker), the Senator from Montana (Mr. Metcalf), and the Senator from Florida (Mr. Chiles) were added as cosponsors of S. 3036, a bill to amend title XVIII of the Social Security Act.

S. 3079

At the request of Mr. Thurmond, the Senator from Kansas (Mr. Dole) was added as a cosponsor of S. 3079, to prohibit union organization in the Armed Forces, and for other purposes.

S. 3082

At the request of Mr. Randolph, the Senator from Oklahoma (Mr. Bellmon), the Senator from North Dakota (Mr. Burdick), the Senator from New Mexico (Mr. Domenici), the Senator from Vermont (Mr. Leahy), and the Senator from Ohio (Mr. Taft) were added as cosponsors of S. 3082, a bill to amend title 39 of the United States Code to require the U.S. Postal Service to hold a hearing and to take into consideration certain matters prior to the consolidation or closing of any post office, to provide for the appointment and compensation of certain officers and employees of the U.S. Postal Service, and for other purposes.

S. 3160

At the request of the Senator from Ohio (Mr. Taft), the Senator from Tennessee (Mr. Baker), the Senator from Arizona (Mr. Fannin), the Senator from South Carolina (Mr. Thurmond), and the Senator from Pennsylvania (Mr. Hugh Scott) were added as cosponsors to S. 3160, a bill to facilitate improved congressional coordination of financial benefit programs, and for other purposes.

S. 3165

At the request of Mr. Pell, the Senator from Indiana (Mr. Hartke), the Senator from Massachusetts (Mr. Kennedy), and the Senator from Montana (Mr. Metcalf) were added as cosponsors of S. 3165, a bill to establish a national marine science and technology policy for the United States, and to extend the national sea grant program.

S. 3174

At the request of the Senator from New Jersey (Mr. Williams), the Senator from California (Mr. Tunney) was added as a cosponsor of S. 3174, a bill to increase the authorized borrowing authority under the section 202 housing for the elderly and handicapped program.

SENATE JOINT RESOLUTION 163

At the request of the Senator from Wisconsin (Mr. Nelson), the Senator from Utah (Mr. Garn) was added as a cosponsor of Senate Joint Resolution 163, a joint resolution to authorize and request the President to issue a proclamation designating the week beginning May 9, 1976, as "National Small Business Week."

SENATE RESOLUTION 306

At the request of Mr. Nelson, the Senator from Alabama (Mr. Sparkman), the Senator from Florida (Mr. Chiles), the Senator from South Carolina (Mr. Hollings), the Senator from California (Mr. Tunney), the Senator from Michigan (Mr. Philip A. Hart), the Senator from New Mexico (Mr. Domenici), the Senator from Montana (Mr. Mansfield), and the Senator from Indiana (Mr. Hartke) were added as cosponsors of Senate Resolution 306, designating at the Department of the Treasury and on the Joint Committee on Internal Revenue Taxation an expert on long-range tax simplification and tax reform for small business.

SENATE RESOLUTION 319

At the request of Mr. Curtis, the Senator from North Dakota (Mr. Burdick) was added as a cosponsor of Senate Resolution 319, relating to the occupation of certain Baltic nations by the Soviet Union.

SENATE RESOLUTION 413

At the request of Mr. Ribicoff, the Senator from Minnesota (Mr. Mondale), the Senator from Illinois (Mr. Stevenson), the Senator from Iowa (Mr. Clark), the Senator from Mississippi (Mr. Eastland), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from North Dakota (Mr. Burdick), the Senator from New Mexico (Mr. Domenici), the Senator from Massachusetts (Mr. Brooke), and the Senator from South Carolina (Mr. Hollings) were added as cosponsors of Senate Resolution 413, a resolution concerning freedom of the press at the Olympic games.

AMENDMENTS SUBMITTED FOR PRINTING

TAX REFORM ACT OF 1975—H.R. 10612

AMENDMENT NO. 1557

(Ordered to be printed and referred to the Committee on Finance.)

Mr. **HASKELL** submitted an amendment intended to be proposed by him to the bill (H.R. 10612) to amend the Internal Revenue Code of 1954 to repeal provisions for Domestic International Sales Corporations.

(The remarks of Mr. Haskell when he submitted the amendment appear earlier in today's Record.)

NATIONAL FOOD STAMP REFORM ACT OF 1976—S. 3136

AMENDMENT NO. 1558

(Ordered to be printed and to lie on the table.)

Mr. **CHILES** (for himself, Mr. Nunn and Mr. Domenici) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

AMENDMENT NO. 1559

(Ordered to be printed and to lie on the table.)

Mr. **CHILES** submitted an amendment intended to be proposed by him to the bill (S. 3136), supra.

AMENDMENT NO. 1560

(Ordered to be printed and to lie on the table.)

Mr. **BEALL** submitted an amendment intended to be proposed by him to the bill (S. 3136), supra.

CONSIDERATION OF AMENDMENTS SUBMITTED TO THE PRESIDING OFFICER PRIOR TO A CLOTURE VOTE—SENATE RESOLUTION 268

AMENDMENT NO. 1561

(Ordered to be printed and to lie on the table.)

Mr. **KENNEDY** submitted an amendment intended to be proposed by him to the resolution (S. Res. 268) to amend rule XXII of the Standing Rules of the U.S. Senate to provide for the consideration of amendments submitted to the Presiding Officer prior to a cloture vote.

NOTICE OF HEARINGS

Mr. **METCALF**. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

April 6. *Energy Research and Water Resources Subcommittee*, 10 a.m., room 3110, business meeting, to mark up S. 3105, the ERDA authorization bill.

April 7. *Full committee*, 10 a.m., room 3110, business meeting, pending calendar business.

April 8, 9 and 10. *Environment and Land Resources Subcommittee*, 10 a.m., room 3110, hearing, proposal by the Crested Butte Development Corporation to develop new ski resort within East River Unit plan in Gunnison National Forest, Colo.

April 12. *Full Committee*, 2 p.m.—Room 3110—Hearing S. 2998, a bill to amend the Puerto Rico Federal relations; H.R. 9460, to provide for establishment of a constitution for the Virgin Islands; H.R. 9491, to provide for the establishment of a constitution for Guam.

April 13. *Energy Research and Water Resources Subcommittee*, 10 a.m.—Room 3110—Hearing S. 3145, Energy Conservation Research and Development Institutes bill.

April 23. *Energy Research and Water Resources Subcommittee*, 10 a.m., University Center, Pacific University, Forest Grove, Oregon, a hearing to consider Carlton Project bill, S. 3228.

April 24. *Energy Research and Water Resources Subcommittee*, 10 a.m.—Yamhill County Courthouse, McMinnville, Oregon. A hearing to consider Tualatin Project legislation, S. 2301.

NOTICE OF HEARING ON THE CIVIL RIGHTS COMMISSION AUTHORIZATION ACT

Mr. **HUGH SCOTT**. Mr. President, on Monday, April 12, 1976, the Senate Judiciary Subcommittee on Constitutional Rights will hold a hearing on S. 2288, the Civil Rights Commission Authorization Act. I introduced this bill on September 4, 1975, to authorize the first increase in the appropriations for the U.S. Commission on Civil Rights since 1972. This bill covers funding for this fiscal year, the 3-month interim period between the end of fiscal year 1976, and the beginning of the new fiscal year in September, and the 2 succeeding fiscal years.

The hearing, which I will chair, will begin at 10 a.m. in room S126 of the Capitol Building. Anyone having questions should contact either Mr. Ben Dixon of the subcommittee at 224–8191, or Mr. Ken Davis of my staff at 224–3135.

NOTICE OF HEARING CHANGE

Mr. **MUSKIE**. Mr. President, the hearing on S. 2917, legislation to establish a Minority Business Development Administration under a new Assistant Secretary of Commerce, originally scheduled by the Subcommittee on Intergovernmental Relations to begin on Monday, April 12, has been rescheduled. The hearing will now begin at 10 a.m., Tuesday, April 13, in room 3302 Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

REPORT ON TEAMSTERS UNION

Mr. **GRIFFIN**. Mr. President, last week the Senate Permanent Investigations Subcommittee decided to undertake a preliminary investigation of the Teamsters Union, including allegations of associations with organized crime.

This action by the subcommittee was first revealed by the NBC "Nightly News," a five-part series on the Teamsters Union. I ask unanimous consent that the transcripts of that NBC series be printed in the Record.

There being no objection, the transcripts were ordered to be printed in the Record, as follows:

NBC Nightly News Special on Teamsters Union

PART 1—MARCH 22, 1976

John Chancellor. This week, the Nightly News Special consists of a five-part report on the Teamster's Union. When you think of teamsters, you are likely to think of James Hoffa. But Hoffa's disappearance is only the latest episode in the battle of control of the teamsters.

At stake is the enormous power of the Teamsters, the country's largest and toughest labor union. This series of special investigative reports will focus on that power, and its potential for corruption. Our reporter is NBC News Correspondent Brian Ross:

Brian Ross. The country's largest union was built around the men who drove teams of horses. . . . Teamsters, they were called. The year was 1899.

As the country grew, so did the Teamsters Union. In the late 30's, the Teamsters began to organize the long-haul truck drivers whose labor was becoming an increasingly important part of the economy.

There was violence. Troops were called in to help companies which resisted the union movement. Employers hired hoodlums and goons to break up Teamster strikers. The teamsters got their own hoodlums and goons and that was the beginning of a close, working relationship between mobsters and the union.

1957. The McClellan Senate Labor Rackets Committee found that among Teamster leaders were convicted murders, extortionists, narcotics dealers and a long list of other criminals.

That same year, the AFL–CIO expelled the Teamsters for what it called "corrupt influences in positions of leadership." The Teamsters went their own way and prospered.

Now, the Teamster's Union is not only the biggest but the fastest growing labor organization in the country. With more than two and a half million members, the union has a stranglehold on the nation's transportation system.

Almost nothing moves without the Teamsters.

The Teamsters are aggressive, sometimes ruthless, organizers. And the union has expanded its power by organizing workers outside the transportation industries. The union's newest members: policemen.

In Michigan, for example, there are now almost three thousand police officers who are Teamsters. Ironically, police who belong to the Teamsters Union were among those who investigated the disappearance of James Hoffa.

Some law enforcement authorities say police have no business joining the Teamsters because of the union's ties with organized crime. Sheriff John O'Brien says now that his deputies are Teamsters, he's worried that criminals will have access to his confidential files.

Sheriff John O'Brien (Genessee County, Mich.). "I cannot guarantee the confidentiality of, uh, our investigative files, nor can I guarantee the secrecy of our targets of criminal investigation."

Ross. "There are those who say that with the allegations of wrong-doing and organized crime in the Teamsters Union, police have no business being in that union."

Joseph Valenti (Teamsters Organizer.) "Well, that may be true in terms of what they say, Uh, I don't know of any large organization that doesn't have its problems."

Ross. Joseph Valenti says charges of mob connections will not stop the Teamsters from organizing police. "Wherever you can go, you want to go?"

Valenti. "That's my personal opinion."

Ross. "Why do the Teamsters want to represent policemen?"

Valenti. "Uh, we don't want to represent policemen per se, we want to represent the unorganized. We want to be able to take anybody who wants us."

Ross. The Teamsters now represent police in Michigan, Minnesota, Virginia, Wisconsin, California, North Dakota and Alaska. This worries law enforcement officials who say mob influence in the Teamsters is as strong as ever.

Samuel Skinner (U.S. Attorney, Chicago). "There is no question that those persons that are involved in the Teamsters Union at the management level have some very close ties and relationships with people who are in, who are identified as members of organized crime."

Ross. Teamster President Frank Fitzsimmons denies there are organized crime ties with his union.

Frank Fitzsimmons (Teamsters President). "Neither this union nor I am in the hands of organized crime. This union has nothing to hide under the general presidency of Frank Fitzsimmons."

Ross. But law enforcement authorities say some of the men closest to Frank Fitzsimmons have clear ties with organized crime: William Presser, president of the Ohio Teamsters, international union vice-president. A business associate of Cleveland organized crime figures, Presser has been convicted of Taft-Hartley Act violations, anti-trust law violations, obstruction of justice and contempt of Congress.

Joey Glimco, president of Chicago Teamsters local 777. Glimco's police record dates back to 1923 with 38 arrests but only one conviction. Federal authorities say Glimco is closely associated with Chicago organized crime boss Tony "Big Tuna" Accardo.

Joey Glimco. "I'm a Teamster, that's all I can tell you."

Ross. Anthony Provenzano, the dominant figure in New Jersey Teamsters, a close associate of Frank Fitzsimmons, and also according to federal authorities, a close associate of major organized crime figures.

Provenzano was sent to prison for extortion, was questioned last year in the disappearance of James Hoffa, and now is awaiting trial in a Teamster kickback conspiracy case.

The Teamsters like to say the union is part of the American way of life. And most Teamsters are decent, hardworking men and women.

But in the next four nights, we'll report on Teamsters who help criminals steal; Teamsters, including union president Frank Fitzsimmons, who meet with organized crime figures; Teamsters who make questionable deals using union money; Teamsters who are the victims of their own union; and Teamsters who are trying to reform the union but making little progress.

And we'll ask why the government has done so little to investigate the abuses of Teamster Power.

Brian Ross, NBC News.

PART 2, MARCH 23, 1976

John Chancellor. This evening's nightly news special is the second part of our investigative report on the teamster's union.

Last night, we showed how the teamsters became the biggest and fastest-growing union in the country.

Tonight, we deal with teamster money; with the millions of dollars in the union's pension funds for retired teamsters.

Take the union's central states pension fund. It has almost a billion and a half dollars in it. Our investigation found that the union officials who run the fund have been slow to pay out to retired union members, but quick to hand out millions in questionable business loans. Our reporter is Brian Ross.

Brian Ross. Paul Decker is 66 years old. He retired four years ago after working most of his life as a truck driver. Decker expected to live on a $350 a month teamster pension. But the checks never came.

The Teamsters Union told Decker he didn't qualify for a pension, but Decker knew he did. Decker took the Teamsters to court and proved his employer had made payments for him to the pension fund for the last 21 years.

It took four years for Decker to win his case and he had to spend five-thousand dollars for lawyers. Decker stuck it out, but he says many other Teamsters don't fight the union and end up losing their pensions.

Paul Decker (Retired Teamster). "But they just don't want to push it and I told them, hell, you got a pension coming, all you got to do is go into federal court. And I said, you'll get your pension."

Ross. "But they don't do it?"

Decker. "No. I'm 66 years old with a bad heart. What can they do to me?"

Ross. "Did it concern you? Where you worried about your personal safety?"

Decker. "Yeah, I used to check my car every morning before I went out."

Ross. "Why did you check your car?"

Decker. "Looking for something."

Ross. "Do you think the Teamsters would do that to you?"

Decker. "Sure. Damn right I do."

Ross. The Teamster leaders who tried to deny Paul Decker his $350 a month pension, have at the same time, approved huge pension fund loans under very odd circumstances.

This man is Allen Glick. He is 33 years old and in the real estate business. In less than a year and a half, Glick received an astounding $145 million dollars in Teamster pension fund loans.

A pension fund trustee, asked to explain why Glick got all that money, said it was because he's a nice kid.

Glick's overnight financial empire is centered in Las Vegas, where, with Teamster money, he runs casinos and hotels.

The Glick-Teamster relationship is now the subject of five separate federal and state investigations.

This man is Mo Dalitz. Dalitz's relationship with the Teamster pension fund is also under close scrutiny. Dalitz was named in Kefauver Senate Crime Committee hearings in the 1950's as a major figure in organized crime in Ohio.

This didn't stop the Teamsters pension fund from lending Dalitz more than $62 million dollars to build the plush Rancho LaCosta resort in Southern California.

Authorities say that Teamster loans often go to people with organized crime ties.

The Teamsters would not answer our questions about the General States Pension Fund, but NBC News has obtained a copy of a confidential audit of the fund listing 360 Teamster loans totaling three-quarters of a billion dollars.

Investment analysts say the Teamsters seem to put an unusually high percentage of their money in high-risk businesses. Many of the people who get Teamster loans would have great difficulty getting money any place else. Millions of dollars in loans listed here have never been repaid. Investigators suspect that some Teamster loans set-up businesses which serve as fronts to hide organized crime interests.

This is Deming, New Mexico. The Teamsters lost six million dollars here in loans to a company, now bankrupt, that made toy soldiers and plastic pails. Federal investigators traced the involvement of organized crime figures with the company.

Federal prosecutors brought criminal charges agaist seven people, including three from the pension fund.

The government charged the plastics company deal was a device to funnel money to organized crime and not intended to make money for the union pension fund.

Two weeks before the trial, a key government witness was shot to death. The government dropped charges against one defendant, the six others were acquitted. Federal prosecutors say people are afraid to testify against the Teamsters.

Peter Viara. (U.S. Strike Force). "That's why it's very difficult to make cases in this area. You need an insider, you need someone to tell you about, uh, where the shakedowns or the illegal payments are coming from. And, these people fear it very much. It's not like a bank robbery where you have an eyewitness, persons who are inside or have knowledge of it aren't going to talk for they fear for their lives."

Allen Dorfman. (Former Teamster Consultant). "Probably the finest run pension fund in the United States."

Ross. One of the defendants in the plastics company case was Allen Dorfman, the pension fund's consultant at the time. Dorfman, the son of a Chicago (rackets) figure, earlier served eight months in prison on a Teamtser kickback scheme. What do you say to those who say the Teamster's Pension Fund is simply a large lending source for organized crime in this country?

Dorfman. "That's the biggest falsehood ever perpetrated on the American public."

Ross. For several weeks now, investigators from Washington have been travelling to Teamster pension fund headquarters in Chicago as part of a new, federal investigation.

Pension fund trustees say they have nothing to hide. But by some accounts, Teamsters investments have done so poorly, the union would do better putting its money in a savings bank.

For the men and women like Paul Decker who depend on the pension fund for their retirement, the question remains: In whose interest is the fund being run? For the 400,000 Teamster members, or for a few Teamster officials and their friends. Brian Ross, NBC News, Akron, Ohio.

Chancellor. Tomorrow's Nightly News Special will deal with another aspect of Teamster power.

It will show how that power is sometimes used to help criminals find out where billions of dollars worth of goods are being shipped.

When they know, they hijack or steal. We'll document that tomorrow evening.

PART 3, MARCH 24, 1976

John Chancellor. This evening's Nightly News Special is part three of our investigative report on the Teamsters Union.

We have shown how the Teamsters Union grew and how its ties with criminals also grew.

We've shown how the Teamsters Pension Fund hands out millions of dollars in questionable loans, but denies pensions to some union men.

Tonight's special report deals with another aspect of Teamster power: how that power helps some criminals.

Teamsters know where billions of dollars of goods are at any time.

The criminals, with their union ties, are told.

Frequently, the results are thefts and hijackings.

Brian Ross is our reporter.

Brian Ross. This is a police photograph. The man in the chair was identified by police as a major figure in a New York mafia family. And this man is Danny Kapilow, president of Teamsters Local 966 which represents truck drivers in New York and New Jersey.

There were frequent meetings on this street corner and in this storefront nearby, filmed by police using hidden cameras.

The meetings were attended by trucking company executives, convicted truck hijackers, organized crime figures and Teamster officials.

Police in other parts of the country report similar meetings between local Teamster officials and mafia figures.

A lot of crime flourishes because so many in the Teamsters Union are willing to help. The Union's stranglehold on the nation's transportation system provides information about and access to billions of dollars worth of goods. And the union also provides legitimate jobs as a cover for loan-sharking, gambling and narcotics activity.

For example. This is McCormick Place in Chicago, the nation's largest convention center. Teamsters do much of the work here.

Federal investigators found the Teamsters gave jobs to five notorious mobsters with long criminal records. The investigation revealed that one of them used McCormick Place and his Teamster job as a cover to negotiate a major heroin deal.

The others ran loan-sharking and gambling operations.

David Kaye, Teamster. "I have no comment."

Ross. The man who gave them their Teamster jobs is David Kaye who decides which Teamsters shall work at McCormick Place. He described the five men as old friends. And Kaye continues to run things for the Teamsters at the convention center although he is awaiting trial on 74 counts of extortion and racketeering.

The head of the organized crime strike force in Chicago says the Teamsters Union often gives sanctuary to hoodlums.

Peter Viara (U.S. Strike Force). "For example, if the union president is closely associated with organized crime it allows him to place in the union certain members of organized crime who would not have a legitimate job otherwise, give them what we call a W-2 form, an income tax return so to speak."

Ross. In this unusual police film, made in the 1960's, drivers are seen stealing from the trucks they drove and selling the goods to undercover agents.

In most cases, it is the Teamsters Union and not the company, which decides who is hired to move goods.

The union's power to select drivers makes it hard for companies to crack down on this kind of theft.

Organized crime investigators say some drivers are forced to participate in thefts and hijackings after getting into debt with mob loan sharks and bookies whose activities are made possible by Teamster officials. Not all this thievery can be blamed on Teamsters, but it is easier to hijack a truck when the driver cooperates.

Ralph Salerno (Organized Crime Expert). "When the shipping company needs three men they call the union. If they send him three men who have prior criminal convictions for exactly the same kind of theft you're referring to, he's got to take those three men."

On the eastern seaboard, the fourteen states of the eastern seaboard, the FBI and other police suggest that maybe as much as 50 per cent of truck hijackings are not hijacking in the traditional sense. An auto with masked men doesn't pull the truck driver over and stick a gun in his face and take the truck. They suggest that 50 per cent of them are turn-overs or give-aways.

Ross. It also helps to have insiders at airports where millions of dollars in air cargo are handled each year. Federal investigators say New York's Kennedy Airport has long since been taken over by organized crime. And they say the thefts of valuable cargo at JFK, running into the millions, would not be so easy without insiders who can spot the right shipments. No one handles air freight at Kennedy without the approval of Teamsters Local 295, long dominated by Harry Davidoff. Davidoff has a criminal record which includes convictions for burglary and extortion and he is closely associated with major organized crime figures. Yet Davidoff gets what he wants at Kennedy through his power to call Teamster strikes and slowdowns.

At Miami International Airport, a similar story. Police here say air freight companies fear problems from the Teamsters if they crack down on thefts. In a confidential memo, investigators in Miami concluded that shippers prefer to absorb huge losses and pass the increased costs on to consumers. In all, an estimated three to six billion dollars worth of goods were stolen last year as they moved through the country's transportation system. And in the end, all of us paid for that. The victims rarely complain. Businesses absorb the losses and pass on the costs rather than risk labor trouble.

So in addition to all other taxes, consumers in this country pay a mob tax, a tax collected by those often protected by the power of the Teamsters Union.

In our next report, a look at how that power is used by the president of the Teamsters Union, Frank Fitzsimmons.

Brian Ross, NBC News, New York.

John Chancellor. A further thought on tonight's special:

Nobody would argue that an ex-convict should automatically be denied a job, either with a business or a union.

But what our investigation has turned up in the Teamsters Union is a recognizable pattern of using Teamster jobs to further criminal activity.

Good night for NBC News.

PART 4, MARCH 25, 1976

In the course of our investigation of the Teamsters union, NBC News has learned that law enforcement authorities, in 1973, observed a meeting at a California restaurant—a meeting attended by organized crime figures and by Frank Fitzsimmons, the President of the Teamsters Union.

We also obtained a copy of a police memorandum indicating that police officials considered Fitzsimmons (and his son, also a Teamster official) to be immune from prosecution.

This is part four of tonight's Nightly News "Special". Part four of our investigative report on the Teamsters. Tonight's installment deals with what happened in California in 1973, when an investigation of Fitzsimmons was started—and then stopped.

Brian Ross reports.

Brian Ross. Teamsters Union President Frank Fitzsimmons is a frequent visitor to Southern California. Fitzsimmons' office is in Washington, but it is in California . . . along the fairways of golf courses and in nearby hotels and restaurants that he conducts a lot of union business.

A California police intelligence unit says it is here that Fitzsimmons has had important meetings with major organized crime figures.

Lou "the tailor" Rosanova . . . identified at the McClellan Senate Labor Rackets Committee hearings in 1963 as a member of a Chicago organized crime family.

In February, 1973, Rosanova came to California to meet with Fitzsimmons. California authorities knew that the meeting was to take place.

Police took these photographs of Rosanova at the Los Angeles airport and they followed him to a restaurant in Palm Springs where they watched him meet with Fitzsimmons.

Cecil Hicks, District Attorney, Orange County, Calif. "The international president of Teamsters was in attendance at a meeting in Southern California under surveillance by investigators who work organized crime and seen in, seen meeting with organized crime figures. We found out afterwards that the meeting pertained to setting up prepaid health plans, medical plans, dental plans, legal plans, things of that nature which would be made available to union members but a piece of the action is going to the organized crime figures."

Ross. "And this was being discussed at a meeting between Frank Fitzsimmons of the Teamsters Union and people who you have identified as major organized crime figures?"

Cecil Hicks. "That is, yes. The answer is yes."

Ross. California authorities shared their information about the Fitzsimmons-Rosanova meetings with the FBI in Los Angeles. The FBI had its own investigation of a different but similar mob scheme to control a Teamster health plan.

The FBI had identified an office in this building as a mafia front and had obtained a court order to tap telephones here. For more than a month, agents listened to phone conversations and developed what they considered to be substantial information linking the Teamsters with possible criminal violations.

But then, on orders from the Justice Department in Washington, the FBI abruptly ended its investigation.

"Was there any legal reason that the investigation should have been stopped, curtailed."

Cecil Hicks. "At that time, with what we know, uh, factually and what we had uncovered from investigation and the state of the law I know of none."

Ross. "No reason they should have stopped?"

Cecil Hicks. "I know of none. You should undoubtedly ask them but, uh, I don't know of any."

Ross. The Justice Department said the wiretap was not productive. But agents who worked on the case argued it was. They said it led them to these men, Raymond DeRosa and Peter Milano, mafia hoodlums who claimed they could make a deal with Frank Fitzsimmons.

The deal was that doctors and dentists would get thousands of patients through the union's health plan. In return for the Teamster business, worth millions of dollars in fees each year, the doctors and dentists would kickback a percentage of the money to mobsters and Teamster officials.

NBC News has obtained evidence of this arrangement: copies of checks made out to Peoples Industrial Consultants, the mafia front under FBI investigation.

The checks, from California doctors and dentists, amount to a 46-thousand dollar down-payment on the deal.

One of the things that deeply troubled California authorities was that in the same week Fitzsimmons was meeting with Rosanova, he was also meeting with President Nixon in San Clemente. Under Fitzsimmons, the Teamsters became President Nixon's major source of labor support.

Shortly after this San Clemente visit, the federal investigation ended.

What role Nixon or the White House had, if any, in ending the investigation is not known.

But what is known, is that the government never asked Fitzsimmons about Rosanova or Milano and DeRosa. And Fitzsimmons has refused to answer our questions about the California investigation.

A 1973 confidential police intelligence memorandum, obtained by NBC News, shows that word was being passed among high level police officials in several states that Fitzsimmons was considered to be immune from prosecution.

The memo reads, "According to federal sources, any information pertaining to the investigation of either the misuse of Teamsters funds or illegal activities of Teamster officials is frowned on by Washington."

And the same intelligence memorandum makes reference to Fitzsimmons' son, Richard Fitzsimmons.

We quote: "The younger Fitzsimmons is president of a Teamsters local in Detroit. It appears as though he has made several purchases of items, including a mink coat, on credit cards registered to the local. The Department of Labor prepared a case on Fitzsimmons for fraudulent use of Teamster funds and presented this case before a U.S. Attorney. Subsequently, this case was forwarded to Washington for prosecution. And according to the Department of Labor representative, prosecution was declined due to the current 'love affair' between Fitzsimmons and the White House. No further action on this case is pending." End quote.

All of this was three years ago. There is a new President now and new men run the Justice Department. But we know of no effort to follow-up on the leads that were developed here. And beyond the California case there is a continuing reluctance to challenge Teamster power. More on that in our next report. Brian Ross, NBC News, Los Angeles.

A couple of notes on tonight's "Special".

We asked the Department of Justice for comment on the story you have just seen. A high-ranking official said he couldn't comment on what he called "an on-going investigation." Which made us wonder if the Justice Department is, in fact, investigating Fitzsimmons. But two other sources at the Justice Department, in a position to know, said there is no investigation of Fitzsimmons' alleged connections with members of organized crime.

Several times, we asked Fitzsimmons to comment. And the answer has been no. If he wants to comment in the future, our offer still stands.

PART 5, MARCH 26, 1976

Senator Nunn said our Nightly News "Special" reports on the Teamsters this week stimulated "both public opinion and congressional interest." Committee investigators have already begun to look into the substance of our "Special" last night, which described a meeting between Teamster President Frank Fitzsimmons and members of organized crime. That meeting was reportedly held to discuss several kickback schemes. And tonight, we have the final "Special" report in our series on the Teamsters. This one on the reluctance of many people to challenge Teamster Power. Our reporter—Brian Ross.

Travis Dumas, Former Teamster Official. "Well, on October the 15th, 19 . . ."

Brian Ross. Travis Dumas was a Teamster local president in Miami when he says a trucking company executive tried to buy him off during contract negotiations.

Travis Dumas. " . . . handed me a $5,000 bribe."

Ross. Dumas went to the police. Detectives staked out this motel and watched and recorded the actual payoff. The evidence was turned over to the Federal Government, the Department of Labor.

For 15 months, the government took no action on the Dumas case. Then NBC News began to ask questions about the stalled investigation.

Just this week, an official of the Shulman Air Freight Company was indicted in the case by a federal grand jury in Miami.

When the company official goes to trial, Travis Dumas will be ready to testify . . . as he has since October 15, 1974.

In Chicago, another example of the government's reluctance to move on Teamster investigations.

Gas station owner Rex Jones was prepared to testify that a Teamster organizer threatened him with violence if he didn't sign a contract.

Rex Jones, Gas Station owner. "Well he threatened me by saying you're going to join the union. And he patted a snub-nosed revolver on his belt and, uh, duress meaning you're going to join or else, see."

Ross. Jones and 81 other station operators told their stories to local and federal prosecutors but no action was ever taken. The dealers finally took their case to the National Labor Relations Board.

In unusually strong language, the Board accused the Teamsters of "sheer racketeering." The Board found: "a consistent and well-defined pattern of unlawful conduct by Teamsters Local 705 so flagrant, egregious, widespread, and long-continued as to arouse wonderment whether paralleled in Board annals and why the multiple arms of the law have been so long withheld."

The case of the gas station dealers and the Teamsters was referred to the Justice Department for prosecution.

The Justice Department decided the case was "not prosecutable."

Ralph Salerno, retired police detective, nationally recognized organized crime expert:

Ralph Salerno, organized crime expert. "I think the Teamsters are generally regarded today in law enforcement as sort of a sacred cow that's too big to fight because they've got too much money, too much political clout.

I don't think you'll find more cases arising where anybody is too interested in going after the Teamsters. Law enforcement men are no different than anybody else.

They like to work, they like to work hard but they like to work in an area where there is a possibility of success."

Ross. Few in government or the Teamsters Union itself appear to be in a hurry to clean up the union. At this truck stop, Teamster members said they know some of their leaders are corrupt, but they vote for them anyhow.

Trucker No. 1. "I think this is something all of us have to live with. We don't, nobody likes it but we do, I guess we're stuck with it one way or the other."

Trucker No. 2. "Well I pay my union dues, so far they've always treated me okay. Can't complain. I can't say they've ever robbed me."

Trucker No. 3. "If we can get the corruption out of our union, we'd have one of the best unions in the country."

Trucker No. 4. "In comparison to other unions, I'd say it's the best."

Ross. Not all Teamsters are happy with their union. The organizers of this rally in Washington accused the leadership of selling them out in nationwide contract negotiations. But the turnout for the rally was small. Teamster union reformers have trouble attracting support.

Arthur Fox is the leader of a Teamster reform group.

Arthur Fox, Teamster reformer. "Teamster rank and filers, the members of the Teamsters union, are basically fearful to start out with. They're fearful that what happened to Jimmy Hoffa might happen to them. But perhaps more importantly, or more universally, they're fearful that they would lose their jobs. This is something that the Teamster hierarchy can arrange and does arrange on a fairly consistent basis."

Ross. For the men at the top of the Teamsters Union, life is good. They've taken their places among the rich and the powerful in Palm Springs, Las Vegas and Miami.

At least 17 top Teamster leaders are paid salaries of more than a hundred thousand dollars a year each.

Back home, each of these men is the broker of Teamster power.

Frank Fitzsimmons has said he doesn't have criminals in his union. But in our long investigation, law enforcement officers throughout the country said they have no doubt the union is corrupt and gives a sanctuary to extortionists and hoodlums. Little has changed since the McClellan Senate Rackets Committee investigated the Teamsters 20 years ago. James Hoffa is gone. But many of the men who refused to answer this committee's questions about their alleged organized crime connections remain in important positions in the union.

In the 20 years since the McClellan Committee hearings, there has been no major investigation of the Teamsters Union activities. The Teamsters have acquired more and more power and a measure of respectability.

As we've shown in our series of reports, rather than challenge Teamster power, businessmen pay-off, go along, and pass the cost on to consumers.

Within the union, the membership has been unable or unwilling to clean house. And law enforcement officials say they cannot get the backing they need to effectively investigate and prosecute the Teamsters.

The Teamsters Union is pushing a lot of people around in this country, and no one is pushing back.

Brian Ross, NBC News, Washington.

Chancellor Tag.—And with those words, we end our series on the Teamsters, which inaugurated a new feature on Nightly News: the "Special". From now on, we'll have a "Special" report every evening. They will vary in length; they will cover just about every subject under the sun; we hope they will broaden the range of our reporting—and give you a better picture of what's going on.

ENFORCEMENT PROCEDURES UNDER SECTION 311 OF THE CONGRESSIONAL BUDGET ACT AND FISCAL YEAR 1976 BUDGET STATUS

Mr. MUSKIE. Mr. President, the Budget Committee has now reported the first concurrent resolution on the budget for fiscal year 1977, and floor action will commence within a few days. Before that debate begins, I would like to discuss two important matters relating to the budget for fiscal year 1976—the means for enforcing the binding totals in the second budget resolution and the status of the budget totals at this time.

The Congress as a whole and the Senate have made significant progress, far beyond the expectation of the drafters of the Budget Act, in our initial year of experience. When drafted, it seemed doubtful that the Budget Act could be implemented to any significant extent during fiscal 1976. In fact, it is fully operative. We have a second concurrent resolution on the budget for fiscal 1976 which does provide the spending and taxing limitations called for in the Budget Act. Any legislation which violates the spending ceiling or the revenue floor contained in the congressional budget is subject to a point of order which bars its consideration.

Today we are initiating an important feature of the new congressional budget process: That is, a system for advising the Senate on the satus of the spending ceiling and revenue floor on an up-to-date basis. As I am about to describe, that system is necessary for the chair to be able to rule on points of order against spending or tax legislation which is offered for consideration in the Senate. A system identical to that which is being established for the information of the Senate has also been established in the House of Representatives.

Mr. President, the Budget Act imposes a special obligation on the budget committees with regard to such advice. Section 311 of the Budget Act, under which a point of order will lie against legislation which would exceed the congressional budget limitations, also requires that, for purposes of such points of order, the information on which the ruling should be made is to be determined on the basis of estimates made by the Budget Committees of each House.

ENFORCEMENT PROCEDURES UNDER SECTION 311 OF THE CONGRESSIONAL BUDGET ACT

Section 311 of the congressional Budget Act provides that once the second budget resolution ceiling on total new budget authority or total outlays is reached, any Senator may raise a point of order against a bill, resolution, or amendment—including conference reports—which would cause the ceilings to be exceeded. Likewise, any measure which would result in reducing revenues below the second budget resolution revenue floor would also be subject to a point of order.

Let me state briefly the major elements of this new procedure:

The Budget Committee will provide the Senate Parliamentarian a written report showing the amount of room remaining within the spending ceilings or over the revenue floor for point-of-order purposes. A new report will be sent to the Parliamentarian whenever the numbers change. The latest report will supersede all earlier reports.

The dollar amounts used in calculating how much room is left in relation to the spending ceilings and revenue floor will consist of spending or revenue legislation that is already enacted or on which the conference report has been agreed to by both Houses, plus an amount for certain mandatory items where the budget authority and outlays are essentially locked in by entitlement legislation already on the books but where formal appropriation action has not been completed.

The Congressional Budget Office will be responsible daily for providing both the House and Senate Budget Committees with the budget authority, outlay, and revenue estimates used in this process. The amounts used by both Houses will be exactly the same.

Through this procedure, Mr. President, the Senate Parliamentarian should be able to evaluate any points of order that may be raised, using up-to-date information provided by the Budget Committee on the basis of the professional estimates of the Congressional Budget Office. This is an important and necessary procedure that should help us to implement the congressional budget process more effectively. The Budget Committee staff will be happy to assist the staff of any Senator or any Senate committee in answering questions they may have regarding this process.

I have a detailed paper which lays out the ground rules and procedures for implementing section 311 of the Budget Act, and I ask unanimous consent that it be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Finally, Mr. President, let me emphasize the differences between this system and the scorekeeping system which has been in place for several months:

This system tells us where we have been and when to stop.

The scorekeeping system tells us where we are going, so that we can discipline our choices and not be surprised when the spending ceilings or revenue floor are reached.

The cost estimates for a given piece of legislation are, of course, the same in both systems. But the scorekeeping system includes many pieces of legislation which are likely to be enacted but which are not yet at the conference agreement stage. Except for certain mandatory entitlement programs, these pieces of spending legislation on which action is incomplete are excluded from the point-of-order system. Furthermore, authorizing legislation which is tracked in the scorekeeping system is excluded from the point-of-order system.

Thus the amounts "remaining available" under the point-of-order system—which in the first report to the parliamentarian will show as $9.5 billion in budget authority, $3.5 billion in outlays, and $300 million in revenues—may actually be encumbered by forthcoming legislation which Congress fully expects to pass and which is within the limits Congress set for itself in the second budget resolution. The scorekeeping reports will continue, therefore, to be the vehicle for providing the Senate with information on the total budget situation.

FISCAL YEAR 1976 BUDGET STATUS

Mr. President, I would also like to report on the overall status of the fiscal 1976 budget using the latest scorekeeping totals. Last December when the Congress adopted the second budget resolution, we used the best available estimates for fiscal year 1976—including information furnished to us at that time by the Director of the Office of Management and Budget. Last January, however, when the President transmitted his fiscal year 1977 budget to the Congress, he also provided information on the status of the fiscal year 1976 estimates. A glance at these estimates indicated that changes apparently had occurred in areas outside of congressional control at the moment which would drive our previous estimates upward.

Both the House and the Senate Budget Committees asked the Congressional Budget Office to analyze this new information submitted by the President and give us CBO's professional judgment as to the proper estimates to use. CBO has now completed its analysis and has advised us that the estimates we had previously been using for fiscal year 1976 need to be increased by $4.7 billion in the case of budget authority and $700 million in the case of outlays. This means the fiscal 1976 budget totals—including spending legislation already enacted, on which action is under way in the Senate, or which has been requested or is likely to be requested by the President but not yet acted upon—now stand at $407.7 billion in budget authority and $374.2 billion in outlays. These amounts are respectively $300 million and $700 million under the spending ceilings established by the second budget resolution. These totals are now reflected in the weekly Senate budget scorekeeping reports.

The Congressional Budget Office is still analyzing the fiscal year 1976 revenue estimates. As soon as that analysis is completed, we will incorporate the results into the Senate scorekeeping reports.

Mr. President, the new budget authority and outlay totals I have just cited show that we have very little room left within the spending ceilings established by the second budget resolution. It is true that some savings may be realized as the Senate considers those items in the totals which are not yet reported. But at this stage of the fiscal year, these are few and they are small in relation to the budget totals. The Budget Committee staff estimates that savings on the order of $600 million in budget authority and outlays from the CBO estimates may be realized. If this estimate is correct, the budget authority and outlay totals would be, respectively, $900 million and $1.3 billion under the second budget resolution ceilings at this time.

As I indicated in my recent floor statement on the foreign assistance appropriations bill, there are several additional pieces of legislation that were assumed in the second budget resolution but which are not in these calculations which need to be kept in mind. If all of these additional possibilities come to pass, the second budget resolution ceilings could be exceeded by $5 billion in budget authority and $500 million in outlays. These estimates are slightly revised from my earlier statement to take account of subsequent congressional action.

Energy, health, and veterans legislation now under consideration may add $900 million in budget authority and $300 million in outlays to the totals.

Public service jobs, summer youth, and other legislation in the education, manpower, and social services area may add another $1.5 billion in budget authority and $900 million in outlays.

Public works and antirecession assistance proposals could require $3.5 billion in budget authority and $600 million in outlays.

The fourth possibility that I mentioned in my earlier statement—$255 million in budget authority and $7 million in outlays for the Inter-American Bank bill—is included in the CBO's scorekeeping base because, though not yet enacted, it has been requested by the President.

Mr. President, the possible $500 million overage in outlays is within the range of estimating error, and hopefully will not be a problem. But on the budget authority side, we may need either to increase the second budget resolution ceiling or forego funding of many of these possible congressional initiatives. As I have previously pointed out, part of the problem on the budget authority side occurs because of the New York City aid package. In establishing the second budget resolution ceilings, we specifically did not include provision for assistance to New York City since that matter was not settled at the time. Since then, spending legislation amounting to $2.3 billion in budget authority has been enacted by Congress for that purpose. At the time of the second budget resolution, we pointed this problem out and indicated the possible need to consider a third budget resolution later in the year to accommodate this assistance.

Let me emphasize once again, Mr. President, that we are faced with this problem largely because of increases over which the Congress has little current control. The possible additional authorizations and appropriations I have mentioned were all assumed at the time of the second budget resolution. But the Congressional Budget Office analysis indicates that increases in budget authority have occured in other budget areas where the administration had inadequately estimated the cost of existing programs. As far as congressional actions are concerned, we have closely followed the congressional budget that we set last December.

Mr. President, I will close by saying that I am as reluctant as anyone to raise the possibility of a third budget resolution. But I am equally reluctant to stand by and see the initiatives and priorities established by the Congress in its own budget process thwarted by changes that are beyond our control. As chairman of the Budget Committee, I will continue to speak on individual legislation that comes before the Senate and report periodically on the overall status of the fiscal 1976 budget. I may well be required to speak and vote against legislation which could breach ceilings. If it appears that a third budget resolution may be necessary to carry out congressional priorities, I will bring the matter to the attention of the Senate so that we can consider the options fully.

Exhibit 1

Ground Rules and Procedures for Implementing Section 311 of the Congressional Budget Act for Fiscal Year 1976

GROUND RULES

1. Budget Authority and Outlays. For point-of-order purposes, the amounts that are deducted from the budget authority and outlay ceilings to determine the "amount remaining" include budget authority and outlays occurring in FY 1976 from:

Spending legislation enacted in this or prior years, including the latest Continuing Resolution enacted this year figured at an annual rate (when a regular appropriation bill is enacted, the Continuing Resolution level is reduced accordingly).

Spending legislation where the Conference Report has been agreed to by both Houses (if such legislation is subsequently vetoed, the amounts stand until a veto override fails or until it is clear from the Leadership that a veto override will not be attempted; at that point, the amounts will be reduced to the Continuing Resolution level or dropped if the programs are not covered by the Continuing Resolution).

Entitlement authority for which appropriations are not yet enacted (this is included because the appropriation action yet to come is merely ratification of what is already an accomplished fact).

2. Revenues. For point-of-order purposes, the amount from which the revenue floor is deducted to determine the "amount remaining" consists of the revenue occurring in FY 1976 from:

Revenue legislation enacted in this or prior years.

Revenue legislation where the Conference Report has been agreed to by both Houses (if such legislation is subsequently vetoed, the amounts stand until a veto override fails or until it is clear from the Leadership that a veto override will not be attempted; at that point, the effect of the bill in question will be removed from the revenue total).

3. Special Considerations. Additional rules for the point-of-order process are as follows:

Responsibility for the estimates. The Congressional Budget Office will be responsible for providing both Houses the budget authority, outlay, and revenue estimates used in this process, subject to consultation with the two Budget Committees as noted below.

Changes in the estimates due to formal Congressional or Presidential action will be tracked daily (or more often if necessary) by CBO.

"Re-estimates" not related to formal Congressional or Presidential action. All of the numbers used in this process are estimates and therefore subject to change as later information is received. To make the process manageable, CBO will examine the budget authority, outlay, and revenue numbers at four specified times during the year to see if re-estimates are necessary. The specified times are related to the points in the budget process when new information is likely to be available: in December after receipt of the President's current services estimates, in January/February after receipt of the President's budget, in April after receipt of the President's first "Mid-Session Review" report, and in August after receipt of the President's second "Mid-Session Review" report. The CBO will consult both Budget Committees before making any numbers changes. Ad-hoc re-estimates between the specified dates will be undertaken by CBO only upon the request of either Budget Committee (both Budget Committees expect to hold such requests to a minimum). Both Budget Committees will be consulted on the results before CBO makes any numbers changes.

Rescissions proposed by the President will not be taken into account in the estimates until such time as the Conference Report on a rescission bill is agreed to in both Houses (i.e., rescissions will be treated like any other spending bill).

Deferrals proposed by the President will be taken into account in the estimates after they have been reviewed by the Budget Committees. CBO will consult with the two Budget Committee staffs before taking account of any deferral.

PROCEDURES

1. Each Budget Committee will provide the parliamentarian of its House advice on the status of the Second Budget Resolution spending ceilings and revenue floor. The advice will be in the form of a report (see Exhibit 1) which will normally be delivered to the parliamentarian before the daily session begins. Once a report is delivered to the parliamentarian, it will remain in effect until superseded by a subsequent report. Subsequent reports will be delivered only when the estimates change. It is likely that many of these reports may remain in effect for several days; however, during times of heavy legislative action more than one report a day may be needed.

2. To back up the Budget Committee report to the parliamentarian, the CBO will deliver to each Budget Committee daily when the House or Senate is in session and one hour before the session begins either (a) a report showing the status of the budget as of the previous evening or (b) a "negative" report indicating there is no change from the report last submitted. These reports will be signed by a responsible CBO official and will be retained as part of the official Budget Committee files.

Report to the President of the U.S. Senate From the Committee on the Budget on the Status of the FY 1976 Congressional Budget Adopted in H. Con. Res. 466

Reflecting completed action as of —, 1976

[In millions of dollars]

Second budget resolution level:	
Budget authority	408,000
Outlays	374,900
Revenues	300,800
Current level:	
Budget authority	———
Outlays	———
Revenues	———

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $ million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 466 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $ million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 466 to be exceeded.

REVENUES

Any measure that would result in a revenue loss exceeding $ million for fiscal year 1976, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 466.

SENATOR BYRD OF VIRGINIA SOUNDS WARNING ABOUT PANAMA CANAL

Mr. HELMS. Mr. President, I desire to call to the attention of the Senate two newspaper articles which describe the sensible and forthright position of the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) with regard to current efforts to give away U.S. Government sovereignty over the Panama Canal.

I greatly admire HARRY BYRD, who, like his distinguished father before him, can always be found standing up for a strong America—and against those forces and proposals which would weaken this Nation by abandoning the basic principles.

The articles to which I refer were authored by two able newsmen—Robert S. Allen and Jeffrey St. John, Both articles are a tribute to the statesmanship of the distinguished Senator from Virginia. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

U.S. SOVEREIGNTY OVER THE PANAMA CANAL

(By Robert S. Allen)

WASHINGTON.—Russia's latest sinister tactic of using Cuban mercenaries for aggression in other countries bars any tampering with U.S. sovereignty over the Panama Canal.

That's the forceful warning of Senator Harry Byrd, Ind-Va., influential member of the Armed Services and Finance Committees.

Citing the grim fate of Angola, Byrd in a stern letter to Secretary Kissinger flatly calls for halting the secrecy-shrouded negotiations to turn over control of the strategic waterway to the pro-Castro regime of Panama dictator Omar Torrijos.

"If Cuba's Soviet-outfitted military forces are allowed to continue their activities, as events would indicate they plan to," declares Byrd, "it is only a matter of time before they strike in our own hemisphere. . . . The United States can no longer afford to turn its sovereignty over the Panama Canal and the Canal Zone to the government of Panama."

There is a direct and ominous relation, Byrd holds, between the Kremlin's crafty intervention in Angola and a similar menace confronting the U.S. in the Panama Canal.

SPELLING IT OUT

Mincing no words, the Virginian points out:

'It is evermore apparent that Soviet leaders, using Cuba as their weapon, believe they have found a new level of conflict that can be pursued without damaging the overall relations between the U.S. and Russia. Such a situation is intolerable."

Hammering home that point, Byrd notes that Kissinger himself has stressed the vital need for the U.S. to retain unlimited scope to safeguard the Panama Canal. Kissinger did that, Byrd recalls, in a speech last September at the Southern Governors Conference, saying:

"The United States must maintain the right, unilaterally, to defend the Panama Canal for an indefinite future."

Heartily agreeing, Byrd bluntly calls on Kissinger to make good on that.

"Should the U.S. relinquish its sovereign rights over the Panama Canal and the Canal Zone," says Byrd, "our government would have no meaningful recourse if the government of Panama attempted to evict the U.S. from what would then be that country's sovereign territory. This is a matter of the utmost importance, and I hope that you too will now agree that the U.S. can no longer afford to turn its sovereignty over the Panama Canal and the Canal Zone to the government of Panama."

Kissinger's response remains to be seen.

REARMING CASTRO

There is menacing evidence of what Moscow is doing.

It is definitely known that since the first of the year the Soviet is extensively upgrading Cuban armaments with late-model MIG–23 jet fighter-bombers, T–34 tanks with 120mm cannon, and ground-to-ground and ground-to-air missiles of the powerful SAM type.

Significantly, the Cuban mercenary force of around 15,000 transported and maintained in Angola by Russia was equipped with ground weapons of this type. It was these superior weapons that crushed the anticommunist Angolans.

It is also positively known that Cuba is now training Panamanians in guerilla warfare.

This is highly revealing in the light of strongman Torrijos' recent bellicose announcement in a radio interview in Bogota, Colombia, that if the protracted negotiations with the U.S. over the Panama Canal prove unsatisfactory, "we will have to resort to the violent stage."

"There are no armed forces in the world that can occupy a country if that country doesn't want to be occupied," thundered Torrijos. "There is no power capable of preventing the new generation of Panamanians, together with our national guard, from recovering the U.S.-occupied enclave little by little."

It is of interest to note that the Panamanian dictator did this tough talking three days after Kissinger, reporting on his trip to five Latin countries, warned Cuba not to take U.S. inaction in Angola as a guide to this country's response to any future Cuban intervention in the Western Hemisphere.

It would appear that Torrijos was not impressed.

Addendum: Representative John Murphy, D-N.Y., former chairman of the Panama Canal Subcommittee, is flatly charging the State Department with "spearheading a major campaign of deceptive propaganda in support of a new Panama Canal treaty. This projected agreement, without prior authorization of Congress, would surrender U.S. sovereign control over the U.S.-owned Canal Zone and eventually the Panama Canal itself."

CUBA THREAT TO PANAMA CANAL—CASTRO ANGOLAN ADVENTURE CITED

(By Jeffrey St. John)

WASHINGTON.—A ranking member of the U.S. Armed Service Committee, Senator Harry F. Byrd, Jr. (Ind-Va.), has warned Secretary of State Henry Kissinger that if Russian-backed Cuban military activity is allowed to continue, "I fear it is only a matter of time before they strike in our hemisphere."

In a letter to Kissinger dated March 4 and released exclusively to this correspondent, the Virginia independent Senator asserted that "I am concerned about the significance of events in Angola as they pertain to the Panama Canal, and I urge you to reconsider your position on this matter." Byrd and other Senators believe that Kissinger has already concluded, in secret, a new Panama Canal Treaty that renounces U.S. sovereignty over the Canal. Bluntly, Byrd warned in his letter that should the U.S. give up sovereignty over either the Canal or Canal Zone, "our government would have no meaningful recourse if the government of Panama attempted to evict the United States from what would then be that country's sovereign territory.

"Mr. Secretary," he concluded, "I believe this is a matter of utmost importance and I would hope that you too would now agree that the United States can no longer afford to return its sovereignty over the Panama Canal, and the Canal Zone, to the government of Panama."

The Byrd letter comes in the wake of growing Congressional concern about further military action by Soviet-equipped Cuban troops in the African nation of Rhodesia. In an exclusive interview with this correspondent, the ranking member of the Senate Armed Services Committee accused Kissinger of being "misled by Cuba" when, prior to its military operations in Angola, the State Department advocated a normalization of relations with Castro. "He apparently did not see through what Castro was doing," Byrd stated of Kissinger, "or, if he did, he disregarded it. He must have had adequate intelligence to indicate what Cuba was up to."

Byrd said he thinks Kissinger "is still determined to go through with a revised" Canal Treaty despite Cuban-Soviet military activities in Angola and their potential military action against Rhodesia. The long-time critic of Kissinger went on to point out that last year at the Southern Governors conference, Kissinger pledged that "The United States must maintain the right to defend the Panama Canal for an indefinite period." But Byrd stated that "this is not what he proposed to do with the Panamanians. What I am suggesting," he added, "is that Secretary Kissinger's words are at odds with his actions."

Byrd called for the Ford administration and its State Department to learn from the Cuban adventure in Angola and "change their views on Panama." He went on to warn that Cuban interest in Africa might be a prelude "and training ground" for aggression elsewhere. "Is Angola," Byrd asked, "the Spain of the 1970's, when in the 1930's Hitler used that Iberian nation as a training ground for World War II? Is Castro using Angola for a training ground for what he wants to do later on in Latin America?

"If we sign a treaty, and the Senate approves it, which eliminates U.S. sovereignty," Byrd warned, "that puts Castro in a much better position to take steps against Panama, than if it were U.S. territory. It it ceases to be U.S. territory, Castro is not attacking U.S. territory."

Byrd said that he would be in favor of some changes in the current U.S. Treaty with Panama, but was emphatic that in the wake of Cuban-Soviet military action in Angola, "what is not negotiable is the elimination of U.S. sovereignty." He predicted that if the Ford administration submitted this year a treaty that contained elimination of U.S. sovereignty the "Senate would turn it down." Byrd said further that because the current military government of Panama seized power illegally and has indicated a friendly attitude toward Cuba, the Panamanian government "could very well position itself to invite Castro in. In any case, Panama could not defend that Canal against a determined Cuban onslaught."

Byrd was particularly pessimistic that any solution to the Canal issue could be resolved while the current military government is in power. "Once you negotiate the matter of sovereignty," he said, "then one demand leads to another demand. I don't think there is going to be an end to the demands. I don't think we are going to satisfy the current regime whatever we do. I see no logic in giving up sovereignty, especially after what Castro has done in Angola."

The Virginia Senator went on to point out that while to Latin nations continued U.S. sovereignty over the Canal is "an emotional issue," nevertheless because of American presence, Panama has the largest per capita income of any central America nation and the second largest per capita income of any Latin nation—exceeded only by Venezuela because of its oil riches. "Certainly a case has not been made," Byrd stated, "that our presence in Panama has been detrimental to the Panamanians. Now it may be an emotional issue to many, but from an economic point of view they have been the gainers."

Byrd was critical of Secretary of State Kissinger for failing to take Cuban-Russian military actions in Angola to the Organization of American States and to the United Nations Security Council, insisting that his failure to act has dealt a severe blow to both Kissinger and his policy of détente. However, Byrd was quick to add that Kissinger "cannnot justifiably be blamed for Angola," because of the action taken by the U.S. Congress in cutting off aid. But he did blame the Secretary of State directly by pointing out Kissinger's "policies of détente with Russia didn't prevent the Soviets from becoming involved in bringing about a Marxist takeover. Indirectly, he must be blamed because his policies toward the Soviet Union did not prevent a takeover. His policies have done nothing to prevent Russian expansion—which I thought was the purpose of it."

As an early critic of Secretary Kissinger, beginning with the 1972 wheat deal of the Nixon administration and SALT I treaty Byrd remarked that while in 1972 he was "riding high in public esteem and confidence among many members of Congress," the Angolan affair has caused "his position to deteriorate" and with it, Kissinger's policy of détente.

"I fail to understand what our foreign policy is today," Byrd concluded, "other than détente—which has pretty well been discredited. My confusion is made even greater by the fact that while the word 'détente' has been repudiated, we still adhere to the policy. I would rather repudiate the policy and keep the word! The word isn't objectionable. My objection is to Kissinger's policies that in virtually all of the agreements that have been made with the Soviets, the U.S. has come out second best."

PROPOSED STRIP MINING REGULATIONS STILL INADEQUATE

Mr. METCALF. Mr. President, as chairman of the Subcommittee on Minerals, Materials, and Fuels, I have been following developments in the Federal coal leasing program closely for more than 3 years. Last September, the Department of the Interior published proposed regulations relating to environmental protection in mining and Federal coal. On December 10, I inserted into the RECORD comments which Senators JACKSON, HASKELL, and I made on those regulations—pages 39593–39599. On February 16, the subcommittee held hearings on the proposed leasing program. Among other things, we considered the revised version of the proposed regulations which the Director of the Bureau of Land Management and the Director of the U.S. Geological Survey have recommended to the Secretary of Interior.

Since that time, members of the subcommittee have reviewed the regulations very carefully. With deep regret we have concluded they still fail to provide adequate protection of Federal lands from the impacts of surface coal mining. Furthermore, we believe that there are serious legal impediments to implementation of portions of the proposed regulations. Finally, we were shocked to discover that the Department had no idea whether it has adequate funding and manpower to enforce even the weak regulations even if they are adopted. In view of the fact that lack of enforcement of State laws and regulations pertaining to surface coal mining has been one of the major reasons for enactment of Federal legislation, the Department's failure to evaluate its enforcement capability is incredible.

Mr. President, coal industry and administration spokesmen continue almost daily to complain that development of our national coal resources is hamstrung by a variety of uncertainties in Federal policy.

The administration has taken the position that it can develop a clear-cut policy for Federal coal development which will resolve these uncertainties. The latest regulatory proposals demonstrate that this is not the case. Only new legislation for surface coal mining and reclamation and Federal coal leasing can establish the necessary policy guidelines. The administration and the coal industry continue to oppose such legislation despite the fact that their opposition only prolongs the very uncertainties about which they complain so loudly.

Let there be no mistake about it, the Congress, which has twice passed firm but fair surface mining legislation governing all coal and which is about to enact revisions in the Federal coal leasing law, is not going to abandon its efforts. If legislation is not enacted in 1976, we will begin again in 1977.

Furthermore, the administration and the coal industry should realize that it is the same Congress whose actions they so strongly oppose with respect to Federal surface mining and Federal coal leasing legislation which must enact the legislation desired by the administration and the coal industry with respect to Federal aid to coal gasification and eminent domain authority for coal slurry pipelines.

Mr. President, I ask unanimous consent that the letter which Senators JACKSON, HASKELL, and I sent to Secretary Kleppe on March 30 be printed in the RECORD for Senators and other interested parties.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., March 30, 1976.

Hon. THOMAS S. KLEPPE,
Secretary of Interior, Department of the Interior, Washington, D.C.

DEAR MR. SECRETARY: On October 9, 1975, we wrote to Acting Secretary Kent Frizzell expressing serious reservations about the proposed regulations relating to environmental protection of mined Federal coal lands, as published in the *Federal Register* on September 5, 1975. We have now reviewed the revised regulations recommended to you by the Directors of the Bureau of Land Management and the Geological Survey and the final environmental impact statement accompanying them. We note that a few of our recommendations were adopted. However, the regulations still fail to provide adequate protection for Federal lands and resources from the impacts of surface coal mining.

Before identifying specific weaknesses of the proposed regulations, we want to express our grave doubts about the legal basis for two very significant provisions of the regulations. These deal with (1) applicability to Federal coal mining of State laws relating to surface coal mining and reclamation and (2) the rights of the owner of the surface of lands containing coal owned by the United States.

The proposed regulations (43 CFR 3041.8 and 30 CFR 211.74) state that State laws relating to reclamation of lands disturbed by surface coal mining will be applied by the Secretary of the Interior on a selective basis. Specifically, State law would not be applied if "(a) the Secretary determines that application of such laws and regulations would unreasonably and substantially prevent the mining of Federal coal covered by such plan, and (b) the Secretary determines that it is in the overriding national interest that such coal be produced without inclusion of the requirements of such state laws or regulations in the proposed plan."

We question whether this is consistent with the provisions of Sections 30 and 32 of the Mineral Leasing Act (30 U.S.C. 187, 189). Section 30, in enumerating provisions to be included in mineral leases, provides that: "None of such provisions shall be in conflict with the laws of the State in which the leased property is situated". Section 32, which authorizes issuance of regulations to implement the Act, provides that "Nothing in this Act shall be construed or held to affect the rights of the States or other local authority to exercise any rights they may have. . . ."

These sections of existing law appear to be totally inconsistent with your proposed selective application of State laws.

During the February 16 hearing on the coal leasing program, the Department witnesses stated that State laws governing surface owner consent would apply to Federal coal underlying non-Federal surface. It was stated that the proposed provisions of 43 CFR 3041.0–5 (d) were designed to specifically avoid any conflict with State law.

Federal law and land patents establish the rights of surface owner and the mineral owner. We believe that no State law can diminish the rights expressly reserved by the United States when it conveyed the surface out of Federal ownership pursuant to the express provisions of Federal law.

While these questions were raised at the February 16 hearing and in Senator Metcalf's March 10 letter to you, the Department has not yet furnished the Committee with a legal analysis supporting the Department's position. We are concerned that the proposed regulations leave the Department open to the same kind of legal challenge which was successfully made against the Trans-Alaska pipeline right-of-way. We are also aware of a similar situation in connection with off-lease disposal sites for oil shale development. In that situation, the Department has proposed legislation designed to remedy a legal problem pointed out by this Committee over two years ago before any oil shale leases were issued.

Mr. Secretary, we agree with your recent statement that the controversy over a Federal surface mining law must be settled "before any major increase in mining activity can reasonably occur."

We believe that the legal problems cited above combined with the serious weaknesses in the surface coal mining regulations outlined in the attachment to this letter demonstrate that only new legislation for surface coal mining and reclamation and Federal coal leasing can resolve the uncertainties which are hampering development of our Federal coal resources.

Our concern is increased by the revelation at the February 16 hearing that the Department has no idea whether it has adequate funding and manpower to enforce the regulations if they are adopted. As you are aware, lack of enforcement of laws and regulations in respect to surface coal mining is one of the major reasons why there has been a push for Federal legislation.

In sum, Mr. Secretary, we find the latest proposed Federal coal regulations still gravely deficient. We strongly urge you to improve the regulations before adopting them and to resolve the legal problems we have pointed out before resuming any coal leasing.

Sincerely yours,
Henry M. Jackson,
Chairman.
Lee Metcalf,
Chairman, Subcommittee on Minerals, Materials and Fuels.
Floyd K. Haskell,
Chairman, Subcommittee on Environment and Land Resources.

Detailed Comments on Proposed Regulations

1. Absence of environmental performance standards. We have strenuously objected to pervasive use of the qualifying term "to the maximum extent practicable" because it virtually nullifies the stringency of performance standards. Perhaps, in deference to this criticism, in which others joined, the definition of the term now appears to exclude consideration of "the economic circumstances of the operator concerned". However, the proposal specifies that the degree of compliance should provide the highest level of environmental quality and social well-being "reasonably commensurate" with the cost of achieving such protection (Part 211.2). Now in Part 211.10 the Mining Supervisor is required to approve or disapprove mining plans partly on the basis of any request by the operator for a variance from environmental performance standards, taking into account "the direct and indirect cost of applying such technology to the physical conditions that prevail with respect to the operation involved". When viewed together, these two provisions appear to instruct the Mining Supervisor to apply the "reasonably commensurate" rule in every case where the operator seeks a variance and would seem to justify favoring the operator, since environmental factors are notoriously intangible and therefore difficult to assess as compared with operating costs.

We therefore consider the new definition of "to the maximum extent practicable" to have little if any real value in preventing consideration of the costs of strict compliance from setting aside the even-handed application of environmental performance standards. Every operation would be treated differently. There would be no uniform set of standards.

Yet another example of the way cost considerations have been overemphasized in these regulations may be seen in Part 3041.2–2, wherein the Mining Supervisor must determine whether the financial expenditures involved in extending the revegetation liability of the operator for five additional years "is reasonably commensurate with the probability of successful revegetation". If there is any doubt at all in such cases, the Mining Supervisor is virtually invited to err on the side of the operator. In our opinion, reclamation standards are bound to suffer in consequence.

2. Excessive discretionary authority. Part 211.1 would allow the Director of the Geological Survey to indefinitely postpone the applicability of all reclamation standards as to a particular operation when he determines that "administrative delay" following timely submission of a new mining plan or modification of an existng plan has prevented approval within the specified time limit. Similarly, the Mining Supervisor is given discretion in Part 211.10 to approve a mining plan which does not contain all the required information, if the lease is considered to be too large or the operation too long to allow collection of all such data. Lack of adequate data would surely handicap assessment of the probable environmental impacts of the mining plan. Nor is the limitation to casual use only of the planned mining area in such instances sufficient guarantee against premature mining activity, since it is left entirely up to the Mining Supervisor to decide what is meant by "casual use".

Variance to the standards requiring contemporaneous reclamation, the covering of toxic materials, the elimination of high walls and spoil piles. and the restoration of the approximate orginal contour could be jointly granted under Part 211.40 by the Director of the Geological Survey and the Director of the Bureau of Land Management whenever they find that there are "unusual physical conditions" at the mine site which make back-filling "impracticable" or "environmentally undersirable as a result of the duration of the operation". No guidelines whatsoever are provided to enable these officials to reach an objective determination as to whether the stated conditions have been met or not.

We also detect a variance of sorts in Part 211.10(c). Due again to a lack of guidelines—such as might be comparable to provisions for permit approval or denial contained in H.R. 25, Section 510—governing the approval of mining plans, permits and licenses issued under these regulations, there is no assurance that standards for water quality, stream protection, or abandonment, would be incorporated into the terms of a lease, permit or license when issued. Without the spelling out of such requirements within the contractual agreements, eventual enforcement of the standards would be seriously hampered.

Also, whether or not mine wastes would be acceptable as materials for use in building dams and settling ponds, a key factor in the disastrous collapse of the mine waste dams at Buffalo Creek, West Virginia, is to be a matter for the discretion of the Mining Supervisor, under Part 3041.2–2. How can a life-and-death determination of this kind be left completely to the whim of one official?

Finally, in a reversal of the previous draft regulations, all criteria for determining a "logical mining unit" have been removed from the definition under Part 211.2(t). This is a significant decision affecting larger questions of diligent development of the mine and a fair return to the public. It would now be relegated to the judgment of the Mining Supervisor. The term is being defined simply as "an area of land designated as such by the Geological Survey."

We see an even more troublesome problem of excessive authority stemming from the lack of clear-cut, specific standards and guidelines appearing in these regulations. It is our firm conviction that variances, while sometimes offering useful flexibility, must never be couched in such vague and generalized language as to tempt the wholesale circumvention of environmental performance standards. We urge the undertaking of a thorough examination of this problem.

3. Weakening of performance standards. Certain provisions in these regulations have been modified to lessen or remove the operator's responsibility for conducting his operation in an environmentally sound manner. For instance, Part 211.4 no longer imposes such an obligation upon the operator, nor does it require contemporaneous reclamation. Although Part 211.40 does contain a requirement for contemporaneous reclamation, the term is so defined as to be all but meaningless. A gratuitous insertion of the term "to the maximum extent practicable" hardly offers reassurance that the critical need for timely reclamation will indeed be fulfilled.

Restoration of a requirement that the operator "dispose of all wastes resulting from mining and preparation of coal in a manner designed to prevent air and water pollution" appears to be a step in the right direction, but the addition of the ubiquitous loophole, "to the maximum extent practicable" with its meticulously contrived economic ramifications, is likely to negate the effect wherever the operator can show that his costs might be excessive. Consideration of environmental impacts on streams affected by settling ponds has been deleted, even though they were contained in a previous draft. Instead, reference is made to "significant adverse impact on water resources utilized by adjacent or surrounding landowners" for specific purposes. Not included in those purposes are wildlife and other such uses. Presumably these would receive no protection. Neither is a previous requirement to be found whereby the operator must take measures necessary to protect fish and wildlife habitat.

4. Public participation measures are unsatisfactory. Generally speaking, some improvement is evident in this area. Public hearings would be possible for (a) issuance or major modification of a lease, license or permit; (b) approval of a new or major modification of a previously approved mining plan; (c) release of any substantial portion of a bond; and (d) approval of final abandonment of any operation or portion thereof. But there is a Catch–22.

Whether or not a public hearing is actually held would depend largely upon the agency official interpreting terms such as "major modification" and "substantial portion". Moreover, public hearings on the issuance of a lease, permit or license and on the abandonment and final release of the bond could be waived if an environmental impact statement hearing covering "all major issues" had previously been held. Clearly, a wide measure of latitude would be extended to agency officials in determining if a public hearing on a decision regarding a particular lease, permit or license is necessary or not.

The whole process of public review would also be severely hamstrung by the withholding of essential information. Under provisions of Part 211.6, the operator is to receive an opportunity of appealing the decision of the authorized official to release data which was submitted as confidential. On the other hand, parties seeking access to such data for reasons of public review would be denied a comparable right of appeal when the decision is adverse to their interest. This is manifestly inequitable.

5. No sign-off by the land management agency or by EPA. We have suggested that BLM and EPA be accorded final approval of the mining plan with respect to ultimate land uses and applicable Federal and state environmental requirements. Instead, the Mining Supervisor of GS is to retain final authority in nearly all respects. True, the authorized official would now be required to set forth in the Technical Examination/Environmental Analysis (Part 3041.2–1) recommended lands which should be excluded from any lease, permit or license, so as to avoid mining where reclamation is not attainable or assured or "in recognition of other exclusive land management priorities", and as to bonding amounts and conditions and additional reclamation requirements. But exclusions of land would be made only on a case-by-case basis, because there are no guidelines whereby entire classes of lands could be protected from mining. As we understand it, the role of the land management agency and of EPA would be to watch from the sidelines. This is not satisfactory.

6. Burden of proof is not upon the operator. In neither Part 211.4 nor in Part 211.5 (General Obligations and Mining Plans) is the applicant-operator given the burden of proving that the operation will in fact avoid the adverse environmental impacts enumerated in the regulations. It therefore devolves upon the Mining Supervisor to show that the applicant cannot do so, should he decide

to refuse to issue the permit, license or lease. In many cases, this will become difficult, perhaps impossible where there is an allowable insufficiency of information. Absent such a showing by the operator, later revocation of the permit, license or lease would also be made far more difficult and cumbersome to carry out.

With regard to the public availability of pertinent information, we are pleased to note the addition of a requirement for written approval or disapproval by the Mining Supervisor. However, we fail to see the even more important requirement for a written finding indicating why the decision was rendered as it was. The written finding of the Mining Supervisor is essential, in our view, to ensure agency responsibility for the ultimate success of reclamation and to allow opportunity for adequate public review of the decision.

LEAVE WELL ENOUGH ALONE

Mr. BROCK. Mr. President, revenue sharing remains one of the top priorities in this Congress. Yet, time is slipping away without solid action. The need is clear. Revenue sharing is a positive program which works, and State and local governments desperately need to know if they can rely on congressional action as they prepare their budgets.

There are many reasons for revenue sharing to be extended. I will not go into them at this time. However, in an editorial on March 17, the Washington Star correctly advanced the argument for revenue sharing. I ask unanimous consent that the Star editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Leave Well Enough Alone

After appropriate argument, Congress probably will extend the revenue sharing program. Senators and House members aren't likely to risk the wrath, and perhaps the political retribution, that would come from every corner of the land if they scrap a program that 39,000 governmental units have come to depend on.

The question is: Will the shouting and nitpicking result in amendments that would change the concept of the program?

The program is grounded, above all, in the worthy notion that local officials know the needs and wants of their constituents better than federal bureaucrats do. That being the case, the legislation, which became effective in 1972, provided for the transfer of a small part of federal revenues ($6 billion a year) to states, cities, counties and towns, with few strings attached.

This was a radical departure from the usual manner and dispensing federal aid by categorical grant—tying the funds to specific programs under specific guidelines (red tape, if you will) written by government officials in Washington.

The complaints have been predictable. They come from congressmen who want to keep a bigger finger in the federal aid pie. They come from special interests whose lobbying efforts are less effective when grants aren't tied to particular programs. They come from individuals and organizations who believe any federal dollar that doesn't go to the poor or disadvantaged is a dollar misspent. They come from politicians who believe a way to pick up votes is to convince various segments of the population that they're being discriminated against in the distribution of federal money.

A danger is that Congress may bow to the complaints and burden the revenue sharing program with restrictions that will curtail or eliminate the discretion local and state officials now have in deciding how the money shall be spent.

Another danger is that Congress, in an attempt to answer complaints that too little money goes to the poorer cities and states, may so revise the distribution formula as to turn the revenue sharing program into simply another welfare program that must be borne by the more affluent sections of the country. Perhaps some minor adjustment is needed in this direction but a large tilting of the formula would undermine the program.

Still another danger is that Congress will eliminate the long-range funding provision. The legislation that expires at the end of this year provided a federal commitment to distribute $6 billion a year for five years. A House subcommittee voted the other day to put the program on an annual funding basis.

That would mean major uncertainty in budget making for the 39,000 governmental units that receive the funds. Local and state officials would have no idea how much they would receive, or whether indeed they could count on anything.

Revenue sharing is one government program that seems to us to be working well. Congress ought to leave it alone.

WHAT TO DO ABOUT CORPORATE CORRUPTION

Mr. GARY HART. Mr. President, at a time when public confidence in business is slipping to an all-time low, it should be clear that there is an immediate need to strengthen our laws and enforcement practices regarding corporate crime. Businessmen admit that bribes to public officials abroad are an accepted form of doing business, even though they are illegal. Government law enforcement agencies say that price fixing has become commonplace. Government complacency toward these and other forms of corporate corruption must end.

An excellent summary of this serious problem is offered by Ralph Nader and Mark Green in an essay entitled, "What to Do About Corporate Corruption." The article, which appeared in the March 12 issue of the Wall Street Journal, also makes some worthwhile proposals to reverse this trend. I highly recommend this article to my colleagues.

I ask unanimous consent that the text of this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, March 12, 1976]

What to Do About Corporate Corruption

(By Ralph Nader and Mark Green)

Not perhaps since the robber baron era, and certainly not since the 1930s—when New York Stock Exchange president Richard Whitney was convicted of stock theft and utility mogul Samuel Insull escaped prosecution by fleeing abroad dressed as a woman—has America witnessed such an epidemic of corporate corruption.

The evidence to support this claim appears daily on newspaper business pages and front pages—from Lockheed's spectacularly indiscreet millions in bribes to high officials in the Japanese government to government contractors entertaining Pentagon procurement officials in their private duck-hunting retreats.

Are all these, at worst, just a clutch of rotten apples—or is much of the business barrel rotten? The presumption is strong that these illegal practices are common.

When Archie Carroll of the University of Georgia surveyed 238 business managers last year, 60% agreed that the go-along ethic of CREEP's junior members "is just what young managers would have done in business." A survey of 531 top and middle managers by the Opinion Research Corporation in July, 1975 found 48% agreeing that foreign bribes should be paid if such practices were prevalent (even though illegal) in that foreign country. Indeed, the justification of many exposed executives was that "everyone does it."

Joe Sims, an Antitrust Division official complained recently that based on his agency's record number of grand jury investigations and actual indictments, "'price-fixing is a common business practice."

The rationales for such behavior deserve attention:

Payoffs are common practice abroad. Perhaps common practice, but still illegal in virtually all countries. That X can always cite a Y who violates the law can hardly exculpate X's illegality—unless law enforcement is to sink to the lowest common denominator.

We did it for our shareholders. A company may indeed persuade itself that only payoffs can win a lucrative contract, but what of the potential long run costs? An extortionist invariably comes back for more, and other governmental officials may make additional demands when they perceive a company is known to be responsive.

There is the risk of local law enforcement—an ITT director was convicted in Belgium of bribing a high official for an equipment contract—and the risk of exposure in the U.S., with adverse publicity and SEC, Justice Department, IRS and shareholder suits ensuing.

One can hopefully assume that Lockheed, 3M and Northrop, if they could do it all over again, wouldn't.

Recent business violations result from too many laws. No, this is not an Art Buchwald parody but the earnest claims of Murray Weidenbaum and The Wall Street Journal.

According to Mr. Weidenbaum, a former assistant secretary of the Treasury, "the fundamental cause of the lawbreaking can be seen to be the tremendous and often arbitrary power that society has given the federal government over the private sector."

The Journal editorialized that recent disclosures in part reflect "the number of new laws, inspired partly by folks like Mr. Nader and Mr. Udall, that businessmen can potentially run afoul of." Laws like those against bribery, domestic payoffs, pollution, and monopoly? This logic has some interesting applications: The only thing wrong with serious consumer fraud or wife-beating are those bothersome consumer protection and assault laws.

Business illegality is not all that relatively serious. Many of these costs of corporate crime, to be sure, are often invisible to the public's eye. There are no burned out buildings or rioters to flash on the evening news. This comparative lack of visible drama has misled even Harvard professor James Q. Wilson. "Unlike predatory street crime," he asserts, these economic violations don't make "difficult or impossible the maintenance of basic human communities." Which confirms Nicholas Murray Butler's observation that "An expert is one who knows more and more about less and less."

Whatever the damage caused by street criminals, suite criminals exact a substantial tribute from society in the form of higher prices, death and injury due to pollution and product hazards, and corrupted government. The latter, exploiting the faith people have in business leaders, violates our trust—and hence inspires mistrust.

"If the word 'subversive' refers to efforts to make fundamental changes in a social system," sociologist Edwin Sutherland wrote in his 1949 classic "White Collar Crime," "the business leaders are the most subversive influence in the United States."

The exposure of corporate crime must rest on more than the confluence of such spectacular events as Watergate and the death leap of United Brands' Eli Black. And the way to deter such violations requires more than wrist slaps as penalties.

Fines imposed by judges in antitrust cases almost invariably are trivial compared to the amounts illegally garnered. The average fine paid by firms successfully prosecuted by the Watergate Special Prosecutor is about $7,000. The SEC and Antitrust Division often conclude their cases with consent decrees by which defendants deny they violated the law but promise to obey it in the future—an obligation they presumably labored under before the decree. Most business officials named in the Special Prosecutor's and SEC's lawsuits still work in their same executive suites.

With these failures in mind, any program of sanction and deterrence must appreciate the two special qualities of corporate crime. First, unlike the tempestuous and murderous spouse or the improverished and desperate mugger, suite criminals are sophisticated and deliberative businessmen who engage in crime only after carefully calculating the benefits and costs.

And second, as law professor Christopher Stone has writen in "Where the Law Ends," "we have arranged things so that the people who call the shots do not have to bear the full risks"; i.e., it is difficult to pinpoint and punish *individual* violations within that *collective* body called the corporation.

If the likelihood of personally getting caught and the penalties for getting caught are sufficiently great, potential business law-violators should be able to literally calculate that crime doesn't pay. If otherwise, profitlorn businessmen may consider illegality a very logical option.

The following proposals can help ensure that the potential costs of corporate crime outweigh its perceived benefits:

Ideally, the Justice Department should create a separate Division on Corporate Crime. This division should be delegated authority to investigate and prosecute a wide range of business crimes, from mail fraud to regulatory offenses to the illegal distribution of political contributions or bribes, here or abroad, by corporate officers or their agents. (Antitrust enforcement would remain within the Antitrust Division.) The complexity and pervasiveness of corporate crimes, as well as the ingenuity of its perpetrator, justify that the Justice Department create a special division to focus on this area rather than deal with it piece-meal, if at all.

It should, be evident that foreign bribes are an "unfair trade practice" under the Federal Trade Commission Act. But since it is not to many observers, federal law should explicitly make such payments illegal.

Given the reality that our prisons are places of cruelty and breeding grounds for recidivism, serving time does not often lead to rehabilitation. Still, it is discriminating to send pick-pockets and check-bouncers to prison but not convicted businessmen. In the first 82 years of the Sherman Act, which is both civil and criminal, there were only four instances when businessmen actually went to jail for their criminal violations; in hundreds of other cases, sentences were suspended.

THE INCARCERATION DETERRENT

The law must punish violators equitably, not according to their rank in society. The threat of incarceration may be the most powerful deterrent to middle and upper class business managers—as the Antitrust Division came to appreciate immediately after the imprisonment of several executives in the 1961 electrical equipment cases.

In order that punishment falls on those individuals responsible, officers convicted of willful corporate-related violations should be disqualified from serving as an officer or director in any American corporation or partnership for five years after a conviction, guilty plea or nolo contendere plea. This is only logical. One does not reemploy an embezzler as a bank teller.

Fines should be calibrated to the size of the firm and the "size' 'of the violation. Business crime has its own cost curve. If companies are punished with insignificant penalties, the result is predictable. Instead of absolute fines, there would be percentage fines based on gross sales—so the fine would fit the crime.

This approach has some modest precedent. Judge William H. Mulligan fined IBM for failule to produce documents in the Justice Department's current antitrust proceeding. He analyzed the size and resources of IBM and then settled on a fine of $150,000 a day—one appropriate to IBM but not to a small firm or a street-walker. In Common Market nations such as West Germany, antitrust and other laws now impose fines on the basis of a percentage of the gross annual sales or profits of the firm.

There is also the problem of how to deal with corporations which repeatedly violate the law. In addition to percentage fines, penalties for a particular law violation should increase for corporate recidivists—since by definition the company has not been successfully deterred.

Defendants in cases of corporate wrongdoing are often enjoined from future violations but are rarely required to pay restitution. Shareholder suits may seek and obtain restitution, though this does not invariably occur. Ideally, agencies like the SEC and Justice Department, as a part of any relief, should insist on restitution being made by those culpable to their victims of their company.

Autocratic chief executive officers, whose handpicked "inside directors" dominate their boards of directors, lack the kind of external accountability that encourages responsible and lawful decision making. To accomplish this goal, which was the original concept of the board, requires a fulltime board comprised of "outside" directors. Such an independent authority should help make executives think twice before casually approving millions of dollars in illegal payments to foreign agents.

Company indemnification and insurance plans often provide for reimbursement to officials who plead nolo contendere in criminal cases or who are found liable in, or agree to settle, a civil lawsuit—if they thought they were acting "in the best interests of the company." Such provisions should be prohibited.

REGULAR REPORTS NEEDED

Finally, federal agencies should maintain and release regular compliance reports which could contain the following:

The laws enforced by the agency, the resources given it, and the remedies available to it—e.g., recall, repair, fines, warning letters, referrals to Justice for prosecution, etc.;

A list by company of each violation established and the corrective action required and taken;

A statement of what additional tools are needed—e.g., subpoena power, increased penalties, more statutory authority, increased staff—for the agency to perform its mission adequately;

An analysis of the cost to citizens and the economy of the level of violations uncovered and the cost of the level of estimated violations.

With all such information in one report, federal regulations and their congressional monitors can better appreciate the costs of regulatory violation and better deter them. As in so many other areas of government regulation over business, knowledge is power.

COL. SAMUEL I. PARKER: A GREAT AMERICAN

Mr. HELMS. Mr. President, during this Bicentennial Year, I feel that North Carolinians in particular, and Americans in general, should take note of two splendid natives of my State—brothers who served this Nation well.

This past December 1, the people of my State were saddened to learn of the death of Col. Samuel I. Parker of Monroe, N.C. Colonel Parker was a truly great American. And, his was a kind of greatness that caused him to be foremost in whatever he undertook.

His brother, the late John J. Parker, was indisputedly the greatest jurist that North Carolina has ever produced. While Judge Parker served his country with distinction as a judge on the U.S. Court of Appeals, fourth circuit, as a nominee to the U.S. Supreme Court, and at the Nuremberg trials, Colonel Parker answered the call to arms at the outbreak of World War I.

Serving on the battlefields of France during 1917–18, his acts of heroism in the face of direct and intense enemy fire made him a leader not only among his own troops, but among the French and British as well. And as is the case with great men, he received the awards and decorations that accrue to those possessed of the character and the determination to take a stand in the face of difficulty and to continue that stand until the cause prevails. Colonel Parker emerged from World War I as the recipient of the most numerous military awards for heroism in battle of any American, including the Congressional Medal of Honor.

But courage in battle was not the only measure of "Si" Parker, as he was known out of uniform. Following the conclusion of World War I, he returned to private life. He soon became a successful and much respected business executive in Greensboro. And, it was there that the outbreak of World War II found him. No doubt, many felt that he had already "done his part" in the defense of his country, and that he had every right to remain comfortably in Greensboro, while another generation took its turn. But that was not the nature of the man. When his country was again embroiled in war, he again answered the call to arms.

This time his valued knowledge and expertise caused him to be placed in a position where it could have the greatest affect. Respected for his intellectual achievements as well as his power under arms, he was asked to establish and teach a course in military leadership at the Infantry School, Fort Benning, Ga. There he helped to train the fighting men that confronted the enemy on the battlefields of Europe—battlefields that he himself had served on. Of course, the rest is history. The men he helped train proved a second time that the character and integrity of America was as strong then as it had been in 1917 and 1918.

Following the war, Colonel Parker returned to private life, and resumed his career as a business executive. Eleven years later, he retired from active business and with his wife of 36 years—the former Miss Mary Lou Morris—returned to North Carolina and chose to live out his retirement years on a farm in Mrs. Parker's home county—Cabarrus.

And, as is the case with such men, he found little time to remain retired. But rather, he spent the next 19 years helping his community and other people. He served several terms as a director of the Concord, N.C., Chamber of Commerce/Merchants Association, as well as a term as its president. He was a leader in an industrial development group which brought new industry to the county, and he was active for many years with the local soil and water conservation district. He was an honorary member of the Rotary Club and a director of a local bank. He was a Mason, a member of the American Legion, a director of the county boys club, and an active member of his church.

In short, Mr. President, the people of Cabarrus County have many reasons to be grateful that "Si" Parker chose to retire there. And, all Americans—indeed, free people the world over—have many reasons to be grateful that Samuel Iredell Parker was willing to answer the call, both to foreign battlefields and to worthwhile causes at home.

SENATOR FRANK E. MOSS ADVOCATES REGULATORY REFORM IN DIRECT SELLING ASSOCIATION PUBLICATION

Mr. McINTYRE. Mr. President, I call the attention of my colleagues to an article authored by the senior Senator from Utah (Mr. Moss) and published in the quarterly publication of the Direct Selling Association, Personal Selling Today, January–March 1976.

Senator Moss has pinpointed what I consider to be the major points of concern to be considered by this body in conducting efforts toward reform of our national regulatory agencies.

There is little question that we need to discard archaic and expensive regulatory mechanisms. We further need to foster "Government in the sunshine"—imposing requirements for public disclosure of regulatory actions, much the way we have taken steps in the Congress to assure greater public confidence in Government by lifting the veil of secrecy that has often needlessly obscured committee activities.

I agree with my distinguished colleague that we must see that leadership positions are filled by experienced, able public servants, not held out as political rewards, that agency actions be timely, that small business and the consumer be protected, and that the legitimate corporate entities of our free market economy may be hamstrung by ever-increasing bureaucratic entanglements.

Mr. President, I ask unanimous consent that the article by Senator Moss be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REGULATORY REFORM

(By FRANK E. MOSS)

As the nation's marketplaces have grown increasingly complex and impersonal, as businesses have shed their local origins, mushrooming out beyond state and national borders, as technology spawns new generations of products and services, accompanied by new and sometimes fearful risks, the American public has increasingly looked toward its government to channel these potent forces to the public good.

Government has been called upon to intervene in the marketplace when competitive forces have been subverted by anticompetitive structures and practices, by fraud and deception, by insufficient flow of critical consumer information, or by price fixing, monopoly or oligopoly.

Government has been called upon to check those unrestrained competitive forces which can engender intolerable social, economic and environmental costs: product hazards, worker disease and exploitation, environmental degradation, energy and resource service and reliability, and the erosion of truth and fair dealing in the marketplace.

In taking an active part in the marketplace, the regulatory machinery must be held accountable to the public for the costs it imposes, as well as the benefits it conveys. In this time of marred public trust and faith in our private and public institutions, the integrity of government regulation must be secured above reproach. That is what I mean by regulatory reform.

CLEAR, PRESSING NEED

There is a clear and pressing need to strengthen the quality of regulation and to overcome chronic problems of administrative delay, both by raising the qualifications and performance of the regulators themselves, and by reforming unresponisve administrative structures, practices and procedures. We must perfect and apply tools for measuring and balancing the costs against the health, environmental, economic and social benefits of regulations.

Lastly, where free competition is the most efficient economic disciplinarian of the marketplace, we must reevaluate, overhaul, and perhaps discard those economic regulatory mechanisms which were the product of the needs and abuses of the late nineteenth and early twentieth centuries.

While "regulatory reform" is a cliche whose time has come, one person's regulatory reform is another's environment or consumer rip-off, or a return to the robber baronies of yesteryear. We must not, in our effort to unchain the shackles of the small businessman and the competitive system, give rise to unrestrained freedom of corporate goliaths to monopolize and manipulate the marketplace.

The single most debilitating flaw in our regulatory system has been the chronic failure of Presidents to name—and the Senate to insist upon the naming of—outstanding public servants qualified by training and commitment to implement the letter and spirit of the laws which they are sworn to uphold. With some exceptions, these posts have been parceled out as rewards for political service to President or party, as sinecures for inadequate officials ousted from key policy-making roles, or as tokens of appreciation to favored segments of industry. Some have called such appointments booby prizes for political candidates rejected by the voters!

In turn, this leadership gap has been largely responsible for systemic failures in regulation, including the demoralization and decline of the Civil Service, grossly inadequate regulatory planning and prioritizing, needless rigidity and inflexibility, and preoccupation with trivia and disconnected case-by-case decision-making at the expense of broad policy formulation, review and reformation.

A Leadership Failure. These failures of leadership have been further compounded by: 1) regulatory lag, engendered by procedural rules which permit those whose interests benefit from delay to paralyze the regulatory process; 2) failures to coordinate requisite information gathering so as to avoid redundant paperwork burdens, especially upon small business; 3) lack of adequate funding to enable agencies to develop the requisite expertise and manpower to carry out legislative mandates with dispatch and wisdom, and 4) failure to hold regulators accountable for Congress in order to assure that the agencies do not become mindless machines, churning out regulations for which there is no demonstrable need or failing to act when pressing needs exist. And in recent years we have inserted "self-destruct" provisions into regulatory statutes, which have the effect of automatically terminating the agency after several years unless Congress acts positively to continue the mission.

To further enhance the regulatory process we have urged an "open door" policy on the regulatory agencies. Public scrutiny is the best way in which the American people can be assured that the agencies are doing the public's business in good faith. In order to further foster this approach to government, the Congress has imposed rules on itself requiring that it, too, operate in the open. Our committee meetings, legislative markup sessions and, increasingly, conferences between the House and Senate are being conducted in large rooms, open to any citizen who wants to see his Congress in action.

These initiatives will improve the regulatory process and result in needed revisions. It is a difficult operation. Eliminating from regulation some who enjoy the warmth and protection of government regulation, and placing under regulation those who have callously injured the public is a difficult operation. In the end, we will all benefit from the Congressional review of the regulatory process.

DIRECTOR CARLSON TAKES THOUGHTFUL LOOK AT CORRECTIONS SYSTEM

Mr. HRUSKA. Mr. President, on March 26, the new Federal Youth Center at Miami, Fla., was dedicated to a former Director of the Federal Bureau of Prisons.

Present, along with Mr. Alexander was his predecessor, James V. Bennett, and his successor, Norman A. Carlson, the current Director. Over the past two decades, these three outstanding penologists have provided, able, dedicated, and compassionate leadership to the Nation's Federal corrections system. It is completely appropriate that the Miami center be dedicated to Mr. Alexander and that on May 14, the new correctional center in Butner, N.C., be dedicated to Jim Bennett.

In his remarks at Miami, Director Carlson took a thoughtful and realistic look at corrections in America today:

> Without question, the first duty of the entire criminal justice system is to protect society. Our job is to help make citizens secure in their lives and property.

The old notion that we could diagnose and treat criminal behavior must be abandoned, Mr. Carlson said, adding:

> Change, if it comes, must be voluntary on the part of the offender. The job of the correctional system is to facilitate change, to provide the programs of education, training and counseling for the inmate who sincerely wants to change himself. If we don't do

everything possible to facilitate change, to make sure that the inmate is better off, or at least no worse off than when he entered prison, we know the consequences—more crime, more social disruption, and less security for the law-abiding citizen.

The realism in corrections today is expressing itself in a balanced philosophy, one that recognizes that retribution, deterrence and rehabilitation are all legitimate objectives of incarceration. We have abandoned the search for panaceas. The history of corrections is littered with the wreckage of simplistic solutions which under the test of practice did not prove effective in changing offenders.

We now admit that there are no panaceas because we recognize that all inmates are not alike. Each has a different set of needs to help him make the decision to give up crime. Each has been sentenced to a period of incarceration for a different reason—the organized crime offender to incapacitate him from committing further crimes while incarcerated, the person who cheats on taxes to deter others from evading taxes, the repeat and violent offender because he threatens the welfare of other people.

Mr. President, it has been my privilege during my service in the Senate as a member of the Judiciary Committee, to work closely with Directors Bennett, Alexander, and Carlson. I commend to my colleagues a careful reading of Mr. Carlson's incisive remarks, and I ask unanimous consent that they be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Address by Norman A. Carlson

I am pleased to be here in Miami with you today to help dedicate this impressive facility.

I am particularly glad to be in the company of my two distinguished predecessors, James V. Bennett and Myrl E. Alexander.

Jim Bennett was Director of the Bureau when I first began working at the U.S. Penitentiary at Leavenworth, Kansas. Later on he brought me to Washington to help establish the Community Treatment Center program. There were no halfway houses in the United States back in 1961 when Jim Bennett gave me the job of establishing the Bureau's first. Today, thanks to his inspiration and leadership, the Bureau has 16 of its own and hundreds of others have been established by public and private agencies to provide assistance to inmates about to be released.

I have also been renewing acquaintances today with my former boss, Myrl E. Alexander, who headed the Federal Bureau of Prisons from 1964 to 1970, and whom I had the privilege of serving as executive assistant for four of those action-filled years. All of us in the field of correctional administration know of Mr. Alexander's long-standing commitment to improving the jails and prisons of the nation, and I think it is entirely fitting that this new modern institution will commemorate his vision and efforts.

Myrl Alexander's career as a public servant serves as an inspiration to all of us in the Department of Justice. He began working at the U.S. Penitentiary at Atlanta in 1931 after graduating from college. He later worked as a parole officer, as an associate warden and as warden at the Federal Correctional Institution, Danbury, Connecticut where he served with distinction.

Immediately after World War II, Mr. Alexander was on special assignment as chief of prisons for the military government in Germany. Upon his return, he became Assistant Director of the Bureau until his first retirement in 1961 when he accepted an appointment as professor of correctional administration at Southern Illinois University. Mr. Alexander returned to the Bureau in 1964 as Director succeeding Jim Bennett. Since his second retirement, he has been Professor of Criminal Justice at the University of Florida.

Our nation's criminal justice system has indeed been fortunate in having men like Jim Bennett and Myrl Alexander in charge of the Federal Prison System.

I sincerely hope that I, and those who follow me as Director, will carry on the tradition of progressive and enlightened leadership which these two men have established.

The institution we are dedicating today was built to house youthful offenders and to serve the needs of the Federal Court for the Southern District of Florida. This facility is not only a tribute to Myrl Alexander but also is a living, working symbol of the philosophy that guides the Federal Prison System. If I had to sum up that philosophy, I would do it in one word: realism. I want to stress "realism" because when this new facility is compared with the traditional iron and steel prisons of the past, it may seem luxurious to some.

This impression, however, is inaccurate. I only wish the critics who object to new institutions such as this and the new Metropolitan Correctional Centers in New York, San Diego and Chicago would visit the Federal penitentiaries at Atlanta, Leavenworth, and McNeil Island.

Anyone with a concern for his fellowman would object to the sight of eight and 10 men sharing a cell, at the lack of privacy, at the iron grilles and long corridors and at the difficulties encountered by both inmates and staff in trying to live and work in a large relic of an institution.

People do not expect schools or hospitals to be built in the style of 100 years ago. To attempt to build prisons in the 19th century fashion would be equally unrealistic, and in addition, considerably more costly. Despite appearances to the contrary, it is more economical to build institutions in this style rather than the traditional prison of 100 years ago with the steel bars and concrete.

Without question, the first duty of the entire criminal justice system is to protect society. Our job is to help make citizens secure in their lives and property.

The Federal courts in recent years have made it clear that prisons cannot carry out this responsibility under conditions that prevailed in the past. Inmates cannot be crammed into iron cells characterized by inadequate ventilation and poor sanitation. One hundred years ago, a Virginia court ruled that a prison inmate was "a slave of the state." Measured against the drift of recent judicial decisions, that concept bears as much resemblance to reality as the stage coach does to modern jet aircraft.

In the past 15 years, the Federal judiciary has taken an increasingly active role in establishing standards for incarceration. The courts have confronted in a decisive manner the question of how many rights an inmate forfeits upon incarceration. While some might quarrel with individual decisions, the impact of the courts on corrections and criminal justice has been on balance highly positive and constructive.

Inmates' rights have advanced to the point that in 1974 the U.S. Supreme Court stated that "a prisoner is not wholly stripped of constitutional protection when he is imprisoned for a crime." In that same case the Court further stated that "there is no iron curtain drawn between the Constitution and the prisons of this country."

The courts have broadened inmate rights to the Constitutional protections that other citizens enjoy, including protection from cruel and unusual treatment and protection of their safety and lives. Federal courts have declared penal systems in five States unconstitutional because they are in violation of the Eighth Amendment.

In one recent case, a Federal court ruled that inmates are entitled to the basic amenities and services that we are providing in this new facility. The Court called for private rooms equipped with hot and cold running water, three nutritious meals daily, adequate exercise and medical care, a system of inmate classification and protection from violence. Under that decision, inmates are also entitled to educational, vocational, work and recreational opportunities.

The Courts are not alone in demanding these conditions for people who are incarcerated. Several influential organizations, including the United Nations, the National Advisory Commission on Criminal Justice Standards and Goals, and the American Correctional Association, have developed standards to eliminate overcrowding and undesirable housing conditions. These organizations call for a greater degree of privacy and safer conditions for both staff and inmates.

As we look to the future, there is no question that we will see more court decisions and more professional standards with respect to conditions of incarceration. This will include more emphasis on privacy and on such programs as education, training, recreation and medical care. The courts are stating that inmates must be provided these services to avoid violation of the Eighth Amendment prohibition against cruel and unusual punishment.

While talking about the Courts' views on inmate rights, we must not forget another important set of human rights. I am referring to the rights of staff, who unfortunately are often forgotten. Every correctional officer and every other person working in an institution is certainly entitled to safe and humane working conditions.

These rights are very difficult, if not impossible, to provide in the large Bastille-like prisons where inmates are croweded together behind walls and steel grilles. Certainly no one wants to see a replay of the tragedy of Attica which cost the lives of more than 40 persons, including a number of officers.

The realism that characterizes the construction of this institution symbolizes the realism that is sweeping the criminal justice system, including corrections. We are now facing up to the fact that we do not know how to rehabilitate offenders when they don't want to change themselves. That fact has been documented by several research projects and has been amplified by the distinguished works of Professor James Q. Wilson and Dean Norval Morris. As Norval Morris succinctly states, "rehabilitation purposes can be achieved only if they are cut free of coercion."

Furthermore, all of us in the criminal justice system today would agree that the courts should not send men and women to prison solely for rehabilitation. That objective can best be carried out in the community. Prisons serve to incapacitate dangerous offenders and to deter others from crime. Offenders are sent to prison *AS* punishment, not *FOR* punishment. That is a very important distinction that Myrl Alexander has always made.

Let me emphasize, however, that change is possible in prison. Fortunately many men and women who are incarcerated do make the decision to give up crime and become law-abiding citizens. Research by the Bureau of Prisons has established the fact that nearly 60 percent of Federal inmates do not get into further difficulty with the law within four years after release.

But the old notion that we could diagnose and treat criminal behavior must be abandoned. We no longer believe that inmates are sick, that we can diagnose their illness which is crime, and that we can prescribe a magic cure that consists of some mixture of education, training and counselling.

Change, if it comes, must be voluntary on the part of the offender. The job of the correctional system is to facilitate change, to provide the programs of education, training and counselling for the inmate who sincerely wants to change himself. If we don't do everything possible to facilitate change, to make sure that the inmate is better off, or at least no worse off than when he entered prison, we know the consequences—more crime, more social disruption, and less security for the law-abiding citizen.

The realism in corrections today is expressing itself in a balanced philosophy, one that recognizes that retribution, deterrence and rehabilitation are all legitimate objectives of incarceration. We have abandoned the search for panaceas. The history of corrections is littered with the wreckage of simplistic solutions which under the test of practice did not prove effective in changing offenders.

We now admit that there are no panaceas because we recognize that all inmates are not alike. Each has a different set of needs to help him make the decision to give up crime. Each has been sentenced to a period of incarceration for a different reason—the organized crime offender to incapacitate him from committing further crimes while incarcerated, the person who cheats on taxes to deter others from evading taxes, the repeat and violent offender because he threatens the welfare of other people.

And while we seek a balance between retribution, deterrence, and rehabilitation, we need a realistic balance between community-based and institutional programs.

Some individuals and organizations are arguing that no new institutions should be built and that most offenders should somehow be moved into community-based programs. In the minds of these individuals, community programs are the ultimate solution that will eliminate the need for institutions.

Community programs without question have great value if properly utilized. They are widely used in the Federal system of criminal justice. More than half the people convicted of Federal crimes today are placed on probation or otherwise diverted from institutions. Probation, parole, and halfway houses, when taken together, touch the lives of the majority of those convicted of Federal offenses.

But to view community corrections as a panacea is a tragic error. The organized crime figure, for instance, is not a suitable candidate for a halfway house. The person guilty of repeated violent crimes certainly does not belong on probation, not if we in the criminal justice system are to fulfill the objective of protecting society.

If community programs are to be effective, we must have institutions as the ultimate sanction; otherwise offenders have no incentive to live a law-abiding life and to stay out of further difficulty.

On the other hand prisons must be humane. The courts require it and so does our sense of decency.

Nobody is more interested in humane institutions than those of us connected with the Federal Prison System. No warden wants to be in charge of a crowded, unsanitary institution. No correctional officer can feel safe and secure surrounded by hostile, bitter and angry inmates.

We need new institutions to replace the penitentiaries, which are too old, too large, too crowded and totally unsuited to the requirements of today's criminal justice system. We also need new institutions to house the rising number of inmates coming into all prisons, including Federal prisons, today.

The number of inmates incarcerated in State and Federal systems went up 11 percent last year, and the number is still climbing. In the Federal system alone, the population has increased by more than 2,100 since January 1, 1976, or about nine percent. We have every reason to believe that this number will continue to rise in the months and years immediately ahead.

It is ironic, indeed, that our efforts to house inmates in a decent fashion is being hampered by those same groups who say they want better treatment for offenders. By opposing the construction of new institutions, they are helping to deny inmates their right to humane living conditions.

The efforts of these groups to bar new prison construction, in my opinion, will not succeed. Society is not yet ready to abandon incarceration as the ultimate sanction in our system of criminal justice.

Many of the people who oppose prison construction and expansion of correctional programs do so on the grounds that they are too costly. They are apparently content to let our prisons become human warehouses.

Budgetary constraints will not be accepted by the courts as a legitimate reason for inhumane institutions. As Federal Judge Frank M. Johnson said last November at the University of Alabama: "A state is not at liberty to provide its citizens only those constitutional rights it can comfortably afford."

Our mission, however, is not to debate whether or not prisons are needed or to defend the criminal justice system as a perfect system free of error—which it is not—or to argue with those who say that corrections should be improved—because we all agree that it must be. We are here to dedicate this impressive new facility to Myrl Alexander, who has been so instrumental in bringing corrections into the 20th Century.

I want to add my personal congratulations to the many that Mr. Alexander is receiving today. It is my conviction that we are on the right path to a new, more realistic, more humane system of corrections and it is because men like Myrl Alexander had the vision and courage to light the way.

IS AMERICA GOING MAD?

Mr. BROCK. Mr. President, a constituent of mine recently was kind enough to send me a clipping from the Wall Street Journal of an editorial from the London Daily Telegraph. I found the editorial quite interesting and I thank Mr. Seton Ross, of Memphis, for sending it to me. I think it is important that the editorial be shared and taken to heart. Therefore, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IS AMERICA GOING MAD?

It is time America's friends spoke out, with some nasty questions to the so-called "liberal" east-coast establishment. By that we mean sections of the Press, sections of Congress, television commentators and comedians, university pundits and a lot of other people who may think there is a dollar to be made out of denigrating their country's institutions and leaders.

We all know about the "trauma" of Vietnam and Watergate, but it's getting a bit boring. How long has the rest of the free world got to put up with these tender-minded people recovering from their "trauma"? Indefinitely?

America is accustomed to, and has merited, a good deal of deference from her allies. But deference can be a disservice. The United States should know that her European cousins and allies are appalled and disgusted by the present open disarray of her public life.

The self-criticism and self-destructive tendencies are running mad, with no countervailing force in sight. She has no foreign policy any more, because Congress will not allow it. Her intelligence arm, the CIA, is being gutted and rendered inoperative, the names of its staff being published so that they can be murdered. Her President and Secretary of State are being hounded, not for what they do but simply because they are people there, to be pulled down for the fun of it. . . .

Perhaps the Presidential election later this year will clear the air. Yet that is still 11 months away, and in the meantime there is all the campaigning to be gone through. Please, America, for God's sake pull yourself together.

DEATH OF MISS DIXIE LEE TALLEY

Mr. TALMADGE. Mr. President, it is with great sadness that I must inform the Senate of the death of a valued and trusted employee of the Committee on Agriculture and Forestry, Miss Dixie Lee Talley.

Dixie was one of the first employees I hired upon becoming chairman of the committee in early 1971. She performed her duties and fulfilled her responsibilities to the Congress, to the committee, and to me with a genuine commitment and at no little personal sacrifice.

Initially, she devoted long and arduous hours in our efforts to develop and enact what became the Rural Development Act of 1972. More recently, she had been in charge of the committee's financial disbursements and served as secretary for the General Counsel and staff director.

Dixie Lee Talley served this body with great distinction for more than 11 years.

A native of Wayne, Okla., she came to Washington in 1963 to work for the then majority leader of the House, CARL ALBERT. She worked also for Congressman G. Elliott Hagan and the Department of Justice before coming to the Senate to work for Senator A. S. Monroney in 1965.

Dixie served as secretary to the Staff Counsel for the Subcommittee on Aviation of the Committee on Commerce, and as secretary to the staff director of the Committee on Post Office and Civil Service before joining the staff of the Committee on Agriculture and Forestry.

The Committee on Agriculture and Forestry will miss Dixie's willingness to devote time and energy to getting the committee's job done, her efficient and responsible manner in keeping straight the sometimes complex and challenging financial demands on an active committee, and her thoroughly professional manner in approaching a staff member's responsibilities to the Congress and to the American people.

Her loyalty and devotion to her employer and to the Committee on Agriculture and Forestry were unusually great. Her warm human qualities were an inspiration to those of us who knew her.

Dixie had many friends and coworkers throughout Capitol Hill. They may pay their last respects Monday night, from 7 p.m. to 9 p.m., at the Arlington Funeral Home, at 3901 North Fairfax Drive in Arlington, or at a special memorial service at 12:30 p.m. on Tuesday in the Agriculture Committee hearing room, 324 Russell Senate Office

Building, to be conducted by the Rev. Dr. Edward L. R. Elson, Chaplain of the Senate.

The funeral will be in Purcell, Okla., her family home, under the direction of the Yoakum Funeral Home. Flowers may be sent either to the funeral home in Arlington or to the Yoakum Funeral Home, 310 West Main Street, Purcell, Okla.

Dixie will be buried in the Purcell Cemetery, next to her mother, as was her wish.

To her friends and her fellow workers, I offer my deepest sympathy.

PRESIDENT KAUNDA OF ZAMBIA

Mr. JAVITS. Mr. President, on March 28 the New York Times magazine carried a major story on President Kenneth Kaunda of Zambia, with his picture on the cover of the magazine. Such major coverage makes quite clear the importance of southern Africa, and the alarmingly dangerous situation in that part of the world.

President Kaunda's Zambia has borne an enormously costly burden in its struggle against racism in southern Africa, beginning with the unilateral declaration of independence by the white minority government in Rhodesia in 1965 and the subsequent application of United Nations sanctions against Rhodesia. Zambia's outlet to the sea for its copper exports was disrupted, and its imports of petroleum products were entirely cut off from Rhodesia. Zambia has also suffered from the closure of the Benguela Railway through Angola, and the great drop in copper prices.

It is important that we recognize the courage and dedication to principle in African leaders like President Kaunda, who offer the remaining hope that a peaceful transition to majority rule is possible in southern Africa. It is all too easy to see nothing but coups and corruption in African countries, and to forget that President Kaunda has struggled to preserve democratic institutions in Zambia and that Zambia remains the home of a small white population, which has continued to live and work in a multi-racial society since independence 11 years ago.

A year ago when President Kaunda was visiting the United States, he warned:

> Southern Africa is poised for a dangerous armed conflict. Urgent action is required.

We should have heeded his words at the time. Instead we are now facing the threatening Cubans with dire consequences should they intervene further in Rhodesia or southwest Africa. The best defense against further Cuba or Soviet penetration in Africa—which President Kaunda strongly opposes—is a strong and positive U.S. policy in southern Africa. We cannot long delay the development and implementation of such a policy, since the entire region stands poised on the brink of major conflict. President Kaunda himself no longer believes that peaceful change is possible in Rhodesia, since the last 11 years of trying to bring a peaceful transition to majority rule have failed and the latest negotiations between Joshua Nkomo and Ian Smith have broken down.

We shall be hearing much more from southern Africa in the months to come, and the article by Colin Legum provides an insight into one of the main participants.

Mr. President, I ask unanimous consent that the article on President Kaunda by Colin Legum be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE END OF CLOUD-CUCKOO-LAND

(By Colin Legum)

The direct route from Angola to Rhodesia—the new battlefield in southern Africa—runs through Zambia, which today lies at the most dangerous crossroads on the continent. Its southern border, the Zambezi River, forms a kind of Mason-Dixon line between black-ruled and white-ruled Africa—the "free" north and the "unfree" south. The crossing of the Zambezi below the famous Victoria Falls—known to Africans as "the smoke that thunders"—marks the penultimate stage of the march of "free" Africa: first Rhodesia and then, finally, South Africa.

That is the vision of most of the continent's African leaders and the fear of most of its whites, numbering fewer than four million. Few have contributed more to this vision than Zambia's President Kenneth Kaunda; at the same time, few have done more than he to play the role of mediator between blacks and whites.

Kaunda's dream, when he led his country into independence just over 12 years ago, was that he would turn it into a model nonracial society as an example to his white-ruled neighbors as well as to his own black supporters. His other dream, in keeping with his strong attachment to Gandhi's ideas of nonviolence and to Christian humanitarianism, was that he could use his country's influence to bridge the continent's great divide without war. But his efforts to mediate have failed; the man of peace now finds himself cast in the role of being the most influential leader on the African side of the violent struggle.

When he speaks about this failure, Kaunda weeps openly. He is a man who often weeps in public and, even more, in private. There is probably no leader in history who has wept so freely as Kaunda; it is an outlet for his warm passions and easily evoked sympathy. He is going to do a lot of weeping in the months ahead.

For the war has come. Rhodesia's Foreign and Defense Minister, Pieter K. van der Byl, a fortnight ago confirmed that the Rhodesians are now fighting against more than 1,000 guerrillas, who are coming in from Mozambique. The figure is probably higher; already it is four times what it was a few months ago. The Zimbabwe Liberation Army's high command, elected by the guerrillas to replace squabbling older black nationalist leaders, plans to commit another 10,000 guerrillas from its three camps in Mozambique before next November, when the onset of the rainy season will make heavy fighting impossible. The guerrillas are being trained by army officers of Tanzania and Mozambique and by Chinese, who have been involved in training the Zimbabweans (independent black Rhodesians) for more than five years. No Russians or Cubans are as yet involved in training the guerrillas, although sophisticated Russian as well as Chinese weapons are being brought into Mozambique in great quantities. The next nine months, as a consequence, will see a rapid buildup on the war front between Rhodesia and Mozambique and Zambia.

Despite the anxious days that lie ahead, Kenneth Kaunda remains undaunted. "Modern Africa is no place for the uncommitted," he says. "Life here demands cool nerves, perpetual optimism and great faith in human possibilities." Zambia's President is an impressive man to look at—"5 feet 11, and 6 feet when I brush my hair up straight," he says. Brushed up straight, his gray hair gives him the look of a belligerent porcupine. But his soft eyes contradict this prickly impression. He has a resonant voice, with just a trace of the stammer he cured himself of as a shy young boy in the bush.

Kaunda's day begins at dawn with a mile jog around the spacious lawns of State House with only the peacocks for company. Before breakfast, or before bed, he reads from the Bible. His day never ends before midnight, and then often with him playing either the piano or the guitar to himself. He has a fine singing voice, and he enjoys singing to himself while strumming his guitar.

He has a rigorous work schedule, never less than 12 hours a day. He regrets that he has so little time for family life. Like all good wives, Betty Kaunda loses few opportunities to complain that he is neglecting his nine children, the eldest of whom is now a senior officer in the army. His granddaughter Mundaula, now just 3, complains when he comes in to say good night: "My grandfather no longer loves me." And Kaunda, coming in late for dinner, comments: "It will be some time before she realizes why I return home so late."

Dinner at State House is never formal. The President comes in wearing his habitual open-neck tunic suit with a scarf worn loosely about his neck. Sometimes he wears a toga, often brightly colored—a style he brought back from a brief spell of study in India.

The white-clad ancient waiters pad softly around the airy dining room, once the scene of stiff formal entertaining by British governors. They place a jug of fresh fruit juice in front of the President and arrange his special dishes, usually only fruit and vegetables; he never touches red meat. (He neither smokes nor drinks alcohol; some years ago he gave up tea and coffee until the "struggle for independence" was won. By the time independence came, he had lost his taste for both.)

Almost like a ritual, the waiters also bring a portable radio, which is always at Kaunda's side whatever he is doing. No matter what stage dinner has reached, the radio is switched on at 9 P.M. for the local news and the BBC overseas service. All conversation stops abruptly until it is over, for the news these days is often ominous.

The real tragedy about the developing war over Rhodesia is that it need never have happened, and it almost didn't When the European colonial powers began the process of liquidating their empires after World War II, African independence swept rapidly down from the shores of the Mediterranean, across the Sahara Desert and into the equatorial heart of the continent. It was stopped only on the banks of the Zambezi. Beyond this great river lay three obstacles in the path of the African revolution: the Portuguese colonial empire composed largely of Mozambique and Angola, the British colony of Rhodesia and, the strongest of all, the apartheid Republic of South Africa, together with its appendage, Namibia (South-West Africa), an international, mandated territory.

All these countries, under the rule of relatively small white minorities, combined together to resist the avalanche of black majority rule, fearing that their way of life and, perhaps, their security might be at stake if they gave way. The weakest link in this chain of white-ruled states was Rhodesia. Just a year after Zambia achieved independence in 1964, the majority of 250,000 white Rhodesians backed their leader, Ian Smith, in a rebellion against the British Crown to establish a republic committed to maintaining government in "responsible," i.e., white, hands for all time. The Rhodesian rebellion has now lasted for more than 10 years and it might have lasted even longer but for the collapse of Portuguese colonial rule in 1974 when the mother country, weary of half a century of Fascist rule and weakened by three colonial wars, chose to turn its back on five centuries of empire.

The collapse of the Portuguese leg of the tripod of white power in southern Africa seriously weakened Rhodesia and South Africa. This new danger was perceived much more realistically by South Africa's leaders than Rhodesia's. The South African Prime Minister, John Vorster, warned his people that they had come to a crossroads; new policies would be required to deal with a rapidly changing situation. He held out his hand in friendship to Africa's leaders to try to resolve their conflicts peaceful. It was the gesture President Kaunda and a number of his associates had been waiting for since 1967 when in the Lusaka Manifesto they had offered their neighbors a choice—negotiated settlement or a violent struggle—and had said they themselves preferred the peaceful way. For seven years, while violence built up, the African offer was spurned; then in October 1974, Vorster announced he was ready to talk. But not Ian Smith.

The Zambian leader, after consulting with his closest neighbors and allies—President Julius Nyerere of Tanzania, President Samora Machel of Mozambique (newly freed from Portuguese rule) and President Sir Seretse Khama of Botswana—led a peace initiative to test Vorster's sincerity. Their secret diplomacy showed that while the South African leader was unwilling to abandon his own apartheid rule, he was ready to help find a peaceful settlement for the problems of Rhodesia and Namibia. Kaunda and his associates decided this was a useful start, and it led to efforts by the champions of black Africa and the champion of apartheid to persuade Ian Smith's ruling Rhodesian front to submit peacefully to the inevitability of black-majority rule in Rhodesia. Vorster was undoubtedly buying time for his own republic, but he also believed that, by establishing his *bona fides* with Kaunda and his friends, it might be easier to get them to view the realities of South Africa's complex situation differently. On their side, the black leaders believed that if a violent race war could be avoided in Rhodesia, it would be easier to confront South Africa, once it had been reduced to being the last, isolated bastion of white rule on the black continent. This, of course, meant the defeat of the rebellion led by Ian Smith. It was not a price his regime was willing to pay.

The climax to this remarkable exercise in diplomacy was the historic meeting last year in a railway carriage drawn up at the middle of the bridge spanning the Zambezi River, high above the Victoria Falls. Symbolically, at least, the great gulf was spanned, if only briefly. There, for the first time, black and white Rhodesians met together in one carriage while, in another, Vorster and Kaunda met each other face to face, also for the first time.

The talks, however, failed—partly because of the irreconciliable conflicts among the black Rhodesian nationalists and, more important, because of the obduracy of the white Rhodesian leaders. Kaunda pays tribute to the sincere manner in which Vorster conducted his part of the negotiations: "He proved himself to be a man of his word, never promising to do anything he felt he couldn't do, and never going back on any of the undertakings he gave us."

Kaunda speaks sadly about the failure of the peace bid. "The dreadful consequences which we tried to avoid by our principled stand and behavior must now come," he says. He also has hard words for the West. "Over the years," he says, "the Western leaders failed to extend a hand of friendship to us by responding to our urgent and repeated requests for effective pressures to make Ian Smith see sense. And the result is that one of the worst fears of the Western powers as well as of ourselves—the factor of Communism—must inevitably be introduced into Zimbabwe [the African name for independent Rhodesia] because majority rule must now be decided on the battlefield."

His criticisms are aimed as much at the United States as at Britain. Last year Kaunda upset President Ford when, instead of making the usual kind of formal speech expected at White House state receptions, he delivered some stinging remarks on the role of the United States and other Western nations in dealing with the Rhodesian crisis. "Southern Africa is poised for a dangerous armed conflict," he warned. "Urgent action is required."

What especially upset Dr. Kaunda's White House listeners was his comparison of the policies of recent Republican Administrations with what had happened under the Kennedy Administration. "We become, Mr. President, even more dismayed," he said, "when the current posture of America is set against the background of historical performance in the late 50's and 60's. We cannot but, recall an America which boldly marched ahead with the colonial peoples in their struggles to fulfill their aspirations ... an America whose Assistant Secretary for African Affairs, 'Soapy' Williams, could be slapped in the face by a white reactionary on our soil and yet, undaunted, still smile, still stand by American principles of freedom, justice and national independence based on majority rule." Kaunda recalls his speech with a relaxed smile: "If I shocked them, well, at least my hosts should be under no misapprehension about what I expect of them."

Kaunda is equally forthright in his attacks on the Russians. His most outspoken criticism was his recent warning that "a tiger and his cubs [the Cubans] are threatening Africa." To his army, he said: "It has been said that the Russians have a right to be in Angola because they helped to fight the Portuguese facists. I am the first to agree that they did help, but the question is: Why are they helping? Was it to stay there, or to chase away the Portuguese? It was the duty of the Socialist countries, after Angola became independent, to say, 'Very good, we have helped you; now you should remain on your own.' "

Last Feb. 20, Kaunda publicly accused the Russians of interfering in Zambia's internal affairs. At a press conference that day, attended by foreign diplomats, he criticized the Russians for intervening in Czechoslovakia during the Dubcek crisis. When the Czech Ambassador ostentatiously walked out, fuming, Kaunda quietly commented: "Their excellencies may go if they want to, but we will say what we think." He has also said, "I see the infiltration of foreign ideologies, such as Marxist Communism, as a threat to African unity; but nationalism has proven to be more powerful than Communism in the 20th century."

Kaunda was alone among the continent's more prominent leaders in having refused to recognize the Popular Liberation Movement (M.P.L.A.) as the legal government of Angola on the morrow of its military victory. In his view, "the M.P.L.A.'s victory is not theirs; it is a Soviet-Cuban victory."

Although Kaunda is highly critical of recent U.S. policy in Africa, he did not disapprove of its supplying arms to the forces in Angola opposing the M.P.L.A. "We are a nonaligned nation," he said, "and as such, we spoke out plainly against U.S. policy in Vietnam. We must have political and moral courage, as well as consistency, to tell the Russians that what they are doing in Angola is wrong. . . . It was not the American arms to Angola that caused the crisis. No African leader in his right mind could imagine for a moment that the Soviet Union could have its presence in Angola and expect not to attract the Americans."

For over 10 years, Kaunda has tirelessly warned against the dangers of a race war in southern Africa and of the opportunities that such a conflict would present to the Communist powers. His speeches on this theme have been almost as boringly repetitive as Churchill's warnings in the 1930's about the dangers of Nazism. "Nobody with the power to act listened to Churchill," says Kaunda, "and nobody has intended to us."

This is an issue about which Kaunda feels very passionately. He doesn't want to see the pattern of foreign military intervention in Angola repeat itself in Rhodesia. "We are engaged in an African struggle," he says. "It must be fought only by Africans themselves without any foreign involvement, although we naturally welcome economic and military support from anybody who shares our aspirations."

A book about the first decade of Dr. Kaunda's leadership was aptly called "The High Price of Principles." If Zambia's independence leader had not ben a high-minded moralist and puritan but had chosen to put his country's economic interests first by establishing trading relations with Rhodesia and South Africa, Zambia's six million citizens would assuredly have been much better off, materially, than they are today; and their copper-rich, landlocked, tropical country would not now be faced with chronic balance-of-payments problems, shortages of vital imports and a punishing rate of inflation.

There were—and still are—many anxious Zambians who criticize Kaunda for not putting the "national interest" (i.e., the economic well-being) of the country first. But it is a view that shows little understanding of the man and the forces that shaped him.

During the British colonial period, Northern Rhodesia (as Zambia was then called) was largely an extension of the white-ruled South. Its highly industrialized copper belt, carved out of the virgin bush, was a 20th-century oasis cut off from the surrounding realities of a largely impoverished countryside. It was run mainly by expatriate technicians and skilled miners from South Africa, Rhodesia and Britain. Most of the mining wealth left the country. And although this successful mining enterprise resulted in Zambia becoming one of the most highly urbanized societies on the continent, it also stamped the pattern of the white South's race-caste system on the colony.

This was the kind of society into which Kenneth David Kaunda was born in 1924, and against which he rebelled. Both his parents were Church of Scotland educational and religious missionaries who had left their native Nyasaland (Now Malawi) to work among the Bemba people in the far north. His father was, by all accounts, a remarkable man, who died when Kenneth was only 8 years old; but his influence was as decisive on his son as that of the boy's mother—a teacher—who died only in 1972.

Kaunda's rebelliousness began in the Luba Mission Station where he grew up learning to write in the sand under a tree. "I was," he recalls, "a troublesome youth, always asking awkward questions like why did European missionaries have padded seats in church while my father, who had been working for the church for longer than most, had to sit on a wooden bench like the rest of the African congregation."

Later when he traveled further afield—to the colonial capital, Lusaka, for higher education, to the copper belt in search of work and to Southern Rhodesia—he discovered that the kind of place into which he had been born was one heavily permeated by the white supremacist ideas of South Africa and Southern Rhodesia. It was this discovery that gave the young nationalist freedom fighter a double aim in life: To fight against colonial rule at home and against the white-supremacist system of the region.

These aims are reflected in the tough course which Kaunda set for Zambia, and which became even tougher, and much more dangerous, after the white rebellion in Rhodesia. It was not long before the confrontation between the two neighbors led to the closing of the Zambezi border. This began as a move by the Smith regime to throttle Zambia's vital copper exports to the sea in an effort to weaken Kaunda's authority at home and to deflect him from supporting the international campaign of sanctions against Rhodesia.

Smith's strategy, however, produced a completely different result. It toughened Zambian resistance and led the country to orient its trade and communications away from the white south to black Africa in the north. Jointly with Tanzania, Zambia invited the Chinese to build a "freedom railway line" to link the copper belt with the Indian Ocean port of Dar es Salaam. That line has been built in record time.

The advent of the Chinese in subequatorial Africa alarmed the Russians even more than it did the Western nations. Moscow's and Peking's obsessions about each other's supposed ambition to dominate the world found a new focus in subequatorial Africa. This rivalry was a crucial factor in determining Soviet policy in Angola. The Russians' massive intervention not only provoked Kaunda's strong condemnation but, what was even worse in Moscow's eyes, his praise for the policy of the Chinese, who had decided, after the former Portuguese colony had achieved its independence, to stay neutral in the local power struggle among the three rival factions—the Popular Movement, the National Union for the Total Independence of Angola and the National Front for the Liberation of Angola.

"Assistance to liberation movements," Kaunda insists, "must not become an excuse for establishing hegemony in Africa. In this respect, we should learn from the People's Republic of China. Among the Socialist countries, China is easily the leading source of material assistance in the liberation struggle. Her contribution is immense, but China has not sought to impose her will on the people of Africa."

Now that the struggle has shifted from Angola to Rhodesia, the Chinese are determined not to let the Russians outmaneuver them again. With both Peking and Moscow equally intent on backing the winning side, their rivalries are seen by Kuanda and others who share his views as posing a major threat of Communist and other types of foreign entanglement in the violent struggles now engulfing southern Africa.

It is always hardest for a moralist to arm himself for war, and Kaunda is even more of a moral philosopher than he is a politician. He loves politics but only as a means of fulfilling his humanist ideas. He had already written two books on humanism intended to serve as a code of conduct for Zambians. His code is part of the country's Constitution.

The essence of his beliefs is that society should be man-centered, and that man is perfectible. He sees the state as reflecting the imperfections and weaknesses of man in his present condition. Although he is the head of state, Kaunda believes that the state should eventually disappear and that, in the meantime, it should be carefully controlled because he regards it as "an institution of violence" that reflects the violent, unperfected nature of man.

Kaunda's ethical ideals are a long way from being realized in Zambia, and nobody knows this better than Kaunda, who continually denounces the greed and inhumanity he sees all around him. Twice he has threatened to resign unless the Zambians curb their rampant drunkenness, which deeply offends him.

A glance at the books in his study shows where his ideas on humanism derive from: There are a Bible, the Koran and the Indian Bhagavad-Gita, a complete set of Dickens' novels and the collected works of Bertrand Russell, whom he knew and who he believes will only be fully appreciated 20 years from now.

Conversation with Kaunda at the dinner table is invariably serious—and never predictable. One night it is about prison reform, a subject close to Kaunda's heart. "What use are prisons," he begins, 'if they are not going to help prisoners change their attitude to society? What use are they if they do not teach the inmates useful skills that they can use once they have been freed? The primary responsibility of the prison services is to bring the stray sheep back to the fold. The time to change our attitude to prisons is now."

On another occasion he turns the conversation around to the thoughts of the Christian philosopher, Teilhard de Chardin, whose "Letters From a Traveller" he has been reading. "I am exhilarated," he says, "by the majestic vision he unfolds of a universe, all of whose component parts are moving towards some great goal. Such a picture is both comfronting and challenging."

Kaunda loves to tease white liberals who think it is racist to admit to racial differences. "I do do believe that there is a distinctively African way of looking at things, of problem-solving and indeed of thinking. We have our own logic system, which makes sense to us, however confusing it might be to the Westerner. The Westerner has a problem-solving mind, while the African has a situation-experiencing mind. The Westerner has an aggressive mentality: When he sees a problem he will not stop until he has solved it. He cannot live with contradictory ideas in his mind, and he is rigorously scientific in rejecting solutions for which there is no basis in logic. He dismisses the supernatural and nonrational as superstition. Africans, being a prescientific people, do not recognize any conceptual cleavage between the natural and supernatural.

They experience a situation rather than face a problem. They allow both rational and nonrational elements to make an impact on them. I think, too, that the African can hold contradictory ideas in fruitful tension within his mind without any sense of incongruity, and he will act on the basis of the one which seems most appropriate to the particular situation."

But these days, the conversation is most likely to turn more on the problems that face the future of Europeans in Africa. "Many Europeans," he suspects, "were drawn to colonial Africa as a kind of Cloud-Cuckoo-Land where they could live a fairy-tale existence, comfortably insulated from hard reality. Now, because the dream is shattered, they are looking around anxiously for some alternative Garden of Eden, and they are unlikely to find one."

He feels that the time has come for plain speaking. "And the truth is that many Europeans have not been conscious of living in Africa at all. They exported to the African continent a segment of Europe. The other Africa, with its poverty, disease, ignorance and unemployment never really impinged on their consciousness. Now this other Africa occupies the foreground; it cannot be hidden or ignored. It is the main preoccupation of the Governments of independent states. They fought for freedom in order to banish these centuries-old scourges. These giant specters did not emerge at the point of independence as some Europeans fondly imagine. They have been there all along, but now all the blinkers are off—Europeans and Africans must look them in the face and accept a share of responsibility in helping to overcome them."

Kaunda's strictures on the kind of societies Europeans have built in Africa have a special bearing on the situation in Rhodesia. There, 250,000 whites enjoy, on the whole, a very high standard of living, either on the land or in attractive suburbs. The population was only half its present number at the end of World War II; the rest are newcomers—former British ex-servicemen who decided to build a freer, easier life after the war; rich tax dodgers driven out of socialist Britain; Afrikaners from South Africa in search of more land to pursue their love of farming, and, more recently, tens of thousands of Portuguese quitting Mozambique, across the border, rather than face life under a black government.

For them the search for a system to preserve their old style of the life led them into rebellion. But the rebellion only increased the danger to their way of life because of the embitterment it brought to the normally docile black Rhodesians, who, only slowly and in desperation, have turned to violence.

Kenneth Kaunda sees the period ahead as "a decisive year in the history of southern Africa." Zambia itself will not become directly involved in the fighting in Rhodesia, although it has warned that any attack on Mozambique will be treated as an attack on Zambia. What the country fears is that, as has happened in the past, the Rhodesians will mine the border or attack villages harboring guerrilla insurgents. Zambia's military supplies come mainly from Britain and Italy, but same items have been supplied by China and, until their recent quarrel, by Russia.

Kaunda no longer believes that peaceful change is possible, at least not in Rhodesia. "We have consistently urged the whites to be reasonable and to accept a peaceful transfer of power to the majority of the people. The Rhodesian whites refused; now they have only themselves to blame. They must now squarely face the bitter consequences on the battlefield. We say to the Rhodesian Front (Smith's ruling party) that when majority rule has come through the barrel of the gun, they should blame no one but themselves for the consequences of their own intransigeance. It is they who have destroyed the basis of nonracialism in Rhodesia. The die is cast. The end is near. We can see it."

If this gloomy prediction is correct—and it is difficult to see how it can be otherwise, short of some miracle—the likely course of events is that, as the guerrilla struggle sharpens, white Rhodesians in increasing numbers will pack their belongings and head for the South African border. It will be South Vietnam all over again. How many white Rhodesians will choose to remain will depend largely on whether the violence can be stopped through a leadership of the moderate whites, who are impatiently waiting in the wings, ready to negotiate with black Rhodesians as soon as the Smith regime shows signs of crumbling. But, by then, white power will have yielded to black power—and the question then must be whether the new men of power will behave differently from those who went before.

But the struggle will not end with Rhodesia. The next and final round will be South Africa—by far the most difficult and dangerous problem on the continent. "Africa," says Kenneth Kaunda, "stands united in its condemnation of racism. We condemn it because it removed from man much of this worth by destroying his soul. There can be no genuine peace in South Africa so long as apartheid is the order of the day. No power on earth can ever hope to keep the people down when it oppresses them. We hope that the minority rulers of South Africa will see the clear writing on the wall."

CONGRESSMAN WRIGHT PATMAN—FROM VISION TO REALITY

Mr. HUMPHREY. Mr. President, with greater perception than most Members of Congress, Wright Patman recognized that the state of the Nation's economy hinged on the monetary policies of the Federal Reserve Board. More than anyone else, he was keenly aware that the decisions of the Board affected the welfare of every family in the country—affected the cost of credit and the price of all goods and services, affected the availability of jobs for all workers.

And with more persistence and fortitude than anyone in Congress, Wright Patman fought to make that agency responsible to Congress, the administration, and the people.

He was incapable of reconciling himself to the fact that the Federal Reserve placed itself beyond the influence of the elected representatives of the people and often pursued a course that produced repeated recessions and irreparable damage to the country.

Wright Patman insisted that it was sheer folly for the Congress to allow the Federal Reserve to hold a portfolio amounting to $93 billion in Federal securities from which it derived an income of more that **$6 billion** a year in interest automatically paid by the Treasury. Throughout his years in Congress, he charged that it did not make any sense, "common, book, or horse," for the Federal Government to pay one of its agencies, the Federal Reserve, interest on Federal obligations, and that it was disastrous to provide the Federal Reserve with an income and expenditure authority wholely beyond Congress to regulate through the appropriations process.

His opponents argued that the Congress and the administration could not be trusted to influence something as important as monetary policy and, therefore, the Federal Reserve's financial independence should be maintained. To Wright Patman, this was an open admission of irresponsibility on the part of Congressmen mandated to represent and serve the public interest regarding all public policies—certainly all policies that shaped the Nation's economic condition.

Wright Patman advocated that the term of the Federal Reserve Board Chairman be made co-terminous with that of the President so that this appointment could be made as soon as possible following inauguration. He advocated that the terms of all Federal Reserve Board members be reduced from 14 to 5 years so that the President could appoint a majority of Board members during his first term.

He proposed that the Federal Reserve's portfolio of Federal securities be eliminated with the exception of obligations needed to conduct open market transactions in order to implement monetary policy. And, he proposed that the Federal Reserve be required to come to Congress to receive its operating funds so that through the appropriations process it could be held accountable for its actions.

Now, at the end of his career, Wright Patman saw what surely is the beginning of eventual acceptance of these reforms which are reflected in the recommendations of the Joint Economic Committee report of 1976 when he was serving as committee vice chairman at the time of his death. Removal of the Federal Reserve's authority to regulate commercial banks and consolidating all such authority in one agency, as proposed in reform legislation now being considered, is another indication that his proposals are finally being accepted.

The vision of Wright Patman, I am certain, will be a reality in the near future.

When Wright Patman announced that the 94th Congress would mark his last term in office, there were those who assumed that the 82-year old dean of the House would gradually slip out of harness as his retirement drew near.

Nothing could have been further from the truth.

Wright Patman was working as hard as ever at the time of his death. He was going full out on projects that reflected some of his major interests throughout his 47 years in Congress.

Under his direction, the staff of his Domestic Monetary Policy Subcommittee had issued a report on the operational expenditures of the Federal Reserve System. A companion report which revealed inefficiency in the System's construction program was about to be issued. It had, in fact, been printed and was ready for distribution. And the staff, at his orders, had begun a third project, one aimed at showing conflict of interest situations through massive interlocking directorate relationships between the largest financial and nonfinancial corporations in the Nation.

At the same time, he ordered that every effort possible be made to free his bill to require the Federal Reserve System to submit to full-scale audits by the General Accounting Office, from the Rules Committee where it had been bottled up the previous year.

Beyond these activities, he was fully participating in the deliberations of the Subcommittee on Bank Supervision, Regulation and Insurance of which he was a member, as it considered far-reaching proposals on reform of financial institutions, something he had long advocated.

Moreover, Wright Patman did not look on retirement from Congress as an end to activity. He was planning ahead to the days he would be working to help organize the voluminous papers that detailed his long career of accomplishments for the Lyndon Baines Johnson Library at Austin, Tex.; and he fully expected to make his voice heard in defense of the interests of the little people of the Nation whenever he considered it necessary speak out.

Wright Patman was in harness and pulling full strength right up to the end. Only death itself could stop him. He did not, in the words of Dylan Thomas, "go gentle into that good night." Rather, in that courteous, but nevertheless tremendously determined way of his, Wright Patman continued to fight against economic injustice imposed on the people of our Nation.

ENERGY POLICY AND CONSERVATION ACT: SEQUEL

Mr. TAFT. Mr. President, I call to the attention of our colleagues two Wall Street Journal articles concerning oil.

The first article reports an increase of 49 percent in the importation of crude oil into the United States from Arab sources since 1973, the year before the oil embargo. In 1973, 16 percent of U.S. imports of crude oil and petroleum products were from Arab countries. Today, that figure is 28 percent.

The second article reports that proved oil reserves in the United States fell last year by nearly 5 percent in spite of an increase in the number of wells drilled. We have used up all the easy oil in this country. If we are to renew our reserves, we have a great need for a dramatic increase in the exploration for domestic oil far beyond that which is likely to occur under present legislation.

Underlying both of these situations is the disastrous Energy Policy and Conservation Act of 1975. This misnamed, misbegotten, and mistaken act is simultaneously encouraging our use of domestic oil, retarding our exploration for domestic oil, and increasing our dependence on foreign oil.

How can those who claim to want a strong defense capability for this country, and a foreign policy designed to further our aims and aid our friends around the world, sit back and watch the United States become increasingly dependent on potentially unstable sources of supply of the fuel we need for our homes, factories, ships, and planes?

I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 29, 1976]

BULK OF U.S. INCREASE IN 1975 OIL IMPORTS SUPPLIED BY ARABS—STUDY SHOWS TOTAL ROSE 86 PERCENT FROM 1974 AND 49 PERCENT FROM 1973 PREEMBARGO LEVEL

NEW YORK.—A study by the Petroleum Industry Research Foundation shows that the bulk of an increase in crude-oil imports by the U.S. is coming from the Arab nations.

Total Arab imports into the U.S. in 1975 rose 86% from 1974, the study noted.

The 1974 imports were artificially low because of the Arab oil embargo, which reduced shipments from these sources to near zero in the first quarter. Nonetheless, the study indicated, Arab imports in 1975 rose 49% from 1973, a year that wasn't significantly affected by the embargo.

Although total U.S. imports of crude oil and petroleum product declined slightly in 1975, imports of crude oil alone rose 15% last year, with the bulk of the increases coming from Arab producers. According to the study, 32% of total U.S., crude imports in 1975 came from Arab sources.

With petroleum products included, 25% of total U.S. oil imports came from Arab sources in 1975, compared with 16% in 1973, the study said. The Arab share rose throughout 1975, reaching 28% in the fourth quarter.

Among other findings of the study: Sources of origin of U.S. oil imports continued to move from the Western to the Eastern hemisphere in 1975. Last year, the Eastern Hemisphere for the first time accounted for more than half of total U.S. imports.

[From the Wall Street Journal, Mar. 31, 1976]

PROVED OIL RESERVES IN UNITED STATES FELL LAST YEAR BY 1.6 BILLION BARRELS

WASHINGTON.—Proved reserves of U.S. crude oil fell nearly 1.6 billion barrels last year to 32.7 billion barrels, the oil industry said.

The American Petroleum Institute, an oil-industry trade group, said the decline came despite an increase in drilling activity.

The API said an estimated 1.3 billion barrels of oil were added to U.S. proved reserves last year through discovery of new fields, extension and development of known reservoirs and revision of earlier estimates.

But domestic production last year withdrew nearly 2.9 billion barrels from reserves, leaving a net reduction in reserves of nearly 1.6 billion barrels.

Proved reserves are defined by the institute as those that geologic and engineering data demonstrate with reasonable certainty to be recoverable from reservoirs under current economic and operating conditions. They are only part of the total oil resources thought to be in the ground.

The API said the number of oil and gas wells drilled last year increased 17.7% to a total of 37,235 from 31,698 in 1974.

ANNUAL AGRICULTURAL EDITORS BREAKFAST

Mr. HUMPHREY. Mr. President, on March 30 I had the opportunity to again attend the annual congressional breakfast of the Agricultural Editors of America.

These events are always very informative and useful in terms of gaining a better understanding of the issues and problems in rural America.

The four speakers focused on what had been some of the major, current problems in agriculture and rural America during the past year. One of the most pervasive problems has been the question of what is our national export policy.

Jack Pickett quoted me in saying:

> We can no longer afford to have a separate policy for grain producers and another for livestock, dairy and poultry. We cannot ever afford to have just an agricultural policy or consumer policy, or a trade policy. We must have a policy which interrelates and balances all of these elements.

Export policy has obviously been of major concern to our farmers during the past year as they were encouraged to plant to the hilt, but felt double-crossed when export controls were established.

Another major concern has been the modification of the existing $60,000 limitation on tax free estate inheritance. Mr. Lane Palmer, editor of the Farm Journal, has made a particular crusade of this matter and in one of the earliest articles on this subject suggested "Let's get rid of the widow's tax." Many of our farm wives have become increasingly concerned over this matter as they face the possibility that they would have to sell the farm to which they have contributed so much in order to pay the inheritance taxes on the death of their husband. We all know that in most cases wives work with their husbands and contribute equally in the operations and the development of the family farm. With today's escalating land values, the $60,000 limit established in 1942 is completely outside the bound of reason.

There were other discussions concerning crop trade-offs with soybeans in the face of competition from Brazil and palm oil imports. And it was made evident that King Cotton is smiling again as the prospects and the prices have gone up in recent weeks. The discussion also focused on prospects for livestock producers as well as wheat production in the drought belt of the Midwest.

These were most informative reports, and we also had statements by the chairmen of the House and Senate Committees on Agriculture.

Mr. President, I ask unanimous consent that the full text of these remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

AGRICULTURE IN THE SOUTH

(By Ed Wilborn, Executive Editor, Progressive Farmer)

In the South, King Cotton smiles again! And this is a change, because he has had little to smile about the past two or three years. Until this year, everything about cotton has been going down—acreage, production, yield per acre, price—all down.

But for 1976, almost all cotton indicators are up—11.2 million acres, and maybe 12 million, expected to be planted, up at least 17% over the 9.6 million acres in 1975.

1975 was an especially bad year for cotton. Not only was acreage down, but yield and price were down. Within the past year, however, the price of cotton has risen from a low of about 37 cents per pound to 55 cents per pound and above in recent weeks. There is considerable activity now in forward contracting of cotton. If we can get the contract price up to 60 cents, a high percent of the 1976 crop will be contracted.

The big remaining question mark on the 1976 cotton crop is yield. Of course, yield is always tied closely to weather conditions. But insect problems are another big factor. In some local situations, insects got the upper hand in 1975 and almost completely destroyed the cotton crop. Some of the weapons used against cotton insects have been taken away, but there are some promising new ones on the horizon. Overall, we are anticipating and looking forward to a great year for cotton.

This optimistic view for cotton is also true for several other important Southern commodities. There are two or three exceptions.

The soybean picture isn't quite as bright as in 1975. For one thing, soybean acreage in the South will be down considerably. According to a recent survey made by the American Soybean Association, soybean acreage will be down 18.6% below last year in the southeastern States of Alabama, Georgia, Florida, North Carolina, and South Carolina. In some of the upper south states, soybean acreage will be down 15.2%. In Mid-South States, the soybean acreage decline will be more moderate—only 7.4%.

The general situation between cotton and soybeans for 1976 is just the reverse of what it was in 1975. Last year, many cotton acres were planted to soybeans. This year, many soybean acres will be planted to cotton. And there is just one primary reason for the switch—price. Soybean prices are down and cotton prices are up.

Some experts are saying that the new frontier for corn is in the South. The recent trend in corn acreage in the South gives at least some substance to this prediction. Corn acreage this year will be up in almost all Southern States. Let's take South Carolina as an example. In 1972 (corn was a $19 million crop in South Carolina. In 1973 it was a $30 million crop; in 1975 a $70 million crop. This year, 1976, planting intentions indicate that corn acreage in South Carolina will be increased 75% over last year.

Even in the Southwest where you don't normally expect to see much corn, there has been a big increase in corn acreage. In Texas, for instance, corn acreage has almost doubled during the last 10 years—from about 500,000 acres to more than a million acres. During this same interval, there has been a tremendous increase in corn yield—from a state average of 15 bushels per acre to about 105 bushels per acre. Much of this increase has been due to a shift of corn acreage from dryland to irrigated areas.

Much of the increase in corn acreage can be tied directly to the predominance of livestock as an enterprise on Southern farms. The long range future of agriculture in the South is tied closely to forages and beef production. It has recently been estimated that the South is presently producing only 28% of its potential in forage crops. So there is almost unlimited opportunities for expanded production of forages in Southern States. The South has the rainfall, the climate, and the soil to produce forages in almost unlimited quantities. In turn, this potential forage production is reflected in an equal potential for livestock production. And it only makes sense that if we grow the beef in the South, we should also finish a big percent of it in the South. Also, the new beef grading system will encourage greater production of beef on forages. We now expect that much of our beef will be finished on grass, with grain being fed as a supplement.

The wheat situation in the Southwest is somewhat cloudy at the moment. We already know that the Southwest crop will be down from 1975. As you know, Texas and much of the Southwest is in a severe drought situation. There has been rain recently in parts of the area but it didn't come early enough to produce a normal crop. However, much of the loss in the Texas wheat crop will be offset by increased acreage and production in other Southern States. Unlike Texas, wheat has not suffered from drought in the remainder of the South. A new cropping practice is spreading like wildfire in many Southern States—the practice of doublecropping wheat and soybeans. This puts many acres of wheat into areas that once grew very little wheat. With doublecropping, you harvest a wheat crop in the spring, plant soybeans behind wheat, harvest soybeans in the fall, and plant wheat behind soybeans—all in the same year. There is more potential for doublecropping in the South than any other major agricultural area of the United States.

Briefly, on other Southern crops: 1976 prospects on tobacco are excellent. There is much discussion now on the subject of lease and transfer of tobacco allotments across county and state lines. Surveys and meetings are presently being conducted to determine grower preferences on this subject.

The peanut picture continues bright in the South.

The rice picture is a little cloudy at the moment. As you know, with passage of the recent rice bill, growers everywhere are free to plant any increase of rice they choose. But rice prices have fallen drastically, and this creates a big question mark. The South can grow rice in almost unlimited quantities if it can be sold at a profit.

The dairy and poultry people are beginning to smile a little more in the South. Prices have improved somewhat, but still below what would be considered satisfactory levels.

SPEECH BY JACK T. PICKETT

MARCH 29-30, 1976.

Last year I had the pleasure and honor of five minutes of your time. In reviewing my previous comments I made a plea for a firm, viable food export policy for this country. That plea still stands and I feel sure that every farm editor in this room would back me up on that request.

Senator Humphrey has said "that we can no longer afford to have a separate policy for grain producers and another for livestock, dairy and poultry. We cannot ever afford to have just an agricultural policy, or a consumer policy, or trade policy. We must have a policy which inter-relates and balances all of these elements."

We in agriculture are doubly distressed when we see the State Department usurping the powers of the Agricultural Committees.

At present we are very worried about the GATT negotiations. We are not at all sure that agriculture is adequately represented. We are very concerned that already several of the specialty crops of the west have almost been traded off. California is putting up their own money to put an observer in Geneva.

You fellows hit a real nerve ending when you talk about death taxes. Every farmer in the U.S. is vitally interested in this kind of tax relief. We are not too crazy about the President's proposal to extend the agony of repayment but we are interested in the increased exemptions.

Presently, the general weather situation over the South is excellent, except for some areas of the Southwest. A report from Georgia states, "We have never been so ready so early." And this is generally true in many Southern States. Weather has cooperated to the extent that land preparation and planting is ahead of schedule. The overall picture is good.

I will conclude by saying this: The markets for many Southern agricultural commodities are tied closely to exports. Probably never before in recent years have Southern farmers been as angry as they were when the Government clamped an embargo on grain shipments a few months ago. Reason for the anger was that farmers felt double-crossed, because the embargo came in the very same crop year when they were urged to plant fence row to fence row and with a definite promise that there would be no export restrictions. Then, we all know what happened. I don't believe Southern farmers blame any one man for this: I think they reason that it reflects the absence of a clear cut national food policy. The time has come, Southern farmers believe, when the United States must make up her mind: Do we go all out on production and sell in the world market? Or do we restrict our exports, creating the necessity to also restrict acreage in order to receive a profitable price? The time has come, they feel, when this basic decision must be made.

There are two things that are essential to maximum food production. One is water and the other is pesticides and weedicides. Let's talk about pesticides first. We have a feeling that the E.P.A. will go from the elimination of the hydro-carbons to the organic phosphates and then the carbamates. If they do we will really suffer. We are told that a large portion of Federal research funds is going to colleges where the emphasis is on biological controls. California has pioneered in biological control and has sent men all over the globe in search of predators. In my 25 years of experience as an editor, I have never found a situation where biological control was the whole answer. Compared to chemical control, biological control is like a grain of sand in a bucket. We are not opposed to biological control but it should be observed in the proper perspective. Some of the big chemical companies are becoming pretty discouraged by the amounts of time and money it takes to get a new chemical, registered. If any of you men have any idea about how to ease this situation we would be very grateful. One of the first steps is that we have to convince the environmentalists that there is no such thing as a zero tolerance.

The best kind of rainfall is rainfall that comes through a pipe or a ditch. The foresight of those men who built big dams in the west is really paying off. Some irrigation districts operate behind dams that hold a five-year supply of water. I read the other day that one farm in ten in the U.S. is irrigated. As that percentage goes up so will the stability of agricultural production. We hope we have not seen the end of basin development of water supplies.

In conclusion, the irrigated portion of California, Washington, and Oregon will have a good year. Range conditions in California are very bad, and hay is selling at a hundred dollars a ton.

LET'S GET RID OF THE WIDOW'S TAX

If I were to attempt a report on the farming situation in the Northeast this spring, I should have to confess that it is excellent. We've had good winter rains, temperatures have been well within the range of normal. And if the bursting buds here in Washington attest, we have the beginning of a warm, open spring.

But our distinguished guests from the Senate and House probably could not bear up under a torrent of such good news. When a delegation such as ours comes to Washington, it is usually to complain and to ask Congress to do something about it. So I shall not disappoint you.

In our September issue of Farm Journal, we carried an article calling attention to hardships being imposed on farm families all over the country by our outdated state and federal estate taxes. Now we were not the first farm publication or farm organization to point out this gross injustice. But I believe we were the first to call it what it is. The title of our article was "Let's Get Rid of the Widow's Tax". The author, Laura Lane, cited just a few examples of the farm which had to be sold and the farm widows who have been left usually destitute by a tax which gives farm women absolutely no credit for the monetary contributions they make to the purchase and building of their farms. That title touched a tender nerve. To date we have received over 4,800 letters, many of them containing first-hand accounts of what our estate tax laws are doing to destroy its family farm.

I propose to read just a few excerpts this morning to convey to you the urgency of immediate estate tax reform.

First, let's make it possible for farm women to claim a monetary value for the thousands—indeed millions—of hours they contribute to the building of a farm. Now we all know that we can't claim the ordinary duties of caring for a home and family as a capital input. But the farm wife does make real capital inputs in many ways.

A Nebraska woman writes, "If there is such a thing as 'his' or 'her' money, it was my school teaching money which paid for this farm in the first place."

Yet because 20 years later, she had no record of her school pay, the IRS could not allow it.

Mrs. Sharon Jensen of Beresford, South Dakota, sent us a copy of a letter she wrote to the Director of IRS at Aberdeen. "I would like to know just what kind of records I need to keep to substantiate my money contribution to farming" she wrote. Then she detailed some of her inputs:

1. She taught school for 4½ years.
2. She is responsible for half of the farrowing operations such as giving shots, clipping teeth, docking tails, etc.
3. She handles all the farming records and participates in all of the management decisions.

She also sent us a copy of the answer from IRS. It said, "the value placed on such services which could be used in determining your contributory if your husband precedes you in death is subject to the laws of the state in which the property is located. Under the existing laws of South Dakota, the services rendered by a farm wife, freely volunteered, are considered as gratuitously given by reason of the marriage contract."

From Mrs. Kay Olsen of Bloomville, New York: "My husband passed away Dec. 5, 1975. We had had a three-way arrangement with my son which had worked very well. Today, the IRS has notified us that it has decided to audit our estate tax return to see if my son and I contributed to the business income. Where else would it come from?"

And from Mrs. Esther Wagles of Abbyville, Kansas who writes simply: "I am a widow since May 27, 1975, and I know I'm in trouble."

The second area of needed reform is to increase the $60,000 exemption.

Mrs. Cranston of Kentucky writes: "A piece of land we paid $8,600 for has just been appraised at $61,250.00. A $200,000 exemption would make the difference between being able to keep this farm and having to sell it to pay estate taxes." And then she adds: "I'm mad as hell about us widows being cheated."

William G. Cox of California writes: "Several months ago my mother passed away, and we started the simple process of changing the title from her name to mine. It is no longer simple. In fact, it is impossible. I had to sell. It was a financial catastrophe because it is the only investment that this 57-year-old understands. And then Mr. Cox added a cogent observation. "The IRS is killing the family farm. The big corporations that are buying up the small farms will never pay another death tax because a corporation doesn't die.

These letters point up other areas that need to be corrected if I had time to read them.

1. Just as many states now assess farmland for its farming value rather than its development value, so should the IRS. Family farms can be put out of business as surely with estate taxes as with property taxes.
2. Several widows complain that nine months is simply not enough time to settle estate taxes, particularly if they happen to be caught in a temporarily depressed market.
3. Many wives are being denied credit with which to pay estate taxes because banks have no confidence they can pay off the debt.

As I read these letters I am struck with the fact that the widow's tax is one more symptom of the crisis of capital in this nation. Most of us are aware that even many large corporations now have a very high debt-equity ratio. Maybe the current stock market will relieve the pressure a little, but careful students of business are wondering just where we're going to get all the capital we need to clean up the environment, solve our energy problems, rebuild our out moded factories and most important of all—create the jobs to put our unemployed to work.

Surely Congress is justified in closing the tax loopholes and taxing windfall gains and profits. But historically this nation's supply of capital has come from the middle class—saving and investing their dollars to prepare for their old age, to send their children to school, to build a business as these farm couples did.

In our drive for egalitarianism the whole emphasis has been on equality of consumption—adequate diets, equal educational opportunity, good medical care for all, acceptable housing. And these goals are important.

But there can be no consumption without

there first being productions. The real tragedy in these letters is that these farm women denied themselves and their families consumption, in order to accumulate the capital to produce. If we remove the incentive to accumulate capital by permitting confiscatory estate taxes to persist, who will produce for tomorrow? Certainly not the family farm.

REPORT BY TOM DOUGHTY

Chairman Talmadge, Chairman Foley, distinguished members of the Senate and House Agricultural Committees and fellow ag journalists:

In answer to what Midwest farmers might have in store for them this uncertain year, I would be most honest if I said right from the start: "I really can't be certain."

But a good farm reporter should never rely solely on his own opinion. Thus, I surveyed a group of our agricultural editors, representative of the Midwestern states, and came up with the following questions and answers:

How do Midwestern farmers really feel about the outlook for the following?

CORN

Answers ranged from "nervous" to "apprehensive" to a "wait and see" attitude. If the market sags, farmers know they'll be in real trouble because of high production costs. Cash-grain farmers are counting on world demand to keep prices up; they want the government to keep the doors of the store open. The livestock producer, who may or may not be selling any grain, is really on the fence. He's basing his livestock operation on the lowest possible grain cost; yet, if he has grain to sell, he wants the top dollar. In the heart of the Cornbelt, though, farmers are gambling on the weather and the market situation by showing an intent to increase corn acreage. Many, however, have delayed longer than normal with their fertilizer and chemical orders—waiting to get a better reading on the market and weather situations. When the corn planting season starts in just a few weeks, there may be one big rush and a lot of jam-ups in getting fertilizer and chemicals from wholesalers, to dealers, to farmers. Small grain planting already has begun in many Midwestern states.

SOYBEANS

One reason the corn acreage may be up is because of greater skepticism over the soybean market outlook. Midwestern farmers are apprehensive about the rapid increase in Brazilian soybean production, plus the real threat of palm oil in the vegetable oil market, plus the possible lessening demand for soybean meal in the European Community. However, right now, there still is a lot of below-normal dryness in the Midwest. Soybeans can be more drought-tolerant than corn. Thus, if moisture still is short when the planters start to roll, some farmers may be filing more of their seedboxes with soybeans than they earlier intended.

WHEAT

Midwest wheat growers may profit at the expense of the southwestern growers who may have dried out. There's general optimism among wheat growers, from much of Kansas up through North Dakota. There's some concern, however, about possible winterkill of winter wheat in areas where snow cover was lacking. Generally, however, there's more optimism about the market outlook for spring wheat than there is for corn and soybeans.

FORAGES

Livestock farmers, particularly dairy and beef cow operators, are feeding forages in every conceivable way in an effort to keep feeding costs down. More silage is being fed and the value of high-tonnage alfalfa crops is fast being recognized. The latter may be a real factor in confronting the increasing problem of soil erosion—a real concern among both rural and urban people.

HOGS

In spite of several months of good hog prices, inners-and-outers aren't jumping into the business as they once did. They would rather truck cash corn to town than invest in hog facilities. They would rather sell $10,000 worth of corn than build a $10,000 hoghouse. USDA's March 22 Pig Crop Report indicates more interest in the hog business but, generally, it's most of the bigger producers who are expanding, those with already high investments.

Both cattle and hog men are becoming more concerned about marketing margins. Why, for example, hasn't the retail price of pork dropped more than it has, considering the farm price drop from $64 last October to $45 or less in March?

BEEF

There's unhappiness about fed cattle prices, combined with confusion about the new USDA beef grading standards. $50 per head losses the past several weeks have been commonplace.

Choice steers with Yield 4 are being severely discounted compared to before the new standards. But producers should soon adjust to not over-finishing cattle, which is the main problem.

Cattleman are hoping the cow herd will be cut enough to raise profit prospects the next couple years. But they are voicing concern over beef imports and are wondering about the real effects of pollution regulations.

DAIRY

The color of ink on dairymen's balance sheets depends more and more on fluctuating feed costs, since nonfeed costs keep going up and staying there. In this respect, as I mentioned, more forages are being fed. Though the profit picture has improved over year-ago levels, more and more Midwest dairymen, particularly the marginal ones, are quitting. Those with high per-cow production and sharp management are hanging in.

SHEEP

With half as many sheep as in 1960, sheepmen see brighter days ahead. The downturn in sheep numbers seems to be leveling off, and most of the remaining sheepmen are dedicated to their business. With the petroleum pinch hurting synthetic apparel manufacturers, indications are that wool demand and prices will continue to look good.

In summing up, the editors I surveyed reported that Midwestern farmers are most concerned about: The weather; export restrictions; the quality of grain being exported; rising production costs; the energy situation; estate taxes; favoritism to consumers; uncertainties, confusion and higher costs because of EPA, OSHA and land use planning regulations; and excessive government spending.

Our farmers are happiest about: The general improvement in the farm economy the past few years and the long-term future potential for farm exports and the resulting improvement in farm income. Most happy are those in areas where rain or snow fell the past week or so.

OIC'S SUCCESS RECORD

Mr. SCHWEIKER. Mr. President, on February 5, 1976, I introduced S. 2939, to authorize a new program enabling Opportunities Industrialization Centers, Inc., to create 1 million new jobs and job training opportunities over a 4-year period. S. 2939 is now cosponsored by Senators ABOUREZK, BAKER, BAYH, BROCK, BROOKE, CHILES, DOLE, GRAVEL, PHILIP A. HART, HARTKE, HUDDLESTON, HUMPHREY, JACKSON, KENNEDY, LONG, NELSON, PASTORE, PELL, RANDOLPH, HUGH SCOTT, SPARKMAN, STONE, SYMINGTON, TAFT, TALMADGE, THURMOND, and WILLIAMS.

All of us who have witnessed the spectacular growth of Rev. Leon Sullivan's OIC concept are well aware of its consistent success in manpower training. To bring this record up to date, I would like to call attention to the following information, prepared by General Electric Co. for OIC, showing the statistics regarding OIC's recent and projected operations.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, material was ordered to be printed in the RECORD, as follows:

GENERAL ELECTRIC CO.,
Philadelphia, Pa., December 18, 1975.

Rev. LEON SULLIVAN,
Zion Baptist Church,
Philadelphia, Pa.

DEAR LEON: Attached is an update of the data which you used in your July 10, 1974 testimony before Senate Appropriations Subcommittee. You will note that two separate periods are covered: history from 1964 thru 1975 and a projection for 1976 thru 1980. Also, enclosed are several charts in which I've attempted to portray in a simple manner, the very impressive statistics.

You have my sincere wishes that the enclosed will prove of benefit to you in your endeavor to further the outstanding progress of OICs of America. Please give me a call if I can help further—it's an honor and a privilege.

Sincerely,

——— ———.

Consolidated summary

[In billions of dollars]

	1964–75	1976–80	Total
Wages for people formerly on relief	$2.9	$6.7	$9.6
Incremental wages for former under-employed people placed in better jobs	1.9	4.6	6.5
Total wages	4.8	11.3	16.1
Federal income taxes on above wages	.6	1.4	2.0
Welfare payments saved	1.5	3.6	5.1

Backgrounder Factsheet Re: Dr. Leon Sullivan's OIC Job Training and Placement Capability

OIC of America requested an analysis from the General Electric Corporation Aerospace Group with reference to the economic impact of OIC work from 1965 to 1975. During this period, OIC grew from a $1.00 a year leased jailhouse in Philadelphia's Black ghetto, to a 200 Center network of non-profit corporations working through the manpower revenue sharing process created by the 1973 Comprehensive Employment and Training Act.

Dr. Sullivan's OIC Centers are operating in rural, urban and migrant communities and are training and placing on jobs people of all races, including Appalachian whites in poverty pockets and recession-unemployed whites whose unemployment insurance is running out. The concentration on Spanish-speaking, Indian, Asian and Black unemployed has increased but Dr. Sullivan is especially pleased to find that OIC has become an all-American program.

In the 1974 report of the Appropriations Subcommittee on Labor-HEW, OIC was named for $75 million to train 75,000 Americans at the average per capita cost of $1000 per trainee-placement. Dr. Sullivan reports that approximately $60 million was secured by OIC Centers through the Prime Sponsors, plus financial assistance from industry in the private sector. It was noted that although the Appropriations Committee instructed the Secretary of Labor to make $15 million available from Title III monies for OIC special projects dealing with ex-prisoners, drug abuse rehabilitation, Indian and migrant job training projects and rural farm projects, the Department of Labor indicated that there was not enough money available in Title III funds. Therefore, OIC only received $2 million plus of the $15 million originally designated by the Congress.

The Manager of the General Electric Group Finance Operation, Mr. Robert Norwood, indicates in a letter dated December 18, 1975, that he has updated the data used by Dr. Sullivan in his testimony before Senate Committees in 1974. In addition, a projection of what OIC would be able to accomplish from 1976 through 1980 in terms of economic impact as Dr. Sullivan's goals are reached, provides a very impressive picture.

Dr. Sullivan's future plans call for placing a cumulative total of one million people through 1980 or 750,000 during the years 1976 through 1980. The economic study shows the wages earned, the relief payments saved, the taxes paid by people trained and placed by OIC. Credit was given to OIC for (1) direct placement from OIC intake; (2) placements as a result of referrals; (3) placement as a result of job upgrading.

One third of the people placed had been on relief prior to entering the OIC program. The relief payments averaged $4000 per year per person. Wages for people placed from relief rolls averaged $7500 per year per person. Incremental earnings of under-employed people averaged $2500 per year per person.

Taxes for people placed from relief rolls averaged $700 per year per person. Incremental taxes for the under-employed people averaged $450 per year per person.

A consolidated summary (in terms of billions of dollars) of the economic impact that OIC has been able to make as it has trained and placed 250,000 Americans, is very impressive. As Dr. Sullivan plans to train and place another 750,000 to make a cumulative one million, the first step will be 150,000 placed for $150 million in fiscal year 1977.

DEVELOPING NUTRITION LEGISLATION

Mr. HUMPHREY. Mr. President, I wish to share with my colleagues the address of Representative George Miller of California, to the Society for Nutrition Education at its August 1975 meeting. This address was included in the January–March 1976 issue of the Journal of Nutrition Education.

This address details the efforts of first-term Representative Miller as he attempted to make sure that the program for nutritionally vulnerable women, infants, and children—WIC—was not closed down by the administration. This speech was made as H.R. 4222, the child nutrition bill of 1975 was still under consideration.

Congressman Miller also offered a number of significant comments about the future of child nutrition legislation and the importance of groups such as the Society for Nutrition Education in providing the information base on which future legislation will be judged.

He particularly cited waste in the school lunch program as an important issue which we will have to face in the future. He also points out the importance of improved nutrition education in cutting down waste and increasing the effectiveness of the funds invested in the programs.

I certainly applaud the interest and the dedication which Congressman Miller has brought to this subject in the brief time he has been in Congress.

Mr. President, I ask unanimous consent that his remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

[From the Journal of Nutrition Education, January–March 1976]

Legislation for Nutrition: It Depends on You

(By Congressman George Miller)

I am a freshman Congressman and have not been in public life prior to January, 1975.

I appreciate the invitation to speak before your organization, because it is important that efforts are made between the nutrition movement and the legislature to keep in constant contact. I started my "career" in the nutrition field about five years ago when I was legislative assistant to the majority leader in the California State Senate. After about three weeks of dealing with nutrition, I found that it was over my head and that I needed help. So I went pounding on the door of the Senate Rules Committee and, after about four months, was able to persuade them to create a Select Subcommittee on Nutrition and Human Needs, which hired a nutritionist, Audrey Cross. The awareness of nutritional problems that she and that committee have brought to the California State Legislature has been very helpful.

Nutrition and legislation, I think, can be a very happy marriage.

In the Congress, I sought to serve on the Education and Labor Committee because of the nutrition programs embodied in its jurisdiction. I was delighted to find out that the National School Lunch Program was up for renewal as one of the first items of business. I was also delighted to find out the active role that the Chairman of that committee—the person whom many call the "Father of the School Lunch Program" Carl Perkins—plays in fostering the welfare of that program in the Congressional procedure. To have Carl Perkins watching out for your welfare is a big plus.

"FRESHMAN" BILL GETS PASSED

One of the delights of being associated with the nutrition movement is that I guess I'm still the only freshman Congressman who has had a bill signed by the President! Earlier this year, Alan Stone from Senator McGovern's staff called and informed me that California was about to cut off the WIC program, close the clinics and remove the staff. We needed to extend the financing, and he asked me if I would help out. I was delighted but did not know how to go about it.

I went to Chairman Perkins and asked him if he would introduce a bill in committee. He said "No, it's too late to go to committee." So I said "We'll amend something on the floor; will you help me with that?" He said "There's nothing you can amend on the floor. What you have to do is introduce a bill and get it considered by unanimous consent." I asked "Does that mean what I think it means—that everybody has to agree?" "Yes," he said. I said "Can we get everybody to agree in the committee?" He said "You don't do it that way—you do it on the floor of the Congress. You just take the bill straight from the Speaker's desk and ask for their unanimous consent. If everybody agrees, you're home free. If one person objects, you're in deep trouble."

I said "I'm going to do this" and scurried around for three days and tried to talk to all the "right" people. On the floor of the House, I got up and was recognized by the Speaker. (I had asked him "How are you going to recognize me?" because I didn't know the proceedings. He said "Oh, no problem—you're a rather big fellow, and I'll find you.")

Everything went fine. Somebody asked me a question, and I answered. I had all my books and papers laid out like Clarence Darrow; I was really going to make a persuasive argument. There were a few more questions, and I got ready to give my speech. The Speaker banged his gavel, and the bill was over. I turned to Bella Abzug and said "What do I do now?" She said "It's over, you won." I didn't even get to make my case.

I tell this story to make an important point. The case for the WIC program had been made much earlier. The case was made by the alliance of the medical community, the nutritionists and the welfare organizations. The case was made very clear in our subcommittee and in our full committee. It was a program where we increased the authorization with unanimous consent of that committee—because the case had been made clear by this lobby group: this is a vital program, dealing with a very vulnerable population. Therefore there was little trouble with the passage of that legislation.

SCHOOL LUNCH PROGRAM CHALLENGED

The message that I would like to leave with you now is: I don't see that case being made for the National School Lunch Program. I am very concerned about the attacks I see being made on this program. I have been told by many long-term members of Congress that it is a program nobody votes against because you combine the best of the farm interests, the consumer interests, the education lobby and all those involved. However, that is no longer true. I think that, as the program has expanded, the professionals involved in it have failed to keep us legislators up to date on the merits of the program and what is being accomplished. It is coming under challenge.

There was an amendment on the floor where we tried to put a 35-cent cap on the price of the lunch to keep the middle-class student in the program and to expand it. It was a Republican amendment, and I was told by two members of the Democratic leadership that there was no way that amendment was going to pass because it was a Republican amendment. That amendment carried the day with the overwhelming majority of the 75 new Democratic members because they could not make the case to themselves of how the expenditure of that money for upper middle-class kids could be rationalized. I think that is a failure on my part and a failure on your part to have them fully understand what nutrition is about.

The legislators understand the WIC program because it is aimed at the poorest of the poor, but they don't understand it when it is about their children or the banker's child. Somebody said "You mean to tell me we're going to feed Nelson Rockefeller's children?"

CONGRESS NEEDS EVIDENCE

Congress is going through a period of reevaluation of many programs—the so-called "poverty programs" of the 1960s—and they want the answers. They want the answers in terms of accountability, and, as you and I know, that is very tough to do in nutritional programs. What worries me with the WIC program is that two or three years down the road, as we look back to see what we have produced, we are going to produce a lot of healthy children, healthy babies and healthy mothers. I don't know how I am going to prove that, and that is where I need you.

The legislation I have introduced[1] and that Senator McGovern has introduced[2]—along with a lot of coauthors in both Houses—may mean the survival of the school lunch feeding program. I think that without adequate nutrition education in the elementary and secondary schools, and without adequate training and ability to get the message across, the attacks on the feeding program itself are going to become more and more severe—because the case is not made. I can make the case in my District, which encompasses some of the wealthiest areas of California. I cannot make the case in Congress with 435 people who are more concerned with what *they* are doing than what I am doing. That is why I need to plead for your help.

I think we will get the school lunch bill passed with little trouble from here on in. I think the raising of the eligibility limits is going to have a dramatic impact on that program—both in participation and awareness. However the next time it comes before Congress, it is going to come under very severe challenge. My question to you is: *will we have the evidence to justify the expansion of that program if that is the desired goal of the Congress or even the maintenance of the greatly expanded program we will produce this year?* The answer rests on your shoulders. I cannot do it, and I dare say that most other members of Congress cannot, either. While we are backed with tremendous staff help such as Marian Wyman and Alan Stone, the work load does not allow them to do the kind of research that *you* are capable of doing.

No longer can this kind of program be allowed to live on its laurels because the farm community has changed, the food situation is changing, pricing of food commodities for this program is changing, and it is going to come under severe threats. It is going to have to be maintained on evidence. I am a victim of my law school training: I can go as far as the facts and the evidence allow me to. I need that evidence—just as other people who have been strong proponents of this legislation in the Congress a long time before I was there have got to have that evidence.

When you stand on the floor of the House, somebody who was a former school principal says, "Well I don't know what this program does. All's I know is that when I walk by the trash can, 80% of the food is in there. Why are we paying for the food? The kids don't want it, and you can't teach 'em to eat it. Why are we forcing them to eat something they don't want?" On the floor of the Congress, with the Press reporting it, that is a very demagogic yet effective statement, one we have to deal with. The problem of wastage in the program has got to be dealt with by you. Whether it is a change in the approach about the Four Food Groups, an updating of your reliance on food technology or a direct confrontation with the food industry, somehow that wastage has got to be cut down.

I think it is cut down through education. However the education has got to go home. It may very well mean a direct confrontation by this lobby and those elements of the food industry that still produce foods that have no nutritional merit. Families need to be educated as to the detriments of those foods.

In a time when programs are competing like they have never competed before for Federal dollars, and when the whole country at all levels is going through major reevaluation of the expenditure of those dollars, we have got to work almost overtime in trying to produce the evidence. More than just simply trying to produce it because it is there, we have got to raise the awareness of the legislature as to this question.

ROLE OF NUTRITION "MOVEMENT"

I dare say that my efforts and the efforts of others who have long tried to work for better nutrition in this country are only as good as you are. I am a firm believer that legislators are only as good as their staff. I take some license with that and consider all of you my staff! How do you like it—for a buck a year or whatever it is? I say that because it is your papers, your books, your testimony that we rely on. It is your papers, your books, your testimony that we recite and regurgitate on the floor of the Congress for those who don't sit on the Committee.

We need to look at the freshman class in Congress. Many of them were elected from areas that had never elected a liberal in the history of that district. They represent districts in which the registration is of the opposite party. They have got to bring home the evidence if they are going to cast their vote. Otherwise they can only bring home the demogogic statements of those who don't know what they are talking about; some of those statements make great "press."

I hope and believe that the National Nutrition Education Bill will be given a full hearing in this session of Congress. I think that there is certainly—given the chairman of the Education and Labor Committee on which I reside—sympathy and interest in nutrition. On the Senate side, Senator McGovern is already making efforts. I hope that we can build an effective lobbying interest on behalf of this legislation because this bill is the answer to many of the concerns about the school lunch program. We can make the case that the expenditures of monies that are now being made could have a greater efficiency in terms of cost/benefit if we could combine the educational process with the feeding process. That is the case that has got to be made, and that is the case that will be heard. Everybody in Washington is competing for dollars. I think we can show that, by the investment of the $75 million called for in this bill, we can make far more effective the $3 or $4 billion that we are spending in those feeding programs and can have a much more long-lasting effect.

I would hope that, in those endeavors this group and allied groups want to undertake in regard to nutrition, you would look on me as a vehicle for much of that work. I would be delighted to help because I have personally never been let down in terms of the background work by people interested in nutrition or food service. I have always found them to be very effective and hardworking, and I would enjoy very much if we could continue the relationship I hope we have built up in the rather short time I have been in Congress.

BICENTENNIAL

Mr. McGEE. Mr. President, a poem was recently brought to my attention written by a constituent of mine, Faye Mayer of Rawlins, Wyo., embodying her reflections upon this Bicentennial Year.

"Bicentennial" is a poem which strongly reflects the role of the railroad in the development of America and its significance as a symbol to a nation always on the move. Moreover, the railroad is the product of cooperation and faith in the future of America.

Faye Mayer has cleverly intertwined these two themes in a poem which I ask unanimous consent to have printed in the Record.

There being no objection, the poem was ordered to be printed in the Record, as follows:

Bicentennial

'76 is the year for us to cheer and join in celebrating
Our country's birthdate, and to rededicate—
Our faith and our trust in our nation.
Nations are more than boundaries, and mountains and rivers and lakes.
They are people and their dreams and political schemes—
Their triumphs, and yes too—their mistakes.
There are many stories of change and growth that deserve our acclamation.
But none is more dear to the "Old Timer's" ear—
Than the story of transportation.
Railroads were a great service to established civilizations.
In America of course, the old iron horse was—
The very life blood of our nation.
Nostalgic, the story of "railroading glory" and how it all began.
When steam replaced sails and "took to" the rails—
And "begat" the Railroad man.
Though the "golden age" of the railroad, is past—except for freight,
It's not "pas-se" by far, as the horse and the (car?)
For railroads must still pull the weight.

---

[1] HR 8584, the 1975 nutrition education bill introduced in the House (Miller—Calif.)

[2] S1945, the 1975 nutrition education bill introduced in the Senate (McGovern—S. Dak.)

Dreamers they say are impractical with ideas of little worth.
But wouldn't it be practical to be dedicated to principle,
And patriotic to all peoples on earth?
It would take working together, as all "Old Timers" know.
Boundaries might fall (not be needed), but violence would cease,
And the whole wide world could be at peace.

FAYE MAYER (dreamer).

TRIBUTE TO THE LATE WRIGHT PATMAN

Mr. RIBICOFF. Mr. President, it is with great personal sadness that I rise to pay tribute to the late Honorable Wright Patman of Texas.

I was not only privileged to know Wright Patman but I was also honored to serve with him, first in the House of Representatives and, later, on the Joint Economic Committee. I was particularly impressed with his honesty, his integrity, his manners, and his forthrightfulness.

During almost five decades of continuous service in the House, this great Texas populist frequently displayed the courage of his convictions and was not intimidated by his opposition. He became an effective spokesman for consumers and championed the cause of homeowners, tenants, and small businessmen who faced the power of the big banking concerns and narrow special interest. Representative Patman endeavored to expose conflicts of interest and to secure the full accountability of the Federal Reserve System to the Congress.

Among Wright Patman's most notable legislative achievements are the creation of the Small Business Administration; the passage of the Robinson-Patman Act, which makes it illegal to discriminate among the purchasers of the same commodity; and the launching of the credit union movement in the United States, currently numbering 30 million members. I should also recall, Mr. President, that it was Wright Patman who attempted to undertake the first investigation into the Watergate scandal, only to be thwarted by a majority of his own committee.

Wright Patman's wisdom and insight as well as his crusading spirit—will be deeply missed by all Members, in both Houses and on both sides of the aisle.

HARRY KLEINMAN

Mr. RIBICOFF. Mr. President, I was delighted to read in the Hartford Times recently a profile of Harry Kleinman, the Democratic town chairman of West Hartford, Conn. Harry is an old and close personal friend.

Harry is one of the hardest working and most knowledgeable people I have known in 40 years in politics. He is equally at ease talking about party registration statistics on the one hand and the nuisances of détente on the other.

And whether the subject be national policy or "get out the vote" tactics, Harry's rapid paced delivery is laced with witticisms, frequent references to the Bible and arcane Latin phrases.

Altruism is a word not often used to describe a politician, particularly party leaders. But as a former Congressman, Governor, Cabinet Secretary, and now U.S. Senator, I am uniquely situated to know what motivates men like Harry Kleinman. I can say categorically that Harry's interest in politics and government is altruistic. He believes and he cares, period.

But Harry is more than just a political dynamo. He is a warm and loving husband and father, a devout Jew, a successful lawyer and community leader.

He is, in short, a remarkable person for whom I feel great fondness and admiration.

I ask unanimous consent that the article entitled "Politics, Religious Devotion Shape Harry Kleinman's Life" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS, RELIGIOUS DEVOTION SHAPE HARRY KLEINMAN'S LIFE

(EDITOR'S NOTE.—The Times is examining the lives of the Democratic and Republican town chairmen in West Hartford. Today's profile looks at Harry Kleinman, long-time Democratic leader. A view of GOP chief Edwin Hebb Jr. will appear Wednesday.)

(By Jenifer Frank)

WEST HARTFORD.—It's a long road from the synagogue to the smoke-filled room of politics, but Harry H. Kleinman has traveled that road for nearly 40 years.

Kleinman is beginning his 15th year as chairman of the West Hartford Democratic Town Committee. He was elected to his eighth two-year term earlier this month.

And if his fascination with and commitment to Democratic politics is one of Kleinman's "eternal lights," so is his equally non-flickering devotion to Judaism and Jewish community activities.

Relaxing—as much as Kleinman is capable of relaxing—in his Pratt Street law office, he discussed his 40-some odd years in Hartford area politics and more specifically, the Democratic party's coming of age in West Hartford of which he played a large part.

"When I move to West Hartford (nearly 30 years ago) it was politically unwise, economicly stupid and socially improper to be a Democrat," he said, leaning back in his chair with an unlit cigar butt in his mouth.

To prove the point, he sprung out of his seat to gather voter registration statistics of the past 20 years. "We were out-registered by the Republicans 6 to 1," he pointed out.

Kleinman is a small, wirey man, fast approaching 70, who could easily pass for a dozen years younger.

He speaks like a rapid-fire tommy gun. It is also important to point out that if you have an adequate knowledge of Hebrew, French and a smattering of Latin (in that order), you will gain a lot more from a conversation with him than if you only boast English as your lingua parla.

His speech, whether addressing a room full of Democratic Town Committee members or on a one-to-one basis, is constantly peppered with quotes from the Old Testament.

"The '52 and '56 (presidential) elections were like a slaughter of the innocents," Kleinman surmised, musing over voter figures in old state manuals.

Other Kleinman-isms? On Henry "Scoop" Jackson who he recently endorsed in that candidate's presidential bid: "He has been weighed in the balance and not found wanting." Check the prophet Daniel.

Harry is a Hartford native. He is a graduate of the Arsenal School and Weaver High. He left Harvard University (cum laude 1930) with a major in state and local government and then the Yale University School of law in 1933. He was admitted to the Connecticut Bar in June of that year.

His political career began soon thereafter. He was elected as Hartford alderman from the 4th Ward at the age of 27. He served in this capacity for six years, serving as majority leader for two of them.

He also served on the Metropolitan District Commission for six years.

The list of credits continue, with Kleinman serving as judge of the old Town Court here and as deputy judge.

His list of activities in the Jewish community is as long. He is past president of Beth El Temple and now serves on the board of directors, he is a past president of the Hartford Zionist District and Ararat Lodge, B'nai B'rith.

He also served as chairman of the special gifts division of the Hartford Jewish Federation campaign and as vice president of the Federation.

But back, as always, to politics.

Kleinman will insist that when he first moved to West Hartford, "I had no intention at all of engaging in politics.

"But once you have participated in politics, it's like a disease, no, not like a disease, it's more like the clanging of a fire bell in the ancient days of the fire horse."

As Democratic Town Committee head for a decade and a half, Kleinman has certainly had his opportunities to make both friends and political opponents.

But if he has a close rein on his town committee members and local Democratic office holders, he has never been accused of using a choker.

Democratic council members and school board members will say they have never felt any attempt at political armtwisting from Kleinman when an issue is before a board.

As one school board member once put it, "I will very occasionally get a phone call (from Kleinman) asking me to pay special attention to an issue, but I have never felt I was being put in a pressured position."

This is consistant with Kleinman's feelings toward the Democratic party and with his political philosophy.

"The Democratic party is the only party that is truly representative of all sectors of our society. . . . I am not in politics to feather my own nest, but to work in the best interests of our town and our party, in that order."

Kleinman stresses that his Democratic organization is "completely non-repressive and vibrant enough to allow us to wash out our linen in public."

Kleinman's explanation of why he devotes so much time to Democratic politics ("before an election, at least one to two days a week of solid time") is given without hesitation.

"It's only the slight contribution I make for the privilege of living in a good country, It's from a need to be other than an armchair critic or a Monday morning quarterback."

Does his wife or family ever object to the tremendous amount of time he spends to politics?

"That, my dear, is the understatement of the moment, however, I am blessed with a wife of infinite goodness and infinite patience."

As Kleinman begins his 15th year as Democratic chairman, he obviously has very few regrets when looking backover his community-oriented career.

He explains this in terms of why he never sought higher office in the state Democratic organization which he was certainly in a position to do.

"Why? Because I have always acted in accordance with the dictates of my conscience and I never wanted anyone pointing their finger at me or have to look at myself in a mirror and say 'Harry, you are not your own man'."

He continued, "Without patting myself on the back, I think you will find very few people who would say I have not conducted myself with integrity as my first thought."

There was no opposition among local Democrats this year, or in past years, against Kleinman's chairmanship, although there has always been some murmurings of discontent among several town committee members.

It is a fairly safe guess that as long as Kleinman wants to be town chairman, he will be town chairman.

Is he planning to retire within the near future?

A final Kleinman-ism for the answer: "You have to pause to thank the Lord for being allowed to continue from year to year and I will do so and continue to see the Democratic party move from strength to everincreasing strength."

EEC VIOLATION OF GATT

Mr. HUMPHREY. Mr. President, I was happy to join Senator DOLE and others in supporting Senate Concurrent Resolution 108 regarding our soybean and protein exports to the EEC.

I had written to President Ford last week urging that action was needed to bring these concerns to the EEC's attention.

This concurrent resolution was checked out with the Office of Special Trade Representative, and they are in agreement with the language and purpose of the resolution.

I made some recommendations on improving the language of the resolution which have been incorporated in it.

It is important that we signal our concern to both the EEC and the administration. This resolution will do just that.

With the recent flood of duty-free palm oil imports and last fall's embargo on exports, our soybean producers are extremely concerned over the future of their markets.

The new EEC regulation would have a two-fold effect on European importers. First, it requires them to include in their feed mixtures a minimum of 5 percent nonfat dry milk from EEC sources. This stipulation in itself could cut European imports of U.S. meal by as much as 500,000 tons per year, according to official estimates.

Second, the regulation obliges importers to pay a deposit of $34 per ton on imported oilseeds, oilseed protein and certain other feeds until proof can be obtained that they have complied with the requirement on utilizing the nonfat dry milk.

That measure is expected to force up the prices charged by importers for feed mixtures, by tying up capital needed to meet the deposit requirements.

We already have a heavy carryover of soybeans, and this action could lead to 18 million bushels less in export sales.

It is urgent that we overturn this step and do so without delay.

Mr. President, I ask unanimous consent that my letter to President Ford be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., March 23, 1976.

The PRESIDENT
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I wish to register my concern over the recent establishment by the European Economic Community of a deposit on oilseeds and oilseed protein imports coupled with a plan to use nonfat dry milk in their mixed feeds.

I am pleased that the Administration has protested the EEC action, and I hope that the concern of Congress is made clear to the Community. Toward this end, I would suggest that consideration be given to sending the Special Trade Representative and members of Congress to the EEC to negotiate on this matter.

It is important that we voice our objections to this step since it appears that the action is in violation of the GATT Agreement under which the U.S. has a pledge of zero binding with the EEC on soybeans and soybean meal. We must protect our markets, but, at the same time try to avoid a trade war.

The EEC action is likely to have an unfavorable impact on our soybean and cottonseed markets. Our producers are already facing the prospect of increased competition from Brazilian soybeans and a rising tide of duty-free palm oil imports. With a recently announced soybean loan program which does not even approach production costs, producers are and should be concerned.

This is a matter of serious interest to me as well as other members of the Senate.

I urge that it be given prompt consideration.

Sincerely,

HUBERT H. HUMPHREY,
Chairman, Foreign Agricultural Subcommittee.

NAVAL NUCLEAR PROPULSION PROGRAM

Mr. PASTORE. Mr. President, as a member of and chairman of the Joint Committee on Atomic Energy for some 20 years, I have been a strong advocate of nuclear propulsion for our Navy.

At a time when our self-sufficiency in oil is fast running out, very serious consideration should be given to the further development of nuclear propulsion for our naval ships.

Adm. Hyman G. Rickover, the father of our nuclear Navy, was responsible for the *Nautilus* and all the other nuclear-propelled ships that followed.

On March 31, in appearing before the House Appropriations Committee, he made what I consider to be a very provocative and thought-stimulating statement, which I commend very highly to all Members of the Congress.

Consequently, I ask unanimous consent that Admiral Rickover's remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ADM. H. G. RICKOVER

Mr. Chairman, I deeply appreciate this opportunity to state my views concerning the naval shipbuilding program as it affects the naval nuclear propulsion program.

INTRODUCTION

I have been associated with the naval nuclear propulsion program for more than a quarter of a century during which time there have been: 13 Secretaries of Defense; 15 Deputy Secretaries of Defense; 12 Directors of Defense Research and Engineering, including former positions of Chairman, Research and Development Board and Assistant Director for Research and Engineering; 8 Assistants to the Secretary of Defense for Atomic Energy, including former Chairmen of the Military Liaison Committee; 14 Secretaries of the Navy; 15 Under Secretaries of the Navy; 11 Chiefs of Naval Operations; 12 Vice Chiefs of Naval Operations; 5 Chiefs of Naval Material since the position was established in 1963; and 10 Commanders of the Naval Sea Systems Command, including the former positions of Commander, Naval Ship Systems Command, and Chief, Bureau of Ships.

On the average, each of these 115 key officials in the approval chain held his position a little over two years. In any given year, about 4 of these 10 top positions had a new incumbent. Since my own tour of duty in this program spans this entire period, I undoubtedly have a different view of the events which have occurred than do the legions of officials I have mentioned, and their numerous subordinates—all of these constantly rotating officials had to approve my requests before I could proceed with my work.

Mr. Chairman, your tour of duty and that of several of your illustrious colleagues also spans this entire period, so I am sure you fully understand this point.

In some of my remarks, I may express views contrary to those of my superiors in the Navy and those in the Department of Defense. You are aware that there have always been basic differences between my opinions and those of my superiors. I must make it clear that I claim no superior wisdom. Furthermore, my superiors have more responsibilities and problems different and more onerous than mine, and these responsibilities and problems may require different solutions than I propose. I make no claim that my views are right and theirs are wrong. I can only say what I think and what I believe.

My superiors have no obligation to justify their positions to me. Therefore, I wish to make it clear that I do not represent myself as knowing or understanding the full basis for their decisions. But, because I have held a responsible position for many years, I have an obligation to give you my own detached assessments. I can permit political or personal considerations to prevent me from discharging this obligation, nor can I permit what has been called the "decencies of human relations" to control my relationships with Congress. In that context, I will present to you my candid opinions concerning the issues before the Congress which affect the naval nuclear propulsion program.

MISSION OF THE UNITED STATES NAVY

Today, the Western world depends on the strength of the United States. Short of all-out nuclear war, this strength depends on the ability of the U.S. Navy to maintain the sea lines of communication to our allies. If the Soviets could prevent our Navy from assuring the flow of men and material across the seas, none of our armed services could conduct overseas military operations in any area where the Soviets choose to challenge us.

In this regard, it must be borne in mind that the mission of the United States Navy to ensure free use of the seas so as to defend us and our maritime allies is much more difficult than the mission of the Soviet Navy which is to deny us the free use of the seas. It is much more difficult to forge a chain than it is to cut a link.

There are those who dismiss as unrealistic the possibility of a direct confrontation between American and Soviet naval power. I think events may well show they are wrong, unless we built naval forces which can clearly counter the best Soviet naval forces. In the 1962 Cuban missile crisis, the U.S. with superior naval power and superior nuclear weapons, was willing to confront the Soviets with both. From now on, we are faced with the Soviets having at least equal, if not superior, nuclear weapons capability. If we also allow them to attain superior naval forces, why should we assume that they will not confront us with this naval power to obtain their objectives in areas where they consider we will not be willing to risk our own annihilation? In short, failure on our part to provide naval forces which can stand up to the best naval forces the Soviets develop could lead to our having to give in on all issues for which we are not willing to go to nuclear war.

SOVIET NAVAL THREAT

The Soviets have made rapid progress in the design and construction of nuclear submarines in particular, as well as the rapid expansion and improved capabilities of their surface combatant fleet. As a student of naval history, I am concerned that there has never in peacetime been anything comparable to the current growth of Russian naval power. We need to view these efforts critically because such actions appear to be inconsistent with, if not a repudiation of, efforts to reduce tensions between the superpowers.

Unlike the United States, the Soviets are spending more of their military budget on procurement, research and development, and operations, than on manpower. While over 50 percent of the U.S. defense budget pays for personnel, only about 35 percent of the Soviet budget is required for personnel costs. The result is that in recent years, many new types of weapons systems have entered the Soviet arsenal, including new design planes, tanks, and ships.

From 1968 through today the Soviet Navy has increased both in numbers of ships and in capability. For example, the number of nuclear submarines in the Soviet fleet increased from 61 in 1968 to 135 today, surpassing us in this area in 1970. During the same period, the number of Soviet major surface combatants increased from 200 to 229 while the number of U.S. major surface combatants fell from 350 to 172. While their numbers continue to increase, ours continue to decline.

The U.S. Navy is scheduled to drop 27 ships from the active fleet in fiscal years 1976, including 2 carriers, 3 destroyers, and 1 submarine. The U.S. Navy active fleet level stands at 477, the lowest since 1939.

Looking at the submarine situation, specifically, the comparison is particularly ominous. Currently the Soviets have a total of 330 submarines, consisting of 135 nuclear powered and 195 diesel powered, all of which have been built since World War II. The total U.S. force is 116 submarines with 106 nuclear powered and 10 diesel powered.

In the critical area of strategic submarines, of the 55 Soviet nuclear ballistic missile submarines in operation, 34 are *Yankee* Class submarines which are equivalent to our 41 *Polaris* and *Poseidon* submarines except they are all newer than ours.

The Soviets also have at sea 11 ships of their new *Delta* Class ballistic missile submarines, with more under construction. These ships carry the 4,200 mile missile which means that from their operating areas in the Barents Sea and Northern waters they can cover the entire United States and most of Mexico. In total the Soviets have more nuclear powered ballistic missile submarines than we do and they are building new ones at a rate of about 6 a year compared to our *Trident* rate of 1 or 2 per year.

In the area of attack submarines the Soviets have a total of 190 units compared to our 75. Of their total 40 are nuclear powered while 65 of the U.S. units are nuclear.

However, Russia has 65 additional submarines armed with the unique capability of firing cruise missiles. Of these 65 units, 40 are nuclear powered. The U.S. does not have any submarines capable of firing cruise missiles, although our Navy is developing a version of the *Harpoon* missile which will be capable of being fired from submarine torpedo tubes.

The Soviets have the largest and most modern submarine yards in the world. They are credited with a nuclear submarine production capability of 20 ships a year on a single shift basis. While not fully utilizing this vast building capacity, in 1975 they completed 10 submarines while we completed two. As late as 1966, the Russians had only two new construction yards building nuclear submarines; today they have four with this capability and further expansion of such facilities is currently in progress.

At present, while our *Poseidon* conversions are going on, the maximum U.S. capacity to build nuclear submarines is less than half that of the Soviets. Upon completion of these conversions—about 1977—our present capacity would still be far below theirs.

Of even greater concern than total numbers is the fact that since 1968 the Soviets have introduced over 9 new designs, or major modifications in design, besides converting older designs to improve their capabilities. They have introduced significantly improved versions of their attack, cruise missile, and ballistic missile nuclear submarine designs. In the last 8 years they have introduced more new submarine designs than have ever been put to sea, during a comparable period, in all of naval history. The U.S., on the other hand, has introduced only two new design submarines in this period. This comparison should not be surprising since we spend less than 20 percent of our naval budget on submarines while the Soviets spend approximately 40 percent.

The trends in the surface navy are also of concern. Today the Soviets have more major surface combatants than we, and many of their ships carry surface-to-surface missiles, which our ships do not yet have. As of February of this year the Soviets had 229 major combatants compared to our 172. Since 1962 the Soviets have built 800 major and minor surface combatants, mine warfare and amphibious ships, while the U.S. has built 167, or less than one-fourth as many. I will include with my statement classified comparisons of Soviet and U.S. surface ships and submarines.

Overall, I believe that our surface Navy is still more powerful because of our aircraft carriers. However, even this is not reassuring since, as a land power, they do not have to depend on sea lines of communication to conduct military operations. As a maritime power, we are dependent upon being able to control sea lines of communication in order to conduct military operations overseas. The mission assigned to our Navy is a far more difficult task than the Soviet Navy mission of preventing our Navy from maintaining such control. In light of the developments I have just described, it should be apparent that the threat we face from Soviet naval expansion is real and ominous.

"TRIDENT"

There is general acceptance that our nuclear powered ballistic missile submarines are a vital element of our Nation's deterrent to all-out nuclear war. The *Trident* Program proposed by the Department of Defense for Fiscal Year 1977 includes construction funds for only one ship—the fifth submarine of the class. Originally the *Trident* Program was planned to include construction of three submarines every year after the lead ship. Last year, two submarines were planned for Fiscal Year 1977, but the program was stretched out again, resulting in added costs. The Navy has estimated that the program stretchout proposed this year will add about $225 million to the cost of the first ten *Trident* submarines.

As I discussed earlier, the Soviets have deployed *Delta* Class ballistic missile submarines capable of firing 4,200 mile missiles. In a sense, the Soviets are already operating their equivalent to our *Trident* submarines.

In comparison, our first *Trident* submarine will not deploy until 1979. The existing Soviet missile capabilities increase the threat to our land-based strategic forces and increase the reliance we must place on our sea-based strategic forces.

The *Trident* submarines will enable the United States to maintain a secure and viable strategic deterrent in the face of the increasing Soviet threat. The longer range of the *Trident* missiles will permit basing our ballistic missile submarines in the United States—no foreign basing will be required. This will eliminate the vulnerability of our ballistic missile submarine force to international political action that could deny us the use of foreign bases. This is extremely important because we are always in danger of losing our foreign bases. For example, the treaty recently negotiated with Spain calls for removal of our ballistic missile submarines from the base in Rota, Spain, in three years.

The *Trident* submarines will have increased survivability because they are being built with all the latest technology. They will be more difficult to detect than our existing *Polaris* and *Poseidon* submarines because the *Trident* submarines will be quieter and the longer range missiles will give the submarines 10 to 20 times more ocean area to hide in. Our existing *Polaris* and *Poseidon* submarines are noisy compared to current standards. They were all built with the technology of the 1950's. Quieter submarines are necessary to decrease the probability of detection and ensure the survivability of our seaborne strategic deterrent.

The *Polaris* and *Poseidon* submarines are wearing out and we must plan now for an orderly construction program to provide replacements. I believe Congress understands the importance of our ballistic missile submarine force as a deterrent to nuclear war. I recommend that the Committee not allow more delays in this program, which is vital to our national survival.

GENERAL PURPOSE NAVAL FORCES

The bulk of our naval ships, our general purpose forces, are designed to carry out naval missions in conflicts short of all-out nuclear war. About half these are submarine and surface combatants designed to fight in areas of high threat; they are our naval strike force ships. The other half are assigned to non-strike force functions; such as underway replenishment groups, amphibious assault forces, convoy escorts, and support ships, which service the fleet. I have never recommended, and I know of no serious consideration ever having been given to providing nuclear propulsion for ships in the latter categories. Therefore, I will confine my comments to major combatants to be built for naval strike forces.

SSN 688 CLASS ATTACK SUBMARINES

Our nuclear powered attack submarines are the best anti-submarine warfare weapons system we now have. In FY 1975, the building rate for nuclear attack submarines was reduced from five per year to five every two years. Because of fiscal constraints, the planned building rate starting in FY 1978 was recently reduced further to two per year. Considering the rapidly improving quality and expanding number of Soviet nuclear submarines, I consider this to be an inadequate building rate. I have repeatedly recommended that we restore the building rate to a minimum of five ships per year.

The SSN 688, the first ship of the new class of high speed attack submarines, will be delivered this summer. Twenty-eight ships of this Class are under contract. The fifth ship, the *Memphis*, will be launched this Saturday, April 3. I am convinced that when these ship join the fleet, they will be in great demand to carry out many high priority missions.

ADVANCED DESIGN SUBMARINE NUCLEAR PROPULSION PLANT

The proposed Defense Department Fiscal Year 1977 budget includes $12.581 million to continue development of the Advanced Design Submarine Nuclear Propulsion Plant. Development of this plant will enable the Navy to design various improved submarine configurations incorporating new weapon systems, advanced sonars, and other features while increasing the submarine's performance capabilities compared to our existing designs. In my classified remarks I will discuss further the need for this development work.

SURFACE WARSHIPS

Aircraft carriers and AEGIS fleet air defense ships are the only other major combatants currently planned to be built for naval strike forces. These ships are designed to fight in the areas of highest threat and will form the backbone of our first line naval strike force. Considering the difficulties of providing logistic support in the areas of highest threat, in my view it is essential that our first line warships be given the mobility and flexibility that only nuclear propulsion can provide. The United States has given up any possibility of matching the Soviet Navy in numbers of ships; therefore, our only hope to be able to carry out our naval mission in the areas of highest threat is superior ships. In my opinion, in the 1980's and beyond, in any area where the Soviets challenge us with their best naval forces, we will need all-nuclear carrier task forces if we are to be able to conduct sustained offensive operations.

AIRCRAFT CARRIERS

For the foreseeable future, the aircraft carrier will be the principal offensive striking arm of the Navy in a non-nuclear war. No other weapon system under development can replace the long-range, sustained, concentrated firepower of the carrier air wing. Torpedo firing nuclear submarines, cruise missile firing submarines, nuclear cruisers with anti-air and anti-submarine capabilities—all are needed to supplement and augment the capabilities of the nuclear carrier.

The number of overseas air bases available to us is rapidly declining. It must be clearly understood that there is no known alternative to carriers for providing tactical air power beyond the range of provisioned and protected land bases. If an opponent is successful in developing weapons that can sink large numbers of our carriers, and we are not successful in developing sufficient counterweapons—or if we simply do not build sufficient modern carriers to protect our sea lanes—the United States will have to change its national objectives to be consistent with our inability to conduct overseas military operations.

CARRIER SIZE

There are many who would push the Navy in the direction of constructing carriers much smaller than the *Nimitz*, with the fighting capability selected based on a predetermined ship size or cost. Unfortunately, as H. L. Mencken has said, "For every difficult and complex problem, there is an obvious solution that is simple, easy, and wrong."

There are no cheap or simple solutions to the problem of building a Navy capable of meeting the Soviet threat. It should be obvious that such approaches, if we are to learn anything from the past, are destined to result in large cost growth when the cost of providing a reasonable capability is faced up to, or else result in ships which afford consolation during periods of peace, but leave the country inadequate defense in time of war.

Frankly, it does not make sense to me to set an arbitrary "design to cost" ceiling for the acquisition cost of an aircraft carrier, nuclear or conventional. The fighting capability of the air wing the carrier can support determines the offensive capability of the entire carrier task group. For the relatively small amounts "saved" in carrier acquisition cost, major reductions in combat capability of the air wing would result. Such reductions do nothing to cut carrier task group support costs such as escort force costs. In fact, they increase logistic support costs because of the more frequent replenishment required by the reduced capacity of smaller carriers for combat consumables. Further, the Navy has well-documented experience that smaller carriers have higher aircraft accident rates. As the unit cost of aircraft continues to increase, this could become a significant cost factor.

It should be borne in mind that the design of the *Nimitz* Class carriers evolved from 50 years of experience with the design, construction and operation of aircraft carriers. The present trend toward fewer carriers increases the number of types of aircraft the remaining carriers must be able to handle. This increases the number and variety of shops, maintenance facilities, spare parts, and personnel that must be accommodated.

Further, the reduction in the total number of carriers requires each to be large in order to accommodate as many aircraft as possible, so that the minimum number of carriers need be used for any given assignment. Also, the increasing sophistication of the projected Soviet air threat argues against a decrease in the capabilities of the carrier air wing which would be forced by a significant reduction in carrier size.

The CVNX Characteristics Study Group Report recently published by the Navy concludes:

"Overall, it is more cost effective to procure modified design *Nimitz* Class carriers. The principal reasons are:

"Projected funding levels will support a force level of not more than 13 or 14 fully capable carriers.

"At force levels of 13 or 14 carriers, high individual carrier capability is required to meet tactical requirements.

"Carriers significantly smaller than the *Nimitz* Class cannot support the practical minimum number and types of aircraft required to perform missions alone in the presence of an air threat. *Nimitz* size carriers provide more than twice the combat capability of the smallest practical nuclear powered alternative.

"*Nimitz* size carriers have more flexibility to incorporate changes in characteristics that may be required during the life of the ship due to changes in the threat and new technological developments.

"For a three-carrier procurement program, the cost of three Modified *Nimitz* size carriers is about the same as the cost of three of the smallest sized carrier concepts developed."

I concur in the conclusion of the carrier study that we should continue building *Nimitz* Class carriers.

A substantial portion of the higher investment cost of a nuclear carrier is directly offset by the elimination of the cost of buying and delivering propulsion fuel oil; also, by the reduced cost of the logistic support forces needed due to less frequent replenishment of combat consumables because of the larger capacity of the CVN for aviation fuel and ammunition. Navy studies have shown that it takes the equivalent of an extra fleet oiler just to provide the peacetime propulsion fuel support for an oil-fired aircraft carrier. Of course, in wartime the oil-fired carrier's vulnerability is largely determined by its requirement for a continuous supply of propulsion fuel and the extreme vulnerability of oilers.

THE FOURTH "NIMITZ" CLASS CARRIER, CVN 71

The Navy originally proposed that a fourth *Nimitz* Class carrier, the CVN 71, be built for delivery in October 1984—four years after the contract delivery date of the nuclear aircraft carrier *Carl Vinson*, CVN 70. To achieve this delivery, the carrier must be authorized in FY 1978 or 1979 with a minimum of $350 million in FY 1977 for procurement of long leadtime items. The President's FY 1977 budget authorization request submitted to Congress in January 1976 deferred the advance procurement funds to FY 1978.

Deferral of advance procurement funds from FY 1977 to FY 1978 would delay delivery of the carrier to at least October 1985. This would also delay delivery of long lead equipment to the point that the earliest ship keel laying date that could be supported would be April 1980. This is 1½ years after the scheduled launch of the *Carl Vinson*. The projected October 1985 delivery is predicated on the assumption that the shipbuilder would be able and would agree to provide the skilled manpower necessary to build the carrier in this time period, even though most manpower used to build *Carl Vinson* could be expected by that time to have been reassigned to other work, or laid off.

In the past 25 years, the Newport News Shipbuilding and Dry Dock Company has been awarded contracts for the construction of eight aircraft carriers; the largest gap between these carriers has been four years. Therefore, the minimum five-year gap between the CVN 70 and the CVN 71, caused by deferral of long lead funds to FY 1978, would create greater disruption in the carrier building program at Newport News than has been experienced at any time during the last quarter century.

The long lead nuclear propulsion plant components for the NIMITZ Class carriers are the largest components produced for the naval nuclear propulsion program and, in many cases, required development of special production lines and facilities to produce them. The components for the *Nimitz*, *Dwight D. Eisenhower*, *Carl Vinson*, and a ship's set of shore based spares, were ordered between FY 1967 and FY 1973. An average of one ship's set of components was ordered every 21 months, with the longest gap between any two orders being three years. The last of these components was ordered in calendar year 1972. Deferral of long lead funds from FY 1977 to FY 1978 would put at least a five-year gap between the ordering of nuclear propulsion plant components for the CVN 70 and the CVN 71.

The October 1985 delivery for the CVN 71 is predicated on the asumption that the five-year gap after ordering the CVN 70 nuclear propulsion plant components will not increase new component lead time. This assumes that the component manufacturers involved will make their production facilities and manpower available at the time needed, even though these facilities can be expected to be shut down or diverted to other work due to the five-year gap between orders.

The Navy estimates that the minimum increase in the cost of the CVN 71 due to deferral of long lead funding to FY 1978 will be $178 million.

Insofar as the next nuclear carrier, the CVN 71, is concerned, if we are ever going to build it, I don't see how there can be any question but that we should go ahead with the procurement of long lead items now. On the other hand, if a decision has been made that the CVN 71 is not to be built, the Navy should be told what reduced functions and missions it should be designing its forces to meet, and then expend its efforts to meet them. The present situation is intolerable where on the one hand there is apparent agreement that the ship is required; and on the other hand, the approval actions all go in the opposite direction. The way this issue is being handled is creating distrust within the Department of Defense and within the cognizant committees in the Congress. This is a situation the U.S. defense establishment can ill afford at this critical time, and when there is general public distrust of all things military.

It should be borne in mind that a *Nimitz* Class carrier is the largest and most complex device ever constructed. To manufacture the components and systems and to build and test the whole ship with its multitudinous equipments requires the skill of many thousands of highly trained people. Therefore, when the program is stretched out and special production facilities are disrupted—as is happening on the CVN 71—large additional costs are unavoidable. The cost of delaying start of the CVN 71 is much higher than the inflation cost added to the much simpler ships that would be deferred to make funds available for the CVN 71.

NUCLEAR PROPULSION FOR GUIDED-MISSILE MAJOR COMBATANTS

Just as I recommend that new aircraft carriers be nuclear powered, so do I recommend that new guided-missile major combatants built to accompany them be nuclear powered. Previous studies have shown that each time a nuclear ship is substituted for a non-nuclear ship in a carrier task group, the capability of the task force as a whole will improve, with the greatest gain being made when the all-nuclear task group is achieved. The all-nuclear carrier task group has greater capability to penetrate and counter the projected Soviet naval threat than any other naval surface force we know how to build. By being far less dependent on logistic support than conventional forces, and by having the capability to retire at high speed for replenishment in low threat areas, the all-nuclear carrier task group has a capability to continue sustained operations in a high threat area which cannot be matched by any other currently foreseeable type of naval force. In my opinion these capabilities are well worth the added cost involved.

ADVANTAGES OF NUCLEAR PROPULSION FOR SURFACE WARSHIPS

Nuclear propulsion allows a submarine to operate completely independent of the earth's atmosphere; thus nuclear power provided a true submersible for the first time. Prior to the advent of nuclear propulsion the most modern submarines could only remain submerged below snorkel depth for a day or so, and could only run at full power submerged on their batteries for an hour. Nuclear propulsion gives submarines essentially unlimited high speed endurance, surfaced or submerged.

The advantages of nuclear propulsion for surface warships may not appear to be as dramatic, but nevertheless they are very important from a military standpoint.

With existing designs of naval nuclear propulsion plants it is possible to provide enough energy for ten to 13 years of warship operation without the need to refuel. And new reactor designs now under development will last 15 years. In contrast, oil-fired naval warships must be refueled every few days. The initial nuclear fuel for a NIMITZ Class aircraft carrier contains the energy equivalent of 11 million barrels of Navy distillate fuel oil, or enough oil to fill a train of railway tank cars, stretching from Washington to Boston.

It was the concern for fuel for naval ships in time of war that led to establishment of the Naval Oil Reserves, which are now being considered as a quick source of additional oil during the present shortage. But even if part of this reserve is still available during a future war it will also be necessary to have the oil at hand where it is needed, before it can be used. Of what value is an oil-fired warship if it is unable to get oil? It is the need for a reliable worldwide fuel distribution system that is the Achilles' heel of our oil-fired Navy. The difficulty in obtaining foreign oil supplies to support operations in the Mediterranean and the Indian Ocean during crises in recent years shows this vulnerability.

If we are concerned that the improving Soviet naval capability will increase the vulnerability of our first line strike forces then we must recognize it is no longer reasonable to assume that our underway replenishment groups can be operated with impunity. Further, as the size of our Navy is decreased, and with a commensurate reduction in the number of underway replenishment groups, it becomes increasingly important that we minimize the amount of logistic support required by the strike forces. The all-nuclear carrier task group, having essentially unlimited high speed endurance, carrying more combat consumables which permits longer periods between replenishment, and with the capability to retire at high speed for replenishment in low threat areas, has the capability to conduct sustained combat operations far greater than that of any other surface naval force we know how to build.

Against a sophisticated naval threat it could quickly turn out that our ability to conduct sustained combat operations would be controlled by the logistic support available. Under such circumstances the all-nuclear carrier task group has far greater striking capability than a conventional group.

When logistic supply lines are attacked during a real war, the decrease in the requirement for ships' fuel for the strike forces will have a compounding beneficial effect. The surviving fuel transportation and storage agencies can then all be concentrated on getting fuel for aircraft and other military vehicles to the forward areas. The escorts that would otherwise be required for the tankers which carry ships' fuel could then be assigned to assuring the safety of other supplies.

A major lesson of World War I, the first war in which fuel oil played a predominant role, was pithily expressed: "The Allies floated to victory on a sea of oil." In World War II also, the supply of oil was a controlling factor in most military operations.

Here is a statement about fuel that points out how lack of oil was instrumental in the defeat of Japan. It is quoted from the Strategic Bombing Survey conducted after the war. This report, entitled "Oil in Japan's War", states:

"In every phase of the war, oil determined Japan's strategy and governed the tactical operations of its Navy and Air Forces. The collapse of the Japanese war effort was the consequence of their inability to maintain their supply routes to the southern zone. "The effect of oil shortage on Japanese Naval strategy became devastatingly apparent in the campaign for the Marianas and the Philippines. Japanese fleet units had to be dispersed between the Japanese Inland Sea and Singapore, owing to limited fueling facilities, and failure to achieve satisfactory coordination between the fleets contributed substantially to the Japanese defeat. Fuel shortage in the Home Islands deprived the Japanese naval forces fighting off the Philippines of the services of at least three battleships, which, together with several aircraft carriers, were taken out of service and assigned to duties as port and anti-aircraft vessels because they consumed too much oil."

There are numerous examples where oil shortages have been a critical factor in military operations, examples that appear now to have been forgotten. Unfortunately, history has a way of taking revenge for forgetfulness.

Take the carrier task force. In the case of a conventional carrier, with four conventional escorts, one-third of the fuel is used for the carrier, one-third for the conventional escorts, and one-third for the aircraft. By doing away with the need for fuel for the carrier and its escorts; by making them nuclear powered; only one-third the amount of propulsion fuel—that used by the aircraft—is needed. Further, we designed the NIMITZ Class nuclear carriers with the capacity for almost twice as much aircraft fuel and 50 percent more aircraft ammunition than the latest and largest conventional carrier. This reduction in logistic support becomes especially important when our naval forces are operating away from home, during a real war, when they are subject to enemy attack.

In general, a carrier with four conventional escorts will have one escort off its screening station about one-tenth of the time for refueling. Leaving station not only weakens the screen, but also increases the vulnerability of the escort and its fueling ship, whether it is an oiler or the carrier itself. This is so because of fueling restrictions on course, speed, and maneuverability.

When a nuclear carrier is substituted for a conventional carrier, the range of a carrier task group, with four conventional escorts, is doubled. When two of the four escorts with the nuclear carrier are nuclear, the range of the carrier task group is doubled again. When all the escorts are nuclear, the range of the carrier task force is essentially unlimited.

For these reasons, a nuclear task force is at least 50 percent more effective than a conventional task force; this is probably actually much greater than 50 percent.

Each nuclear ship added to the fleet also makes an additional unit available to the fleet commander for assignment to independent operations where logistic support may be nonexistent or difficult to provide. Examples are quarantines, shows-of-force, rescues, protection of minesweeping operations, prevention of aerial minelaying, and submarine trailing and hold-down operations.

Each nuclear escort substituted for a conventional escort also increases task force flexibility and mobility through advantages which are difficult to describe in numerical form. For example, none of the numerical comparisons of the relative effectiveness and cost of nuclear and conventional escorts cited in Navy cost studies take into consideration losses due to enemy action. One Navy study on "Nuclear Power for Surface Warships" showed that:

Losses of underway replenishment ships can be expected to be greater when supporting conventional than when supporting nuclear warships:

Under several of the threat conditions studied, the number of replenishment ships lost supporting conventional warships was more than twice the number lost supporting nuclear warships; and that

The greater the threat to the underway replenishment ships, the larger is the loss differential to be expected—owing to the larger replenishment force required for the conventional warships.

I am sure you know the maxim learned through the bitter lesson of war that: "The art of war is the art of the logistically feasible." It is the elimination of the requirement for a continuous supply of propulsion fuel that makes nuclear powered warships so valuable.

The areas I have just mentioned represent a tremendous increase in military effectiveness. In my opinion, this effectiveness far outweighs the small increase in lifetime cost for the all-nuclear carrier task force.

There are many examples where the value of nuclear propulsion for surface warships has been demonstrated in real terms, in every day operational missions of the Fleet. I frequently receive letters from the Commanding Officers of our nuclear warships telling me of some of these advantages. As one of many examples, for 13 days during July, 1971, the *Truxtun*—the cruiser that Congress changed to nuclear propulsion in the 1962 program—provided an excellent demonstration of the capability of a nuclear powered ship to perform truly independent missions, free of the fuel oil umbilical cord.

While on a special mission, the *Truxtun* steamed 8,600 miles at an average speed of advance of 28 knots, traveling from Subic Bay in the Philippines to Perth, Australia and crossing the Indian Ocean twice en route. This is the longest period of such high speed operation ever sustained by any ship. This high speed could have been continued for an essentially indefinite period, had there been a need. At the conclusion of her mission, the *Truxtun* was fully ready to undertake protracted combat operations.

In contrast, our most modern oil fired cruiser would have had to refuel at least three times during such a transit, and would have arrived at her destination with close to minimum fuel reserves, unable to conduct extended combat operations. And, of course, there are no tankers normally available in the middle of the Indian Ocean from which to refuel. From a practical standpoint, no non-nuclear ship could have performed the *Truxtun*'s mission—in peace or in war—because of the fuel support needed.

Last year the *Truxtun* completed her first overhaul and refueling since she was commissioned in 1967. Her new reactor cores will provide for at least ten years of operations. Last week I received a letter from her Commanding Officer, Captain B. F. Tally, reporting on a recent fleet exercise in which the *Truxtun* along with conventional ships operated with the nuclear carrier *Enterprise* in task force operations. He said:

"*Truxtun* operated in a multi-threat environment and on occasion simultaneously engaged surface, submarine, and air threats. I was pleased with the results.

"The Fleet Exercise once again pointed out the advantages of nuclear power. Frequently, *Enterprise* went to a high speed to avoid a threat, etc. On several occasions, *Truxtun* was the only member of the Task Group which could maintain station and keep up with *Enterprise* particularly at speeds of 30 knots or greater. The mutual compatability of nuclear powered warships appears to be well recognized today since *Truxtun* is scheduled to operate with *Enterprise* in all exercises in the next several months and deploy with her."

Also to be considered in comparing nuclear powered to conventionally powered ships is the availability of fuel reserves during war. I mentioned that the Naval Oil Reserves are now being considered as an emergency source of fuel. These reserves are, therefore, not guaranteed.

The situation is different when we have nuclear fuel as a reserve. What limited our industrial output, and therefore our fighting capacity in World War II, was the labor supply. But we can employ labor now—in peacetime—to manufacture nuclear fuel for our nuclear navy, and we can store the fuel in a small area. We would then be assured of having a nuclear fuel reserve for a long war, and we would not need labor during the war to manufacture nuclear fuel.

There are events in the nation's history that, to use Thomas Jefferson's phrase, are like "a fire bell in the night." The recent conflict in the Mid-East was such an event. For the first time, we were in a situation where the Soviet Fleet in the Mediterranean outnumbered the United States Sixth Fleet.

Had the Soviet Mediterranean Fleet been ordered to challenge the Sixth Fleet who would have won? From the limited information available to me, I do not think the answer is entirely clear. Would such a question have been seriously asked ten years ago? Perhaps this thought will give you an inkling of the change that has taken place in the balance of naval power over the past decade.

This change underscores the urgent need we, as an island nation, have to build a Navy strong enough to protect our national interest and our economic and political survival. To me, it is clear that the strike force ships we build for such a Navy must have nuclear power.

Four years ago I furnished your Committee a chronological summery of the history of nuclear surface warships over the past quarter century. This chronology was subsequently published in Part 9 of your hearing record for the Department of Defense Appropriations for 1973 on pages 199 to 467. References to the major studies of nuclear propulsion for surface warships are noted in the appropriate places in that chronology.

Lengthy though it is, the chronological summary merely scratches the surface of the tremendous amount of effort that has gone into documenting and analyzing the advantages, value, and cost of nuclear propulsion in surface warships. In the chronology I barely touched on the extensive analyses of cost and effectiveness and the voluminous documentation of actual examples reported by Fleet Commanders, where nuclear powered surface warships have been able to perform important missions in the Atlantic Pacific, Mediterranean, and Indian Oceans which conventionally powered ships either couldn't do at all or would have had great difficulty doing under war conditions.

The studies that have been made of this issue have cost millions of dollars and countless man-years of effort, including that of many high level people. Every aspect of the advantages and cost of nuclear surface warships has been exhaustively studied in minute detail over a period of many years by hordes of analysts, civilian and military. These studies have brought out time and again that a nuclear surface warship has a higher initial investment cost than its conventional counterpart; but that when overall costs are taken into consideration, the nuclear ships are not much more expensive and provide greatly increased military capabilities. I do not believe that further studies can produce any more facts.

TITLE VIII—NUCLEAR NAVY

Two years ago Congress established a policy espoused in Title VIII of the Defense Department Appropriation Authorization Act of 1975, that the United States will provide nuclear propulsion for major combatants built for naval strike forces. In my opinion, passage of Title VIII was one of the most significant steps taken by Congress since World War II to help Congress carry out its responsibilities under Section 8 of Article I of the United States Constitution—"To provide and maintain a Navy."

I think Title VIII is misunderstood by many who have not taken the time to read it carefully and to read the legislative history. Many questions are asked about the impact of building an "all nuclear Navy" as required by Title VIII. Title VIII does not require an "all nuclear Navy." Section 801 makes it the policy of the United States to modernize the Navy by building major combatant vessels for the strike forces with nuclear power.

Section 802 defines "major combatant vessels for the strike forces . . ." as including combatant submarines; combatant vessels for aircraft carrier task groups which include aircraft carriers and the cruisers, frigates, and destroyers which accompany them; and combatant vessels of these types designed for independent missions where essentially unlimited high speed endurance will be of significant military value.

The legislative history clearly shows that Title VIII does not preclude the Navy from building oil fired sea control ships, patrol frigates, surface effect ships, or other such ships, because these ships are not included in the definition of "major combatant vessels for the strike forces." Further, it is clear that auxiliary craft, support force ships such as oilers and replenishment ships, amphibious ships and convoy escorts do not fall under the definition of Section 802. Thus, Title VIII does not require an "all nuclear Navy;" it applies solely to major combatants to be built for the strike forces.

Since the Department of Defense is recommending nuclear powered submarines and aircraft carriers in their shipbuilding program, the only ships currently at issue under Title VIII between Congress and the Department of Defense are the ships to carry the AEGIS fleet air defense system—the nuclear strike cruisers, CSGNs; and the DDG-47 Class gas turbine powered AEGIS ships.

Section 803 requires the Secretary of Defense to submit to Congress a written report each year which presents the Department of Defense Five-Year Defense Program for construction of nuclear powered warships.

Section 804 defines the conditions under which it is legal for the Department of Defense to request authorization or appropriations from Congress for major combatant vessels for the strike forces which are not nuclear powered. Section 804 states:

"All requests for authorizations or appropriations from Congress for major combatant vessels for the strike forces of the United States Navy shall be for construction of nuclear powered major combatant vessels for such forces unless and until the President has fully advised the Congress that construction of nuclear powered vessels for such purpose is not in the national interest. Such report of the President to the Congress shall include for consideration by Congress an alternate program of nuclear powered ships with appropriate design, cost, and schedule information."

This section provides Congress the necessary information to decide for itself whether or not any specific combatant vessel for the strike forces of the Navy shall or shall not be nuclear powered.

Nuclear propulsion has revolutionized naval warfare by providing essentially unlimited high speed endurance for submarines and surface warships. From the very beginning of the nuclear power program, there has been strong opposition in the Navy. Were it not for Congress and the Atomic Energy Commission, we would not have nuclear submarines. In 1948, the Navy's systems analysts made a study that showed the nuclear submarine would have a military value 1.41 times as much as a conventional submarine, but would cost about twice as much. The Navy's analysts concluded that nuclear power was not worthwhile for submarines and argued that if the Navy built nuclear submarines, it would get only one nuclear submarine each year, instead of two diesel submarines every year. This demonstrated a complete failure of imagination.

Fortunately, Congress prevailed and the *Nautilus* was built; in fact, the Atomic Energy Commission had to pay for the propulsion plants in the first two nuclear submarines—the *Nautilus* and the *Seawolf*.

Although nuclear submarines have now been recognized as among the most vital warships the Navy has, opposition to them has continued for over a quarter of a century. At one point, the Department of Defense decided to stop building nuclear submarines after 1970, but this was overruled by Congress. In another case, systems analysts in the Defense Department suggested sinking ten of our *Polaris* submarines to save money. More recently, Congressional action has increased the number of high speed *Los Angeles* Class nuclear attack submarines in the shipbuilding program over that requested by the Department of Defense.

Thus, a reluctance to build submarines has continued even though the Soviets have surpassed us in numbers of nuclear submarines since 1970; outbuilt us last year by five to one; and even though the Soviets now have three times our submarine building capacity and are still increasing that capacity; and even though the Soviets have introduced over nine new design submarines or major modifications in design over the past eight years as compared to two for the United States.

The opposition of the Department of Defense to nuclear powered surface warships has been even more persistent. The seven nuclear surface ships in service today came into being only through the efforts of congress.

The aircraft carrier *John F. Kennedy* was built with conventional power over the strong objection of Congress.

One of the two nuclear powered frigates which were authorized by Congress in FY 1968 was not permitted to be built by the Department of Defense, and the other was delayed for nearly two years.

In 1971, the Defense Department scrapped a previously planned program to provide each nuclear powered carrier with four powered escorts, then suspended indefinitely the nuclear escort construction program, even though this was the only type of new combatant ship having fleet air defense capability.

The arguments between Congress and the Department of Defense over the need for nuclear propulsion in major combatants culminated in the passage of Title VIII.

This year marks the first real test of the effectiveness of Title VIII. The issue before Congress is whether or not ships to be equipped with the Aegis fleet air defense system will be nuclear powered. Aegis is the latest and best system the Navy has devised to protect its major surface ships against enemy air attack. The decision of the Congress this year on the issue of whether Aegis ships to be built for naval strike forces will be nuclear powered will have a profound effect on the future of the Navy, and will determine the rate of application of nuclear propulsion for surface ships.

AEGIS SHIPS

The Aegis fleet air defense system has been under development for several years. The development has now reached the stage where the Navy is asking for authorization for Aegis ships. The Congress will make the decision this year whether all Aegis strike force ships are to be provided nuclear propulsion, or whether the mix of conventional and nuclear ships proposed by the Department of Defense will be built.

Up to April 1971, Navy programs were based on all Aegis ships being nuclear powered. It was planned to modify future *Virginia* Class nuclear cruisers to accommodate Aegis. In April 1971, the Secretary of Defense cancelled the third *Nimitz* Class carrier, the CVN 70, and the two nuclear cruisers, CGN 41 and 42; he also cancelled the Navy's future plans for building Aegis equipped nuclear cruisers. During the next two years, the Defense Department restored the CVN 70 and the CGN 41 and 42. Last year, Congress cancelled the CGN 42.

In 1973, Admiral Zumwalt, who was then the Chief of Naval Operations, recommended starting a class of gas turbine powered *Aegis* destroyers in FY 1977 and a class of nuclear cruisers with Aegis in FY 1978. Secretary of the Navy Warner requested that the CNO investigate "the feasibility of building a single new class of aircraft carrier escort, nuclear powered, vice the two now planned . . ." In a meeting I attended on 12 October 1973, Admiral Zumwalt chose a program of 16 gas turbine powered Aegis ships and 8 nuclear Aegis ships to provide two Aegis ships per carrier for a projected force level of 12 carriers of which four are already authorized to be nuclear. This decision became the basis for the presently planned mix of conventional and nuclear *Aegis* ships.

At this meeting, he said that the talk of an energy crisis was just so much talk, that we are sitting on a 400-year supply of coal and that we will soon have the capability of putting this in a form we can use in our ships. He said that if he had his way, he would never build another nuclear powered surface ship. He said that his decision on the number of conventional *Aegis* ships was based on the assumption that all new carriers will be non-nuclear. Therefore, he approved eight nuclear *Aegis* ships to provide two each for the four nuclear carriers and 16 non-nuclear ships to provide two each for 8 conventional carriers he assumed would later be replaced by conventional carriers. Admiral Holloway became Chief of Naval Operations in July 1974, a month before Title VIII became law. Based on his review of future shipbuilding plans, he recommended that future carriers be nuclear powered. He also recommended, and the Navy adopted his position, that the Navy build 18 nuclear powered strike cruisers, CSGNs, in lieu of the prior proposed mix of 16 non-nuclear and 8 nuclear ships with *Aegis*.

In a letter of December 6, 1974, to the Chairman of the Seapower Subcommittee of the House Armed Services Committee, Admiral Holloway proposed a four-year program for building *Aegis* ships. This program called for six nuclear powered strike cruisers, CSGNs, to be authorized in the four-year period from fiscal 1977 through fiscal 1980, and no conventional *Aegis* ships.

The Navy subsequently recommended to the Secretary of Defense that, in addition to all new construction *Aegis* ships being CSGNs, *Aegis* should be introduced into the fleet by converting the nuclear cruiser *Long Beach* to *Aegis* as soon as possible. The Defense Department disapproved the Navy's recommendation to convert the *Long Beach* and disapproved the 18 CSGN program proposed by the Navy. The Navy continued to recommend that the first new *Aegis* ship be a CSGN in FY 1977 with advance procurement funds in FY 1976. The Defense Department cut the Navy's FY 1977 budget and persuaded the Navy to recommend in the FY 1977 program a DD-963 type ship with *Aegis;* this was named the DDG-47 Class.

In June 1975, the President disapproved this DOD/Navy recommendation and requested Congress to provide advance procurement funds in the FY 1976 budget for the first CSGN to be authorized in the FY 1977 program. The Congress did not authorize and appropriate the long lead funds. A few months ago the Navy program had been changed to four nuclear strike cruisers to be built over the next five years, along with seven conventional ships.

In the program now proposed, there are only two nuclear strike cruisers and eight conventional *Aegis* ships to be built in this five-year period. The second CSGN would be delivered in 1986, about the same time as the sixth nuclear powered carrier, CVN 72. Thus, when all of the ships planned for the FY 1977-81 five-year program are delivered, we will have six nuclear carriers and only two nuclear *Aegis* ships. There will also be six to eight aging conventional carriers and eight new non-nuclear *Aegis* ships.

I am firmly convinced that unless Congress takes the initiative, by next year you will find that the analysts in the Office of Management and Budget and in the Office of the Secretary of Defense will attempt to eliminate completely the nuclear strike cruiser program. It would not surprise me if they then again recommended building conventional aircraft carriers in lieu of nuclear carriers. That has been the pattern for over 25 years, starting with nuclear submarines. And I see no indication that the analysts have changed one iota in their position that, since nuclear surface ships cost more, we should build conventional ships.

But why should anyone expect to be able to get the great military advantages nuclear propulsion gives a warship without having to pay something for them?

AEGIS is planned as our most capable AAW weapons system. Because *Aegis* ships will be expensive, regardless of their means of propulsion, there will never be a large number. In a naval war against an enemy employing sophisticated weapons systems, all strike force *Aegis* ships will be needed in the areas of highest threat. It is under just such circumstances that the advantages of nuclear propulsion are most urgently needed to maximize mobility and minimize logistic support. It is into such high threat areas where the nuclear carrier task forces will be sent in time of war, and they will need nuclear powered *Aegis* ships to accompany them. The *Aegis* ships should be nuclear for the same reasons that carriers *should be* nuclear.

In areas where the threat is great enough to require nuclear carriers and *Aegis* ships—our first line naval strike forces—it is highly unlikely that oilers can survive. When a non-nuclear *Aegis* ship runs low on fuel, it will be necessary to remove the *Aegis* ship to an area of lower threat to meet the oiler, losing the *Aegis* protection just when it is most needed.

The CSGN also has unique capability for independent operation in areas where carriers are not available and the ship launched cruise missiles in the CSGN can provide sufficient offensive power.

Another consideration is that to have a credible nuclear powered guided-missile ship capability in both the Atlantic and Pacific Fleets, it is necessary to build a reasonable number of nuclear ships so that some ships are available for immediate deployment at all times. Even if all ten *Aegis* ships presently planned to be authorized over the next five years are given nuclear propulsion, the Navy would still have a total of only 19 nuclear powered guided-missile ships in both oceans in the 1980's. It is my opinion that the Fleet Commanders of that period will consider this to be the minimum needed, considering the problems we can foresee today.

CONVERSION OF NUCLEAR CRUISER LONG BEACH TO AEGIS

The quickest and cheapest way to get the first *Aegis* production unit into the Fleet is to convert the nuclear cruiser *Long Beach.*

If $371 million of initial funds are provided in FY 1977, the ship can be at sea with *Aegis* late in 1981 at a total cost of $785 million. This would not only get *Aegis* into the Fleet at the earliest possible date, but would also increase by 6 years that portion of the *Long Beach* life during which it would have the *Aegis* system, and would provide another nuclear powered *Aegis* ship much sooner. The *Long Beach* is not expected to require refueling before 1988. If the ship is converted to *Aegis* with three years in the yard, refueling will not be required before 1990. If the ship is ever to be converted to *Aegis*, I recommend it be done as soon as possible.

COMPARISON OF CSGN AND DDG-47

In addition to nuclear propulsion, the nuclear strike cruiser proposed by the Navy has significantly greater military features than the DDG-47 gas turbine powered AEGIS ship included in the President's fiscal year 1977 budget request.

The anti-air warfare missile magazines in the CSGN carry 45 percent more missiles and there are twice as many *Harpoon* anti-surface missile canister launchers, sixteen in lieu of eight.

The CSGN is designed to carry eight *Tomahawk* ship-launched cruise missiles; whereas, the DDG-47 does not have space to carry this system. Each of these missiles has five times the range of the *Harpoon* missile and twice the explosive power. Thus, the CSGN will be able to bring within anti-surface missile range, targets in an area 25 times that covered by the DDG–47.

The CSGN will carry an 8″ gun in lieu of two 5″ guns in the DDG–47. The range of the projectiles that will be available for the 8″ gun is expected to be greater than the range of the 5″ gun projectiles; the CSGN will be able to bring within gun range an area about nine times larger than the area covered by the DDG–47.

Either ship can carry helicopters, but the aircraft handling facilities in the CSGN will be larger, so that it will be able to carry two VTOL aircraft; this will greatly increase its targeting capabilities at long ranges.

The CSGN will have several other features not included in the DDG–47. It will have a task force coordination center, as well as accommodations and facilities for a Unit Commander and his staff. It will also have the SSES—electronic intelligence and analysis system; this is not included in the DDG–47.

The displacement of the CSGN has been increased over a thousand tons to provide fragmentation armor not in the DDG–47. It is also being designed to provide systems to isolate ship internals from chemical and biological attack. The CSGN also has greater space and greater electrical power capacity for future weapons systems modifications.

I thoroughly agree with the Chief of Naval Operations' decision to include the additional military features in the nuclear strike cruiser. These, combined with nuclear propulsion give the strike cruiser far greater capabilities than any other surface warship in the world, except the aircraft carrier.

Nevertheless, there is no question that the DDG–47, which is being called a destroyer, is a major combatant. It has greater displacement and has more armament than any of the eighteen non-nuclear cruisers built since World War II. It is even heavier and has more armament than the nuclear cruisers *Bainbridge* and *Truxtun*. I do not know why it is called a destroyer, DDG, rather than a cruiser, CG.

COMPARISON OF COST OF CSGN AND DDG–47

The increase in estimated acquisition cost of buying the first AEGIS ship as a CSGN, in lieu of DDG–47, is about $490 million in FY 1978 program dollars. Of this amount, about half is due to the difference in weapons systems. The remainder is due to the higher acquisition cost of nuclear propulsion, including the initial nuclear fuel which will provide for 15 years of ship operations. The cost of buying and delivering oil is not included in the acquisition cost of a conventional ship. At today's prices, it would cost about $90M to buy and deliver an amount of oil for the conventional ship which would provide the amount of energy equivalent to the energy in the nuclear cores of the CSGN.

A comparison which would bring out the added procurement cost which is due to having all nuclear propulsion for AEGIS ships would be to compare the cost of the 7 nuclear strike cruisers included in the President's alternative all-nuclear program cited in his letter of February 13, 1976 to the Speaker of the House, to the cost of a mixed program of 2 nuclear strike cruisers and 6 conventional ships with the same military features other than propulsion, including the cost of buying and delivering an equivalent amount of fuel for each ship. This is two less conventional ships than in the currently approved mixed program of 8 conventional ships and 2 nuclear strike cruisers.

The cost of the 7 nuclear strike cruisers is estimated to be $8.530 billion. The cost of 2 nuclear strike cruisers and 6 conventional DDG–47 Class ships is estimated to be about $6.298 billion. To this should be added $1.5 billion to give the 6 conventional ships the same military characteristics as the nuclear strike cruisers, and $.540 billion at today's prices for the cost of buying and delivering 3 million barrels of oil to each conventional ship.

This gives a total for the mixed program of $8.338 billion. This is only $0.192 billion less than the cost of the 7 nuclear strike cruisers.

Thus, when the all-nuclear program of 7 strike cruisers is compared to a mixed program of 2 nuclear strike cruisers and 6 conventional ships having the same characteristics, the extra cost of the all-nuclear program is seen to be about $0.2 billion for one less ship.

Navy studies and actual experience at sea have shown that even with the same weapons in nuclear and conventional ships, it takes fewer nuclear ships to do the same job as a greater number of conventional ships. Further, Navy studies over many years have shown that when all costs of a carrier task group over its life are considered, substitution of nuclear powered escort ships for conventional ships with the same weapons increases the overall peacetime cost of a carrier task group only about one percent for each escort changed to nuclear propulsion. This would also be true for a nuclear strike cruiser compared to a conventional strike cruiser with the same military features other than propulsion.

Taking into consideration the declining number of overseas bases and the difficulties that will be encountered in future to deliver propulsion fuel oil in the areas of highest threat, and when all costs of nuclear and conventional ships are taken into consideration, I believe that the added military benefits of nuclear propulsion for AEGIS ships are well worth the additional cost involved.

COST ISSUES CITED BY OPPONENTS OF NUCLEAR PROPULSION

For many years opponents of nuclear propulsion have advocated that the acquisition money be used instead to buy a large number of cheaper conventional warships. The desire for small, light, cheap weapons systems has been endemic for a long time. Experience in wartime, however, indicates that the essential ingredients of a successful seaborne weapons system—reliability and redundancy, speed and endurance, versatility, firepower—are often lacking in such developments. These lessons have been lost on generation after generation of our leaders and must be periodically relearned at potentially enormous cost and loss of life when we are faced with actual wartime situations.

The number of AAW missile batteries, the number of sonars and ASW weapons systems, and the number of escorts needed to protect the great investment in a carrier task force cannot properly or logically be traded off for nuclear propulsion. No matter how many tradeoffs we study of other ways to spend the money we need to pay for nuclear propulsion, we will always be faced with comparing unlike things; none of the tradeoffs accord freedom from logistic support for propulsion fuel which is provided by nuclear propulsion. The other tradeoffs provide additional defensive protection for the task group, but none of them increase the offensive capability of the CVN, as does nuclear propulsion in the escorts. To compare a larger number of conventional escorts with a smaller number of nuclear escorts at equal cost is not to compare alternate ways of achieving the same capability; it is merely to compare two different capabilities that can be achieved with the same amount of money.

Even life cycle cost comparisons made of nuclear and conventional warships are based on the assumption that carrier task forces could be safely replenished in the strike area. I believe that if a realistic wartime assumption concerning the ability of carrier task forces to conduct replenishment operations in areas subject to the projected Soviet naval threat of the 1980's were used, the relative cost of nuclear powered surface warships would be shown to decrease. In a real combat situation a sophisticated enemy would make a determined effort with nuclear submarines and other forces to interrupt our supply lines and sink out replenishment ships. Under such circumstances, the ability of nuclear warships to retire at high speed from the areas of highest threat in order to replenish combat consumables in areas of lower threat and then return to the strike area at high speed could mean the difference between victory and defeat in the strike area.

SHIPBUILDING CAPACITY

Some also argue that we should not increase the nuclear warship building program because we do not have enough shipbuilding capacity. But the question of building capacity is a chicken and egg proposition. The problem is that we do not have a firm nuclear shipbuilding program. If we can get a firm long-range program, we can get the additional capacity we may need to produce it. But we cannot expect shipbuilders and component suppliers to gear up to do considerable work when they are not reasonably sure of the extent of future work.

In the past, we have had as many as seven shipyards—two naval and five private—build nuclear warships. All seven built nuclear submarines; three built nuclear cruisers; and one, Newport News, has and continues to build nuclear carriers. At the peak of the nuclear warship building program in the early 1960's. 14 nuclear ships were authorized per year.

However, the decline in the number of nuclear ships authorized each year—an average of about six per year for the last five years—and the desire to build each one for as little cost as possible, has caused us to concentrate our present nuclear warship construction in two years, the Electric Boat Division of General Dynamics in Groton, Connecticut and the Newport News Shipbuilding and Dry Dock Company in Newport News, Virginia; this yard was bought by Tenneco Incorporated of Houston, Texas, in 1968. However, two yards that used to build nuclear ships, the Quincy yards of General Dynamics, and the Ingalls yard of Litton Industries have expressed interest in bidding on the nuclear strike cruiser program.

Today the annual investment by electric utilities in nuclear power equipment for central station power plants is far greater than the Navy's annual investment in naval nuclear propulsion plants. Further, twelve years ago, annual naval shipbuilding contracts exceeded U.S. commercial shipbuilding contracts by a factor of three. Today the dollar value of annual commercial shipbuilding approximates the dollar value of naval shipbuildings contracts. Both of these factors add to the urgency to establishing a firm long-range nuclear warship building program, so that we are in a good position to compete for the necessary industrial capacity.

NEED FOR HIGH CAPABILITY SHIPS

The Soviets recognize the importance of becoming the world's strongest sea power. We have now chosen not to challenge them with numbers of ships. It is, therefore, essential that the ships we do build are the most powerful and effective weapons we know how to build. This means nuclear propulsion, and the best anti-air, anti-submarine, and surface-to-surface weapons we have for major warships. The penalty for any other approach is the steady erosion of our conventional military forces; a consequent reduction in our influence and in our "options" in world affairs; and the reliance of our security on nuclear weapons which, if used, would be the most supreme disaster. Historically, the United

States has relied on the quality of its weapons and the ability to manufacture them in large quantities to win its battles, rather than on large numbers of men. The American people do not appear to be willing to support large numbers of men under arms. Further, the complexity of modern weapons and the rapidity with which major wars can now be started preclude relying on wartime production capacity to furnish our weapons; we must plan on fighting a major war with the weapons we have at its outbreak. I believe we would be following a shortsighted path if we do not provide our first line striking forces with the best weapons our technology can provide.

If the problem is that the Nation's financial managers are not willing to provide enough money to insure our present defense, and at the same time invest sufficient funds to insure our future defense, then our people must be informed of the stark reality they face. We must not do what we have done so often in the past; namely, fail to provide adequate defenses using the sugarcoated philosophy that they are not needed, only to soon find ourselves in a war which costs many times the funds "saved." In World War II, we got away with it because our Allies took the brunt of fighting while we rearmed. In Korea, we got away with it because we were able to reactivate quickly large numbers of World War II ships, as well as equipment which had just been put in reserve. In the Vietnam war, we managed to sustain ourselves by using up a great deal of material, drawing down our reserve stocks, wearing out much equipment, and because our real opponents did not fight with their first team.

Most people do not realize how badly our naval forces were allowed to deteriorate by the hiatus in naval shipbuilding in the 1960's and the reduction in fleet readiness accepted to make funds, material, resources, and personnel available for the Vietnam war.

All wars and all military development should have taught us that a war, small or large, does not follow a prescribed "scenario" laid out in advance. If we could predict the sequence of events accurately, we could probably have avoided the war in the first place. As a war progresses, we can count on constantly facing new conditions and surprises as the enemy seeks new means to probe our weaknesses; that is what we repeatedly experienced in Vietnam.

When a war starts, we must fight with what we have. You will recall that all the aircraft the U.S. used in World War II had been designed prior to that war. Further, it takes five years to build a large warship. This often means using our weapons for an entirely different mission than that for which they were designed. For example, consider the use of B-52's in Vietnam.

Therefore, every major weapon should be designed with the maximum possible inherent flexibility. It is the need for the flexibility in warships built to operate for 30 years or longer that makes it so obvious and so important that we use nuclear propulsion in every major surface warship we build; especially since the ships we are building today are expected to last through part of the 21st century.

Despite the fact that Congress has repeatedly taken the position that we need to build more nuclear-powered surface warships, after 25 years of studying the issue we have only seven nuclear surface ships in operation and six more under construction. This is a very slow rate of transition to nuclear power for the greatest maritime power in the world—an island nation dependent on the strength of its Navy for its security.

Decisions made today concerning nuclear propulsion will not have their effect in the Fleet until a decade from now. We delude ourselves if we do not recognize that in the intervening years the Soviets will [illegible] major improvements in their na[illegible] systems. As they continue to technological advances in their fleet, we can expect them to incorporate the lessons learned into their new design ships. They have demonstrated time and again that they are willing to invest large amounts in new concepts.

No one can tell what problems our future leaders will face. However, the defense capabilities available to them will have been decided by the decisions we make today. The issue before the Congress should be decided on the capabilities our ships must have to meet the challenge. No cost analyses; no political expediencies; no other factors should be permitted to obscure this fundamental fact. You cannot measure military capability by cost alone. To do so can be fatal to this country, especially since our likely adversary is engaged in the greatest expansion of military forces in history and continues to outspend us. I know that with today's fiscal problems facing the Congress, it is extremely difficult to make investments for the future. However, if such investments had not been made in the past, we might not have survived as long as we have. If the investment for our future needs is not made now, there may be no future.

Our defense budget is being decreased each year in real dollars. It, therefore, becomes increasingly imperative that we have the best weapons our technology can provide. As for myself, I would rather fight a war with fewer, but better soldiers; with fewer but better guns, or tanks, or planes; with fewer but better ships. That is the road for a nation that excels in technology, and is reluctant to expend lives in war; yet, nevertheless, desires to win.

The systems analysts always tell us that we don't need the best ships, but they don't tell us how to counter the threat with inferior ships. For example, in the issue of nuclear powered surface warships, nowhere do they address how we should ensure that tankers can survive in areas of high threat. And without tankers, the conventional ships cannot survive.

What must be done? We need a firm long-range program to build nuclear powered ships—a program that will not be drastically changed every year or two as has happened in the past. Admiral Moorer, when he was Chairman of the Joint Chiefs of Staff, and for many years an eloquent proponent of nuclear power for our striking forces, agreed with me that we must build these first-line ships during peace.

The excuse for not building better ships is always that they are "more expensive". But all weapons of war are expensive. Cheap weapons will not win a war. And if we cannot win a war, there is no sense in spending money on weapons at all.

Rarely in naval history have the leaders looked far enough ahead. They generally build ships they consider to be adequate for the present. That is why, frequently, naval leadership has been replaced once war broke out.

We should be planning now for war that may erupt 15 or more years from now. Therefore, I agree with the policy recommended by the House Armed Services Committee that now is the time to establish a firm program for making all new major combatant ships for our striking forces nuclear powered. I consider this should be a matter of national priority.

For the reasons I have presented, I consider it urgent that we proceed now with the next nuclear carrier, the nuclear strike cruiser program, and conversion of the cruiser LONG BEACH to AEGIS.

THE RENEWAL OF THE SPIRIT OF 1776 DEPENDS TODAY ON THE INDIVIDUAL CITIZEN

Mr. RANDOLPH. Mr. President, the [illegible]nnial Year of our Nation's founding is a time of reflection and reassessment. Millions of citizens are stirred to look back at our achievements over the past two centuries, and to view our goals for the future.

An activity for creative and constructive discussion of our accomplishments as a unique citizenry is the "Voice of Democracy" scholarship program sponsored by the Veterans of Foreign Wars. Tens of thousands of young people produced meaningful scripts on America and its meaning, as a part of this annual national contest. Their words provide a well-reasoned evaluation of the patriotic feeling that provides a fresh outlook.

This event involves more than 500,000 students enrolled in 8,000 secondary schools throughout the country. The State and territorial finalists were selected by a distinguished panel of judges composed of writers, broadcasters, educators, and legislators. Earlier this month, the top five contestants were presented and their winning scripts read or spoken at the annual congressional dinner in Washington, of the Veterans of Foreign Wars, the sponsor.

In our home State of West Virginia. the winner of the VFW "Voice of Democracy" was 15-year-old Sybol Beth Honaker. A 10th grade student at Montcalm High School. Miss Honaker perceives a basic truth that is often overlooked in our debates on current issues. She wrote:

> (The Spirit of '76) . . . affects each of our fellow countrymen in individual ways, as different in view and outlook as individual as themselves. America is based on a dream of freedom and well-being that is embraced by all kinds of men and women of many tongues and traditions,

West Virginians share with her parents, Joseph and Patricia Honaker, pride in the meaningful message for America this young lady created. I am confident that her expressed interest and concern will continue as she pursues her studies as an English major. Miss Honaker, symbolically, was born on July 4, 1960. She has two brothers and two sisters. They are: James, 18; Joann, 14; Beverly, 13; and Joseph, Jr., 6.

There is indeed the bright promise of challenge and devotion and building a better land ahead if that future is truly reflected in the words of Miss Honaker. Mr. President, I ask unanimous consent that her well-reasoned winning entry in the "Voice of Democracy" contest be printed in the RECORD.

There being no objection, the script was ordered to be printed in the RECORD, as follows:

SOMEDAY, AMERICA, WE'RE GOING TO REALIZE OUR DREAM

Show it and mens' eyes become misty and glazed. Whisper it, and men's hearts beat wildly. Rumor it, and men's mouths become weak and dry for excessive praising. Acknowledge it, and their whole body trembles with patriotism. Freedom! Independence! Liberty! The soul of this heritage is what has set this country into an overall, superior ranking of the nations. The result of this has formed the high natured spirit of the Americans. The Spirit of '76.

The Spirit of '76 is the spirit of the citizens of America, who look to the past for the future. Each proudly reminiscences what has made America great, through two centuries of heritage.

This spirit affects each of our fellow countrymen in individual ways, as different a view and outlook as individual as themselves. America is based on a dream of freedom and well-being that is embraced by all kinds of men and women of many tongues and traditions.

To some it may be the tiny, infant babe, who is born into a world of democracy. A world which emphasizes freedom.

To the adolescent this feeling comes as independence in the right to vote. The liberal woman who proudly tells of the suffrage.

One in the educational system senses his feeling of '76, with the knoweldge that he can choose the schooling he needs and a choice of the many roads of life he wants.

The Spirit of '76 is the smile on the old man's face, who knows he has lived the longest, fullest life possible—one in the United States.

Even religious groups reflect this Spirit of '76. The many Protestants, Catholic, and Jews, who acknowledged that their religion is not chosen for them by others of false authority, but according to their own will.

Many Americans in thinking of the Spirit of '76 are thankful for all that has made America great. They are thankful for our government, which was founded on stern sound principles, for democracy, where the average person is important. He has a share of rights and privileges which gives him a voice in the government. We are grateful for the freedom of speech and the freedom of the press, which has informed a great population in America, for civil rights which draws attention to each and every resident in the United States. The citizens are thankful that America has been blessed with great and unselfish leaders. The many people who dwell in the United States show a feeling of pride in remembering our forefathers, who looked upon liberty and self-government as all-important. In addition to these, the residents of this country are grateful for the documents that America is based on, such as the Declaration of Independence, the Constitution of the United States, and the state constitutions. Also in thinking of the Spirit of '76 we are thankful for our America, the land of plenty. America is a place—a place so rare, so risky, it is fragile. America is durable, it has been together through prosperity, peace, unrest and tranquillity. America is promises. The promise of pleasure, of a life beyond mere drudgery, of being new and young in all adventures. Someday, America, we're going to realize our dreams!

In conclusion we are thankful for the backbone of America, though without much fame and recognition this is what our country owes much of its greatness to—the people. What happens to our country depends on the action of each citizen, each ordinary man in his daily life. The past is summed up in the Spirt of '76 but the present and future are in the hands of the citizens of America!

To me our Bicentennial Heritage means the Spirit of '76—which is time, meaning the 200 years our country has endured. It is strong, it is independent, and with the willingness of God, it will live Forever!

GRIM JOB OUTLOOK FOR 1976 GRADUATES

Mr. HUMPHREY. Mr. President, although employment prospects for college graduates have been improving since the beginning of this year, the number of jobs offered this March to graduating students was lower than the March 1975 levels.

In a recently published survey of the job outlook for graduates from 159 colleges, the College Placement Council stated that the number of job offerings to bachelor's degree candidates declined 16 percent from the number offered last March. For the same time period, master's degree candidates received 25 percent fewer job offerings and students receiving their doctorates were offered 32 percent fewer jobs.

The overall March 1976 job prospects for college graduates in the survey were slightly better than in January. Compared to March 1975 levels, the number of jobs offerings in January 1976 declined by 37 percent for B.A. candidates, 33 percent for those with M.A.'s and 51 percent among doctoral students. These slightly improved job prospects should not divert attention from the distressingly high levels of underemployment and unemployment among college graduates, despite economic recovery.

Thus, the overall employment outlook for college graduates in 1976 is grim. Extended underemployment of skilled workers will result in severe social and economic costs. I am especially concerned that many young people looking for their first full-time job will lose the valuable work experience so crucial to establishing good work habits that must serve for an entire career. In addition to these economic costs which lower the productive potential of the labor force, there are serious social costs which accompany continued high unemployment. For example, numerous witnesses before the Joint Economic Committee have emphasized the positive correlation between high unemployment and crime, drug abuse, suicide, and serious illness.

Furthermore, the poor job outlook for young adults is aggravated by the fact that the great majority of recent graduates are ineligible for unemployment compensation. The particular employment problems of young adults reaffirms my belief in the need for stimulative fiscal and monetary policies supplemented by job creation programs funded under the Comprehensive Employment and Training Act.

Mr. President, I urge my colleagues to recall these statistics on the depressing job outlook for our young people when the CETA extension legislation comes up for debate on the Senate floor later this month. I ask unanimous consent that a summary of the study issued by the College Placement Council on 1975–76 job offerings to new graduates be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

The College Placement Council

Employment prospects for this year's college graduates may be on the slow road to recovery, but the outlook still is poorer than last season, considered by most as a bad year. Data compiled by the College Placement Council for its second Salary Survey report of 1975–76 show things have picked up since the first report in January.

Compared with last March, the number of offers reported for bachelor's-degree candidates was down 16%. Master's volume decreased 25% and doctoral volume was off 32%. Although still on the negative side, these figures were a marked improvement over the picture in January when bachelor's volume was down 37%, master's 33%, and doctoral 51%.

The brightest picture was for women candidates. At the bachelor's level, women received 27% more job offers than at the same point a year ago, while the number for men decreased 20%. At the master's level, the volume for women was up 36%; for men, it was down 13%.

This report, which covers the period from September 1 to February 11, is based on 7,249 offers to bachelor's candidates, 1,524 to master's and 123 to doctoral.

At the bachelor's level, the humanities and social sciences disciplines experienced the greatest decline in volume at 26%. Close behind was engineering with a 23% drop, and then came the sciences with a 12% decrease and business with a 4% drop. Engineering and business disciplines still accounted for 89% of all the offers reported.

Among the engineering disciplines, decreases in volume of 40% or more were experienced by areonautical, metallurgical and civil engineering, and engineering technology. The only engineering discipline with more offers than a year ago was petroleum with a plus 18%.

In the business curricula, accounting volume was about the same as last year, marketing and distribution was up 20% but general business was down 22%.

Among types of employers, nonprofit and educational organizations, with low volume, made 15% more offers than last year, while firms in the business sector made approximately the same or slightly more offers. Of the manufacturing/industrial categories, automotive and mechanical equipment, electrical machinery and equipment, research/consulting organizations, and tire and rubber were on the up side in volume. Chemicals-drugs made about the same number of offers, while the remaining seven manufacturing/industrial categories were down in volume. The greatest drop (58%) was experienced by metals and metal products, with building materials manufacturers and construction, glass/paper/packaging, and petroleum firms down approximately 30-35%. Government offers, both federal and local/state, also dropped substantially.

In terms of dollar averages, petroleum engineering topped the bachelor's list at $1,399 a month, a gain of 8.6% since the end of the 1974-75 season. Next was chemical engineering at $1,272, an increase of 6.4%.

Except for petroleum engineering, the engineering dollar averages at the bachelor's level increased from 4% to just under 7% since July. In the other disciplines, except in chemistry and mathematics, the dollar averages remained about the same as in July or moved up slightly.

At the master' level, the number of engineering offers was about the same as last March despite the drop in overall master's volume. The number of offers for MBA candidates with a technical undergraduate degree dropped 49% while the volume for MBA candidates with a nontechnical background declined 36%.

Chemical engineering, with a 5.3% increase to $1,379, commanded the top master's dollar average. Next was the average for the MBA (technical background) category at $1,326, about the same as last year's close. Historically, however, salary offers to MBA's begin moving up after mid-year.

One trend appears to be developing: a diminishing in the dollar value of engineering master's degrees compared with bachelor's degrees. For example, the dollar difference between bachelor's and master's averages in chemical engineering now is only 8%. In 1969–70 it was 15%.

At the doctoral level, only two disciplines received sufficient offers to make analysis meaningful. Chemical engineering volume decreased 35% but the average starting salary offer went up 7.2% to $1,763. On the other hand, the chemistry volume increased 22% but the dollar average rose only 1.5% to $1,525.

Salary Survey reports are available only to CPC members and Journal Publications Group subscribers.

FRANCE AND WEST GERMANY ARE SEEDING THE WORLD TO MAKE ATOMIC BOMBS GROW

Mr. **RIBICOFF**. Mr. President, the New York Times published an editorial today that focuses very clearly on the misbehavior of two of our closest allies, France and West Germany, which if not checked, threatens to seed the world with atomic bombs.

The editorial, entitled "The Proliferators," is sharply critical of French and German plans to export nuclear fuel production facilities to Pakistan and Brazil respectively. These facilities will enable Pakistan and Brazil, neither of which have ratified the Treaty for the Nonproliferation of Nuclear Weapons—NPT—to produce material suitable for atomic bombs as well as for reactor fuel. The United States has objected strongly to these exports, but to no avail.

The editorial points out that the United States has maintained a firm policy of refusing to export nuclear fuel facilities—uranium enrichment and plutonium reprocessing plants—to countries not possessing nuclear weapons because the facilities can too easily be applied to a weapons-development program. Nevertheless, France and West Germany, in an effort to pull multibillion-dollar reactor sales away from the United States, are offering these facilities as an incentive for developing nations to buy their reactors instead of ours.

This situation is all the more outrageous, Mr. President, because the reactors being exported by the French and Germans are built from blueprints and with components supplied by U.S. companies. Furthermore, the French and German nuclear power programs are heavily dependent on enriched uranium fuel from the United States—and will remain so until their own uranium enrichment facilities begin operating 4 to 7 years from now.

The question, Mr. President, is whether the United States is prepared to let more than 20 years of nonproliferation efforts go down the drain at the hands of French and German commercialism. The editorial is on target by pointing out that West Germany and France are applying weak international safeguards to these dangerous exports—safeguards that "could be unilaterally abrogated by Brazil and Pakistan"—and then using the safeguards to justify these exports as being "safe."

The Times editorial cites Secretary of State Kissinger's recent testimony before the Senate Government Operations Committee, of which I am chairman, in which Dr. Kissinger made clear that France and West Germany have posed the principal obstacle to reaching an agreement among the supplier nations to ban the export of nuclear fuel facilities to nonnuclear weapons countries. I wish to commend the distingiushed Senator from Ohio (Mr. Glenn) for the outstanding job he has done as ad hoc chairman of the committee's review of U.S. nuclear export policy in our consideration of S. 1439, the Export Reorganization Act.

The Times cites data developed by the committee to demonstrate the danger of these policies:

> The spread of plutonium reprocessing facilities and technology could confront the world with a dozen or more nations capable of producing weapons-grade plutonium for 3,000 Hiroshima-size bombs annually by the 1990's.

The Times also reaches the same conclusion as I do, that—

> The United States, which invented the bomb, has a special responsibility for heading off this evolution by bringing other exporting nations to agreement not to use the degradation of effective safeguards as "sweeteners" in commercial competition for big power reactor orders.

Mr. President, the United States has not been without fault as the world's chief promoter of nuclear power reactors—including many sales to nations that have refused to ratify the Nonproliferation Treaty. But at least we have not exported facilities needed to process the material associated with these reactors into material that is suitable for bomb-making. I do not believe the French and Germans will take our proliferation concerns seriously until we make it clear to them that we are seriously concerned.

To make our concerns very clear, I have recommended that the United States offer a carrot, as well as brandish a stick.

The carrot is an offer to enter into market-sharing arrangements with all the major suppliers to eliminate cutthroat competition from the sale of reactors and to promote nuclear fuel arrangements that will discourage production and stockpiling of weapons-grade material outside the supplier nations.

The stick is a threat to cut off reactor fuel shipments to France and Germany—possibly in cooperation with the Soviet Union, the other major reactor fuel supplier—and to cut off shipments of reactor components as well—if the French and Germans continue to refuse to cooperate. I am now awaiting Secretary Kissinger's response to this carrot-and-stick proposal.

Mr. President, I ask unanimous consent that today's New York Times editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 5, 1976]

The Proliferators

For almost a year, arrangements to export, to Brazil and Pakistan respectively, West German and French technology for making nuclear explosives have been proceeding behind a smokescreen of pious pledges to nonproliferation. Public opinion, Parliaments and even the Cabinets of the two countries have been fed misleading information about the supposed "safeguards" imposed.

As this disastrous program has been pressed forward, creating dangers for the future of all humanity, West German Chancellor Helmut Schmidt has been able to escape serious questioning at home on Bonn's sale to Brazil of a complete nuclear fuel cycle, something no exporting country has ever done before. The French Government has escaped serious challenge at home on a succession of "authorized" denials that the projected sale of plutonium reprocessing plants to South Korea and Pakistan involved any dangers—a diversionary maneuver that was exposed when Paris backed off from the South Korean sale after vigorous American protests.

In testimony before the Senate Government Operations Commiteee, Secretary Kissinger recently acknowledged that French and West German refusal so far has blocked American proposals for a ban on export of plutonium reprocessing and uranium enrichment plants by the seven major nuclear supplier nations, including the Soviet Union, Britain, Canada and Japan. A new agreement reached by the seven undoubtedly will improve inspection by the Vienna-based International Atomic Energy Agency; but it is far from sufficient. Bonn and Paris have used the new agreement to support their pretense that the inspection arrangements now make it "safe" to export even such dangerous equipment as plutonium reprocessing plants.

The United States, Mr. Kissinger indicated, has pointed out to them that the so-called "safeguards" agreements provided for I.A.E.A. inspection could be unilaterally abrogated by Brazil and Pakistan. That is one reason why the United States for thirty years has refused—and still refuses—to export uranium enrichment and plutonium reprocessing equipment.

The break with this American policy in the West German-Brazil and France-Pakistan deals has led to inquiries by a half-dozen Congressional committees, which have refused to accept assertions that these contracts can no longer be reversed even if they violate the spirit of the Nuclear Nonproliferation Treaty, which Bonn and Paris have promised to uphold.

The spread of plutonium reprocessing facilities and technology could confront the world with a dozen or more nations capable of producing weapons-grade plutonium for 3,000 Hiroshima-size bombs *annually* by the 1990's. The United States, which invented the bomb, has a special responsibility for heading off this evolution by bringing other exporting nations to agreement not to use the degradation of effective safeguards as "sweeteners" in commercial competition for big power reactor orders.

THE ECONOMICS OF SST

Mr. **CRANSTON**. Mr. President, in view of the Senate's recent and continuing dialog on the wisdom of permitting commercial supersonic flights into the United States, I would like to bring to the attention of my colleagues the findings of Dr. Karl D. Kryter of the Stanford Research Institute in Menlo Park, Calif. Dr. Kryter's comparison of the costs of subsonic and supersonic air transportation is an instructive contribution to the SST discussion. In addition to the compelling environmental problems which have already received wide consideration, Dr. Kryter points to another important question—the economic viability of supersonic aircraft. I therefore ask unanimous consent that his study be printed in the Record.

There being no objection, the study was ordered to be printed in the Record, as follows:

The Cost of Transportation Via Subsonic and Supersonic Aircraft

Summary

It is appropriate to evaluate the effectiveness of the SST as compared to modern subsonic aircraft, such as the 747B, as a producer of transportation independently of any problems the SST may have in the areas of environmental pollution. The interests of users of the air transportation and the air transportation industry, as well as the general public must all be given consideration.

Supersonic air transports (SSTs), proposed and being built, will be significantly less productive than the subsonic 747B aircraft. For example, to transport an equivalent payload for 3500 miles (New York to Paris) the minimum aircraft utilization time under ideal conditions for a 747B would be 7.5 hrs (one trip); 9.1 hrs for an SST with the performance characteristics of the previously proposed Boeing 2707-300 (two trips plus one turnaround); and 25.0 hrs for the Concorde (five trips, plus four turnarounds). The SSTs will use about four times as much fuel as the 747B to transport given pounds of equivalent payload a given number of miles. A true surcharge will be required for the SSTs of about 100 percent of the cost of the passenger fare on a 747B.

The true elapsed time from check-in to check-out for a trip from New York to Paris by the Concorde will be about 3.8 hrs as compared to 7.5 hrs for a 747B (a reduction to less than ½, not ⅓, as is often stated in the press). The 25% to 30% surcharge estimated by the manufacturers of SSTs is fundamentally specious inasmuch as the increased costs of air travel by the SST must ultimately be met—either by subsidy or by increasing the fares on subsonic as well as supersonic flights.

The basic problem in the aerodynamics and, as a consequence, the economics of an SST, is that the fuel consumption increases disproportionately as the speed of the aircraft; as a result the weight of the fuel required limits payload productivity and aircraft range and the cost of the fuel becomes a progressively larger portion of the operational costs of the aircraft. This is a fundamental physical fact. Solely in terms of operational costs and range, the substitution of 145 mph racing cars for 55 mph passenger cars is analogous with the substitution of SSTs for subsonic commercial aircraft like the 747B.

NOTE.—Most tables and figures referred to in text are not printed in the RECORD.

INTRODUCTION

There is no question but that decreasing the time now required for long-distance trips by jet aircraft by a factor of 2 would increase, in and of itself, the demand for and effectiveness of air travel. The supersonic transport (SST) offers such a desirable possibility. On the other hand, the SST carries possible transportation, social, and environmental costs that are to be given consideration before such a program is consumated. A significant amount of scientific and engineering information has been developed over the past ten years or so on nearly all aspects of the SST, and on the basis of this scientific-technological information and a number of relevant economic studies, an SST, called the 2707-300, was being developed for the United States Government by the Boeing Company. According to proposals of the Federal Aviation Administration (FAA), 500 2707-300s would be in operation as a fleet by the 1900s.

It is the purpose of this paper to provide an analysis of the costs of transportation by the SST when flying supersonically exclusively over water or relatively unpopulated land area (i.e., restricted flight paths because of the sonic boom). These costs are to be compared to similar costs with contemporary subsonic aircraft. The starting point of the present analysis is the conclusion of three studies of the economic feasibility of the SST which were summarized, in part, in a report from the FAA as follows:

"EXECUTIVE SUMMARY

"The three studies in this report provide a range in their base case 1990 market estimates for the SST under sonic boom restrictions from 500 to 800 airplanes. The low market estimate of 500 SST's, the FAA base case, is sufficient to enable the Government to recover all of its investment through Phase III for development and construction of two prototypes plus a small return. The basic conclusion is that the program is not only economically viable but reasonably profitable to all participants over a wide range of assumptions."

This paper was recently started to compare, as material for an academic text book, the "internal" costs of transportation via the SST with the "external" costs to the public of sonic booms and noise from the SST. Because the results of the analysis of the transportation costs were so unexpected and have such immediate and practical implications, this material is presented as a separate paper at this time. The recent action of the United States Congress to withdraw Government financial support for the Boeing SST probably reduces, to some extent, the immediate pertinence of this paper. However, the material herein presented may be of interest to those involved in future efforts to develop and use SSTs. Although data about the Boeing SST are used as the basis for most of the analyses to follow, many have direct application to the British-French SST, the Concorde, and some analyses of the costs and characteristics of transportation by the Concorde are provided towards the end of the paper.

RELATIVE COSTS OF TRANSPORTATION BY 2707-300 AND 747B

The operational characteristics of the 2707-300 pertinent to the present analysis, are to be found in a recent publication. The operational characteristics of the 747B are those expected for models of that aircraft being or to be built shortly; these characteristics will differ from some present-day 747s with respect to takeoff and landing noise and a modest increase in payload. We obtained additional information regarding fuel consumption, noise, and other aspects of the 2707-300 and the 747B from the FAA, National Aeronautics and Space Administration (NASA) and various segments of the aircraft industry. Figure 1 gives some payload-range performance characteristics of the two aircraft. Figure 2 shows the international (primarily overwater) routes under consideration for the 2707-300.

The analysis to follow is simplified by making the assumption that the 2707-300 and 747B aircraft will be equal in terms of safety, approximately equal in costs of air crew and ground operations, including maintenance and airline management, will operate with the same load factors (55%), and that the 2707-300 will have a 25 percent longer calendar life, based on FAA estimates, than the 747B. The productivity of the 747B is calculated by taking the number of aircraft required to achieve, with the same load factors, the same number of passenger miles per 24 hours as is accomplished by a given fleet of 2707-300s.

Choosing representative operational conditions for this analysis was made somewhat difficult by uncertainties with respect to an average daily utilization rate expected for the 2707-300 and the median or average length of the trips to be taken by the passenger (see Fig. 3). It would appear from Fig. 3, noting that trip lengths shorter than 700 miles are excluded, that the median or average trip length for international traffic in 1967 was somewhere between 2500 miles (IDA) and 3200 miles (QRE) although the newer subsonic aircraft, such as the 747, may tend to move that value upwards somewhat. The estimates of hoped-for-utilization of these long-distance aircraft also varied from a low of 10 to a high of 21 operational hours per 24 hours.

For these reasons we choose to carry forth an analysis that should provide results that are realistic and representative of the performance, cost, and demand that might be expected for the 2707-300. The basic data and a productivity analysis of the operation of the 2707-30 and 747B as potentially competitive fleets of aircraft in 1990 are presented in Table 1. The following comments concerning these data and deductions as to their implications for the economic viability of 2707-300 specifically and, to a limited extent, the general question of the practicality of an SST, are offered.

Longevity

Economic analyses for and accepted by the FAA of the 2707-300 predict a 15-year calendar life for the 2707-300, and 12 years for the 747B. This prediction is probably debatable. For example, when accomplishing somewhat fewer equivalent payload lb-miles than the 747B, the 2707-300 must undergo about twice the number of landing and takeoff operations. These operations plus double the number of miles to be flown per year by the 2707-300 suggests that rather than longer, the 2707-300 is likely to be shorter-lived than the 747B.

Speed and trip time

The 2707-30, which will cruise at a maximum speed of approximately 1800 miles per hour, will require about 2.6 hours for a 3500-mile trip, and 2.0 hours for a 2500-mile trip, of so-called elapsed air time. Elapsed air time refers to the time from start of takeoff roll to end of landing roll. An additional 30 minutes at the dock loading, 10 minutes for taxiing and takeoff, 5 minutes for taxiing following landing, and 20 minutes at the dock for unloading must be added, as a minimum for ideal uncongested airport operations, to elapsed air time to calculate the minimum trip times for an aircraft. The minimum trip times for the 270-300 and 747B are as follows:

TABLE 1

	3,500 miles			2,500 miles			
	Elapsed air time (hours)	Dock and taxi	Total trip	Elapsed air time (hours)	Dock and taxi	Total trip	Fueling and turn-around time
2707-300	2.6	1.2	3.8	2.0	1.2	3.2	1.5
747B	6.35	1.2	7.5	4.6	1.2	5.8	1.5

Present experience of airlines is that taxiing and landing operations may often require more time than that allowed due to air and ground traffic control congestion. The above figures reveal that there is a slightly less than a 2-1 ratio between the typical trip duration for 2707-300 and 747B long-distance flights.

Aircraft utilization

The assumption shown in Table 1 of four trips per day for the 2707-300 and two for the 747B implies that the aircraft will be able to operate, including fueling and turnaround time, 19.7 hrs and 16.5 hrs, respectively, per 24 hours. This projected high utilization rate is perhaps somewhat unrealistic for the 2707-300 which will require greater amounts of time on the ground for fueling, undergoing flight readiness operations, and for scheduling (the 2707–300 must operate more than twice for each 747B flight to achieve equal payload-miles). It is to be noted that for each 24 hours the 747B will have at least 3.2 "extra" hours per 24 hours of cargo loading, maintenance, etc., than will the 2707–300. The fact that the 2707–300 must undergo, to obtain equal productivity, twice the number of fuelings and turnarounds means that it will experience over a long-term average for 3500-mile trips about a 15 percent less utilization in the air than will the 747B. This loss in productivity and revenue to the airlines is not taken into account in the analyses to follows. In an attempt to make the analysis simple we will treat each 24-hour period as a unit of time, a procedure that will show the 2707–300 with a 15 percent higher productivity, relative to the 747B, than could be the case under actual year-round airline operations.

Also, it may not be feasible to operate the SST from all possible city pairs with a minimum turnaround time due to noise limits that are placed upon aircraft operations in some cities. In this regard, it can be noted that the subsonic aircraft of the 1990 era will, if presently-known engine technology is utilized, be able to operate without constraint from most, if not all, major airports due to noise limits day or night, whereas this may not be true for the 2707–300. The assumption made regarding airline utilization efficiency of the two aircraft again appears to unjustifiably favor the 2707–300.

Trip distance

An additional factor that could reduce the effectiveness of the 2707–300 relative to that of the 747B is that the 747B is more suited to long-distance flights than the 2707–300. The operation of the 2707–300 is not possible over distances longer than about 3800 miles with a load of 298 passengers, whereas the 747B, as shown in Fig. 1, has a feasible range of 6000 miles when carrying 298 passengers; indeed, the SST becomes less efficient on either shorter or longer distances than the 3000-mile range, whereas this is not as markedly true for the 747B.

For example, a 6000-mile flight (i.e., from San Francisco to Tokyo) could be performed by the 747B non-stop in about eleven hours with a payload of about 298 passengers, whereas the 2707–300 would require at least one intermediate stop and take at least nine hours. Further, it might be noted that the 747B could also increase income to the airlines and comfort to the passengers by providing first-class lounge seating (24″-wide seats, and 40″ or so between rows) for all 298 passengers, whereas the 2707–300, because of its small size, could provide, with the 298–passenger configuration, only so-called economy seating (seats varying between 18″ to 19″ wide, and 34″ between rows).

INCOME

As shown in Table 1, the income of an aircraft is taken as a joint function of the pounds of passengers (taken as 200 lbs each) and equivalent passenger pounds of cargo carried multiplied by the number of miles they are carried. In order to express the income-producing capability of the two aircraft equitably we calculate cargo lbs as having one-half the payload value of passengers. Typically, although the costing can be complicated by the volume as well as weight, cargo charges per lb are one-half tourist fare passenger charges per mile. In 1971 dollars the fare is taken to be about $250 for tourist and $400 for first class on a 2500-mile international air trip.

Because of the limits placed upon payload weight in the SST, as well as because of the configuration of the fuselage of the aircraft to reduce its size and weight, the SST is primarily capable of carrying only passengers. The modern subsonic transport, however, is capable of carrying relatively large amounts of cargo along with its complement of passengers; and approximately 50 percent of the air cargo on long-haul flights, particularly overwater flights, is at present carried in the holds of the subsonic planes carrying passengers, according to major airline operators. Indeed, this ability must go a long way in providing relatively inexpensive transportation for passengers and air cargo alike.

The relative operational costs and income of the 2707–300 and 747B for similar projected operations is shown in Table 2. It is seen in Table 2 that the income-producing capability of the 2707–300 for these operations is equivalent to about 40 percent increase in passenger fare cost and these costs in 1971 dollars are equal, per passenger, on the average, to about $27 per hour of trip time saved by the 2707-300 over the 747B, or $100 for a 3500-mile trip.

Fuel

Table 1 shows that the cost of fuel contributes more heavily than does the cost of the vehicles to the decrease in the income of the 2707–300, relative to the 747B. Table 3 illustrates how much fuel would be consumed by a 2707–300 passenger plus 747B cargo fleet and an all 747B fleet of equal productivity. It is seen in section 2(a) of Table 3 that the fleet of 500 2707–300s proposed by the FAA could possibly lead to a daily consumption of about 2.4% of the Free-World daily consumption of petroleum, whereas an equally productive all 747B would consume no more than 0.8% (section 2(b), Tabe 3). Assigning this additional 1.6% of the Free-World's petroleum fuel supply (section 2(c) Table 3) to aviation could further increase the rate of change in the cost of these fuels and create problems with other industries needing such fuels.

More importantly for the 2707–300, this factor would significantly further increase the disparity between the income-producing productivity of the 2707–300 and the 747B inasmuch as the fuel costs are a larger part of the operational costs of the 2707–300 than the 747B. As seen in Fig. 4, the price of petroleum fuels is increasing at a somewhat faster rate than cost commodities and labor due to fuel shortages and an increased demand for these fuels, although in the past this was not the case.

The question of the basic costs of energy to propel objects through space is critical to the overall evaluation of the practicability of an SST that uses petroleum fuels. Within limits, increasing the speed of a vehicle of transportation, other things being equal, demands the expenditure of disproportionate amounts of energy for each mile of increased speed—in aerodynamic parlance, drag increases as the square of aircraft speed. The SST has been made aerodynamically more efficient than the 747B by, among other things, the utilization of a small "bullet-like" fuselage and by flying at a higher altitude (65,000 ft for the 2707–300 vs 30,000 for the 747B); however, this increase in areodynamic efficiency and decrease in atmospheric density is not sufficient to compensate for the exponential increase in fuel or energy requirements. It is not inconceivable that the demands for present-day fuels for other industrial, including explorations in space, and living activities is such that supersonic speeds may not be economically achievable as a means of general and mass transportation until some form of atomic fuel is widely available.

Surcharge

In order to pay for itself, compared to the 747B, a surcharge must apparently be added to the fare of flights on the 2707–300. The critical question is, how many passengers would be more willing to take the 2707–300 at an additional cost of about 40 percent above the cost of the same flight via a 747B?

It might be noted that in terms of comfort (one valid basis on which to base a surcharge), the passengers in the 2707–300 would have the advantage over those in the 747B because the flight would be of a shorter duration, and for that reason much more tolerable. However, in terms of seat width, headroom, and walk-around space, the 747B would have the advantage over the 2707–300; for example, about three-fourths of the seats in the 2707–300 would be 19″ wide with about one-fourth of the seats being 18″ wide (sometimes called economy-width seats), whereas the seats in the 440-passenger configuration of the 747B are all 20″ wide (sometimes called tourist-width seats).

The major benefit of the shorter flight time on the 2707–300 would presumably be that the traveler would have hours available for normal work or recreational activities that would be denied him with the 747B flight. There is no doubt but that on many occasions this saving in time would be so valuable that many people would be willing to pay a significant surcharge.

A meaningful way to evaluate the costs and benefits of saving time as the result of flying on the 2707–300 vs the 747B is to consider the number of hours the average person would have to work in order to pay for the surcharge. It is seen in Fig. 5 that the average international traveler makes about $7.00 per hour in 1971 dollars(the same dollars used as the base for the aircraft operational and ticket costs). Inasmuch as the appropriate surcharge for the 2707–300 on a 3500-mile trip would be about $100 in 1971 dollars, the average person would be required to work about an additional four hours for every hour he saved in flying the 2707–300 rather than the 747B, or about 14 hours for each 3500-mile trip. When viewed in this light, the enormous savings in man-hours claimed as the result of flying on the 2707–300 seemingly becomes very insignificant and for most people would be a highly "negative" saving.

In previous economic analyses, factors of 1.0, 1.5, and 2.0 times earnings per hour saved were used to estimate preference for SST flight; FAA accepted the 1.5 times formula as the most realistic. Figure 5 reveals that only approximately 7 percent of the travelers involved in international flights would be capable of paying the necessary $27 per hour-saved-surcharge, assuming that people were willing to pay at a rate of 1.5 times their earnings per hour for each hour saved in flight.

Projected demand for 2707–300 aircraft in 1990

The economic analyses of the feasibility of the SST prepared by and for the FAA, were concerned, to a considerable extent, with the attractiveness of the 2707–300 as an investment of $2.2.billion in development funds by the government and the aircraft industry. The results of our analysis seem at such variance with the statement of the FAA, that "the program is not only economically viable but reasonably profitable," that we felt it appropriate to examine the basis of the projections that 500 to 800 2707–300 aircraft would be required in 1990. This statement follows, it is important to note, the judgment of FAA that there would be a preference for the SST equivalent to 1.5 times their earnings per hour of flight time saved. This analyses is shown in Table 4, with supporting data in Tables 5, 6, and 7 and Figure 3.

It is deduced in Section A of Table 4 that with a 62 percent utilization factor (approximately 15 operational hours per 24 hours) and median trip length about 3500 miles, a fleet of 644 2707–300s would carry, when operating with a 55 percent load factor, all international revenue passenger miles anticipated for 1990. However, the 2707–300 is not likely to capture the entire international passenger market. Although the FAA estimated there would be a need for 500 2707–300s, it is more likely that the surcharge apparently to be required of the 2707–300 would reduce the passenger demand and need for the 2707–300 to about 45 aircraft (Section B, Table 4).

Surcharge—Fleet of 45 2707–300s

Were the number of 2707–300s to be built reduced from the 500 copies projected by the FAA as drastically as indicated might be the case from our analysis, the manufacturing costs per aircraft and the amortization of 2.2 billion-dollar development costs and certification costs of the 2707–300 would become more significant factors in the pricing of the passenger air transportation costs. This would, on first thought, suggest that the surcharge for transportation on the smaller fleet of 2707–300s would be very much greater than on the larger, 500-craft fleet.

However, reducing the number of 2707–300 operations means a reduction in the amount of losses, relative to the productivity of the 747B, incurred by the 2707–300. The effect of fleet size reduction upon subsequent surcharge requirements is illustrated in Table 8. Table 8 is based on the basic data in Table 1, except that a fleet of 45 2707–300s is taken as the size of fleet needed to meet passenger demand for SST transportation. The 747B fleet is then adjusted in size to provide the same transportation for about the same number of passengers.

Table 8 shows that the estimated increase in 2707–300 selling costs from $44 million to $84 million and the lower operational costs as the fleet is reduced from 500 to 45 aircraft results in but a slight increase in the surcharge for passage on the 2707–300—from $100 to $101.

Propeller versus jet aircraft analogy

It is sometimes argued by the proponents of the SST that the same step forward in air transportation that occurred when jet aircraft were substituted for the propeller-driven aircraft would occur with the substitution of the jet SST for the jet subsonic aircraft. However, it is not to be overlooked that, other than an increase in speed, the case of 2707–300 vs the 747B is very different than, for example, the 707 vs DC7; for examples, (1) the new jet engine provided greater reliability and safety, as well as greater efficiency and reduced costs in operation than did the reciprocating-engine propeller or, to some extent, the turbo-propeller aircraft, (2) the jets, because of generally higher flight altitudes and the development of new flight control equipment, provided better all-weather operations and more comfort in flight than was before possible, and (3) the reduction of transoceanic or transcontinental flight time by a factor of two, from about 14 to 7 hours, meant a trip period that was much more compatible with respect to the eating, sleeping, and working habits of passengers.

On the other hand, the only advantage the 2707–300 will have over the 747B or similar subsonic aircraft, is that it will reduce overall trip time by a factor of two. Reducing the trip time from 7.5 to 3.8 hours, while very significant, will probably not represent as great a percentage improvement, with respect to passenger comfort and needs, as was the reduction of 14 to 7 hours of flight time achieved as the result of the introduction of the subsonic jet aircraft.

The most misleading, in our opinion, aspect of the "jet vs prop" analogy is that the advantages of greater safety, reliability, and efficiency the subsonic jet-engined aircraft had over the propeller-driven aircraft, will not be advantages that the 2707–300 or future SSTs will have over the subsonic transport. Specifically, both subsonic and supersonic aircraft will most likely use turbojet or turbofan engines as means of propulsion. Improvements in performance of jet engines as the result of future research and engineering are likely to be of equal advantage to both types of aircraft. Indeed, the jet engines for subsonic aircraft provide greater opportunities for and flexibility in improvements than those of the supersonic aircraft.

For example, the principal of the turbofan engine rests upon a large fan and slow air movement; as a result this size causes increased "drag" during flight which the SST cannot tolerate. Also, the speed of the air at engine intake during supersonic flight creates problems in the effective operation of a turbofan engine. For these reasons the supersonic aircraft cannot utilize the quieter turbofan jet engine as readily as can the subsonic aircraft.

Hypothetical airline operation

In reality, the above analysis makes the 2707–300 appear to be better than would actually be the case in real-life operations. Perhaps some of the handicaps suffered by the 2707–300 compared to the 747B can be illustrated by means of the following hypothetical operation of an airline. Suppose Airline X was granted license to fly once per day from New York to Paris and return, and that this airline has some $48,000,000 to commit for aircraft. On this basis, Airline X could purchase either two 747Bs or one 2707–300, assuming that 2707–300s were in "full" production (500 aircraft).

Tables 9 and 10 show the result of an analysis of the performance, income and expenditures to be expected from the two types of aircraft. Again it is presumed that management, ground operations, and maintenance costs are the same for both aircraft, but in this case allowance is made for the greater initial cost of the 747B vs the 2707–300, and the additional costs required to service the greater number of passengers served on the 747B.

It is to be noted that although the same number of takeoffs, landings, and travel miles will be performed by the one 2707–300 as by the two 747Bs combined, the sum of the number of flight hours for the 747B aircraft is about twice that of the single 2707–300. It is as yet more or less unknown as to whether it is the number of hours flown or the number of takeoffs, landings, and miles flown that determines maintenance cost on the 2707–300 and the 747B. It is probably a function of all of these factors and on balance it is probably not to be expected that the maintenance costs for the two 747Bs would be significantly greater than those for the one 2707–300 when flown according to the schedule given on Table 9.

Important to the airline operations is the fact shown in Table 9 that the 747Bs will have a greater flexibility in that the two 747Bs can operate independently of each other, whereas the 2707–300 must undergo a "turnaround" operation; also a delay on one leg of its daily schedule automatically delays the required second daily operation of the 2707–300. In addition, the fewer the number of turnaround operations of the 747B vs the 2707–300 means that the 747B has an additional 1½ hours available daily for maintenance, cargo loading, etc., that is not available to the 2707–300.

For the equipment and operations in Table 9, the surcharge (see Table 10), turns out to be around 100%, or more than twice the 40% found for the cases developed in Tables 2 and 8. The reason is that for those Tables the fleet of 747Bs was limited to the number of aircraft that would carry the same number of passengers to be carried by a specified fleet of 2707–300s. It is clear from Table 10 that the airline could operate the 747B fleet at about 28% loading and break even with the operation of the SST 2707–300 having a loading factor of 55%, assuming no surcharge for passage on the 2707–300.

Comparsion with the Concorde and TU–144

When this article was being written (1971), the following quotation appeared in a newspaper story under an Associated Press, London dateline—"Both airlines (BOAC and Air France) calculate that it (the Concorde) will cost twice as much to operate per mile as the subsonic Boeing 747."—Palo Alto Times, California, February 24, 1971. If true, this would verify the conclusion reached here regarding the relative inefficiency of SSTs and, also, further suggest that the concern expressed by some persons that the United States would lose its market for subsonic aircraft, assuming the United States produced no supersonic transport, to the British-French Concorde is unwarranted.

We do not have the data available, to prepare a detailed comparison of the Concorde or Russian SST TU–144 with the 2707–300 or the 747B, nor to draw firm conclusions thereto. However, it seems clear that the Concorde is less proficient than the 2707–300 even though its maximum cruising speed and range are less than those of the 2707–300, and that the Russian SST TU–144 is about comparable in performance to the Concorde. The data in Table 11, although somewhat roughly estimated for the Concorde and TU–144, summarize the relative performance characteristics of the 747B, 2707–300, and the Concorde.

Inspection of Table 11 shows the reasons the SSTs will be so noncompetitive and ineffective relative to the 747B as producers of air transportation and income to the airlines: for example, to be as productive as one 3500-mile flight of a 747B, which requires 7.5 hrs. of aircraft utilization time, a 2707–300 must be flown twice with an aircraft utilization time of 25.0 hours. In this process, the SSTs burn three to four times as much fuel as the 747B.

Aircraft loading

It is sometimes argued that the SST will overcome this income producing disparity relative to that of the 747B by virtue of maintaining a load factor of 90% as compared to the more typical load factor of 55% projected for the 747B. Calculations based on Table 8 indicate that even were this so a surcharge of about 28% of the 747B tourist ticket cost would be required for the 2707–300 SST.

However, it is not obvious, on the basis of past history, that airlines are capable of controlling the percentage loading to such a high value as 90%. Also, if such high average loading is in the future achievable and desirable for the SST. There is no reason why the airlines would not adjust their inventory of 747Bs to provide for a loading factor comparable to that obtained on an SST and thereby keep the relative net income relations between the two aircraft about that shown in Table 8.

Relation to some other economic studies

It is possible to consider in detail other factors—such as air crew (which is a minor source of relative costs of operating the SST vs the 747B with equal productivity), ground operations costs, and maintenance costs—in a comparative analysis of the SST and its competitor, the 747B. As described above, these factors were herein considered in ways that are in agreement with the definitions given by the FAA and favor the SST. Even so, the conclusions reached in the present analysis would place an SST in a very unfavorable position contrary to various reports prepared by the United States Government and representatives of the aircraft industry. It is to be noted, however, that the general negative conclusion with respect to the economics of the SST found in the present paper agrees with that earlier expressed by Lundberg, and also by Samuelson in testimony before the U.S. Congressional Committee.

CONCLUSIONS

Using the basic data provided in the economic studies of the SST conducted by and for the FAA the present analysis reveals that:

1. In order to compete economically with the 747B, a tourist fare for a 3500-mile trip on an SST would cost (either through fare

charges or subsidies) 50 to 100% more than on the 747B, with 100% probably being the more realistic figure.

2. The omission herein of the apparently greater "natural" rate of growth in petroleum fuel costs compared with other operational aircraft costs, is likely to make, by 1990, the income productivity of the SSTs relative to that of the 747B or other subsonic aircraft considerably less than that calculated herein.

BOLLING BECOMES VICE CHAIRMAN OF JOINT ECONOMIC COMMITTEE

Mr. HUMPHREY. Mr. President, on Monday I had the pleasure of announcing that Congressman Richard Bolling has been designated vice chairman of the Joint Economic Committee. Congressman Bolling, who now chairs the Subcommittee on Fiscal Policy, has been a member of the committee for the past 25 years.

Dick Bolling has had an illustrious career in the House of Representatives. He has fought long and hard to make the House of Representatives more responsive to the people it serves. He was an architect of the congressional budget process. And, Congressman Bolling chaired the House Select Committee on Committees which proposed sweeping structural changes in the committee system of the House of Representatives. We on the Joint Economic Committee are fortunate to have the benefit of his expertise.

He and I have worked closely in introducing the Full Employment and Balanced Growth Act of 1976. I want to share with you some comments which Congressman Bolling made as that legislation was introduced. He said:

> Only the possibility of war is a more critical problem than an economy which has no jobs for people who want to work. Doing something about this tragic waste of talent and resources is of the highest priority with me.
>
> The failure of the United States to develop a long-term national economic policy toward the goal of full employment without inflation has created imbalance in our economy and led to the severe economic decline we've just experienced. No single government body is now responsible for carrying out a systematic and comprehensive plan to reach sound economic goals and policies. Without such a central body, it is impossible to predict and prepare for the future.

Mr. President, I greatly value Conressman Bolling's support on this vital piece of legislation. He is an outstanding Member of the Congress with an impressive understanding of public economic policy. Dick Bolling has been a source of strength in the Joint Economic Committee for many years and I welcome him as vice chairman and as the future chairman of the committee.

SPAIN AND RADIO LIBERTY

Mr. PERCY. Mr. President, on March 19, the Times of London published an important editorial concerning the Spanish Government's attitude toward the lease arrangement for Radio Liberty transmitters in Spain. Because the editorial is so timely and so pertinent, and because it analyzes the situation so well, I commend its reading to my colleagues in Congress and ask that it be printed in the Record.

There being no objetion, the editorial was ordered to be printed in the Record, as follows:

Another Issue of Freedom in Spain

The Spanish Government is now considering whether to allow the Americans to continue using powerful transmitters on the Costa Brava to carry Radio Liberty broadcasts to the Soviet Union. The current agreement runs out on Monday but the broadcasts will continue for the time being. Negotiations started this week, but have been temporarily suspended, probably because the Spanish Government has not had time to give the matter its full attention.

Meanwhile pressure to deny Radio Liberty facilities in Spain has been coming from the Russians, with whom the Spanish Government is now anxious to open diplomatic relations. The Russians have been suggesting that relations will suffer in some way if the broadcasts continue from Spanish soil. The Spanish left wing appears to be uncharacteristically aligning itself with the Soviet Union on this issue because it regards Radio Liberty as an arm of the CIA. Actually, the connexion was formally broken some time ago but presumably the left either does not believe this or sees little difference between the CIA and other arms of American influence.

It would be a serious matter if the Spanish Government were to give in to these pressures. In the first place it would be inconvenient and expensive. The transmitters are where they are because it is an ideal spot from which to broadcast by short wave to the Soviet Union. To move them elsewhere would cost a lot of time and money. Moreover Spain is playing host only to some hardware and a few technicians, not to a full radio station. The main studios and editorial offices are in Munich, and the programmes go from there to Spain by land line.

Secondly, it is absolutely unnecessary to give in to Russian pressures in order to have normal relations. The Russians try for anything they can get when they engage in negotiations, and it is obvious that they will try to disrupt Radio Liberty if they see an opening (they already jam its broadcasts). They have grumbled constantly to the West German Government about the headquarters in Munich, and at one time they even dropped hints that they might reconsider their participation in the Munich Olympics. But when they meet a firm response they get on with normal diplomatic business. There is no evidence that German relations with the Soviet Union have suffered to any noticeable extent from the presence in Munich of Radio Liberty and Radio Free Europe (the twin station which broadcasts to eastern Europe). Spain would not suffer either.

Thirdly, the Spanish Government would be doing a disservice to its reputation and to the values of western democracy if it gave in to the Russians. Radio Liberty and Radio Free Europe provide services which are in great demand among the peoples of the Soviet Union and eastern Europe. As the Radio Liberty policy manual says, the aim is "to equip Soviet citizens with objective information on which to base their own participation in the process of change from within and to make available all that information which is indispensable to the growth of sound, constructive public opinion . . . Radio Liberty demonstrates its belief that all men have an inherent right to search for truth and that dialogue . . . creates understanding and defuses hostility". Even the Spanish left should be able to agree with this.

Of course the Soviet regime objects strongly to attempts to infringe its monopoly over information. It has recently been mounting a very intense campaign against Radio Liberty, perhaps because of the number of distinguished recent émigrés who have been taking part in its programmes. But Soviet leaders constantly declare that détente involves no obligation to cease ideological struggle. Western countries should take them at their word. It would be sad and ironic if the Spanish Government should now contribute to denying to the Soviet people the very same rights which it is slowly granting to the Spanish people.

SENATE APPROVES NATIONAL BETA SIGMA PHI WEEK

Mr. BAYH. Mr. President, as a member of the Senate Judiciary Committee as well as a cosponsor of Senate Joint Resolution 76, I was extremely pleased with the Senate's action in approving legislation providing for the designation of April 30 through May 7 as "National Beta Sigma Phi Week."

The 58 Senate cosponsors of this resolution indicate the national recognition which this fine organization has achieved. I received numerous letters from Beta Sigma Phi chapters in Indiana expressing strong support for congressional approval of Senate Joint Resolution 76. Hopefully, the House of Representatives will act expeditiously on this important resolution.

Established some 45 years ago, Beta Sigma Phi—the world's largest international Greek-letter women's organization—currently boasts a membership of more than 250,000 with nearly 11,000 chapters in 23 countries and territories.

With the creation of the Beta Sigma Phi International Endowment Fund in 1947, tens of thousands of dollars have been spent annually for the support of humanitarian projects. The Beta Sigma Phi sponsored projects include such worthwhile activities as cancer and cystic fibrosis research; university scholarships; day and vacation care for mentally retarded children; and homes and treatment centers for predelinquent boys and girls. As chairman of the Senate Subcommittee to Investigate Juvenile Delinquency, I have followed most carefully this organization's efforts with respect to providing assistance for our troubled youth.

In addition to their humanitarian activities, the various chapters are active in promoting and encouraging cultural activities in their respective communities. Beta Sigma Phi's contribute their time and financial support to arts and crafts shows, musical festivals, libraries, theater, antique shows, museums, and talent contests.

Over the years Beta Sigma Phi has assumed a leadership role in typifying the social, civic, cultural, and humanitarian ideals of an outstanding organization. It is especially appropriate in view of our recent celebration of International Women's Year that this organization receive its due recognition and honor in our Bicentennial Year.

I ask unanimous consent that the text of Senate Joint Resolution 76 with its preamble as approved by the Senate on March 31 be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S.J. Res. 76

Whereas 1975 has been designated international Women's Year, with the United Nations having asked all countries and all interested organizations to join in working to advance the status of women throughout the world;

Whereas Beta Sigma Phi Sorority, the world's largest international Greek-letter women's organization, with more than two hundred and fifty thousand members from eleven thousand active chapters in twenty-three countries, has been pursuing that goal since its founding on April 30, 1931;

Whereas the Beta Sigma Phi International Endowment Fund promotes the additional aim of "service free from self and selfishness" through the support of such projects as cancer and cystic fibrosis research, educational scholarships, homes or exceptional children, and rehabilitation centers for predelinquent boys and girls; and

Whereas Beta Sigma Phi's social, cultural, and service programs have a significant impact on the lives of its members as well as their communities and local, State, and National governmental officials around the world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the seven-day period commencing on April 30, 1976, as "National Beta Sigma Phi Week", and calling upon the people of the United States and interested groups and organizations to observe that week with appropriate ceremonies and activities to recognize the National Beta Sigma Phi Sorority and its social, cultural, and service programs and the high ideals for which the sorority stands.

Amend the title so as to read: "Joint resolution authorizing and requesting the President to issue a proclamation designating the seven calendar days commencing on April 30, 1976, as 'National Beta Sigma Phi Week'.".

The title was amended so as to read:

Joint resolution authorizing and requesting the President to issue a proclamation designating the seven calendar days commencing on April 30, 1976, as "National Beta Sigma Phi Week".

WE MUST PLAN OUR FUTURE CHOICES—NOT OUR FUTURE

Mr. HUMPHREY. Mr. President, I wish to share with my colleagues an article by Mr. Jeff Greenfield, a former assistant to the late Senator Robert F. Kennedy, entitled, "The End of the American Dream".

Mr. Greenfield's article is filled with powerful insights both as they relate to our Nation's past and to its future. The central thrust of Mr. Greenfield's message to us is captured in his following two sentences:

> America has always equated freedom with abundance. But the old order changeth—and as we enter the Age of Shortages, we better take care that our liberty isn't one of them.

I commend Mr. Greenfield's article to both my fellow Senators and to all those who share my deep and abiding concern about the type of choices we are providing our Nation's people today to help them determine the type of future they will have for themselves and for their children tomorrow.

Freedom is the right of choice. But the significant question is: "What will be the basis of our future choices?" For that, in turn, may well determine the extent of our political and social freedoms in the future, according to Mr. Greenfield. He says our past choices were made on the basis of abundance whereas our future choices must be made more on the basis of scarcity. He concludes that we must either learn to keep our freedom in a less plentiful, less bountiful country, or we are likely to lose that freedom.

A most powerful and challenging thought to ponder.

Mr. President, I urge my Senate colleagues and others not only to read Mr. Greenfield's article, but to think seriously about what it suggests, which in my judgment, is that we must think ahead, both as a nation and as a people. We must begin now to anticipate and plan our future choices, not our future.

Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The End of the American Dream

(By Jeff Greenfield)

Something is happening to America—something that has never happened before; something that may change our country's government and society beyond recognition and accomplish what no enemy nation, no army, no domestic tyrant or subversive ever managed to do: eradicate the freedom and liberty of American citizens.

The first evidence is already around us—the persistent joblessness, the cost of food and fuel, the steadily eroding real value of the dollar, the sporadic shortages at the supermarket, and the continuing uneasiness about the availability of gasoline and other fuels. But we are still probably a few years away from the day when, for the first time in our history, Americans begin to realize that this "land of plenty," is running out of riches, that until a new source of energy can be found we will be living in an Age of Scarcity. And the most chilling consequence of this scarcity will not be unemployment and longer gasoline lines, it will be the most serious threat to our political and social freedom that we have ever faced.

Traditionally, Americans have believed in and valued freedom above all else and assumed its continuity largely because the very wealth of the land made government control—whether of our property, our work, or our thoughts—absurd. But now that scarcity may well become a pervasive characteristic of our national life, we had better try to discover—and quickly—how our ideas about freedom can survive in a less plentiful, less bountiful country. The alternative to learning how to keep our freedom will be the loss of that freedom.

The idea of abundance, more than the idea of freedom or individualism, has long dominated both the world's vision of America and America's vision of itself. The sweep of the continent, the riches of the earth, the bounty of the frontier, the power of the machine—these qualities have written our history and shaped our present.

Columbus's 1493 letter from Hispaniola tells of an "earthly paradise" in the Western hemisphere. An English joint-stock company in 1609 beckoned Londoners to a land where "they shall have meat, drink, clothing, with a horse, orchard, and garden for the meanest family [and] one hundred acres for every man that hath a trade." As one social critic has written, "From the Spanish quest of El Dorado to the Twentieth-Century folklore of Sicilian and Slavic villages, the myth persisted of America as the land of untold riches, where everyone dressed in finery and the paving blocks were of gold." The most remarkable thing about this myth is the amount of truth it has contained for five hundred years.

Of course the history of America is also checkered with privation, suffering, and outrages—the destruction of the Indian civilizations, starvation in the early settlements, death on the frontier, the sweatshops and slums in our cities, the hard lot of sharecroppers and migrant workers, the persistent exclusion of blacks, browns, and women from full rights, and the inequitable distribution of wealth that endures to this very day.

Yet the reality of the Golden Myth remains: America is a society abundant above all others. Moreover, this wealth has endowed not just a tiny elite, but the great mass of Americans, first with land and the fruits of that land, then later with a share of our incredible industrial production. More than a hundred years ago, John Calhoun said that a "kind providence has cast our lot on a portion of the globe sufficiently vast to satisfy the most grasping ambition, and abounding in resources beyond all others, which only require to be fully developed to make us the greatest and most prosperous people on earth.

In the decades since, the story of gold in the Klondike, silver in Colorado, oil in Oklahoma, and coal in Appalachia has made Calhoun seem a modest forecaster. By the beginning of this century, Henry Adams could describe our country as the "child of incalculable coal power, chemical power, electric power, and radiating energy"—sufficient to make America into "a sort of God compared with any former creature of nature." And it is this image—and this reality—that runs like a river through our history, irrigating every element of our experience. We have so much, we consume so much, even our poor are, in comparison, so endowed (Harlem by itself would be one of the world's ten richest nations) that we cannot understand the threat posed by scarcity until we see just how the idea of abundance forms the bedrock for our most basic beliefs.

Every idea brought here from Europe was transformed by the richness of the American landscape. The philosopher George Santayana once wrote that American life "seems to neutralize every intellectual element, however tough and alien it may be, and to fuse in it the native good will, complacency, thoughtlessness, and optimism." And looking at the impact of abundance on our most basic ideas, this description seems exactly right.

God Himself was recreated in the image of America the Plentiful. Why believe in the sinfulness of luxury when the earth has brought forth such treasure? Instead of the biblical doctrine that "it is easier for a camel to go through the eye of a needle than for a rich man to enter into the kingdom of God." American religion favored the notion of the Elect: the sense that God favored with worldly success those destined for Paradise. From Cotton Mather on down through Dwight Moody, Billy Sunday, Billy Graham, and Norman Vincent Peale, a major strain in our religious activity has been the comforting of the comfortable. It reached a peak of some sort when ad man Bruce Barton wrote The Man Nobody Knows, in which he described Jesus Christ as the "Great Salesman" and the Apostles as the first board of directors.

Our belief in individualism seemed to have resulted from the wealth of the continent. The early settlements in Jamestown and Plymouth, which emphasized collective effort, collapsed in large measure because there was simply too much fertile land for the taking. There was no need for men to work together when it was not too difficult for each man to enrich himself separately; nor was there any need for a powerful, intrusive government. "Here in America," Carl Schurz said, "you can see every day how little a people need to be governed. . . . Here you witness the *productiveness of freedom.*" Indeed, our American Revolution was born as much out of impatience with Britain's economic policies as her political policies. Samuel Eliot Morison argues that "Boston became the hub of the American revolution largely because the policy of George III threatened her maritime interests."

The doctrine of "natural rights"—so central to the Founding Fathers—became through the first century of our history the unfettered right of the powerful to enrich themselves as they wished, without state interference. Those who didn't like it could pack up and carve out a new slice of our endless continent for themselves. Our corporate growth, manifest destiny, isolationism—all these reflect a sense of America as a self-sufficient, infinitely self-sustaining entity. Whether this idea of Abundance has been good for us is a matter of doubt. What is beyond all doubt is the enormous influence the idea has had on our character, on our most definitive traits as a people and a culture. In his classic essay on the closing of the frontier, Frederick Jackson Turner summarized the impact of abundance of the American people. It had produced, he said, "that coarseness and strength combined with acuteness and inquisitiveness; that practical, inventive turn of mind, quick to find expedients; that masterful grasp of material things, lacking in the artistic but powerful to effect great ends; that restless, nervous energy; that dominant individualism, working for good ends and for evil; and withal that buoyancy and exuberance which comes from freedom. . . ."

We can find this influence everywhere. Look at our newspapers and magazines—the startling use of white space, graphics, photographs. Look at the blaze of neon in Times Square and Las Vegas. Look at the way we live—in housing thirty miles from our jobs and five miles from a food store. Look at our pattern of typically uprooting ourselves more often in a ten-year period than most of the world's peoples do in a lifetime.

Listen to our political and cultural debates, and see how the concept of abundance bridges the widest-seeming gaps between Americans. Economic conservatives point to our material standard of living and argue that our system works for all who are willing to work. Liberals point to this same wealth and argue that in so rich a land, privation exists only by a conscious decision ("If we can put a man on the moon. . . ."). Our counterculture, with its professed distaste for the values of growth and acquisition, has been based on the capacity of the huge middle class to pay for the lifestyle of its disaffected children.

But there is something else that the pervasive idea of abundance has brought to our country. In America, growth has not been just a value, but the reason to *be;* possession is not just a means to happiness, but happiness *itself*. What has happened in America is that, as abundance came to dominate our thinking and living, it came to replace other, more traditional, sources of gratification. We made a kind of cosmic bargain—trading roots, community, stability, and craftsmanship for the dizzying excitement of growth, plenty, and power. Now, forces seemingly beyond our control are making that bargain obsolete. Instead of vast riches, we may be facing a sharp decline in our basic material expectations, and that may produce an incalculable alteration in our traditional sense of possibilities.

"A new civilization found new ways of holding men together—less and less by creed or belief, by tradition, or by place, more and more by common effort and common experience, by the apparatus of daily life. . . . Americans were held together less by their hopes than by their wants, by what they made and what they bought."—Daniel Boorstein. *The Democratic Experience.*

To some critics, this "bargain," this exchange of stability for consumption, has produced the American capacity to solve problems and improve our lot. To others, ranging from Thorsten Veblen to Paul Goodman and Charles Reich, it has produced a corrosive loneliness—even as we possess more, we wonder more at our lack of satisfaction. But while thinkers debate the worth of the bargain, the fact that we are living within that bargain is clear.

To survey familiar ground once again: we travel in shiny cars along eight-lane highways to see America, and what we see are more eight-lane highways and Holiday Inns and McDonald's that we left behind at home. We relax in comfort before color-television sets, but we are remote from tangible experience and personal participation. There is no corner bar or grocery store to find companionship in—often there is not even a *corner*, no center of existence where we casually cross paths with neighbors. Because we live so far from our needs, we power 3,000-pound machines to carry a 150-pound man for a loaf of bread. The work we do seems less and less to be either productive or useful, so we take our satisfaction not in what we *do*, but in what we can buy with our labor. In fact, what we have *is*, for millions of us at least, what we do. The vacations, the snowmobile, the home—these are the ways we measure our lives.

This is not necessarily a losing bargain: affluence can be as gratifying as more traditional values. In the words of Max Lerner, "The loss of a sense of independence in the productive process has been replaced by a feeling of well-being in consumption and living standards. The values of income, consumption, status . . . are values, not emptiness or formlessness."

These words were written before the explosion of the 1960's; that decade taught us that prosperity without purpose may not be enough. But now we face a more basic question—one we have never had to ask before: what happens once we have exchanged the rewards of community, craft, and identity for mobile affluence—and *then* find our mobility and affluence draining away? What happens, in a society taught to measure happiness by the things we have, when we find we have less? The conclusion is frighteningly easy to suggest. If we have less, our lives must *be* less.

And the fact is that for the rest of this century. Americans *will* have less. Whatever happens to employment and the value of the dollar, our five hundred-year link with cheap energy, cheap food, and cheap raw materials, is ending. Certainly, the current picture is grim enough. Our industrial capacity is one-third idle, and eight million are jobless. Yet the cost of living rises at a faster pace than at any time since World War II, propelled by a combination of shortages, the near-monopoly control of much of our economy, and skyrocketing state and local taxes (the average American works four months a year just to pay the tax collector).

So great is the continuing rise in the cost of living that a family that earned $12,626 in 1967 will need $16,000 just to stay where it is in 1976. In fact, the typical family has now lost every penny of the real buying power it had gained since 1964. Pessimism runs rampant. According to a *Wall Street Journal* survey, businessmen and economists believe that a savage new round of inflation will trigger a major economic collapse sometime in 1977 or 1978—"future fear" the *Journal* calls it. A noted economist says that the "prospects for improvement in the American standard of life are much less than they have been." And Edward Donnell, chairman of the board of Montgomery Ward, says: "The age of conspicuous consumption is over."

Thus, after living through all of the social upheaval of the last decade from domestic riots and a divisive, debilitating war to the murder of our leaders and wholesale corruption within the White House itself—after all of this—the single remaining consolation, the conviction that maternally at least things will continue to get better is also turning to dust. No wonder pollsters unanimously report the most pervasive national pessimism in measurable memory.

The foreseeable future holds no solace. In recent years, our abundance has been rooted essentially in the existence of cheap fuel on which to base our industrial machine and personal living habits. But now the era of cheap fuel is over. The foreign oil cartel will by 1980 have accumulated some $450 billion of cash reserves—virtually all of it drained away from the United States and Western Europe. And to avoid paying higher prices abroad we will have to pay hundreds of billions of dollars at home—there will be higher prices for light, heat, and gas, and more expensive tax-supported subsidies. Even then we may well lose the battle. The National Academy of Sciences says it is all but impossible for the United States to achieve energy independence within the next twenty years, and the United States Geological Survey recently found that we have less than half the oil reserves we once thought. One government official predicts that "we should expect to run dry [of domestic petroleum] around the year 2000." The Atomic Energy Commission, a zealous advocate of nuclear power, now admits enormous problems with the "breeder reactors" of the future.

The energy shortage of two winters ago demonstrated in a small way what will happen if America runs short of fuel. But if we must pay far more for fuel, the consequences will go far beyond car pools and chilly buildings. Cheap fuel is—*literally*—the motive power of an auto-based economy and lifestyle. If automobile production, sales, and use sag, then so does the vast web of our industrial life: steel, rubber, service stations, fast-food franchises, shopping centers, amusement parks, domestic tourism—all will flourish or atrophy on the mobility of the car.

And there is much more. Fuel powers the tractors and combines of our agricultural life. Fuel powers the machines that nurture the fruits in the vast orchards of California and Florida. Fuel powers the trucks that abridge space and season to put fresh vegetables on wintry tables thousands of miles away. Inflate the price of fuel and you inflate the price of food. Mix this fact with the growing worldwide demand for our bounty to see that the Secretary of Agriculture is obviously right when he says. "The era of cheap food is over."

And more. Oil is the core of petrochemical products. Jack up the cost of oil, and the price goes up for plastics, synthetic fibers, records, pipe, packaging, furniture, etc. Moreover, Japan and other industrialized nations compete more strongly for our wool, cotton, and wood. The price of clothing soars. Paper shortages cut the size and circulation of newspapers and magazines.

In sum, abundance as we have known it—abundance in the sense of an unlimited source of substance for ourselves, our machines, our way of life—is over.

What happens to a society where freedom has been equated with abundance? Well, if we have less, then perhaps we shall be less free. Once a society has to make hard choices about who gets what, then the political process becomes much more ominous and threatening.

America has always professed to believe in the phrase, that a "government big enough to give us everything we want is big enough to take it all away from us." Even after the New Deal, the New Frontier, and wartime controls, we have managed to retain a healthy skepticism about what Washington should be doing for us and to us. Yet, virtually unnoticed during the energy shortage of 1973–74 was the incredible, unchallenged expansion of government power into every area of our lives. The federal government became our thermostat adjuster, our highway patrol, our wage negotiator, our price-setter, our custodial engineer. We were told that we might have Christmas lights on our tree but not on our shrubs. We were told that we could buy gasoline on Saturday but not on Sunday. Prospective homeowners had to petition local boards for emergency fuel supplies if they wanted to move.

If this is how the federal government intends to respond to future energy shortages—with detailed, case-by-case power over local and personal choice—then the federal power implied is total. In extreme form, it suggests the power to shut down television stations to conserve energy, the power to allocate newsprint, the power to decide that the Indianapolis 500 will take place, but not some rock concert, the power to permit college basketball games to be played but not professional ones.

And if scarcity results in this kind of government control over energy, what will happen if other shortages take place—shortages of food, lumber, wool, cotton? Will we have a federal agency allocating newsprint? Will government boards send fruits and vegetables to different parts of America, based on their conception of regional tastes? If this sounds impossible, remember that a hundred years ago the idea of a government zoning land would have been just as laughable in many parts of America. Then, as urban centers grew more crowded, the idea that every landowner had full control over his property was replaced by tighter and tighter controls. We now face—with no preparation and with little recognition that it can happen—the possibility of government "zoning" fuel and other scarce commodities.

Moreover, a stronger government with control over our lives means that there is a greater potential for bitter national division. All of us know that in influencing government, some citizens are more equal than others. But when government decides who will drive, who will work, who will suffer, and who will prosper, then political and economic power obviously becomes much more consequential. Truckers can shut down a city by blockades or by strikes that sever the chain of food supply. Farmers can dump milk and slaughter livestock to maximize prices in a food-shortage economy. Oil companies can cut production to force prices to climb even higher. And the rest of us can watch and wait for the government to tell us whether we shall work, whether and what we shall eat, whether we shall be cold.

Once before within recent memory America faced substantial shortages—during World War II. And some observers say optimistically that the experience brought us closer together, made us a more united people. From Rosie the Riveter to dollar-a-year bureaucrats, our work had a purpose, a common goal. And that, of course, is exactly what we do not have now. We aren't fighting for our survival as a free nation; we don't have Tojo, Mussolini, and Hitler to revile; we don't have magazines and newsreels promising us better days just ahead. Furthermore, World War II was actually a time of providential prosperity compared with the preceding Depression—indeed, it was war that ended the Depression. Meatless Tuesdays were not that much of a hardship for families that had lived through foodless Tuesdays a few years earlier. Today, scarcity will come only after more than two decades of feverish consumption by people who have literally never known the meaning of hardship. Finally, we are more apart from each other now. We live neither in cities nor on self-sufficient farms, but increasingly in far-flung suburbs, unreachable by public transportation. We are neither accustomed to nor organized for cooperative sacrifice, and this will make scarcity far harder to cope with.

What, then, can we do? Without some very hard, very fundamental changes, a leaner existence will mean for millions of us a lesser existence. Since we have cashed in so many other sources of gratification for possessions, since we have chosen to cast our lots separately instead of together, we have created a vicious cycle: increasingly dependent on consumption for gratification, we have become a society that is built to consume wastefully. And since we have shaped our political ideas of freedom from our material bounty, we face a future in which we will see ourselves as less free because we will have less chance to evade limits on our impulses.

The first step toward a solution is the clear recognition by our political leadership that we can no longer afford to consume without acknowledging the consequences. Nearly a century ago the closing of the frontier meant that we could no longer swallow up virgin land, drain it of its nutrients, and move on westward. And what is ending now is the age of "frontier consumption." As a society America is facing the terrible lesson that individuals learn when they pass from youth to middle age. To personalize it: America can no longer stay up all night and drink and devour all it can, certain that it will be replenished in a new day. Our country has provided a kind of fountain of youth, but now we face childhood's ends.

Many of the critical decisions will indeed restrict our freedom—*if* we continue to define "freedom" as the right to a life-style independent of the real costs, what economists call "externalities." The right to clog city streets with automobiles carrying one passenger; the right to drive snowmobiles instead of sleds; the right of federally subsidized housing and highways to suburbanize all America—all of these "rights" create enormous costs. And an energy-scarce America will not be able to afford them.

The question is whether our political leadership, traditionally so cowardly in the face of powerful forces that profit by existing conditions, will use its power at the source of these problems or whether it will impose massive restrictions on the living habits of individual Americans. If Washington has to choose between requiring automakers to produce only fuel-efficient engines and banning Sunday driving, the choice *must* be made to impose efficiency at the top. If Washington has to choose between drawing more families to the suburbs or inducing them to return to more efficient urban living, this choice, too, is clear. If building codes can be changed to require more adequate insulation, isn't that better than banning Christmas lights? But the problem is that all these choices require a government with the guts to go after powerful economic interests; and we have seen precious little of that from government in recent years.

An energy-scarce age also requires some strong action by consumers themselves. The central message of Ralph Nader's activity is that there *is* no direction given to manufacturers by consumers—no seeking, for example, for an organized channel through which to check the wasteful growth of petrochemical packaging, a hundred different kinds of deodorants, and other production forms that waste precious fuel. The idea that some companies may shut down because others are gorging themselves on fuel products is unconscionable, but consumers have no mechanism for protecting jobs and energy sources.

This may, in fact, become a new kind of lifestyle for a nation no longer able to pay the costs of indulgence. It is true that we don't have a dangerous visible foreign enemy to fight—a Hitler or a Tojo. But a country whose people can no longer indulge every private source of leisure may well find a new source of purpose in the organized attempt to make the products they buy, the air they breathe, and the water they drink safer and more rational. Across a whole spectrum of our lives, we have become atomized—separate from each other in the way we live, travel, and play. Now conditions seem to be forcing us to adopt Benjamin Franklin's classic toast on the eve of the signing of the Declaration: "We must all hang together, or assuredly we shall all hang separately."

In New York—a city that will be struggling to save itself for years to come—a new ethic seems to be emerging, an understanding that we cannot pay for all of our public needs, that some of them must be supplied by citizens recognizing obligations. In the coming months, we may well see New Yorkers giving of their time to staff libraries, day-care centers, hospitals, and parks which cannot be supported by tax-dollars that are just no longer there.

In a national sense, this may be an encouraging wave of the future. Just as government must redirect our energy to more efficient uses—to mass transportation instead of the automobile, and to public parks instead of private retreats—so citizens may have to redirect their energies toward greater common effort to keep us whole during the inevitable age of scarcity. This is not state socialism, but rather a spirit of cooperative, voluntary effort symbolizing much we have forgotten about our own past—from the Mayflower Compact to barn-raisings and rural cooperatives.

All this can be done. What we do not yet know is whether our political process, born out of an optimistic belief in an abundant land, can adjust to this new condition. The European democracies have long maintained freedom in their personal and political lives while applying strict limits to the ambitions of private power. To do the same, America must learn for itself the fact that civil liberty and the license to run roughshod over fragile resources are not the same thing.

Well before the coming of the age of scarcity—in fact, all through the post-World War II boom, as our incomes swelled without doubts—we had begun to feel that we had lost all control over our lives, that we were being dragged without consenting into an ominous future. We seemed to have shifted from a sense of purpose to a sense of compulsion; or, as Daniel Boorstein put it, from a sense of mission to momentum.

No, there is no choice but to choose. To do nothing is to surrender to a fate no one desires. We do not have what Americans have always believed we have: all the time in the world, all the land, all the wealth, all the power, all the energy. We will either face the age of scarcity squarely, or we will fulfill the darkest fears of our bankrupt leadership and America will indeed become a pitiful, helpless giant.

RESIGNATION OF SR. JUAN ANTONIO TACK AS PANAMA CANAL NEGOTIATOR

Mr. JAVITS. Mr. President, when I was in Panama in January, I had a long meeting with Sr. Tack, Panama's Foreign Minister and chief negotiator for a new Panama Canal Treaty and co-author with Secretary Kissinger of the Tack-Kissinger principles for settlement of the Panama Canal treaty issues. I was impressed by Sr. Tack's dedication to securing a new treaty that would be beneficial both to the United States and Panama.

After our meeting in Panama I wrote Sr. Tack, and I wish to quote a few lines from that letter:

> You conveyed most clearly your desire to secure reasonable solutions to the outstanding issues respecting the Panama Canal negotiations. I am convinced that agreement is possible between our two countries along the lines of the principles agreed upon between yourself and Secretary Kissinger, if we proceed deliberately and with due regard for the sincerely held views of both countries.

In reply Sr. Tack wrote:

> During our talks, I tried to express my desire—as I really did—to reach a rational solution to the essential problems under discussion in the negotiations for the New Canal Treaty.

I regret the resignation of Sr. Tack. He did an outstanding job in the negotiations and he has left at a time when relatively few issues are outstanding. He should be proud of his role in bringing the negotiations this far. Our best salute to his work will be the completion of the negotiations and the consideration of a new treaty by the Senate thereafter.

Mr. President, I ask unanimous consent that the article from the Washington Post on Sr. Tack's resignation be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 2, 1976]

NEGOTIATOR RESIGNS

PANAMA CITY, PANAMA, April 1.—Juan Antonio Tack, Panama's foreign minister and chief negotiator with the United States for a new Panama Canal treaty, resigned today for "strictly personal reasons," a government announcement said.

Aquilino Boyd, ambassador to the United Nations, was named to replace Tack as foreign minister. Boyd has been close to the treaty talks.

Tack resigned in a letter to President Dimitrio B. Lakas, who said he accepted it with deep regret. There was no further comment from the government.

MINING IN DEATH VALLEY NATIONAL MONUMENT

Mr. CRANSTON. Mr. President, on February 4 the Senate passed legislation (S. 2371) which would ban new mining in Death Valley National Monument and place a moratorium on existing mining operations that are daily tearing apart the visual beauties of this much-visited scenic area.

At the Senate hearings, the Interior Department favored general authority to regulate mining in national parks and supported the proposal to stop the filing of new claims in Death Valley and other parks. But the administration pointedly objected to provisions in the Senate legislation which would place a 4-year moratorium on mining.

Since the legislation was introduced in the Senate, mining activity in Death Valley has been stepped up—and new claims have been staked. On March 31, Interior Secretary Thomas Kleppe expressed alarm over this situation. In an article which appeared in the Los Angeles Times, Secretary Kleppe applauded the Senate's action. I certainly hope that Secretary Kleppe's article signals that the administration now supports legislation which not only gives the Interior Department general authority to regulate mining in national parks, but also contains the more significant moratorium on mining.

Mr. President, I ask unanimous consent that Secretary Kleppe's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Mar. 31, 1976]

PLEDGE OF HELP IN THE FIGHT TO PRESERVE DEATH VALLEY

(By Thomas Kleppe)

Conservationists were justifiably alarmed some months ago when they learned of a sharp increase in open-pit mining in parts of the Death Valley National Monument.

It soon became apparent that though that remarkable segment of California desert has been part of the National Park System since 1933, some of its most important scenic resources are still in real danger. Happily, however, it now looks as if Congress will act this year to prevent the staking of new mining claims in those parts of the park system where such activity has been lawful.

The imperative behind the national park concept—one of America's unique contributions to world culture—is that the natural environment ought to be preserved to the greatest possible extent so that future generations may enjoy it. Thus, unlike the national forests or public-domain lands administered by the Bureau of Land Management, national parks are not subjected to "multiple use." Under the multiple-use system, recreational activity, logging, grazing and mining might all be allowed to take place on the same tract of land simultaneously.

Yet there remain a few national parks in which, owing to special circumstances, Congress has allowed the continued staking of mining claims. Death Valley is one of these, perhaps because Congress wished to preserve the colorful tradition of the small prospector who challenged the heat and vast distances with little more than a burro, pick and shovel.

Over the years, however, sophisticated technology has made the lone prospector and his historic outfit obsolete. Since 1970, dramatic increases have been recorded not only in the staking of new claims but also in mining activity on existing sites. Today, conglomerate corporations are throwing a growing amount of heavy equipment into their attempt to extract from Death Valley ever-larger quanties of valuable borates and talcs.

And it is all quite legal.

Moreover, several other portions of the National Park System are legally open to mining claims. These are Oregon Pipe Cactus National Monument and Coronado National Memorial, both in Arizona; Crater Lake National Park in Oregon, and Mt. McKinley National Park and Glacier Bay National Monument, both in Alaska. Unlike Death Valley, these areas have not yet been subjected to intense mining activity, but the potential is there.

Thus, last October, the Department of the Interior, of which the National Park System is a part, strongly endorsed legislation to prohibit the staking of additional mining claims on any national park land with the exception of Glacier Bay (its mineral resources are still being assessed by Interior Department scientists). The department also urged that any new law give it the authority to regulate stringently any mining on claims already recognized as valid.

Subsequent to the department's endorsement, two developments—one negative and one positive—have occurred:

Alerted to the possibility of a federal ban, prospectors have staked many new claims in Death Valley. How the department will deal with these claims, which are obviously intended to subvert any new restrictive law, is as yet undetermined.

The Senate passed a bill to prohibit any new mining claims in the National Park System. The bill would also give the Interior Department the authority to impose strong environmental restrictions on existing claims anywhere in the park system. This includes land on which mining operations were begun before inclusion in a national park.

As the federal agency entrusted with the care of a precious national resource, Interior welcomes the Senate's action. Now the House of Representatives must act quickly so that valuable time will not be lost. Our irreplaceable national parks must not remain prey to destructive mining operations.

REAL FOREIGN POLICY DISCUSSION HAS NOT STARTED

Mr. BROCK. Mr. President, as we proceed through this election year, the need for intelligent, careful debate of the issue of peace grows increasingly apparent. Mr. Jerald terHorst addressed himself to the debate of foreign policy in a recent article, and I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REAL FOREIGN POLICY DISCUSSION HAS NOT STARTED

WASHINGTON.—The Presidential primary campaign in North Carolina has reinforced the fact that foreign policy, particularly the Soviet-American relationship, is destined to be one of the major campaign issues.

That's good. It's also normal. Despite the pretension that politics should stop at the water's edge, it rarely does. After all, a President is the architect of foreign policy. So it is a legitimate staple of any Presidential election, a natural bread-and-butter issue along with the domestic economy.

But before the campaign goes much farther, it's time the candidates put their arguments in perspective and lift their rhetoric out of the muck of sloganeering.

President Ford's scrapping of the word detente and substituting "peace through strength" doesn't help voters understand our policy much more than Ronald Reagan's sneering reference that detente means only "the right to sell Pepsi Cola in Siberia." Or Scoop Jackson's talk of Soviet duplicity and Jimmy Carter's complaints about Henry Kissinger's secrecy.

All of the candidates, it's well to remember, do not want war with Russia. Their common goal is peace. Since that is the end objective, the argument among them should concern the means of achieving it. That being the case, perceptive voters and Presidential candidates alike need to remind themselves of a few basics concerning the American-Soviet relationship.

It's important to remember, historically, that we Americans and the Soviet people have emerged relatively recently as world powers. While we differ diametrically in political and social outlook because of the differing obstacles we had to surmount on the way to power, both nations are "messianic," to borrow diplomatic-scholar George F. Kennan's word for it. Each nation sees its political system as the ultimate salvation of the world.

While political rivalry between two great powers poses problems, it is not of the same magnitude as the military confrontation that resulted after World War II, particularly with the development of nuclear means of waging war. The ability of either country to wreak global disaster has warped the political-military rivalry that existed before. Each side, not just the U.S., saw the other as a Frankenstein.

It was to de-escalate this fear that led to the first strategic arms limitation between Moscow and Washington and to what we now call détente.

Despite Mr. Ford's dislike of the word, because it has no clear English equivalent, détente simply means relaxation of tensions—a relaxation of tension on the nuclear trigger. And in spite of campaign rhetoric about détente being a "one-way street," Russia as well as America has eased off the trigger.

Unfortunately, détente came to be seen as something bigger than simply keeping a cap on the nuclear bottle. It has been oversold as something that would magically erase all the political and power confrontations between the two countries on other issues and in other places.

Détente, at its maximum, can only mean a reduction of the likelihood of war between the U.S. and the USSR, a war that would inexorably become nuclear. In that sense, détente requires military restraints by both sides in Africa, Asia, Europe, and Latin America. But one should not expect détente to mean freedom of speech and movement for Soviet citizens or for altering the internal nature of Soviet power—any more than the Russians should expect détente to mean that an American President is going to embrace communism and scrap the First Amendment.

It would help if the candidates talked less like they favor a return to the hostility and brinkmanship of the cold-war era and more about building stability into the Soviet-American relationship.

The 30TH ANNIVERSARY OF THE EMPLOYMENT ACT OF 1946

Mr. HUMPHREY. Mr. President, on March 18 and 19, the Joint Economic Committee held a National Conference on Full Employment to mark the 30th anniversary of the Employment Act of 1946. This occasion provided an excellent opportunity for the Congress to initiate the changes needed in the Nation's employment policy.

During the past 6 months, the committee has conducted invaluable regional hearings around the country, receiving testimony from experts in business, labor, State and local government, agriculture, community groups, and unemployed people. The testimony of these witnesses, many of whom are not often heard in Washington, has provided the committee with fresh insight into their concerns and proposed solutions with respect to unemployment, economic growth, and inflation.

At the national conference, we heard statements from prominent leaders in State and local government, economists, representatives of business and labor, and community groups. In addition, a number of regional representatives who appeared at the committee's hearings in Chicago, New York, Los Angeles, Atlanta, Boston, and Fall River, Mass., served as discussants. The dialog which evolved among the members of the committee, the speakers and the discussants was refreshing and informative.

Mr. President, I ask unanimous consent that a list of participants and discussants in the conference, and my opening remarks at each day of the conference, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGENDA: NATIONAL CONFERENCE ON FULL EMPLOYMENT

Thursday, March 18:

Opening Remarks—Nelson Rockefeller, Vice President of the United States.

Summary of Regional Hearings—Senator Hubert H. Humphrey.

Nature and Costs of Unemployment and Inflation:

Vernon Jordan, President, National Urban League.

Kenneth Gibson, Mayor of Newark.

Bishop James Rausch, General Secretary, U.S. Catholic Conference.

DISCUSSANTS

Harvey Brenner, Johns Hopkins University.

Leon Finney, President, The Woodlawn Organization.

Gregory Roy, unemployed worker.

Record under the Employment Act of 1946:

Paul McCracken, former Chairman, Council of Economic Advisers.

Murray H. Finley, President, Amalgamated Clothing Workers of America.

Reginald Jones, Chairman of the Board, General Electric Co.

DISCUSSANTS

Bernard Anderson, Wharton School of Finance.

Robert Lekachman, Lehman College C.U. N.Y.

James Compton, President, Chicago Urban League.

Ray Marshall, University of Texas.

Friday, March 19:

Opening Remarks—Carl Albert, Speaker of the House of Representatives.

Policies for Achieving Full Employment: Panel Discussion:

Arthur Burns, Chairman, Federal Reserve Board,

Alan Greenspan, Chairman, Council of Economic Advisers,

Senator Hubert Humphrey,

Senator Jacob Javits,

Congressman Richard Bolling,

Congressman Clarence Brown.

DISCUSSANTS

Frank Morris, President, Boston Federal Reserve Bank.

Michael Harrington, Democratic Socialist Organizing Committee.

Byron Johnson, University of Colorado.

Robert Eisner, Northwestern University.

Policies for Achieving Full Employment:

Walter Heller, former Chairman, Council of Economic Advisers,

Alice Rivlin, Director Congressional Budget Office

Leon Keyserling, former Chairman, Council of Economic Advisers,

Eli Ginsburg, Chairman, National Commission on Manpower Policy,

Hendrik Houthakker, Harvard University.

DISCUSSANTS

William Spring, Boston University.

Hugh O'Malley, Small Business Service Bureau.

Stanley Frankel, Vice President, Ogden Corp.

SUMMARY OF JOINT ECONOMIC COMMITTEE REGIONAL HEARINGS BY CHAIRMAN HUBERT H. HUMPHREY AT THE NATIONAL CONFERENCE ON FULL EMPLOYMENT

In Washington, the condition of the economy is evaluated on the basis of changes in key statistics. Members of Congress and the President refer to shifts in the Consumer Price Index or the unemployment rate when they debate the fate of proposed or existing economic policies.

By this statistical standard, the United States economy reached depths of historical proportions in 1975. Numbers like 9% unemployed, 7% annual inflation rate, and 7 million jobless were quoted often to describe a recession, the likes of which Americans had not known since the Great Depression.

The numbers told a story, but it was just a partial one. To speak only of 9% national unemployment is a sterile and misleading exercise.

If an economic policymaker ignores the human factor in our economy's condition, he will be unable to frame policies that are both effective and compassionate. Policies that work at the expense of large sectors of the American public move us uncomfortably close to the 18th century, when economics was known as the "dismal science."

In order to go beyond the national statistics and to learn how the American people are coping with an economy in critical condition, the Members of the Joint Economic Committee journeyed to the nation's major regions. We travelled to Chicago, New York, Atlanta, Los Angeles, Boston, and Fall River, Massachusetts. We travelled to these areas to listen to their people.

We found that economic conditions in these cities were generally much worse than the national averages. For example, in New York, Mayor Beame told us that, "New York City's 11.9% unemployment rate is expected to increase to 16% in the next 12 to 18 months." In December of 1975, Massachusetts' unemployed rate was 11.8%, well above the national average of 8.3%. And the Boston unemployment rate was worse yet at 15%. Chicago's jobless rate was a similarly high 11.9% in September of last year. These data demonstrate that national economic indicators clearly do not tell us all we must know.

We also heard from several economic experts, such as Dr. Ray Marshall in Atlanta and Dr. Charles Killingsworth in Chicago, whose guidance we normally do not receive. These people as well as others convinced me that the country has many intelligent people who understand our economic problems and what to do about them. We have used such advice to propose changes to the Employment Act of 1946, through the Full Employment and Balanced Growth Act of 1976, which I introduced in the State just two days ago.

But surely the most moving and useful testimony that we heard came from the jobless of this country. I and other Members of the Committee heard first hand what it means to be out of work for six months, a year, or longer. These were articulate, sensitive, and able people, who despite their skills had met with a series of rejections in response to their search for a job.

Their words tell a poignant story. Mrs. Annie Pearl Smith, a mother of seven and an unemployed auto worker, testified in Atlanta, "I want to work. I don't want to be unemployed. I am on welfare but I would rather be working . . . I am able to work and I want my children to realize that they have to work."

Ruth Schaffner, an unemployed worker in Chicago, told us, "I have been unemployed 1240 hours. I have been the recipient of only one unemployment compensation check . . . I want a job. I need a job. I can produce. I am skilled."

Probably Gregory Roy summed up best the condition of the jobless in his testimony in Boston. "No one likes to hear the words, 'Sorry we cannot use you . . .' Government has to be reeducated to the fact that, 'Here we are folks. We're out here. We've been looking for work for months and months. We want a job.' "

These are not the words of malingerers.

One message permeated the statements of all of the unemployed who testified in the regions. They want jobs.

I have long believed that to accept enormous numbers of jobless is to accept massive waste—waste of skills, creative energy, and physical effort. The words of these unemployed workers have reenforced in me a sense of outrage and shame.

In addition to the massive waste that accompanies high unemployment, we also learned that various kinds of social trauma result from high jobless rates as well. In each region, experts discussed the social costs associated with high unemployment.

In Atlanta, Mr. Harvey Brenner of Johns Hopkins University explained that, "There is now substantial evidence that trends in national economic indicators have a profound influence on the state of mental and physical health of the general population, as well as on aggression and other criminal behavior."

James Q. Wilson of Harvard testified in Boston that, ". . . It is quite likely that there is a relationship . . . between the unemployment rate of teenagers and young adults on the one hand, and the rate of property crime committed by persons in this age group on the other hand . . . One of the reasons why crime may have gone up in the 1960's is . . . because the unemployment rate of this particular age group was mounting."

And Doris Davis, the mayor of Compton, California, told us in Los Angeles that, ". . . No one has dealt with the fact that we have had these levels of hard core, continuous unemployment where the family has no models of employment—where there are several generations on welfare and public assistance."

This testimony documented the ways that prolonged and high unemployment undermines both the spirit of the unemployed and the society in which we live. We see, then, that the unemployed worker is more apt to become an alcoholic, have mental disorders or heart disease, or commit suicide or homicide. We all bear these costs, whether it be in the form of higher health care expenses or higher crime rates. And since the number of jobless is so high, the aggregate impact on society is great.

Business and labor leaders also expressed their concern over the unemployment situation. In New York, Daniel Roblin, President of Roblin Industries, told us how, "Labor and management have decided to work together to save their companies, their jobs, and their communities . . . Local government, managers, and union leaders have agreed to sit down together and solve their noncontractual problems."

Hugh O'Malley of the Small Business Service Bureau argued in Fall River, Massachusetts that, ". . . the high unemployment rates of the past few years are largely responsible for the high rate of business bankruptcies . . . A major Federal jobs program is essential for the health of the small business community."

And Jack Spiegel, the Director of the Chicago Shoemakers Union, had a terse but pointed comment. "If you don't send us help and jobs, you had better send us troops."

State and local government representatives explained how the unemployment situation in their regions was threatening their governments' ability to provide public services. John Crosier, the Director of the Massachusetts Division of Employment Security, explained that, "During the five years ending December 31, 1975, the employer contributed balance in the Massachusetts Unemployment Compensation Trust Fund fell from a $374 million surplus to a $119 million deficit . . . By December of 1976, we estimate the Massachusetts employers will owe the Federal Government $258 million."

Mayor Richard Fulton of Nashville testified in Atlanta on the need for a national manpower policy. ". . . We are helpless to provide (the unemployed) with a work experience due to the absence of a national manpower policy, which would take into account emergencies such as the present one . . ."

And Mayor Maynard Jackson of Atlanta bluntly told the Members of the Joint Economic Committee that the crucial economic issue is jobs. He said, "I tell you now my number one frustration as Mayor is to see people not begging for welfare, although they need it; not begging for food, although they are hungry; not begging for money, although they are broke; but begging for a job, and we need the help of Congress in this issue."

The testimony says it clearly—our cities are suffering badly from high and prolonged unemployment. And the mayors who testified before the Committee are unanimous in their support for a national economic and employment program to help the cities cope with their large numbers of jobless.

Our journey now ends where it began. This Conference is the culmination of the Joint Economic Committee hearings held around the nation.

We have found a unique way to retain the able guidance of those who testified at our regional meetings. On each panel, regional witnesses will act as discussants. After each panel member has presented his views, and Committee Members have had an opportunity to ask questions, the four discussants for the panel will be provided their chance to question either the panelists or the Committee Members.

In this way, our full employment debate will gain a new dimension that is almost always absent in Congressional meetings. Also, we can be assured that because of the participation of these regional witnesses, this Conference will build upon the views we heard when we met in the various regions of the United States.

With these regional meetings and this National Conference, the Joint Economic Committee has demonstrated how the Federal Government can practice human economics. As Lucy Benson, a former National President of the League of Women Voters, said at our Boston hearing, "I believe it is important to talk directly about people and their needs. Far too often people get lost in numbers." I believe that the record of the Joint Economic Committee's regional meetings will serve as a guide to the human side of the key economic indicators.

I have listened to that human side. We cannot afford to ignore it.

OPENING STATEMENT

(By Senator Hubert H. Humphrey)

As we meet here today on the 30th anniversary of the Employment Act of 1946, we are coming out of the worst recession since that Act was passed.

An anniversary upon which we find ourselves farther from our goals than we were thirty years ago is clearly not an occasion for rejoicing, but an occasion for reassessment. It is an occasion to ask "why." Why have our goals been only imperfectly realized? Why are they farther from realization today than at any time in the last 30 years? Why is our doubt about our ability ever to achieve full employment with reasonable price stability greater than ever? Why do our economic policy-making institutions seem to serve us less well than in the past?

It is also an occasion to ask, "What shall we do?" It is a time to propose changes in our policy-making structure and to press for the adoption of these changes. It is time to update our government machinery to meet the new challenges of the 1970's and the 1980's. I have therefore introduced, along with other Members of the Joint Economic Committee, the Full Employment and Balanced Growth Act of 1976 (S. 50) which is designed to strengthen and supplement the Employment Act of 1946.

The failure to make wise and timely use of macroeconomic policy in the 1970's has been compounded by the failure to supplement fiscal and monetary policy with a broad range of additional policies needed to deal with our complex economy.

How can we improve policy-making to achieve our goal of full employment?

First, while we can't rely on fiscal and monetary policy exclusively to achieve our full employment goal, we must do a better job of setting output and employment targets each year which macroeconomic policy should try to achieve. The Congress, as well as the Executive and the Federal Reserve, are at fault for not defining yearly goals. Because of this failure, congressional executive and monetary policies have often worked at cross-purposes.

The process of reaching agreement on specific economic goals should begin with the President, in each Economic Report, setting interim numerical goals for employment, production and purchasing power. These goals should then be debated in Congress; and the Federal Reserve should either concur with these goals and conduct monetary policy to achieve them, or it should make clear why and how it disagrees.

Secondly, we need better economic planning. Instead of careening from crisis to crisis, we should take the time to set long-range priorities and plan for the labor, capital and resources needed to satisfy these priorities.

Even if we set interim goals for fiscal and monetary policy, however, we must recognize that in our complex, mixed economy, macroeconomic policy simply cannot do the job alone. We must have supplementary policies in our economic tool kit which include:

A permanent, countercyclical grant program for State and local governments to enable them to maintain employment during recession;

Temporary public work projects to be triggered when the national unemployment rate rises above 4 or 4.5 percent. These jobs would be phased out as unemployment dropped. The cost of such a program would be largely offset by savings on welfare, unemployment compensation, and food stamps. Furthermore, such work projects would help maintain the skills of the unemployed and preserve the long-run productivity of our labor force;

Assistance to chronically depressed areas in the form of job training for the work force and better availability of capital to encourage industrial development;

Finally, we need a job reservoir for those who through no fault of their own are unable to find jobs in regular public employment or in the private sector. I envision this as a relatively small residual program for the permanently disadvantaged.

In sum, although some people express concern about increasing public jobs, and there can be defects in these jobs if they are not carefully designed, I find such jobs far superior to increasing income maintenance and welfare payments. Extending unemployment compensation and increasing food stamp payments, as those payments relate to the recession, enormously increases the cost of government, debilitates the quality of the labor force, and encourages poor work habits. For 1975, for example, recession-related income transfer payments are estimated at $20–25 billion.

We should substitute work for such income maintenance and welfare to the maximum extent consistent with the needs and handicaps of those eligible for such programs.

But the advantages of full employment go far beyond reducing welfare payments. Full employment could add $800–900 billion to the nation's income between now and 1980, which could mean savings of $6,000 for every man, woman and child in the United States.

Total Federal, State and local tax revenues could be increased by over $400 billion, which would virtually eliminate the red ink of government deficits we have had for years. Welfare costs would be down, we would have less crime and, most importantly, the people who have been unemployed would feel they had a purpose in our society.

I believe full employment is a principal way to restore the spirit and direction of America. The Full Employment and Balanced Growth Act of 1946 (S. 50) is one blueprint for how we can do that.

DR. ROBERT GOLDWIN ON: OF MEN AND ANGELS

Mr. PERCY. Mr. President, an unusual amount of political rhetoric is being heard this year, not only attributable to the Presidential election but also to our Bicentennial. Some of it is good, some mediocre, but rarely is it exceptional.

I have just read one of those rare speeches, a speech that is beautifully organized, eloquently worded, lofty in tone, and deep in meaning for every concerned American.

I would not recommend that it be just scanned or hastily read by any of my colleagues who are not prepared to carefully read it and then possibly reread it. It should be savored like a fine meal or a good conversation. The reader will find it richly rewarding in its analysis and perception of our American tradition and heritage.

Our knowledge of the Nation's constitutional processes will be expanded but also, to the extent that an intellectual engages in Bicentennial fervor and patriotism the formal lecture entitled, "Of Men and Angels: A Search for Morality in the Constitution," given by Dr. Robert Goldwin, special consultant to the President of the United States, at St. John's College on February 20, 1976, is both stimulating and stirring. I ask unanimous consent that it be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Of Men and Angels: A Search for Morality in the Constitution

(By Robert A. Goldwin)

Do not be misled by the theological tone of the title of this lecture. Despite the reference to angels, and despite the unlikelihood that any serious political inquiry can progress very far without encountering theological questions, it is my intention to present my argument in terms wholly secular, or at least as secular as political discourse can be.

A preliminary caution. The title speaks of men and angels, and doesn't mention women. As you shall see, the title refers to a passage in *The Federalist*, the great commentary on the proposed Constitution written in 1787, principally by James Madison and Alexander Hamilton, under the pen name Publius. In the 51st paper, there occurs the sentence, "If men were angels, no government would be necessary." I ask you not to judge me or the author by the fact that he spoke of men without mentioning women. I cannot, of course, take liberties with a famous sentence from a Great Book, but I don't want anyone to think that women are being excluded. In my mind the sentence could and should read: "If men and women were angels, no government would be necessary."

I have no reason to doubt that Publius would readily have conceded the full equality of women, as I do, in this respect, and in very many others, and would have agreed that women, every bit as much as men, are not angels.

Another caution: I am aware that I may be misreading the sentence, "If men were angels, no government would be necessary," and I owe it to you to alert you to that possibility. I read two linked assertions in the sentence: one, that men are not angels, and, two, that government is necessary. I know, and I point out to you, that the sentence does not say that in so many words.

A final caution: I mean very seriously, as the sub-title indicates, that this lecture is meant to be a search. What I am searching for is morality in the American constitution. Immediately three questions present themselves:

1. Why do we have to look for it?
2. What do I mean by the constitution?
3. What morality is possible and appropriate for America?

I

Let me take these questions up in order. Why should we look for and worry about morality in the constitution? For two very good reasons. First, because so many immoral actions have besmirched our behavior in the recent past. We have had assassinations, Watergate, corporation bribery on a world-wide scale, labor union murders, fraud in grain inspection, mishandling of receipts of food stamps, cheating by medical laboratories, scandals in the management of guaranteed student loans, and so on and on in a seemingly endless list that convinces many that immorality is engrained in us as a national trait, that no part of the American community is uncorrupted, that we are hopelessly immoral. That is the first reason.

The second reason we must look for and worry about morality in the constitution is that we are a morally judging people who make moral judgments all the time. Sometimes we judge ourselves much too high and sometimes much too low. For example, wartime rhetoric made it seem that we had no selfish national interests in the world wars and their aftermaths, that unlike every other nation, including our allies, we fought for altruistic and idealistic reasons only. But when we are not judging ourselves too generously, we are often very severe, some would say too severe on ourselves. When I lived in Europe during the Watergate revelations, Europeans told me they were confused by what they called our naive reaction to government behavior that they considered just what one must expect of government officials anywhere. One intelligent English woman told me that the American public's reaction to Watergate revelations confirmed what she had long believed about Americans, that we suffer from "moral greed." Europeans generally thought we were denigrating ourselves excessively. Even now, when the facts are known, dismal as they are, they still think so.

The fact of evildoing and the discovery of it, and our unfailing national shock, and the widespread, vehement, public condemnation that follows, are evidences of two equally significant points: not only that we are capable of immorality, that is, that we are not angels; but also, that we set very demanding moral standards of political behavior, approaching the angelic, and truly expect and demand politicians and other leaders to live up to them.

I belabor this duality because it is very important for the survival of political liberty and decency in the world that we Americans have a true appraisal of ourselves. In national matters, as in personal matters, to know yourself is as important to survival as it is to happiness. And to know yourself, as we all learn from study and from experience, is one of the most difficult tasks men and women face in life. If we do not know ourselves, and judge ourselves by inappropriate standards, all kinds of false judgments result, too lenient or too harsh, but just right only rarely—and then only by accident.

The national danger is that by condemning ourselves or excusing ourselves unjustly, that is, by false standards, we will weaken the very forces in the world that are almost alone capable of upholding the principles of decency we love and seek to live by.

Americans are moral judgers, and severe judgers at that. More, we judge no one as severely as ourselves. This may not always have been the mass phenomenon that it is today, but elements of it have always been present.

That does not mean that we always, or even regularly, do the right or good thing. It means that when we do not, or when we do the wrong or evil thing, for whatever reasons of necessity, or convenience, or advantage, or whim, or passion, or ignorance, there are almost always, and almost always promptly, voices raised in self-criticism and self-condemnation. And those morally condemning voices have listeners.

Moral principle has weight and force in American political discourse. Even if we assume—as we must assume if we remember that men and women are not angels—that people act in politics primarily in pursuit of interests that are advantageous to them, and usually not advantageous, or even disadvantageous to others, nevertheless, in America, individuals and groups are greatly strengthened if they can connect their cause to moral principles. And if that connection is a true one, and if decent, disinterested people can see that connection readily, the case is strengthened even more, even to the extent that supporters will be enlisted whose interests might otherwise not make them allies, or might otherwise even make them opponents.

One massive example comes readily to mind, and that is the great civil rights movement of the Fifties and especially the Sixties. The principles of justice and equality had been there for generations, available to all American interest groups seeking to pursue their own advantage through political action. The fact that individual leaders like Martin Luther King and interest groups like the NAACP and CORE and the Urban League could add to their otherwise insufficient political strength by connecting themselves, not only in words but in concerted actions, to the most powerful moral principles of the American polity, added to their strength fivefold, and more.

This combining of noble principle and self-interest, the foundation of American politics, is not hypocrisy in my judgment. To show that black citizens gained material advantages by the legislation and court orders they obtained through moral arguments does not, I think, demean or debase the principles; it ennobles the interests. That is how I understand Tocqueville's phrase, "self-interest rightly understood"—that it is possible for selfishness to be ennobled, if not sanctified.

So seriously do Americans take morality, so politically powerful are the principles of justice and equality, that no policy, domestic or foreign, political or economic or military, can be successful, can get support, can be sustained, can survive setbacks, that does not have a clear and acceptable moral content, visible and meaningful to the Congress, the press, and above all to the American people. No matter how adroitly scheming, calculating, and self-serving an individual or group may be, unless their suggested policies can be clothed in fitting moral garb, they will not have and hold for a sustained period the indispensable element for practical success—public support.

We can see our own moral standing more clearly in the context of a rough catalogue of varieties of moral postures of nations. For example, there are countries where a moral resignation prevails, where immoral practices are known and condoned; accepted, not resisted. There have been civil societies, of course, where morality was almost completely destroyed, so that when severe abuses of human decency occurred, the populace was not aroused in opposition, and could not be aroused. There have even been societies in which almost the entire populace was eager to join in acts of cruelty and depravity.

But even in Nazi Germany, perhaps the worst example in history of an entire civilized nation being corrupted and enlisted in the cause of evil, the leaders seemed not to be sure of the thoroughness of popular commitment to evildoing, and so they endeavored to keep secret the mass murders in the gas ovens. And apparently they were right that many Germans, even after a decade of indoctrination, would have found it impossible not to condemn such immorality, if it had been known to them.

Thus even when we contemplate the depths of human viciousness there is reason to believe that there is in human nature a strong inclination to what is morally right—something of the angel in us—and a strong aversion to what is morally wrong. There is also reason to believe that it is very difficult, but perhaps not impossible, to eliminate in almost all of us those tendencies toward what is morally right.

There are also many societies where practices that are of a lesser order of immorality, like bribery, or tax evasion, or nepotism, or other forms of cheating, not only occur, as they do in this country, but are accepted as part of "the way things are done." Revelations of such immoral practices don't shock the people of those countries. They simply comment, "Of course. Everybody does it."

There is probably less bribery and corruption in this country than in most others, but very far from an absence of them. In this country, however, if they are exposed, they are definitely not approved or condoned. When immoral practices are discovered and publicized, the highest ranking officials, in and out of government, will resign or will be forced out of office. However many times examples of corruption in political or business or labor or even charitable activities are exposed, we seem never to lack the moral fervor to attack and condemn, and usually to prosecute.

I will add only one more variety of national moral postures to the brief, and surely incomplete, catalogue of societies: very moral civil societies. Some such may actually have existed for a time, and some may have existed only in fiction or utopian writings; in either case, I mean civil societies where there is no corruption, no bribery, no favoritism or self-seeking, no putting self-interest ahead of the public interest—societies that might be said to be thoroughly moral in act as well as in principle.

As I understand the Framers of our Constitution, on the evidence in *The Federalist*, and in the debates of the Constitutional Convention, they looked at America and Americans and decided that it was fruitless and impractical, and perhaps even morally wrong, for the new nation to strive to be spotlessly moral.

Liberty was their first principle and also their first goal. (Prosperity was their second goal.) A people that universally might put the public good consistently ahead of private good would have to be regimented, ordered, disciplined, indoctrinated, preached to, and exhorted. Obvious institutional consequences would follow: state religion, uniform education, universal military discipline, diminution of family household influence, and curbs on commerce.[1]

The Framers knew that such a society would have to put duties first and relegate rights and everything else that is private—both low and high—to a strictly subordinate place. Self-enrichment in such a society would be scorned, and replaced by concern for the moral and economic strength of the civil society as a whole. I doubt that the Framers ever gave serious thought to making a nation of men and women who would be devoid of private ambition[2]—as we are told is generally the case in present-day China, for example—but if they had given thought to it, they would have rejected it, in the name of liberty and plenty.

Their own moral concern, and their awareness of the character of the American people, made two things clear to the Framers: First, that political liberty and economic energy unavoidably engender some immorality, some cheating and selfish advancement of private good at the expense of the public; second, that the American people are unrelenting moral judgers. The two basic American moral facts are that immorality is unavoidable and unacceptable.

II

The Framers did not seek devices or measures to prevent immorality, but rather to control its abuses, as consistent with the American character, consistent with the principles of liberty and equality of rights, consistent with the diversity of American ethnic origins and the multiplicity of religious sects, and consistent with the entrepreneurial energy they sought to encourage.

Perhaps you have noticed that I am now embarked on answering the second of my three questions. The first was, why do we have to look for morality in the constitution? The second is what do I mean by constitution? In case you missed it, I want you to know that the transition to the second question has begun.

Several times I have spoken of American character as the Founders perceived it, as if the nation had already been formed prior to its founding, To a large extent, I think that was the case. Consider a little simple arithmetic. If we take 1609 as the time of the first Virginia settlement, or 1619, the date of the establishment of the Virginia House of Burgesses, the first American legislative body, it was one hundred seventy or one hundred eighty years later that the Constitution was ratified. That means that it was not until just a few years ago, in the lifetime of just about everyone in this auditorium, 1959 or 1969, that Americans had as long an experience on this continent since the Constitution as prior to it. If you have a feeling for how long ago 1789 was, you can feel how long a time the American people had to develop a character of their own before the written Constitution.

That character derived from many factors, including religion (all of the sects were dissenters); experience in self-government (the legislatures of many colonies had considerable power, including power of the purse); political doctrines emphasizing liberty and equality (John Locke pre-eminently); and unusual, even unprecedented, economic conditions.

Consider the economic conditions for a moment. Adam Smith describes tellingly, in *The Wealth of Nations*, published in 1776, consequences of placing cultured Europeans, especially cultured in agriculture, on a vast and fertile continent, almost uninhabited, and pretty much free for the taking. His chapter on "Causes of the Prosperity of New Colonies," begins thus: "The colony of a civilized nation which takes possession either of a waste country, or one so thinly inhabited, that the natives easily give place to the new settlers, advances more rapidly to wealth and greatness than any other human society." In 17th and 18th Century America, labor was in short supply relative to demand. Wages were high, and conditions were favorable to the worker. It was hard to hold on to hired hands because it was so easy for them to save enough in a short time to move off to start their own enterprise, usually farming their own piece of land, and plenty of open space to move on to.

The situation was favorable for the flowering of respect for the free individual's rights, because those who were not slaves had to be treated well to keep them on the job, since they had so many opportunities everywhere. Where every hand is valuable, if you can't enslave him or her, you have to pay a high price for that person's labor. And what you pay dearly for, you value highly. But even if an employer did treat employees or indentured servants well, he was likely to lose them in a fairly short time, a few years usually, because it was so easy for newcomers with ambition to strike out on their own. In such circumstances, where the demand for labor exceeds the supply, slavery is also very attractive. If you can assure yourself of a large enough number of laborers, and any way of keeping them, where naturally rich unowned land is abundant, your profit is assured. Slavery, and the principles of liberty and equality that ultimately led to its destruction, grew out of the same soil.

The combination of propitious economic, political, and religious factors contributed to the development of tastes, inclinations, habits, and institutions among Americans that were strong, and deeply engrained, when the Constitution was written.

If you were reading now, rather than listening to a lecture, I could make a distinction by some times writing the word Constitution with a capital C, to denote that I meant the written document, and some times writing it with a small c, to denote that I meant something different, which I will now try to explain.

If we speak of the American constitution—with a small c—we could mean the way Americans are constituted: their character, their habits, their manners, their morals, their tastes, their countryside, their strengths, their weaknesses, their speech, their songs, their poems, their books, their sports, their machines, their arts, their heroes, their dress, their ceremonies, their homes and families, and their ways of conducting business. All of this, and more, would tell us how Americans *are constituted*. And since much of what is included in such a list would be the result of conscious effort and decision, it would also be possible to speak of how Americans *have constituted themselves*. Thus, considering how long Americans were on this continent before 1787, it is perfectly intelligible to speak of what the American constitution was before the Constitution of the United States was written, as well as to speak of the formative influence the Constitution of the United States had, subsequently, on the American constitution.

The document called the Constitution names itself in the Preamble as "this Constitution for the United States of America," but it could just as well have been called

---

[1] Plutarch tells us how Lycurgus transformed Sparta by making lead the official currency (which immediately put an end to retail and foreign trade) and by decreeing that meals could no longer be eaten at home, but only in eating clubs (which ended the influence of mother and kitchen). These two changes reconstituted Sparta, almost at a stroke.

[2] For those who wish to ponder this subject more thoroughly, I suggest reading the discussions of salary for public officials in Madison's *Notes of Debates in the Federal Convention*, and also in *The Federalist*.)

"the Articles," or "the Charter," or "the Compact," or "the Polity," or a number of other suitable words. When the Congress sent it to the original thirteen States for ratification, they gave it no caption. In most States, when it was printed for the use of the delegates of ratifying conventions, and for public information, it was entitled, "A Frame of Government."

The word Constitution for this purpose grew in usage in the century from 1689 to 1789, from the Glorious Revolution to the adoption of the Constitution. Before that, the usage pointed more to the way things were ordered. According to the Oxford English Dictionary, constitution meant "the way in which anything is constituted or made up; the arrangement or combination of its parts or elements, as determining its nature and character. E.g., Constitution of nature, of the world, of the universe, etc." The political usage indicated "the mode in which a state is constituted or organized, especially as to the location of the sovereign power, as a monarchical oligarchical, or democratic constitution."

But Constitution grew out of this usage as a fitting word for a document that seeks to apply an appropriate frame of government to a people who are constituted in a discernible way. A well-designed Constitution records and proclaims how we are constituted, and how we intend to be constituted for the future. Whether there is a written Constitution or not, every nation has a constitution, because to be a nation they must have an accepted ordering of things.

Let the exception prove the rule. When we ask whether a nation ruled by a dictatorial individual or group has a constitution, we are stretching the concept to its breaking point. For example, some nations are described as constitutional monarchies, signifying that some other monarchies are not constitutional. What we mean is that absolute monarchies have no discernible order in the ruling, that the monarch can act without restraint, without law, according to whim, not only with unlimited powers, but arbitrarily. That is why John Locke said that "absolute monarchy is no form of government at all." And I say that any nation has a constitution, although its unconstitutional rulers may not be a government.

When nations that have been ruled by tyrants overthrow them and form a new and constitutional government, it is clear that they had a constitution all along; that is, they were constituted a certain way, and are now able to frame a government that suits the way they are constituted. And that "frame of government" they will call their Constitution. It is in this sense that we say that nations get the government they deserve.

My thesis is that the Framers considered the constitution of the American people—what they were and what they were capable of being and doing—and drew up the Constitution of the United States. They did not want to leave Americans just where they were, but, rather, starting where they were, make them better. As was once written, long ago, by a non-American:

"Lawgivers make the citizens good by training them in habits of right action—that is the aim of all lawmaking, and if it fails to do this it is a failure; this is what distinguishes a good constitution from a bad one." [3]

The Framers did not seek to remake Americans, but rather to take them as they are and lead them to habits of right action. Their task was to direct the powerful American tendency to self-interest and self-advancement, so that abuses would be controlled. More, they aimed not only to control these tendencies but actually to turn them to the benefit of the people.

Other societies have tried to curb or eliminate selfish ambition and selfish interest out of a reasonable fear that when those inclinations are combined with political power, tyranny results and the people lose their freedom. The constitutional scheme in other societies has relied on such things as rigorous education in the virtues of selflessness, or constant surveillance, strict discipline, and severe punishment.

The American constitutional scheme is explained briefly in *The Federalist*. Put separate parts of political power in the hands of different officials in different parts of the government—legislative, executive, and judicial—and encourage, if it needs encouragement, ambition and self-interest. "Ambition must be made to counteract ambition," Publius says. "The interest of the man must be connected with the constitutional rights of the place." [4] By this means, the abuses of power by one official, or several, will be opposed by others who have strong and natural incentives that need no inculcation or exhortation. In fact, if officials in one part of the government should be insufficiently moved by ambition and self-interest, the danger would increase of concentration of power in the hands of others. It seems that there is a need for very many ambitious and self-interested officials to keep our government in balance.

As fundamental as separation of powers is, as a principle of the Constitution, that office-holders must be ambitious and self-interested is even more fundamental.

Are these the habits of right action the Constitution aims to train us in? In part, the answer is yes. In part, however, the answer must be also that the Constitution seeks to train us in habits of restraint and moderation, because that is the only way ambitious office-holders can contend with other ambitious office-holders without falling victim to the law, or to power struggles.

It is a system for non-angels who nevertheless are convinced that men and women are good enough to govern themselves. What is clear is that it is a frame of government for a people so constituted that clashing with each other almost without cease is the expected daily routine.

In a recent lecture, in this same auditorium, on the work of Isaac Newton, Thomas Simpson made this comparison:

". . . our Republic was designed in the image of Isaac Newton's vision of the System of the World, set forth in the Third Book of his *Principia*. Hobbes had taught man to regard the state as an artifice to rescue himself from war and his own nature, but it was Newton who showed how exactly-counterworking forces could be composed to form a harmonious and lasting system—and this composition of forces in the system of planets about the sun was the ultimate paradigm for the authors of our Constitution as they attempted to solve the three-body problem of the legislative, the executive, and the judicial powers.

"Newton, then, showed how the cosmos might be grasped by the mind as a purposeful system, an intelligent design; the authors of our Constitution showed the world in turn how man could make this insight, out of mathematical physics, serve him in the design of a balanced and rational polity. . . ."

I would not dare to quarrel with Mr. Simpson about Newton, but only listen respectfully and gratefully and do my best to understand. But the notion of the Constitution of the United States as "harmonious" is very wide of the mark. Much closer, I think, is the description of Tocqueville, in capturing the character of the American constitution: "No sooner do you set foot on American soil than you find yourself in a sort of tumult; a confused clamor rises on every side, and a thousand voices are heard at once, each expressing some social requirements." [5] Tumult, confused clamor, a thousand voices—not harmony—that is how America was and is constituted.[6] And the Framers wisely chose, I think, not to strive to change it, but rather to institutionalize it.

If that is the American constitution, the morality most characteristic of America, then and now, is what might be called a measured, or a restrained, or a moderated, or even a mean morality. It does not ignore or condone immorality. In fact, it holds morality very high in public esteem. As I have argued, no public policy can gain and hold the support of the American people if its moral content is not laudable and apparent to the people generally. A policy may be begun, it may be continued for a time, but if it lacks moral acceptability it cannot be sustained.

III

Awareness that we are not angels has complex significance. It does *not* mean that we are evil or unrelievedly selfish. It *does* mean that we acknowledge that our basic motivation is self-interest and that there is a need to control the unavoidable abuses that follow from that selfishness. From somewhere, perhaps out of our selfishness, that is, out of the sense of justice that derives from the sense of injustice (which is easily come by from dislike of acts of unfairness to ourselves), but in any case in some way, there comes a strong sense of morality of fairness, or aversion to unfairness. And this strong sense of morality leads frequently to what I would call an excess of morality.

I do not agree that measure or restraint or moderation are misplaced in matters of morality. Men and women sometimes indulge themselves in excesses of morality, and such self-indulgence and such excess have the same distorting effects as do all other forms of extremism.

The morality most appropriate to the American way, to the American constitution as it was even before the Founding, and as it still is, is a morality that is moderate, that does not crusade, that accepts the fact that among human beings who are free there will be abuses, and that does not seek to eradicate all evil from the face of the earth, knowing that such moral attempts are excessive and often lead to monstrous immorality. Though we sometimes use the rhetoric, we are not true to ourselves and to our national character when we crusade, domestically or in foreign policy.

All of you know the story of Carmen. When her soldier lover hears the bugle call summoning him back to camp she warns him that if he goes she will not meet him again. He explains that the regulations require him to report at an appointed hour, and Carmen replies with the famous line, "Gypsy love knows no law." So it is with unbounded moralism. Alluring and seductive, it too knows no law. The morality of the Founders and of our Constitution is very much a bounded and law-abiding morality.

When I speak of the American character and its morality, I do not mean that we are consistent in our tendencies and reactions. Thank goodness that we are not, and that life is not so simple and dull. The truth is, and all of us know it, that as a nation we have a multiplicity of reactions, a multiplicity of groups tending to go in a multiplicity of directions. And sometimes there are a multiplicity of tendencies contending within each of us.

---

[3] Aristotle, *Nicomachean Ethics*, Book II, 1103b.

[4] *The Federalist*, No. 51.

[5] Alexis de Tocqueville, *Democracy in America* (New York: Harper & Row, 1966), p. 223.

[6] As for the contention that the Constitution is drawn "out of mathematical insight," this comment of Aristotle's should suffice: "A carpenter and a geometrician both seek after a right angle, but in different ways. . . . "*Nicomachean Ethics*, Book I, 1098a.

One of these common tendencies is for us to shrug our shoulders when we hear one more revelation of wrongdoing. It does get tiresome, after all. We develop an aversion less to the wrongdoer and more to the moralizers, and wish they would do us all a favor and just shut up.

At other times we become mightily aroused; we judge quickly and harshly; we preach to others and volunteer our services as policemen to the world, ready, like Superman, to fly anywhere in the world to fight evil, at whatever cost of pain and treasure.

Sometimes, however—and at these times we are at our best in my estimation, and most true to our real constitution—we judge and act with measured restraint, with moderation. We do not ignore the presence of evil, nor do we try to exterminate it, and perhaps many valuable things with it. And the Constitution is designed to help foster this restraint.

Practical or political morality always involves two related, but separable and distinct steps. The first step, and an essential one for a moral person, is to face the fact of wrongdoing and judge it When we fail to take that step, we slip into our worst amoral lethargy; fortunately for us as a nation that strives for decency, failure to make a moral judgment happens rarely, and when it happens it is possible for us to be roused from it, for we are not deaf to moral suasion. So, the first step is to take the moral judgment, to recognize evil as evil, and not look the other way, or refuse to judge (on relativistic principles), or shrug our shoulders and say we "don't care."

But making a moral judgment does not settle the question of policy. The second step remains: to ask ourselves, what shall we do about it? There are moral as well as practical considerations involved in the second step. The first-step moral judgment may tell us that something ought to be done, but it leaves to deliberation what that something might be.

The best example of this I know in American history is the consistent position of Abraham Lincoln on the question of slavery. The first step was easy for him, and he made it clearly and persistently in all of his public utterances, notably in his debates with Stephen Douglas. On the question of the extension of slavery into new States and territories not yet slave territory, Douglas said "I don't care" whether it is voted up or voted down. Let the local people on the spot decide for themselves—local rule, self-determination.

Lincoln said in response what must be said first: that slavery was wrong and that we cannot say "I don't care" whether this immoral institution is extended and strengthened. After all, he argued, we are the children of the Declaration of Independence and there are principles that will not let us alone, that we cannot turn our backs on and still remain Americans. That was the first step.

As for the second step, Lincoln said he was not an abolitionist, just as he would not be a slave-holder. Abolitionists looked on the Constitution as an abomination, a compact with the Devil, and they regularly burned a copy of the Constitution at their meetings. This is an example of the unbounded moralism I spoke of before, which in its crusading striking out at evil is likely to destroy with it many good things, like the Constitution, in this case, that give us, ultimately, our best hope for persisting decency in political life. Lincoln, unlike the abolitionists, sought a way to end slavery without destroying the Union and the Constitution, the instrumentalities of our liberties.

Thus even after the Civil War had commenced, Lincoln was still trying to develop and get acceptance for a plan of gradual and compensated emancipation of the slaves. His plan could have taken as long as thirty-five years to complete emancipation of the last of the slaves, and no force would have been used. During that time, there would be no spread of slavery, and the more it was diminished by purchase of the freedom of slaves from slave-holders, the weaker would become the pro-slavery forces.

Many would condemn a policy that would prolong enslavement for some for decades and pay slave-holders for slaves they had no moral right to own. But Lincoln thought some degree of evil could be tolerated so long as its increase was halted, its diminution assured, and its ultimate end achieved without massive bloodshed, without confiscating what some people claimed under the law was property, without disrupting the Union, and without weakening or possibly destroying the Constitution.

Lincoln's plan for gradual compensated emancipation was not so much rejected as ignored. Instead the Civil War went on, the matter was settled by unbounded moralists on both sides of the controversy, and we had, as a result, horrendous warfare, a divided nation, and deep-seated bitterness which, a full century later, had not yet fully abated.

With all of what I have now said about how I think the Founders, or Publius, thought about this question, and what the consequences are of the fact that men and women are not angelic, let me read to you part of the brief passage that is the basis for what I have said, and let you judge my interpretaion for yourself:

"Ambition must be made to counteract ambition. The interest of the man must be connected with the constitutional rights of the place. It may be a reflection on human nature, that such devices should be necessary to control the abuses of government. But what is government itself but the greatest of all reflections on human nature? If men were angels, no government would be necessary."

CONCLUSION

I am almost finished. If I am right about what kind of political morality is truly American, what kind of morality truly fits the way we have constituted ourselves as a nation—and whether I am right is, of course, very much a question—there remains still a problem of grave proportions. And that is the question of attractiveness.

In a democratic republic such as ours, where public opinion and popular taste rule, ultimately, on everything, measures and policies must be attractive to hundreds of millions of people to gain the support that is essential to sustain them.

There is something drab and unsatisfying in moral moderation. There is a natural yearning for something higher and purer. All that aiming lower has to recommend it is that it works, but that leaves many of the best men and women restless and dissatisfied. The search for excitement and inspiration in moderation is fruitless. For example, the only conclusion one can come to after reading the famous essay by William James, "The Moral Equivalent of War," is that there is no moral equivalent to war.

Between extremes lies a mean: it is worth pointing out that the word "mean" is, at the very least, ambiguous. One can try to dress it in finery and speak of the golden mean, but there just is no glitter in mean morality.

Moderation or measure or restraint or seeking the mean in anything is not the kind of cause for which people devise banners and slogans. It is hard to compose a marching song or an inspirational poem in praise of sobriety or moderation. You cannot have neon borders flashing on and off, and brass bands parading, and cheering sections screaming at the top of their voices if the message is: Be moderate. You can't even write such a command with an exclamation point without turning it into a joke.

Some words are suited for whispers or a soft voice. "Kiss me," or "I love you." Others can be shouted or screamed: "Hit him!" or "Kill the umpire!" or "Stop thief!" But moderation can be neither whispered nor shouted. To whisper "moderation" is insipid and to shout it is ridiculous. Moderation is truly a mean word.

And yet, unless this notion of moderation, of bounded morality is widely accepted, it will be hard for us to think of ourselves as a truly moral nation, for that is the morality that fits us. And the conviction, that we are truly a moral nation of moral men and women, is essential to our survival and happiness, because of the way we are constituted. We need to believe it, and in order for us to believe it, it must be true. We have for a long time been the world's best hope that political decency might prevail widely. There are still, out there in the rest of the world, billions of persons longing to be free. A revitalized America, confident of its own strength and its own rectitude, is their best hope that things might ever change for the better. A sense of our own rectitude is our Sampson's long hair; without it we have no strength. I think that is what enables us to say that "right makes might," which is not to say that right *is* might.

What is the chief obstacle to our reviving our confidence in our national rectitude? In large part it is our powerful sense of morality, and our aversion to hypocrisy. Our strong moral sense judges and condemns our weaker moral practice. Being strongly moral, we declare ourselves immoral. The judge, out of a superabundance of morality, declares the culprit immoral, but the judge and the culprit are one and the same. Is there any solution, any way for the judge to see himself as a constant moral judge as well as an inconstant immoral culprit and—on the whole—a righteous people?

I think so, and I think Publius has shown us the way. It rests on the difference between righteousness and self-righteousness. What is that difference? If we can answer that question, we can chart a course back to the national self-confidence we need, for our own sake, for the sake of political decency, and for the sake of the hopes of oppressed men and women everywhere.

Let me attempt the distinction. Because men and women are not angels, the standard of righteousness cannot be that one act as an angel would. The standard must be something akin to our humanity, to our non-angelic state of being. For us non-angels, a righteous person is one who strives to live and act by the light of righteous principles, which include, surely, respect for the equal rights of others to life, liberty, property, and the pursuit of happiness. Trying to follow the guidance of America's standard political principles is the first element of human-scale political righteousness, whether one always succeeds or not.

We would have to add, of course, that trying is not enough in itself; there must be a fairly high degree of success. But above all there must be a recognition that because we are not angels, and because we have freedom there will be failures, there will be fallings off, there will be abuses, and that there must be "devices" for controlling and dealing with these failures. The devices—including ambition counteracting ambition—must be bounded, and legal, and habitual, and even institutional. If we describe a people such as that, guided by right principles, usually living in accord with them, sometimes failing to measure up, rarely in doubt about what the standards ought to be, seeking to punish abuses and prevent them, but too committed to liberty to seek to root out all the possible causes of future human failings, we are describing a non-angelic but decidedly righteous people.

Now what about self-righteousness? Self-righteousness is rightly scorned. Self-righteousness is an excess of righteousness, a distortion and disfigurement of righteousness; it is righteousness without moderation. It is more easily recognized in the flesh than defined in words. Self-righteousness is not only boring but hateful; it has been the source of many of the most vicious and inhuman acts in the annals of history, and on a grand scale.

The self-righteous person mistakes the rectitude of his principles for his own rectitude. He confuses his beliefs and his behavior. In his mind he converts his professed righteous principles into a person, and thinks he is that person. Righteousness and "self" become as one. This confusion enables him, in the name of the highest principles of morality, to consider himself the appointed enforcer of morality, the embodiment of righteousness, as if he were the Avenging Angel, or any angel rather than a human being.

Publius is our guide in thus singling out and condemning the self-righteous moralist. In the simplest terms, the self-righteous person forgets the difference between human beings and angels. Self-righteousness in personal matters is distressing enough, but in government it is especially ludicrous, for "if men were angels, no government would be necessary."

Now I have finished. What I seek is some way to appeal—not through showmanship but through reasoning, which in most times and places has been attractive to young and other sound minds—some way to appeal to the best in us and persuade us that we have and always have had what is needed to be a righteous people. Nothing that has happened since we started to constitute ourselves as one people more than 300 years ago, and nothing that has happened since we declared our founding principles and wrote down our Constitution almost 200 years ago, has diminished the possibilities of righteousness and morality on a national scale, so long as we do not confuse righteousness and self-righteousness.

The key to our political salvation, if such combining of the secular and the divine may be allowed, is the lesson inherent in the most basic principle of the American constitution: Men and women are not angels.

OUR HERITAGE AND THE CONSTITUTION

Mr. TALMADGE. Mr. President, it is my privilege to bring to the attention of my colleagues the award-winning essay of Mr. Joe C. Bishop of Albany, Ga.

Joe won first place in the recent 1976 Reader's Digest Association-Boy Scouts of America national public speaking contest in the Explorer division. His essay, entitled "Our Heritage and the Constitution," is especially meaningful as our Nation prepares to celebrate its Bicentennial.

I want to extend my heartiest congratulations to Joe for his outstanding achievement, and I ask unanimous consent that his essay be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

Our Heritage and the Constitution

We are living, we are dwelling, in a grand and awful time, said the poet. We live in an era of tremendous change. Scientific technological, social, and political achievements have no equal in all of history. With almost instantaneous electronic communications and jet propelled travel to the remotest corners of the earth, the barriers of time and distance which once separated different parts of the world have all but vanished. In this miraculous advancement the United States is taking a leading role, for in a land where personal freedom flourishes there arises the ever present incentive to build and to grow.

On this occasion I'd like to tell you about some of the things that men have done throughout the history of civilization and about the things they might like to do in the years to come.

What have the Boy Scouts of America given our modern society. They have contributed to the personalities of John Glenn, Neil Armstrong, and Gerald Ford. Yes, our history books are filled with the contributions of men who must have believed that service to humanity is the best work of life.

Some of the greatest contributions in the areas of public service, science, art, music, literature (and the list goes on and on) were made by men under the age of 35. Thomas Jefferson wrote our Declaration of Independence at age 33. James Madison at the age of 26 helped frame our Constitution. His chief contribution was a resolution offered from the floor that made the free exercise of religion a matter of right rather than of toleration. Thomas Edison invented the phonograph at 30, and the electric light at 32. Of course no list would be complete without the mention of the Man from Galilee, who left behind at the age of 33 a religion that has literally changed the world.

All of these men had two things in common: youth and greatness. And while these two characteristics do not necessarily go together, the combination is dynamite.

When our founding fathers rose in righteous indignation about the things that were taking place in the mother country that directly affected the lives of the people in these colonies, they took up arms against the king and decided that they were going to set their own sails, they were going to control their own destiny in this nation. Our forefathers made a radical decision then. And I believe that history has proven that they were absolutely correct when they vested the final authority of this nation in the hands of the people. I believe that is entirely where the power should be and where the power should remain.

Our Constitution opens with the words "We the people" and it goes on to articulate the things that we believe. It charts a course for this nation, a course that has proven to be true. No other nation in history has ever brought forth the unbounded wealth, a greater quality of life, a greater compassion for each other than has this nation. I believe that we have been able to accomplish these things because the power has been in the hands of the people.

When we reflect upon America's recent traumatic experiences, we realize that democracy cannot be bought with money, but must be paid for with honesty, integrity, and responsibility. Our governmental leaders must aspire to the same goals and principles that were laid down by our forefathers.

I have very little sympathy for those people who want to drop out of society because there are things in this nation that are not right. And there are things that are obviously wrong. There are injustices, inequities, and this society of ours is not perfect; but those people who want to drop out are simply running away from the challenge when they downgrade this nation, and say that we have failed, and say that the generation that preceded ours has been a complete, miserable failure because of the state things are in the world today. They are the ones who are turning their backs on the future, and they are the ones who are paving the way for this nation to go down hill to the great graveyard of the fallen.

I cannot defend our society as being perfect, but I have a commitment to try and make it better. I hope that will be your commitment also. As we go out to reach this goal, never think the job is going to be easy, because it's not. There are people who have sworn to destroy our institution, to do away with our way of life, and to abolish our form of government.

In the beginning, I spoke of a changing world. To meet the needs of a growing urban society, the Boy Scouts of America altered its program from outdoor emphasis to one of accentuating the ideals of citizenship and character building. I also referred to four great men—Jefferson, Madison, Edison, and Jesus Christ—each one personified the ultimate goals in Scouting: honesty, loyalty, and reverence to God. Yes, these men had a certain quality, a courageous spirit which must be rejuvenated as we celebrate our 200th anniversary. This spirit will continue to proclaim our heritage, our Constitution, the guardian of democracy.

THE PRESIDENT OF THE UNITED STATES AND THE SECRETARY OF COMMERCE ADDRESS THE AMERICAN TEXTILE MANUFACTURERS INSTITUTE

Mr. THURMOND. Mr. President, within the last few days, both President Ford and Secretary of Commerce Elliot L. Richardson addressed the 27th National Convention of the American Textile Manufacturers Institute in San Francisco.

I have reviewed and been greatly impressed with the excellent remarks of both the President and the Secretary of Commerce on this occasion. In order that my Senate colleagues and other readers of the Congressional Record might have an opportunity to peruse them, I ask unanimous consent that the full text of their remarks be printed in the Record at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, President Ford and Secretary Richardson spoke to a variety of issues of great concern to the textile industry and to all Americans, including the state of the economy, the need for effective congressional action on energy problems, and other important matters. I was particularly pleased that both addressed, in a very frank and thorough manner, the problem of textile imports. The President stated in his remarks that the U.S. Government would seek a renewal of the Multifiber Arrangement, MFA, in the current round of trade talks now underway in Geneva. Furthermore, he stated that the administration would continue to seek a solution to the problem of uncontrolled textile imports from nations not a party to the MFA, such as Red China. This is good news to all those associated with the American textile industry, and I hope this matter will be diligently pursued.

One of the most serious concerns of the American textile industry today is that of subsidized imports of textile goods from low-wage countries. This is a familiar problem, which has plagued the industry for years. However, the recent dramatic rise in imports of textile goods from Red China constitutes a new crisis and has heightened the concern of textile people throughout the Nation.

Only 4 years ago, there were virtually no textile goods coming into the United

States from Red China. However, in 1974 the United States imported some 85 million square yards of cotton goods from that country. The following year, 1975, saw these cotton cloth imports jump to 139 million square yards, with a phenomenal rise in the last quarter of 1975, as our domestic economic recovery gathered momentum. Today, Red China ranks just behind Hong Kong as the leading source of textile imports into this country, and the potential for further growth is considerable.

Of course, what makes growing textile imports from Red China such a grave threat is that there are presently no controls whatsoever over them. I have, on many occasions, emphasized that the U.S. Government must face this problem squarely and push for a reasonable limit on textile imports from Red China. The leaders of that nation must be made to realize that prudent restraints on the level of their textile exports to the United States are an integral part of continued good relations between our countries. I am pleased that, in response to urgings by myself and others, this matter is receiving serious and thoughtful discussion at the highest levels of the administration, including President Ford himself. Hopefully, the American textile industry, with its nearly 2.5 million employees, will soon receive effective relief from the threat of uncontrolled textile imports from Red China.

Mr. President, I ask unanimous consent that my letters to President Ford and Secretary Richardson regarding their recent speeches before the ATMI Convention and two news articles explaining the textile imports problem also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., March 31, 1976.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I was delighted to learn of your address to last week's Annual Meeting of the American Textile Manufacturers Institute, and to have the opportunity to read your remarks. As you know, the textile industry is absolutely essential to South Carolina, so I took more than just a passing interest in your comments.

Needless to say I was particularly pleased with your comments regarding the need to restrain textile imports and your support of the Multifiber Arrangement as a viable instrument of international trade. As you noted, the MFA is not perfect, but it does provide the framework for maintaining orderly trade in textiles, which is so essential to our domestic industry and to the preservation of its highly important capacity for providing meaningful manufacturing jobs at all levels of skill.

Of equal importance was your recognition of the problem posed by uncontrolled imports from Countries not party to the MFA. I have particular reference to the People's Republic of China, from which imports have soared. This is a matter with which all of us in Congress with an interest in the fiber-textile-apparel industry are deeply concerned. It also is one to which I am certain you will find a solution. .

My sincere appreciation for your taking time to address this important group, and with kindest regards and best wishes,,

Respectfully,

STROM THURMOND.

P.S. Your speech was excellent and I am placing it in the CONGRESSIONAL RECORD.

U.S. SENATE,
Washington, D.C., April 1, 1976.

Hon. ELLIOT RICHARDSON,
Secretary, U.S. Department of Commerce,
Washington, D.C.

DEAR ELLIOT: I recently had an opportunity to review your address before the American Textile Manufacturers Institute in San Francisco and am most encouraged by the strength and content of your remarks.

It was particularly heartening to me and all persons concerned about the future of the American Textile Industry to learn that the Administration intends to seek a renewal of the General Agreement on Tariffs and Trade Multifiber Arrangement. I also hope the Administration will diligently pursue effective restraints on textile imports from Nations not a party to the MFA, in particular, the People's Republic of China.

Thank you for the personal attention you are giving to these issues, and I hope you will continue to pursue them.

With warmest personal regards and best wishes,

Very truly,

STROM THURMOND.

[From the New York Times, Mar. 6, 1976]

IMPORTS OF COTTON FROM CHINA SOAR

(By Herbert Koshetz)

Imports of cotton textiles from China have climbed sharply in the fourth quarter of 1975, bringing cries of alarm from the United States textile industry.

In a recent speech, John Hamrick, president of the American Textile Manufacturers Institute, said that the industry must convince the State Department to "take some action on the diplomatic front, or we are in trouble."

The textile market here faces disruption, according to Mr. Hamrick, if the rate of imports from China keeps growing as it did late in 1975.

In 1974, the United States imported 84.6 million square yards of cotton goods, either in cloth or apparel. Last year, the figure jumped to 139.2 million square yards, a gain of 64 percent, and China is now second only to Hong Kong as a source of textile imports into the United States.

AGREEMENT URGED

"Now is the time for the United States Government to negotiate a textile agreement with China," Robert C. Forney, vice president and general manager of the textile fibers department of E. I. du Pont de Nemours & Company said recently.

The United States textile industry, he said, could be overwhelmed by a flood of imports if China put its resources into a major selling campaign. He pointed out that China must earn foreign exchange to pay for the capital goods and technology it sought from the West. Like most developing nations, it would probably use textiles as a primary export, because production facilities can be expanded quickly and textile products are easily marketed in the West, he said.

If China were granted most-favored-nation status, according to Mr. Forney, it would probably concentrate such sales effort on the United States market.

"We have seen the beginnings of this kind of program," Mr. Forney said, "in the increased export of cotton goods by the People's Republic. We are also aware that large quantities of manmade fiber are being purchased, some of which are undoubtedly for export in the form of fabric or apparel."

The situation has become complicated in that some of this country's largest textile manufactures and distributors, some of whom are members of the institute, are the principal importers of cotton goods from China.

These importers point out, however, that price is not the primary consideration. They say that the quality of the goods attracts them, and that the Chinese live up to their commitments.

Max Levinson, who heads the foreign division of M. Lowentein & Sons Inc., said his company was importing 15 million to 20 million yards a year of cotton goods from China.

"We find that the quality is superb," he said, "and this is the result of the labor-oriented textile industry in China. A mill there employs three times as many people as an American mill does, and they work slower and more carefully."

MORE EXAMINERS

Fifty persons examine the output of a weaving room, needling out defects, he added, and equipment, old by American standards, is well maintained. The Chinese were said to have four times as many loom fixers as Americans employ.

"The result is," Mr. Levinson added, "that carded goods there are as good as our combed goods."

Carded goods are generally made of shorter-length cotton fibers, while combed goods are those of longer, more fully processed cotton yarn.

The Chinese grading system for cotton goods provides for as few as 20 defects for each 100 yards of first-quality fabric, compared with 40 defects in American mills for the same amount of cloth. The majority of the goods can be used for dyeing plain shades of fabric, in which defect show up readily. Importers, it was pointed out, get a premium for plain shades as contrasted with goods that have an over-all printed pattern.

"The Chinese are very reliable when it comes to delivery," Mr. Levinson said. "The only difficulty is that they will not permit American ships to pick up the goods, and this often necessitates transshipment from Hong Kong or Japaneses ports."

[From the Greenville (S.C.) Greenville-Piedmont, Feb. 27, 1976]

RED CHINA LATEST THREAT FOR TEXTILES

Another somewhat unexpected threat to the American textile industry is shaping rapidly that will require thoroughly tricky but sound international negotiations to solve.

Red China is getting rolling in textiles, and U.S. Agriculture Dept. economists report they already pose a serious threat to our domestic textile industry now primarily concentrated in the Southeast and South, with the Greenville region its focal point.

The economic China-Watchers say most of the increased imports are cloth that competes directly with American manufacturers.

These industrialists have absolutely no protection against the invasion. There are no trade agreements with Red China on textiles, only whatever deals the Nixon Administration might have worked out when the former President opened relations with mainland China for the first time since the end of World War II.

Whether or not Mr. Nixon and others desirous of reopening these relations deliberately or otherwise misled the American public, it was widely circulated at the time that because of limited production the Reds were no immediate problem from the standpoint of textiles.

But the industry can be developed quickly on a non-sophisticated basis, which provides foundations for sometimes even faster movement into sophisticated production which becomes the worst threat of all to the United States.

Our domestic output is now protected by voluntary agreements with other countries, but we can expect little or no cooperation from the Chinese along this line, nor likely along any others short of outright United States and similar pressure to fall in line with the other agreements or simply stop shipping any textiles at all over here.

This of course would threaten whatever so-called progress has been made thus far toward ushering mainland China back into the open on world diplomacy and subsequent trade, that is, unless a sort of trade detente could be worked out to protect not only textiles but what undoubtedly now will be a host of other American industries.

Hope perhaps lies in Greenville's Fourth District U.S. Rep. James Mann, who now heads up the special Washington legislative watchdog committee that keeps check closely on State Dept. and other administrative agency dealings on textiles and related industries.

He and his committee colleagues know the industry and represent a sizable power bloc in dealing with the White House.

Meanwhile, in one of this nation's worst recessions since the 1930s, from which textiles now appear to be enjoying steady recovery, this new specter arises to shadow a domestic industry long made a pawn in questionable foreign diplomacy which later proved disastrous.

The problem for the industry and its friends is how terribly difficult it becomes to reverse this misguided diplomacy and once again restore sanity to world trade and home production.

The textile industry has never asked for downright "protection," merely a reasonable stability in which it can carry out intricate planning that goes into any business as widespread and complicated both domestically and internationally as textiles.

It should have no less consideration in this latest wildfire threatening to become a major conflagration.

Exhibit 1

Members and guests of the American Textile Manufacturers Institute:

It is good to see you all here, and I am deeply grateful that you made some room in your busy schedule for my opportunity to say hello to so many of you that I have known over the years.

It is good to see old friends and to say hello to new ones. I could not be in—as a matter of fact, John (John Hamrick, President, ATMI). I just could not be in San Francisco a bit today without stopping by for a few minutes on this occasion of your 27th annual meeting.

It also gives me an opportunity to personally extend my very best wishes to Bob Jackson on his retirement as your Executive Vice President. As I said in my special message yesterday, I understand it was read—Bob has made a very great contribution to the American Textile Industry, as well as to the strength and the vitality of the American free enterprise system. We all wish you the very best, Bob.

Your theme, as I understand it, at this convention is "Textiles are our first great industry," and it is appropriate that you should have that title on our Bicentennial year. It also reminds us, however, that today the textile industry is one of the largest industries in our country.

I was interested in reading the history that when Samuel Slater built the country's first spinning wheel in 1790 on the Block Stone River in Pawtucket, Rhode Island, the nation was very, very young. In the 186 intervening years, the textile industry has played a very major and massive role in our nation's economic growth from the beginning to the present.

As John was telling me, it is now the largest employer of labor in manufacturing with combined textile and apparel manufacturing accounting for some 2,400,000 jobs out of 86,600,000 jobs, according to the last statistics by the bureau in the Department of Labor. Fortunately, your industry was one of the very first to come out of our recent recession, but because all of the trends that we see today, all are plusses, I think this industry, as well as the country, can look confidently to continued economic recovery this year.

We have had, it seems, good economic news about every Friday for the last month or five weeks. First we had a substantial drop in unemployment; a very significant increase in employment. Then we had good news when there was actually a reduction in the Wholesale Price Index and then last week we had additional very beneficial news indicating that the increase in the Consumer Price Index was also very, very small.

But, this morning, flying out, I was reading one of the morning newspapers from the East Coast, and I could not help but quote from it because I think this is the fundamental that will determine whether or not we have a continued, improving economic climate in the months ahead. According to the University of Michigan Survey Research Center, they are saying the following, "Consumer confidence improved sharply in the last three-month period."

Let me quote several of the portions from that report. "The recent sentiment, improvement is sufficiently large, and broad-based across all income groups, so that it is not likely to be reversed in the months ahead." They also said this rise in consumer optimism, coupled with pent-up demand for various guides and services, suggests that a substantial increase in consumer spending is clearly in prospect.

They went on to say news in the months ahead, "that the economic recovery is fast, could result in a genuine boom in consumer spending. For the first time in three years, more respondents—47 percent. We are expecting good times in the next year than those expecting bad times—29 percent.

So, when we have the good figures on employment, on unemployment, Wholesale Price Index and the Consumer Price Index, plus the obvious regeneration in enthusiasm in the consumer sector, I think all of us can honestly look forward to increasing progress toward the prosperity that we all want so very badly.

But, let me add, if I might, I am fully aware of the competitive situation that is facing the textile and apparel industries, and I can assure you that I am determined to support your efforts to keep this industry or these industries strong and thriving.

As you well know, the United States imports textiles and apparels from about 120 countries. We have joined with 50 other countries in the multifiber arrangement to provide the ground rules to assure that worldwide trade can continue to grow without disruption.

In this international framework, the United States has negotiated 18 agreements; 16 have been signed and two more are expected to be signed very shortly. The multifiber agreement, which has been in force under GATT since 1974, in January, has been under review during the past year, within the Administration at the highest level, to consider whether it should be extended, modified or discontinued.

Although it is by no means a perfect instrument, you recognize it, and so do I, that our review certainly suggests to us that MFA has functioned reasonably well, and I have therefore concluded that the United States Government should seek a renewal of the multifiber arrangement, and I will instruct our textile negotiators to pursue its renewal in the GATT textile committee.

Some of the largest producers in the world of textiles are not a party to the multifiber arrangement and I am aware that there is considerable concern in the United States textile industry today about rapidly-rising imports from some of these nations.

I can assure you that I share your desire to avoid disruption of our domestic textile market from any source. The matter is presently in review at the Cabinet level and I am taking a personal interest in the problem and following these deliberations very closely. I can assure you that I am genuinely committed to finding the most appropriate way of dealing with the problem to insure that our domestic market is not seriously disrupted and that our objectives under the multifiber arrangement are met. I can assure you that they will be.

Other steps also need to be taken to keep our textile industry strong and prosperous including reform of our regulatory system. We need to insure that legitimate concerns over noise levels, dust and water pollution are met at a pace and at a level that can be sustained by the industry and by the economy.

And I am also familiar with the fact that with the impetus that had started in some of these areas a few years ago, there were efforts made to go too far too fast and what we are trying to do in a responsible and reasonable and constructive way is to swing the pendlum back so we can balance, I think equitably, the needs of the economy on the one hand and the other problems on the other.

But also high on the list of needs in your industry is energy conservation and development and availability. As users of natural gas in the finishing of your fabrics. You know far, far better than I how important it is that we have an adequate supply of this vital resource.

And as users of manmade fibers you know again far better than I how important it is that we have an adequate supply of petroleum. In order to be certain that these vital supplies are available for all American industry, I continue to support vigorously, as I have from the very outset, the deregulation of natural gas and the development of energy conservation ethic. These are essential.

The two programs are absolutely essential in achieving energy independence for the United States and, obviously, I have your support. As we look at the problem of deregulation of natural gas, we were able to get from the United States Senate late in 1975 the Bentsen-Pearson Bill which gave us an opportunity to achieve the deregulation of natural gas. We made a massive effort—and I believe that many in this audience worked with your Members of the House of Representatives to try and get the House to do the same—probably the greatest disappointment in this session of the Congress has been the fact that we lost that vote in the House of Representatives by, I think, a difference of three, something like 207 to 204.

Unbelievable that Members of the House of Representatives could not understard, could not realize that the only way you can stimulate more exploration for natural gas is to give to those who are willing to invest an opportunity for a fair return on their investment. And as long as we keep the lid as is the case under existing law, you are not going to have any real exploration effort to try and find more of this resource in this country.

Then the bottom line is what really bothers me. In the month of February of this year we imported more oil from foreign sources than ever in the history of the United States, better than 7 million 100 thousand barrels per day. And last week or the week before—I am not sure which—it got up to 8 million plus barrels per day, and while we are buying more imported oil, if the trend is like that, there is less and less production of crude oil and natural gas from domestic sources.

So any help you can give us in trying to get this legislation through—we have got problems—would be, I think, totally in the national interest.

But let me go on to several of the other ongoing concerns that I know you have. I recognize that you are concerned about American technological development in the textile field. Too often we have become an importer of textile technology rather than the exporter that we once were as a Nation. Industry must provide adequate research and development funds in this area and it should be that these funds are not the first to be cut during tough times, and having just gone through a budget preparation experience—much like, I am sure, you do in your respective companies when you are trying to hold down expenditures, as we are—the temptation is to reduce research and development because it does not have an immediate impact over effect.

And I was faced with that problem, research and development for the Department of Defense, research and development for our energy program, whether it was solar energy or geothermal energy sources.

I made a decision—and I hope that you will in your industry—that we have to make those long-term commitments, and so I increased the research and development money across the board for the Federal Government by 11 percent. It was about double the increase in the proposed spending for the Federal Government as a whole in the next fiscal year.

If we don't make those kinds of investments now, we can't keep pace in the generations ahead with other countries that are rapidly achieving far more than anyone anticipated, a research and development capability which obviously materializes into hardware of one kind or another.

Of course, I think we have to recognize that as we work on our economy that we should expand, if we can, these efforts in research and development in the other areas. Our policies as a Nation of balanced economic growth, avoiding the pitfalls of inflation on the one hand and the boom and bust psychology on the other, I think can assure us that we will have the funds to invest today and more to invest in the future.

Our policies of freeing the private enterprise system from some excessive paperwork and unneeded regulation can also be helpful, not only in getting your job done, but relieving the bureaucracy in numbers and paperwork in Washington.

Our policies in this Administration of providing industry with adequate incentives for capital investment can also insure our continued growth and prosperity.

I was deeply disappointed to read last night in some of the news reports that I got that the House Committee on Budget has rejected the proposal that I made in January for an added reduction of some $10 billion in personal and business taxes beginning July 1. I believe that if we are going to provide the jobs that are needed for some 2 million young people who are coming into the labor market every year, we have to go to the private market where five out of the six jobs today are available for those who want to work.

So if you can help us, and we will help each other, we will help the country by convincing the Congress that tax reductions providing incentive for individuals to spend and business to invest is a far, far better way than piling on extra spending for make-work jobs in the public sector.

John, and all of you from the textile industry, I thank you for giving me a few moments this morning. I am grateful for this opportunity, and let me assure you that in the future I will continue to work with you and I know that I can depend on your help and assistance. And if we work together with policies that are sound and we don't panic, we don't try quick fixes that never worked and won't in the future, if we do all of these things together, 215 million Americans, we can have an increasing rise in our standard of living, we can keep our Nation strong to deter aggression, to maintain the peace, and to protect our national security and give to those that follow us an even greater America than the one that we have enjoyed.

Thank you very, very much.

Address by Secretary of Commerce Elliot L. Richardson, Prepared for Delivery Before the American Textile Manufacturers Institute

It is a special pleasure to have this opportunity to participate in the annual meeting of the American Textile Manufacturers Institute—to meet personally with you its members. As some of you know, I met in January with the executive committee of your board. Indeed, that breakfast meeting was the first meeting of the first day following my confirmation as Secretary of Commerce. And although the symbolism of that rather exact timing was partly the result of chance, it would not be inappropriate to interpret it as a sign of the importance which I attach to the textile industry—an industry whose vital place in the life of our country dates from the earliest days of the industrial revolution.

As one who is still relatively new to Commerce—not yet having completed my second month as Secretary—I would like to share with you some of my early perceptions about your industry; for they bear, I think, on the state of American industry and society generally.

These perceptions might better be labeled "reflections on misperception." For I think it fair to say that the textile industry has been widely perceived as somewhat antiquated, parochial, even perhaps anachronistic. And it is equally fair to say that this perception is simply wrong.

The misperception derives, in part, from the industry's important association with the past—in a society which, as you well know, continually sheds the "passe" in its race to keep up with the future.

It derives similarly from the industry's lack of association with "high technology." Textile laminates may find their way into the structure of modern airframes; but in the popular mind, the basic products and technology of the textile industry remain recognizably similar to their ancient ancestors. This, of course, is not unreasonable. Though styles shift dramatically, the fundamental functional requirements for clothing, for example, remain essentially what they have always been. Mores and tastes may change, but certain things tend, on the whole, toward a consistent pattern—like the weather, and the human shape.

But our technology-oriented society, enchanted by "newness", perceives a near-pervasive "revolution"—in telecommunications, with instant, world-wide satellite transmission; in calculation, with a mini-computer in every pocket; in transportation, with the developing prospect of a "space shuttle" while, on the other hand—to transpose Gertrude Stein, and do equal injustice no doubt—a loom is a loom is a loom. Or at least: today's loom seems far closer to that of the Egyptians' than the space shuttle does to a camel.

Ironically, a fashion-conscious industry has found itself less than wholly fashionable. In some respects, you have found yourselves on the defensive.

It seems to me, however, that a positive case can be made that the textile industry is far from anachronistic; that, rather, the industry is at the forefront in addressing the fundamental problems facing American industry today. I would make the case in relation to three highly topical areas of concern—"energy independence", "global interdependence" and "regulatory reform."

During the Arab oil embargo, imports were reduced by 1.6 million barrels a day—and, as a consequence, an additional 500,000 Americans were unemployed and international stability was seriously threatened. Now oil imports are at more than 7 million barrels per day—and rising. Our most recent estimates are that by 1985, if oil and gas prices remain regulated at low levels, oil imports could reach 13.5 million barrels per day—that is, amost double the current level. This can only be viewed as a highly troublesome prospect. With oil and gas price decontrol, we could hold to the 1975 level of 6 million barrels per day. But even with our new emergency storage capacity, this could be highly risky in terms of vulnerability.

With complete enactment of the President's program, we could reduce imports to a thoroughly safe level of only 1 million barrels per day. And as chairman of the Energy Resources Council, I can assure you that I will be working vigorously for enactment of the President's program. But as a realist, I would have to say that given the pattern of Congressional action, the prospects for "energy independence" are far less than one might wish.

In this context, conservation becomes the more important. And here the textile industry has literally been in the vanguard. Indeed, the Voluntary Industry Energy Conservation Program was patterned after the pioneering efforts of ATMI. And I regret to have to observe that the country is still far behind you—both in terms of response, and, more fundamentally, in terms of appreciating the extent of the potential problem.

The Arab oil embargo did bring home a concept which was new to the vast majority of American—the concept of "global interdependence." But this now-fashionable catch-phrase was hardly new to the textile industry. You had long been struggling with the problem of rising imports and the shift of capital to less developed countries.

As you well know, this problem is highly complex.

It is clear—not only from the perspectives of humane concern and theoretical economic efficiency, but also from the very practical perspective of concern for international stability—that the widening gap between developed and less developed countries must be closed. It is equally clear that this will require massive infusions of private investment capital in the LDCs as well as access for the LDCs in developed country markets.

But it is also clear that serious disruption of domestic markets is a price that cannot be paid to achieve international economic objectives. And this is not simply a matter of domestic political realism. It is a matter of economic realism. Just as we depend increasingly on the health of the world economy, the health of the world economic system depends fundamentally on the health of the American economic system. That is the inescapable reality of interdependence.

The Multifiber Arrangement in textiles is a sophisticated adaptation to this reality. As stated in the Agreement, its objective is complex. "To achieve the expansion of trade, the reduction of barriers to such trade and the progressive liberalization of world trade in textile products, while at the same time insuring the orderly and equitable development of this trade and avoidance of disruptive effect on individual markets and on individual lines of production in both importing and exporting countries."

As the President noted yesterday, our analysis of the Arrangement has suggested that—although it is by no means a perfect instrument—it has functioned reasonably well. And I am pleased, as I'm sure you are, that the President has decided to pursue its renewal.

If the Arrangement continues to serve its complex objective, I am confident that it too will prove to have been pioneering in its approach to emergent realities.

In this respect, however, I must note that MFA cannot be expected to serve its objectives unless a reasonable accommodation is reached with the major textile exporters not now party to the agreement.

I know this is of increasing concern to you. The issue is a sensitive one, involving a range of foreign policy and economic issues. But I am hopeful that we may be able to find an appropriate way to assure that our equity obligations under the MFA bilateral agreements are met, and that our domestic markets are not disrupted. The President and I have been discussing this matter directly. And let me assure you that I will continue to give this issue my closest personal attention.

In this matter, you may be able to view government as helpful. This cannot be said, however, for the third area of concern I alluded to at the outset—regulatory policy. You are, I know, understandably disturbed by government's growing interventionism—particularly in the areas of environmental, health and safety regulation. And you are not alone.

Indeed, it probably is stretching the point to suggest that you are at a "forefront"—when the front now presented by industry is as wide as it is. The significant point of emphasis, however, is that—contrary to the assertions of some—your concerns are *not* to be conceived as parochial or rearguard.

What is at stake, fundamentally, is the direction and character of American society.

It is a potentially tragic irony that America—born of risk, and built by a system of incentives intended to reward risk—is now struggling to become a "riskless society." This is, of course, absurd—but it is nonetheless the direction in which some would have us go.

Indeed, if today's standards had been applied to Samuel Slater in 1789, he (his heirs, rather) might still be waiting for a permit to site a spinning mill by the Blackstone River. Or to put the point another way: If we applied the standards we are now demanding of industry to ourselves in our daily lives, we would all have to live in single-story houses, with padded walls and never go outside. (And needless to say, the padded walls would have to be non-flammable.)

While there is a comic element to this absurdity, it rapidly loses its comic quality when plants close and jobs are lost.

It is, of course, regrettable that it so often requires hard experience to teach what should have been clearly foreseen. But the only preventative—and a necessary preventative—must be a major effort to educate the public, in advance, about not only the benefits of proposed regulation, but the associated costs. These costs must be articulated in terms of energy costs, investment costs, costs to consumers, effects on trade—and, most significantly, *jobs*. At present, the public too often hears about only one side of the equation. Rarely is the public explicitly made aware of the price it must pay for a marginal increase in safety or in health—the true cost to consumers, to employees, to taxpayers, of say, that last extra decibel of noise reduction.

I do not mean to suggest that the public does not have a fully legitimate right to insist on extra margins of health or safety. I do mean, however, that the public ought to know that it is making choices. And the public ought to insist on—and to be able to obtain—full disclosure of the facts, the costs as well as the benefits, inherent in the issues of choice.

The problem with an education effort toward this end, these days, is that the public has such little confidence in the credibility of would-be educators. Industry is typically dismissed as self-serving. And frankly, in many quarters, the Department of Commerce has long been dismissed as a "captive agency."

At Commerce, I have recently taken steps to address this problem internally. I have established a new Regulatory Policy Council to oversee a set of major studies of environmental, health and safety regulation; to focus on influencing the shape of certain special high-priority regulatory decisions, and perhaps, most importantly, to assure that the Department of Commerce speaks with analytic authority and credibility.

For your part, it seems to me you must, as I'm sure you will, continue to do what you have been doing—articulating from as sound a factual basis as possible your concerns and interests on issues perceived to be vital: To my mind, this is not to be viewed as special pleading. It should be seen as an absolutely essential part of the dynamic by which public debate is to be elevated and public choice is to be informed.

And in general, where you can, you must continue to lead by example—as you have in the case of energy conservation and the development of the MPA approach to trade.

As a New Englander, I have perhaps a special feeling for your proud past. You led America into the industrial revolution—the familiar symbols of which remain as multistory mills by New England rivers. But as a New Englander, I cannot help being troubled by the knowledge that we let too many such mills become empty. They stand as haunting symbols of our shortsightedness.

As America enters its third century, it faces fundamental issues of choice which will affect our independence; our role in the world, and the continued vitality of our system. It has never been more important to assure that we, as a nation, do not follow the course toward empty mills.

The textile industry led America in its infancy. You have grown to become the largest employer of labor in American manufacturing. It is fitting that you take responsibility for leading American industry—and America thereby—toward continued independence, a responsible position in the emerging international order, and healthy growth.

In this effort, I look forward to working with you.

STONE HILLS AREA LIBRARY SERVICES AUTHORITY

Mr. BAYH. Mr. President, recently, a constituent, Polly Coe, administrator of the Stone Hills Area Library Service Authority, brought to my attention an innovative library services program currently under operation in Indiana. As a longtime supporter of the Library Services and Construction Act and a member of the Senate Appropriations Committee, I was particularly interested in learning of the successes of the area library services authority program—ALSA.

The Stone Hills Area Library Services Authority—SHALSA—recently come into existence to serve all types and sizes of libraries in Greene, Lawrence, Monroe, and Owen Counties. ALSA's are established under the provisions of the Indiana Library Service Authority Act and are federally funded by the Library Services and Construction Act for an initial period of 2 years. Currently, there are seven ALSA's now operational throughout Indiana with another six in various stages of planning.

The basic philosophy behind the creation of the ALSA's is the belief that libraries can offer their patrons more by sharing their resources than they can individually. Tax support for library services varies from county to county, and the property tax freeze has hurt all Indiana libraries.

By joining an ALSA, a library makes available to its patrons professional reference specialists with access to a large reference collection and statewide resources such as the teletype network of the Indiana State Library and the Indiana Information Retrieval System, a computer-assisted means of obtaining social and economic data about the State of Indiana.

SHALSA has contracted with the Monroe County Public Library to provide an interlibrary loan and reference referral center. Each member has a telephone cedit card number to use when calling the center to request specific titles, books in a general subject area, ready reference, photocopies of magazine articles, or whatever their patron needs. The long-distance telephone charges are paid by the SHALSA office. Speedy and efficient delivery is provided by a biweekly van delivery to each member.

Participation in an ALSA is entirely voluntary and in no way affects the autonomy of the individual library. All services are free to the members for the first 2 years, and the libraries hope to seek State support thereafter for a statewide network of ALSA's.

Given today's bleak economic situation, no one library can provide everything to its patrons or purchase all of the materials they may need. Libraries working together save costs and improve services for all of Indiana. I am pleased to learn about the creation of the area library services authority and the improved quality of library services and programs available to my constituents through this innovative program.

IN SUPPORT OF LIBRARIES AND MUSEUMS

Mr. JAVITS. Mr. President, our Nation's libraries currently are celebrating the 19th annual National Library Week. Under the theme of "Information Power," the 1976 National Library Week serves to underscore the fundamental services these and similar institutions contribute to preserving, transmitting, and extending educational and cultural information among all our citizens.

This week also serves as a somewhat less pleasant reminder of the increasingly difficult fiscal dilemma these institutions currently are encountering. Faced on the one hand with increasing demand for their services, and on the other with decreasing fiscal resources, these institutions are experiencing severe constraints on their capacities to provide adequate levels of educational and cultural benefits to the people of this country.

The dimensions of this dilemma are nationwide, and all levels of government must respond. At the Federal level, we should continue to provide sufficient funding to programs that help sustain the vitality of our libraries and similar institutions. Additionally, States and localities, although faced with increasingly difficult decisions concerning the distribution of declining financial resources, should recognize the priority these institutions deserve.

In my own State of New York, amidst the difficult fiscal decisions currently being made in New York City and throughout the State, a debate has emerged regarding the degree of fiscal reductions sustained by libraries and museums. I am pleased to note that the New York State Board of Regents, the State's comprehensive agency for educational and cultural affairs, has entered this debate. Commissioner of Education Ewald B. Nyquist recently released a statement adopted by the regents which recommends a program for maintaining needed State and local financial assistance for libraries and museums. Mr. President, I commend the regents for their leadership in recognizing and supporting the important contributions and financial needs of libraries and museums, and I ask unanimous consent that the statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

New York Board of Regents Statement in Support of Libraries and Museums

The three public library systems of New York City and a major share of the regular budget of the major museums are funded by the tax dollars of the City and the State. The increasingly stringent fiscal plans for city finances have exposed a "meat-axe" approach toward libraries and museums. These institutions are always subjected to first-order cuts and maximum reductions. Since 1970, the service rendered by the Branch Libraries in the three boroughs served by the New York Public Library has been reduced by 50%. Now, new slashes have been planned which, if implemented as proposed, will close 33 of the 83 branches of New York Public Libraries in the next 18 months. This is not a problem for New York City only, but is simply the extreme of a Statewide trend already affecting other population centers, such as Yonkers, Utica, Buffalo and Nassau-Suffolk. It sems to be the pattern of the future, unless priorities can be reordered.

The cultural institutions of New York State are, by tradition and law, a part of the educational complex available for the use and enjoyment of New York's citizens. As such, they constitute a major and growing concern of the Regents in developing a balanced and economical set of alternative educational opportunities in this State.

Museums increasingly are emulating libraries by taking on a major role in the continuing education of adults. As in all depressed times, library attendance nationwide is rising as people, especially the unemployed, adopt the most readily available means of improving their knowledge, sharpening occupational skills and finding help in retraining—all leading to self development and in many cases, re-employment.

Museums are now recognizing and fulfilling educational obligations—not only for self-development, but also for community upgrading. New needs have arisen to which the traditional educational system cannot be totally responsive. Their satisfaction requires the use of new or additional educational methods and resources available through museums and libraries. Radical pruning of their programs through closings, massive staff cuts and reduction of vital programs is counterproductive to free use of alternative educational opportunities.

Municipal administrators must recognize, either intellectually or viscerally, that a major segment of our population depends on cultural resources not only for emotional or intellectual stimulation but also as resources to make better communities and to make people better members of their communities. Our current and future culture can only be diminished, for example, by the drastic reductions projected with State Emergency Financial Control Board approval. They will contribute as well to the foreclosure of the right of the individual citizen to attempt to reverse or improve his present economic state through low-cost self education.

In light of this critical situation, the Regents urge:

1. Immediate reconsideration by the administrations of New York City and Yonkers and by the Emergency Control Board of the low priority assignment they have given libraries and those museums which receive major city funding.

2. Consideration by the legislature of the Regents' proposed legislation for increased Statewide support of libraries—a total added expenditure of less than $10 million to meet in part the loss of support through inflation since the last increase in aid was granted by the legislature in 1973.

3. Increased efforts to gain private support for public libraries, especially in New York City where the need for such support is greatest.

4. Strong support by the New York Congressional delegation and by the Governor's Office for timely Federal funding for the scheduled White House Library Conference of 1977 and the preceding Governor's Conference on Libraries tentatively scheduled for April 1977.

5. Continued and broadened efforts by the State Education Department to plan and encourage inter-system cooperation and consolidation of library programs so as to stress economies, reduce duplication of resource acquisition, and promote improved services. The present retrenchment must be balanced by planning to meet future needs of the entire State.

NUMBERS GAMES MAGNIFY "RED HORDE"

Mr. LEAHY. Mr. President, the debate on this year's defense budget has so far been dominated by alarmists citing numbers which "prove" that the United States has fallen far behind the Soviet Union in military strength. These simplistic comparisons of numbers have been used to fuel the emotional arguments by those who prey on the fears of Americans.

We are all genuinely concerned about our national security. Unfortunately, however, many people do not have all the facts necessary to make distinctions that are not readily discernible in the statistics that we have been reading and hearing.

In an effort to place some of these numbers into their proper perspective, Representative Les Aspin wrote an excellent article for the Washington Star of April 4, 1976, in which he carefully examines the numbers of military personnel in the Soviet and U.S. Armed Forces.

What the American public usually hears is that the Soviet Union has 4.8 million military personnel while the United States has only 2.1 million. In his article Representative Aspin points out that 600,000 Soviet personnel have recently been reclassified from civilian to military categories, and that many functions performed by civilians in the United States are performed by military personnel in the Soviet Union. Military personnel engaged in construction, farming, internal police, and other nonmilitary functions clearly do not pose a threat to the United States. Other Soviet personnel are engaged in such activities as air defense and border patrol, and do not directly threaten our national interests. Representative Aspin concludes that the number of Soviet military personnel posing a direct threat ranges between 2,045,000 and 2,600,000.

Mr. President, I strongly commend Representative Aspin's article to the attention of my colleagues and, indeed, to all Americans. It is a careful and reasoned attempt to inject some rationality into what is becoming an emotional, simplistic, and, in my opinion, an overly pessimistic appraisal of the relative strength of United States and Soviet military power.

I ask unanimous consent that his article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Numbers Games Magnify "Red Horde"

(By Les Aspin)

When the cold war was raging in the late 1940s and 1950s, it was popular to speak of a "Red horde" that might descend on Western civilization.

The term has long since been consigned to the dustbin, but the thought has been resurrected recently as part of the bleak comparison of Soviet and American forces that have become popular.

The public is being told that the Soviet military is growing ever larger and even more threatening. The first example frequently cited is the number of men the Soviets have under arms.

Defense Secretary Donald Rumsfeld said in a recent speech, "Soviet military manpower has grown . . . (and is) now more than double U.S. forces."

The Pentagon cites new figures revealing that the Soviet armed forces, nee Red horde, now outnumber the U.S. armed services 4.8 million to 2.1 million.

This all sounds like pretty frightening stuff, especially when we are told that the Soviet armed forces have 600,000 more men than we previously credited them with.

There are even some suggestions that the Soviets are going to a wartime footing. Gen. David C. Jones, the Air Force chief of staff, recently said, "Not since Germany's rearmament in the 1930s has the world witnessed such a single-minded emphasis on military expansion by a major power."

But before such hyperbole leads us to double our defense budget or lay down our arms and quit in despair, we ought to take a closer look at these numbers.

For example, when the Pentagon reported the 600,000-man increase last year, it neglected to mention an important detail: when the intelligence community raised its estimate of military troops by 600,000, it simultaneously reduced its estimate of civilians employed by the military by an equal 600,000. The change was purely a revision of old numbers and did not represent any increase in manpower.

The reclassification of these 600,000 is symptomatic of the problem. Many Russians in uniform do jobs that are handled by civilians in the United States and others perform work that doesn't exist here.

The Soviet armed forces include about 70,000 political commissars who make sure, for example, that when a Red Navy vessel turns starboard, it does it the Marxist way. We lack such politics, but we have religion—2,000 chaplains.

About 250,000 men, apparently washouts from basic training, are kept in uniform to fulfill their conscription duty by working on construction projects. Except for about 900 U.S. Army officers with the Corps of Engineers, that work is done by civilian contractors in this country.

A large body of about 150,000 Soviet troops is assigned to the railroads and to labor on military farms to produce food for army mess halls.

Troops of the Ministry of Internal Affairs (MVD) maintain internal security while forces of the Committee of State Security (KGB) guard the borders to keep Russians in. That consumes about 430,000 troops in all. In the United States, the National Guard maintains security during riots and the border patrol tries to keep foreigners out. Neither body figures in our total of 2.1 million servicemen.

The Soviet military runs a large civil defense effort using 20,000 servicemen. Our civil defense agency is a civilian operation with only one serviceman assigned to it—an Air Force lieutenant colonel.

Military research in the United States is largely in the hands of civilian scientists, while storage dumps and supply channels are run principally by civil servants. The Soviets hold both operations tightly in military hands, soaking up 170,000 more uniformed servicemen than in the United States.

Scattered throughout their services are about 300,000 other men and women who wear uniforms but do chores which are reserved for civilians in this country. In recent years the Pentagon has been consciously civilianizing ever more jobs because the career costs of a civilian are less. Clearly, the trend is the reverse in the Soviet Union.

When we tote up numbers to show how the Soviet military outnumbers us, it is exceedingly misleading to add in these men and suggest they are the equal of American forces. We shouldn't fall into the one-American-whip-12-foreigners trap, but if the American carries a machine gun and trains with a military unit while the 12 Russians are bearing hoes on military farms, they are hardly equal.

There are still other anomalies in the members.

For example, the United States has 75,000 men to run its missile subs, long-range bombers and ICBMs. But the Defense Intelligence Agency calculates the Russians have 350,000 men assigned to roughly the same number of missiles, subs and bombers.

Possibly the Soviets are profligate with manpower. Possibly the DIA erred and counted men that do not really exist. Either way, these 350,000 men cannot be counted as threatening us more than our 75,000 men threaten them. So we can delete their excess 275,000 men from any calculations of threatening manpower.

In addition to offensive nuclear forces, both superpowers maintain forces to defend against a nuclear attack. However, the SALT I agreement in 1972 effectively banned ABMs and left both countries defenseless against all-out nuclear attack.

The Pentagon has reasoned that there isn't much sense spending large sums to defend against the handful of Russian bombers when nothing can be done about their missiles. So we assign a mere 25,000 men to air defense.

The Russians, however, have 500,000 men manning fighters and anti-aircraft equipment in a massive allocation of resources to air defense.

Only a minority of these forces could be moved westward to threaten our fighter aircraft in the event of a European war. Most of their equipment is too old and too limited in capability to be used against anything but lumbering old bombers. Therefore, we can discount the bulk of this force as nonthreatening.

Adding all these forces together, we find that the Soviets have about 2.2 million troops who do work we assign to civilians or perform tasks that cannot be considered threatening to us. Subtracting them, we are left with a Soviet force of 2.6 million men—still more than our 2.1 million.

Even that overstates Soviet capabilities because the Russians have problems we don't have to face.

As Assistant Defense Secretary Terence McClary recently said, "The Russians do have a southern flank that is not quite compatible as ours with Mexico."

About half a million Russians are deployed along the Sino-Soviet border. While they could be shifted to Europe in the event of trouble, that is unlikely; the Russians know the Chinese are most likely to attack when Moscow is engaged elsewhere.

To a certain extent, the Russian forces along the Chinese border are similar to the 115,000 American forces in the Pacific. While some of them might be moved to Europe in an emergency, concern that North Korea would use the occasion to move on Seoul would undoubtedly keep many of them pinned down. By way of analogy, we kept our 400,000 men in Europe all through the Vietnam war.

There is disagreement over how many men might be pinned down in the event of war. The best we can say is that some of these men are not threatening to us, and then put this category into a gray area.

Finally, the Soviets have had 55,000 men stationed in Czechoslovakia ever since they suppressed Czech aspirations for independence in 1968. These men are quite simply occupation troops. In the event of war, some will fight, but many will undoubtedly be busy trying to keep irate Czechs from sabotaging supply routes. These 55,000 men must go into the gray area as well.

Thus, we end up with 555,000 men in the gray area. It is generally agreed that many of these men are not threatening to us and would not be used against us in a war, but no one can say exactly, or even approximately, how many.

We can, however, say that more than 2,045,000, but less than 2.6 million, men are threatening to our 2 million to 2.1 million men. If we split the differences, admittedly a crude calculation, we find that the Soviets outnumber us by 13 per cent. That is substantially different from the Pentagon's crude figures showing us outnumbered by 130 per cent.

All these nuances have been ignored as Pentagon officials travel around the country. The message has been a simple one—that we are outnumbered.

The fascination with numbers is disturbing. If numbers were the determining factor, Gen. Eisenhower would never have invaded Normandy. The numbers were overwhelmingly against our puny landing force. Clearly, many factors other than numbers must be considered in assessing strengths.

Take the quality of our military manpower. Virtually all the senior officers in our ground forces had combat experience in Vietnam. Many had it in Korea as well. The Russian army hasn't fought in 31 years. The difference in experience isn't measurable in quantitative terms, but it's there.

The Soviet Union is a fusion of many nationalities, cultures and languages. By Moscow's own figures, 30 per cent of her people are unable to speak Russian fluently, but by law all military training is given in Russian. When the Tadzhiks meet the Uzbeks at regimental headquarters, the communication must be a little difficult, but that problem is not measurable.

The Soviet army is a conscript force. Every six months, one-quarter of the army turns over. Soldiers are routinely sent from training camp into fighting units before they have been fully trained. As a result, the fighting power of many units is degraded.

The Soviet navy keeps its conscripts longer and replaces only one-tenth of its total force each six months. But the training still leaves much to be desired. John Moore, a retired British navy captain who edits Jane's Fighting Ships, recently said, "The conscript is trained to look at one dial and twiddle one knob and that's about it. He can't be expected to do very much more."

Throughout the Soviet military, troops get far less operating experience than in the U.S. armed services.

In sum, their forces cannot be as well prepared as ours.

I don't suggest the comparison presented here is the end all and be all. The U.S. armed forces have a few thousand race relations officers and other men with no counterpart in Russia. And there are also reserve troops on both sides.

Most significantly, there are allied forces on both sides, and our NATO allies have more and better forces than the Eastern European states.

What I am suggesting is that while it is common for advocates of a higher defense budget to portray the Russian bear as a beast of vast proportions, a closer look shows that the comparison just doesn't wash. Even in terms of manpower, which is commonly thought to be the Russians' strong suit, the number and the quantitative considerations paint a different picture.

To be sure, the Soviet military is not like the skinny runt in the Charles Atlas ads. There is a threat. But let us not magnify that threat out of all proportion by trying to pretend that their military manpower is more than double ours. It just ain't so.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one of the most frequently voiced objections to U.S. ratification of the Genocide Convention is that this would entail an expansion of our international obligations. At a time when most Americans rightfully oppose such an expansion, it is not surprising that this objection has generated some support. However, if we examine this argument carefully, we find that it contains a significant ambiguity that confuses the entire issue of the Genocide Convention. When we resolve this ambiguity, then we see that ratification of the Convention does not actually expand international obligations, which most people want to reduce or maintain at a constant level.

The ambiguity in this argument is in the failure to distinguish between different kinds of international obligations. It is true that we should avoid agreements which involve the expansion of our military commitments. Our experience of the recent past has proved this all too clearly. This does not mean that the development of international law should be halted. A great variety of treaties not involving military commitments have been negotiated and they have provided for more ordered relations among nations.

The Genocide Convention represents an obligation only in the sense that we express our support of the international effort to prevent and punish genocide. I do not think that this is too great of an obligation to which to agree.

All of us support basic human rights and deplore genocide. Ratification of the Genocide Convention would take us one step closer to the realization of these rights on a worldwide scale.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The hour of 1 p.m. having arrived, morning business is closed.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The PRESIDING OFFICER (Mr. Ford). Under the previous order, the Senate will now proceed to the consideration of S. 3136, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. TALMADGE obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. TALMADGE. I yield.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I understand that the distinguished Senator from Nebraska (Mr. Curtis) has a number of amendments. I have talked with the manager of the bill, the leadership on both sides, and other interested parties, and I ask unanimous consent that when those amendments are called up, there be a time limitation of 10 minutes, 5 minutes per side on each, to be divided between and controlled by the Senator from Nebraska and the manager of the bill; that the time on the first vote be 15 minutes, and that they be voted on in sequence unless otherwise ordered.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, is it understood that not only the voting will be in sequence, but the presentation of the amendments will be in sequence, without the intervention of other amendments?

Mr. MANSFIELD. The Senator is correct.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I understand that the Senator from Nebraska has 16 amendments, which may well be offered in order and voted on in order.

Mr. CURTIS. That is correct. There are 19 amendments printed. Some of them are alternatives, where, on presenting the one, we may elect to skip the other. There will be in the neighborhood of 15 or 16.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that Mr. Quentin Commelin of my staff be granted privileges of the floor during the consideration today of this bill and during votes on amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that Mr. Joe Richardson of the Congressional Research Service be permitted to be present on the floor during consideration of S. 3136, including all rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry and the Select Committee on Nutrition and Human Needs be permitted to be present on the floor during consideration of S. 3136, including all rollcall votes thereon: Michael R. McLeod, Carl P. Rose, James C. Webster, Dale L. Stansbury, William A. Taggart, Roy Frederick, Steven E. Storch, Marshall L. Matz, Kim B. Wells, and Kathryn P. Bishop.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that Miss Mary Wheat of Senator Dole's staff be permitted to be present on the floor during consideration of S. 3136, including all rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that James Stasny, of my staff, have the privilege of the floor during the consideration of S. 3136 and voting thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORGAN. Mr. President, I ask unanimous consent that Mr. Johnson, of my staff, be allowed the privilege of the floor during the consideration of S. 3136 and all votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORGAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legilsative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I wish to make a point of order against the consideration of this measure under provisions of the Budget Act, which, in essence, states that no bill or resolution may be considered if a bill affects spending authority prior to the adoption of the first concurrent resolution. Mr. President, as you know, the Budget Act requires the Committee on the Budget to adopt the budget resolution by the 15th of May and the Committee on the Budget in the Senate, just this last week, pursuant to the mandate of the statute, has concluded its work on the first concurrent resolution. The resolution will soon be reported to the floor of the Senate for action. Again, the Budget Committee is required to do that by April 15, so that the House and the Senate may then confer on their respective actions and come back with the conference agreement prior to the May 15 mandate.

The purpose of the act was to allow the Budget Committee to take a look at the priorities of spending in the fiscal year affected by that concurrent resolution and to establish the priorities by concurrent resolution, which, of course, is subject to the action of the entire Senate in approving or disapproving or modifying the concurrent resolution reported by the Committee on the Budget. That action has not yet been taken this year. I therefore make a point of order against the consideration of this legislation.

Mr. MUSKIE. Mr. President, the point made by the distinguished Senator from Idaho is a valid point under section 401(b) of the Budget Act. Technically, both the bill and the principal amendment that will be offered, I take it, during the course of its consideration, are subject to limitations of section 401 of the Budget Act. That section provides for a point of order against any entitlement reported after January 1 which takes effect prior to October 1.

I was well aware of this technicality that affects the pending legislation. The purpose of the section is to make sure that entitlements do not take effect prior to the adoption of a second budget resolution and completion of the reconciliation process. New entitlements would be less vulnerable to reconciliation if they had already taken effect by the time of the second resolution.

The Dole proposed amendment also would be subject to a point of order under that interpretation of the act. Nevertheless, I consider it inappropriate for the Committee on the Budget to make that point of order, and I should like to say why, briefly, if I may.

In the first place, the need for food stamp reform is urgent in the public mind. We should not block consideration of a bill that would save several hundred million dollars to a half billion dollars or more on technical grounds.

Second, the second concurrent resolution, which Congress adopted last December, virtually ordered the Committee on Agriculture and Forestry to report such a bill with an effective date in this fiscal year. The statement of managers accompanying the conference report of the second concurrent resolution stated the conferees' expectation that administrative or legislative changes would be made in the food stamp program in fiscal year 1976 to save $100 million. Although the timing of this bill and the intention of the House Committee on Agriculture to delay it further makes 1976 savings unlikely, nevertheless, I think the Budget Committees are in a poor position to object that a committee which tries to comply to the second concurrent resolution should be barred from doing so on a technicality. It is for that reason, Mr. President, that I had decided not to raise the point of order myself and that I think it unwise to raise it at this point. I think that what the Committee on Agriculture has done was anticipated by the Committee on the Budget and by the second concurrent resolution, and it is now for the Senate, as a whole, to resolve the subsequent questions that have been raised.

The Budget Committees are not legislative committees. We do not deal with the detailed substance of legislation such as that which is before us. It is our job and our responsibility to insure that matters of this kind are considered in an orderly way, consistent with the process. So it is not my inclination to raise the point of order.

Under the circumstances, the section 401(d) point of order having been made by the distinguished Senator from Idaho, I should have to support it as a technicality. But, as I have discussed with the distinguished floor manager of the bill (Mr. TALMADGE), under the Budget Act, a procedure open to him is a motion to suspend section 401((b) with respect to this point of order, and I should support that motion, for the reasons that I have outlined here briefly in my comments in connection with the proposal of the Senator from Idaho.

With that, I shall be happy to yield the floor.

Mr. TALMADGE. I thank the distinguished chairman of the Committee on the Budget for the statement he has made. I concur with him completely.

The Budget Control Act, of course, was made and designed and written into law for the purpose of trying to prevent rapid escalation in increases of the cost of Government. What the Committee on Agriculture and Forestry has done in this instance is just exactly the opposite of that—we are trying to stop runaway escalation in the cost of a Federal program and bring it under control. The bill that the committee has reported to the Senate would reduce the estimated cost of the food stamp program for fiscal year 1977 from $6,325 million to $5,695 million, or a net savings of something on the order of $630 million.

It is probably true that the distinguished Senator from Idaho is technically correct in his point of order because it does refer to a new entitlement. There may be some individuals who would have new entitlements under the bill reported by the committee, but who did not have entitlements under the present law.

But the fact remains that this bill is designed to eliminate affluent families from the food stamp program, to eliminate college students from affluent families from the food stamp program, and to try to reduce the element of fraud and waste in the food stamp program.

I believe the majority of the Senate, at least the majority of the Agriculture Committee, feels that way about it. This program has gotten completely out of hand. People are gravely concerned about it.

They see evidence of fraud and abuse and mismanagement almost daily and the country is crying out for corrective action.

So with the support of the distinguished chairman of the Budget Committee, I move that the Senate suspend 401(b) of the Congressional Budget Act.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. McCLURE. Mr. President, first, I ask unanimous consent that Franklin Jones of the Budget Committee staff, and Margo Carlisle of my staff, be granted privilege of the floor in all stages of these proceedings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I think we should very closely and carefully look at the procedure which has now been suggested. This is a departure from the intention of the act.

If the Budget Committee Act is to be given an opportunity to work as the authors of the act intended, we should not casually suspend its provisions.

I know my good friend, the chairman of the committee, is not doing this frivolously. I do not intend to imply that. But just as the Senator from Maine said that he understood why I was asking that the Chair rule on the point of order and that it was a technical matter, that the Senate ought to work its will on the substance of the food stamp program, I say to the Senator from Maine that I agree completely and I did not raise the point of order from the standpoint of frustrating the ability of the Senate to get to the substance of the matter, but in an attempt to raise the budgetary procedure question which I think we must maintain.

If, as a matter of fact, every time it becomes convenient to ignore the Budget Act, we simply make a motion and pass it, to waive the provisions of the act, the act has no substance.

Mr. MUSKIE. Will the Senator yield?

Mr. McCLURE. I am happy to yield without losing my right to the floor.

Mr. MUSKIE. The motion that has just been made by the distinguished Senator from Georgia (Mr. TALMADGE) is a procedure that is permitted by the Budget Act, just as are waiver resolutions permitted by the Budget Act.

Now, those procedures are intended to give flexibility to the act. They ought not to be casually or frivously used, and in that I concur wholeheartedly with the distinguished Senator from Idaho. Neither of us would advocate such frivolous or casual use of the procedures provided by the act.

The Parliamentarian advises me that this motion is contemplated by the Budget Act as a procedure open to the Senate in order that it not be frustrated in exercising its will.

I have given my reasons for supporting the motion of the distinguished Senator from Georgia. It is not frivolous or casual, as the Senator heard me make my point.

It was in the second concurrent resolution that we did anticipate, assume and urge consideration of cost savings proposals in the food stamp program.

Indeed, unless my memory plays me false, we did it in connection with last year's first concurrent resolution. So that for a year now, we have been pressing, as the Budget Committee, for reforms in the food stamp program and it has taken months to get to the point where we are.

But having urged it for all these months, having mandated it, in effect, with the second concurrent resolution, then it seems to me we have succeeded in producing the deliberate, rational kind of consideration of the issue that the budget act mandates that we urge upon the Senate whenever we can.

So this is not casual, it is not frivolous. Rather, I think consideration of the bill today, or this week, or whenever the Senate acts upon it, is the culmination of almost a year's effort by the Budget Committee to get the Congress to focus on the very kinds of reforms that are incorporated in this bill.

I do not think it would be particularly useful at this point to use a point of order to prevent the Senate from acting now and have to wait until sometime next October—which might be one consequence of raising the point of order now—or having the Budget Committee convene itself as a substantive committee to make a preliminary evaluation and finding on the substantive aspects of this legislation before the Senate can work its will.

We tried that a little bit last week in connection with the first concurrent resolution for fiscal year 1977 and we did not get into it as deeply and comprehensively as many Members would like.

So it is my feeling the Budget Committee has influenced the course of events here, has been a factor in bringing this issue to the floor, and that we ought not now raise this technical point.

When I say that it is a technicality, I do not mean to treat that frivolously either. It is only by means of technicalities of that kind from time to time that we can work a substantive result.

I am not criticizing the Senator for raising the point. I simply reached the conclusion that it is inappropriate at this point to raise the point of order in the light of what brings us here this afternoon in connection with this legislation.

Mr. McCLURE. I thank the Senator from Maine for his remarks, although I confess I am disappointed that he, as chairman of the Budget Committee, would elect the other course of action.

The reason I raised the point of order, as I did, was that over the weekend, looking at this bill and the various amendments that are offered by various Members of the Senate, most of which I think are now printed or at least have been circulated and brought to the attention of a great many Members, it is not at all clear whether this bill will add or subtract from the total cost of the food stamp program as it works its way through the Senate.

I was trying to determine for myself what the Budget Act means with regard to the bills as they come from committee, and the amendments that will be later offered on the floor of the Senate, because it is clear that there are a number of distinctions that need to be made. As we learn how to use the Budget Act, we are going to have to make some rulings and decisions as to its meaning and accept some procedures that interpret the act so that it may be the device that the Senator from Maine and myself, and I am sure the Senator from Georgia, desire it to be.

One of those questions that the motion to suspend seems to me to completely ignore is the distinction between obligational authority and spending authority, the so-called question of entitlements because I think while there is an ambiguity in the law as to whether the reductions in obligational authority are covered by this waiver procedure or not, there can be no doubt in the act, when we read it carefully, that the spending authority, the entitlements programs that may be added by a bill or an amendment, are specifically covered by the provisions of the act.

There is, at least to some degree, an increase in entitlements under the bill as it comes from the Committee on Agriculture and Forestry. But, more important, at some point in this debate as we go through this bill, we are going to be confronted with not small but massive changes in the law that very greatly increase the entitlements if those amendments are adopted.

I have no illusions that the Budget Committee is an authorizing committee; I have no illusions that the Budget Committee can look at a program as a line item; I have no illusions that the Budget Committee can look at the individual amendments which will be offered and, by line item, approve or disapprove and, therefore, dictate to the Senate what shall be done with individual amendments. But I think the Budget Committee does have a very clear authority and a very clear responsibility to look at the overall aggregate effect of legislation as it comes to the Senate with regard to the targets that were set in the first and second concurrent resolutions of last year, which will be set in the first concurrent resolution to be adopted by the Senate in the very near future, and by the Congress as a whole by May 15.

Those targets, again, are not programmatic targets. They will not be set with regard to the food stamp program. The food stamp program is only a building block in the discussions we have had in the Budget Committee with regard to the income maintenance function of government.

Mr. MUSKIE. Will the Senator yield for a question?

Mr. McCLURE. I will be happy to yield for a question.

Mr. MUSKIE. I ask these questions in order to be clear as to what the Senator's objective is. The purpose of section 401 is to give the Budget Committee and every Member of the Senate a procedure for absolutely blocking the effective date of entitlement legislation until October 1 of the year in which the first concurrent resolution is to be dealt with. Is that the Senator's objective? Is it his view that we should not consider this legislation at all until next October 1?

Mr. McCLURE. It is my position that before it is appropriate for the Senate to act upon legislation creating new entitlements, the first concurrent resolution must have first been adopted by the Senate.

Mr. MUSKIE. The act is explicit in section 401. It is not only the first concurrent resolution having been enacted, but also the reconciliation process should have been finished. That will not be finished before the latter part of September. So section 401 is designed to protect those elements of the process, the first concurrent resolution and the reconciliation process.

If the point of order is raised for the purpose of protecting the process, then presumably the objective is to block the consideration of the legislation until sometime next September.

Mr. McCLURE. I would say to the Senator he is referring to one section of the budget law while I refer to another. I refer his attention to section 330(a); which says, and I will read it:

> It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution, or amendment thereto, which provides—

And it lists four different things among which are new spending authority—

> until the first concurrent resolution on the budget for such year has been agreed to pursuant to section 301.

There is a provision in the act also that says that the Budget Committee can, upon the application of the appropriate committee, grant a waiver from the provisions of that section. The Committee on Agriculture and Forestry did not seek such a waiver in this instance. My belief is that they should have done so.

I think there is another ambiguity in the law which we are going to have to resolve at some point. That is whether or not a bill or an amendment thereto which would result in a reduction of spending is covered by this provision. I think there is some question as to whether it was intended or not. Just reading the bill without interpreting the provisions, if we just read it technically, I think the ruling of the Chair would have to be that even a reduction is subject to that waiver requirement or the adoption of the first concurrent resolution.

Mr. MUSKIE. The Senator has referred to section 303. How about section 401? I do not have a copy of the Budget Act before me. I have only the memorandum of the committee's general counsel to the effect that the purpose of section 401 is to protect both the first concurrent resolution and the reconciliation process. I do not think the Senator and I need to get into an involved discussion of interpretations of the act because all I am seeking to learn is what the Senator's objective is. Is it to postpone consideration of the pending legislation until next September, or is it to create an opportunity for the Budget Committee to give consideration to this legislation before the Senate can act on it? Is it to pursue the waiver resolution route? I am simply trying to determine what the Senator's objective is. Then I can evaluate that objective better.

Mr. McCLURE. I say to the Senator I do not understand the reference to section 401 because I am not sure that it has such a limitation in it. So I cannot respond very accurately. The only exceptions I see in section 401 are the ones dealing with trust fund obligations and expenditures. But section 303 just very clearly says, as I read it a few minutes ago, that we cannot consider the bill until the first concurrent resolution is adopted unless there has been a waiver from the Budget Committee.

Mr. CURTIS. Will the Senator yield?

Mr. MUSKIE. Will the Senator suspend for a moment?

Through the Chair, may I ask the Parliamentarian a question which is not clear to me from an examination of the Budget Act?

The **PRESIDING OFFICER.** The Senator will state his question.

Mr. MUSKIE. With respect to section 401 of the Budget Act is the waiver resolution route available? In other words, can the Budget Committee, by means of a waiver resolution, which must be introduced and referred to the appropriate committees, take that means to waive the effect of section 401?

The **PRESIDING OFFICER.** The Parliamentarian advises that section 401 does not have a waiver provision. Section 303 has a waiver proviso.

Mr. MUSKIE. That is as I understood it.

The **PRESIDING OFFICER.** Also section 904, which has been invoked here.

Mr. MUSKIE. Section 904, then, is the procedure available to waive or suspend the impact of section 401.

The PRESIDING OFFICER. That is correct. The Chair will read section 940(b):

> Any provision of title 3 or title 4 may be waived or suspended in the Senate by a majority of the members voting, a quorum being present, or by unanimous consent of the Senate.

Mr. MUSKIE. So as I understand it, if the Senate is not to be blocked by a point of order invoking section 401, the only procedure available to the Senate is by majority vote to suspend its application.

The PRESIDING OFFICER. That is correct.

Mr. McCLURE. Mr. President, will the Senator yield? I would say to the Senator that if he does it the way that is provided——

Mr. MUSKIE. I believe the Parliamentarian had not finished.

The PRESIDING OFFICER. The Senator is correct. Since the Agriculture Committee had not used the procedure of requesting a waiver under section 303, that is perfectly proper.

Mr. McCLURE. But the Agriculture Committee may ask for a waiver under section 303, utilizing the procedure under section 303.

Mr. MUSKIE. The Senator is raising a point of order under section 401.

Mr. McCLURE. I raise the point of order under section 303 that it not be in order to consider the bill prior to the adoption of the first concurrent resolution. That is in section 303. Section 303 contains in it also the provision for the waiver. That is why it seems to me that that is the way in which we ought to function if we are going to try to preserve the Budget Committee, when the Budget Act is to have these matters referred through the Budget Committee and back to the floor with an appropriate waiver. If we do not do that, why should any committee, then, come to the floor——

Mr. TALMADGE. Mr. President, will the Senator yield at that point?

Mr. McCLURE. I am happy to yield for a question.

Mr. TALMADGE. Does the Senator not think that a strange position, that the Senate cannot do what the Budget Committee itself could do, to wit, suspend or waive?

Mr. McCLURE. I would say to the Senator that is what the statute provides, and that is what was voted on by both the Senate and the House of Representatives and signed by the President, and is the law under which we operate. It provides for that procedure.

Several Senators addressed the Chair.

Mr. CURTIS. Mr. President, I believe——

Mr. MUSKIE. Mr. President, will the Senator yield, before he proceeds for what I believe is another meaningful point?

Section 303 applies to legislation which first makes entitlements available in the fiscal year beginning next October 1, as an illustration. But when the legislation becomes effective in the current fiscal year, as this measure does, it is not subject to the point of order under section 303.

Mr. McCLURE. I understand the point the Senator is making.

Mr. MUSKIE. So only section 401 is available to the Senator raising the point of order.

Mr. McCLURE. I understand the Senator's point. That is another one of the ambiguities in this law. It is not certain, at least as I read the law, whether or not the fact that it may be applicable in this fiscal year or is effective in the next fiscal year, governs which section of the bill applies. That is one of the reasons I raised the point of order, to get some determination of the application of the bill.

I now yield to the Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend.

Before commenting on the point of order, I ask unanimous consent that Tom Cantrell of Senator GOLDWATER's staff and Jack Odgaard and Mrs. Mary Cassidy of my staff be granted the privilege of the floor throughout the discussion and voting on this measure.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered.

Mr. HELMS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. CURTIS. I do not have the floor.

Mr. McCLURE. I yield to the Senator from North Carolina for a unanimous-consent request.

Mr. HELMS. Mr. President, I ask unanimous consent that George Dunlop of my staff be accorded the privilege of the floor during the consideration of this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, will the Senator from Idaho yield in order that I might make a parliamentary inquiry?

Mr. McCLURE. I yield for that purpose.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President, the motion before the Senate is that the provisions of the Budget Act be waived as to this particular piece of legislation.

At the present time, this bill will effect a reduction in expenditures of some $600 million. The question that the Senator from Alabama would like to pose is that if the motion carries and the bill providing for a reduction in expenditures of $600 million is proceeded to, and then the tenor of that bill changes, so that instead of representing a reduction of $600 million it would be increased substantially, would that mean that the Budget Committee would be powerless to put a clamp on that expenditure contrary to the limitation on expenditures provided in the bill as passed by the Senate?

The PRESIDING OFFICER. The Chair is informed and will rule that if the Senate votes a waiver, it would apply to the bill as it is now before the Senate.

But under section 401, other amendments providing new spending authority would also have to be waived.

Mr. ALLEN. I do not believe the Chair has yet answered my point. If the bill, instead of being an expenditure reduction bill, becomes an expenditure increase bill, is the Budget Committee then powerless to put a clamp on the expenditures beyond the figure set by the Senate?

The PRESIDING OFFICER. The Chair, in consultation with the Parliamentarian, is advised that the Chair is not in a position to rule on the general proposition, but would have to rule on requests for waivers specifically.

Mr. ALLEN. Can a specific waiver be required as to this particular piece of legislation when it changes its nature from being a reduction bill to being an increase bill?

The PRESIDING OFFICER. The Chair is advised that if new budget or spending authority were provided in an amendment, a waiver would be necessary if the point is raised.

Mr. ALLEN. An additional waiver?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. ALLEN. Which would have to be by motion here in the Senate?

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. ALLEN. I thank the Chair.

Mr. CURTIS. Let me state—and I address the distinguished chairman of the Budget Committee—that I hope he will not press for a waiver here. I think if the Senate votes for a waiver, it is the beginning of the end of the effectiveness of the Budget Committee. There will be other waivers sought. Issues will arise on this floor, perhaps in reference to foreign affairs, that have great emotional appeal, where no one wants to object to a waiver. There will be other proposals for waivers, perhaps in relation to wages or social security benefits, of great emotional appeal. I firmly believe that if the Budget Committee starts at this early date waiving procedures, it is very bad.

Mr. President, if I may have the attention, not only of the Presiding Officer but of those who will advise him, if I may have the attention of the Parliamentarian as well as the Presiding Officer, this bill on its face provides for increased expenditures in some particulars. Let me illustrate some of those.

The way the program works, the Department of Agriculture says a family of four should have $166 worth of groceries.

If the family has zero income, they receive free stamps for the amount. If they have some income, after deductions, they pay for this $166 worth of stamps up to 30 percent of their income. Not all of them pay 30 percent but some of them do. This bill lowers that. No one will pay more than 27 percent.

It is said that it does not add up to very much. It is an increase.

Also, there is a provision in here that individuals receive a credit for what amounts to additional stamps free if they are over 65. That is lowered to 60.

There is also a provision that individuals are exempt from registering for work, which hopefully lowers the expenditures if they work, if they have a child under age 6 for whom they care. That age 6 is raised to 12.

Mr. President, I also call attention to the fact that there has never been a food stamp bill reported out by the Committee on Agriculture and Forestry that has not been raised in the Chamber of the Senate. I think we should take judicial notice of the fact that this bill does call for increased expenditures, and the parliamentary procedure should be based upon that fact.

I believe there are a number of sections that will lead to increased expenditures. I think the one lowering the maximum from 30 to 27½ percent is clearly within the rule that it increases expenditures.

But if there were only one such provision and even if the Senate had a record of not increasing what the Committee on Agriculture and Forestry recommends, we would still be voting to waive and setting aside the procedure prescribed for in our budgetary process. We cannot grant a waiver on the ground that we are in a hurry, or that it is a little bit, or that we hope that the sections in this bill, which increases the Government's commitment, will be strung out. Senators will have a chance to do that. Nor can we hope that the amendments to liberalize will not be adopted.

The fact remains that the Budget Committee has been given a charge and considerable authority, and here is the first test as to whether or not it will be the will of the Senate to say: "Well, in this instance we are not going to pay any attention to the procedures."

It will be precedent forming. It will be waiving a point of order when there are provisions in the bill that will increase the expenditures in a particular area of the program.

Mr. President, regardless of what the Chair rules, I sincerely hope that this Senate will not by its votes make the mistake of not adhering to the rule so that this budget procedure can succeed.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield. I do not have the floor but I will yield.

The PRESIDING OFFICER. Will the Senator from Idaho yield?

Mr. McCLURE. Mr. President, I yield to the Senator from Maine for an answer without losing my right to the floor.

Mr. MUSKIE. May I say I appreciate what the Senator from Nebraska has said. The Budget Committee, I think, over the last year has demonstrated its concern with discharging to the full its abilities and responsibilities under the Budget Act. But we are not a substitute for the Senate any more than any other committee is. We have to operate within our rules as every other committee must.

The Senator is implying that what we are proposing to do or what I am proposing to do somehow waives our responsibilities under the act.

The Senate has some rights under the act. The Budget Committee is not the exclusive beneficiary of the provisions of the Budget Act. The Senate is.

Section 904, subparagraph (b) reads this way: "Any provision of title III or IV"—and title IV is the applicable one—"may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate."

This bill came to the floor without any requirement in the act that the Budget Committee pull it out of the legislative stream for examination. There is no procedure in the Budget Act that would have referred this bill to the Budget Committee before it got here. A point of order is available because it is an entitlement reported this year that will take effect before October 1. So a point of order is appropriate. And I would support the point of order.

But the Senate also has a procedural right under the act which enables it to say: "We are going to take it up on the floor of the Senate, notwithstanding the point of order." That is not a waiver of the procedures. It is an exercise of rights that the Senate has under the procedures.

We do not have a line-item veto over legislation in the Budget Committee. The Senator objects to this bill because some provisions in it represent an increase in entitlements, even though other provisions represent an elimination of entitlements; nevertheless, he feels that somehow the Budget Committee ought to get at those provisions that represent an increase. But we do not have any line-item veto under the Budget Act. Our jurisdiction in this case can be invoked by the Senate—and that is what the motion of the distinguished Senator from Georgia would do—and give the Senate an opportunity to invoke whatever authorities or responsibilities it wishes the Budget Committee to discharge.

If the Senate says to us, "Well, take it back to the Budget Committee for evaluation," fine, but let me say this to the Senator: All procedures have the potential for obstruction and delay. All procedures also have constructive purposes to serve. But the objective of section 401, which in my judgment is the applicable one for raising a point of order, is to hold up the effective date of new entitlement legislation until the first concurrent resolution and the reconciliation process have been completed that means until next September. If that is the will of the Senate, of course, I will honor it. But it is for the Senate to indicate whether or not that is its will, and that is the Senate's right under the Budget Act.

If we had so structured the Budget Act as to absolutely prohibit Congress from considering any change in entitlement programs, including this bill by these months of delay, I doubt that Congress would have adopted the Budget Reform Act.

Instead it substituted this provision which prohibits an effective date in new entitlement programs within this time frame unless the Senate itself suspends that requirement.

So when the Senator says that somehow the Budget Committee ought to deprive the Senate of that option, I say to the Senator in all respect that I do not think that it is what the Budget Act says. If we tried to impose that rigid a discipline in the process, the process would break down before the year was up.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. McCLURE. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, what we are doing here that is dangerous in nature is the precedent we are setting.

There is another alternative. The budget resolution is on the calendar. Let us call it up right now. Why not? That alternative is available. I am disappointed that the distinguished chairman of the Budget Committee is not in here pleading that this point not be waived.

In reference to the provision that the Senate is the master of its own committees and the Senate might rule otherwise, that is true. That does not relieve the committee, as the agent of the Senate, from going the full way in carrying out the intent of the budget law. I warn the Senate of this: If we, by a majority vote, today waive a requirement of the budget law, look out. Even after the resolution is passed this fall, fixing more binding ceilings, and someone rises on the floor of the Senate and offers an amendment or a bill to increase expenditures that are not in the budget resolution, under the law, a point of order can be made. Under the Senate rules, the ruling of the Chair on a point of order can be appealed and overturned by a mere majority vote.

So the thing at stake here, which the distinguished chairman of the Budget Committee should realize, is that the entire procedure, all his efforts, every effort to hold down expenditures, can be overturned by a majority vote of the Senate. Therefore, I think that at the first challenge that comes along, which is today, the distinguished chairman should be in here pleading that the Senate, by a majority vote, not make for naught all the efforts of the Budget Committee.

As I say, even after the second resolution is passed and someone has a spending proposal here, not in the budget resolution, if a point of order is made and the ruling is appealed, it will be most difficult, persuasive as he is, for the distinguished chairman of the Budget Committee to convince the Senate that it should sustain the Chair, if his voice is raised today in asking that the regular procedure be waived.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. McCLURE. Mr. President, first, let me try to get the discussion into a perspective which might lead to a little clarity as to which decision we are going to make or what that decision may mean when we make it.

As I understand the contention of the Senator from Maine, it is that section 303 applies only to those provisions of law which will become effective at the beginning of or during the next fiscal year, and the section 401 procedures are essentially pertinent to those that have effect during this fiscal year. If I am not correct in that, I would like to be corrected. I think the first point is arguable, but it would determine the second.

I am not certain that is what the statute means with respect to the application of section 303. But if it does not apply to those laws which will become effective during this fiscal year, then section 401 does. However, I am not certain that that is what the section says on its face. That is the reason why I raise the point—to try to get some history of procedure and usage and rulings of the Chair to aid us in determining whether or not section 303 is applicable in this situation.

If, as a matter of fact, we adopt the motion of the Senator from Georgia that all the provisions of titles 3 and 4 of the act be waived, then my exercise is futile; I have gained nothing in trying to determine what the act means. Certainly, the Senate does have the right to waive the provisions of the act. The act provides for that.

We also should put in clear context one very important point, and that is that the Budget Committee does not have the power to veto anything. The Budget Committee cannot say, "You can't pass that law," or "You can't consider that bill." The Budget Committee has the authority to recommend certain courses of action to the Senate, whether it be under the waiver procedure in 303 or in the concurrent resolution procedure, but the Budget Committee does not have the authority to tell the Senate what it may or may not do on a specific piece of legislation.

I caution Senators that one of the reasons why the Budget Committee was set up was that too many of our programs that have very important functions for the citizens of this country are divided among different committees, and there could be no better example of that than this example. Income maintenance is what we are talking about. How do we deal with keeping the income of our citizens at a living level? That involves several different committees. Food stamps is only one aspect, a growing aspect, but only one aspect of the total effort made by Federal and State Governments in terms of income maintenance. Other committees have very important jurisdictional areas. The Committee on Labor and Public Welfare obviously has a very great stake in this; so does the Committee on finance.

As we are looking at the recession we are in, the Committee on Public Works has exercised a great deal of jurisdiction in the area of income maintenance. How do we keep the income of our people at living standards? The food stamp program is but one of several that are dedicated to that end.

Now we come on the floor of the Senate and say that we are going to take the food stamp program and consider it in a vacuum or at least without the consideration of the Budget Committee, which is given the responsibility of bringing these areas together and assigning gross totals to the income maintenance figure, without any effort made on the part of the Budget Committee or the Budget Committee staff to recommend to the Senate how this change in this law affects the efforts we are making under the other programs. It is not the responsibility of the Committee on Agriculture and Forestry to do that. It is the responsibility of the Budget Committee to do that. I thought that was the reason why the provision was made, that if there were to be adjustments in these programs during the fiscal year in which we will be affected by these programs, the Budget Committee should take a look at it before the Senate acts on it. That was the purpose of the waiver resolution—to give the Budget Committee the chance to take a look at not whether we should pass this legislation without reference to other programs but to balance the action that is being taken here with proposed actions in other programs under the jurisdiction of other committees, so that the Budget Committee could exercise its responsibility of oversight and recommendation in marco-economic terms about the impact of this specific legislation.

There is a great deal of argument about the size of savings to be gained under the Agriculture Committee bill. I think just the standard deduction question is going to have some effect upon the outlays in other programs, because, as people move on or off of food stamps, they move on or off of other programs as well. It is not just this program that is affected by what happens in this bill; it is all of the other programs. That is why I thought it might be well for us to determine at the outset whether or not the provision for referral to the Committee on the Budget means what it says in section 303, or whether section 303 does not apply. Then we go to section 401.

It may indeed be correct that section 303 does not apply and that we ought to proceed under section 401. If section 401 is the only one that applies, then the Senator from Maine is indeed correct, there is no waiver procedure under section 401. It would require the waiver procedure that he has referred to by a vote of the Senate under title IX.

The question that must be resolved is the effective date question—when is the legislation to become effective? Let me point to a little trap as far as that is concerned. Assume for a moment that the bill comes to us with an immediate effective date and the bill is determined under that not to be subject to a point of order because the effective date would make it applicable in this fiscal year and therefore, 303 is not applicable. An amendment on the floor changes the effective date or changes the effective date of a portion of it. Does that then immediately render it subject to the point of order under section 303?

Those are the kinds of questions I think we should address ourselves to. And it is not because this is a food stamp amendments bill that I raise the questions, because the Budget Act is a new act. We are trying to make it work. The Committee on the Budget has done a fine job, in my estimation, in trying to make it work. Nobody has been more diligent in his efforts than has the Senator from Maine.

I remember when the Senator from Maine and others stood on the floor of the Senate not long ago and said we could not change the Milk Support Act because it would violate the ceilings in the Budget Act. The Committee on the Budget fought very hard to prevent the increase in the subsidy to the dairy farmers of this country because it would be an assault upon the Budget Act. I do not know whether it is because, in one instance, it was dairy farmers that were involved and we do not care about them, and it is food stamp recipients here and we do care about them. Does that really justify a difference in the way we approach the procedures under the Budget Act? I should hope not, and I should hope that nobody would read our actions as indicating that we care more or less about one or another group of people in our society. I hope that when we get through with this debate, people will be able to review our actions and to determine from our actions that what we were trying to do was make meaningful sense out of this budget reform process; because, if there is anything that is going to save this country, it has to be getting control of the fiscal processes of Congress. The Budget Act may be our last best hope of doing that.

I am raising what may be merely a technical point. It is done with the very serious purpose of trying to get the Senate into the spirit of the Budget Act and to conform our procedures to the spirit of the Budget Act and not to try to find ways around it in those areas where we find some favorite constituency so that we can grant some favor to one group, while using the act to deny favors to someone else.

I think we do need some consistency. I think if we went the waiver route, we would be able to get the Committee on the Budget together to determine very quickly the will of the Budget Committee and this bill would be back on the floor. But it might, in the process, have brought a focus to bear on the very kinds of questions that I have tried to bring out here today with regard to the relationship of this bill to the other programs in the same general function of government. And it would begin to try to bring some kind of sense into the administration of the Budget Act and the procedures within the Senate.

I think we need to determine whether or not section 303 applies to reductions in spending as well as additions to spending. Does it apply to obligational authority alone, or spending authority? Does it cover one or the other or both? Does it cover the appropriations process alone or the authorization process, where there are entitlement programs being created? Those are serious questions that must be faced in this body sometime. I have proposed that we start facing them here today.

I recognize that the motion that is made can be made and that we walk away from those questions without resolving them, leaving it to some future date to raise those questions and resolve them. But they must be resolved sometime. I predict they will be resolved sometime.

I am sorry that we have the motion made under the section that allows for and provides for the procedure for a waiver of the provisions of the Budget Act. That motion may, indeed, pass. I hope it does not. I hope we can have a ruling upon the point of order that I have raised to determine whether section 303 applies, to determine whether or not it applies to reductions as well as to increases. And we will also have to come to a point of determining whether it applies to amendments as well as bills. I think it does. I am not certain everyone in here agrees with me.

If, when we get to an amendment and the amendment calls for a reduction or an increase in spending, and if we set aside that reduction-increase question for a moment and say it applies to an increase in spending or a new entitlement and a point of order is made against that, too, are we going to have another motion at that time to suspend the rules, suspend the provisions of the law, so that we never get a resolution? If we do that, I would suggest that the budget process has been set back, that we have not yet learned how to live with this bill; that, rather than confront the tough procedural questions and the limitations imposed by the bill, we will have avoided that in order to get on with the business—and the very commendable business, I might add—of amending the food stamp law.

I do not want to be understood as criticizing the Committee on Agriculture for bringing this in, because I think the Committee on Agriculture, chaired by my distinguished friend from Georgia, has wrestled with this. And I agree with the Senator from Maine that they did so under some direction and prodding from both the Committee on the Budget and the Senate as a whole, and the Congress as a whole, in adopting the first and second concurrent resolutions of last year. My remarks are not, in any way, intended to be critical of the bill that is brought forward. The debate on the merits and the substance of that bill will occupy its own time. I was very much, and I remain very much, concerned about the way in which we administer the Budget Reform Act. I had hoped that we might, in this manner, gain a better understanding of how it was to be applied.

Mr. MUSKIE. Mr. President, first of all, let me try to discuss the technicalities of the Budget Act, the way in which it poses procedural issues.

There are two sections of the act which have been referred to this afternoon. The first is section 303. As I understand the distinguished Senator from Idaho, he is raising a point of order under section 303. In my judgment, section 303 does not raise a point of order issue with respect to this legislation. I do not think that a point of order lies under section 303. Let me read it. Section 303 provides as follows:

> It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) which provides—
>
> (4) new spending authority described in section 401(c)(2)(C) to become effective during a fiscal year;
>
> until the first concurrent resolution on the budget for such year has been agreed to pursuant to section 301.

What does that mean with respect to entitlement legislation?

If this bill would be first effective by any means in fiscal year 1977, then its consideration would be prohibited under section 303 and subject to the waiver resolution provisions of the act.

But the bill before us does not become effective in fiscal year 1977. It becomes effective in fiscal year 1976, and as such, does not come under section 303.

So a point of order does not lie under section 303. So I would oppose a point of order under section 303. It simply does not apply.

Now, if it did—and I make this point to the distinguished Senator from Nebraska—if it did, section 303 gives the Budget Committee no veto over this legislation.

It simply provides that the waiver resolution would have to be introduced, referred to the Budget Committee, and the Budget Committee would have to either act to approve it or disapprove it.

Suppose the Budget Committee refused to disapprove it or refused to report back the resolution. Under the terms of the law, if the Budget Committee does not act on a waiver within 10 days, it is discharged automatically from consideration and the bill can then be considered anyway.

So that even under section 303 we have no veto over the legislation. We would simply be a vehicle for cooling off the legislation and for giving the Senate the benefit of such insight as we might develop. But we could not block it, we could not hold it up and we would be discharged of the resolution if we tried to do any such thing.

So the notion that has been implied, that somehow if we could invoke section 303, the Budget Committee, pursuing the goal of fiscal prudence and responsibility, could grab hold of this legislation and block it from consideration by the Senate, is simply unreal and certainly is not provided for in the Budget Act.

Section 401, in my judgment, does apply. Section 401 is very apt to this piece of legislation. It says in section 401(b), under the heading Legislation Providing Entitlement Authority:

> It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c)(2)(C), (or any amendment which provides such new spending authority) which is to become effective before the first day of the fiscal year which begins during the calendar year in which such bill or resolution is reported.

This bill has been reported to the Senate in calendar year 1976. Because it provides new spending authority which is to take effect in this calendar year, it is not permitted under this provision of the Budget Act to have an effective date prior to October 1 unless the Senate suspends the impact of section 401.

The purpose of this was to give the Budget Committee and the Senate an opportunity in the second resolution and reconciliation process to evaluate new entitlement authority in the context of all of the demands on the Public Treasury which are generated under the first concurrent resolution to be acted upon in the spring.

If Members will remember the debate on the Budget Act, there was a considerable debate on the question of how to bring entitlements into this process, how to bring them under the purview of the Appropriations Committee, if possible.

There were some proposals on the floor to route entitlement bills through the Appropriations Committee in order to give the Appropriations Committee a bigger umbrella over spending legislation.

Section 401 was part of the compromise.

So it requires us to make deliberate, positive decisions involving new entitlement authority.

Why do I not invoke the point of order that is available under section 401?

For the simple reason that in last year's first concurrent resolution and in last year's second concurrent resolution, the two Budget Committees and the Congress as a whole mandated reform of this food stamp program to put in place cost-savings provisions. We mandated it in December, just a few months ago. Now it is said that the Budget Committee, having mandated this reform, should take advantage of a technicality to block it until next October 1.

Mr. ALLEN. Will the Senator yield?

Mr. MUSKIE. As chairman of the Budget Committee, would I engage in those kinds of technical games with other Senate committees? We would not last very long around here.

There are those who were concerned, as is the Senator from Alabama—and I will yield to him in just a moment—as to the fact that by waiving section 401 we may be opening the door to increased entitlements.

I say to the Senator that section 401 makes provision for that by requiring that all those also be subject to the point of order.

I yield to my good friend from Alabama.

Mr. ALLEN. The distinguished Senator speaks of a mandate from the Budget Committee to effect economies in the food stamp program.

Now, there was no mandate to increase expenditures under the program, was there?

Mr. MUSKIE. No, there were not.

Mr. ALLEN. Yes.

As I understand the Senator's conception of the point of order before the Senate at this time—I believe the Chair has already ruled on it, but I want to make sure the distinguished Senator from Maine understands it that way—the waiver that is provided in the motion of the distinguished Senator from Georgia, the chairman of the Agriculture Committee (Mr. TALMADGE), is that the waiver be as to the bill as it now stands, but that any change of that bill would require an additional waiver, is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. ALLEN. I thank the distinguished chairman of the Budget Committee.

Mr. MUSKIE. May I go beyond that to say that if the Senate works its will and it goes to conference and the conference changes the entitlements so that they are above the mark, then that, too, is subject to section 401.

So the section 401(b) technicality is a useful handle, but it does not give the Budget Committee a veto. I do not think it ought to be, or constitute, an invitation to the Budget Committee to impose technicalities upon other committees or other committee chairmen when the basic policy question really has been decided. That is, whether or not legislation which would implement the cost savings objectives of the second concurrent resolution hits the floor, that the Budget Committee ought to block it, because the Senate acting as a whole might conceivably use that legislative vehicle to increase the costs of the program.

I do not think the Budget Committee can block that, even if the bill were to be referred to the Budget Committee. I do not think it can under section 401, but even if it could under section 303(a) the Budget Committee even then would not have the authority to block the Senate from working its will. Under the provisions of section 303, if the committee did not act within 10 days it would be discharged automatically and the Senate as a whole could work its will.

The heart of this new budget process is not that the Budget Committees have been created with dictatorial power over the legislative process. The Budget Committees have been created as an analytical and informational tool, and for coordinating. It is the instrumentality for bringing to the attention of the Senate the options and the budgetary consequences of the options which the Senate should consider before acting on spending legislation.

With respect to this bill, those options have been spelled out. We know what they are.

With respect to the cost saving provisions, they have been mandated.

As every Senator knows after he has been here less than a day, once a bill hits the floor then amendments can change the character of that bill in an infinite number of directions. There is no committee with advance authority which can prevent that, the Budget Committee or any other committee.

What I am saying—and the Budget Committee has not met on this specific bill except in connection with the First Concurrent Resolution for next year—is that with respect to the cost saving provisions this bill responds to the Second Concurrent Resolution. With respect to its cost, it is still subject, as it goes through Senate consideration, to the provisions of the Budget Act. The Budget Act has now been waived.

If the costs exceed what we have set as targets, it is the duty of the Budget Committee to say so. If it is the intention of other Senators to greatly increase the entitlements, they should seek the same kind of a waiver or suspension that the distinguished floor manager of the bill is seeking for the bill as it came out of committee.

That is the nature of the discipline.

We do not have a veto power. As a matter of fact, if we tried to write one into law, the law would never have been passed in the first place, as my colleagues sitting around me would agree.

Mr. TALMADGE. Mr. President, I commend the distinguished Senator from Maine, the distinguished chairman of the Budget Committee, for his observations. I have sat here listening to some of my colleagues and wondered if I was in Alice in Wonderland.

What we have here is a bill that our committee has been working on for well over a year. It reduces expenditures by some $630 million a year. Yet we are informed by some of our friends that if we pass this thing it will destroy the Budget Act and that in the future no one will ever control the expenditures of government. We sit and listen to them talking in circles about a bill that we have brought before the Senate to reduce expenditures and to try to eliminate some of the waste, some of the abuse, some of the fraud in the stamp program. There are some people who, one would think, would be in favor of the same thing, who now are trying to say that we ought not use this procedure at all because it will do something unjust to the Budget Act.

I was one of the original supporters of the Budget Act. We set up an ad hoc committee. I think it was my motion on the Senate side in the ad hoc committee that brought it to fruition. I was representing one of the members of the Finance Committee. I am strongly in favor of that act. I do not want to do anything that will weaken it because I think it holds some opportunities for us to bring our expenditures under control.

But here is the scenario of events, Mr. President: Last February the Committee on Agriculture and Forestry, by resolution, asked the Secretary of Agriculture to make some recommendations to correct the abuses under the Food Stamp Act.

Several months later, if my memory serves me correctly, in June, he made some sort of milquetoast recommendation that was absolutely meaningless. Our committee went forward to try to mark up the bill.

I commend the distinguished Senator from Alabama who is chairman of the subcommittee that held the hearings. For 2 long weeks he had hearings day after day. He heard hundreds of witnesses and did a masterful job.

When he got through, the subcommittee referred it to the full committee. While we were in the midst of the markup, with the primary taking place in the State of New Hampshire, after the administration had delayed for a whole year, they suddenly announced that they were going to take some very drastic steps in the Department of Agriculture to mandate changes in the food stamp program. They did over the violent objection of the majority of the members of the Committee on Agriculture and Forestry because at that very moment we were trying to mark up a bill. The Department of Agriculture knew it and the White House should have known it.

We have representation on our committee that runs the full gamut of the political philosophy of this Senate and of the country. For 5 days, hour after hour, our committee sat in deliberations. As reasonable men we finally marked up a bill and reported it to the Senate to try to carry out what we set out to achieve a year ago, when we tried to achieve what the Budget Committee told us to do, to try to save some money on the food stamp program, to try to do something about the fact that some 40 million Americans are entitled to food stamps under existing law and regulations, and some 19 to 20 million Americans are now drawing those stamps.

I know that the Senate is humane, as is the Committee on Agriculture and Forestry. We want to do all we can to help the truly needy, those who do not have the resources to obtain an adequate diet. I know Members are probably as alarmed as I am when I see these advertisements in the newspaper, "Send me $3.50 and I will show you how to get your family on food stamps if you earn $16,000 a year."

I have had those sent to my office by the score. We received them in the Committee on Agriculture and Forestry by the stack. The people of the United States of America—the honest, God-fearing, hard-working taxpayers who want their Government to leave them alone and let them make a living—are fed up with the idea that affluent students in colleges from affluent families, and some people driving Cadillacs and other big automobiles, by loopholes in the law, by a series of deductions, are riding the taxpayers for benefits that they ought not to receive under the law.

That is what our committee brought to this Senate. We hear folks mouthing and grumbling about it, that somehow this is wrong; that we ought not to do it this way; that somehow the Budget Committee has more authority than the U.S. Senate when the Budget Committee is the creature of the U.S. Senate. The chairman of the Budget Committee is standing on the floor of this body making the same plea I am, that we try to do something to save money.

Mr. President, I want to amend my motion——

Mr. McCLURE. Will the Senator withhold that for a moment?

Mr. TALMADGE. I will not press for a vote now, but I want to amend my motion.

Mr. McCLURE. I wonder if he would withhold the amendment.

Mr. TALMADGE. Yes, I will.

Mr. McCLURE. Will the Senator yield?

Mr. TALMADGE. I yield to my friend, reserving my right to the floor.

Mr. McCLURE. The Senator had made his motion originally to suspend the provisions of title 4 dealing with section 401. The point of order which I had made was raised under section 303. Therefore, the motion that the Senator from Georgia had first made would not have covered the section under which I raised the point of order.

I wonder if the Senator would be willing to withhold, until the Chair has had an opportunity to rule upon my point of order. It would be my expectation that the Chair would probably rule that my point of order under section 303 was not in order.

I would not under those circumstances intend to raise a point of order under section 401, and the Senator's motion would not be necessary.

I would say to the Senator from Georgia, the reason that I suggest that is that one of the things I have been trying to do in all of this is get a ruling from the Chair and on the record as to which of these sections does apply, and whether section 303 does apply to this kind of legislation affecting this fiscal year.

Mr. TALMADGE. Mr. President, I yield at this point to the Senator from Maine, the chairman of the Budget Committee.

Mr. MUSKIE. Mr. President, I think the suggestion of the distinguished Senator from Idaho makes sense. When I advised moving as the Senator from Georgia has, I assumed the point of order was raised under section 401. Now that it is clear that it is raised under section 303, I personally would like to have a ruling of the Parliamentarian on that.

Mr. TALMADGE. I reserve my rights under my motion and withdraw it, and ask for a ruling of the Chair on the point of order.

The PRESIDING OFFICER (Mr. HANSEN). The Chair would hold the point of order not well taken, since section 303 applies to new spending authority for a fiscal year for which there is no concurrent resolution. The Chair regards the new spending authority as becoming available in this fiscal year, and there is a concurrent resolution for this fiscal year.

Mr. TALMADGE. Then the point of order of my distinguished friend from Idaho does not carry; is that the ruling of the Chair?

The PRESIDING OFFICER. The Chair rules that the point of order is not well taken.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to my friend from Idaho without relinquishing my right to the floor.

Mr. McCLURE. The other point which I had raised, in regard to whether or not the waiver procedure was necessary for a reduction in spending as well as an increase in spending, I do not think it would be appropriate to raise under section 401. I therefore would not raise that question. But it is one which we still must resolve at some point.

I thank the Senator for yielding.

Mr. TALMADGE. I thank my friend from Idaho.

Mr. MUSKIE. Mr. President, will the Senator from Georgia yield to me?

Mr. TALMADGE. I yield to my distinguished friend from Maine.

Mr. MUSKIE. For the purposes of clarification, for the Senator from Idaho, I repeat my intention earlier expressed that I will not raise the point of order under section 401, which I hope will finally lay that point to rest.

Mr. TALMADGE. Mr. President, now that the procedural question has been resolved, I wish to talk about the issue before the Senate.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to my distinguished friend from Alabama.

Mr. ALLEN. Mr. President, as I understand it, then, the point of order has not been raised as to section 401; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. That being true, I would ask the Chair if no point of order being raised as to whether a reduction in expenditures would still violate the provisions of section 401, and no point is raised as to that, would that be a waiver of a subsequent effort to raise a point of order as to an amendment incorporating the authorization or the entitlement?

The PRESIDING OFFICER. The lack of a point of order does not waive the provision regarding a subsequent amendment.

Mr. ALLEN. So that if amendments are offered that would raise the entitlement or authorization, points of order to those could be raised at the proper time?

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. And the right to do so would not be waived by not raising this point of order now?

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. I thank the Chair.

Mr. TALMADGE. Mr. President, occasionally Congress is moved to act on a bill by the pressure of a small interest group.

On other occasions, we respond to initiatives from the President of the United States.

And on still other occasions, we enact legislation that results from a groundswell of public opinion—a bill that the people demand.

That is the kind of bill that we consider today—the National Food Stamp Reform Act of 1976.

Any Member of this body who has read his mail the past year, any Senator who has read his hometown newspaper, knows full well that public demand for food stamp reform is overwhelming.

From its beginning in 1964, the food stamp program has been effective in improving the nutrition of lower-income Americans.

Until just recently, this program was almost universally acclaimed for its great success.

But the public's perception of food stamps has changed dramatically in the past few years.

MEANINGFUL FOOD STAMP REFORM IS NEEDED

The food stamp program is under severe attack.

Media accounts characterize food stamp recipients as cheats and chiselers. They describe people driving "welfare Cadillacs" purchasing food stamps. They document fraud and abuse. They describe middle- and high-income people on food stamps.

These accounts serve to fuel the fires of the attack. Regardless of their truth or falsity, they have severely damaged the program's integrity.

No one denies that there have been abuses—or that there are people on the food stamp rolls who should not be there.

Meaningful reform is needed, and S. 3136 achieves that reform.

It is the objective of S. 3136 to restore credibility to the food stamp program.

This objective is achieved by eliminating those features that have allowed the nonneedy to participate, and by plowing back the savings into increased benefits for the truly needy.

The committee bill would result in a substantial $630 million saving over the present program.

Many nonneedy are now eligible because of a long list of almost unlimited itemized deductions.

They would be eliminated through the use of a standard deduction.

Moreover, the standard deduction will substantially reduce errors in the application process.

The present program has no income ceiling. This fact leads to stories of families earning $16,000 a year being eligible for food stamps.

By enacting a net income ceiling at the official poverty level, we are giving the American public a commonly accepted standard of need, a standard they can understand and appreciate.

A 30-day retrospective accounting period, with a speeded-up application process for those who suffer a loss of their job, will take the guesswork out of the application process.

Currently, applicants are asked to project what their income will be in the future. It should come as no surprise that projecting income leads to widespread error.

The committee bill allows deductions from gross income for Federal, State, and local income and social security taxes in order to serve as a work incentive.

The work incentive is further promoted by the institution of a meaningful work registration and job search program modeled along the lines of the WIN program.

Those who can work and refuse to look for or accept work will be dropped from the program.

I believe in the work ethic and believe that most Americans do.

Under this bill, the needy will be given all the help we can give them to find and keep a job.

This bill restores basic equity as an integral part of the food stamp program.

Automatic eligibility for public assistance households is eliminated.

Welfare households will now be treated exactly the same as non-public-assistance households. They will have to satisfy the same eligiblity criteria.

FOOD STAMPS IN PERSPECTIVE

The food stamp program does not operate in a vacuum. So we must look at it in the context of all those factors which affect how it operates.

A former top official of the Department of Health, Education, and Welfare, Dr. Richard P. Nathan, told our committee last year:

> The main lesson learned by analysts of welfare policies in the five years since President Nixon's Family Assistance Plan was proposed in August 1969, is that all programs of the Federal Government that transfer cash and in-kind assistance to individuals must be looked at together.

Representative Martha Griffiths, chairman of a House Subcommittee on Fiscal Policy, asked the administration in March 1972 to study the overlapping benefits from all Federal programs for households under the food stamp program and the food distribution program.

The information from that study—now called the Chilton Study—is most interesting. Allow me to cite some of its findings:

First. On the average, food stamp households received benefits from three Federal programs;

Second. About two-thirds of the households participated in three or fewer programs;

Third. One-third received four or more different types of benefits from transfer income programs, including food stamps.

Of more immediate significance is the fact that 38.1 percent of all food stamp recipients also participated in the school lunch program, 13.1 percent participated in the special milk program, and 6.6 percent participated in the school breakfast program.

Although these statistics are based on a November 1973 sample, there is no reason to doubt their validity today.

If anything, comparable figures for 1976 would probably be roughly the same, even recognizing that the percentage of public assistance households in the program has declined.

This points out clearly that the truly needy are getting aid, specifically some food aid, from sources other than food stamps.

This is most commendable. In a land of plenty there is no reason for people to go hungry.

By supplementing the food needs of the poor, these programs release cash for households to use for other purposes.

The child nutrition programs have undergone dramatic changes in the recent past.

We have increased benefits and participation substantially.

For 5 days a week during the school year, children of the truly needy can rely on free school breakfasts, and school lunches.

During the summer, the summer feeding programs do the same thing for millions of children.

This overlapping of benefits is also true of the childless households that receive food stamps.

For instance, 30.3 percent of the households in the Chilton Survey received medicaid and 16.1 percent received medicare.

These overlapping programs provide the needy with either cash or in-kind benefits which other families have to pay for out of pocket.

My point is simply this: When you combine overlapping Federal programs, a standard deduction, a uniform purchase requirement, retention of the variable purchase option, and a nutritionally adequate diet established by law, this bill is very generous to the truly needy.

When seen in perspective, it will be clear that the total nutrition supplement system established by S. 3136 is the best assurance of providing America's needy with a nutritionally adequate diet.

We must be very careful that we do not go overboard in extending benefits, keeping in mind the overlap of Federal programs.

If we are not careful we run the risk of stifling individual efforts and of furthering a national "welfare mentality."

KEEPING THE PURCHASE REQUIREMENT

However, rather than a purchase requirement that fluctuates according to income and household size, our bill establishes a uniform purchase requirement at 27.5 percent "of net income"—after subtracting the standard deduction and taxes.

The purchase requirement has been an integral part of every food stamp program since the 1930's.

It serves the useful function of channeling the funds necessary to attain a nutritionally adequate diet into food purchases.

As a proponent of the 1964 act, I can tell you that the purchase requirement was believed to be a most useful and sensible feature of the program.

My view on this issue has not changed.

Elimination of the purchase requirement would transform the program into an income supplement rather than a means of increasing nutrition through increased food purchases.

Elimination of the purchase requirement also means elimination of self-reliance and decisionmaking on the part of program participants.

Participating families now must budget their funds in order to be able to meet the purchase requirement.

The vast majority of Americans likewise have to budget and establish priorities.

There is no persuasive argument for treating food stamp recipients any differently from any other Americans.

In order to accept elimination of the purchase price, you have to accept the assumption, hook, line, and sinker, that the only reason people do not participate is their inability to come up with the purchase requirement.

Does it not seem odd that if one accepts this assumption, he is also called upon to accept the exact opposite assumption—that these same families will, under a no-purchase system, budget their funds and still purchase a nutritionally adequate diet?

Such speculation is beyond me. What is clear to me is that eliminating the purchase requirement makes the nutritional aspects of the food stamp program a farce.

It should not be forgotten that all States allow participants to purchase food stamps twice a month.

Counties in about 13 States allow participants to purchase their food stamps four times a month.

Therefore, participants do not have to come up with the purchase price in one lump sum at any given time.

If the variable purchase option is not being fully utilized, we can attack that problem. But we surely do not have to eliminate the purchase requirement to accomplish it.

When this fact is coupled with the fact that the truly needy have such low incomes that they do not pay anything—or even a very small purchase price—the force of the argument for elimination of the purchase requirement is lost.

One certain result of eliminating the purchase requirement is that program participation and costs will soar far beyond their present levels.

It has been estimated that if we increase the participation rate from 50 percent, which is now the participation rate, to 93 percent, which is the participation rate for those on aid to families with dependent children, the minimum cost would be $2.1 billion extra—or it could go as high as $3 billion plus extra. With what we are doing now, food stamps are in reality currency, currency that can be used to buy food at stores, and is illegal for other purposes, and these food stamps are sold at discount, depending on the income of the purchaser of the food stamps. But if you gave those food stamps away, I do not think it is any secret to anyone that you would get takers at the rate of 100 percent. I have found out that when something is free, nearly everyone wants in on the act.

That is what we would be doing here. Under the present law, with 40 million Americans eligible for food stamps and with those stamps being made free, we have not seen any inflation at all compared to what we would have with such a program.

I point out, Mr. President, that under present law, even the poorest of the poor in public housing pay a percentage of their income for that privilege. Why should it be any different with respect to food?

Economists and budget analysts may disagree about the exact figures for increased participation and increased costs, but you do not have to be a specialist to realize that you will have more takers when the stamps are free.

Few people shy away from a giveaway if they are barraged with a flood of literature from State and local agencies declaring that they are entitled to a program.

Even if unintended, those households who would qualify for participation, but who would not otherwise participate because they are only eligible for the minimum benefit, would flock to the food offices stamp for their free stamps.

A GUARANTEED ANNUAL INCOME

The principle behind elimination of the purchase requirement is simply to give eligible households the bonus value rather than require them to purchase their full monthly allotment.

Quite honestly, when you eliminate the purchase price, you are taking a step in the direction of a single flat income maintenance guarantee.

This back door approach may be more palatable to Congress and the American people than talking straight out about a guaranteed annual income.

This is not my original thought. I am merely paraphrasing the thoughts of the Senator from South Dakota (Mr. McGovern) during hearings of the committee.

You can call an apple an orange, but it is still an apple.

But clouding income maintenance by calling it elimination of the purchase requirement is pure camouflage.

The success of the food stamp program should not be the cause for transforming its basic character and for achieving sweeping welfare reform in a nonwelfare program.

This clearly would be one step toward a national cash income maintenance program.

The need to aid the truly needy to obtain a nutritionally adequate diet is as valid today as it was in 1964.

Eliminating the purchase price will not attain this objective.

What is needed is a coordinated program as presented in S. 3136.

Retention of the purchase requirement combined with a nutrition education component and a workable outreach program will serve as the best means of insuring that the food stamp program will not lose its individual identity.

In the recent survey of State and local administrators on food stamps, conducted by the House Committee on Agriculture, the most commonly cited positive effects and benefits of the program were food and nutrition benefits.

It points out that food stamps channel money into food, that the bonus increases food purchasing power, and that better food selection and improved nutrition result.

A typical comment was: "If the money is spent on food stamps, at least you know the children will eat."

Elimination of the purchase requirement would catapult food stamp costs out of control.

In the AFDC program, where there is no purchase requirement, there is a participation rate of 93 percent of the eligible population.

The Congressional Budget Office projects that if 93 percent of the eligible food stamp population actually participated in the program—and if average benefits dropped to $21 per person per month—there would be a cost increase of $2.1 billion.

The exact participation rates and average benefits can be debated forever.

However, regardless of what figures you choose, you wind up with a substantial cost increase over S. 3136 and an even greater cost increase over the administration's proposed regulations.

This cost increase could only be justified upon assurance, that the truly needy would be the beneficiaries.

There is no such assurance. There is only speculation.

JUST ANOTHER WELFARE PROGRAM

Another certain offspring of eliminating the purchase requirement is to make the food stamp program conceptually meaningless and transform the program simply into another income supplement.

Food stamps are not now and never were intended to be just another welfare program.

It is important that we do not lose sight of the basic difference.

The food stamp program is unique in that participation is determined on national uniform income requirements, rather than categorical circumstances like the AFDC or SSI programs.

The use of the standard deduction, an income cap at the poverty line, and the 27.5 percent purchase requirement will result, by and large, in more benefits for the needy.

By wiping off the program rolls college students from ineligible households, illegal aliens, and runaway children, public confidence will be restored.

The taxpayers of America are tired of shouldering the needs of those citizens who do not really need help.

To some, reform simply means saving money—the more money you save, the greater the reform.

I would be less than honest if I did not say that saving money is one objective of S. 3136. But it is not the prime objective.

Reform is not simply a matter of saving money, regardless of the effects of these savings.

S. 3136, while saving money, places greater benefits in the hands of the truly needy, the people the program was established to serve.

We are beginning our deliberations under great pressures.

The President has recently proposed regulations that would have severe ramifications for a large portion of the food stamp population.

The American people are looking to Congress for reform.

There can be little doubt that if we approve a bill that increases program costs, we face one more in a succession of Presidential vetoes.

Let us work together to achieve a meaningful, workable program that we can defend and put into effect.

Reform of the food stamp program is needed now.

It is my sincere hope that, regardless of the events of the past few weeks, the full Senate can, as the Committee on Agriculture and Forestry did, consider this vital issue in a truly nonpartisan manner.

I ask unanimous consent to have printed at this point in the RECORD a summary of the major provisions of S. 3136.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR PROVISIONS OF S. 3136

S. 3136 makes significant changes in the food stamp program relating to (1) eligibility to participate in the program; (2) the benefits available under the program; (3) the administration of the program; and (4) the penalties applicable to persons who violate the Food Stamp Act and the regulations issued to carry out the Act.

CHANGES AFFECTING ELIGIBILITY FOR THE PROGRAM

The bill—

1. Limits participation to households with net incomes at or below the official Federal poverty level (about $5,500 per year for a family of four, effective April 1). (Sec. 4(a)).

2. Eliminates the present system of allowing varying, itemized deductions from gross income and replaces it with a standard deduction of $100 per month ($125 per month in the case of a household with one or more members 60 or older). In addition, working families will be permitted to deduct from gross income Federal, State, and local income taxes, and Social Security taxes. (Sec. 4(a)).

3. Defines "gross income" as including (but not limited to) all money payments and payments in kind (including payments under the Domestic Volunteer Services Act of 1973 and Federal, State, and local income tax refunds, and Federal income tax credits), *with* the following exceptions:

(a) medical vendor payments;

(b) income earned by a child residing with the household who is a student and who is younger than 18 years old;

(c) payments received under title II of the uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(d) infrequent or irregular income of all household members that does not exceed $30 during any three-month period;

(e) all loans and scholarships, except deferred educational loans and scholarships to the extent they are not used for tuition and mandatory school fees at an institution of higher education or school for the handicapped;

(f) income received by volunteers for services performed in the National Older Americans Volunteer Program;

(g) housing vendor payments made to landlords under programs administered by the Department of Housing and Urban Development;

(h) payments received under the WIC program;

(i) payments in kind derived from Government benefit programs and any in kind benefits which cannot reasonably and properly be computed (however, employer provided housing when in lieu of or supplemental to household income, will be considered income and will be valued at the actual value of the housing but in no event at more than $25 per month); and

(j) the cost of producing self-employed income. (Sec. 4(a)).

4. Bases eligibility on income received during the 30 days prior to application, with a special provision to minimize any potential hardship on the recently unemployed. (Sec. 4(a)).

5. Authorizes the Secretary of Agriculture to require monthly income reporting. (Sec. 4 (c)).

6. Retains the authority of the Secretary of Agriculture to establish eligibility standards with respect to the amounts of liquid and non-liquid assets a household may own and still be eligible for program participation. However, real and personal property used in a trade or business essential to self-support may be excluded from a household's assets only to the extent that the equity value of such property does not exceed $15,000. (Sec. 4(a)).

7. Makes ineligible any household which purposely transfers ownership of a resource in order to meet the program's assets test. The Secretary of Agriculture can set by regulation the period of such ineligibility provided it lasts at least 30 days. (Sec. 4(c)).

8. Requires the Secretary of Agriculture to conduct a study to determine average assets and distribution of assets held by food stamp participants. The Secretary of Agriculture is required to submit a report to Congress on such study within 180 days after enactment. (Sec. 11).

9. Eliminates present automatic eligibility for persons eligible for welfare programs. Such persons would be required to apply and demonstrate eligibility just as non-welfare persons. (Sec. 4(a)).

10. Excludes from eligibility college students who are or can legally be claimed as tax exemptions by families which are themselves not eligible for food stamps. (Sec. 4 (c)).

11. Excludes from eligibility those who terminate employment voluntarily, unless previously eligible; strengthens work registration requirements for persons under 60 years of age; and authorizes transfer of funds from the Department of Agriculture to the Department of Labor to oversee work registration procedures. (Sec. 4(b)).

12. Continues present eligibility for food stamps of recipients of Supplemental Security income payments, except those in States which supplement SSI payments in lieu of the food stamp bonus. (Secs. 4(c), 12).

13. Defines an eligible household as one which shares common living quarters and

purchases food in common; excludes illegal and temporary aliens; and excludes from households minor children which the household has no legal duty to support and whose legal parents or guardians can be located. (Secs. 2(a), 4(c)).

14. Requires that the household "have access to" cooking facilities, but waives the cooking facilities requirement if a household is enrolled in a community feeding program for the elderly or a meals-on-wheels program. Sec. 2(a)).

15. Requires disqualification of households refusing to submit eligibility information. (Sec. 4(c)).

16. Requires the Secretary of Agriculture to conduct a study of the feasibility and advisability of establishing a system for verifying the earnings of applicants and participants with proper protection for the privacy of individuals. The Secretary is required to submit a report to Congress on such study within one year after enactment. (Sec. 11).

CHANGES AFFECTING BENEFITS UNDER THE PROGRAM

The bill—

1. Modifies the current sliding scale of coupon purchase requirements to provide a "benefit reduction rate" of 27.5 percent. In computing the purchase requirement for any household, the amount to be charged may be rounded by the Secretary of Agriculture to the *nearest* whole dollar. (Secs. 2(d), 6(a)).

2. Defines a "nutritionally adequate diet" as one that is based on the thrifty food plan developed in 1975 by the Department of Agriculture and provides that the cost of such diet shall be the basis for uniform coupon allotments. Secs. 2(d), 6(a)).

3. Provides that the minimum bonus for a 1- or 2-person household would be $10 per month. (Sec. 6(b)).

4. Allows a household to file for lost benefits due to administrative error not later than three months after learning of the error, and limits the cash payment to a household for lost benefits to the bonus value of its allotment for a three-month period. (Sec. 7(c)).

CHANGES AFFECTING ADMINISTRATION OF THE PROGRAM

The bill—

1. Requires States to certify applicants and issue authorization-to-purchase cards within 30 days of receiving the application. (Sec. 7(c)).

2. Authorizes the Secretary of Agriculture to issue regulations under which recipients of and applicants for Supplemental Security Income (SSI) payments could apply for food stamps at SSI certification offices. (Sec. 7(h)).

3. Gives each State the option to decide whether to establish a system under which a food stamp household may elect to have its charge for the coupon allotment withheld from its public assistance check. Existing law would—beginning October 1, 1976—require States to offer such a system. (Sec. 7(c)).

4. Deletes a provision in existing law for emergency eligibility standards, without regard to income and other financial resources, for households affected by a mechanical disaster (such as computer breakdown) which disrupts coupon distribution. (See 4(a)).

5. Allows all food stamp recipients who are housebound, feeble, physically handicapped or otherwise disabled, as well as all those over 60 years of age, to use food stamps for meals-on-wheels. Under existing law, recipients must be both incapacitated and elderly to be able to get meals-on-wheels with stamps. (Sec. 7(e)).

6. Deletes the requirement that food stamp "outreach" program "insure" participation in the food stamp program, but directs that all Federal agencies who work with needy people make every reasonable attempt to inform them of the program's availability. (Sec. 7(a)(b)). attempt to inform them of the program's availability. (Sec. 7(a) and (b)).

7. Requires the use of bilingual food stamp information material in areas where necessary. (Sec. 7(h)).

8. Grants the Secretary of Agriculture broad authority to carry out pilot experimental projects in order to determine more efficient methods of operating the program. (Sec. 11).

9. Authorizes simultaneous operation of the food stamp program and Federal food distribution programs only in two cases: relief programs in cases of natural disaster, and on Indian reservations during transition from the food distribution program to the food stamp program. (Sec. 3).

10. Requires that the USDA Extension Service, with the technical assistance of the Food and Nutrition Service, extend its food and nutrition education program to the greatest extent practicable to encourage the purchase of nutritious food by food stamp program participants. (Sec. 7(a)).

11. Authorizes food stamp recipients who are members of private nonprofit food buying cooperatives to use their food stamps to repay their food bills. (Sec. 2(b)).

12. Prohibits participating drug addict and alcoholic treatment and rehabilitation centers from redeeming coupons through banks. (Sec. 2(b)).

13. Establishes in the Department of Agriculture an additional Assistant Secretary who would be responsible for administering—under the direction of the Secretary—the food and nutrition programs of the Department. Such programs include the food stamp program and the child nutrition programs (school lunch, school breakfast, child care food, summer food, and WIC). (Sec. 13).

CHANGES AFFECTING PENALTIES FOR VIOLATIONS OF THE PROGRAM

The bill—

1. Establishes criminal penalties for food stamp vendors who fraudulently mishandle receipts; makes it clear that such receipts are Federal funds; requires timely and verified reports of receipts and deposits by vendors; directs USDA to safeguard inventories of food stamps held by vendors. (Secs. 5, 6(c)).

2. Reduces the maximum penalty for certain misdemeanor violations of the Food Stamp Act from $5,000 tc $1,000 so as to permit such misdemeanors to be prosecuted before magistrates under the Federal Magistrates Act (Sec. 9).

3. Grants the Department of Agriculture specific authority to obtain court injunctions to cope with a State's failure to comply with the provisions of the Food Stamp Act. (Sec. 7(d)).

4. Directs the Secretary of Agriculture to withhold 10 per centum of the Federal funds payable to any State for its administrative costs if that State substantially fails to implement its approved plan of operation (including any quality control plan). (Sec. 7(d)).

5. Authorizes the Secretary of Agriculture to pay State agencies 75 percent of the direct costs incurred in prosecutions and related activities as they concern nonpublic assistance households. (Sec. 10(b)).

Mr. TALMADGE. Mr. President, I yield the floor.

Mr. CURTIS. Mr. President, before offering my first amendment, I shall make a few comments, under the general debate, about the food stamp program.

Each Senator has had placed on his desk and sent to his office a 2-page statement that I have issued, bearing the date of today. It says, "How the food stamp program would work for a family of four." I believe that this explanation will be helpful to Members of the Senate, not only in considering any amendment that the junior Senator from Nebraska might offer, but in understanding the program generally.

Mr. President, the food stamp program started in 1964. The first year, it cost $30 million. This year, it cost $6 billion. When it started out, there were 360,000 beneficiaries. At the present time, there are over 9 million people drawing food stamps, and there are only 9 million farmers in the country. That gives some idea of its scope.

I commend the Committee on Agriculture for making some start in correcting this situation. I do not think we have done enough. Unless the present law is changed, it is estimated that 25 percent of the population of the country will be eligible for food stamps. My objection to the committee bill is that it does not go far enough in preventing that from happening.

Mr. President, the food stamp plan works in this manner: it is based upon the poverty level. When this legislation becomes effective, the poverty level will, at that time, for a family of four, be figured at $5,500 a year. When they exceed that, they are out of the poverty level.

The monthly food expenditures for a family of four, under the Agriculture Department's thrifty diet plan, is $166. A family of four, shopping thriftily, eats $166 in food a month.

Now, if the family has zero income, they get $166 worth of food stamps absolutely free. If they have some income, they pay a portion on their food. I am still talking about a family of four.

If the family has $200 monthly income after deductions, it would be required to pay not to exceed 30 percent of that amount, or $60, for which payment they would be entitled to receive $166 in food stamps.

In other words, their food budget would be subsidized in the amount of $106 a month. They would spend $60 of their own money and get $166 worth of stamps that could be spent in the stores.

If the family has $400 monthly income after deductions, it would be required to pay not to exceed 30 percent of that amount, or $120, and would in turn be entitled to $166 in food stamps.

In other words, the family that has $400 income after deductions would have its monthly food bill subsidized by $46. The whole program is geared to the poor. It is when we are lax in legislating on deductions and assets and things of that kind that the program gets out of hand.

I believe that this program ought to be cut by $2 billion. I think that a cut of $600-some million, while it is commendable, after a year or so, will not even take care of the growth in the program.

I do not believe that the right way to bring about a reduction is to put a dollar ceiling on it. That way, we would leave it to the bureaus to write regulations and, in all probability, the truly poor would be hurt. Therefore, I have proposed a series of amendments. Maybe no Senator will agree with me on all of them, but every amendment that I offer will be specific. By and large, it will deal with those people who have an income above the poverty level.

When I call up my amendment, my first one will probably be amendment No. 1532, which deals with food stamps for strikers. But in reference to food stamps, I want to point out this:

The food stamp program is basically a nutrition program administered by the Department of Agriculture to assist the poor in obtaining sufficient food to prevent hunger and undernourishment. The food stamp program should not be extended to become a welfare program to take care of all the needs of the poor. It should not be used as an income supplement program or an aid to education program.

Here is a program that was intended to make it possible for someone whose body is undernourished, who is hungry, to get some food. It was not intended to meet all of their other financial needs. It was not intended as a program to help people who are a little bit hard-pressed for cash.

Why? Because that is not the business of the Department of Agriculture; that is the business of HEW, as well as some State and local agencies.

There is a multiplicity of programs to take care of these other needs. Many programs overlap. Among the programs available to the poor are the following:

Aid to families with dependent children—AFDC. That is available. Many people use it.

We have a whole array of programs. I am not ridiculing any of them, but they are there to take care of general welfare needs; they are not there to take care of the needs of someone who wants an education.

It does not follow that the food stamp program should be used for all of these purposes.

I started to enumerate. We have Aid to Families with Dependent Children—AFDC. We have supplemental security income provided by the Federal Government for the aged, blind, and disabled—SSI.

There are times when the amount paid under these programs should be increased. There is no question about it. But food stamps should not be the means of extending general aid.

We have public housing. We have rent subsidies. We have health clinics, home nursing, all of these things for the poor people. School lunches and breakfasts, meals on wheels, and other subsidized food programs. A whole array of social services. We have educational grants and scholarships. We have educational loans.

Mr. President, I raise the question, if we are going to help college students get an education, is not the route of grants and scholarships and loans the correct route?

One of the amendments I will offer will be to take food stamps away from students. It should not be as an additional aid to education.

Then, Mr. President—and this pertains to those efforts to give food stamps to people who are working and have income above the poverty level—I call attention to the fact that we have a refundable earned income clear up to $400. What does that mean? If someone files his income tax and makes less than $4,000, he gets a refund of his taxes paid of 10 percent of the income, which fades out at $400.

I am not trying to discuss these programs on their merits, but I just point out that where abuses spring up in Government programs is where the same individual avails himself of so many programs.

We also have State welfare programs, county and city and community welfare programs, and the private and voluntary programs to aid the needy.

To use food stamps to promote dependency among the able bodied who are not aged is not in the public interest and not in the interests of the recipients.

Mr. President, I am about to call up amendment 1532. This amendment prohibits food stamps being given to strikers. There are a number of reasons for it.

Who is able to stand here and say that every person out on strike is undernourished?

Who is able to stand here and say that in an economic contest, management on one side and labor on the other, the taxpayers should subsidize the union side?

I would be just as opposed to having the Government finance management so they could prolong the strike. The Government should stay out of it.

The question resolves itself, Shall we tax the people who are working to provide groceries for those who are out on strike?

Mr. STENNIS. Mr. President, consideration by the Senate of the National Food Stamp Reform Act is welcomed as a long-needed opportunity to bring under control this very controversial and tremendously expensive program.

Opinions vary widely among the public as to this bill, and I am sure those differences will be reflected in the debate here on the Senate floor, and in amendments offered to the bill reported by the Senate Agriculture Committee. A part of the public considers the program to be welfare. Others view it as a means of making adequate nutrition available to working families in low income brackets who are trying to raise their children properly in the face of inflated prices, or to elderly people living on limited fixed incomes.

Certainly there is no doubt that the food stamp program as it exists today does not properly accomplish what was intended when the program originated, and that much of what is going on in the program was neither anticipated nor intended by Congress. It is simply out of control.

It is well known that in this program there have been widespread abuses and excesses. Funds often have not been properly accounted for, and outright errors in administering the program have been costing the Government and the taxpayers hundreds of millions of dollars a year. There is understandable public indignation and demand for reforms, which are overdue.

When the distinguished chairman of the Senate Agriculture Committee, the Senator from Georgia (Mr. TALMADGE) announced the action of the committee in approving this bill, he took note of the fact that it is a result of the combined efforts of Senators with widely differing philosophies about the program. He is to be commended for combining these differing views into a workable bill that can accomplish several very necessary reforms.

It is necessary to eliminate the loopholes that have permitted relatively affluent families to participate. The fraud which has been rampant must be stopped. Administrative errors must be reduced. The tremendous costs of the program must be cut back. At the same time the people who truly need help and are entitled to it must be served, and with increased efficiency and effectiveness.

The hearings on this legislation were conducted by the Subcommittee on Agricultural Research and General Legislation under the able chairmanship of the distingiushed Senator from Alabama (Mr. ALLEN). He was kind enough to receive and give consideration to a statement from me on this subject, in which I set forth my views and recommendations. I also made available to him some very comprehensive and detailed comments from Mississippians who have been closely associated with the administration of the food stamp program, and have had first hand opportunity to see what must be done to accomplish the reforms that are so necessary. The Senator from Alabama worked hard on this legislation, and he certainly is to be commended.

There are many, many changes made by this bill. I will comment only on a very few of them—the ones I consider particularly significant.

I am pleased that there is a strong requirement for work registration by those on food stamp rolls. The use of a standard deduction instead of itemized deductions, in establishing income eligibility, will take the affluent off the rolls, and at the same time will help the truly needy, who do not have such deductions. Eligibility is to be based on the official Federal poverty level with allowance for a standard deduction and taxes paid by working families. No longer will eligibility for welfare programs be an automatic qualification for food stamps. All of these changes are very necessary.

Mr. President, I know that there are strongly differing views on this legislation. But it is overdue. It is badly needed. We owe it to the American taxpayers to act decisively on this bill.

I understand that many amendments will be offered to the bill, some liberalizing the present law and some making present law more strict. I shall vote for some amendment no doubt but at some point all amendments will have to be rejected in order to get a bill passed.

AMENDMENT NO. 1532

Mr. CURTIS. Mr. President, I call up my amendment No. 1532 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself, Mr. HELMS and Mr. BUCKLEY, proposes an amendment numbered 1532:

On page 12, strike out lines 11 through 13, and insert in lieu thereof the following:

(4) For the purposes of this subsection, a refusal to work at a plant or site because of a

> strike or any other labor dispute (other than a lockout), as defined in section 2(9) of the National Labor Relations Act, shall be deemed a refusal to accept employment, except that no household shall be ineligible for food stamps under this subsection because one of its members refuses to work on account of such a strike or any other labor dispute (other than a lockout) if such household was eligible for food stamps immediately prior to such refusal to work.

The **PRESIDING OFFICER**. There is a time limitation on this amendment of 10 minutes, 5 minutes to a side.

Who yields time?

Mr. CURTIS. I yield 3 minutes to myself.

Mr. President, this amendment would make it clear that a refusal to work at a plant or site because of a strike or other labor dispute, other than a lockout, would be considered a refusal to accept employment and, therefore, no food stamps. No household would be ineligible because of the strike status of one of its members if it were eligible prior to the strike.

There is absolutely no justification for continuing the practice whereby some members of society who are voluntarily unemployed enjoy the benefits of food stamps, a program which was designed to provide assistance to persons who were unable, for reasons beyond their control, to secure a nutritionally adequate diet. Making food stamps available to strikers places government on one side of the bargaining table, prolongs settlement, and raises the ultimate cost to the consumer. Costs are involved not only in the ultimate settlement but, of course, in the cost of the assistance itself. A Wharton School of Finance study documented the massive use of food stamps in major steel, electrical, automotive, and other strikes in 1969–71 at a cost to the public of $240 million. Those concerned with the families of striking union members should recall that before this new form of government aid, strike funds were used to support members on strike; the taxpayer should not be asked to underwrite and, in effect, to replace such funds.

Mr. President, the issue here is, shall the people who are working be taxed to provide food stamps for strikers.

The adoption of this amendment will save $50 million.

I reserve the last 2 minutes of my time.

The **PRESIDING OFFICER**. Who yields time?

Mr. TALMADGE. Mr. President, I yield myself such time as I may take.

Mr. President, the committee has voted on this amendment time after time, as has the Senate, and as has the House. They have always refused to put a prohibition in legislation flatfootedly rejecting benefits to the children of strikers.

But we do have in this committee report a very strong work registration requirement:

> The Committee intends that, as a matter of public policy, employable food stamp recipients as a condition of eligibility for benefits be required to register for work and accept employment when offered. The Committee has proposed an employment search requirement because it firmly believes that an individual who is employable has a responsibility to be actively seeking work as a condition of continued eligibility for food stamps.

That is from page 28 of the committee report.

I also read from page 48 of the committee report:

> Program ineligibility for a household would result if an able-bodied adult household member (without good cause or not otherwise exempt) (1) fails to register for work; (2) fails to engage in an active job search; (3) refuses to accept employment or public work at not less than the highest of (a) the applicable State minimum wage, (b) the applicable Federal minimum wage, (c) the applicable rates established by a valid regulation of the Federal Government authorized by existing law to establish such regulation, or (d) if no wage is established under (a), (b), or (c), a wage which is not substantially less favorable than the wage normally paid for similar work in that labor market, but in no event less than three-fourths of the prevailing Federal minimum wage; or (4) voluntarily quits any job (unless the household was certified for program benefits immediately prior to such unemployment). Refusal to work at a plant or site subject to a strike or lockout for the duration of a strike or lockout is not deemed refusal to accept employment.

Mr. President, the committee felt that we ought to have a very stiff work requirement in this bill. The committee did not feel that this legislation ought to be used as legislation deliberately to break a strike.

How much time have I remaining, Mr. President?

The **PRESIDING OFFICER**. The Senator has 2 minutes remaining.

Mr. TALMADGE. How much time has my distinguished friend from Nebraska have remaining?

The **PRESIDING OFFICER**. Two minutes.

Mr. TALMADGE. Is the distinguished Senator prepared to yield back the remainder of his time?

Mr. CURTIS. I yield 1 minute to the Senator from New York.

Mr. BUCKLEY. Mr. President, I rise in support of the amendment. I do not believe it is prostrike or antistrike, prolabor or antilabor. I believe it is consistent with the reform legislation I had originally introduced, which the administration had introduced. Namely, that the food stamp program was originally conceived of as a poverty measure to help those people who could not afford sufficient nutrition to get the food values they require. I believe that to recognize that someone who is on strike does not fit into this category——

The **PRESIDING OFFICER**. The Senator's time has expired.

Mr. CURTIS. I yield 1 additional minute.

Mr. BUCKLEY. I believe to recognize that someone who is on strike is not necessarily in the poverty level should in no way be described as antilabor or prolabor. I believe this is consistent with another amendment I have cosponsored with the Senator from Nebraska, and I urge its adoption.

The **PRESIDING OFFICER**. Who yields time?

Mr. WILLIAMS. Has all time expired?

Mr. TALMADGE. Does the Senator yield back his remaining time?

Mr. CURTIS. We have used it all.

The **PRESIDING OFFICER**. Who yields time?

Mr. WILLIAMS. Mr. President, I move to table the amendment.

The **PRESIDING OFFICER**. The question is on agreeing to the motion to lay on the table the amendment (No. 1532) of the Senator from Nebraska.

Mr. MANSFIELD. I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent attending funeral.

I further announce that the Senator from Iowa (Mr. CLARK) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), the Senator from Iowa (Mr. CLARK), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) and the Senator from Oregon (Mr. HATFIELD) would each vote "nay."

The result was announced—yeas 48, nays 26, as follows:

[Rollcall Vote No. 114 Leg.]

YEAS—48

Abourezk
Bayh
Beall
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Cranston
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale

Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Symington
Taft
Williams
Young

NAYS—26

Allen
Baker
Bartlett
Brock
Buckley
Byrd, Harry F., Jr.
Chiles
Curtis
Domenici
Fannin
Fong
Griffin
Hansen
Helms
Johnston
McClure
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower

NOT VOTING—26

Bellmon
Bentsen
Church
Clark
Culver
Dole
Eastland
Garn
Goldwater
Gravel
Hartke
Hatfield
Hathaway
Hollings
Hruska
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Stevenson
Tunney
Weicker

So the motion to lay on the table was agreed to.

Mr. **CURTIS**. Mr. President, I ask unanimous consent that Lynn Rosenberg, of Senator BAKER's staff, and Kathryne Bruner, of Senator FANNIN's staff, may have the privilege of the floor during the consideration of this measure.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **EAGLETON**. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. **CURTIS**. I cannot yield on my time. I have only 5 minutes.

AMENDMENT NO. 1529

Mr. President, I call up my amendment No. 1529 and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself, Mr. HELMS, and Mr. BUCKLEY, proposes an amendment numbered 1529.

The amendment is as follows:

On page 6, strike out lines 13 through 19, and insert in lieu thereof the following:

"(5) No household shall be eligible for benefits under the food stamp program if the market value of the liquid and nonliquid resources of the household exceed $1,500, or $2,250 if such household contains more than one member, except that in determining the amount of such resources of a household the Secretary shall exclude the market value of the following items owned by such household:

"(A) the principal residence, and lot on which the residence is located, to the extent their combined market value does not exceed $25,000, or $35,000 in Hawaii and Alaska;

"(B) a motor vehicle, to the extent that its market value does not exceed $1,200;

"(C) household goods and personal effects to the extent that their total market value does not exceed $1,500;

"(D) real or personal property used in a trade or business essential to the self-support of the household to the extent that the total market value of such property does not exceed $15,000; and

"(E) nonbusiness property essential to the means of self-support of the household.".

On page 29, line 12, strike out "through 20" and insert in lieu thereof "and 19".

On page 30, line 8, strike out "appropriate." and insert in lieu thereof "appropriate.'.".

On page 30, strike out lines 9 through 17.

Mr. **EAGLETON**. Mr. President, I ask unanimous consent that Steve Rolling, a member of my staff, have the privilege of the floor during the consideration of this measure.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HUDDLESTON**. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. **CURTIS**. I have only 5 minutes.

Mr. President, I ask unanimous consent that these staff requests not be counted against my time.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HUDDLESTON**. Mr. President, I ask unanimous consent that Mr. Bill Seale, of my staff, have the privilege of the floor during the debate and vote on the food stamp measure.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **GLENN**. Mr. President, I ask unanimous consent that Reginald Gilliam, a member of my staff, have the privilege of the floor during the consideration of this measure.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **TAFT**. Mr. President, I ask unanimous consent that Jane Ellsworth, a member of my staff, have the privilege of the floor during the debate and votes on this measure.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **CURTIS**. Mr. President, may we have order?

The **PRESIDING OFFICER**. The Senate will be in order.

Mr. **CURTIS**. I yield myself 3 minutes.

Mr. President, a one-page explanation of this amendment has been placed on the desk of each Senator. This is what the amendment does: It writes asset limitations as eligibility for food stamps into the law. It does not leave it to the regulations of the Secretary of Agriculture. No one in this Chamber can guess who will be the Secretary of Agriculture 1 year from now. We should fix this in the law. The loose handling of the assets test is what has caused many of the abuses in the food stamp program.

What I do with this amendment is take the asset test that the Federal Government applies to the aged, the blind, and the disabled. Those assets are $15,000 for tools of one's trade, which is already in. We do not disturb that. One can have a residence of not to exceed $25,000, or, if it is in Hawaii or Alaska, $35,000; a $1,200 motor vehicle; $1,500 in household goods or personal effects. Those two items are interchangeable.

Now, Mr. President, if we do not write the asset test in the law, we are shirking our responsibility, just to pass it on to the bureaus to write asset tests. The department itself favors this amendment. It will save $400 million a year. It does not lower the standards, it does not take something away. It merely says that to be eligible for food stamps, you cannot have any more property than someone eligible for old age benefits, or the disabled, or the blind.

Mr. President, if a certain standard of assets is the right one to apply to a disabled or a blind person, should we be more liberal with an able-bodied person on food stamps? We have just voted to continue it for strikers. We have many instances where the able-bodied are drawing food stamps. We should write this into the law. The administration favors it; it will save $400 million. There is no reason why we should delegate this to the Department of Agriculture.

As a matter of fact, if my memory is correct, the Committee on Agriculture and Forestry voted for this very thing. Then, in the final shuffle, trying to get some adjustments and some compromises and so on, I discovered it went out.

This is a reasonable limitation. The home can be worth $25,000 or, if it is in Alaska or Hawaii, $35,000; $15,000 for the tools of one's trade; an automobile, some household and personal effects.

Mr. President, there is also something to be said for uniformity so that families and citizens will know. Let us have the same asset test for food stamps that we apply to the aged, the blind, and the disabled.

Mr. President, I again call attention to the fact that there is a one-page explanation of this amendment on the Senators' desks.

I reserve the remainder of my time.

Mr. **TALMADGE**. Mr. President, I yield myself such time as I may require.

We must not lose sight, in our vigor for reform, of the basic fact that we are dealing with people and not statistics. The people who would remain eligible for food stamps are the most susceptible to any changes in the assets criteria.

The simple fact of the matter is that we do not have the information to legislate intelligently on this point. It would be very easy to formulate assets criteria on what we think they should be, regardless of the realities of the situation. By doing so, we will potentially be subjecting certain groups to potential irreparable harm, specifically the elderly and the working poor.

One hundred and eighty days is not a long time to wait to legislate intelligently and effectively on something that will have long-term consequences for millions of Americans.

We have mandated the Secretary, in this bill, to make recommendations on assets criteria. We know that in some instances, it has been too high. The committee bill put in a limit of $15,000 on assets that they use in their trade or business. We thought that was a reasonable criterion. I hope that the Senate will reject the Senator's amendment.

Mr. **CURTIS**. Mr. President, the Department of Agriculture has authority by regulation to pick assets now. They have no limit on the number of tools that can be used in a trade or business. You do not have to be much of a farmer these days to have $100,000 invested in tools and implements in your trade or business. Yet the Department of Agriculture permitted that to go on. The committee properly wrote into the law that that particular exemption could only be $15,000. We should not leave this to the bureaus. It should be written into law.

The levels that I provide for here are the same that are applied to the disabled and the blind and the aged. If they have a home worth more than $25,000, or $35,000 in Alaska or Hawaii, they are not eligible. Why should we not apply it here. Should the Government not attempt to be fair and uniform? Is there any reason why we should rely upon the pious hope that a bureau will do the right thing?

We are the legislative body. We should lay down the basic rules as to who is eligible for food stamps.

Mr. President, there is $400 million at stake here. There will be a lot of oratory, up and down the land, this fall about the horrors of food stamps. Here is an amendment to clean it up. It does not touch the poor. It eliminates those who are not in that category.

I yield back the remainder of my time.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

Mr. CURTIS. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. Domenici). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, a parliamentary inquiry: Is this a 10-minute rollcall?

The PRESIDING OFFICER. Pursuant to the previous order, this is a 10-minute rollcall.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from South Carolina (Mr. Hollings), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator from Rhode Island (Mr. Pell), the Senator from Illinois (Mr. Stevenson), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. Long) is absent on official business.

I also announce that the Senator from Iowa (Mr. Culver) is absent attending a funeral.

I further announce that the Senator from Iowa (Mr. Clark) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark), the Senator from Washington (Mr. Jackson), and the Senator from Rhode Island (Mr. Pell) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Kansas (Mr. Dole), the Senator from Utah (Mr. Garn), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), the Senator from Nebraska (Mr. Hruska), the Senator from Nevada (Mr. Laxalt), the Senator from Maryland (Mr. Mathias), the Senator from Kansas (Mr. Pearson), the Senator from Connecticut (Mr. Weicker), and the Senator from North Dakota (Mr. Young) are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) and the Senator from Oregon (Mr. Hatfield) would each vote "nay."

The result was announced—yeas 25, nays 49, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—25

Allen
Baker
Bartlett
Beall
Brock
Buckley
Byrd,
  Harry F., Jr.
Cannon
Curtis
Domenici
Fannin
Fong
Griffin
Hansen
Helms
Johnston
McClure
Montoya
Roth
Scott,
  William L.
Stennis
Stevens
Taft
Thurmond
Tower

NAYS—49

Abourezk
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Chiles
Cranston
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Hathaway
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stone
Symington
Talmadge
Williams

NOT VOTING—26

Bellmon
Bentsen
Church
Clark
Culver
Dole
Eastland
Garn
Goldwater
Gravel
Hartke
Hatfield
Hollings
Hruska
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Stevenson
Tunney
Weicker
Young

So Mr. Curtis' amendment (No. 1529) was rejected.

AMENDMENT NO. 1530

Mr. CURTIS. Mr. President, I call up amendment numbered 1530 and ask for its immediate consideration.

The PRESIDING OPFFICER (Mr. Helms). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. Curtis), for himself, Mr. Helms, and Mr. Buckley, proposes an amendment numbered 1530.

The amendment is as follows:

On page 5, line 14, strike out "thirty" and insert in lieu thereof "ninety".

On page 5, beginning with line 21, strike out all down through line 12 in page 6.

On page 6, line 13, strike out "(5)" and insert in lieu thereof "(4)".

On page 6, line 20, strike out "(6)" and insert in lieu thereof "(5)".

On page 6, line 22, strike out "(7)" and insert in lieu thereof "(6)".

On page 7, line 4, strike out "(7)" and insert in lieu thereof "(6)".

On page 9, line 4, strike out "(8)" and insert in lieu thereof "(7)".

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

Mr. President, there is on everyone's desk a half-page explanation of this amendment.

The amendment that was just turned down would have saved $350 million.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CURTIS. This amendment will save $400 million.

Here is what it provides: in looking at someone's income to see whether they are eligible, they can look back 3 months. What is written in the committee bill is they can only look back 1 month.

If we are interested in giving stamps to the poor, the really poor, what is wrong with taking a look back and seeing what their income has been for 90 days?

It would also eliminate some language which permits a recently unemployed person, including strikers, to file an application immediately, have all aspects of the application processed during the 30-day accounting period, and then come in and demand certification after 30 days has expired.

This does not prolong the waiting period. It pertains to how long a period they can look back to see what someone's income really was.

At the present time, under current law, an applicant can be certified for food stamps by guessing or estimating his future income. This is not a good practice. It has led to many abuses. The committee bill provides that eligibility be determined by looking back 1 month to see what his income was.

That is the committee bill.

The committee bill would make it possible for someone with a very high income for the second and third months back to still qualify if just the last month had been bad. This amendment is based on the fact that a truer method of determining need will be to look back 3 months to see what the earnings have been.

This has the support of the administration. It is reasonable. We want to look at everybody's situation to see whether they are in need.

There is nothing wrong with it. It will prevent a lot of abuses because they will take a better look.

The Department estimates that it will save $400 million.

Mr. President, we cannot avoid all of these issues and then claim at a later time we tried to clean up the food stamp bill. We have to have some meaningful language and here it is.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, I ask unanimous consent that Ray Yuen, of Senator Fong's staff be granted the privilege of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, the present law has quite a loophole in that it requires someone to estimate what his future earnings will be. We wanted to close that loophole. So we placed earnings on a 30-day retrospective accounting period and provided for a special, speeded-up application process for those who suffer a substantial loss of earned income.

We have had millions of workers recently who have suddenly become unemployed. To adopt a 90-day retrospective accounting period, as the Senator's amendment would have us do, would work irreparable harm on those people who had lost their jobs.

We think the committee has done what is reasonable, and I ask the Senate to reject the amendment.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. TALMADGE. I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The clerk will suspend. The Senate will be in order so Senators may hear their names called.

The clerk may proceed.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY), are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG), is absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER), is absent attending a funeral.

I further annnounce that the Senator from Iowa (Mr. CLARK), is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), the Senator from Washington (Mr. JACKSON), and the Senator from Iowa (Mr. CLARK), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) and the Senator from Oregon (Mr. HATFIELD), would each vote "nay."

The result was announced—yeas 20, nays 57, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—20

Allen
Baker
Bartlett
Brock
Buckley
Byrd, Harry F., Jr.
Curtis
Domenici
Fannin
Fong
Goldwater
Griffin
Hansen
Helms
Hruska
McClure
Scott, William L.
Sparkman
Thurmond
Tower

NAYS—57

Abourezk
Bayh
Beall
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Hathaway
Huddleston
Humphrey
Inouye
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stennis
Stevens
Stone
Symington
Taft
Talmadge
Williams
Young

NOT VOTING—23

Bellmon
Bentsen
Church
Clark
Culver
Dole
Eastland
Garn
Gravel
Hartke
Hatfield
Hollings
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Stevenson
Tunney
Weicker

So the amendment (No. 1530) was rejected.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Peter Hughes, of my staff, be granted the privilege of the floor during the consideration of the food stamp legislation and all amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Debbie Robertson be accorded the privilege of the floor during the consideration of the food stamp bill and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that William Gribbin of my staff be accorded the privilege of the floor during the consideration of the food stamp bill and during votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I ask unanimous consent that Robert Harris of my staff be entitled to privileges of the floor during the debate on the food stamp bill and amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, it was almost a year ago that I first wrote to the Administrator of the Government Accounting Office to request an audit of several aspects of the food stamp program. Since that time, the concerns I then had about the program have been in large measure confirmed by one exposé after another about mismanagement, fraud and abuse in the program. On two different occasions last year, I joined other Members of the House and Senate in offering far-reaching legislation—S. 1993 and S. 2537—to clean up the food stamp mess. To all those who cosponsored those bills, especially those who offered their advice and criticism in formulating them, I would like to express my appreciation.

The year-long controversy about the food stamp program should have taught us all many things. We should have learned some sober lessons about the need to harness our good intentions to a realistic view of what can be accomplished with a finite Federal budget. We should have learned that a program established to benefit the poor must be rigorously safeguarded against exploitation by those who are not needy. And most of all, we should have learned again to trust the good sense of the American people. They have been far out in front of the Congress on this subject because, in their own shopping centers and in their own neighborhoods, they have seen for themselves examples of the inequities in the food stamp program. When some Federal administrators last year claimed that the program's fraud rate was inconsequential, their fanciful self-exculpation met with incredulity among the American people, just as it should have. I need only say that Lincoln's maxim—about not fooling all the people all the time—is appropriate here.

Indeed, I would hope that, in its consideration of S. 3136, the Senate will take that maxim to heart. For I do not believe that our countrymen will now be content with cosmetic reforms. For example, if the Congress sets a reasonable income limit for food stamp eligibility, but then adds to it numerous income deductions in order to permit middle-income families to participate in the program, I do not think the taxpayers are going to be fooled by that sleight-of-hand. If the Congress talks tough on the issues of college students and strikers, but then refuses to include in S. 3136 any language which will effectively bar them from the program, I do not think the public will be satisfied. Nor should they be.

That is why I have joined the distinguished Senators from Nebraska and North Carolina (Messrs. CURTIS and HELMS) in offering for the consideration of the Senate our several amendments to S. 3136. Our purpose in doing so is to provide ample opportunity for our colleagues to evaluate the complexities of the program and to express their individual opinions concerning them. Because food stamps are so vital to many millions of our countrymen, I think it is of real interest to the American people to have a public accounting of our stewardship of the program.

There may be some members of this body who have found themselves in disagreement with the general approach to food stamp reform taken by the first and second National Food Stamp Reform Acts of last year. To those of our colleagues, I want to request a careful consideration of the amendments which Senators CURTIS, HELMS, and I are proposing to S. 3136. Some of those amendments, I am sure, will merit the approval of all parties in the food stamp debate; and as we proceed with this work, I expect to be elaborating upon them in greater detail.

Mr. President, I consider the Senate's consideration of S. 3136 to be both a challenge and an opportunity. It is a chance to reassert the Congress eroded responsibility for the administration of Federal programs of public assistance. But it is also a challenge to us to restore the people's confidence in our willingness to guard their dollars and to respect their opinions. Let no one be misled: we cannot do one without the other. We cannot merely strike down the food stamp regulations which the administration has already announced. For if we try to replace them with weaker regulations of our own, we will be making a mockery of food stamp reform, even as we abandon all credibility with the general public. Let our discussion of S. 3136 concentrate upon how we can best complement the administration's announced food stamp reforms, rather than how we might thwart them through legislation.

Mr. President, I believe that the Congress has come too far along the road to food stamp reform to back out now. And I hope that the experience of this past year has taught both the public and public officials that there are, in fact, ways to restructure welfare programs in order to meet our responsibilities both to the poor and to the taxpayers. I hope the Congress will rise to that challenge, as the administration has already done through its far-reaching regulations to restore commonsense to the food stamp program.

Mr. MANSFIELD. Mr. President, that will be all the voting on the food stamp bill tonight. But I wish to remind the Senate that we have at least 13 other amendments on which there will be rollcall votes, with a time limitation of 10 minutes each and to follow in sequence with no interruption for other amendments in between.

With the permission of the distinguished Senator from Nebraska (Mr. Curtis), I would like to ask unanimous consent at this time that the first vote tomorrow take 15 minutes, and all others 10.

Mr. CURTIS. Does the Senator mean the rollcalls?

Mr. MANSFIELD. The rollcalls.

Mr. CURTIS. Not the debate.

Mr. MANSFIELD. No.

Mr. CURTIS. May I inquire what time we are coming in?

Mr. MANSFIELD. At 12 o'clock, and we will get to the pending business at 1 o'clock.

Mr. CURTIS. I thank the Senator.

The PRESIDING OFFICER (Mr. Gary Hart). Is there objection? Without objection, it is so ordered.

(The following proceedings occurred during the consideration of the Food Stamp Reform Act and are printed at this point by unanimous consent:)

CONDEMNATION OF CERTAIN INDIAN LANDS IN NEW MEXICO

Mr. METCALF. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 217.

The PRESIDING OFFICER (Mr. Hansen) laid before the Senate the amendment of the House of Representatives to the bill (S. 217) to repeal the Act of May 10, 1926 (44 Stat. 498), relating to the condemnation of certain lands of the Pueblo Indians in the State of New Mexico, which reads as follows:

On page 2, after line 8, insert:

Sec. 3. The Act of April 21, 1928 (45 Stat. 442), is hereby amended by striking all after the enacting clause and inserting, in lieu, the following:

"That the provisions of the following statutes:

"Sections 3 and 4 of the Act of March 3, 1901 (31 Stat. 1083 and 1084);

"The Act of March 2, 1899 (30 Stat. 990), as amended;

"Sections 1 and 2 of the Act of March 11, 1904 (33 Stat. 65), as amended; and

"The Act of February 5, 1948 (62 Stat. 17), are extended over and made applicable to the Pueblo Indians of New Mexico and their lands, whether owned by the Pueblo Indians or held in trust or set aside for their use and occupancy by Executive order or otherwise, under such rules, regulations and conditions as the Secretary of the Interior may prescribe: *Provided*, That, notwithstanding such provisions, and in the event the owner of an existing right-of-way and the Pueblo officials involved cannot reach agreement within a sixty-day period after renewal or widening has been requested or have not entered into a binding submission to arbitration concerning the terms of a requested renewal or widening, then and in that event, consent of the Pueblo Indians to renewal or widening of existing rights-of-way shall not be required so long as the compensation paid to the Pueblo involved is determined in such manner as the Secretary may direct and shall be subject to his final approval.".

Mr. METCALF. Mr. President, S. 217, as approved by the Senate, seeks to correct an inequitable Federal policy applicable to Pueblo tribal lands, pursuant to a 1926 statute. That statute subjects such lands to condemnation under State laws in New Mexico. The 1926 statute places jurisdiction of the condemnation proceedings within the jurisdiction of the U.S. district court.

Clearly, the 1926 act exposes Pueblo tribal lands to a wider liability for condemnation than that of other Indian tribes in the State and throughout the Nation. All other federally recognized tribes are immune from this type of action. Since the 1926 act has been in effect, it has been used 12 times to obtain rights-of-way on Pueblo lands.

As passed by the Senate, S. 217 repeals the discriminatory 1926 statute, and insures that rights of all parties will be protected in litigation presently pending before the court.

While the House action maintains the repeal of the 1926 statute and protects pending litigation in the U.S. district court, a new section 3 was added to the bill clarifying the applicability of certain statutes with respect to Pueblo tribal lands; one of these statutes provide that Pueblo consent is required before rights-of-way may be granted across their lands. However, the House added a proviso to section 3 which has the effect of overriding the Pueblos' consent whenever an owner of an existing right-of-way seeks a renewal or widening of such right-of-way.

Mr. President, this proviso maintains the double standard with respect to Federal administration of Pueblo tribal lands; none of the other federally recognized tribes is required to adhere to such provisions whenever they are faced with the question of renewal or widening a right-of-way across their lands. In order to place the Pueblos' lands under the same policies which govern the administration of other tribal lands, this proviso must be removed.

Following my remarks, I ask unanimous consent to have printed in the Record a copy of a Department of the Interior communication to Gov. Joe Garcia, Nambe Pueblo, in which the administration expresses its opposition to the House amendment.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Bureau of Indian Affairs,
Washington, D.C., March 18, 1976.

Gov. Joe Garcia,
Nambe Pueblo,
Santa Fe, N. Mex.

Dear Governor Garcia: Thank you for your letter transmitting copies of letters you have sent to members of Congress and a copy of the February 19, 1976 Resolution of the All Indian Pueblo Council clearly setting out your opposition and the opposition of the All Indian Pueblo Council to section 3 of S. 217 as amended and passed by the House of Representatives.

As you are aware, in both the Senate and in the House of Representatives, we reported and testified in favor of complete repeal of the Act of May 10, 1926. We very strongly believe that there is no basis for continuation of the 1926 statutory authority which discriminates against the Pueblos by subjecting their tribal lands, or rights-of-way across them, to acquisition by condemnation in Federal court under the terms of state law. No such condemnation of tribal lands is authorized with respect to any other Indian Tribes.

After reviewing the Senate and House hearing records on S. 217, we still find no basis for continued discrimination against the Pueblos, either under the 1926 Act or under the new provision in section 3 of S. 217 which was added by the House of Representatives. For that reason, we oppose S. 217 as passed by the House and continue to support S. 217 as passed by the Senate.

S. 217 as passed by the House would be acceptable to us only if the proviso in section 3 were deleted. That proviso is as follows:

"Provided, That, notwithstanding such provisions [including the one in 25 U.S.C. 324 quoted below], and in the event the owners of an existing right-of-way and the Pueblo officials involved cannot reach agreement within a sixty-day period after renewal or widening has been requested or have not entered into a binding submission to arbitration concerning the terms of a requested renewal or widening, then and in that event, consent of the Pueblo Indians to renewal or widening of existing rights-of-way shall not be required so long as the compensation paid to the Pueblo involved is determined in such manner as the Secretary may direct and shall be subject to his final approval."

As you know, repeal of the 1926 Act would place the Pueblos in the same position as other Federally recognized Indian tribes regarding the granting of rights-of-way over tribal lands. Under current statutory provisions, such tribal consent is only required for the granting of a right-of-way over tribal land of tribes organized under the Indian

Reorganization Act (such as the Isleta, Laguna, Santa Clara, and Zuni Pueblos) and similar related statutes applicable to the organization of tribes in Alaska and Oklahoma. The other Pueblos (except for Jemez which rejected application of the Indian Reorganization Act) could so organize if they choose to do so.

The statutory provision codified in 25 U.S.C. 323 (i.e., section 1 of the Act of Feb. 5, 1948; 62 Stat. 17) authorizes the Secretary of the Interior to "grant rights-of-way for all purposes * * * over and across any lands * * * held in trust by the United States for individual Indians or Indian tribles * * * or any lands * * * owned, subject to restrictions against alienation, by individual Indians or Indian tribes * * *, including the lands belonging to the Pueblo Indians in New Mexico, and any other lands * * * acquired or set aside for the use and benefit of the Indians." However, this authority is restricted by the next section (i.e., 25 U.S.C. 324; sec. 2 of the 1948 Act) which provides, among other things, that—

"No grant of a right-of-way over and across any lands belonging to a tribe organized under [the Indian Reorganization Act and certain other Acts applying to Oklahoma and Alaska] shall be made without the consent of the proper tribal officials."

The proviso in section 3 of S. 217 would provide an exception to the statutory consent requirement in the case of the Pueblos organized under the Indian Reorganization Act. As to the other Pueblos, the proviso appears to be of little effect in that it authorizes (as does current statutory authority in 25 U.S.C. 323 and 324 as described above) the renewal or widening of existing rights-of-way but does not require such action by the Secretary.

The 1948 Act's tribal consent requirement is consistent with the provision in section 16 of the Indian Reorganization Act of 1934 (25 U.S.C. 476) which authorized tribes to adopt constitutions empowering the tribe "to prevent the sale, disposition, lease, or encumbrance of tribal lands, interests in lands, or other tribal assets without the consent of the tribe".

Although, the 1948 statute does not require tribal consent to the granting of rights-of-way over tribal lands in the case of all tribes, the Interior Department regulations governing the granting of such rights-of-way have extended the tribal consent requirement to the granting of rights-of-way over the tribal lands of all Federally recognized tribes. The unqualified requirement is set out in 25 CFR 161.3(a) as follows:

"No right-of-way shall be granted over and across any tribal land, nor shall any permission to survey be issued with respect to any such lands, without the prior written consent of the tribe."

If the 1926 Act were to be repealed as proposed in S. 217 as passed by the Senate, the above regulation would be applicable to tribal lands of all the Pueblos on the same basis as it is now applicable to all other tribal lands of Federally recognized tribes throughout the United States. As indicated earlier, we believe that this otherwise uniform application of the tribal consent requirement should be extended to Pueblo lands.

Of course, in the case of all tribal lands, the Congress has the power to enact legislation granting rights-of-way over tribal lands without regard to tribal consent. We believe that such authority is an adequate safeguard for any exceptional (and highly unlikely) cases where such a right-of-way is essential and the tribe involved would not give its consent. On this point the House Report (No. 94-800) on S. 217 states:

"The lands of Indian tribes are held in trust by the United States for the express purpose of protecting the tribes and their lands from unwarranted impairment or intrusion by local interests. It was for this reason that the 1948 Act and the administrative regulations conferred the power of consent upon the tribes with respect to the issuance of rights-of-way across their lands. While there may be unique factors relative to the lands of the Pueblos, they do not appear to be such as to warrant the discriminatory condemnnation features of the 1926 Act. Should public necessity require rights-of-way across the lands of the Pueblo [sic] notwithstanding the lack of consent of the Pueblos, the Congress retains its authority to grant such rights-of-way." (pp. 3–4)

However, the House Report continues under the heading "Committee Amendment" with this statement:

"Some of the existing rights-of-way across Pubelo lands, whether secured through neogtiations or through condemnation under the 1926 Act, were granted for a term of years. It is the belief of the Committee that it would be inequitable to the grantees of such rights-of-way to apply the consent provisions to renewals." (p. 4)

The House Report does not explain why it would be "inequitable" to extend the consent requirement to renewals of existing rights-of-way across Pueblo lands. In addition, no mention is made of the reason for the amendment to authorize widening (as well as renewal) of existing rights-of-way without Pueblo consent.

We find no basis for the proviso in section 3 of S. 217 as passed by the House and we strongly oppose its enactment. Authorizing renewals or widenings of rights-of-way across Pueblo lands without Pueblo consent is not consistent with the treatment accorded other Indian tribes. Indeed, to paraphrase an above quoted sentence from pages 3 and 4 of the House Report—

"Should public necessity require [the granting of new, renewed or widened] rights-of-way across the lands of the Pueblos notwithstanding the lack of consent of the Pueblos, the Congress retains its authority to grant such rights-of-way."

In addition to our basic opposition to the proviso in section 3 or S. 217, we note that the authority to widen existing rights-of-way is not qualified as to types of rights-of-way. However, the "Section-by-Section Analysis" in the House Report states—

"The Committee intends that the provision relating to widening of existing rights-of-way apply only to road or highway rights-of-ways." (p. 4)

However, since the language of the proviso in section 3 of S. 217 is not ambiguous as to widening of rights-of-way, there is no assurance that the Committee's statement would be binding at some time in the future should the widening of a utility right-of-way be requested.

It should also be noted that the language of the section 3 proviso requires neither any showing of any essential public interest or necessity, nor any consideration of alternatives to a renewal or widening without Pueblo consent. Further, the proviso does not limit the renewal and widening without Pueblo consent provision to preclude its being utilized at some time in the future to grant what should be considered as new rights-of-way. For example, could an existing right-of-way for a single power line be renewed or widened without Pueblo consent for use by a number of such lines, high voltage lines, and telephone lines? Could an existing power line right-of-way be widened for power lines and a new highway? Could an existing right-of-way be widened without Pueblo consent so as to eliminate the homes of most of the Pueblo people, or, indeed, to completely cover all the lands of the Pueblo involved?

We believe that such questions and concerns are at least as serious as those raised by the New Mexico utility industry representatives as a basis for not requiring Pueblo consent for renewal or widening of existing rights-of-way across Pueblo lands.

In 1969, the House Government Operations Committee approved and adopted a 50-page report (H. Rpt. 91-78) entitled "Disposal of Rights in Indian Tribal Lands Without Tribal Consent." The report was based on a study during the 90th Congress by the Committee's Natural Resources and Power Subcommittee which was reviewed and approved by that Subcommittee's successor in the 91st Congress, the Conservation and Natural Resources Subcommittee. The study and report was prompted by an Interior Department proposed rule making in 1967 to revise the regulations governing "Rights-of-Way Over Indian Land" in 25 CFR part 161 which had been in effect since 1951.

The 1967 proposed revision of the regulation were described in the 1969 House Report as declaring that the Secretary of the Interior "may without prior consent of the tribe issue permission to survey and grant rights-of-way over and across tribal lands of tribes that are not organized under" the Indian Reorganiaztion Act and the Acts referred to above relating to Oklahoma and Alaska. The 1969 House Report included the following "conclusion" which we believe is relevant to the current issue:

"6. The committee believes that the Secretary's proposal for granting rights-of-way over tribal land without the consent of the tribe which owns it violates property rights, democratic principles, and the pattern of modern Indian legislation." (p. 3)

In this 1969 Report, the House Government Operations Committee made the following recommendations:

"1. The section of the present Indian right-of-way regulations (25 CFR 161.3) which requires consent of all tribes to right-of-way grants of their lands, regardless of how or whether they are organized, should be retained without modification. The committee commends the Interior Department for having done so in the revised Indian rights-of-way regulations published in the Federal Register of December 27, 1968 (33 F.R. 18903).

"2. The Secretary of the Interior should obey 25 CFR 161.3 and not grant rights-of-way in disregard of it on any pretext, even when he feels the Indians are withholding consent contrary to their own best interest.

"3. Consideration should be given to amending the Indian Right-of-Way Act to require tribal consent to all right-of-way grants of tribal land, so as to afford the Indians adequate protection from possible spoilation of their property by Federal officers." (pp. 3–4)

The 1969 House Report also quoted the following statement from a Subcommittee staff memorandum:

"From the standpoint of Indian rights the most radical change proposed by the new regulations is abolition of the power of so-called unorganized Indian tribes to veto the granting of rights-of-way over their lands. This veto power is provided by section 161.3 of the present regulations, which requires prior written consent from the tribal council of any Indian tribe, organized or unorganized, before the Secretary of the Interior may grant a right-of-way, or even permission to survey or commence construction on a proposed right-of-way, over its lands. Such a requirement has been in force for 16 years. It has greatly enhanced the ability of unorganized tribes to manage their own property and has strengthened their bargaining position with oil and gas pipeline companies, electric power companies, and other applicants for rights-of-way on their reservations.

* * * * *

"There may be cases where overwhelming public necessity will justify the condemnation of rights-of-way over tribal Indian land despite the opposition of the Indian landowners. These cases are as apt to involve 'organized' as 'unorganized' tribes. In either case, we believe that involuntary disposal of the Indians property rights ought not to be done by administrative action of the Interior Department, because the trust and guardianship responsibilities which the Secretary of the Interior has toward Indians ought to disqualify him from acting as referee between them and others seeking interests in their lands.

"Present law generally requires a special act of Congress to condemn tribal Indian land. If there are frequent instances of Indian tribes' unreasonably refusing to consent to the Secretary's granting rights-of-way over their land which are essential to the fulfillment of public purposes and the public welfare, then Congress might consider enacting legislation authorizing the person or agency seeking the right-of-way to institute a suit for condemnation thereof in a Federal court. Such suit would be, of course, subject to the regular safeguards of the judicial process. In such legislation, Congress might, in view of the special status of Indian reservations, require that the condemning agency establish the necessity for the taking by clear and convincing evidence." (pp. 8–10)

There have been no such "frequent instances of Indian tribes' unreasonably refusing to consent" to such rights-of-way in the case of the Pueblos or any other Indian tribes and there is no reason to expect such refusals in the future. Moreover, even if there had been such frequent refusals, neither the proviso in section 3 of S. 217 nor the 1926 Act provides for safeguards such as requiring "clear and convincing evidence" that there is no other reasonable alternative and that there is a compelling public need for the granting, renewal, or widening of a requested right-of-way across Pueblo lands without Pueblo consent. Without such requirements, rights-of-way may be requested primarily for the convenience of the requestor or to enable them to serve a customer which could be served by another utility firm without the need for the requested right-of-way.

We are hopeful that the Senate will not agree to the House amendment to S. 217 and that the House will agree to deletion of the proviso in section 3 of S. 217.

Sincerely yours,

MORRIS THOMPSON,
Commissioner of Indian Affairs.

Mr. METCALF. Mr. President, I move that the Senate disagree to the amendment of the House to S. 217 and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. HANSEN) appointed Mr. JACKSON, Mr. METCALF, Mr. ABOUREZK, Mr. MCCLURE, and Mr. BARTLETT conferees on the part of the Senate.

(This concludes the printing at this point in the RECORD of proceedings that occurred earlier today.)

PROVIDING FOR DELEGATION OF MEMBERS OF CONGRESS TO GO TO THE UNITED KINGDOM TO ACCEPT LOAN OF AN ORIGINAL COPY OF THE MAGNA CARTA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Senate Concurrent Resolution 98, the so-called Magna Carta resolution, and I ask unanimous consent that there be a time limitation of not to exceed 30 minutes thereon, to be equally divided between the distinguished Senator from Oklahoma (Mr. BARTLETT) and me.

Mr. ALLEN. What about amendments?

Mr. MANSFIELD. How much time does the Senator want?

Mr. ALLEN. Fifteen minutes.

Mr. MANSFIELD. Fifteen minutes on amendments, to be equally divided, and that limitation to include motions and appeals, under the regular rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 98) to provide for a delegation of Members of Congress to go to the United Kingdom for purposes of accepting a loan of an original copy of the Magna Carta, and for other purposes.

(The amendment of the House is printed in the RECORD of March 17, 1976, beginning at page 6793.)

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House of Representatives, and I yield 1 minute to the Senator from Virginia (Mr. HARRY F. BYRD, JR.).

Mr. BARTLETT. Mr. President, I move that the Senate concur in the amendment of the House, with an amendment which I have at the desk on behalf of myself and the Senator from North Carolina (Mr. HELMS).

This is an amendment to the House amendment in the nature of a susbtitute to Senate Concurrent Resolution 98.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> The Senator from Oklahoma (Mr. BARTLETT) for himself and Mr. HELMS proposes an amendment on page 1, line 10.
>
> On page 1, line 10, strike "twenty-four" and insert in lieu thereof "eight".
>
> On page 1, line 12, strike "twelve" and insert in lieu thereof "four".
>
> On page 2, line 1, strike "twelve" and insert in lieu thereof "four".

Mr. BARTLETT. Mr. President, I shall read how this language would read with the amendment.

It would read as follows:

> The delegation shall consist of the Speaker of the House of Representatives and not to exceed eight additional members appointed as follows: four appointed by the Speaker of the House of Representatives, four appointed by the President of the Senate on the recommendation of the majority and minority leaders, the Speaker shall be the chairman of the delegation and majority leader of the Senate shall be the vice chairman.

Mr. President, it is my preference and my suggestion that the leadership appoint the Members of the Senate and the House of Representatives who are the American Revolutionary Bicentennial Commission representatives.

Mr. President, as I have been going around the State of Oklahoma, I have found our citizens to be quite frustrated, irritated, and concerned that Congress has not been responsive, particularly in the area of spending. They would like to see our deficits much smaller than they have been, rather than to see them as large as they have been.

They have questioned the very basic question about Congress as to whether it is truly representing their desires.

I think, particularly with the Bicentennial period, in which we are now and each of us has been boasting and bragging about the basic values accruing to the people of this Nation because of our representative government, that we should be aware that in many instances the people are grousing instead of celebrating because they feel that we are not truly representative of their desires.

Of course, I have seen no poll and I do not believe that is important in this particular instance, but I do believe that it would show that a desire of the people of this Nation would be fulfilled if this body did agree to a reduced number of representatives to be in attendance when the original copy or one of the original copies of the Magna Carta is handed over to the Representatives of Congress.

The Magna Carta, of course, was a blueprint for constitutional government and it mapped a great course for this Nation, a course toward free election, government by the consent of the governed, and representative government. I believe at a time when we are celebrating representative government, it is a time for this body to be representative of the wishes of the people. By sending such an unnecessarily large——

The PRESIDING OFFICER. The Senator will suspend while the Senate is not in order.

The Senator from Oklahoma may proceed.

Mr. BARTLETT. I thank the Presiding Officer.

Having an original copy of the Magna Carta is significant to the U.S. celebration of its Bicentennial. But by sending such an unnecessarily large delegation on this trip, there are some people in this country who believe that we would be turning a magnificent Magna Carta ceremony into a "Magna junket." A smaller delegation can represent the American public in this important ceremony. I am concerned that the public will believe that a delegation of 24 or more will represent just the frivolous interests of Congress rather than show respect for a document valued by most American leaders.

A smaller delegation, in my opinion, will not be an affront to the British. I believe a larger delegation will be an affront to the American taxpayer.

I certainly am not opposing at all a delegation to receive the Magna Carta. I think it is in order and that we should send our leadership to England for this great occasion.

But I do not believe that we need to send a total of 25 people from Congress. I do believe that the representation that is provided by this amendment which would provide that the Speaker plus two leaders from the House of Representatives and two leaders from the Senate, plus the two representatives in each body of the American Revolutionary Bicentennial Commission, would be adequate.

Mr. DURKIN. Mr. President, will the Senator yield for a question?

Mr. BARTLETT. Yes.

Mr. DURKIN. Will he be open to a suggested further amendment, that we send no one overseas but arrange to have it brought over on the first trip of the Concorde so that trip will not be totally without merit and totally an expense to the environmental taxpayers? Maybe we could have eight Members meet the plane at Dulles. Would the Senator be willing to accept an amendment along those lines?

Mr. BARTLETT. If the Senator will offer that amendment, I will certainly consider it except that I do believe that it is important that we do have representation there. I think it is an important document to the history of this Nation, and I believe that it would be frivolous to have such an amendment as the Senator proposes.

Mr. DURKIN. I thank the Senator.

Mr. MANSFIELD. Mr. President, the issue is pretty clear. There is not much to say, and I will not take up the time of the Senate.

The Senate is aware of the fact that early in the 13th century the lords met with King John at Runnymede and on this occasion wrung from him the Magna Carta which for the first time gave the English lords the right to certain privileges and certain exemptions as far as their relationship and their obeisance to the Crown were concerned.

What the British are doing now is extending to us an invitation to join them—and remember it was from the British that we achieved our independence—in a ceremony by means of which 25 Members of Congress—and this was the number named by them—would go to London, receive the Magna Carta, and then in turn it would be brought back by a British delegation.

This was something which was not initiated by Congress or the U.S. Government. But I think it speaks highly for our cousins that they thought so much of the 200th year of our independence from them that they would make a gesture of this sort.

Letters have been received from the Lord Chancellor and the Speaker. Letters have been sent to the Lord Chancellor and the Speaker by the leadership of both Houses, accepting the offer of our cousins.

This Senate, when the matter was brought before it earlier this year, agreed to the proposal unanimously. The House of Representatives encountered some difficulties. If we change it now, I am afraid that the House may encounter further difficulties.

But, be that as it may, I ask for the yeas and nays on the amendment of the distinguished Senator from Oklahoma and yield back the remainder of my time.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, will the Senator from Oklahoma yield?

Mr. BARTLETT. I yield.

Mr. HELMS. Mr. President, I shall take only a minute. I doubt that anyone who gathered at Runnymede went there at government expense. This Senator would be very pleased to see whatever size delegation go to London provided that the Members went at their own expense.

I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, if I may have a half minute, King John came at the expense of the government. The barons could not afford it at that time. [Laughter.]

Mr. HELMS. All right, Mr. President. Let us send just one, then.

Mr. MANSFIELD. There are no kings here. [Laughter.]

Mr. CURTIS. Oh, yes.

Mr. MANSFIELD. Oh, no, there are not.

Mr. BARTLETT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Sentor from Illinois (Mr. STEVENSON) and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent attending a funeral.

I further announce that the Senator from Iowa (Mr. CLARK) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from Iowa (Mr. CLARK) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 45, nays 29, as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—45

Abourezk
Allen
Bartlett
Bayh
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Curtis
Domenici
Durkin
Eagleton
Fong
Ford
Goldwater
Hart, Gary
Hathaway
Helms
Hruska
Humphrey
Johnston
Magnuson
McGee
McIntyre
Montoya
Moss
Muskie
Nunn
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
  William L.
Stafford
Stone
Symington
Taft
Talmadge
Thurmond

NAYS—29

Biden
Brock
Buckley
Fannin
Glenn
Griffin
Hansen
Hart, Philip A.
Haskell
Huddleston
Inouye
Javits
Kennedy
Leahy
Mansfield
McClure
Metcalf
Mondale
Morgan
Nelson
Packwood
Pastore
Percy
Scott, Hugh
Stennis
Stevens
Tower
Williams
Young

NOT VOTING—26

Baker
Beall
Bellmon
Bentsen
Church
Clark
Culver
Dole
Eastland
Garn
Gravel
Hartke
Hatfield
Hollings
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Sparkman
Stevenson
Tunney
Weicker

So Mr. BARTLETT'S amendment was agreed to.

Mr. ALLEN. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment: On page 1, line 3, after the word "proceed," insert the following: "at their own expense".

On page 2, line 7, strike all through line 4 on page 3.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself such time as I may require.

Mr. President, I believe if we can get this amendment adopted, we would institute a new day on junkets by Members of the House and the Senate. I feel that there is sufficient reward to a person participating in this trip, going over to pick up the Magna Carta, to reward any member of the delegation that goes sufficiently. I do not believe that he needs his expenses paid. I think we would have a whole lot fewer junkets if this rule should be adopted as to all overseas visits by Members of Congress. I should think that any Member of the Senate or any Member of the House would be delighted to make this trip, possibly on an excusion basis, and go over and pick up the Magna Carta.

I do not suppose it really takes all of this number—12, I believe, under the amendment though there is ample provision for staff members also to go, and I do not know how many there would actually be in the delegation. But if we can start requiring junkets to be paid for by Members participating in junkets, I think we would have a whole lot fewer junkets. So this amendment that I have offered would not do violence to the concept of a delegation from the Congress going to pick up the Magna Carta. I do not suppose anybody knows the size of the Magna Carta. It must be a very voluminous document to require 12 Members of Congress to lift it up and bring it over to these shores.

By the way, Mr. President, I ask unanimous consent that the distinguished Senator from North Carolina (Mr. HELMS) be added as a cosponsor to the amendment.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. ALLEN. The amendment does no violence to the concept of sending a delegation to pick up the Magna Carta and bring it back to these shores. But it does, possibly, put some little damper on the expenses that might be incurred on this junket.

Whatever expenses the Members want to go to, obviously, they would be allowed to do that. But if we can establish a trend of this sort, we are going to eliminate many junkets that Members of the House and Senate do go on.

Mr. President, I ask for the yeas and nays.

Mr. GARY HART. Will the Senator yield for a question?

Mr. ALLEN. Let me get the yeas and nays first.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GARY HART. The Senator from Alabama suggested this policy apply to all travel by Members of the Senate. Does the Senator from Alabama believe there are occasions where Members of this body have a responsibility to look after the kinds of investments we are called upon to make on behalf of the people of this country in various parts of the world?

Mr. ALLEN. What I am talking about is this particular one.

Mr. GARY HART. The Senator from Alabama suggested this policy should apply to all foreign travel.

Mr. ALLEN. I said I thought it would reduce a large number of the junkets, and I believe it would. I think the Senator will agree to that.

Mr. GARY HART. So that the Senator would think all Members of the Armed Services Committee looking at the military installations around the world should pay their own travel?

Mr. ALLEN. I think if they are required to, they would find some of these trips were not necessary. I will say that.

Mr. GARY HART. Does the Senator think all trips by members of the Armed Services Committee to look at our military installations around the world ought to be paid out of their own pockets?

Mr. ALLEN. No; I do not say that they would.

I am talking about the foreign trips, such as this, that would actually be classified as junkets.

Mr. GARY HART. Will the Senator——

Mr. ALLEN. That is on the record.

If the Senator will allow me to answer, he asked me a question, I referred to junkets.

Mr. GARY HART. The Senator——

Mr. ALLEN. Will the Senator please allow me to finish answering the question?

The Senator asked, and what the Senator from Alabama is talking about is junkets. He had no reference to legitimate trips.

As the Senator will recall, the remarks of the Senator from Alabama were limited to junkets.

If the Senator from Colorado thinks these trips by the Armed Services are junkets, then let him apply that rule to those trips. If they are not junkets, the Senator from Alabama has said nothing about it.

Mr. GARY HART. I think the record will show the Senator from Alabama said all trips should, this rule should apply to all trips.

Mr. ALLEN. No, the Senator from Alabama referred to junkets, the record will show that.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Who has the other half?

Mr. MANSFIELD. I do.

I yield to the Senator.

Mr. PASTORE. Mr. President, this may be funny.

Mr. MANSFIELD. It is not.

Mr. PASTORE. I never thought it started out to be funny.

I read of the Magna Carta the first day I went to school. I always thought it was the fundamental law that led to the dignity of man.

I do not know who invited whom and I hope somebody will explain it to me here tonight. But, to me, this is a comedy. It is a comedy of errors.

If you want to go and get the Magna Carta, go over and get it.

I am not a candidate for the trip. I do not have the time. I really do not care for the air flight.

But all of this comedy, all of this nonsense, I think is a disgrace. It is a disgrace.

Do you want the Magna Carta? Then do it the way the people over there asked you to do it, and if you do not want to do it, just tell them that you refuse the invitation. That is what you ought to do in a manly, courageous fashion.

But all these gobbledygooks about junkets, and this and that, you ought to be ashamed of yourself.

Mr. MANSFIELD. Mr. President, I agree completely with the distinguished Senator from Rhode Island.

I do not know whether we are acting like barons, or not. But I do know that we are making a ridiculous spectacle of ourselves.

This invitation was extended by the British Government, the House of Commons and the House of Lords. As I indicated, it was the lords, the barons in reality, who wrenched this document from the hands of King John.

Is it not odd that when a comparison is made between the two Houses in England, this body is usually considered the House of Lords and the other body, where the power really lies, is comparable to the House of Commons.

This is the 200th year of our independence and here we are making fools of ourselves.

Do we have no appreciation of an offer extended in good faith by those of us whom we defeated to acquire our independence?

Do we not have any sense of decency and dignity and decorum?

Talk about junkets. I have never made a trip overseas that I did not, on my return, file a report.

Junkets. Almost every trip I have had has cost me money, not the Government.

Here we have 1 plane going over, supposedly to take 25 Members of the Congress of the United States. It costs just as much for 12 as it does for 25.

I hope we will get away from this immaturity. This body of mature people are supposedly capable of acting. I hope we will get down to the realities of the situation.

Two hundred years of independence is nothing to sneeze at. An invitation from the United Kingdom to look at the document which, along with the Bible, was the forerunner of the Constitution of the United States is nothing to sneeze at.

Have your fun. Cut down the funds. Make a mockery of these trips that we make overseas. Call us junketeers, if you will. But you are only making fools of yourselves, and, in doing that, you are making a fool out of this institution.

I hope that the Senate, now that it has had its moment of economy and jollity, will return to the business which it is supposed to do for the people of the United States who sent us here.

I yield back the remainder of my time.

Mr. ALLEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Alabama. The yeas and nays have been ordered and the clerk will call the roll.

Mr. PASTORE. Mr. President, I move to lay that amendment on the table.

Mr. MANSFIELD. Will the Senator withhold that? I think we ought to have an up-and-down vote on this.

Mr. PASTORE. I think it is ridiculous and I move to lay it on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further amendment?

Mr. FORD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. FORD. Is there a motion available that we can get back to where we could accept the request of the British Government?

The PRESIDING OFFICER. The amendment could be reconsidered.

The PRESIDING OFFICER. The Senator from Utah.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the previous amendment of the Senator from Oklahoma (Mr. BARTLETT) was agreed to.

Mr. MANSFIELD. I ask for the yeas and nays.

Mr. BARTLETT. I move to lay that motion on the table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Senator from North Carolina.

Mr. HELMS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is this to be a 10-minute vote?

The PRESIDING OFFICER. There is no order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be a 10-minute vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which Mr. BARTLETT's amendment was agreed to. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent attending a funeral.

I further announce that the Senator from Iowa (Mr. CLARK) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Washington (Mr. JACKSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 31, nays 42, as follows:

[Rollcall Vote No. 118 Leg.]

YEAS—31

Abourezk
Allen
Bartlett
Brooke
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Domenici
Fannin
Fong
Goldwater
Hansen
Helms
Hruska
Johnston
McClure
Nunn
Proxmire
Randolph
Roth
Schweiker
Scott, William L.
Stafford
Stone
Taft
Talmadge
Thurmond

NAYS—42

Bayh
Biden
Brock
Burdick
Cranston
Durkin
Eagleton
Ford
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hathaway
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pastore
Percy
Ribicoff
Scott, Hugh
Stevens
Symington
Tower
Williams
Young

NOT VOTING—27

Baker
Beall
Bellmon
Bentsen
Church
Clark
Culver
Curtis
Dole
Eastland
Garn
Gravel
Hatfield
Hollings
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Sparkman
Stennis
Stevenson
Tunney
Weicker

So the motion to lay on the table the motion to reconsider the vote by which Mr. BARTLETT's amendment was agreed to was rejected.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3065.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate the amendments of the House of Representatives to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes.

(The amendment of the House is printed in the RECORD of April 1, 1976, beginning at page H2689.)

Mr. CANNON. Mr. President, I move that the Senate disagree to the House amendments, and request a conference with the House of Representatives on the disagreeing votes of the two houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. STONE) appointed Mr. CANNON, Mr. PELL, Mr. ROBERT C. BYRD, Mr. HATFIELD, and Mr. HUGH SCOTT as conferees on the part of the Senate.

PROVIDING FOR DELEGATION OF MEMBERS OF CONGRESS TO GO TO THE UNITED KINGDOM TO ACCEPT LOAN OF AN ORIGINAL COPY OF THE MAGNA CARTA

The Senate continued with the consideration of the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 98) to provide for a delegation of Members of Congress to go to the United Kingdom for purposes of accepting the loan of an original copy of the Magna Carta, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the motion to reconsider.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. I understand it will be a 10-minute vote.

May I call to the attention of the Senate once again that this is a most serious matter. An invitation has been extended by the United Kingdom, and they are the ones who asked that a certain number be sent, and I am just wondering, if we extended an invitation to the United Kingdom, if they would treat an invitation from us the same way we are treating this.

Mr. HUGH SCOTT. Mr. President, I am bound to say I agree with the distinguished majority leader. I do feel that the action as it stands now is very likely to be assumed by the British public opinion and by the British hosts as being an unwarranted rejection, in part, of a very generous gesture on their part. I believe that we should stay with the original suggestion, which I understand came from the British Government. I do not know whether I am right on that or not, but that is what I understand.

Mr. MANSFIELD. That is correct.

Mr. HUGH SCOTT. In that case, we ought to stay with the number suggested. It is not material if some of us would have preferred a smaller number. What is material is that we owe some politeness, some hautesse, some recognition of the fact that a great nation which is celebrating its own defeat by us some 200 years ago ought to be met by us in equally generous spirit.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. MANSFIELD. May I say that in victory it is easy to be gracious, but in defeat it is more than appreciated. I think we ought to accord the same kind of recognition to our cousins that they accord to us.

The PRESIDING OFFICER (Mr. STONE). The question recurs on agreeing to the motion to reconsider the vote by which the Bartlett amendment was agreed to. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD of West Virginia. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STEN-

NIS), the Senator from Illinois (Mr. STEVENSON), the Senator from California (Mr. TUNNEY), and the Senator from Texas (Mr. BENTSEN) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent attending a funeral.

I further announce that the Senator from Iowa (Mr. CLARK) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 41, nays 31, as follows:

[Rollcall Vote No. 119 Leg.]

YEAS—41

Bayh
Brock
Buckley
Burdick
Cannon
Cranston
Eagleton
Ford
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hathaway
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
McGee
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pastore
Percy
Ribicoff
Scott, Hugh
Stevens
Symington
Tower
Williams
Young

NAYS—31

Abourezk
Allen
Bartlett
Brooke
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Domenici
Durkin
Fannin
Fong
Goldwater
Hansen
Helms
Hruska
Johnston
McClure
McIntyre
Nunn
Proxmire
Randolph
Roth
Schweiker
Scott, William L.
Stafford
Stone
Taft
Talmadge
Thurmond

NOT VOTING—28

Baker
Beall
Bellmon
Bentsen
Biden
Church
Clark
Culver
Curtis
Dole
Eastland
Garn
Gravel
Hatfield
Hollings
Jackson
Laxalt
Long
Mathias
McClellan
McGovern
Pearson
Pell
Sparkman
Stennis
Stevenson
Tunney
Weicker

So the motion to reconsider was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay on the table Mr. BARTLETT's amendment.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the amendment of the House.

The motion to concur was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the motion to concur was agreed to.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, is it appropriate at this time to ask the leadership what the program is for the remainder of the evening?

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes tonight.

THOMAS JEFFERSON DAY

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.J. Res. 670.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The second assistant legislative clerk read as follows:

> A resolution (H.J. Res. 670) to designate April 13, 1976, as "Thomas Jefferson Day."

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 670) was considered, ordered to a third reading, read the third time, and passed.

CONSIDERATION OF AMENDMENTS SUBMITTED TO THE PRESIDING OFFICER PRIOR TO A CLOTURE VOTE.

Mr. ROBERT C. BYRD. Mr. President, I call up at this time and ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 268.

The PRESIDING OFFICER. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

> A resolution (S. Res. 268) to amend rule XXII of Standing Rules of the U.S. Senate to provide for the consideration of amendments submitted to the Presiding Officer prior to a cloture vote.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 268) which had been reported from the Committee on Rules and Administration with an amendment in line 3, strike out:

> "Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been submitted to the Presiding Officer prior to that time."

And insert in lieu thereof:

> "Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time or submitted in triplicate in printed or typed form to the Presiding Officer thirty minutes prior to the beginning of the vote."

So as to make the resolution read:

> *Resolved*, That the second sentence of the final paragraph of section 2 of rule XXII of the Standing Rules of the Senate is amended to read as follows: "Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time or submitted in triplicate in printed or typed form to the Presiding Officer thirty minutes prior to the beginning of the vote.".

The PRESDING OFFICER. Debate on this resolution is limited to 30 minutes. Who yields time?

Mr. KENNEDY. Mr. President, this resolution, which we are considering at the present time, is an attempt to deal more effectively and realistically with one portion of rule XXII of the U.S. Senate, in order to try to establish a more reasonable and rational rule for submitting amendments prior to a cloture vote.

I introduced Senate Resolution 268 last September, to modify the procedures under the cloture rule for the consideration by the Senate of amendments after a successful cloture vote.

The resolution was intended to prevent a repetition of the unfortunate situation that developed in connection with the cloture vote on the Labor-HEW Appropriations bill last fall, in which an amendment submitted in good faith to the presiding officer prior to the cloture vote was ruled out of order under Rule XXII after cloture, because the amendment had not been "read" within the meaning of the rule.

On many occasions in the past, the "reading" requirement has been waived by unanimous consent to allow consideration of all amendments at the desk before cloture was invoked.

As originally introduced, the resolution would have modified this practice, by specifying that all amendments submitted before the end of the cloture vote would be eligible for consideration after cloture.

The resolution proposed no other change in rule XXII. In particular, it would not affect the key requirement that amendments considered after cloture must be germane.

As reported by the Rules Committee, however, the resolution has been weakened in three respects that I believe should be corrected:

First. The requirement that the amendment must be submitted in printed or typed form should be changed to a simple requirement that the amendment must be submitted in writing. Under current practice, amendments handed in the day before a cloture vote or earlier would meet a "printing" requirement, since such amendments are routinely printed overnight by the Government Printing Office.

But on the day of the cloture vote, Senators often submit handwritten amendments. There is no compelling reason to alter this acceptable practice by requiring such amendments to be printed or typed. For example, Senators now able to submit handwritten amendments modifying amendments handed in by other Senators. A "typing" requirement would inhibit this practice and might well prevent worthwhile last minute amendments from being considered.

Second. The requirement that amendments must be submitted in triplicate should be dropped. Duplicating machines adjacent to the Senate floor are readily available to make whatever number of copies of amendments is needed, without requiring last minute amendments to be duplicated in advance.

Third. The requirement that amendments must be submitted 30 minutes before the beginning of a cloture vote should be changed to allow amendments to be submitted up to the sounding of the warning bell during the vote—usually 7½ minutes before the end of the vote.

The current time requirement under rule XXII is ambiguous. The present language of the rule is most easily read as allowing amendments to be submitted before the end of the cloture vote, since the text uses the phrase "after the vote" in referring to the time by which amendments must be submitted.

In practice, however, I understand that the Parliamentarian reads the rule as requiring submission of amendments before the beginning of the cloture vote. The informal practice has been flexible enough in the past to allow amendments to be submitted during the vote, although I gather that the practice could be challenged by any Senator who wishes to raise a point of order against an amendment handed in during a cloture vote.

The requirement that amendments must be handed in before the beginning of the cloture vote is an inconvenience to the Senate. Since most Senators do not come to the floor until a cloture vote actually begins, it would be a significant improvement in convenience for them to be able to submit amendments during the vote.

Under the committee bill, however, Senators would be required to make a special trip to the Senate floor at least 30 minutes before the vote, if they wished to submit amendments for consideration after cloture.

In addition, the 30-minute requirement will be awkward to apply in practice. The quorum call required under rule XXII before the cloture vote begins is of certain length. Thus, it will be impossible to know in advance the precise time when the 30-minute period begins to run.

As a result, the clerks at the Presiding Officer's desk will be required to log amendments according to the time they are handed in, wait until the quorum call ends and the cloture vote begins, subtract 30 minutes, and then inform Senators whether their amendments were handed in on time.

By allowing amendments to be submitted until the warning bell rings, the problems would be avoided. Senators could bring amendments to the floor when they come to vote, and other Senators would have an opportunity to inspect them, if they wish to do so, before voting on cloture.

The substitute I have offered would make the three changes I have discussed in the committee resolution—handwritten amendments could be submitted; only the original of the amendments would have to be submitted; and amendments could be submitted at any time until the warning bill rings before the end of the cloture vote.

Mr. President, if I may, I would like to elaborate in more detail on the proposal.

The provisions of section 2 of rule XXII specify the procedures and conditions under which cloture may be invoked on measured pending before the Senate. In 1975, the Senate approved a basic modification in the long standing provisions of rule XXII, so that cloture in most situations may now be invoked by the vote of 60 Senators.

Once cloture is invoked on a bill, section 2 of rule XXII provides that, except by unanimous consent, no amendment to the bill may be considered unless the amendment has been presented and read in the Senate before cloture is invoked.

The reading requirement has been part of rule XXII since the cloture rule was first adopted in 1917. The original purpose of the reading requirement was apparently to put Senators on notice as to the specific nature of amendments that might be called up for consideration by the Senate after cloture.

In the initial period following adoption of rule XXII, not all amendments submitted a day or more in advance of a cloture vote were printed overnight, as they are today. For this reason, also, the reading requirement was a useful precaution for informing Senators about amendments likely to be considered after cloture.

In addition, in the early years under rule XXII, it is likely that the reading requirement served to allay uncertainties and misgivings over the new cloture rule and its departure from the historical practice of unlimited debate in the Senate.

In fact, it appears that the early practice under the cloture rule was to use the "cloture" hour—the hour between the convening of the Senate on the second day after the cloture petition is filed and the quorum call before the actual cloture vote—as a time for Senators to submit amendments and to have them read, so that the amendments would be eligible for consideration after cloture was invoked.

I believe that a combination of several significant factors—the long experience under rule XXII, the current procedures available for easily informing Senators of amendments likely to be considered, and the existence of the germaneness requirement under the rule—obviate the need for continuation of the reading requirement in modern Senate practice.

On many cloture votes in recent years, the reading requirement has been waived by unanimous consent for some or all amendments. I am aware of no occasion on which the Senate has refused a unanimous-consent request to waive the reading requirement. Occasionally, however, the inadvertent failure to secure unanimous consent to waive the requirement has prevented an important amendment from being considered after cloture, even though the amendment was submitted to the Presiding Officer prior to the cloture vote. Adoption of Senate Resolution 268 would prevent such occurrences, without impairing the basic purpose of rule XXII.

At my request last fall, the Library of Congress conducted a search of recent cloture votes, in an attempt to define more precisely the past practice of the Senate under the reading requirement of rule XXII. Because of the extensive effort involved in a complete search, the study was limited to cloture votes from January 1, 1972, through September 23, 1975. The search was also limited to Senate debate on the day of the cloture vote and the preceding day.

The study found a varied practice. On 18 of the 58 cloture votes examined, unanimous consent was obtained to waive the reading requirement for all amendments at the desk prior to the vote. On 20 other occasions, an individual Senator obtained unanimous consent to waive the reading requirement for one or more specific amendments which he had submitted prior to the vote and which he intended to call up for consideration after the vote. On some occasions, separate unanimous-consent requests by individual Senators to waive the reading requirement for specific amendments were followed by a blanket unanimous consent request waiving the requirement for all amendments. The results of the study may be summarized as follows:

		No. of unanimous-consent requests	
Year	No. of cloture votes	Covering all amendments	Covering specific amendments
1972	10	3	2
1973	10	2	3
1974	21	6	8
1975	17	7	7
Total	58	18	20

On the basis of the Library of Congress study, it is clear that over the 4-year period studies, the reading requirement of rule XXII has been waived for one or more amendments by unanimous consent on the vast majority of occasions.

The retention of the germaneness requirement under rule XXII guarantees every Senator that "surprise" extraneous amendments will not be eligible for consideration after cloture is invoked.

The case is convincing that the reading requirement no longer serves a useful purpose in the modern Senate practice under rule XXII. Senate resolution 268 will expedite the Senate's business, and I urge the Senate to adopt the amendment I have proposed.

Mr. President, I ask unanimous consent that a corporation chart on this issue, and the Library of Congress study, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. RES. 268—SUBMISSION OF AMENDMENTS FOR CONSIDERATION AFTER CLOTURE—COMPARATIVE CHART

"Reading" Requirement under Current Rule XXII: To be eligible for consideration after cloture, amendments must be "presented and read" at the Presiding Officer's desk before the cloture vote. Current Practice: The reading requirement is waived by unanimous consent. On occasion, the inadvertent failure to obtain such consent has prevented germane amendments from being considered after cloture.

Issue	Present rule XXII	Committee version	Kennedy substitute	Comments
1. Form of amendment submitted at desk.	Printed, typed or handwritten	Printed or typed	Printed, typed or handwritten	"Printed" means that the amendment must be submitted the day before the vote. "Typed" means a Senator cannot write an amendment at the desk in response to an amendment handed in by another Senator before the vote.
2. Number of copies	Original only	Submitted in triplicate	Original only	Duplicating machines adjacent to the floor are available for any copies needed.
3. Deadline	Amendments must be submitted before beginning of cloture vote.	Amendments must be submitted thirty minutes before beginning of cloture vote.	Amendments must be submitted before "warning bell" rings (7½ minutes before end of cloture vote).	Senators should be able to come to the floor during the vote and submit amendments at the desk, while preserving the opportunity for other Senators to see the amendment before voting on cloture. The Committee version requires an extra trip to the floor 30 minutes before the vote; the start of the 30 minute period cannot be known in advance, since the quorum call before cloture is of uncertain length.
4. Germaneness	Amendments must be germane	Same	Same	No change in present rule. Amendments after cloture must be germane. The germaneness requirement prevents consideration of extraneous amendments after cloture.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
October 24, 1975.

To: Honorable EDWARD M. KENNEDY.
From: American Law Division.
Subject: Instances during the period 1972 to 1975 in which a unanimous-consent request was made in the Senate prior to a cloture vote to consider proposed amendments as having been read for purposes of compliance with Rule XXII.

This is in response to your request for information on the above subject.

As we discussed in our telephone conversation, we limited our search for instances in which a unanimous consent request was made in the Senate prior to a cloture vote to consider proposed amendments as having been read for purposes of compliance with Rule XXII to debate in the Senate on the day of the cloture vote and on the day before the cloture vote. Instances may exist in which such a unanimous consent request was made on a day that the measure which was the subject of the cloture vote was debated but that was not covered by our search. We have included both instances in which Senators have asked unanimous consent that an amendment or amendments offered by them be considered as read for purposes of compliance with Rule XXII and instances in which Senators have asked unanimous consent that all pending amendments be considered as read for purposes of Rule XXII. We have not included instances in which Senators asked to dispense with the reading, or with the further reading, of amendments when it was not clear that their purpose in doing so was to satisfy the requirements of Rule XXII. Our research covers all cloture votes taken during the period from January 1, 1972, to September 24, 1975.

The dates underlined below are dates on which cloture votes were taken. All unanimous consent requests listed after an underlined date were made on the day of the cloture vote, except in instances in which a date appears in parentheses after the citation to the Congressional Record. A date in parentheses shows that the unanimous consent request was not made on the day of the cloture vote, but rather was made on the parenthetically indicated date, which is the last day on which the Senate met before the day of the cloture vote.

1972

There were ten cloture votes in 1972.

September 14, 1972 (United States-Soviet Arms Pact)—118 Cong. Rec. 30423 (September 13, 1972) (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time of the vote be considered as having been read in order to meet the reading requirements under Rule XXII).

September 29, 1972 (consumer agency)—118 Cong. Rec. 32728 (September 28, 1972) (Senator Ervin asked unanimous consent that all amendments which are presented to the desk prior to the vote on cloture be considered as having been read for all purposes under Rule XXII).

October 10, 1972 (school busing)—118 Cong. Rec. 34489 (Senator Javits asked unanimous consent that a series of amendments that he offered be considered as read for purposes of Rule XXII); 118 Cong. Rec. 34499 (Senator Brooke asked unanimous consent that two amendments that he offered be considered as read for purposes of Rule XXII).

October 11, 1972 (school busing)—118 Cong. Rec. 34526 (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time of the cloture vote be considered as read for purposes of Rule XXII).

1973

There were ten cloture votes in 1973.

May 3, 1973 (voter registration)—119 Cong. Rec., p. 14090 (Senator Allen asked unanimous consent that four amendments that he sent to the desk be considered as having been read in compliance with Rule XXII); 119 Cong. Rec., p. 14094 (Senaor Taft asked unanimous consent that all amendments proposed by him and in his name at the desk at the time of the cloture vote be considered as read and presented for the purpose of Rule XXII).

May 9, 1973 (voter registration)—119 Cong. Rec., p. 14862 (Senator Taft asked unanimous consent that amendments under his name at the dask be considered as presented and read for the purposes of Rule XXII).

December 13, 1973 (Legal Services)—119 Cong. Rec., p. 41068 (December 12, 1973) (Senator Helms asked unanimous consent that all amendments which were then printed and submitted be considered as having been read in order to comply with the reading requirements of Rule XXII).

December 18, 1973 (Rhodesian chrome)—119 Cong. Rec. 42019 (December 17, 1973) (Senator Robert C. Byrd asked unanimous consent that any amendments at the desk at the time the vote begins on the motion to invoke cloture be considered as having been read).

1974

There were twenty-one cloture votes in 1974.

February 6, 1974 (Genocide Treaty)—120 Cong. Rec., p. 2126 (February 5, 1974) (Senator Ervin introduced seven amendments and understandings in regard to the treaty, and after each amendment or understanding asked unanimous consent that it be considered read for the purposes of Rule XXII).

July 30, 1974 (Consumer Protection Act)—120 Cong. Rec., p. 25831 (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time of the cloture vote qualify under the reading requirement of the rules).

August 1, 1974 (Consumer Protection Act)—120 Cong. Rec., p. 26322 (Senator Ervin asked unanimous consent that all amendments at the desk be considered as having been presented and read for the purposes of satisfying the requirements of Rule XXII).

September 19, 1974 (Consumer Protection Act)—120 Cong. Rec., p. 31890 (Senator Ervin asked unanimous consent that all amendments which had been introduced prior to the cloture vote be considered as read for the purposes of satisfying the requirement of Rule XXII).

December 13, 1974 (trade reform)—120 Cong. Rec., p. 39497 (December 12, 1974) (Senator Schweiker asked unanimous consent that three amendments that he offered be considered read for the purposes of rule XXII); 120 Cong. Rec., p. 39518 (December 12, 1974) (Senator Long asked unanimous consent that several amendments that he offered be considered read for the purposes of Rule XXII); 120 Cong. Rec., p. 39520 (December 12, 1974) (Senator Robert C. Byrd asked unanimous consent that two amendments that he offered be considered read for the purposes of Rule XXII); 120 Cong. Rec., p. 39525 (December 12, 1974) (Senator Mondale asked unanimous consent that Amendment #2052 be considered read for the purposes of Rule XXII); 120 Cong. Rec., p. 39755 (Senator Ribicoff asked unanimous consent that two amendments be treated as read for purposes of Rule XXII); 120 Cong. Rec., p. 39768 (Senator Robert C. Byrd asked unanimous consent that all germane amendments be considered read for the purposes of Rule XXII).

December 17, 1974 (social services)—120 Cong. Rec., p. 40299 (Senator Church asked unanimous consent that an amendment that he offered be considered read in the proper manner to qualify for consideration should cloture be invoked); 120 Cong. Rec., p. 40314 (Senator Buckley asked unanimous consent that amendment #2083 be considered as having been read once for the purposes of qualifying under Rule XXII); 120 Cong. Rec., p. 40315 (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time of the vote on the motion to invoke cloture be considered as having met the reading requirements under the rule).

December 17, 1974 (upholstery import regulations/taxes and tariff)—120 Cong. Rec., p. 40356 (Senator Long asked unanimous consent that germane amendments at the desk be considered as read, reserving the right of any Senator to challenge the germaneness of any measure); 120 Cong. Rec., p. 40356 (Senator Robert C. Byrd asked unanimous consent that any amendments then at the desk be considered as having met only the reading requirements under the rule).

1975

There were seventeen cloture votes from January 1, 1975, to September 24, 1975.

March 7, 1975 (amendment of Rule XXII)—121 Cong. Rec. p. 5518 (March 6, 1975) (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time the vote on cloture is taken be considered as having met the reading rekuirements under the rule).

March 20, 1975 (Tax Reduction Act of 1975)—121 Cong. Rec., p. 7499 (March 19, 1975) (Senator Allen asked unanimous consent that an amendment that he offered be treated as having complied with the requirements of Rule XXII in the event cloture is invoked); 121 Cong. Rec., p. 7504 (March 19, 1975) (Senator Percy asked unanimous consent that several amendments that he was introducing be considered as having been read for purposes of Rule XXII); 121 Cong. Rec., p. 7507 (March 19, 1975) (Senator Curtis asked unanimous consent that all amendments at the desk be considered as read); 121 Cong. Rec., p. 7745 (Senator Stafford asked that any amendments presented at the desk that morning be considered as read for the purposes of Rule XXII).

June 11, 1975 (additional Senate staff)—121 Cong. Rec., p. 18206 (June 10, 1975 (Senator Talmadge asked that an amendment that he sent to the desk be considered as having been read in accordance with Rule XXII); 121 Cong. Rec., p. 18213 (June 10, 1975) (Senator McClellan asked that two amendments that he sent to the desk be considered as having met the reading requirements of Rule XXII); 121 Cong. Rec., p. 18370 (Senators Cranston, Gravel, and Cannon asked that several amendments they were sending to the desk be considered as read under Rule XXII); 121 Cong. Rec., p. 18371 (Senator Robert C. Byrd asked unanimous consent that all amendments at the desk at the time of the vote on the motion to invoke cloture be considered as having met the reading requirements under Rule XXII).

June 24, 1975 (New Hampshire Senate seat)—121 Cong. Rec., p. 20529 (Senator Cannon asked unanimous consent that any amendments that are pending at the desk be considered as having been read for the purpose of Rule XXII).

June 25, 1975 (New Hampshire Senate seat)—121 Cong. Rec., p. 20719 (Senator Cannon asked unanimous consent that amendments that were introduced after the cloture vote on June 24 be considered as having been read for purposes of the cloture vote on June 25. The presiding officer said that a unanimous consent request did not again have to be made on June 25 so as to have amendments that had already been introduced at the time of the cloture vote on June 24 considered as read.)

July 21, 1975 (Voting Rights Act of 1965)—121 Cong. Rec., p. 23740 (Senator Allen asked unanimous consent that when H.R. 6219 became the business of the Senate, all amendments presented at the desk prior to the announcement of the cloture vote be considered as having been read in compliance with Rule XXII).

September 23, 1975 (Labor-HEW appropriations)—121 Cong. Rec., p. 29813 (September 22, 1975) (Senator Mansfield asked unanimous consent that all amendments at the desk at the time of the cloture vote be considered as having been read).

We are enclosing a committee print prepared by the Congressional Research Service and the Office of the Legislative Counsel of the Senate which gives background information on the Senate cloture rule and the legislative history of paragraphs 2 and 3 of the cloture rule. (Print not included in RECORD.)

Mr. KENNEDY. Mr. President, I would like to offer an amendment to the amendment which was reported by the Rules Committee and will do so at an appropriate time.

Mr. President, I hope that we will have the committee amendment before the Senate, and then I will make a modest adjustment to it, and hopefully the Senate will accept it.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

AMENDMENT No. 1561

Strike out all after the resolving clause and insert in lieu thereof the following:

That the second sentence of the final paragraph of section 2 of rule XII of the Standing Rules of the Senate is amended to read as follows: "Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time or submitted in writing to the Presiding Officer prior to the sounding of the warning bell during the vote.".

Mr. ROBERT C. BYRD. Mr. President, I have discussed the substitute amendment which the distinguished Senator from Massachusetts has proposed; and as a result of our discussions, I believe that he has agreed to modify his amendment to provide that no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time or submitted in writing. He has suggested that the amendment be submitted in writing. He is suggesting that it be submitted to the clerk rather than to the Presiding Officer and that it be prior to the beginning of the vote on cloture.

Those are the three alterations. One of the changes is included in the Senator's substitute. It is my understanding that the Senator from Massachusetts (Mr. KENNEDY) would agree to the modification that the clerk be substituted for the Presiding Officer. The Senator from Alabama has suggested that modification in conversations with me. I believe that the distinguished Senator from Massachusetts also is agreeable to making the critical point in time the beginning of the vote, rather than at the midway point of the vote, which would be at the sound of the warning bell.

If I am correct in that, I think the Senator is agreeable, and I would be willing to support his substitute.

Mr. KENNEDY. Mr. President, the Senator has stated correctly the modification that I intend to make as soon as it is permissible to offer such a modification. I understand that under the parliamentary situation, the committee amendment has to be agreed to, to get it before the Senate, and then it will be open for modification; and at that time I will make the modification which has been stated by the Senator from West Virginia.

The PRESIDING OFFICER. The committee amendment would have to be agreed to before a complete substitute would be in order. If the Senator has a series of perfecting amendments, he may offer them now.

Mr. KENNEDY. Mr. President, I offer a substitute amendment, as described by me and the assistant majority leader.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order for the Senator from Massachusetts to offer his substitute at this time.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I am inclined to go along with the Senator from Massachusetts except to the extent of throwing out the 30-minute requirement, which I think serves a purpose. If the Senator wants to agree to the other parts of the substitute on an individual basis, I certainly will go along with the clerk receiving it and that it be in writing rather than printed in triplicate. That is fine. But if it is a matter of just rushing up and handing an amendment to the clerk as the rollcall begins, when it has not been read, with no opportunity to see it in advance, it seems to me that works against the very argument that the Senator from Massachusetts was just making, that Senators should be aware of the amendments before they are required to vote on cloture, and this will not be the case, as I understand it.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. ALLEN. The same criticism, though, would be applicable to the third requirment, when they could file the amendments 30 minutes prior to the time, would it not?

Mr. GRIFFIN. At least Senators would know the amendments were there, and they would be able to take into account the fact that a particular amendment is there and will be considered in determining how to vote on cloture.

Mr. ALLEN. If it is there prior to the beginning of the vote, a Senator would have 15 minutes in which to analyze the amendment, I assume.

Mr. GRIFFIN. I suppose so. It seems to me that Senators should have a little more time than that.

Mr. ROBERT C. BYRD. Mr. President, I think that the substitute that has been offered by the distinguished Senator from Massachusetts is an improvement over the present rule, in the following respects: The present rule provides that only by unanimous consent can an amendment be in order after the vote to bring the debate to a close—that has not been read prior to that time.

As has been pointed out, inadvertently, from time to time, a unanimous-consent request has not been made. Consequently, Senators are shut out from offering good amendments—at least, in their opinions—solely because the amendment was not ready prior to the vote and because no one asked for such amendments to be considered as having been read, by unanimous consent.

The Senator's substitute would read as follows:

> Except by unanimous consent—

It retains that phrase—

> no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time or submitted in writing.

This affords a Senator an opportunity to submit, in his own handwriting, an amendment which he deems to be justifiable and meritorious. He does not have to submit an amendment that is typewritten or printed; but, reaching a judgment based on the circumstances at the time, a Senator might want to submit an amendment in writing, and his time might be very short. He would be allowed to submit that amendment in writing. The present rule does not make any provision for that and, moreover, the present rule uses the words: "unless the same has been presented."

The Senator from Massachusetts would provide that that amendment would be submitted to the clerk. It was the Senator from Alabama who suggested to me earlier that "the clerk" ought to be substituted for "the Presiding Officer." The words "Presiding Officer" were used by the committee in reporting out this proposed amendment to the rules. I think that the suggestion of the Senator from Alabama that "the clerk" be substituted for "the Presiding Officer" is a very worthwhile suggestion, because it is the clerk who can really keep account of the amendments and know whether indeed they were presented prior to the start of the vote. The Presiding Officer is in no position to do that. The Senator from Massachusetts thought that was a very worthwhile suggestion and he agreed to incorporate it into his substitute.

Then his amendment proceeds as follows: "prior to the beginning of the vote." Well, the rule just says "prior to that time" and it is not clear as to what is meant by "prior to that time." It could be prior to the time that the vote was announced. As a matter of fact, I think that is what it means. "Except by unanimous consent, no amendment shall be in order after the vote"—I assume it is after the vote is announced—"unless the same has been presented and read prior to that time."

If it is prior to the announcement of the vote, it is too late then for any Senator who may have voted to invoke cloture to change his mind. If he had known what amendments were at the desk at the time the vote started, he would have had 15 minutes in which to make a judgment as to whether or not he wanted to vote for cloture.

Therefore, I would say that the Senator's substitute is a great improvement over not only the suggested modification which was reported out by the Committee on Rules—and I am the chairman of the Subcommittee on Rules—but it is an improvement over the present rules. I hope that the Senator's substitute will be adopted.

Mr. KENNEDY. Mr. President, I thank the distinguished majority leader.

Mr. ALLEN. Is there a copy available of the substitute?

Mr. KENNEDY. The substitute has been sent to the desk.

Mr. President, I appreciate the comments of the Senator from West Virginia. It seems to me that there are a number of obvious points. The fact of the matter is that at least at the present time and going back for many years, amendments at the desk have not actually been required to be read. On most occasions, the reading requirement is waived by unanimous consent.

Beyond that, we do have the protection of the germaneness requirement under rule XXII, so no amendment can be offered after cloture unless the amendment is germane. That is the real protection for the Senate after cloture.

The problem that I find in the 30-minute rule prior to the vote is that we do not know exactly when the vote on cloture will begin. Therefore, the 30-minute rule will be just one more hurdle which we would have to overcome. It was for this reason I proposed the 7½-minute rule, which would have allowed amendments to be dropped in after the vote begins, up until the warning bell rings 7½ minutes before the end of the vote.

In trying to adjust this to the points made by the assistant majority leader, I was prepared to modify it to require amendments to be handed in before the beginning of a vote.

Mr. ALLEN. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. ALLEN. I am not quite sure what the final decision was as to the cutoff time. Would the cutoff time be when the first Senator cast his vote on the cloture petition?

Mr. KENNEDY. The Senator is correct.

Mr. ALLEN. Anything at the desk, whether read or not, prior to the start of the vote on cloture, could be received if it were an appropriate amendment.

Mr. KENNEDY. The Senator is correct. Obviously, there is always a possibility for a unanimous-consent request.

Mr. ALLEN. Yes, I understand.

Certainly, the Senator from Alabama can live with any rule if we just know what the rule is and the rule is adhered to by any Senator. I would have no objection to this. Really, the effect of it is that it is cutting off—it is really making us file our amendments 15 minutes sooner. That is about the size of it. Is that not correct?

Mr. KENNEDY. Well, the time now, as I understand it, is technically at the beginning of the vote. We might seek the advice of parliamentarian on this point. As I understand it, Senators frequently drop amendments in during the vote, but I believe the parliamentarian would sustain a challenge to such amendments. So I am prepared to set the cutoff at the beginning of the vote. I would interrupt that to be when the first Senator has responded to his name.

May I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. As a result of the request of the Senator from West Virginia, a unanimous-consent request to be able to permit my substitute to be considered, is now before the Senate; am I correct?

The PRESIDING OFFICER. The Senator is correct. The unanimous-consent request has not been announced because the Senator from Michigan reserved the right to object and it has not been concluded.

Is there objection?

Mr. GRIFFIN. Mr. President, what is the request?

The PRESIDING OFFICER. The request is that the substitute amendment of the Senator from Massachusetts be now considered.

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. GRIFFIN. I wish to indicate to the assistant majority leader and the Senator from Massachusetts that if they are going to seek to make this change in the amendment, I would like to have it go over until tomorrow, that we might have a rollcall vote. There was no notice whatsoever that there would be an effort to make this much of a change in the committee amendment.

I did understand that there would be an amendment to the committee amendment to provide that the amendments only had to be in writing, did not have to be printed in duplicate or triplicate, and that was acceptable to the Senator from Michigan.

The Senator from Oregon (Mr. HATFIELD), the ranking member of the Committee on Rules, and other members of the Committee on Rules had no notice whatsoever that the 30-minute requirement—that there would be any effort to change that.

This means that the Senators could go up at the very last minute and throw amendments at the clerk. Many times, they go out and xerox them and it is difficult to get a copy of it. We would not know what amendments—they had not been read, there is no opportunity to examine them in advance. The rollcall starts. I think we ought to give that a little consideration before we agree to it.

I have no objection to the other two changes that the Senator from Massachusetts seeks to make in the committee amendment, but I do object to the elimination of the 30-minute requirement. I would go to 15 minutes if the Senator wants to do that, but I object to no requirement at all of advance notice of the amendments prior to voting on cloture.

That was an amendment of the Senator from West Virginia that I supported in committee.

Mr. ROBERT C. BYRD. The Senator is correct. That was an amendment of mine. But I am constrained to think that the substitute offered by the Senator from Massachusetts is an improvement. I think that to have had a 30-minute provision is not a good approach.

Mr. GRIFFIN. Maybe we can set a time to vote tomorrow.

Mr. ROBERT C. BYRD. I should like to say why.

Mr. KENNEDY. Will the assistant leader yield to me for just a comment?

Mr. ROBERT C. BYRD. Yes.

Mr. KENNEDY. I want to point out that the present situation really does present the case very clearly. My initial substitute amendment, No. 1512, has been at the desk since March 22, to do away with the 30-minute rule and allow amendments to be introduced before the end of the vote on March 30. I sent out a cosponsorship letter stating my intention to offer the current 7½-minute rule. Amendment 1512 has been at the desk for almost 2 weeks, where it could have been read by any Senator. The present situation simply confirms that the reading requirement in the rule serves mostly as a stumbling block, rather than informing the Senate about possible amendments.

But I want to assure my colleague that I am glad to cooperate with the leader and establish a time. We could work out a short time agreement. I think we are operating under a time agreement; are we not?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Will the Senator from West Virginia yield for a moment?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Since there has been so much juggling here, I would like to point out that this method of handling the rule has some surplusage left in the rule.

I submit that starting on line 5 of the substitute, the words "presented and read prior to that time or" are surplusage because obviously they cannot be presented and read unless they had been presented to the clerk prior to the start of the cloture vote.

We are just confusing the issue by leaving those words in. Those could be knocked out.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that we may proceed for 10 minutes to equally divided as heretofore.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the point that the Senator from Massachusetts brought to my attention with respect to the 30-minutes provision I think was well taken.

There is no way of knowing when the vote is going to begin because under the rule, the Chair, after 1 hour following the convening of the Senate on the day of the cloture vote, is required to ask the clerk to call the roll to establish a quorum.

There is no way of knowing how much time is going to be required to establish a quorum. A quorum may be established in 15 minutes. A quorum may be established in 30 minutes. It may require an hour or 2 hours, under some extenuating circumstances, to establish a quorum.

No Senator would know or would have any definite idea as to when the 30 minutes prior to the beginning of the vote would begin running.

I think the Senator from Massachusetts in his suggestion that the phrase be eliminated certainly made a fine contribution to the amendment that was brought out of the committee.

May I say to the distinguished Republican whip that, in my judgment, the 30-minute phrase is the weakest phrase in the committee's amendment. I concede to the suggestion by the Republican whip that I had a good deal to do with putting that phrase in there. But I think it would be a mistake to leave that in the rule.

At the present time, any Senator may walk up to the desk and throw in an amendment and, unless unanimous consent has been gotten theretofore, his amendment will be thrown out because it has not met the reading requirement.

In most instances, however, the unanimous consent is accorded, and, as a consequence, there may be 20 or 30 amendments at the desk, none of which has been read, none of which has been available to Senators, because they could very easily be dumped in in the last 30 seconds.

On top of that, the present rule can be interpreted, and I think should be interpreted, to mean they can put amendments in up until the very moment that the vote is announced by the Chair. Then it is too late for a Senator to change his mind on a vote to invoke cloture.

While it is very agreeable to go overnight before we reach a vote on this matter, I hope that the distinguished assistant Republican leader would agree with us that the 30-minute provision is, in the first place, unworkable, and, in the second place, would work a hardship on Senators because they would have no way of knowing when that point in time had arrived.

Mr. GRIFFIN. Will the Senator yield for a brief response?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. Let me assure the Senator that I am not going to change my mind. I do not intend to be amending the rules of the Senate in the late hours like this unless it has been cleared in advance and we know what we are doing.

There was no problem as long as it was the committee amendment that was to be adopted. There was no problem as long as it was the matter of changing it to an amendment in writing which has been discussed with those on this side.

But I think this other change is a change of substance which all Senators ought to be aware of.

Maybe they will agree with the Senator from West Virginia and adopt it, but, at least, I think it ought to be done in that way.

Mr. ROBERT C. BYRD. Mr. President, I think the Senator certainly is within his rights to ask that the matter go over.

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 268 AT 1 P.M. TOMORROW AND TIME LIMITATION AGREEMENT THEREON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if it is agreeable with the Senator from Massachusetts, that on tomorrow at 1 o'clock p.m., the Senate proceed to the consideration of Senate Resolution 268 and that there be a time limitation on that measure of 30 minutes to be equally divided between myself and Mr. KENNEDY because, after all, it was his proposal to change the rule, and that there be a time limitation on any amendment thereto of 30 minutes to be equally divided.

Mr. GRIFFIN. Or less.

Mr. ROBERT C. BYRD. According to the usual form and that the original order of the Senate, including any amendments to this sentence that was reported out, stand.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Inasmuch as I do support the amendment of the Senator from Massachusetts, I ask that the time in opposition thereto be given to the distinguished Republican whip.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ORDER EXTENDING TIME FOR FILING ANNUAL REPORT OF SPECIAL COMMITTEE ON AGING

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from New Jersey (Mr. WILLIAMS) I wish to state that under terms of a unanimous-consent agreement of February 25, the Senate Special Committee on Aging was permitted to delay filing of its report to the Senate until April 2. Inasmuch as the Senate was not in session on that date, the committee chairman was unable to submit a unanimous-consent request asking for an extension. It is necessary to make such a request at this time, in order for the report to deal adequately with several recent significant events related to Federal policy on aging and in order to allow minority members adequate time for study of the draft report. I therefore ask unanimous request to delay filing of the report until April 30.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 3136—NATIONAL FOOD STAMP REFORM ACT OF 1976 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, following the disposition of Senate Resolution 268 tomorrow, I ask unanimous consent that the Senate resume consideration of the food stamp bill on which some action was taken today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. There will be rollcall votes on amendments to that bill throughout the afternoon.

I would anticipate several rollcall votes on tomorrow, and the bill I am referring to is S. 3136, a bill to reform the Food Stamp Act of 1964.

It is the intention of the leadership, I believe, that upon the disposition of that bill, the Senate take up S. 2853 by Mr. HELMS and others, a bill to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors.

ORDER FOR RECOGNITION OF MR. EAGLETON ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following Mr. HASKELL tomorrow, under the order previously entered on his behalf, Mr. EAGLETON be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet at the hour of 12 o'clock noon tomorrow.

After the two leaders or their designees have been recognized under the standing order, Mr. HASKELL and Mr. EAGLETON will be recognized for not to exceed 15 minutes each, after which there will be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements limited therein to 5 minutes each, and that at 1 p.m. the Senate proceed to the consideration of Senate Resolution 268, a resolution to amend rule XXII of the Standing Rules of the U.S. Senate.

Following the disposition of Senate Resolution 268 the Senate will resume consideration of S. 3136, the bill to reform the Food Stamp Act of 1964.

There will be a rollcall vote or votes on amendments to the resolution and perhaps on the adoption of the resolution itself.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 6:50 p.m., the Senate adjourned until tomorrow, Tuesday, April 6, 1976, at 12 meridian.

CONFIRMATION

Executive nomination confirmed by the Senate April 5, 1976:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

William H. Taft IV, of Virginia, to be General Counsel of the Department of Health, Education, and Welfare.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, April 5, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Search me, O God, and know my heart; try me and know my thoughts; and see if there be any wicked way in me and lead me in the way everlasting.—Psalms 139: 23, 24.

Eternal God, our Father, source of all that is good and true and beautiful, grant unto us a fresh awareness of Thy presence as we set out upon the tasks of this week. We bring our restless spirits into the calm peace of Thy everlasting purpose.

During these Lenten days help us to search our own lives, to discover what is wrong in us and to earnestly repent and be sorry for our misdoings. Have mercy upon us, O God, forgive us all that is past; and grant that we may ever serve Thee in newness of life. Make us sensitive of our union one with another, that we may strive to order all things according to Thy will. So rule our hearts and bless our endeavors that law and order, justice and peace may everywhere prevail: to the honor of Thy holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On March 29, 1976:

H.R. 9570. An act to authorize the sale and shipment incident to such sale of the chemical substance carbonyl chloride by the Department of Defense.

On March 30, 1976:

H.J. Res. 801. Joint resolution making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes.

On April 1, 1976:

H.R. 3427. An act to provide for the striking of medals in commemoration of the 200th anniversary of the signing of the Declaration of Independence by Charles Carroll of Carrollton;

H.R. 8507. An act to revise the per diem allowance authorized for members of the American Battle Monuments Commission when in a travel status; and

H.R. 12122. An act to amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, and for other purposes.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

NAMING OF VETERANS' ADMINISTRATION HOSPITAL AT MADISON, WIS., FOR WILLIAM S. MIDDLETON

The Clerk called the bill (H.R. 9811) to designate the Veterans' Administration hospital in Madison, Wis., as the "William S. Middleton Memorial Veterans' Hospital," and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 9811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital at Madison, Wisconsin, shall hereafter be known and designated as the "William S. Middleton Memorial Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record or other paper of the United States shall be deemed a reference to it as the "William S. Middleton Memorial Veterans' Hospital".

SEC. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late William S. Middleton.

With the following committee amendments:

On the second page, line 1, strike out "it as".

On the second page, line 1, insert an opening quotation mark before "William".

On the second page, line 2, insert a closing quotation mark after "Hospital" and before the period.

The committee amendments were agreed to.

Mr. KASTENMEIER. Mr. Speaker, I am extremely pleased that the House is considering today this resolution to designate the Veterans' Administration hospital in Madison, Wis., as the "William S. Middleton Memorial Veterans' Hospital."

Madison is in the heart of my congressional district, and I am very familiar with the enormous contributions Dr. Middleton made while he served as a professor and then dean of the medical school at the University of Wisconsin in Madison. As the committee noted in its report:

> He was acclaimed by those who had the good fortune to study under him, as one of the greatest teachers of medicine that this country ever developed.

From 1955 to 1963 Dr. Middleton served as Chief Medical Director of the Veterans' Administration, the only individual to serve two 4-year terms. During his tenure with the VA, he developed improved programs for rehabilitating combat-injured veterans and revolutionized the treatment of tuberculosis, mental illness, and hypertension under the VA medical program. He was largely responsible for the development of research programs at VA hospitals and clinics across the country, and the agency's highest research award, presented annually since 1960, is named in his honor.

Although Dr. Middleton's service as Chief Medical Director of the VA and his reputation as an outstanding member of the medical profession made him a national and world-renowned figure, his roots were firmly established in Wisconsin, to which he returned to spend the final years of his active career and life. I can think of no finer nor more appropriate tribute to Dr. Middleton than to designate the VA hospital in Madison in his honor.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE WATER RESOURCES PLANNING ACT

The Clerk called the bill (H.R. 11876) to amend the Water Resources Planning Act (79 Stat. 244) as amended.

There being no objection, the Clerk read the bill, as follows:

H.R. 11876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Water Resources Planning Act of 1965 (79 Stat. 244, as amended) is hereby further amended by deleting, in section 401(b), the words "not to exceed $1,500,000" and inserting in lieu thereof the words "such sums as are necessary".

With the following committee amendments:

Page 1, lines 6 and 7, strike out "'such sums as are necessary'." and insert in lieu thereof "not to exceed $2 million'."

Page 1, following line 7, insert a new section as follows:

Sec. 2. Section 306 of the Water Resources Planning Act (79 Stat. 244, 253; 42 U.S.C. 1962c-5) is amended by deleting "or the Virgin Islands," and inserting in lieu thereof "the Virgin Islands or Guam.".

The committee amendments were agreed to.

Mr. JOHNSON of California. Mr. Speaker, I am pleased to offer for the benefit of the Members and for the Record an explanation of the need for H.R. 11876, to amend the Water Resources Planning Act, as amended.

This legislation makes two minor changes in the Water Resources Planning Act of 1965, as amended.

This act, of course, created the Water Resources Council, established its duties and authorized appropriations with which to carry out those duties.

The major functions of the Council are to:

First, oversee the work of the River Basin Commissions created pursuant to the act;

Second, participate in the establishment of Government-wide standards and principles for evaluation of water projects; and

Third, the administration of a program of grants to States to assist in upgrading of local planning capabilities.

Present law authorizes appropriations in the amount of $1,500,000 annually—for expenses to administer the Council.

Because of the inflation in salaries and other expenses—and because Congress has recently imposed new duties on the Council in connection with certain ERDA programs—the authorized sum has become inadequate.

The President's budget for fiscal year 1977 requests $1,748,000 for this purpose, thereby requiring the appropriations authority be increased.

The Interior and Insular Affairs Committee, in keeping with its longstanding policy of maintaining control over such matters, has decided that $2 million would be an appropriate level at this time.

H.R. 11876 also amends the Water Resources Planning Act to include Guam among the jurisdictions eligible for planning grants under title III of the act.

This will put Guam on the same legislative footing as the 50 States, Puerto Rico, the Virgin Islands, and the District of Columbia.

The Committee on Interior and Insular Affairs considers that simple equity requires this amendment and that Guam was apparently omitted from the original act through inadvertence.

With this explanation, Mr. Speaker, I trust that the Members will agree that H.R. 11876 should pass by unanimous consent.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

STATUS OF THE FISCAL YEAR 1976 CONGRESSIONAL BUDGET

(Mr. ADAMS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I rise to inform the House on the status of the fiscal year 1976 congressional budget. This notification is intended to inform the House about where Congress stands in relation to the budget authority and outlays ceiling and the revenue floor adopted in House Concurrent Resolution 466.

As of the close of legislative business last week, April 2, 1976, the current level of spending stood as follows:

STATUS OF FISCAL YEAR 1976 CONGRESSIONAL BUDGET REFLECTING COMPLETED ACTION AS OF APR. 2, 1976

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	408,000	374,900	300,800
Current level	398,540	371,411	301,100
Amount remaining	9,460	3,489	300

A complete analysis of the various items included in the current level may be found in the Extension of Remarks for March 30, 1976, on page E1654.

The current level of funding, and therefore the amount remaining has not changes since last week's notification.

I must remind my colleagues in the House that three major spending bills yet remain to be adopted by the Congress: 1976 appropriations for the District of Columbia, and the foreign aid bill, which is now in the conference stage, and the spring supplemental, which, I understand, will be reported by the Appropriations Committee this week.

In addition to these bills, the pressures of changing economic trends continue to make the budget vulnerable to increases in spending.

In summary, Mr. Speaker, I must warn my colleagues in the House that the current level of spending leaves little room for new legislation of either the President or Congress which was not contemplated in this year's budget resolution.

NATIONAL FAMILY WEEK AND NATIONAL BICENTENNIAL HIGHWAY SAFETY YEAR

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to call my colleagues' attention to two bills we will be considering later today and urge their strong support for them. They are National Family Week and National Bicentennial Highway Safety Year.

It goes without saying that we should always be mindful of the need to reduce the unnecessary deaths our Nation experiences on the highway. However, in this our Bicentennial Year when highway travel will be greatly increased, we need to redouble our efforts in promoting travel safety and better driving habits. I feel that House Joint Resolution 726 will help accomplish this objective.

Mr. Speaker, I have long been a supporter of legislation to establish National Family Week as an annual observance in America. The family as a unit was a very important social structure in the formation of America 200 years ago. I regret that recent studies show that the family unit is losing its importance and feel we should take steps to reverse this trend. The family is just as important to America in 1976 as it was in 1776 and we as a Congress should recognize this fact by establishing National Family as an annual event at the same time that we celebrate Thanksgiving.

GOOD OMEN IN ELECTION OF DR. RON PAUL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I am delighted to be able to say today that the number of the House of Representatives and of the minority have been increased by one with the election over the weekend of Dr. Ron Paul to Congress from the 22d District in Texas.

That is the seat vacated when our former colleague, Bob Casey, resigned to become a member of the Federal Maritime Commission. Dr. Paul defeated his Democratic opponent in a runoff election held on Saturday, getting just under 55 percent of the vote.

That is quite a feat, considering that the 22d District has never sent a Republican to Congress before, and I think we in the minority have every reason to regard it as a good omen for the coming elections this year.

All the more so, I think because Dr. Paul campaigned hard on a theme of opposition to big Government and excess spending. That is, of course, the message our Party has been bringing to the people for several years now, and I regard this special election as one indication among many that 1976 may be the year that the people really come to grips with the issue, and by their behavior at the polls force the Congress to end the wild spending spree of the last decade and enter a new era of fiscal responsibility.

ELECTION TO THE HOUSE OF DR. RON PAUL

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, in answer to the remarks of the acting minority leader, I want to congratulate the gentleman from Texas, RON PAUL, who was elected recently from Texas' 22d District. I note from the unofficial vote totals, that there was an abnormally low voter turnout, and that the Democratic candidate Bob Gammage is ready for a rematch next full.

I am sure Dr. PAUL will enjoy being in the Congress until next November's election.

HOW ABOUT CUTTING COSTS IN CONGRESS?

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, it is always good for us to throw a little political jest around. However, I would like to inject a serious note into this discussion. I'd like to have the attention of the distinguished majority leader and the acting minority leader.

If those gentlemen are really serious about cutting down waste and government inefficiency, they will do something about both Houses of Congress. A Library of Congress study reveals that one of our Congressional bodies has 26 subcommittees, and last year none of them met. Not even for one single day. They have 25 employees, and over $700,000 in expenditures.

Right here in our House we have a similar track record.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Speaker, that certainly was not on this end of the building, was it?

Mr. RONCALIO. Do not look too closely at this end. It is about the same. However, the gentleman is correct. That was on the other end of the building, but we also have too many employees, and a proliferation of subcommittees. It is becoming a national disgrace.

REPORT ON NATIONAL CANCER INSTITUTE DURING 1974, AND PROGRAM PLAN FOR NEXT 5 YEARS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I am pleased to submit to you the report on the activities, progress, and accomplishments of the National Cancer Institute during calendar year 1974, as well as a program plan for the next five years. The Director's Report and the Plan were prepared in accordance with Title IV, Part A, Section 410A(b), Public Health Service Act, as amended (42 USC 286e(b)).

The Administration is pleased to note the progress and accomplishments in cancer research, especially on cancer treatment and detection, and in promotion of the use of cancer knowledge in medical and health practice. A number of centers of cancer expertise have been established across the country. The results of the research and control activities must surely foretell an ameliorating influence on the formidable cancer statistics that face us today.

Our intensified cancer research effort was born of public concern about the problems of cancer, which takes many forms, and it has our continuing support and commitment. The recommendations of the National Cancer Program Plan for substantial increases in funding, expanded research training, and new construction of research facilities must, however, be annually reviewed in the context of limited budgetary resources and other competing demands.

Our national involvement is symbolized by the National Cancer Program. People in Government and in the private sector must share the responsibility in this total effort against cancer. This report and this plan are a mark of our progress toward the ultimate solutions to the problems of cancer.

GERALD R. FORD.

THE WHITE HOUSE, *April 5, 1976.*

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 161]

Abzug
Anderson, Ill.
Andrews, N.C.
Armstrong
Aspin
Badillo
Barrett
Bevill
Blouin
Boggs
Boland
Bolling
Breaux
Brodhead
Buchanan
Burke, Calif.
Burke, Mass.
Chisholm
Clay
Conte
Conyers
Crane
de la Garza
Dellums
Diggs
Dingell
du Pont
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evans, Ind.
Fenwick
Fithian
Flowers
Foley
Ford, Tenn.
Fraser
Goldwater
Gonzalez
Green
Guyer
Hanley
Hayes, Ind.
Hays, Ohio
Hébert
Heinz
Henderson
Hinshaw
Holland
Holtzman
Horton
Howard
Johnson, Pa.
Jones, Ala.
Karth
Krueger
Landrum
Litton
Long, La.
McCloskey
McCollister
McKinney
Macdonald
Madden
Mann
Mathis
Metcalfe
Milford
Mills
Mink
Moorhead, Pa.
Moss
Murphy, Ill.
Nix
O'Hara
Pepper
Pike
Preyer
Randall
Rangel
Rees
Richmond
Risenhoover
Roberts
Rodino
Rooney
Rostenkowski
Roybal
Ryan
Santini
Sarbanes
Scheuer
Shuster
Sikes
Smith, Nebr.
Solarz
Staggers
Stanton,
James V.
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Sullivan
Symington
Taylor, Mo.
Teague
Udall
Vander Jagt
Walsh
Waxman
White
Wiggins
Wilson, C. H.
Wilson, Tex.
Yatron
Young, Ga.
Young, Tex.
Zeferetti

The SPEAKER. On this rollcall 310

The SPEAKER. On this rollcall 310 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

U.S. COMMISSION ON CIVIL RIGHTS AUTHORIZATION

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8957) to raise the limitation on appropriations for the U.S. Commission on Civil Rights, as amended.

The Clerk read as follows:

H.R. 8957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Commission Authorization Act of 1976".

SEC. 2. Section 106 of the Civil Rights Act of 1957 (42 U.S.C. 1975e) is amended to read as follows:

"SEC. 106. For the purposes of carrying out this Act, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1976, the sum of $7,893,000, and for the period beginning July 1, 1976, and ending September 30, 1976, the sum of $1,993,000, and for the fiscal year ending September 30, 1977, the sum of $9,540,000, and such additional amounts for those fiscal years and period prior to October 1, 1977, as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law which arise subsequent to the date of the enactment of the Civil Rights Commission Authorization Act of 1976.".

The SPEAKER. Is a second demanded?

Mr. BUTLER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. EDWARDS) and the gentleman from Virginia (Mr. BUTLER) will each be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. I yield myself such time as I may consume.

Mr. Speaker, in its own relatively quiet fashion, the U.S. Commission on Civil Rights has been a major force for more than 15 years in fighting discrimination in America. Alined in the executive branch of the Federal Government, the Commission has played a critical role in advancing the cause of civil rights in America, although considerably less dramatic than that of the private civil rights organizations. The Commission's job, since its creation in 1957, has been to establish facts and recommend solutions. It has no enforcement authority, a small budget, and restricted subpena powers. With these limited tools, the Commission has gone about the painstaking and unspectacular work of documenting the effects of discrimination.

Although a temporary agency, the Commission has existed for 17 years. The 1957 law gave the Commission a life of 2 years, but that expiration date and each of the five others that followed was extended by Congress. The most recent extension came in 1972 and carried out a recommendation in the President's state of the Union address. That extension (Public Law 92–496) keeps the Commission in existence until fiscal year 1978, and gave it, for the first time, jurisdiction over sex discrimination.

The Commission's first report, issued in 1959, covered voting, education, and housing. Two years later, employment and justice were added to this list in the Commission's five-volume report in 1961.

The Commission's earlier reports dealt principally, naturally, with discrimination against blacks. In recent years, however, the Commission has begun to focus systematically upon discrimination against other minorities—Mexican Americans, Puerto Ricans, and Native Americans, and Asian Americans. With its jurisdiction expanded to sex discrimination, the Commission has embarked on several studies in this area and included sex discrimination aspects in its ongoing programs and activities.

The Commission's recommendations have found their way into numerous laws, executive orders, and policies. Civil rights acts from 1960 onward reflect Commission recommendations. Two major examples of Commission suggestions that have become law are title VI of 1964 Civil Rights Act, which prohibits discrimination in federally assisted programs, and the Voting Right Act of 1965, which provided for the assignment of Federal examiners to areas where citizens experience difficulty in registering to vote. A 1972 tabulation showed that more than 60 percent of the Commission's recommendations have been adopted in some form.

The subcommittee is indebted to the Commission for its consistent and continuing contribution to the subcommittee's execution of its oversight responsibility in the field of civil rights—particularly as it relates to civil rights enforcement by Federal authorities. Most recently, the Commission provided us with an excellent document" The Voting Rights Act: Ten Years After," which has contributed immeasurably to our deliberations on extension of the Voting Rights Act of 1965, as amended.

H.R. 8957, as amended, would raise the limitation on appropriations for the U.S. Commission on Civil Rights for fiscal years 1976 and 1977. Originally reported by the Judiciary Committee in late 1975, action was postponed on the bill because the fiscal year 1976 appropriation for the Commission had already been approved by Congress, and the question of the 1976 authorization appeared moot.

Since that time, however, several new issues have developed. The Commission fiscal year 1976 appropriation does not include any moneys to cover the 5 percent pay raise which was effective in October 1975. The agency, therefore, is seeking a supplemental appropriation to meet the increased pay cost. The appropriation request, however, exceeds the Commission's current authorization level of $7 million. It is necessary, therefore, that action on the fiscal year 1976 authorization level be completed or the supplemental appropriation will be subject to a point of order. In addition, the congressional budget process for fiscal year 1977 calls for completion of committee action on all agency authorizations by April 15, 1976.

H.R. 8957, as amended, therefore, would authorize funding for the Commission at the current fiscal year 1976 and transition quarter appropriation levels plus the supplemental appropriation to cover the pay increase. In addition, the bill would authorize the fiscal year 1977 appropriation level for the Commission proposed by the President. The fiscal year 1978 authorization will be considered separately during the 95th Congress.

In conclusion, H.R. 8957 is a simple bill which only authorizes the appropriations already approved for the Commission in fiscal year 1976 and those moneys in fiscal year 1977 recommended in the President's budget message.

Mr. BUTLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 8957, as amended, is tightly drawn. The only additional funds authorized above the existing level for fiscal year 1976 and the transition are for amounts sufficient to permit the payment of the 5 percent pay increase approved by the President and already appropriated.

The authorization level of $9½ million for fiscal year 1977 is the amount allocated in the President's budget. This is less than the $10,276,000 originally requested in the legislation.

There is no authorization for fiscal year 1978, thereby insuring that authorizations are hereafter considered on an annual basis for the U.S. Commission on Civil Rights.

I urge my colleagues to support the legislation before us.

Mr. BUTLER. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I do not know how much oversight activity on the part of the Committee on the Judiciary occurred in acting on this authorization. I do know the committee has shown extreme reluctance, on the other hand, in the subcommittee headed by the gentleman from California (Mr. EDWARDS) to tackle the issue of the "right to life amendment." I also know that the U.S. Commission on Civil Rights issued a most disturbing report some months ago which I feel was totally fallacious, and not well grounded in constitutional law or in the statute. The report claimed that any right to life amendment would be unconstitutional and in general the Commission took the position of an advocate against the right to life amendment and in favor of abortion.

I personally do not think that commissions created by the Congress of the United States ought to be lobbying on any legislative issues. I must say that it gives me no comfort to see a bill going through adding more money, if this is to be the future activity of this Commission. I do not disagree with its promoting true civil rights, but when it questions the very right to life of human beings, that is the antithesis of civil rights. Quite frankly, I think the committee should have addressed this very fundamental question and ordered this Commission to cease such activities.

I thank the gentleman for yielding.

Mr. BUTLER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, it is with great reluctance that I rise in support of H.R. 8957.

This legislation authorizes moneys to be appropriated for the U.S. Commission on Civil Rights. While I support the high purposes of this agency, I am concerned that its usefulness is being compromised by misguided zeal on behalf of causes that hardly fall within its purview.

I am particularly chagrined by the Commission's report on abortion revealingly entitled "Constitutional Aspects of the Right to Limit Childbearing." The euphemism "right to limit childbearing" begs the question of whether the unborn child has a right to life and whether the mother or the abortionist have the right to kill the unborn child. The right to life is the most precious of all civil rights. It is ironic that the agency designed to protect civil rights finds itself in the role of advocate for the killing of unborn children.

While the partisan advocacy of the U.S. Commission on Civil Rights is very disturbing, the shabby quality of its work gives equal pause for concern. I am astonished at the Commission's ignorance of the case law interpreting the establishment clause of the first amendment. The Commission contends that the concepts embodied in the human life amendments do not have a wholly secular purpose. But the law requires only that there be a clearly secular purpose. In this case there is both a medical and philosophical purpose to support banning abortion. If the Commission's conclusions to the contrary are correct, then many statutes penalizing murder, rape, and robbery are also unconstitutional.

The Commission also errs in construing the free exercise clause of the first amendment. The report concludes that passage of a human life amendment would inhibit the exercise of a woman's religious convictions to have an abortion. I am aware of no bona fide religion based on the right or ritual of abortion, and I am weary of the persistent efforts of abortion advocates to define this issue as an effort to impose one set of religious beliefs upon the rest of society. The vital question of when life begins is a medical, biological and even philosophical question as well as a religious one, and the fact that the Supreme Court in Roe against Wade did not really come to grips with this problem does not relegate it beyond the pale of consideration.

Mr. Speaker, perhaps the most absurd contention of the Commission is that the human life amendment is unconstitutional. The right of the people to amend their Constitution is protected in article V of the Constitution. It is a non sequitur to say that an amendment is unconstitutional once the requisite two-thirds vote in each House of Congress and ratification by the requisite number of State legislatures is obtained.

In closing I serve notice that efforts will be made to tailor the appropriation of the U.S. Commission on Civil Rights to prevent future travesties of this sort. Too often Members wave a report of the Commission as final authority during debate. Such a report ought to represent a factual, nonpartisan, professional analysis. We must prevent the Commission from wasting the benefit of public hearings and adequate research. Although this battle must be fought and will be fought, I recognize that this is not the time to go to the mat. Therefore, I will reluctantly vote in favor of H.R. 8957 and watch carefully the future actions of this agency.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's yielding.

I think the most disturbing thing about the issue that the gentleman from Illinois (Mr. Hyde) and Maryland (Mr. Bauman) have raised is that title 18 of the United States Code specifically states in its provisions that Federal commissions and agencies shall not be used as lobbying organizations.

Let me quote from the title 18, United States Code, section 1913:

> Title 18, United States Code
>
> § 1913. Lobbying with appropriated moneys
>
> No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote, or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

I find it very disturbing that this Commission on Civil Rights, which under this legislation is obtaining additional authorizing funding, has utilized part of its funds for lobbying against a specific or a potential amendment to the Constitution. I agree with my colleagues that it is wrong and against the law. I hope legislative history is made here today that Congress is aware that it is wrong. I appreciate my two colleagues taking the time to raise this important issue.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I compliment the gentleman from Illinois on the remarks he made. I think the gentleman's words represent a very careful analysis of the problem.

I would like to observe the procedure we are following today of bringing up this bill under a suspension of the rules prevents the House, as the Committee on the Judiciary has done for some time, from working its will on the issue of abortion. It would have been in order under the rules of the House to offer a proper amendment to limit the Civil Rights Commission activities on promoting abortion. I would have hoped the committee would have brought this measure to the House under normal procedure so we could offer an amendment and get a vote on this issue, but the committee probably feared that.

Mr. EDWARDS of California. Mr. Speaker, I most strongly disagree with the remarks of the gentleman from Illinois, although I do not doubt his dedication and sincerity.

Mr. Speaker, several Members have raised questions regarding the Commission's statutory authority to conduct the study entitled "Constitutional Aspects of the Right To Limit Childbearing." Title 42, U.S.C. 1975c, outlines the duties of the Commission, and states that the Commission shall—

> (2) Study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution because of race, color, religion, sex, or national origin, and in the administration of justice.
>
> (3) Appraise the laws and policies of the Federal Government with respect to denials of equal protection of laws under the Constitution because of race, color, religion, sex, or national origin, or in the administration of justice.

As the Commission indicated in a letter of August 20, 1975, to Congressman David C. Treen, the report does address itself to a "law or policy" of the United States, namely the Supreme Court's interpretation of the Constitution, rendered in the Roe against Wade and Doe against Bolton decisions, as guaranteeing—with some limitations—the woman's right to privacy in the decision whether to seek an abortion. These decisions, then, represent the law of the land with regard to the issue of the woman's right to abortion.

It is the Commission's view, which I support, that its statutory authority to "appraise the laws and policies" of the United States with regard to denials of equal protection—on the basis of sex, particularly—includes authority to study the potential impact on women of proposed constitutional amendments which would have the effect of nullifying the Supreme Court's decision.

The Commission has jurisdiction, therefore, in the area of abortion to the full extent that this area presents problems of sexual discrimination subject to Federal laws or policies. Thus, for example, there is a substantial issue whether the criminal abortion laws embody an unjustified, unequal burden upon women. The Commission's jurisdiction arises, consequently, from the fact that there are substantial questions of equality of the sexes before the law in respect to abortion, and that resolution of these questions may require application of the equal protection clause and of other Federal laws and policies.

In addition, assertions have been made that the Commission's report lobbies in favor of abortion. Let me quote from the report itself:

> The Commission therefore takes no position on the moral or theological debate which presently surrounds the issue of abortion. Nor does it take a position on whether an individual woman should or should not seek an abortion. The Commission's sole position is its affirmation and support of each woman's constitutional right as delineated by the Supreme Court.

The report, in fact, only provides a legal analysis of the impact that a constitutional amendment designed to nullify the Court's Roe and Doe decisions would have on the 1st, 9th, and 14th amendments to the Constitution.

In conclusion, there are numerous precedents for Commission comment on proposed constitutional amendments. For example, on May 4, 1973, the Commission transmitted to the Honorable James O. Eastland, chairman of the Senate Judiciary Committee, a lengthy Commission statement on opposition to proposed constitutional amendments which would limit school desegregation. The purpose of these amendments, as in the present instance, was to nullify decisions of the Supreme Court which interpreted the Constitution as providing protection for the fundamental rights of individuals.

Mr. BUTLER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. Kindness).

Mr. KINDNESS. Mr. Speaker, I thank the gentleman from Virginia for yielding.

I rise, Mr. Speaker, with a note of caution about the conduct of the affairs of the Civil Rights Commission. It is pointed out in a letter dated August 20, 1975, to the gentleman from Louisiana, Congressman Treen, from the Civil Rights Commission just how the transaction was handled involving the report that has been criticized here on the right to limit childbearing.

We have before us the possibility of building another problem like the National Science Foundation grants problem. This is a shopping out of little projects that can be used to foster particular ideas, and, as has been pointed out, it may lead to actual lobbying efforts.

The National Science Foundation has done some very useful and worthwhile things through its grants program, but we have seen how the abuses or problems can arise that are occurring in a similar fashion in the Civil Rights Commission.

The particular project involved here on the right to limit childbearing cost about $10,000 to Dr. Mary F. Berry to do the work in preparing the report, $7,504 for printing, and in addition the Commission staff resources of $6,406, for a total of $23,910 for that report.

But the shopping out of these contracts is very, very similar to the research grants some of which have been highly criticized here on the House floor under the auspices of the National Science Foundation. I suggest we need to take just as close a look at what is going on in the Civil Rights Commission and in many other areas perhaps, but certainly in this case the criticism is justified: That it is a lobbying effort and a type of grant program that ought to be watched carefully.

Mrs. BURKE of California. Mr. Speaker, I rise in support of H.R. 8957 and to add my voice to that of my California colleague who chairs the Subcommittee on Civil and Constitutional Rights. As a member of the Appropriations Committee responsible for the Civil Rights Commission's appropriation, I also have not only a great understanding but a sincere interest in the work of this small vital agency.

After 19 years the Commission's work and contribution to civil and voting rights legislation and debate is a matter of public record. I need not chronicle the Commission's long list of recommendations at the Federal level which have been adopted by the Congress or the President. In recent years the Commission has also taken up the issue of sex discrimination, incorporating that issue into its ongoing work and initiating new studies where appropriate, in order to provide the Congress, the President, and the people with the kind and quality of information which allows the Congress to better legislate and to perform its oversight function with regard to agencies with sex discrimination responsibilities.

Some of the more recent contributions of the Commission deserve mention. During the Congress recent extension and expansion of the Voting Rights Act of 1965, many Members and particularly Representative EDWARDS' Judiciary Subcommittee, were aided immeasurably by "The Voting Rights Act: Ten Years After," prepared by the Commission to assist in our debates. An almost concluded series of reports "The Federal Civil Rights Enforcement Effort—1974," has provided some much needed monitoring of the enforcement of nondiscrimination laws, regulations, and Executive orders in such important areas as housing, education, employment, revenue sharing, and the need for more effective enforcement by the regulatory agencies, and by Federal agencies administering programs covered by title VI of the Civil Rights Act of 1964. The Commission has also completed a series of reports in which the progress of the Nation's minorities and women since Brown against Board of Education has been detailed. These reports look closely at educational, economic, and housing oportunities for women of all races and minority men during the 20 years since 1954. "Constitutional Aspects of the Right To Limit Childbearing" may be controversial, but it is also one of the best legal treatises I have seen on the historical and legal right of reproductive choice. Finally, the Commission will soon embark on a study of age discrimination in Federal programs. At the behest of Congress in Public Law 94–135, the Older Americans Act amendments, the Commission is to undertake this important study to define the parameters of prohibiting "unreasonable" age discrimination.

The legislation now before us provides an authorization for the Commission in fiscal year 1976 and the transition quarter, in an amount equal to the presently appropriated or requested amounts, including pay raises, and authorizes for fiscal year 1977 the amount requested by the President for the Commission's regular programs, and the study of age discrimination which the Congress called for in the Age Discrimination Act of 1975.

I urge my colleagues to support this bill.

Mr. BUTLER. Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California (Mr. EDWARDS) that the House suspend the rules and pass the bill H.R. 8957, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the bill just passed.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

DEPRIVATION OF EMPLOYMENT ON ACCOUNT OF POLITICAL CONTRIBUTION

Mr. HUNGATE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11722) to amend title 18 of the United States Code to prohibit deprivation of employment or other benefit for political contribution, and for other purposes, as amended.

The Clerk read as follows:

H.R. 11722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601 of title 18 of the United States Code is amended to read as follows:

"§ 601. Deprivation of employment or other benefit for political contribution

"(a) Whoever directly or indirectly deprives or denies, attempts to deprive or deny, or threatens to deprive or deny any person—

"(1) who is an employee in or for any agency or other entity, of the government of the United States, a State, or a political subdivision of a State, of any employment, position, work, compensation, or any benefit of such employment, position, or work;

"(2) whether or not such person is such an employee, of any employment, position, or work, in or for any agency or other entity, of the government of the United States, a State, or a political subdivision of a State; or

"(3) whether or not such person is such an employee, of any payment under or benefit of a program of the United States, a State, or a political subdivision of a State;

if such employment, position, work, compensation, benefit, or payment is provided for or made possible in whole or in part by an Act of Congress, on account of such person's refusing to make a contribution of a thing or value (including services) for the benefit of any candidate or any political party, shall be fined not more than $10,000, or imprisoned not more than one year, or both.

"(b) As used in this section—

"(1) the term 'candidate' means an individual who seeks nomination for election, or election, to Federal, State, or local office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal, State, or local office, if he has (A) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (B) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(2) the term 'election' means (1) a general, special primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States or of any State; and

"(3) the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.".

SEC. 2. The item relating to section 601 in the table of sections for chapter 29 of title 18 of the United States Code is amended to read as follows:

"601. Deprivation of employment or other benefit for political contribution.".

SEC. 3. Section 600 of title 18 of the United States Code is amended by striking out "$1,000" and inserting "$10,000" in lieu thereof.

SEC. 4. (a) Chapter 13 of title 18 of the United States Code is amended by adding at the end the following new section:

"§ 246. Deprivation of relief benefits

"Whoever directly or indirectly deprives, attempts to deprive, or threatens to deprive any person of any employment, position, work, compensation, or other benefit provided for or made possible in whole or in part by any Act of Congress appropriating funds for work relief or relief purposes on account of political affiliation, race, color, sex, religion, or national origin, shall be fined not more than $10,000, or imprisoned not more than one year, or both.".

(b) The table of sections for chapter 13 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"246. Deprivation of relief benefits."

The SPEAKER pro tempore (Mr. McFALL). Is a second demanded?

Mr. HYDE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. HUNGATE) and the gentleman from Illinois (Mr. HYDE) will each be recognized for 20 minutes.

The Chair now recognizes the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill, H.R. 11722. I want to mention and emphasize at the outset that this is a bipartisan bill. It was drafted by the Subcommittee on Criminal Justice of the Judiciary Committee with the full participation of members of both parties. It was reported out of subcommittee and the full committee without dissent, and it enjoys the support of the Justice Department.

The purpose of the bill, put simply, is to provide effective criminal sanctions, when Federal money is involved, for a practice known as the "lug." The lug has been utilized by both major political parties from time to time in order to obtain income for the party's treasury. Neither party has a monopoly on this practice—both parties have used it. Evidence before the Subcommittee on Criminal Justice indicated, for example, that in the State of Indiana the practice was inaugurated by the Democrats and subsequently adopted and used by the Republicans.

The lug operates this way. Certain State employees—those not protected by State civil service laws—are expected to give a portion of their salaries to the party in power. In the State of Indiana, the amount is 2 percent of the salary, giving rise to what is popularly known as the "Two Percent Club." Now the employees subjected to the lug are not only those at the top of the ladder in terms of salary and power, but those at all levels. The Subcommittee on Criminal Justice found that in Indiana the practice involved lifeguards and persons who work construction on highways. In terms of sheer numbers, more people are affected by the lug who are at the bottom of the ladder than who are at the top.

If the employees refuse to contribute as expected, they are threatened with dismissal and may even be fired. Employees in Indiana who were reluctant to give 2 percent of their salary to the party in power received letters like this, the Subcommittee on Criminal Justice found. These, by the way, are actual letters, which I am reading verbatim except for identifying the names of the people and the party involved:

> INTER-DEPARTMENT MEMO
>
> To: All employees.
> From: Superintendent.
>
> Patronage payments are due on Monday after pay on Friday. Payments not made by Tuesday noon means Automatic Dismissal.

* * * * *

> Gentlemen: When you hired into the State Employment you were informed then, that each and every paycheck you received, two (2) percent was due and payable to the Party. Now, I did not make this rule, but I have been charged with collecting this two (2) percent and turning it in. It is not fair for your fellow workmen to pay his share and you letting it go this way. I am warning you to "shape up or ship out". This must be paid in full by March 11, 1974 or I will be in the process of making out 104's which means letting you go.
>
> Sincerely,
>
> ——— ———,
> *Superintendent.*

In the judgment of the Subcommittee on Criminal Justice and the Committee on the Judiciary, the lug has no place in a representative democracy. American citizens, from whom emanates sovereignty, ought not to pay a tribute in order to work for themselves.

Present Federal law deals with the lug in sections 600 and 601 of title 18, United States Code. Section 600 is directed at extracting a contribution in return for a political appointment. It provides:

> Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

Section 601 is directed at the extraction of contributions after someone becomes a State employee. It provides:

> Whoever, except as required by law, directly or indirectly, deprives, attempts to deprive, or threatens to deprive any person of any employment, position, work, compensation, or other benefit provided for or made possible by any Act of Congress appropriating funds for work relief or relief purposes on account of race, creed, color, or any political activity, support of, or opposition to any candidate or any political party in any election, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

There are two noteworthy differences between sections 600 and 601. First, and most importantly, section 601 is more limited than section 600. Section 601 applies only when Federal funds for work relief or relief purposes make the employment or benefit possible. Section 600 does not contain this work relief or relief purposes limitation.

The second difference is that section 601 punishes deprivations based on race, creed, color. I will return to this later.

The effect of the work relief and relief purposes limitation in section 601 has been to seriously curtail its usefulness. In the words of the Justice Department representative who testified before the Subcommittee on Criminal Justice:

> This limitation to federally appropriated "relief" benefits operates as a bar to prosecution in cases where non-welfare benefits have already been granted to a beneficiary, are taken away from him because of some form of political consideration. This result, we feel, frustrates the basic purpose which sections 600 and 601 both serve.

H.R. 11722, therefore, amends section 601 to remove the work relief and relief purposes limitation insofar as the lug is concerned. In addition, and at the suggestion of the subcommittee's ranking Republican member, the language of section 601 was recast in order to eliminate some language that could support a challenge to the statute on the basis that it is unconstitutionally vague.

Since the evidence received by the Subcommittee on Criminal Justice was directed at the lug and not at civil rights deprivations, it was decided to retain the work relief and relief purposes limitation of present section 601 where civil rights deprivations are involved. The subcommittee believed, however, that these provisions fit more appropriately into chapter 13 of title 18, which is entitled "Civil Rights," rather than into chapter 29 of the United States Code. H.R. 11722, therefore, takes the civil rights provision, with its present scope, and makes it a new section in chapter 13. The subcommittee did decide to expand the list of protected civil rights—race, color, creed, in present section 601—to include national origin, sex and political affiliation. This change, like the others, has the endorsement of the Justice Department.

The bill also raised the maximum permissible fine under sections 600 and 601. The present maximum is $1,000 and the bill raises this to $10,000. In addition, $10,000 is the maximum fine for the new section set up by the bill in chapter 13 of title 18. This figure was selected in order to emphasize the gravity of the offense. It is in line with recent criminal law reform proposals advanced by a broad cross section of different points of view—from the administration and Senator MCCLELLAN on the one hand, to Representatives ROBERT KASTENMEIER, DON EDWARDS, and ABNER MIKVA on the other.

Purely and simply, this bill is designed to give the Justice Department an adequate statute to use against the lug. We on the Subcommittee on Criminal Justice believe we have fashioned a statute that is clear and enforceable. I hope that you will support the bill.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 11722 of which I am a cosponsor. This bill has received bipartisan support and has been endorsed by the Justice Department.

The bill amends 18 United States Code 601 to protect governmental employees and applicants for governmental employment from being subjected to extortion in order to obtain political contributions. Section 601(a)(1), as amended, would prevent an unprincipled politician from extorting campaign contributions from his employees, at least when those employees are paid with Federal funds.

Section 601(a)(2), as amended, would prevent someone from requiring a contribution as the quid pro quo for obtaining governmental employment.

Section 601(a)(3) prohibits the awarding of a Federal grant from being conditioned upon the recipient making a campaign contribution.

Thus, the bill is designed to protect from unconscionable political intimidation governmental employees, applicants for governmental employment, and those seeking direct governmental payments or benefits, made possible in whole or in part by an act of Congress.

I recognize the role patronage plays in the nourishment of political organizations. I also recognize that a worker's support for his or her sponsoring organization ought not to be compulsory, but voluntarily given. The Government employee is a public servant and, once hired, should not have to pay tribute or kick back to anyone so long as he or she performs on the job.

It is important, also, to clarify what this bill does not do. As the language of the report points out, this bill is not intended to apply as between a private employer and his employees. For example, although a private employer is protected from being forced to contribute in order to receive a Federal grant, this bill is not intended to apply to his treatment of his employees. Perhaps the Congress will someday undertake such an omnibus labor relations task, but we feel that the end to be achieved here and now should be more limited so as to be more effectively enforceable.

Section 4 of the bill merely carries forward the protections already existing in 18 U.S.C. 601 for work relief recipients, adding only "political affiliation, sex, and national origin." The section locates these protections more logically within title 18 under the civil rights offenses.

Finally, Mr. Speaker, I support H.R. 11722 because the time has come to protect the governmental employee from pressures which are violative of honest administration.

Some may say that political organizations need every penny they can bleed from their patronage employees, but I say that the kind of political organizations that must rely on compulsory contributions for survival cannot have the public interest as even a secondary goal.

Mr. Speaker, in closing, I want to commend the distinguished chairman of our subcommittee, the gentleman from Missouri (Mr. Hungate) who has brought to this difficult problem his usual perception, insight, and leadership; the staff, Mr. Thomas Hutchison, of the majority counsel; Miss Toni Lawson and Bob Lembo, who are assistant major counsels; Raymond Smietanka, our minority counsel, and Mr. Douglass Bellis, of the office of legislative counsel, whose assistance has been scholarly and of great help.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Indiana (Mr. Myers).

Mr. MYERS of Indiana. I thank the gentleman for yielding.

As I understand it, this is a bill directed to prohibiting involuntary political contributions by reason of employment; is that right?

Mr. HYDE. That is correct.

Mr. MYERS of Indiana. If the gentleman will yield further, does it direct itself to prohibit COPE from collection from union members involuntarily certain funds to be contributed to a political organization?

Mr. HYDE. No, it has nothing to do with private union activity.

Mr. HUNGATE. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Indiana (Mr. Roush) who first called this subject to the attention of the subcommittee.

Mr. ROUSH. Mr. Speaker, I would be remiss if I did not commend the Judiciary Committee for its diligent work on behalf of this legislation. The Subcommittee on Criminal Justice, headed by Mr. Hungate, did a thorough and professional examination of the legislation after I introduced it and has produced a good piece of legislation. What does the legislation do? It amends the United States Code so as to clearly prevent deprivation of employment or other benefits—such as a portion of one's salary or wage—on account of refusing to make a political contribution, where the employment or benefit is made possible in while or in part by an act of Congress.

Although the practice of kickbacks is a practice commonly used with variations in many States and local communities and is not unique to my State of Indiana, my knowledge of this issue comes from my acquaintanceship of the political practices in Indiana. In our State, we have the infamous "Two Percent Club." Whichever political party is in power expects and in some cases demands, a 2-percent kickback from the State or local employee to support that party. Lest someone should think I am conducting a political vendetta against the Republican Party, I hasten to add that this practice has been the practice of both political parties; that it was a Democratic Governor who started it, and that at this very time both Republicans and Democrats are using the Two Percent Club to help their treasuries. I just happen to believe it is a nefarious practice. If you and I should do it, we would go to prison, and we would go because at one point in time the Congress decided that requiring an employee to kickback a portion of his or her salary should be a crime.

We are dealing precisely with the same issue today. I have referred to this as an infamous practice, because I do not believe people should have to pay to get or to keep from losing jobs provided by taxpayer's dollars. Moreover, what with revenue sharing and the numerous grants and matching funds programs provided by the Federal Government, that 2 percent kickback to the local politicians' campaign funds in Indiana, or whatever is partially derived from taxpayers all over the United States.

Now, why is this bill necessary? To stop this practice of kickbacks is the obvious answer. One would think that this should be the law now, but the Justice Department, in a letter to the chairman of the Judiciary Committee, commenting on the legislation which I introduced, stated:

> It would close a formidable and inexplicable loophole which presently exists in the Federal Code in situations where federal benefits, made possible by the Congress, are withdrawn by state or local authorities on the basis of political activity of the recipient.

This bill, H.R. 11722, would stop the practice of requiring political tribute in order to hold a job, at least it would be stopped whenever Federal tax dollars are involved in the continuation of that program.

My interest in this legislation stems from a personal experience which affected me deeply. Several years ago, I received a letter detailing the problems a young swimmer had who applied for a job as a lifeguard at one of the reservoirs in Indiana. I was amazed and disgusted to find that even lifeguard positions were subject to political clearance and required political contributions, or a "kickback"—great training for the youth of our Nation.

Now I happen to know a lot about those reservoirs, because two are in my congressional district. And, I know how much Federal money is used to put them into operation and to maintain them. It struck me then that Federal money was funneled into the Two Percent Club, into the local party coffers. I do not think the American people would like that very well. I do not like it myself, regardless of which party is in power. I am a firm believer in voluntary political contributions. I could not survive without them. But I do not think State and city workers should be required to sign on for one party or the other and to support it with their paycheck—or lose their job.

Pursuant to this, let me call your attention to a letter which is set out on page 2 of the report. This letter is just one of many which I have caused to be made a part of the record in support of this bill. It is not an exception. It is typical. Read it. Does it not shock you? This is the practice which motivated me to introduce this legislation.

In testifying in support of legislation to end these required political contribution practices, Common Cause told the Judiciary Subcommittee members that they objected to such practices because they are built upon a concept of politics which emphasizes "loyalty rather than upon efforts to attract the most competent, most highly qualified people to public service." Common Cause remarked that they could find "no place for consideration of an individual's political affiliation in determining his or her fitness to obtain or hold a government job." To that I say, Amen.

I wish I could tell you that this system is dying a natural death. But it is not. It has reached the point that the Indiana State Employees Association and the Indiana Civil Liberties Union this year initiated a suit in U.S. district court on behalf of five northeastern Indiana State government employees who claim harrassment and forced payment of political contributions. The State highway commission and the department of natural resources were among the defendants. This is a class action suit filed on behalf of approximately 7,000 State employees.

However, the news from southern Indiana is more discouraging. Just 2 weeks ago, the Indianapolis Star printed a story that the new mayor of that city has returned to the "collector" form of obtaining political donations. While those who support the Two Percent Club talk about its voluntary character, one wonders how voluntary a donation is when a letter from the mayor tells you that the donation of 2 percent of your salary should be considered a means of showing appreciation to the party Central Committee. Obviously, if you do not contribute you are not appreciative and the results of that conclusion are clear. Voluntary?

There are those who will say that ending this system should not be the responsibility of the Federal Government. I wish it were not, but I agree with the testimony of the Justice Department when they noted that this bill extends the reach of the Federal Government, but they approved that extension because "the United States has an obligation to insure that none of its appropriations is used as a means of extorting political favors." This bill before us endeavors to provide that assurance.

Mr. SHARP. Mr. Speaker, will the gentleman yield?

Mr. ROUSH. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Speaker, I would like to commend the Committee on the Judiciary and the gentleman from Missouri (Mr. HUNGATE) for bringing this matter to the floor. I wish especially to compliment the gentleman from Indiana (Mr. ROUSH), who has worked so diligently on this matter, which is one of great importance, I believe, for insuring a fair system of Government in this country. It has a particular impact in our State where we feel the use of certain Federal funds has been abused.

Mr. Speaker, I thank the gentleman for yielding.

Mr. EVANS of Indiana. Mr. Speaker, I rise in strong support of this legislation to prohibit the deprivation of employment and other benefits on account of refusing to make a political contribution.

In this post-Watergate era, when we are trying to reform our political process to make it an accountable and responsible system, it is inexcusable to allow the continuance of practices as in my State of Indiana, where it is expected and demanded that public officials as well as certain employees are to contribute a part of their salary, in our case, 2 percent to the party.

The present ambiguity of sections 600 and 601 of title 18 make it essential for corrective action to be taken in the form of H.R. 11722. This bill will make it a Federal violation if there is an actual, attempted, or threatened deprivation of employment or benefit on account of refusing to make a contribution of a thing of value, including services, when the employment or benefit is made possible in whole or in part by an act of Congress.

In this era, when we are trying to provide the American people with an open political process, when we are trying to be as responsible and as responsive as we can to the American people, it is deplorable to allow the continuation of procedures which mandate kickbacks and which breed disenchantment with our government and political corruption in our political parties and processes.

Mr. Speaker, I strongly urge my colleagues to adopt this very important and very effective piece of legislation.

Ms. HOLTZMAN. Mr. Speaker, I strongly support H.R. 11722. This bill has two important features. First, it would prevent kickbacks for employment in certain federally funded projects. Second, it would punish discrimination on the basis of sex or national origin in employment on federally funded public works projects.

One of the reasons for widespread cynicism about the operation of Government is the public feeling that corruption is rampant.

For this reason, it is crucial to prohibit conditioning Federal jobs or other federally funded employment on whether an employee is willing to kick back to a political party money or services.

This bill will mean that no Federal employee, no Federal contractor, and no State and local employee—working on a federally funded project—can be compelled as a condition of employment or contract to contribute money or services to a political party or candidate. A violation would be punishable as a misdemeanor.

The second critical feature of this bill is the new protection it affords to women seeking employment in federally funded public works projects. This bill would impose up to a $10,000 fine and up to a year in prison on someone who denied a woman a job on such a project based on her sex.

The bill also imposes the same penalties for similar discrimination based on national origin.

If this bill becomes law, as I hope it will, it will be the first Federal statute to impose criminal penalties for discrimination against women in employment. At the present time, only one other Federal statute criminally penalizes discrimination against women—but that statute deals only with discrimination in housing.

It is important that discrimination on the basis of sex and national origin is taken as seriously as it deserves to be.

As a member of the Criminal Justice Subcommittee, I was pleased to have suggested this expanded protection against discrimination on the basis of sex and national origin in federally funded public works projects, and I am proud, indeed, that my suggestion was accepted.

I urge support of this bill.

Mr. HYDE. Mr. Speaker, I have no further requests for time.

Mr. HUNGATE. Mr. Speaker, I will simply close by expressing appreciation to the subcommittee for the fine job done by the members of the subcommittee. Particularly, I wish to thank our distinguished colleague, the gentleman from Illinois (Mr. HYDE), whose breadth of experience and keen analytical talents and, above all, his good humor have brought much to the improvement of this legislation.

As indicated earlier, the ranking minority Member, the gentleman from California (Mr. WIGGINS), one of the finer legal minds in this House, through his efforts, has been able again to refine this and show us an effective way to better codify this part of the law.

The distinguished Member from South Carolina, Mr. MANN, likewise contributed along with Ms. HOLTZMAN of New York, our former subcommittee member. Mr. THORNTON of Arkansas, and the Member from Illinois, Mr. RUSSO, and Iowa's Representative on our subcommittee Mr. MEZVINSKY.

Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. HUNGATE) that the House suspend the rules and pass the bill H.R. 11722, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ALLEN J. ELLENDER FELLOWSHIPS

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 491) to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes, as amended.

The Clerk read as follows:

H.J. RES. 491

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b)(1) of the joint resolution entitled a "Joint resolution to provide grants for Allen J. Ellender fellowships to disadvantaged secondary school students and their teachers to participate in a Washington public affairs program" approved October 19, 1972, is amended by striking out "not more than one thousand five hundred", and by striking out ", in any fiscal year".

SEC. 2. Section 5 of such joint resolution is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof the following: "three succeeding fiscal years, $750,000 each for fiscal year 1977 and fiscal year 1978, and $1,000,000 each for fiscal year 1979 and fiscal 1980,".

SEC. 3. Section 2(b) of such joint resolution is further amended—

(1) by striking "and" at the end of paragraph (2);

(2) by inserting immediately after such paragraph the following new paragraph:

"(3) that every effort will be made to achieve participation of students and teachers from rural and small town areas, as well as from urban areas, in the program; and"; and

(3) by redesignating paragraph (3) as paragraph (4).

The SPEAKER pro tempore. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. PERKINS) and the gentleman from Minnesota (Mr. QUIE) will each be recognized for 20 minutes.

The Chair now recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is an honor for me to bring before the House today House Joint Resolution 491 to extend the Allen J. Ellender fellowship program, administered and conducted by the Close Up Foundation. This resolution will extend through fiscal 1980 the life of a program which has enabled thousands of disadvantaged students and their teachers to learn more about our democratic process by participating in the government studies program of the Close Up Foundation.

As chairman of the Education and Labor Committee for a decade and as a member of that committee since 1949, I have seen many educational endeavors have a brief moment of enthusiasm, then fade away. The Ellender fellowship program, however, is different. I have observed this program since its inception in 1972, and to me it has well proven its worth. These fellowship recipients have to be some of the most enthusiastic students I have ever seen. They are economically disadvantaged young people from all ethnic groups, from rural and metropolitan areas. And they all have different levels of academic achievement.

Many have never been to Washington before, and many have misconceptions about government. Yet, they come away from the program with a greater belief in democracy, and a greater faith in the responsiveness of public officials.

From talking with Congressmen and Senators, they have learned that legislators are human beings, too. After completing this program they often want to become involved in politics in their own communities. At a time when distrust of Government is so widespread, and in a year when knowledge of our Federal Government ought to be so important, I feel we could not make a better investment for our young people.

But the effect of the Federal dollars we put into this program does not just end with the experiences of these students. Our Federal commitment has encouraged corporations, small businesses, community organizations, and philanthropic sources to finance Close Up tuition for additional numbers of disadvantaged students. Between 1973 and 1976, $2,000,000 of Federal money will have been matched by $1,519,508 of corporate and philanthropic support, and by $6,153,404 of self-sponsored student funds.

In addition, a sort of ripple effect takes place when students and teachers return to their communities. Last year, over 600 Ellender fellowship teachers, teaching tens of thousands of students, returned from Close Up with a new perspective to infuse into their classroom teaching. And a number of Close Up participants have initiated seminars for State and local government in their hometowns and States.

We on the Education and Labor Committee feel that the authorization for these activities ought to be continued and increased. With a higher authorization level, more students can receive fellowships, the cost of which have increased due to higher lodging, food, and travel costs. More rural, Midwestern and Far Western communities can be included. More community followup programs can be funded.

Consequently, the bill we have reported to the House increases the authorization of appropriations for these fellowships from $500,000 annually to $750,000 for fiscal years 1977 and 1978 and $1,000,000 each for fiscal years 1979 and 1980. It also removes the limit on the number of fellowships which can be offered with these funds in order to give Close Up the maximum amount of flexibility to continue to make the program as effective and worthwhile as it has been in the past.

The only other amendment which we added is one which encourages Close Up to make much greater efforts to involve students from rural areas and small towns in this program. Close Up, to date, has worked through metropolitan areas, principally large cities, in organizing their programs. As a consequence, many youths from rural areas and from small towns have not been able to take advantage of this excellent learning experience. Our amendment requires Close Up to make much more vigorous efforts to involve others from those areas.

In summary, I believe there is no more fitting tribute to Senator Ellender than a program which enriches the education of thousands of young people, and in such a vivid and remarkable way. I urge my colleagues to join with me in voting to suspend the rules and pass House Joint Resolution 491.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the chairman for yielding.

I want to commend him for his leadership and his interest in this field. I also wish to commend the distinguished Subcommittee Chairman for his leadership for bringing this bill with an increase in the authorization.

Like the distinguished chairman of the subcommittee, the gentleman from Washington (Mr. MEEDS), I have observed this program closely and I find it an outstanding one. It is one of the best investments of public moneys for the return in knowledge and participation. It gives a grand opportunity to youngsters to understand Government and to get into close contact with the people in all three branches who have major responsibilities in it. In addition to that, it has generated tremendous enthusiasm throughout the country in all areas where the program has been operating, in bringing so many young people to Washington who otherwise might never have the opportunity to witness the seat of the Federal Government.

Finally, Mr. Speaker, it is one of the best administered programs I know of. So I rise in strong support of the legislation.

Mr. PERKINS. Mr. Speaker, I certainly want to agree with the distinguished gentleman from Florida (Mr. FASCELL).

To my way of thinking, it is one of the most efficiently administered programs that I have ever come in contact with.

Mr. PERKINS. Mr. Speaker, I now yield such time as he may consume to the distinguished gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, I rise in enthusiastic support of House Joint Resolution 491. I want to indicate to the House that I know of no program which I can testify to, as wholeheartedly in support of as this one, from personal experience. Since being involved in the Allen J. Ellender Fellowship Foundation program, as a member of the Committee on Education and Labor, and being involved individually with the students who come from the Second Congressional District of the State of Washington and the students that come from other parts of the country. I have a great respect for the program and those directing it. I have also been involved in the seminars that are put on on the House side. I think it is tremendously refreshing, particularly in this era of skepticism among young people, to talk with them, both when they come to Washington and when they leave, to find the vast difference in their impressions of government which they gain through this experience. This is one of the most rewarding experiences I have had as a Member of the Congress.

One thing which is seldom mentioned, but which I think is very important in this Close Up program is the follow-through that takes place after these students go back to their individual schools. It does not end with the 7 days of intensive classes and seminars in which they take part here in Washington, but they carry the knowledge which they have gained back with them where they then become ambassadors for government and then they become involved at the State and local levels of government with the same kind of seminar planning and in involvement at the State and local levels that they have here.

I have had numerous letters from young people who have participated in this program who have written after their experience here, after becoming involved at their State and local levels, indicating their intense desire to remain involved in government.

As I said earlier when we deal with the skepticism that is prevalent in young people today, it is indeed refreshing to find a program such as this, which I think has done more to combat that type of skepticism than any other thing I know of.

One would think that I was talking about some mammoth bureaucratic program that, after the expenditure of large sums of money on the Federal level brought students to Washington, D.C. The fact is that there are very modest requests, and I repeat very modest requests. The great bulk of the funds for this program are furnished at the local level by local businessmen, local citizens who also recognize the value of participation by young people in this process.

So I think we can bring before the House no better program at no less cost, which will do more to improve the image of the Federal Government than the one which is contained in this bill.

I urge the support of every Member for this very fine program.

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consumer.

Mr. Speaker, I certainly wish to associate myself with the remarks made by the distinguished gentlemen from Washington (Mr. Meeds).

I do want to state before I yield to the gentleman from Minnesota (Mr. Quie), that one of the reasons for the increase in the authorization in this bill is the fact that Close Up had not been able to get into the rural areas of the country. We specifically amended the bill so that every effort will be made to achieve participation of students and teachers from rural and small town areas as well as from the urban areas in this program.

I think it is outstanding legislation. Mr. Speaker, I have no further requests for time. I yield to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, I rise in support of House Joint Resolution 491, a bill which I introduced first on June 6, 1975, with the cosponsorship of Chairman Perkins, Mr. Hébert, Mrs. Boggs, and Mr. Treen. Since that time an additional 51 of my colleagues in the House have joined in cosponsoring legislation to extend support for the Allen J. Ellender fellowships.

Anybody who has had any contact with the students and the faculty, and those who administer the program know—as I have learned regarding those whom I have run across—that they are totally enthusiastic about it because it does two things. It is a tremendous educational program for the students. Second, it gives a more realistic view of the Federal Government.

For a while there were some people who thought that the Federal Government could do no wrong. It seems now that most people think the Federal Government can do no right. What I gather from those students and faculty members who have been here for those 7 days now is that they are individuals who now have a better knowledge of the Government and who also have developed an interest wherein they are becoming more knowledgeable and better citizens because of this.

We have heard from the other side of the aisle, and we have seen no program that is more effective than this one. The Ellender fellowship program is a rather unique program. It was first established in 1973 in memory of the late Senator from Louisiana. Its purpose is to provide financial assistance to assure the participation of needy students and their teachers in the Close Up Foundation program. This program, which brings students from all across the Nation to Washington for a week, focuses on learning firsthand about the Federal Government. Students who come here under this program participate in personal discussions with Congressmen, Senators, diplomats, officials from the executive branch, and representatives of the judiciary, including the Supreme Court.

Perhaps the most important effect of the program is the attitude changes which it brings in perception of how government works and of the caliber of people who serve in Washington. As one student said during a hearing on the bill on February 19 of this year:

> I was expecting to find mostly crooks here [in Washington], and a government that was completely off my reach . . . [But] most of the people here are working for the good of the people instead of their own welfare. I have also . . . learned that the government in Washington and back home in Colorado was really within my reach, if I really want to get involved. It is not that hard.

The resolution before us today extends the program through 1980 and raises the authorization level from the current $500,000 each year to $1 million in 1979 and 1980. That is a small figure indeed and a small investment to make when one considers the impact of the program in raising the level of confidence that our young people have in Government and the people who run the Government.

Since the program began in 1973, 2,600 students have received fellowships. These students represent 1,200 schools from almost every part of the country. The program has, of course, continued to expand each year as its financial resources have permitted. Since 1973 the Federal Government has appropriated $1.5 million for this program. During that same time participants in the program have contributed almost $3.5 million, and community and corporate support has provided another $900,000. Therefore, for each Federal dollar entering the program, there is an additional $3 which is provided by private resources in support of the Close Up program.

I am inserting at this point a sample schedule of the kind of program which is provided to participants in the Close Up program. I believe my colleagues will agree with me that it represents an excellent and well-conceived program of total exposure to the operations of the Federal Government:

Sample—Close Up Weekly Schedule

SUNDAY—REGISTRATION AND ORIENTATION

Afternoon: Registration and distribution of student materials.

Staff Welcome and Orientation Meeting:
General outline of schedule
Program rules and regulations
Guidelines for use of student materials
Questions and answers
Informal socializing

8:00 p.m.: Keynote Address: Washington, D.C.—City of Power.

10:00 p.m.: Individual Workshops with staff.

MONDAY—FOCUS: THE EXECUTIVE BRANCH

8:30 a.m.: Transfer to Federal Office Building Auditorium for morning seminars.

9:00 a.m.: Seminar on the Presidency conducted by a White House Staff Member.

10:00 a.m.: Seminar with a Washington lobbyist. Subject: "Influence from the Private Sector—Business, Labor, Citizen Groups."

12:15 p.m.: Special tour of Washington designed to help you understand the many sides of our Nation's Capital.

3:45 p.m.: Workshop. Follow up discussion of tour—History of D.C. and its newly acquired right to Home Rule.

8:00 p.m.: Seminar with a member of the Washington press corps. Subject: "News Coverage in Washington: A Look at the Role of the Media." Hotel.

9:30 p.m.: Workshop: Discussion of issues of interest and preparation for following day's activities.

TUESDAY—FOCUS: THE EXECUTIVE BRANCH

8:45 a.m.: Agencies: A choice of seminars that look at selective policy areas.

10:00 a.m.: Transfer to the Pentagon.

10:45 a.m.: Defense Briefing followed by lunch at the Pentagon.

1:00 p.m.: Transfer to the State Department or Washington University for Foreign Policy Program. Program will involve general discussion of key foreign policy issues with guest speaker. Following seminar, graduate students in International Affairs will continue discussion in small group workships.

4:00 p.m.: Return to hotel.

4:30 p.m.: Small group meeting with your teachers.

8:00 p.m.: Seminar: Presidential Politics 1976. Representatives of presidential contenders will discuss their candidates' stand on the issues.

9:30 p.m.: Workshop: Discussion of day's activities.

WEDNESDAY—FOCUS: THE LEGISLATIVE BRANCH

(Times may change, subject to availability and legislative schedule.)

8:30 a.m.: General Session conducted by Capitol Hill Staff Expert to brief you on activities available during your two-day study of the United States Congress.

9:00 a.m.: Transfer to Capitol Hill.

9:30 a.m.: Structured free time supervised by CLOSE UP Staff: Special program arranged by staff instructors offering a number of Capitol Hill activities from which to choose.

12:15 p.m.: Lunch on Capitol Hill.

Afternoon: Small group seminar with your Representative. An informal meeting designed to allow greater dialogue with your Representative so that interests and problems unique to your district can be arranged.

3:30 p.m.: Tour of Arlington Cemetery:

7:30 p.m.: Staff Topical Seminars. A variety of topics ranging from controversial issues to participation in local matters.

9:00 p.m.: Workshop. Preparation for following day's activities and a chance to exchange views and perspectives.

THURSDAY—FOCUS: THE LEGISLATIVE AND JUDICIAL BRANCHES

8:00 p.m.: Transfer to Capitol Hill for morning seminars in the Rayburn Building.

8:30 p.m.: Breakfast with a Member of the House of Representatives. Group Discussion with a Representative or member of his staff. Potluck: A chance to ask questions on current Congressional problems and reform.

10:30 a.m.: SEMINAR on the courts and Justice Department. Subject: "The Court and How It Works."

Unstructured time for observation of Congress in session, committee hearings, visits to the Supreme Court, congressional offices, party hearquarters, and Library of Congress, and tour of the Capitol and Supreme Court.

Money will be provided for students' lunch at leisure.

5:30 p.m.: Dinner at the John F. Kennedy Center for the Performing Arts.

FRIDAY—FOCUS: GOVERNMENTAL OVERVIEW

9:00 a.m.: Small group meeting with your teacher.

10:00 a.m.: Final Workship. Discussion of the week.

11:15 a.m.: Optional tour of White House. Transfer to either Smithsonian Institution or Georgetown.

7:30 p.m.: Final Banquet.

9:30 p.m.: Entertainment and presentation of certificates.

Perhaps as important as the Washington experience is the followup which occurs when the students return to their own communities. Most programs report marked success in expanding the program at the local level to include sessions with State and local officials, many of which often turn into significant commitments to participate in the work of the local communities.

In summary, I believe that the small expenditure of Federal dollars for this program brings enormous dividends. Equally as important is the contribution it is making to developing future leadership for the Nation.

Mr. Speaker, I now yield such time as he may consume to my colleague, the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Speaker, today we will consider the Allen J. Ellender fellowships bill (H.J. Res. 491) which provides grants to the Close Up Foundation of Washington, D.C. As one of many Congressmen involved on the Congressional Advisory Board of the Close Up program, I am an ardent supporter of this group. I hope this bill is promptly passed.

Time is of the essence here, because arrangments are being made even now for next year's program which begins in the fall.

The Close Up program brings many high school students and their teachers from across the country to Washington for an intensive series of programs with various Government officials and others who acquaint the students with the workings of the Federal Government. The programs have excellent political and interest group balance.

Close Up is an aggressive and impressive program, and the feedback I get from those who have participated vouches for its effectiveness. In fact, the Minnesota program has been so successful that we have been able to triple the local contribution level this year.

The Ellender bill would provide $750,000 annually for fiscal years 1977 and 1978 to Close Up, and matching support is sought from the local communities which participate. Federal funds are multiplied by contributions from participants, and from corporations, institutions, and even local governments. The funds are given only to those students who could not normally afford to travel to Washington—many students and teachers travel at their own expense.

The program has been expanded to give many more sutdents a firsthand look at their Government, but it is felt that this exciting program needs to be expanded into more rural and geographically balanced areas. It needs to reach more of the disadvantaged youth who can be most rewarded by such an experience.

More followup programs should also be established to maintain and focus the interest obtained by the sessions. Thus, it is noted that the appropriation calls for $250,000 more than in fiscal 1976. I feel this amount is surely justified by the unqualified success of the Close Up program. I cannot say enough good things about the program, and I urge that the House promptly pass the Ellender bill today.

Mrs. BOGGS. Mr. Speaker, it is a distinct pleasure to rise today in support of extension of Federal participation in one of the most effective and unique education programs available to the young people of our Nation.

The legislation before us today would continue the cooperative arrangement between the Government and the Close Up Foundation for the funding and administration of the Allen J. Ellender Fellowship Program.

I would like to point out that I am one of 54 Representatives and 20 Senators who have cosponsored the several bills to continue the cooperative arrangement established by Public Law 92–506.

The Close Up program was established more than 5 years ago. Its purpose is to provide students with an opportunity to become involved with their Government in a personal and meaningful manner. Through Close Up many young people have the chance to come to Washington to see their Government at close range. They can observe, question, probe and learn. They have direct contact with the inner workings of the Government and those who "make it go". In this manner Close Up accomplishes its goal of involving youth in Government.

I might point out in passing that the concept of Close Up originated during an unfortunate period of growing cynicism and disaffection with the so-called establishment by our Nation's youth. A nation's future rests with its young people. Obviously, the continuation of such a trend would have profound negative impact on America in her third century. Fortunately, many, many civic-minded individuals and groups throughout the country have recognized this potential danger and have taken action to stem and reverse this trend. Close Up is one of the most successful efforts to date for accomplishing this end.

Since its inception over 20,000 students and teachers have participated in the program. Nearly 3,000 of these participants were from my own District, Jefferson and Crleans Parishes, and the southeast Louisiana region. They came from public, private, and parochial high schools and from very diverse backgrounds: Rich and poor, rural and urban, black and white. All of these students were brought together by Close Up and were involved in and made aware of their Government. The result is a concerned, informed, and active citizenry with better understanding of community and national issues and organizations.

One of the key factors in achieving this is the Allen J. Ellender fellowship program. This grant program was established by the Congress in 1972 and is administered by the Close Up Foundation. Its purpose is to provide financial assistance to economically disadvantaged students so they too might participate in this worthwhile educational experience.

The Fellowships are named in honor of the late Allen J. Ellender, senior Senator from the State of Louisiana, and dean and President pro tempore of the U.S. Senate. Senator Ellender, during his long years of service to the people of Louisiana and the United States, was particularly interested in helping the youth of America. He came into contact with the Close Up program almost at its very inception and became a great admirer and supporter of the program. He praised it for giving participants insight into the "problems and promises of American government." He also recognized one of the greatest strengths of the program in its broad scale community participation without regard to race or socioeconomic background. He was particularly impressed that "a unique environment for learning has been created. * * * For the first time ever, many of these students work together with students of different ethnic, religious and economic backgrounds."

Allen Ellender died before an existing, but limited, private grant-in-aid program could be expanded to involve a greater number of students. His colleagues in the Senate and admirers in the House of Representatives pursued the concept. A fellowship program was established in 1972 and, quite fittingly, it bore his name. I, like many others, felt this memorial was the greatest honor we could pay to the many accomplishments of Allen J. Ellender.

Through the Ellender fellowship program, the Federal Government provided $2 million to be administered by the Close Up Foundation from fiscal 1973 through fiscal 1976 for the purpose of assisting an estimated 5,570 economically disadvantaged students and their teachers to experience their Government in action. I know others will give you more detailed information of the stewardship performed by the Foundation. I would, however, commend the leaders of the Foundation for the fine manner in which they have discharged their obligation. They have utilized these funds wisely by going into the participating communities to solicit private moneys to match the Federal grant and, thus, the number of fellowships available for needy students was increased. I must say I find this to be an example of an extremely wise stewardship.

The existing authorization for Federal participation in the Ellender fellowship program expires at the end of this fiscal year. The program has proven its worth quite dramatically and it should not be allowed to come to an end.

There are proposals now before the Congress to continue and expand the fellowship program. House Joint Resolution 491 would authorize additional Federal participation in the amount of $3.5 million over the next 4 years. If we spend this money as wisely in the future as we have in the past, it will be a very valuable investment indeed.

Before I close, I would like to read to you from a letter I received written by Dr. Allen J. Ellender, Jr., of Houma, La.:

Houma, La., *February 16, 1976.*

Hon. Lindy Boggs,
Longworth House Office Building,
Washington, D.C.

Dear Lindy: I understand that hearings to extend the Allen J. Ellender Memorial Fellowship Program will be held shortly under the auspices of the Honorable Carl Perkins, Chairman of the House Committee on Education and Labor. I know that you will be testifying on behalf of renewal and I do hope that you will let the committee know of my sincere interest in seeing the program extended.

You and I both have personal ties with the fellowship program and with Close-Up. You, through your late husband's co-sponsorship of the original measure, and myself, through the association that my late father had with Close-Up. I think both Hale and my father recognized that the city-community concept developed and implemented by Close-Up was something different from any other governmental studies program. It brought to Washington not only the top scholars and not only those who could afford the air fare. It reached into metropolitan school systems and brought a cross-section of their student bodies. It brought kids from opposite ends of the town—opposite sides of the track, if you will—together for the first time in an environment that was conducive to learning and working together. They brought those relationships home with them and their families, their schools, their communities are better for it.

Close-Up continues to be "big" in Louisiana. I'm proud that my father recognized its potential early, and that your late husband saw fit to honor him with a fellowship program designed to implement the Close-Up concept.

Thank you, Lindy, for carrying on the spirit of a great House Majority Leader and a great Senate President Pro Tempore.

Sincerely,

Allen J. Ellender, Jr., M.D.

I really do not want to give the impression that the Ellender fellowship program is a "Louisiana show." Students from all parts of the United States benefit from the fellowships and Members of Congress representing a number of different States support the extension. Those of us from Louisiana simply feel it pays tribute to a truly outstanding humanitarian and statesman.

I urge the continuation of this program which allows many young students to participate in an irreplaceable learning experience who would otherwise be financially ineligible. Our country cannot do without their enthusiasm and interest. Thank you.

Mr. QUIE. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. Perkins) that the House suspend the rules and pass the joint resolution, House Joint Resolution 491, as amended.

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ESTABLISHMENT OF A NATIONAL CEMETERY AT QUANTICO, VA.

Mr. SATTERFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11140) to require that a national cemetery be established at Quantico, Va.

The Clerk read as follows:

H.R. 11140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of Veterans' Affairs (hereinafter in this Act referred to as the "Administrator") shall establish within the National Cemetery System a national cemetery at the Marine Corps Base, Quantico, Virginia, on the real property described in subsection (b).

(b) The Secretary of the Navy shall transfer to the Administrator jurisdiction over that real property consisting of six hundred and twenty acres, more or less, described in the Veterans' Administration site survey of December 1975.

Sec. 2. The national cemetery required to be established by this Act shall be administered and maintained in accordance with the provisions of chapter 24 of title 38, United States Code.

Sec. 3. There is authorized to be appropriated the sum of $2,150,000 to carry out the purposes of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. If there is no objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Virginia (Mr. Satterfield) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. Hammerschmidt) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Virginia (Mr. Satterfield).

Mr. SATTERFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the reported bill (H.R. 11140) would authorize $21.5 million for the establishment of a national cemetery on a 620-acre site at the Marine Corps Base at Quantico, Va.

Establishing another national cemetery in the metropolitan Washington area is consistent with the recommendation of the Advisory Committee on Cemeteries and Memorials, a committee established by law to advise the Administrator of the Veterans' Administration from time to time with respect to the administration of cemeteries within the National Cemetery System.

Our Subcommittee on Cemeteries and Burial Benefits recommended the bill to the full committee following hearings and a visit to the proposed site. The full committee, by unanimous voice vote, ordered the bill reported on March 11.

Mr. Speaker, the development of national cemeteries and the growth of the System has not followed any master plan. The entire System, in the beginning, was an accident of geography and history. With the Civil War having been fought mainly in the Middle Atlantic and Southern States, it was natural that those States would be the locations for a majority of the national cemeteries. The end result of this is that today the National Cemetery System, for the Nation as a whole, is somewhat inequitable in the location of the various cemeteries with many States having no national cemeteries and others having several.

The National Cemetery System had its origin during the Civil War when the obvious need arose to provide burial grounds in or around the many battlegrounds for the soldiers who fell mortally wounded or who died in field hospitals or prisoner-of-war stockades from wounds or disease. The first cemeteries were created in 1862 and by 1870 a total of 62 national cemeteries had already been established. Several were added during the 1870's and 1880's and during the 1930's a few more came into existence.

World War II drastically increased the number of veterans and Korea and Vietnam later caused the total to skyrocket. Yet, since World War II only five national cemeteries have been established and not one since 1950. In the meantime, many national cemeteries were becoming filled and were being closed. Except for Arlington, all 13 other national cemeteries in Virginia are now closed. A good number of these closings occurred in the 1960's. As the cemeteries were being closed, the Army stood rigidly by an administration policy adopted a few years earlier that there would be no further expansion of the National Cemetery System.

For over 100 years the Army operated and maintained the National Cemetery System. In 1862 when the System began, the responsibility for it was assigned to the Secretary of War.

In February 1967, the Department of the Army put into effect a new set of eligibility regulations for interment in Arlington. These regulations were so restrictive that nearly all veterans became ineligible for burial there. Since that time, veterans throughout our Nation advocated the transfer of the National Cemetery System from the Department of the Army to the Veterans' Administration.

In 1973 the National Cemeteries Act, Public Law 93–43, became law and established a National Cemetery System within the Veterans' Administration. That act consolidated existing Federal installations which had been administered by the Departments of the Army and Navy, the Interior Department and the Veterans' Administration. A total of 135 cemeterial stations, including 103 national cemeteries and 32 miscellaneous burial plots and monument sites comprise the System. The cemeteries are located in 37 States including one each in Alaska and Hawaii and one in Puerto Rico. That act also incorporated into statute the eligibility of various veterans and their dependents for burial in a national cemetery.

The National Cemeteries Act directed the Administrator of Veterans Affairs to conduct, in conjunction with the Secretary of Defense, a study as to the advisability of establishing another national cemetery in, or near, the District of Columbia. On the advice and recommendation of the Advisory Committee on Cemeteries and Memorials, the Administrator recommended to the Congress that first priority be given to the metropolitan Washington area, the New England area, and the Western States in the establishment of additional national cemeteries.

During the last session of Congress, the House passed legislation to establish national cemeteries in the vicinity of Riverside, Calif., and at Otis Air Force Base, Mass. The reported bill is consistent with the priority locations recommended by the Administrator.

Mr. Speaker, as I mentioned earlier, the Department of the Army has imposed by regulation eligibility restrictions which prohibit most veterans from being buried in Arlington. Lifting the eligibility restrictions on Arlington alone, however, would not eliminate the necessity of another national cemetery in the Washington, D.C. area. The space for burial at Arlington is quite limited and because of the large number of veterans in the Washington metropolitan area—approximately 1.3 million—there is an urgent need for the cemetery proposed in the reported bill.

I want to commend the members of the Subcommittee on Cemeteries and Burial Benefits for their work in giving priority attention to establishing another national cemetery in the metropolitan Washington area. I want to pay special tribute to the ranking minority member of the full committee, the Honorable JOHN PAUL HAMMERSCHMIDT of Arkansas, for his leadership and total cooperation; to the chairman of the subcommittee, the gentleman from California, the Honorable GEORGE E. DANIELSON, and the ranking minority member of the subcommittee, the gentleman from Indiana, the Honorable ELWOOD HILLIS, for their successful efforts in getting the bill to the full committee.

The proposed site meets with the approval of the Administrator of the Veterans' Administration, and veterans' organizations.

I now recognize the distinguished chairman of our Subcommittee on Cemeteries and Burial Benefits, the gentleman from California (Mr. DANIELSON).

Mr. Speaker, I yield 5 minutes to the chairman of the subcommittee, the distinguished gentleman from California (Mr. DANIELSON) for a brief explanation on the need for this legislation.

Mr. DANIELSON. Mr. Speaker, in keeping with the obligation of our Government to provide, at the option of the veteran, the opportunity for burial in a national cemetery, our subcommittee has conducted extensive hearings for the purpose of acquainting ourselves with the potential need for cemetery space in the coming years.

At the present time we have in the United States about 30 million veterans scattered throughout the length and breadth of our land. History has shown us that veterans opt for the opportunity of burial in a national cemetery about one-sixth of the time, which means that about 5 million veterans now alive probably will opt for burial in national cemeteries. In order to make that legal right a reality we find it is necessary for us to expand our National Cemetery System during the coming years in order to meet the need when it arises.

Many of our veterans served during World War II and now average about 58 or 59 years of age, veterans of World War I average nearly 80 years of age, veterans of the Korean war average about 50 years of age, and of course those who are veterans of subsequent wars are somewhat younger. But the big burden in the national cemeteries is going to come in about 10 or 15 years.

Within the metropolitan Washington, D.C., area there is a critical need for adding space. Arlington is the only cemetery which is presently able to provide space to meet this need. Within the metropolitan area of Washington we have about 1,360,000 veterans. If the national average holds we can expect that somewhere between 275,000 and 325,000 of these veterans will select burial in a national cemetery. There simply is not enough space in Arlington, nor will there be.

We have examined a number of sites in the nearby area and have come to the conclusion that the proposed site at Quantico is by far the best adapted. The site contains about 620 acres, which is a little less than 1 percent of the Marine Corps base in that general area. Furthermore it is a portion of the Marine Corps base which is not improved with buildings or other structures. It is open, rolling, terrain in a wooded area which has been used for bivouac and other training purposes but the Marine Corps has assured us they do not need this space, and use as a national cemetery will be compatible with the continued use by the Marine Corps of the rest of the reservation.

We have looked into other possible conflicts with other uses of the remainder of the base. The area we have selected is sufficiently removed from the air strips not to be bothered by noise from the airstrips. The site selected is far removed from artillery firing and impact areas and from rifle and pistol ranges. It will be ideal for cemetery purposes. It has excellent access from highways and is only about 30 miles from the city of Washington.

The area is rolling in nature. It is already wooded. Rather than going into a great deal of expense to plant trees, we will actually be able to harvest some timber from the site. The area will be admirably suitable for construction of mausoleums and columbariums, if need be, at a future date, and it will have the capacity of providing burial for the remains of 300,000 veterans.

During all our hearings and talk about the proposed site for this cemetery our subcommittee has had full support from the Veterans' Administration, who I know favor this site above all others within the vicinity of the city of Washington.

Throughout our hearings we have had the greatest cooperation from the minority side, especially from the ranking minority member, the gentleman from Indiana (Mr. HILLIS), who has been splendid to work with and who has given us a great deal of assistance on this. I am sure he concurs with me in the hope that this bill will be passed.

I might add that during consideration of the bill the Member of Congress immediately concerned, the gentleman from Virginia (Mr. HARRIS), testified and he was accompanied by representatives of local government entities in the area and members of the Veterans' Administration, all of whom have unanimously supported this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. HILLIS), the distinguished ranking minority member of the subcommittee.

Mr. HILLIS. Mr. Speaker, I thank my distinguished colleague from Arkansas for yielding.

Mr. Speaker, I rise in support of H.R. 11140, a bill to establish a new national cemetery at Quantico, Va.

The Veterans' Administration has estimated that there may be as many as 600,000 eligible veterans in the Washington metropolitan area who will desire burial in a national cemetery. We are all aware that burial space in Arlington is rapidly diminishing. It is clear, then, that another national cemetery is needed within the environs of our Nation's capital.

Mr. Speaker, other members of the subcommittee and I have visited the proposed site at Quantico and determined that it is ideally suited and most impressive.

Quantico is steeped in historical significance and it is fitting that a national cemetery be located there. The site, which will provide burial space for some 300,000 veterans and their dependents, will insure our veterans the right to choose burial in a national cemetery.

Mr. Speaker, funds have already been appropriated to carry out the purpose of the bill. I therefore urge my colleagues to join in supporting this important legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to express my strong support for the establishment of the national cemetery at Quantico, Va.

The need for another national cemetery in the Washington area is becoming imperative with the very limited space available at Arlington National Cemetery, the only open national cemetery in the area. Also because of many of the restrictions placed on burial in Arlington National Cemetery, many veterans are not eligible for burial at Arlington. Therefore, the establishment of a national cemetery at the Marine Corps base at Quantico, Va., is indeed a most desirable solution to the limited burial space problems at Arlington. Quantico is easily accessible and is located only 30 miles south of Washington, D.C.

The Administrator of Veterans' Affairs on January 26 of this year approved the site and the Commandant of the Marine Corps is ready to transfer the approximate 620 acres to the Veterans' Administration.

The need for this national cemetery was also established in the 1974 Veterans' Administration study entitled, "Study of the National Cemetery System," which stated that "another national cemetery should be established in or near the District of Columbia." With the veteran population in the Washington metropolitan area approximately 1.3 million, the need for this cemetery is obvious.

Mr. Speaker, I, therefore, urge that we unanimously pass this proposal, which merely agrees with an earlier decision of the VA Administrator to create a national cemetery at the Marine Corps base at Quantico, Va.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the distinguished gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague from Arkansas yielding and our colleague from this committee in taking a good look at this particular legislation; but I wonder if the gentleman from Arkansas can tell me, I have had an opportunity to read the report of the Administrator of Veterans' Affairs on this bill, which is contained on page 527 of the committee report. I think it leaves some room for explanation.

The Administrator stated that—

> The bill is in basic accord with our own administrative branch for the National Cemetery System.

He then went on to state that—

> Legislation directing the construction of a national cemetery at a particular place derogates from the authority vested in me by the Congress pursuant to public law 93-43.

Now, my question to my colleague from Arkansas is, Does the Administrator possess the authority to designate where national cemeteries are to be located?

Mr. HAMMERSCHMIDT. According to the opinion of the general counsel of the Veterans' Administration, the Administrator does have such authority.

Mr. ROUSSELOT. Did the Administrator of the Veterans' Administration select Quantico as the site for a national cemetery?

Mr. HAMMERSCHMIDT. Yes, he did. Administrator Roudebush announced his selection of Quantico as the site for the national cemetery system on January 26, 1976.

Mr. ROUSSELOT. On January 26, 1976?

Mr. HAMMERSCHMIDT. Yes.

Mr. ROUSSELOT. Then on what date was this bill reported out?

Mr. HAMMERSCHMIDT. Well, this bill was reported March 25, 1976.

Mr. ROUSSELOT. Well, in view of the fact that the Administrator had already selected the Quantico site on January 26, is this legislation really necessary?

Mr. HAMMERSCHMIDT. Well, let me say, first, I support it, because it backs up the decision made by the Executive.

Mr. ROUSSELOT. I also favor the legislation.

Mr. HAMMERSCHMIDT. But the gentleman can draw his own conclusions to that, since the Administrator of Veterans's Affairs announced on January 26 of this year his plans for building the national cemetery at Quantico. It appears that the decision had been made before it was acted on; but I think it is still meritorious. I back up the Administrator in his decision.

Mr. ROUSSELOT. Then, really, all we are doing with this legislation is following through to back up the Administrator. We are really confirming what the Administrator already has the power to do under laws we have already passed.

Mr. HAMMERSCHMIDT. I think that is true, but I think it is very well that the legislative branch agrees with the executive branch in this case.

Mr. ROUSSELOT. I do not disagree with confirming acts of the administration when we feel they are right. I support the legislation.

I am just asking the question because we have really given the Administrator the power to make many of these decisions.

Mr. HAMMERSCHMIDT. The gentleman is correct.

Mr. ROUSSELOT. I thank my colleague for yielding to me.

Mr. SATTERFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. Mr. Speaker, I thank my acting chairman for yielding to me.

Mr. Speaker, I would respectfully like to clarify the comments and colloquy of the gentleman from California (Mr. ROUSSELOT) and the gentleman from Arkansas (Mr. HAMMERSCHMIDT). As chairman of the Subcommittee on Cemeteries and Burials, I have made a study of the law that was being discussed and have considered all of the facts that prevail, and very respectfully wish to clarify the record. The law to which I refer is Public Law 93-43, and the pertinent portion is codified as section 1006 of title 38, United States Code.

There is no authority in Public Law 93-43 for the Administrator of Veterans' Affairs to establish cemeteries—none whatsoever, not one scintilla. The language of Public Law 93-43 simply provides that as additional lands are needed for national cemeteries, they may be acquired by the Administrator by purchase, gift, including donations from States or political subdivisions thereof, condemnation, transfer from other Federal agencies, or otherwise, as he determines to be in the best interest of the United States.

The pertinent provision of Public Law 93-43, which is section 1006 of title 38, United States Code, provides only for the methods by which the Administrator may acquire additional lands, not for the establishment of new national cemeteries. Method of acquisition, yes. Establishment of new cemeteries, no.

I submit that there is no way that the language of that law could be so construed. I understand that the Chief Counsel of the Veterans' Administration has provided the minority side with a letter stating that in his opinion such authority exists, but in my considered opinion he either has had a most limited exposure to the interpretation of laws or, more likely, is yielding like a wilted reed to pressures from the Executive Department.

To construe the clear language of section 1006, title 38, to mean that the Administrator has the power and right to establish a national cemetery wherever, and whenever, he chooses, behind every bush and tree, would not only be absurd but would stultify and distort congressional intent and the plain meaning of the English language.

When the Congress authorizes the Administrator to establish a new national cemetery, then Public Law 93-43, title 38, section 1006, gives him the power to acquire title to land for that cemetery by purchase, gift, donation, condemnation, transfer, or otherwise. But the establishment of new national cemeteries, as contrasted with acquiring additional lands for cemeteries, remains solely and properly within the jurisdiction of the Congress. To argue otherwise would be like as to arguing that the Secretary of Defense has the power to establish new forts, new air bases, and new shipyards, wherever and whenever he chooses to do so. Such an argument is absurd. Once the Congress authorizes the establishment of a facility he may, by congressionally approved methods, acquire the lands needed for the facility, but he has no discretionary power to establish the facilities without prior congressional authorization.

Second, this bill is essential in that no funds have been authorized for the establishment of the Quantico cemetery. This bill contains the authorization. Under our rule XXI-2 authorization is necessary for the appropriation.

Mr. SATTERFIELD. Mr. Speaker, I would like to add an additional point in connection with this bill, and point out that this bill provides for the direct transfer of the land from the Marine Corps to the Veterans' Administration, whereas if we left this to the Administrator of the Veterans' Administration, he would have to go through normal procedures of surplus property, with the possibility that it might not become available as directed in this bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Speaker, as the sponsor of H.R. 11140, I am pleased that today the House of Representatives is considering legislation of such vital importance to the veteran population of the United States. Creating a new national burial ground in the national capital area is a most fitting tribute to the Nation's many veterans during this Bicentennial Year. I am sure my colleagues in the House will concur that this is a most deserving goal.

I am honored to have as cosponsors my distinguished colleague from California (Mr. DANIELSON), chairman of the House Veterans' Affairs Subcommittee on Cemeteries and Burial Benefits, and my distinguished colleague from Indiana (Mr. HILLIS), the ranking minority member of the subcommittee. I would like to commend them for their interest and leadership on this and many issues of concern to our veteran population.

THE NEED FOR A CEMETERY IN THE NATION'S CAPITAL

Burial space of Washington-area veterans is fast diminishing since the Department of the Army's eligibility restrictions and limited land area mean that a vast number of veterans cannot be buried in the Arlington National Cemetery. In fact, the Washington-area veteran who wishes burial in a national cemetery today finds the nearest available space to be Long Island, N.Y. and Raleigh, N.C.

The need for an additional national veterans cemetery in the Washington metropolitan area was established in the 1974 Veterans' Administration study entitled "A Study of the National Cemetery System" which concluded, "Another national cemetery should be established in or near the District of Columbia." This study estimates that there are 600,000 veterans in the Washington area. Additionally, the June 1975 census of veterans population shows that in the three surrounding states there are 1,360,000 veterans. In Virginia, 545,000; in Maryland, 610,000 veterans; in the District of Columbia, 105,000. Thus, the veterans population is quite high in the surrounding area.

Furthermore, I understand that the average World War I veteran is now 75 to 80 years old; World War II, 55 to 75 years old; and Korean war, 45 to 55 years old.

AN EXCELLENT SITE

On December 5, I personally viewed the Quantico site with Chairman Danielson and Congressman Hillis. The proposed location—just 30 miles from the Capital—is ideally suited for a national cemetery. The Quantico Marine Base is of great historical significance and a burial ground for veterans would be very compatible with the military installation. The 620 acres consist of gently rolling hills and woods; it is 80 percent developable. Major changes to the landscape will not be necessary, nor are there any structures to be removed. There is presently on the property a small family cemetery which has been maintained by the Marine Corps for a number of years and I would hope that it could be retained. Borings have established soil suitability. Drainage is good and access is excellent. The site can be reached directly via Interstate 95, a major highway going south from the city. Since the land is already owned by the Federal Government there would be no land acquisition cost to the taxpayer. The property is sufficiently distant from developed portions of the base and the nearest town, Quantico, so that traffic to and from the cemetery would not be disruptive to the base operations or the area's citizens. The land is buffered by Prince William Forest Park and acreage to be developed as a county park. In essence, it is a serene and peaceful setting.

SUPPORT WIDESPREAD

I have been very encouraged by the favorable community response to the proposal and will submit for the record today a list of the organizations supporting the bill. I would particularly like to point out that the Prince William Board of Supervisors, the local governing body in which the cemetery would be located, on January 6 unanimously adopted a resolution of support. Similarly, the Quantico town council endorsed it. Additionally, the Stafford County Board of Supervisors, on December 22, adopted a resolution of support; Stafford is the county adjacent to Prince William.

I am particularly pleased that metropolitan area Members of Congress support my bill. These Members represent congressional districts in the immediate area to be served by the cemetery. They are Representatives Joseph L. Fisher, of Virginia; Walter E. Fauntroy, of the District of Columbia; Gilbert Gude, of Maryland; and Gladys Noon Spellman, of Maryland.

The two local newspapers serving the area endorsed the bill in December, immediately after I introduced it.

On January 13, I held a meeting in the community to receive citizens' views on the proposal. Over 20 organizations were represented. Thirty individuals spoke, some as individuals, most representing organizations. Not one person opposed the national veterans cemetery at Quantico. In short, community support is very impressive.

H.R. 11140 also has national support. The Veterans of Foreign Wars, American Legion, Disabled American Veterans testified in support of my bill at the January 26 House hearings. Additionally, the Blinded Veterans Association and the United Spanish War Veterans support the bill.

This Nation has a responsibility, recognized in law, to afford public honor and recognition to those who have sacrificed to serve our country. I am honored to be a part in providing a lasting memorial to the Nation's veterans. And I am confident that the citizens of the Commonwealth of Virginia will also feel this great honor. A new national cemetery in the Nation's capital is a most fitting commemoration of the contribution to the country veterans have made throughout the history of this great country. I call on my colleagues to join me in support of a most important bill.

I include the following:

Organizations Supporting H.R. 1140, To Establish a National Veterans Cemetery at the Quantico Marine Base, Prince William County, Va., April 5, 1976

LOCAL ORGANIZATIONS

Prince William County Board of Supervisors.
Stafford County Board of Supervisors.
Prince William Delegation to the Virginia General Assembly.
Quantico Town Council.
Dumfries Town Council.
Prince William County Municipal League.
Prince William County Federation of Civic Associations.
Potomac Region Veterans Council.
American Legion, 10th District.
Veterans of Foreign Wars, 10th District.
Veterans of Foreign Wars, 8th District.
Disabled American Veterans, Chapter 10.
Eastern Prince William Chamber of Commerce.
Greater Manassas Chamber of Commerce.
Civilian-Military Community Relations Council of Quantico.
Civitan Club of Woodbridge.
Woodbridge Lions Club.
Dumfries Lions Club.
Quantico Lions Club.
Veterans of Foreign Wars, Springfield Chapter.
Veterans of Foreign Wars, Post 9332.
American Legion Post 24.
American Legion Post 28.
American Legion Post 177.
Buckhall Civic Association, Inc.
National Association of Retired Federal Employees, Chapter 356.
The Reserve Officers Association, Robert E. Lee Chapter.

STATE ORGANIZATIONS

Disabled American Veterans of Virginia.
The Reserve Officers Association, Department of Virginia.

NATIONAL ORGANIZATIONS

Veterans of Foreign Wars.
American Legion.
Disabled American Veterans.
Blinded Veterans Association.
United Spanish War Veterans.

[From the Potomac News, Dec. 10, 1975]

FULL SUPPORT

The full resources of the community, we hope will be applied to establishing an annex to Arlington National Cemetery on a 600-acre tract at the Quantico Marine Corps base in Prince William County. The proposal, being pressed by Rep. Herb Harris, apparently has a tremendous chance of fruition following a visit to the site Friday by members of the Cemeteries and Burial Benefits Subcommittee of the House Veterans Affairs Committee.

Several Prince William sites, each with drawbacks, have been considered in recent years, and Quantico, to our point of view, has always been the most preferred. But only last week did it become generally known that the base apparently would be willing to release the 600-acre tract, ideally located across Joplin Road from Prince William Forest Park and adjacent to 900 acres destined for development as a county park.

For the nation's veterans, the cemetery would provide badly needed burial space for 300,000 veterans and their families in future years. For this community, it would provide, we are told, some 125 new jobs as well as an opportunity to provide services for countless thousands of visitors who would come to the site over the years. The added cost to the county government should be minimal, and no new lands would be taken off tax rolls.

In every respect, the proposal deserves full and aggressive community backing.

[From the Manassas (Va.) Journal Messenger, Dec. 18, 1975]

FOR ONCE WE AGREE

On many occasions we have found it necessary to take exception to the views and philosophies of Congressman Herbert E. Harris II and to voice our criticism of the positions he has taken regarding important legislation before the Congress. Our disagreement with Mr. Harris arises from the issues at hand rather than any personal bias against our Eighth District representative. As a matter of fact, when Mr. Harris does something which we consider to be right and in the best interests of the nation and his constituency, we have not hesitated to voice our support for his point of view. One such instance occurred last week when Mr. Harris introduced legislation in the House of Representatives for the establishment of a national veterans cemetery in Quantico.

In recent months there has been a good deal of interest expressed in securing a national cemetery for Prince William County. Various locations have been discussed and several organizations in the county went on record in expressing their preferences. And yet there was at that time no single site which appeared likely to attract unified support. Mr. Harris' proposal is one which should find favor with all except the most sectionally oriented interests who might have preferred to see a new cemetery in a different location. The growing need for a new cemetery has been apparent for some time. The Harris bill would utilize land which is already owned by the Federal government and whose suitability for this purpose appears more likely than that of sites previously proposed.

Initial indications are that this bill will move rather rapidly through the Congress with bipartisan support. Already cosponsored by a Republican and another Democrat, the bill should receive action on the House floor sometime in the spring. A companion bill is also being prepared for introduction in the Senate. Congressman Harris' initiative in getting this legislation in the hopper should be commended by the people of Prince William County and the Washington metropolitan area who will be served by this new national cemetery. This is a proposition behind which all county citizens can unite, regardless of politics, in giving this bill their support when public hearings are held. In introducing this bill, Mr. Harris has scored one for the people as well as himself.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it might be well for me to insert into the Record at this point some remarks made by the general counsel of the National Cemetery System. The remarks follow:

Authority of the Administrator To Acquire Land for Development of National Cemeteries

1. This will respond to your inquiry of June 17, 1975, relative to the Administrator's authority to acquire land for development of national cemeteries. We have concluded that the Administrator has full authority to select sites, purchase or accept land, and structure the cemetery system in the manner he thinks most adequate, subject only to the appropriation process of the Congress, where applicable.

2. There are a number of provisions in title 38, United States Code, enacted by Public Law 93–43, pertaining to the acquisition and development of national cemeteries. Section 1000, establishing the National Cemetery System, provides, in part, that the System shall consist of certain identified cemeteries and any other "later acquired or developed by the Administrator." Section 1001 requires the Administrator to advise and consult with an Advisory Committee on Cemeteries and Memorials "with respect to the selection of cemetery sites" and other matters. In section 1004, "The Administrator" is authorized to make all necessary rules and regulations and may designate those cemeteries which are considered to be national cemeteries. Additionally, section 1006 titled "Acquisition of lands" provides:

"As additional lands are needed for national cemeteries, they may be acquired by the Administrator by purchase, gift (including donations from States or political subdivisions thereof), condemnation, transfer from other Federal agencies, or otherwise, as he determines to be in the best interest of the United States."

3. The report of the Senate Committee on Veterans' Affairs on S. 49 (Report No. 93–55), which was enacted as Public Law 93–43, states that the authority of the Administrator to acquire additional lands for national cemeteries as needed is similar to the authority vested in the Secretary of the Army pursuant to sections 271 and 271a of title 24, United States Code. The report of the House Committee on Veterans' Affairs on H.R. 2828, their version of the cemetery bill (Report No. 93–131), contains the same language. The word "similar" has been judicially interpreted as meaning nearly corresponding, resembling in many respects, somewhat alike, or having a general likeness. *Thompson* v. *C.R.*, C.A. 4, 203 F. 2d 820, 825. See also Black's Law Dictionary, 4th ed., page 1554 and Ballentine, "Law Dictionary with Pronunciations," page 1180.

4. Section 271 of title 24, United States Code, which was repealed by P.L. 93–43, provided as follows:

"The Secretary of the Army shall purchase from the owners thereof, at such price as may be mutually agreed upon between the Secretary and such owners, such real estate as in his judgment is suitable and necessary for the purpose of carrying into effect the provisions for national cemeteries, and obtain from such owners the title in fee simple for the same. And in case the Secretary of the Army is not able to agree with any owner upon the price to be paid for any real estate needed for such purpose, or to obtain from such owner title in fee simple for the same, the Secretary is authorized to enter upon and appropriate any real estate which, in his judgment, is suitable and necessary for such purposes."

5. The authority of the Secretary of War (Secretary of the Army) to purchase land under section 271 of title 24 (repealed by P.L. 93–43) has been upheld by the Attorney General (39 Op. Atty. Gen. 373 (1939)). In view of the "general likeness" of the statutes, Congress has clearly authorized the Administrator of Veterans Affairs to acquire lands for national cemeteries in the manner set forth in section 1006, P.L. 93–43.

6. One of the underlying considerations in passage of the National Cemeteries Act of 1973 (P.L. 93–43) was fulfillment of the veteran's desire to be buried with his comrades-in-arms, those with whom he shared the hazards and vicissitudes of wartime service, and with whom he continued his associations after the war through membership in veterans organizations. The Congress has placed in the Administrator the authority to develop a national cemetery system to meet the needs of these veterans. P.L. 93–43 contemplates an orderly and reasonable expansion as evidenced by the language cited in paragraph 2, above. In view of the distribution of veterans throughout the nation and the enormous expense involved, "an orderly and reasonable expansion" may contemplate something less than a national cemetery in every state. This fact is recognized by the number of bills introduced in the 94th Congress to establish some type of grant-in-aid program for State veterans cemeteries (H.R. 5963, 5466, 1361, 5803, 743, S. 858 and this Agency's proposed bill).

7. The proposed programs for assistance to the States should furnish an impetus to States to undertake further participation in meeting the burial needs of veterans. The establishment of State veterans cemeteries would complement those cemeteries already established or planned for the National Cemetery System, and make it possible for every veteran who so desires to be buried with his comrades-in-arms in a cemetery in his home State. The concept of complementary cemetery systems would afford a method for appropriate expansion to meet the total needs of the veteran population. Any development by the Administrator of a new cemetery under P.L. 93–43 would not necessarily have to be limited to interments of residents of that particular State, but under rules and regulations which the Administrator is authorized to promulgate could be structured on a "regional" or other type of jurisdictional basis. We believe the language of P.L. 93–43 fully supports the Administrator's authority to make such a determination. The Congress, in addition to authorizing the Administrator to develop National Cemeteries (section 1004 of title 38), directed the Administrator to conduct a study concerning criteria to govern this development, including the concept of regional cemeteries (Sec. 3.(a)(1) of P.L. 93–43). This, in itself, is a recognition that the regional cemetery concept is an incident of development. Thus, having the authority to develop cemeteries, the Administrator also has the authority to structure them to meet the total needs of the veteran population. This study, which was submitted to the Congress in January 1974, concluded that the regional cemetery concept met all the basic principles for a sound veterans burial system.

8. It is my opinion that there is present authority in the Administrator under P.L. 93–43 to select sites for national cemeteries, to acquire land necessary therefor, to develop new cemeteries on any reasonable jurisdictional basis and to expand existing national cemeteries, subject only to the appropriation process of the Congress. He is the sole official of the United States Government who is vested by law with the mentioned authority.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. I appreciate the gentleman yielding to me.

Mr. Speaker, I too want to compliment the gentleman from Virginia (Mr. Satterfield), the gentleman from California (Mr. Danielson), and the gentleman from Arkansas (Mr. Hammerschmidt), for their speedy action on this bill. They have done good work in the past on national cemetery legislation. The three of them should receive our appreciation for the work they have done in seeing to it that this legislation before us today came to the floor in a timely manner. This subcommittee has been helpful in making sure that we had an appropriate veterans cemetery location in California, near March Air Force Base. This committee has always been responsive when the Veterans' Administrator has made a decision as to an area that might be appropriate for a cemetery.

Mr. Speaker, I wish to compliment the three gentlemen (Mr. Satterfield, Mr. Hammerschmidt, and Mr. Danielson) for their speedy action. I of course include my colleague, the gentleman from Indiana (Mr. Hillis).

Mr. HAMMERSCHMIDT. Mr. Speaker, I reserve the balance of my time.

Mr. SATTERFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. Pickle).

Mr. PICKLE. Mr. Speaker, I rise in support of this legislation, and I want to commend the gentleman from Virginia (Mr. Satterfield) and the gentleman from California (Mr. Danielson) for bringing this bill to us. I take the time, however, to point out to the Members of this body that there is a congressional cemetery here in Washington, D.C., that many of us are not mindful of. It is located at 18th and E Streets SE., just where Pennsylvania Avenue crosses the Anacostia River, a tract of about 30 acres. It is called the Congressional Cemetery, but it is presently owned by the Christ Church, Washington Parish. It is a lovely cemetery, but it needs attention and it needs help. I think it might be of interest to the Members of the House of Representatives to realize that 43 Congressmen, 12 Senators, and several of the mayors of our city are buried there. Also buried there is former Vice President Elbridge Gerry, who was a signer of the Declaration of Independence; Samuel Otis of Massachusetts; Tobias Lear, private secretary to George Washington; and Gen. James Jackson, Georgian Revolutionary hero and U.S. Senator.

We have had some very distinguished people buried there who have been moved but the monuments are still there. Those include people such as President John Quincy Adams; Vice President George Clinton; First Lady Dolly Madison; President Zachary Taylor; and Congressmen Henry Clay, John Calhoun, and Thaddeus Stevens.

Mr. Speaker, I do not rise for the purpose of asking that we extend some specific monetary help to this cemetery, because I do not know what should be or could be done. Perhaps this body might join in some kind of ceremony at that site, in commemoration of those American leaders who have gone before us and who have helped make this country great. It is a significant and lovely spot in the District, and we ought to be mindful of it. Perhaps in this Bicentennial Year we might have some occasion to call attention to the fact that this cemetery does exist.

Mr. DANIELSON. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the gentleman for yielding.

Mr. Speaker, I greatly appreciate the thoughtfulness of the gentleman from Texas (Mr. PICKLE) for bringing this matter to the attention of the House. The Congressional Cemetery is really a great sorrow. I am afraid it illustrates the fact that the perpetual care we think about as to cemeteries somehow seems to expire after all of the lots are sold. There are many veterans and many nonveterans buried there. It does not qualify under existing law as a national cemetery, but I want to assure the gentlemen that if there is enough interest shown in this, maybe something can be done.

Mr. PICKLE. I thank the gentleman for his remarks. Maybe that is all the more reason we ought to advance this particular legislation before us—and to be thinking about the Congressional Cemetery.

Mr. FISHER. Mr. Speaker, I am pleased to speak in favor of H.R. 11140, legislation to establish a national cemetery at Quantico, Va.

There is clearly both a need to establish an additional national cemetery in the national capital area and strong support for establishing it at Quantico, Va. A large number of veterans live in the Washington metropolitan area—a majority, 650,000, reside in Virginia. Limited space at Arlington National Cemetery has resulted in strict eligibility requirements for burial there. These restrictions in effect prohibit the burial of most veterans at Arlington—a situation which must be alleviated promptly.

National veterans organizations indicated support for the establishment of a new regional cemetery and the Veterans' Administration has already approved the Quantico site. The 1976 session of the Virginia General Assembly also has approved a resolution of support for the site.

My colleague from northern Virginia, Representative HARRIS, in whose district Quantico is located, has done a commendable job in introducing this legislation and contributing to expeditious committee action on it. I join with him today in urging unanimous support in the House for passage of H.R. 11140.

Mr. ROBINSON. Mr. Speaker, I rise in support of the bill (H.R. 11140) which directs the Administrator of Veterans' Affairs to establish within the National Cemetery System a national cemetery at the Marine Corps Base, Quantico, Va.; provides for transfer of Government-held land to accomplish this purpose, and authorizes funds to develop the new cemetery.

In 1973, through the National Cemeteries Act—Public Law 93-43—Congress recognized the need for additional cemeterial space for veterans.

Subsequently, the Veterans' Administration has identified the vicinity of the District of Columbia as a prime site for an additional national cemetery.

In its report to the Committee on Veterans' Affairs, the Veterans' Administration acknowledges that "the bill is in basic accord with our administrative planning for the National Cemetery System."

Then, Administrator Roudebush proceeds to register objection to the bill because it directs the establishment of an additional national cemetery at a particular place.

I submit that this is not an objection of great substance, in that the Veterans' Administration apparently regards the site as an excellent one and has indicated that it might well end up choosing it on its own, absent enactment of the bill before us.

The Quantico site has the advantage of not involving land acquisition cost, in that the land is in Government hands, and is surplus to the needs of the Marine Corps.

We should move ahead to accommodate the desires of the many veterans for eventual burial in a national cemetery by approving this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield back the balance of my time.

Mr. SATTERFIELD. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. SATTERFIELD) that the House suspend the rules and pass the bill H.R. 11140.

The question was taken.

Mr. HILLIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THOMAS JEFFERSON DAY

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 670) to designate April 13, 1976, as "Thomas Jefferson Day."

The Clerk read as follows:

H.J. RES. 670

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 13, 1976, the birthday of Thomas Jefferson, is designated as "Thomas Jefferson Day", and the President is authorized and requested to issue a proclamation calling for the observance of such day with appropriate ceremonies and activities.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) and the gentleman from California (Mr. ROUSSELOT) will each be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 670 is a bill to authorize the designation of April 13, 1976, as "Thomas Jefferson Day."

Perhaps the most widely known accomplishment of Thomas Jefferson is his authorship of the Declaration of Independence. However, Mr. Jefferson's contributions to this Nation covered a wide range of activities. He served this country as a member of the Virginia House of Delegates, as Governor of the Commonwealth, as U.S. Ambassador to France, as Secretary of State, Vice President, and President of the United States. In addition, he was a noted scholar, scientist, and architect. His home, Monticello, is a living monument to the genius of this man.

His philosophy—which to this day serves as the embodiment of the spirit of this country, our ideals, and purposes—has left a lasting imprint on our Nation. The committee believes it is fitting in this Bicentennial Year that Thomas Jefferson, the patriot and American, should be honored.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, obviously, since Mr. Jefferson is one of my heroes, I am proud to rise in support of this joint resolution.

Mr. Speaker, House Joint Resolution 670, a resolution which I cosponsored would designate April 13, 1976 as "Thomas Jefferson Day." This legislation honors the birthdate of a statesman who includes among an impressive list of accomplishments the primary authorship of the Declaration of Independence.

Thomas Jefferson had the foresight to realize that a strong Federal Government would deprive its citizens of individual liberties and responsive representation. It is said that Jefferson authored the phrase "That government is best which governs least."

Jefferson held that the purpose of government is to secure by law the rights of the governed, and these rights are to be represented in the very process by which law is made. If these laws are not effectively represented in the legislative process, then government acts without consent of the governed, that is, it acts despotically. And the probable consequence of despotism is tyranny, which means that the power of government is exercised not to secure the rights of the governed but, on the contrary, it is exercised for the particular advantage of those who govern.

Enscribed on the dome of the Jefferson Memorial are his words:

> I have sworn upon the altar of God eternal hostility against every form of tyranny over the minds of men.

It is our duty, as Members of this legislative body, to continue to meet the forces which seek to erode individual liberties with the same hostility. We must accept this challenge of vigilance if our freedoms, as our Founding Fathers envisioned them, are to be preserved.

Jefferson stated:

> The care of human life and happiness and not their destruction is the first and only legitimate object of good government.

In a similar vein, he noted that:

> A wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned—this is the sum of good government.

Several other excerpts from the writings of Thomas Jefferson, I believe best exemplify not only his philosophy but also the relevancy of those quotes to the issues we face today.

On the scope of the Federal Government Jefferson felt:

> It is not by the consolidation, or concentration of powers, but by their distribution, that good government is effected. Were not this great country already divided into States, that division must be made, that each might do for itself what concerns itself directly, and what it can so much better do than a distant authority. Every State again, is divided into counties, each to take care of what lies within is local bounds; each county again into townships or wards, to manage minuter details; and every ward into farms, to be governed each by its own individual proprietor . . . It is by this partition of cares, descending in graduation from general to particular, that the mass of human affairs may be best managed, for the good and prosperity of all.

On another occasion he said:

> When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated.

During Jefferson's first administration, the United States paid off a considerable portion of the national debt, and at the same time reduced taxes. On tax policy, "pay as you go" were his very words. The people had the leader they wanted, and they swept him back to a second term in a landslide. On the national debt Jefferson was for—

> * * * a government rigorously frugal and simple, applying all the possible savings of the public revenue to the discharge of the national debt; and not for a multiplication of officers and salaries merely to make partisans, and for increasing, by every device, the public debt, on the principle of its being a public blessing.

He also said:

> We are endeavoring, too, to reduce the government to the practice of a rigorous economy, to avoid burdening the people, and arming the magistrate with a patronage of money, which might be used to corrupt and undermine the principles of our government.

Since it is expected that President Ford will veto the Hatch Act amendments, perhaps it would be beneficial to look at Jefferson's view of the role of the public servant. In a letter to Baron von Humboldt in 1807 Jefferson said:

> When a man assumes a public trust, he should consider himself public property.

At another time he stated:

> Our country is too large to have all its affairs directed by a single government. Public servants at such a distance, and from under the eye of their constituents, must, from circumstances of distance, be unable to administer and overlook all the details necessary for the good government of the citizens; and the same circumstance, by rendering detection impossible to their constituents, will invite the public agents to corruption, plunder and waste.

His autobiography includes the quote:

> Were we directed from Washington when to sow, and when to reap, we should soon want bread.

As we reflect on the words of Thomas Jefferson and the wisdom and foresight they manifest, let us bear in mind their importance—not as memorials to past history, but rather universal principles of governing that are applicable today.

I urge my colleagues to pay tribute to this great statesman and thereby confirm our commitment to the preservation of individual freedoms. Vote for the adoption of this resolution.

Mr. Speaker, I now yield such time as he may consume to one of the major authors of this joint resolution, one Member who has been a major advocate of this joint resolution for some time, the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, it may seem strange to some that a resident and citizen of the State of Illinois would be the principal sponsor of this joint resolution. However, I want to explain that at one time Illinois indeed, was a part of the State of Virginia.

The county of Illinois formed part of the State of Virginia, and that existed for a period of 3 years during our early history.

I also want to report that this project is an American Revolutionary Bicentennial project of the Elgin Community College, which is located in my congressional district. This project was translated into this House Joint Resolution, and I want to commend the committee for having reported it favorably.

Mr. Speaker, this measure is cosponsored by 240 of our colleagues, and it has also been adopted by the Joint Committee to celebrate the American Revolutionary Bicentennial, of which our colleague, the gentlewoman from Louisiana (Mrs. BOGGS) is the chairman.

Therefore, Mr. Speaker, I am very delighted that this measure is being acted upon. Hopefully, it will be acted upon favorably, and then we will have an opportunity next Tuesday in this chamber to have a special recognition ceremony for Thomas Jefferson, the person who was indeed the author of the principal document that we honor in this Bicentennial Year, the Declaration of Independence.

Mr. Speaker, House Joint Resolution 670, is a special Bicentennial measure which designates April 13, 1976, as Thomas Jefferson Day. The fitness of commemorating the birthday of perhaps the greatest of our Founding Fathers in this anniversary year of our independence is clear. Jefferson's talents and vision were unmatched in his own time, and his many achievements have remained unique through 200 years of American history.

This resolution, which I introduced in September of last year, results from the efforts of many dedicated people. The Thomas Jefferson Day idea originated in my own 13th Congressional District at Elgin Community College. The College Bicentennial Commission, cochaired by Carole Ackemann and Dennis Sienko, made the day its primary project, headed and coordinated by Mrs. Virginia Kammerer. The college will send a delegation, accompanied by President Mark Hopkins, to Washington to join in the ceremonies on April 13.

The Joint Congressional Committee on Bicentennial Arrangements formally endorsed the resolution in March, Since that time, its chairwoman, our colleague from Louisiana (Mrs. BOGGS), and our colleague from Virginia (Mr. BUTLER) and the other members and staff of the joint committee have worked diligently to plan and execute a meaningful observance of the day.

Finally, I am most pleased to be joined in support of Thomas Jefferson Day by 240 other Members of Congress. The names of these cosponsors are listed on House Joint Resolutions 898–907, all identical to the original resolution, which I introduced last week.

Mr. Speaker, Thomas Jefferson Day is a Bicentennial event in which the people and the Congress have joined. Through the hard work of a group of citizens in Illinois, which, indeed, was at one time a part of Jefferson's native State of Virginia, we have before us today a significant resolution cosponsored by a majority of the Members of the House. This is the way the American political system was designed to work, and the genesis of this resolution should make the observance of Thomas Jefferson Day even more meaningful on Tuesday, April 13.

Mr. ROUSSELOT. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. Mr. Speaker, I thank the gentleman for yielding.

I would just like to assure the gentleman from Illinois (Mr. McCLORY) that we in Virginia feel no resentment that Illinois is the sponsor of this resolution. We are pleased to share a common heritage and an ancestor of such distinction, nor do we feel resentment to the Democratic Party which appropriated Thomas Jefferson many years ago, even though he always called himself a Republican.

Mr. ROUSSELOT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DERWINSKI), the ranking Republican member of the Committee on Post Office and Civil Service, another representative from the great State of Illinois.

Mr. Speaker, I imagine that because they used to be part of the State of Virginia, they are anxious to be in on the colloquy today.

Mr. DERWINSKI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in our Bicentennial observance of our Nation's heritage, it is fitting and proper that we pay special tribute to the author of one of the world's most remarkable and durable documents. I refer, of course, to Thomas Jefferson and the Declaration of Independence.

If the declaration that we no longer would tolerate oppression were Mr. Jefferson's only contribution to the founding of our Republic, it still would be more than sufficient to justify a proclamation setting aside a day in his honor. It still stands as the very embodiment of the hopes and aspirations of men and women who cherish freedom and the right to pursue their own destinies.

While Jefferson's genius was demonstrated in the Declaration of Independence, he had a worldwide impact on an almost limitless variety of subjects in the public and private sectors. If ever a man possessed universal knowledge, Thomas Jefferson was that man. He deserves to be given special tribute this year as a patriot, statesman, inventor, politician, educator, and humanitarian. He is truly a man for the Bicentennial season.

I am pleased to join all the Jeffersonian scholars in support of this resolution.

I wish to call the attention of the Members to a statement of Thomas Jefferson which is one of my favorites. That was in a letter to William Stevens Smith on November 13, 1787.

Jefferson wrote as follows:

> The republican is the only form of government which is not eternally at open or secret war with the rights of mankind.

Mr. Speaker, that is a most memorable statement for us to recall this afternoon.

I do have one question if anyone on the majority side could answer this: Whatever happened to those Jefferson Day dinners the people on the other side used to have years ago? Jefferson is not passé now, is he? Is he not honored any more at those Jackson-Jefferson Day dinners that used to be held?

I wonder whether someone could enlighten me.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Speaker, we still have them; we still observe them. We are going to have one at the end of the month. Perhaps the gentleman from Illinois (Mr. DERWINSKI) would want to attend.

Mr. DERWINSKI. If the gentleman from Missouri needed a speaker to extol the Republican virtues of Mr. Jefferson, I would be glad to cooperate.

Mr. ROUSH. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Speaker, I would advise the gentleman from Illinois (Mr. DERWINSKI) that Indiana is having its Jefferson Day dinner on Saturday night. I can get him a front-row seat for $100 and would be glad to have him there. In any event, we also celebrate Jackson-Jefferson Day.

Mr. DERWINSKI. Is that related to that 2-percent matter we worked on earlier?

Mr. ROUSH. No. That is the reason for having the dinner, so we can get away from the 2 percent.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, just a few weeks ago we had our annual Jackson-Jefferson Day dinner in North Carolina, and we had a tremendous attendance. We are very proud of both Jefferson and Jackson and many of us have in the Congress done our best to put into practice the many great principles they enunciated.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, as I understand it, Jefferson spent quite a bit of time in Paris, did he not?

Mr. DERWINSKI. The gentleman would have to check with our former colleague, Mr. Gross. He might be able to inform us with respect to Mr. Jefferson's activities.

Mr. ASHBROOK. I was wondering about that.

Mr. DERWINSKI. My remarks were directed entirely to Jefferson's contributions to the Republic.

Mr. ROUSSELOT. Mr. Speaker, I think it would be helpful for all of us to occasionally help refresh our understanding of the positive and constructive philosophy of Thomas Jefferson by making sure that we have a chance to review in a serious and thoughtful way our third president's works that relate not only to the founding of this Republic but also to the concepts of government and freedom, which we need to keep before us in our daily activities today.

Of course Mr. Jefferson was one of those who wrote extensively on the fact that the Founding Fathers gave us a republic as a form of government. He helped draft a form of representative government, with "the chains of a constitution" which would prevent our country from falling into the trap of a tyrannical form of government. As a matter of fact, Thomas Jefferson said:

> I have sworn upon the altar of God eternal hostility against every form of tyranny over the minds of men.

I wonder if he were here today what he would say of events in India, which in the name of "Democratic Socialism," have taken those poor people into the grasp of dictatorship. That today India has just another form of tyranny, because people there idealistically, thought there was such a thing as "Democratic Socialism." And without the "chains of a constitution" they now are experiencing a dictatorship.

So I think this is indeed a day for which we can be grateful that we are paying tribute to this knowledgeable Founding Father, Thomas Jefferson. That we will take time on April 13 for the entire Nation to celebrate not only Mr. Jefferson's 233d birthday, but also review the positive ideas of government that he put in the marketplace of America and the world for all time. I hope we heed them serious consideration and put them in practice.

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say to my colleagues that Colorado has already had its Thomas Jefferson-Andrew Jackson Day dinner. I might also add that we had a woman speaker there honoring our Founding Fathers and the rights of women, something that Thomas Jefferson also felt strongly about.

Mr. BIAGGI. Mr. Speaker, I rise in support and am proud to be a cosponsor of House Joint Resolution 670 which will set aside April 13 as Thomas Jefferson Day. It is fitting that this Nation set aside a day during its Bicentennial celebration to pay tribute to an outstanding early American whose work on behalf of the early American nation helped insure the success of this Nation's 200-year experiment with democracy.

Thomas Jefferson's accomplishments are well known to many of us. He was one of the authors of the Declaration of Independence as well as our third President. His theories on democracy became the basis for modern American political theory. His interest in education was exemplified by his founding of the world renowned University of Virginia.

On April 13, this Nation will celebrate the 233d anniversary of the birth of Thomas Jefferson. If we are successful in passing this legislation, we will also be celebrating Thomas Jefferson Day. It will be a well-timed event for by next week the cherry blossoms which adorn the Jefferson Memorial will be at their peak of beauty enhancing the already distinctive quality of the monument built in honor of this great American.

I hope the millions of Americans who will visit the Nation's Capital will take the time to visit the Jefferson Memorial and read some of his more outstanding quotations and reflect on the enormous contributions which this man made to the American Nation.

Mr. RHODES. Mr. Speaker, on Tuesday next, the House will observe Thomas Jefferson Day pursuant to a resolution which we have under consideration today. I am pleased to be a cosponsor of this measure to set aside a day to pay just tribute to one of our most illustrious Founding Fathers. Jefferson was, in essence, the story of early America. Left to fend for himself at the age of 14, he rose to eminence through self-discipline, hard work and the capacity to see events clearly, and recognize their import for the future.

As the author of the Declaration of Independence, he penned a document that has been unsurpassed in history, and that should inspire our Nation as surely today, two centuries later, as it did when a struggling nation underwent the travails and tribulations of organizing 13 States into a cohesive and workable government.

Jefferson was a man of many facets. Monticello is a memorial to his inventive genius, and his unswerving allegiance to the land and those who cultivated it.

It is fitting that we utilize our Bicentennial observance by looking back to the days of our beginnings. Our founders were fiercely intent on securing freedom and opportunity for all Americans. Today, we find that millions of our citizens do not truly appreciate the precious freedoms secured by the blood of those brave men and women who declared themselves a new nation. I believe every American who neglects the right to vote, to participate in our great Government, should review the sacrifices and the courage that were required of those determined colonists who fought the Revolution.

In his Declaration of the Causes and Necessity for Taking Up Arms, written July 6, 1775, Jefferson wrote:

> We are reduced to the alternative of chusing an unconditional Submission to the tyranny of irritated Ministers, or resistance by Force. The latter is our choice. We have counted the cost of this contest, and find nothing so dreadful as voluntary Slavery. Honour, Justice and Humanity, forbid us tamely to surrender that Freedom which we received from our gallant Ancestors, and which our innocent Posterity have the right to receive from us.
>
> We cannot endure the infamy and guilt of resigning succeeding Generations to that wretchedness which inevitably awaits them, if we basely entail heriditary Bondage upon them.

We are the posterity Jefferson referred to. It is fitting that we honor the man who set down the principles upon which our freedoms are based. I urge my colleagues to pass this resolution and to take part in the events which the House has planned for Thomas Jefferson Day.

Mr. LLOYD of California. Mr. Speaker, as one of many cosponsors to House Joint Resolution 670, which would designate April 13, 1976, as Thomas Jefferson Day, I ask that the House grant this special recognition to the author of our Declaration of Independence just as we have granted that honor for 200 years by making manifest his work.

Thomas Jefferson is one of the giants of history. As one of the Founding Fathers of the United States of America and as this Nation's third President, he has had a lasting and beneficial effect on all our lives and the lives of future Americans.

However, it was probably as the author of the Declaration of Independence that Thomas Jefferson wrote his name indelibly into the annals of greatness as one of the foremost champions of freedom and liberty for all. We acknowledge as a country that his symbolic representation of a revolutionary spirit has allowed us to build from it a United States.

But we might do more. If Jefferson, by putting to paper the true hopes and longings of a scattered people, can help those people to form one nation, then we, by putting to paper a special day in honor of this man, may inspire his hopes and longings in those of us who would realize his expectations. If so, then we honor him as much as our past 200-year effort.

It is most fitting that today, in the 200th year since the Declaration of Independence, we honor this man who was so instrumental in the formation and shaping of our beloved country.

Mr. PICKLE. Mr. Speaker, I rise in support of House Joint Resolution 670, Thomas Jefferson Day, which I have the honor to cosponsor. As a part of the plan for that day the Joint Congressional Bicentennial Committee, LINDY BOGGS, chairman, has planned a program that takes place in the House Chamber at 11 a.m., on Tuesday, April 13, 1976.

Thomas Jefferson was chairman of the committee to draft the famous "Declaration of Independence." Although it contains just 110 words it is so beautifully written, and so concise in its statements that it rings in the ears of every American:

> All men are created equal . . . They are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness . . . That to secure these rights, Governments are instituted among Men . . . Deriving their just Powers from the consent of the governed.

This is the philosophy that Americans have lived by, and expresses our country's goals.

The importance of Thomas Jefferson's philosophy for future generations cannot be overemphasized. We are still trying today to make laws that will implement this philosophy.

Thomas Jefferson, truly a "renaissance man," equally at home with the arts and the study of architecture as with philosophy, is one of the giants who have contributed so much to our heritage. We can all be proud of the "father of the Democratic Party."

Mr. ANNUNZIO. Mr. Speaker, I rise in strong support for House Joint Resolution 670, which designates April 13, 1976, as Thomas Jefferson Day, and which I cosponsored.

Thomas Jefferson, one of the greatest of our Founding Fathers, was the author of the Declaration of Independence, the author of the Virginia Statutes of Religious Freedom, the founder of the University of Virginia, and the third President of our Republic.

Of course, Jefferson is a towering figure in the history of our own country. However, he also ranks as a figure of immense importance and influence in the eyes of all the peoples of the world—not because he was a conqueror who changed the fate of civilizations through military force, but because he inspired and changed the world through his great ideals, the noble faith, and hope that the individual can change his own destiny and the destiny of his family through his own efforts, and not through the arrogant imposition of force from a government.

In the words of the Declaration of Independence itself:

> Governments are instituted among Men, deriving their just Powers from the Consent of the Governed, that whenever any Form of Government becomes destricutive of these Ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its Foundation on such Principles, and organizing its Powers in such Form, as to them shall seem most likely to effect their Safety and Happiness.

The mighty and revolutionary ideas expressed in this document changed and deeply influenced the world for the better, and this is the highest tribute that can be accorded any human being.

The creativity and the successful future of our people was challenged in the year 1776, when our Declaration of Independence was signed, and the outlook in 1976 is no different. The goals of liberty, equality, individual dignity, and representative government are noble ideals which have inspired Americans for 200 years, and with the same fortitude and determination shown by Thomas Jefferson, we shall be equally successful in shaping the future of our country and our progress toward these goals.

Mr. ROBINSON. Mr. Speaker, I rise in support of House Joint Resolution 670 to designate April 13, 1976, as Thomas Jefferson Day, which is cosponsored by all members of the Virginia delegation.

As the Representative of that area in Virginia where Jefferson was born and made his lifelong home, and as the initial sponsor of a similar resolution (H.J. Res. 777), likewise cosponsored by the other nine members of the Virginia delegation, I urge all Members of the House to approve the resolution before us today as a small, but significant, tribute to this great American.

The accomplishments of Jefferson were many, and most are known to all Americans.

During his lifetime, the native Virginian adopted the roles of statesman, diplomat, author, scientist, and architect, to name only a few.

Perhaps more than any other American living during the turbulent period of our Nation's birth the man from Monticello exemplified the modern version of the Renaissance man.

Few Americans since the time of Jefferson can lay claim to the diverse interests and accomplishments of this remarkable man.

Jefferson would be honored to be characterized by a favorite quotation of his from Euripides:

> For with slight efforts, how should one obtain great results? It is foolish even to desire it.

The noted American historian, Henry Steele Commager, describes Jefferson and his contemporaries, who together certainly achieved great results, by saying:

> Probably no other generation in our history has been so conscious of its obligations to the rest of the human race . . . or more ready to fulfill that mission which they fondly believed History had imposed upon them. . . .

Mr. Speaker, the results of their mission 200 years ago have been gratefuly acknowledged by Americans ever since.

Upon retirement to Monticello, after a distinguished public career, Jefferson continued to pursue a vigorous lifestyle, attending to his many private interests and varied hobbies.

His rapidly deteriorating health in the early summer of 1826 forced Jefferson to take to his bed, where he wrote his last letter on June 24.

It was a regretful decline of an invitation to travel to Washington to join in celebrating the Nation's 50th anniversary on July 4, as one of the few surviving signers of the Declaration which launched the country on the road to independence.

To the citizens of Washington he wrote:

> All eyes are opened, or opening, to the rights of man . . . These are grounds for hope for others. For ourselves, let the annual return of this day forever refresh our recollections of these rights, and an undiminished devotion to them.

Jefferson died at Monticello 10 days later, on July 4.

Mr. Speaker, the fact that we are able to celebrate the Bicentennial of our Nation's birth is due, in significant measure, to the singular efforts of Thomas Jefferson.

It is only fitting that Congress and the Nation take time in this special year to honor this truly eminent American.

Mr. JOHNSON of California. I feel it is most appropriate during this our Bicentennial Year to honor one of the greatest Americans ever to live. Thomas Jefferson, the author of our Declaration of Independence and the third President of these United States, was truly a great American. I believe this resolution now before us is a most fitting tribute to this outstanding leader during the birth of our Nation.

Thomas Jefferson is known to all of us primarily because of his many achievements and accomplishments in a large number of areas. He was certainly a statesman, a diplomat, and a leader among free people. This can be said of many distinguished public servants who have served in the Government of our Nation, but, Mr. Speaker, Thomas Jefferson's abilities did not stop there. He was an accomplished musician. One of America's first architects. The man who donated the first collection of books for our Library of Congress. Thomas Jefferson was a scientist, a mathematician, and a connoisseur of fine art and good food. He was truly an all American man.

Through leadership in his home State of Virginia and subsequently in the councils which formed our Federal Government, Thomas Jefferson, a man of letters and a distinguished lawyer, was a champion for the rights of individuals and a strong spokesman for freedom. Many of the accomplishments of the American colonies and of the United States of America were directly influenced by the man from Monticello.

As the intensity of our Bicentennial celebration increases, I believe it is important that we set aside time to remember this great American. Mr. Speaker, I hope my colleagues will join me in overwhelming support for this resolution so that all Americans may join together to recognize and extol the virtues of one of America's most outstanding Founding Fathers, Thomas Jefferson.

Mrs. SCHROEDER. I have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the joint resolution, House Joint Resolution 670.

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of House Joint Resolution 670 to designate April 13, 1976, as "Thomas Jefferson Day."

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

NATIONAL BICENTENNIAL HIGHWAY SAFETY YEAR

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 726) to authorize and request the President to issue a proclamation designating 1976 as "National Bicentennial Highway Safety Year," as amended.

The Clerk read as follows:

H.J. RES. 726

Whereas 1976 will mark the two hundredth anniversary of the founding of our Nation; and

Whereas the President of the United States has called for the Bicentennial celebration to be an occasion for redefining and rededicating ourselves to our common purposes; and

Whereas a central and unifying theme for the Nation's two hundredth commemoration is improving the quality of life in America; and

Whereas the carnage on our highways each year exacts an appalling toll in lives, injuries, and national treasure; and

Whereas the two million Americans who have died on the Nation's highways since the beginning of the automobile age far exceed the combined totals of all the fatalities suffered in all the wars that this country has fought since its founding; and

Whereas hundreds of millions of Americans—men, women, and children—are planning to see and participate in Bicentennial activities; and

Whereas twenty million vistors from abroad are expected to travel to this country in order to join in our Bicentennial celebration; and

Whereas the overwhelming majority of those participating in Bicentennial related activities will travel on the Nation's roadways; and

Whereas emphasis on highway safety during our Nation's two-hundredth anniversary is absolutely essential to assure that 1976 does not become a year of unparalleled carnage and slaughter; and

Whereas the Congress of the United States has provided the legislative mandate and the financial means for substantially reducing highway accidents, injuries, and fatalities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the twelve-month period commencing with the calendar month beginning after the date of the enactment of this Act as the "National Bicentennial Highway Safety Year" and call upon all Americans, in all walks of life, in both the public and private sectors, to participate in programs and activities conducted in connection with such year: Be it further

Resolved, That it is the sense of Congress that—

(1) each month of the National Bicentennial Highway Safety Year shall focus on a specific area of activity which offers the prospect of achieving substantial reductions in accidents, injuries and fatalities on our Nation's highways during the Nation's Bicentennial celebration and in succeeding years, as follows:

(A) January—Safety Education;

(B) February—Safer Bridges;

(C) March—Pedestrian and Bicycle Safety;

(D) April—Pavement Marking and Delineation;

(E) May—Highway Hazard Removal;

(F) June—Safety Belts and Child Restraints;

(G) July—Safer Driving;

(H) August—Roadside Obstacle Elimination;

(I) September—Save Our Children;

(J) October—Signs and Signals;

(K) November—Railroad Crossing Protection; and

(L) December—Alcohol and Problem Drinkers; and

(2) the projects and programs of the National Bicentennial Highway Safety Year shall be formulated so as to involve individuals, groups, and public and private sector organizations where they live, where they work, where they travel, and where they operate in order that the lifesaving aims, goals, and priorities of the National Bicentennial Highway Safety Year may be vigorously pursued and fully realized; and be it further

Resolved, That the lives saved and injuries prevented through this national effort shall symbolize the rededication of the American people to living and working together in a spirit of mutual cooperation, harmony, dignity, and respect in order to achieve better, healthier, happier lives for all.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) and the gentleman from California (Mr. ROUSSELOT) will be recognized for 20 minutes each.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 726 authorizes the designation of 1976 as

"National Bicentennial Highway Safety Year."

The goal of this legislation is to draw public attention to the importance of highway safety and to provide a focus for action at all levels for citizen involvement in the effort to reduce highway accidents. Each month of the Bicentennial Year will focus on a different aspect of highway safety—such as pedestrian and bicycle safety, the elimination of roadside obstacles, and promoting children's safety—in which significant safety gains need to be made. The goal will be to avoid the loss of some 10,000 lives and prevent 100,000 injuries in 1976 and to continue this safety program in future years.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, since the introduction of the automobile, nearly 2 million Americans have been killed in accidents resulting from their use—more than in all of the wars since the founding of our Nation. Last year nearly 10,000 lives were saved due to the reduction of speed limits to 55 miles per hour. However, 45,000 lives is still too high a price to pay. In an attempt to prevent such carnage on our highways the Congress passed the Highway Safety Act of 1973, which called for the implementation of a nationwide auto safety program that would reduce the accident/injury/death toll.

The purpose of the "National Bicentennial Highway Safety Year" resolution is to attempt to save 10,000 lives and prevent 100,000 serious injuries by focusing citizen attention on highway safety through a grassroots approach to involving millions of Americans in this fight for life. Each month of the Bicentennial Year will emphasize a different aspect of highway safety such as roadside obstacle elimination in August and alcohol and problem drinking in December.

It is expected that millions of Americans will take to the highways this summer to celebrate our country's 200th birthday. Washington, D.C., and Boston are each expected to have 60 million visitors with Philadelphia coming in third with a phenomenal 40 million tourists. Twenty million foreign visitors will be joining the celebration. It is clear that significant precautions must be taken to prevent wholesale destruction on our Nation's highways. It is for this reason that I endorse the resolution as an affirmative step and would urge my colleagues to support its adoption.

Mr. Speaker, I now yield such time as he may consume to the distinguished ranking minority member of the Committee on Public Works and Transportation, the gentleman from Ohio (Mr. Harsha).

Mr. HARSHA. Mr. Speaker, many activities have been planned for the forthcoming Bicentennial celebration. Most that I know of are directed toward highlighting significant events in our Nation's past.

While I applaud these efforts, I believe the Bicentennial affords a unique opportunity for addressing and overcoming problems of today. One of the most pressing of these is the carnage on our highways which each year kills 50,000 Americans, maims and disables many times that number, and exacts a fearsome toll in people and property damages.

I believe we should use the Bicentennial Year to do something about the slaughter on our highways, much of which is needless. A carefully planned, Bicentennial-focused, grassroots effort involving Americans of all creeds, nationalities, and persuasions can save literally thousands of lives in 1976 alone.

Why do I say that?

The basic law is already on the books. The Highway Safety Act of 1973, which I authored, provides the legislative blueprint. The funds to implement it have already been allocated. All that is needed is a vehicle to serve as a focus for enlisting millions of Americans in a Bicentennial campaign to transform its provisions into lifesaving realities.

That is the reason I introduced House Joint Resolution 726 calling upon the President to designate a "National Bicentennial Highway Safety Year." Over 50 Members of the House cosponsored this resolution and almost 200 more have endorsed it, including Majority Leader Tip O'Neill and Minority Leader John Rhodes.

Each month of our Nation's 200th anniversary will focus on a different aspect of highway safety which offers significant livesaving potential, for example, high hazards identification and removal, safety belt usage, safety education, children's safety, alcohol, et cetera. To carry out the programs of the "National Bicentennial Highway Safety Year," public and private sector organizations and agencies, as well as interested individuals, groups, and companies are being enlisted to sponsor each of the monthly campaigns. The entire effort is being coordinated by Citizens for Highway Safety, a nonprofit, tax-exempt organization. Already organizations representing 4 million Americans are participating in these life-saving efforts.

With proper sponsorship in official quarters, the maximum use of the media in all its forms will be assured. This, in turn, will promote maximum participation by ordinary citizens in all walks of life. In combination, the Nation's attention will be directed, and its energies mobilized, in a national effort to systematically reduce the slaughter on our highways.

There is no doubt in my mind that such a program has the potential of saving thousands of lives during our high-travel Bicentennial year. In addition, many times that number of serious injuries can be prevented and reductions of billions upon billions of dollars in people and property damage can be achieved. The benefits from such a program will accrue to all Americans, especially the young and the elderly.

As already stated, the legislative blueprints have been provided. Many of you probably supported the Highway Safety Act back in 1973. The funds are available. Moreover, a House-Senate conference has recently approved legislation which will continue these life-saving programs for two more years. All that is lacking is the kind of focus that approval of the "National Bicentennial Highway Safety Year" will provide.

In 1976 of all years such program is desperately needed. Two hundred million Americans—men, women, and children—will take to the roadways of our land to participate in Bicentennial activities. Estimates indicate that 60 million people will visit Washington, D.C., alone. Twenty million foreign visitors will also be joining us.

With such a vast array of people on our highways, a National focus on highway safety during the Bicentennial Year is critical—unless, that is, we are prepared for 1976 to become a year of unparalleled carnage and slaughter on our highways.

If you agree with me that we cannot and must not let that happen, join with me in support on House Joint Resolution 726. A Bicentennial campaign uniting Americans of all races, creeds, nationalities and persuasions in the grassroots effort I have described will surely benefit us all.

Mr. ROUSSELOT. Mr. Speaker, I now yield such time as he may consume to the ranking Republican member of the Subcommittee on Surface Transportation, the gentleman from Pennsylvania (Mr. Shuster).

Mr. SHUSTER. Mr. Speaker, as a Member representing a rural district, I am particularly interested in highway safety. The reason is that almost two-thirds of all motor vehicle fatalities occur in rural areas.

There is no doubt that, with targeted programs, adequately funded and effectively implemented, we can substantially reduce the accident, injury, and death toll on our highways. As a matter of fact, those reductions are already being made.

All of you are aware, I am sure, that during 1974, the first full year that the 55-mile-per-hour speed limit was in effect, fatalities dropped by 9,600. But are you also aware that in 1975, we maintained that level of reduction? But the big news of 1975 is the fact that we accomplished this in the face of more drivers and cars on the road, and a significant increase in miles driven overall.

But, we are facing a special challenge in the months ahead as the Nation girds for the huge increase in highway travel expected during our Bicentennial. All over America, people are planning trips in connection with America's 200th birthday celebration. Predictions indicate that 1976 will be the highest travel year in our Nation's history.

But this poses a problem. Since deaths and injuries on our highways are directly related to the amount of miles driven, it is conceivable that our high-travel Bicentennial Year could produce a significant increase in highway carnage.

How can we prevent that? What can we do to hold down the toll?

And, since 1976 is a year of rededication and commitment to the American way, what can we do to involve the American people in a concerted effort to permanently reduce the needless slaughter which each year kills almost 50,000 Americans and seriously injures over half a million more of them?

Citizens for highway safety, a nonprofit, tax-exempt organization, headed by Richard C. Peet, a former counsel on the Committee on Public Works and Transportation, has conceived and is carrying out an imaginative program in this area. It is called the "National Bicentennial Highway Safety Year" program. Each month of the Bicentennial Year will focus on a different aspect of highway safety which promises significant reductions in accidents, injuries, and fatalities. The aim is to mobilize both public and private sector organizations and individuals at the grassroots level in targeted, lifesaving campaigns.

House Joint Resolution 726 was introduced by my colleague, Congressman WILLIAM HARSHA of Ohio, to give official recognition to the Bicentennial safety year program. Well over a majority of the Members of the House have already endorsed the proposal. Already, 14 States have issued proclamations, declaring their own Bicentennial highway safety year program. A dozen more are considering doing so.

I think it behooves all of us to go on record in favor of this program which can do so much for so many of our fellow citizens. I urge the adoption of House Joint Resolution 726.

Mr. ROUSSELOT. Mr. Speaker, I now yield such time as he may consume to my distinguished colleague from Illinois, the ranking Republican member of the Committee on Post Office and Civil Service, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, the timing associated with the proposed resolution authorizing and requesting the President to issue a proclamation designating 1976 as "National Bicentennial Highway Safety Year" is, indeed, fortuitous. At a time when national attention is being riveted on our 200th anniversary, we can add an extra dimension to the observance by joining actively in the continuing public campaign to reduce highway fatalities.

Millions of Americans this year will be traversing our Nation's interstate highway system as well as its back roads to participate in and observe Bicentennial activities in every State in the Union. Without a concerted effort emphasizing highway safety, it is safe to assume there will be a marked increase in the number of traffic deaths which occur this year.

Under the joint resolution, a different aspect of safety will be emphasized each month. While the goal of this year-long observance will be the avoidance of loss of 10,000 lives and the prevention of 100,000 injuries, it will be more than worthwhile if it saves only a fractional part of those totals. It is a proposition which deserves the support of every Member of this body.

Mr. HOWARD. Mr. Speaker, I rise in support of House Joint Resolution 726, calling upon the President to designate a "National Bicentennial Highway Safety Year."

I do so, because of my deep commitment to highway safety and my firm belief that through targeted, high-yield safety programs, we can save literally thousands upon thousands of lives each year needlessly lost in traffic mishaps.

As you know, I am chairman of the Surface Transportation Subcommittee of the Committee on Public Works and Transportation. And, as you also know, a House-Senate conference has recently approved legislation which will extend highway and highway safety proposals for 2 more years.

As part of this legislative effort, the members of my subcommittee and I sat through months of hearings and we compiled what is probably the most complete record ever assembled, setting forth highway construction and highway safety needs. From the information we received, there is no doubt that we can reduce the annual slaughter substantially.

But deaths and injuries on our highways are directly related to the number of miles driven on them. And in this, our Nation's 200th anniversary celebration, all estimates indicate that there will be a record number of cars and drivers on the road and a record number of miles driven—more than ever before in our country's history. Absent a special emphasis on highway safety during our Bicentennial could, therefore, lead to a significant increase in the highway death toll. Thousands of men, women, and children could needlessly die. Thus, hanging over our Nation's birthday celebration is the specter of the worst year of carnage ever.

That is why I urge every Member to support House Joint Resolution 726. Its purpose is to officially sanction a program that is already underway; that has already mobilized organizations representing 4 million Americans, in monthly programs designed to save lives this year and for years to come.

We hear much talk these days about consumerism. Well I think promoting safe highways—highways that forgive the countless mistakes that we drivers make on them each year—constitutes consumerism at its best.

The National Bicentennial Highway Safety Year program does just that. For example, next month 2.3 million Teamsters will be on the roadways of our country identifying hazardous locations. And in July, the American Trucking Associations, Inc., will be vigorously promoting safer driving month. In September, the 1.7 million members of the United Auto Workers will be working around the country to eliminate road hazards around our schools and to assure that schoolbus routes are as safe as we can make them. These are just a few of the lifesaving programs which are already being supported nationwide by many of our States and such dynamic organizations as the National Women Highway Safety Leaders.

I hope that my colleagues will support this measure, that it will be speedily considered and approved in the other body and that the President will soon thereafter officially proclaim a "National Bicentennial Highway Safety Year."

Mr. JOHNSON of California. Mr. Speaker, our Nation's Bicentennial celebration provides an excellent opportunity to unite Americans at the grassroots level in a campaign to focus our attention on highway safety. Therefore, I am pleased to join as a cosponsor of the resolution before us and to express my strong support for designation of 1976 as our "National Bicentennial Highway Safety Year."

I believe it is important that we do something dramatic to focus attention on highway safety during our coming celebration so that 1976 will not be one of our grimmest years for accidents, injuries and fatalities on our Nation's highways. Through this resolution, we in the Congress can call the attention of the Nation to a very worthwhile common end—saving lives.

The observance of this Nation's 200th anniversary coincides with the maturity of the automotive age which has provided our citizens with unprecedented mobility. This year, millions of Americans will take to the Nation's highways as they participate in the multitude of Bicentennial events being staged all across our great land. I believe it is important, therefore, that a renewed emphasis on highway safety be a feature of our Bicentennial program. With all the extra travel added to the normal amount done by Americans each year, it is easy to see that we could be approaching a crisis year in highway safety. The more people that are on the road, the greater the congestion. The greater the congestion, the greater the likelihood of traffic accidents.

Each month of 1976 will focus on a different aspect of highway safety which would offer significant lifesaving potential. Such subjects as high hazard identification and removal, safety belt usage, safety education, children safety, alcohol abuse, and others will be featured. State and local organizations in both the public and private sectors will be encouraged to participate in safety campaigns.

Mr. Speaker, I believe this resolution provides the opportunity for Congress to be on record in support of highway safety and will also give the American people the opportunity to actively participate in safety projects on our highways. I hope that my colleagues will join me in supporting this resolution so that the great people of our country can help themselves become more aware of the additional need for highway safety during our Bicentennial Year.

Mr. KETCHUM. Mr. Speaker, I rise in enthusiastic support of House Joint Resolution 726, to authorize and request the President to issue a proclamation designating 1976 as "National Bicentennial Highway Safety Year."

We are a nation of automobile users and highway safety is an issue which affects us all. There is no doubt that Henry Ford's invention has radically altered America's lifestyle. Although the benefits which have accrued to our citizens through its mass use are immeasurable, the automobile can also be a potent destructive force as evinced by the 50,000 deaths a year which occur on our Nation's highways.

In our Bicentennial year, millions of Americans will be making trips by car to see this great land of ours and take part in the many special activities which will mark our Nation's 200th birthday. More Americans on the road could mean more accidents, more deaths, and more serious injuries. What better time than this year to draw America's attention to the need for improved highway safety.

House Joint Resolution 726 attempts to do this by concentrating on a different aspect of highway safety each month of the year. Public and private organizations, individual citizens and civic and service groups will be involved in the formulation of and participation in programs designed to focus on the safety problem of the month. It is hoped that enactment of this resolution will save 10,000 lives a year, drastically reduce the number of serious injuries, and save countless dollars in damages.

If the public becomes aware of the many dangers which exist and learns the steps which can be taken to avoid and prevent needless harm, then we will have achieved a tremendous goal. I intend to do all I can to encourage highway safety in my district through regular press releases which will focus on the problem of the month. I am hopeful that many of my colleagues will undertake similar campaigns. Let us make 1976 "National Bicentennial Highway Safety Year."

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

Mr. ROUSSELOT. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the joint resolution, House Joint Resolution 726, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

The title was amended so as to read: "Joint resolution to authorize and request the President to establish a 'National Bicentennial Highway Safety Year'."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on House Joint Resolution 726, the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

NATIONAL EMPLOY THE OLDER WORKER WEEK

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 35) to provide for the designation of the second full calendar week in March 1976 as "National Employ the Older Worker Week," as amended.

The Clerk read as follows:

S.J. RES. 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week beginning March 13, 1977, as "National Employ the Older Worker Week", and calling upon employer and employee organizations officially concerned with employment, and upon all the people of the United States to observe such week with appropriate ceremonies, activities, and programs designed to promote employment opportunities for older workers.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 20 minutes, and the gentleman from California (Mr. ROUSSELOT) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 35 is a resolution to designate the second full week of March 1977, as "National Employ the Older Worker Week."

Many individuals, in this time of high unemployment, are having a difficult time finding work. Unfortunately, middle-age and older persons have added barriers to overcome—the false stereotype of a worker beyond his or her prime.

The facts contradict the false impression. As a group, mature workers have a number of advantages—their attendance is likely to be better than that of younger individuals, they are less likely to change jobs, their productivity compares very favorably with that of younger workers, and they are less likely to be absent from work for trivial reasons.

In recommending this resolution, the committee believes that its enactment could help in the educational efforts being made to make employers more aware of the advantages of hiring older workers.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of Senate Joint Resolution 35, "National Employ the Older Worker Week," is to educate the public as to the advantages of hiring more experienced workers in an attempt to eliminate hiring discrimination against older Americans. Older workers bring the benefit of sound judgment which can often only be obtained through years of interacting in a working environment. It is clear from recent studies that the mature worker is more dependable. He or she is less likely to be absent, tardy, or change jobs than a younger worker.

Mr. Speaker, I submit that it is time to call a halt to this useless waste of human talents. The recent statistics on those workers above the age of 55 support my argument.

The statistics are dramatic:

First, the number of weeks on unemployment increased by 4½ weeks from 1974 to 21.7 weeks for 1975. For those over 65, the increase was 6 weeks more than 1974 to 24.3 weeks in 1975.

Second, those 55 and over are out of work two and three times as long as their younger counterparts and nearly 350,000 of these people have been classified as "discouraged workers" which represents a full third of those who are not counted by the Bureau of Labor Statistics as unemployed.

Third, 7.6 percent of the unemployed;

Fourth, 12.2 percent of persons unemployed 27 weeks or longer;

Fifth, 15.2 percent of the civilian labor force;

Sixth, 15.6 percent of the unemployed heads of households; and

Seventh, 21.2 percent of persons in poverty.

Mr. Speaker, I would like to commend the American Legion for its continued efforts to eliminate the false stereotype of the older worker by encouraging private enterprise to hire mature workers.

It is my hope that other worthy service organizations will follow the example which the American Legion has so impressively made on behalf of a valued natural resource—the older worker.

I endorse this resolution and would warn my colleagues to consider that they might be victims of this invidious discrimination sooner than they think.

Mr. Speaker, I yield such time as he may consume to my most distinguished colleague, the gentleman from New York (Mr. GILMAN), a member of the Committee on Post Office and Civil Service, who has been an active participant in making sure that this resolution was brought to the floor.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from California for yielding.

I rise in support of Senate Joint Resolution 35 and endorse the comments voiced by the gentlewoman from Colorado (Mrs. SCHROEDER) and the distinguished ranking minority Member, the gentleman from California (Mr. ROUSSELOT) in support of this worthy measure that seems to have self-help for our older Americans.

Mr. Speaker, as our Nation has become more interdependent and complex, a false stereotype has permeated the societal work ethic that individuals who are 65 and older are not capable of working, and, therefore, they should not be employed. This erroneous precept and pernicious doctrine, fed by public and private employers who encourage middle-aged and older persons to retire early—and prematurely—drains our Nation of the valuable skills, resources, talents, and rich experiences that our senior citizens have accumulated and are capable of drawing upon for their employers.

Senate Joint Resolution 35 attacks this false doctrine, drawing attention to the fact that our older Americans are employable and productive. Passage of this resolution will help to focus national attention on this important issue.

During the 93d session of Congress, I sought legislation to prevent employers from refusing to hire qualified elderly people and from discriminating against our older Americans. I was, therefore, pleased to have cosponsored, during this session a resolution (H.J. Res. 836) similar to the measure presently before the House.

In addition to the difficulties in finding employment, our senior citizens, once they are employed, are also confronted with the problem of the possibility of reduced social security benefits. The social security system needs to be revised to eliminate the earnings limitation precluding individuals between 65 and 72 from earning wages without jeopardizing their social security benefits. In short, Mr. Speaker, Government is penalizing the elderly for working, a strange doctrine considering that historically this Nation values self-reliance and the work ethic. It is hoped that the Congress will soon address itself to that long needed reform.

Mr. Speaker, in the interest of encouraging employers to provide employment opportunities for our senior citizens, I urge my colleagues to support this resolution—a resolution seeking to eliminate the discrimination confronting our older Americans who are seeking to be independent and who are able to and want to work.

Mr. ROUSSELOT. Mr. Speaker, I thank my distinguished colleague, the gentleman from New York.

I yield such time as he may consume to the ranking minority member of the Committee on Post Office and Civil Service, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINISKI. Mr. Speaker, it is one thing for the Congress to express its resolve that recognition should be given to employing older workers and it is quite another to carry out that resolve.

In adopting this resolution, I hope the Congress and the Federal Government generally will take it upon itself to review its hiring practices and to take the necessary steps to eliminate job discrimination of older persons.

I personally do not favor the mandatory retirement law which applies to Federal employees and I suggest we should reexamine this law with an eye toward modifying it.

Mr. Speaker, the joint resolution before us has the potential of helping to combat the myth that somehow there is a diminishing ratio between job performance and age—that when a worker reaches a certain age he is "over the hill." Although there are no reliable studies available to support that claim, it still persists.

As a matter of fact, science and experience have demonstrated that the aging process is an inaccurate yardstick for measuring an individual's ability to perform. Some individuals in the 60 to 65 age bracket, or older, certainly are willing and able to put in a full and productive work week, if given the opportunity. Undoubtedly, there are others capable of maintaining a full work schedule. That underscores the principal point I am attemping to make. Age alone cannot be the sole determining factor in the employment process, because the aging process impacts with widely varying results on each individual.

By our overwhelming support of this joint resolution, we will be on record that it makes good sense to offer older individuals the opportunity to make valuable contributions in the public and private sectors of our economy. We will be alerting all employers that it is economically and socially wasteful to deny older Americans the right to employment.

Mr. ROUSSELOT. Mr. Speaker, after those sterling words I yield 4 minutes now to my colleague, the gentleman from Iowa (Mr. GRASSLEY), who is one of the most distinguished Members of our House of Representatives.

Mr. GRASSLEY. Mr. Speaker, I rise in support of this resolution, but as a member of the Select Committee on Aging I would be derelict in my responsibilities if I did not point out to this House that I think that this resolution, which is called the National Employ the Older Worker Week resolution, ought to be a resolution that would be entitled and have the substance to back up the title, and that title ought to be National Keep the Older American Employed Week. Let me tell this House why. Otherwise this Congress is passing this resolution in its present form, is really speaking out of both sides of its mouth.

I say that because it is the public policy of this Government, of many of our State and local governments and of many of the very important segments of the private sector of our economy to discourage the employment of older Americans and to shove older Americans into the streets when they reach a certain age. We ought to declare war on such a public policy, both in the public sector and in the private sector, if we are sincere about a National Employ the Older Worker Week resolution.

For example, labor unions do not want to keep older workers on the job, and they ought to be in the forefront of opposition to the present policy of pushing older Americans out on the streets to make room for younger workers. But, the unions approve of mandatory retirement policies.

The Federal Government, the largest employer in this country, has employment policies that discriminate against older people. Too many businesses, likewise, have mandatory retirement policies and State governments and local schools that employ many people have likewise policies of forced retirement. The whole point is that if we in Government do not set a very good example, which we are not doing, and we do not practice what we preach, then we are never going to solve the problems connected with the employment of older Americans.

We ought to be spending our time today trying to make policies to keep older Americans employed in their present jobs, instead of allowing public policy and private sector policy to push them into the street and then passing a resolution today trying to encourage reemployment of them.

I think it is about time that we end this unfair, this un-American, and I hope what some day will be an unconstitutional policy of American society, that we do away with these subtle discouragements to the employment of older Americans.

It is about time that we do away with economic sanctions that we place upon people for being employed at an older age. Those sanctions are mandatory retirement policies as well as penalizing people when they receive social security by only allowing them to make $2,760 a year. Those things are wrong. They are morally wrong, especially when we advocate this resolution today and do nothing about contrary policies of our Government.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. ROUSSELOT. Mr. Speaker, I yield the gentleman an additional 2 minutes.

Mr. Speaker, will the gentleman yield?

Mr. GRASSLEY. I yield to the distinguished gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I want to compliment the gentleman for bringing out the point that this Congress makes it very difficult for senior citizens on social security to work if they are capable and want to work, because we presently put an unreasonable income limitation on them.

I compliment my colleague, the gentleman from Iowa, in recognizing that fact. People used to laugh at the gentleman from the other body—the Senator from Arizona—when that Senator raised the issue many years ago. That gentleman and others said it was unfair to our senior citizens to put an income limitation on their ability to earn just because they happened to be on social security.

The gentleman from Iowa is right, this Congress should eliminate that ceiling, and many of us including myself have such legislation in the Ways and Means Committee hoping that committee will act.

I compliment my colleague from Iowa for making that point, and for making it strongly today before the entire House.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. GRASSLEY. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I would like to add my commendation for the gentleman's comments. I think all of us will vote for this resolution, but I think the gentleman pointed out that it is little more than a declaration which does not do much.

It reminds this Member of a comment made by the late Senator from Kentucky, Mr. Barkley, when Congress passed the full employment bill of 1946. Senator Barkley was asked what the bill did.

"Well," he said, "it guarantees everybody wanting a job the right to go out and look for one." This is a declaration, but it does not do much more than that.

Mr. GRASSLEY. Such actions by Congress bring about a lot of false hopes.

Mr. ASHBROOK. In many ways that is correct. I am glad that the gentleman pointed out that, while we will vote for this, it is little more than a gesture.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. GRASSLEY. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, I think perhaps what we are doing in this Congress is setting up a schedule for ourselves for the week of March 13, 1977. If we really want to participate, if we pass this resolution, certainly the same leadership that is bringing it out today should bring this whole problem before the House during that week. There would be nothing more fitting during that commemorative week than our action.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. ROUSSELOT. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa.

Mr. GRASSLEY. I agree with the gentleman from Pennsylvania that this should be the direction we ought to go. There are several bills in Congress, for instance, that would end the arbitrary, discriminatory policy of penalizing people who earn more than $2,760 per year if they receive social security. These bills should be brought out of committee and passed.

I want to close by saying that it is about time that we start adopting the public policy of judging people entirely on their abilities as opposed to some arbitrary policy based on a specific age.

Mr. ROUSSELOT. Mr. Speaker, I want to compliment the gentleman for his very strong statement. We are better off because he has given the House this statement about our senior citizens.

Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. JENRETTE).

Mr. JENRETTE. Mr. Speaker, I am happy to see all of my friends on the Republican side of the aisle agreeing with this resolution. It came from the committee I am happy to serve on, with the gentleman from California.

I just hope next year, when we do consider some of the bills now pending to help American senior citizens, and when the budgetary requirements are debated, the gentleman and his colleagues on that side of the aisle will join with the Democratic leadership in seeing that the penalty is removed from Social Security and that the elderly who want to work and are physically able to work do have that opportunity. But, we must realize that there are budgetary requirements involved and I am glad to see that many Members on that side of the aisle are ready to bring this unfair situation to a rapid conclusion. It is my opinion that we have an obligation to our senior citizens and the removal of this penalty is but the first step.

Mr. ROUSSELOT. I thank the gentleman for his comment. I think Mr. JENRETTE will find an overwhelming effort from this side of the aisle to try to remove that income restriction for our senior citizens on social security but we also recognize that one of the greatest robbers of the retired person's income is "inflation." Part of that inflation is created by deficit financing which this Congress generates and unfortunately the Democratic Party promotes wrongly as a solution to unemployment.

We are, in a week or so, going to be voting for or against a balanced budget. It is the Democratic strategy committee in this Congress that promotes an unbalanced budget resolution, deficit financing, and the end result of double-digit inflation. I hope my colleague will also support the balanced budget resolution when it is offered on the floor. The gentleman from South Carolina will get another chance to help elderly people in this country by supporting a balanced budget resolution so that these senior citizens are not robbed in the marketplace by inflation because the Treasury has to go out and borrow so much money and rob the American people of their ability to cope with inflation.

I thank the gentleman for his comments.

Mrs. SCHROEDER. Mr. Speaker, I yield such time as he may desire to the gentleman from Hawaii (Mr. MATSUNGA), a member of the Committee on Aging.

Mr. MATSUNAGA. Mr. Speaker, I thank the distinguished gentlewoman for yielding to me.

I rise in support of Senate Joint Resolution 35. As the Chairman of a subcommittee of the Select Committee on Aging, I have had the privilege of holding hearings in many of the States, including my home State of Hawaii.

Mr. Speaker, I have learned from many of the witnesses who testified that one of the greatest depressants among the elderly is that they are discriminated against in employment; that the worst feeling, next to loneliness, is a feeling of uselessness in our society.

I agree heartily with the statement made by the gentleman from Iowa that we ought to permit those elderly citizens who are now working to continue working, so long as they are able and willing to work. We would not then be forced with the problem of re-employing the elderly forced into retirement. This resolution, however, is a step in the right direction. "Employ the Older Worker Week" will stimulate thinking on the part of those employees who today operate under a policy of forcing retirement upon the elderly, regardless of capability. If the elderly can continue to make contributions—and definitely many of them are still able to do that—this society of ours will be a much better one, for their having been granted that privilege to contribute.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. I thank the gentleman for yielding.

Mr. Speaker, I want to concur with what the gentleman from Hawaii has said. However, there is one thing that has really bothered me since coming to Congress 18 years ago. Year after year, session after session, I have filed bills to do away with the ceiling, and this year I put in a compromise bill to increase the ceiling from $2,760 a year to $4,800 a year which a person could go out and earn.

Mr. Speaker, unless we remove the ceiling, all of these other things are meaningless. I know of so many who retire at age 65 and who are still very dynamic. My father, when he was alive, it would bother him to stay home. He wanted to go out and work. Yet we penalize them by placing a ceiling on what they can earn and still collect social security payments. I hope that some members of the Committee on Ways and Means are listening. It is high time they do away with the earning ceiling.

Mr. MATSUNAGA. I heartily agree with the statement made by the gentleman from Massachusetts (Mr. CONTE). In fact, I am a cosponsor of a measure to do just that.

I might say also, Mr. Speaker, that I am the principal introducer of a measure which provides for the hiring of the elderly citizen 65 and over as congressional interns. I do hope that this measure will receive early and expeditious passage by the Congress. There are a considerable number of Members who have joined as cosponsor in this worthwhile resolution.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank my colleague for yielding.

Mr. Speaker, I trust that my remarks will not be considered to be prompted by self-interest.

Mr. MATSUNAGA. The gentlewoman looks as though she just turned 39.

Mrs. FENWICK. But I do feel that the income limitation on the earnings of older people is a cruelty. I cannot see why it is, that one can enjoy an unlimited unearned income and still receive social security benefits, while the benefits of workers who are 65 years of age or older are diminished. It has always seemed to me to be one of the most outstanding injustices of the many flaws in our social security program. I hope we can move to end it.

Mr. Speaker, I congratulate the sponsors of this bill.

Mr. MATSUNAGA. Mr. Speaker, I thank the gentlewoman for her contribution.

I might say that I may not look it, but like the gentlewoman from New Jersey, I am past 55 and eligible to join the ranks of so-called senior citizens.

Mrs. SCHROEDER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. I thank the gentlewoman very much for yielding.

Mr. Speaker, I rise in support of the resolution, as did my colleagues before me. I would like especially to commend the gentleman from Hawaii (Mr. MATSUNAGA) for his outstanding work in connection with senior citizens.

I am privileged to serve with him on the Select Committee on Aging. His indefatigable efforts will have their effect and will continue to make their mark and, hopefully, redound to the benefit of senior citizens.

Mr. Speaker, it occurs to me that year in and year out, whenever we talk to the issue of senior citizens, it is like sermonizing from a pulpit. Everyone agrees and nods their heads in assent, but very little is done.

The limitation on earnings has been increased and lifted partially. It should be removed entirely.

What puzzles me is the manner in which this very strange philosophy developed in our Nation. If we go back to the founding days of our country, we recall that we looked with pride at the manner in which our adult population worked until the very last days of their lives, unless they were enfeebled and could not work. Then something happened. We developed a philosophy that permeated every institution of our country—Government, labor, civil service.

A notion developed that people should stop working and should be compelled to stop working at a certain age irrespective of their productivity, irrespective of the human quality involved, and irrespective of the almost certain doom they were being sentenced to. How it occurred I know not, except that perhaps some people have said, "Move them along and make room for the others." That is programed obsolescence. To say that the next stage is psychologically oppressive is to put it mildly.

Mr. Speaker, I am grateful to the gentlewoman from Colorado (Mrs. SCHROEDER) for bringing this Senate joint resolution to us today, because if it does nothing else, it focuses attention once again on the problems of the elderly.

I might urge the Members to listen to that constituency. It is no longer the dispassionate constituency of yesterday, it is no longer the disorganized group of individuals who faced their futures with some sense of apprehension, it is no longer composed only of senior citizens sitting in a wheelchair waiting for the day of reckoning. They are now a more vital group. They are organized, and properly so. They are organized because, from our experiences in life, we have learned that unless we have an organized constituency, no matter how meritorious the objective is, our pleas will fall on deaf and unproducing ears.

So, Mr. Speaker, although this Senate joint resolution today is symbolic in nature and probably nothing more, I suggest it is one more paving block in the road that will bring us back to feelings of decency toward our fellow men.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I wish to commend the gentleman from New York (Mr. BIAGGI) for the work he has done on the Select Committee on Aging. I serve with him on the same subcommittee, and I have yet to see one who is more energetic and who is more dedicated to the cause of the elderly. I commend the gentleman for his statement.

Mr. BIAGGI. Mr. Speaker, I thank the gentleman very much for his remarks.

Mr. Speaker, as a cosponsor of an identical House bill, I rise in full support of Senate Joint Resolution 35 which will designate the second week of March as National Employ the Elderly Week. Passage of this legislation will demonstrate once again this Congress desire to assist in improving the lives of the 21 million elderly of this Nation.

It is generally conceded that inadequate income and unemployment are the two biggest problems confronting older Americans today. This resolution will not eradicate either of these problems but it will help to focus attention on the problem of elderly unemployment. With this legislation we are not advocating a policy of hiring elderly workers at the expense of other workers but rather giving the elderly the fair shake they deserve in obtaining the opportunity for employment. Separate legislation is pending in the House which will prohibit discrimination in employment on the basis of age—which is considered the foremost obstacle to full employment among the elderly.

When we speak of older Americans we are talking about a group of Americans, many of whom were previously employed but today due to the extraordinary economic pressures find themselves economically unable to eke out a comfortable existence. Many of these elderly Americans were forced to retire but are still willing and able to work but just are not given the opportunity.

The committee report which accompanies this resolution very ably points out the attributes of the older worker, including lower rates of absenteeism, higher job stability and contentment. Since this Nation places such high value in the productivity of its workers it should be noted that older workers are considered comparably productive with younger workers.

It is hoped that by the second week of March 1977, that the overall unemployment rate in this Nation will continue to show a downward trend. Yet the lower numbers of unemployed workers is deceptive for unemployment among older Americans has shown no depreciable reduction in the past several years. Let us not be fearful of tapping the ample resources contained in the elderly worker. Employers from both the public and private sector should seriously consider hiring the older worker. Their years of experience and maturity will be beneficial for any job.

We all know that it will take more than 1 week to reduce elderly unemployment but a special week during which this Nation can focus on the elderly unemployment problem will be beneficial for the future. As a member of the House Select Committee on Aging and Education and Labor Committee which drew up the Older Americans Act, I feel strongly that the problem of elderly unemployment can be dealt with effectively if enough public attention is focused on the problem. This Nation grew strong by the work ethic and there are millions of elderly Americans who still adhere to its principles. In this the land of opportunity let us extend a helping hand to the older American so they may continue to be an important part of this great Nation.

Mr. BRADEMAS. Mr. Speaker, on January 22 of this year I introduced House Joint Resolution 776, identical to Senate Joint Resolution 35, a resolution to designate the second full week in March as "National Employ the Older Worker Week." This resolution would encourage the private and public sectors of American society to observe this week with appropriate activities and programs encouraging employment opportunities for older workers.

Mr. Speaker, since I introduced this resolution, just over 2 months ago, 219 Members of the House have joined me as cosponsors of this commemorative measure.

Mr. Speaker, in every State in the Nation, older Americans are facing great difficulties in finding employment. During the past year alone, joblessness among middle aged and older workers increased by 83 percent. Furthermore, persons in the 45-plus age category now represent 21 percent of the total unemployed and 26 percent of the long-term unemployed in this country.

And yet only 4 percent of all the persons participating in federally assisted employment programs are 55 years of age or older. This fact indicates what can only be described as shameful neglect by the Federal Government in serving the older people of our Nation. I hope that the adoption of this resolution will mean greater attention in the Federal Government and across the country to the true work capabilities of persons in their forties, fifties, and over.

Mr. Speaker, the other body has already approved this resolution and I trust we here will do so as well.

Observance of "National Employ the Older Worker Week" can mean wider opportunities for older Americans and a more productive society to the benefit of all Americans.

Mr. CONTE. Mr. Speaker, I rise in support of Senate Joint Resolution 35 which would request the President to proclaim the second full calendar week in March 1977 as "National Employ the Older Worker Week." I was pleased to cosponsor House Joint Resolution 836 which is the House counterpart and identical to Senate Joint Resolution 35.

It is most important that we recognize the older American as a vital and essential element of our national work force.

This legislation has been a long time in coming; but alas, it will not remedy a number of problems affecting our working senior citizens.

Unfortunately, many citizens suffer discriminatory practices in hiring merely because they might exceed an arbitrary and immaterial age limit. This must not continue. I was pleased to cosponsor H.R. 11819 which is a bill to terminate age discrimination in employment by amending section 12 of the Age Discrimination in Employment Act of 1967.

My concern for the employment situation affecting older Americans continues even farther. I am the author of H.R. 11593 which is a bill to amend title II of the Social Security Act to allow recipients to earn as much as $4,800 in outside employment without jeopardizing their social security entitlement.

At present, the ceiling is $2,760. For every $2 above that amount, a social security recipient must forfeit $1 of their entitlement. My bill would provide that for every $3 earned above the $4,800 ceiling, the recipient would forfeit only $1. My bill would clearly be an incentive to all Americans on social security to continue to be productive in our national work force. Passage of these two bills which I have set out above, would truly be a meaningful way of recognizing the older Americans in our work force, in addition to proclaiming a week in their honor.

I urge my colleagues to support this legislation and, further, I urge my colleagues to answer the many needs of our senior citizens, including the two specific matters I have already set out.

Fellow Members, we must do no less.

Thank you, Mr. Speaker.

Mr. RANDALL. Mr. Speaker, as chairman of the House Select Committee on Aging, I rise in support of the joint resolution to provide for the designation of the second full calendar week in March

1976 as "National Employ the Older Worker Week."

Each of us who has not already become one may one day be an older worker. I prefer not to dwell on the alternative.

That being so, it is well for us to consider at length the handicaps the older people must overcome if they wish to remain employed and self-sufficient, thus contributing to the economic welfare of their community, State, and Nation.

Records show that despite the fact they are dependable, competent, and productive, and at least of equal efficiency with younger employees, together with the emotional and intellectual maturity that comes only with experience and the test of time, the doors to employment for older workers are all too often closed to them.

Traditionally, in our society, the older worker has been the victim of age discrimination in just about every segment of the labor market. This has had very serious consequences both in terms of human dignity and economic security for these people. From the mid-years on, there is a gradual erosion of the individual's sense of occupational security and self-confidence. It is of little consolation to them when seeking employment to be told, "You are over-qualified for the position," which usually translates into, "You are too old."

It is a great privilege for me to serve as chairman of the Select Committee on Aging and I hope, as I step down as a Member at the end of this Congress, to be able to point to some modest record of accomplishment for our aging.

The "National Employ the Older Worker Week," I hope, may serve as an inspiration, for industry and its employment managers to keep some of these people on the job. It is my hope that this week will stand as a reminder of the vast reservoir of senior talent that is there for the asking and that it will serve as a further reminder of the determination of the Congress of the United States to protect the employment rights of older Americans.

Ms. **ABZUG**. Mr. Speaker, I rise in support of Senate Joint Resolution 35, a resolution to designate the second week in March as "National Employ the Older Worker Week" of which I am a cosponsor. Setting aside such a week will provide an opportunity to focus attention on the special employment needs of older workers. Despite their on-the-job experience and the 1967 Age Discrimination Act, advancing age is a serious employment barrier for middle-aged and older Americans.

More than 1.4 million persons 45 or older are now unemployed. Moreover, it is estimated that more than 1 million formerly employed men and women between the ages of 40 and 62 have given up the active search for work. Those who are unable to find new employment, drop out of the work force, only to receive public assistance, SSI, or reduced social security benefits at age 62 and thus become part of the class of elderly poor which is growing at an alarming rate.

These unemployed workers need Government assistance, yet they have been consistently ignored by Federal programs. The U.S. Employment Service has directed little of its effort toward assisting them. For example, only 13 percent of workers between the ages of 55 and 64 find jobs through the service compared with 21.4 percent of those under 21. In public service jobs older workers comprise only 6.4 percent.

To ease this unemployment crisis for the over-40 age group, and to provide new opportunities for those currently employed, I have introduced H.R. 12375, the Middle-Aged and Older Workers Employment Act of 1976. The act would establish the Midcareer Development Service as an arm in the Department of Labor, which would be authorized to make training loans and grants for programs to upgrade work skills and capabilities of older workers, create specialists for training and retraining of older workers, and provide persons out of work because of mass layoffs with recruitment, placement, and counseling services. The act also calls for training and potential hiring of older workers by Federal contractors, programs for part-time work opportunities in community services and research to explore various aspects of the problems posed by a changing economy to older workers.

I urge my colleagues to support this resolution as a first step to examining the problems of older workers and urge that we address ourselves to meeting their needs.

Mr. **ROYBAL**. Mr. Speaker, I rise in support of Senate Joint Resolution 35, which would designate the week beginning March 13, 1977, as "National Employ the Older Worker Week."

In an era fraught with crisis, we need to utilize all of our talents and resources in the search for solutions. For too long now, we have overlooked the abilities of our older workers. We have believed the myths that at a certain age, a person should retire, without regard to his wishes or ability to continue working.

Older workers can make a contribution to solving our Nation's problems. Studies show they are likely to have better attendance than younger workers, are less likely to change jobs, and their productivity compares favorably with other workers.

I have introduced my own bill, H.R. 1487, which would amend title VII of the Civil Rights Act of 1964 to protect the employment rights of the elderly. The passage of this bill would insure that older workers could not be subjected to discriminatory hiring practices based on age, and that they could not be forced to retire at a certain time.

In the interim, I would hope that the passage of Senate Joint Resolution 35 will spur the Federal Government, the Nation's largest employer, to reassess some of its employment policies that discriminate against the elderly.

Older workers have a wealth of experience and good work habits. They have the desire to be gainfully employed. Our Nation is facing a variety of problems that could be solved with the help of input by people with these qualities. I am hopeful that the passage of this resolution will be a first step toward better employment opportunity for our older workers.

Mrs. **SCHROEDER**. Mr. Speaker, I yield back the balance of my time.

Mr. **ROUSSELOT**. Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore (Mr. ROUSH). The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution, Senate Joint Resolution 35, as amended.

The question was taken.

Mr. **MYERS** of Indiana. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. **SCHROEDER**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on Senate Joint Resolution 35, the matter just considered.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

NATIONAL FAMILY WEEK

Mrs. **SCHROEDER**. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 101) to authorize the President to issue a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week", as amended.

The Clerk read as follows:

S.J. RES. 101

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week beginning on November 21, 1976, as "National Family Week" and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such day with appropriate ceremonies and activities.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **ROUSSELOT**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 20 minutes, and the gentleman from California (Mr. ROUSSELOT) will be recognized for 20 minutes.

The Chair now recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. **SCHROEDER**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 101 authorizes the proclamation by the President of the week in November 1976 containing Thanksgiving as "National Family Week."

Thanksgiving is a time when American families traditionally unite and therefore is an appropriate time to also reflect on the meaning and importance of family life in America. The Committee hopes that passage of this legislation will encourage the further recognition of the fundamental role of the family in the development and continued vitality of our Nation.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 543 would authorize the designation of the week in November which includes Thanksgiving Day as "National Family Week."

The purpose of this resolution is to restore the family to its rightful place in society by enlisting the millions of American parents and children in an effort to understand the significance of the family in the development of this Nation.

National Family Week is a positive response to those who would claim that the family is no longer of value, that it has no purpose in today's society.

It is precisely today's society, with its pressures, dehumanization, plastic, artificial, and disposable emphasis, that needs the sound support of a family base.

It is hoped that the designation and promotion of Family Week will serve to focus the thoughts and actions of Americans towards the importance of the family unit. It is further hoped that this focus will lead to sustained action on the part of Americans throughout the year.

I am reminded of the remarks of Charles W. Eliot—1834–1926—who was president of Harvard University for 40 years—1869–1909—among other distinguishing honors. He said:

> The security and elevation of the family are the prime objects of civilization, and the ultimate ends of all industry.

I urge my colleagues to support the adoption of House Joint Resolution 543.

Mr. ROUSSELOT. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. DEL CLAWSON), who has been a major sponsor of this legislation and one of its principal advocates.

Mr. DEL CLAWSON. Mr. Speaker, it is altogether appropriate that in our Bicentennial Year the Congress recognize not just the cornerstone, but the very foundation of our society. Today we pause for only a moment in our deliberations and honor the family in this resolution establishing "National Family Week," to be celebrated during Thanksgiving season. Our language has many words that bring emotions to the surface. Some of the finest are associated with that unit of mankind we call the "family." Father, mother, brother, sister, parents, children, home, hearth and fireside, life and death, honor, respect, kindness, sacrifice, unselfishness, cooperation, thoughtfulness, and the list continues on and on. And, no, Mr. Speaker, I did not forget the most important of all, I just wanted to have the word, "love," stand all alone, by itself. "Love and family" or as in the song, "Love and Marriage," which of course make the family, go together!

"When shadows fall and stars whisper day is ending, my thoughts are ever wending home." Home may be where the heart is, but no heart throbs so deeply as when home with family is remembered. A mother's knee, a father's prayer, a child's caress, a baby's cry, and the old clichés surrounding such family phrases emotionally move man toward the good and noble instincts of life.

In the agony of the cross the Lord remembered the family. "When Jesus therefore saw his mother, and the disciple standing by whom he loved, he saith unto his mother, woman, behold thy son. Then saith he to the disciple, behold thy mother. And from that hour that disciple took her unto his own home." (John 19: 26–27.) "Honor thy father and mother, which is the first commandment with promise" (Ephesians 6: 2) deserves our attention. Let us again draw upon our resources to strengthen the family. Let us use our power and ability to resist those forces that would destroy the family unit. Let us promote the general welfare through this resolution with emphasis on family solidarity and with deeper appreciation for the truism that "No success, however great, can compensate for failure in the home"—David O. McKay.

Mr. Speaker, I applaud the Members of the Congress who have made this resolution possible.

Mr. ROUSSELOT. Mr. Speaker, I wish to compliment my colleague, the gentleman from California (Mr. DEL CLAWSON) as well as my colleague, the gentleman from Indiana (Mr. MYERS) who will speak in just a moment, both of whom rendered untiring efforts to make sure that this issue would be brought to the floor of the House of Representatives.

I now yield such time as he may consume to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. Mr. Speaker, I rise in support of Senate Joint Resolution 101, which authorizes the President to issue a proclamation designating the week beginning November 21, 1976, as "National Family Week."

It has been nearly 6 years since I first proposed this resolution which pays honor to the one institution which has given so much meaning to human life and provided a stable structure to our society.

One measure of the support for National Family Week is the number of cosponsors of the resolution. A total of 335 of our colleagues in the House joined 18 Members of the other body in sponsoring this proposal. I am told this represents a record number of cosponsors for a resolution of this type.

Another measure of its support is the number of national organizations which have formed the National Committee for National Family Week. Several members of that group are here today to observe action on this matter. More than three dozen civic and government organizations have pledged their support in the effort to promote National Family Week throughout this country.

In addition, the Governors of nearly 40 States have individually proclaimed a Family Week observance in their States.

Also, meeting in Washington today is Mr. Sam Wiley, the high school vice principal and guidance counselor from Boone County, Ind., who first talked to me about a special observance honoring the family more than 7 years ago. Mr. Wiley, who heads the newly formed National Family Foundation, Inc., shares my hope that as a result of all this activity there will be renewed awareness on the part of individuals and the media of the need to preserve the family institution.

I urge approval of Senate Joint Resolution 101 as a significant step in the organization and promotion of National Family Week and I ask each of my colleagues to help us spread the word to those in your district. With the cooperation of our colleagues and that of the many interested individuals and organizations, we will be able to remind America of the significant role the family has played in the development of this Nation.

Mr. EVANS of Indiana. Mr. Speaker, I would like to voice my strong support for this bill—designating that week in November which includes Thanksgiving Day as "National Family Week."

The designation of this week as National Family Week is most appropriate for celebration at any time of year, but at the holiday season the family is certainly one of the greatest causes for celebration. This is a time when personal good will abounds, family ties are strengthened, and home fires are rekindled. The passage of this bill is a most effective way in remembering our families as well as enhancing our family ties.

I would like to bring to your attention the efforts of one of the towns in my district which has dedicated its energies to developing a meaningful family week program, Franklin, Ind. In short, the people of Franklin have organized a family recognition week with the primary goal of involving the entire community of Franklin in a new look at the family institution. The Franklin Jaycees have organized a series of contacts and activities which ultimately included every sector of the town's population. Events ranged from grade school poster contests to the nominating and naming of a particular family as "the family of the week." Franklin's program culminates with a holiday parade on the final day of family week.

In every sense of the word, Franklin's family week has been a success and has offered many families the opportunity to renew old ties and traditions. I believe Franklin is an appropriate example of how a family week program can get a community involved and have all members of its society as active participants, and I urge the Members of this House to adopt this legislation.

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

Mr. ROUSSELOT. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution, Senate Joint Resolution 101, as amended.

The question was taken.

Mr. DEL CLAWSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the Senate joint resolution just under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

PROVIDING FOR THE MODIFICATION OF THE BOUNDARIES OF THE BRISTOL CLIFFS WILDERNESS AREA

Mr. MELCHER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2308) to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area.

The Clerk read as follows:

S. 2308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of modifying the boundaries of the Bristol Cliffs Wilderness, section 3 of the Act of January 3, 1975 (88 Stat. 2097), is amended as follows:

(a) Paragraph (10) of section 3(a) is deleted and paragraphs (11) through (15) of section 3(a) are respectively renumbered as paragraphs (10) through (14).

(b) Section 3(b) is revised to read:

"(b) In furtherance of the purposes of the Wilderness Act, the following lands are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

"(1) certain lands in the Chattahoochee and Cherokee National Forests, Georgia and Tennessee, which comprise about thirty-four thousand five hundred acres, are generally depicted on a map dated April 1973, entitled 'Cohutta Wilderness Area—Proposed', and shall be known as the Cohutta Wilderness.

"(2) certain lands in the Green Mountain National Forest, Vermont, which comprise about three thousand seven hundred and seventy-five acres, are generally depicted on a map dated October 1975, entitled 'Bristol Cliffs Wilderness Area—Revised', and shall be known as the Bristol Cliffs Wilderness.".

SEC. 2. Upon enactment of this Act, the provisions of the Act of January 3, 1975 (88 Stat. 2096) and the Wilderness Act (78 Stat. 890) shall not be applicable to any lands previously designated as the Bristol Cliffs Wilderness that are not contained within the boundaries of the Bristol Cliffs Wilderness as depicted on the map described in section 1(b) of this Act.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. JOHNSON of Colorado. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Montana (Mr. MELCHER) and the gentleman from Colorado (Mr. JOHNSON) will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2308 would modify the boundaries of the Bristol Cliffs Wilderness, Green Mountain National Forest, Vt., by eliminating all privately owned lands—about 2,800 acres—and approximately 720 acres of federally owned land within the national forest which would be left isolated by removal of the private lands.

The wilderness would be reduced in size from about 6,500 acres to approximately 4,000 acres. Only federally owned lands, administered by the U.S. Forest Service, Department of Agriculture, would remain in the wilderness.

BACKGROUND AND NEED

The Bristol Cliffs Wilderness was one of 16 such areas in 13 States which were designated as units of the National Wilderness Preservation System by Public Law 93–622 approved on January 3, 1975. Public Law 93–622 also designated 17 additional areas in 9 States as "wilderness study areas" to be reviewed by the Secretary of Agriculture within 5 years as to their suitability or nonsuitability as wilderness. All of the areas designated as wilderness and wilderness study areas are situated in national forests located east of the 100th meridian and consist mainly of acquired lands.

The purpose of Public Law 93–622 was to designate wilderness areas within National Forests in the Eastern half of the United States within the National Wilderness Preservation System as an enduring resource of wilderness for the benefit of present and future generations.

The Bristol Cliffs Wilderness was one of the 16 areas designated as "instant" wilderness by Public Law 93–622. The area encompasses about 7,400 acres and is located in Green Mountain National Forest, Addison County, west central Vermont. There are about 2,800 acres of privately owned lands within the wilderness.

In March 1975, private landowners were informed for the first time by the U.S. Forest Service that their property had been included in the wilderness area and that their lands were subject to certain restrictions pursuant to Public Law 93–622. With the exception of one inholding, the private landholdings generally run along the eastern, southern and western boundaries of the wilderness area. Private residences, occupied year-long, are situated on the privately owned land.

After learning of the designation of the Bristol Cliffs Wilderness, the private landowners, while strongly in support of the wilderness concept, voiced strenuous objections to the inclusion of their land. In addition, the landowners demonstrated that they had not been afforded an adequate opportunity to comment on the establishment of the area. No local public hearings were held with respect to the suitability of the area prior to its designation as wilderness.

The Subcommittee on Public Lands held a public hearing on December 12, 1975, on boundary modification proposals of the Bristol Cliffs Wilderness. Considered at the hearing were S. 2308, H.R. 11058, and H.R. 11102. The latter two identical bills provided an alternative approach to modifying the boundaries by eliminating the private lands but providing the means for adding them to the Bristol Cliffs Wilderness in the event the lands should be acquired at some point in the future. Testimony was received from Mr. JEFFORDS, author of H.R. 11058 and H.R. 11108, accompanied by representatives of local landowners, and representatives of the U.S. Forest Service and conservation organizations. Testimony at the hearing revealed that the Forest Service, which had originally proposed the boundaries of the Bristol Cliffs area as a "wilderness study area," had apparently acted in an aggressive manner when notifying landowners that their land and residences had been included in the wilderness area.

In addition, the Forest Service has since informed the committee that the Bristol Cliffs Wilderness now contains a total of 7,400 acres or about 900 acres more than the acreage the agency proposed at hearings prior to enactment of Public Law 93–622. The Bristol Cliffs Wilderness acreage, as incorporated in the law, is 6,500 acres. According to Forest Service reports to the committee, over 200 acres of these added acres are private lands.

It is not the intent of the committee to set a precedent for the wholesale exclusion of private lands from wilderness areas. Many designated wilderness areas have private lands within their boundaries, but these lands consist mainly of scattered, uninhabited inholdings and represent a small fraction of the total wilderness area, which is not the case in this specific instance. The committee feels that prompt remedial action is required because: a. local inhabitants did not have ample opportunity to express their views on the appropriateness of the designation of the land as wilderness; b. the Forest Service acted to implement the law in a precipitous manner; and c. boundaries of the area were enlarged without informing the committee.

Testimony at the hearing revealed that some 30 landowners presently are willing to negotiate sale of their land for inclusion in the wilderness. The committee wants to make it clear that modification of the boundaries does not preclude future acquisition of private properties from willing sellers on a negotiated basis. The Wilderness Act—section 3(e)—provides the direction and process—including public hearings—for recommending additions to existing wilderness areas but only with the approval of the Congress.

SECTION-BY-SECTION ANALYSIS

Section 1. Modification of boundaries: The first section of S. 2308 modifies the boundaries of the Bristol Cliffs Wilderness and makes necessary technical and conforming changes in the text of Public Law 93-622. The boundary modification eliminates from the wilderness area all privately owned lands—about 2,800 acres—and approximately 720 acres of noncontiguous national forest lands.

Section 2. Inapplicability of Wilderness Act provisions: This section provides that, upon enactment of the bill, the provisions of Public Law 93-622 and the Wilderness Act—Public Law 88-577—shall not be applicable to any lands previously designated as the Bristol Cliffs Wilderness which are not contained within the boundaries of the area as revised by the bill.

CHANGES IN EXISTING LAW

Act of January 3, 1975, Public Law 93-622, 88 Stat. 2096, is changed as follows—existing law proposed to be omitted is enclosed in brackets, new matter is in italic, existing law in which no change is proposed is shown in roman:

SEC. 3(a) [(10) certain lands in the Green Mountain National Forest, Vermont, which comprise about six thousand five hundred acres, are generally depicted on a map entitled "Bristol Cliffs Wilderness Area—Proposed", and shall be known as the Bristol Cliffs Wilderness;]

Renumber succeeding paragraphs through (14).

(b) In furtherance of the purposes of the Wilderness Act, the following lands [(hereinafter referred to as "wilderness areas"), as generally depicted on maps appropriately referenced, dated April 1973,] are hereby designated wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Chattahoochee and Cherokee National Forests, Georgia and Tennessee, which comprise about thirty-four thousand five hundred acres, are generally depicted on a map dated April 1973, entitled "Cohutta Wilderness Area—Proposed", and shall be known as the Cohutta Wilderness.

(2) *certain lands in the Green Mountain National Forest, Vermont, which comprise about three thousand seven hundred and seventy-five acres, are generally depicted on a map dated October 1975, entitled "Bristol Cliff Wilderness Area—Revised", and shall be known as the Bristol Cliffs Wilderness.*

Mr. JOHNSON of Colorado. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2308, a bill to modify the boundaries of the Bristol Cliffs Wilderness in the Green Mountain National Forest in Vermont.

The effect of the bill would be to delete 2,905 acres of privately owned land and 720 acres of federally owned land from the wilderness.

Bristol Cliffs was one of the 16 "instant wilderness" areas created in January 1973. Subsequently, private landowners, whose holdings are primarily along the borders of the wilderness, learned that their lands had been included. They contended that there had been no public hearings and that they had not had adequate opportunity to comment on the proposal. After public hearings, the committee concluded that local inhabitants had been denied reasonable opportunity to express their views and that the Forest Service acted to implement the law in a precipitous manner.

S. 2308 is designed to correct the inequity. The 2,905 privately owned acres would be eliminated from Bristol Cliffs Wilderness. Moreover, another 720 acres of public lands would be deleted. Otherwise this land would be left isolated by removal by the private holdings.

It should be noted that many of the landowners are willing to negotiate sale of their land for eventual inclusion in the wilderness. It is important, however, that in the future proper procedures be followed and the rights of the individual protected.

I urge adoption of S. 2308.

Mr. Speaker, I yield 5 minutes to the gentleman from Vermont (Mr. Jeffords).

Mr. JEFFORDS. First, Mr. Chairman, I would like to praise the Members of the Interior Committee, and especially the gentleman from Montana (Mr. Melcher), and the gentleman from Arizona (Mr. Steiger) for assisting in righting what turned out to be very grievous mistakes, mistakes which cannot in any way be laid to their subcommittee.

The situation at the Bristol Cliffs Wilderness Area might be termed as a comedy of errors, except when one is dealing with basic property rights such errors cause extreme concern. No one laughs when their basic constitutional rights appear threatened.

The situation in Bristol was created in a way which would not make any of us proud of the workings of government. The people in the area were not against wilderness areas, at least initially. However, so many errors were made that it was impossible to alleviate the problems created. Let me briefly set forth the errors and omissions.

First, unknown to the Vermont delegation the initial boundaries needlessly contained many full-time residences and other dwellings that could have been easily omitted.

Second, notice of the public hearing was either nonexistent or deficient, and the hearing was held in Concord, N.H., not Vermont.

When notice was sent that the lands were included in the wilderness area it included statements contrary to law. The statements indicated all use of land was severely restricted with no compensation. Although this error was admitted all possibilities for trust in the Government were quite understandably lost.

Under the able leadership of Joseph Conowal and John Hise the landowners asked their congressional delegation to right the wrongs created. This bill is in response to their request. It is an unusual situation. Immediate response is necessary by Congress to restore faith in these dedicated citizens that our Government will not suffer such wrongs to exist. Hopefully when this is done the desire of those wishing to see the maximum public benefit of the beautiful area, may be fulfilled through proper procedures protecting the legitimate rights of the landowners.

The primary concern of the Vermont delegation at this time, however, is to demonstrate to the people of Bristol that the Federal Government, big and clumsy as it too often is, can be made to respond to the legitimate claims of its citizens. The bill under consideration will do this.

I again want to extend my sincerest thanks on behalf of the people in the Bristol Cliffs Wilderness Area to the committee for its work in righting this very grievous error.

Mr. MELCHER. Mr. Speaker, I have no further requests for time.

Mr. JOHNSON of Colorado. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Montana (Mr. Melcher) that the House suspend the rules and pass the Senate bill S. 2308.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 2308, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR THE SALINE WATER CONVERSION PROGRAM FOR FISCAL YEAR 1977

Mr. JOHNSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11559) to authorize appropriations for the saline water conversion program for fiscal year 1977, as amended.

The Clerk read as follows:

H.R. 11559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated, to carry out the provisions of the Saline Water Conversion Act of 1971 (85 Stat. 159) during fiscal year 1977 the sum of $9,700,000, to remain available until expended as follows:

(a) Water Resources Research:

(1) Saline Water Conversion Process Research, $800,000; and

(2) Water Reuse Research and Planning, $2,100,000.

(b) Technology Development:

(1) Seawater Membrane Development, $1,200,000;

(2) Water Reuse Technology Development and Testing, $1,600,000;

(3) Technology Transfer, $600,000;

(4) Brackish Water Membrane Development and Testing, $800,000; and

(5) Freezing Technology Development and Testing, $900,000.

(c) Test Facility Operation and Maintenance:

(1) Brackish Water Test Facility, $400,000; and

(2) Seawater Test Facility, $300,000.

(d) Administration and Coordination, $1,000,000.

SEC. 2. Expenditures and obligations under any item authorized by subsections (a) and (b) of section 1 may be increased by not more than 10 per centum if any such increase is accompanied by a corresponding decrease in expenditures and obligations in one or more items authorized to be appropriated by said subsections (a) and (b) of section 1.

SEC. 3. Relative to the definition of, title to, and licensing of inventions made or conceived in the course of or under any contract or grant pursuant to the Water Resources Research Act of 1964 (42 U.S.C. 1961) or the Saline Water Conversion Act of 1971 (42 U.S.C. 1959), and notwithstanding any other provision of law, the Secretary shall be governed by the provisions of sections 9 and 10 of the Federal Nonnuclear Energy, Research, and Development Act of 1974 (42 U.S.C. 5908): *Provided, however,* That subsections (1) and (n) of said section 9 of said Act shall not apply to this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. Johnson) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. Lujan) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. Johnson).

Mr. JOHNSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is my pleasure to take the floor for the purpose of explaining and supporting H.R. 11559, legislation to authorize appropriations in the amount of $9.7 million for the saline water conversion research and development program of the Office of Water Research and Technology of the Department of the Interior.

As in previous years, the Subcommittee on Water and Power Resources held full and complete hearings at which testimony was heard from departmental representatives, spokesmen from State and local government and a cross section of private scientists and industrial firms engaged in the saline water industry.

The administration continues to advocate less and less for desalting research—while the committee still sees an important need for continued support of research and development on several of the emerging processes.

The bill does three things:

First. Authorizes $9,700,000 to be appropriated for 10 specific purposes;

Second. Limits administrative latitude to adjust funds among these purposes, and

Third. Adopts, by reference, the patent policies and antitrust provisions first enacted by Congress in the Nonnuclear Energy Research and Development Act.

The various programs authorized in this bill are:

Water resources research:

First. Saline water conversion process research, $800,000; and

Second. Water reuse research and planning, $2,100,000.

Technology development:

First. Seawater membrane development, $1,200,000;

Second. Water reuse technology development and testing, $1,600,000;

Third. Technology transfer, $600,000;

Fourth. Brackish water membrane development and testing, $800,000; and

Fifth. Freezing technology development and testing, $900,000.

Test facility operation and maintenance:

First. Brackish water test facility, $400,000; and

Second. Seawater test facility, $300,000.

Administration and coordination, $1,000,000.

Although H.R. 11559 increases the authorization for desalting activities, it will not result in an increase in the President's budget for the Office of Water Research and Technology.

Mr. Speaker, this bill contains, for the first time, authorization for funds to conduct research and development on processes for the conversion of waste waters to a useful state.

In prior years, we have limited the technology development to saline and brackish waters occurring in nature.

In so doing we have neglected the important water resource represented by water contaminated by actions of man.

In conclusion, I would point out that the committee has mandated that our test facilities be kept in Federal ownership and that the freezing process and brackish water membrane processes be continued under Federal support.

It is a good bill which is within the President's budget and keeps a good program going at a reasonable level.

It also preserves the role of the Congress in managing the affairs of our Government.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the distinguished chairman of our Water and Power Subcommittee, Mr. Johnson of California, for his excellent explanation of this bill, and I join him wholeheartedly in its support. I want to underscore what the gentleman said concerning the continued Federal use of our two test facilities at Roswell, N. Mex., and Wrightsville Beach, N.C. The administration proposed closing these facilities, on the grounds that the Federal Government has brought the technology up to the point where it should now be strictly a matter of private effort.

Normally, such an argument would find a strong supporter in me. I think much of the waste in this Government could be eliminated if we simply got the Government out of some of the fields where it has outlived its usefulness. But such is not the case where desalting technology is concerned. We have not yet brought the cost of water desalination down to the point where we can use it in this country.

It is true that the technology at its present state is attractive to some foreign nations, where water is worth much more than it is here. And to that extent, there is a market available for current desalting hardware. But we did not get the Government into the desalting business just to solve the problems of other nations. We want to create a new source of water supplies for America, and this bill simply tells the Government to stay on the job until that goal is met.

Now having said that, and having forcefully mandated the Interior Department to keep the Roswell and Wrightsville Beach testing facilities open and operating, I would like to clarify one minor point concerning the administration of these facilities.

In drafting the bill, and in writing the committee report, we were concerned mainly with making certain that the facilities stayed open. In reading over our language, however, I find that we may have been a little overrestrictive in telling the administration how we intend the facilities to be managed.

For example, we state that the Roswell facility shall be managed either by departmental employees or by engineering firms under contract with the Secretary. I am informed by the Department that they do not have the necessary personnel to operate the plant themselves, and that we are being too restrictive in our language regarding engineering firms. The Department feels it can get the job done just as fast, and for less money, if it is free to contract with qualified entities such as nonprofit laboratories or educational institutions. They have specifically mentioned the possibility of contracting with New Mexico State University, and I want to make it clear that we have no quarrel with that, so long as the facility is proceeding on course toward its primary goal and is not used strictly as a training ground or academic-oriented laboratory.

I have discussed this matter with the distinguished chairman of our subcommittee, and I would ask him to concur with me on this point.

Mr. Chairman, this bill is a good bill and worthy of our support, and I would urge my colleagues to join us in its passage.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. Certainly, I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Speaker, I agree, certainly, too, and I think it is a very fine statement the gentleman has placed in the Record, because it is carrying out our thoughts along these lines. I fully concur with what has been said by the gentleman from New Mexico.

Mr. LUJAN. Mr. Speaker, I thank the gentleman from California. I also commend the gentleman from California (Mr. Johnson) on the gentleman's expertise on this matter and the amount of work that the gentleman has put into this legislation and this desalting program.

Mr. SKUBITZ. Mr. Speaker, I join in support of this bill and I commend the members of our committee on both sides of the aisle for their fine work in perfecting its provisions.

Of particular interest to many Members will be section 3 of the bill, which has to do with the use of patents and inventions that may be developed through federally funded research in water technology. Right now, the law requires that all such patents and inventions remain in the hands of the Federal Government. This restriction has provided little incentive for private industry to devote its talents and resources to desalting research. They would not be able to own or market the results of their own labors if they used the Federal laboratories in the course of their development. Section 3 changes that and permits the Secretary to waive all or part of the Federal rights to any given invention that may be developed. The rights of the taxpayers and the interests of the public are protected, while at the same time we provide incentives for private industry to join in the work of cleaning up the Nation's polluted waterways.

This is an excellent bill, Mr. Speaker, and I commend it to my colleagues as being worthy of their support.

Mr. **DON H. CLAUSEN**. Mr. Speaker, I join in strong support of this bill to authorize appropriations for the saline water conversion program for fiscal year 1977.

In reporting this measure, our committee is not only addressing one of the major facets of our national program to find new sources of water through desalination, but we are also opening the door to a new program to find better ways to reuse some of the water now being wasted.

I refer to the $3.7 million authorized in this bill for the planning, development, and testing of water reuse technology. This program will permit our engineers, scientists and technologists to work in developing hardware and processes for cleaning up industrial wastes, acid mine drainage and water now being polluted by food and primary metal processing.

I would also expect some of this money to be used to improve the technology in the field of reclaiming water from geothermal power developments. Both the Government and private industry are now engaged in research and development of geothermal power, with California leading the way in the number of geothermal steam wells already in production. By finding ways to utilize the condensate from these wells, we will greatly enhance the commercial feasibility of geothermal wells now considered marginal, such as those in the Imperial Valley.

Thus, Mr. Speaker, this bill carries far more importance to the Nation than simply to continue our research into the conversion of seawater and brackish water. It carries a possible solution to the national energy crisis through the further development of the geothermal alternative to fossil fuels.

It is a most timely and worthwhile bill and I urge my colleagues to join in its full support.

The **SPEAKER** pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from California (Mr. Johnson) that the House suspend the rules and pass the bill H.R. 11559, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **JOHNSON** of California, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 11559, just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

INTERNATIONAL NAVIGATIONAL RULES

Mr. **BIAGGI**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5446) to implement the Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended.

The Clerk read as follows:

H.R. 5446

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Navigational Rules Act of 1976".

Sec. 2. For the purposes of this Act—

(1) "vessel" means every description of watercraft, including nondisplacement craft and seaplanes, used or capable of being used as a means of transportation on water; and

(2) "high seas" means all parts of the sea that are not included in the territorial sea or in the internal waters of any nation.

Sec. 3. (a) The President is authorized to proclaim the International Regulations for Preventing Collisions at Sea, 1972 (hereinafter referred to as the "International Regulations"). The effective date of the International Regulations for the United States shall be specified in the proclamation and shall be the date as near as possible to, but no earlier than, the date on which the Convention on the International Regulations for Preventing Collisions at Sea, 1972 (hereinafter referred to as the "Convention"), signed at London, England, under date of October 20, 1972, enters into force for the United States. The International Regulations proclaimed shall consist of the rules and other annexes attached to the Convention.

(b) The proclamation shall include the International Regulations and shall be published in the Federal Register. On the date specified in the proclamation, the International Regulations shall enter into force for the United States and shall have effect as if enacted by statute.

(c) Subject to the provisions of subsection (d) hereof, the President is also authorized to proclaim any amendment to the International Regulations hereafter adopted in accordance with the provisions of article VI of the Convention, and to which the United States does not object. The effective date of the amendment shall be specified in the proclamation and shall be in accordance with the provisions of the said article VI. The proclamation shall include the adopted amendment and shall be published in the Federal Register. On the date specified in the proclamation, the amendment shall enter into force for the United States as a constituent part of the International Regulations, as amended, and shall have effect as if enacted by statute.

(d) (1) Upon receiving a proposed amendment to the International Regulations, communicated to the United States pursuant to clause 3 of article VI of the Convention, the President shall promptly notify the Congress of the proposed amendment. If, within sixty days after receipt of such notification by the Congress, or ten days prior to the date under clause 4 of article VI for registering an objection, whichever comes first, either House of Congress, by affirmative majority vote of those present and voting in that House, adopts a resolution of disapproval, such resolution shall be transmitted to the President and shall constitute an objection by the United States to the proposed amendment. If, upon receiving notification of the resolution of disapproval, the President has not already notified the Inter-Governmental Maritime Consultative Organization of an objection of the United States to the proposed amendment, he shall promptly do so.

(2) For the purposes of this subsection, "resolution of disapproval" means a simple resolution of either House of the Congress, the matter after the resolving clause of which is to read as follows: "That the ——— does not favor the proposed amendment to the International Regulations for Preventing Collisions at Sea, 1972, relating to ———, and forwarded to the Congress by the President on ———.", the first blank space therein to be filled with the name of the resolving House, the second blank space therein to be filled with the subject matter of the proposed amendment, and the third blank space therein to be filled with the day, month, and year.

(3) Any proposed amendment transmitted to the Congress by the President and any resolution of disapproval pertaining thereto shall be referred, in the House of Representatives, to the Committee on Merchant Marine and Fisheries, and shall be referred, in the Senate, to the Committee on Commerce.

Sec. 4. Except as provided in section 5 and subject to the provisions of section 6, the International Regulations, as proclaimed under section 3, shall be applicable to, and shall be complied with by—

(1) all vessels, public and private, subject to the jurisdiction of the United States, while upon the high seas or in waters connected therewith navigable by sea-going vessels, and

(2) all other vessels when on waters subject to the jurisdiction of the United States.

Sec. 5. (a) The International Regulations shall not be applicable to vessels while—

(1) in the harbors, rivers, and other inland waters of the United States, as defined in section 1 of the Act of June 7, 1897 (30 Stat. 96), as amended (33 U.S.C. 154).

(2) in the Great Lakes of North America and their connecting and tributary waters, as defined in section 1 of the Act of February 8, 1895 (28 Stat. 645), as amended (33 U.S.C. 241), nor while

(3) in the Red River of the North and rivers emptying into the Gulf of Mexico and their tributaries, as defined in section 4233 of the Revised Statutes of the United States as amended (33 U.S.C. 301).

(b) Whenever a vessel subject to the jurisdiction of the United States is in the territorial waters of a foreign state the International Regulations shall be applicable to, and shall be complied with by, that vessel to the extent that the laws and regulations of the foreign state are not in conflict therewith.

Sec. 6. (a) Any requirement of the International Regulations with respect to the number, position, range, or arc of visibility of lights, with respect to shapes, or with respect to the disposition and characteristics of sound-signalling appliances, shall not be applicable to a vessel of special construction or purpose, whenever the Secretary of the Navy, for any vessel of the Navy, or the Secretary of the department in which the Coast Guard is operating, for any other vessel of the United States, shall certify that the vessel cannot comply fully with that requirement without interfering with the special function of the vessel.

(b) Whenever a certification is issued under the authority of subsection (a) hereof, the vessel involved shall comply with the requirement as to which the certification is made to the extent that the Secretary issuing the certification shall certify as the closest possible compliance by that vessel.

(c) Notice of the certifications issued pursuant to subsections (a) and (b) hereof shall be published in the Federal Register.

Sec. 7. (a) The Secretary of the Navy is authorized to promulgate special rules with respect to additional station or signal lights or whistle signals for ships of war or vessels proceeding under convoy, and the Secretary of the department in which the Coast Guard is operating is authorized to promulgate special rules with respect to additional station or signal lights for fishing vessels engaged in fishing as a fleet.

(b) The additional station or signal lights or whistle signals contained in the special rules authorized under subsection (a) hereof shall be, as far as possible, such that they cannot be mistaken for any light or signal authorized by the International Regulations. Notice of such special rules shall be published in the Federal Register and, after the effective date specified in such notice, they shall have effect as if they were a part of the International Regulations.

SEC. 8. The Secretary of the department in which the Coast Guard is operating is authorized to promulgate such reasonable rules and regulations as are necessary to implement the provisions of this Act and the International Regulations proclaimed hereunder.

SEC. 9. (a) Whoever operates a vessel, subject to the provisions of this Act, in violation of this Act or of any regulation promulgated pursuant to section 8, shall be liable to a civil penalty of not more than $500 for each such violation.

(b) Every vessel subject to the provisions of this Act, other than a public vessel being used for noncommercial purposes, which is operated in violation of this Act or of any regulation promulgated pursuant to section 8, shall be liable to a civil penalty of $500 for each such violation, for which penalty the vessel may be seized and proceeded against in the district court of the United States of any district within which such vessel may be found.

(c) The Secretary of the department in which the Coast Guard is operating may assess any civil penalty authorized by this section. No such penalty may be assessed until the person charged, or the owner of the vessel charged, as appropriate, shall have been given notice of the violation involved and an opportunity for a hearing. For good cause shown, the Secretary may remit, mitigate, or compromise any penalty assessed. Upon the failure of the person charged, or the owner of the vessel charged, to pay an assessed penalty, as it may have been mitigated or compromised, the Secretary may request the Attorney General to commence an action in the appropriate district court of the United States for collection of the penalty as assessed, without regard to the amount involved, together with such other relief as may be appropriate.

SEC. 10. Public Law 88-131 (77 Stat. 194) is repealed, effective on the date on which the International Regulations enter into force for the United States. The reference in any other law to Public Law 88-131, or to the regulations set forth in section 4 of that Act, shall be considered a reference, respectively, to this Act, or to the International Regulations proclaimed hereunder.

The SPEAKER pro tempore. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. BIAGGI) and the gentleman from Michigan (Mr. RUPPE) each will be recognized for 20 minutes.

The Chair now recognizes the gentleman from New York (Mr. BIAGGI).

GENERAL LEAVE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the bill (H.R. 5446) now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to join the chairman of the Merchant Marine and Fisheries Committee in urging the passage of H.R. 5446, legislation to implement international collision regulations.

The bill is a simple one. It follows the format of existing law as to the present international collision rules, by requiring U.S. vessels to comply with the new international regulations which have been adopted by International Conference. With the passage of this legislation, and the subsequent deposit of the U.S. ratification instrument, the new regulations will go into effect 12 months later, and will control the operation of the vessels of all signatory nations while operating on the high seas and in certain connecting waters.

In order to bring the regulations into effect for the United States, the bill authorizes the President to proclaim the new regulations and to specify their effective date, in accordance with the terms of the convention. This provision follows the format of the existing statute. There is a change, however, involved as to future amendments which reffects the new amendatory process adopted in the convention. Rather than to periodically hold full-fledged conferences on proposed changes to the international navigational regulations, the convention provides that such changes can be accomplished by a two-thirds vote in the assembly of the depository organization, the Intergovernmental Maritime Consultative Organization. This change process will enable needed technical changes to be put into place in a comparatively short time. This bill recognizes the desirability of this amendment process and authorizes the President to proclaim those new amendments, and thereby to bring them into effect for the United States. The bill, however, preserves the right of the Congress to review those proposed changes before they go into effect, by requiring the President to submit them to the Congress for its review and possible objection. If, thereafter, either House passes a resolution of disapproval as to any such proposal, the President is required to register a U.S. objection to the proposal and thereby prevent the change from being effective under U.S. law.

Since changes to the international regulations will be generally technical in nature, it is not anticipated that it will be necessary to resort to the disapproval resolution process. It is included in the legislation, however, in the event that either house of the Congress decides to utilize it.

During the course of the hearings on the bill, the only issue that created some concern involved the applicability of the international regulations to small boats operating on the high seas. There are a few minor changes in the regulations which, if strictly applied, could require additional cost to the small boat operator in lighting changes. After careful consideration, however, it was concluded that the regulatory authority under the convention and the flexibility contained within its terms were generally adequate to prevent too severe an imact on requirements related to small boats. The Coast Guard has assured the committee that it will utilize the convention flexibility to avoid any unreasonable impact on the small boat community and, if necessary, will propose some changes to the convention requirements should specific items turn out to be unduly harsh in their application to small boats.

Mr. Speaker, I urge the passage of H.R. 5446.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support the motion to suspend the rules on H.R. 5446, the International Navigation Rules Act. This bill is simply the implementing legislation for changes in the international navigation rules which were brought about by the adoption of the International Regulations for Preventing Collisions at Sea, 1972. The latest revisions of the international navigation rules were developed after 4 years of work within the Intergovernmental Maritime Consultative Organization—IMCO. The rule changes are largely technical and editorial and have widespread support by the maritime nations of the world. On October 31, 1975, the Senate, by a vote of 94 to 0, gave its advice and consent to the ratification of the convention. Action by the United States to adhere to the convention will satisfy the minimum requirement as to the number of signatories needed to cause the convention to go into effect. Since the convention is not self-executing, implementing legislation is required to make the rules applicable to our waters and to our vessels on the high seas. Implementation of these regulations is deemed essential in order to promote a uniform system of traffic rules and lighting requirements. Failure to implement these rules would result in the chaotic condition that United States' vessels on the high seas would be following one set of rules while the vessels of the signatory nations would be following another.

Since the rule changes themselves were not controversial, the implementing legislation raised very few issues during the hearings. Two problems did arise, however, which are described in detail in the committee report. Briefly, the first problem related to imposition of technical lighting requirements on smaller recreational vessels. The new regulations call for more precise lighting equipment. Representatives of the recreational boating industry voiced their concern that literal adherence to some of the technical requirements—which were designed primarily for larger commercial vessels—would cause unnecessary expense. The matter was discussed extensively with the Coast Guard and the committee was assured in writing that flexibility would exist under the convention in the application of technical lighting requirements and that the Coast Guard would avoid unreasonable impact on the small boat community.

In summary, the committee is satisfied that the new requirements of the international rules will not impose a burden on smaller boat users.

The second issue that was raised by the implementing legislation relates to the streamlined amendment procedure provided for in the convention. Under the terms of the convention, proposed amendments, if adopted by a two-thirds majority of the present and voting members of the Maritime Safety Committee of IMCO, and if adopted by a two-thirds majority in the assembly, will become binding on all contracting States who have not objected after receiving notification of the assembly action. The implementing legislation as introduced left the authority to object to a proposed amendment up to the President. The committee believed that Congress should share in the responsibility of reviewing proposed amendments communicated by IMCO and the committee amendment provides that Congress will be consulted on any proposed amendments and further provides that a resolution of disapproval by either House will constitute a U.S. objection to the proposed amendment, thereby preventing it from coming into force for U.S. vessels.

Having resolved these two problems and having made additional technical amendments to the bill as introduced, the full committee unanimously reported H.R. 5446 out of committee. It is truly a noncontroversial measure and I urge that we expedite its passage by suspending the rules.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield.

Mr. RUPPE. I yield to my distinguished colleague, the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I question, on page 6 of the bill, line 24 and the remainder of that section on page 7, through line 21, the phrase "either House." Are we now proposing that we should have this international arrangement and regulation that may be promulgated by the international body, and regulation which comes from it, nullified by action of either House of Congress?

Mr. Speaker, I must object, I think, to that procedure, "either House." I think it should be both Houses of Congress.

This is a serious matter, and I do not think that we should lightly in one House turn back a regulation when we have entered into an obligation, and international obligation of this kind.

Would the gentleman comment on that?

Mr. RUPPE. Mr. Speaker, the convention provides, first of all, that the President would have to make his own objection, or the IMCO resolution would go into effect or into force.

However, it seemed to the members of the committee that Congress should have, so to speak, a piece of the action. In this particular case, it is the IMCO organization which proposes rule changes which essentially are technical.

I can appreciate the concern of the gentlewoman. I would suggest that, in a case where technical matters are the subject of any convention change, even one House would be very slow to put its stamp of disapproval on the proposed change.

Mrs. FENWICK. If the gentleman will yield further, I can see if it is a matter of some import both to this Nation and other nations, it would seem to me appropriate that action should be taken by both Houses. I think Congress should take part. I am not objecting that it should be the President alone. But it seems a little light hearted, and, in a way, not very cooperative on our part, to allow this.

Mr. Speaker, would the gentleman object, or would it be possible to offer an amendment so that we could say "both Houses of Congress"? Would there be an objection on the other side of the aisle?

Mr. RUPPE. I suspect that there would be. In this case we would either have to pass the measure or reject it. We cannot amend, under suspension of the rules. So we are obligated to go forth with our efforts as contained in the legislation.

Mrs. FENWICK. Then we will have a vote on this later.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Speaker, in regard to the concern of the gentlewoman from New Jersey (Mrs. FENWICK), the process is established so that the likelihood of either House asserting itself is extremely remote. If the condition does develop, it would have to be so unusual in nature so as to implement any regulation that could cause to excite either one of the bodies. But it is the contemplation of all of the bodies and all of us who have studied this matter that it would be an extremely remote situation, because most of these regulations would be initiated by the President, and the whole process is one, as the gentleman from Michigan (Mr. RUPPE) said, which Congress constructed, so that this body and the other body would still have a string on the process.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I agree it would have to be a regulation of some importance.

Mrs. SULLIVAN. Mr. Speaker, I urge the passage of H.R. 5446, a bill to implement the Convention on International Regulations for Preventing Collisions at Sea, 1972.

The regulations in question were adopted at an international conference participated in by 46 nations. They represent a revision of the existing International Rules which were adopted in 1960, and have been in effect for some 12 years. Technological changes and improvements in navigational procedures such as, for instance, the establishment of traffic separation schemes in various congested areas, as well as increases in vessel sizes, have indicated the necessity for amending existing rules. Twenty-one nations have now ratified or acceded to the convention, and the U.S. Senate, by a unanimous vote of 94 to 0, gave its advice and consent to U.S. ratification in action taken last fall.

The new regulations will go into effect for the signatory nations 12 months after at least 15 nations have ratified or acceded to it, the aggregate of the merchant fleets of which constitute not less than 65 percent—both by number and by tonnage—of the total world fleet of vessels of 100 gross tons or over. A sufficient number of nations have now ratified, and indications are that the minimum percentage by number of vessels has reached the 65-percent requirement. There is, however, some question as to the exact percentage. There is no question, however, that the tonnage requirements of the ratifying nations constitute approximately 63 percent of the world tonnage. With ratification by the United States, the minimum requirements on tonnage and on number of vessels will more than meet the minimum requirement, and the convention can thereafter enter into effect 12 months after U.S. ratification.

The terms of the new international regulations are not substantially different from those in present effect. However, there are some changes involving substantially simpler and more direct language and better arrangements which will make the regulations easier to understand and apply. In addition, for the first time, there are certain technical requirements as to positioning, color specifications, and intensity of lights which will assure more uniformity in manufacture of that equipment. Recognizing that there may be some changes required, rule 38 of the convention provides for certain periods of time, ranging from 4 to 9 years, for existing vessels to come into compliance with technical changes. The exemptions in this rule will substantially reduce the impact of the changes on existing vessels.

The overall provisions of the new regulations should enhance the safety of vessel operations on the high seas, and I urge the House to pass this necessary implementing legislation, in order that the new regulations may be brought into effect.

Mr. BIAGGI. Mr. Speaker, I have no further requests for time.

Mr. RUPPE. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and pass the bill H.R. 5446, as amended.

The question was taken.

Mrs. FENWICK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mrs. FENWICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

Does the gentlewoman from New Jersey (Mrs. Fenwick) withdraw her point of order of no quorum?

Mrs. FENWICK. Mr. Speaker, I do withdraw my point of order.

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

Mr. BIAGGI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11670) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a yearend strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, as amended.

The Clerk read as follows:

H.R. 11670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1977 for the use of the Coast Guard as follows:

(1) For procurement of vessels: $187,168,000;

For procurement of three port safety boats, one inland construction tender, six aids to navigation boats, three harbor tugboats, thirty search and rescue boats, four high/medium endurance cutter replacements, ten high speed surface delivery systems for pollution control, four small domestic icebreakers, and one motor life boat.

(2) For procurement of aircraft: $92,500,000;

For procurement of six medium-range surveillance aircraft, six long-range surveillance aircraft, and five short-range recovery helicopters.

(3) For construction of shore and offshore establishments: $24,401,000;

For construction at:

(a) Portsmouth, Virginia—Phase IV of new Coast Guard Support Center;

(b) Rodanthe, North Carolina—improvement of Oregon Inlet Station;

(c) Elizabeth City, North Carolina—phase I of improvement at Coast Guard Aircraft and Supply Center;

(d) Alameda, California—construction of classroom building at Coast Guard Training Center;

(e) New York, New York—phase II of New York vessel traffic service;

(f) Loran-C National Implementation Plan—antenna erection, construction, and outfitting of stations at Malone, Florida, Grangeville, Louisiana, and Raymondville, Texas; antenna erection and outfitting of station at Elmira, New York; and construction and outfitting at Narrow Cape, Alaska;

(g) Public family quarters—construction of family housing at Chicago, Illinois, Sitka, Alaska, and Point Judith, Rhode Island, or other locations; and

(h) Provincetown, Massachusetts—construction of new station.

Sec. 2. For fiscal year 1977, the Coast Guard is authorized an end strength for active duty personnel of 38,918; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of section 764 of title 14, United States Code.

Sec. 3. For fiscal year 1977, average military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 4,209 students;

(2) flight training, 154 students;

(3) professional training in military and civilian institutions, 372 students; and

(4) officer acquisition, 1,175 students.

Sec. 4. Section 475 of title 14, United States Code, is amended—

(1) by striking subsection (e) and redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(2) by amending the redesignated subsection (f) to read as follows:

"(f) The authority conferred by subsection (a), (b), (c), or (d) may not be utilized after April 1, 1973, unless all reports required by subsection (e) have been filed with the Congress.".

Sec. 5. After fiscal year 1977, funds may not be appropriated to or for the use of the Coast Guard (1) for the operation and maintenance of the Coast Guard; (2) for acquisition, construction, rebuilding, or improvement of aids to navigation, shore or offshore establishments, vessels, or aircraft, including equipment related thereto; (3) for alteration of obstructive bridges; or (4) for research, development, tests, or evaluation related to any of the above, unless the appropriation of such funds have been authorized by legislation enacted after December 31, 1976.

Sec. 6. (a) For each fiscal year after fiscal year 1977, the Congress shall authorize the end strength as of the end of each fiscal year for active duty personnel of the Coast Guard, and no funds may be appropriated for any such fiscal year to or for the use of the active duty personnel of the Coast Guard unless the end strength for such active duty personnel for such fiscal year has been authorized by law.

(b) For each fiscal year after fiscal year 1977, the Congress shall authorize the average military training student loads for the Coast Guard. Such authorization shall be required for student loads for the following individual training categories: recruit and specialized training; flight training; professional training in military and civilian institutions; and officer acquisition training. No funds may be appropriated for any fiscal year after fiscal year 1977 for the use of training any military personnel of the Coast Guard in the aforementioned categories unless the average student loads for the Coast Guard for such fiscal year have been authorized by law.

The SPEAKER. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from New York (Mr. Biaggi).

GENERAL LEAVE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge the support of all Members of the House for H.R. 11670, the Coast Guard authorization bill for fiscal year 1977.

The Coast Guard is an organization which serves the Nation well in both peace and war. It is an organization, however, the resources of which are continually stretched thin by the additional responsibilities which are periodically added to its missions. It is responsible for imposition and supervision of construction standards and safe operating practices for our merchant fleet; for the maintenance of standards and supervision of licenses for marine personnel; for the establishment of standards and the regulation of safe operation of recreational boats; for the maintenance of an extensive aids to navigation system to assist vessels of all types; for the acquisition, maintenance, and operation of search and rescue facilities to aid mariners in distress and to respond generally in all types of catastrophies; for the assistance of domestic navigation beset by ice conditions; for the regulation of bridges over our navigable streams; for the prevention of pollution of the oceans and navigable waters of the United States; and for the enforcement of various marine laws, related to such areas as antismuggling, antipollution, and offshore fisheries.

With these many responsibilities placed upon its shoulders, it is absolutely mandatory that the Coast Guard be provided with the facilities necessary to carry them out. The purpose of the bill before the House today is to provide at least a minimal necessary authorization to accomplish that aim.

In the vessel, aircraft, and facilities authorization section, the bill authorizes the procurement of 3 port safety boats of an overall replacement program of some 62 such boats; it authorizes 1 construction tender of a replacement program involving 8 such tenders; it authorizes 6 aids to navigation boats in a replacement program involving 35 such boats; it authorizes 3 harbor tugboats of a replacement program of 13; it authorizes 30 search and rescue boats in a replacement program of 180; it authorizes 4 high/medium endurance cutters in a replacement program of 13; 6 medium-range surveillance aircraft in a replacement program of 41 are authorized; 6 long-range surveillance aircraft and 5 short-range recovery helicopters for added patrol capabilities are authorized; and various construction authorizations relate to demonstrated needs in support services, vessel traffic services, navigational services, and housing for personnel.

The only really new items in the entire authorization involve the acquisition of a newly developed system for moving pollution control equipment rapidly to the scene of oil spills, and for the provision of one single additional motor lifeboat capable of performing rescue services in an area of the Great Lakes subject to severe and sudden storms where present facilities are inadequate.

I cannot stress too strongly that every item in this authorization is badly needed if the Coast Guard is to carry out its designated missions. One of the difficulties is that the administration and the Congress in past years have been less than generous in providing funding for the Coast Guard. Until comparatively recently, Coast Guard equipment often turned out to be hand-me-downs or rejects from other agencies such as the Air Force and Navy and it is only through the dedicated efforts of such members as the chairman of the Subcommittee on Transportation of the Committee on Appropriations, the gentleman from California, and the ranking minority member of that subcommittee, the gentleman from Massachusetts, that we are finally, I believe beginning to see the light at the end of the long tunnel.

We must not lose the few gains that we have made by failing to adopt this legislation because to some the figures may seem large. I can assure you that the benefits to the Nation from this investment will be even larger.

Since the Subcommittee on Coast Guard and Navigation and the full committee completed action on this bill, news items have apparently begun to inspire letters to the subcommittee from the general public. The letters which we are now receiving uniformly urge an increase in appropriations for the Coast Guard, and seem to reflect genuine concerns rather than any particular orchestration of a lobbying effort. Those letters have come from various sections of the country, and without naming the authors, I would like to quote extracts from them.

One correspondent says,

> Dear Sirs, I wish to solicit your efforts to do all in your power to provide an increase in finances being allotted to the United States Coast Guard. They have such a monumental job to do and from my observations, they are underfinanced and understaffed. I am retired and boating is my main hobby. I appreciate all the United States Coast Guard has been doing.

Another stated,

> Dear Representatives, I am writing to express my concern of a lack of funding relative to the activities and responsibilities of the United States Coast Guard. The Coast Guard is one of the few Federal agencies that has a positive attitude toward the general public, and which endeavors to be of assistance to the general public. I urge you to fund the Coast Guard at an appropriation level commensurate with their responsibilities; both as now stated and short-range potential new responsibilities. The funds for this excellent service will not be wasted.

Mr. Speaker, with those sentiments, I am in total agreement. I urge all Members to support the passage of H.R. 11670.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield

Mr. BIAGGI. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I strongly support the legislation, and I commend the gentleman in the well for his outstanding job of leadership and of piloting this bill literally through the Subcommittee and the full committee. I further commend the gentleman from New York (Mr. BIAGGI), Mr. Speaker, for his management of this bill on the House floor.

Mr. Speaker, late last year, when the ore carrier *Fitzgerald* broke apart and summarily sank during a record winter storm on Lake Superior, and took its entire 29-man crew to a watery grave, the entire Nation was vividly and tragically reminded of the need for more life-saving capability on the Great Lakes.

Beyond the loss of lives was the further tragic fact that the Coast Guard did not have a single vessel within range of the *Fitzgerald* or capable of going out on a search and rescue mission under prevailing weather conditions. And experience during the second 12-month shipping season in history on the Lakes last winter illustrated just as clearly the inadequacy of the Great Lakes icebreaking fleet.

I therefore strongly support the safety and economic benefits for the Great Lakes provided in H.R. 11670.

Mr. Speaker, on Lake Superior alone, the largest of the lakes, the largest body of fresh water in the world, there is one search and rescue station at the Soo, and one at Duluth.

There is no S. & R. capability along the entire 360-mile stretch between Duluth and the Soo, and no Coast Guard station along the 180 miles between Duluth and the Canadian border on the Minnesota side of Lake Superior.

Recognizing this deficiency, and in an effort to provide protection for life and limb, H.R. 11670 authorizes the reopening of the Coast Guard Station at Grand Marais, Minn., closed since 1973, the transfer there of a motor lifeboat, and slots for six additional coastguardsmen to man the station and provides $210,000 for acquisition of a new motor lifeboat for five men for Grand Marais, Mich., station.

The safety mission of the additional Minnesota station and strengthened capability of the Grand Marais, Mich., station would be supplemented by the additional icebreakers authorized in H.R. 11670 for the Great Lakes.

The icebreakers authorized in this bill are needed not only because the entire fleet, with the exception of one polar icebreaker, dates back to World War II and is manifestly obsolete, but also because ships are now sailing year round.

Ice buildup is greater, and risks to sailors are greater, than before.

The Great Lakes icebreaker fleet was built during the early 1940's and, while the medium-sized *Mackninaw* is scheduled for major overhaul, the 10 smaller harbor breakers and buoy tenders are beyond salvaging, and are scheduled for replacement by the Coast Guard.

The Coast Guard requested, and received, funds for one new icebreaker last year and requested three more this year. OMB cut them back to one; the committee simply restored the Coast Guard's original request for three, at a cost of $6.9 million each.

But, Mr. Speaker, witness after Great Lakes witness told our Coast Guard Subcommittee that these vessels are inadequate for the Great Lakes, where ice sometimes reaches several feet in thickness, or forms a mush that clogs the lanes and makes passage almost impossible without 5,000 shaft-horsepower or more.

Great Lakes witnesses recommended vessels in the 5,000 shaft-horsepower range, with twin screws to augment power.

The committee therefore authorized, in addition to the three smaller icebreakers which could eventually be used to replace the overaged vessels in coastal harbors, four breakers in the 5,000 shaft horsepower range, made especially to meet Great Lakes needs. These vessels are estimated to cost $13 million a piece.

These breakers will be the key to winter navigation on the Lakes, either for a period extending beyond the traditional December 16 closing date, or year round.

The Corps of Engineers will, this December, complete a 5-year study and demonstration program on extending the navigation season on the Great Lakes.

The interim feasibility study, released in March, indicates that it is feasible with existing technology, to extend the season through January 31, or later depending on weather conditions.

The benefits of an extra month and a half shipping would be $16 million; the cost of $5 million—a benefit ratio of 3.2.

Further recommendations will be submitted later, and Congress will make the final determination.

But even the interim feasibility study indicates that ships can, and for economic reasons must, continue to sail beyond December 16;

Therefore, we must now begin strengthening the Coast Guard's safety and icebreaking capability on the Lakes.

Mr. Speaker, the same witnesses who urged greater icebreaking capability also indicated that Finland produces an icebreaker that can do the job required on the Lakes, with several already designed, built, tested, and breaking ice in the Baltic under conditions similar to those in the Great Lakes.

The Finns, who build icebreakers for every nation needing them, with the exception of the United States, have a record of supplying their equipment on time, meeting specifications and meeting their original price quotations without cost overruns. The Subcommittee on Coast Guard received testimony urging that Finland be given the opportunity to compete in the bidding for construction of new icebreakers for the Great Lakes, and I think that makes good business sense.

In conclusion, Mr. Speaker, I urge the House to approve H.R. 11670, strengthen our Great Lakes safety and winter navigation programs, and also fully back up our commitment to the 200-mile economic zone which this House has already overwhelmingly voted.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the motion to suspend the rules for the consideration of the Coast Guard authorization bill for fiscal year 1977. This bill was reported out of both subcommittee and full committee with unanimous bipartisan support and I think it is wholly appropriate that we expedite its consideration so that it can be sent over to the other body.

In last year's Coast Guard authorization bill committee report, the committee stated that it was not satisfied with the replacement schedules for aging and outdated equipment. Last year, the committee stood by the administration's budget request and we added no new authorizations. At that time, we put the administration on notice that the Coast Guard's budget was going to be given extensive scrutiny in light of the ever-expanding responsibilities that have been placed on that agency by the Congress and by the executive branch.

This year the Coast Guard Subcommittee reviewed the specific responsibilities of the Coast Guard and the adequacy of their personnel strength and equipment inventory to deal with those responsibilities. The Coast Guard has been charged in various statutes with enforcement of our offshore fishing limitations, and in the near future the enforcement of the 200-mile economic zone, the surveillance of foreign fishing activities, the responsibility for marine search and rescue, the maintenance of our aids to navigation system, development and enforcement of marine safety and personnel standards, the conduct of polar and domestic icebreaking, and the exercise of marine pollution protection duties. The list is literally growing every day and, if the Coast Guard is to perform the duties with which it has been charged by Congress, it must be given adequate tools to carry out that task. It is the committee's opinion that the administration request went part way in meeting this challenge. Provisions were made for new vessels, but, in the committee's opinion, the budget request was deficient in two particular areas—enforcement of the 200-mile economic zone and support of the expanded navigation season in the Great Lakes.

In order to cure these deficiencies, the committee added authorizations for 2 new cutters to carry out enforcement of the 200-mile limit, 4 small domestic icebreakers to carry out icebreaking in the Great Lakes and to carry out other Coast Guard missions during the summer months, 2 multipurpose harbor tugs to meet icebreaking needs in both the Great Lakes and the northeastern coastal region, six long-range surveillance aircraft for enforcement of offshore fisheries legislation and five short-range patrol needs occasioned by the 200-mile limit. The total cost of these items is estimated to be $174.4 million.

The committee is fully aware of the budgetary constraints being placed on all Government programs due to our ever-expanding Federal deficit. The committee, however, sought to add funding only in those areas which promise to be most cost-effective for the U.S. taxpayers. Acceleration of programs to replace aging vessels and aircraft should produce two positive effects. First, the new equipment will be designed to modern specifications reflecting present-day Coast Guard needs and responsibilities. In short, it should be more efficient than outdated equipment that was designed and procured at a time when the Coast Guard had far less extensive responsibilities. Second, the aging equipment in the Coast Guard's inventory has produced unnecessarily high maintenance costs. New vessels and the new aircraft should reduce these annual maintenance costs and will require replacement parts that should be far less costly. In addition to these factors, the committee believes that the programs which these new vessels and aircraft impact will have tangible net economic benefits for the country as a whole. In order to illustrate, I would like to discuss the effect of our committee amendments on commerce in the Great Lakes.

The Great Lakes has 59 commercial harbors which are handling growing amounts of bulk and general cargoes such as grain, iron ore, coal, and manufactured goods. With the expected increase in production from western coal fields, it is anticipated that the rate of traffic will increase even beyond what was predicted a few years ago.

Because of the growing commercial importance of the Great Lakes, the Congress, through the Committee on Public Works and Transportation, directed the Secretary of the Army during the 91st Congress to conduct a survey and to undertake a demonstration program relating to the extension of the navigation season on the Great Lakes This demonstration project has already stimulated increased commercial activity to the point where we need expanded Coast Guard icebreaking capability. To date, the backbone of the domestic icebreaking force has been in large measure a fleet of 13 overaged, 110-foot harbor tugboats that are unequal to growing domestic needs and costly to maintain and operate—all are of World War II vintage. A one-vessel-per-year replacement program was initiated last year and has been continued by the administration this year. Such a rate of progress is improvident of need, time, and money.

Recognizing that heretofore normal summer and winter activities on the lakes justified replacement vessels—and realizing that an extended winter navigation season had to some degree become a reality, the Committee on Merchant Marine and Fisheries believed it prudent to advance the administration request for suitable multipurpose icebreaking vessels. To delay what would in time have been forthcoming from the administration would be costly. It would also be out of step with the rising levels of shipping operations and investments in lake shibpuilding. The additional two harbor-tugboat replacements and four small icebreaking vessel replacements of some 5,000 horsepower are considered amply justified for the additional investment of $65.8 million.

Another addition made by the committee is that for a seemingly costly 44-foot motor lifeboat for Lake Superior. This boat is the smallest all-weather rescue craft in the Coast Guard inventory, but none are available for redeployment. It is intended as a replacement for a 36-foot craft that is of a class described as in need of replacement in 1963 by virtue of advancing age and deterioration of condition and reliability. Such a craft, to be replaced, still exists as perhaps the last of its kind at Grand Marais—a fully manned station in Michigan. It was unsafe for that boat to venture out last November when 29 men lost their lives in the sinking of the steamer *Fitzgerald* in Lake Superior. Though these men went down with their ship, it appears, could not have been saved in any event, had they escaped their foundering vessel, the Grand Marais boat could not have gone to their assistance only 40 miles away—need I say more?

The second major area I would like to expand on is the committee amendments that relate to the implementation of our fisheries conservation laws. As the Members know, both the House and the Senate overwhelmingly approved the conference report on H.R. 200 and every indication is that this bill will become law in the near future. Clearly, preservation of our rapidly diminishing coastal fishing resources is one of the major policy objectives of this Congress. We cannot expect H.R. 200 to have any measurable impact on preserving these vital resources if we do not provide the Coast Guard with the tools for surveillance and enforcement. The committee also believes that these fishing resources are so close to irreparable depletion that time is of the essence; we must take action now to authorize these vessels recognizing that there will be a 3-year leadtime before they are actually on patrol. Delay in this authorization for this needed equipment simply jeopardizes the success of H.R. 200 and the announced policy of the Congress to protect U.S. coastal fisheries.

The increases in this budget come at a difficult time for the Congress. The Coast Guard, however, has gone for a number of years without having its budget expanded to meet growing responsibilities. We on the minority side believe that the budget increases in this bill are long overdue and we fully support this legislation. I urge my colleagues to vote to suspend the rules on H.R. 11670.

Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Speaker, I rise in support of this legislation, but I do have some concern about an item appearing on page 3 of the bill and page 10 of the report. I am not in disagreement with it but I have a concern about it, having to do with the purchase of six medium-range surveillance aircraft. On Monday last I read an article appearing in Aviation Week and Space Technology, the issue of March 29, 1976, indicating that six firms are bidding on the Coast Guard aircraft.

I am concerned, Mr. Speaker, that the Coast Guard might be considering the possibility of buying medium-range surveillance aircraft from foreign manufacturers through the two-step, fixed-price procedure process. I am concerned for several reasons. First, I question whether or not American servicemen ought to be flying around in foreign aircraft. I am concerned too because of the severe impact that this would have on the jet aircraft manufacturers in this country. I understand 7,500 to 8,500 jobs would be involved.

We all, I am sure, are aware of the fact that the foreign companies are subsidized by their governments generally, and specifically the potential competitors involved in this particular purchase. This will, of course, place American manufacturers at a considerable competitive disadvantage.

In this case, Mr. Speaker, there are three prominent U.S. manufacturers involved and thousands of American jobs at stake.

The Coast Guard I think would be ill advised to seriously consider a foreign aircraft and in all honesty I would say my parochial interest is that of the three potential U.S. manufacturers two of these are offering the aircraft with engines produced by employees of the greater Cincinnati area, including employees living in northern Kentucky which I am privileged to represent.

I bring this matter to the attention of the Members of the House and I do it solely for the purpose of expressing my concern that the Coast Guard might be considering the purchase of foreign-made aircraft when in fact we have available the three primary manufacturers of this kind of aircraft, as I understand it from the article, and I hope the Coast Guard would look to them.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, I share the gentleman's concern for the working segment of our Nation and I am especially mindful of it in light of the economic crisis we find ourselves in.

But, Mr. Speaker, we are confronted with the procurement procedure which was established by law. I would like for the record to repeat what I said at the last session. This is the second authorization for these plans. At the time of the last authorization the procurement procedure commenced. We were hopeful, the Coast Guard and the committee, in the light of the controversy and the changing conditions before I assumed the chairmanship of that Coast Guard Committee, that we would get a number of companies interested in order to make certain that we had competition and to eliminate the possible suspicion at least of any skulduggery.

Members of the committee made it a condition in discussing with the Coast Guard in open hearings, that there must be at least two bona fide responses. After some period of time it developed that condition did not exist.

We initiated the proceedings again, and it probably encouraged these additional companies to come in, and very frankly we are grateful that we have six companies and they will be competing with one another, the foreign companies will be required to meet and comply with the "Buy American" section of our laws.

That is established procedure. I am hopeful that the American companies can win. The Secretary of Transportation has the authority to relax those rules and, perhaps, place a greater burden on the foreign countries; but the fact is that this time we are closer to a bona fide bid, this heartens me because the Coast Guard does need these planes. This represents only 6 out of 41. We could not get that procurement phase underway sooner because of the controversy at the initial stages.

Mr. SNYDER. Mr. Speaker, I appreciate the gentleman's contribution and clarification.

The article to which I referred, I have to assume is correct and I believe that it is.

The SPEAKER pro tempore (Mr. McFall). The time of the gentleman from Kentucky has expired.

Mr. BIAGGI. Mr. Speaker, I yield 1 additional minute to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, the article would indicate that Lockheed has proposed its Jet Star II and North American its Sabreliner 75 and Grumman American its Gulfstream II, all with certain modifications and improvements.

All of those are good companies and all of those are good planes that have been flying well, in this country, for several years.

I am just hopeful that we can focus attention on this and if these are bona fide bidders, as the article indicates, I would hope the Coast Guard and the Secretary of Transportation would be looking to these manufacturers which will produce American jobs and help the American economy.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield further?

Mr. SNYDER. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, I commend the gentleman for the concern the gentleman has expressed and for all Members of the House who are still bound by the existing procurement procedure.

Mr. RUPPE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. Mr. Speaker, I rise in support of the Coast Guard Authorization Act for fiscal year 1977. It is with tremendous pride for the Coast Guard and its accomplishments that I now speak. No one could ever detract from the outstanding record of accomplishments performed by this essential service.

I think maybe I have the longest seniority of anyone in the House in handling the Coast Guard budget, I was on the committee when the Coast Guard was in the Treasury Department and when I went over to the Transportation Committee the Coast Guard was transferred to DOT and so this is my 18th year that I have been working on the Coast Guard budget in the Committee on Appropriations.

Mr. Speaker, for the Coast Guard to perform its statutory duties it is most essential that they have the resources—vessels, equipment, and personnel. In anticipation of the implementation of the 200-mile fishing limit, the bill authorizes an additional 869 personnel for this specific purpose.

Unfortunately, I am advised that the legislation may suffer a veto because of the sections in this bill dealing with Coast Guard's implementation of the 200-mile limit enforcement are considered too restrictive. The committee has added a considerable amount of funds—$109 million—to the President's budget for detailed line item projects to implement the 200-mile zone legislation.

While I recognize that additional resources will have to be added to the Coast Guard to implement this legislation, I believe the final legislation should be modified to provide both the executive branch and the Appropriations Committee more flexibility in the determination of the specific capital projects which should be funded to execute this brand-new legislation most effectively.

I would further like to note that the committee has added to the President's request, considerable funds—$53 million—for four domestic icebreakers. It is my understanding that much of the support for this proposal has been generated by those who recommend that the United States purchase Finnish-made icebreakers. In addition to being sure as to the need for these icebreakers, I am also concerned about any implication of purchasing equipment that is not made in this country, especially given the high rate of U.S. unemployment.

We must all keep in mind that in peacetime, the Coast Guard is a subagency in the Department of Transportation. However, at the President's direction or in time of declared war, the Coast Guard must be ready to operate as a service in the Navy. Accordingly, it is most essential that this authorization legislation be approved with due expedience.

I am further pleased to note that three U.S. manufacturers have submitted bids as well as three foreign manufacturers, one of which is a Soviet aerospace firm. The details of each firm's particular aircraft is outlined in the March 29, 1976, issue of Aviation Week and Space Technology at page 18.

My concern is and always has been that a foreign manufacturer might be relied upon to provide an armed force of the United States with a fleet of craft and a continuing supply of parts for over a period of 20 to 25 years—the expected life of the program. Another grave concern I have is the loss of jobs that would be created in the U.S. aerospace industry if the contract is awarded to a foreign concern.

It is estimated that each aircraft would involve 80 man-years for completion. Within the contracting firm this would result in a total of 3,280 man-years for the total acquisition program of 41 aircraft. Additionaly, it is estimated that each man-year within the contracting firm will stimulate 2½ man-years in the aerospace related industries in the United States. Accordingly, having the aircraft manufactured in the United States could create more than 8,200 man-years in our aerospace and related industries. It is my fervent hope that these aircraft will be built by a U.S. manufacturer.

While I am concerned about the high level of spending in this legislation—almost 100 percent above the President's budget request—I trust that the final bill, in subsequent appropriation action will be less excessive. I fear that the authorization level in this bill will also place the whole legislation in veto jeopardy.

I serve as the ranking minority member of the House Appropriations Subcommittee on Transportation. During our hearings over the past 3 years, I have been concerned with Coast Guard acquisition of their medium-range surveillance aircraft. At this time, I should like to share some of my concerns with this acquisition program.

Our appropriations subcommittee has already approved appropriations totaling $36 million to date. This legislation authorizes an additional $32.9 million. Total authorization and appropriations would support approximately 12 aircraft. The Coast Guard eventually intends the acquisition program to include 41 aircraft. Their need is great. They are presently utilizing the outmoded HU–16E Albatross amphibians, whose operational lives are virtually exhausted.

There have been a multitude of problems in getting a submission on bids due in part to the changes in the specification of the aircraft. I am pleased to note that after 3 years, six bids were finally submitted.

In these financially troublesome times and high rates of unemployment, it is most important that we be aware of the concerns I have set out above. It is my hope that these concerns can be remedied by Senate and conference action on this bill and the action of both appropriations committees on the upcoming Department of Transportation and Related Agencies Appropriations Act for fiscal year 1977.

Thank you, Mr. Speaker.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Michigan.

Mr. RUPPE. The report does not go into where the icebreakers should be purchased, and does not indicate that they should be purchased from Finland. It did point out that the Finns made a very good icebreaker.

Mr. CONTE. Is there anything in the report that says that the United States makes excellent icebreakers? If the gentleman knows anything about the Coast Guard, he knows that two excellent icebreakers have been built in Washington, the *Polar Star* and *Polar Sea*. The gentleman know what is going on, and I bet my bottom dollar that if this money comes through my committee, these will be bought in Finland.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. BIAGGI. First, I would like to congratulate the gentleman from Massachusetts for his contribution over the years. He is responsible in very large measure for the modernization of the Coast Guard, and it has no greater supporter. We are grateful to the gentleman for his support today.

However, I would like to assure the gentleman that there was testimony during the course of the hearings as to the effectiveness of the icebreakers manufactured by Finland, as well as the fact that we do have icebreakers manufactured by American companies that are also effective. There was no commitment on the part of the committee, and there is no direction in the report. It is just a question of consolidating some of the sentiments of the hearings, but America was not shortchanged in those hearings.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. RUPPE. Mr. Speaker, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. BIAGGI. Mr. Speaker, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. RUPPE. Mr. Speaker, if the gentleman will yield further, we said in the report that the Finnish people do make an excellent icebreaker. We pointed out that Finnish-American relations are important. Finland has been an ally in many instances with the United States, and perhaps we should give them an opportunity to bid on that type of icebreaker. There was no direct point ever made in this report or any indication as to where they must or should be purchased.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I would just like to point out that while, as the gentleman from Michigan pointed out, there was no direction in the report as to where icebreakers should be built, a GAO study shows that those two icebreakers the United States is building are 2 years behind and have a $20 million overrun. Furthermore, the United States has sold to Finland $178 million worth of aircraft. Currently, Finland's entire domestic airplane fleet is U.S. built, consisting of DC–9's, DC–8's, and DC–10's.

Trade has to be a two-way street. All we are suggesting is that in view of the superiority of Finnish built icebreakers, which perform in the Baltic under conditions similar to those in the Great Lakes, they should be given an opportunity to bid under the rules—the Buy American Act, and the 6-percent penalty. We would not like concern over where the icebreakers will be built to delay progress toward assuring this very important, needed icebreaker capacity for the Coast Guard and the Great Lakes winter navigation program.

Mr. CONTE. I told the gentleman, I gave him my word that I was not going to offer an amendment to this bill—my own bill perhaps—I am concerned. I think it is absolutely asinine to spend billions and billions of dollars trying to create jobs for people to shuffle papers back and forth, and at the same time, where we can give some people decent jobs in the shipyards and aircraft plants, we may have to go out and buy these offshore. Not with my vote.

Mr. BIAGGI. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. GINN).

Mr. GINN. Mr. Speaker, I rise in strong support of this Coast Guard authorization legislation and join with my distinguished colleague from Kentucky (Mr. SNYDER) in expressing the hope and belief that the Coast Guard should give serious consideration to procuring the six medium-range surveillance aircraft provided for in this legislation from one of the three U.S. competitors, who are ready and willing and certainly capable of building the aircraft.

The gentleman from Kentucky gave several reasons why he thought that these planes should be purchased and built by an American company. I would like to give another one, and that is the potential serious problems associated with the supportability of 41 foreign-built aircraft that the Coast Guard will operate for some 20 to 25 years in protecting our people in our 200-mile economic zone. It is estimated that the cost for components will approach $200 million. Moreover, the administrative problems and language difficulties inherent in foreign assistance and components, together with the complications caused by the overhaul facilities, and the unfamiliarity with the special metric tools would inhibit maximum allowability and utilization.

I do not think we should be and want to be that dependent on a foreign nation. I think we should always give serious consideration to, first, buying in America. On this situation however, I think it is absolutely imperative.

Mr. BIAGGI. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I would like, if I may, to address a question to my colleague from Massachusetts (Mr. CONTE), the gentleman from the mountainous and western part of the State, whose affection for the ocean area is well known.

If I understood the gentleman correctly, we have received, in some nebulous form once again, one of the all too frequent hints or threats or suggestions of a veto of this bill, and specifically with respect to the funds added in order to enable the Coast Guard to enforce the 200-mile fishery zone, which is soon to become law.

As the gentleman knows, we added to the legislation funding for long-range surveillance aircraft, for short-range recovery helicopters, and for high-endurance cutters, and I assume it is to those authorizations that any threat expressed by the administration refers.

I would simply like the record to reflect and the gentleman to know, as I assume he does, that the subcommittee did not dream up those figures, they were not conjured out of thin air. They were given to us in testimony by the executive branch, by the Commandant of the Coast Guard himself. This is the estimate of the Coast Guard Commandant as to the requirements he will face if he is to adequately enforce the bill.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. I thank the gentleman for yielding.

Over what period of time? We had the same testimony before our subcommittee. Over what period of time does the Coast Guard need those endurance cutters and helicopters? Did he also tell the gentleman, in the interim time, he is going to take some ships out of mothballs?

All of this is not going to happen tomorrow, as the gentleman from the sea knows.

Mr. STUDDS. That is correct.

Mr. CONTE. I know I am landlocked up there, but I do make it a point to know something about the Coast Guard.

Mr. STUDDS. I simply wanted the record to reflect these are the Coast Guard's own estimates of the needs. And I might say I am delighted the gentleman sits with such seniority as he does on the Appropriations Subcommittee.

Mr. CONTE. If the gentleman will yield, I want to say that I support the bill.

Mr. STUDDS. I understand that—and I thank the gentleman.

Mr. BIAGGI. Mr. Speaker, for the record, in connection with the Finnish icebreakers, I would like to read from page 9, the second paragraph, of the report:

> The Committee recognized the validity of the reasons advanced for the purchase of Finnish icebreakers and has no reason to disagree with the contention that it would be beneficial to our relations with Finland. However, the Committee felt that a decision along these lines does not lie within the jurisdiction of the Committee on Merchant Marine and Fisheries and that any foreign policy impact is a matter for consideration elsewhere, consistent with established procurement procedures.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the gentleman for yielding.

I would like further to point out—and I am sorry the gentleman from Massachusetts has left the floor—that certainly the gentleman has no corner on the market of concern for jobs for Americans. I supported the gentleman's appeal for funding of the northeast railway program. But trade is a two-way street.

The Finns have purchased $178 million worth of U.S. aircraft, converting the entire Finnair air fleet to U.S. aircraft. They have a deficit balance of trade with the United States. All we are saying is that we should give them an opportunity to bid and compete in the U.S. marketplace.

Mr. BIAGGI. Mr. Speaker, what we are really talking about is the procurement procedures. Either we are satisfied with them or we are not. If we are not, let us change them. If we are satisfied with them, we are compelled and obligated to comply with them.

Mr. OBERSTAR. Mr. Speaker, the law is already written on procurement procedures. It is not going to be decided by the Committee on Merchant Marine and Fisheries nor by the Committee on Appropriations.

Mr. BIAGGI. Mr. Speaker, in closing, I would like to commend my colleagues on the committee, and especially the gentleman from Michigan (Mr. RUPPE), who steadfastly made contributions, together with the staff, and gave very serious and deliberate consideration to every item in the bill. We are thankful for his cooperation.

As the gentleman said at the outset, it was a unanimously bipartisan effort, with one purpose in mind: to provide in part for the Coast Guard for at least some of its expenditure needs.

Mr. Speaker, I have no further requests for time.

Mrs. SULLIVAN. Mr. Speaker, I urge the support of the House in passing H.R. 11670, as reported by the Committee on Merchant Marine and Fisheries. The bill would authorize appropriations for the Coast Guard for fiscal year 1977, for the procurement of vessels and aircraft, for the construction of shore and offshore establishments, for the establishment of military personnel ceilings, and for the establishment of average military training student loads.

The authorizations involved in this bill are based upon the requirements of Public Law 88-45, relating to the procurement of aircraft and vessels, and the construction of shore and offshore establishments; and the requirements of Public Law 92-436, which requires the authorization of the fiscal year-end strength for average duty personnel and for the average military training student loads for each component of the Armed Forces.

During previous years, it has also been the practice for the annual Coast Guard authorization bill to include authorization of Federal payments to bridge owners for the cost of alteration of bridges over navigable waters, when such bridges have been found to impede navigation over those waters. For the first time, this year, the administration proposal did not include that item in the requested authorization, citing the fact that the basic act already authorized such sums as may be necessary to provide this Federal share of alteration costs.

In addition to the authorizations contained within the bill, the bill proposes to amend section 475 of title 14, United States Code, in order to extend the authority of the Secretary of Transportation to designate and rent on a reduced cost basis, housing in the area of Coast Guard facilities which would otherwise be considered inadequate, but which are, in effect, the only available housing until such time as the overall housing program for the Coast Guard for public family quarters can be completed. Further, the bill proposes to expand the area of the Coast Guard annual authorization beyond its present limited scope. Two years ago, the committee included within its authorization bill not only the personnel ceilings and training loads referred to above, but also an authorization for the entire acquisition, construction, and improvements item in the Coast Guard budget, as well as the authorization for bridge alterations.

Last year, the administration proposal deleted that part of the acquisition, construction, and improvements budget item related to improvements, pointing out that Public Law 88-45 required authorization only for actual procurement and construction. As I indicated before, this year the authorization request was further pared by deleting the item relating to bridge alterations. Whatever the purpose behind this progressive constriction in the annual authorization process, the Committee on Merchant Marine and Fisheries finds the limitation unacceptable. The Congress has recently passed the Congressional Budget Act of 1974, and even now, the Budget Committees of the two Houses are preparing their reports recommending the level of budget authority and expenditures in the various areas of the Federal budget.

I feel strongly that if our committee, which has complete jurisdiction over Coast Guard operations, is to carry out its responsibility and to play its proper role in House budget decisions, it must expand the areas covered in the annual authorization process. H.R. 11670 proposes, therefore, that the process be expanded to include once again the total acquisition, construction, and improvements budget item and the bridge alteration budget item, and to cover the operating expense budget item and the research and development budget item relating to those three. It really should go without saying that decisions on procurement and construction items are made under severe handicaps when the same authorization does not take into account the maintenance and improvement of existing facilities and the proper distribution of resources in the utilization and management of those facilities.

Finally, the bill places in specific statutory language for the Coast Guard those items on personnel strength and training loads which are currently required in legislation related to the Armed Forces generally, the purpose being to encompass in one bill the total authorization requirements for this annual Coast Guard process.

As to the levels of procurement in the bill, section 1 authorizes $187,168,000 for the procurement of vessels, $92,500,000 for the procurement of aircraft, and $24,401,000 for the construction of shore and offshore establishments. This involves what, on the surface, may appear to be a major increase over the President's budget request, and, in fact, a substantial increase is involved. However, 98 percent of that increase is related to two items. One of these involves the enforcement of H.R. 200, which is now pending in the White House for signature. That bill, which extended the fishing limits of the United States to 200 miles, will be of little effect unless the United States is prepared to enforce its provisions, a responsibility of the Coast Guard. The substantial authorization figures in H.R. 11670, amounting to $49 million for the procurement of vessels, and $59,600,000 for the procurement of aircraft, as well as personnel and training costs attached to the addition of 863 personnel, are the minimal needs involved in that enforcement responsibility.

While these costs are substantial, they really amount to a speed-up of Coast Guard vessel and aircraft replacement programs for equipment already planned for a long-range basis, but which now needs to be put in place at an accelerated pace because of the congressional action on the fishing limit bill. These vessels and aircraft will, of course, be assimilated into the Coast Guard fleets as multimission facilities which would be needed in any case for law enforcement, search and rescue, and pollution control purposes. As a matter of fact, unless the Coast Guard is to be deprived of its facility needs, the acquisition of these facilities now will, in fact, result in a unit cost at less than if their acquisition were delayed until future years.

Somewhat the same argument can be made in connection with the additional units involved in updating and expanding the icebreaking assistance capability of the Coast Guard on the Great Lakes. While this authorization involves some $65,600,000 the great majority of that authorization represents a cost savings in the long run, since the type of vessels to be procured will be more cost effective, and since procurement now will be at a lesser unit cost then if stretched out over future years. These vessels too will have multimission capability and, as explained in our committee report, will serve as replacements for smaller obsolescent harbor tugs which were built more than 30 years ago.

In H.R. 11670, it is my firm belief that the Committee on Merchant Marine and Fisheries has reported a bill which is realistic and conservative in meeting Coast Guard needs. In my opinion, there is a minimal amount of meat and certainly no fat in H.R. 11670. I urge all Members to give it their unqualified support.

Mr. LENT. Mr. Speaker, I rise in support of H.R. 11670, the Coast Guard authorization. This legislation will help to insure that the Coast Guard is adequately prepared to enforce the law in the U.S. 200-mile zone when this zone becomes a reality in March of 1977.

I have had opportunities to observe the Coast Guard in action on several occasions. The dedicated men who serve in the Coast Guard have performed their duties admirably, whether called upon to help Americans in distress, or, as was the case with one of my own constituents, to assist in a case of flagrant harassment of an American vessel by a small fleet of foreign trawlers.

From my observations, the most notable fact is that the Coast Guard accomplishes its duties under resource constraints that other branches of the Armed Forces might find prohibitive. The tasks are often difficult, and the Coast Guard is to be commended for making the best of an often less than satisfactory situation.

The issue is one which we in the Congress must address. If the Coast Guard is to provide the patrol coverage in the new 200-mile zone, then we in the Congress must equip the Coast Guard with the hardware to do this job.

The current legislation is a step in the right direction, but the job of the Congress is not yet done. The House and Senate Appropriations Committees must act, I would hope favorably, on this measure and on other items previously authorized as ongoing capital accounts for which the Coast Guard needs funding.

An example of this latter concern is the Coast Guard's request for funding of a project to equip their long-range patrol craft with side-looking radar. The Office of Management and Budget has decided that the Coast Guard only needs two of these radar units now, but figures I have seen would indicate that OMB's estimates may not be as well-informed as they should be. By my own calculations, the Coast Guard should be given four of these radar units now. The additional cost of $856,000 for the two extra units would be more than justified by the extension of coverage areas by Coast Guard aircraft, and by subsequent increases in the useful life of each of the Coast Guard's aging C-130 aircraft so equipped. This is, admittedly, a small concern in a budget totaling hundreds of millions of dollars. But it is an important one which I would urge my colleagues on the Appropriations Committee to consider seriously.

Our Nation relies heavily on the Coast Guard to insure that the laws governing our citizens' uses and rights with respect to our offshore waters are being carefully and thoroughly enforced. To a great degree, we take this service for granted.

But it remains a difficult task for the men in the Coast Guard—one which we should recognize—and they pursue their duties with dedication. The least we can do is to insure that the Coast Guard has the equipment to allow these men to do the jobs to which we obligate them.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and pass the bill H.R. 11670, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

NATIONAL INFLUENZA PROGRAM OF 1976

Mr. ROGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13012) to amend the Public Health Service Act to authorize and require the establishment and implementation of a national influenza immunization program.

The Clerk read as follows:

H.R. 13012

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Influenza Program of 1976".

SEC. 2. Section 317 of the Public Health Service Act (42 U.S.C. 247b) is amended by inserting after subsection (i) the following new subsection:

"(j)(1) The Secretary is authorized and directed to establish, conduct, and support (by grant or contract) needed activities to carry out, a national influenza immunization program. Such program shall include the following:

"(A) The development of a safe and effective vaccine against the strain of influenza virus known as influenza A/New Jersey/76 (Hsw 1N1) (commonly referred to as the 'swine flu').

"(B) The preparation and procurement of such vaccine in sufficient quantities for the immunization of the population of the States against such influenza.

"(C) The making of grants to State health authorities to assist in meeting their costs in conducting or supporting, or both, programs to immunize their populations against such influenza, and the furnishing to State health authorities of sufficient quantities of such vaccine for such programs.

"(D) The conduct and support of training of personnel for such immunization programs and the conduct and support of research on the nature, cause, and effect of such influenza, the nature and effect of such vaccine, immunization against and treatment of such influenza, and the cost and effectiveness of immunization programs against such influenza.

"(2) The Secretary shall make quarterly reports to the Congress on the administration of the national influenza immunization program. Each such report shall provide information on—

"(A) the current supply of the vaccine to to used in the program,

"(B) the number of persons immunized since the last report was made under this paragraph,

"(C) the amount of funds expended for the program during the period with respect to which the report is made, and

"(D) the epidemiology of the influenza described in paragraph (1)(A).

"(3) To carry out this subsection, there are authorized to be appropriated $136,000,000. Sums appropriated under this paragraph shall remain available for obligation until expended.

The SPEAKER. Is a second demanded?

Mr. CARTER. Mr. Speaker, I demand a second.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. MICHEL. Mr. Speaker, in the demanding of a second, is it not appropriate that preference be given to a Member opposing the bill?

The SPEAKER. It is. Is the gentleman from Kentucky (Mr. CARTER) opposed to the bill?

Mr. CARTER. Not in its present form, Mr. Speaker.

The SPEAKER. The gentleman from Kentucky (Mr. CARTER) is not opposed to the bill?

Mr. CARTER. No, sir.

Mr. MICHEL. Mr. Speaker, I, therefore, demand a second.

The SPEAKER. Is the gentleman from Illinois (Mr. MICHEL) opposed to the bill?

Mr. MICHEL. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Florida (Mr. ROGERS) for 20 minutes.

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation which we are considering, H.R. 13012, would authorize and direct the President to conduct a national campaign to immunize our entire population against a major new strain of influenza which was identified in January at Fort Dix, N.J. This is a campaign which the President has proposed that we undertake based on his review of the possibility, which the appearance of the new strain presents of a major epidemic throughout the United States in the fall and winter of the coming year, of this new form of influenza. The new strain is similar to the influenza which caused the great pandemic of 1918 and 1919. That pandemic, it will be remembered, killed as many as 20 million people worldwide and approximately 548,000 people here in the United States.

Our committee has reviewed this proposal in hearings and with a variety of experts and has concluded that the essential judgment to make the effort to immunize the population is correct and possible. I am attaching to my remarks for inclusion in the Record a more detailed explanation of the background and dangers involved and will be happy to answer further questions from my colleagues if they so desire. I am also attaching for includion in the Record a section-by-section analysis of the new bill.

The dangers involved in a new epidemic of influenza are substantial. Flu is the only disease which can still cause a recognizeable increase in the number of deaths in the United States and close schools and places of employment when it is epidemic. The mild Hong Kong flu epidemic in 1968–69 caused an estimated 33,000 excess deaths in the United States and cost the American economy approximately $3.9 billion. The more severe Asian flu epidemic in 1957–58 caused an excess of 80,000 deaths. Thus, the small amounts of money which it would cost to immunize ourselves against the possibility of such an epidemic, anywhere from the President's estimated $135 million to a more realistic total cost of all concerned of approximately double that amount is an entirely reasonable and manageable investment even though one cannot be sure that the epidemic will occur.

We have, in reviewing the President's proposal, discovered a variety of substantial and real issues. Thus, it is not clear whether or not sufficient legislative authority now exists for the program, how much the vaccine will actually cost—the administration estimate of 50 cents per dose has not been confirmed by any of the manufacturers; how much the program will cost to the States and local entities who will be responsible for it—although it is clear it will cost more than the $26 million which the President's proposal includes; whether or not there is a need for immunization of the manufacturers against liability for reactions to the vaccine no matter how well made, whether or not it would be appropriate to provide an antitrust exemption for the manufacturers so that they can cooperate in this venture, what increases in health care costs, we will experience because of physician and hospital billings for administering the vaccine, or whether or not the vaccine will be available to the Government on a nonprofit basis.

Thus, it is somewhat dismaying that both the administration and the Appropriations Committee feel the need to legislate with the haste that is being pressed upon us. However, even if they do, the Committee on Commerce is prepared by bringing H.R. 13012 to the floor to respond with appropriate authorizing legislation. This will at least assure that the conduct of the program is legally authorized and that the normal procedures of the House of Representatives are respected.

While H.R. 13012 does not, for lack of time, specifically resolve some of the issues just listed it is our understanding that our colleagues in the Senate will cooperate with us in seeking to do so when, and if, we can get positions on them from the administration. It does have the virtue that it contains no controversial issues that I am aware of, merely making the President's conduct of the program in order.

Mr. Speaker, this is needed legislation which responds expeditiously to a Presidential initiative with which we essentially agree and I urge the support of all of the Members for it.

The material referred to follows:

An Explanation of Swine Influenza

Influenza is a highly contagious acute disease caused by one of the several types of the influenza virus. It has a short, one to three day incubation period and is characterized by sudden onset with fever, prostration, generalized aches and pains (usually in the back and legs), headache, weakness and loss of appetite. In the respiratory system the symptoms are usually mild and "cold" like. The disease lasts two to five days (although weakness may persist for sometime afterwards). It is rarely fatal but can cause death either acutely with overwhelming untreatable virus pneumonia within the first few days of illness or secondarily with a bacterial pneumonia which follows the viral disease and is treatable. The disease is most dangerous for high risk groups such as the very old, the very young, the debilitated, and people receiving treatment which suppresses their normal defense mechanisms for such diseases as cancer.

Influenza may be sporadic or epidemic. Epidemics usually occur every one to four years and follow minor mutations in the virus which make some people who are immune to the disease susceptible again. During this fall and winter the United States has experienced one such "routine" epidemic from the Victoria strain of the virus. Approximately every ten years the virus undergoes a major mutation and these major new strains then usually become pandemic throughout the world. Thus, there were pandemics of Puerto Rican influenza in 1943–44, Asian influenza in 1957–58, and Hong Kong influenza in 1968–69. The pandemics are normally named after the area in which the new strain was first identified. The magnitude of these pandemics is measured by the number of "excess deaths" which occur during the epidemic because of the influence in excess of the expected number of deaths. The 1957–58 Asian flu epidemic by this measure caused 80,000 excess death and the milder 1968–69 Hong Kong epidemic caused 33,000 excess deaths.

In addition, economists have attempted to measure the cost of these pandemics by placing dollar values on the medical care required by the victims, the amount of time they lose from work, and similar effects of the epidemics. By this approach the mild 1968–69 pandemic of Hong Kong flu had an economic cost in the United States of $3.9 billion.

In late January at Ft. Dix, New Jersey, the State of New Jersey cultured for the first time from normal people a new strain of influenza. This strain causes infected people to develop antibodies (part of the body's defense mechanism) which are identical to those that people developed to the influenza which caused the worldwide pandemic in 1918–19 that resulted in approximately 450,000 deaths in the United States and between 10 and 20 million deaths worldwide. The new flu cannot be said to be the same as that which caused 1918–19 epidemic because the virus which caused that epidemic is no longer available but there is some evidence that the major strains do reoccur. Thus, the 1958 Asian flu produced the same antibody reactions as did the flu virus which caused the pandemic in 1890. The flu is being called "Swine" flu because it can also grow in pigs although it is not normally caught by associating with pigs or by eating pork. It should be noted that while this new flu is similar to the Swine flu that caused the 1918–19 pandemic, nobody can say whether or not it would be as virulent as that one since its identification with the earlier one is only partial.

"The "normal" appearance of a major new strain of the flu involves sporadic outbreaks of the new strain in the spring and summer of the year in which it is first identified and the development of a full pandemic in the fall-winter of that year. Thus, it is possible, although nobody seems to know what the chances are, that this local outbreak of a major new strain of flu at Ft. Dix will lead to a major epidemic in the fall. To date, no other episodes of Swine flu have been identified except for a very small number of individual cases in people who each had a history exposure to pigs and were under treatment for cancer. There is no such history of exposure to pigs for the soldiers at Ft. Dix. Certainly, however, the chances that new pandemic is imminent would become greater were more local outbreaks of the new Swine flu to occur. Worldwide efforts to identify such outbreaks are now underway.

Given this possibility of a major epidemic in the fall, President Ford on the recommendation of HEW officials and outside experts, has proposed a massive campaign for the immediate development of a vaccine against the new flu strain and the production of enough of the new vaccine to immunize the entire United States population. He has asked the decision to undertake this campaign be made immediately and the funds be authorized and appropriated by the Congress by the first of April in the amount of $135 million. This would apparently represent $101 million for the purchase of vaccine at 50 cents a dose, $26 million for Federal grants to the States to meet their costs of operating mass immunization programs as early in the fall as the vaccine becomes available of the Sabin Oral Sunday type, and $7.5 million for Federal costs of regulating the development of the new vaccine and doing related research.

This campaign is clearly at least possible although the probability of carrying it through successfully is unclear. Vaccines can be developed and tested for safety and efficacy for new strains of influenza within a period of several months if the new strain can be grown effectively in the laboratory. The manufacturers can apparently gear up for the production of sufficient amounts of vaccine if the commitment to the effort can be made promptly and if the nation's roosters can be prompted to produce enough fertile eggs (which are required for production of vaccine and are apparently in short supply).

It is important to remember for comparative purpose that a similar effort was made when the Asian flu first began to surface (also in the early spring) in 1957 in military personnel in Japan. This new strain was much more obviously going to lead to a major pandemic because sporadic epidemics of it began to occur as early as April, May, and June at Grinnell College in Iowa, the Boy Scout jamboree of that year and other places. An effort was made at that time to develop a vaccine for the U.S. population against the new strain but failed because the virus did not adapt well to laboratory growth and because the major epidemic began in fact as early as August of that year.

Influenza vaccine is itself a killed virus vaccine made from viruses which are grown in fertile chicken eggs. Since the virus is killed it is extremely unlikely to produce any actual cases of influenza. The vaccine carries a reputation as one which causes many constitutional and local allergic reactions. This reputation was previously deserved when it was in fact a "dirty" vaccine. However, in recent years new centrifugation technology has produced substantially cleaner vaccine which now very rarely produces any reaction except for a sore arm at the site of injection. Further, the vaccine is quite effective, protecting about 80 percent of those immunized against subsequent exposure to influenza. However, the protection lasts only for a year or two at most. Thus, it will be important to ascertain whether successful protection of the population against an epidemic this fall which occurred in the rest of the world during the subsequent year would have to be repeated later so that the effect is not merely to delay the epidemic.

Efforts to immunize the United States population against the flu would probably not, according to various experts, succeed in protecting the rest of the world against the flu epidemic, if it is in fact going to occur. This is because one must assume that there would still be a few cases in the United States and Americans travel enough that they would almost inevitably seed the rest of the world with this highly contagious disease. The United States is apparently the only country with the capacity to contemplate successful immunization of the whole population against the new strain of flu although Britain and Canada have indicated their intention to examine the possibility. At the same time it should be understood that the attempt to immunize the U.S. population would consume most of our capacity to manufacture vaccine and that the United States would not presumably be in a position to help other countries with supplies of vaccine. This does mean that if an epidemic is going to occur and is successfully prevented in the United States the events in the rest of the world will establish whether or not the proposed gamble, that the epidemic will occur and, therefore, needs to be prevented, was well taken.

Description of the National Influenza Immunization Program of 1976, H.R. 13012

H.R. 13012 would amend existing section 307 of the Public Health Service Act which now provides authority for the conduct by the Department of Health, Education, and Welfare of disease prevention and control programs. It would add to that authority specific legislative authority for the conduct by HEW of a national program of immunization against a major new strain of influenza properly known as A-New Jersey-76 (Hsw 1n1) and commonly known as the Swine flu.

The new authority would authorize and direct the Secretary to establish, conduct, and support by grant or contract the activities needed to carry out a national influenza immunization program against this new major strain. This program is to include:

(1) The development of a safe and effective vaccine against the new strain.

(2) Preparation and procurement of the vaccine in quantities sufficient for the immunization of the entire population. This preparation and procurement would be done by the Federal government although it is anticipated that the preparation would be done by existing manufacturers of vaccine who would then sell under contract, presumably on a cost plus fixed fee basis, to the Federal government.

(3) Making grants to State health authorities to assist them in meeting their costs in conducting or supporting, or both, immunization programs against the influenza for their populations, and the furnishing by the Federal government to the State health authorities of sufficient quantities of the vaccine for their programs, and

(4) The conduct and support of training of personnel for the immunization programs and the conduct and support of relevant research, including research on the cause and effect of the influenza, the nature and effect of the vaccine, immunization against and treatment of the influenza, and the cost and effectiveness of the immunization programs.

In addition, the proposed legislation would require the Secretary to make quarterly reports to the Congress on the Administration of the national influenza program and these reports would have to include information on:

(1) The current supply of the vaccine to be used in the program.

(2) The number of persons who have been immunized since the last report was made.

(3) The amount of funds expended in conjunction with the program whether by the Federal government, State and local governments, the public, or other people in the private sector, and

(4) The epidemiology of the new strain of influenza including the number of cases and deaths being observed by area and population group.

Finally, the new authority would authorize appropriation for the conduct of this program of $136 million which would be available once appropriated until expended. This money is responsive to the Administration request for $135,064,000 and would be used to procure the vaccine (estimated at $100 million), fund the direct operations of HEW in connection with the program (estimated at $1 to $2 million), make grants to States to meet their costs and for them to use in assisting local entities with their costs (estimated at $26 million), monitoring of the development of the vaccine (estimated at $3.5 million), and undertaking of relevant research and training (estimated at $4 million).

Mr. Speaker, I will yield such time as he may consume to the distinguished gentleman from Kentucky (Mr. Carter), who is the ranking minority member on the subcommittee, who is a doctor, and who is knowledgeable in this whole field.

Mr. CARTER. Mr. Speaker, I support the President's proposal for a comprehensive—nationwide—influenza vaccine program.

Accordingly, I support this legislation which amends The Public Health Service Act to authorize and require the establishment and implementation of a national influenza immunization program.

However, we must not confuse or complicate this most important initiative—by combining it with other immunization programs.

It is critical that Congress act both rapidly and responsibly. I believe we should concentrate our efforts in this one area—in order to prevent a possible holocaust.

I trust I will not be misunderstood in urging this targeted approach against the A-swine influenza.

As my colleagues know I recognize and strongly support the need for a preventive approach to health care, which includes immunization against measles, rubella, polio, and so on.

I am aware that the current levels of immunization have fallen dangerously low—and that appropriate preventive action must be taken to protect the future health and well-being of our youngsters.

However—I do not believe this flu program is the appropriate vehicle for accomplishing these other vaccination campaigns.

Moreover—when this very issue arose last week during the subcommittee hearings—every representative of the health provider and public health community who was present—urged that the President's plan be carried out expeditiously and independently of any other immunization programs.

These witnesses included the American Medical Association, the American Academy of Family Physicians, the American Nurses' Association, the American Hospital Association, and other State and public health organizations.

Mr. ROGERS. Mr. Speaker, I have no further requests for time and I reserve the balance of my time.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, and Members of the House, I have always argued on the floor of this House that we ought not be appropriating that for which we have no specific authorizing legislation. I consider this to be a little different kind of situation today, however, in view of the urgency of the matter and its unique character. The gentleman who just preceded me in the well, Dr. Carter, said that if this bill should be enacted, it should be confined to this one item, and I agree. Unfortunately, if and when this measure gets over in the other body we cannot be so assured, and upon that rests my reservation. I know there are some legislative proposals in the wings in the other body needing a vehicle to come back on, for which there may very well be a Presidential veto in prospect. The other body, as I understand, would like to use this as a vehicle for forcing the President to accept something that he would not otherwise accept on its own merits.

So it is with that in mind that I demanded the second so as to air this publicly.

I would like to propound a question to the gentleman from Florida (Mr. Rogers). Will the gentleman take our action today and press for the acceptance of our position in the conference? Is it the gentleman's view that this matter ought not be loaded down with any other extraneous matters so as to delay the signing of this legislation into law so we can move ahead with the immunization program?

Mr. ROGERS. Will the gentleman yield?

Mr. MICHEL. I would be happy to yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I might say to the gentleman from Illinois that that is the bill that we have brought to the floor is one that goes specifically to this problem.

In return may I ask the gentleman from Illinois is it possible that the Senate might load down the appropriation bill?

Mr. MICHEL. Of course there is no question but that that is a possibility.

Mr. ROGERS. That is correct, they might just load it up with everything.

Mr. MICHEL. But we, of course, are going to make the argument in the meantime that to do so means automatic delay and that is what we do not want to have come about.

Mr. ROGERS. I would say we should not delay this, although I must say the companies have said that 2 weeks is not an unreasonable time. I am sure the gentleman from Illinois knows that.

Mr. MICHEL. Could the gentleman from Florida tell me whether or not his full committee has acted on this proposition?

Mr. ROGERS. This was acted on by the subcommittee because of the urgency of the matter and we brought it to the floor under suspension of the rules.

Mr. MICHEL. There has been no confirmation of the gentleman's subcommittee's action by the full committee.

Mr. ROGERS. No. We are asking the House to do it because of its urgency, and I am sure the gentleman will join in that.

Mr. MICHEL. That action, however, contrasts to what we have done on the Committee on Appropriations where we had a subcommittee hearing at some length and then proper orderly reporting to the full committee. That action having been confirmed by our full committee, I think gives us a little bit more credibility than that which the gentleman comes to the floor with.

Mr. ROGERS. Except the gentleman lacks authorization, which we are trying to provide for him in a timely manner.

Mr. MICHEL. But the gentleman will not deny that the President had full authority to do what he did on his own within the law; will he?

Mr. ROGERS. No, I do not agree with that. I think we do not have sufficient authorization because this amount of money is not specifically authorized under section 317, so I think it is deficient in authorization.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I would like to direct a question to the chairman of our subcommittee, the distinguished gentleman from Florida (Mr. Rogers). Is this program purely voluntary at the consumer level?

Mr. ROGERS. Will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Florida.

Mr. ROGERS. I thank the gentleman for yielding.

Yes, of course, it would have to be voluntary. I do not think anybody can be made to take part in it, nor would anyone try.

Mr. ROUSSELOT. There is no specific language in the bill that says it is purely voluntary. The reason I raise the issue is because many of us who have specific religious convictions, feel that it should be voluntary, and want to make sure that it is part of the legislative record.

Mr. ROGERS. If the gentleman will yield further, certainly I will confirm that it would be voluntary.

Mr. ROUSSELOT. I appreciate my colleague's statement.

Mr. MICHEL. The hearing record as developed before our committee, I understand, would certainly buttress what has been said.

Might I propound another question? Immediately following consideration of this legislation and the rollcalls on the suspensions, we will take up the urgent supplemental appropriations bill. If it goes through the other body with no extraneous items added to it, what would the gentleman's position be if we had the Committee on Appropriations all set to go but the authorization bill hung up by the Senate over several controversial items?

Mr. ROGERS. If the gentleman will yield, may I say I do not think that will happen. I think we will find that the authorization bill will be handled very speedily on the Senate side so that it would be ready to proceed. I do not anticipate that would happen at all. I do think we lack the specific authorization necessary. Everyone has agreed we ought to get on with this program, so I have no problem with that.

Mr. MICHEL. If the legislation here should pass with a two-thirds vote, can the gentleman give me any kind of assurance as a conference, that he would fight and fight hard that it be confined to this item and not be loaded down in the other body?

Mr. ROGERS. If the gentleman will yield, I think the gentleman knows we have always tried to uphold the House position, and we have a pretty good record—maybe even better than does the Committee on Appropriations.

Mr. MICHEL. I thank the gentleman for his response. It does not really give the kind of assurance I was looking for which is that he could as a matter of fact, from a personal point of view, flatly guarantee that this would take place. I think the gentleman knows enough about conversations with Members of the other body to give some kind of assurance here that that will not happen; but I do not get that assurance.

Mr. ROGERS. Can the gentleman do the same with the Committee on Appropriations? Can he give us every assurance?

Mr. MICHEL. I think we have good enough rapport that some of us in positions of influence can just about guarantee that, and some of us have been inclined to assure the House of such from time to time.

Mr. ROGERS. I wish the gentleman would assure the House. I think that would be very good, but I have not heard him give his assurance yet.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I will be happy to yield to the gentleman from Kentucky in just a moment. I just want to conclude by saying that in my opinion the President under title III of the Public Health Services Act, sections 301, 311, 317, 351, 352, and 431 has all kinds of latitude and leeway to take the action he did. We do not need this bill to get on with the job.

Now I will yield to our distinguished Member of the medical profession, Dr. Carter.

Mr. CARTER. I thank the gentleman for yielding.

I want to say for my part that I will certainly support the House position and will oppose any amendments thereto, and I would hope that our chairman—and I feel sure that he will—would support the House position.

Mr. MICHEL. I thank the ranking member and the chairman for their comments.

I took the floor in opposition to the motion; I still maintain that position; and I see that our distinguished chairman of the Subcommittee on Appropriations is anxious to get on with the appropriations bill that will really get this thing underway.

With that, unless there are any other requests for time, Mr. Speaker, I yield back the remainder of my time.

Mr. ANDERSON of California. Mr. Speaker, I rise in strong support of H.R. 10312, the national influenza immunization program; and of House Joint Resolution 890, providing for a supplemental appropriation in the amount of $135 million to carry out the provisions of the act.

I am often at odds with the policies and programs of the President, but I cannot argue with the health and well-being of the American people.

In Saturday's edition of the Los Angeles Times, Dr. David Sencer, the Director of the U.S. Center for Disease Control, who will coordinate the program, was reported to have said that they hope to implement the first phase of immunization—largely to the elderly and to persons with lung and heart ailments—by June. The larger immunization program for the general public will start in the early fall.

Protecting more than 200 million Americans against the potentially dangerous swine flu is what an "aye" vote would mean. I urge my colleagues to join me in voting for the national influenza immunization program.

The following for the Record is the news article on the immunization program that appeared in the April 3 issue of the Los Angeles Times:

Aged, Ailing May Get 1st Flu Shots by Midsummer

(By Jeff Prugh)

Atlanta.—The first immunizations of Americans against potentially dangerous swine flu will begin early this summer, the director of the U.S. Center for Disease Control said Friday.

"We're talking about reaching people who have serious pulmonary and cardiovascular disease, and the aged," Dr. David Sencer said. "The larger immunization program for the general public will start in the early fall."

The $135 million campaign proposed by President Ford to immunize nearly all Americans against the virus will require the help of state and local governments, plus private agencies, health officials said.

And, they warned, the manufacture and distribution of the vaccine to more than 200 million persons will not be without complications.

These details emerged Friday from an extraordinary conference of public health officers representing the 50 states and officials of the center for Disease Control, which will coordinate the porgram. There were some indications that the complications already had begun.

"I have an honest difference of opinion with my colleagues," Sencer said conceding at a post-conference press briefing that some state officials want greater federal sharing in the cost of implementing the plan.

"We believe we are making available funds, as we have in the past, that would provide for the purchase of the vaccine and the actual logistics of getting it set up to the point of administration," Sencer said of the $135 million, which was unanimously approved in Washington Friday by the House Appropriations Committee.

"In all of our immunization programs that we have federally funded before, we have not paid for the cost of the actual administration of the vaccine."

But just buying the vaccine and preparing it for implementation is not enough, some state officials said.

Dr. Eugene Fulwinkle, Tennessee's commissioner of public health, for one, wants the federal government to pay a bigger share of administrative costs.

He said, however, he also believed that even if Congress refused to allocate additional funds, state and local governments "will pick up the slack and curtail other services to carry out Ford's program."

Fulwinkle said about $26 million—or 12 cents a person—of Ford's $135 million request was designated for administrative costs.

"We think that's too low," he said. "We think the costs will be 60 cents per dosage across the country. I don't think we should expect from Congress an additional $120 million in implementation money. I think this is a negotiated type of item where estimates will have to be made. And I would hope that it would be something in the neighborhood of $50 million or $60 million, instead of $26 million."

The health officials also told reporters that the vaccine would have to be distributed at mass public clinics, at schools, industry and churches "where we have a captive population."

They hope to implement the first phase of immunization—largely to the elderly and to persons with lung and heart ailments—by June.

Sencer conceded that there was "always the chance" that not enough vaccine could be manufactured to immunize more than 200 million Americans by year's end.

But Sencer believes advanced production techniques will avert possible shortages of the vaccine, which will require millions of fertilized chicken eggs.

"We have new methods of adopting virus to grow better in eggs," Sencer said, "so we're now hoping to get a better yield in doses per egg. I think we'll have enough (vaccine) by Christmas because we know how many eggs can be inoculated per week."

He said four American pharmaceutical firms produce the vaccine: Parke-Davis & Co., Wyeth Laboratories, Merck, Sharp & Dohme and Merrell-National Laboratories.

Sencer discounted fears of a "violent reaction" to the vaccine, saying that a new purification process will prevent it and that an education program will make the public responsive to the project.

"It used to be that there would be a considerable amount of egg protein left in the vaccine," he said, "and it really did cause a severe painful reaction. But today's vaccine has been purified through a process of centrifugation, and I think that it has much less of an immediate impact."

Mr. ROYBAL. Mr. Speaker, I support H.R. 13012 which amends the Public Health Services Act to authorize and require the establishment and implementation of a national immunization program against the A/Swine influenza.

About 2 months ago, several hundred Army recruits at Ft. Dix, N.J., were infected with what scientists now say was the swine flu. This flu, or one strikingly similar, caused the 1918 epidemic which killed over half a million in this country and 20 million around the world.

Although doctors say it is impossible to assign a statistical probability to the chances of a mass outbreak next fall, they have reached a concensus that there could very well be a mass outbreak. Their educated guess is based on medical facts which bear repeating here.

First, and most importantly, the Ft. Dix outbreak marked the first time in over 50 years that this flu was transmitted from person to person. For 50 years, this virus has infected pigs all over the world and yet, for some unknown reason, it has not spread into the human population. Now suddenly, 500 recruits come down with a virus that for 50 years has been infecting pigs but not people. Why has this occurred? The scientists say that it could be because the virus has made some subtle change that now allows it to infect humans and be passed among them. If it has, then the country would probably be in danger of an epidemic and this leads to my second point.

Virtually everyone under 50 years of age is susceptible, lacking any natural immunity to the disease. People over 50 have been found to have some antibodies in their blood leading doctors to conclude that the swine flu stayed around for a number of years after the 1918 epidemic. However, the doctors have warned that those over 50 do not have enough immunity to effectively protect them and would still need to be immunized.

Influenza in general is considered to be an especially unpredictable disease. Nevertheless, doctors have determined that flu epidemics usually run in 10-year cycles called pandemics. Now, compounding the situation, doctors have reported that we are due for another pandemic. The last was in 1968–69. It struck 20 percent of the United States and caused more than 33,000 deaths here at an estimated cost of $3.2 billion.

Another concern in the present dilemma results from historical analysis of flu outbreaks. The severity of this particular flu has a bad reputation resulting from the 1918 epidemic. In addition, scientists have found that as a new influenza strain appears—especially when it represents a major antigenic change such as this one—the illnesses become progressively more severe as the epidemic spreads.

It is all of these factors that were analyzed by various groups under the supervision of the Center for Disease Control in Atlanta. The overwhelming consensus of the experts was that we face a real danger of an epidemic of swine flu next winter. I would like to point out here that we spend millions of dollars every year so that the Center for Disease Control can alert us to potential health dangers such as this one. It would be completely unconscionable to ignore the warnings of these experts, especially when we appear to have been fortunate in discovering the potential hazard far enough in advance to guard against it with the immunization program.

In short, Mr. Speaker, as a member of the Appropriations Subcommittee that held hearings on this legislation, I support funding the immunization program at the requested level so that the development and production of the vaccine can begin so that it will be ready by fall.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. ROGERS) that the House suspend the rules and pass the bill H.R. 13012.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill H.R. 13012.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 3 (b) rule XXVII, the Chair will now put the question, on each motion on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 11722 (yeas and nays);
H.R. 11140 (yeas and nays);
H.J. Res. 670 (yeas and nays);
S.J. Res. 35 (yeas and nays);
S.J. Res. 101 (yeas and nays);
H.R. 5446 (de novo); and
H.R. 11670 (yeas and nays).

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

DEPRIVATION OF EMPLOYMENT ON ACCOUNT OF POLITICAL CONTRIBUTION

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 11722, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. HUNGATE) that the House suspend the rules and pass the bill, H.R. 11722, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 358, nays 3, not voting 71, as follows:

[Roll No. 162]

YEAS—358

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bonker

Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland

Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.

du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—3

Burleson, Tex.
Landrum
Waggonner

NOT VOTING—71

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Bolling
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hanley
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Pressler
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Sebelius
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Young, Alaska
Zeferetti

The Clerk announced the following pairs:

Mr. Zeferetti with Mr. Abdnor.
Mr. Badillo with Mr. Goldwater.
Mr. Breaux with Mr. Heinz.
Mr. Flowers with Mr. Sebelius.
Mr. Macdonald of Massachusetts with Mr. Steiger of Arizona.
Mr. Henderson with Mr. Anderson of Illinois.
Mr. Green with Mr. Andrews of North Carolina.
Mr. Hanley with Mr. Horton.
Mr. Rostenkowski with Mr. Holland.
Mr. Sarbanes with Mr. Armstrong.
Mr. James V. Stanton with Mr. Bell.
Mr. Stratton with Mr. Preyer.
Mr. Yatron with Mr. Conyers.
Mr. Charles H. Wilson of California with Mr. Crane.
Mr. Udall with Mr. Roberts.
Mr. Mann with Mr. de la Garza.
Mr. Mathis with Mr. Litton.
Mr. Howard with Mr. Esch.
Mr. Alexander with Mr. Madden.
Mr. Blouin with Mr. McCloskey.
Mr. Burke of Massachusetts with Mr. Eshleman.
Mrs. Chisholm with Mr. McCollister.
Mr. Bevill with Mr. Fithian.
Mr. Karth with Mr. Foley.
Mr. Moss with Mr. Pressler.
Mr. Nix with Mr. Young of Alaska.
Mr. Pepper with Mr. Wiggins.
Mr. Dingell with Mr. Vander Jagt.
Mr. Eckhardt with Mr. Taylor of Missouri.
Mr. Barrett with Mr. Stephens.
Mr. Ryan with Mr. Steelman.
Mr. Santini with Mr. Johnson of Pennsylvania.
Mr. Solarz with Mrs. Smith of Nebraska.
Mr. White with Mr. Hayes of Indiana.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McFALL). Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

ESTABLISHMENT OF A NATIONAL CEMETERY AT QUANTICO, VA.

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 11140.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. SATTERFIELD) that the House suspend the rules and pass the bill H.R. 11140, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 358, nays 8, not voting 66, as follows:

[Roll No. 163]

YEAS—358

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard

Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—8

Brown, Mich.
Cederberg
Collins, Tex.
Diggs
Duncan, Oreg.
Michel
Schneebeli
Talcott

NOT VOTING—66

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Bolling
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hanley
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Anderson of Illinois.

Mr. Breaux with Mr. Goldwater.

Mrs. Chisholm with Mr. Steelman.

Mr. Badillo with Mr. Wiggins.

Mr. Barrett with Mr. Heinz.

Mr. Hayes of Indiana with Mr. Andrews of North Carolina.

Mr. Hanley with Mr. Bell.

Mr. Green with Mr. Esch.

Mr. Rostenkowski with Mr. Horton.

Mr. Santini with Mr. Armstrong.

Mr. James V. Stanton with Mr. McCloskey.

Mr. Stratton with Mr. Vander Jagt.

Mr. Zeferetti with Mr. Taylor of Missouri.

Mr. Charles H. Wilson of California with Mr. Crane.

Mr. Mann with Mr. Eshleman.

Mr. Howard with Mr. McCollister.

Mr. Bevill with Mr. White.

Mr. Henderson with Mr. Udall.

Mr. Sarbanes with Mr. Moss.

Mr. Solarz with Mr. Johnson of Pennsylvania.

Mr. Dingell with Mr. Conyers.

Mr. Flowers with Mr. Eckhardt.

Mr. Foley with Mr. de la Garza.

Mr. Fithian with Mr. Madden.

Mr. Macdonald of Massachusetts with Mr. Roberts.

Mr. Karth with Mr. Preyer.

Mr. Pepper with Mrs. Smith of Nebraska.

Mr. Blouin with Mr. Holland.

Mr. Litton with Mr. Mathis.

Mr. Nix with Mr. Ryan.

Mr. Stephens with Mr. Steiger of Arizona.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THOMAS JEFFERSON DAY

The SPEAKER pro tempore (Mr. McFall). The unfinished business is the question of suspending the rules and passing the joint resolution, House Joint Resolution 670.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. Schroeder) that the House suspend the rules and pass the joint resolution, House Joint Resolution 670, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 363, nays 2, not voting 67, as follows:

[Roll No. 164]

YEAS—363

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—2

Hechler, W. Va.
Myers, Pa.

NOT VOTING—67

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Esch
Eshleman
Fithian
Flowers
Foley
Dingell
Eckhardt
Edwards, Calif.
Goldwater
Green
Hanley
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Symington
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Heinz.

Mr. Zeferetti with Mr. Roberts.

Mr. Yatron with Mr. James V. Stanton.

Mr. Preyer with Mr. Symington.

Mr. Dingell with Mr. Madden.

Mr. Breaux with Mr. McCloskey.

Mrs. Chisholm with Mr. Steelman.

Mr. Howard with Mr. Taylor of Missouri.

Mr. Litton with Mr. Armstrong.

Mr. Macdonald of Massachusetts with Mr. Bell.

Mr. Solarz with Mr. Horton.

Mr. Rostenkowski with Mr. Johnson of Pennsylvania.

Mr. Ryan with Mr. Conyers.

Mr. Stratton with Mr. Crane.

Mr. White with Mr. Esch.

Mr. Sarbanes with Mr. Charles H. Wilson of California.

Mr. Santini with Mr. Wiggins.

Mr. Hayes of Indiana with Mr. Steiger of Arizona.

Mr. Hanley with Mr. Holland.

Mr. Green with Mr. Udall.

Mr. Badillo with Mr. Anderson of Illinois.

Mr. Barrett with Mr. Andrews of North Carolina.

Mr. Blouin with Mr. de la Garza.

Mr. Fithian with Mr. Eckhardt.

Mr. Flowers with Mr. Foley.

Mr. Edwards of California with Mr. Goldwater.

Mr. Nix with Mrs. Smith of Nebraska.

Mr. Bevill with Mr. Eshleman.

Mr. Karth with Mr. Henderson.

Mr. Mann with Mr. Pepper.

Mr. Moss with Mr. McCollister.

Mr. Mathis with Mr. Stephens.

Mr. **WALSH** changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NATIONAL EMPLOY THE OLDER WORKER WEEK

The **SPEAKER** pro tempore. The unfinished business is the question of suspending the rules and passing the Senate joint resolution (S.J. Res. 35), as amended.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 35), as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 365, nays 2, not voting 65, as follows:

[Roll No. 165]

YEAS—365

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—2

Hechler, W. Va.
Myers, Pa.

NOT VOTING—65

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hanley
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Zeferetti with Mr. Anderson of Illinois.

Mr. Burke of Massachusetts with Mr. Horton.

Mrs. Chisholm with Mrs. Smith of Nebraska.

Mr. Badillo with Mr. Vander Jagt.

Mr. Breaux with Mr. Taylor of Missouri.

Mr. Green with Mr. Wiggins.

Mr. Hanley with Mr. McCloskey.

Mr. Hayes of Indiana with Mr. Johnson of Pennsylvania.

Mr. Santini with Mr. Armstrong.

Mr. Solarz with Mr. Andrews of North Carolina.

Mr. Rostenkowski with Mr. Bell.

Mr. Stratton with Mr. Henderson.

Mr. Mann with Mr. Madden.

Mr. Flowers with Mr. Udall.

Mr. Bevill with Mr. Steelman.

Mr. Ryan with Mr. Goldwater.

Mr. Roberts with Mr. Eshleman.

Mr. Litton with Mr. Dingell.

Mr. Sarbanes with Mr. Steiger of Arizona.

Mr. Preyer with Mr. Barrett.

Mr. Nix with Mr. Karth.

Mr. Pepper with Mr. Moss.

Mr. White with Mr. McCollister.

Mr. Yatron with Mr. Foley.

Mr. Howard with Mr. Eckhardt.

Mr. Fithian with Mr. Conyers.

Mr. Charles H. Wilson of California with Mr. de la Garza.

Mr. Blouin with Mr. Mathis.

Mr. Stephens with Mr. James V. Stanton.

Mr. Holland with Mr. Macdonald of Massachusetts.

Mr. **DRINAN** and Mr. **MILLER** of Ohio changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "Joint resolution to provide for the designation of the week beginning March 13, 1977, as 'National Employ the Older Worker Week'."

A motion to reconsider was laid on the table.

NATIONAL FAMILY WEEK

The **SPEAKER**. The unfinished business is the question of suspending the rules and passing the Senate joint resolution (S.J. Res. 101) as amended.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER**. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 101), as amended, on which the yeas and nays are ordered.

The vote was taken by elecrtonic device, and there were—yeas 362, nays 5, not voting 65, as follows:

[Roll No. 166]

YEAS—362

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—5

Baucus
Hechler, W. Va.
Michel
Myers, Pa.
Pike

NOT VOTING—65

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Breaux
Breckinridge
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Zeferetti with Mr. Anderson of Illinois.

Mr. Burke of Massachusetts with Mr. Goldwater.

Mr. Breaux with Mr. Steelman.

Mr. Santini with Mr. McCloskey.

Mr. Rostenkowski with Mr. Esch.

Mr. Preyer with Mr. Armstrong.

Mr. Green with Mr. Horton.

Mr. Hayes of Indiana with Mr. Vander Jagt.

Mrs. Chisholm with Mr. Wiggins.

Mr. de la Garza with Mr. McCollister.

Mr. Fithian with Mr. Eshleman.

Mr. Howard with Mr. Crane.

Mr. Macdonald of Massachusetts with Mr. Andrews of North Carolina.

Mr. Flowers with Mr. Heinz.

Mr. Nix with Mr. Henderson.

Mr. Pepper with Mr. Taylor of Missouri.

Mr. Yatron with Mr. Udall.

Mr. Blouin with Mr. Bell.

Mr. Badillo with Mr. Johnson of Pennsylvania.

Mr. Barrett with Mr. Mathis.

Mr. Conyers with Mr. Moss.

Mr. Dingell with Mr. Bevill.

Mr. Foley with Mr. Eckhardt.

Mr. Stratton with Mr. Sarbanes.

Mr. Ryan with Mr. Roberts.

Mr. Breckinridge with Mr. Karth.

Mr. Charles H. Wilson of California with Mr. Solarz.

Mrs. Smith of Nebraska with Mr. Litton.

Mr. James V. Stanton with Mr. White.

Mr. Holland with Mr. Madden.

Mr. Mann with Mr. Steiger of Arizona.

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

INTERNATIONAL NAVIGATIONAL RULES

The SPEAKER pro tempore (Mr. McFALL). The unfinished business is the question of suspending the rules and passing the bill H.R. 5446, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and pass the bill H.R. 5446, as amended.

The question was taken.

RECORDED VOTE

Mr. MILLER of Ohio. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 366, noes 1, not voting 65, as follows:

[Roll No. 167]

AYES—366

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner

Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NOES—1

Fenwick

NOT VOTING—65

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Blouin
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
Long, Md.
McCloskey
McCollister
Macdonald
Madden
Mann
Mathis
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Roberts.

Mr. Breaux with Mr. Steelman.

Mr. Zeferetti with Mr. Stratton.

Mr. Rostenkowski with Mr. Taylor of Missouri.

Mr. Santini with Mr. Wiggins.

Mr. James V. Stanton with Mr. McCloskey.

Mr. Karth with Mr. Esch.

Mr. Litton with Mr. Bell.

Mr. Macdonald of Massachusetts with Mr. Barrett.

Mr. Mann with Mr. Armstrong.

Mr. Nix with Mr. Eshleman.

Mr. Flowers with Mr. Goldwater.

Mr. Pepper with Mr. Andrews of North Carolina.

Mr. Solarz with Mr. Anderson of Illinois.

Mrs. Chisholm with Mr. McCollister.

Mr. Badillo with Mr. Vander Jagt.

Mr. Blouin with Mr. Stephens.

Mr. de la Garza with Mr. Sarbanes.

Mr. Foley with Mrs. Smith of Nebraska.

Mr. Moss with Mr. Henderson.

Mr. Yatron with Mr. Horton.

Mr. Charles H. Wilson with Mr. Johnson of Pennsylvania.

Mr. Howard with Mr. White.

Mr. Green with Mr. Crane.

Mr. Hayes of Indiana with Mr. Conyers.

Mr. Bevill with Mr. Dingell.

Mr. Udall with Mr. Madden.

Mr. Ryan with Mr. Long of Maryland.

Mr. Preyer with Mr. Eckhardt.

Mr. Fithian with Mr. Holland.

Mr. Mathis with Mr. Heinz.

Mr. SYMMS changed his vote from "no" to "aye".

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 11670, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and pass the bill H.R. 11670, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 358, nays 9, not voting 65, as follows:

[Roll No. 168]

YEAS—358

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bergland
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—9

Bennett
Findley
Holtzman
Jacobs
Kastenmeier
Krueger
Mottl
Myers, Pa.
Whalen

NOT VOTING—65

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Biaggi
Blouin
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Ryan
Santini
Sarbanes
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
Vander Jagt
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Goldwater.
Mr. Barrett with Mr. Vander Jagt.
Mr. Badillo with Mr. Wiggins.
Mr. Green with Mr. McCollister.
Mr. Hayes of Indiana with Mr. Bell.
Mr. Hébert with Mr. Anderson of Illinois.
Mr. James V. Stanton with Mr. Horton.
Mr. Sarbanes with Mr. Johnson of Pennsylvania.
Mr. Ryan with Mr. Armstrong.
Mr. Preyer with Mr. McCloskey.
Mr. Karth with Mr. Taylor of Missouri.
Mr. Litton with Mr. Conyers.
Mr. Macdonald of Massachusetts with Mr. Crane.
Mr. Mann with Mr. Esch.
Mrs. Chisholm with Mr. Foley.
Mr. Blouin with Mrs. Smith of Nebraska.
Mr. Biaggi with Mr. Steelman.
Mr. Nix with Mr. Udall.
Mr. Pepper with Mr. Henderson.
Mr. Moss with Mr. Andrews of North Carolina.
Mr. Dingell with Mr. Eckhardt.
Mr. Flowers with Mr. Madden.
Mr. Fithian with Mr. Solarz.
Mr. Stratton with Mr. Stephens.
Mr. Zeferetti with Mr. de la Garza.
Mr. Breaux with Mr. Holland.
Mr. Howard with Mr. Bevill.
Mr. Yatron with Mr. White.
Mr. Charles H. Wilson of California with Mr. Roberts.
Mr. Santini with Mr. Rostenkowski.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MIKVA. Mr. Speaker, I was unable to be in Washington on Friday, April 2, 1976, because of a long-standing prior commitment. As a result I was unable to participate in the voting on H.R. 12572, the amendment to the U.S. Grain Standards Act. Had I been present, I would have voted "yes" on rollcall 158, the rule providing for consideration of the amendments. I would have also voted "yes" on rollcall 159, strengthening the inspection process. And, I would have voted "yes" on rollcall 160, the vote on passage of H.R. 12572.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS, 1976

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Friday last, I call up the joint resolution—House Joint Resolution 890—making emergency supplemental appropriations for preventive health services for the fiscal year ending June 30, 1976, and for other purposes, and ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The Clerk read the title of the joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 890

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1976, namely:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

CENTER FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services" for carrying out, to the extent not otherwise provided, title III and section 431 of the Public Health Service Act for a comprehensive, nationwide influenza immunization program, $135,064,000, to remain available until expended: *Provided,* That vaccines may be supplied to State and local health agencies without charge.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, in handling supplemental appropriation bills in the Committee on Appropriations, the hearings and initial approval of the measures are conducted by the appropriate subcommittees, and then the full 55-member committee takes action before the final bill is brought to the floor.

In this case there is only one subcommittee involved, and that is the Subcommittee on Labor, Health, Education, and Welfare, chaired by the gentleman from Pennsylvania (Mr. FLOOD). That subcommittee conducted hearings which many of us attended having to do with swine flu and the urgent request of the President that we provide $135 million in order to facilitate the production of the appropriate serum to innoculate people against swine flu, which threatens to pose a very serious health situation for this Nation and perhaps for the world later this year.

I think it would be appropriate for me to yield the floor at this time, and I am sure that members of the subcommittee and its chairman, the gentleman from Pennsylvania (Mr. FLOOD), will move to strike the last word and make further explanations with respect to the joint resolution. I am sure also that the ranking minority member, the gentleman from Illinois (Mr. MICHEL), will have something to say about it.

There is nothing controversial about this, and I assume that we will be able promptly to dispose of this remaining legislation scheduled for today.

Mr. FLOOD. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, this emergency supplemental appropriation bill deals with a very serious health matter.

You have all read the reports about an outbreak of a new strain of influenza virus among recruits at Fort Dix, N.J. This virus is related to the swine influenza virus which caused the 1918–1919 pandemic and which killed 548,000 people in the United States. It should be noted that over 20 million people died around the world from the swine influenza.

Well, what you have before you today is an emergency supplemental bill for a nationwide immunization program to avert a swine influenza epidemic in the United States next fall.

Now I can assure you that we examined the need for this immunization program rather carefully.

We questioned medical experts from the Department of Health, Education, and Welfare and from the private medical community. The advice we received was overhelmingly in favor of moving ahead with a national immunization program.

During the hearings we were told that 500 cases of the swine influenza have been confirmed at Fort Dix, N.J., and one death has been attributed to this particular virus.

We were told that time is of the essence. In order to insure the American people maximum protection against a widespread swine influenza epidemic we must begin the immunization of the general population by September. Now some people will ask—why not start the program in October or November or some other time?

Well, I will tell you why the September timetable is important. The normal flu season begins in late October or early November. In order for an individual to build up the necessary antibodies to fight off the influenza virus—he or she must receive the vaccine injection in advance of the flu season.

If the immunization schedule slips beyond September or October—and people begin contracting this particular virus—the experts tell us that you reduce the effectiveness of the program to almost zero.

The experts told us—and I believe them—that we have all of the ingredients for a potential epidemic.

It has been said that if this country had a vaccine in 1918–19 we could have averted the epidemic and saved many lives.

Well, in the year 1976 we do have the capability of developing a vaccine. More importantly we also have the capability of manufacturing the vaccine in large quantities and delivering it to anyone who wants it.

The appropriation bill will be used as follows: $100 million will be used for the purchase and distribution of vaccine; $1,851,000 will be used by the Center for Disease Control to organize and oversee the program; $3,213,000 is for control and regulatory activities of the Food and Drug Administration; $4,000,000 is for research supported by the National Institute of Allergy and Infectious Diseases; and $26,000,000 is for assistance to State and local governments for their part of the program.

Of course, there are many, many questions that one could ask about a program of this magnitude. By the time we got them all answered the epidemic or pandemic, would have come and gone. Believe me, we have put the officials of HEW and the Public Health Service on notice that we intend to follow the administration of the program very, very closely.

Because of this potential for an influenza epidemic—and because of the short time frame for developing, manufacturing, and distribution of this vaccine—I urge you to pass this emergency supplemental appropriation bill.

Mr. MICHEL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of the bill. There is no certainty that the swine flu will break out next fall, but we have had over 500 cases of the flu break out thus far, where the flu has been passed from person to person. When a flu reaches the person-to-person stage, it means that many others may be carrying the virus, in a latent stage now, but which could surface and spread again when the flu season resumes in the fall.

Consequently, I think we need to opt on side of safety, rather than take a chance and be sorry later on. This bill represents the safe approach. If we do not pass it, it is possible nothing will happen and we will have saved $135 million. But, it is also possible the flu could spread, and if it does, we could very well see a repeat of the situation in 1918, where 500,000 people in the United States and 20 million worldwide died from the swine flu. The dollar costs in such an occurence would be astronomical. As an example, the Hong Kong flu in 1968, which resulted in 33,000 deaths, incurred costs in excess of $3.2 billion.

So, diligence makes it essential that we pass this bill, and in the form of an urgent supplemental, because time is of the essence. If there is any delay in making the money available, Public Health witnesses stated during our hearings that we might as well forget the whole thing, because if the vaccinations are delayed into the flu season they will not do any good.

That is why it is essential that we keep the bill free of any extraneous matter in order to insure that there is no obstacle to its early passage.

As soon as the money becomes available, clinical trials, to test the vaccine, will begin, and they will take until June. Production will then begin, and it is expected that immunization of high-risk individuals will start in July or August. Vaccination of the remainder of the population will begin in September, and must be completed by November, when the flu season usually resumes.

The $130 million breaks down as follows: $100 milion will go for the purchase and distribution of vaccine; $1.8 million will be allocated to the Center for Disease Control to organize and coordinate the campaign; $3.2 million goes to the Food and Drug Administration for a program of control and regulation of the vaccine; $4 million will go for NIH research; and $26 million will be allocated to the States and localities to support the development and operation of community programs.

The $100 million cost for the vaccine is based on the current cost similar vaccine is selling for and the estimated savings resulting from large-scale purchasing and production. Four and possibly six companies will be involved in the production, and they will be operating under negotiated contracts.

Witnesses assured us during our hearings that the Federal negotiators will be tough-minded to insure that the public interest is protected.

The $26 million for States and localities was determined on the basis of consultations with various groups and past experience with other immunization programs of a similar nature. The States and localities would be expected to contribute the manpower, as they did in past campaigns, and private and voluntary groups are also expected to provide assistance. In hardship cases, some additional moneys might be made available to the State, but public health witnesses told us during our hearings that some of the costs, which States are suggesting, are out of line with what the actual costs are likely to be.

The intent of the program is that the public have the opportunity to obtain vaccinations without charge. The vaccine would, for the most part be administered in large scale settings, though some patients may choose to have the shots administered by their own physician, where there could be a small charge.

It is essential that this program be launched as soon as possible, and I thus urge the adoption of the bill.

Mr. McDONALD of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I would be happy to yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. Mr. Speaker, I would like to ask the gentleman from Illinois how many cases of swine flu have now been recorded as of the present time for this year and last year?

Mr. MICHEL. As the chairman has indicated, the thing that brought this situation into focus was the outbreak at Fort Dix, N.J., and in this respect I think that fate may have played a role on our side in the fact that it broke out in a very heavily controlled situation on a military base wherein there were some 500 cases, resulting in one death.

Mr. McDONALD of Georgia. If the gentleman will yield further, what is the estimated mortality figure in case this program should not go through?

Mr. MICHEL. Well, I do not think I received an answer to such a specific question in the hearings. I do not believe we could make a clear and definitive estimation to that. This is something like insurance.

Mr. McDONALD of Georgia. What is the estimated morbidity from reactions to the swine flu virus itself?

Mr. FLOOD. If the gentleman will yield, may I say that this is not a live vaccine. There is no danger at all from the vaccine itself. There is no danger of a person becoming infected by the virus.

Mr. McDONALD of Georgia. What problem is there simply from a reaction to the protein rather than a reaction to the live virus?

Mr. FLOOD. One could have a reaction to the protein. I imagine it would be no higher than say 5 percent or between 5 and 10 percent where you might have a sore throat and some reaction, about 5 percent.

Mr. McDONALD of Georgia. Certainly medical people have reported deaths from penicillin and other drugs so I do not think it is possible to say that one would not have any morbidity on this kind. So I think that possibly we are focusing on a "maybe" approach when we may not even need this.

Mr. FLOOD. No; I would not say that. We are only talking about the swine flu. It does not mean that with an injection of the swine flu virus one will not get certain effects the same as they do maybe from the present Hong Kong flu shots. As a matter of fact, this vaccine is less offensive because this is a single injection of one virus.

Mr. McDONALD of Georgia. Is there any reason why the basic pharmaceutical industry is not capable of making the shots available to the American public?

Mr. FLOOD. We are requesting substantially more than they are currently producing in order to deal with the problem we may have in the fall.

Mr. McDONALD of Georgia. This material is basic itself and I see no reason why the pharmaceutical industry is not able to produce it whether it be at 10 or 20 times the normal, if there is going to be that particular market or need for it.

Mr. FLOOD. We are depending upon them to do just that.

Mr. MICHEL. Mr. Speaker, I might say I raised the same question. On the other hand, if it is a matter of national policy that the purpose would be that everybody would be vaccinated, which means the 200 million plus American people, because it may be absolutely essential, then it seems to me a little bit unreasonable that we would expect four, five, or six pharmaceutical companies, who have the capacity to do this, to produce the total required doses this year, just as a matter of speculation that some persons will buy it, without any kind of governmental formal request or presentation of the necessity for doing so.

Mr. DICKINSON. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, if I might, I would like to make an inquiry of the gentleman from Illinois who just spoke. I saw in the paper where the Government is going to request or has requested of the pharmaceutical houses that they manufacture the vaccine and sell it on a nonprofit basis. I have read nothing to indicate that the pharmaceutical houses have agreed to do this. I am wondering if there is anything built into the law that we are about to pass, or if there are any assurances that there will not be a tremendous windfall profit to these pharmaceutical houses and if so, why do we have to come up with $135 million in order to manufacture and produce the vaccine?

Mr. MICHEL. I have indicated $100 million is for the purchase and distribution of the vaccine. It was predicated on 50 cents a shot, which is pretty much the experience table. But we have on assurance, frankly, that after getting the chickens and the fertilized eggs, and the resultant fact that we have got to have more roosters, and all of these other attendant things, that the cost is going to be 50 cents a shot. It could be more in all probability rather than less. But I think generally it is understood that the mass of the American people are going to get free inoculations, other than maybe persons like myself or the gentleman from Alabama, who are going to see their doctors for their physical examinations and say, "Give me a shot of this vaccine if you have got it," and who will probably pay at that time.

Mr. DICKINSON. That was going to

be my next expression. Are we in fact with this $135 million assuring that everyone will get a free shot who wants the free shot?

Mr. MICHEL. I think that is accepted in the whole proposition.

Mr. DICKINSON. I was not reassured, though, that pharmaceutical houses are not going to make a tremendous windfall profit out of this.

Mr. MICHEL. From the kind of testimony we had that the Department is really going to ride herd, I would surely have to feel comfortable that that was not going to happen.

Mr. McDONALD of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. I thank the gentleman for yielding.

I would like to find out exactly why we are taking this particular approach for this disease. If this applies, why do we not take this approach for every disease that exists?

Mr. MICHEL. I think that is a little bit unreasonable.

Mr. McDONALD of Georgia. If the gentleman will yield, we certainly have more serious diseases with much more morbidity and mortality.

Mr. MICHEL. I can appreciate that. There can be all kinds of arguments to the contrary, but I, simply on the basis of the kind of testimony we heard, do not want to let the opportunity go by and then have an outbreak, and then say we failed to act when we were told by the best authorities that this was a clear and present danger. There will be those who say, "I do not believe a word of it." That is the gentleman's choice to opt not to act.

Mr. McDONALD of Georgia. It looks like this is a Chicken Little approach. The sky is falling in. It might make very good panic legislation, but it is not good medicine. From the standpoint of treating disease, this is a very poor way to go about it.

Mr. MICHEL. On the issue of politics, the gentleman knows as well as I do that the President currently in the White House has not been altogether that enthusiastic about adding to the Federal budget and deficit, and far be it for him to say we want to pile on another $135 million under the kind of constraints under which we are living today. I just discount that political argument. I think this is legitimate.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Just let me say I feel better and somewhat reassured that they will ride herd and see that there will not be tremendous windfall profits at the expense of the taxpayer, and that everybody who needs a shot who cannot afford it will be furnished one free. I suppose that at this point if we err, we had better err on the side of caution. I intend to support the legislation.

Mr. DRINAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to ask either the chairman of the subcommittee or the ranking minority member something about the figure of $100 million.

I have the hearings before me, and, frankly, the testimony is very skimpy and totally inadequate on how they arrived at $100 million. I raise this question: Are we likely to have overruns on this program so that, as in the past, we will be asked time and time again to appropriate additional funds?

Furthermore, there is no testimony here that I can discover as to why $10 or $15 million at this time would not be sufficient. After they test the feasibility of the program then we could give the balance.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I thank the gentleman for yielding.

I would like to say to the gentleman that there is nothing new about the Government buying vaccine. We have been buying rubella vaccine at $5 or $6 million a year for years and years. We are paying 80 cents a dose for the rubella vaccine. So HEW has had plenty of diversified experience in the purchase of vaccines. They have applied their experiences in computing the budget estimate. Remember this is only a budget estimate. The Department will carefully negotiate a purchase price. It might be more and it also might be less.

Mr. DRINAN. Mr. Speaker, I yield back the remainder of my time.

Mr. CONTE. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, 2 months ago, a young military recruit from my congressional district—Pvt. David Lewis of Ashley Falls, Mass.—contracted swine influenza while training at Fort Dix, N.J., and died. This is a very bad tragedy, and I am determined that it shall not be repeated.

The disease that subdued Private Lewis, a healthy young man in the prime of his life, has not been prevalent among humans in this Nation for 50 years. But during hearings before the Labor-Health, Education, and Welfare Appropriations Subcommittee last Tuesday, the Center for Disease Control testified that this strain resembles the swine influenza that caused the pandemic of 1918–19 which took 584,000 lives in the United States alone.

There is a cause for alarm about this type of influenza. So, I rise in strong support of this emergency supplemental appropriations bill (H.J. Res. 890) providing funds in fiscal year 1976 totaling $135 million for a nationwide influenza immunity program.

Mr. Speaker, this is emergency legislation and deserves the unqualified support of every Member of Congress.

This is an election year and most Members are already out campaigning. But in the midst of this tumult, we cannot forget our everyday duties and here we have an obligation to provide from a killer that strikes young and old without discrimination.

It is time to put partisan politics and election year rhetoric aside and accede to the administration's request and provide an immediate remedy. It is incumbent upon us to make sure that these inoculations are available at the first possible opportunity.

We have before us today an opportunity to insure that no more recruits or other servicemen will be struck down by an unseen enemy in their training camps, an opportunity to provide the parents, relatives, and friends of those people preventive medicine we know will work and will protect our most precious commodity, our lives.

Under this bill, virtually the entire U.S. population will be innoculated. Funding of $100 million is provided for the purchase and distribution of the vaccine based on an estimated cost per dose of 50 cents; $1.9 million would go to the Center for Disease Control in Atlanta to organize and coordinate the national campaign and assist the States and localities; $3.2 million would go to the Food and Drug Administration to control and regulate the vaccine; $4 million would be provided the National Institutes of Health for research into influenza; and $26 million would provide project grant funds for State and local governments to develop programs and purchase ancillary supplies.

It is the intent of our committee that the vaccine be distributed free to the State and local governments and health agencies. Further, it is our intent that no individual will be required to pay for the vaccine itself, and under no circumstances, should an individual be refused access to the vaccine because of inability to pay.

Mr. Speaker, I am not unaware of skepticism voiced by some of the need and urgency for our action. I sit as a member of the Labor-Health, Education, and Welfare Appropriations Subcommittee, and last Tuesday our Federal health experts came before us and spoke to this point. Let me quote Dr. Theodore Cooper, our Assistant Secretary of HEW for Health on the necessity of this program:

> What we are saying is that at the next flu season, if history repeats itself, the data being scientifically sound, that we will be subject to a spread of pandemic proportions.

And, again, Dr. Cooper from our hearings:

> . . . on the basis of our epidemologic experience, the current scientific evidence, the expected seasonal variation, the high mobility of the population, the low resistance of the population, we think the chances for an epidemic are quite good.

I believe the risk is too great and the stakes are too high not to heed the advice of these medical experts. I might add that the immunization proposal has been unanimously endorsed by the Advisory Committee on Immunization Practices of the Center for Disease Control. The American Medical Association, the National Medical Association, the American Association of Family Physicians, the Pediatricians and Osteopathic Associations, among others, have also endorsed the plan.

As for its urgency, our subcommittee was told last week that if the project is stalled as much as 2 or 3 months, if we delay or put off here in Congress and inoculations are not begun, according to an inoculation timetable, by late August with the majority of inoculations in September, October, and November, it will be too late to do us any good. In response to a pointed question from our distinguished chairman, Mr. FLOOD, Dr. Cooper responded that—

> If we wait until November to begin, then I think the horse is out of the barn.

It is our duty to rise to this situation and take preventive action. I urge my colleagues to support this legislation.

Thank you, Mr. Speaker.

Mr. **SYMMS**. Mr. Speaker, will the gentleman yield?

Mr. **CONTE**. I yield to the gentleman from Idaho.

Mr. **SYMMS**. Mr. Speaker, I would like to relate to the distinguished gentleman from Massachusetts this story my dad often told me. When he was in the Army at Fort Dix in New Jersey they had an epidemic of the flu and many people died. However he said most of the people actually died from pneumonia and not due to the flu. They caught flu and it lead to pneumonia. Nowadays if we give antibiotics it knocks out the pneumonia. I wonder if we cannot do that in the case of the anticipated swine influenza?

Mr. **CONTE**. I do not know. I am not a doctor. We had some of the best scientists appear before our committee and testify. We asked these gentlemen these questions. I suggest the gentleman read the hearing record. They told us this is a very serious situation.

Thank God this incident occurred at Fort Dix where the patients could be isolated. Had the patients not been isolated and it spread throughout the United States we might have had a pandemic before this.

Mr. **McDONALD** of Georgia. Mr. Speaker, I move to strike the requisite number of words.

The gentleman from Idaho has made a very good point from the medical standpoint.

The morbidity and mortality of the 1918 period of flu was basically related to the secondary developments, most particularly that of pneumonia, which certainly should not occur if we have a recurrence of the same epidemic.

Mr. **FLOOD**. Mr. Speaker, will the gentleman yield?

Mr. **McDONALD** of Georgia. I yield to the gentleman from Pennsylvania.

Mr. **FLOOD**. Mr. Speaker, I am sure the gentleman knows the kind of pneumonia my friend is referring to is a viral pneumonia as a result of secondary infection and there is no antibiotic which is effective against that.

Mr. **McDONALD** of Georgia. Mr. Speaker, however, where in certain cases pneumonia may be related to viral aspects, at the same time the increase in problems of fluid stasis, the problems of pulmonary function, are directly related to the bacterial complications on top of the viral conditions and the likelihood of that recurring is extremely remote today, with the antibiotics available to handle the secondary bacterial invaders coming on top of the initial viral complications.

I think, medically speaking, if we adopt this particular approach, there is no reason why we should not adopt a similar approach to every basic disease that comes down the pike on the basis that some individual has succumbed to that illness and uses that as an example of a lever for legislation.

Frankly, I feel that the medical profession is completely able to handle the problem. The pharmacy industry of this country is completely able to provide the necessary vaccince for that particular set of the population that is most susceptible; but to just arbitrarily say we are going to approach this particular problem with the viewpoint of some program, the distribution itself is left in something of a quandry. For example, is this a compulsory vaccine that everyone has to take? Is this passed out to everyone? Is this a program that is to be optional? Is this approach to be taken for virtually any disease, because there can be morbidity or mortality demonstrated?

Mr. **YOUNG** of Florida. Mr. Speaker, will the gentleman yield?

Mr. **McDONALD** of Georgia. I yield to the gentleman from Florida.

Mr. **YOUNG** of Florida. Mr. Speaker, the hearings in our committee indicated that it would be strictly on a voluntary basis. In one single nursing home in St. Petersburg, Fla., in the first part of 1976, more than 50 people lost their lives due to a strain of flu that was way less severe than the swine flu.

Mr. **McDONALD** of Georgia. I do not believe that the medical profession, nor the legal profession, nor we as legislators, are going to be in a position to absolutely guarantee immortality to nursing home problems. It is a very difficult problem. Any time we have debilitated individuals, as in a nursing home, certainly any type of viral problem coming through is going to give great mortality and morbidity problems.

Mr. **YOUNG** of Florida. Of course, the vulnerability brought on by age hits many in the country. Not only any type of flu strain but any serious virus or semi deadly infection is going to be medically difficult to that person; but one that appears to be as difficult as the swine flu has to be tremendously fatal to many people in the category of senior citizens.

Mr. **SYMMS**. Mr. Speaker, will the gentleman yield?

Mr. **McDONALD** of Georgia. I yield to the gentleman from Idaho.

Mr. **SYMMS**. Mr. Speaker, I meant to ask the gentleman from Massachusetts, but if the gentleman is on the subcommittee may I ask him for an answer; are the medical experts that were heard, are these bureaucrat doctors or practicing physicians that were given the opportunity to appear on this legislation for or against?

Mr. **MICHEL**. Mr. Speaker, will the gentleman yield to me?

Mr. **McDONALD** of Georgia. I yield to the gentleman from Illinois.

Mr. **MICHEL**. Mr. Speaker, I will respond by saying the principal witnesses were those from the Center for Communicable Diseases.

Mr. **SYMMS**. Bureaucrat doctors, then?

Mr. **MICHEL**. Well, the gentleman can call them anything the gentleman wants to, but we have a center in Atlanta for this specific problem for which we are appropriating millions of dollars to try to alert the American people to a clear and present danger.

Mr. Speaker, I had some of the same reservations as the gentleman in the well has, but when I balance off the pros and cons and what obligations I have here, I just think it would be unconscionable that knowing what we have heard from the so-called experts, that we would not be taking this very seriously. These are not only Government experts, but those from the scientific community.

Mr. **CARTER**. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I might answer a few of the questions that have been asked about swine influenza. Actually, this might well be, I am told, a hybrid between the swine and the Victorian strains that might be very, very serious.

Now, as for the basis for an appropriation of this money, there is a serious danger, we are told by eminent authorities, by the American Medical Association, the president of the American Medical Association, by the Academy of General Practice, the president of that group and several others in the group, by the American Nurses Association, by the American Hospital Association, by the American Association of County Health Officers.

This is all over our country. There is no question but what there is an imminent danger, and we must face this danger forthrightly. It is true that these people who have influenza have a kind of virus. It is a viral infection. We have no antibiotics for the control of virus.

Mr. Speaker, I strongly support the appropriation.

Mr. **MAHON**. Mr. Speaker, I have noted the concern of many Members that this program be well managed and that the serum be provided by the pharmaceutical companies on a low profit or nonprofit basis. I concur in these concerns but feel that in the interest of responding in a timely way to what could become a grave national health problem, we have no choice but to proceed at this time in providing the appropriations contained in this bill.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this joint resolution under consideration.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **MAHON**. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The **SPEAKER**. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER**. The question is on the passage of the joint resolution.

The question was taken; and the

Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 354, nays 12, not voting 66, as follows:

[Roll No. 169]

YEAS—354

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howe
Hubbard
Hughes
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lundine
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—12

Collins, Tex.
Hansen
Hungate
Ichord
Long, Md.
Lujan
McDonald
Neal
Rees
Rousselot
Shuster
Symms

NOT VOTING—66

Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Bevill
Biaggi
Breaux
Burke, Mass.
Chisholm
Conyers
Crane
de la Garza
Dingell
Eckhardt
Esch
Eshleman
Fithian
Flowers
Foley
Goldwater
Green
Harrington
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Johnson, Pa.
Jones, Okla.
Karth
Litton
Long, La.
McCloskey
McCollister
Macdonald
Madden
Mann
Moss
Nix
Pepper
Preyer
Roberts
Rostenkowski
Roybal
Ryan
Santini
Sarbanes
Simon
Smith, Nebr.
Solarz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Taylor, Mo.
Udall
White
Wiggins
Wilson, C. H.
Yatron
Zeferetti

The Clerk announced the following pairs:

Mr. Zeferetti with Mr. Anderson of Illinois.
Mr. Burke of Massachusetts with Mr. McCloskey.
Mrs. Chisholm with Mr. Horton.
Mr. Badillo with Mr. Johnson of Pennsylvania.
Mr. Breaux with Mr. Wiggins.
Mr. Green with Mr. Heinz.
Mr. Hayes of Indiana with Mr. Armstrong.
Mr. Santini with Mr. Henderson.
Mr. Solarz with Mr. Andrews of North Carolina.
Mr. Nix with Mrs. Smith of Nebraska.
Mr. Pepper with Mr. Madden.
Mr. Rostenkowski with Mr. Udall.
Mr. Stratton with Mr. Taylor of Missouri.
Mr. Mann with Mr. Steelman.
Mr. Flowers with Mr. Goldwater.
Mr. Bevill with Mr. Bell.
Mr. Ryan with Mr. Dingell.
Mr. Roberts with Mr. Steiger of Arizona.
Mr. Litton with Mr. Eshleman.
Mr. Sarbanes with Mr. Moss.
Mr. Preyer with Mr. Barrett.
Mr. White with Mr. Foley.
Mr. Howard with Mr. McCollister.
Mr. Yatron with Mr. Karth.
Mr. Fithian with Mr. Eckhardt.
Mr. Charles H. Wilson of California with Mr. Conyers.
Mr. Simon with Mr. de la Garza.
Mr. James V. Stanton with Mr. Crane.
Mr. Macdonald of Massachusetts with Mr. Esch.
Mr. Biaggi with Mr. Jones of Oklahoma.
Mr. Holland with Mr. Harrington.
Mr. Roybal with Mr. Stephens.

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FORT DEVENS LEGACY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 15 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, the Defense Department is trying to wipe Massachusetts and indeed, all of New England, off the defense map of the United States. The announcement last week by Army Secretary Martin Hoffman that Fort Devens is a candidate for study came as no surprise to the Commonwealth's congression delegation.

Through bitter experience we have learned that candidates for study in New England and the Northeast inevitably wind up being gutted with only the most minor functions being left at our bases. We could spend a good part of this afternoon reciting the litany of military installations which have been closed or have had their functions severely curtailed in the Northeast.

The members of the Massachusetts congressional delegation, on both sides of the aisle and in both Houses, are united in their opposition to the Army's proposal which will make ghost towns in the area of the fort. We are determined to take all the necessary steps to block implementation of the proposal through the legislative process, and, if necessary through the courts.

Over this past weekend, the Boston Globe and the Boston Herald American each published editorials which asked many questions which the congressional delegation has put to the Department of the Army and the Office of Management and Budget.

Mr. Speaker, we have suffered too much and for too long at the hands of the Federal Government. A sound economic policy would be to increase defense spending in New England, an area which has suffered more than any other region during the current downturn.

The Commonwealth has already lost too much of its economic base because of other base closings and manufacturing relocations.

We will not suffer this proposed indignity at the hands of the Government which Massachusetts has strongly supported since the first days of this Republic.

I include the two editorials at this point in my remarks and commend them to the attention of my colleagues:

[From the Boston Globe, Apr. 3, 1976]

THE FORT DEVENS LEGACY

There are two separate aspects to the Defense Department decision to scale back sharply on operations at Fort Devens.

First, the decision must be weighed on its merits. Is the move one that will make the Army more efficient and one that will save money for all American taxpayers? Sen. Edward M. Kennedy (D-Mass.) and others have criticized the Defense Department for not making the case. They are right to challenge the decision on those grounds—but that does not mean the case cannot be made.

If it is—and there is some good reason to suppose it will be—then the second, much more difficult issue comes into play. What will government do to fill the hole it is digging in the economy of Ayer and environs? What will it do to assist the persons who have innocently built businesses and careers supplying and servicing Fort Devens operations and the 9000 persons who have been employed or stationed there?

If the Massachusetts and New England economies were robust, teeming with growth and short of employable persons, closing Devens would be one matter. But the New England economy is not robust. What growth we enjoy is concentrated in relatively small sectors. Unemployment in the state is above 10 percent. Manufacturing, our long-time strength, is in decline. We must import virtually all of the energy and most of the food we consume.

These larger problems are not necessarily the responsibility of the Federal government to correct—though Federal government will surely play some role. But the Federal government must not make them worse, and unless it makes a serious effort to deal with the disruptive effects of cutting Devens back, it will only have added to the general difficulties.

The record is not promising. There are still large cavities left in the local economy left by the end of operations at the Boston Naval Shipyard—just as there are in Rhode Island from the closing of the base at Newport.

The government has in the past recognized other elements in the effect its Defense Department operations have had on localities. It has, for instance, given direct assistance to school systems under the "impacted area" concept when military dependents have increased enrollments. There is an equal obligation to accept responsibility for the negative aspects of military policy or the efficiencies they nominally represent will only be achieved at the cost of human suffering.

[From the Boston Herald American, Apr. 2, 1976]

FORT DEVENS: NO MORE GAMES

When rumors began circulating a few months ago that Ft. Devens might be closed or crippled soon, the Army refused to confirm or deny them.

When New England's congressmen found out that there was more than a little truth to those rumors, Army Secretary Martin Hoffman tried to put them off by refusing to say whether such a decision had actually been made. The matter was merely being "studied," he said.

A week or so ago, Secretary Martin was happy to leak the information that the base won't be closed after all, which won him some applause and favorable headlines. Now, however, he's formally proposed stripping Ft. Devens of most of its soldiers and more than half of its civilians, reducing the base to a minor training site for reservists.

Yet, even now, Hoffman hedges, insisting that Devens isn't doomed yet; it is merely a "candidate" for "possible realignment."

What kind of cat and mouse game does the Army secretary think he's playing? Why can't he be truthful and candid about the Army's plans for what is, after all, a very large military installation—the only major one left in New England—whose future affects the jobs and fortunes of a great many people? Why can't he level with them? Why can't he speak plain English?

And if he is determined to cut Ft. Devens down to the status of a frontier outpost—which seems all too clear now—the least he could do is come up with a few facts and figures to justify the move.

Oh yes, the Army has put out a poop sheet claiming that it will save $7.3 million annually by cutting Devens to the bone. But the Army concedes that it will cost almost twice that much just to move the base's soldiers and civilians to other installations—though it says it doesn't even know where it will send them.

The poop sheet, of course, doesn't mention the fact that the Army has spent more than $25 million on new construction at Devens in the past five years—an investment that will go down the drain.

Nor, of course, does it say anything about the disastrous economic impact the severe cutback would have on Ayer and surrounding communities; the loss of nearly $100 million in paychecks to the region's economy and the addition of hundreds of civilians to the area's already lengthy unemployment lines.

If Secretary Hoffman or anyone else at the Pentagon can come up with a set of figures showing how the huge losses that would result from the near closing of Ft. Devens can be justified or offset by equal economic benefits or gains, we would certainly like to see them. What is at stake here is much too important for rough "guesstimates" and games.

YOUTH JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, during the depression of the 1930's, President Franklin Roosevelt ordered the creation of the Civilian Conservation Corps. Those of us who lived during this period remember this project which employed hundreds of thousands of young men in reforestation, soil conservation, and other similar activities. And those who do not remember this program personally can see the results of the CCC from the Skyline Drive in Virginia to as far away as Alaska.

From 1939 to 1940 the CCC employed over 1,500,000 youths whose futures were saved because of this program. And this country benefited greatly, not only directly from their labor but from the hope it instilled in these young citizens.

Today there are more than 1,600,000 young people 20 to 24 years of age who are unemployed in this country. A number of these young people have become an unproductive resource and a financial burden to society. Many are despondent with their status and have lost faith in their country.

While our current economy is not as bleak as it was during the thirties we have with us a similar problem facing the youth of our Nation. We need to find work for these young people and bring them back into the main stream of our society.

I am introducing a bill today to establish the Young Adult Conservation Corps. This Corps will be similar to the Youth Conservation Corps created by Congress 5 years ago to employ young people during the summer months.

The Corps I am proposing will employ young adults between the ages of 19 and 24 on a year-round basis. There are many jobs that need to be done on public lands. The Forest Service has a reforestation backlog of 3 million acres and these cutover lands must be replanted. The Forest Service estimates that in the Northwest alone 10,000 jobs would be required to catch up with reforestation.

The bill I am introducing calls for 100,000 young adults to be hired by the Federal Government in 1977 to perform work such as reforestation, timber stand improvement, forest fire fighting, trail and campground improvement, and insect, flood, and disease control. The bill provides for the hiring of 300,000 young adults in 1978, 400,000 in 1979, and 500,000 in 1980. Each job will last 12 months allowing a total of more than a million young people to have a chance for employment. These young people would also be available for work in city, county, and State projects through a provision that allows for 30 percent of the appropriations to be spent on a grants-to-States basis.

It is worthwhile noting that the Youth Conservation Corps, which has provided jobs during the summers since 1970, has turned out to be a good investment. Improvements resulting from this program have provided about an 80-percent return on each dollar invested.

While we cannot accurately measure the effect this summer program has had on our young people in the past 5 years, based on the results of the Conservation Corps of the thirties, I am sure it is substantial.

I know all of us are anxious to see our young people gainfully employed rather than being forced to go on the welfare rolls and I believe this legislation is the step we need to take to halt this trend. This program to provide jobs for our young people is an investment in the future of our country and one that we cannot afford not to make.

HARTFORD EMERGENCY FOOD BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, in an article in Sunday's Hartford Courant, William Cockerham reported on the success of the Hartford Food Bank.

The food bank resulted from a number of articles in the Hartford Courant on the problems of welfare families, but the concept of a Hartford Food Bank was promoted by a radio station, WDRC, through its Foodathon. The efforts to spearhead the food bank concept were led by Charles Parker and Reporter Brad Davis. Brad has carried on his forceful efforts at WFSB, channel 3. It was largely through these efforts that the Hartford Food Bank has been successful. Brad has generously donated his time and talents to raise needed food and money for the poor.

The food bank now has over 35,000 items of food in stock and over $9,000 to replenish needed food supplies. It is administered by the community renewal team and over 8,000 poor people in the greater Hartford area have benefited from the food bank.

I want to share this article with my colleagues in the hope that other private groups will work to establish food banks to aid the less fortunate in their own cities:

First Food Bank Stands Ready To Aid Poor in Emergency

(By William Cockerham)

Two years ago, a wild scheme by the kidnapers of newspaper heiress Patricia Hearst to force her parents to provide free food to California's poor ended up in complete chaos, with scores of people clawing each other like rats over a couple of jars of peanut butter.

That scene might never have occurred had the Hearst family approached the problem as it was in Hartford about a year later.

It all began one morning last March when Charles Parker, program director at WDRC-Radio, picked up The Courant and read about the plight of many Hartford welfare recipients who faced going hungry over a long weekend because their checks had not arrived on time.

"I couldn't believe these people had nowhere to go for help. It seemed to me that there should be some place where people could get help to feed their families during an emergency," Parker said.

There was no place, Parker found, and he decided to do something about it.

Parker contacted the Community Renewal Team (CRT) and convinced them to administer what was to become the first Emergency Food Bank of its kind in the nation and he then set out to get the necessary stockpiles of nonperishable groceries.

Within weeks, radio listeners began to hear of the WDRC Foodathon, an appeal for persons to search their consciences and cupboards for such items as tuna fish and powdered milk.

Parker's idea began to catch on, but he soon realized that he couldn't sustain it by himself. He needed someone the public could identify with to help with the foodathon.

That person, it turned out, was Brad Davis, a former Marine drill instructor who worked his way through the ranks at then WTIC-Channel 3 pushing Connecticut fresh milk as a local Dick Clark-type disc jockey and later as an investigative reporter on that station's "What's Happening" program.

"I took tuna fish. That was my pitch," Davis said with a smirk. "I got enough tuna fish to last for two years."

Davis got on the air at a portable WDRC microphone at the West Farms Mall in West Hartford and asked secretaries going to work at the insurance companies to stop off on their way with a can of tuna fish.

"And bring $5, and I'll show you my Marine tattoo," Davis said over the air.

Women came by the scores, some carrying whole cases of tuna fish, Davis said. And some brought a $5 bill to see Davis unbutton his shirt and show his eagle, globe and anchor Marine tattoo on his right arm.

"Seventy-five secretaries were lined up, each with a can of tuna fish and each with a $5 bill," Davis said.

But while Davis was outside collecting tuna fish and money, Otis, a WDRC disc jockey, was inside the trailer telling other radio listeners that the ex-Marine would do almost anything to fill up the cupboards of the food bank.

Otis told the radio listeners that Davis would let them pull out a hair on his chest for $1. "Buck a pluck," the disc jockey was billing it.

"I couldn't believe it," Davis said. "But I couldn't get out of it. He was already on the air asking for someone driving a Corvette to stop by with a check book. But I thought then that anybody would show."

Davis was wrong. Dead wrong. Within a half hour a guy pulled up outside the trailer in a Corvette and jumped out, checkbook in hand, wanting to take Otis up on his offer.

A young woman was selected to pluck out the hair and the guy in the flashy car said he would pay $1 for each one.

Davis had only one choice, he said. Let her pluck them out one at a time, or all at once. He opted for the latter.

"Grab a handful and pull them out, I told her," Davis said.

There was one wince from Davis when the woman yanked at a tuft of hair and when they were all counted the guy in the Corvette wrote out a check for $160.

Davis can relate many tales like this. He got excited about the idea of an emergency food bank and put every spare hour he could cram into his busy schedule into raising money and collecting food items for the program.

Today, the food bank, located at CRT headquarters, contains 35,000 food items and a bank account of $9,000 to replenish supplies when they run out.

Paul Puzzo of CRT, who is in charge of the food bank, said some 8,000 people have received emergency food supplies since the program started.

Puzzo said the food bank carefully screens people to make sure that no one gets groceries except on an emergency basis, and everyone who is helped is expected to reimburse them when they get back on their feet.

He said most persons who have used the food bank are welfare recipients whose checks arrived late or were lost in the mails, although some are those who have been burned out of their homes or have met other misfortunes.

A five-day supply of food is all one family can receive at any given time.

The food bank is careful that each food package is nutritionally balanced.

The items include soups, baby food, canned vegetables, meats and fish, rice, powdered milk and beans. Puzzo said the bank also has such items as Kansas snails, given by people who have cleaned out things in their cupboards they would never use themselves.

"We're always short on protein items, but we have so many cans of soup we'll never be able to use them up," Puzzo said.

Puzzo said the money collected for the food bank is used then to replenish the protein items.

He said the food bank "really filled a void in the Hartford community."

"People really had to scrounge and sometimes go hungry. If the bank was ever discontinued, I don't know where people would go," Puzzo said.

But it has not been just Hartford residents who have benefited from the emergency food bank, the bank for food.

The first selectman of East Granby, Frank Rothammer, has sent four or five of his residents to the bank for food.

Rothammer said the people he sent to the bank were those whose unemployment checks had arrived late or "for other unforeseen circumstances" had no food in their homes to feed their families.

One Hartford woman who recently used the bank said she didn't know what she would have done without it.

"It took just a couple of hours," she said. "The people there even took care of my kids while they drove me to the welfare office to verify that my check was late. They were really helpful to me."

The woman said she had called the welfare office for help but was told they couldn't do anything.

Of the half-dozen families contacted by The Courant who used the food bank, all said they had tried other agencies for help and were told there was nothing they could do.

All said they received food within several hours after applying for a voucher.

Parker and Davis have held two foodathons in the past year to keep the stockpiles of groceries replenished at the bank, but both know that the novelty will wear out soon.

"We can't expect the foodathons to continue to be so successful," Parker said. "We're going to need more help from the community to keep the bank going."

Davis said he will give all money he earns from speaking engagements this year to the food bank.

This past year, Davis addressed at least a dozen organizations and got each to donate either money or food to the bank.

In his preacher-like manner, Davis has talked Hartford company executives into helping out the food bank. One executive of Heublein, for example, gave Davis 20 cases of enchilada sauce to go with the rice at the bank. The Lions Club came up with 60 turkeys at Thanksgiving time and one general contractor dropped off 50 cases of dried milk at the bank.

Davis even talked one reputed Massachusetts mobster out of a $50 bill after preaching to him for a half-hour about the plight of poor people on fixed incomes.

In this next month, Davis is flying out to Detroit to help several radio station newsmen there to set up an emergency food bank.

"Every city in the country should have a food bank like Hartford's," Davis said.

ALLEGATIONS ABOUT THE EPA'S CHESS STUDY TO BE EXAMINED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, on March 18, one of our colleagues inserted a newspaper article in the Congressional Record which said, in part, that Dr. John F. Finklea "systematically distorted" the findings of the EPA's CHESS—Community Health Environmental Surveillance System—study. This newspaper article led another newspaper to state that—

> The story of Dr. John F. Finklea, a former research official in the Environmental Protection Agency, reads like the script of a Grade-B movie about a mad scientist.

Several national industry groups have entered the picture as well. On March 12, the National Coal Association and the Edison Electric Institute called for the Congress to stop action on the Clean Air Act until the newspaper article was fully investigated. This was followed on March 30 when the U.S. Chamber of Commerce joined in calls for an investigation.

Our colleague who has called for a delay in the Clean Air Act until an investigation by the GAO, the OMB, and the EPA has been completed, stated that—

> I am particularly concerned about the allegations that the bias of the Finklea report has been known for some time and has been covered up—deliberately. The falsification of scientific data and the covering up of the wrongdoing for whatever reason, cannot be tolerated.

The newspaper articles in question expressed a concern that the data collected was overinterpreted, or "distorted" to confirm a particular conclusion without adding qualifiers or elaborating on ambiguities. Such a charge of deliberate distortion is serious, and certainly warrants a close review by the appropriate committees in the Congress.

It is perhaps because I chaired a series of hearings last July on the subject of "Research and Development Relating to Sulfates in the Atmosphere" that I find myself very much concerned about these new charges. During those hearings, which are available from the Committee on Science and Technology, a considerable amount of testimony was heard about the CHESS report in question. While the hearing record is over 1,000 pages long, in order to cover the entire range of issues surrounding sulfates, I believe the material would interest those who are trying to find out more about this issue. Among those testifying to the Subcommittee on Environment and the Atmosphere were Dr. John F. Finklea; Dr. Wilson Talley, who current heads EPA's research branch; and Dr. Stanley Greenfield, who is currently employed by the electric utility industry, but was formerly Dr. Finklea's superior when both were at the EPA.

Last July, before this issue was as emotional and political as it is now, all parties testified about the CHESS study and the limitations of this massive epidemiological study. I would highly recommend this material, and the background paper prepared by the Library of Congress for the committee which is also available from the Committee on Science and Technology.

However, that was last July. We now have specific allegations, and numerous nonspecific generalizations about this study, Dr. Finklea, the EPA, and the Clean Air Act. On Friday, April 9, Congressman PAUL ROGERS, who is chairman of the Subcommittee on Health and the Environment of the Committee on Interstate and Foreign Commerce, and myself, as chairman of the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology, will conduct an all-day oversight hearing on this important issue. We hope to determine what merit there is to the allegations, and what these allegations have to do with air pollution standards, and the Clean Air Act amendments which are pending before the Congress.

Finally, Mr. Speaker, in the interests of fairness and to establish, for the record, what Dr. Finklea's perspective on research and the uses of research is, I would like to insert the testimony he provided my subcommittee last July in the RECORD. I wish to note that this presentation was made before the allegations in question were made, and his selection as a witness was made because of his excellent reputation as a scientist knowledgeable about sulfates and their relationship to health.

As a preamble to the oversight hearing this Friday, I would like to end this statement by quoting a sentence from Dr. Finklea's testimony which is quite relevant:

> Scientific appraisals must be open and their integrity must be above question.

The testimony of Dr. Finklea follows:

SULFUR OXIDES: A CASE STUDY FOR AN IMPROVED RESEARCH STRATEGY

(By John F. Finklea, M.D., Director, National Institute for Occupational Safety and Health, before the Subcommittee on Environment and the Atmosphere of the House Committee on Science and Technology, July 14, 1975)

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to participate in your discussions of the sulfur oxides problem and to offer suggestions on how we can improve our research strategy.

I am not testifying today as a representative of the Administration, of the Department of Health, Education, and Welfare, or of the Center for Disease Control, but rather as a private citizen, whose testimony is based on personal knowledge.

I am a public health physician who worked in the Federal air pollution research program for five and one-half years, before recently returning to the Public Health Service to direct the National Institute for Occupational Safety and Health. For two and one-half years, I served as Director of the Environmental Protection Agency's Research Center in North Carolina. This Center supported or conducted a large segment of air pollution research called for by the Clean Air Act. A resumé of my professional training and research activity has been submitted for the record.

My testimony will be divided into three parts beginning with a chronology of the sulfur oxides issue, continuing with a discussion of the problems illustrated and the lessons learned, and ending with recommendations which can lead to a more rational approach for similar complex, scientific, and regulatory problems. The term sulfur oxides is used to denote a family of compounds that include sulfur dioxide, sulfur trioxide, sulfuric acid, and various sulfate salts.

A CHRONOLOGY OF THE SULFUR OXIDES PROBLEM

In reconstructing the chronology of the sulfur oxides problem one should remember that the issue spans several Administrations and an even greater number of major governmental reorganizations. For this reason the chronology refers to "scientists" and "regulatory agency" rather than specific changing organizational titles. It should be emphasized that scientists working with the sulfur oxides problems were generally part of the regulatory agency or supported by resources from the responsible regulatory agency. Different chronologies for these events would probably be cited by different involved individuals. However, it is likely that each chronology would contain three themes: increasing scientific knowledge, establishing a control strategy to meet ambient air quality standards by stationary source emission controls and mobile source emission controls and changing national fuel policy.

Mid 19th Century: Sulfuric acid produced by catalytic conversion of sulfur dioxide.

Early 20th Century: Sulfur content of fossil fuels and their combustion productions roughly quantified.

Early 1930's: Sulfur Dioxide and sulfuric acid implicated as a health hazard in Muese Valley, Belgium, episode.

Late 1930's: Sulfuric acid in air shown to cause damage to materials.

Late 1940's: Homes and industries shifted to fuels with a lower sulfur content.

Late 1940's—Early 1950's: Sulfur dioxide and sulfuric acid considered important health hazards in the Donora, Pennsylvania and London, England air pollution episodes.

Early 1950's: Sulfates shown to be fine particulates which penetrate deeply into the lung.

Late 1950's: Sulfuric acid and sulfates shown to be more potent irritants than sulfur dioxide. Sulfates and sulfuric acid shown to decrease visibility and increase acidity of rainfall.

Mid-1960's: Emissions of sulfur oxides from power plants and other sources quantified.

Control programs limited sulfur oxide emissions in large cities.

Control programs assumed that control of local emissions of sulfur dioxide would control sulfur dioxide, sulfuric acid and sulfates.

Catalytic converters proposed to control emissions of carbon monoxide and hydrocarbons.

Concern expressed about thermal hazards and emissions attributable to catalysts.

1967: Air quality criteria document for sulfur oxides recognized sulfuric acid and sulfates as a health and welfare problem.

1970: Clean Air Act amendments mandated health related Air Quality Standards and Stringent Emissions Standards for Motor Vehicles.

1971: Health related Air Quality Standards for Sulfur Dioxide established. Sulfuric Acid and Sulfates not included.

Regulatory agency moved to establish stringent sulfur dioxide emissions limitations for power plants and industry.

Automotive companies invested in catalysts as show of good faith to obtain delay in meeting statutory Emissions Standards.

Winter 1972: Federal scientists expressed concern about unregulated emissions from vehicles and urged a research program to assess changes in emissions attributable to changes in fuels, fuel additives, lubricants, automotive power plants and emission control systems. Sulfuric acid specifically mentioned.

Spring 1972: Auto and petroleum companies urged to join Federal Government in investigation of unregulated emissions.

Summer 1972: Epidemiologic studies linked "sulfates" to a variety of adverse effects on health.

Fall 1972: Recommendations of intramural scientific task force for accelerated research considered.

Regulatory agency reduced research on sulfur oxides and monitoring for unregulated pollutants including sulfates.

January 1973: Auto company alerted Federal regulatory agency that oxidation catalysts produce particulate sulfates and sulfuric acid.

Winter 1973: Auto Emissions Standards for 1975 required use of oxidation catalysts in California. Auto companies chose to apply them nationwide.

Spring 1973: Congressional staffs alerted to unregulated emissions problems.

Summer 1973: Oil company letter confirms sulfuric acid emissions from oxidation catalysts. Federally funded program to investigate unregulated emissions established.

Scientists assembled evidence showing sulfates a useful index for multiregional deterioration in air quality. Significant deterioration regulations did not address this finding. Admitting that sulfur oxides are transported from one air quality control region to another would complicate state implementation plans.

Fall 1973: Scientific Advisory Committees, Office of Management and Budget, and National Academy of Sciences briefed on the catalyst problem.

Public health impact of oxidation catalyst projected and regulatory agency urged to delay their introduction until safety was assured. Open dissension erupted within the regulatory agency. Agency ruled sulfuric acid not a new or dangerous pollutant.

November 1973: during Senate Hearings the regulatory agency announced introduction of catalysts for two model years and accelerated research program to quantity any hazards.

National public hearings on power plant compliance with sulfur oxide emissions regulations backed use of expensive flue gas desulfurization systems.

Late 1973: Oil embargo demonstrated vulnerability of utilities burning residual oil. Regulatory agency requested health assessment of converting power plants from oil to coal.

April 1974: Federal scientific conference confirmed existence sulfuric acid exposure problem and related the contributions of power plants and automotive emissions.

Senior staff of Federal Energy Administration briefed on sulfur oxides problems.

Spring and Summer 1974: State Air Pollution and Utility Commission Hearings focus on sulfur oxides problems.

September 1974: Federal Power Commission Task Force estimated regional effects of increasing sulfur oxides emissions from power plants.

Fall 1974: Congressional Committee requested public health risk-benefit assessment of oxidation catalysts. National Academy of Sciences asked to review power plant and catalyst contributions to "sulfuric acid-sulfate" problem. Science advisory board of regulatory agency reviewed problems. National Laboratory study associated increasing sulfur oxides emissions with increasing adverse effects on public health.

March 1975: Regulatory agency announced continued use of oxidation catalysts for four years but pledged to control sulfuric acid emissions, policy reviews conducted by the Executive Branch and Hearings held by both Houses of the Congress.

National Academy of Sciences report on air quality and stationary source emission control recognized public health and environmental aspects of the acid-sulfate problem and urged comprehensive research program.

Summer 1975: Conversion of power plants from oil to coal ordered.

National Academy of Sciences report recommends using three way catalyst to meet emissions standards in 1978 model year.

Congressional hearings focused on acid-sulfate aerosol.

The President cited public health risks of automotive controls as reason to delay implementing statutory standards.

Sometime in 1977: Control of unregulated emissions necessary to prevent measurable adverse health effects attributable to automotive controls likely in largest cities.

PROBLEMS AND LESSONS

The sulfur oxide experience highlights three different kinds of problems: policy problems, organizational problems and resource problems. In the policy area, control of sulfur oxides is of importance to four well accepted national goals. These are the protection of public health, attaining national energy self sufficiency, pursuit of economic growth with equitable economic opportunity and enhancement of environmental quality. These goals are broader than the mission of a single Federal agency. Since these national goals may sometimes seem in conflict, it is not surprising that a single regulatory agency found it difficult to support the research needed to evaluate policy options and to make the best overall policy decisions. It was difficut to initiate studies which might seriously question a previously established regulatory policy.

Without a clear enunciation of the relationship of research programs to national policy, it is not likely that research scientists can go about the business of getting the information needed to give the best solution to long range national problems. When dealing with environmental and occupational health issues, additional complications become apparent. Existing legislative mandates usually address a single environmental concern: air, water, solid waste, food or the occupational setting. Only the Enegry Supply and Environmental Coordination Act specifically recognized the need to coordinate seemingly conflicting national policies. Under these circumstances it is not difficult to understand how one could advocate flue gas desulfurization systems without first having complete assurance that the attendant solid waste disposal problems were solved. Under such circumstances one can readily see how regulatory officials would feel comfortable in initially separating the adverse health effects of acid-sulfate aerosols originating from stationary source emissions from the adverse health effects attributable to sulfuric acid emitted from motor vehicles equipped with oxidation catalysts. These observations are not intended to in any way minimize the difficulties faced by regulatory officials. There can, however, be little doubt that past regulatory decisions are scientifically puzzling.

Several institutional and organizational lessons can be learned from the sulfur oxides issue. First of all it is clear that major environmental and occupational health problems have time frames that are much longer than the tenure of key decision makers or the longevity of organizations established to deal with these problems. A number of the key research divisions working on the sulfur oxide problem were reorganized as many as five times in seven years. Every reorganization involves a period of instability and months of reduced scientific output. Overall, these multiple reorganizations may not have a positive influence.

Key decision makers also seem to depart just when they are needed most. Months pass before their replacements fully appreciate the scientific aspects of major regulatory problems. In my opinion the Federal Government would have faced the mobile source aspects of the sulfur oxides issue much earlier if key decision makers had not shifted. Somehow the Legislative and Executive branches must initiate and pursue the long range policies necessary to solve major, long range problems like the sulfur oxides issue.

Another dilemma must be faced and solved. Federal regulation of environmental and occupational issues must be soundly based upon good scientific evidence. Regulatory decisions cannot be based upon a scientific tokenism or a scientific facade. At the same time implementation of regulatory policies must have some stability. Major regulatory programs cannot and should not be changed capriciously. However, major regulatory programs should be periodically updated to respond to newer scientific information. The most reasonable time frame for such updates can be established by a joint decision involving the affected segments of society: government, labor, industry, and public interest groups.

One should also carefully separate the scientific appraisal of environmental and occupational health problems from the published rationale for regulatory decisions. Scientific appraisals must be open and their integrity must be above question. Regulatory matters cannot and should not dictate or unduly influence scientific appraisals. Scientific appraisals should define the arena within which societal interests can disagree. Scientific appraisals must not simply reflect the opinions of regulatory decision makers. At the same time, once regulatory decisions are made, it is important that the relevant scientific arguments for the decisions be carefully and logically presented. Regulatory agencies require scientific expertise to accomplish this task. There is, however, a difference between the signed opinions of scientific review groups and the carefully phrased, but anonymously authored, decisions of regulatory agencies. Simply put, this is the difference between conscience and duty. It is much too easy for regulatory agencies to downplay conscience.

Regulatory agencies and the scientific research programs designed to support them must be provided a more adequate resource base. Most technological endeavors require a substantial resource input. Research in support of regulatory agencies is neither more efficient or less efficient than most other scientific research. In my opinion it would seem prudent to estimate the control costs for regulatory programs and assume that it will require three to five percent of this cost for research and development. If this formula were applied to the sulfur oxides problem, we would have scheduled a one to two billion dollar research effort that stretched over a period of five to ten years, Our total research expenditures for this problem are much less, being between fifty and seventy million dollars. Almost one half of these funds were committed during the last two fiscal years.

Necessary human resources have not been available to work out the sulfur oxides problem. It is not simply the number of people working on the problem though this number has been quite modest. More importantly we have not and are not training key scientific personnel who can understand multidisciplinary problems like the sulfur oxides issue and work as a multidisciplinary team in solving such issues. The usual university training programs just don't give one the perspective needed to deal with this kind of problem. Where are the scientists who understand the full complexities of the sulfur oxides problem? After careful thought I can count perhaps two dozen. This is not enough and we are not replenishing or augmenting this shallow pool of expertise. Scientific experience is something that must be treasured by regulatory agencies and the research programs which support them. The fact is that such expertise is the key to gaining scientific insights into any regulatory problem. Scientists who are intimately familiar with relevant technical studies are far more important than computer data bases. Sometimes regulatory officials seem to forget this. Another human resource that has been neglected is the training of managers who are also proven scientists and the scientific training of key regulatory officials. Frankly, the budget managers within the responsible agency made resource decisions with little or no technical expertise and no accountability. They were in my opinion more of a problem than appointed decision makers or higher budgetary authorities. It is peculiar that none of those responsible within the regulatory agency for reducing research support directed towards this problem were ever called to testify here or in any regulatory hearing to explain their decisions. Scientists and appointed decision makers are held responsible for the actions of the rather shadowy but very important allocators of resources.

RECOMMENDATIONS

The Congress and the Executive Branch might wish to consider changing the organizational relationship between scientific research in support of regulatory agencies and the regulatory arm of such agencies. I have worked in the research program of a regulatory agency and now in a research program established by law to support a regulatory activity in a separate Federal agency. I have close friends who work as scientists in Federal research contract centers or in the National Laboratory System. Any one of these mechanisms can work. In my opinion, the separate Federal research institute legislatively mandated to support the regulatory agency is an appropriate mechanism. I say this because that arrangement best protects scientific credibility and yet demands accountability to the regulatory agency and to the Congress. It best combines conscience and duty. Federal research contract centers would be even more flexible because they are outside the civil service system and not subject to the same procurement constraints. However, a Federal research contract center would be less independent of the regulatory agency than a mandated research institute. A legislatively established National Laboratory System that is by law supportive of regulatory programs would also provide for scientific independence and accountability.

Whatever organizational mechanism is chosen, there must be a much greater emphasis on scientific career development. Career development should include a workable recruiting mechanism for young professionals. An adequate number of university based training programs for key scientific personnel must be established and maintained indefinitely. These programs should have a very flexible curriculum to give the scientist what he needs to do his job. These programs should serve a number of different research institutes and regulatory agencies now placed in several different Federal departments and agencies. Wherever possible, these university programs should be colocated with relevant Federal laboratories. Right now critical shortages exist in fields like medicine, toxicology, epidemiology, industrial hygiene and nursing that are involved in the scientific and regulatory efforts being discussed.

Federal scientists should serve tours of duty working directly with regulatory programs and working in the scientific research program necessary to support regulatory programs. University scientists involved in training programs should also serve tours of duty with government.

The Congress should seriously consider requiring that regulatory programs periodically revise their implementation plans based upon updates of scientific information. A period of five to ten years seems reasonable. The Clean Air Act provides for this but regulatory agencies are most reluctant to revise their plans. The Clean Air Act, but not a number of other regulatory acts, also limits litigation to information contained in official scientific summaries. This seems a good idea as it provides a defined period of stability for the official scientific information base for regulatory programs and encourages the surfacing of all information during the development of scientific criteria. It would also be wise for the Congress to require Federal scientists to prepare and publish an annual scientific progress report for each major regulatory activity.

The Congress might also consider how more of the research and development burden can be assumed or directly financed by American industry. In doing so, one must make sure that all relevant information becomes available in a timely fashion to each interested segment of our society. We cannot afford a large "hidden information" problem. There is evidence that hidden information was a problem in evaluating the sulfur oxides issue.

The Congress should acknowledge the research and development resources required by each of its legislative mandates. You can easily mandate an assessment of control costs and the necessary research and development. Such assessments should be made available to the public and to the Congress in a timely fashion. Don't assume scientists already know enough to allow regulatory agencies to respond to demanding legislatively established time frames.

Let me close by emphasizing that despite the issues discussed, I believe we know enough to urge that our Nation should proceed with an effective regulatory program that can limit emissions of sulfur oxides from stationary sources and avoid emissions of sulfuric acid from motor vehicles.

Mr. Chairman, this concludes my prepared remarks. I would be pleased to try to answer any questions you or other members of the Subcommittee might wish to pose.

RESOLUTION TO DISAPPROVE C–130 SALE TO EGYPT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. Phillip Burton) is recognized for 5 minutes.

Mr. PHILLIP BURTON. Mr. Speaker, the administration has notified the Congress it intends to initiate an arms supply relationship with Egypt by selling that country six C–130 combat transports. These planes will be capable of dropping paratroops into battle, acting as gunships—as in Vietnam—or, when equipped with the necessary electronic gear, flying intelligence missions.

As an isolated transaction, they would not alter the balance of power in the Middle East. But the administration admits there is more to this sale than six aircraft. These planes are to symbolize a new relationship with the Sadat government and establish a precedent. The administration is known to be considering followup sales of so-called defensive weapons such as TOW antitank missiles, F–5 jet fighters, decoy aircraft, Hawk antiaircraft missiles, and radar and communications equipment.

The administration's appeal for approval of this arms supply arrangement is based on a number of myths:

The first of these is that Sadat's forces are deteriorating due to a total cutoff of Soviet military supplies. That is false. Intelligence reports show the Soviets have continued supplying him equipment and spare parts, that he has a stockpile of 2 years' worth of equipment, and that East European and other Soviet-equipped countries are continuing to supply Egypt. The Economist of London, in its confidential foreign report of March 24, stated:

> During 1975 and the first months of this year Egypt received arms worth $1.5 billion from the Russians.

Second, a number of Arab oil states led by Saudi Arabia are financing massive Egyptian arms purchases from Britain, rance and, just this week, West Germany. These include over 600 jet fighters, several hundred helicopters plus missiles and tanks. Unlike Israel, which can purchase military equipment from only one major country, the world's arms markets are wide open to the Egyptians.

Third, Egypt already has the biggest and best equipped Army in the Middle East. Egypt alone has more men and equipment than Israel; in combination with the other Arab States—most of which are undergoing major arms procurement programs of their own—Israel is significantly outnumbered.

Egypt is militarily strong, and a realistic assessment shows that strength is not in danger. But her economy is in dismal condition, and that is where the United States can help most. I welcome President Sadat's efforts to improve relations with the United States and, in an effort to encourage that move, I have voted for over $1 billion in economic and agricultural assistance for Egypt.

This is the best way to bring peace to that troubled part of the world. Further escalation of the arms race, as threatened by the sale of C–130's, can only aggravate an already unstable situation. It makes no sense for the United States to become the arms supplier for both sides in the dispute, a lesson we should have learned in Greece and Turkey as well as India and Pakistan.

By supplying arms to Egypt we will be putting ourselves at the mercy of future blackmail by Sadat being able to threaten us to return to his original supplier—the Soviet Union—unless we supply him with more and more arms.

The time to end this fatal cycle is before it begins. That is why I am today reintroducing my resolution to disapprove the precedent-setting sale of C–130 aircraft to Egypt. Joining me as cosponsors are: Hon. Jonathan Bingham, Hon. Cardiss Collins, Hon. Benjamin S. Gilman, Hon. Robert N. C. Nix, Hon. Donald W. Riegle, Jr., Hon. Benjamin S. Rosenthal, Hon. Stephen J. Solarz, and Hon. Lester Wolff.

THE HONORABLE WRIGHT PATMAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Mahon) is recognized for 5 minutes.

Mr. MAHON. Mr. Speaker, on March 25, 1976, the members of the executive committee of the Central Texas Council of Governments passed a resolution honoring our late colleague, the Honorable Wright Patman, in recognition of his outstanding leadership in Congress. I am pleased to include the resolution in the Congressional Record, together with the letter of transmittal to the Speaker:

Central Texas Council
of Governments,
Belton, Tex., March 29, 1976.

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Congressman Albert: The members of the Executive Committee of the Central Texas Council of Governments wish to express their sympathy to friends and associates of Congressman Wright Patman.

The Executive Committee, at a meeting on March 25, 1976, passed a Resolution in honor of Congressman Patman and the outstanding leadership he provided in the Region. A copy of the Resolution is attached.

Respectfully,

Charles A. Cass,
Executive Director.

Resolution of the Central Texas Council of Governments in Honor of Wright Patman

Know all men by these presents, that the following Resolution was unanimously adopted by the Executive Committee of the Central Texas Council of Governments at a meeting held at Gatesville, Texas, on March 25, 1976.

Whereas, Congressman Wright Patman, Dean of the House of Representatives, father of State Senator William N. Patman, who presently serves the Central Texas Area, has been a friend of Central Texas for a long time. Although Congressman Patman has never been an elected official directly representing the Central Texas Region, he has provided a great deal of assistance to the Region; and

Whereas, the elected officials and staff of the Central Texas Council of Governments, along with numerous community leaders have worked for many years with Congressman Patman to further the cause of intergovernmental relations, cooperative efforts and regional planning; and

Whereas, in the death of Congressman Patman, Texans have lost a citizen whose life has been lived in unselfish service to his family and his fellowman; and

Whereas, the Central Texas Council of Governments wishes to express to the family of Congressman Patman its sincere appreciation for the contributions given by him in assisting the various projects and activities of the Central Texas Council of Governments; and now therefore be it

Resolved, that the Central Texas Council of Governments, tenders to the bereaved family of Congressman Wright Patman its sincere sympathy in this time of grief; and be it further

Resolved, that a copy of this Resolution be spread upon the permanent minutes of the Central Texas Council of Governments, and further that a copy of this Resolution be forwarded to the family of Congressman Patman and the House of Representatives.

ON SEXUAL ASSAULTS IN PRISON: A CASE HISTORY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on February 11, I commenced an inquiry on a matter that had been brought to my attention by a good friend, Mrs. Bobbi Margolis. Mrs. Margolis works as a volunteer at the adolescent prison facilities of Rikers Island, a New York City detention center. She told me that she had heard of a harrowing incident involving a sexual assault upon a young man while he was in a prison van being transported from the criminal courthouse in the Borough of Manhattan to Rikers Island in the Borough of the Bronx. He filed a complaint against his assaulters—fellow prisoners—and for reasons unknown to Mrs. Margolis the complaint had not been pursued by the law enforcement authorities.

I have interested myself in prison reform beginning with my first term in Congress naving visited, in the latter part of 1969, the then West Side Federal House of Detention and later the Manhattan House of Detention—the Tombs—the Brooklyn House of Detention, the Queens House of Detention, Rikers Island Prison, Lorton Prison, and the District of Columbia jail. As a result of my investigation into conditions in prisons, I introduced legislation which in modified form ultimately became law on December 28, 1973, which provided for prison furloughs—to allow prisoners periodic furloughs, subject to reasonable conditions to visit their families, not in jail but at home. And during the course of my various inquiries into jail conditions, and readings on the subject, I became aware of what may be the most horrendous part of imprisonment and that is the frequency of sexual attacks by prisoners upon other prisoners. A report on the sexual assaults in the Philadelphia prison system and sheriff's vans issued in 1968 came to my attention in 1970. After hearing of the incident concerning the prisoner, who is the subject of this correspondence, brought to my attention by Mrs. Margolis, I remembered that earlier report and I went back to read it again. I was struck by a section of that report which I should like to quote—particularly because it is so analogous to the current situation.

II. THE ORIGIN OF THIS INVESTIGATION

In the summer of 1968, Joseph Frank Mitchell was brought to trial before the Honorable Alexander F. Barbieri, Judge of the Court of Common Pleas No. 8, Philadelphia County. Mitchell's attorney, Joseph E. Alessandroni, related to Judge Barbieri how Mitchell, a slightly built 19-year-old, was repeatedly sexually assaulted in a Sheriff's van by a gang of larger, and tougher criminals.

A few weeks later, attorney Alessandroni reported that George DiAngelo, a slender 21-year-old committed by Judge Barbieri merely for a pre-sentence evaluation, was sexually assaulted within minutes of his admission to the Philadelphia Detention Center.

A series of homosexual rapes of young men while being transported to and from court in Sheriff's vans already had shocked and horrified Philadelphians. For more than a year concerned citizens and public agencies had been urging the replacement of these unsupervised, unheated, unventilated "iron coffins on wheels" with safe, modern equipment. Although plans were developed to eliminate the problem through the purchase of buses, the total replacement of the vans appeared to be years away. Meanwhile, the brutal assaults continued.

It was in the context that Judge Barbieri ordered the present investigation. Persons ride the Sheriff's vans and are incarcerated in Philadelphia's prisons only by order of the court to the Sheriff and Superintendent of Prisons to "safely keep" these persons. If commitment to the vans or the prisons is tantamount to physical and psychological ruin through homosexual assault, the court has both the inherent responsibility and power to expose the situation and require the proper execution of its orders.

On July 3, 1968, Judge Barbieri appointed Chief Assistant District Attorney Alan J. Davis as Special Master to investigate and report on the sufficiency of the protection against homosexual assaults afforded to prisoners committed to the vans and the Philadelphia prisons. On July 12, Police Commissioner Frank Rizzo ordered a parallel investigation broadened to include illegal traffic in narcotic and dangerous drugs. On July 15, 1968, the two investigations were merged to proceed as a joint investigation under Judge Barbieri's auspices and supervision.

The report which is truly worth reading in its entirety if one is interested in prison reform commented on the frequency of sexual assaults and I should like to set forth that section as well:

JUVENILE DELINQUENCY

B. Frequency of sexual assaults

156 sexual assaults during the twenty-six month period June, 1966 to July, 1968 have been documented, and substantiated either through polygraph examination, institutional records, or other corroboration. The following table analyzes by place of occurrence:

	Number of assaults
Detention center	81
Holmesburg prison	47
House of correction	21
Sheriff's vans	7
Total	156

The total of 156 incidents involved assaults on at least 97 different victims by at least 176 different aggressors. Including unidentified victims and aggressors, there may well have been as many as 109 different victims and 276 different aggressors.

The types of assaults were as follows:

Buggery (anal penetration)	82
Sodomy (oral penetration)	19
Attempts and solicitations with force or threats	35
Other coercive solicitations to commit sexual acts	20
Total	156

These figures represent only the tip of the iceberg. A number of factors make it possible to document only a tiny fraction of the true total. First, investigators interviewed only 3,304 of the approximately 60,000 persons who passed through the prison system since June, 1966. Ninety-four (94) assaults, exclusive of those reflected in institutional records, were discovered. This suggests that had all 60,000 been interviewed, approximately 20 times 94 or 1,880 additional assaults would have come to light.

Second, almost all of the victims who are still in prison are so terrified of retaliation that they are very reluctant to complain. Third, many of the victims and their families want to avoid the shame and dishonor they feel would be attendant upon disclosure. Finally, many of the victims would not even consider disclosure because they themselves mistrust and are hostile to constituted authority.

Taking these factors into consideration, the present investigators conservatively estimate that the true number of assaults in the last two years was approximately two thousand. One guard put the figure at 250 per year in the Detention Center alone. Superintendent Hendrick and Wardens Bookbinder, Lyons and Santo agreed that virtually every slightly built young man admitted to the prisons in the past two years was at least approached sexually. They believe that the extent of the assault depended primarily on their individual resistance, except for those inmates that were so obviously incapable of self-defense that the prison could isolate them in one of a small number of maximum security units.

In any event, having established the horrifying number of 156 as an absolute minimum, a controversial estimate of the actual number is unnecessary. The situation is intolerable.

Now back to the current case. What I learned was that both district attorneys of the Bronx and Queens refused to act on the case because the prison van was in route between the boroughs and each thought the other had jurisdiction. As one might assume, I urged the two district attorneys to determine between themselves who would prosecute. I am appending the correspondence I have had to date on the matter. I am not sure that this case will be disposed of in a way that one could say justice was done, but I have been advised informally by telephone by Assistant District Attorney Cornelius O'Brien of the Queens District Attorney's office that that office will pursue the matter.

There is another aspect of this case which also deserves attention. The young man assaulted was sentenced to the adolescent detention center for 5 days for handing out literature on the street of salacious nature. Even though he had been arrested for doing so on prior occasions, this would appear to be an inordinate penalty, particularly when judges know or should know the state of our jails and the assaults that occur therein and when juxtaposed to sentences meted out to some other defendants who engage in actual physical violence upon the public. Another case I am working on, again involving the criminal court of the city of New York, I found a multiple offender convicted of assault being fined only $350 with no jail sentence, in a case involving a victim requiring emergency hospital treatment for serious head wounds. I will go into this case on another occasion.

I believe that the same kind of investigation that was undertaken in 1968 in Philadelphia concerning sexual assaults in the prison system is required to be taken in the New York City prison system and probably every other prison system in the United States. The inhumanity of it all must shock every decent person whether he or she be hard on crime, soft on crime, or rational on crime.

The correspondence follows:

House of Representatives,
Washington, D.C., February 11, 1976.
Commissioner Benjamin Malcolm,
Department of Correction,
Center Street, New York, N.Y.
Supervising Warden Francis Buono,
Riker's Island Command,
East Elmhurst, N.Y.

Gentlemen: I have been advised that within the last year the following incident occurred: An adolescent transported by prison van from Night Court in Manhattan to the adolescent facility on Riker's Island was, in the course of the trip, sexually assaulted by other prisoners three times. When the matter was brought to the attention of the prison authorities, it was suggested that the youth press charges against the perpetrators; however, in doing so a matter of jurisdiction arose because the van was in transit between the Bronx and Manhattan when the forcible sodomy occurred. As a result of the question of where it occurred, the Bronx District Attorney would not undertake to pursue the matter and it is alleged that Manhattan's District Attorney also refused to pursue it. I am informed that the adolescent has since posted bail and left the state.

I would appreciate knowing the facts in the case and its ultimate disposition. I am not only concerned with the single incident but with what may be repeated incidents in prison vans. I recall reading a study made in the Philadelphia prisons on sexual assaults on prisoners and my recollection is that the single place of attack most often used was that of the prison van in transit. It has been suggested that this could be remedied in one of two ways: either by using transport vehicles with windows or by making certain that a prison official rides in some protected way with the prisoners in the van. I would appreciate having your point of view.

I would also like to have a listing of the number of reported sexual assaults occurring in the period beginning with January 1, 1973 to date and the dispositions of those cases.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., February 11, 1976.
Hon. Mario Merola,
District Attorney,
Bronx, N.Y.

Dear Mario: The letter which I am enclosing is self explanatory. I would appreciate your providing me with as much information on the matter as possible.

Sincerely,

Edward I. Koch.

Encl: Letter of Feb. 11th to Commissioner Benjamin Malcolm.

House of Representatives,
Washington, D.C., February 11, 1976.
Hon. Robert Morgenthau,
District Attorney,
New York, N.Y.

Dear Bob: The letter which I am enclosing is self explanatory. I would appreciate your providing me with as much information on the matter as possible.

Sincerely,

Edward I. Koch.

Encl: Letter of Feb. 11th to Commissioner Benjamin Malcom.

Office of the
District Attorney
of Bronx County,
Bronx, N.Y., February 19, 1976.
Hon. Edward I. Koch,
Member of Congress,
Federal Plaza,
New York, N.Y.

Dear Congressman Koch: This letter is in response to yours of February 11, 1976 concerning an incident that took place in a prison van, involving an alleged sexual assault on a person riding in said van. The name of that person is M.S. who was initially from St. Paul, Minnesota and had been in New York City for two years at the time of his arrest. He had apparently been arrested three times previously for disorderly conduct, and all of the incidents took place in New York County. A judge had sentenced him to five days imprisonment upon a plea of guilty for the last arrest.

The instant situation took place on October 10, 1974. The following are the facts as we were able to determine them. In travelling from New York County back to Rikers Island, the van in question, according to the best information available, was physically travelling between Brooklyn and Queens. The alleged sexual assault took place in Queens County. An arrest was effected when the van returned to Rikers Island, which is within the jurisdiction of Bronx County, based upon the complaint that the victim made after the van had in fact returned to Rikers Island. Some time after the complaint was drawn and signed by Mr. S. which was on October 12, 1974, the case appeared in Bronx Criminal Court. Because all of the events took place off Rikers Island and in Queens County, the Court had no option but to dismiss the complaint for lack of geographical jurisdiction, in accordance with the provisions of Section 20.40 of the Criminal Procedure Law of the State of New York.

Assistant District Attorney Robert Dorf, who is in charge of investigating all matters arising from events that take place at Rikers Island and Bronx House of Detention, interviewed the victim of the crime after the dismissal had taken place, and also contacted the office of the District Attorney of Queens County and advised that office of the fact that the case had been dismissed in Bronx County because of a jurisdictional defect and offered to provide them with information and assist them with regard to pursuing Mr. S.'s complaint.

The Queens District Attorney's Office declined prosecution. Not being satisfied with this result, Mr. Dorf referred the complainant to the 114th Precinct in Queens County for the purpose of having him file a complaint and seek an arrest of the perpetrators of the crime. Mr. Dorf arranged an appointment with a member of the 114th Detective Squad, and we do not know the result of that referral.

In response to the second part of your letter, please be advised that I requested Mr. Dorf to review his files and determine whether or not the Bronx District Attorney's Office prosecuted any other cases of assaults that took place in prison vans. The only case that came to his attention was a matter involving defendant J. R. who was indicted on a charge of sodomy of the first degree under indictment number 473/75. It was alleged in that case that J. R. sexually assaulted one C. R. in a prison van on January 6, 1975. J. R. plead guilty to a Class "C" felony and received a 3½ to 10 year sentence to run concurrently with another sentence he received in New York County on another matter.

As District Attorney of Bronx County, of course I am concerned with any assaults committed on prisoners in the vans as well as assaults which take place within institutions in my jurisdiction. Anything that could be done to ameliorate a condition would of course be helpful. However, based upon the experience of this office at least as to matters reported to the Bronx District Attorney's Office, this is a minimal type of criminal activity.

May I suggest that you contact the Special Investigations Unit within Commissioner Malcolm's Office as that unit may have more detailed information relative to the type of assaults of which you make reference since they have city-wide jurisdiction and would have broader knowledge of the problem.

Very truly yours,

Mario Merola,
District Attorney.

House of Representatives,
Washington, D.C., February 25, 1976.
Hon. Nicholas Ferraro,
District Attorney, Queens County, Criminal Court Building, Kew Gardens, N.Y.

Dear Mr. Ferraro: I have been advised that on October 10, 1974 the following incident occurred: An adolescent, M. S., transported by prison van from night court in Manhattan to the adolescent facility on Riker's Island was, in the course of the trip, sexually assaulted by other prisoners three times. When the matter was brought to the attention of the prison authorities, it was suggested that the youth press charges against the perpetrators; however, in doing so a matter of jurisdiction arose because the van was in transit between the Bronx and Queens although it was determined that the van was actually in Queens when the forcible sodomy occurred. As a result of the question of where it occurred, the Bronx District Attorney could not undertake to pursue the matter and it is my understanding that your office refused to pursue it. I am informed that Mr. M. S. has since posted bail and left the state.

I would appreciate knowing the facts in the case, including whether or not your office did refuse and if so why and its ultimate disposition. I am not only concerned with the single incident but with what may be repeated incidents in prison vans and would appreciate your supplying me with a listing of the number of reported sexual assaults in the period beginning with January 1, 1973 to date and the disposition of those cases.

Sincerely,

Edward I. Koch.

District Attorney of the County
of New York,
New York, N.Y., March 5, 1976.
Hon. Edward I. Koch,
Member of Congress,
New York, N.Y.

Dear Ed: This is in reply to your letter inquiring about an alleged sexual assault in a prison van.

In the absence of the name of either the victim or the perpetrator, neither we nor the Department of Correction were able to identify any report of such an occurrence until I assigned a District Attorney's Investigator to pursue the matter.

It appears that this was a Bronx matter with no record of any referral to this office. When the Bronx District Attorney's Office located the alleged victim—after he had been released from custody—he refused to press charges.

Because cases are filed according to the name of the defendant, the statistical information, which you requested, as to the incidence of court cases involving sexual assaults in prison is not retrievable.

Although continued inadequate funding has prevented the installing of a more sophisticated data processing system which would make such information available, I am persisting in my efforts to achieve such a system.

Your suggestion that a correction officer accompany each transport to oversee the conduct of the passengers is well founded. I am informed that prison buses contain a security cage, with a full view of the inmates, which is manned by a guard.

However, when only a few prisoners are transported, a smaller van is used which does not have a cage and in which visibility is limited. Perhaps greater visibility can be built into these vans.

Sincerely,

ROBERT M. MORGENTHAU.

OFFICE OF THE
DISTRICT ATTORNEY,
OF QUEENS COUNTY,
Jamaica, N.Y., March 12, 1976.

Re M.S.
Congressman EDWARD I. KOCH,
Member of Congress, Federal Plaza,
New York, N.Y.

DEAR CONGRESSMAN KOCH: I have spoken to Mr. Lawrence Finnegan, formerly Chief of our Investigations Bureau but no longer employed by our Office, concerning the incident referred to in your letter of February 25, 1976.

Mr. Finnegan's recollection is that he received a telephone call from an Assistant District Attorney of Bronx County late in 1975 or early in 1976 requesting that our Office assume jurisdiction in this matter. Mr. Finnegan informed the Bronx Assistant District Attorney that since the Bronx had assumed jurisdiction and had retained the case for approximately two months, he felt that they should continue the prosecution.

Under the provisions of §§ 20.40 and 1.20 subdiv. 36 of the Criminal Procedure Law, Bronx County has jurisdiction over the offense.

After notifying the Bronx District Attorney's Office of his position, Mr. Finnegan never heard of the case again.

We have had no other incidents reported to us concerning sexual assaults that took place in prison vans.

Very truly yours,

CORNELIUS J. O'BRIEN,
Executive Assistant District Attorney.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 16, 1976.

Hon. NICHOLAS FERRARO,
Queens District Attorney, Kew Gardens, N.Y.
Hon. MARIO MEROLA,
Bronx District Attorney, Bronx, N.Y.

GENTLEMEN: I would like to bring to your respective attention the two letters you sent to me concerning Mr. M.S. of February 19 and March 12 in response to my letter to Mr. Merola of February 11 and to Mr. Ferraro of February 25.

In view of the statements contained in those two letters, that each of your offices was dependent upon the other to initiate appropriate action, would it not make sense that one of you undertake to prosecute this matter?

Those of us concerned about prison reform, and I know you both are, must make certain that those incarcerated either awaiting trial or convicted of an offense are not subject to criminal assault, without the authorities taking appropriate action against the assaulter.

I would appreciate knowing what disposition you make in this matter.

Sincerely,

EDWARD I. KOCH.

Encl: Letter of Feb. 19th from Mr. Mario Merola. Letter of Mar. 12th from Mr. Cornelius J. O'Brien.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 16, 1976.

Commissioner BENJAMIN MALCOLM,
Department of Correction,
New York, N.Y.
Supervising WARDEN FRANCIS BUONO,
Riker's Island Command,
East Elmhurst, N.Y.

GENTLEMEN: On February 11th I wrote to you concerning the alleged rape of an adolescent transported by prison van from night court in Manhattan to Riker's Island. Since I have not yet received a reply from either of you, I would appreciate knowing when I might expect one.

Sincerely,

EDWARD I. KOCH.

THE CITY OF NEW YORK,
DEPARTMENT OF CORRECTION,
East Elmhurst, N.Y., March 22, 1976.

Hon. EDWARD I. KOCH,
Federal Plaza,
New York, N.Y.

DEAR CONGRESSMAN KOCH: I wish to acknowledge receipt of your communication of February 11, 1976 and that of March 16, 1976, inquiring as to an alleged rape of an inmate while being transferred from night court Manhattan to Rikers Island.

The reason for the delay in responding to your original communication was the result of searching the records of this command for the year prior to your communication of February 11, 1976. A search was made for the entire year of 1975 and there were no reports or unusual occurrences of that nature.

The Supervision and operation of the Transportation Division was placed under the direct jurisdiction of this command on January 28, 1975. Therefore, a further search of the records was made for the year 1974. The records then indicated that the former Commanding Officer of the Transportation Division did submit a report on October 14, 1974, as to an alleged assault of an inmate in a Transportation Division vehicle (#93–V) on October 10, 1974. Captain, Dallas #258, the duty captain for that tour at that time was notified by Correction Officer James F. Lasser that upon arriving with the prison van at the Adolescent Reception Center, an inmate M. S. reported that he had been robbed ($21) physically assaulted and sodomized. M. S. stated that the acts took place inside prison van 93–V while enroute from Manhattan Supreme Criminal Court to Rikers Island. Inmate M. S. further stated that he never really attempted to attract the attention of the officers during the assault for fear that he would be really "worked over." M. S. identified his assailants as T. C., H. P., and J. H.

Captain Dallas responded to the Adolescent Reception Detention Center and investigated the matter. Inmate M.S. had identified the inmates (named above) as well as inmates C.F. and R.S. who were found to be in possession of moneys which allegedly belonged to inmate M.S. Institutional infractions were made out against the inmates and inmate M.S. was examined by Dr. Eric Vanderbush, ID No. 7257. On October 12, 1974, inmates T.C., H.P. and J.H. were arraigned by Judge Julain Hertz in Bronx Criminal Court on the charges of Robbery 1, Sodomy 1, Assault 1 and Criminal Possession of Stolen Property, held on $25,000.00 bail with a hearing set for October 22, 1974. Criminal Court Bronx, Part 1E. On October 22, 1974, the three detention inmates (T.C., H.P. and J.H.) did appear in court as scheduled, at which time Judge Archie A. Garfinkel did dismiss the charges.

We appreciate your reference to the type of prison transfer vehicle providing windows and etc. Prior to 1955, the entire Transportation Division prisoner transfer fleet was composed of the closed body security prison type van. During 1955, the undersigned introduced a thirty-two passenger bus type vehicle with security window screening and separator partitions inside the body. Gradually by submitting various specifications, the prisoner transfer fleet (exclusive of unmarked cars) is composed of seventy-three various vehicles with six varied body types. The categories are as follows:

15 passenger screened buses (metro type)	7
24 passenger screened buses (forward chassis control)	24
32 passenger screened buses (conventional body, modified security)	9
28 passenger screened buses (with chemical toilets & air conditioning)	7
8 passenger prison ambulances (stretcher & wheel chair cases)	14
20 passenger security closed prison vans	12

These categories indicate that sixty-one vehicles in five categories embrace the concept of varied bus appearance where the second escorting officer may ride within the first or rear partition areas, to observe inmates during transit. This also permits the escorting officer to maintain surveillance during transit as to possible attempted escapes or assault and accosting of the vehicle between institutions.

The security prison van is required for a number of purposes. They must be utilized under heavy police and correction escort for the movement of notorious cases. These security movements are necessary in that certain information reaches police authorities that attempts may be made to deliver such inmates from custody during transit entailing possible loss of life. Prison vans are also used on night runs where they are more vulnerable to this type of assault from unknown persons in that many times they do travel without an escort vehicle. This vehicle has two compartments; the forward section seating fourteen and the rear section six. During certain late evening and night runs, because of personnel coverage, this type of vehicle very often will utilize the front compartment for male inmates and the rear compartment for females for delivery to Rikers Island. Therefore, it can be understood that the second officer can not possibly ride inside the locked body thus leaving the driver alone, totally exposed and vulnerable during prisoner transfer movements.

We hope this information is of assistance.

Very truly yours,

FRANCIS R. BUONO,
Supervising Warden.

INTRA-OFFICE MEMORANDUM

MARCH 23, 1976.

To: Ed Koch.
From: Laurie.
Re: M.S. Case—Queens D.A.

Following our second letter to the Queens D.A. (3/16) Cornelius O'Brien, Executive Assistant to the D.A. called and said they wanted to pursue the matter and asked if we had any information on the whereabouts of M.S. I told him that the only information we had was contained in the letter we sent but that the Bronx D.A. might have additional information. O'Brien said he would follow up with the Bronx D.A. On March 23rd, I called O'Brien to make certain that we would receive a written response to the March 16th letter. O'Brien refused saying that he would put nothing in writing and said that since we had asked them to prosecute the case it was up to us to find M.S. I advised O'Brien that we had no further information concerning M.S. and that we were not in a position to locate him for the Queens D.A. O'Brien said he would like to speak directly to you on the matter.

House of Representatives,
Washington, D.C., March 24, 1976.
Cornelius J. O'Brien,
Executive Assistant District Attorney, Criminal Court Building, Kew Gardens, N.Y.

Dear Mr. O'Brien: I am glad we chatted on the phone this morning. As I told you, my interest in this matter relates to the reform of the prison system, and the conditions under which prisoners are confined. All of us who have concerned ourselves with the prison system have heard of the sexual assaults that are perpetrated by prisoners upon other prisoners—most of which go unreported and unprosecuted. When, as the situation in this case involving Mr. M.S., the prisoner is subjected to sexual assault on three or more occasions during the course of his transfer from court to Rikers Island, it is incumbent upon the prison authorities, the District Attorney's office, and the courts, as well as any other public office holder to ensure that the matter is fully investigated and prosecuted. And that is why I am persisting in my correspondence and conversations with you and others on this subject.

The fact that Mr. M.S. may not want to prosecute is understandable because of the publicity and humiliation that might ensue, but his reluctance should not be a determining factor in this case since there apparently were non-participating prisoner witnesses to the assaults. Mr. M.S. was a prisoner at the time and therefore in the charge of the prison authorities. In addition, as you requested, I am sending to you the correspondence that I have received from the office of the Commissioner of Correction.

Do please keep me informed on whatever progress is made in this matter.

Sincerely,

Edward I. Koch.

REQUIRING PROPER LICENSES AND INSURANCE FOR AUTOS OWNED BY FOREIGN NONRESIDENTS: 21 NEW COSPONSORS FOR H.R. 11560

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, today I am pleased to reintroduce H.R. 11560, a bill to require vehicles driven into the United States from foreign countries to have the liability insurance required by State law, and to establish a national system to identify vehicles operated with foreign country license tags in the United States. This legislation should be uncontroversial, because it fills an obvious void in our system of dealing with foreign owned motor vehicles. I am pleased to announce that 21 Members of the House have agreed to join me as cosponsors for this legislation.

Last year 76 million motor vehicles were cleared by the U.S. Customs Service to enter the United States from foreign countries. Some of these cars were being imported for resale, but they are not affected by the legislation we are proposing. Many other cars entered the United States to be used by tourists, students staying for a longer period, or diplomats assigned by their governments to the United States. What seems incredible to me, as it must to others, is that the United States is one of the few nations in the world not to require proof of liability insurance from those who drive their vehicles into the country. Mexico, Canada, Communist bloc countries all require the Western European nations, and the proof of insurance, before allowing any foreign citizen, whether diplomat, tourist, or student, to drive an auto into their countries.

Those who have traveled in Europe are no doubt familiar with the "Green Card," issued as proof of insurance to drivers in those countries. Such a card, issued by an insurance company doing business in the United States or having an agent here, would be the proof of insurance required by our bill. We would hope that this requirement would encourage responsibility by foreign drivers, insure obedience to the financial responsibility laws in the States in which they drive, and avoid situations where Americans are without recourse in the event of an accident involving a foreign driver.

The other major aspect of this legislation would require the notation of the license tag number, owner's name and address, and other pertinent information whenever an automobile with foreign license tags will be operated in the United States more than 30 days. Under the United Nations Convention on Road Traffic, the United States is obligated to honor the license tags of foreign nations for 1 year after the entry of the vehicle into the United States. However, it is almost impossible to identify such an auto, if it is involved in an accident or picks up a number of parking or moving violations, because there is no record anywhere in the United States of the owners or license numbers of these vehicles. In addition there is no means to determine whether the particular license tag is still valid, because there is no way to determine how long the vehicle has been in the United States using such license tags. The legislation I am reintroducing today would establish a central record for vehicle license numbers and owner names and addresses at the Department of Transportation in Washington, D.C., and also automatically transmit this information to the State in which the automobile was principally garaged.

I am happy to report that I have received letters from motor vehicle officials of various States, and so far this legislation has received endorsements from the proper authorities in Maryland, New Jersey, New York, Illinois, Tennessee, South Carolina, Virginia, Alaska, and the District of Columbia. I am appending some of the more interesting letters I have received, and I intend to revise parts of this bill to make the technical corrections necessary where they have been suggested by these motor vehicle officials.

Joining me as cosponsors for this legislation are Representatives Badillo, Baucus, Bedell, Bevill, Dominick V. Daniels, Downey of New York, Drinan, Eilberg, Ford of Michigan, Gude, Ken Hechler, Helstoski, Hughes, Ketchum, Keys, Moss, Ottinger, Richmond, Roybal, Scheuer, Solarz, and Zeferetti.

The bill has been referred to the Subcommittee on Trade of the Committee on Ways and Means, and I hope that we can look forward to hearings on the bill in the near future.

For the interest of my colleagues, I am appending a few letters which comment on this legislation:

Maryland Department
of Transportation,
February 25, 1976.
Hon. Edward I. Koch,
House of Representatives,
Longworth Office Building,
Washington, D.C.

Dear Congressman Koch: I was surprised in reading your letter of February 18, 1976 advising that 76 million motor vehicles are cleared by the U.S. Customs Service to enter the United States each year and that the United States is the only major country in the world not requiring automobile owners to carry automobile insurance as a prerequisite to their bringing an automobile into this country.

In the closing paragraph of your letter you request any experiences the Maryland Motor Vehicle Administration may have had with uninsured foreign registered motor vehicles.

Several years ago, I was a member of the Maryland Unsatisfied Claim and Judgment Fund Board and while a member of the Board we had at least two cases where uninsured foreign registered vehicles injured Maryland claimants. The claimants filed a claim with the Board and under the Unsatisfied Claim and Judgment Fund law, the uninsured motorist has to consent to a settlement or in the alternative, a judgment had to be obtained against the uninsured motorist in the appropriate Maryland court. In both of these cases, the foreign uninsured refused to consent and when action was filed, they claimed diplomatic immunity, which they had. The Maryland claimants were without any legal recourse. It is also very probable that the diplomatic immunity causes the Maryland police authorities problems in handling parking problems in the Maryland suburban areas adjacent to the District of Columbia.

I have also read your remarks introduced into the Congressional Record of January 28, 1976 and the attached copy of H.B. 11560.

It is noted that while your bill does not revoke diplomatic immunity, it would require automobiles brought into the United States by foreign diplomats to carry automobile property damage and personal injury insurance in an amount equal to the requirements of the State law in which the automobile would be principally garaged. I would suggest an amendment to your bill that would prohibit any automobile liability insurance company from taking advantage of its insureds' diplomatic immunity. As I recall, in some states when the state started to insure its automobiles but retained sovereign immunity, the insurance companies used the sovereign immunity as a defense in the lawsuits filed. The same thing happened in Maryland with charitable organizations and I am attaching herewith a copy of Article 48A, Section 480 of the Annotated Code of Maryland which estops the insurer from asserting such defense up to the limits of its policy.

Since Maryland has endorsed the principal of compulsory automobile liability insurance, it would only seem equitable that any foreign registered automobiles garaged in our jurisdiction should comply with the same requirements that citizens of our State comply with. Therefore, we are in agreement with your request that Representative William Green, Chairman of the Subcommittee on Trade, bring this bill up for consideration by the Committee.

With kind regards, I am,

Sincerely,

Ejner J. Johnson,
Administrator.

STATE OF NEW YORK,
DEPARTMENT OF MOTOR VEHICLES,
Albany, N.Y., March 4, 1976.
Hon. EDWARD I. KOCH,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN KOCH: I have received your letter of February 18, 1976, and enclosure. You request my comments about your proposed bill.

I note that under the terms of your bill a non-resident importing a car into the United States would be required to provide certain information to the United States Customs Service, and if the vehicle remains in the United States for more than thirty days, the Customs Service will send this information to the state where the vehicle is principally garaged. Among this information is proof of insurance.

At present, the Motor Vehicle Financial Security Act (Article 6 of the Vehicle and Traffic Law) requires the owners of motor vehicles operated upon the public highways in New York State to have financial security in effect. This applies to both residents and non-residents. If this Department receives evidence that a non-resident does not have financial security in effect at the time he operates his motor vehicle upon the public highways of New York, this Department must revoke his driving privileges. However, if the owner is a diplomat entitled to diplomatic immunity, there is nothing that this Department can do.

I believe that the proof of insurance provisions in your bill are good ones. I suggest that if the bill is passed and put into effect that the non-residents will be required to carry proof of insurance with them in case of an accident. You do not have a penalty for an owner who cancels his insurance after his vehicle arrives in the United States. I suggest that you add this. Also, there is a variety of amounts of insurance required by the various states; thus, it would be difficult for an owner to know how much insurance he should have under your bill. I suggest that you provide for this. Nevertheless, I believe that your bill is a step in the right direction.

I hope that the above explanation provides you with the information you seek.

Very truly yours,
JAMES P. MELTON,
Commissioner.

NEW YORK CITY TRANSPORTATION ADMINISTRATION, PARKING VIOLATIONS BUREAU,
New York, N.Y., March 3, 1976.
Hon. EDWARD I. KOCH,
Congressman, 18th District,
New York, N.Y.

SIR: I have reviewed your proposed legislation to require non-residents who bring automobiles into the United States for personal use to provide evidence of insurance.

I feel that your proposed bill will go a long way toward closing a gap in the enforcement of the Parking Regulations of the City of New York. Owners of foreign registrations are difficult—if not impossible—to identify and ultimately pursue.

If a single location would be available to the Parking Violations Bureau of New York from which the identification of the driver of foreign vehicles could be obtained, it would enable the Bureau to establish a program for the strict enforcement of these parking summonses.

In recent weeks, between 250 and 800 parking summonses per week are issued to vehicles registered outside the United States.

If I can be of further assistance, please feel free to contact me.

Very truly years,
HARRY W. VOCCOLA,
Director (Acting).

STATE OF NEW JERSEY,
DIVISION OF MOTOR VEHICLES,
Trenton, N.J., February 26, 1976.
Hon. EDWARD I. KOCH,
New York, N.Y.

DEAR CONGRESSMAN KOCH: Thank you for the letter and material from the Congressional Record concerning H.R. 11560, your bill which would require foreign non-residents to have automobile liability insurance for cars brought into the United States.

I support your bill and believe it would serve a useful purpose by facilitating the payment of damage claims resulting from accidents involving foreign non-resident vehicles.

My only concern is that the bill not negate the provisions of the United Nations Convention on Road Traffic, ratified in 1950 by the United States. The Convention permits motorists from many foreign countries (93 as of June 1975) who are bona fide tourists visiting the United States to drive up to one year with their own national plates on their cars and their own personal driver licenses. Reciprocally, United States motorists may drive in foreign countries under the same conditions.

Very truly yours,
JOHN A. WADDINGTON,
Director.

SOUTH CAROLINA STATE HIGHWAY DEPARTMENT MOTOR VEHICLE DIVISION,
Columbia, S.C., February 24, 1976.
Hon. EDWARD I. KOCH,
Congress of the United States, House of Representatives, Longworth Office Building, Washington, D.C.

DEAR MR. KOCH: Receipt is acknowledged of your communication of February 18, 1975 with reference to your proposed legislation regarding vehicles entering the United States.

While I don't know the magnitude of the problem in our area, there does appear to be considerable justification for your legislation. Vehicles operating on our streets and highways should be readily identifiable and there should definitely be some means of tracing ownership.

Since many states are now adopting compulsory insurance laws, it would appear that liability insurance should be required of those persons. As you know, one of the major problems in our area of endeavor today is the uninsured, financially irresponsible driver, and every attempt should be made to eliminate loopholes such as this. I am assuming that your bill does not pertain to vehicles being imported by licensed dealers for reseale purposes.

In closing this office wholeheartedly supports your proposal.

Very truly yours,
E. P. AUSTIN, Jr.,
Director, Motor Vehicle Division.

TENNESSEE DEPARTMENT OF SAFETY,
Nashville, March 11, 1976.
Hon. EDWARD I. KOCH,
House of Representatives,
Longworth Office Building,
Washington, D.C.

DEAR REPRESENTATIVE KOCH: This is in response to your letter of inquiry concerning H.R. 11560.

Naturally, this state is in favor of legislation which would require financial responsibility of aliens who travel our highways. In addition, the identification provisions of the proposal would greatly enhance our ability to enforce the motor vehicle laws generally.

Hoping this is responsive to your inquiry, I am

Sincerely,
JOEL PLUMMER,
Commissioner.

DIVISION OF MOTOR VEHICLES,
Richmond, Va., March 1, 1976.
Representative WILLIAM GREEN,
Chairman of Subcommittee on Trade, Washington, D.C.

DEAR MR. GREEN: The Honorable Edward I. Koch has forwarded to me a letter and a copy of his proposed bill requiring proof of liability insurance for automobiles brought into the United States by non-residents.

At the outset, permit me to say that I agree with what Mr. Koch is trying to do and certainly think that portions of his bill are excellent. Virginia, as well as many other states, do not require compulsory liability insurance. However, I agree that the very least our Customs Officials should do is to record the date of entry and port of entry, the make, model, year, engine number or body serial number, the registration license number, the name, passport number, United States address, and the name and address of the insurance carrier, if the vehicle is insured.

I actually favor requiring insurance on these vehicles but would not want to put any state in jeopardy because we do not require compulsory insurance. I would be interested in knowing the outcome of this legislation and request that all Motor Vehicle Administrators be advised.

Sincerely,
VERN HILL,
Commissioner.

OFFICE OF THE SECRETARY OF STATE,
Springfield, Ill., March 8, 1976.
Re Liability insurance.
Hon. EDWARD I. KOCH,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR SIR: Thank you for your letter concerning the above captioned matter. On several occasions the State of Illinois has had legislation introduced relating to compulsory liability insurance as well as bills relating to no fault insurance. At this writing such bills have not received favorable consideration from the General Assembly.

It is felt that the requirement in your legislation concerning vehicles remaining in the United States longer than 30 days and that pertinent information concerning same be forwarded to the U.S. Department of Transportation and the appropriate State Motor Vehicle Department will undoubtedly be of benefit to the latter department as well as to State Law Enforcement authorities.

Assuring you of our desire to be of service, I am.

FRANK E. SHAW,
Legal Counsel, Vehicle Services Department.

REPRESENTATION OF CONSUMER INTERESTS IN FPC PROCEEDINGS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am introducing legislation today to create an Office of Public Participation within the Federal Power Commission.

Hearings currently are being held before the Energy and Power Subcommittee on H.R. 12461, the Electric Utility Rate Reform and Regulatory Improvement Act. This bill is designed to fit within the framework of that legislation and touches on a most important consumer protection issue which the subcommittee will consider—how can the public interest best be represented in Federal Power Commission proceedings.

As a cosponsor of H.R. 12461, I believe

that the time has come for more effective consumer protection by way of direct participation in utility rate regulation. For too long, the American people have been hostage to State regulatory commissions which are more responsive to the utilities than to their customers.

I know that Congressman JOHN DINGELL, my good friend and chairman of the Energy and Power Subcommittee, shares my concerns and interest in this area. Thus, he included in the utility reform legislation a provision to create an Office of Public Counsel, as well as a fund for reimbursement of private citizens who wish to participate in FPC proceedings.

The bill I am introducing today is being offered as an amplification of these consumer protection provisions in the bill—an alternative to section 308 of H.R. 12461. The basic difference between section 308 and my bill is that H.R. 12461 relies primarily on a public counsel to represent consumer interests while my bill provides for direct consumer representation via reimbursement of public utility customers and consumer groups in FPC proceedings. The two concepts are not mutually exclusive and I would like best to see both implemented.

My bill would create an Office of Public Participation in the FPC whose Director would serve two functions. First, he would facilitate citizen involvement in FPC proceedings by advising the public on the effective available means of participation. Then, he would administer a compensation fund for reimbursement of citizens or citizen groups who could not otherwise afford to present their case to the Commission.

My bill establishes standards for eligibility for reimbursement, based on the citizen's ability to substantially contribute to the proceedings by presenting an otherwise unrepresented interest, as well as that person's lack of sufficient resources to participate in the absence of reimbursement or lack of a significant economic stake in the proceedings in comparison with the costs of participation. H.R. 12461, by comparison, would allow the Commission to decide who ought to be reimbursed, providing the decisionmaker with control over the consumer input.

There are a number of other significant differences in the two proposals. I have drafted a comparison of H.R. 12461 with my legislation and included it below, along with a copy of the text of the bill.

I hope that the subcommittee will give serious consideration to this alternative approach, which enables true consumer participation in FPC proceedings, rather than relying primarily on an appointee of the Commission who must decide on a unity "public interest" and then advocate that position before the FPC. The material follows:

KEY POINTS OF COMPARISON BETWEEN THE OTTINGER PROPOSAL AND H.R. 12461 PROVISION ON REPRESENTATION OF CONSUMER INTERESTS (§ 308)

1. ADMINISTRATION OF THE COMPENSATION FUND

OTTINGER: By an independent Office of Public Participation.

H.R. 12461: By the Commission.

Independent administration of reimbursement as called for by the Ottinger proposal would prevent the decisionmaker (the Commission) from controlling the input into the proceeding by controlling the parties who are funded.

2. REPRESENTATION OF THE PUBLIC INTEREST

OTTINGER: Office of Public Participation would facilitate citizen input by advising citizens on effective means of participation.

H.R. 12461: Office of Public Counsel would affirmatively represent "the public interest" in FPC proceedings.

The Ottinger proposal would provide a stronger mechanism than H.R. 12461 for enabling citizens to represent their own interests. With its emphasis on reimbursement and assistance for interested public groups, it better allows a wide range of public interests to be represented in a particular proceeding, rather than putting the emphasis on a Public Counsel who must then decide on a unitary "public interest".

3. ELIGIBILITY FOR COMPENSATION

OTTINGER: Based on (1) ability to represent an otherwise unrepresented interest which will *substantially contribute* to a proceeding, and (2) lack of sufficient resources to participate, or lack of economic stake in comparision with the costs of participation.

H.R. 12461: Based on (1) ability to represent an otherwise unrepresented interest whose representation is *necessary* for a fair proceeding, and (2) lack of economic resources.

The Ottinger proposal avoids determination of what is "necessary" for a fair proceeding, relying instead upon a determination of what will substantially contribute to a proceeding.

It also recognizes that large consumer and environmental groups might be precluded from receiving compensation if the bare economic resources test of the House bill is used. By using a standard of substantial contribution and economic stake, these public interest groups would be clearly eligible, while under the House bill they may not be.

4. TYPES OF REIMBURSIBLE PARTICIPATION COSTS

OTTINGER. Includes attorney's fees, expert witness and consultation fees, filing fees, research, investigation, preapplication, travel, administrative, and transcript costs, and miscellaneous expenses in all proceedings. Costs would be calculated at prevailing market rates.

H.R. 12461: Only covers costs incurred in preparing or making oral presentations, conducting cross-examination, and making rebuttal submissions. The provision gives no guidance on calculation of costs.

5. TIMING OF REIMBURSEMENT AWARDS

OTTINGER: Awards may be made on a monthly basis as costs are incurred or in any other manner deemed appropriate.

H.R. 12461: Gives no guidance on the timing of award determinations or grants.

Effective participation by citizens groups most in need of compensation will often depend on advance or at least concurrent payment of costs incurred.

6. APPEAL OF AWARD DECISIONS

OTTINGER: Permits expedited appeal to the U.S. Court of Appeals of decisions by the Office of Public Participation to award or not to award compensation.

H.R. 12461: No provision for appeal of award decisions.

7. AWARD OF ATTORNEY AND EXPERT WITNESS FEES FOR JUDICIAL REVIEW OF COMMISSION DECISIONS

OTTINGER: Permits courts to order the Commission to reimburse a party, from appropriations other than the compensation funds, for litigation expenses incurred in the appeal of a Commission decision, if the party meets the eligibility requirements of the bill.

H.R. 12461: No provision for award of litigation expenses for the appeal of Commission decision.

The Ottinger proposal would better allow citizen participants to obtain review of Commission decisions adversely affecting the public and running contrary to law. H.R. 12461 tries to reach a similar goal by enabling the Office of Public Counsel to appeal Commission decisions, but the Public Counsel would be hard pressed to represent all the various facets of the public interest.

8. AUTHORIZATION OF FUNDS

OTTINGER: Authorizes two million dollars ($2,000,000) to be appropriated each fiscal year, which shall be expended for reimbursement of participation costs.

H.R. 12461: Compensation paid in any fiscal year may not exceed $1,000,000.

H.R. 12461 does not provide for the appropriation of any funds for reimbursement. These funds would presumably come from the regular FPC budget. But the payment of funds is discretionary with the Commission, which could decide within the law that no funds be paid in a particular year. The Ottinger proposal authorizes a $2,000,000 appropriation to be used solely for the reimbursement. A separate fund is necessary if the problem of grossly inadequate citizen participation at the FPC will ever be redressed.

H.R. 13032

A bill to amend the Federal Power Act to establish the Office of Public Participation in the Federal Power Commission to facilitate increased participation in proceedings before the Commission through the reimbursement of participation costs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Power Commission Public Participants Assistance Act".

SEC. 2. The Federal Power Act is amended by adding after section 307 the following new section:

"OFFICE OF PUBLIC PARTICIPATION AND REIMBURSEMENT OF PUBLIC PARTICIPANTS

"SEC. 307A. (a) (1) There is established in the Commission the Office of Public Participation.

"(2) The Office of Public Participation shall be administered by a Director, who shall be appointed by the Commission for a term of 5 years. The Director shall be a person who has demonstrated knowledge and concern for public participation in the Commission proceedings. The Director shall be appointed and compensated, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and General Schedule pay rate, at a rate not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title.

(3) The Director may not be removed from office except by concurrence of four Commissioners upon a showing of misfeasance or malfeasance in office.

(4) The Commission shall appoint a Director within 60 days after the date of enactment of this section.

"(b) For the purposes of this section:

"(1) The term 'proceeding' includes any rulemaking, licensing, adjudication, ratemaking, investigation, enforcement action, workshop or conference, or any other proceeding of the Commission or its staff at which public participation is required or permitted.

"(2) The term 'participation costs' includes costs necessarily incurred, or to be incurred, by a person participating in a proceeding, including attorney's fees, expert witness and consultation fees, filing fees, research, investigation, preapplication, travel, administrative, and transcript costs, and miscellaneous expenses.

"(3) The term 'person' does not include a governmental entity.

"(4) The term 'Director' means the Director of the Office of Public Participation.

"(c) The Director shall—

"(1) administer a program of reimbursement of eligible persons as determined under subsection (f) for participation costs incurred in proceedings; and

"(2) advise the public by providing procedural guidance and assistance to insure that full and adequate participation by all interested groups and members of the public is served in all proceedings.

"(d) The Director shall not represent any person nor advocate in any proceeding any substantive position on issues other than those relating to reimbursement and public participation as provided for by this section.

"(e) The Director shall reimburse parties in any proceeding for such amount of the participation costs as the Director determines is necessary to facilitate meaningful public participation. The Director shall, whenever possible, make a determination of a person's eligibility for reimbursement and the terms and conditions of such reimbursement under this section prior to the commencement of any proceedings. The Director shall provide reimbursement on a monthly basis as costs are incurred or in any other manner the Director determines is appropriate except that the Director shall make reimbursement not later than 60 days after the date the proceedings conclude. Participation costs shall be based on prevailing market rates.

"(f) The Director shall consider a person to be eligible for reimbursement under this section if—

"(1) such person represents an interest which would not otherwise be adequately represented and which will substantially contribute to a fair determination of the proceeding, in light of the number and complexity of the issues presented by the proceeding, the importance of widespread public participation and the need for representation of a fair balance of interests in the proceeding; and

"(2) such person demonstrates to the satisfaction of the Director that—

"(A) such person does not have sufficient resources to participate adequately in the proceeding in the absence of reimbursement under this section, or

"(B) the economic stake of such person is small in comparison to the costs of effective participation in such proceedings by such person, or, if such person is a group or organization, the economic stake of a substantial number of members of such group or organization are small in comparison to the costs of effective participation in such proceedings.

"(g) The Commission shall promulgate regulations implementing this section within 180 days after the date of enactment of this section.

"(h)(1) Any decision made by the Director to provide reimbursement under this section shall be reviewable by the United States Court of Appeals in the District of Columbia Circuit or in the Circuit Court of Appeals for the judicial district in which the person applying for reimbursement resides.

"(2) No decision of a court under paragraph (1) modifying a decision of the Director shall, solely as a result of such decision, require a modification of the Commission's decision with respect to any issues which were heard in a proceeding to which such decision relates.

"(i) In the case of any judicial review arising pursuant to subsection (h) of this section, the court may order the Commission to reimburse a party for all reasonable expenses of litigation, including but not limited to reasonable attorney's fees and expert witness fees, if such party meets the requirements of subsection (f) of this section.

"(j) The Director shall, not later than January 31 of each year, submit to the Congress a report with respect to the operation of the reimbursement program under this section.

"(k)(1) There are authorized to be appropriated to the Commission for the fiscal year 1977, $2,000,000, and such sums as may be necessary for each of the succeeding fiscal years, to carry out the reimbursement program under this section.

"(2) There are authorized to be appropriated such sums as are necessary to provide for the Director's compensation and such other administrative costs of the Office as may be necessary to permit the Office to carry out its functions, and to carry out the provisions of subsection (i) of this section.".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BREAUX (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. BURKE of Massachusetts (at the request of Mr. O'NEILL), for this week, on account of illness.

Mr. MANN (at the request of Mr. O'NEILL), for April 5, 6, 7, and 8, 1976, on account of official business.

Mr. ESHLEMAN (at the request of Mr. RHODES), for an indeterminate period, on account of hospitalization and remedial surgery.

Mr. TAYLOR of Missouri (at the request of Mr. MICHEL), for today, on account of official business in his congressional district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MOORE), to revise and extend her remarks and include extraneous material:)

Mrs. HECKLER of Massachusetts, for 15 minutes, today.

(The following Members (at the request of Mr. NEAL) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. COTTER, for 5 minutes, today.

Mr. BROWN of California, for 5 minutes, today.

Mr. PHILLIP BURTON, for 5 minutes, today.

Mr. MAHON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KOCH, and to include extraneous matter notwithstanding the fact that it exceeds 3¾ pages of the RECORD and is estimated by the Public Printer to cost $930.

Mr. KASTENMEIER, immediately prior to the passage of H.R. 9811 on the Consent Calendar today.

Mr. JOHNSON of California, prior to the passage of H.R. 11876 on the Consent Calendar today.

Mr. RANDALL, to revise and extend just prior to the vote today on Senate Joint Resolution 35, National Employ the Older Worker Week.

(The following Members (at the request of Mr. MOORE) and to include extraneous matter:)

Mr. WAMPLER.

Mr. FORSYTHE.

Mr. LAGOMARSINO.

Mr. GILMAN.

Mr. CARTER.

Mr. SYMMS in four instances.

Mr. DERWINSKI in three instances.

Mr. ASHBROOK.

Mr. ROUSSELOT.

Mr. KASTEN.

Mr. EMERY.

Mr. WHITEHURST.

Mr. DEVINE.

Mr. MICHEL.

Mr. MARTIN.

Mr. COLLINS of Texas in three instances.

(The following Members (at the request of Mr. NEAL) and to include additional matter:)

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. RUSSO.

Mr. ROYBAL.

Mr. WAXMAN.

Mr. RANGEL in 10 instances.

Mr. LLOYD of California.

Mr. GAYDOS in 10 instances.

Mr. HALL in two instances.

Mr. JONES of Alabama.

Mr. BINGHAM in five instances.

Mr. SIMON in two instances.

Mr. MURPHY of Illinois.

Mr. ROGERS in five instances.

Mr. O'HARA.

Mr. MATHIS.

Mr. HAYES of Indiana in two instances.

Mr. MURPHY of New York.

Mr. MCDONALD of Georgia.

Ms. ABZUG.

Mr. REUSS.

Mrs. BURKE of California.

Mr. HARRINGTON in five instances.

Mr. MEZVINSKY.

Mr. MAHON.

Mrs. SCHROEDER.

ADJOURNMENT

Mr. NEAL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 6, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2963. A letter from the President of the United States, transmitting a budget amendment for the Department of Health, Education, and Welfare for fiscal year 1977 (H.

Doc. No. 94-437); to the Committee on Appropriations and ordered to be printed.

2964. A letter from the President of the United States, transmitting proposed supplemental appropriations for the transition quarter and a budget amendment for fiscal year 1977 for the legislative branch (H. Doc. No. 94-438); to the Committee on Appropriations and ordered to be printed.

2965. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1976 and the transition quarter for the Departments of Labor and Health, Education, and Welfare and the Corporation for Public Broadcasting (H. Doc. No. 94-439); to the Committee on Appropriations and ordered to be printed.

2966. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates a necessity for supplemental appropriations for fiscal year 1976, under the authority of section 107 of Public Law 94-41, pursuant to section 3679(e)(2) of the Revised Statutes [31 U.S.C. 665(e)(2)]; to the Committee on Appropriations.

2967. A letter from the General Counsel, Council on Wage and Price Stability, Executive Office of the President, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2968. A letter from the President, Inter-American Foundation, transmitting a report on the Foundation's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2971. A letter from the Director of Territorial Affairs, Department of the Interior, transmitting the annual reports of the Government Comptroller of Guam on the fiscal conditions of the Government of Guam and the Trust Territory of the Pacific Islands for fiscal year 1975, pursuant to section 9-A(g) of the Organic Act of Guam, as amended (82 Stat. 845), and section 2 of Public Law 93-111, respectively; to the Committee on Interior and Insular Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

2969. A letter from the Comptroller General of the United States, transmitting a report on ways to improve the effectiveness of the special priorities assistance program; jointly, to the Committees on Government Operations, and Banking, Currency and Housing.

2970. A letter from the Comptroller General of the United States, transmitting a report on the need to consider Federal coal leasing in the light of national coal production goals and to improve the leasing process; jointly to the Committees on Government Operations, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 10572. A bill to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments; with amendment (Rept. No. 94-1008). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself, Mr. Downing of Virginia, Mr. Simon, Mrs. Meyner, Mr. Baucus, Mr. Dan Daniel, Mr. Lloyd of California, Mr. Mitchell of New York, Mr. Neal, Mrs. Spellman, Mr. Lehman, Mr. Litton, Mr. Robert W. Daniel, Jr., Mr. Edgar, and Mr. du Pont):

H.R. 13016. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H.R. 13017. A bill to amend title 38 of the United States Code to establish a program of educational assistance (funded in part through contributions made to the program by individuals while on active duty) for individuals entering on active duty after the Vietnam era who are not eligible for educational assistance under chapter 34 of such title; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BURLESON of Texas (for himself, Mr. Teague, Mr. Hightower, Mr. Robert W. Daniel, Jr., Mr. Gilman, Mr. Emery, Mr. Heinz, and Mr. Rooney):

H.R. 13018. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. PHILLIP BURTON:

H.R. 13019. A bill to prohibit discrimination and for other purposes; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 13020. A bill to amend the provisions of the Public Health Service Act relating to the compensation for professional, scientific, and executive positions within the National Institutes of Health; jointly, to the Committees on Interstate and Foreign Commerce, and Post Office and Civil Service.

By Mrs. CHISHOLM (for herself and Mr. Hawkins):

H.R. 13021. A bill to provide employment, education-related, and recreational opportunities through the creation of manpower programs for our Nation's youth; and to assure maximum participation of the economically disadvantaged and the unemployed; to the Committee on Education and Labor.

By Mr. DRINAN (for himself, Ms. Abzug, Mr. Badillo, Mr. Baldus, Mr. Conte, Mr. Edgar, Mr. Eilberg, Mr. Fraser, Mr. Hannaford, Mr. Harrington, Mr. Jenrette, Mr. Jones of North Carolina, Mr. Moakley, Mr. Oberstar, Mr. Ottinger, Mr. Pepper, Mr. Rosenthal, Mr. Roybal, Mr. Santini, Mr. Scheuer, Mr. Steelman, Mr. Thompson, Mr. Won Pat, and Mr. Zeferetti):

H.R. 13022. A bill to amend title 38 of the United States Code to provide that the survivors of a veteran who was rated totally and permanently service-connected disabled for a period of at least 1 year would be automatically entitled to dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. FISH:

H.R. 13023. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residence for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 13024. A bill to create the Young Adult Conservation Corps to complement the Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. KOCH (for himself, Mr. Badillo, Mr. Baucus, Mr. Bedell, Mr. Bevill, Mr. Dominick V. Daniels, Mr. Downey of New York, Mr. Drinan, Mr. Eilberg, Mr. Gude, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hughes, Mr. Ketchum, Ms. Keys, Mr. Moss, Mr. Ottinger, Mr. Richmond, Mr. Roybal, Mr. Scheuer, Mr. Solarz, and Mr. Zeferetti):

H.R. 13025. A bill to amend the Tariff Schedules of the United States in order to require proof of liability insurance for automobiles entered into the United States for personal use by nonresidents and foreign government personnel, and for other purposes; to the Committee on Ways and Means.

By Mr. LAGOMARSINO:

H.R. 13026. A bill to amend title II of the Social Security Act to provide that child's insurance benefits shall not be payable to an insured individual's stepchild, after such child's natural parent and the insured individual are divorced, for any period during which such child is receiving support from another source; to the Committee on Ways and Means.

By Mr. MIKVA:

H.R. 13027. A bill to amend title 5, United States Code, to provide that Japanese-Americans who were placed in interment camps during World War II shall be credited for civil service retirement purposes with the time they spent in such camps; to the Committee on Post Office and Civil Service.

By Mr. MOAKLEY:

H.R. 13028. A bill to amend title II of the Social Security Act to provide for the entitlement of disabled widows and widowers to unreduced widow's and widower's insurance benefits without regard to age; to the Committee on Ways and Means.

By Mr. MOAKLEY (for himself, Mr. Annunzio, Mr. Downey of New York, Mr. Eilberg, Mr. Harrington, Ms. Lloyd of Tennessee, Mr. Patten, Mr. Roe, Mr. Scheuer, and Ms. Spellman):

H.R. 13029. A bill to establish a Bureau of Agricultural Statistics for the purpose of monitoring the changes in prices which occur in the price of agricultural commodities from the time they are sold by the farmer until the time when the consumer purchases such commodities or products thereof, and for the purpose of making recommendations to the Congress with respect to correcting situations in which the retail price of an agricultural commodity, or product thereof, rises while the price received by the farmer for the same commodity decreases; to the Committee on Agriculture.

By Mr. MOAKLEY (for himself, Mr. Drinan, and Mrs. Heckler of Massachusetts):

H.R. 13030. A bill to prohibit State and local law from permitting construction which interferes with sunlight necessary for solar heating and cooling equipment; to the Committee on Banking, Currency and Housing.

By Mr. MOAKLEY (for himself, Mr. Badillo, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hillis, Mr. Jenrette, Mr. Pepper, Mr. Scheuer, and Mr. Thompson):

H.R. 13031. A bill to establish energy conservation research, development, and demonstration institutes, to create a cooperative energy extension service, to promote a more adequate national program of research, development, and demonstration in technologies related to energy conservation, and for other purposes; to the Committee on Science and Technology.

By Mr. OTTINGER:

H.R. 13032. A bill to amend the Federal Power Act to establish the Office of Public Participation in the Federal Power Commission to facilitate increased participation in proceedings before the Commission through the reimbursement of participation costs; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE:

H.R. 13033. A bill to provide for the duty-free entry of articles for the use of the National Railroad Passenger Corporation in providing nationwide rail passenger service; to the Committee on Ways and Means.

H.R. 13034. A bill to amend section 102(a), section 461, Tariff Act of 1930, as amended (19 U.S.C. § 1461); to the Committee on Ways and Means.

By Mr. ROGERS (for himself, Mrs. Sullivan, Mr. Murphy of New York, Mr. Forsythe, Mr. Downing of Virginia, Mr. Breaux, Mr. Mosher, Mr. D'Amours, Mr. Zeferetti, Mr. Oberstar, Mr. AuCoin, Mr. du Pont, Mr. Metcalfe, Mr. Studds, Mr. Ashley, Mr. Matsunaga, Mr. Ginn, and Mr. Lent):

H.R. 13035. A bill to amend the National Sea Grant College and Program Act of 1966; to the Committee on Merchant Marine and Fisheries.

By Mr. SIMON:

H.R. 13036. A bill to amend the Internal Revenue Code of 1954 to impose a tax on the mining of coal and to establish a compensation program for damage attributable to mine subsidence; to the Committee on Ways and Means.

By Mr. WHITEHURST (for himself and Mr. Mikva):

H.R. 13037. A bill to require the Secretary of the Interior to make a comprehensive study of the wolf for the purpose of developing adequate conservation measures, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 13038. A bill to facilitate the coordination of programs for the protection, management, and control of wild free-roaming horses and burros and other resources, and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. CEDERBERG:

H.R. 13039. A bill to amend title 38 of the United States Code in order to extend the delimiting period for completing programs of education for veterans pursuing such programs at the close of such period; to the Committee on Veterans' Affairs.

By Mr. DENT (for himself and Mr. Erlenborn):

H.R. 13040. A bill to provide for pension reform for State and local public service employees; to the Committee on Education and Labor.

By Mr. TRAXLER (for himself, Mr. Quie, Mr. Hechler of West Virginia, Mr. Hungate, Mr. Simon, Mr. Abdnor, Mr. Andrews of North Dakota, and Mr. Jenrette):

H.R. 13041. A bill to authorize the Secretary of Agriculture to make financial assistance available to agricultural producers who suffer losses as the result of having their agricultural commodities or livestock quarantined or condemned because such commodities or livestock have been found to contain toxic chemicals dangerous to the public health; to the Committee on Agriculture.

By Mr. FISH (for himself, Mr. Gilman, and Mr. Ottinger):

H.J. Res. 909. Joint resolution to designate April 25, 1976, as Hudson River Day; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania (by request):

H.J. Res. 910. Joint resolution to provide for the designation of a week as National Lupus Erythematosus Week; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself and Mr. Mikva):

H.J. Res. 911. Joint resolution calling for an immediate moratorium on the killing of the eastern timber wolf; to the Committee on International Relations.

By Mr. PHILLIP BURTON (for himself, Mr. Rosenthal, Mr. Solarz, Mr. Bingham, Ms. Collins of Illinois, Mr Gilman, Mr. Nix, Mr. Riegle, and Mr. Wolff):

H. Con. Res. 603. Concurrent resolution disapproving the proposed letter of offer to sell six C–130 aircraft to Egypt (transmittal No. 76–47): to the Committee on International Relations.

By Mr. HEFNER:

H. Con. Res. 604. Concurrent resolution with respect to post office closings; to the Committee on Post Office and Civil Service.

By Mr. KOCH (for himself and Mr. Moakley):

H. Con. Res. 605. Concurrent resolution expressing the request of the U.S. Government that the Government of the Union of Soviet Socialist Republics provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University; to the Committee on International Relations.

By Mr. SOLARZ:

H. Res. 1128. Resolution to disapprove the proposed exemption of residual oil fuel from the mandatory petroleum allocation and price regulations (Energy Action No. 1); to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

346. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to reform of the food stamp program; to the Committee on Agriculture.

347. Also, memorial of the Legislature of the State of Idaho, relative to restrictions on agricultural exports; jointly, to the Committees on International Relations, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOWNING of Virginia:

H.R. 13042. A bill for the relief of Charles R. Petty; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 13043. A bill for the relief of Mrs. Sung Kiu Chin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

437. The SPEAKER presented a petition of Dorothy A. Groesser, San Juan Capistrano, Calif., and others, relative to rescinding section 10 of the Code of Official Conduct of the House of Representatives; to the Committee on Standards of Official Conduct.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3863

By Mrs. SCHROEDER:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Gore Range-Eagles Nest Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated May 1975, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Eagles Nest Wilderness" within and as part of the Arapaho and White River National Forests comprising an area of approximately one hundred and twenty-eight thousand three hundred and seventy-four acres.

Sec. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Eagles Nest Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and description may be made.

Sec. 3. The Eagles Nest Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

Sec. 4. Nothing in this Act or the Wilderness Act shall be construed as impairing the authority of the appropriate Secretary to permit, subject to such regulations as he deems necessary to protect wilderness values, the construction, operation, and maintenance of a subsurface water tunnel in Federal land under the Eagles Nest Wilderness.

Sec. 5. The previous classification of the Gore Range-Eagles Nest Primitive Area is hereby abolished.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 2, 1976, page 9281:

HOUSE BILLS

H.R. 12551. March 16, 1976. Ways and Means. Authorizes the Secretary of the Treasury to reimburse States which provide property tax relief to households headed by individuals who are age 65 or older.

H.R. 12552. March 16, 1976. Post Office and Civil Service. Amends the Postal Reorganization Act to direct the United States Postal Service to hold a public hearing prior to determining whether to close or consolidate any post office and to allow any person served by a postal office which the Postal Service has decided to close to seek judicial review of such decision.

Designates the Postmaster General head of the Postal Service. Requires appointment of the Postmaster General and Deputy Postmaster General by the President with the advice and consent of the Senate.

Repeals the authority of the Postal Service Board of Governors to review practices and policies of the Service.

H.R. 12553. March 16, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax deduction, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland, or scenic open space.

H.R. 12554. March 16, 1976. Merchant Marine and Fisheries. Amends the Endangered Species Act of 1973 to require Federal reimbursement of owners of animals for injuries caused such animals by an endangered or threatened species inhabiting an endangered species conservation area.

H.R. 12555. March 16, 1976. Interstate and Foreign Commerce. Requires franchisors to give franchisees 90 days notice, with limited exceptions, of intent to cancel, or failure to renew, a franchise agreement. Allows such cancellation or failure to renew only for certain specified reasons. Requires a franchisor to compensate a franchisee for the value of the franchisee's business when the franchisor, for a legitimate business reason, fails to renew the franchise. Sets forth the judicial remedies available to a franchisee for a violation of this Act by a franchisor.

H.R. 12556. March 16, 1976. Government Operations. Authorizes the Administrator of General Services to assign surplus Federal real property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property be used by the transferees for economic development purposes.

H.R. 12557. March 16, 1976. Rules. Amends the Impoundment Control Act of 1974 to provide that a rescission or reservation of funds proposed by the President may be disapproved by either House of Congress without waiting for the expiration of the 45-day period prescribed for congressional action under present law.

H.R. 12558. March 16, 1976. Education and Labor. Establishes procedures and guidelines for the establishment of equal education opportunity for students in elementary and secondary schools. Requires that States submit equal educational opportunities plans to the Secretary of Health, Education, and Welfare for his approval. Establishes criteria for approval of plans and eligibility for Federal assistance.

H.R. 12559. March 16, 1976. Post Office and Civil Service. Prohibits the United States Postal Service from closing or suspending the operation of any post office which provides postal services to any rural area or small town, unless otherwise specifically provided by law.

H.R. 12560. March 16, 1976. Ways and Means. Amends the Internal Revenue Code to exempt farmers from the highway use tax on heavy trucks if the farmer (1) uses such vehicle primarily for farming purposes, and (2) is not a corporation with gross receipts in excess of $950,000 or with gross receipts more than 50 percent of which are from activities other than farming.

H.R. 12561. March 16, 1976. Agriculture. Directs the Secretary of Agriculture to conduct a study to determine the feasibility of using organic waste materials to improve soil fertility.

H.R. 12562. March 16, 1976. Judiciary. Specifies, under the Robinson-Patman Act, that price discrimination shall be deemed to include the failure to impose price differentials between purchasers in different functional classes.

H.R. 12563. March 16, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to reconvey 27 acres of land previously conveyed to the City of Cheyenne, Wyoming, without the use restriction contained in the original conveyance.

H.R. 12564. March 16, 1976. Banking, Currency and Housing. Increases the amount authorized to be appropriated under the Housing Act of 1959 for loans for housing for the elderly and handicapped program.

H.R. 12565. March 16, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to acquire by condemnation specified lands, and contracts for the sale of timber thereon, within the Big Thicket National Preserve, Texas.

H.R. 12566. March 16, 1976. Science and Technology. Authorizes appropriations to the National Science Foundation for fiscal year 1977.

Sets forth regulations with respect to the use of such funds.

Authorizes the Foundation to continue the Alan T. Waterman Award for scientific research or advanced scientific study during fiscal year 1977.

H.R. 12567. March 16, 1976. Science and Technology. Authorizes appropriations under the Federal Fire Prevention and Control Act for fire research and safety programs for fiscal years 1977 and 1978.

Prohibits the Administrator of the National Fire Prevention and Control Administration from conducting fire research without the specific authorization of the Secretary of Commerce.

States that no commitment to obligate funds for the construction of any facility of the National Academy for Fire Prevention and Control shall be made unless the Congress approves.

H.R. 12568. March 16, 1976. Science and Technology. Authorizes appropriations under the Federal Fire Prevention and Control Act for fire research and safety programs for fiscal years 1977 and 1978.

Prohibits the Administrator of the National Fire Prevention and Control Administration from conducting fire research without the specific authorization of the Secretary of Commerce.

States that no commitment to obligate funds for the construction of any facility of the National Academy for Fire Prevention and Control shall be made unless the Congress approves.

H.R. 12569. March 16, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Diabetes Advisory Board to insure the implementation of a long-range plan to combat diabetes. Authorizes the Secretary to make grants to scientists who have shown productivity in diabetes research for the purpose of continuing such research. Authorizes, under the Public Health Service Act, the appropriation of specified sums for the purposes of making grants to centers for research and training in diabetic related disorders.

H.R. 12570. March 16, 1976. Interstate and Foreign Commerce. Transfers to the Secretary of the Treasury all compliance and enforcement functions previously vested in the Administrator of the Federal Energy Administration.

H.R. 12571. March 16, 1976. Agriculture. Amends provision of the Commodity Futures Trading Commission Act regarding the appointment of an Executive Director for the Commodity Futures Trading Commission, the registration date for commodity trading advisers and pool operators, and allowable trade rules.

H.R. 12572. March 16, 1976. Agriculture. Amends the United States Grain Standards Act to require the inspection and supervision of weighing of grain for export by Federal officials or properly licensed individuals. Sets forth criminal penalties for violations of this Act.

H.R. 12573. March 16, 1976. Interstate and Foreign Commerce. Eliminates the requirement, under the Federal Food, Drug, and Cosmetic Act, that new drugs will be regulated according to their effectiveness. States that such drugs will be regulated solely to assure their safety.

H.R. 12574. March 16, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to receive, consider, and act on certain individuals' application for conveyance of the interest of the United States in specified land in Mississippi.

H.R. 12575. March 16, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 12576. March 16, 1976. Armed Services. Authorizes the President to appoint a certain individual to the rank of captain on the retired list of the U.S. Navy Reserves.

H.R. 12577. March 16, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States arising from the loss of certain personal property when such property was in storage during such individual's overseas assignment as an employee of the Foreign Service.

H.R. 12578. March 16, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States arising from personal injuries incurred as a result of an injection administered by U.S. medical personnel.

H.R. 12579. March 16, 1976. Judiciary. Directs that a certain individual be granted credit for certain activities with the Air Force Reserves for purposes of computation of retired pay.

H.R. 12580. March 16, 1976. Judiciary. Authorizes the Civil Service Commission to allow any claim filed by a certain individual for disability retirement based upon certain Federal service.

H.R. 12581. March 16, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 12582. March 16, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States representing the uncompensated portion of loss incurred by such individual when he was evacuated from South Vietnam.

H.R. 12583. March 17, 1976. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

Prohibits the importation of any dairy product into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Agriculture.

H.R. 12584. March 17, 1976. Ways and Means. Defers the accrual of interest on any deficiency, under the Internal Revenue Code, until January 1, 1978, where such deficiency results from the fact that an individual was allowed a tax deduction for a loss attributable to a disaster and was subsequently deemed to warrant a disaster assistance grant by the Federal Government under the Disaster Relief Act of 1974.

HOUSE JOINT RESOLUTIONS

H.J. Res. 861. March 15, 1976. Post Office and Civil Service. Authorizes and requests the President to issue a proclamation designating the week of May 16, 1976, as "National Handicapped Awareness Week".

H.J. Res. 862. March 15, 1976. Post Office and Civil Service. Authorizes the President to designate the second full calendar week in March of 1976 as "National Employ the Older Worker Week".

H.J. Res. 863. March 15, 1976. House Administration. Reappoints James E. Webb as a citizen regent on the Smithsonian Institution Board of Regents for the statutory term of six years.

H.J. Res. 864. March 16, 1976. Post Office and Civil Service. Authorizes the President to designate the second full calendar week in March of 1976 as "National Employ the Older Worker Week".

H.J. Res. 865. March 16, 1976. Post Office and Civil Service. Authorizes the President to designate the second full calendar week in March of 1976 as "National Employ the Older Worker Week".

H.J. Res. 866. March 16, 1976. House Administration. Designates and adopts the American marigold as the national floral emblem of the United States.

H.J. Res. 867. March 16, 1976. Post Office and Civil Service. Designates the Eastern Red Cedar as the national tree of the United States.

H.J. Res. 868. March 16, 1976. Judiciary. Proposes a constitutional amendment limiting the number of years Representatives, Senators, and Federal judges may serve.

H.J. Res. 869. March 16, 1976. Rules. Establishes a Joint Committee on Aging to plan and conduct a Congressional conference on aging.

H.J. Res. 870. March 17, 1976. Post Office and Civil Service. Authorizes and requests the President to issue annually a proclamation designating the last full calendar week in April in each year as "National Secretaries Week".

HOUSE RESOLUTIONS

H. Res. 1082—March 9, 1976. Set forth, in response to certain subpoenas duces tecum, the Rules of the House of Representatives with respect to judicial process regarding personnel, Members, and documents of the House. Authorizes the subpoenaed employees to respond to such subpoenas.

H. Res. 1083.—March 9, 1976. Sets forth the rule for the consideration of H.R. 3981.

H. Res. 1084.—March 9, 1976. Sets forth the rule for the consideration of H.R. 11481.

H. Res. 1085.—March 9, 1976. Sets forth the rule for the consideration of H.J. Res. 606.

H. Res. 1086.—March 11, 1976. Sets forth the rule for the consideration of H. Con. Res. 580.

H. Res. 1087.—March 15, 1976. House Administration. Authorizes the appropriation of funds to the Committee on House Administration to enable House Information Systems to provide for maintenance and improvement of ongoing computer services for the House of Representatives, for the investigation of additional computer services for the House of Representatives, and to provide computer support to the committees of the House of Representatives.

H. Res. 1088.—March 15, 1976. Sets forth the rule for the consideration of H.R. 11598.

H. Res. 1089.—March 15, 1976. Sets forth the rule for the consideration of H.R. 12046.

H. Res. 1090.—March 15, 1976. Sets forth the rule for the consideration of H.R. 12226.

H. Res. 1091.—March 17, 1976. Rules. Requires the report of the Select Committee on Intelligence filed on January 29, 1976, be referred to the Committee on House Administration, and such Committee shall follow the procedures agreed to between the Select Committee and the President with respect to the disclosure of classified information transmitted to such select committee. States that after such procedures have been complied with, such report, as it may be altered in accordance with such procedures, shall be printed as a House document.

H. Res. 1092. March 17, 1976. Sets forth the rule for the consideration of H.R. 9803.

H. Res. 1093. March 17, 1976. Sets forth the rule for the consideration of H.R. 10799.

H. Res. 1094. March 17, 1976. Sets forth the rule for the consideration of H.R. 12453.

H. Res. 1095. March 18, 1976. Rules. Establishes the House Committee on Intelligence which shall be responsible for investigating foreign and domestic intelligence activities of the United States.

Establishes a Special Leadership Committee which shall consider requests to make classified materials available to the public.

Provides for the expulsion of Members who release any classified material within the possession or control of any committee.

H. Res. 1096. March 18, 1976. House Administration. Creates a senior citizen intern program in the House of Representatives. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 1097. March 18, 1976. House Administration. Authorizes expenditures by the House Judiciary Committee for investigations and studies and general oversight responsibilities.

H. Res. 1098. March 18, 1976. Rules. Establishes the House Committee on Health which shall have the responsibility for investigating health measures generally, health facilities, health care programs, national health insurance, public health and quarantine, and biomedical research and development.

H. Res. 1099. March 22, 1976. Banking, Currency and Housing. Directs the Secretary of the Treasury and other Federal officials to initiate negotiations within the framework of the Organization for Economic Cooperation and Development and the International Monetary Fund with the intent of developing an appropriate code of conduct and specific trading obligations among governments, together with suitable procedures for the settlement of disputes.

EXTENSIONS OF REMARKS

COMMUNIST MEDDLING IN AFRICA

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Monday, April 5, 1976

Mr. GRIFFIN. Mr. President, to be sure, some fundamental political and social changes are needed in Rhodesia, and I believe our Government should continue to support and encourage such changes. But neither justice nor peace is likely to be furthered by Soviet or Cuban meddling in this sensitive region.

Recently, the Wall Street Journal published a very perceptive editorial entitled "Getting Together on Africa." I ask that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GETTING TOGETHER ON AFRICA

Both U.S. Secretary of State Kissinger and British Foreign Secretary James Callaghan issued timely warnings to Russia and Cuba against further interference in southern Africa. It is encouraging to see that in this crucial area, U.S. and British policy are in concert.

Mr. Callaghan, a leading candidate to succeed Harold Wilson as Prime Minister, directly confronted Soviet Foreign Minister Andrei A. Gromyko Tuesday on the question of Rhodesia. He told Mr. Gromyko, who was visiting England, that Rhodesia still is legally British territory and that even indirect intervention there by Russia or Cuba would be construed as an attack on Britain itself.

That forthright warning gives strong moral and legal support to Secretary Kissinger, who refused in Dallas on the same day to rule out a U.S. invasion of Cuba if that country persists in its African adventures. He, too, clearly had Rhodesia in mind. The U.S. and British warnings coincided with threats from Mozambique by black revolutionary Bishop Abel Muzorawa that Cuban forces may be called in to help blacks attempt to topple the white Rhodesian government.

Mr. Gromyko did not flinch. Before departing Heathrow Airport yesterday he made it genially clear to reporters that Russia now expects to be negotiated with on any issues involving Angola's neighbors. The U.S. and Britain had better keep their positions firm, which means that the electorates of both countries need a clear understanding of the situation.

The positions taken by Mr. Callaghan and Mr. Kissinger do not represent a defense of white racism, although their political opponents around the world will no doubt attempt to apply that construction. We would urge any American or English politician who is tempted to adopt that line to consider it very carefully, because it is not only untrue but a dangerous encouragement of Soviet and Cuban adventurism.

Both the United States and England have attempted for years to ameliorate the policies the white regimes of Rhodesia and South Africa have adopted towards blacks. The pressures applied by Britain have been painful and politically divisive in England itself because a good many English citizens have been cut off from friends and relatives in Rhodesia by Britain's efforts to isolate the rebellious government of Ian Smith. The U.S. and British pressures have not been fruitless; neither have they been strikingly successful.

But both countries have stopped short, and wisely so, of encouraging armed insurrections of black Africans. (Sadly, some private groups, including some with church affiliations, have not been so reticent.) A blood bath in either nation would be traumatic for racial relations throughout the world and another tragic failure of international diplomacy; it would be most unlikely to lead to multiracial democracy in southern Africa.

Anyone who would argue that the Soviet Union and Cuba have something constructive to offer in this sensitive corner of the globe can only be regarded as naive. Cuba and Russia are pushing into the politics of the region because they are in the business of exporting revolution. And they are exporting revolution because they have imperialist designs on any part of the world where it might be possible to gain a foothold. Having gained a position in Angola they are emboldened to press for further African conquests.

The Callaghan-Kissinger warnings are an attempt to block exploitation by two neoimperialist nations of existing political tensions. They are based on a clear-eyed view of what is afoot and are on a solid moral base. Anyone who has examined prevailing political attitudes in either Cuba or the Soviet Union will know that the people and governments of the United States and Britain have infinitely more sympathy for the constructive aspirations of black Africans than have either of those two nations.

It is important that politicians and the public in both the U.S. and Europe not misjudge this issue. It is equally important that the moderate leaders of Africa not fall prey to beguiling revolutionary slogans. Zambia, Botswana, Tanzania and Kenya all have shown some signs of that influence in recent days. But they and their present leaders would be among those who would suffer most if racial war should ever be ignited in Africa. Their important ties with both Europe and the U.S. would almost certainly be ruptured, leaving them at the mercy of the neo-imperialists.

Both Mr. Kissinger and Mr. Callaghan were fully justified in using strong language to try to head off such a disaster. And both deserve strong support from the diverse elements in their divided governments on this important and easily confused issue.

A BIG PUSH FOR DISCIPLINE IN SCHOOL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. DERWINSKI. Mr. Speaker, any parent, school administrator, or teacher is aware of the problem of discipline in the schools. I direct the attention of the Members to a very factual column by Casey Banas in the Chicago Tribune on March 24, in which he reports on the steps being advocated by Rev. Jesse Jackson to bring discipline into the schools of Chicago. Since the date of the column, Reverend Jackson has been even more specific in these suggestions, and I commend him for this responsible approach to a major problem in education, and I commend the article to the Members' attention:

A BIG PUSH BY JACKSON FOR DISCIPLINE IN SCHOOL

(By Casey Banas)

Here's a statistic to startle one:

In 10 years, the Board of Education's annual budget has skyrocketed from $388 million to $1.163 billion.

Granted that inflation caused a large part of the increase. But not all. Yet we are not exactly deluged with testimonials that more money has resulted in a better product being turned out.

So what's needed to elevate student achievement?

It is not more money. It is not higher salaries for teachers. It is not snazzy new instructional materials. It is not fancy schools.

It is, I submit, a new spirit—a spirit in which an entire city believes that its children, of all races, can learn effectively, and focuses its efforts in a united front to achieve that goal.

Guess who's going from neighborhood to neighborhood preaching that message?

The Rev. Jesse Jackson.

He is saying, first and foremost, that parents must do their jobs and assume more responsibility for their children.

I have the impression that a lot of black students go to school believing it's cool to be baaaaaad. And they act accordingly.

The Rev. Mr. Jackson makes the point that a white person who dares to suggest black parents are failing in their responsibilities for their sons and daughters would be labeled a racist—like me, for example, for the preceding paragraph.

But the Rev. Mr. Jackson can go—and is going—into school after school to call with fervor for a revival of discipline.

In his flamboyant oratorical style, the Rev. Mr. Jackson spellbinds his youthful audiences with catchy slogans such as "We must have hope in our brains, not dope in our veins," and "Girls, you must pay more attention to books than to your bosoms."

He wants students and parents alike to cast aside the "anti-study, anti-intellectual" atmosphere permeating the inner city. He urges blacks not to consider themselves any longer victims of a white-dominated society, but to accept responsibilities for their own destinies.

The Rev. Mr. Jackson is crusading for a "push for excellence" program in Chicago, Los Angeles, and Washington high schools so parents and teachers can join forces in motivating the children.

These are elements in his program:

A city-wide council of students would provide leadership to support discipline and academic excellence, and fight against drugs, violence, and racism.

Educators, politicians, the press, and disc jockeys should join forces to institute a "citywide study hour" from 7 to 9 p.m. for all students.

All schools should have dress codes reflecting modesty and dignity.

Schools should hold convocations at least three times a year to emphasize and recognize academic excellence just as enthusiastically as athletics.

The mass media should give students awards for artistic, cultural, and academic excellence just as they have created all-city and all-state athletic teams.

The Rev. Mr. Jackson, I believe, is addressing himself to the real problems of urban education and is offering what might become pragmatic solutions, if his crusade catches fire.

But yet there is something disquieting about his efforts. Several people have whispered in my ear that the Rev. Mr. Jackson has seized upon the school issue in an effort to revive his sagging personal image and to gain a new infusion of financial support for his Operation PUSH.

He scoffs at this type of talk. He argues that his calling is to be a social activist and he is following in the footsteps of the late Dr. Martin Luther King Jr. by going where the issues are.

You can make your own judgment.

I hope my observers are dead wrong about his motives.

If only the Rev. Mr. Jackson, with his flair as a charismatic leader, can ignite the force to get all parents to motivate discipline, and encourage their children to the value of education, he will make a supreme contribution to this city.

UNFORESEEN CONSEQUENCES OF LEGISLATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SYMMS. Mr. Speaker, the unforeseen consequences of legislation enacted by this Congress should be of concern to us all.

It was called to my attention recently that the businessmen in my congressional district are distressed about the consequences of the Federal Fair Credit Billing Practices Act and the Federal Equal Opportunity Credit Act. Along with a justifiably sarcastic note to me from one of Idaho's most prominent and respected agribusiness leaders was enclosed a copy of the letter he had received from the Boise Building Supply Co. I would like to insert the text of that letter at this point in the RECORD:

DEAR CUSTOMER: This fall the Federal Fair Credit Billing Practices Act and the Federal Equal Opportunity Credit Act became law. Various regulations implementing these Acts become effective on different dates over the next two years.

These Acts and regulations require most retail businesses to make extensive and expensive changes in their retail, consumer credit procedures. For most retail businesses, the cost of these changes is prohibitive.

After considerable thought, Boise Building Supply has decided that it is not fair to pass along any additional cost to you, the consumer, nor change the effective and personal service we have always provided. Therefore, Boise Building Supply has decided to close all retail, consumer credit charge accounts, effective November 18, 1975.

This closure is in no way a reflection upon your past credit performance, which has been entirely satisfactory, nor is it an indication of our unwillingness to continue to do business with you. All retail consumer sales will now be on a cash basis, that is, cash money, personal checks, and bank charge cards.

It is very discouraging to us at Boise Building Supply, that the Federal Government is making it increasingly difficult to provide retail consumer credit services to our customers and friends.

If you have any questions about your account or this letter, please feel free to contact me by telephone or stop in and see me in person.

Sincerely yours,

BRIAN BEAUTROW,
Credit Manager.

The Congress does not—or should not—operate in a vacuum. The finest minds in business economics are available for consultation. The consequences of that legislation passed last fall were predictable and should not have been forced upon the business community by this Congress. On both sides of the aisle, lip service is being paid to the evils of over-regulation in the private sector. It is time we quit talking about deregulating business and get down to the business of repealing these onerous laws.

AWARENESS DAY

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. RUSSO. Mr. Speaker, today I want to comment on a significant event that will take place in my district on Saturday, April 10. The South Metropolitan Association of Harvey, Ill., will be sponsoring Awareness Day—and this will surely be a most special day for some very special young people.

There are approximately 80 physically handicapped children currently enrolled in special orthopedic classes with the South Metropolitan Association for Low-Incidence Handicapped. These children attend special classes throughout the area at different elementary schools.

As part of the total educational growth and development of S.M.A.'s orthopedically handicapped children, the S.M.A. staff and the orthopedic parent group are collectively planning a giant two-fold project—Awareness Day and a trip to Kings Island Amendment Park near Cincinnati, Ohio.

On Awareness Day, the children will be earning their trip by "traveling" in the village auditorium in Homewood, Ill. The orthopedically handicapped children will be going around a track in the auditorium gym, earning money previously pledged in their name for each lap they complete. That money will mean a 2-day overnight trip to Kings Island for the children and their chaperones.

While the day itself may be fun, we cannot overlook the value of this awareness project in terms of the children's own satisfaction, borne of earning their own trip rather than having it given to them. Certainly the sponsors at SMA are sensitive to this and I will quote briefly Chuck Novey, supervisor, orthopedic program at SMA:

> You just can't realize how important it is for our special children to be involved in a project like this. It is especially helpful to them in that it actually gives them a chance to "earn" their way to Kings Island . . . this helps to foster a positive self-image . . . It also allows them to mingle in society with strangers—an important step in achieving independence.

I commend the sponsors of Awareness Day for their commitment and their hard work. I know how many hours many people throughout the area must have worked to get the entire project organized. They want to be 100 percent successful getting all 80 of those kids to Kings Island. I know my colleagues join me in wishing them that success.

SOUTHERN COMFORT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. HARRINGTON. Mr. Speaker, over the course of the past 70 years, the Canal Zone has become widely regarded as a North American colonial enclave, indeed, some would say, a tropical paradise for the North American Zonians residing there. At the same time, most Panamanian nationals who have remained in the zone are confined to ghetto communities and are barely earning enough to survive. Clearly the stark contrast between the two lifestyles has become one of the contributing factors to widespread resentment to the U.S. presence in Panama. As one observer suggested:

> The panamanian situation . . . possesses all the true imperial elements: a distant and tremendous dominant power; and anxious settler community, a subject people united only in resentment, dubious historical origins, a sleazy tropical setting, and, above all, a specific raison de'etre.

In principle, the United States and Panama have agreed to replace the 1903 treaty with another of fixed duration in an effort to ameliorate the mounting frustrations felt by the entire Panamanian political spectrum. But while the negotiators are attempting to assure their respective peoples that theri vital interests will not be sold out, the American Zonians, a group that should be somewhat sensitized to Panamanian discontent, are unfortunately among those sectors that remain largely unconvinced as to the advantages of a new treaty.

Considering the idyllic setting and the serene lifestyle enjoyed in the zone, it is not difficult to understand why so many Zonians resist changes in the status quo. It has been reported, for example, that in the 553 square miles which comprise the zone, there are 7 golf courses, 6 riding clubs, 4 beaches, 14 swimming pools, 11 movie theaters, 4 yacht clubs, 5 bowling alleys, 9 craft shops, 2 roller-skating rinks, 6 gymnasiums and countless tennis courts.

A recent press account described the zone's main residential and commercial area as a "slice of smalltown America transplanted to foreign soil but to a great degree insulated from the culture, customs, and laws of the host country."

The contrast between the Panamanian and zonian lifestyles is hardly restricted to the unmarked frontier between the Republic of Panama and the Canal Zone, for within the American-run zone itself exists a caste system with distinct racial overtones. Many of the blacks who were brought from the West Indies to assist in the construction of the canal remained in the zone and still live in the dwellings built 70 years ago to provide temporary housing for canal workers. Thus, despite recent and long-overdue steps by the American administrators to integrate housing and schooling in the zone, the black ghetto communities remain a district cultural minority in zonian society.

Hence, I would like to alert my colleagues to the relatively unacknowledged overtones of ugly Americanism persisting in the Canal Zone by calling to their attention the following editorial which appeared in the March 25, 1976, issue of the Washington Post:

AMERICAN IRRESPONSIBILITY IN PANAMA

> The recent wildcat strike or "sickout" of 700 American employees of the Panama Canal provided, unintentionally, a major boost to the lagging effort to negotiate a new United States-Panama canal treaty. This job action showed the irresponsibility of the American "Zonians" who insist that they and they alone can run the canal right. This widely trumpeted claim has had wide acceptance until now among the Zonians, the 15,000 privileged Americans who profit personally from maintenance of the status quo. It has also been accepted by those other Americans who equate the 73-year American presence in Panama with the natural order of the universe and who accept, uncritically, Zonian propaganda to the effect that Panamanians are a lesser breed unfit to tend to the canal.
>
> Yet here were 700 of the zone's elite, acting in apparent violation of American laws prohibiting strikes by U.S. government personnel and thereby creating what the secretary of the Army (the responsible official) called "a serious disruption of international trade." Some 170 ships in transit were tied up at one point—the most massive backlog in the history of the waterway. Moreover, almost all of the 700 were holders of "security positions." Key canal jobs are open only to American citizens, the theory being that Panamanians can't be relied on to keep the canal operating.
>
> The 700 seem to have been protesting, among other things, a proposal to eliminate the 15 per cent "tropical differential" paid to American civilians in the well air-conditioned zone. In currently difficult world economic conditions, the unbusiness-like manner in which the U.S. Corps of Engineers has administered the canal has aggravated its financial problems to the point where even some of the privileged Zonians are complaining. In this little pocket of social backwardness, there was also opposition to a fresh legal demand for racial integration of housing and schools. Some of the 700 also appeared intent on resisting the attempt by American diplomats to draft a modern treaty.
>
> If the striking Zonians did not understand how they were undermining the case for continued American control of the canal, the U.S. government did. The secretary of the Army ordered 35 military people to perform harbor, transit and tug pilot tasks. This evidently helped persuade the strikers to return to work, and it let the U.S. government assert that it is indeed "committed to maintaining the efficient operation of the waterway for the benefit of world shipping." But the point of Zonian irresponsibility had already been made. This is not to say that Panamanians, if they controlled the canal, would always be more responsible; but it is to say that the pretense of greater American reliability can no longer be maintained. During the strike we note, Panamanian leader Gen. Omar Torrijos publicly urged Panamanian employees of the canal to stay on the job. They did.
>
> Perhaps this episode will give a much needed jog to the negotiations for a new treaty to replace the patently one-sided one that Teddy Roosevelt imposed upon a supine Panama in 1903. That old arrangement has since become an embarrassment to U.S. hemispheric diplomacy and, in its offensive provocation to Panama, a real threat to the great American interest in a smooth-running canal. The negotiations were proceeding fairly well last year until American politics intervened. Ronald Reagan, happening to discover the emotional grip which the canal still has on many older and conservative Americans, began attacking the talks as a "sell-out." President Ford unfortunately responded in a way that undermined his own diplomats.
>
> Meanwhile, Gen. Torrijos has again disappointed those Americans who hope that, by demonstrating radicalism, he will thereby discredit the Panamanian case for control of the canal. The general visited Havana last January and returned with Fidel Castro's ringing endorsements of his own policy of patient negotiations. He has used the Castro imprimatur to face down Panamanian leftists who contend that violent struggle is the only way Panama can win the canal. Statesmanship and good politics alike now dictate that Mr. Ford make the adjustments in the American bargaining position that will allow a new treaty with Panama to be completed in a reasonable time.

A COMMENT ON CONGRESS IN UNITED BUSINESS INVESTMENT REPORT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BRADEMAS. Mr. Speaker, I believe that all Members of Congress will be interested in the following commentary about Congress, "The Back Yard," by David Sargent, from the March 29, 1976, issue of United Business Investment Report, published in Boston, Mass. The commentary follows:

The Back Yard

(By David Sargent)

I don't know why it is, but we Americans seem to deify our Presidents—or at least the Oval Office—and villify our Congress. We called them the "rubber stamp" Congress in FDR's day. Harry Truman won an election running against the "do-nothing" 80th Congress.

We accuse them of talking too much, spending too much money, pandering to pressure groups, and voting always with their own reelection in mind. There is, of course, some truth in all of this criticism, but only some. I've only known three members of the House, one from St. Louis, one from Texarkana, Texas, and, of course, my "own." They were all serious, thoughtful, and hard working members of the Congress.

Although they often held opinions different from mine—good grief, so does my wife—they arrived at their conclusions the same way the rest of us do, by honestly working their way through the possible solutions for the very complex problems which face us these days. And they worked harder than the average businessman. They rarely were allowed the luxury of a 9-to-5 day; their constituents simply wouldn't let them.

But perhaps more important than the human qualities of our representatives on Capitol Hill is the very fact that they are there and that they are us. They are our only protection against big government, or worse. The White House and such big departments as Health Education and Welfare, Defense, and State could do as they pleased with scant regard for the rest of us, if it weren't for the Congress.

So never mind if the House and Senate sometimes seem noisy and disorganized, or if some of their legislative efforts don't line up exactly with your "druthers." Just be glad that they're there, that they're you, and that they have kept us free.

ARMY LOSES CREDIBILITY OVER BASE CLOSINGS

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MEZVINSKY. Mr. Speaker, yesterday, the Secretary of the Army announced a so-called study for base realinements that was purported to "improve Army combat capability by reducing nonessential overhead and support personnel and associated costs."

That sounds good and we are all for that, in principle. But, it is the Army's tactics that are so galling. Ever since I first came to Congress, a vast amount of my time has been spent in trying to predict when the next reorganization will be announced, where the realinement will come, and how much time we will have to scrutinize their decision and make our views known. The Army has consistently employed a style of gamesmanship designed to reduce the time between congressional discovery and implementation to the maximum extent possible. This latest move is no exception. We are told we have 30 days to comment on a plan that is so imprecise that it is not even down on paper.

I am personally acquainted firsthand with the case of the Rock Island Arsenal. On every occasion decisionmakers have proudly predicted that the "future looks rosy for the Rock Island Arsenal" and cited budget and staff recommendations to prove their forecast. At the same time, our community has thirsted for these words in the face of the latest sortie of Army, job cutting. Now, when the economy is so uncertain and unemployment so devastating, the Army has fostered reassurances that jobs would be secure—until yesterday, when 320 more Quad City jobs were put in jeopardy.

This kind of manipulation of employee lives and hopes is unconscionable. The Army has refused to permit the community and the Congress to have any real voice in the decisionmaking. And, their continued misdirection destroys credibility. How can they expect Congress to meet their insistent demands for more and more tax dollars if the military systematically misleads countless Members about the installations in their home district? How can they expect the public to heed their claim to bigger and bigger shares of the Federal budget when they so callously treat people as pawns in their endless reorganizations?

Unfortunately, the Army never seems to learn.

THE NATIONAL DIFFUSION NETWORK—LETTING EDUCATORS LEARN ABOUT PROGRAMS THAT WORK

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. HALL. Mr. Speaker, the National Diffusion Network within the Education Division of the Department of Health, Education, and Welfare offers educators across the country the opportunity of learning and benefiting from fellow educators' research and ideas.

Currently, there are some 150 programs available through this information dissemination system. Each of the programs has been developed and evaluated in an actual school situation.

One of the programs, early prevention of school failure, is directed by a constituent of mine, Mrs. Luceille Werner. This very worthwhile program helps to identify and deal with young children who have developmental learning deficiencies.

Mr. Speaker, American Education, published by the U.S. Office of Education, carried an excellent article on the National Diffusion Network, explaining its history and reporting on its fine work. The National Diffusion Network's efforts at keeping educators informed of new and successful developments merit our full support and I commend the article to the attention of our colleagues:

Education's New Pipeline

(By Story Moorefield)

Suppose a school system needs a K–3 reading program that has demonstrated it can significantly raise the achievement scores of students. Or perhaps it wants a program that regular classroom teachers can use effectively with mentally retarded children. Or one that sends high school students into the community to conduct voter registration drives as part of their education in the fundamentals of our political process. Where does the school system look? What, if any, resource is available?

Programs like those mentioned and many more—144 at last count and the number is constantly building—are available through a nationwide dissemination system. Its official name is the National Diffusion Network (NDN), and it was established by the U.S. Office of Education in July of 1974 to spread the word about new ideas in education that work and have the documentation to prove it.

Each individual NDN program has been developed and evaluated in a real school situation. Through its developmental stage each program has had the support of either the Office of Education, chiefly under Titles I and III of the Elementary and Secondary Education Act, or the National Institute of Education. Finally, each program has survived a rigorous validation process that found it worthy of adoption by such other school systems as may need and want it.

A major segment of pipeline through which a program enters the National Diffusion Network is the Joint Dissemination Review Panel, made up of research and evaluation specialists from the Office of Education and the National Institute of Education. The panel was established within the Education Division of the Department of Health, Education, and Welfare (which includes OE and NIE) to assure the quality control of educational products and projects that are recommended for replication. Prior to the panel's inception, it was pretty much up to individual OE or NIE program managers to develop their own evaluation strategies for determining which programs were "exemplary" and thus suitable for use by other school systems. Each program had its own selection criteria and procedures, some more demanding than others. Yet a project judged exemplary by a single OE or NIE program was often seen by the education community as having the official endorsement of the U.S. Commissioner of Education or the Director of the NIE. Clearly, there was need for a centralized evaluation board that would use the same criteria for evaluating all projects, with authority to sanction those which, in its judgment, merit national diffusion.

In evaluating a program for dissemination, the panel looks for objective evidence that the program has done what it set out to do, whether the goal is a significant increase in student achievement scores, improved student motivation and self-image, or a more effective way to train teachers and apportion their time in the classroom. If increased student achievement is the objective, for example, the panel would probably ask for a comparison of test scores of participating children with national norms, or with their own performance before the program was installed, or with similar children not in the program. If the program objective is improved student motivation and confidence, the panel might ask for data on student attendance, dropout rates, and the like.

The panel also asks the kinds of questions that school systems interested in installing a program would need to know. Is the program replicable? That is, can different teachers with different groups of children achieve similar results? What are the start-up and recurring costs per pupil? Is the program available for replication or tied down by copyright and other restrictions?

Says John Evans, OE's Deputy Commissioner for Planning and Evaluation and chairman of the panel, "The central notion is that if the Federal Government is going to recommend to the country's educators that particular educational practices are worth their consideration and adoption, then the Federal Government is obliged to determine that those practices do indeed have persuasive evidence of effectiveness behind them."

Dr. Evans points out that the Joint Dissemination Review Panel does not solicit validation applications from the field. Each project must be presented to the panel by an OE or NIE sponsor. Most OE submissions are made by program officers administering projects under Titles I and III of the Elementary and Secondary Education Act. By the time a program officer is ready to sponsor a validation review before the panel, he or she is fairly certain—from site visits and close association with project staff as well as from a review of past effectiveness—that the application is worthy of panel consideration.

Project directors who have assisted OE program staff in presenting a project to the panel say the validation process is a searing but necessary trial-by-fire. One of these is Bill Gibbons, director of HOSTS (Help One Student to Succeed) in Vancouver, Washington. HOSTS, a K–12 and adult reading program developed with Title III ESEA support, is a Vancouver school system response to State and community concern about the poor reading ability of many of the city's school children and out-of-school adults. Working through school, church, civic, and fraternal organizations, HOSTS trained 1,200 volunteers, from high school students to senior citizens, to tutor slow readers on an individual basis.

The program started in five schools, but by the fourth year had spread to 27, including parochial institutions and even a community college. As the volunteers provided 20 hours of free instruction for every hour of paid instruction by classroom teachers and reading specialists, reading scores rose dramatically. Mr. Gibbons and his associates knew they had developed something that other schools should know about. Getting the program into the National Diffusion Network was the most feasible way to reach large numbers of educators, especially in other States. But getting into NDN meant going through the Joint Dissemination Review Panel.

Mr. Gibbons recalls, "We had already spent 150 man-hours collecting and organizing data relating to student achievement, costs, training, and other aspects of our program so that an outside evaluation team could properly assess it. When I saw that the panel wanted this massive collection boiled down to a few pages, I wasn't sure it was worth it. But we did it, and the effort was well rewarded. The panel gave us a perfect score and used our application as a model for others to follow."

Asked whether he felt the panel is necessary, Mr. Gibbons replies, "In retrospect, I say yes. Emphatically yes. Working with youngsters and adults day by day, seeing their rapid improvement, we may know intuitively that our approach is the answer. But it takes statistical proof—in our case increasingly good reading scores over two to four years—to provide credibility. The panel demands such proof so that school systems will know exactly what to expect if they use our method. And that's educational accountability."

Once a project is approved by the panel for circulation through the National Diffusion Network, a number of things happen quickly: Copies of the instructional package—teacher manuals, organization and staff training suggestions, curriculum materials, and data on initial and continuation costs—become part of the master NDN file maintained by the Office of Education in Washington; copies also go to one or more professional educators in each of 36 States.

As facilitators of the diffusion process, these educators are key people in the network. All of them work for local school systems but may be housed in various parts of the State, including the State education agency. Facilitators are already familiar with local school needs in their State. Through site visits and regular interaction with project directors, they become thoroughly familiar with instruction programs in the network. Thus, they are in a position to bring together school systems that have problems and programs designed to solve problems. Title III of the Elementary and Secondary Education Act has provided support for the facilitation work.

Dave Crandall, Massachusetts Facilitator, spreads the word about NDN programs by mailing brief summaries to State education agency officials, local superintendents, curriculum coordinators, and principals of all schools in the State, including parochial and private institutions. One of his most important jobs is helping schools identify weaknesses in their instructional programs that may be strengthened by means available through the network, whether it be introduction of a new teaching approach or use of new materials. Dr. Crandall holds introductory workshops for administrators, teachers, and other professionals who express interest in a program described in the mailings. If this first exposure ripens into genuine interest in program installation, he serves as intermediary between the interested educators and the people who developed the program—people who may be doing creative things in places like Ocilla, Georgia, or Peotone, Illinois, and whose work may well help to meet student learning needs in Massachusetts.

The linking action triggers NDN's second function—providing staff training, technical assistance, and moral support to school systems that decide to adopt one or more of its programs. Toward that end, almost half of all projects approved for network diffusion by the Joint Dissemination Review Panel—some 65 to date—have received Title III funding as Developer-Demonstrators. Only funding limitations have prevented all approved projects from being thus supported.

Once school and program have been linked, Dr. Crandall and his counterparts in other States rely on the Developer-Demonstrators and other validated projects to provide the detailed instruction that will enable an interested school system to install the project or projects it has selected.

Dr. Crandall reports that 14 programs from other States have been picked up by 40 school systems or individual schools in Massachusetts. "I'm delighted that about half our adopters are private institutions," he says. "Part of the Title III mandate from Congress was to assist nonpublic school children. Our adopters include a number of Catholic, Jewish, and independent schools as well as public school systems."

How the Developer-Demonstrator and adopting school system work together is illustrated by a partnership in the South. The Missouri Facility or recommended that the Rolla school system take a look at a program called Talents Unlimited developed in Mobile, Alabama. Rolla was attracted to Talents Unlimited because the program works on the theory that educationally disadvantaged children can succeed in school if teachers recognize that the talents of children, like those of adults, can vary widely. For example, Susan may get good grades under the traditional academic approach because she can memorize facts and figures, but she isn't a creative thinker. In contrast, Daniel may hate book-learning but shine when asked to develop his own ideas. Joan, representing still a third variation, gets low scores on both academic and creative scales, but she demonstrates an ability to make sound judgments and decisions. Talents Unlimited gives youngsters opportunity to succeed on a six-talent scale: 1) traditional academic, 2) creativity, 3) evaluation and decision making, 4) planning, 5) forecasting, and 6) communications. Remarkably, nearly all disadvantaged students who were enrolled in the Mobile program scored average or above in at least one talent area. These talents were selected because they are important in enabling children eventually to function effectively as adults in a complex society.

Rolla school officials went to Mobile for a firsthand evaluation of Talents Unlimited and participated in one of many week-long training workshops the program conducts each year for personnel of school systems that decide to adopt the approach. And they went home to install the program, knowing that its director, Sara Waldrop, and her Talents Unlimited staff were as close as the telephone if they needed follow-up technical assistance.

"More than 40 school systems in many sections of the country have now installed our program," Mrs. Waldrop says. "It's satisfying to realize that thousands of children will experience success because their teachers have learned how to bring to the surface the hidden talents of those they teach."

Totaling the number of training workshops held nationwide in NDN's first year alone produces some startling figures. State Facilitators like Dave Crandall and Developer-Demonstrator personnel like Bill Gibbons and Sara Waldrop conducted workshops for 1,800 school systems. That means that more than ten percent of the Nation's 16,000 school districts were actively interested in installing NDN programs. And 19,000 workshop participants—mostly teachers—learned how to do it.

OE's Office of Planning and Evaluation has developed detailed instructional packages for six of the programs approved for dissemination, each one relatively easy to install in interested school districts. Known as Project Information Packages or PIPs, these self-contained units provide basic information a school system needs to set up and operate the program, including management, staff training, budget estimation, and instructional philosophy. The packages also include references to curriculum materials for teachers and students which the developers have found effective.

The first six PIPs—focusing on reading and mathematics projects mostly for elementary grades—will be available this spring for use by the six Developer-Demonstrators and State Facilitators. The projects were selected because they were found to be effective education projects which lend themselves to packaging and which reflect subject areas viewed as critical to schools. As back-up, an Analysis and Selection Kit (ASK) has also been prepared to acquaint local decision makers with the six PIP projects.

Under an OE contract, an educational diffusion project at the Far West Laboratory for Educational Research and Development in San Francisco provides technical assistance to State Facilitators and Developer-Demonstrators in the National Diffusion Network, as well as to other projects that have been validated by the Joint Dissemination Review Panel. The Far West project helps OE and the network-affiliated programs in development, presentation, packaging, and publicity. The group also has produced for NDN a variety of catalogs, flyers, filmstrips, tipsheets, and other diffusion materials. It maintains an extensive library service and publishes a monthly newsletter to keep those in the network abreast of latest developments. In addition, the group has supported activities related to the PIPs projects.

Last fall, the Laboratory published *Educational Programs That Work*, a directory of programs that have passed the Review Panel. Already many educators have found the 200-page paperback a quick, concise index to NDN offerings. A two-page précis of each program includes learning objectives, target audience, materials needed, financial requirements, evaluation results, adoption criteria, and information contacts.

Stanford Research Institute in Menlo Park, California, has the OE contract to evaluate the effectiveness of the National Diffusion Network itself. SRI will base its evaluation in part on mail surveys of all State Facilitators, all Developer-Demonstrators, and a sample of adopting school systems. The evaluators intend to visit some 50 sites in order to add personal observations and impressions to the data obtained by mail. OE requested the SRI study for the purpose of building an evaluation component into the diffusion system while it is still new. Concurrent evaluation stands a far better chance of being more realistic and probably more reliable than retrospective evaluation, taken after the system is several years old and with increased odds that many of the people involved during the formative years are no longer around.

The need is evident for a scientific pulse-taking of the National Diffusion Network and the programs it seeks "to spread freely" across the land. This kind of evaluation is essential for responsible management of Federal tax dollars. Still, the personal reactions of people cannot be ignored. However unscientific, they say much about the programs the Network deals with that does not show up in the charts and data tables. No number or graph could express the feelings of Robert Gilroy, a high school junior in Camden, New Jersey, who served as an official price-watcher for his township's consumer affairs office while taking an action-oriented political science course developed by the Institute for Political/Legal Education. "I felt for the first time in my life," he says, "that I was an important part of my community."

ANTIDEFENSE LOBBY'S UNBALANCED VIEW OF THE SOVIET THREAT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, I would like to express my thanks to my colleague, the Honorable RONALD DELLUMS of California, for placing a document distributed by the Coalition for a New Foreign Policy—CNFP—into the CONGRESSIONAL RECORD Extensions on April 1, 1976. I join with him in urging our colleagues to closely consider the content of that statement, which is one of the most comprehensive apologies for Soviet military superiority I have seen.

The old "antiwar" movement which worked to support the cause of the Communist aggressors in Indochina has resurfaced as an antidefense spending lobby. The document placed in the CONGRESSIONAL RECORD by my colleague is being used by this antidefense lobby as the basis for letters and telegrams urging us to vote against production funds for the B-1 bomber and other weapons included in the military procurement authorization bill (H.R. 12438).

Arguments recently publicized from that CNFP document include the allegation that Soviet troop strengths have been deliberately misrepresented by including Soviet border guards in the figures. The fact is that the Soviet border troops are the equivalent of the Nazi SS. They are the elite crack troops under the command of the KGB, the best the Russians have.

The CNFP under its former name, the Coalition to Stop Funding the War, lobbied to hasten the victory of the Soviet equipped and indoctrinated aggressors in Indochina. With the Communist takeover completed, the coalition has shifted its activities to piecemeal disarmament. The CNFP and its "mass organizing" branch, the Campaign for a Democratic Foreign Policy, supported by highly biased and selective "research" from groups such as the Institute for Policy Studies and the Center for Defense Information, are adamantly opposed to American development of new weapons to counter the growing Soviet arsenal of sophisticated weapons. At the present time the particular targets are the B-1 bomber, the Trident submarine, and the cruise missile.

The CNFP bulletin stated that the antidefense lobby will try to flood our offices with anti-B-1 and antidefense spending messages:

> While a series of floor amendments to the bill are planned, an effort to stop or delay production funds for the B-1 bomber has the greatest chance to succeed. We can influence the outcome of the vote, though, only by flooding congressional offices with thousands of telegrams and telephone calls before this Tuesday.

We in Congress who make decisions that affect both our own district constituents and the Nation as a whole owe it to the American people to be aware of the aims and origins of the many pressure groups and lobbies that are trying to influence our votes. We must also be aware of who the ultimate beneficiaries of these policies actually are.

It is unquestionable that the antidefense drive, as embodied by the National Campaign to Stop the B-1 Bomber, the Campaign for a Democratic Foreign Policy, and the Coalition for a New Foreign Policy, is of direct benefit to the Soviet Union.

Soviet leaders have called for western arms cutbacks as the principal method of achieving "materialization of détente." The Soviet détente strategy will be irreversible when the non-Communist nations no longer have the ability to withstand a military confrontation with the U.S.S.R.

Soviet calls for Western disarmament have been taken up on a worldwide basis by one of the U.S.S.R.'s chief propaganda organs, the World Peace Council. In this country, the so-called antiwar groups who worked to end American support of the non-Communist governments in Indochina in conjunction with the World Peace Council have redirected their forces against the defense budget and the development of new weapons. In addition to the change of direction of the Indochina groups, the U.S. branch of the World Peace Council, staffed and operated by the Communist Party, U.S.A., has actively and energetically involved itself in the anti-B-1 lobby through its National Center to Slash Military Spending.

The basic arguments of the antidefense lobby are that the economic recession requires the Government to create make-work programs at top wages for all Americans and to take over failed businesses and keep them operating with tax dollars, et cetera. The antidefense lobbyists claim that the Government must build public housing, provide free health programs, babysitting centers, and other free programs and that the money for this must come from the defense budget.

The antidefense lobby argues that it is the very strength of America which is the real threat to peace, because our strength threatens the Russians. Other arguments are that the lesson of Vietnam is that America cannot successfully assist corrupt dictatorships—by which they mean any non-Communist government operating on principles other than absolute democracy—in resisting the inevitable development of new economic and social orders—by which they mean Communist regimes.

In February, the Labor Research Association, a Communist Party auxiliary, pointed out the necessity of convincing the trade union leadership and members of the Democratic Party that the Federal welfare programs must be expanded, not trimmed, and that the Russian military threat was a mere fabrication of the Defense Department and the intelligence agencies. These organizations they said, must disavow "undocumented" reports that the Soviet military apparatus is "actually much larger than ours and rapidly rising." They continued:

> To win a shift in priorities, public opinion must be convinced that this [is a] crude Administration invention * * * [and] a big lie.

The Communist Party/Labor Research Association statement was distributed in Washington at the mid-March anti-B-1 bomber conference, along with other CP literature from the National Center to Slash Military Spending.

At the same conference, the Coalition for a New Foreign Policy distributed an apologia for the Soviet military misleadingly entitled "A Balanced View of the Soviet Threat." The "Balanced View" downgrades the Soviet threat with a selection of misleading "statistics," highly selected "facts," and the assertion that after all the Russians really need a superior military force because they need troops to occupy Eastern Europe—as if the Soviet divisions in Czechoslovakia, East Germany, and Hungary somehow were less of a threat to the West—because the U.S. overseas bases threaten the Soviets and force them to defend their own security and the security of their allies—who are busily subverting our allies—and because the Soviets are threatened by attacks from NATO, China, and Iran.

The CNFP's "Balanced View" argues that cost comparisons between the United States and the U.S.S.R. are "misleading." However, the fact that the Russians are spending 10 to 15 percent of the gross national product on their armed forces is discounted on the rather peculiar ground that the Russian armed forces are so large because its role is to serve as a "center for political and technical training."

The CNFP argues that the numbers of Soviet weapons are higher because their technology is inferior. The numbers of sophisticated Russian weapons basically match America's, and the "unsophisticated" weapons, tanks, and planes are high enough in number to swamp, for example, the NATO forces in Europe in a conventional war.

The coalition's "Balanced View," attributed to Alice Bledsoe and Jeff Malachowsky, is based on material previously prepared by the Institute for Policy Studies, the Washington-based radical "think-tank" which has "dedicated itself to ushering in the new society by inquiry and experimentation but is also doing what it can to hasten the demise of the present one." A considerable amount of the CNFP material originated with IPS antidefense "experts" Earl Ravenal and Michael Klare. Klare is a fellow of the IPS Transnational Institute; he has been lecturing on U.S. arms sales in Havana recently, and for many years has been a member of the North American Congress on Latin America—NACLA—characterized by SDS leaders as the "intelligence-gathering arm of the movement." NACLA members have had a close association with the Cuban Government since the organization was founded, and NACLA staffers were credited by CIA defector Philip Agee as, along with the Cuban Government, having provided him with needed information for his book.

Antidefense spokesmen have used CNFP arguments in statements which have received publicity in recent weeks. When considering the merits of the defense and budget bills, we should also be able to recognize false arguments and their origins. With regard to the CNFP and the other antidefense lobbyists we might ask, who ultimately would benefit from their proposals.

ON THE 58TH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BIAGGI. Mr. Speaker, on Friday an important anniversary in the annals of world history was noted by the Byelorussian people for on this day they celebrated the 58th anniversary of the proclamation of the Byelorussian Democratic Republic. In this year when this Nation celebrates its own 200th anniversary as a free people it is fitting that we take the time to salute the brave Byelorussian people who to this day continue their struggle to be free from the yoke of the Soviet Union.

In reality, most of the past 58 years in Byelorussia have been spent trying to fulfill the high hopes for freedom which were embodied in the proclamation of March 25, 1918. The Byelorussian nation was overrun on several occasions by the Soviet Union which assumed full control in 1944.

Yet, despite the adverse conditions the spirit of freedom lives today in Byelorussia. They still look to the day when all basic freedoms can be theirs.

The people of Byelorussia as most of the people of the captive nations of Eastern Europe have been bitterly disappointed by détente. They viewed the establishment of détente as their first real hope to be freed from Communist domination. Their hopes were dashed as the United States consistently failed to make the self determination of Eastern Europe a prerequisite for agreements between our two nations.

The signing of the Helsinki agreement by the U.S. Government was perhaps the hardest pill for the people of Byelorussia to swallow. In this document the United States placed itself in the position of accepting the present Soviet control over Eastern Europe including Byelorussia. This was an unnecessary and damaging action by the administration which was viewed as a betrayal of the freedom-loving peoples of all captive nations.

It appears as though détente is being phased out of our foreign policy—a decision which I consider to be a sound one. Our new dealings with the Soviet Union should be based on firmness and strength and not concession. We must reaffirm our support of the Byelorussian freedom struggle. If we do this, it may help to restore some of the freedoms which today remain elusive to the Byelorussian community.

"ENOUGH OF PESSIMISM", A STATEMENT BY PHILIP H. ABELSON

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BRADEMAS. Mr. Speaker, I insert in the Record an editorial, "Enough of Pessimism," by Dr. Philip H. Abelson, published in the January 9, 1976 issue of the magazine, Science, the publication of the American Association for the Advancement of Science.

The editorial follows:

Enough of Pessimism

The Bicentennial year is an appropriate time for comparisons between earlier times and now. In terms of knowledge, education, affluence, and health the contrast is great; there has been substantial progress. However, in terms of leadership and morale, the opposite is true. The people of those times were rich but we are poor. They had leaders of stature, breadth, and vision, who in keeping with the spirit of the times, faced the future with faith and optimism. In comparison to a Franklin or a Jefferson, our leaders and would-be leaders seem only ordinary. Caught up in the excitement of the present, they rarely look beyond the next election.

Who among the present-day politicians can come close to matching Franklin's enthusiasm, foresight, and knowledge of the world around him? These qualities were exemplified when he wrote in 1780: "It is impossible to imagine the height to which may be carried, in a thousand years, the power of man over matter. We may perhaps learn to deprive large masses of their gravity, and give them absolute levity, for the sake of easy transport. Agriculture may diminish its labour and double its produce; all diseases may by sure means be prevented or cured. . . ."

And who among our politicians comes close to the breadth of a Jefferson who, though a successful lawyer, was an avid student of nature, a talented botanist and paleontologist with a deep interest in all other sciences. What politician today would have either the imagination or the convinced insight to make a statement matching Jefferson's, "knowledge is power, knowledge is safety, knowledge is happiness."

Our poverty goes beyond a lack of leadership. It extends to a malaise of the spirit of our people. Indeed such is the pathology that, even if the Messiah should appear, he or she would either go unrecognized or, if recognized, would soon be chopped down to size. At the same time this country has turned its back on optimism and is becoming a nation of pessimists.

During most of the country's history, perhaps its greatest assets were its faith in progress, its can-do spirit. Sometimes exuberance was overdone but better that than the opposite, as any experienced scientist can testify. The research worker who is convinced ahead of time that experiments will be fruitless seldom is proved wrong in that judgment. It is the optimists who achieve.

In this country optimism was at its peak early during times of great poverty, hardship, and amid unmerciful ravages of disease. But Franklin's optimism was justified by events. Great increases in knowledge and enormous improvements in agriculture, medicine, and technology liberated many humans from much of the drudgery and pain that had previously been their lot. But the behavior of humans is weird and wonderful. Far from feeling gratitude toward benefactors or admiring the great edifice of knowledge that makes their comforts possible, they have now turned sour and their attitudes are reflected by their chosen representatives.

Part of their feeling toward science may be due to another factor. Shortly after World War II, public opinion accorded science a high place in the scheme of things. For nearly 20 years science was exalted in the press, by the public, and by politicians. Expectations were aroused that could not be fulfilled. A swing of the pendulum was inevitable and it has been going on for about 10 years. The public has the impression that scientists, engineers, and physicians are not delivering the perfect performance that should be expected of them. At the same time relatively small side effects of new technology and medicine have appeared. In view of the insatiable need of the mass media for stories, the seriousness of these effects has been greatly exaggerated. The backward swing of the pendulum has also been abetted by some scientists who have been leaders in creating more problems and more pessimism than the facts justified.

Pessimism is a kind of sickness that debilitates the individual and the country. One would not advocate that we become a nation of Panglosses. However, enough of pessimism. It leads nowhere but to paralysis and decay.

U.S. ARMY CONTRACT AWARDS

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. EMERY. Mr. Speaker, in a move which we in the Maine congressional delegation consider to be unfair and not in the best interests of U.S. security, an ugly precedent of exporting American jobs and strategic defense technology to a foreign country, and probably illegal, the U.S. Army has awarded a contract to build tank-mounted 7.62-millimeter machineguns for U.S. tanks to the Belgian firm, Fabrique Nationale. The selection of the Belgian gun is even more inappropriate until the question of whether or not a "deal" was struck between the United States and Belgian officials for the United States to purchase the Belgian-made MAG machinegun in exchange for Belgium and other NATO countries to buy the American-made F–16 fighter plane is cleared up beyond any doubt.

This doubt now hanging over the appropriateness of the U.S. Army contract award is substantial, and is the basis for the following joint resolution passed March 31, 1976, by the house of representatives and the senate of the State of Maine. I include that joint resolution herewith:

State of Maine Joint Resolution Concerning the Decision of the U.S. Department of Defense To Award the Contract for the Manufacture of the M–60 Machine Gun to a Belgian Firm Instead of to the Maremont Corporation of Saco, Maine

Whereas, the largest single employer in York County is the Maremont Corporation of Saco, Maine; and

Whereas, the continued employment of the workers of Maremont is a grave concern to the State of Maine at a time when the state unemployment rate is 10%; and

Whereas, the Department of Defense has now officially declared that a contract to manufacture the M–60 machine gun will not be awarded to the Saco firm but instead will be awarded to a Belgian firm; and

Whereas, the taxpayers of the United States will pay $14,700,000 more to the Belgians for this contract than they would have paid to the Maremont Corporation; and

Whereas, 18,000 Maine citizens have signed petitions protesting the possible loss of the Maremont contract, which protests have been personally delivered to President Gerald Ford; now, therefore, be it

Resolved, That we, the Members of the 107th Legislature in Special Session assembled, do hereby express our consternation and dismay at the decision of the Department of Defense to award the M–60 machine gun contract to a Belgian firm instead of to the Maremont Corporation; and be it further

Resolved, That we urge and request the members of the Maine Congressional Delegation to convey our sentiments to the President and to the Department of Defense and to use every possible means to bring the Department of Defense to a reconsideration of its ill-advised action; and be it further

Resolved, That duly attested copies of this Resolution be immediately transmitted to those Congressional Delegates with our thanks for their prompt attention to this important matter.

THE POSITION OF THE CHURCHES IN URUGUAY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. KOCH. Mr. Speaker, as the repression in Uruguay has intensified, many people there have turned to the Catholic and Protestant churches to voice their abhorrence of the torture and outrages which have become commonplace since the military took power in 1973. A report on the churches and the repression they are experiencing, prepared by Amnesty International, is appended for the information of my colleagues:

The Position of the Churches

The Uruguayan Bishops' Conference in 1969 condemned the use of violence and torture by the police and maintained that stand after the *autogolpe*, reaffirming that "it is not possible to hide death, physical punishment and torture" by the Government. With the growing restrictions in political life, and less participation on the part of political parties, a traditionally established institution such as the Church could become more a vehicle for the expression of opposition views. When important prelates, such as the Archbishop of Montevideo, Monsenor Carlos Partelli, showed an unwillingness to legitimize and cooperate, the military regime attempted to pressure the Church into adopting a docile attitude. General Forteza included the Church in Uruguay as one of the centers that had been subverted by international communism, "whose ruinous, villainous and treasonous actions must be once and forever expurgated. . . . Communism has reached the Church itself, violating in this institution the rights and obligations that the State has granted to the different religion." (La Opinion (Buenos Aires) 9/29/75).

The Protestant Church—which is even weaker than the Catholic Church in Uruguay—has also been a target of Government accusations. The Evangelist publication Mensajero Valdense was closed in December '74.

A similar fate met the Catholic publication Vispera, closed by the Government on April 30, 1975, shortly after its editor, Hector Borrat, had been detained without charge for several days prior to his scheduled attendance of a world assembly of Catholic intellectuals, organized by Pax Romana.

As trade union and student movements became systematically persecuted and more and more bans were placed on political activities, the Church became the sole voice against violations of human rights.

Conscious of their unique role, the Catholic Church prelates have tried to use the Church as a means of mass communication to stress the public condemnation of the flagrant violations of human rights in Uruguay. A recent example was the pastoral letter, signed by the 15 bishops of the Uruguayan Episcopal Conference, which was to be read in all churches on October 12, 1975. The text included an appeal for "the widest possible amnesty" and a "withdrawal from the philosophy of hatred and violence." At the last moment, the Government banned its publication and the Church withdrew the letter from circulation to parishes and media.

The former Auxiliary Bishop of Montevideo, Andres Rubio, summed up the situation as follows: "The Uruguayan police tentatively watches the Catholic Church, controls the material circulated; several parishes and houses of clergymen have been subjected to searches and some priests have been arrested." (Excelsior, Mexico, 6/21/75).

Arrested priests have not been spared the treatment reserved for political prisoners. In 1970, Father Pier Luigi Mugioni, a Jesuit priest, was arrested and severely tortured. He later testified: "They gave me so much picana (electric prod) that when I was transferred to Punta Carretas (the Montevideo prison), I still had the marks." * The report of the World Council of Churches' mission in 1972 mentioned among the prisoners held incommunicado and without trial "three Methodist pastors and many Roman Catholic priests." Many of the thousands of political prisoners currently held in the Uruguayan prisons belong to organizations that have strong Christian traditions, such as Christian Democrats Ruben Laxalde, Victor Cayota, Daniel Sosa Diaz, Miguel Vasello, the representative of the World Student Christian Federation Juan Artola; a former Dominican nun, Maria Teresa Alessandro (accused of having links with the guerrilla movement); members of MAPU (Christian University student movement); Christian trade unionists; and Christian members of the banned Grupos de Accion Unificadora (GAU). Among the imprisoned, there are also a number of young Jews, such as Miguel Volinsky Schwarz and Jorge Mazzarovich.

CONSPIRACY ECONOMICS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SYMMS. Mr. Speaker, we all have a tendency to blame the other guy for problems which fall into our laps. It is especially acceptable to stick the pin in businessmen for the fact that virtually no one's paycheck stretches far enough these days. I ran across some interesting and thoughtful comments the other day in the Freeman of Irvington, N.Y.—an article by Joe Cobb on "Conspiracy Economics"—which I would like to share with my colleagues at this point in the Congressional Record:

Conspiracy Economics

(By Joe Cobb†)

One of the most popular theories in economics is the belief in conspiracy: if you are not getting "your fair share," it must be because somebody is plotting to take it away from you. Since the vast majority of the population almost daily feels the frustration of a budget constraint—not enough cash to spread among food, clothing, recreation, toys, taxes, and so forth—the superficial empirical evidence would seem more than plentiful to "prove" that the fat cats are ripping you off.

Does this seem childish and silly? Unfortunately, any sample of pubic opinion will confirm that most people subscribe to this theory of economics. Consider the powerful groups in our society which trade every day on this theory: (1) consumer groups who blame supermarkets for inflation; (2) labor unions who blame the boss for low wages; (3) students who blame the corporations for making profits; (4) Congressmen and Senators who demand price controls and price rollbacks. Ask any citizen whether or not he believes that the

---

* Former Senator Juan Pablo Terra, Secretary General of the Christian Democratic Party, denounced in Parliament this and many other cases of ill-treatment. He has recently been arrested in Montevideo (November 1975) for interrogation about work he is presently doing with the United Nations. He was released five days after the arrest, but his travel documents were retained, thereby preventing him from attending a world conference of the Christian Democratic Party.

† Joe Cobb of Chicago is Secretary of the Economic Civil Liberties Association.

American economy is "competitive" and you will discover the conspiracy theory.

The scientific study of economics has become a highly technical field, replete with mathematical models, esoteric theorems, and statistical regressions. Popular economics, however, is still in the stone age. Most popular thinking in the field is of the "bricks and mortar" variety. For example, take a walk downtown in any major city. Observe the tall buildings emblazoned with the names of the *Fortune* 500 corporations. The average person will get the impression that tall buildings and giant corporations are the essence of the economic system; and who, indeed, would not feel very small and impotent in the canyons of Manhattan, Chicago, or Los Angeles?

AGGRAVATED BY INFLATION

The feeling of powerlessness which this "bricks and mortar" impression produces is compounded during a time of inflation, when the unit of account is depreciating. Any consumer who goes to the store two days in a row and finds that the price has been changed, that his money is worth less, wants to blame the first human being he sees marking prices. Is it not true that the power to set prices is the power to increase profits? How helpless the poor consumer must feel. How often he must become to arguments based on the conspiracy theory.

Samples of public opinion regarding the level of profits in the American economy reveal the common belief that businessmen make something like 30 to 40 per cent profit. The fact that the actual rate of return on capital is more like 3 to 4 per cent (and this measurement does not include business failures, which Frank Knight once suggested might make the society-wide rate of return *negative*) is almost unknown to the mass of voters. Those who have heard the correct numbers probably don't believe them. After all, conspirators will systematically lie, won't they?

The problem of shallow thinking about economic processes, however, runs much deeper than simple errors in information. The study of economics is the investigation of the indirect consequences of activity. Popular theories almost always rely upon direct action, without giving thought to the indirect effects. Do you see a problem? Solve it! Make the trouble go away! Wave your magic wand. Pass a law. Never mind the fact that the problem is possibly a mirage, and that the law you pass will probably create a real problem in its place. Consider one sophisticated version of the conspiracy theory.

Economic theory tells us that a monopolist may set his price above the "natural market rate" and collect monopoly profits. The theory relies upon an absence of substitutes and alternatives for the buyer. If you accept the conspiracy theory, you can broaden this notion of monopoly to include "concentrated industries"—that is, those industries where the biggest three or four companies sell over 60 per cent of the products. Take a guess about profits in those industries: will they be above average? If you find some that are above average, will they persist above average over a long period of time? Is it true that the Big Three are exploiting a monopoly position, and the poor little consumer is getting robbed?

LOOK AT THE RECORD

Based on a small sample of concentrated industries, Professor Joe S. Bain published an article in 1951 which seemed to support the "market concentration doctrine" that we described above. This article touched off some investigations which, also based on small samples, seemed to confirm the report. And so it became part of the conventional wisdom that Big Business rips you off. What are the facts? In 1971, Professor Yale Brozen published a series of articles in the *Journal of Law and Economics;* his conclusion:

> Persistently high returns do not appear to be characteristic of highstable concentration industries. "High" returns occur in small, specially selected samples of high-stable industries, but not in larger samples. Above average rates of return for both sets of samples, even when insignificantly above the average in the earlier of the comparison periods, converge on the average of all manufacturing industries as time passes.[1]

Of course, there is a movement in Congress to amend the antitrust laws in order to "break up" the concentrated industries.

Consider the public policy implications of a more vigorous and expanded enforcement of the antitrust laws. In the first place, it will probably be entertaining to the public for the government to prosecute a series of "economic conspiracies." The voters will be pleased, because they believe in the conspiracy theory of economics and it might take their minds off the problem of runaway inflation (caused by Congress and the Fed). Yet, consider the longer-run, indirect consequences of more government control. As F. A. Hayek has pointed out, the belief in incorrect economic theories has produced the bulk of "bad" law in the past 100 years. The growth of the administrative State, economic regulations and bureaucracy with wide-ranging authority to collect information and issue commandments, and the belief that we need economic planning by some central agency, are all based on a peculiar theory of economics. Unlike the self-regulating system described by Adam Smith in 1776, which moves towards an equitable distribution of goods and services by indirect effects of trade and profit-seeking, the conspiracy theory of economics assumes that the society is populated by evil spirits which must be consciously fought and regulated in order to stave off disaster and misery.

It will be interesting to see if the careful, empirical research of economists in the tradition of Adams Smith will be able to gather enough information to disprove the conspiracy theories of the populace, or whether the economic magicians who cater to the popular mood will ultimately be awarded control of the economy "to save us from disaster." It will be interesting to see the real causes of disaster.

Economic Civil Liberties Assn., Post Office Box 1776, Chicago, Ill. 60690

The ECLA is a political action committee for the defense of the right to make contracts and to trade freely without price and wage controls, commodity allocations and police-state restrictions on individual economic initiative. We believe the preservation of economic rights is necessary for the preservation of every civil right, including freedom of speech, freedom of religion, and freedom of choice.

If you would like to help with this work please write to us for more information.

CHICAGO HIGH SCHOOL BASKETBALL CHAMPS

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MURPHY of Illinois. Mr. Speaker, I would like to bring to the attention of my colleagues the recent victory of the girls basketball team of Fenger High School in my district. On March 26 the girls brought home the City Basketball Championship Title, winning over Taft High School 45 to 34 in the final competition.

My congratulations go to Sue Franklin, the head coach and Gretchen Koeneman, the assistant coach of the Fenger High School Girls Basketball Team. As a result of their outstanding direction and leadership the team captured the championship.

The members of this "all-star" team are Kim Yates, captain, Debbie Towsel, cocaptain, Arnetta Payne, Veda Sertent, Sandra Towsel, Denise Jones, Juanita Vancy, Kathy Edwards, Marilyn Donley, Coleen McKinney, Pat Jordan, and Phyllis Clark, the manager of the team.

I especially want to congratulate the department chairperson of the physical education department of Fenger High School, Karen Russo, the wife of Marty Russo, my distinguished colleague from Illinois.

Congratulations to all of you for a victory well won. Your community is proud of you.

FEDERAL EMPLOYEES POLITICAL ACTIVITIES ACT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. FORSYTHE. Mr. Speaker, quite frankly, in October when I voted in favor of changing the Hatch Act, I had strong reservations concerning the advisability of removing the legal protections which have served to so effectively insulate Federal employees from being subjected to political pressure. In spite of these reservations, however, I felt that the Hatch Act might well benefit from some revision of the present restrictions on political activity. Accordingly when this measure passed the House, I reluctantly voted in favor of the bill, but only after first trying to tighten up the provisions of the legislation through the amending process.

Let me point out that Government employees presently covered by the Hatch Act are not disenfranchised. Such employees can and do register in the party of their choice and vote. They can express their opinions on all subjects and on candidates either privately or publicly, may use political buttons or bumper stickers to express those opinions, and may make political campaign contributions if they so choose. They can even run in elections, so long as those elections are nonpartisan. But they cannot be subjected to partisan politics, partisan fund solicitations, and partisan pressures of any kind. Such a protection seems especially necessary in view of the all-too-recent revelations of Watergate.

In the case of the present conference report, I do not feel that the changes made in the Hatch Act have actually been made in the right direction.

The final form of the legislation generally exposes Federal employees to pressures to campaign in behalf of partisan political candidates or to otherwise offer support. The changes thus introduced in the Hatch Act would seriously undermine the public's confidence in the neutrality and impartiality of civil servants. Such confidence is necessary for the efficient functioning of the Government.

---

[1] Yale Brozen, "The Persistence of 'High Rates of Return' in High-Stable Concentration Industries," *J. Law & Econ.*, XIV (Oct. 1971), p. 504. See also Brozen's article, "The Antitrust Task Force Deconcentration Recommendation," *J. Law & Econ.*, XIII (Oct. 1970), pp. 279–92, (available as a reprint from the American Enterprise Institute).

Specifically, the conference report makes some unfortunate changes in the versions of the bills passed by the House and Senate which further compound the overall effect of the legislation. The exemptions provided in the conference report for employees in the CIA, the IRS, and the Justice Department in sensitive positions do not really provide protection from political pressure since such exemptions can be reversed. Additionally, the deletion of the House provision requiring civil servants running for political office to take a 90-day leave of absence before election will result in politicalization of the civil service. Political campaigns will be conducted from Government offices.

The mail I have received from residents in my district has been overwhelmingly in opposition to H.R. 8617 and, during the debate on the conference report, several of my colleagues representing districts having a high proportion of Federal employees cited polls which indicate the majority of those employees do not actually want the dubious freedom to be subjected to partisan political pressures. These polls reveal the hesitation of Government employees to give up the protection from possible pressure by supervisory or politically motivated people within the Government in exchange for some additional political participation. Such increased participation might be clearly paid for through increased pressure.

In summary, although I felt that the present Hatch Act could beneficially be reexamined, I voted against the conference report. In spite of assurances to the contrary, I felt that the final form of the legislation went too far in removing restrictions on partisan political activity without providing strong enough safeguards to insure that impartiality, the goal of the civil service, is clearly separate from such partisan activity.

FOOD DAY "DIAL-OGUE"

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. WAMPLER. Mr. Speaker, this is to request that the Congress take note of a most worthwhile endeavor being undertaken in conjunction with National Food Day, April 8.

On that day and the day prior, the Council for Agricultural Science and Technology will conduct a national Food Day "Dial-ogue." This is a communication event through which consumers and students across the Nation will discuss various aspects of food safety and production with university and Government scientists who are experts in these matters.

Some 28 scientists will convene here in Washington, D.C., on April 7 and 8 to accept these consumer and student calls on toll-free telephone lines.

I know that my colleagues in the House of Representatives and the Senate will join me in commending CAST and the scientists who will participate in this event. The discussion of so vital a matter by scientific experts, devoid of the emotionalism and sensationalism which unfortunately has too often characterized the "food issue," will undoubtedly benefit all who participate in it and will benefit the Nation as a whole.

INTRODUCTION OF THE COMPREHENSIVE YOUTH EMPLOYMENT ACT OF 1976

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mrs. CHISHOLM. Mr. Speaker, last week the Department of Labor reported that the Nation's unemployment rate had dropped from 7.6 percent during the month of February to 7.5 percent for the month of March. These figures supposedly represent the fifth consecutive monthly decline in the number of jobless. Those who are aware of the statistical game designed to arrive at such good news realize that a truer unemployment figure would be closer to 10 percent including those Americans who have been classified as part-time and discouraged workers. These persons have been reclassified out of the official count of the jobless. Yet, they remain without jobs.

There is a group of Americans that have suffered even more with proportionately less attention than any of the unemployed being discussed during a general dialog on the job market—young Americans between the ages of 16 and 21. In the 16- to 19-year-old group, approximately 1.7 million young adults are jobless. In the 20- to 24-year-old group, an estimated 1.8 million young adults are jobless.

It is a known fact that the national commitment to finding meaningful employment for youth has been limited to the summer youth employment program. Other efforts have been essentially in the area of education and job training, but have not significantly combined job experience with a meaningful approach to economic assistance.

With fewer heads of households able to assist our youth during this current economic crisis, the need to combine learning with earning is even greater than ever before. It is with an awareness of the devastating impact of being unable to help oneself as well as others that I introduce the Comprehensive Youth Employment Act of 1976.

The purpose of this legislation is to provide employment for our youth through programs designed to assure the availability of meaningful work through part-time projects during the school year and full-time employment in the summer months. Under the school year employment program provided in the bill, work experiences are matched with courses of instruction geared toward completing the student's—or youth's—basic education, where necessary. Beyond the basics, this approach extends to providing institutional training by a public secondary school, vocational school, community college, or community-based organizations with demonstrated effectiveness.

While the primary emphasis of this approach will be geared toward meeting the severe needs of the economically disadvantaged youth between the ages of 14 and 21, this legislation is intended to service all of our Nation's youth.

Designed to be operated by the Secretary of Labor under the Comprehensive Employment and Training Act—CETA—prime sponsorship concept, this legislation requires the submission of a separately identifiable plan from prime sponsors spelling out their school year employment program. With a 50-percent limitation on funds available for prime sponsors projects, there is a built-in assurance that other eligible applicants will have an opportunity to develop programs intended to provide needed community services while creating for youth participatory roles as meaningful members of the community. The bill provides for such services in the area of health care, education, welfare, public safety, crime prevention and control, transportation, recreation, neighborhood improvement, environmental quality, conservation, and rural development.

Under the formula for the allocation of funds for this measure, 50 percent of those funds intended for the school-year program are reserved to reach those youth between the ages of 14 and 18 who leave school prior to the completion of high school. But in order to benefit from these funds, their work experiences would have to be matched with learning as previously stated.

The summer program will come under many of the assurances built into the school year program, where possible. For those not living in urban areas, title III of this bill creates youth conservation programs on a year-round basis for young adults between the ages of 19 and 24. This effort extends the already successful Youth Conservation Corps which presently operates during the summer months providing jobs for young men and women between the ages of 15 and 18. They earn summer wages through performing needed outdoor work on public lands, including soil erosion projects, building trails, bridges and campgrounds to name but a few.

In an effort to reach the most severe economically disadvantaged under this provision, employment preferences are given to youth residing in counties having a rate of unemployment equal to or in excess of 6 percent for 3 consecutive months. While the Secretary of Labor makes such determinations, the programs will be administered by the Secretaries of the Interior and Agriculture as provided for with the existing summer programs.

For several years, the Congress has acknowledged the significance of the need for recreation opportunities and contributed a limited number of dollars for the summer months. It is an established fact that a lack of personal finances hinder many youth in experiencing healthful developmental recreation and that such a lack of opportunity often translates into negative activities. This legislation also creates a year-round recreation support program designed to assist the in-school and summer youth employment programs through implementation grants where possible.

The measure which I propose today does not create additional levels of bureaucracy to absorb dollars needed by youth; it does make use of existing mechanisms with a view toward quick delivery.

I would urge Members of the Congress to take every opportunity to support this much needed legislative effort.

STREATOR DAILY TIMES-PRESS ENDORSES REVENUE SHARING

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. HALL. Mr. Speaker, as a strong advocate of the continuation of revenue sharing, I wish to bring an editorial appearing in the Streator Daily Times-Press endorsing revenue sharing to the attention of our colleagues.

This editorial is especially convincing since the Times-Press, as the editorial states, was a critic of revenue sharing when first introduced. The excellent achievements of revenue sharing have convinced the Times-Press of the soundness of the program. They cite the new city hall and La Salle County jail complex as examples of what revenue sharing has been able to provide in the Streator area.

Mr. Speaker, I commend the Streator Daily Times-Press for this excellent editorial and urge its reading by our colleagues. The editorial follows:

REVENUE SHARING

President Ford has announced a plan whereby it is possible to continue revenue sharing by the federal government with states, counties, townships and cities for another five-year period. Some grumbling will be heard in Congress, but members will not likely dare to veto the White House proposal, for the program has proved of value.

The Times-Press was one of the critics of revenue sharing when the subject was first introduced, contending the federal government could not spare the proposed $5 billion for distribution.

For five years, the program has been in force, with a tremendous acceptance by public officials and the local citizenry, with a tremendous number of essential improvements and needed development made possible through the largesse of the authority at Washington.

Locally, the new city hall is an example of a needed improvement which would not have been possible; for years in the future the old dilapidated building would have had to house local governmental agencies. Final payment of the new structure is depending upon continuation of revenue sharing.

Another improvement, made possible in La Salle County is the new jail complex, and in the offing is a much-needed new court house, dependent upon continuation of receipt of funds from the federal treasury. Without it such a structure is not possible in the foreseeable future.

These are just two of the many, many improvements throughout the country that would not have been possible without the sharing program. Many have been started and will depend upon federal money to be completed.

Though President Ford has been a stickler for a tight budget, he had been impressed that the experience with revenue sharing has proven exceptionally valuable, not only in the improvement achieved, but also for the favorable impact the plan has had on bettering the economy, at a time when it proved beneficial.

When the issue appears on the legislative agenda at Washington, it behooves the public to let Congress know of its attitude.

Revenue sharing has made possible this development, which if dependent on approval of local taxes would not often have been contemplated.

The people have had a taste of revenue sharing. They like it.

THE MISSING LOBBY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. RANGEL. Mr. Speaker, writing as editor-at-large in the April 19 issue of Encore magazine, our distinguished colleague from Michigan, JOHN CONYERS, Jr., has written an excellent article dealing with the subject of gun control.

Representative CONYERS make a very strong case for more effective gun control. I believe some of the more shocking statistics he uses are those comparing the United States to other countries and cities, and those dealing with the alarming number of handgun-related deaths that are "accidents," or occurred only because a handgun was readily available. This and other points made by Mr. CONYERS effectively answer the arguments of those who are against effective gun control measures.

I would like to include Mr. CONYERS excellent article in the RECORD at this time for the benefit of my colleagues. I am hopeful that upon reading this article my colleagues will better understand the situation so that we can get the needed gun control legislation passed. The text of the article follows:

THE MISSING LORRY

(By JOHN CONYERS, Jr.)

The boy was 12. His mother found him face down in the back yard. She thought he had tripped, that something sharp had pierced his eye. A few feet away, in a pile of leaves, was a handgun (one of 40 to 50 million loose in the land . . . a new one sold every 13 seconds).

The revolver, a .38 calibre, was in the house for protection, hidden out of sight, but within easy reach. The boy had no difficulty getting his hands on it. A single bullet ripped through his eye and lodged in his brain. He died on the operating table.

Every year, hundreds of children under 14 suffer the same intolerable fate. Intolerable, because it's so predictable. And this coming year will be no different—unless it's worse. But that isn't all. More than 120 children were murdered during the same period. And in all such cases, a handgun was involved.

And knowing this, to label such misfortunes "tragic accidents" is to understate the value of life and obscure a blatant, brutal, avoidable casualty—the wanton prevalence of handguns in America.

But as enraging as are the statistics linking children and handguns, those involving adults and handguns are 100 times worse. The handgun is the weapon of overwhelming choice when it comes to crimes. It figures in more than 200,000 a year. One out of every 100 deaths in the United States is caused by a firearm. Forty percent of the victims are 19 years old or less. And in most of these deaths, handguns are used.

What this means is that on the average, each day of the year, 33 people die as a result of handgun inflicted wounds. An additional 540 are injured by handgun fire during a 24 hour period—many suffering paralysis, dismemberment, blindness, deafness, crippling for life. That amounts to over 197,000 a year.

But that isn't all. When one takes into account the number of handgun murders, accidents and suicides, it becomes chillingly apparent that the majority of the 20,000 people who die each year from handgun inflicted wounds, die mainly because in a moment of rage, or in the depth of despair, a handgun was within easy reach. They die not at the hands of criminals, or because there is no death penalty for murder, or because the police are inefficient or the courts too lenient. And not because they deserve to die.

The majority of them die because a friend, or spouse, or lover, or relative picked up a handgun and pulled the trigger. It's always the same—swift, cruel, irreversible.

All over America, law-abiding people are turning to handguns as a means of getting through the day. They are convinced that when they arm themselves, they're buying protection. Unfortunately, facts don't support such cherished fantasies. The facts are plain and grim. The family handgun, the one brought home for protection or for sport, is six times more likely to be used to kill a member of the family than against an intruder.

According to FBI reports, most such killings would have ended as nothing more serious than a shouting match or fist fight, except for the presence of a gun. And it is a fact that the majority of such guns are handguns.

What makes this horrendous death rate so unacceptable is that, to a large degree, it's unavoidable. I don't think Americans are more violent than other human beings, it's just that they are more lethal simply because they have such easy access to murderous weapons. Tokyo, a city of 10 million, had 3 handgun murders in 1973. England and Wales, with a combined population of about 50 million, had 35 firearm murders. (There are no figures for handguns alone.) During that same period, the United States had 13,072 gun murders, of which 10,340 were committed with handguns. New York City alone had more than 800 handgun murders in 1973. That is 23 times the gun murders for all of England and Wales, 266 times more than Tokyo's. Our gun homicide is five times that of Canada's, 20 times that of Denmark's, 90 times that of the Netherlands.

Of course, knives can and do kill, as can hammers, shoes, stones, sticks, and stockings—but not with the ease of handguns, and not with such proven certitude. (The chances of surviving a stabbing are five times greater than surviving a shooting.)

Pulling a trigger is easy. There is no need to get close. Nor is a violent nature or a special skill a necessity. In one macabre case a 2-year-old playfully shot his father dead and seriously wounded his mother. He just reached into a drawer, got hold of the handgun (kept for protection) and fired it without even aiming.

Guns are just too easily used. During recent hearings before the House Judiciary Subcommittee on Crime, Dr. Stefan A. Pasternack of Georgetown University School of Medicine, an expert in this field, said: "You can't protect yourself. Even if you hire a bodyguard, someone can get at you. A gun allows someone who lacks the strength himself, to kill. There is also a dehumanizing factor here, because one needn't observe the victim's pain; there is no contact. There is no time for mercy.

"Why do people buy guns, what is in it for them? Different types of men buy different guns. The hunter uses a long gun. He is a different type of man than the man who buys a handgun for the hell of it. I'm not quarreling with the long guns and hunters. Those are legitimate human pursuits. But I am quarreling with people who buy guns to have them around, who rationalize their purposes with utilitarian explanations.

"One of the most unfortunate instances in which people buy guns is an illusion of household defense. The facts exposed the fallacy of such thinking. Studies for the National Commission of Violence again show that far more homeowners are killed in gun accidents than are killed by burglars. Further, experiences of armed citizens reveal that they are usually taken by surprise and are unable to get to their weapons. He who draws a gun on a man already holding one is likely to die. The street term is 'bucking'."

The bill, H.R. 7980, was drafted to curb the senseless human destruction for which the handgun is so often used. I introduced it before the House Judiciary Subcommittee on Crime last year. Our hearings lasted eight months, and included the testimony of hundreds of witnesses, experts on firearms, law-enforcement, crime, psychiatry, violence. We had all the necessary data, all the significant facts. One expert pointed out, "the finger pulls the trigger . . . but the trigger may also pull the finger."

I think he erred on the side of caution. "May" is too mild a word in this context. I think in moments of rage, the trigger takes on the power of an irresistible magnet, and pulls the finger. To indict the person and absolve the weapon of choice is to miss an obvious opportunity to remedy what all reasonable people abhor.

In the past 10 years, handgun homicides in the United States have more than quadrupled. If the present rate continues, more Americans will be shot dead with handguns here at home during the next four years, than were lost to the Vietnam war during the 12 years from 1961–1973.

Until 1967, the Detroit homicide rate, for example, was less than 100. Then came the riots and the tension in my home town. What followed was a rush of people arming themselves against each other, an example of the domestic arms race which has beset us like some medieval plague. Handgun sales tripled, and the result is as obvious as it is devastating. The Detroit homicide rate increased sevenfold in seven years.

It was unlikely that the human nature of Detroiters changed so drastically in those short years. There was no sudden influx of criminals. Those who killed and were killed remained basically the same people who were always involved in homicides—the vast majority were law-abiding until they pulled the trigger. They just exploded during the course of arguments, the way people often do. But now there was an added element. Because more handguns were around, there were more corpses as well.

H.R. 7980 won't save everyone. But it was worded to save many. The bill justified itself by the inescapable fact that handguns are proliferating, and that handgun homicides are increasing apace, criminally and accidentally. The only way to curb such violence is to curb the access to handguns.

To be sure, it is what is called a "ban" bill. Anything else, to my mind, is off target. But it was full of justified exemptions. It's aim was to limit handguns only for the general public. It exempted all agencies and departments of the government, all state, municipal and other political subdivisions. It even exempted private security guards who worked for licensed organizations. Exempt, too, were licensed pistol clubs and all handguns manufactured prior to the year 1890.

In short, it didn't interfere with bonafide sportsmen, antique gun collectors, etc. Valid needs were protected; invalid ones banned. But not without insuring that all property would be compensated for by just and proper compensation so as not to violate the Constitution. Also, it provided penalties which ran as high as $5,000 and/or five years imprisonment for violations.

As far as I was concerned, the 1968 Firearms Act was so full of loopholes as to be useless. The years since its passage had proven that.

Writing H.R. 7980 was easy. But presenting it for consideration took some doing. The arguments against even bringing the bill to a vote in the subcommittee were long, forceful and almost overwhelming. When it did come up for a vote in the subcommittee, the vote in the end was one aye and six noes—one of them by proxy. What was missing was Americans voting "aye" by proxy. Being for gun control just isn't enough. Conviction without action leaves a vacuum. That vacuum is now being occupied by the gun lobby. The sad fact is that those opposed to gun control are in the minority, but their proxy is as potent as it is firm. It was voted in that committee room without even being mentioned or recorded.

When the bill which eventually left that subcommittee was considered in the full House Judiciary Committee, an amendment (to strengthen it) was passed to ban all handguns, except for those used by law enforcement authorities and certified pistol clubs. But the gun lobby again marshalled its forces and eventually succeeded in reversing the vote, 17–16, with the majority recommitting the bill back to committee. It was clear that no ban bill was going to suit them, whatever weakening amendments were added or however the language was worded.

On this issue, as on so many others, those with progressive ideas are the least organized. Meaningful gun control is not unthinkable. And the impact of such legislation on gun crimes will be a significant beginning on the path of deescalating the domestic arms race. The manufacture, sale and possession of handguns for civilians can be outlawed, can be controlled.

Such legislation can be passed and efficiently policed. It exists in other lands and is enforced. But to expect meaningful action from the White House or from Congress without a broadly based organization to lobby and struggle in its behalf is to be out of touch with reality.

Until public outrage transforms itself into an organized movement and begins to pressure for what it wants, until those who favor gun control make it a serious priority at the polls, the race between violence and gun control will be a race between a bullet and a snail. Those in power have to be prodded and pushed in the proper direction or they don't move at all. And for many there's no reason to move, considering the risks involved, considering the proven strength of the organized opposition to gun control. Elected officials who take strong anti-gun stands are often vilified, undermined viciously, campaigned against and frequently defeated by the gun lobby.

What is crucial to realize is that halfway measuers are not enough, that virtually the complete elimination of access to handguns by civilians will have to occur before a substantial change occurs. Nothing but a drastic reduction of such weapons will keep handguns out of the hands of criminals and children, and out of the hands of honest citizens who use them against those closest to them.

In this area as in many others, we are obligated to redress the imbalance between what is profitable for some, and harmful for the rest of us. The gun business is a billion dollar business, powerful enough to perpetuate itself against our will. It won't be an easy struggle. But that doesn't make it hopeless, or less pressing.

Perhaps when we no longer fear one another we will get down to tackling the more complex issues—poverty, racism, sexism. I see signs of change. Less of us are willing to tolerate either violence at home or abroad. Sooner than the opposition believes, that chorus of ayes will be forthcoming, and I think the National Rifle Association does, too. But in the meantime, if you don't own a handgun, don't buy one. If you own one, get rid of it before it gets rid of someone you love.

You don't have to wait for legislation to do that.

TIMBER MISMANAGEMENT NEED NOT BE THE NORM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BROWN of California. Mr. Speaker, I am sure that most of my distinguished colleagues are now aware of the growing debate within both bodies of Congress regarding national forest management. The major point of conflict seems to be whether there is a need for legislating stronger, more specific guidelines which will curb the abuses brought on by careless timber harvesting, undefined or unclear rules to protect our streams and rivers from pollution, et cetera. Though I can very well understand the concern on the part of the Forest Service that Congress will go too far in restricting the necessary freedom to judge particular situations without too many hampering limitations in the law, I deeply feel that something must be done, and done quickly, to prevent the widespread misinterpretation or misapplication of present guidelines. Our public forests can produce timber, and produce it effectively, without the increasing erosion, destruction of wildlife, and pollution of our waters. Present guidelines set down in the Multiple Use and Sustained Yield Act of 1960 were supposed to accomplish this, but they have, obviously, not been enough.

The following two articles, published in the Los Angeles Times on August 24, 1975, point out, first, what types of forest abuse are a constant sight in California, and, more importantly, how easily such erosion and pollution problems can be eliminated and are being eliminated by good forest management practices by certain logging companies.

I earnestly ask my fellow colleagues to read these two articles for they contain a good deal of insight and information on our forests and their treatment:

OFFICIALS QUESTION VALUE OF 1973 REFORM PROGRAM

(By Robert A. Jones)

Two years after this state's attempt to tighten its controls ever the timber industry, damaging logging practices continue to ravage California's forests. Watersheds have been severely polluted, fish have been driven from wildernes streams, and hillsides throughout North California have been stripped of their nutritive soils.

The damage, which has been termed by several enforcement officials as "severe" and "widespread," has hit hardest in the state's north coastal region, which contains most of California's remaining old growth timber.

Along the North Coast, timber operators are currently logging some of the state's last and most inaccessible stands of virgin redwood and Douglas fir. Often located on extremely steep slopes and growing from easily eroded soils, thousands of acres of the old trees have been brought down but not without great cost to the land that held them for so long.

Two years ago the state's new Forest Practices Act was widely believed to have put an end to the worst abuses of such logging operations. Praised as a victory for environmentalists, the new law represented California's first attempt since World War II to revise its logging standards on the state's 8 million acres of private timberlands.

The act established a nine-member state board to oversee regulation of the state's $1 billion-a-year inquiry and directed the board to develop new environmental safeguards.

Some enforcement officials, chiefly those connected with the state's water quality and fish and game agencies, now believe the program has failed to fulfill its promise. Rather than control the timber industry, they say, the program thus far has served as a virtual license for loggers to continue past abuses.

They stress that not every timber operator nor each logging operation has harmed the land as it was harvested. But, according to interviews with field inspectors from regional water quality control boards and the State Fish and Game Department, and from reports by Division of Forestry officials, environmental damage has continued unabated since the program began.

In some cases, stream beds next to logging operations have been mutilated by heavy equipment, and streams themselves polluted with debris, heavy sedimentation and toxic materials seeping from logging waste.

In other cases, trout, steelhead and salmon streams have been stripped of their tree canopies, causing water temperatures to rise beyond levels tolerable to most game fish. The use of herbicides and poisonous seed stock has, according to state fish and game officials, depleted the variety of wildlife on commercial timberlands.

And large-scale clear-cutting, sometimes leveling hundreds of acres in a single operation, has led to severe soil erosion in some areas and, according to several federal studies, encouraged slope failures or landslides of steep hillsides.

Though most of these problems exist throughout the North Coast region, the most intensive scrutiny in the last several years has been given to the 180,000 acres of the Redwood Creek drainage surrounding the southern end of Redwood National Park.

Because of their proximity to the park, logging operations there have been examined by a series of federally sponsored studies since 1969 to determine their influence on the park itself.

The region today roughly resembles a man's head tonsured into a Mohawk haircut, with the green strip of the park's southern end, known locally as the "worm," running through a vast area of denuded hills.

One report by National Park Service surveyors David Rogers and Ted Hatzimolis described the effect of the logging thus:

"Redwood Creek is (no longer) suitable as a trout stream. Steelhead production is severely limited, and salmon production is reduced. The upper 10 miles is choked with logging debris, collapsed bridges and sediment. In the remainder of the stream alluvial deposits up to 30 feet deep were observed. All but 5% of the original stream bank is buried (by eroded sediment). About 60% of the adjacent slopes are unstable or sliding. Approximately 80% of the immediate watershed has been logged in a manner detrimental to the stream."

Like much of the north coast region, the hillsides of Redwood Creek and its tributaries are very steep, some so precipitous that a man cannot walk up them. Their high erosion potential—which in many cases is rated "extreme" by the California Division of Forestry—is increased by the predominance in the region of soils particularly prone to landslides.

On such rugged terrain lies some of the most valuable timber in the world. The North Coast of California is one of the few remaining regions in the nation with untouched stands of virgin timber, and it is the only region which grows the coastal redwood.

While stands of old-growth Douglas fir in the North Coast are also valuable, the old redwood is nearly precious. It produces lumber that is almost perfect in its uniformity, unflawed by knots or streaks of white, as is often the case with younger trees.

As such old-growth stands have become increasingly rare, their value has risen proportionally. Today, just one old tree, eight feet in diameter and 300 feet tall, can produce as much as $25,000 in lumber. A grove of such trees can be worth millions.

Economically, the pressure to harvest such trees has become nearly irresistible for timber companies. Not only are profits high, the harvest of old-growth can also reduce a company's taxes substantially. In most California counties, the value of commercial timber is added to property tax rolls as an "ad valorem" tax. Only when the timber is harvested are the taxes reduced.

Throughout Redwood Creek basin and along most of the North Coast, timber companies in recent years have almost exclusively adopted the harvest method called "clear-cutting," a self-descriptive term meaning that all trees are cut from a block of land.

Representatives of the three companies that dominate logging near the park—Simpson Timber Co., Arcata National Corp. and Louisiana-Pacific Corp.—maintain that clear-cutting has not harmed the land or waterways of the region.

The removal of all trees allows increased sunlight to speed the growth of seedlings, industry foresters say, and the high degree of "disturbance" of soil encourages germination of seeds.

"If you cut down only half the trees," says Simpson's manager Henry K. Trobitz, "it means you tear up the soil once and then come back in five years to tear it up again when you get the other half. With clear-cutting you get it all at once, and leave it alone for 50 years."

Shortly after an area has been clear-cut, Trobitz says, it looks "something like a garden."

While Trobitz and others concede that the hills of Redwood Creek Basin have eroded badly over the last few years, they maintain that natural forces, not clear-cutting, has been the cause.

"If you do it right a clear-cut doesn't cause erosion any more than harvesting carrots or tomatoes from a farm," says John Callaghan, executive vice president of the California Forest Protective Assn.

The great weight of evidence from government and university-sponsored studies suggests, however, that clear-cutting has not been done right in the Redwood Creek Basin.

Both in terms of the size of clear-cuts themselves and techniques used to harvest timber, logging operators in the basin have consistently violated standards established by the U.S. Forest Service.

A year ago, the Forest Service recommended to the California Division of Forestry that clear-cuts in areas with high erosion hazard be limited to 25 acres in size. In areas of extreme erosion hazard—a category that covers large segments of the basin and other parts of the North Coast—the size recommended was 15 acres.

To underscore the erosion potential of steep hillsides, the Forest Service wrote "A twofold increase in slope will double the flow of velocity which, in turn, will increase the down-cutting power of the flowing water by four times. It is important to remember these facts." Nonetheless, clear-cuts in the Redwood Creek Basin have continued to exceed the Forest Service standards, occasionally reaching sizes five or six times those recommended. Occasionally many such cuts have been joined together without buffers to form denuded areas covering thousands of acres.

Similarly, logging operators have continued to use bulldozers to drag fallen trees off steep hillsides in spite of overwhelming evidence that such practices later cause the hills to wash away.

One study by the U.S. Environmental Protection Agency has shown that such use of bulldozers, called "tractor yarding," causes twice the soil erosion of the faster but more expensive cable yarding systems in which logs are pulled up hillsides with cranelike machines.

According to the EPA study, the crude trails left by the bulldozers gouge and loosen the soil, and, since they usually converge at one loading point, the "skid trails" tend to funnel runoff onto one section of the slope, dramatically increasing the erosive power.

The end result of such logging can now be seen on the hillsides over Bridge Creek, whose lower end flows into the national park.

The winter rains have left some logging roads and torn through others, taking tons of topsoil with them. Along the clear-cut, dozens of landslides can be seen washing into streams or leaving huge gouges in the once-smooth slopes.

From above, the creek bed itself is so clogged with debris as to be rendered invisible and at its mouth a huge logjam now blocks the passage to the upstream side.

Dr. David Joseph, executive officer of the North Coast Regional Water Quality Control Board, has described the Bridge Creek watershed as "looking like something out of World War I."

Preliminary findings of a survey in the Redwood Creek drainage by the U.S. Geological Survey showed that at peak runoff, creeks beneath clear-cut areas carry a sediment load four to five times greater than those in undisturbed areas.

"The basic fact is that present harvesting techniques—clear-cutting with tractor yarding—produce a greater amount of ground surface disturbance and destruction of vegetative cover than any other combination of practices heretofore employed or envisioned," concluded one study of the region by the National Park Service.

While noting that some landslides and hillside erosion are natural to the region, the study, by the National Park Service's Richard C. Curry, called man-induced disturbances "the greatest threat to the park."

It warned that two major elements of the park—stream systems and the redwoods themselves—are "presently endangered" by logging practices.

Located downstream of the commercial timber areas, the park eventually collects much of the sediment washed from the hills. As Redwood Creek flattens, the material is deposited in the stream bed and forces the creek to "deflect" or wash against long-established banks.

"The deflection of the current causes undercutting of banks. This can cause streamside redwoods to topple and erode the toes of stabilized slides thereby reactivating them and triggering feedback mechanisms that perpetuate the destruction downstream," the Curry report noted.

The Tall Trees Grove, containing the tallest tree in the world, is located on one such streamside bank. "It is possible that the creek could cut into that bank. Outside of artificial reinforcement, not much could be done to save the grove if that happened," said George Von der Lippe, superintendent of the park.

Already, the Curry report noted, thick deposits of gravel, some seven feet deep, have accumulated around healthy trees, a development that could cripple them in coming years.

Last month, in a suit brought by the Sierra Club, a federal district court in San Francisco held that the National Park Service had "failed, refused and neglected to fulfill its legal obligation to protect the park from the effects of logging."

Although a year ago the park service did persuade the three timber companies to temper their activities voluntarily in the immediate vicinity of the park, U.S. Dist. Judge William T. Sweigert ordered the government to take more binding action by Dec. 15, 1975.

In one sense the ruling was ironic, for though the federal government has some powers to control logging in the basin, the primary responsibility has always belonged to California.

And though the state was not named in the Sierra Club suit, the case of Redwood Creek Basin is an almost textbook example of California's continuing difficulty in controlling the effects of logging operations.

Throughout the North Coast region a pattern of parallel situations can be found. Over the last two years, investigators at Santa Rosa's Regional Water Quality Control Board have compiled case histories of logging operations similar to those of the basin.

In some instance, the case histories show, bulldozers have used streams as "skid trails," dragging trees through the stream bed to loading sites.

In other waterways used for drinking water have been so filled with sediments as to render them unusable.

Regularly, perennial streams have been clogged with slash and debris, the streamsides denuded of vegetive cover and fish populations driven out.

Dr. David Joseph, executive officer of the water quality board, calls the record "gruesome, horrible."

Over the last two years, the Santa Rosa staff has brought administrative actions against about 100 logging operations along the North Coast, with 15 additional actions being brought by the board itself.

One of the most recent such actions was taken against Simpson Timber Co. for its logging operations on three watersheds in Humboldt County. Harvesting virgin redwood from the extremely steep slopes of Metiah, Tarup and Ah Pah creeks, the company, according to inspection reports, allowed the creeks to fill with logs, slash and debris.

In an internal memorandum, one forestry inspector remarked of Mettah Creek, "I have been trying to get Simpson to improve their protection of this creek (for a month). They are unwilling to make any significant change in their operation."

Pictures of the logging operation show a tangle of logs filling the creek bed, the banks stripped of all vegetation, and piles of sediment either half-washed into the creek itself or poised on the bare hillside, waiting for the first rain.

Shortly after Simpson refused to cooperate in a voluntary program, the Water Quality Board ordered the company to abate its practices and begin a cleanup period. This month, the Division of Forestry followed with a civil action against Simpson.

Still, Joseph said the protection of streams remains inadequate. The water quality staff can do little, he says, but force cleanups of streams after they have been mutilated or polluted.

"There's no way to repair most of the damage, and we have little or no power to stop a company from ruining a stream beforehand, even though we know what is about to happen," Joseph said.

In Sacramento, officials of the Brown Administration maintain that the timber industry is slowly but surely coming under control. If so, it is coming after a year of confusion and indirection over logging regulation that has yet to end.

In January, the industry was thrown into a furore when a Mendocino County superior court ruled that the conservation provisions of the Forest Practices Act did not exempt logging operators from separate requirements of the California Environmental Quality Act. Conformance with the act would have required loggers to file environmental impact reports (EIRs) for each of the about 2,500 timber harvest plans submitted each year.

The Brown Administration first tried a streamlined "equivalent" to the EIR and then, after its authority to do so was questioned by industry and the Legislature, agreed to legislation exempting logging operators from EIRs until Jan. 1, 1976.

Meanwhile, under prodding from Resources Agency Secretary Claire Dedrick, the state Board of Forestry has strengthened somewhat the original regulations established under the Forest Practices Act.

Clear-cutting which previously had no size limitations in the North Coast region, will soon be restricted to 80 acres with further reductions to 40 acres in areas of extreme erosion-hazard.

While the board established more stringent stream protection for other regions in the state, however, the North Coast rules went unchanged, largely because of resistance by industry representatives on the board.

Under present rules, loggers must leave all broadleaf hardwoods within 50 feet of perennial streams, a provision usually rendered worthless since in oldgrove forests there are often no hardwoods growing along stream banks.

The deficiencies in rules established by the board have been blamed, in fact, for much of the system's dismal environmental record since its passage in 1973.

"In the past the state foresters have had damned little discretion to practice good forestry," says Mrs. Dedrick.

The section on stream protection, for example, forbids "unreasonable" gouging or cutting of stream banks and directs that streams themselves be kept "substantially" free of slash, debris and other material. If "accidental" deposition of debris occurs, it must be removed "as soon as possible."

"What do those words means? How much is 'unreasonable?' How can it be determined if slash was dumped 'accidentally?' asked Lawrence Richey, the state's acting forester.

Nonetheless, in past months the Division of Forestry has found itself involved in a growing rift with two other state agencies over enforcement of existing regulations.

Inspectors from the other agencies—the Regional Water Quality Control Board for the North Coast and the state Fish and Game Department—say they have consistently been forced to take the initiative in prosecuting even the grossest abuses of existing regulations.

Since the first of this year, representatives of the two agencies have filed 12 official objections to logging permits issued by the Forestry Division's Santa Rosa office.

In each case, the agencies' inspectors say, the objections were filed because logging plans indicated the operations would have harmful effects on stream quality or wildlife habitat.

While the number of forestry inspectors has increased from four to 26 over the last two years, the total of inspectors from the other two agencies only recently was raised to five.

Nevertheless, according to records from the three offices, the Forestry Division in the North Coast has rarely prosecuted operations not already acted upon by one of the other two agencies.

Fish and game inspectors have also been critical of the Forestry Division's reluctance to press for control over new industry practices, primarily the use of herbicides that may threaten the variety of wildlife.

Over the last several years large sections of commercial timberland have been sprayed with chemical defoliants, chiefly the herbicides known as 2, 4,5-T and 2, 4-D in an effort to reduce the competition to commercial species by other forest vegetation.

The herbicides kill or retard the growth of hardwood and brush, industry foresters say, but have little effect on commercial softwoods, thus assuring their dominance in the forest.

The use of endrin-coated seed stock has also come into practice throughout the North Coast region. Endrin, an extremely poisonous pesticide, is used by industry foresters to reduce rodent populations.

Although the Fish and Game Department has not publicly criticized these practices, department inspectors privately have expressed the belief that wildlife population has been adversely affected because of them.

One such area is the Wildcat Creek watershed in Mendocino County, where about 2,300 acres of forest was treated with a mixture of 2, 4, 5-T and 2, 4-D by Georgia-Pacific Corp.

On a recent tour of the area, two fish and game inspectors found what they regarded as a severe decline in evidence of wildlife in the area.

Though the tour was not a scientific survey, they say, the apparent decline in the wildlife population closely followed the herbicide treatment, which killed vegetation upon which many wildlife species depend for food.

Industry representatives defend the large-scale use of pesticides on economic grounds in forests managed for timber growth, not wildlife preservation.

"We simply do not feel that timber owners have the obligation to provide room and board for wildlife," said John Callaghan, executive vice president of the California Forest Protective Assn.

Forestry Division officials say they have not pushed for control of chemical poisons used by the timber industries in large part because such use is already regulated through the State Department of Agriculture.

"It's fine for Fish and Game or Water Quality to say stop the loggers here, stop the loggers there," said Richey, the state acting forester. "But it's this department that will ultimately take the heat. We're caught between the conservationists and the timber industries and getting it from both sides. There's no way to make everyone happy."

Meanwhile, ultimate regulation of the industry remains in doubt. With five months to go before the industry's temporary exemption from the California Environmental Quality Act expires, the Legislature has begun consideration of two measures that would extend the exemption for varying lengths of time.

A two-year extension, sponsored by Sen. John Nejedly, (R-Contra Costa), would eliminate Environmental Impact Reports but it would put strong environmental safeguards into the logging permit system.

Assemblyman Edwin Z'berg (D-Sacramento) has proposed a permanent exemption, far weaker in its environmental safeguards, that would also limit state foresters to enforcing only regulations passed by the Board of Forestry.

At present, according to a ruling by the attorney general, the Division of Forestry is obligated to enforce the intent of the Forest Practices Act as well as board regulations, a ruling which gives the office far broader powers.

Both the Brown Administration and conservation organizations have opposed the Z'berg bill and its progress, for the moment, appears to have been stalled in the Legislature.

The Nejedly measure has passed the Senate but now stands a far tougher test in the Assembly. The industry has opposed the bill, arguing that it would allow endless bickering over individual plans and create much the same problems as Environmental Impact Reports.

"The truth, and all loggers know it, is that you can't cut down timber without adverse effects on the environment," said Callaghan of the California Forest Protective Assn. "That's not the question. The question, the one that has not been answered, is how much damage will be allowed by whom, and for how long."

Some Companies Preserve the Hillsides

Big Creek Lumber Co. more or less hugs the shoreline a few miles north of Santa Cruz, its presence from the highway noted only by a large wooden sign.

Like the giant timber firms along the North Coast, Big Creek Lumber is in the business of logging redwood and Douglas fir. But the resemblance ends there.

In the forests of Santa Cruz County, blocks of land logged by Big Creek in the past year now seem almost garden-like compared to those of many operations in the north. There are no washed-out roads, the hillsides are not sliding into creek beds and streams themselves still run clear.

For 28 years Frank and H. T. (Bud) McCrary have owned and operated Big Creek Lumber Co. here, processing about 15 million board feet per year. A small but profitable firm, Big Creek's operations demonstrate almost daily that logging need not destroy the land.

Circling above one recently harvested stand in a light airplane, Bud McCrary motioned to the pattern of felled trees as they lay on the ground. A canopy of trees had been left standing along larger streams and none of the logged redwoods had been felled into creeks themselves, few of the fallen trees, in fact, had even brushed against the trees left standing.

"Any logger can do that if he makes the effort," said McCrary. "To claim otherwise is nonsense."

McCrary's concern for protection of the land is not entirely self-inspired. Since 1971 Santa Cruz County, along with San Mateo, Santa Clara and Marin have imposed logging regulations far tougher than those of the state Board of Forestry. The standards here, widely regarded as the strongest in the nation, would have prevented many of the abuses that have become practice along the North Coast.

Previously, logging had become a nearly all-consuming environmental issue before the Santa Cruz Board of Supervisors; individual plans were fought over for months. But now, according to one supervisor, the issue has been "defused," and is rarely heard before county agencies.

One prominent conservationist, in fact, recently raised the issue of whether various agencies were now wasting taxpayers' money through overregulation.

During the logging of one stand in recent months by Big Creek, for example, the operation was watched by two inspectors from the California Division of Forestry, one from the county's watershed management program, one from the regional Water Quality Control Board, one from the state Fish and Game Department, and another from the county forester's office. "The inspection traffic got a bit thick at times," McCrary said.

Northern logging firms usually scoff at the experience of the more southerly counties, maintaining that many of the regulations, such as a prohibition on clear-cutting, may be feasible in second-growth stands but not in the old growth of the north.

The experience of one of the largest of the northern firms suggests, however, that many such techniques could be used profitably. Pacific Lumber Co. of Scotia has never adopted clear-cutting, preferring instead a selective cut in which about half the trees are left standing.

With 170,000 acres of redwood and Douglas fir, the 103-year-old firm owns some of the largest stands of old-growth timber.

By thinning some stands each year, company foresters say they accelerate the growth of remaining trees by giving them more space and sunlight. At the same time the remaining trees hold the soil, reducing erosion.

"Clear-cutting is the cheapest method, by far, in the beginning," says Jim Greig, a consulting forester in Santa Cruz. "But if you are taking the long view, selective cutting will eventually return the highest yields. Unfortunately, most of the large companies are not taking the long view."

One usually overlooked advantage of preserving old-growth redwood, Greig says, is its future value. "It produces a clear, beautiful wood that you can't get from younger trees," Greig says. "And its value is going to accelerate incredibly as it becomes more scarce. The man who saves a little of his stand now may find he can name his price a decade from now."

DAVID CLAY: "DARED TO BECOME INVOLVED"

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. HAYES of Indiana. Mr. Speaker, David Clay of Gary, Ind., would be alive today if he had not attempted to break up a recent armed robbery.

Mr. Clay, the brother of Indiana State Senator Rudolph Clay, was killed as he tried to defend a business owner from the threats of several gunmen.

Just 3 weeks before his death, Mr. Clay had acted as a Good Samaritan by apprehending two young men who had snatched a woman's purse.

For his courageous effort to stop the armed robbery, he has been given posthumously an "Outstanding Gary Citizen" award by People's Action Coalition and Trust—PACT—a Gary community service organization.

The organization commended him for "daring to become involved, to stand up in the face of wrongdoing—despite the threat of danger."

The Gary community and those of us who personally know Senator Clay were deeply saddened by this loss.

SOLZHENITSYN'S WARNING

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. LAGOMARSINO. Mr. Speaker, last summer, Alexandr Solzhenitsyn in a speech to the AFL–CIO in Washington sounded a passionate warning: He said freedom was in retreat all over the world; détente was turning out to be a policy of surrender; the West must make a firm stand against Communist tolitarianism.

Solzhenitsyn, now living in Switzerland, has delivered the same kind of warning to Britain in a televised interview and radio lecture.

Mr. Solzhenitsyn makes a telling point in describing the double standard attitude of the West toward tyranny:

Solzhenitsyn's Warning

It is with a strange feeling that those of us who come from the Soviet Union look upon the West of today. It is as though we were neither neighbors on the same planet nor contemporaries—and yet we contemplate the West from what will be *your* future, or look back 70 years to see our past suddenly repeating itself. And what we see is always the same: adults deferring to the opinion of their children; the younger generation carried away by shallow, worthless ideas; professors scared of being unfashionable; journalists refusing to take responsibility for the words they squander so profusely; universal sympathy for revolutionary extremists; people with serious objections unable or unwilling to voice them; the majority passively obsessed by a feeling of doom; feeble governments; societies whose defensive reactions have become paralyzed; spiritual confusion leading to political upheaval. What will happen as a result of all this lies ahead of us. But the time is near, and from bitter memory we can easily predict what these events will be.

Twice we helped save the freedom of Western Europe. And twice you repaid us by abandoning us to our slavery. It is clear what you wanted. Once again you wanted to extricate yourself as quickly as possible from this terrible war, you wanted to rest, you wanted to prosper.

But there was a price to pay. And the noble philosophy of pragmatism laid down that once again you should close your eyes to a great many things: to the deportation of whole nations to Siberia; to Katyn; to Warsaw—in that same country for whose sake the war had started; you should forget Estonia, Latvia and Lithuania; you should hand over six more of your European sisters into slavery and allow a seventh to be cut in two; at Nuremberg you should sit amicably side by side with judges who were every bit as much murderers as those on trial and never let this disturb your British sense of justice.

Whenever a new tyranny came into existence, however far away—in China, say, or Laos—Britain was always the first to recognize it, eagerly pushing aside all competitors for the honor.

All this required great moral fortitude—and your society was not found lacking. All one had to do was to repeat again and again the magic formula: "The dawn of a new era." You whispered it. You shouted it. And when you grew sick of it and decided to reaffirm your valor in the eyes of the world and recover your self-respect, then your country manifested incomparable daring—against Iceland, Spain, countries which could not even answer you back.

Tank columns in East Berlin, Budapest and Prague declared that they were there "by the will of the people," but not once did the British government recall its ambassadors in protest from any of these places. In Southeast Asia unknown numbers of prisoners have been killed and are still being killed in secret; yet the British ambassadors have not been recalled. Every day in the Soviet Union psychiatrists murder people with their hypodermic syringes merely because they do not think along accepted lines or because they believe in God—and again the British ambassador is never recalled.

But when five terrorists—who had actually committed murder—were executed in Madrid, then the British ambassador *was* recalled and the din reverberated throughout the world. What a hurricane burst forth from the British Isles! You have to know how to protest. It's got to be done with a great deal of anger—but only so long as it does not run counter to the spirit of the age and presents no danger to the authorities of those protesting. If only you could make use of your British skepticism for a moment—it can't have deserted you entirely—and put yourselves in the position of the oppressed peoples of Eastern Europe—then you can view your unseemly behavior through our eyes! The prime minister of Spain was murdered and all cultured Europe was delighted. Some Spanish policemen, even some Spanish hairdressers, were murdered—and the countries of Europe went wild with joy, as if their own police were insured against the Terrorist International.

Meanwhile the crevasse grows ever wider, spread across the globe, shifts into other continents. The most populous country in the world has plunged headlong into it. So, too, have a dozen others. So, too, have numerous defenseless tribes—Kurds, Northern Abyssinians, Somalis, Angolans—without the British with their great tradition of freedom showing the slightest anxiety over such petty matters. Even today you are lulled into thinking that these fine islands of yours will never be split in two by that crevasse, will never be blown sky-high. And yet the abyss is already there, beneath your very feet.

Every year several more countries are seized and taken over as bridgeheads for the coming world war, and the whole world stands by and does nothing.

Even the oceans are being taken over—and need one tell you British what that means or what the seas will be used for? And what of Europe today? It is nothing more than a collection of cardboard stage sets, all bargaining with each other to see how little can be spent on defense so as to leave more for the comforts of life. The continent of Europe, with its centuries-long preparation for the task of leading mankind, has of its own accord abandoned its strength and its influence on world affairs—and not just its physical influence but its intellectual influence as well.

Modern society is hypnotized by socialism. It is prevented by socialism from seeing the mortal dangers it is in. And one of the greatest dangers of all is that you have lost all sense of danger, you cannot even see where it's coming from as it moves swiftly towards you.

You imagine you see danger in other parts of the globe and hurl the arrows from your depleted quiver there. But the greatest danger of all is that you have lost the will to defend yourselves.

We, the oppressed people of Russia, the oppressed peoples of Eastern Europe, watch with anguish the tragic enfeeblement of Europe. We offer you the experience of our suffering; we would like you to accept it without having to pay the monstrous price of death and slavery that we have paid.

But your society refuses to heed our warning voices. I suppose we must admit, sad though it is, that experience cannot be transmitted: everyone must experience everything for himself.

Of course, it's not just a question of Britain; it's not just a question of the West—it concerns all of us, in the East as as well as in the West. We are all, each in his own way, bound together by a common fate, by the same bands of iron. And all of us are standing on the brink of a great historical cataclysm, a flood that swallows up civilization and changes whole epochs. The present world situation is complicated still more by the fact that several hours have struck simultaneously on the clock of history. We have all got to face up to a crisis—not just a social crisis, not just a political crisis, not just a military crisis. And we must not only face up to this crisis but we must stand firm in this great upheaval—an upheaval similar to that which marked the transition from the Middle Ages to the Renaissance. Just as mankind once became aware of the intolerable and mistaken deviation of the late Middle Ages and recoiled in horror from it, so too must we take account of the disastrous deviation of the late Enlightenment. We have become hopelessly enmeshed in our slavish worship of all that is pleasant, all that is comfortable, all that is material—we worship things, we worship products.

Will we ever succeed in shaking off this burden, in giving free rein to the spirit that was breathed into us at birth, that spirit that distinguishes us from the animal world?

EDWIN KOUPAL—LOBBYIST FOR THE PEOPLE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. ANDERSON of California. Mr. Speaker, in the State of California, issues are often decided during elections by a direct vote of the people. This initiative process, as it is called, can be used by the public at large to address problems through an at-large referendum. Sometimes, these issues become even hotter campaign issues than the political office races taking place at the same time.

No person ever used the initiative as effectively as Edwin Koupal, founder of the Peoples' Lobby. It is my sad duty to report that Mr. Koupal passed away on Monday, March 29, at the age of 48.

In an age when public apathy seems to be the prevailing mood, Edwin Koupal was an anomaly. He was an activist in every sense of the word, and he chose to take his causes directly to the people. Largely as a result of his efforts, a political reform initiative qualified for the ballot in 1974 and was passed by the people of our State.

A native Oregonian, Edwin Koupal first came to California in 1964. Twelve years later, at the time of his passing, he and his organization were already political powers to be reckoned with in our State.

Edwin Koupal will be missed by all of us who have come to respect him for his honesty and dedication to open government. I am very hopeful that the People's Lobby will continue in its efforts toward opening up the political process to all people in our State. My wife, Lee, joins me in extending our sincere condolences to his lovely wife Joyce, an activist in her own right, and their three children, Cecil, Christine, and Diane.

The following article from the March 30, Los Angeles Times, gives an eloquent account of Edwin Koupal's personality and many accomplishments, and at this point I would like to insert it into the RECORD:

EDWIN KOUPAL, PEOPLE'S LOBBY FOUNDER, "ONE OF GOD'S ANGRY MEN," DIES AT 48

(By Al Martinez)

Edwin Koupal, whose People's Lobby gave voice to the voiceless through the initiative process, died Monday. He was 48.

Death came quietly in a hospital bed to the big and determined political activist, who had been described as "one of God's angry men."

Koupal had been suffering from cancer, and on Sunday night decided he wanted no further oxygen or intravenous treatment.

With him at the time was his wife of 27 years, Joyce, and a People's Lobby worker, Faith Keating.

"He told us not to cry," Ms. Keating said. "He said he was satisfied with what he had done and what he had stood for. We played Benny Goodman tapes and drank wine.

"He didn't even die like anyone else."

Koupal—ex-bartender, ex-used car salesman and ex-chicken rancher—founded People's Lobby in 1968 with his wife, and together they turned the initiative process into a grassroots force that California had never seen before.

They sent an army of mostly young volunteers into the field in 1972 to gather 339,000 signatures and qualify the Clean Environment Act for the ballot.

Koupal hailed it as "the first successful grass-roots initiative campaign in history"—a campaign devoid of special interest money.

The issue, Proposition 9, went down to defeat, but it clearly established the lobby as a force to be reckoned with.

Two years later—and now boasting 20,000 members—the Koupal organization joined with Common Cause to qualify a political reform initiative for the ballot, and it won.

In the months before his death, Koupal was pursuing yet another goal—establishment of a national safe energy initiative campaign.

He and his wife had hammered out the platform of an organization called Western Bloc and had already qualified the proposition in California, Oregon and Colorado.

Koupal was a determined and effective campaigner whose passion for causes often led him against the mainstream.

Gov. Brown said Monday Koupal "was a rare spirit who followed his vision with a joy and relentless energy that this practical world finds hard to understand."

Koupal had worked closely with then-Secretary of State Brown on the political reform initiative, a campaign that more than any other brought Koupal and People's Lobby into strident visibility.

He was a man of abundant drive, and those in his way found themselves in the path of a hurricane.

"I never met anyone quite like Ed," said Thomas Quinn, chairman of the state Air

Resources Board and former assistant secretary of state under Brown.

"He was a strong human being, a dynamo, and he made gathering signatures an art. To him, the petition was the highest form of democracy, the way people could control government."

Quinn said that when the political reform initiative campaign began, he wanted Common Cause involved in order "to keep those crazy Koupals in line. But over the months I learned that it was the Koupals who kept the campaign in line.

"Without Ed, victory could not have happened."

Quinn and others thought Koupal brought the techniques of a salesman to politics and used them with conscience and wit.

"He became angry," Quinn said, "when that process was perverted and told his petition-gatherers to always be honest. But he would also show me what he had learned as a used car salesman.

"When you handed someone a clipboard to sign a petition, you handed it to him at an angle so that a pen rolled into his hand Once they had the pen, they almost always signed."

During the course of the initiative campaign, People's Lobby and Common Cause were often at each other's throats.

Common Cause was slow and deliberate in its efforts, and People's Lobby—led by the hard-charging Koupals—was an earthquake.

Koupal would angrily storm out of meetings between the two organizations during the drafting of the initiative.

A third party said at the time: "Ed is a horse trader. When he threatens to walk out he's just bargaining. It is irritating but effective . . ."

Koupal was born in Eugene, Ore. in 1964, he moved his family to Sacramento and to his first confrontation with the Establishment.

"We found," he told the press, "that we were paying for sewers, sidewalks and streets that we didn't have. On looking further, we also found that seven houses which did have these things didn't have to pay for them."

The Koupals went to court to fight an oil company's threatened takeover of their sewer district, won, and were on their way.

A short time later, they tried to recall then-Gov. Ronald Reagan and failed.

But then People's Lobby was born, and the Koupals' energies ever since were concentrated on that.

What the lobby became, by one definition, was "not an organization, but two people—Ed and Joyce—with a lot of true believers who follow an honest passion for political reform . . ."

Koupal, among his last words to his wife, said it differently. He said, "We've got it made."

He also leaves three children, Cecil, Christine and Diane. Funeral services were pending Monday.

His requiem is encompassed in an observation by Tom Quinn.

"What we have here," he said, "is the death of a salesman . . . in the best sense of the word."

KATHRYN KUHLMAN

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. ROYBAL. Mr. Speaker, on February 20, 1976, evangelist and spiritual writer Kathryn Kuhlman passed away in Tulsa, Okla. Among her accomplishments was the establishment of the Kuhlman Foundation which carries on such programs as drug rehabilitation, education of the handicapped, and foreign missions. Miss Kuhlman has authored several books, among them "I Believe in Miracles," and "Nothing Is Impossible With God." At the request of her followers, I would like to insert the following words in the RECORD which they have composed as a memorial tribute to Miss Kuhlman:

> Kathryn Kuhlman firmly believed that the richest quality of love was sacrifice; that the noblest credential of any work was the spirit on the part of its members who counted all things lost for Christ. As she believed, she lived—and so will she be remembered and revered by millions all over the world.

WAIVER OF PAY CEILING

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. CARTER. Mr. Speaker, today I am introducing legislation which allows for waiver of the pay ceiling currently in effect for the 150 professional scientific, and executive positions statutorily allocated to the Public Health Service, of which the National Institutes of Health have been designated 115 positions. Existing law prevents these salaries from rising above $37,800.

As a result, NIH is at a distinct monetary disadvantage in recruiting high quality personnel as compared with medical schools, private practice, the Veterans' Administration, and to a lesser extent, the military. The Director of one Institute, for example, whose salary is now limited to $37,800, earns the same amount as most of his top level personnel and much less than many of the members of the commissioned corps of the Public Health Service Corps who work for him. Due to the unique mission in NIH, the Institute is continually in the market for highly educated individuals with medical and scientific expertise. Although NIH has been fortunate to have highly qualified individuals remain with the Institute, often at great financial sacrifice, we cannot expect this kind of dedication to continue indefinitely.

I realize that Government has not been competitive with private industry in the salaries which it pays, and there is no thought on my part that it should attempt to be competitive. However, I believe we must try to reach a reasonable balance between these extremes which more legitimately recognizes the very valuable contributions these individuals are making. In this important area of scientific research and development, we cannot afford to lose our best people.

This legislation would permit the Secretary of HEW to raise the salary ceiling up to $48,654—the current GS-18 level, were it not for the existing ceiling. Lifting the pay limitation for this group of persons restores the general schedule's system of different pay for different levels of responsibility and allows the system to operate as originally intended. With this flexibility, NIH would be able to attract and retain executives and scientists of superior quality.

As my colleagues are aware, a similar noncompetitive remuneration problem existed within the Veterans' Administration. Wisely, Congress has recently enacted legislation to remedy that situation.

I trust that the Congress will also see fit to enact this legislation to permit increases in the salaries of these outstanding researchers and top science administrators. It would be a small investment for very worthwhile gains in the Nation's biomedical research endeavors.

FEDERAL TRADE COMMISSION BUYERS' GUIDE FOR INDIVIDUAL RETIREMENT ACCOUNTS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. PICKLE. Mr. Speaker, the U.S. Treasury estimates last year Americans invested over $1.5 billion dollars in a new retirement system created by the Employee Retirement Income Security Act.

That system is the individual retirement account—IRA, aimed at providing a retirement program for the 35 to 40 million Americans not now covered under any pension plan other than social security. Obviously, many, many people have enthusiastically set up these accounts for themselves—and the guess is this enthusiasm will continue.

Unfortunately, many people who have invested their savings in these programs are now running into troubles. Rules and restrictions concerning these accounts have not been fully understood. Some administrative costs, taken off the top before savings can begin, have left countless people with accounts worth less today than they were when the investment was made.

The Internal Revenue Service dallied for months on end before issuing temporary financial disclosure regulations toward the end of the 1975 year. And those regulations did not address the problems of puff advertising in this field. The IRS finished its work on proposed final regulations early in March, but now the Department of Treasury has not released them.

The Oversight Subcommittee of Ways and Means has conducted extensive research into this field and asked the Federal Trade Commission to make a formal study of promotional literature of IRA's. That study should be ready about the beginning of 1977 and will give us an industrywide view of this important new retirement program.

In the meantime, consumers are still buying IRA's with no means of being sure they are making a wise investment and buying an IRA that is suited to their personal needs.

Subcommittee Chairman CHARLES VANIK and I met with several FTC staff members March 9. We asked them to do what they could to provide some guidance immediately to consumers buying IRA's.

I am most pleased to report that the FTC has issued a buyers' guide for individual retirement accounts. This guide is easily readable. It discusses the advantages and disadvantages of an IRA and lists several questions a person should know the answer to or should ask the person he or she is buying an IRA from before making this type of investment.

My colleague Mr. VANIK and I commend this guide to the Members and hope that you will make it available to any of your constituents who are interested in the IRA program. I would add to the portion on guarantees the fact that the U.S. Government retirement bond carries a guaranteed return of 6 percent, probably the highest guaranteed rate in the entire IRA field. These bonds are available from the Office of the Public Debt, U.S. Department of Treasury. At least it should be aware that these Government retirement bonds are available in spite of the fact that the Treasury is making little effort publishing that fact.

FEDERAL TRADE COMMISSION,
Washington, D.C., April 2, 1976.

FTC's BUREAU OF CONSUMER PROTECTION SUGGESTS ISSUES FOR CONSUMERS TO CONSIDER BEFORE OPENING AN INDIVIDUAL RETIREMENT ACCOUNT/ANNUITY (IRA)

The Bureau of Consumer Protection of the Federal Trade Commission has suggested some important facts which consumers should consider before opening an Individual Retirement Account/Annuity (IRA). The Pension Reform Act of 1974 allows consumers who are not in a qualified pension plan to open IRAs. By allowing certain tax benefits in the Act, Congress encouraged consumers to build up retirement savings over a long period of time. The Commission's staff is investigating the advertising and marketing of IRAs to see whether advertising and marketing claims properly reflect the law's requirements and do not mislead consumers.

Because the investigation is still in progress, it would be improper for the Commission or the Bureau of Consumer Protection to say whether or not any laws have been violated. Nor is the staff of the Commission permitted to advise any individual regarding whether or not to open an IRA account, or which type to select. Nevertheless, the Bureau of Consumer Protection urges consumers to consider the following facts before deciding whether to open an IRA, or which type to open:

IRAs are not for everyone.

IRAs are traditional investments with a new tax advantage.

All IRAs are not alike. Know the differences.

IRAs aren't tax-free. Know what tax breaks you'll get.

There are restrictions on the use of your IRA. Know how flexible your account is.

Guarantees and risks vary. Know how risky your investment is and what guarantee, if any, you'll get.

ARE IRAS FOR YOU?

The law does not allow everyone to establish an IRA. Check with your employer and the nearest IRS regional office to make sure you are eligible.

The first thing to keep in mind is that "IRA" is not a term which refers to any one type of account. Rather, it describes different types of accounts which share one feature—a new tax advantage. IRAs may be opened with banks, savings and loan institutions, mutual funds, insurance companies, real estate investment trusts, credit unions, and government retirement bonds, among others. If you are not eligible to enroll in a qualified pension plan and you would otherwise want a savings account, an annuity, shares in a mutual fund or real estate investment trust or government retirement bonds, you may well want to take advantage of the tax benefits. But if any of these investments does not suit your own needs, a tax benefit may not be enough to make them do so.

You should look at IRAs as an investment for your retirement. As with most investments with tax benefits, you must bear certain costs, risks, and restrictions to get the benefits. These may include a certain degree of inflexibility, commissions, fees or charges, and tax penalties if you change your mind and want to close your account prematurely or remove some of your savings from it. Of course, this does not mean that IRAs are undesirable, since all investments have some risks and costs. What it *does* mean is that IRAs are not for everyone and that you should consider whether they are good investments for you.

WHAT FACTORS SHOULD YOU CONSIDER?

All IRAs are not the same. In deciding which type of IRA, if any, you should open, here are some facts which you should bear in mind. By listing certain costs and risks, we do not mean to suggest that one form of IRA is automatically better than any other kind. Rather, different types of investments carry different risks and costs and you should evaluate each type to see if it suits YOUR needs.

Know what tax breaks you're going to get

Since one of the main reasons to open an IRA is to take advantage of the tax benefits, you should know what benefits you actually can and cannot get.

You should never accept a claim that your investment is "tax free". IT ISN'T. The money you put in an IRA and the growth in your account will be taxed later (tax deferred). The benefit is that, for most people, the rate and amount of tax you will pay when you retire and start to use your money will be less than it is now when you are investing in the account.

You *can* take part or all of your IRA funds out before retirement. But if you do so before you reach age 59½, you will lose tax benefits and pay a tax penalty on any funds you remove.

Your total payments for an IRA in any year cannot exceed $1,500 or 15% of your income for that year, whichever is less. That includes the amount for commissions, other sales charges or insurance premiums.

You may open and maintain more than one IRA, but the total amount you can invest in any one year is $1,500. If you invest more, not only do you not get a tax break but you will have to pay a penalty.

Finally, if you die before age 59½, the money in your account will still be subject to *both* income tax and estate tax. As we noted above, the tax is deferred, but never avoided altogether.

Know how flexible your account is

IRAs help you plan for your retirement. But retirement may be a long way off and you should know what may happen to your investment—and what you should do—if you change your mind or need the money before you reach 59½ years old.

Until April 15, 1976, anyone who opened an IRA before January 1, 1976 has the right to cancel his or her account before April 15, 1976 and pay no tax penalties. But there is no requirement that the money you paid for any sales commission, insurance premiums or management fees be refunded to you, so you may not get *all* of your money back. Also, a bank or savings and loan association may be able to charge you an early withdrawal penalty for taking out your IRA funds before the April 15 deadline. So if you are thinking of cancelling or changing your IRA to another type, know what it's going to cost.

If you are thinking of opening a new IRA, you should know that anyone selling you an IRA is required to give you certain information prescribed by the Internal Revenue Service. Read it. Some may give you the information 7 days *before* you sign a contract. Others may give you the information at the *same time* that you open your account. If you don't get the information 7 days before you open the account, you are allowed to change your mind within 7 days and cancel your contract without paying any tax penalty. And you will get *all* your money back, including sales commissions or administrative fees. But remember, you will not have a right to cancel if you receive the information 7 days *before* you open your account.

You can switch from one type of IRA to another only once every three years without suffering a tax penalty. Of course, you can put off switching your account for *more* than three years, but you will suffer a tax penalty if you switch to another account within three years after opening your account or within three years after your last switch.

Know the fees, commissions or other charges that you must pay to open and maintain an IRA

Just as you pay a broker's fee when you invest in stocks or real estate, or a sales commission when you buy insurance, not all of the money that you pay to open or maintain an IRA always becomes part of your savings for retirement. You should know how much of your investment is actually for your retirement account and how much will go to a salesperson or other agent. With some IRAs, these fees may be deducted over the years you invest in your account; in others, they may come out of the money you invest in the first year or first few years. It is important to know, because this is the portion that may not always be refunded if you later cancel or transfer your account.

In addition, although you can switch from one type of IRA to another without a *tax penalty* every three years, you will probably not get back these fees and charges and may incur early withdrawal charges. Thus, the amount of money you will actually be able to transfer from one type of IRA to another (the technical word is "roll over") may be much less in some accounts than others.

Some sellers may not charge any fees when you first open your account, but they keep the right to charge them later. Make sure you know whether you may have to pay fees in the future and how much.

Know what is "guaranteed" and what isn't

A prediction is not a "guarantee". Nor is a statement about how well people have done in the past. Know if there are any risks that would affect the value or safety of the funds you place in your account. Know what interest rate is actually *guaranteed* and not just hoped for.

Some guarantees may be for a limited time, such as the first few years. Others are for the entire time you have the account. You should know what kind of "guarantee" you have.

Not all IRAs have guarantees. Sellers of IRAs without guarantees sometimes use your money to buy securities (for example, stocks) or real estate, where both the rate of return and the value of the original funds invested go up and down. As the value of these investments change, so will the amount in your IRA. Of course, that does not necessarily make these IRAs undesirable. But in deciding what kind of IRA is right for you, ask yourself (as you would for any other investment) how much of a chance you can afford to take. If you are willing to take risks, you may end up with more retirement savings than you would with an IRA which has a guaranteed rate. But if you do not like to take chances, or if you might retire or have to use the money in the account before age 59½, you may want to forget the chance to make a "killing" and have the certainty that the money you're saving will earn a definite rate of interest and will be there when you retire.

Finally, if there is a difference between what a seller "predicts" and what he "guarantees," make sure you know what his prediction is based upon. We've all heard "predictions" that didn't turn out as we hoped.

CONCLUSION

Remember that IRAs are not for everyone and that, if you want one, you should pick one that is right for you. Ask questions. Look at the advertising and other materials carefully. You may wish to get a copy of Publication 590, "Tax Information on Individual Retirement Savings Programs", from your nearest Internal Revenue Service Office. If you still have questions, ask an attorney, accountant, any other qualified financial advisor, your local IRS office, or the state or federal agency in your area which regulates the financial institution from which you are purchasing your IRA. Use the same care you'd use in making any other long term investment.

DEVELOPMENT OF WATER RESOURCES IN AMERICA

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. JONES of Alabama. Mr. Speaker, I think every Member of the House will be interested in the statement which our colleague, Jim Wright, made last week before the Subcommittee on Public Works of the House Committee on Appropriations.

Jim Wright is ranking majority member on the Committee on Public Works and Transportation and is chairman of the Subcommittee on Investigations and Review. He is also a member of the House Budget Committee. In all of these roles Jim Wright has developed a firm grasp on the issue of water resources development in America.

In his statement before the Public Works Subcommittee, Jim Wright points out the urgent need to address the problems of navigation, flood control, energy production, and water conservation and supply. The statement makes clear the need to keep our Corps of Engineers water resources development program actively moving to address these problems.

The remarks follow:

STATEMENT BY REPRESENTATIVE JIM WRIGHT

Mr. Chairman and members of the Subcommittee, it is a pleasure for me to appear before you today on the Corps of Engineers' civil works budget for fiscal year 1977.

The budget request submitted by the Administration is, to put it bluntly, one designed to put the Corps of Engineers out of business and end the traditional role of the Federal Government in the development and conservation of the water resources of this Nation. The budget includes no new construction starts. Only three projects are included for initiation of preconstruction planning. A mere five survey starts are included. And funding of projects under construction is held down, which will result in longer construction times and increased costs. In addition, sufficient funds are not included to alleviate the backlog of critical operation and maintenance which needs to be done.

If this approach to the program is allowed to stand, it will have disastrous consequences. The Corps of Engineers now has 235 projects under construction. With no new starts in the next five years, and funding continued at the proposed level, only 68 projects would be under construction in 1982. With full funding of these projects, that number would drop to 51. If we are to meet our Nation's water resources needs, the importance of new construction starts becomes very evident. But construction starts alone are not the answer—there must be initiation of preconstruction planning on authorized projects, and there must be commencement of planning on authorized survey studies. These actions are not needed just so that we can spend Federal dollars building projects. There are serious water resources needs that require attention. And the studying and planning of more projects will enable us to better identify these needs and to intelligently assign priorities for the expenditure of the limited funds which will be available. There is no way we can satisfy all the needs—water resources programs will be competing with many other needed programs. It is, therefore, imperative that we identify the most serious needs and spend our money where it counts the most.

Water resources development has been and will continue to be vital to this country. Our waterways and harbors are an essential part of our national transportation system, providing clean, efficient, and economical transport of fuels for energy, agricultural produce, and materials needed for industry. Flood protection projects protect our communities from the devastation of floods, open up vast areas for essential agricultural production, and make possible residential and industrial development to provide homes and jobs for our people. Reservoir projects harness our rivers and streams for hydroelectric power, provide downstream flood protection, make available recreational opportunities for our urban and rural people alike, and store that precious commodity—water—which is essential not only to industry, agriculture, and the standard of living to which we are accustomed, but to life itself.

In the area of water supply especially, this country faces serious water shortages in the near and the distant future unless steps are taken soon to ensure that water is where it is needed, in the amounts it is needed, and of good quality. We must plan now for future water shortages. If we wait until they are upon us, it will be too late. This is not the sort of thing we can leave to the States, the local Governments, or the private sector, as the Administration seems to think. Of course, they all have a role to play, and an important one. But problems of navigation, of widespread flood control, of energy production, and of water conservation and supply transcend State boundaries. There is truly a national interest in these matters that cannot be overlooked—that cannot be simply abandoned. To do so would be the height of shortsightedness and irresponsibility. We have a national duty to carry out here—a trust—and if we fail it is our children and our children's children who will pay the heavy price.

I therefore, ask this Committee, and this Congress, to take the first necessary steps to restore the vitality of the Federal water resources program. The Corps of Engineers has 35 projects on which it could start construction in fiscal year 1977, 63 projects on which it could start preconstruction planning, and 134 survey studies which could be initiated. The total Corps capability for these new starts for fiscal year 1977 is only $54,000,000. Moreover, with the existing program level declining, and projects under construction nearing completion, these new starts can easily be handled by the Corps in the coming years. I realize, of course, that all of these new starts cannot realistically be expected to be funded in fiscal year 1977. There are other priorities in the Corps' program which must be taken care of. But certainly a substantial number of them can be easily accommodated.

Our Committee on Public Works and Transportation, under the provisions of the Congressional Budget Act, has recommended to the Budget Committee an increase in the Corps' budget for fiscal year 1977 of some $480,000,000. Of this amount, the Budget Committee has allowed $400,000,000, which is sufficient to permit funding of the new starts I mentioned, allow an increase in the funding of projects under construction, and enable the Corps to perform a substantial portion of its operation and maintenance backlog. It will also provide for full funding of the small projects program—those projects which can be undertaken by the Corps of Engineers without the specific authorization of the Congress. This is a particularly important program and one which the Administration has not funded in its budget request. These small projects can be implemented relatively quickly in response to local needs, and I trust that the Committee will see fit to include adequate funding.

In addition, Mr. Chairman, I should also like to point out the substantial employment benefits associated with the recommended increases we have recommended in construction and operation and maintenance would create 29,000 new jobs, many of which would be in the construction industry in which unemployment is now running so very high.

Mr. Chairman, I have appreciated this opportunity to express my views on the Corps of Engineers' program and budget for fiscal year 1977. I am sure that you share my concern for the future of the program and my feeling of its importance to our Nation's future.

VOTING RECORD OF CONGRESSMAN JONATHAN B. BINGHAM

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BINGHAM. Mr. Speaker, on Friday, April 2, 1976, I was unavoidably absent during rollcall vote No. 160 on final pasage of H.R. 12572, amending the United States Grain Standards Act. Had I been present, I would have voted "aye."

LOCKING UP THE WATERWAYS CASE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. GAYDOS. Mr. Speaker, over the past 20 years, a variety of proposals for waterways user charges have been advanced in Congress. These tend to attract some support because, at first glance, they seem to be a source of additional Federal revenues. But an in-depth analysis of the economic impact of any waterways user tax indicates that the devastating and expensive, long-range effects clearly outweigh the advantages of some additional revenues.

This issue is once again before Congress. H.R. 8590, "the Waterway User Tax Act of 1975," would not benefit the Nation, but would instead adversely affect industry, agriculture, the economy, energy conservation, and community life.

Supporters of the waterways user tax believe this legislation is necessary in order to recover some of the cost of federally improved and maintained waterways and harbors. This, they contend, would put surface transportation—primarily railroad and trucking—on a more competitive basis with waterway carriers.

But the fact is that the Federal and State Governments spend vastly more on highway financing than they do on waterway financing, and have provided huge land grants and other assistance to railroads. In fiscal year 1974, a total of $348 million in Federal funds went to new construction, operations, and maintenance of shallow draft segments of waterways. For that same year, the highways received a total of $5.6 billion—$1.2 billion from Federal taxes and $4.4 billion from State and local governments.

The railroad industry has been very vocal in supporting the waterway-user charge. I believe this is not because they hope to capture waterborne freight accounts so much as they yearn to raise their charges. Eliminating the restraining influence of competitive, low-cost waterway transportation is certainly to their distinct advantage.

The problem, however, is that the U.S. economy is still lagging and it desperately needs the expansion of both railroad and waterway transportation.

The stakes are very high in this issue. Toll-free inland waterways hold down the cost of living because their efficiency and low cost are essential to many basic industries that serve as the country's economic backbone. In the opinion of many experts, waterborne transportation is a relatively superior mode of bulk commodity transportation because it is relatively less energy intensive, safer for employees and the public, less of a pollution risk, and cost efficient.

The imposition of a waterways user tax would mean that agricultural shipments to the Midwest and feed grains to the Southeast for poultry businesses would suffer. The cost of farming would skyrocket since fertilizer and insecticides are primarily waterborne cargoes.

Presently, the petroleum industry is a substantial user of waterways for transportation of its products because of its low cost. The imposition of a waterways user tax could well increase the cost so that the petroleum industry would divert most if not all shipments to pipeline transmission, which is now more expensive than waterborne transport. This would result in increased cost for the high-consumption users, such as farmers, as well as consumers in general.

The coal and steel industries would be most adversely affected. River barges now transport approximately 82 million tons of coal per year, one-fifth of the Nation's total cost output. It is bizarre to think that a user charge might be imposed at a time when coal is fast becoming an increasingly important domestic energy resource.

The steel industry, which already faces serious difficulties, would experience further adversity. Iron and steel plants now receive 22 million tons of materials and fuels by barge and 80 million tons via the Great Lakes. Economists estimate that 5 to 6 million tons of finished steel products move from mill to customer by barge each year. This steel has a value exceeding $600 million. A waterways user tax could well mean a substantial loss of sales to foreign competition.

Furthermore, waterways user tax would impair the position of American industries, as a whole, against foreign competition by reducing exports, encouraging imports and upsetting the U.S. balance of payments.

The historically-free waterways serve as a vital link in the Nation's industrial structure. Industries and communities have sprouted and thrived near these inland waterways in the assumption that they would always be "common highways and forever free, without any tax, impost, or duty therefor."

In an era when national leaders profess to be dedicated to spurring economic growth, strengthening the position of the United States as an industrial leader, and promoting energy self-reliance, the waterways user tax is in sharp contradiction and an unforgivable injustice to the producers and consumers we represent.

EXPANSION OF FLU IMMUNIZATION PROGRAM RECOMMENDED

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mrs. SCHROEDER. Mr. Speaker, statistics indicate that 30 percent of American children are either unimmunized or insufficiently immunized at this time.

Dr. C. Henry Kempe, professor of pediatrics and microbiology of the University of Colorado School of Medicine, has suggested that the present effort to immunize against swine influenza could be expanded to immunize against other childhood diseases as well. This could include such diseases as polio, measles, diphtheria, tetanus, whooping cough, and rubella.

I submit to the RECORD Dr. Kempe's letter to the editor of the Denver Post:

DENVER, COLO.,
March 29, 1976.

To the Editor:

The President has asked the Congress to appropriate 135 million dollars for the production of a vaccine to protect against a possible swine influenza epidemic in the fall of this year. His request is based on the recommendation of a most distinguished panel of experts in the field of influenza, and this recommendation deserves the wholehearted support of the health professions and of the public. I foresee a very effective, media supported educational program similar to Polio Sundays with wholehearted cooperation from American physicians, other health professionals and state health departments.

It would be a great opportunity to utilize this occasion when there will be a unique access to millions of American families to encourage them to bring their children at the same time to receive lifelong protection against polio and measles. There is no medical contraindication for such an effort. Approximately 30% of America's 80 million children are either unimmunized or insufficiently immunized at this time. The previous support for immunization programs in our 50 states from the U.S. Department of Health, Education and Welfare, which was at the 12 million dollars per year level three years ago, has been slashed to 4.9 million dollars per year. In Colorado alone this will result in a drop from 120,000 dollars to 66,000 dollars per year for immunization for children.

Immunizations for diphtheria, tetanus, whooping cough, measles, polio and rubella, which are readily available to children who receive private care by pediatricians and family practitioners, is much less likely to reach children living in poverty. In many parts of the country the level of immunization is 50% or even less. Money aside, children may not be brought for immunization because their families may not regard immunization as a high priority item. With the chance of utilizing the influenza vaccination national program this fall, it would be tragic if we failed to use that opportunity to provide basic immunization for the unprotected child who may never be as accessible again.

The opportunity of combining childhood immunization, where needed, with this fall's influenza vaccination program plan has been declined by the Department of Health, Education, and Welfare for a number of economic and tactical reasons even though there are no significant medical or scientific reasons why the two programs should not be carried out at the same time.

Regrettably there is not currently in the Department of Health, Education, and Welfare a strong voice for children such as existed in former years when the Children's Bureau was a strong agency to speak on behalf of all American children. Programs for children are scattered throughout innumerable departments and the slashing of basic immunization support to the states indicates that whatever their good will, those who speak for children in the Department of Health, Education and Welfare, have not had sufficient influence to be effective.

Happily, the Congress could change all this by adding to the request for 135 million dollars for influenza vaccination a specific, and quite modest, amount to direct the Department of Health, Education, and Welfare to immunize inadequately protected children against at least polio and measles when families come to receive influenza vaccination.

There are no adverse reactions to polio vaccine and reactions to measles vaccine are minimal. Furthermore, children have good antibody responses when several immunizing agents are given at the same time, and so there would be no interference when several agents are given simultaneously.

I believe that the Congress can effectively help to order our national immunization priorities by seeing to it that children's needs are not forgotten. Regrettably, in a democracy children have committed the ultimate sin: they do not vote. It is therefore incumbent on the Congress to speak for those who cannot speak for themselves.

C. HENRY KEMP, M.D.

"HAWKEYE" PIERCE IS A DEDICATED FEMINIST IN REAL LIFE

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mrs. HECKLER of Massachusetts. Mr. Speaker, there is no more dedicated feminist than a man who supports the rights of women. One of the strongest feminists I know is my colleague on the International Women's Year Commission, Actor Alan Alda.

I have come to know and admire Alan during our service on the IWY Commission. He is a witty person, warm and very supportive of the rights of all people—far different than the sexist he plays in the television series "M*A*S*H."

He is a devoted husband and father whose support for the rights of women grows from his excellent relationship with his wife and daughters. Alan's fine example is one which should be emulated by those men whose thinking is not clear on the subject of equal rights for women.

When the Equal Rights Amendment came before the Congress, the votes of many Members were changed by daughters who alerted their fathers to the importance of the amendment to their futures. Strong support for congressional approval of the ERA also came from men such as Alan Alda who were able to convince Members that voting for the ERA was the right thing to do.

Recently, the Taunton Daily Gazette, a newspaper published in my district, printed a wire service story about Alan Alda.

I include it here in my remarks and commend it to the attention of my colleagues:

"HAWKEYE" PIERCE IS A DEDICATED FEMINIST IN REAL LIFE

(By Joan Hanauer)

NEW YORK.—On camera, Hawkeye Pierce is as manipulative of the "M-A-S-H" nurses as his homemade martinis will allow. In private life he sings a different tune.

Alan Alda is a dedicated feminist, and has written the introduction to "A Guide to Non-Sexist Children's Books," compiled by Judith Adell and Hilary Dole Klein (Academy Press Limited, Chicago, $3.95 paper, $7.95 hardcover).

The Guide recommends books that reinforce a non-sexist attitude among young people and might counter the male chauvinist bias of many otherwise admirable standards from Cinderella to Dr. Seuss.

How does a television sex symbol find himself introducing a book such as this?

"I guess partly because I'm a very active feminist," Alda said in an interview.

Some men come around to a feminist viewpoint after fathering daughters—there's nothing like being told your budding brain surgeon daughter would do better as a nurse to bring out the feminist in a man. Alda insists, however, that his feminism precedes his three daughters, who are 14, 15 and 17 years old. It isn't even the fact that his wife is a teacher and clarinetist. For him, women's lib means male liberation as well.

"Until men begin to realize they have a stake in what happens to women, they aren't going to get too enthusiastic, which is one reason I talk so much," he said. "It's important for men to hear it from other men—that way they're more likely to listen."

The ways in which men are shortchanged by male chauvinism include men married to underpaid working wives, men who are not allowed to show a soft side, to cry or to take six months off to write a book or study theology.

"Men must conform to stereotyped working habits, which deprive them of their children," he said. "The stereotype says that men should be out all day long developing a coronary and taking no part in nurturing their children or running a house. If homemaking and motherhood and rearing children are so wonderful, why aren't men doing it?

"If some of it is no more wonderful that scraping dirt off your shoe, why should one person in a marriage by stuck with it?"

Television in general, and "M-A-S-H" in particular (where the men are doctors and the women nurses are fair game), provide an embarrassment for the liberated actor.

"On television, comedy shows tend to represent a more progressive point of view, a more realistic view of women," he said. "Dramatic shows tend to promote rather strong stereotypes of dependent, befuddled women—women as victims. In a lot of movies made for television, the main entertainment value consists of: a woman being terrorized and brutalized—and usually she makes matters worse through panic."

THE INTELLIGENCE COMMUNITY AND THE HOLE IN THE DOUGHNUT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Ms. ABZUG. Mr. Speaker, as I have pointed out a number of times during our discussions about the intelligence agencies, the Pike report, and the "leak" of the report, we should be concentrating our efforts and our attention not on how the publication of the report—which we almost all now realize contains no information whose publication would endanger the "national security"—came about, but upon the activities that it addresses. To focus upon how the report came to be released, instead of upon the massive abuses that it discusses, is to look at the hole instead of the doughnut.

A recent issue of the New Yorker magazine contained an excellent item on this point, and I insert its text into the RECORD following my remarks:

THE INTELLIGENCE COMMUNITY AND THE HOLE IN THE DOUGHNUT

A little over a year ago, the Senate and the House of Representatives each set up a Select Committee on Intelligence to examine and report on the various secret operations conducted by the executive branch against America's enemies at home and abroad. The basic issue involved in both investigations has been the same as the basic issue involved in Watergate—whether the government has placed itself above its own laws. In some ways, though, the problem presented by the activities of the intelligence "community" is greater, and perhaps even more threatening to the Republic, than the problem uncovered in the Watergate affair. For one thing, press reports and congressional revelations suggest that the illegal acts committed by intelligence officials under several Administations may have been far graver and more numerous than those committed by President Nixon and his associates. For another, it is extremely difficult to do anything about intelligence officials' crimes, because the intelligence apparatus is not merely a bureaucracy whose members, like all bureaucrats, close ranks to meet outside threats but a bureaucracy that is dedicated to absolute secrecy. The most effective way to break through to its hidden truths, in order to reform and control it, would be to force some of its members to talk under threat of prosecution if they didn't, as was done with government officials in the Watergate case. But the one government department with the authority to do this, the Department of Justice, has expressed no intention—publicly, at least—of prosecuting anyone, even though the various agencies involved have admitted the commission of many thousands of crimes over the past twenty years or so. About the best suggestion that Attorney General Edward Levi could come up with during his testimony before Congress on crimes committed by agents and high officials of the Federal Bureau of Investigation, for instance, was that a law be passed making such illegal acts legal in the future. Another problem in dealing with the intelligence issue is that it is nearly impossible to expose and punish appointed government officials unless their elected superiors want them exposed and punished, and in this case President Ford has done his utmost to protect them. (In Watergate, of course, the same kind of dilemma was resolved by the appointment of the Special Prosecutor, whose independence from the executive branch was assured by the public fury that the so-called Saturday Night Massacre generated.) And, finally, little is usually done about official misdeeds until a large number of indignant and persistent citizens demand that something be done.

When the public learned that President Nixon had broken the law in significant ways, he was driven from office. But the same public has shown little interest in lawbreaking by members of such agencies as the F.B.I. and the Central Intelligence Agency. In fact, the bulk of the mail from voters to the two Select Committees has been "hate mail," accusing their members of treasonous conduct. This disparity in the public response to the two cases may seem curious, since Nixon and the intelligence officials relied on the same excuse: national security. On the one hand, however, the public saw that Nixon's justification was false because his true purpose was clearly both personal and pernicious. On the other hand, the public has accepted the intelligence community's justification—as it has been stated again and again by President Ford—because the public believes that the purpose of that community is to protect the nation's security by fighting Communism wherever and however it appears. In all likelihood, that has been the true purpose, and to almost all

Americans it would seem to be a valid one. In effect, the public's reaction to stories about the mayhem and murder authorized by high intelligence officials to carry out this purpose has been to say, "Do what you must do to protect us, but don't tell us about it." This attitude has persisted despite documented accounts of certain agencies' repeated failures to protect us—for example, the C.I.A.'s failure to give sufficient advance warning of forthcoming events like the Tet offensive, the Soviet invasion of Czechoslovakia, the 1973 Middle East war, the test of a nuclear bomb by the Indian government, and the coups in Cyprus and Portugal. Nor has there been a much stronger public response to other shocking revelations, including the cost of our overall intelligence effort, which comes to some ten billion dollars a year rather than three billion dollars a year, as the agencies have claimed; the agencies' frequent attempts to shore up repressive and sometimes murderous regimes abroad, and to destroy by illegal means legal and democratic political movements at home; and, above all, the intelligence community's implicit endorsement of the philosophical basis for totalitarianism—that the end justifies the means.

Thanks to the lack of public pressure on the Administration to reveal what its intelligence people have been doing, it was able to resist, and often thwart, congressional attempts to dig out the truth. But even the scraps of the story that congressional investigators succeeded in piecing together alarmed the Administration, and, drawing on its immense power, it set out to keep that story from the public. Late in January, when the House Select Committee prepared its report, the Administration began frantically lobbying to suppress it. "The pressure from the White House, the C.I.A., and the State Department has been astounding," one House member said at the time. "I've never seen anything like it." Administration lobbyists repeatedly invoked the name of Richard Welch, the head of the C.I.A. station in Athens, who was murdered there last December. They charged that members of Congress who had earlier revealed C.I.A. secrets were responsible for his murder, and that members of the House who voted to make the report public would be responsible for similar murders in the future. The implication of such charges was clear: members who voted to release the report would be vulnerable at election time this fall to accusations that they had jeopardized the Nation's security. Since the members of the Select Committee, who are presumably as patriotic as the members of the Administration, voted by better than two to one to release the report, it seemed unlikely that it contained anything significant that had not already been reported by the press. (Indeed, publication of parts of the report, or an early draft of it, in the *Village Voice* not long afterward revealed little that wasn't already known.) Still, an official, and complete, report would carry far greater weight than sporadic accounts in the press, and its impact on the public might finally be great enough to jeopardize the C.I.A.'s present policies and the job security of those who devise them and carry them out. But once it was clear that there was little in the way of public support for disclosing the seamier side of intelligence operations, a majority of the House members were unwilling to go along with the committee, and they performed some bewildering gyrations to extricate themselves from their political dilemma.

Before the House voted on whether or not the report should be released, the Rules Committee sent to the floor a fuzzily worded resolution that seemed designed to suppress the report. Some members apparently voted for the resolution in the belief that it would keep the report from the public; other members apparently voted for it in the belief that it would keep the report not only from the public but from members of Congress, so they wouldn't have to face the issues it presented; and still other members apparently weren't sure what they were voting on. In the end, the vote was nearly two to one in favor of the resolution, whatever it meant. Confusion was so rampant afterward that the resolution finally had to be interpreted by by the House Parliamentarian, who ruled that it left the decision on what was to be done with the report up to the Speaker, or up to the House itself if it chose to vote on the question again. Until one or the other acted, all copies of the report were to be locked up and guarded by the Clerk of the House.

That was where the matter stood last week, when the President held a televised press conference at which he announced "plans for the first major reorganization of the intelligence community since 1947." The plans turned out to be a bureaucratic reshuffling of the community, which seemed designed to increase its power by uniting all its parts, and to decrease public control of it by concentrating final authority over its policies and activities not in the public's elected representatives in Congress but in the Office of the President. When a reporter observed at the press conference that "we know that Office has abused the C.I.A. in the past" and asked what would be done to control such abuses in the future, Mr. Ford replied, "It shouldn't happen, and I would hope that the American people will elect a President who will not abuse that responsibility. I certainly don't intend to." Poor Richard Nixon—out of office less than two years and forgotten already. President Ford said that he was going to issue "a comprehensive set of public guidelines" to "provide stringent protections for the rights of American citizens," and that he would recommend to Congress certain laws against "electronic surveillance and mail openings," together with "legislation that would prohibit attempts on the lives of foreign leaders in peacetime." (The following day, the White House released Mr. Ford's specific proposals for reform, including an executive order, which lacks the force of law, to limit or prohibit these activities. But his proposals said nothing about enforcing existing laws on such matters by prosecuting those who have already broken them.)

In praising "the dedicated men and women who gather vital information around the world and carry out missions that advance our interests in the world," he implied endorsement of the continuing use of such missions, which presumably include the "covert operations," such as the overthrow of the Allende government in Chile, that he has long defended. Most important of all, though, he said that he was sending to Congress legislation that "would make it a crime for a government employee who has access to certain highly classified information to reveal that information improperly." When another reporter asked if this proposal amounted to an Official Secrets Act, like the one in Great Britain, which makes the disclosure of state secrets a crime, the President retorted, "I categorically disagree with your assessment. It's a great deal different from the Official Secrets Act that prevails in Great Britain." The difference is well hidden, for the British act prohibits any unauthorized disclosure of official information by any Crown servant. If such a law had existed in this country in the past few years, the Pentagon Papers would not have been published, the Watergate affair would have remained a secret, and we would know nothing about official malfeasance on the part of the intelligence community. The only purpose of such a law would be to render coverups of official malfeasance unnecessary in the future. Essentially, the President seemed far more interested in making the act of telling the truth a crime than in punishing those who have committed crimes and have continued to conceal the truth about them. In short, he was more concerned about leaks than about crimes. To defend secrecy in foreign-intelligence gathering, Mr. Ford emphasized his responsibility for the conduct of foreign policy—a Constitutional power delegated to the President. But he didn't mention two Constitutional references to his other responsibilities—to "preserve, protect and defend the Constitution" and to "take care that the laws be faithfully executed."

Perhaps the most puzzling aspect of the President's announcement was his making it at all. Since the public wasn't interestd in the problems he discussed—or, rather, in the issues he avoided—any reference to them appeared politically unwise, for he thereby created concern where little had existed before. Yet one of his purposes may have been political; that is, he may have been trying once more to placate the right wing by defending and strengthening one of its most cherished institutions. To accomplish that fully, the President may also have been trying to make it appear that his proposals solved the intelligence problem altogether; by this means, he might head off any future release of the House Select Committee's report, as well as reduce the impact of, and maybe even establish a precedent for suppressing, the Senate Select Committee's report on the same subject. That document is supposed to be released in mid-March and is expected to be far more comprehensive, fully documented, and alarming than its House counterpart. Since the Senate investigation of this nation's intelligence operations is the most exhaustive ever conducted, it seems odd that Mr. Ford didn't choose to wait until it was published, in order to use its information as the basis for his proposals for reform and control—unless, of course, he feared that the Senate report might create, at last, the kind of public demand for true reform and control which would be politically irresistable.

155TH ANNIVERSARY OF GREEK INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BIAGGI. Mr. Speaker, on March 25, millions of Greeks from America and the homeland celebrated the 155th anniversary of Greek Independence Day. This day has special relevance to this Nation in this our Bicentennial Year, for as we celebrate our own successful experiment with democracy—we look back to ancient Greece for the origins of our democracy.

The history of Greece is a rich one. The ancient Greek nation distinguished itself through outstanding contributions to art, theater, academia, science, mathematics and architecture. The achievements of ancient Greece became legacies for succeeding ages. Perhaps their most enduring contribution has been with democracy for the ancient city-state of Athens became the first successful experiment with democracy and helped pave the way for other nations including our own to establish democracy as a prevailing political and social ideology.

Greece acquired its independence in 1821 after winning its war of independence of Turkey. There were many leaders in this era of Greek history but none more famous than the inspirational patriots Alexander Ypsilanti and Archbishop Germanos who together unfurled the banner of freedom.

Post-World War I Greece has encountered some serious threats to its status as a democracy. Communist insurgents waged guerrilla warfare from 1947 to 1949 but were turned back thanks to this Nation's adherence to the Truman doctrine which proclaimed the right of self-determination for all nations.

For more than a decade spanning the 1960's and early 1970's, the Greek nation was under the tyrannical rule of a military junta. The young King of Greece was forced to flee into exile and all vestiges of democracy vanished. However, now as Greece advances through the 20th century the flames of freedom appear to again be burning brightly.

Of course the continuing tragedy of Cyprus somewhat dampens this celebration. It is hoped that meaningful progress can be made in negotiations between Greece and Turkey to resolve the Cyprus crisis. Meanwhile the amendment which I authored to the 1975 Foreign Assistance Act, which provided $25 million in emergency relief aid to Cyprus, was extended and expanded recently by the Congress. It is imperative that the suffering and agony of the 200,000 Greek Cypriot refugees on Cyprus be brought to an end.

This day is a special one in my congressional district for I am proud to represent one of the largest Greek constituencies outside of Greece. I am privileged to enjoy so many Greek friends and have known them to be hardworking and loyal Americans. The Greek American community has distinguished itself in this Nation through its many contributions to the betterment of life in America. From politics to the arts to the sciences to the theater their influence is felt. I wish to salute my Greek colleagues in the House Mr. BRADEMAS, Mr. SARBANES, Mr. TSONGAS, Mr. YATRON, Mr. BAFALIS, and Mr. LEVITAS.

Let us work in 1976 to restore the full viability of our relations with Greece. Many wounds were opened because of the Cyprus crisis—but through a dedicated effort to work for peace, these wounds can be healed. Let us recognize the Greek nation as one of our most steadfast and loyal allies whose friendship we value very dearly.

CONGRESSMAN ASPIN ON SOVIET MILITARY STRENGTH

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. REUSS. Mr. Speaker, the Sunday, April 4, 1976, Washington Star contained a thought-provoking article by my colleague, Congressman LES ASPIN, on the size and quality of Soviet military forces.

The article follows:

NUMBERS GAMES MAGNIFY "RED HORDE"

(By LES ASPIN)

When the cold war was raging in the late 1940s and 1950s, it was popular to speak of a "Red horde" that might descend on Western civilization.

The term has long since been consigned to the dustbin, but the thought has been resurrected recently as part of the bleak comparisons of Soviet and American forces that have become popular.

The public is being told that the Soviet military is growing ever larger and even more threatening. The first example frequently cited is the number of men the Soviet have under arms.

Defense Secretary Donald Rumsfeld said in a recent speech, "Soviet military manpower has grown . . . (and is) now more than double U.S. forces."

The Pentagon cites new figures revealing that the Soviet armed forces, *nee* Red horde, now outnumber the U.S. armed services 4.8 million to 2.1 million.

This all sounds like pretty frightening stuff, especially when we are told that the Soviet armed forces have 600,000 more men than we previously credited them with.

There are even some suggestions that the Soviets are going to a wartime footing. Gen. David C. Jones, the Air Force chief of staff, recently said, "Not since Germany's rearmament in the 1930s has the world witnessed such a single-minded emphasis on military expansion by a major power."

But before such hyperbole leads us to double our defense budget or lay down our arms and quit in despair, we ought to take a closer look at these numbers.

For example, when the Pentagon reported the 600,000-man increase last year, it neglected to mention an important detail when the intelligence community raised its estimate of military troops by 600,000, it simultaneously reduced its estimate of civilians employed by the military by an equal 600,000. The change was purely a revision of old numbers and did not represent any increase in manpower.

The reclassification of these 600,000 is symptomatic of the problem. Many Russians in uniform do jobs that are handled by civilians in the United States and others perform work that doesn't exist here.

The Soviet armed forces include about 70,000 political commissars who make sure, for example, that when a Red Navy vessel turns starboard, it does it the Marxist way. We lack such politics, but we have religion—2,000 chaplains.

About 250,000 men, apparently washouts from basic training, are kept in uniform to fulfill their conscription duty by working on construction projects. Except for about 900 U.S. Army officers with the Corps of Engineers, that work is done by civilian contractors in this country.

A large body of about 150,000 Soviet troops is assigned to the railroads and to labor on military farms to produce food for army mess halls.

Troops of the Ministry of Internal Affairs (MVD) maintain internal security while forces of the Committee of State Security (KGB) guard the borders to keep Russians in. That consumes about 430,000 troops in all. In the United States, the National Guard maintains security during riots and the border patrol tries to keep foreigners out. Neither body figures in our total of 2.1 million servicemen.

The Soviet military runs a large civil defense effort using 20,000 servicemen. Our civil defense agency is a civilian operation with only one serviceman assigned to it—an Air Force lieutenant colonel.

Military research in the United States is largely in the hands of civilian scientists, while storage dumps and supply channels are run principally by civil servants. The Soviets hold both operations tightly in military hands, soaking up 170,000 more uniformed servicemen than in the United States.

Scattered throughout their services are about 300,000 other men and women who wear uniforms but do chores which are reserved for civilians in this country. In recent years the Pentagon has been consciously civilianizing ever more jobs because the career costs of a civilian are less. Clearly, the trend is the reverse in the Soviet Union.

When we tote up numbers to show how the Soviet military outnumbers us, it is exceedingly misleading to add in these men and suggest they are the equal of American forces. We shouldn't fall into the one-American-can-whip-12-foreigners trap, but if the American carries a machine gun and trains with a military unit while the 12 Russians are bearing hoes on military farms, they are hardly equal.

There are still other anomalies in the numbers.

For example, the United States has 75,000 men to run its missile subs, long-range bombers and ICBMs. But the Defense Intelligence Agency calculates the Russians have 350,000 men assigned to roughly the same number of missiles, subs and bombers.

Possibly the Soviets are profligate with manpower. Possibly the DIA erred and counted men that do not really exist. Either way, these 350,000 men cannot be counted as threatening us more than our 75,000 men threaten them. So we can delete their excess 275,000 men from any calculations of threatening manpower.

In addition to offensive nuclear forces, both superpowers maintain forces to defend against a nuclear attack. However, the SALT I agreement in 1972 effectively banned ABMs and left both countries defenseless against all-out nuclear attack.

The Pentagon has reasoned that there isn't much sense spending large sums to defend against the handful of Russian bombers when nothing can be done about their missiles. So we assign a mere 25,000 men to air defense.

The Russians, however, have 500,000 men manning fighters and antiaircraft equipment in a massive allocation of resources to air defense.

Only a minority of these forces could be moved westward to threaten our fighter aircraft in the event of a European war. Most of their equipment is too old and too limited in capability to be used against anything but lumbering old bombers. Therefore, we can discount the bulk of this force as nonthreatening.

Adding all these forces together, we find that the Soviets have about 2.2 million troops who do work we assign to civilians or perform tasks that cannot be considered threatening to us. Subtracting them, we are left with a Soviet force of 2.6 million men—still more than our 2.1 million.

Even that overstates Soviet capabilities because the Russians have problems we don't have to face.

As Assistant Defense Secretary Terence McClary recently said, "The Russians do have a southern flank that is not quite as compatible as ours with Mexico."

About half a million Russians are deployed along the Sino-Soviet border. While they could be shifted to Europe in the event of trouble, that is unlikely; the Russians know the Chinese are most likely to attack when Moscow is engaged elsewhere.

To a certain extent, the Russian forces along the Chinese border are similar to the 115,000 American forces in the Pacific. While some of them might be moved to Europe in an emergency, concern that North Korea would use the occasion to move on Seoul would undoubtedly keep many of them pinned down. By way of analogy, we kept our 400,000 men in Europe all through the Vietnam war.

There is disagreement over how many men might be pinned down in the event of war. The best we can say is that some of these men are not threatening to us, and then put this category into a gray area.

Finally, the Soviets have had 55,000 men stationed in Czechoslovakia ever since they suppressed Czech aspirations for independence in 1968. These men are quite simply occupation troops. In the event of war, some will fight, but many will undoubtedly be busy trying to keep irate Czechs from sabotaging supply routes. These 55,000 men must go into the gray area as well.

Thus, we end up with 550,000 men in the gray area. It is generally agreed that many of these men are not threatening to us and would not be used against us in a war, but no one can say exactly, or even approximately, how many.

We can, however, say that more than 2,045,000, but less than 2.6 million, men are threatening to our 2 million to 2.1 million men. If we split the differences, admittedly a crude calculation, we find that the Soviets outnumber us by 13 percent. That is substantially different from the Pentagon's crude figures showing us outnumbered by 130 percent.

All these nuances have been ignored as Pentagon officials travel around the country. The message has been a simple one—that we are outnumbered.

This fascination with numbers is disturbing. If numbers were the determining factor, Gen. Eisenhower would never have invaded Normandy. The numbers were overwhelmingly against our puny landing force. Clearly, many factors other than numbers must be considered in assessing strengths.

Take the quality of our military manpower. Virtually all the senior officers in our ground forces had combat experience in Vietnam. Many had it in Korea as well. The Russian army hasn't fought in 31 years. The difference in experience isn't measurable in quantitative terms but it's there.

The Soviet Union is a fusion of many nationalities, cultures and languages. By Moscow's own figures, 30 percent of her people are unable to speak Russian fluently, but by law all military training is given in Russian. When the Tadzhiks meet the Uzbeks at regimental headquarters, the communication must be a little difficult but that problem is not measurable.

The Soviet army is a conscript force. Every six months, one-quarter of the army turns over. Soldiers are routinely sent from training camp into fighting units before they have been fully trained. As a result, the fighting power of many units is degraded.

The Soviet navy keeps its conscripts longer and replaces only one-tenth of its total force each six months. But the training still leaves much to be desired. John Moore, a retired British navy captain who edits Jane's Fighting Ships, recently said, "The conscript is trained to look at one dial and twiddle one knob and that's about it. He can't be expected to do very much more."

Throughout the Soviet military, troops get far less operating experience than in the U.S. armed services.

In sum, their forces cannot be as well prepared as ours.

I don't suggest the comparison presented here is the end all and be all. The U.S. armed forces have a few thousand race relations officers and other men with no counterpart in Russia. And there are also reserve troops on both sides.

Most significantly, there are allied forces on both sides, and our NATO allies have more and better forces than the Eastern European states.

What I am suggesting is that while it is common for advocates of a higher defense budget to portray the Russian bear as a beast of vast proportions, a closer look shows that the comparison just doesn't wash. Even in terms of manpower, which is commonly thought to be the Russians' strong suit, the numbers and the qualitative considerations paint a different picture.

To be sure, the Soviet military is not like the skinny runt in the Charles Atlas ads. There is a threat. But let us not magnify that threat out of all proportion by trying to pretend that their military manpower is more than double ours. It just ain't so.

JOHN DE ROSEN, ARTIST: A MAN OF EXCEPTIONAL MERIT

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. NEDZI. Mr. Speaker, the older I get, the more sensitive I hope I become to "the immigrant experience," the more eager I am to recognize and preserve it.

In the broad sense, much of the story of America is the story of the greatest immigration in the history of nations.

Conscious of my own ethnic heritage, which is Polish, I am particularly interested in the story of Polish immigration. It was very substantial, it contained people of great self-discipline and genius, yet its men and women have remained virtually anonymous.

Today I would like to take note of one of those men of genius, John Henry de Rosen, 85, of Poland, an extraordinary artist who has specialized in religious themes. A resident of Arlington, Va., he still paints and his mind remains fresh and daring.

A member of my staff, Mrs. Mary Lubinski-Flanagan, herself an art historian and longtime student of Polonia, is tape-recording Mr. de Rosen's reminiscences of a rich and varied career. It is an inspired act on her part.

John de Rosen is the descendant of a great Polish family of artists. His father, Jan de Rosen was court painter to Czar Alexander III and Nicholas II. His sister was a sculptor, the other is the widow of a prominent Polish diplomat.

This great figure has been poet, war hero, diplomat, scholar, teacher, and liturgical artist.

Under leave to extend my remarks in the RECORD, a fine article on Mr. de Rosen from a recent issue of the Quarterly Review, official publication of the American Council of Polish Culture Clubs, is set forth below:

GENIUS WITH BLUE EYES

(By Olga Klug Iwanowska)

When I first met Jan Henryk de Rosen he was high up on the scaffold in St. Bernard's Church in Pittsburgh, Pa. That was in 1947.

The first thing I noticed about him were his intensely blue eyes, that only the words of the Polish poet Mickiewicz could describe "o niebieskim spojrzeniu, milszym od wiosny poranka". He was exceedingly charming and handsome, but good looks and talent are family traits. His great aunt was Angelica Kaufman, member of the Royal Academy, with whom the great German poet Goethe was in love! His grandmother was Mary Weaver, a relative of the well-known English painter Thomas Weaver; his father, Jan Rosen, was court painter to Czar Alexander III and Czar Nicholas II; his sister Sophia was a sculptress.

Just recently an interesting article was published in Poland in "Wydawnictwo Lodzkie" about Jan Rosen's painting "Rewia na Placu Saskim", which won the elder Rosen a silver medal at an exhibition in Paris. When Czar Alexander III saw the painting he ordered Grand Duke Vladimir to purchase it. What was unique about the giant work was the theme—the Polish Army in its splendor. After the purchase a question arose—where to put it? Since Poland at that time was under Russian domination, and it was considered a delicate matter to hang the painting in either Warsaw or Moscow, it was hung in the palace of Skierniewice. After the Treaty of Riga the painting was returned to Poland and placed in the Saski Palace in Warsaw. When that city was bombed in 1939, the painting perished in the flames. Due to the "Rewia na Placu Saskim" the Czar of Russia appointed Jan Rosen to become his court painter, and at that time it was a command.

Jan Henryk de Rosen was born in Warsaw in 1891, but at the age of 3 he was taken to France where he spent his young years. He attended Lycee Carnot, later the University of Lausanne, Switzerland. He returned to France and wrote poetry in French which was published in various magazines.

When World War I broke out in 1914 he volunteered into the French Army and served there until the Polish Army, organized in the United States by Colonel Teofil Starzynski, arrived in France and came under the command of General Jozef Haller. He saw action in the battles of Ypres, La Somme, Arras, and Vimy Ridge. Until the end of the war he was in the regular Polish Army and retired as a captain.

In 1919–1920 he accompanied Ignacy Jan Paderewski to Geneva when the League of Nations was being organized. He returned to Poland and for four years from 1921 to 1924 he served in a diplomatic capacity in the Ministry of Foreign Affairs but soon realized that painting was his true love.

His first major works were the beautiful murals in the Armenian Cathedral in Lwów, which many people still recall after many years. In Vienna he did the Sobieski chapel on Kahlenberg. Pope Pius XI commissioned him to paint his private chapel in Castelgandolfo, Italy.

In 1937 Count Jerzy Potocki, the Polish Ambassador in Washington, D.C., invited him to visit here, and when in 1939 World War II broke out his return to Poland was closed. He continued to serve Poland in the embassy here as a military aide.

In the United States he achieved greatness painting huge murals and creating mosaics of giant proportions. His originality of concept, the historical approach to each composition, the minute detail of the particular saint's life, the many facets of Christ's life, plus this delicate, poetic, and almost a lyrical yet vibrant quality made of his works great art. Take for instance the giant mosaic of Christ in the National Shrine of the Immaculate Conception in Washington, D.C. As one walks into the main church and looks at the wall of the north apse, one is awestruck by the great figure of the seated Christ, young, strong, regal, a superman—glorious in His humanity, majestic in His divinity. Christ was only 33 when He died. He must have been strong to survive the rigors of His travels, and He must have had a regal appearance to command the respect of the crowds and arouse fear in the high priests and Pharisees.

This mosaic is the largest in the world of a single-seated figure, measuring 3,610 square feet with 4,000 shades of color. It is regrettable that the full impact of the picture is lost, due to the obtrusion of the baldachin over the main altar.

De Rosen always pictures Christ as young with a strong personality, as opposed to the humble, meek and self-effacing older man. In the Bible there is no physical description of Christ, but by reading about His travels, His miracles, His adoring following, His courage in meeting His enemies, His stoical bearing of the torture and crucifixion, de Rosen studied and created his image of Christ.

Go to the Washington Cathedral to the St. Joseph's chapel and see de Rosen's altar mural "The Entombment of Christ". You will see a young man in the prime of life, lying on a catafalque ready for burial. There is no look of exhaustion and agony on his face, but an expression of calm dignity saying "I have conquered."

In Prescott, Ariz., in the altar of St. Lukes Episcopal Church there is a painting of Christ performing the miracle of 5 loaves and 7 fishes. This picture was commissioned by a woman who lost her daughter and the daughter's family in a plane crash. This time de Rosen brought Christ to Arizona. In a Yavapai County background he stands in a white luminous gown, radiating this holy aura, truly a Son of God. With His followers there stand the family—mother, father, and the two small children who perished in the plane crash. How personal Christ has become, our own, here in the United States.

Arizona has a special place in Jan de Rosen's reminiscences. There, through the Save the Children Federation, he educated a Navajo boy who lived near Shiprock, Ariz., and two Tomas Apache boys, through grade and high schools. He received a citation of gratitude and is proud and happy to have contributed to the educational development of three boys, who might not have had the opportunity to receive any schooling. Today the plight of the Indian is seriously considered, but years ago there were individuals who remembered the forgotten people.

As a church painter his work took him to many cities, but his permanent residence was here in Washington, where he lived with his two sisters and a brother-in-law, Jan Wszelaki, who died a few years ago. Pittsburgh is the only city which he recalls with great sentiment. There he became a charter member of the Polish Arts League, taking an active part in its programs and meetings. He was vice-chairman of the exhibit in the main Carnegie Library in the cultural center of Pittsburgh, honoring Adam Mickiewicz, the great Polish poet. The Arts League honored him with an honorary membership in appreciation of his efforts. He also received an honorary membership from the Polish American Arts Association of Washington, D.C.

I still remember the small parties and dinners where in company with the late Dr. Anthony Maliek, who had one of the finest collections of paintings by Polish masters, we had such delightful times. In the summer evening the company would move to our garden where conversation was interspersed by sighs from our poplars.

In addition to the great mosaic in Washington the following works grace the capital of the nation: a mural in the lobby of the National Welfare Conference, a mural in the Washington Cathedral's St. Joseph's Chapel, a mural in St. Agnes Episcopal Church, and mosaics of St. Matthew in the Catholic Cathedral of St. Matthew.

Throughout the nation his works adorn the cathedrals and churches. The mosaic in the dome of St. Louis Cathedral in St. Louis, Mo., measuring 14,000 square feet, is his greatest work and the largest mosaic in the world. Then there are Prescott, Ariz.; Pittsburgh, Pa.; Buffalo, N.Y.; Canonsburg, Pa.; Memphis, Tenn.; and in California—Hollywood, Pasadena, San Marino, Monterey Park, Eagle Rock, Anaheim, Sacramento, Vallejo, San Francisco, and La Jolla.

Mr. de Rosen has a doctorate in humane letters and for 5 years from 1939 to 1945 he was a professor of liturgical art at Catholic University in Washington. He has always underscored his Polishness, whenever the American press carried articles about his great art. In the art encyclopedias of the world he is recognized as the greatest living liturgical artist of our time.

Poland decorated him with the Cross Virtuti Militari, Cross of Valor, Cross of Independence, and Gold Laurel. France gave him the Legion of Honor, Croix de Guerre, Cross of the Combatant, and Great Britain, the Military Medal for Bravery in the Field.

Today at the age of 84 he is celebrating 50 years of his artistic career by pointing a triptich of St. Genevieve for a church in Canonsburg, Pennsylvania.

HARTLEY'S HEROINES

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. DEVINE. Mr. Speaker, I would like to insert into the Congressional Record a statement concerning the Bishop Hartley girls basketball team and their outstanding achievement this past weekend in winning the 1976 "class AA" Girls Ohio High School Basketball Championship.

In the first statewide girls basketball championship, this team from Bishop Hartley High School scored a dramatic 45 to 44 triumph over Bellbrook thanks to the last second shot by Julie Plank.

This statewide title is the school's first and is representative of the dedication and determination of its players, coach, student body, faculty, and supporters,

All of central Ohio is proud of this great achievement and the school.

The article follows:

Hartley Seizes AA Girls Crown

(By Bob Whitman)

There was seemingly always something happening, or about to happen, that could have changed the outcome of the final games Saturday at St. John Arena in the first ever state high school girls basketball tournament.

But the most penetrating of things, like Julie Plank's famous scoop shot and Amy Pallay's poised free throws brought one of those three gleaming state titles to Bishop Hartley with a 45–44 triumph over Bellbrook in Class AA.

Knowing there were but 13 seconds remaining, Julie cut down the line with intentions of passing or shooting. "The lane was open so I just dribbled in and shot. I felt pretty good about the shot when it left my hands," is how Julie remembers the winning basket.

Central Catholic League rival Watterson was on the other end of Toledo Woodward's final heroics, namely the clutch corner shot by Fran Washington with 20 seconds to go and two pressure free throws by Fran with four seconds left that sealed the 63–59 Woodward win over the Eagles for the Class AAA state championship.

Then, there was Ruth Ater's 22 points in picking up the slack for foul-idled 6–4 Cindy Noble that was plenty heroic, too, in writing a piece of history in Frankfurt's Adena's 37–35 Class A title win over Cleveland Lutheran West.

Just at the time Hartley Coach Beth Conway thought the Hawk gals "might be panicking," the poise, that has been a trademark for Hartley during this tournament, returned.

Freshman Julie Plank exemplified that poise, turning down the lane and netting a scoop shot to give Hartley the necessary points for the school's first-ever state championship. Actually the plan was to find Amy Pallay but when Amy couldn't get her shot Julie entered the picture.

Amy Pallay, leading scorer all year, was instrumental in keeping Hartley in this AA final game, hitting 19 points, with seven of eight from the foul line in tight, vital situations. Just typical of the poise Hartley had under pressure.

"It's been that way in the tournament. The games were all close. Julie and Nancy Williams have carried the bulk in the tournament," said Coach Conway about the two freshmen she moved to the varsity for postseason play. "But Amy was the scoring leader all year and she wanted to have a good game and she did."

All along Beth told her team the same thing, to "just play their own game, to play it between the black lines and forget about everything else."

She was right in those instructions—'their own game' turned out to be the best in state for Class AA schools.

Watterson never quit, was down by 12, cut it to three, down by seven, cut it two, and finally down by six and tied it, all in the last quarter but never once stopped trying to subdue swift Woodward.

"We played well when we played our own game in the fourth quarter but we never could keep it up long enough," told Coach Ginny Sawyer. "But I was proud of our team. My kids play with heart and never give up and that's the way they played this game."

Mary Ellen Seidel scored 18 points, but two Woodward girls—Fran Washington with 27 and Sherry Roberts with 20—topped her while the Polar Bears were shooting 34 per cent for the game. Watterson shot its lowest of the year, 26 per cent.

Adena picked up a third state girls title, adding this first basketball crown to last fall's volleyball championship and last spring's track title. Already a dynasty started on the Class A level.

NOT ALL IRISH CELEBRATED ST. PATRICK'S DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. BIAGGI. Mr. Speaker, for millions of Irish around the world the recently completed celebration of St. Patrick's Day was a happy event. Yet all Irish were reminded that for the political prisoners in England and Ireland St. Patrick's Day like every other day is filled with suffering and tragedy.

All civilized and freedom-loving people in the world continued to be horrified at the conditions under which Irish political prisoners are forced to live. The world recoiled in shock over the death by hunger of one political prisoner Frank Stagg, whose request to be transferred to a prison nearer his family was turned down by the British Government.

I wish to submit into the Record a very strong statement commenting on the deplorable conditions of the political prisoners as well as the blatant violations of basic human and civil rights by the Irish Free State Government. The statement's author is Dr. Fred Burns O'Brien, information director of the Irish National Caucus.

I call on my colleagues to read and consider this timely article. The recent visit of Irish Prime Minister Cosgrave did little to advance the cause of peace in Northern Ireland and in fact may be responsible for precipitating new polarization among the citizens of Ireland.

I maintain that this Nation must begin to play a more assertive and affirmative role in seeking a resolution of the problems which divide Northern Ireland. As we celebrate our own 200th anniversary of freedom from the tyrannical rule of England—let us hope the beleaguered people of Northern Ireland can themselves enjoy the principles of freedom and dignity which has made this Nation so strong.

INDICTMENT OF THE IRISH FREE STATE

(Submitted by Dr. Fred Burns O'Brien Information Director, Irish National Caucus, for Sean W. Walsh IV, Thomas W. Gleason, Hon. John Henning, Anthony McKeown, Esq., Rev. Sean McManus, Brindan McCusker, Hon. John Keane, Bishop Thomas Drury.)

The growing success of the Irish National Caucus is causing great concern to the British Embassy in Washington. What probably worries the British most is the recent success of the Caucus in persuading the Executive Council of the AFL-CIO, the United States' T.U.C., to support a call for the unity and independence of the Irish Nation.

While the above is true, the Irish Free State Government is even more concerned over the strength and power of the Caucus, but their anxiety remains subdued. Sinn Fein Vice President, Daithi O'Connail, informed me in May, 1975 that Dublin, not London, is the present obstacle to peace and unity in Ireland. He also detailed the oppression utilized by the Administration at Leinster House to quiet dissent and political activity. The policies of the Dublin Government are perverse in their flagrant denial of basic human and constitutional rights. Their motivation is only self-protection of their own institutionalized government.

Many of the current practices of the Irish Government not only fly in the face of what we consider to be justice but are in direct conflict with provisions of the Universal Declaration of Human Rights of the United Nations. The Free State has subjected its legal system to a tool of politics in a parallel fashion to that in the North of Ireland, heavily criticized for its indiscretions, since the imposition of internment without trial on August 9, 1971.

In the Free State there are "non-jury trials" resembling administrative rather than judicial practice, that infringe on due process as we know it in America. The Administrative tribunals sentence political Republicans to the Portlaoise Prison Facility where conditions are below acceptable standards. Prisoners engaged in a hunger strike in January and February, 1975 protesting conditions. "After prolonged negotiations between prisoners representatives, the prison staff and ourselves (the prisoners), the hunger strike was satisfactorily resolved on Sunday, February 16, when certain guarantees were given to the prisoners. Since that time, however, conditions have deteriorated again."

The Irish Free State is falling into the trap engulfing Northern Ireland—that is, the imposition of methods of maintaining power to preserve the government that are below the accepted standards of democracy. The police, the judiciary and prisoners of the Free State are becoming tools of politics, leading, quite tragically, to the deterioration of the State. The Offences Against the State Act, 1939, introduced two main new features into Irish Civil Liberties Law. The Act provided for:

(a) The provision for special courts, which would sit to hear political offences without a jury and the members of which court would be removable at will by the government;

(b) The introduction of imprisonment without trial, popularly known as "Internment", but referred to in the Act as "detention."

This Act is the basic instrument of Dublin's oppression. This deeply concerned Chairman Donald Fraser, during hearings held before his Subcommittee. Directing a question at Ruairi O'Bradaigh, Mr. Fraser stated: "I understand what you are saying, Mr. O'Bradaigh. In the protection of human rights, the Republic of Ireland falls short of internationally accepted standards."

QUESTIONABLE PRACTICES

Impartial observers have been denied permission by the Irish Free State Government to visit prison facilities in the Free State, leading to speculation on the conditions. On March 21, 1975, *Hibernia* published an editorial at page 3 expressing alarm over why the prisoners were inside. "Almost half of the Republican prisoners in Portlaoise have been convicted by the Special Court on suspicion of I.R.A. membership." Suspicion, not weight of evidence, is the determining fact for incarceration, which alarms civil libertarians. The editorial supports this allegation that "convictions have followed on nothing more substantial than the uncontested statements of Garda (police) Superintendents."

Article 9 of the Universal Declaration of Human Rights sets out clearly that, "no one shall be subjected to arbitrary arrest, detention or exile." The word of one senior police officer as prima facie evidence, defying the weight of factual evidence leading to conviction and detention must be considered arbitrary at a minimum and equally notorious would be the arrest leading to taking custody of the victim.

Selective application of the law, i.e., the Republican Movement, would constitute an inequitable situation. Article 11(1) of the Declaration holds: "everyone charged with a penal offense has the right to be presumed innocent until proven guilty according to law in a public trial at which he has had all the guarantees necessary for his defense." Is it possible for any amount of evidence to thwart the word of a police official, when that official might well be under the influence of the government?

The process of non-jury trial is in itself a questionable legal practice. But there is further concern about treatment and conditions in the prisons after an individual is sentenced. Rather than relying on allegations, U.S. Congressman Mario Biaggi sought to obtain first hand information about the prison conditions in Ireland. He asked the Irish Government to allow him into the Portlaoise facility for observation, as reported by Sean Cronin, New York Times, 4/28/75.

On April 29, 1975, the Congressman received his reply: "Permission cannot, repeat, not be granted for him to visit the top security Portlaoise Prison", according to State Department Document #758.

Congressman Biaggi addressed a press conference in Dublin concerning the refusal. Mr. Biaggi wrote. "I asked for a reason and none was given. The question I now pose is have they something to hide? Are prisoners being denied ordinary humane conditions? Are they being subjected to conditions which should not see the light of day?" From the Congressman's words he had reservations about the conditions and must conclude on the evidence available. Mr. Biaggi had the opportunity during his trip to converse with Joe Cahill, who until recently was a guest in Irish prisons.

Mr. Cahill condemned the conditions as shocking in a letter published in The Irish Press, May 1, 1975. Mr. Cahill pointed out that a hunger strike in January and February won concessions, but that they were not implemented. "Since that time, however, conditions have deteriorated again. As happened before, after the hunger strike of September, 1973, Mr. Cooney and the prison staff have been whittling away the rights of the prisoners." The men contend that "only a vigilant and informed public opinion can prevent brutalities being inflicted by a Minister of Justice who believes that prisoners have no rights."

Mr. Biaggi's visit and request to go inside Portlaoise was an embarrassment to Dublin. However, any embarrassment would have been avoided by merely providing a visitation as requested. Are conditions inside so deplorable and inhumane? Could they drive inmates to despair? The reader must judge. On May 16, 1975, John McCarthy, an 18-year old from Limerick, was found hanged in his cell in the youth wing of Mountjoy Jail. Several weeks ago another prisoner in the same institution had attempted to hang himself. On April 28, 1975, a 50-year old prisoner hanged himself in Mountjoy while on remand. One month prior to that another man was found hanged in Bidewell prison. These incidents are drastic and brought about through desperation over the conditions.

GOLDBERG INCIDENT

To protest conditions in the Free State is in itself hazardous. Protestors of one such incident were themselves charged.

"Last week in the first case arising from charges under Section 4 of the Offences Against the State (Amendment) Act, six people were sentenced to 12 months imprisonment following the placing of a picket on the Circuit Court earlier this month. The provisions of the Act were employed against two women and four men, the purpose of whose picket had been to draw attention to the plight of a particular prisoner whose background includes several periods in Dundrum Mental Hospital. As their conviction has been appealed, it is not possible to comment on the case now, but the record speaks for itself; a peaceful protest (albeit outside the Court); arrests on foot of the Offences Against the State Act; maximum sentence. Those who had sought to demonstrate on behalf of the prisoners were sentenced to join them instead. The attorney for the protestors dared protest and he himself was held in contempt of Court. This carried the case to an absurd degree of futility of justice.

A protest made on behalf of men held in custody, drew equally swift retribution when a conditional order of attachment to show why he should not be committed for contempt of court was granted against Mr. Gerald Goldberg, the Cork solicitor. His open letter to the Minister for Justice, published in The Irish Press, had complained of "beatings of the utmost severity" on the persons of his clients while in custody. A photograph of the bruised face and body of one client was published in the Limerick Leader together with a long account of the alleged beatings received in the Edward Street Garda Station. No Tribunal of Enquiry has been set up to examine these serious charges. No statement either has been issued by the Gardai or by the Department of Justice. Instead, the solicitor who has dared to make the charges has been rounded up by the Director of Public Prosecutions. There is one virtue in the contempt against Gerald Goldberg in that full details of his serious allegations will now be aired in court. The pity is that the authorities appear to be more concerned to suppress the reaction to abuse than to eliminate the abuse itself.

PRISON CONDITIONS

The Association for Legal Justice in Dublin has set out the conditions of Free State Prisons:

"For some time past we have been concerned with conditions in our prisons and have on innumerable occasions requested the Minister for Justice and his Department to institute a sworn public inquiry into the prison system, with particular reference to Mountjoy, Saint Patrick's, Limerick and Portlaoise Prisons. Since we made our first representations to the Minister, three suicides, one attempted suicide by burning in St. Patrick's (previously cited) and the shooting down of one prisoner by prison Security Guards have occurred.

"We find it inexplicable that the Minister for Justice and his Department continue to arrogantly disregard the appeals of responsible people and organizations for a properly constituted and sworn public inquiry." Allowing Congressman Biaggi of the United States to inspect the facilities would have been a step in good faith toward serving the basic premise of justice.

The evidence available strongly suggests that the Irish Penal System in rooted in the 19th Century concept of punishment and revenge, rather than in the enlightened ideas by psychologists and educationalists which places the emphasis on rehabilitation and reform. The loss of liberty by those imprisoned is generally recognized as sufficient punishment. Proper educational facilities supported where necessary by a comprehensive medical and psychiatric service is essential. In support of this contention, we quote below Rules 57, 58, and 59 of the Standard Minimum Rules for the Treatment of Prisoners (United Nations Document):

Rule 57.—Imprisonment and other measures which result in cutting off an offender from the outside world are afflictive by the very fact of taking from the person the right of self-determination by depriving him of his liberty. Therefore, the prison system shall not, except as incidental to justifiable segregation or the maintenance of discipline, aggravate the suffering inherent in such a situation.

Rule 58.—The purpose and justification of a sentence of imprisonment or a similar measure deprivation of liberty is ultimately to protect society against crime. This end can only be achieved if the period of imprisonment is used to ensure, so far as possible, that upon his return to society the offender is not only willing, but able to lead a law-abiding and self-respecting life.

Rule 59.—To this end, the institution should utilize all the remedial, educational, moral, spiritual and other forces and forms of assistance which are appropriate and available, and should seek to apply them accordingly to the individual treatment needs of the prisoner.

A country's level of civilization must be judged by its treatment of the under-privileged, who are most often the victims of the panel system.

People who are in prison for differing politically from the establishment should not be singled out for especially brutal treatment. The brutal treatment by totalitarian regimes of their political opponents has led inevitably to the establishment of the police state, resulting in complete suppression of freedom of thought and expression.

Innumerable instances of unwarranted brutality by the Gardai have been reported to us and we have taken signed and witnessed statements detailing some of those incidents from the prisoners concerned. None of the prisoners quoted in the extracts below were convicted of violent crimes. All were tried before the Special Criminal Court in Green Street and were sentenced on the word of a Chief Superintendent of the Garda Siochana, no other evidence having been adduced against them. We have supplied the Minister for Justice and his Department with copies of these statements including photographic evidence. At the time of writing, no acknowledgment has been received.

The following are excerpts from released prisoners:

"A warder asked me to strip and I refused to do so. He knocked on the door and informed the Class Officer that I had refused to strip and further help was sent for. The Class Officer said "we will get them off of you." Three Gardai burst into the cell and locked the door. They grabbed me by the arms and legs. They tore the clothes off me—my shirt and sweater were badly torn. When I attempted to put my clothes on, I was kicked in the stomach and face. A garda stood on my chest while I was lying on the floor."

"On the 16th of April, 1975, I was in bed. A garda and a warder came to my cell and proceeded to search it. I got out of bed and dressed. The bed was taken from the cell. The warder asked me to take off my sweater, he then asked me to take off my vest. I then asked him what he was doing, and he said a 'body strip.' I refused to co-operate. He threatened to bring in more gardai. About four extra gardai entered the cell. They grabbed me by the arms. I struggled with them and then they got me on the ground. I was held by the arms and legs—a garda stood on the side of my head. Some of them kicked me in the sides, they got my clothes off me and threw them on the ground. My clothes were torn."

There is also information available in respect of another prisoner recently released from Portlaoise Prison. In a statement by this person, he alleges that he was beaten with batons by members of the Garda Riot Squad in his cell for refusing to allow himself to be strip searched. During the course of a search being carried out in his cell, this prisoner's clothes were forcibly removed from his person and torn beyond repair. He also alleges that the hair on the back of his head had been pulled out, thus leaving a bald spot. As a result of his being beaten by members of the gardai, he suffered cuts and bruising of his left eye and left side of his nose.

Photographic evidence of this treatment as alleged in the statement referred to have been forwarded to the Department of Justice accompanied by a copy of the said statement.

In relation to the above statements by the former prisoners detailing the excessive use of force by the gardai and prison officers, we point out that the Prison Authorities were also acting in these instances in contravention of Rule 67 of the Statutory Rules and Orders for the Government of Prisons, 1974. This rule states: "Before a report of misconduct against a prisoner is dealt with, he shall be informed of the precise nature of the offense for which he has been reported and shall not be punished until he has had an opportunity of hearing the evidence against him and of being heard in his defense."

We would point out that, in accordance with the principle of the Criminal Law by which prisoners in common with the rest of their fellow-citizens are protected, that the gardai and prison officers involved in the incidents as cited above obviously used excessive force.

The underlying philosophy in relation to all these incidents seems to be as expressed by the Minister for Justice, Mr. Cooney—prisoners have no rights.

FORMER POSTMASTER GENERAL SPEAKS ON POSTAL PROBLEMS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SIMON. Mr. Speaker, there are occasions when witnesses before a subcommittee make an unusually fine statement which we would like to share with more of our colleagues.

J. Edward Day, former Postmaster General of the United States and now general counsel of the Associated Third Class Mail Users Association appeared before the House Subcommittee on Postal Services chaired by our colleague James Hanley of New York.

I am taking the liberty of including a portion of his remarks, because I know many of my colleagues are interested in the Postal Service and where we go from here.

The references in the statement are to H.R. 10109 which I am sponsoring along with my colleague James Collins.

The remarks follow:

Mr. Chairman and members of the Subcommittee:

If I were to give a title to my remarks today, it would be:

"What Has AMTRAK Got That We Haven't Got?"

The "We" I refer to is the Postal Service and all the numerous groups interested in and dependent upon the Postal Service.

Comparatively few people use intercity passenger trains. AMTRAK operates only 250 trains daily, and there are readily available substitutes for their service. Only 17½ million people rode AMTRAK trains in all of 1975—less than the year before.

Yet, AMTRAK gets hundreds of millions of dollars in subsidy from federal general revenues for both operating costs and capital improvements. The federal general revenue subsidy for AMTRAK is 58 percent of AMTRAK's total budget! The federal subsidy was 80 percent higher in Calendar 1975 than in Calendar 1974.

I appear here today representing Associated Third Class Mail Users, a trade association of about 600 users, large and small, of bulk third-class mail, both regular rate and nonprofit rate.

In testimony before this Subcommittee in September 1974, ATCMU advocated a cost of living ceiling on rate increases for each class of mail. We therefore strongly support H.R. 10109. We think it is an idea whose time has come.

At the time of my appearance before this Subcommittee in September of 1974, I quoted the following from a speech before the Western Postal Customer Conference on April 18, 1974, by then Assistant Postmaster General, now Senior Assistant Postmaster General, J. T. Ellington:

"In essence, the Postal Service holds the position that postal prices should not be allowed to run ahead of the economy any longer. Over the long run, it is critical that postal prices stay constant in relation to the costs of other goods and services. We have been going through a 'catch up' period for the past few years, but we are at a point now when we are beginning to be 'caught up.' The level of employee compensation and benefits, the preponderant portion of our total costs, is, generally speaking, quite competitive to the private sector. Our objective, therefore, is to hold total costs, and thereby our prices, to increases that are no greater than the consumer price index over the long run."

ATCMU does not base its support of H.R. 10109 upon a wish, as such, to get rid of the Postal Rate Commission. We have been critical about the qualifications, both political and professional, of some of the appointees. But I think the members of the Commission are trying to do a good job.

I have two observations on that general subject:

First, the Postal Service management is repeatedly blaming its financial bind in part upon a claim that the Postal Rate Commission has been too slow in winding up its rate cases. This is perhaps acceptable as a buck-passing technique. But it ignores the fact that a forced speedup in adjudicatory hearings before a regulatory commission greatly increases the chance of denial of due process and reversible error in the decision.

There were a total of 1480 documents filed in the second Rate Commission postal rate case which ended last September. This is the particular case the Postal Service claims was much too slow.

A number of these 1480 documents were 50 and 100 pages long and contained extremely technical material. There were approximately 50 parties in the case, including the statutory ombudsman or "Officer of the Commission." The ombudsman's filings then, as is also true in the third or current rate case, were voluminous, frequent and often highly controversial.

The Postal Service complaint about the alleged slowness in handling the complex second rate case carries the implication that what the Postal Service believes the Rate Commission should do is merely to go through the motions of a hearing in jig time and then to rubber-stamp whatever the Postal Service wants.

My second observation, however, is that the proceedings before the Postal Rate Commission are, in fact, an exercise in futility. As soon as one rate case is over, the Postal Service stands ready in a mere 100 days to put into effect another round of so-called temporary rates. This means that, regardless of what the Rate Commission may try to do, in one of its cases involving permanent rates, to alter the rate increases proposed by the Postal Service, those alterations will remain in effect for only 100 days.

The Rate Commission is not really the problem. The real problem is the abomination called temporary rates. ATCMU has opposed temporary rates from the first time this unfair concept was proposed. Temporary rates are a blatant example of sentence first and trial later.

No hearings are permitted or available before temporary rates are decided on or imposed. In the event temporary rates are found to be excessive in amount—no matter how large the excess—no refund of such excess can be obtained.

As it is working out under the rate provisions of the Act, (a) the temporary rates are the ones people are paying most of the time, (b) permanent rates are in effect for only brief periods, and (c) because a new round of temporary rates is imposed just a few months after the Rate Commission finally issues its recommended decision on permanent rates, the Rate Commission cannot provide effective protection for the public on the level of postal rates.

H.R. 10109 would get rid of temporary rates. The sooner the better.

If anyone has the notion that the exact amount of postal rate increases can be computed and determined purely by scientific methods, he should disabuse himself of that idea. In the second rate case, the hearing examiner thought the rate for first class should be 8½ cents and the Rate Commission decided that rate should be 10 cents. That is a swing of nearly one billion dollars annually in revenue from first class postage. This huge discrepancy dramatizes the fact that while there may be a great deal of science in postal rate making, there are also a great many scientists of widely differing opinions.

There is no use belaboring the members of this Subcommittee because of the fact that the public service appropriation for the Postal Service is not increased. We know the facts of life about Mr. Ford and his advisors having confused the Postal Service and its finances with New York City and its finances. We also know about the new Congressional budget offices and the fact that appropriations committees in a field like this, which does not involve defense or welfare payments, are unlikely to vote an appropriation which exceeds the amount approved by the Office of Management and Budget request.

However, we also know that Congress will not permit the Postal Service to collapse or stagger or miss a payroll. The goal, therefore, should be to limit rate increase to amounts and frequency which at least approach being reasonable—and to have the difference picked up by general revenue public service appropriations as is true with AMTRAK.

A practical way to see that rate increases are reasonable is to limit them to the same percentages as increases in the consumer price index and to provide that postal rate increases may not occur oftener than once a year. Even once a year is much too frequent.

The basic minimum per-piece rate for commercial bulk third-class mail has gone up 690 percent since the early 1950s! In addition, we had mandatory sorting by ZIP Code forced upon us with no related reduction in the postage rate. We aren't given a chance to use alternative means of delivery for addressed advertising circulars because of the unreasonable insistence of the Postal Service that we are subject to the Private Express Statutes and because of the unreasonable delay of the Rate Commission in deciding whether it has jurisdiction over the arbitrary regulations under the Private Express Statutes.

We should give up the talk about collapse and bankruptcy of the Postal Service. It is one of the few federal responsibilities mentioned in the Constitution. It is not going to collapse.

But we should go back to treating it as an integral part of the federal government dedicated to public service. We should give up the gimmicks and the Chamber of Commerce slogans. We should limit rate increases both in amount and frequency and insure public service appropriations adequate to make up the difference in justified costs.

H.R. 10109 would be a long step in reaching those goals.

AMERICA NEEDS OLYMPIC CLOUT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. DERWINSKI. Mr. Speaker, there is no doubt that the Olympics have become a charade. We find that the United States and only a few other countries are sending their amateur athletes to compete against the professionals of other lands. Major abuses are perpetrated by the Soviet Union and other communist countries, where their athletes are well-paid employees of the state.

I call the attention of the Members to an article by Steve Pokin, an outstanding young reporter for the Suburban Life, serving suburban Cook County, Ill., which appeared on March 31. It is a penetrating commentary on the situation we will be facing in Montreal. The article follows:

America Needs Olympic Clout

(By Steve Pokin)

Admittedly, my motives for giving $2 to the Olympic committee weren't entirely philanthropic. For the minimal $2 donation I'll be getting a red, white and blue tie tac, which might be useful this bicentennial year. But there are other reasons.

During the summer of 1972 I was working the 4 p.m. to midnight shift in a factory where I loaded boxes onto skids and put hair spray in other boxes. During a two week period I spent 20 minutes of my 45 minute dinner break driving from work to my home and back. I could watch bits and pieces of the 1972 summer Olympics on television at home.

I think I learned more about foreign affairs and America's status abroad by watching the Olympics than I learned in any of my political science courses at the University of Illinois.

Bob Seagren and Jan Johnson, America's two pole vaulters, had their poles banned and confiscated by officials at the games. The poles were returned to them and then retaken, leaving Seagren and Johnson confused as to what poles they could use in competition.

The Olympic committee decided to ban Cata-poles, the poles that Americans were using to dominate pole vault competition. Cata-poles were nothing new. They were available to all countries. Athletes from other countries had used them, but hadn't had the success that Americans had with them. So Catapoles were banned.

In one of the most frustrating sports events for American television, the United States, thanks to two clutch free throws by Illinois State University's Doug Collins, beat the Soviet Union in the basketball finals.

But the Americans were told to play another two seconds. Unfortunately they did. The Soviet Union scored on a court length lob pass to their seven foot center. The Americans had become losers.

Frank Gifford, working the games for ABC, was the only representative from this country involved in the brief discussion which ensued at the scorer's table. Nobody was there from the NCAA, AAU or U.S. Olympic Committee, the three agencies bickering for control of the U.S. Olympic team. Just a TV man.

Later the head timer, from a non-partisan country, said that time had expired and that he was told to reset the clock. But once the players had left the court the results couldn't be changed.

Eddie Hart, co-world record holder in 100 meters, and Ray Robinson, America's top sprinters, missed their heat of the preliminaries because a meet official misinformed them of the time schedule. The athletes and their coach were not entirely to blame.

Clear-cut American winners in boxing were somehow decisioned by Soviet opponents. West German spectators threw trash into the ring while objecting to the political scores given by judges.

And things hadn't changed that much in last summer's Pan-American track games in Mexico. American athletes were jeered on the victor's platform. American athletes not only had to win . . . they had to win by five yards or else a judge would rule that the American was out-leaned at the tape.

There's no escaping it. The Olympics are political. It's not just competing . . . it's winning. The abuses which American athletes suffered became trivial when 20 Israeli athletes were killed to draw attention to international politics.

The summer games start in two months in Montreal. Despite the unorganization and underfunding of our Olympic teams, American athletes will once again be among the best in the world.

It's saddening to think that our country is held in such little esteem overseas. But our governmental leaders, foreign policy makers and arrogant citizens are to blame for that . . . not athletes.

Although $2 isn't much, it made me feel better.

Next time somebody decides to reset the clock, I want somebody obstinate who has a little clout there. Frank Gifford can't do it by himself.

We need somebody like Howard Cosell.

TELEVISION VIOLENCE: "PERVERSION PROGRAMING" BY NETWORKS BREAKS 25 YEARS OF PROMISES

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MURPHY of New York. Mr. Speaker, another scientific investigation into the depiction of violence on the home television screen has recently been brought to light, and it confirms our fears that unfettered murder and mayhem continue unabated. The overall rate of violent episodes per play on television is the highest on record, according to the annual index published by Dr. George Gerbner of the Annenberg School of Communications at the University of Pennsylvania, and shows no signs of slowing an upward trend.

The report shows what we in Congress have known for some time—that the family hour is a fraud perpetrated by the broadcasting networks on the people and the Congress of this Nation. After 25 years of broken promises to regulate themselves, the networks have simply intensified their schedules of televised savagery which began in 1951 and has plunged to new depths year after year.

The fraud called "family hour" begins at 9:01 p.m. eastern time with scenes of aberrant sex, violence, and brutality exploding on the TV screen with the absurd assumption that the 14.7 million children under the age of 11 who were watching just a minute before have all mysteriously gone to bed or stopped watching. The Neilsen rating service, which the networks seem to worship, tells them they are wrong: Neilsen defines the nationwide children's audience—age 2 to 11—

	Million
At 8 to 8:30 p.m.	14.7
At 8:30 to 9 p.m.	14.1
At 9 to 9:30 p.m.	11.0
At 9:30 to 10 p.m.	9.7

As well as millions more teenagers watching the violence each evening.

What makes the network position on the family hour even more ludicrous is the fact that when "family viewing" ends at 9 p.m. on the east coast, and the killings and beatings begin, the entire central time zone is just beginning its "family hour" at 8 p.m., with the network feeding the concentrated killings down the line as if the American citizens of the Midwest were never to be considered in the family hour fraud.

To take one random example, last Thursday's TV listings for Kansas City brought the gruesome movie "Slaughterhouse Five" into the leadoff position on the family hour. The alternative programs on the other two networks—the only shows available—were a double rape-murder episode of "The Streets of San Francisco," or "Helter Skelter," the dramatization of the vicious Charles Manson murder cult. This last, incidentally, was the subject of an excellent article by the noted television critic, Steven H. Scheuer, which I would like to insert in my remarks at this point:

AN OPEN LETTER TO WILLIAM S. PALEY, CHAIRMAN OF THE BOARD OF THE COLUMBIA BROADCASTING SYSTEM

(By Steven H. Scheuer)

DEAR CHAIRMAN PALEY: I have been a professional television critic for almost twenty-five years. I have previewed during the past two decades, prior to broadcast, thousands of TV programs of all kinds on commercial and public television. I do not remember ever being as deeply troubled about a TV program in that entire time as I am about a two-part program now scheduled to be telecast on your network on Thursday and Friday evenings, April first and second. I am, of course, referring to the two-part, four-hour production of "Helter Skelter," the "dramatization of actual facts" about the murder trial of Charles Manson and his demented followers in California. When I saw "Helter Skelter" at a recent preview screening, I kept asking myself why, aside from the possibility of achieving high ratings for those two time periods, was the CBS network devoting four hours of prime time to this loathsome, though undeniably involving chronicle of ghastly murders committed by a band of psychotic, paranoid men and women?

Let me note for the record that I have been, for the past twenty years, perhaps more than any other working television critic, greatly concerned with questions of censorship, civil liberties and First Amendment issues. I wrote at the time that CBS *should* have broadcast the controversial "Maude" episode about abortion. I was dismayed when CBS postponed the scheduled broadcast of the powerful anti-Vietnam war play "Sticks and Bones," and was relieved when it *was* finally telecast some months later. I detest censorship in any form, but I do not believe that censorship is the real issue when judging "Helter Skelter." The salient question is whether or not the book, written by prosecuting attorney Vincent Bugliosi, has been dramatized in an exploitative manner, appealing often to the basest instincts in the American character.

I am told that you personally have seen and approved of this made-for-TV CBS movie. Frankly, I find that hard to believe! How is the public interest being served by many millions of viewers watching an unrepentant killer, Susan Atkins, calmly describe the orgasmic thrill she got when she reportedly stabbed Sharon Tate and then tasted her victim's blood. (The TV outing says Atkins got a "high" from the killing; the book quotes her testimony that she had an orgasm during the ritual slaughter.) "Helter Skelter" deals at some length with the frequent sex orgies at the Manson ranch, and what high school lockerroom macho talk refers to as "gang bangs." The drama spells out a new commandment acted out by the Manson groupies—"Thou shalt love thy neighbor by killing thy neighbor." Manson's name is mentioned many times during the course of the four hours, and the young actor portraying Manson, Steve Railsback, does indeed transmit a kind of deranged, messianic charisma that Manson assuredly had. In the past fifteen years, there have been all too many examples of terrible crimes being committed by mentally unstable people after witnessing similar scenes on American commercial TV. Supposing, God forbid, some disturbed soul watches "Helter Skelter" and then goes out and commits some variation of the monstrous crimes committed by the Manson gang and shown so graphically on CBS. Will CBS then put out a formal company press release with company spokesmen deploring the new killings while denying any CBS guilt in the TV-inspired deaths? What socially responsible purpose is being served by noting in the closing moments of the show, in April of 1976, that Manson, Susan Atkins and others are eligible for parole in 1978? One of your top CBS executives, who had serious qualms about televising "Helter Skelter," told me that one of the reasons that CBS decided to proceed with "Helter Skelter" was that CBS believed that some commercial TV network would do a program based on the book, and that therefore CBS wanted to be the first to dramatize the Manson trial. I feel I am stultifying myself by even noting this incredibly lame excuse. CBS did, after all, decline showing the John Wayne movie "The Cowboys," featuring a band of marauding boys. ABC, not surprisingly, then bought the rights to it and aired "The Cowboys."

NBC's inexcusable decision to broadcast at 8 P.M., E.S.T., a made-for-TV movie, "Born Innocent," featuring a young teenaged girl being raped by a broom handle, contributed significantly to the ire of the FCC which led to the imposition of the family viewing hour. "Helter Skelter" makes "Born Innocent" seem like "The Sound of Music," by comparison, and will surely provoke new self-appointed vigilante groups calling for all of prime time television to be converted into "family viewing time."

I urge you to cancel immediately the scheduled showing of "Helter Skelter." Many millions of rational, concerned viewers will consider it reckless and profoundly irresponsible programming.

Cordially,

STEVEN H. SCHEUER.

The murders, brutality, and sadism continued, however, and millions of children, teenagers, parents, and the Congress have again been seduced by the networks.

In their public statements, the major networks continue to deplore the violence in programing, and they continue to promise to reduce it. And for 25 years, they have continued to break those promises.

Most of that violence is gratuitous—put there not out of dramatic necessity, but simply as a cheap way of boosting ratings and profits. The violence continues to be displayed to millions of American children, and to have its proven deleterious effects on them and those around them—witness the Surgeon General's report on TV violence, as well as some of the broadcasting industry's own studies which they would prefer never came to light.

Perhaps the most disturbing statistic in the latest Gerbner report is the increased violence in weekend programing for children. The number of violent incidents per hour is 16.2—about four times the level during the family hour and about double the level between 9 and 11 p.m. The weekend programing is geared mostly toward preschoolers through the primary grades, who are avid watchers—and imitators. Saturday morning program is a perversion of everything we once hoped American television would be. Yet when I, and others like me, criticize the networks for their hypocrisy, they solemnly raise the first amendment.

Some other brief statistics are frightening: The average American child will witness 18,000 murders on television by the time he graduates from high school. He will have spent only 12,000 hours in the classroom, compared to 15,000 in front of the television set—the most pervasive and influential medium of mass communications on Earth.

I am fully aware of the importance of the first amendment in our society, and that it protects socially valueless material as much as it protects political speech and material of high cultural merit. But that freedom of speech carries with it the obligation to the American public to act responsibly. The networks are shirking that responsibility.

Behavioral scientists throughout the Nation have confirmed that violence on television is harmful to a child's mental health and stability. This is one reason the under-30 "television generation" has turned this Nation into a society where violence is commonplace. It is far past time for the Congress to act decisively on this issue. The networks have shown they cannot and will not, and the Federal Communications Commission has an equally depressing record. I hope I can convince the Congress, through extensive hearings, that 25 years of broken promises from the networks and the FCC can no longer be tolerated.

A NEW GADFLY KEEPS EYE ON HOUSE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MICHEL. Mr. Speaker, I was delighted to read in this morning's New York Times an article about our colleague from Maryland, Bob Bauman, in which it is alleged that he has become "the new gadfly of the House, its most active nitpicker, its hairshirt, its leading baiter of its most powerful Members."

I think that is a fair description of Bob Bauman, and I would like to second the Times and writer Richard L. Madden in their judgment. Furthermore, I would like to wish Bob continued success at his work. The Times compares him to our former colleague H. R. Gross. Well, the gentleman from Iowa served 2½ decades in this Chamber. I hope his successor will be as durable, because few things give me more pleasure than imagining Bob Bauman still on his feet objecting to unanimous-consent motions in the 105th Congress in 1998:

A New Gadfly Keeps Eye on House

(By Richard L. Madden)

Washington, April 4.—Each day, just before the House of Representatives convenes at noon, a dark-haired man takes up position near the Republican leadership table on the House floor within grabbing distance of a microphone and begins his afternoon's vigil.

On any given day he can be seen jumping up, demanding an explanation of some bill that is being rushed through without debate, raising parliamentary obstacles to other legislation he deems to be a boondoggle, or forcing roll-call votes on measures that many Representatives would just as soon not be recorded as voting for.

It is Representative Robert E. Bauman, a conservative Republican from Maryland's Eastern Shore, engaging in what he calls "a sort of guerrilla warfare." In less than three years in Congress, the 38-year-old Mr. Bauman has become the new gadfly of the House, its most active nit-picker, its hairshirt, its leading baiter of its most powerful members.

"I do watch everything that happens on the floor," Mr. Bauman explained in an interview. "I listen to the unanimous consent requests. Now committee chairmen and others will come over and show me in advance what they are requesting. I just think the House has a right to know what we're doing. If they can slip something by, they will," he said. Following Gross's example.

Mr. Bauman is a younger and more intense version of former Representative H. R. Gross, a curmudgeonly Iowa Republican who retired in 1974 after 26 years of fighting on the floor against what he regard as waste of the taxpayers' money.

When Mr. Gross retired, Mr. Bauman said, several of his conservative Republican colleagues, who are badly outnumbered by the large Democratic majority, decided that "somebody had to watch the store the way H. R. did." He added:

"Anytime the House is in session the American people are probably in danger. I just sort of fell into the role, having spent several years on the Republican floor staff watching the procedure. Perhaps some of the others didn't really have the stomach for all the tedium that goes on."

Like Mr. Gross, Mr. Bauman has won some and lost some. Earlier last month, it was Mr. Bauman who raised the initial objections that led to the rejection by the House of a resolution sending a 25-member Congressional delegation to London to receive an original copy of Magna Carta for display during the Bicentennial celebration.

The speaker of the House, Carl Albert of Oklahoma, was furious over the action and got the bill resurrected and passed a few days later, but only after Mr. Bauman forced a final roll-call vote.

Last year he also raised enough parliamentary objections to force a roll-call vote on a bill giving members of Congress a 5-percent pay raise. "They desperately didn't want a roll-call," Mr. Bauman said. "As a result," he added, "a lot of members will be embarrassed when they go back and run for reelection."

Mr. Bauman's tactics have led to complaints from other representatives that he is being an obstructionist or is showboating. Representative Thomas P. O'Neill Jr. of Massachusetts, the Democratic majority leader, once denounced Mr. Bauman's tactics as a "cheap, sneaky, sly way to operate."

CONFLICTS WITH HAYS

Mr. Bauman has also tilted with Representative Wayne L. Hays, an Ohio Democrat and chairman of the House Administration Committee, who seldom mutes criticism of those with whom he disagrees.

The two had one exchange on the floor in which Mr. Hays suggested that Mr. Bauman was an idiot and Mr. Bauman responded that Mr. Hays was well qualified to judge idiots. Later, Mr. Bauman said, he sent Mr. Hays two pounds of Maryland crab meat to show there were no hard feelings. He said Mr. Hays sent back a note saying the crab meat was great but added: "I had someone taste it before I ate it."

Mr. Bauman was a Capitol page and a member of the Republican floor staff before winning a special election to the House in 1973. He was a founder and officer of both the Young Americans for Freedom and the American Conservative Union.

He described his relationship with other representatives as "generally as good as it can be under the circumstances," but acknowledged that some members "would just as soon not have me there." He added:

"I love the House. I spent most of my life here. I really feel uncomfortable not being on the floor every day."

FOOD STAMP REFORM

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MARTIN. Mr. Speaker, it is my belief that the benefits of the food stamp program can be preserved while reforming some of the features that lead to abuse and unnecessary expense. Reform is overdue, in view of growing public dissatisfaction. If we are to retain a program to meet the nutritional needs of the genuinely needy, then it must be redesigned to do just that.

Most public hostility to food stamps results from two kinds of general impressions. There is, first, a widespread resentment over rumors and direct observations of steaks bought with food stamps being loaded into a new, expensive automobile. There is, second, a strong belief that Americans who are not poor and needy should not be allowed to benefit from food stamps either legally or illegally.

Legislative efforts, including the bill I helped write—Buckley-Michel—and the President's bill seek to remedy that second problem. Eligibility standards are to be stiffened so as to disqualify those who are voluntarily unemployed—that is, strikers, students from ineligible families, and higher income families who now can so adjust their patterns of income and expense as to be artifically eligible several months a year. To halt eligibility for such cases will not deprive the elderly poor or others who are truly needy. Part of the savings, in fact, would be applied to their increased benefit, under most proposals, with the rest of the savings being applied to cost reductions.

In addition to other provisions tightening the accounting and control of the food stamps in circulation, a major objective is to halt the practice of trading or reselling food stamps. There is no philosophic justification for this illegal trade, and the best way to stop it is to establish a simple method of reliable identification, such as photo-identification cards or repeated signature. These modest impositions would be no more onerous than the identification provisions of driver's licenses and traveler's checks.

Many letters and church bulletins have urged elimination of the "purchase requirements" whereby eligible recipients must now purchase part of the value of stamps, paying perhaps $20 to $50 for $100 worth of food stamps. That would reduce administrative costs, but it would not decrease—as claimed—opportunities for fraud. The resale market probably would increase because this proposal would eliminate the only practical restraint against picking up unneeded stamps to which one is entitled. This approach would be more workable if coupled with a provision, such as verifiable identification, to counteract the resale opportunity.

One alternative would go the opposite direction and issue cash instead of the stamp entitlements. While that would enhance the liberty of the recipient, and would eliminate the resale market, it would also frustrate the basic intent of the program to get food to the hungry. Therefore, we must deal instead with reforms which provide more food for the needy and less opportunity for abuse by others.

MEDICARE PROGRAM

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. MATHIS. Mr. Speaker, I am sure that every Member of Congress has at one time or another experienced a problem with the medicare program as it relates to claims for services. I have been involved in one since last May which I consider to be the worst one I have attempted to deal with since I have been in Congress. Needless to say, the final outcome was not positive, and I received a final letter from my constituent which pretty well outlines the inequities of this program and the frustration that it causes to many hospital administrators and doctors. I am inserting the body of the letter sent to me by Dr. Robert Morgan concerning this program and I hope every Member will take the opportunity to read it:

WORTH COUNTY HOSPITAL,
Sylvester, Ga., March 4, 1976.

Congressman DAWSON MATHIS,
Cannon House Office Building,
Washington, D.C.

DEAR DAWSON: This is the last time that I will address you regarding the case of Mrs. Bobbie C. Bruce. This particular case is really not the issue involved. The principle involved is that a patient is admitted to the hospital under a doctor's care; is treated and dismissed by the physician when in the opinion of the attending physician the patient is ready for dismissal. This opinion is based upon personal knowledge, personal observation, and personal care of any particular patient involved.

The serious principle here is that a Medicare patient has erroneously been led to believe by the "Fedicare System" that Medicare was intended to prevent catastrophic financial loss. Yet, they are allowed to stay in the hospital on a cookbook type formula, and some outside agency determines whether the patient should pay.

Now, Dawson this is absolute stupidity for anyone to imagine (especially legislators and the stupid bureaucrats who put out this kind of nonsense) that a patient can be told that he does not have to pay for services utilized in the hospital. These services are provided by people who must be paid. The cost of this care should be borne by the patient or the powers that promise to pay for these cares after the patient has paid their insurance premium or Medicare premium, but the "Fedicare System" provides after the fact that the patient's hospitalization was not justified and does not have to be paid. Who in effect is going to pay the hospital workers and for the services and supplies utilized? Now it would make sense if these people who determined that these patients should not be admitted would come to the hospital to see these patients and then dismiss them when they feel that they are able to be dismissed without the benefit of a physician. Then if the patient continued to stay in the hospital it would be necessary for the patient to pay. How in the world can any system operate with this principle?

Dawson, I hope you will stop for a moment and reconsider what I have said, that a cookbook formula cannot be followed with patients. The attending physician cannot continue to treat patients under this type of system.

Another thing which I am sure you must not be aware of, Dawson, in the practice of medicine is that each patient that is admitted to the hospital now must have that patient's chart reviewed shortly after admission by another physician to determine if the first physician's opinion was justified in admitting the patient. This requires that every patient must have in effect another physician review the case without really seeing the patient and make this decision as to whether the patient should be admitted to the hospital or not. Now, think about that Dawson. This is where the cost of medicine is being increased.

Let me address also the fact that there is a great deal of clamor in the news media and the medical communications about legislators contemplating the capitation tax at the medical schools where students will be assigned to a period of involuntary servitude in some rural community unless they can pay back a sum to the medical school involved to buy their way out of involuntary appointment to some specific area. Let me point out with fact that the rural physician is being limited in his practice by the regionalization programs, the maternal health programs, and I am going to enclose you a letter which I hope you will also read which I have written in the past concerning maternal health programs. We have had lip service appeasement since this previous letter.

Everywhere from Zell Miller on down, and on up, the people and legislators are talking about assigning physicians to rural areas and why can't doctors work in the smaller communities. The simple fact is we are not allowed to practice first class medicine and expect the same pay in Sylvester, Georgia, for services rendered identical to services in Albany or Valdosta, Georgia. The maternal health program, specifically, is trying to deny hospitals which do not deliver 300 babies per year payment for services rendered by a physician while in effect they will pay for services rendered by a midwife in a larger community.

Think about it Dawson. I don't know how to fight this system except under the legislative process in which I'm depending on you to process the needs of the people.

As I say again, I'm sure you cannot be aware of this capitation process which is fixing to go through, and the talk about assigning graduating physicians to areas which are understaffed in physicians. When in effect the reason for this is that the physician is not paid equal pay for equal care.

It should be realized that no federal squaring off of certain cookbook areas will be proper for referral of patients. Physicians have already regionalized their care. For instance, a patient in Sylvester, Georgia, needing neurosurgical care would be referred to Albany, whereas, a patient requiring open heart surgery would be referred to another center such as Atlanta, Augusta, or Gainesville, Florida, because we refer patients requiring specific needs to a specific physician whom we know is expert in that particular field. The people do not need a utilization review or a cookbook method of referring all patients to this area or that area because in many cases that particular area does not contain a physician that will meet the requirements of the referring physician.

The cost of medicare is being increased because of double work, double paperwork, and in many cases is creating a condition where physicians must fill in the formula for admission of the patient to where it will fit the criteria so that the hospital will be paid whether in fact this is the true case for this particular patient.

The patient knows when he is being abused or over hospitalized. The patients who are overutilizing hospitalization are neurotic patients suffering from emotional disease which by cookbook formula probably should be referred to the state institutions, but many times a short stay in the community hospital where they should be taken care of would more adequately serve the purpose.

Dawson, I hope you will take time to review some of the things that I have mentioned, and I am requesting that you consider it seriously, personally, and do what you can to correct the situation.

Respectfully and sincerely,
ROBERT T. MORGAN, M.D.

ON LIMITING COMMUNITY GROWTH

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SYMMS. Mr. Speaker, last fall a gentleman well acquainted with most of my colleagues gave an enlightening interview in the Santa Ana Register about the role and ability of city officials in limiting the growth of a community. Bernard H. Siegan has been a frequent witness and consultant to this Congress in the Federal land use planning debates. I am sure my colleagues will find his comments on city growth helpful and enlightening. I would like to enter them in the RECORD at this point:

CAN CITY OFFICIALS LIMIT THE GROWTH OF A COMMUNITY?

(EDITOR'S NOTE.—Bernard H. Siegan, University of San Diego Law School professor, is a noted authority on land-use law. An author and lecturer, he writes a weekly column, "Land and Law," which appears each Sunday in The Register and other Freedom newspapers. In the following question-and-answer interview, Prof. Siegan relates for The Register the ramifications of the recent court decision allowing the city of Petaluma to control growth.

(This past week, the author was designated "Distinguished Professor of Law" at the University of San Diego Law School.)

Q. A panel of judges of the United States Court of Appeals for the ninth circuit voted unanimously several weeks ago to uphold Petaluma's growth controls. Before you comment on the decision, Professor Siegan, please explain the background of the case and the controls that were in force.

A. Petaluma is north of San Francisco and is considered part of the San Francisco Bay area metropolitan region. Until this case gave it national prominence, it had been known primarily for dairy and poultry production. It grew from about 10,000 in 1950 to over 30,000 in 1972. The city council in 1971 adopted a development policy to control growth and maintain what was left of its "small town character" and surrounding open space.

Projections made on the basis of its growth rate had indicated that by 1985, the city's population would be 77,000. In an effort to reduce that number to 55,000, the city adopted a series of regulations, one of which imposed a maximum ceiling of 2,500 developmental dwelling units for the five-year period 1973–77. Building permits were to be allotted at the rate of approximately 500 per year during that period. Exempt from this limitation were permits for all projects of four units or less.

Because of this exemption, it is difficult to determine the precise impact of the permit controls. That the effect was substantial is indicated by the fact that 2,000 housing permits were issued in the two-year period 1970–71. The trial court found that the plan would prevent the construction of about one-half to two-thirds of the demand for housing units.

Q. That program sounds considerably different from zoning. How would you compare the two?

A. You might say that Petaluma's is the ultimate zoning ordinance. Petaluma made an effort to control residential development minutely, and few zoning ordinances have gone as far. Many suburbs have, through their zoning ordinances, sought indirectly to achieve similar results by low density and open space requirements and strict limitations on apartment construction. Through the device of the planned unit development, they have also been able to determine the kind of units that are built, and the amount of open space and recreational facilities that will be required within the complex.

Petaluma's plan was indeed detailed. Among other things, it provided for a specified allocation of building permits for east and west portions of the city and between single and multi-family dwellings, a 200-foot green belt extending around the city, the establishment of an 8 to 12 per cent quota for housing of low and moderate income persons, and policies for determining how building permit applications would be approved.

Q. How did the lawsuit arise and why did the lower court decide against Petaluma?

A. Two landowners, one of a tract located outside the city, and the other of one partially within it, and the Construction Industry Association of Sonoma County, sued the city, its officers and council members, claiming the Petaluma plan was unconstitutional.

Federal District Judge Lloyd H. Burke ruled that Petaluma's regulations violated the constitutional right to travel. While the Constitution contains no provision explicitly mentioning this right, the U.S. Supreme Court, in a long line of cases beginning in 1667, has protected the freedom of citizens to travel from one state to another.

The Supreme Court had gradually been extending this right to include migration and settlement, and has declared unconstitutional a number of laws that did not accord recent migrants to a state or county the same rights as those given existing residents. Judge Burke said that Petaluma's ordinances, by limiting the number of people who could live in the city, had interfered with the right of citizens to migrate and settle in places of their own choosing.

Q. Have other courts accepted this interpretation of the right to travel?

A. The issue was argued in a 1974 U.S. Supreme Court case concerning the Village of Belle Terre, N.Y., which had adopted an ordinance prohibiting more than two unmarried and unrelated adults from living together in one house. The court said that since the ordinance was not aimed at transients, there was no infringement on this right.

Burke said the Belle Terre case was not relevant to the Petaluma situation. He relied for his Petaluma opinion on decisions of the Pennsylvania Supreme Court which have ruled unconstitutional, ordinances that establish certain minimum lot sizes or do not provide for apartment zoning. The Pennsylvania court has ruled such restrictions as deliberately exclusionary and therefore unconstitutional. It did not refer to the right to travel, but Judge Burke concluded that the underlying rationale of those cases was predicated on this right.

Q. Did the federal circuit court then consider that Petaluma had not violated the right to travel?

A. The circuit court made no decision on the right to travel. It held that this issue could not be raised in this case since none of those suing were seeking housing in Petaluma. For this point, the court relied on a U.S. Supreme Court opinion concerning Penfield, N.Y., issued in June 1975, which limited suits by non-residents to those persons seeking to live in a housing development.

Q. On what grounds then did the circuit court make its decision?

A. Once it had disposed of the right-to-travel issue, the court treated the case as it would a typical zoning controversy. The question in such cases is whether there is a reasonable basis for the regulation, that is, whether the municipality is justified in denying an owner of property the opportunity to use it as he or she desires. Courts have been going through such a reasoning process ever since the U.S. Supreme Court decided in 1926 in the Euclid (Ohio) case that zoning was constitutional.

The standard of reasonableness is a very broad one and tends to favor the municipality, especially since the courts presume that the regulation in question is valid. The burden is on those who contest it to prove otherwise.

Q. Why did the circuit court hold that Petaluma's ordinance was valid?

A. It decided that it was reasonable for a city to adopt laws to preserve its small town character, its open spaces and low density of population, and to grow at an orderly and deliberate pace. It likened the case to two others in which zoning ordinances have been upheld. One of these was the Belle Terre decision to which I have previously referred, and the other was a case involving the Town of Los Altos Hills, Ca., in which the same circuit court upheld a minimum lot size requirement of one acre.

I think neither case supports this decision. The Village of Belle Terre consists of about 220 residences with a population of 700. That case involved a constitutional challenge premised on rights of unrelated tenants to live together in a single family residence contrary to the zoning ordinance. While it is true, as the circuit court said, that the zoning ordinance of the village prevented conversion of any residence to multifamily housing and thereby prevented future growth, the case presented only the question of multiple occupancy by the tenants.

Moreover, it is difficult to compare a very small built-up community without vacant land to a vastly greater one with considerable amounts of vacant land and subject to strong housing pressures. The Belle Terre case might take on some comparability if a 50- or 100-unit apartment building had been proposed, not merely the invalidation of zoning for the sake of communal living.

In the Los Altos Hills case, the one-acre minimum was likewise relatively minor, compared to the much more onerous restrictions of Petaluma. It surely does not follow that if one-acre zoning is valid, five-, ten-, twenty- or forty-acre zoning will likewise be legal. Petaluma's restrictions are much more comparable to a twenty- rather than a one-acre limitation.

The courts in zoning matters have continually said that each case stands on its own facts. While a fifteen-acre minimum lot size may be a reasonable requirement in a rural area, it would surely not be legal in downtown San Francisco.

Q. How did the court respond to the fact that housing was being curtailed?

A. The circuit court judges acknowledged that laws designed to further the interests of a municipality may be harmful to those living in the area or region in which it is located. Judge Burke's opinion had shown in great detail the adverse effects of the Petaluma plan on housing conditions elsewhere in the San Francisco metropolitan area. The circuit judges' reply was that these were problems for legislatures and not courts.

Let me quote from their opinion, since this is a very important statement in the case: "If the present system of delegated zoning power does not effectively serve the state interest, in furthering the general welfare of the region or entire state, it is the state legislature's and not the federal courts role to intervene and adjust the system . . . The federal court is not a super zoning board and should not be called upon to mark the point upon which legitimate local interests in promoting the welfare of the community are outweighed by legitimate regional interests."

On this basis, it is hard to envision any set of zoning rules that this court would throw out.

Q. But are not many zoning regulations overruled by the courts?

A. I am reasonably confident that many, possibly most, state courts would have thrown out the Petaluma type restrictions. Pennsylvania, Virginia, New Jersey and Illinois courts have taken a dim view of much less restrictive rules. When the U.S. Supreme Court validated zoning, it certainly did not say that a municipality could do anything it wanted in the name of zoning. That court has only considered six zoning cases in about 50 years, and has overruled two ordinances. In 1929, it nullified a zoning ordinance in Cambridge, Mass., which it held unreasonably restricted a landowner's right to use his property. The same court also overruled a zoning ordinance of Seattle, Wash.

The Euclid decision, in erecting the reasonableness test did not bar courts from considering regional impact in deciding whether that test had been met. There is language in the case that would indicate just the reverse. One of the most noted sentences of that opinion is the following: "It is not meant by this, however, to exclude the possibility of cases where the general public interest would so far outweigh the interest of the municipality that the municipality would not be allowed to stand in the way." This statement seems directly contrary to the position taken by the circuit court. Numerous zoning decisions have taken into account matters outside of the municipality.

Q. Considering only the city and not the region, do you think that the Petaluma rules are unreasonable?

A. Yes. In my opinion, Pataluma imposed unreasonable and improper restraints on the use of land within the city. Consider what occurs to land values upon the adoption of the Petaluma plan.

In the usual situation, value of land is largely dependent on zoning, and its availability and desirability for building purposes. Those parcels most in demand will have a relatively high value. Petaluma's quota system changes all of that, except for the smaller sites that could be developed with one to four units.

Builders would not want to pay more for any tract than its value for one to four units, unless they knew the land could be used for the erection of more units, and they would not know this until the annual selection process takes place.

This means that until the tract is earmarked for building under the quota, those who must sell, may have to do so at a very low price. Two adjoining similar properties each consisting of 20 or 30 acres would have vastly different values if only one of them chanced to be included in the building quota for that year. Although thousands of acres would be left in legal limbo and values kept at a minimum, the landowners would still have to continue making tax payments.

Q. Isn't that a risk of owning vacant property?

A. Unfortunately property ownership has taken that turn. But this should not be the case under our Constitution. The taking clause of the Fifth Amendment provides that private property shall not be taken for public use without just compensation. While there is loss of value frequently under zoning, the degree to which this occurs is a consideration in applying the reasonableness test. Allowing such serious losses in value as will occur in Petaluma would make meaningless constitutional protections against confiscation of property.

Q. What did the circuit court say about violations of the rights of landowners?

A. There is little reference in the Petaluma decision to the rights of property owners. This is understandable since plaintiffs premised their arguments largely on the right to travel and sociological impact. Interestingly enough, the same court earlier this year in a case brought by Union Oil Co. and others, against the Secretary of the Interior, displayed concern that the Secretary's regulations violated the taking clause of the Fifth Amendment. It stated that regulation of private property can become so onerous as to constitute a taking of it, and sent that case back for further findings on this issue to the lower court which had dismissed the suit.

Q. Do you feel the Petaluma case ignored other issues?

A. The court did not consider adequately the consequences of a quota system. A quota means that some persons who would otherwise have the opportunity will be denied it. The Petaluma authorities will have to make these selections and they will have to use standards that must necessarily be subjective and often arbitrary. Enormous differences of opinion can exist on what are the most pleasing structures, the excellence of design and environmental suitability.

There will be considerable opportunities for graft, moral corruption and political abuse. One likely result is that the city will require houses to have extras and frills consumers do not desire, nor wish to pay for—in effect an admission price into the city. Another consequence is that the competitive system under which our economy is supposed to operate will be effectively barred from Petaluma. The decisions on buildings will be made there primarily by local politicians and officials, and not by businessmen and consumers. Were this practice to spread across the country it would further compromise our private enterprise system.

Q. I assume that these would be some of the effects on people outside the city. Are there other public policy considerations pertinent to this case?

A. There are three possibilities as to what will result from Petaluma's exclusionary policies. First, more housing will be built in other nearby communities. Second, housing will be built in areas not presently used for urban purposes. Third, some of the demand for housing will remain unsatisfied.

It is likely that other cities will either retaliate or find the Petaluma Plan attractive and if they adopt similar policies, the total number excluded from existing communities in the area will increase. This means that either less housing will be built or the excluded housing will be located in rural areas. Probably a certain amount of both will occur. The rural areas are not likely to yield nearly as much housing. Demand is less there and these areas have fewer utilities and facilities to accommodate construction.

Q. Will this be harmful to our housing needs?

A. Yes. More housing is obviously needed. Housing starts are off substantially in 1974–75. Billions of dollars are being spent by the federal government to create better housing conditions. It would be absurd that the nation's goals of stimulating more and better housing should be frustrated by local goals of limiting housing. It is equally inexcusable that federal policies to encourage business and development and competition should be impeded by local policies that operate to discourage them.

Serious problems will also be created if exclusionary housing policies cause more rural and farm land to be urbanized. A recent government report pointed with alarm to the increased urbanization of rural lands. The report indicated that 2,000 acres per day were changing from rural to urban property. Petaluma-type policies will considerably augment that amount at a time when a maximum amount of land should be available for farming, grazing, and mining. Thousands of acres will be wasted for unnecessary urban development.

Q. Returning to Petaluma, who would be the ones fortunate enough to live in that city during its 500 per year quota?

A. If the demand is for 1,000 to 1,500 permits as Judge Burke assumed, and only 500 are issued, the supply will be much less than the demand and the price of new housing will significantly appreciate. The wealthiest one-third or one-half of the families who want to settle there will best be able to do so. Should other new communities follow suit, the economic discrepancies between older and newer areas will widen substantially. The exclusionary communities will become richer as the others become poorer. Since wealthier people can better afford to pay property taxes and live in more luxurious accommodations, it would be almost foolhardy for a locality not to pursue the Petaluma plan. Thereby, these communities will shift the urban burdens of the nation to the bigger cities where poorer portions of the population will remain locked in.

Q. Doesn't the Petaluma plan require housing for low and moderate income families?

A. Yes. As I have indicated, 8 to 12 per cent of Petaluma's quota must be for this group, which roughly approximates 50 units of the 500. I really don't feel that the provision of 50 units of one kind of housing justifies the exclusion of possibly 500 units of another. Nor is it fair to give special preferential treatment to a few fortunate members of one class.

The 500 excluded units would be occupied by wealthier people, but the construction of them would more than compensate poorer people for the loss of 50 new units. The University of Michigan's survey Research Center, in a very extensive study, found that an average of 3.5 relocations occurred for every new unit constructed and occupied. One of these moves is to the new dwelling; the others are to existing housing. This is the filtration process, with each move being into what can usually be regarded as a better unit for the people involved.

The study found that one-third of the 3.5 moves was by poor and moderate income families. This means that each new unit that is erected will result in an additional housing opportunity for low and moderate income families. While it is conceivable that those units excluded by Petaluma would be built elsewhere, it is most unlikely that this would occur, as I have previously suggested. Accordingly, poor people are hurt much more by the exclusionary nature of Petaluma's plan than helped by its lone inclusionary provision.

Q. What will be the result if more cities adopt the Petaluma plan?

A. According to undisputed expert testimony at the trial of the case, duly reported in the circuit court's option, if the Petaluma plan were to be adopted by municipalities throughout the region, the short-fall in needed housing in the region for the decade 1970 to 1980 would be 105,000 units or 25 per cent of the units it was said are required. The experts also said there would be a resultant decline in regional housing stock quality, a loss of housing mobility and a deterioration especially in the housing available to those with real incomes of $14,000 per year or less.

Petaluma-type barriers appear contrary to the nature of the union as one country. Localities should not feather their own nests at the expense of all others.

Los Angeles, Chicago and New York might still be rural enclaves if their original settlers had the power to keep them that way. The first thousand or million could have prevented millions of followers from locating there. Immensely greater portions of land would have been urbanized. Great artificial restraints would have been placed on mobility and movement in this country. There would have been less housing and it would have cost more.

Q. Will the Petaluma case be appealed to the U.S. Supreme Court?

A. I believe so.

ESTATE TAX PROTESTED BY FARMERS

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. KASTEN. Mr. Speaker, the House Committee on Ways and Means just concluded hearings on the need to reform the Federal estate tax laws. In view of the devastating effect the Federal estate tax laws are having on our Nation's small family farms and businesses, the hearings were long overdue.

The interest in this issue has reached an all time high. For example, last Wednesday, the Milwaukee Journal carried a front page story written by Steve Hannah entitled "Estate Tax Protested by Farmers." The story not only details the need for reform, but also contains the story of Mrs. Eleanor Harrison, a 64-year-old widow from Elk Mound, Wis. Unfortunately, the hardships endured by Mrs. Harrison are all too typical. I would like to place the article in the RECORD at this point for the benefit of my colleagues and I would like to urge the Committee on Ways and Means to act expeditiously on this matter:

ESTATE TAX PROTESTED BY FARMERS

(By Steve Hannah)

Eleanor Harrison of Elk Mound is painfully familiar with the high cost of dying in America. Since her husband's sudden death two years ago, she has paid dearly emotionally.

She also paid $54,020 to the state and federal governments in inheritance taxes.

Mrs. Harrison, 64, is a farm widow. After 38 years of milking cows twice a day and working shoulder to shoulder with her husband in the field, Stephen Harrison's legacy left her "paper rich."

The 80 acre plot in Dunn County that cost them $4,800 in 1936 grew gradually over the years. By May of 1974, just two months after her husband was buried, appraisers assessed the 955 acre Harrison farm at $436,055.

LITTLE CASH IN BANK

Mrs. Harrison was staggered.

"I had no idea our farm was worth that kind of money," she repeated over and over again. "And with very little cash in the bank, I had no idea where I was going to get $37,020 for the IRS and $17,000 to pay the state inheritance taxes.

"Practically every penny we made farming was reinvested in a new tractor or piece of land," she said. "With land and equipment prices always going up, what farm family has $50,000 in the bank to pay taxes?"

In many ways, Eleanor Harrison's dilemma is typical of what besets the farmer's heirs when he dies. It is a problem that prompted farm organizations like the conservative American Farm Bureau Federation and the liberal National Farmers Union, among others, to dispense with political differences and join forces. They aim to change the law.

ADOPTED IN 1942

The federal estate tax laws, with few modifications, were adopted by Congress in 1942. They have not been changed substantially in 34 years.

In brief, the law deems the first $60,000 of the decedent's estate exempt from taxes. The balance is taxed on a graduating scale at anywhere from 3% to 77%. There also is a "widow's clause" in the law, added in 1948, granting the surviving spouse an additional deduction of "up to 50%" of the adjusted value of the estate. The law says federal estate taxes are due nine months from the date of death.

The complaint coming from the farm today is threefold:

The 1942 law doesn't take inflation into account. Farmers say that $60,000 exemption might have been adequate in 1942, when most farms were worth about 25% of their current value, but spiraling land and equipment prices have diminished the exemption every year.

The law fails to give the average farm wife credit for making a working contribution to the family business. Milking cows in a barn and driving tractors in the field won't satisfy the IRS without pay stubs and receipts. Unfortunately, perhaps, most family farms haven't operated that way.

(Estate taxes treat other heirs even more harshly, farmers say. The sons and daughters of the deceased man are entitled to nothing like the "widow's clause"—just the $60,000 exemption.)

Farm spokesmen say the IR3 uses "fair market" formula in assessing the value of a farm. That practice, they say, prices farmland not for its agricultural use but for recreational and commercial purposes that have no bearing on the income which a farm produces.

Farm leaders claim the net result of the law's inequities is that the dead farmer's heirs are forced to sell their property to pay inheritance taxes. As a result, an alarming number of family farms, are disappearing.

The House Ways and Means Committee recently concluded a hearing on estate tax laws. Much of the testimony from the farm focused on the inflation-exemption question. And much of what was said can be condensed in the statements of three men:

W. Fred Woods, a US Department of Agriculture economist, calculated that the average farm was valued at $51,440 in 1960 and by 1974, that figure had jumped to $169,774.

Allan Grant, president of the American Farm Bureau Federation and the leadoff witness, testified that the consumer price index was 48.8 in 1942 (when the estate tax laws were adopted) and 161.2 in 1975. He said the purchasing power of the dollar last year equaled the purchasing power of 30 cents in 1942.

And Gilbert C. Rohde of Greenwood, Wis., president of the Wisconsin Farmers Union, estimated that a farmer who earns $10,000 to $12,000 a year today leaves an estate worth $320,000. Rohde said the IRS tax takes $20,200 of that in federal inheritance taxes, and the state gets an additional sum.

RAISE TO $200,000?

There are at least 55 bills in Congress today dealing with federal estate taxes. Ten of those pending in the Senate aim to raise the $60,000 exemption to $200,000 to catch up with inflation.

A bill in the House written by Rep. Omar Burleson (D-Tex.) and one in the Senate by Sen. Carl Curtis (R-Neb.) have been endorsed by several farm organizations. Basically, the Burleson-Curtis proposal would lift the exemption to $200,000 and raise the widow's deduction to $100,000, plus 50% of the adjusted value of the estate.

The Ford administration has introduced legislation. The president's proposal would gradually raise the exemption to $150,000 over the next five years. The Ford plan also allows a five year moratorium on paying inheritance taxes and would stretch payments over 20 years.

Assistant Treasury Secretary Charles Walker testified at the House hearings that putting the $150,000 plan into effect immediately would cost the government $1.1 billion in revenue in the fiscal year starting Oct. 1. Walker said Ford's phase-in program would substantialy cut the revenue loss.

BORROWED $14,000

Most farmers could count Eleanor Harrison and her family among the fortunate. She did not have to abandon the farm she and her husband built for four decades.

Mrs. Harrison settled her debt with the IRS in the alloted nine months by selling 80 acres for $23,000 and borrowing $14,000 from a local bank.

Making good on the $17,000 state inheritance tax took a little more finagling. She applied for a $25,000 loan from the U.S. Farmers Home Administration, but it didn't come through on time. So she borrowed from the bank again, paid the state, then repaid the bank loan plus interest when FHA money arrived.

By her own admission, Mrs. Harrison is not the "worrying or bitter" type. But calmness and kindness aside, she has little use for the estate tax laws.

LAUNCHING OF THE U.S.S. "MEMPHIS"

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. WHITEHURST. Mr. Speaker, last Saturday, April 3, 1976, the nuclear attack submarine U.S.S. *Memphis* was launched at the Newport News shipbuilding and drydock yards in Newport News, Va. I had the honor of being present for the launching of this fine vessel, which was christened by the wife of my good friend and colleague, Congressman ROBIN L. BEARD, JR., of Tennessee. The Beards made it a family affair. Prior to Mrs. Beard's breaking the traditional bottle of champagne over the bow of the *Memphis*, Congressman BEARD spoke to the thousands of people who had gathered for this event.

All of us were moved by Congressman BEARD's words calling attention to what could be the eclipse of American naval supremacy unless we take immediate steps to correct the growing imbalance between the United States and Soviet navies. Mr. Speaker, with the imminent consideration of the defense authorization bill, H.R. 12483, this week, I believe it is in order to insert Congressman BEARD's remarks in the RECORD, and I call my colleagues' attention to them:

STATEMENT OF REPRESENTATIVE ROBIN L. BEARD, JR.

It is indeed an honor and a privilege for me to be here at the launching of the sixth U.S.S. Memphis. It is an honor for our great City of Memphis and for the entire State of Tennessee which earned its nickname—the Volunteer State—from its citizen's readiness to respond to the call of our country's armed services in time of national emergency.

The launching of today's U.S.S. Memphis is significant in that it marks a crossroads in the history of the United States Navy. Because for the first time in the modern history of our Navy, we can no longer claim the prestige of being the world's number one Naval power.

At the end of World War II, the United States boasted the world's largest and most modern Navy. It had been virtually totally reconstructed after Pearl Harbor, and its major warships—carriers, cruisers, destroyers and submarines—were still coming out of the shipyards in sizable numbers through 1947.

The U.S. Navy dominated the seas and with a force level of about 1000 ships–briefly reduced and then built up in the early 1950's—made a major contribution in both the Korean and Vietnam Wars—primarily by means of projecting air power from its carriers. It also served as a base for the projection of ground forces in such varied areas as Korea in 1950, Lebanon in 1958, and the Dominican Republic in 1965.

But the picture has changed radically in the last seven years. As recently as 1970, the U.S. Navy had over 950 ships. Today, we have just slightly more than half that figure—well behind the number possessed by the Soviet Union and well behind the number which the Navy itself considers necessary to ensure a minimal risk against any threat.

The Soviet fleet presently numbers over 550 major combat vessels. By comparison, the United States numbers 250 major warships. For the first time in over two decades, the Soviet Navy has undertaken a program of aircraft carrier construction. The Russians have steadily replaced their diesel submarines with nuclear-powered vessels, and they continue to produce impressively large, fast, and heavily armed major surface vessels.

In addition, the Soviet Union has maintained an increasingly visible naval presence in the Mediterranean and Caribbean Seas and in the Atlantic, Indian and Western Pacific Oceans. It has benefitted from base facilities in Somalia and Cuba, and, no doubt, it will soon begin benefitting from base facilities in Angola.

The U.S.S.R. has now constructed a canal linking the White and Baltic Seas, which would allow the Soviet Baltic fleet access to the Atlantic Ocean. Finally, and probably in conjunction with its presence in more distant waters, the Soviet Union has sought to improve the effectiveness of its naval infantry—the equivalent to our marines. The Soviet Naval Infantry presently numbers some 10,000 men. While it cannot be compared to the U.S. Marine Corps, it is apparently being reoriented toward amphibious missions of a type traditionally associated with U.S. amphibious operations.

All of these developments point to the emergence of new Soviet naval missions, obviously geared toward a new Soviet objective of sea control.

The sum total of these developments is that the Soviet Union is now at its height of naval expansion while we, the United

States, have chosen to follow a path in the opposite direction.

It is interesting to note that these radical changes have taken place during our period of so-called detente.

It must be remembered during this period of detente that the Soviet Union's predominant philosophy still prevails. As it was succinctly expressed in an editorial in the Soviet Union's own newspaper, Izvestia:

"Detente does not mean and cannot mean a freezing of the social status quo. Support of national liberation movements is one of the most important principles of Soviet foreign policy."

It is clear that the United States has been lulled into a false sense of security by the word detente. We were far and away the most powerful country in the world, but in the last decade, the United States defense budget has been drastically cut because it was the politically popular thing to do.

The real tragedy in this policy we have chosen to pursue is that the day we become a second-rate power is the day the word detente will go out of our vocabulary.

The people of this country have now reached the point where they consider national security an inherent right. The great fallacy in this is that the American people fail to recognize we've had national security only because of actions we've taken in the past. It's time we stop considering only ourselves in the context of how the world is today. We must also consider the future and the conditions we will create for our children. The "right" to national security that we have inherited from our fathers must be preserved and protected through a strong national defense system.

The question now is where do we, the United States, go from here? We can continue our atonement for our past sins in Vietnam. We can continue to bury our heads in the sand and pretend that if we do not see what is going on in the rest of the world, it does not exist. It will go away and leave us alone. We can continue to widen the gap between the Soviet presence in strategic areas of the world and our own strength in these areas.

Or we can start now—this year—to let the world know detente will be a two-way street and that the defense of this great country will be one of our most important priorities.

In my opinion, there is no choice. We can no longer live with the ghost of our past mistakes in Vietnam. We must live up to our responsibilities as a world power to preserve freedom. We have to accept the fact that we are a world leader, and there is no way we can close our doors, pull down our shades, and pretend all our problems will fade away.

In this, our Bicentennial Year, it is appropriate not only to celebrate our nation's achievements of the past 200 years but also to set our sights on the future.

In dedicating this great ship, the U.S.S. Memphis, a symbol of our commitment to preserving our military strength, I would like to leave you with a quotation from our former Secretary of Defense, the Honorable James Schlesinger, one of the most dedicated and professional men I have ever known in the service of our government. And I quote:

"The Bicentennial Year should not coincide with the further weakening of our acceptance of our responsibility to the external world and to ourselves. If we seek to preserve a satisfactory condition for the United States in the world, if we seek the survival of freedom elsewhere than in North America, if indeed we value what our civilization represents, American strength remains indispensable. Without enduring American strength, western civilization will not survive."

RETIREMENT OF HON. F. EDWARD HÉBERT

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 30, 1976

Mr. MOORE. Mr. Speaker, it is with a great sense of personal disappointment and sadness that I add my words of tribute to those of my colleagues upon the announcement that Congressman F. Edward Hébert will retire at the conclusion of this session.

Congressman Hébert has given 36 years of distinguished service to the Nation and the State of Louisiana. During those years his very presence in this Chamber has become synonomous with America's commitment to protect its freedom through a strong national defense.

Unlike many of my friends and colleagues who have the honor of speaking of many years of service at the side of F. Edward Hébert, I have been able to call him colleague but little more than a year. In that short time, though, I have developed a respect and affection for this great man as if I had served with him my entire lifetime.

No one from Louisiana, however, can speak of Congressman Hébert from anything other than a deep and long standing friendship because regardless of where you live within our great State, no matter who your other able Representatives might be, you always take comfort in the knowledge that whatever the issue, F. Edward Hébert would be there to fight for what was best and right for the people of Louisiana.

Like any man of great principal and ability, his path was not always smooth. I can remember the pride with which we Louisianians watched Congressman Hébert's rise in position and influence on the House Armed Services Committee and the bitter feeling of personal loss when the chairmanship of that committee was taken from him.

I have no doubt that that act will be remembered as a dark day in the annals of this Chamber, but it may well have been Congressman Hébert's finest hour.

In this year of America's 200th birthday, we find ourselves a nation with few living patriots to whom we can turn, but what finer honor than the title of "patriot" can we give a man who willingly gives up power and position rather than compromise his Nation's defense.

Congressman Hébert is a true patriot at a time when few stand among us and many are needed.

While his accomplishments have earned him a record of national stature, as dean of the Louisiana delegation he has worked just as tirelessly in the interest of his State.

It has been through the strength and wisdom of his leadership that our delegation has consistently put aside the interests of partisan affiliation and have faced those issues of importance to Louisiana shoulder to shoulder.

Since the First Continental Congress, many fine and able men have served in this body, but few have marked the period of their service with the measure of accomplishment that Congressman Hébert has to his credit.

The achievements of F. Edward Hébert have become not only a part of the record of this House, but his work has been inscribed on the pages of the history of this country.

The retirement of F. Edward Hébert will be a great loss to the State of Louisiana and a greater loss to the Nation. It will be a long time before another man walks onto the floor of this Chamber with the same strength, courage, and love of country that have marked his career in the House of Representatives.

NOTRE DAME PRESIDENT CALLS FOR OUTWARD LOOK

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SIMON. Mr. Speaker, last week Father Theodore Hesburgh, president of Notre Dame University, spoke to a breakfast meeting of some of us in the House and Senate about the need for a fresh look at our ideals in the Bicentennial Year, and what those ideals should mean in practical terms in our relationships with other countries, particularly the developing nations.

Father Hesburgh spoke to us in his role as chairman of the board of directors of the Overseas Development Council, an organization which is doing outstanding work.

They have just issued a book, "Agenda for Action, 1976." I have not had a chance to read it yet, though I have read its predecessors, which have been solid, thoughtful contributions.

They have published a summary of the new book, and our colleague, Representative John Brademas of Indiana, has suggested to me that a portion of the summary be inserted in the Record. I am pleased to do that at this point, with appreciation for the work and leadership provided by the Overseas Development Council and particularly by Father Hesburgh, James Grant, and Martin McLaughlin:

THE MAJOR ISSUES FOR NEGOTIATION IN 1976

DEVELOPING-COUNTRY EXPORT EARNINGS

Export earnings play a major role in the flow of foreign exchange to developing countries. Programs to stabilize developing-country export earnings are a high priority for 1976 negotiations. But developing and developed countries have conflicting approaches. The developing countries—as typified by the proposals of the U.N. Conference on Trade and Development—favor stabilization of export prices, while the new U.S. proposals for the creation within the International Monetary Fund of a "development security facility" would stabilize overall export earnings of developing countries by compensating countries when earnings decline. Unlike commodity price stabilization schemes, the U.S. proposal would cover shortfalls in the export earnings of manufactured products as well as raw materials . . . but it would not in any way guarantee the purchasing power of those earnings vis-a-vis the manufactured goods produced by the industrial countries.

To a large degree, the U.S. proposal is an expansion of the compensatory financing scheme which has existed within the IMF for over a decade. But the proposed changes are significant: easier access to such loans; expanded volume of funds available; and provision for the poorest countries to convert their loans into grants under prescribed conditions.

The negotiations on this issue will take place at the Paris meetings of the Conference on International Economic Co-Operation and at the meeting in Nairobi this May of the United Nations Conference on Trade and Development. The crucial question facing negotiators is whether or not the two approaches can be reconciled. The United States has not ruled out examination of specific commodity agreements, and many developing countries appear to be questioning the wisdom of the total UNCTAD integrated commodity concept; compromise, therefore, may be possible. The fundamental issue is: Should compensatory financing arrangements and international commodity agreements serve to stabilize earnings and reduce price fluctuations (as argued by most developed-country governments and most economists), or should they also attempt to serve as mechanisms to transfer income from developed to developing countries (as generally proposed by the latter)?

INTERNATIONAL TRADE REFORMS

The apparent willingness of the United States to discuss a broad set of trade reform issues is directly responsive to long-standing developing-country complaints about major aspects of the present international trade regime—and the latter's interest in developing a set of trade reforms to increase their capacity to earn scarce foreign exchange and accelerate economic growth.

The United States has proposed a fivefold approach in the present round of negotiations now underway at Geneva within the General Agreement on Tariffs and Trade. It includes: special treatment for products of the "least developed" countries; implementation of tariff preferences for the manufactured goods of the developing countries; adaptation of general rules regarding trade policies to reflect the special needs of the development process; dismantling of that part of the present developed-country tariff system which is particularly harmful to potential exports of the developing countries; and early agreement on tariff cuts for tropical products.

Although there does seem to be substantial basis for negotiation, the developing countries will not find the United States willing to accept the concept of "indexing," whereby the prices of developing-country exports would be automatically tied to the costs of their imports from the industrial world. The crucial question is whether the United States and other developed countries have offered enough by way of an initial negotiating position to engage the developing countries in a serious discussion of trade reforms that will increase market access for developing-country products—particularly processed and manufactured goods—in the North. And equally importantly, can developed-country governments make the results of negotiations in this area acceptable to their legislatures where that process is necessary?

Trade reform issues will be on the agendas not only of GATT (in Geneva) and UNCTAD IV (in Nairobi), but also of the new Conference on International Economic Co-Operation (in Paris).

GLOBAL FOOD PROGRAMS

The world food situation still remains insecure despite much improved harvests in 1975. Population continues to grow, as does consumption in the rich countries. Reserves carried over into 1976, though about 10% higher than last year, still represent only about a 30-day supply; with consumption slightly outrunning production, world food security continues at risk.

The agricultural arena, however, appears to be one in which some major bargains could be struck, because it is one in which producers and consumers in both developed and developing countries stand to gain from well-conceived reforms. And all parties to the negotiations seem to have achieved a high degree of agreement on the following propositions:

The solution to world food problems lies primarily in rapidly increasing food production in the developing countries;

The volume of assistance to developing countries for agriculture and food production should be substantially increased;

The Consultative Group Food Production and Investment in the Developing Countries should identify the developing countries with potential for most rapid and efficient increase in food production and mobilize the resources needed to capitalize on that potential;

At least $1 billion should be provided for the International Fund for Agricultural Development so that it may begin the process of investing in projects to increase agricultural production in developing countries;

A minimum international food-aid target for 1975–76 should be ten million tons of food grains;

Assistance in the food area should be granted on the most concessional terms possible to those countries most seriously affected by the economic difficulties of the past two years;

A global system of food-grain reserves should be established promptly.

Although all parties have attained agreement on these principles, agreement remains uncertain on the specifics of implementation, and on related issues such as long-term management of international grain sales, increased access to developed-country markets for developing-country exports of temperate-zone food products, etc. The major negotiations on these issues are expected to take place in the new U.N. World Food Council, the International Wheat Council, the Consultative Group on Food Production and Investment, and special pledging conferences, as well as through the regular processes of international agencies such as the World Bank's International Development Association and the Food and Agriculture Organization of the U.N.

RESOURCE TRANSFERS

A great deal of discussion undoubtedly will focus on resource transfer between developed and developing countries. Several developing country requests—such as asking the developing countries to meet the commitment that most of them made earlier to transfer 0.7% of their Gross National Product annually in the form of development assistance and calling for a conference to consider various forms of debt relief—are not likely to be implemented. The United States has been particularly unresponsive to the developing-country needs for official development assistance. In 1974 Sweden became the first industrialized country to reach the U.N. target of 0.7%, and six other countries exceeded 0.5%. The United States contributed only half that percentage—0.25%—of our total income.

New agreements in the resource transfer area, if they can be achieved at all, will have to come from some of the suggestions to introduce new and automatic sources of income. Among these are a greater share of newly created international monetary assets for developing countries; royalties from the commercial exploitation of international commons like the oceans and space; and new forms of international taxes, such as a tax on consumption of nonrenewable resources, with proceeds going to developing countries.

One new source now accepted and in the process of being constituted is the Special Trust Fund of the International Monetary Fund. The $2–$3 billion Trust Fund, which will be financed from proceeds of gold sales and contributions from IMF members, will provide loans at concessional interest rates to the least developed countries facing serious balance-of-payments difficulties.

Other than that, however, there is little reason to be sanguine about the responsiveness of the United States and many other developed countries to developing-country requests in the general area of resource transfers. Another disappointment has been the role of OPEC in resource transfers. Although OPEC countries transfer a larger proportion of their GNP than the industrialized countries in development assistance (1.7% in 1974), most of this has gone to a few Middle Eastern countries; OPEC funds are as yet of marginal assistance to most developing countries.

ENERGY

Nations should see the energy problem for what it is: a global problem that will best be solved through global approaches. A global approach has many ingredients, including helping energy-poor developing countries with the immediate problem of paying for essential energy imports; helping them develop petroleum resources in underexplored areas; working cooperatively to evolve a safe global nuclear energy policy; developing a world network of research and development efforts that gives attention to the small scale renewable sources of energy needed in developing as well as developed countries; and nurturing the intellectual and institutional capacities in poor as well as rich countries and at the international level to think about and plan *globally* for the human use of energy on this planet. Such an approach would not only support the needs of developing countries but would increase U.S. energy security by helping to make the international energy trading system more dependable at very low cost to this country.

OTHER PROGRAMS TO ACCELERATE DEVELOPMENT

Three other major categories of programs are being suggested to expand growth rates and industrial expansion in the developing countries. They are: the upgrading of scientific and technological skills available to the developing countries; increasing developing-country access to international capital markets in order to borrow for development programs; and expanding the role of the multinational corporations in developing countries.

THE POOREST COUNTRIES AND THE POOREST PEOPLE: THE CROSS-CUTTING PROBLEMS

The final major issue on the 1976 agenda is the question of the world's poorest countries and the world's poorest people, regardless of where they happen to reside. U.S. development policy in recent years has begun to focus on questions of absolute poverty, due mainly to a growing Congressional concern over these issues. And indeed, all the major parties to the present negotiations have declared themselves in favor of special forms of assistance to the least developed countries.

But this issue raises a dilemma of potentially larger proportions. The multiplying levels of global interdependence will necessitate the expansion of multilateral diplomacy to cope with such complex issues as the oceans, environmental degradation, nuclear proliferation, and many others. But if the United States, with its eye on the global agenda, decides that intergovernmental amity is more important than the economic and social development of the poorest countries and people, what are the long-run implications for the so-called "forgotten 40%" of humanity?

There are, of course, ways in which this issue can be addressed in the context of the multiple negotiations now underway. Ideally the nations of the world should be able to take account of the imperatives both of equity between states and equity within states. But there are steps short of this ideal. For instance, there is a growing trend—in Europe as well as in the United States—to channel bilateral aid programs to the poorest nations and to countries whose domestic policies are directed to improving the living standards of their poorest people. Similarly, bargains can be driven, as in the case of resolutions of the World Food Conference and in the creation of the IMF's Special Trust Fund, to make sure the major beneficiaries of new programs are the poorest countries. Finally, there is a need to begin discussions of how both the richest and the poorest countries can work together to meet the minimum needs of the world's poorest people.

PROSPECTS BLEAK

World Bank estimates indicate that the prospects for increasing the income of the world's poorest people during the present decade are bleak: over the ten-year period 1970–1980, the per capita income of the billion people living in the poorest nations is expected to increase by only $3, from $105 to $108. During this same period, the per capita income of the 725 million people living in middle-income developing countries (excluding the OPEC countries) will have increased by $130 (from $410 to $540), and per capita income in the developed countries will have increased by some $900, from $3100 to $4000.

In 1975, world grain reserves (measured in terms of daily world consumption requirements at present population and consumption levels) amounted to a food supply of 35 days for the entire world. The preliminary estimate for 1976 is that reserves will decline to 31 days' supply. These recent reserve levels contrast sharply with those of the past; in 1961, for example, world grain reserves amounted to 105 days' supply.

While U.S. earnings from its agricultural exports rose from $6.1 billion in 1965 to $21.3 billion in 1974, the proportion of food assistance under Public Law 480 (the Food for Peace Program) as a percentage of total agricultural exports increased to 5 per cent.

Because average per capita consumption of foods, energy, and raw materials is higher in developed than in developing countries, the costs in 1970 of fulfilling the natural resource requirements of the 7.7 million population increase in developed market economies were equal to those of fulfilling the requirements of the more than five times greater population increase (43.2 million) in developing countries.

AMENDMENT TO TITLE XIX OF THE SOCIAL SECURITY ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. WAXMAN. Mr. Speaker, on March 18, 1976, I introduced legislation which would amend title XIX of the Social Security Act. Specifically, this legislation is designed to provide changes in the current medicaid practices with respect to reimbursement for clincial laboratory tests and X-ray services.

The spiraling costs of medicaid have forced many States to reduce services provided to the poor or to further restrict eligibility under the program. Consequently, the presumed beneficiaries—that is, the poor—of medicaid have once again become the scapegoats of fiscal restraint measures. More appropriately, we should seek to close those loopholes in the current medicaid law which allow provider individuals and provider institutions to profiteer at the taxpayers' expense. Rather than reduce services or restrict access to needed medical care, I propose that we allow the States greater flexibility in making special cost-effective arrangements, including the process of competitive bidding, for the purchase of laboratory or X–ray services for medicaid recipients.

Under existing law, the "freedom of choice" provision in title XIX has prevented States from instituting practices such as competitive bidding. The patient as consumer of health services has little, if any, "freedom of choice" in determining where specimens are sent for clinical tests. Rather, the choice undercurrent practices lies exclusively with the attending physician and in some instances, the referring laboratory. The proposed amendment would void the "freedom of choice" provisions, as it has been interpreted by the Department of Health, Education, and Welfare. Concurrently, this amendment vests responsibility with the State and political subdivisions for making appropriate arrangements for the provision of clinical laboratory and X–ray services.

Patients and taxpayers are best served by having laboratory tests performed by licensed, high-quality, reasonably priced laboratories. To insure the above, H.R. 12643 requires that State negotiated arrangements be reviewed by the Secretary of HEW, and approved plans must satisfy the following conditions:

First, adequate services will be available under such arrangements; second, laboratory services will be provided only through laboratories licensed under subpart 2 of part F of title III of the Public Health Service Act; and third, charges for services provided under such arrangements are made at the lowest rate charged by the provider of such services.

This bill also mandates that laboratory charges billed for by a physician but performed by an independent clinical laboratory must accurately reflect the actual cost of the laboratory test. H.R. 12643 requires that the physician's charge for tests performed by an entity not in the employ of the physician shall not exceed the amount which the physician was charged for the service by the independent clinical laboratory, plus a nominal physician service charge which is determined by the State to be reasonable.

It is appropriate that fee schedules for services relate to actual costs of performing the tests. In addition, this bill introduces the concept of lowest rate charged to individuals other than medicaid. This is essentially a nondiscriminatory provision to protect the State in the purchase of laboratory and X-ray services. The provision relating to the nominal service charge for which a physician may be reimbursed represents an attempt to insure that the so-called practice of double billing for such clinical laboratory and X-ray services is eliminated.

Mr. Speaker, the primary purposes of these amendments to the Social Security Act are threefold: First, to permit the State to engage in cost-effective practices by entering into arrangements with providers of clinical laboratory and X-ray services; second, to provide for the necessary quality control standards as delineated in the Clinical Laboratories Improvement Act of 1976—H.R. 11431; and third, to provide much needed reforms for a medical service system fraught with abuses. The provisions of my bill will not only allow States to implement cost-saving measures but will require that the participating providers meet the necessary quality control standards.

I am hopeful that this bill will be considered simultaneously with the Clinical Laboratories Improvement Act of 1976, which is before the Subcommittee on Health and the Environment.

THE SILENT PARTNER OF HOWARD HUGHES—PART XV

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. HARRINGTON. Mr. Speaker, I am inserting today the 15th installment of the Philadelphia Inquirer's exposé regarding Howard Hughes' privileged relationship with sectors of the U.S. Government. In this segment, reporters Donald L. Barlett and James B. Steele conclude their examination of the Marina Del Rey development project:

THE SILENT PARTNER OF HOWARD HUGHES—XV

EMPIRE: THE LEGAL CONNECTION

Businessmen associated with the development who were interviewed by The Inquirer with the understanding that their identity would not be disclosed, for fear of economic reprisals by the Hughes organization, say the actual losses on the Marina City project are running into the "millions" of dollars.

These businessmen also maintain that Hughes Aircraft Co. itself has invested and lost substantial sums of money in Marina City.

If true, this would mean that the assets of a tax-exempt charity were pumped into what so far has been a financially unsuccessful venture started for the personal benefit of Hughes executives.

Whatever the tax consequences may be for—the Marina City partnerships, records on file in the Los Angeles County recorder's office offer some indication of the investment intentions of individual Hughes executives.

The original 1969 partnership agreement for Executive Investors Ltd., for example, shows that:

John D. Couturie, then treasurer of Hughes

Aircraft, agreed to lend the partnership $315,132. His agreed cash contribution was $35,016.

Allen E. Puckett, executive vice president and assistant general manager of the aircraft company, agreed to lend the partnership $157,566. His agreed cash contribution was $17,508.

John H. Richardson, senior vice president of the aircraft company, agreed to lend the partnership $157,566. His agreed cash contribution was $17,508.

W. H. Christoffers, a vice president and group executive of the aircraft company, agreed to lend the partnership $131,305. His agreed cash contribution was $14,590.

SEVENTEEN PERCENT INTEREST

By virtue of their agreed cash contributions, these four Hughes executives alone—and there were more than a dozen other Hughes executives involved with Executive Investors—received a combined interest of 17 percent in the partnership.

The story of the Management Investors partnership is much the same.

Couturie agreed to lend that partnership $27,961; his agreed cash contribution was $3,107. Puckett agreed to lend the partnership $139,805; his agreed cash contribution was $15,535. Richardson and Christoffers agreed to loans of $83,883 each and cash contribtuions of $9,321 each.

In just these two partnerships then Executive Investors Ltd. and Management Investors, four Hughes Aircraft executives alone initially agreed to make cash contributions and loans totaling some $1.2 million to the two investment groups.

That does not mean the money was ever actually put up. Indeed, the whole concept of his type of tax shelter rests largely on the use of borrowed money. It works like this:

An investor agrees to put $100,000 into a limited partnership. He invests $10,000 of his own money and borrows the remaining $90,000.

This way, his personal cash outlay is only 10 percent of his total investment. Yet he is able to claim deductions on his federal income tax return for his share of the partnership's expenses based on an investment of $100,000.

Hughes Aircraft executives have declined to discuss either the company's investments or their own personal financial dealings in Marina City and other assorted ventures.

NO DIVIDENDS

But a little-noticed lawsuit filed in Los Angeles County Superior Court earlier this year charges a variety of fraudulent transactions in connection with the Marina City development.

Brought by two early investors in the project, who were not Hughes Aircraft executives, the civil legal action names as defendant nine companies, partnerships and individuals. They are:

Hughes Aircraft Co.; Marina City Properties, Inc.; Marina City Co.; Horizons West; DeRay Investors; Marina City Club Ltd.; NRG Inc.; Don L. Benscoter, former chief executive officer of NRG who has engaged in a broad assortment of business dealings with Hughes executives; and John Black, president of Marina City Properties, Inc.

As The Inquirer disclosed earlier this week, NRG Inc. is one of several companies in which Hughes Aircraft has invested millions of dollars, companies that in turn have lost millions of dollars and have paid no dividends.

The legal action was initiated by:

Ronald P. Baldwin, a former Philadelphia businessman who first was an executive of Systems Capital Corp., the predecessor to NRG Inc., and now is president of a California company called Geothermal Resources International Inc. Geothermal has had other business dealings with Hughes Aircraft.

Travis E. Reed, who was executive vice president of Systems Capital Corp. and later became an official of Geothermal. Reed recently was appointed an assistant secretary in the U.S. Department of Commerce.

In their lawsuit, the two former Marina City investors accuse Hughes Aircraft, NRG Inc., the Marina City partnerships and other defendants of engaging in a series of fraudulent transactions:

They have "created and utilized transactions which are not bona fide business transactions . . . designed to maximize the tax and other benefits to defendants, and particularly to defendant Hughes Aircraft Co. and its officers."

They entered into a "sham transaction" in which the Horizons West partnership paid $911,000 to NRG Inc., when, in fact, "if such a fee were to be paid it should have been paid to Marina City Co."

Marina City Properties Inc. (MCPI), a company "controlled and dominated" by Hughes Aircraft, has "advanced other funds to other of the defendants, particularly to Horizons West and Del Ray Investors, and entered into unfavorable lease agreements with them." (Hughes Aircraft executives are partners in Horizons West and Del Ray Investors.)

"MCPI leased club facilities, which cost millions of dollars to construct to defendant Marina City Club Ltd., its wholly owned subsidiary, for a nominal consideration of $1,200 per year, and thus diverted a valuable partnership asset to itself."

"Defendant MCPI made no effort to recover any of the aforesaid funds or assert any of its claims based on the above facts because of its domination by defendant Hughes Aircraft Co. and the relationship between Hughes Aircraft Co. and the parties (Hughes executives) owing money to the partnership."

Some of the financial arrangements spelled out in the Baldwin-Reed lawsuit are the same kind of self-dealing business transactions disclosed earlier this week by The Inquirer, involving Hughes executives and the assets of the tax-exempt medical institute.

For their part, Hughes Aircraft, the Marina City partnerships and other defendants all have maintained that the allegations in the Los Angeles legal action are without legal merit.

SELF-DEALING

Whatever the final outcome of that particular case, The Inquirer investigation turned up a series of self-dealing financial transactions involving Marina City; Hughes Aircraft Co.; Hughes executives; NRG Inc., a company in which Hughes Aircraft holds 48 percent of the stock, and a variety of other businesses.

Here is a sampling of those transactions, gathered from records filed with the U.S. Securities and Exchange Commission in Washington and an assortment of other documents, including a confidential audit report on Marina City prepared for investors and obtained by The Inquirer:

Hughes Aircraft Co. paid $1.2 million to NRG Inc. in 1973 in connection with a real estate leasing transaction in which NRG leased property from Hughes Aircraft, erected a plant with the proceeds of a loan guaranteed by Hughes Aircraft, and then leased the facilities back to Hughes Aircraft.

NRG Inc., received $61,000 in lease administration fees in 1973 from Del Rey Investors and Horizons West, the two Marina City partnerships in which Hughes executives have a substantial interest.

In 1974, NRG Inc. negotiated debt financing for the acquisition of $3.9 million worth of cable television equipment. But according to an SEC report, "the company was unable to obtain necessary third-party systems. As a result, the equity investment . . . was acquired by subsidiaries of Hughes Aircraft Co."

NRG Inc., according to an SEC report, "has engaged in domestic real estate leasing . . . as a participant or consultant in the financing of real estate owned or used by others . . . A substantial portion of this activity represents leasing of real estate to Hughes Aircraft Co."

"According to the terms of a letter dated Oct. 12, 1971, from Systems Capital Corp. (which subsequently changed its name to NRG Inc.) to Horizons West," a Marina City audit report states, Systems Capital is to receive $36,000 a year from Horizons West over the life of a long-term lease in connection with the Marina City venture.

"On Dec. 27, 1971, a check in the amount of $911,000 was issued by Marina City Co. payable to Frank DeMarco Jr.," the audit report states. The money represented the payment of yet another fee by Horizons West to Systems Capital.

This is the same $911,000 transaction that figures in the Baldwin-Reed lawsuit filed in Los Angeles in connection with the Marina City project, in which they contend that no services were performed for the $911,000 payment.

In this series of interwoven transactions, along with a broad assortment of other interrelated business dealings turned up by The Inquirer in its eight-month investigation of Hughes, there is one important consideration:

That is, the money that flowed from Hughes Aircraft to NRG Inc. in the form of cash advances, loans and loan guarantees represented the assets of the Howard Hughes Medical Institute, a tax-exempt organization.

LOSSES IN MILLIONS

The potential losses from the NRG transactions and other Hughes investments are running into the millions of dollars, with some estimates ranging upward of $50 million.

Whatever the actual figure may be, the losses represent a substantial diversion of funds from the medical institute, an organization that the IRS calls a charity.

Howard Hughes, of course, is the sole trustee of the medical institute and president of the aircraft company and thus is responsible for both organizations.

As The Inquirer noted earlier this week, attempts by the newspaper to contact Hughes or a representative of the billionaire recluse, in order to discuss the aircraft company's business dealings and the medical institute's operations, were unsuccessful.

But a former executive involved in both the Marina City development and the Hughes Aircraft and NRG Inc. transactions, who insisted on anonymity, attributed the extracurricular financial dealings of Hughes executives to Howard Hughes' personal business practices.

Hughes traditionally has refused to offer a stock interest in his companies to executives who work for him, a common practice in other businesses. Instead, he has insisted on retaining 100 percent stock ownership for himself.

Noah Dietrich, who for years was one of the top executives in the Hughes empire until a falling out with Hughes in the late 1950s, expressed his resentment in a December 1973 Fortune magazine article over Hughes' refusal to allow him to buy stock.

The magazine quoted Dietrich as saying, "I never got a piece of the action. I should have come out of there with $25 to $50 million—minimum. That eccentric nut. I ought to be worth $50 million today. That's what makes me mad."

At the same time Hughes has refused to offer stock benefits to his executives, he clearly has allowed those executives to use the power and the leverage and the actual assets of his companies to improve their personal financial positions.

In the case of Hughes Aircraft, the practice personally costs Howard Hughes, billionaire, little or nothing. The company's stock is owned by his personal charity, which makes no demands for a fair return on its investment. And the company exists largely on government contracts, and thus the money is provided by the American taxpayer.

PAYOLA TO FOREIGN OFFICIALS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. DERWINSKI. Mr. Speaker, as usual we are heading in the direction of an overcorrection. With the voluminous allegations and partial acknowledgment of payment by U.S. companies to foreign officials, I believe the column by Eliot Janeway which appeared in the Chicago Tribune on March 29 is a sober commentary on the international trade and business world. His conclusion, I believe, is logical and his message timely.

Stopping the Payola Won't Pay for U.S.

(By Eliot Janeway)

New York.—"Anytime a competitor speaks well of me, I fire my sales manager first and check our order book afterwards." The late Ernie Weir, the self-made steel tycoon who won his MBA by meeting a payroll, explained this first principle of competitive survival during the Depression when he was taking on the old-line steel establishment.

Weir's rule is relevant to the present hue and cry over the payola American corporations have been handing out abroad. America's foreign competitors are speaking well of her government for cracking down on successful American exporters.

The lineup of confessed corruptors of foreign innocence in high places reads like the social register of American business.

Corporations that don't earn a reprimand from the Securities and Exchange Commission for admitting to having sinned abroad are as conspicuous as dropouts from the Fortune 500. The original instinct to cover up payola for export business is now working in reverse.

The SEC has stretched the limits of absurdity by proposing a procedure for disclosing future improprieties. The entire business establishment has taken to bragging about paying off while promising not to do it again.

The pleas being copped echo the old Cole Porter tune: "Birds do it, bees do it, even educated fleas do it."

America's unlamanted noble experiment with Prohibition in the 1920s made more sense than this new crackdown. Back then, the do-good arguments for banning booze worked out as a bonanza for crime, corruption, and conspiracy.

Now, the SEC's new experiment in righteousness is about to backfire too. It will register more laughter abroad than sales.

Washington's cleanup code for corporations under pressure to pay off abroad is reducing America to the role of "a pitiful, helpless giant"—not in world affairs, as Nixon threatened, but in world markets. There's no way to compete for foreign business without being prepared to pay off to get it.

Mainland China is the only exception to the traditional custom of payola. But Russia is as conspicuously corrupt as China is not.

Everyone who has ever closed a sale with the affluent generation of Russian buyers in the world's mercantile and industrial capitals reckons on heavy price padding to cover the cost of "entertainment." Even Romania has turned up on the payoff list.

An American government which requires America's exporting corporations to practice abroad what America preaches at home is whistling in the wind. It is assuming responsibility for a retreat into a new economic isolationism.

But America is not ready to retreat into a new economic model of Fortress America. Nor are her customer countries ready to adopt her model of morality.

The Italian market focuses on the dilemma for American export business. One American corporation with lots of money-good debt, and even more bad publicity for foreign payola, has just, shipped a cargo of perishables into an Italian port.

It ran into a payoff demand for $35,000 from the local Communist-controlled union. But this company boasts a respectable new management, moreover, the SEC is breathing down the throats of its members.

How does a company handle this routine shakedown opportunity being handed it?

How does a company handle this routine shakedown in a foreign port? It can pay off and not report it, risking a crackdown by the SEC. It can pay off and report it, guaranteeing censure for indiscretion by the State Department or the Central Intelligence Agency. Or it can write off the cargo, inviting the wrath of its creditors and stockholders, and forfeiting the market to foreign producers. This is the lesser evil that it chose.

Examples abound. Foreign airlines are all government owned. All of them pay rebates to their customers. These same governments that are commending Washington's Boy Scouts for cracking down on America's culprits are busily handing out kickbacks themselves.

The British government needs export business too desperately to extend its exchange control to ban payola; "custom of the country" is the only explanation a British exporter need furnish to get permission to send a necessary payoff with the desired payoff.

For the duration of his high-toned farce, the only hope America can have of not sermonizing herself out of the export business is that her competitors will be too busy laughing at Washington to take advantage of the opportunity being handed them.

ECONOMIC SIDE OF DÉTENTE WORKS FOR REDS AGAINST U.S. TAXPAYERS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1976

Mr. SYMMS. Mr. Speaker, this has been an important week in the Congress in the determination of our Nation's foreign policy. The House voted wisely yesterday to reject an Atlantic Union resolution which would have subverted the sovereign interests of the American people to those broader interests of the Atlantic community.

Within this same context, we must reconsider the social and economic implications of the policy of détente. As I have pointed out to my colleagues before, an excellent study of our involvement in the Kissinger foreign policy was published recently by the prestigious Heritage Foundation. That study was the topic of a recent syndicated column by journalist Allan C. Brownfeld. I would like to enter this excellent commentary in the Record at this point:

[From the Phoenix Gazette, Mar. 20, 1976]

Economic Side of Détente Works for Reds Against U.S. Taxpayer

(By Allan C. Brownfeld)

Although it is rarely spelled out in precise terms, and many Americans remain unaware of its meaning, the "detente" policy into which the U.S. has entered has an important economic component.

As set forth by President Nixon, Secretary of State Kissinger and now President Ford, the goal of East-West trade is to tie the Soviet Union and the U.S. closer together, making it unprofitable for the Soviet Union to endanger the relationship and, along with it, the stability of world markets.

In testimony before the Senate Foreign Relations Comimttee, Dr. Kissinger declared that "By acquiring a stake in this network of relationships with the West, the Soviet Union may become more conscious of what it would lose by a return to confrontation . . . over time, trade and investment leaven the autarkic tendencies of the Soviet system, invite gradual association of the Soviet economy with the world economy, and foster a degree of interdependence that adds an element of stability . . ."

How has all this worked thus far? In an important new study, "The Economics of Detente" (Heritage Foundation, 513 C Street, N.E., Washington, D.C. 20002), Miles Costick, who has served as a special consultant on East-West trade to former Rep. Ben Blackburn, R-Ga., and Sen. Jesse Helms, R-N.C., provides us with some of the answers.

The first important point Costick makes is that what the United States means by "detente" and what the Soviet Union means by it are two different things. In 1973, for example, Leonid Brezhnev, general secretary of the Soviet Communist Party, explained his meaning: "We Communists have got to string along with the capitalists for a while. We need their credits, their agriculture, and their technology. But we are going to continue massive military programs and by the middle of the 80s we will be in a position to return to a much more aggressive foreign policy designed to gain the upper hand in our relationship with the West."

According to Costick, "Every U.S.-Soviet deal—and especially the transfer of pure technology and sophisticated capital equipment—is an act of international politics . . . The underlying reason for expanding trade with the West from the Soviet perspective seems to be the wish to import agricultural products, manufacturing facilities, technology, scientific discoveries and technological processes of military value."

Consider for example, the fact that in 1972 the Commerce and State departments gave approval to the Bryant Chucking Grinding Company of Springfield, Vt. to export to the Soviet Union Centalign B precision grinding machines of the latest generation so sophisticated as to be able to manfacture miniature ball bearings to tolerances of a twenty-fifth millionth of an inch. Costick writes that "This means that the Soviet war industry gained 164 of these machines; while the United States reportedly has never owned more than 77 of them. The precision miniature ball bearings are an intricate part of a guidance mechanism for the MIRV's. Consequently, until the Soviets were able to obtain Centalign B machines, they were unable to produce the guidance mechanism essential for MIRVing of their missile force."

Many Western firms that have provided the Soviet Union with entire manufacturing plants have lived to regret it. The Russians, to cite one such case, are now selling Soviet-made Fiats in Europe 40 percent cheaper than the Italian model. Costick notes that "Since the Soviet Union is a nonmarket economy, with wages and prices set by government order, it can easily undercut the world price in order to obtain critically needed foreign exchange."

What the Russians want from the West is not consumer goods, but advanced technological know-how. The author points out that, "A prime interest of Soviet planners is building economic relations which would bring a massive transfer of knowledge. This need is also an expression of inherent weaknesses in the system, because a centrally planned economy provides very inadequate incentives for research and development . . . Thus far, trade relations have acted primarily to strengthen the military-industrial complex of the Soviet Union."

Another example of how economic détente" has harmed the U.S. is that of the Soviet grain deal of 1972–73. Costick reports that this massive sale of grain raised domestic prices of wheat from about $1.63 per bushel in July, 1972 to $2.49 a bushel in September, 1972. The direct subsidy for the Soviet grain deal, at the expense of the American taxpayer, exceeded $300 million. The subsidy for the transportation of grain amounted to more than $400 million. The grain deal was financed with a credit of $750 million by the Commodity Credit Corporation at 6½ percent interest, repayable in three years. The interest rate was lower than what it cost the U.S. Treasury to borrow in the marketplace. By contrast, the Treasury was paying 6½ percent and 6⅝ percent on market borrowings during the same period.

Costick concludes that "If we sum up the quantifiable costs of the Soviet 1972–73 grain deal to the American public, we reach a sum which for the nine-month period exceeded $3.3 billion."

According to this study, there is little doubt that "economic detente" has been a one-sided policy, with almost all the benefits going to the Soviet Union, and almost all the costs borne by American taxpayers. If recent polls are accurate, the majority of Americans agree with Miles Costick that it is time for a change.

HOUSE OF REPRESENTATIVES—*Tuesday, April 6, 1976*

The House met at 12 o'clock noon.

Rev. Vasil Kendysh, St. Cyril of Turau Cathedral, Brooklyn. N.Y., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Spirit.

Almighty Father, Thou art our Creator, Teacher, and Judge. We beseech Thee, free us of all human weakness and guide us in every step of our life on the rightful path.

Eternal God, bless our President and Congress, strengthen their minds with wisdom, fortify their hearts with love, and their deeds with courage and justice.

Merciful God, we pray Thee in this commemorative Bicentennial Year and on the 58th anniversary of the proclamation of Independence of Byelorussia, bless the United States of America. Bless Byelorussia and her oppressed people in their sufferings and their struggle against godless communism. Lead them, O Lord, from their enslavement and endow them with the freedom befitting all Thy children. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 670. Joint resolution to designate April 13, 1976, as "Thomas Jefferson Day."

The message also announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 98. Concurrent resolution to provide for a delegation of Members of Congress to go to the United Kingdom for purposes of accepting a loan of an original copy of the Magna Carta, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 217) entitled "An act to repeal the Act of May 10, 1926 (44 Stat. 498), relating to the condemnation of certain lands of the Pueblo Indians in the State of New Mexico," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Jackson, Mr. Metcalf, Mr. Abourezk, Mr. McClure, and Mr. Bartlett to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3065) entitled "An act to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Cannon, Mr. Pell, Mr. Robert C. Byrd, Mr. Hatfield, and Mr. Hugh Scott to be the conferees on the part of the Senate.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

FIDEL GROSSO-PADILLA

The Clerk called the bill (H.R. 6817) for the relief of Fidel Grosso-Padilla.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ALINOR ANVARI ADAMS

The Clerk called the bill (H.R. 2411) for the relief of Alinor Anvari Adams.

There being no objection, the Clerk read the bill, as follows:

H.R. 2411

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Alinor Anvari Adams may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Manasseh L. Adams and Shakar Adams, citizens of the United States, pursuant to section 204 of the Act, and the provisions of section 245(e) of the Act shall be inapplicable in this case: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

On page 1, lines 8 and 9, strike out the following language: ", and the provisions of section 245(c) of the Act shall be inapplicable in this case".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JEANETTE FLORES BYRNE

The Clerk called the bill (H.R. 7832) for the relief of Mrs. Jeanette Flores Byrne.

There being no objection, the Clerk read the bill as follows:

H.R. 7832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Jeanette Flores Byrne, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

With the following committee amendment:

On page 1, line 7, after "section 204" insert *"and section 245(c)"*.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMELA SCUDIERI

The Clerk called the bill (H.R. 8065) for the relief of Carmela Scudieri.

Mr. **WYLIE**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FERNANDO ALVES MACOS

The Clerk called the bill (H.R. 8119) for the relief of Fernando Alves Macos.

There being no objection, the Clerk read the bill as follows:

H.R. 8119

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraphs (14) and (19) of section 212(a) of the Immigration and Nationality Act, Fernando Alves Macos may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, an immediate relative petition filed by Leopoldina Teixeira Macos in behalf of Fernando Alves Macos may be approved pursuant to the provisions of section 204 of that Act, notwithstanding the provisions of subsection (c) of that section of the Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS ROSARIO Y. QUIJANO, WALTER YORK QUIJANO, RAMON YORK QUIJANO, TARCISUS YORK QUIJANO, DENIS YORK QULJANO, AND PAUL YORK QUIJANO

The Clerk called the Senate bill (S. 52) for the relief of Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano.

There being no objection, the Clerk read the Senate bill as follows:

S. 52

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano shall be held and considered to be entitled to preference status within the purview of section 203(a)(1) of that Act, and the provisions of section 204 of such Act shall not be applicable in these cases.

SEC. 2. The provisions of section 212(c) of the Immigration and Nationality Act shall not be applicable in the case of Walter York Quijano.

With the following committee amendment:

On page 1, line 4, after the word "Act," strike out the remainder of the bill and insert in lieu thereof the following: "Rosario Y. Quijano and Walter Y. Quijano shall be held and considered to be entitled to preference status within the purview of section 203(a)(1) of that Act, and Ramon Quijano, Tarcisus Quijano, Denis Quijano and Paul Quijano shall be held and considered to be immediate relatives within the purview of section 201(b) of that Act, and the provisions of section 204 of such Act shall not be applicable in these cases."

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELA GARZA

The Clerk called the Senate bill (S. 223) for the relief of Angela Garza.

Mr. **ROUSSELOT**. Mr. Speaker, I ask unanimous consent that the Senate bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

ZORAIDA E. LASTIMOSA

The Clerk called the Senate bill (S. 804) for the relief of Zoraida E. Lastimosa.

There being no objection, the Clerk read the Senate bill as follows:

S. 804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Zoraida E. Lastimosa shall be held and considered to be the natural-born alien daughter of Ricardo N. Lastimosa, a citizen of the United States. The natural parents, brothers, and sisters of the said Zoraida Lastimosa shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KRISTEN MARISOL KNEEBONE

The Clerk called the Senate bill (S. 832) for the relief of Kristen Marisol Kneebone.

There being no objection, the Clerk read the Senate bill as follows:

S. 832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Kristen Marisol Kneebone shall be classified as a child, within the meaning of section 101(b)(1)(F) of that Act, upon approval of a petition filed on her behalf by Terrence Holmes Kneebone and Judy Lee Kneebone, citizens of the United States, pursuant to section 204 of that Act, except that section 204(c) of that Act, relating to the number of petitions which may be approved on behalf of children, shall not apply and the provisions of section 245(c) of the Act shall be inapplicable in this case. The brothers and sisters of the said Kristen Marisol Kneebone shall not, by virtue of that relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HOPE NAMGYAL

The Clerk called the Senate bill (S. 1699) for the relief of Mrs. Hope Namgyal.

Mr. **ROUSSELOT**. Mr. Speaker, I ask unanimous consent that the Senate bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 1424) for the relief of Mrs. Rose Thomas.

Mr. **BAUMAN**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MRS. LESSIE EDWARDS

The Clerk called the bill (H.R. 1762) for the relief of Mrs. Lessie Edwards.

Mr. **ROUSSELOT**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

MILDRED N. CRUMLEY

The Clerk called the bill (H.R. 7685) for the relief of Mildred N. Crumley.

Mr. **BAUMAN**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 382) to refer the bill (H.R. 5652) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

There being no objection, the Clerk read the resolution as follows:

H. RES. 382

Resolved, That the bill (H.R. 5652) entitled "A bill for the relief of Estelle M. Fass", now pending in the House of Representatives, together with all accompanying papers, is hereby referred to the Chief Commissioner of the Court of Claims; and the Chief Commissioner of the Court of Claims shall proceed with the same in accordance with the provisions of section 1492, title 28, United

States Code, and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DOO HOON PARK

The Clerk called the bill (H.R. 6687) for the relief of Doo Hoon Park.

There being no objection, the Clerk read the bill as follows:

H.R. 6687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Doo Hoon Park may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Clarence D. Goudy, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE HOMSY PHILLIPS

The Clerk called the bill (H.R. 8695) for the relief of Eugene Homsy Phillips.

There being no objection, the Clerk read the bill as follows:

H.R. 8695

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of section 203(a)(1) and 204 of the Immigration and Nationality Act, Eugene Homsy Phillips shall be held and considered to be the natural-born son of John W. Phillips, Junior, and Olga Cowart Phillips, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

On page 1, line 7, after the words "natural parents" insert "or brothers or sisters".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. AFAF KANAFANI YASSINE, NAJLA YASSINE, WALID YASSINE, MONA YASSINE, AND MAHER YASSINE

The Clerk called the bill (H.R. 10793) for the relief of Mrs. Afaf Kanafani Yassine, Najla Yassine, Walid Yassine, Mona Yassine, and Maher Yassine.

There being no objection, the Clerk read the bill as follows:

H.R. 10793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Mrs. Afaf Kanafani Yassine, Najla Yassine, Walid Yassine, Mona Yassine, and Maher Yassine shall be deemed to have a priority date of June 6, 1974, on the fifth preference foreign state limitation for Lebanon.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENEWAL OF PATENT RELATING TO BADGE OF THE AMERICAN LEGION

The Clerk called the bill (H.R. 4587) granting a renewal of patent No. 54,296 relating to the badge of the American Legion.

There being no objection, the Clerk read the bill, as follows:

H.R. 4587

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of December 9, 1919, being patent numbered 54,296, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the American Legion.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate bill (S. 720) granting a renewal of patent No. 54,296 relating to the badge of the American Legion, a bill similar to H.R. 4587, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of December 9, 1919, being patent numbered 54,296, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the American Legion.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4587) was laid on the table.

RENEWAL OF PATENT RELATING TO BADGE OF THE AMERICAN LEGION AUXILIARY

The Clerk called the bill (H.R. 4588) granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary.

There being no objection, the Clerk read the bill as follows:

H.R. 4588

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of June 1, 1920, being patent numbered 55,398, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the American Legion Auxiliary.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of a similar Senate bill (S. 721) granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 721

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of June 1, 1920, being patent numbered 55,398, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the American Legion Auxiliary.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4588) was laid on the table.

RENEWAL OF PATENT RELATING TO BADGE OF THE SONS OF THE AMERICAN LEGION

The Clerk called the bill (H.R. 4589) granting a renewal of patent numbered 92,187 relating to the badge of the Sons of The American Legion.

There being no objection, the Clerk read the bill as follows:

H.R. 4589

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of May 8, 1934, being patent numbered 92,187, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the Sons of The American Legion.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of a similar Senate bill (S. 719), granting a renewal of patent numbered 92,187 relating to the badge of the Sons of The American Legion, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date of May 8, 1934, being patent numbered 92,187, is hereby renewed and extended for a period of fourteen years from and after the date of approval of this Act, with all the rights and privileges pertaining to the same, being generally known as the badge of the Sons of the American Legion.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4589) was laid on the table.

WON, HYO-YUN

The Clerk called the bill (H.R. 5666) for the relief of Won, Hyo-Yun.

There being no objection, the Clerk read the bill, as follows:

H.R. 5666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Won, Hyo-Yun may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Gordon and Marilyn Peek, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMEN THOMAS

The Clerk called the bill (H.R. 8557) for the relief of Carmen Thomas.

There being no objection, the Clerk read the bill, as follows:

H.R. 8557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Carmen Thomas, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provision of section 204 of such Act shall not be applicable in this case.

With the following committee amendment:

On page 1, line 7, after "section 204" insert "and section 245(c)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE VERY REVEREND VASIL KENDYSH

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, I am very happy today to welcome to the Chambers of the House for the invocation, the Very Reverend Vasil Kendysh, rector of St. Cyril of Turau Cathedral, Brooklyn, N.Y. In his beautiful invocation he very eloquently reminded us that there are still millions of people who are not free in the world today. His gracious prayers for the United States of America make us all realize that in this Bicentennial Year, as we celebrate the history of our independence, we must never forget those people and nations in the world who are not free.

Thomas Jefferson said 200 years ago that the God who gave us life gave us freedom at the same time.

I believe that, Mr. Speaker, as I think every man and woman in this chamber does as well. And I believe that is true not only for Americans, but for all peoples, the Byelorussians, and those within central and Eastern Europe; indeed, all people throughout the world. It is an inalienable right for all.

This is the 58th year of Byelorussian independence, March 25. This year, there will be the first Byelorussian Heritage Festival in celebration of their wonderful heritage. Many Byelorussian Americans celebrated Independence Day in New York, Chicago, Michigan, New Jersey, Colorado, California and other States and communities. This year, indeed, will be the very first year they have had the Byelorussian Heritage Festival, which will celebrate their independence. I salute them all and join my colleagues in thanking the Reverend Kendysh for being with us today and thank him for his spiritual leadership not only for his own people, but indeed for all people who love freedom and independence.

PERMISSION TO FILE CONFERENCE REPORT ON S. 2662

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the Senate bill (S. 2662), International Security Assistance and Arms Export Control Act of 1976.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EMERGENCY IN DETROIT, MICH.

(Mr. RIEGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIEGLE. Mr. Speaker and colleagues, I rise today to call your attention to an emergency situation in the city of Detroit, Mich.

President Ford's last veto of the emergency jobs bill—and the countercyclical revenue sharing money it contained—has left cities like Detroit in critical financial condition.

With unemployment in Detroit above 18 percent, with the city blocked from seeking added tax revenues and facing a $50-million operating deficit, the city of Detroit was today forced to lay off another 1,200 municipal workers.

These men and women now join the the other 100,000 jobless workers in Detroit standing in unemployment lines.

Detroit has had to close all 27 branch libraries—has curtailed health services—closed a fire station—and shut down the city's historical museum.

The cutbacks have even eliminated ambulance services to Detroit General Hospital for low-income patients.

The President and Congress cannot turn their backs on this tragic situation and let our cities disintegrate. We desperately need a change in national economic policies that can put people back to work.

We also need emergency Federal assistance for cities like Detroit who desperately need help and I hope we can get Federal action quickly.

TO SAVE A LIFE

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, on the TV program "Sixty Minutes" Sunday evening there was a segment devoted to heart attacks. It pointed out that if you are going to have a heart attack that the place to have it is in Seattle, Wash. Why? Because Seattle has launched a lifesaving program which has greatly reduced the mortality rate among those who are unexpectedly stricken by a heart attack. It is indeed a dramatic program which involves the training of thousands of citizens, the use of modern lifesaving techniques, the most up-to-date equipment and rapid communication practices. With regard to the last item, Seattle is using the emergency telephone number "911." In April of 1971 Seattle joined scores of other cities in the Nation in adopting "911" as its emergency telephone number. The program "Sixty Minutes" emphasized the important role the telephone number plays in the Seattle program because heart attack causes brain damage—and death—within minutes. It should also be pointed out, however, that although the Nation is rapidly approaching the time when it will have "911" as the single uniform telephone number for reporting emergencies, this emergency telephone number should be encouraged so that every citizen whether he or she is residing in Seattle, New York, Omaha, or wherever, will know with certainty that the emergency number to dial is "911" because it is the Nation's emergency number.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. HECHLER of West Virginia. Mr. Speaker, on behalf of the chairman of the Committee on Science and Technology, I ask unanimous consent that the Committee on Science and Technology may be permitted to sit this afternoon during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, why it is so necessary to do this while we have legislation on the floor?

Mr. HECHLER of West Virginia. Mr. Speaker, if the gentleman will yield, there are a number of out-of-town witnesses, the chairman advises me, who have been called in for a meeting that starts at 2 p.m.

This matter, I would advise the gentleman from California, has been cleared by and approved by both the minority leader of the House and the ranking Republican member on the Committee on Science and Technology, the gentleman from Ohio (Mr. MOSHER).

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, will the gentleman restate that it is a unanimous-consent request for hearings only and the committee will not use the time to mark up legislation?

Mr. HECHLER of West Virginia. If the gentleman will yield, this request is a request for unanimous consent for the committee to meet for the purpose of hearing only and not for any markup of either the pending legislation or other legislation.

Mr. ROUSSELOT. Further reserving the right to object, does the gentleman assure us that there will be no markup of any legislation during the time frame covering the unanimous consent?

Mr. HECHLER of West Virginia. If the gentleman will yield further, the gentleman from West Virginia, on behalf of the entire committee—and I see the gentleman from New York, a high ranking minority member of the Committee on Science and Technology (Mr. WYDLER), is here also—assures the gentleman from California that there will be absolutely no markups of any kind.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

YOUTHFUL PAGES TROUNCED BY CONGRESSIONAL STALWARTS

(Mr. COHEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. COHEN. Mr. Speaker, Congress seems to be coming under attack from all sides. Last night Members of this body defended the integrity of the House against an assault by the Capitol Pages. The Pages, who were playing under the handicap of youth and speed, proved that on the basketball court, as well as off; there is no substitute for the poise, maturity, and deliberateness that comes with the aging process.

The congressional stalwarts, exhibiting a degree of bipartisanship unparalleled in the history of this body, trounced the impetuous Pages 69 to 49, lending some credence to the observation of Sir Richard Steele that "age carries with it an authority which makes it preferable to all of the pleasures of youth."

As a footnote, I would add that some of the older members of the congressional team celebrated the victory by purchasing a case of Ben Gay ointment to ease the pain inflicted by the fleeting wing of time.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. YOUNG of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 170]

Abzug
Ambro
Andrews, N.C.
Archer
Ashley
Badillo
Barrett
Beard, R.I.
Bell
Biaggi
Burke, Mass.
Chisholm
Clay
Conyers
Crane
Daniels, N.J.
Diggs
Dingell
Drinan
Edwards, Calif.
Esch
Eshleman
Evins, Tenn.
Flynt
Foley
Fraser
Frenzel
Giaimo
Green
Harsha
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Holland
Horton
Howard
Jarman
Johnson, Pa.
Jones, Ala.
Litton
McCloskey
McDonald
Macdonald
Madden
Mann
Mikva
Milford
Murphy, N.Y.
Nix
Obey
Pepper
Peyser
Rangel
Rees
Roberts
Rooney
Rose
Rosenthal
Ryan
Santini
Sarbanes
Scheuer
Shuster
Steiger, Ariz.
Stephens
Stratton
Symington
Taylor, N.C.
Teague
Thompson
Udall
Wampler
White
Wiggins
Wilson, C. H.
Zablocki

The SPEAKER pro tempore (Mr. BOLLING). On this rollcall 352 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote of the yeas and nays are ordered, or on which the vote is objected to, under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

FISCAL YEAR ADJUSTMENT ACT

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12605) to provide permanent changes in laws necessary because of the October–September fiscal year, as amended.

The Clerk read as follows:

H.R. 12605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Year Adjustment Act".

SEC. 2. The following provisions of law are amended by deleting "June", wherever it appears, and inserting "September" in lieu thereof:

(1) section 4(a)(2) of the Agriculture and Consumer Protection Act of 1973, as amended (Public Law 93–347; 7 U.S.C. 612c note);

(2) section 406(c) and 410(a) of the Rural Electrification Act of 1936 (7 U.S.C. 946(c) and 950(a));

(3) sections 5234, 5451, 5662(b), 5711(b), 5785, and 6386 of title 10, United States Code;

(4) section 203(d)(2) of the Federal Credit Union Act (12 U.S.C. 1783(d)(2));

(5) section 4(c)(6) of the Small Business Act (15 U.S.C. 633(c)(6));

(6) the paragraph headed "Reimbursement for Net Realized Losses" of title III of the Act of November 2, 1965 (15 U.S.C. 713a–11a);

(7) section 2 of the Land and Water Conservation Fund Act, as amended (16 U.S.C 4601–5);

(8) section 4(c) of the Fish and Wildlife Act of 1956 (70 Stat. 1121), as amended (16 U.S.C. 742c(c)).

(9) section 1 of the Act of September 18, 1972 (16 U.S.C. 576c);

(10) section 4 of the Central, Western, and South Pacific Fisheries Development Act (86 Stat. 744; 16 U.S.C. 758a note);

(11) section 16(b) of the Wild and Scenic Rivers Act (16 U.S.C. 1287(b));

(12) section 102 of the Elementary and

Secondary Education Act of 1965 (20 U.S.C. 241b);

(13) section 3 of the Act of September 23, 1950 (10 U.S.C. 633);

(14) section 3 (a) of the Special Projects Act (20 U.S.C. 1852(a));

(15) Paragraphs (1) and (2) of section 406 (f) and section 409 of the Education Amendments of 1974 (20 U.S.C. 1865(f)(1) and (2), and 1867);

(16) the matter preceding paragraph (1) of section 20(a) of the Act of June 26, 1934, as amended (31 U.S.C. 725s);

(17) section 402 of the Act of November 13, 1966 (31 U.S.C. 757f), except for the reference to June 30, 1967;

(18) section 2 of the Act of May 6, 1974 (Public Law 93-274; 37 U.S.C. 313(e) note);

(19) section 756(a) of title 40, United States Code;

(20) section 903(a)(2)(A) of the Social Security Act, as amended (42 U.S.C. 1103(a)(2)(A));

(21) sections 435(b), 1305(d), and 1620 of the Public Health Service Act (42 U.S.C. 289c-2(b), 300e-4(d), and 300q);

(22) section 11(d) of the Railroad Unemployment Insurance Act (45 U.S.C. 361(d));

(23) sections 217(g)(2)(B), 217(g) (3) and (4), and 1118 of the Social Security Act (42 U.S.C. 417(g)(2)(B), 417(g) (3) and (4), 1318);

(24) section 3 of the Act of September 6, 1958 (42 U.S.C. 1893);

(25) sections 203 and 505(b) of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3143 and 3185(b));

(26) section 304(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4574(a));

(27) section 246 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5656);

(28) subsection (b) of the first section of title II of the Act of August 28, 1937, as amended (43 U.S.C. 1181f(b));

(29) section 303(b) of the Act of September 8, 1950, as amended (50 U.S.C. App. 2093(b)); and

(30) section 15d of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n-4(e)).

Sec. 3. The following provisions of law are amended by deleting "July", wherever it appears, and inserting "October" in lieu thereof—

(1) section 4 of the Act of August 30, 1890 (7 U.S.C. 326);

(2) section 7 of the Act of March 2, 1887, as amended (7 U.S.C. 361g);

(3) section 5(a) of the Commercial Fisheries Research and Development Act of 1964 (78 Stat. 198; 16 U.S.C. 779c(a));

(4) sections 5(b) and 201(b) of the Land and Water Conservation Fund Act (16 U.S.C. 4601-7(b) and 4601-11(b));

(5) sections 2, 3(b), 4(a), 5(e)(1), 7(a)(1)(A) and (B), and 303(a)(1) of the Act of September 30, 1950, as amended (20 U.S.C. 237, 238(b), 239(a), 240(e)(1), 241-1(a)(1) (A) and (B), and 241bb(a)(1));

(6) section 16(a)(1)(A) of the Act of September 23, 1950 (20 U.S.C. 646(a)(1)(A));

(7) sections 723(a)(2) and 731(c)(1) of the Bilingual Education Act (20 U.S.C. 880b-9(a)(2), and 880b-10(c)(1));

(8) sections 125, 148(c), 151(i), 305(c), and 309(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241c-5, 2411(c), 241o(i), 844a(c), and 847a(c));

(9) section 439(h)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(h)(2));

(10) section 311(b) of the Adult Education Act (20 U.S.C. 1209(b));

(11) section 442(a) of the Education Amendments of 1972 (20 U.S.C. 1221g(a));

(12) section 412(b) of the General Education Provisions Act (20 U.S.C. 1225(b));

(13) section 104(a)(5) of the Vocation Education Act of 1963 (20 U.S.C. 1244(a)(5));

(14) section 604(b) of the Education of the Handicapped Act (20 U.S.C. 1403(b));

(15) section 3(c)(1) of the Environmental Education Act (20 U.S.C. 1532(c)(1));

(16) section 306(c) of the Controlled Substances Act (21 U.S.C. 826(c));

(17) section 7(e) of the Fisherman's Protective Act of 1967 (82 Stat. 729), as amended (22 U.S.C. 1977);

(18) section 301(a) of the Rehabilitation Act of 1973 (29 U.S.C. 771(a));

(19) section 8 of the Act of March 4, 1923, as amended (36 U.S.C. 131);

(20) section 106(f)(3) of the Water Pollution Control Act (33 U.S.C. 1256(f)(3));

(21) section 301a(e) of title 37, United States Code;

(22) section 5(6) of the Wagner-O'Day Act, as amended (41 U.S.C. 48b(6));

(23) sections 903(a)(2) and 903(b)(1) of the Social Security Act, as amended (42 U.S.C. 1103(a)(2) and 1103(b)(1)); and

(24) section 715 of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e-14).

Sec. 4. The following provisions of law are amended by deleting "June" and "July", wherever they appear, and inserting "September" and "October", respectively, in lieu thereof—

(1) section 4(a) of the Act of September 2, 1937 (50 Stat. 918), as amended (16 U.S.C. 669c(a));

(2) section 4 of the Act of August 9, 1950 (64 Stat. 432), as amended (16 U.S.C. 777c);

(3) section 2 of the Commercial Fisheries Research and Development Act of 1964 (78 Stat. 197; 16 U.S.C. 779);

(4) section 410(a)(7) of the Act of November 19, 1969 (50 U.S.C. 1436(a)(7)); and

(5) section 1310(d) of the Supplemental Appropriation Act, 1952, as amended (5 U.S.C. 3101 note).

Sec. 5. The following provisions of law are amended by deleting "December", wherever it appears, and inserting "March" in lieu thereof—

(1) section 9(a) of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831h(a));

(2) section 657(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2417(a));

(3) section 8 of the Act of June 13, 1888, as amended (29 U.S.C. 6);

(4) section 103(a) of the Act of June 6, 1972 (31 U.S.C. 1203(a));

(5) section 519 of the Omnibus Crime Control and Safe Streets Act, as amended (42 U.S.C. 3767); and

(6) section 410(d) of the Act of November 19, 1969 (50 U.S.C. 1436(d)).

Sec. 6. The following provisions of law are amended by deleting "December" and "June", wherever they appear, and inserting "March" and "September", respectively, in lieu thereof—

(1) section 634(f) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2394(f));

(2) section 35 of the Act of February 25, 1920, as amended (30 U.S.C. 191); and

(3) section 2677(c) of title 10, United States Code.

Sec. 7. The following provisions of law are amended by deleting "September", wherever it appears, and inserting "December" in lieu thereof—

(1) section 9(a) of the Act of July 22, 1963 (7 U.S.C. 390h(a));

(2) section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a));

(3) sections 901(b) and 901(d) of the Agricultural Act of 1970 (42 U.S.C. 3122(b) and 3122(d)); and

(4) section 603(b)(4) of the Rural Development Act of 1972 (7 U.S.C. 2204(b)).

Sec. 8. The following provisions of law are amended by deleting "September 30", wherever it appears, and inserting "December 31" in lieu thereof—

(1) section 3(a) of the Act of July 25, 1956 (31 U.S.C. 703(a));

(2) section 1(i) of the Wagner-O'Day Act, as amended (41 U.S.C. 46); and

(3) section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5614).

Sec. 9. The following provisions of law are amended by deleting "July" and "September" wherever they appear, and inserting "October" and "December", respectively in lieu thereof—

(1) section 2 of the Act of August 30, 1890 (7 U.S.C. 324);

(2) section 5 of the Act of March 2, 1887, as amended (7 U.S.C. 361e); and

(3) section 103(d)(2) of the Vocational Education Act of 1963 (20 U.S.C. 1243(d)(2)).

Sec. 10. Section 8(a)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 707(a)(2)) is amended by deleting "July" and "September 30", wherever they appear, and inserting "October" and "December 31" in lieu thereof.

Sec. 11. The following provisions of law are amended by deleting "January", wherever it appears and inserting "April" in lieu thereof—

(1) section 10 of the Rural Electrification Act of 1936 (7 U.S.C. 910);

(2) sections 279, 686, and 2110(b) of title 10, United States Code;

(3) sections 3(f) and 4(g) of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1862(f) and 1863(g));

(4) section 21 of the Interstate Commerce Act, as amended (49 U.S.C. 21); and

(5) section 6 of the Trading With the Enemy Act, as amended (50 U.S.C. App. 6).

Sec. 12. The following provisions of law are amended by deleting "March" and inserting "June" in lieu thereof—

(1) paragraph (1) of section 406(d) of the General Education Provisions Act (20 U.S.C. 1221e-1(d));

(2) section 105(a)(2) of the Act of October 20, 1972 (31 U.S.C. 1224(a)(2)); and

(3) section 204(b)(6) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5614).

Sec. 13. The following provisions of law are amended by deleting "March 31" and inserting "June 30" in lieu thereof—

(1) section 442(b)(6) of the Education Amendments of 1972 (20 U.S.C. 1221g(b)(6)); and

(2) section 604(b) of the Education of the Handicapped Act (20 U.S.C. 1403(b)).

Sec. 14. Section 410(b)(1) of the Act of November 19, 1969 (50 U.S.C. 1436(b)(1)), is amended by deleting "November", wherever it appears, and inserting "February" in lieu thereof.

Sec. 15. Section 4 of the Act of May 8, 1914, as amended (7 U.S.C. 344), is amended by deleting "July" the first time it appears, and "January" the last time it appears, and inserting "October" and "April", respectively, in lieu thereof.

Sec. 16. Section 217(g)(1) of the Social Security Act (42 U.S.C. 417(g)(1)) is amended to read as follows:

"(g)(1) In September of 1965, 1970, and 1975, and in October 1980 and in every fifth October thereafter up to and including October 2010, the Secretary shall determine the amount which, if paid in equal installments at the beginning of each fiscal year in the period beginning—

"(A) with July 1, 1965, in the case of the first such determination, and

"(B) with the beginning of the first fiscal year commencing after the determination in the case of all other such determinations,

and ending with the close of September 30, 2015, would accumulate, with interest compounded annually, to an amount equal to the amount needed to place each of the Trust Funds and the Federal Hospital Insurance Trust Fund in the same position at the close of September 30, 2015, as he estimates they would otherwise be in at the close of that date if section 210 of this Act was in effect prior to the Social Security Act Amendments of 1950, and this section had not been enacted. The rate of interest to be used in determining such amount shall be the rate determined under section 201(d) for public-debt obligations which were or could have been issued for purchase by the Trust Funds in the June preceding the September in which the determinations in 1965, 1970, and 1975 are made and in the September preceding the October in which all other determinations are made.".

SEC. 17. Section 437(b) of the General Education Provisions Act (20 U.S.C. 1232f(b)), is amended by deleting "October" and inserting "January" in lieu thereof.

SEC. 18. Section 209(e)(1) of the Highway Revenue Act of 1956 (23 U.S.C. 120 note), is amended by deleting "March" and "June 30" and inserting "June" and "September 30", respectively, in lieu thereof.

SEC. 19. Section 522 of title 28, United States Code, is amended by deleting "at the beginning of each regular session of Congress" and inserting "by April 1 of each year" in lieu thereof.

SEC. 20. Section 2(b) of the Act of July 31, 1947 (30 U.S.C. 602(b)), is amended by deleting "January" and "July" and inserting "April" and "October", respectively, in lieu thereof.

SEC. 21. Section 13 of the National Capital Planning Act of 1952 (40 U.S.C. 74), is amended by deleting "December" and "September" and inserting "March" and "December", respectively, in lieu thereof.

SEC. 22. Sections 423(c) and 1101(a)(8)(B) of the Social Security Act (42 U.S.C. 623(c) and 1301(a)(8)(B)), are amended by deleting "July" and "August 31", wherever they appear, and inserting "October" and "November 30", respectively, in lieu thereof.

SEC. 23. Section 903(a)(2)(B) of the Social Security Act, as amended (42 U.S.C. 1103(a)(2)(B)) is amended by deleting "May", wherever it appears, and inserting "August" in lieu thereof.

SEC. 24. Section 6 of the National Aeronautics and Space Administration Authorization Act, 1970 (83 Stat. 196), as amended by section 7 of the National Aeronautics and Space Administration Authorization Act, 1971 (84 Stat. 372; 42 U.S.C. 2462), is further amended by deleting "July", "June", "November", and "December" in sections 6(a)(6), 6(b)(1), and 6(d), and inserting "October", "September", "February", and "March", respectively, in lieu thereof.

SEC. 25. Section 510 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3189), is amended by deleting "January 31" and inserting "April 30" in lieu thereof.

SEC. 26. Section 707 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3217), is amended by deleting "January 3" and inserting "April 1" in lieu thereof.

SEC. 27. Section 213 of the Merchant Marine Act, 1936 (49 Stat. 1991), as amended (46 U.S.C. 1123), is amended by deleting "July" and inserting "October" in lieu thereof.

SEC. 28. Section 1111 of title 44, United States Code, is amended by deleting "November" and "December" wherever they appear, and inserting "February" and "March", respectively, in lieu thereof.

SEC. 29. Section 10(5) of the Service Contract Act of 1965, as amended (41 U.S.C. 358(5)), is amended by deleting "For the fiscal year ending June 30, 1977, and for each fiscal year thereafter" and inserting "On or after July 1, 1976" in lieu thereof.

SEC. 30. Section 139 of title 2, United States Code, is amended by deleting "at the beginning of each regular session" and inserting "not later than April 1" in lieu thereof.

SEC. 31. Section 27(j) of the Consumer Product Safety Act (15 U.S.C. 2076(j)), is amended by deleting "on or before October 1 of each year" and inserting "at the beginning of each regular session of Congress" in lieu thereof.

SEC. 32. (a) Section 263(b) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601 note), is amended by deleting "thirty-first day of the eighth" and inserting "thirtieth day of the eleventh" in lieu thereof.

(b) Section 261 of such Act is amended by striking "June 30, 1977" and inserting in lieu thereof "September 30, 1977".

(c) Section 331 of such Act is amended by striking "June 30, 1975, 1976, and 1977" and inserting in lieu thereof "June 30, 1975, and 1976, and September 30, 1977".

SEC. 33. Section 704 of the Social Security Act (42 U.S.C. 904) is amended by deleting "at the beginning" and inserting "within one hundred and twenty days after the beginning" in lieu thereof.

SEC. 34. The Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 452), as amended (16 U.S.C. 718 et seq.), is amended by deleting the word "fiscal" wherever it appears therein.

SEC. 35. (a) Section 15d(f) of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n–4(f)), is amended by adding the following at the end thereof: "As of October 1, 1975, the five-year periods described herein shall be computed as beginning on October 1 of that year and of each fifth year thereafter.".

(b) Section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831y), is amended by deleting "at the end of each calendar year" and inserting "on March 31 of each year" in lieu thereof.

SEC. 36. Section 208 of the Merchant Marine Act, 1936 (49 Stat. 198), as amended (46 U.S.C. 1118), is amended by deleting "at the beginning of each regular session" and inserting "by April 1 each year" in lieu thereof.

SEC. 37. Section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) is amended by deleting "every six months" and inserting "not less often than twice annually" in lieu thereof.

SEC. 38. Sections 6(a)(1) (D) and (E) of the Alaska Native Claims Settlement Act (43 U.S.C. 1605) are amended to read as follows:

"(D) $40,000,000 during the period beginning July 1, 1976, and ending September 30, 1976; and

"(E) $30,000,000 during each of the next five fiscal years, for transfer to the Alaska Native Fund in the fourth quarter of each gscal year.".

SEC. 39. Section 91(f)(3)(A) of the Social Security Act (42 U.S.C. 1101(f)(3)(A)) is amended by deleting "fiscal" the last time it appears therein.

SEC. 40. Section 1304(j) of the Public Health Service Act (42 U.S.C. 300e–3(j)) is amended by (1) striking out "the fiscal year ending June 30, 1976" and inserting in lieu thereof "September 30, 1976", and (2) striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977".

SEC. 41. Section 903(c)(2)(D) of the Social Security Act (42 U.S.C. 1103(a)(2)(D)), and the sentence following subparagraph (D), are amended to read as follows:

"(D) the appropriation law limits the total amount which may be obligated during a twelve-month period (as prescribed in the law of the State), or during a transitional period of less than twelve months caused by a change in the twelve-month period (as prescribed in the law of the State), to an amount which does not exceed the amount by which (i) the aggregate of the amounts transferred to the account of such State pursuant to subsections (a) and (b) during such twelve-month period or transitional period of less than twelve months and the twenty-four preceding twelve-month periods (including the transitional period of less than twelve months if it is within such twenty-four twelve-month periods) exceeds (ii) the aggregate of the amounts used by the State pursuant to this subsection and charged against the amounts transferred to the account of such State during such twenty-four twelve-month periods (and the transitional period of less than twelve months if it is within the twenty-four twelve-month periods).

For the purposes of subparagraph (D), amounts used by a State during any twelve-month period or transitional period of less than twelve months shall be charged against equivalent amounts which were transferred and which have not previously been so charged; except that no amount obligated for administration during any such period may be charged against any amount transferred during a twelve-month period or transitional period of less than twelve months earlier than the twenty-fourth preceding twelve-month period (including the transitional period of less than twelve months if it is within such twenty-four twelve-month periods).".

SEC. 42. Section 8147(b) of title 5, United States Code (Federal Employees' Compensation Act), is amended by (1) striking out "fiscal year" in the first sentence and inserting "July 1 through June 30 expense period" in lieu thereof, (2) striking out "next" and, after "fiscal year", inserting "beginning in the next calendar year", in the second sentence, and (3) inserting "during the first fifteen days of October following the furnishing of the statement" after "control" in the fourth sentence.

SEC. 43. Section 313(e) of title 37, United States Code, is amended by deleting "April 30" and inserting "July 31" in lieu thereof.

SEC. 44. Section 221(b)(4)(B) of the Community Mental Health Centers Act (42 U.S.C. 2689i(b)(4)(B)) is amended by striking out "October", "December", and "July" and inserting in lieu thereof "January", "March", and "October", respectively; and by striking out "even-numbered" and inserting in lieu thereof "odd-numbered".

SEC. 45. (a) Subsection (b)(1)(A) of the first section of the Act of July 25, 1956 (31 U.S.C. 701), as amended by secton 503(b) of the Congressional Budget Act of 1974, is amended to read as follows:

"(A) for any fiscal year or years ending on or before June 30, 1976, on that September 30 which falls in the first month of September which occurs twenty-four months after the end of such fiscal year or years for which the appropriation is available for obligation; and".

(b) Subsection (b)(2)(A) of such section is amended by deleting "September 30" and inserting in lieu thereof "November 15".

SEC. 46. Section 613(c) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 263(c)) is further amended by inserting at the end thereof the following: "After submission of the reports required to reflect inventories as of December 31, 1975, inventories shall be reported as of September 30, 1976, and semiannually thereafter.".

SEC. 47. Subsection (c) of section 5008 of the Internal Revenue Code of 1954 (26 U.S.C. 5008(c)) is amended by striking "fiscal year" each place it appears (including in the schedule contained in paragraph (3)(A)) and inserting in lieu thereof "computation year".

SEC. 48. (a) Section 843(d) of the Education Amendments of 1974 (20 U.S.C. 241c note) is amended by striking out "June 30, 1977, and June 30, 1978," and inserting in lieu theerof "September 30, 1977, and September 30, 1978,".

(b) Pargraph (2)(A)(i) of section 305(a) of the Education Amendments of 1974 Public Law 93-380; 88 Stat. 533) is amended by striking out "July 1, 1978" and "July 1, 1977" and inserting in lieu thereof "October 1, 1978" and "October 1, 1977", respectively.

SEC. 49. (a) Section 103(c)(2)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241c(c) (2)(B)) is amended by striking out "January" wherever it appears and inserting in lieu therof "October".

(b) Section 103(c)(2)(B) is also amended by striking out "April 1 of the calendar year" and inserting in lieu thereof "January 1 of the fiscal year".

(c) Section 103(c)(2)(B) is also amended by striking out "second calendar year" and by inserting in lieu thereof "calendar year".

(d) Section 403(16) of the Act of September 30, 1950 (20 U.S.C. 244)16)), as added by section 101(a)(9)(K) of the Education Amendments of 1974, is amended by striking out "during the second fiscal year" and inserting in lieu thereof "during the third fiscal year" in lieu thereof.

The SPEAKER pro tempore. Is a second demanded?

Mr. ERLENBORN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. BROOKS) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. ERLENBORN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill and the next suspension are technical measures which are required to effect a smooth transition from the current fiscal year, which runs from July to June, to the new fiscal year enacted by the Congress, which runs from October to September. As you know, a 3-month transition period from July through September of this year was created.

The Budget Control and Impoundment Act of 1974, which established the new fiscal year, directed the Office of Management and Budget to prepare and submit proposed legislation to accomplish an orderly transition. The first measure proposed was passed by the Congress last year as Public Law 94-144, which authorized appropriations during the transition period. We have before us two additional measures proposed by the Office of Management and Budget to carry out that directive.

H.R. 12605, the Fiscal Year Adjustment Act, would make certain permanent amendments to statutes necessitated by the fiscal year change, such as changing statutory reporting dates which were referenced to the old fiscal year to conform to the new fiscal year dates. Although these matters are technical and conforming, they are important and must be enacted into law to avoid confusion in the carrying out of numerous statutes and to prevent the expenditure of unnecessary funds in paperwork and clerical execution.

When the Office of Management and Budget draft was submitted to the Congress and referred to our Committee, we made a careful and detailed examination of all of its provisions to be certain of their accuracy; and more important, to be satisfied that they did not make any substantive or policy changes in programs which Congress had enacted into law. After our review, I sent copies to each chairman of the committees of the House for their perusal, with the request that they provide us with their comments insofar as this measure may affect statutes within the legislative jurisdiction of their committees. The responses were received, including a number of suggestions for changes, which we incorporated into the bill or are shown as amendments. The Subcommittee on Legislation and National Security then held a hearing, at which time representatives from the Office of Management and Budget, the Department of the Treasury, and the General Accounting Office appeared and reviewed with us the legislation.

This bill was reported by an overwhelming committee vote, and I believe that we have taken every reasonable step to assure that it properly carries out its limited purpose. I repeat that it makes no change in policy or effect of any ongoing Federal program.

I hope that H.R. 12605 will be approved so that the orderly transition to the new fiscal year may be accomplished.

Mr. ERLENBORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12605, the Fiscal Year Adjustment Act.

Mr. Speaker, this and the other bill under suspension today are highly technical bills incorporating necessary amendments to provide for an orderly transition from the old fiscal year to the new fiscal year, which will carry us through to October 1.

Hearings were held in our committee on March 23. Witnesses from the OMB, the Treasury and the Patent Office testified in support of the legislation.

The bills are highly technical. Everything has been done to assure that the bills are properly drafted to accomplish the transition.

I support the passage under suspension of the bill H.R. 12605.

The SPEAKER pro tempore (Mr. BOLLING). The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill H.R. 12605, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of the Senate bill (S. 2445), to provide permanent changes in laws necessary because of the October–September fiscal year, and ask for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Year Adjustment Act".

SEC. 2. The following provisions of law are amended by deleting "June", wherever it appears, and inserting "September" in lieu thereof—

(1) section 4(a)(2) of the Agriculture and Consumer Protection Act of 1973, as amended (Public Law 93-347; 7 U.S.C. 612c note);

(2) section 406(c) and 410(a) of the Rural Electrification Act of 1936 (7 U.S.C. 946(c) and 950(a));

(3) sections 5234, 5451, 5662(b), 5711(b), 5785, and 6386 of title 10, United States Code;

(4) section 203(d)(2) of the Federal Credit Union Act (12 U.S.C. 1783(d)(2));

(5) section 4(c)(6) of the Small Business Act (15 U.S.C. 633(c)(6));

(6) section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694 note);

(7) section 301 of the Act of November 2, 1965 (15 U.S.C. 713a-11a);

(8) section 2 of the Land and Water Conservation Fund Act, as amended (16 U.S.C. 4601-5);

(9) section 4(c) of the Fish and Wildlife Act of 1956, as amended (16 U.S.C. 742c(c));

(10) section 1 of the Act of September 18, 1972 (16 U.S.C. 576c);

(11) section 4 of the Central, Western, and South Pacific Fisheries Development Act (16 U.S.C. 758a note);

(12) section 16(b) of the Wild and Scenic Rivers Act (16 U.S.C. 1287(b));

(13) section 305(h) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1454(h));

(14) section 102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241b);

(15) section 3 of the Act of September 23, 1950 (20 U.S.C. 633);

(16) section 3(a) of the Special Projects Act (20 U.S.C. 1852(a));

(17) paragraphs (1) and (2) of section 406(f), and sections 409 and 843(d) of the Education Amendments of 1974 (20 U.S.C. 1865(f) (1) and (2), 1867, and 241c note);

(18) section 20 of the Act of June 26, 1934, as amended (31 U.S.C. 725s);

(19) section 402 of the Act of November 13, 1966 (31 U.S.C. 757f), except for the reference to June 30, 1967;

(20) section 112 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1421);

(21) section 2 of the Act of May 6, 1974 (Public Law 93-274; 37 U.S.C. 313(e) note);

(22) section 756(e) of title 40, United States Code;

(23) section 2(a)(2)(A) of the Employment Security Administrative Financing Act of 1954, as amended (42 U.S.C. 1103(a)(2)(A));

(24) sections 435(b), 1305(d), and 1620 of the Public Health Service Act (42 U.S.C. 289c-2(b), 300e-4(d), and 300q);

(25) section 11(d) of the Railroad Unemployment Insurance Act (45 U.S.C. 361(d));

(26) section 1118 of the Social Security Act (42 U.S.C. 1318);

(27) section 3 of the Act of September 6, 1958 (42 U.S.C. 1893);

(28) sections 203 and 505(b) of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3143 and 3185(b));

(29) section 304(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4574(a));

(30) section 246 of the Juvenile Justice and

Delinquency Prevention Act of 1974 (42 U.S.C. 5656);

(31) section 201(b) of the Act of August 28, 1937, as amended (43 U.S.C. 1181f (b)); and

(32) section 303 of the Act of September 8, 1950, as amended (50 U.S.C. App. 2093(b)).

Sec. 3. The following provisions of law are amended by deleting "July", wherever it appears, and inserting "October" in lieu thereof—

(1) section 4 of the Act of August 30, 1980 (7 U.S.C. 326);

(2) section 7 of the Act of March 2, 1887, as amended (7 U.S.C. 361g);

(3) section 5(a) of the Commercial Fisheries Research and Development Act of 1964 (16 U.S.C. 779c(a));

(4) sections 5(b) and 201(b) of the Land and Water Conservation Fund Act (16 U.S.C. 4601–7(b) and 4601–11(b));

(5) section 2, 3(b), 4(a), 5(e)(1), 7(a) (1) (A) and (B), and 303(a)(1) of the Act of September 30, 1950, as amended (20 U.S.C. 237, 238(b), 239(a), 240(e)(1), 241–1(a) (A) and (B), and 241bb(a)(1));

(6) section 842(a) of the Education Amendments of 1974 (20 U.S.C. 246(a));

(7) section 16(a)(1)(A) of the Act of September 23, 1950 (20 U.S.C. 646(a)(1)(A));

(8) sections 723(a)(2) and 731(c)(1) of the Bilingual Education Act (20 U.S.C. 880b–9 (a)(2), and 880b–10(c)(1));

(9) sections 14(c), 151(i), 305(c), and 309 (c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241l(c), 240o (i), 844a(c), and 847a (c));

(10) section 439(h)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087–2 (h)(2));

(11) section 311(b) of the Adult Education Act (20 U.S.C. 1209(b));

(12 section 442(a) of the Education Amendments of 1972 (20 U.S.C. 1221g(a));

(13) section 412(b) of the General Education Provisions Act (20 U.S.C. 1225(b));

(14) section 104(a)(1) of the Vocational Education Act of 1963 (20 U.S.C. 1244(a) (1));

(15) sections 604(b) and 612(a)(1)(B) of the Education of the Handicapped Act (20 U.S.C. 1403(b) and 1412(a)(1)(B));

(16) section 3(c)(1) of the Environmental Education Act (20 U.S.C. 1532(c) (1));

(17) section 306(c) of the Controlled Substances Act (21 U.S.C. 826(c));

(18) section 7(e) of the Fisherman's Protective Act of 1967, as amended (22 U.S.C. 1977);

(19) sections 5801, 5802, 5851(b) of the Internal Revenue Code, as amended (26 U.S.C. 5801, 5802, and 5851(b));

(20) section 301(a) of the Rehabilitation Act of 1973 (29 U.S.C. 771(a));

(21) section 8 of chapter 283 of the Act of March 4, 1923, as amended (36 U.S.C. 131);

(22) section 106(f)(3) of the Water Pollution Control Act (33 U.S.C. 1256(f)(3));

(23) section 301a(e) of title 37, United States Code;

(24) section 48b(6) of the Wagner-O'Day Act, as amended (41 U.S.C. 48b(6));

(25) sections 903(a)(2) and 903(b)(1) of the Social Security Act, as amended (42 U.S.C. 1103(a)(2) and 1103(b)(1));

(26) section 715 of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–14); and

(27) paragraph (2)(A)(i) of section 305 (a) of the Education Amendments of 1974 (Public Law 93–380; 88 Stat. 533).

Sec. 4. The following provisions of law are amended by deleting "June" and "July", wherever they appear, and inserting "September" and "October", respectively, in lieu thereof—

(1) section 4(a) of the Federal Aid in Wildlife Restoration Act as amended (16 U.S.C. 669c(a));

(2) section 4 of the Federal Aid in Sport Fish Restoration Act of 1950, as amended (16 U.S.C. 777c);

(3) section 2 of the Commercial Fisheries Research and Development Act of 1964 (16 U.S.C. 779);

(4) section 5008(c)(3)(C) and 5142(b) of the Internal Revenue Code (26 U.S.C. 5008 (c)(3)(C) and 5142(b));

(5) section 410(a)(7) of the Act of November 19, 1969 (50 U.S.C. 1436); and

(6) section 1310(d) of the Supplemental Appropriation Act, 1952, as amended (5 U.S.C. 3101 note).

Sec. 5. The following provisions of law are amended by deleting "December", wherever it appears, and inserting "March" in lieu thereof—

(1) section 9 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831h);

(2) section 657(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2417(a));

(3) section 8 of the Act of June 13, 1888, as amended (29 U.S.C. 6);

(4) section 103(a) of the Act of June 6, 1972 (31 U.S.C. 1203(a)); and

(5) section 519 of the Omnibus Crime Control and Safe Streets Act, as amended (42 U.S.C. 3767).

Sec. 6. The following provisions of law are amended by deleting "December" and "June", wherever they appear, and inserting "March" and "September", respectively, in lieu thereof—

(1) section 15d of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n–4(e));

(2) section 634(f) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2394 (f));

(3) section 35 of the Act of February 25, 1920, as amended (30 U.S.C. 191); and

(4) section 2677(c) of title 10, United States Code.

Sec. 7. The following provisions of law are amended by deleting "September", wherever it appears, and inserting "December" in lieu thereof—

(1) section 9(a) of the Act of July 22, 1963 (7 U.S.C. 390h(a));

(2) section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a));

(3) sections 901(b) and 901(d) of the Agricultural Act of 1970 (42 U.S.C. 3122(b) and 3122(d)); and

(4) section 603(b)(4) of the Rural Development Act of 1972 (7 U.S.C. 2204(b)).

Sec. 8. The following provisions of law are amended by deleting "September 30", wherever it appears, and inserting "December 31" in lieu thereof—

(1) section 3(a) of the Act of July 25, 1956 (31 U.S.C. 703(a));

(2) section 46(i) of the Wagner-O'Day Act, as amended (41 U.S.C. 46(i)); and

(3) section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5614).

Sec. 9. The following provisions of law are amended by deleting "July" and "September", wherever they appear, and inserting "October" and "December", respectively in lieu thereof—

(1) section 2 of chapter 841 of the Act of August 30, 1890 (7 U.S.C. 324);

(2) section 5 of the Act of March 2, 1887, as amended (7 U.S.C. 361e);

(3) section 103(d)(2) of the Vocational Educational Act of 1963 (20 U.S.C. 1243(d) (2)); and

(4) section 314(d)(6) of the Public Health Service Act (42 U.S.C. 246(d)(6)), but this clause shall take effect June 30, 1976, with respect to "September" and the first occurrence of "July".

Sec. 10. The following provisions of law are amended by deleting "July" and "September 30", wherever they appear, and inserting "October" and "December 31" in lieu thereof—

(1) section 8(a)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 707(a)(2)); and

(2) section 401(j)(1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2691(j)(1)).

Sec. 11. The following provisions of law are amended by deleting "January", wherever it appears and inserting "April" in lieu thereof—

(1) section 5 of the Act of May 8, 1914, as amended (7 U.S.C. 345);

(2) section 10 of the Rural Electrification Act of 1936 (7 U.S.C. 910);

(3) sections 279, 686, and 2110(b) of title 10, United States Code;

(4) sections 106 and 203 of the Government Corporation Control Act (31 U.S.C. 851 and 858);

(5) section 3(f) of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1862(f));

(6) section 21 of the Interstate Commerce Act, as amended (49 U.S.C. 21); and

(7) section 6 of the Trading With the Enemy Act, as amended (50 U.S.C. App. 6).

Sec. 12. The following provisions of law are amended by deleting "March" and inserting "June" in lieu thereof—

(1) paragraph (1) of section 406(d) of the General Education Provisions Act (20 U.S.C. 1221e–1(d));

(2) section 105(a)(2) of the Act of October 20, 1972 (31 U.S.C. 1224(a)(2)); and

(3) section 204(b)(6) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5614).

Sec. 13. The following provisions of law are amended by deleting "March 31" and inserting "June 30" in lieu thereof—

(1) section 405(c)(3)(F) of the General Education Provisions Act (20 U.S.C. 1221e (c)(3)(F));

(2) section 442(b)(6) of the Education Amendments of 1972 (20 U.S.C. 1221g(b) (6));

(3) section 604(b) of the Education of the Handicapped Act (20 U.S.C. 1403(b)); and

(4) section 731(a) of the Education Amendments of 1974 (Public Law 93–380; 88 Stat. 596).

Sec. 14. The following provisions of law are amended by deleting "November", wherever it appears, and inserting "February" in lieu thereof—

(1) section 313(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1462(a));

(2) section 417(a)(1) of the General Education Provisions Act (20 U.S.C. 1226c(a) (1)); and

(3) section 410 (b)(1) and (d) of the Act of November 19, 1969 (50 U.S.C. 1436 (b)(1) and (d)).

Sec. 15. Section 4 of the Act of May 8, 1914, as amended (7 U.S.C. 344), is amended by deleting "July" the first time it appears, and "January" the last time it appears, and inserting "October" and "April", respectively, in lieu thereof.

Sec. 16. Section 201(b)(2) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1817(b)(2)), is amended by deleting "January", "June", "July", and "December" and inserting "April", "September", "October", and "March", respectively, in lieu thereof.

Sec. 17. Section 37(b) of the General Education Provisions Act (20 U.S.C. 1232f (b)), is amended by deleting "October" and inserting "January" in lieu thereof.

Sec. 18. Section 209(e)(1) of the Highway Trust Fund Act, as amended (23 U.S.C. 120 note), is amended by deleting "March" and "June 30" and inserting "June" and "September 30", respectively, in lieu thereof.

Sec. 19. Section 522 of title 28, United States Code, is amended by deleting "at the beginning of each regular session of Congress" and inserting "by April 1 of each year" in lieu thereof.

Sec. 20. Section 2(b) of the Act of July 31, 1947 (30 U.S.C. 602(b)), is amended by deleting "January" and "July" and inserting "April" and "October", respectively, in lieu thereof.

Sec. 21. Section 13 of the National Capital Planning Act of 1952 (40 U.S.C. 74), is amended by deleting "December" and "September" and inserting "March" and "December", respectively, in lieu thereof.

Sec. 22. Sections 423(c) and 1101(a)(8)(B) of the Social Security Act (42 U.S.C. 623(c) and 1301(a)(8)(B)), are amended by deleting "July" and "August 31", wherever they appear, and inserting "October" and "November 30", respectively, in lieu thereof.

Sec. 23. Section 2(a)(2)(B) of the Employment Security Administrative Financing Act of 1954, as amended (42 U.S.C. 1103(a)(2)(B)) is amended by deleting "May", wherever it appears, and inserting "August" in lieu thereof.

Sec. 24. Section 6 of the National Aeronautics and Space Administration Authorization Act, 1970 (83 Stat. 196), as amended by section 7 of the National Aeronautics and Space Administration Authorization Act, 1971 (84 Stat. 372; 42 U.S.C. 2462), is further amended by deleting "July", "June", "November", and "December" in sections 6(a)(6), 6(b)(1), and 6(d), and inserting "October", "September", "February", and "March", respectively, in lieu thereof.

Sec. 25. Section 510 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3189), is amended by deleting "January 31" and inserting "April 30" in lieu thereof.

Sec. 26. Section 707 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3217), is amended by deleting "January 3" and inserting "April 1" in lieu thereof.

Sec. 27. Section 213 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1123), is amended by deleting "July" and inserting "April" in lieu thereof.

Sec. 28. Section 1111 of title 44, United States Code, is amended by deleting "November" and "December" wherever they appear, and inserting "February" and "March", respectively, in lieu thereof.

Sec. 29. Section 10(5) of the Service Contract Act of 1965, as amended (41 U.S.C. 358(5)), is amended by deleting "For the fiscal ending June 30, 1977, and for each fiscal year thereafter" and inserting "On or after July 1, 1976" in lieu thereof.

Sec. 30. Section 139 of title 2, United States Code, is amended by deleting "at the beginning of each regular session" and inserting "not later than April 1" in lieu thereof.

Sec. 31. Section 27(j) of the Consumer Product Safety Act (15 U.S.C. 2076(j)), is amended by deleting "on or before October 1 of each year" and inserting "at the beginning of each regular session of Congress" in lieu thereof.

Sec. 32. Section 263(b) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601 note), is amended by deleting "thirty-first day of the eighth" and inserting "thirtieth day of the eleventh" in lieu thereof.

Sec. 33. Section 704 of the Social Security Act (42 U.S.C. 904) is amended by deleting "at the beginning" and inserting "within one hundred and twenty days after the beginning" in lieu thereof.

Sec. 34. The Migratory Bird Hunting Stamp Act of March 16, 1934, as amended (16 U.S.C. 718 et seq.), is amended by deleting the word "fiscal" wherever it appears therein.

Sec. 35. (a) Section 15d, chapter 32, of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n–4), is amended by adding the following at the end thereof: "As of October 1, 1975, the five-year periods described herein shall be computed as beginning on October 1 of that year and of each fifth year thereafter.".

(b) Section 26, chapter 32, of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831y), is amended by deleting "at the end of each calendar year" and inserting "on March 31 of each year" in lieu thereof.

Sec. 36. Section 208 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1118), is amended by deleting "at the beginning of each regular session" and inserting "by April 1 each year" in lieu thereof.

Sec. 37. Section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) is amended by deleting "every six months" and inserting "not less often than twice annually" in lieu thereof.

Sec. 38. Section 6(a)(1) (D) and (E) of the Alaska Native Claims Settlement Act (43 U.S.C. 1605) are amended to read as follows:

"(D) $40,000,000 during the period beginning July 1, 1976, and ending September 30, 1976; and

"(E) $30,000,000 during each of the next five fiscal years, for transfer to the Alaska Native Fund in the fourth quarter of each fiscal year.".

Sec. 39. Section 901(f)(3)(A) of the Social Security Act (42 U.S.C. 1101(f)(3)(A)) is amended by deleting "fiscal" the last time it appears therein.

Sec. 40. Section 1304(j) of the Public Health Service Act (42 U.S.C. 300e–3(j)) is amended by (1) striking out "the fiscal year ending June 30, 1976" and inserting in lieu thereof "September 30, 1976", and (2) striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977".

Sec. 41. Section 903(c)(2)(D) of the Social Security Act (42 U.S.C. 1103(2)(D)), and the sentence following subparagraph (D), are amended to read as follows:

"(D) the appropriation law limits the total amount which may be obligated during a twelve-month period (as prescribed in the law of the State), or during a transitional period of less than twelve months caused by a change in the twelve-month period (as prescribed in the law of the State), to an amount which does not exceed the amount by which (i) the aggregate of the amounts transferred to the account of such State pursuant to subsections (a) and (b) during such twelve-month period or transitional period of less than twelve months and the twenty-four preceding twelve-month periods (including the transitional period of less than twelve months if it is within such twenty-four twelve-month periods) exceeds (ii) the aggregate of the amounts used by the State pursuant to this subsection and charged against the amounts transferred to the account of such State during such twenty-five twelve-month periods (and the transitional period of less than twelve months if it is within the twenty-five twelve-month periods).

For the purposes of subparagraph (D), amounts used by a State during any twelve-month period or transitional period of less than twelve months shall be charged against equivalent amounts which were transferred and which have not previously been so charged; except that no amount obligated for administration during any such period may be charged against any amount transferred during a twelve-month period or transitional period of less than twelve months earlier than the twenty-fourth preceding twelve-month period (including the transitional period of less than twelve months if it is within such twenty-four twelve-month periods).".

Sec. 42. Section 8147(b) of title 5, United States Code (Federal Employees' Compensation Act), is amended by (1) striking out "fiscal year" in the first sentence and inserting "July 1 through June 30 expense period" in lieu thereof, (2) striking out "next" and, after "fiscal year", inserting "beginning in the next calendar year", in the second sentence, and (3) inserting "during the first fifteen days of October following the furnishing of the statement" after "control" in the fourth sentence.

Sec. 43. Section 313(e) of title 37, United States Code, is amended by deleting "April 30" and inserting "July 31" in lieu thereof.

MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Brooks moves to strike out all after the enacting clause of S. 2445 and to insert in lieu thereof the provisions of H.R. 12605, as passed.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12605) was laid on the table.

FISCAL YEAR TRANSITION ACT

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12606) to provide for the orderly transition to the new October 1 to September 30 fiscal year, as amended.

The Clerk read as follows:

H.R. 12606

Be it enacted by the Senate and House of of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Year Transition Act".

TITLE I

Sec. 101. (a) For the purposes of sections 222(d)(1), 421, 506(d), 516, 705, 901 (e)(2) and (f), 902, 905 (b)(2), 1108, 1115, and 2002(a)(2) of the Social Security Act, the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provisions of section 222(d)(1) (42 U.S.C. 422(d)(1)), the amount authorized to be transferred from the trust funds pursuant to that section in the period beginning July 1, 1976, and ending September 30, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the first quarter of the fiscal year beginning July 1, 1975, and the amount authorized to be transferred from the Trust Funds in the fiscal year beginning October 1, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the preceding twelve months;

(2) the fixed dollar allotment to each State under section 421 (42 U.S.C. 621) shall be $17,500;

(3) the reduction required by section 506(d) (42 U.S.C. 706(d)) shall be the amount by which the sum expended from non-Federal sources for that period is less than one-fourth the sum expended from such sources for the fiscal year ending June 30, 1968;

(4) the amount allotted to each State under section 516 (42 U.S.C. 716) shall be the excess of one-fourth the amount of the allotment for the State under sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), for the fiscal year ending June 30, 1973, plus the amount of any grants to the State under sections 508, 509, and 510 of that Act (42 U.S.C. 708, 709, and 710), over the amount of the allotment of the State under sections 503 and 504 of that Act for the period;

(5) the limitation imposed by section 705 (b) (42 U.S.C. 906(b)) on the amount that may be available for carrying out section 705 (f) shall be $500,000 for that period;

(6) the percentage referenced in the second sentence of section 901(e)(2) (42 U.S.C. 1101(e)(2)) shall be reduced to 10 per centum for the purpose of advances to be made in that period;

(7) notwithstanding the provisions of section 901(f)(3)(A) (42 U.S.C. 1101(f)(3)(A)), for the fiscal year beginning October 1, 1976, the excess in the employment administration account shall be retained until the amount in such account is equal to 160 per centum of the amount of the total appropriation by the Congress out of the account for the period July 1, 1976, through September 30, 1976, and $37,500,000 or three thirty-seconds of the amount in the employment security administration account, whichever is the lesser, is authorized to be made available for that period under the conditions provided therein;

(8) the determinative calendar year for the purpose of a transfer to the unemployment account pursuant to section 902(a) (42 U.S.C. 1102(a)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(9) the determinative calendar year for the purposes of a transfer to the extended unemployment compensation account pursuant to section 905(b)(2)(B) (42 U.S.C. 1105(b)(2)(B)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(10) the limitations imposed by section 1108 (42 U.S.C. 1308) on amounts certified by the Secretary shall be one-fourth of the limitations imposed by that section with respect to the fiscal year ending June 30, 1976;

(11) the dollar limitation imposed by section 1115 (42 U.S.C. 1315) on the amount available for payments to the States for the cost of projects under that section shall be $1,000,000 of the aggregate amount appropriated for payments to the States for the period; and

(12) notwithstanding the provisions of subparagraph (A) of section 2002(a)(2) (42 U.S.C. 1397a(a)(2)), the limitation imposed by that subparagraph on payments with respect to expenditures by a State for the period shall be one-fourth of the limitation imposed on such payments with respect to expenditures by the State for the fiscal year beginning July 1, 1975; and notwithstanding the provisions of subparagraph (D) of section 2002(a)(2), the maximum allotments under that subparagraph for the period shall be $3,750,000 for Puerto Rico, $125,000 for Guam, and $125,000 for the Virgin Islands, but nothing in this Act shall apply to the second sentence of section 2002 (a)(2)(A).

(b) Notwithstanding the provisions of sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), the fixed dollar allotment to each State under each of these sections for the period of July 1, 1976, through September 30, 1976, shall be $17,500.

(c) Notwithstanding the provisions of section 1101(a)(8)(B) of the Social Security Act (42 U.S.C. 1301(a)(8)(B)), the Federal percentages promulgated under the subparagraph in 1974 shall be conclusive for each of the nine quarters in the period beginning on July 1, 1975, and ending on September 30, 1977.

(d) Notwithstanding the provisions of section 2006(c) of the Social Security Act (42 U.S.C. 1397e(c)), the report on the operation of the program established by title XX of that Act during the fiscal year ending June 30, 1976, shall include the operation of that program during the period of July 1, 1976, through September 30, 1976, and shall be submitted to the Congress prior to April 1, 1977.

Sec. 102. For the purposes of section 401 of the Social Security Amendments of 1972 (42 U.S.C. 1382e note), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the limitations imposed by section 401(a) on the amount payable to the Secretary by a State shall be one-fourth of the non-Federal share of expenditures as aid or assistance for quarters in calendar year 1972, as determined under that section.

Sec. 103. For the purposes of the provisions of sections 110 and 120 of the Rehabilitation Act of 1973 (29 U.S.C. 730 and 740), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) the fixed dollar minimum allotment for any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under section 110 shall be $500,000, and

(2) the minimum allotment to any State under section 120 shall be $12,500.

Sec. 104. For the purpose of the second sentence of section 319(h)(2) of the Public Health Service Act (42 U.S.C. 247(h)(22)), the period of July 1, 1976, through September 30, 1976, shall be treated as part of fiscal year 1976, and the 90 per centum limitation specified in that sentence shall be increased to 112.5 per centum for that period.

Sec. 105. (a) For the purposes of sections 210(a), 305(a), and 307(c) of the Older Americans Act of 1965 (42 U.S.C. 3020(a), 3025(a), and 3027(c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the term "appropriation Act" in section 210(a) (42 U.S.C. 3020(a)) shall be considered to include any appropriation Act for the period of July 1, 1975, through September 30, 1976;

(2) notwithstanding the provisions of section 307(c) (42 U.S.C. 3027(c)), a State's allotment under section 303 for the period of July 1, 1975, through September 30, 1976, shall be reduced by the percentage by which its expenditures for such period from State sources under its State plan approved under section 305 are less than 125 per centum of its expenditures from such sources of the preceding fiscal year, and, notwithstanding the provisions of section 307(c), a State's allotment under section 303 for the fiscal year ending September 30, 1977, shall be reduced by the percentage by which its expenditures for that year from State sources under its State plan, approved under section 305, are less than 80 per centum of its expenditures for the period of July 1, 1975, through September 30, 1976; and

(3) the assurances required by that portion of paragraph (10) of section 305(a) of the Act preceding the exception clause shall be that not less than 50 per centum of the amount by which the allotment for the period of July 1, 1976, through September 30, 1977, exceeds 125 per centum of the allotment for fiscal year 1975, shall be used for the purposes of section 305(b).

(b) For the purposes of sections 303(b) and 306(b) of the Older Americans Act of 1965 (42 U.S.C. 3023(b) and 3026(b)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the amount specified in section 303(b)(2)(C) shall be decreased by 75 per centum for that period;

(2) the amount of $200,000 specified in section 306(b)(1)(A) shall be decreased to $50,000 for that period; and

(3) the amount of $62,500 specified in section 306(b)(1)(B) shall be decreased to $15,625 for that period, and the amount specified in section 306(b)(3) shall be decreased by 75 per centum for that period.

Sec. 106. (a) For the purposes of sections 845(b) and (c)(1)(A), 1516(c)(2), 1525(b), 1610(b), and 1640(b) of the Public Health Service Act, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to those provisions for the period shall be subject to the conditions stated in the following paragraphs:

(1) the amount of $3,000 specified in section 845(b) (42 U.S.C. 297j(b)) shall be reduced to $750 for that period, and the regulations regarding scholarships in section 845 (c)(1)(A) (42 U.S.C. 297j(c)(1)(A)) for fiscal year 1977 shall apply to that period;

(2) notwithstanding the provisions in the exception clause in section 1516(c)(2) (42 U.S.C. 300l–5(c)(2)), the amount of $175,000 specified shall be reduced to $43,750 for that period;

(3) notwithstanding the provisions of the exception clause in section 1525(b) (42 U.S.C. 300m–4(b)), the amount concerning which assurances are required in respect to the period shall be 75 per centum *less than* the amount specified, and funds expended in previous years shall not, for the purposes of that clause, include funds expended during that period;

(4) notwithstanding the provisions in section 1610(b)(1) (42 U.S.C. 300p(b)(1)), the amounts of $1,000,000 and $500,000 specified shall be decreased to $250,000 and $125,000, respectively, for that period; and

(5) notwithstanding the provisions of section 1640(b)(2) (42 U.S.C. 300t(b)(2)), the amount of $1 specified in section 1640(b)(2) shall be decreased to 25 cents for that period.

(b) Section 308(c) of the Public Health Service Act (42 U.S.C. 242m(c)) shall not apply to any funds obligated or grants or contracts made or entered into for the period of July 1, 1975, through September 30, 1976. The aggregate number of grants and contracts made or entered into under sections 304 and 305 of the Act (42 U.S.C. 242b and 242c), for the period of July 1, 1975, through September 30, 1976, respecting a particular means of delivery of health services, or another particular aspect of health services, may not exceed twenty-five, and the aggregate amount of funds obligated under grants and contracts for that period under those sections respecting a particular means a delivery of health services may not exceed $6,250,000.

(c) No grant under section 395 of the Public Health Service Act (42 U.S.C. 280b–7) for the period of July 1, 1976, through September 30, 1976, shall exceed $50,000.

(d) Of the sums appropriated under the Public Health Service Act for the National Institutes of Health for the period of July 1, 1976, through September 30, 1976, not less than $125,000 shall be obligated for basic and clinical orthopedic research as prescribed under section 431(c) (42 U.S.C. 289a(c)).

(e) Notwithstanding the provisions of section 1516(b) of the Public Health Service Act (42 U.S.C. 300l–5(b)), the amounts specified in sections 1516(b)(1)(A), 1516(b)(1)(B), 1516(b)(2)(A)(i), 1516(b)(2)(A)(ii)(II), and 1516(b)(3) for purposes of grants made under section 1516 in the period of July 1, 1976, through September 30, 1976, shall be reduced by 75 per centum.

(f) For the purposes of section 1305(b)(1) of the Public Health Service Act (42 U.S.C. 300e–4(b)(1)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation specified in the second sentence of section 1305(b)(1) shall be

$1,250,000 for the period beginning July 1, 1975, and ending September 30, 1976.

Sec. 107. For the purposes of the Developmental Disabilities Services and Facilities Construction Act (42 U.S.C. 6001 et seq.) (1) the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, (2) for purposes of paragraphs (3) and (4) of section 132(a) of that Act (42 U.S.C. 6062(a) (3) and (4)) that period shall be considered part of the fiscal year beginning July 1, 1975; and (3) the minimum allotment of the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for that period under section 132(a)(1) of that Act (42 U.S.C. 6062(a)(1)) shall be $12,500 and the minimum allotment of each State for that period shall be $37,500.

Sec. 108. (a) For the purposes of section 302(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572 (c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of $50,000 specified in section 302 (c) shall be increased to $62,500 for that period.

(b) For the purposes of section 302(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(a)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the amount of $200,000 specified in section 302(a) shall be decreased to $50,000 for that period.

(c) For the purposes of section 304(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4574(c)), the period of July 1, 1975, through September 30, 1976, shall be considered a fiscal year, and the 10 per centum limitation specified in section 304(c) shall be increased to 40 per centum for that period.

Sec. 109. For the purposes of sections 227, and 237(d) of the Community Mental Health Centers Act, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) the $100,000 minimum specified in section 227(a) (42 U.S.C. 2689o(a)), shall be $25,000 for that period, and the time limitation in that section respecting the availability of unobligated funds shall not take into consideration the period of July 1, 1976, through September 30, 1976; and

(2) the amount of $50,000 specified in section 237(d)(1) (42 U.S.C. 2689t(d)(1)), shall be $12,500 for that period, the time limitation specified in the second sentence shall not take that period into consideration, and the amount specified in section 237(d)(2) (42 U.S.C. 2689t(d)(2)), shall be reduced by 75 per centum for that period.

Sec. 110. For the purposes of sections 1079 and 1086 of title 10, United States Code, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, except that for the purposes of computing the minimum fixed dollar amounts prescribed by sections 1079(b) and 1086(b), that period shall be considered as part of the fiscal year ending June 30, 1976.

Sec. 111. (a) Except where the context otherwise requires, or where otherwise provided in this section, the phrase "fiscal year" shall include the period of July 1, 1976, through September 30, 1976, wherever it appears in sections 3, 4, 6(a), 7, 8, 10, and 11 of the National School Lunch Act, as amended (42 U.S.C. 1752, 1753, 1755(a), 1756, 1757, 1759, and 1759a).

(b)(1) The phrase "fiscal year ending June 30, 1972", in section 4 of the National School Lunch Act (42 U.S.C. 1753) shall be construed to mean the period of July 1, 1971, through September 30, 1971, in computing the minimum aggregate amount of food assistance payments to be made by the Secretary to each State educational agency for the period of July 1, 1976, through September 30, 1976.

(2) For the purpose of the sixth sentence of section 7 of the National School Lunch Act, as amended (42 U.S.C. 1756), for the period of July 1, 1976, through September 30, 1976, State revenue shall constitute at least 8 per centum of the matching requirement for the same three-month period in the preceding fiscal year.

Sec. 112. (a) For the period of July 1, 1976, through September 30, 1976, the limitations on expenditures in sections 15(d)(5) and 15(d)(7) of the Peace Corps Act (22 U.S.C. 2514(d)(5) and 2514(d)(7)) shall be $1,500.

(b) For the period of July 1, 1976, through September 30, 1976, the limitation on expenditures in section 301(b)(2) of the Peace Corps Act (22 U.S.C. 2501a(b)(2)) shall be $100,000.

Sec. 113. For the purposes of section 3(d) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(d)), the period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year and the figure $90,000 in section 3(d) shall be construed to be $22,500 for that period.

Sec. 114. (a) For the purposes of section 13 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831l), the Corporation shall, for the period of July 1, 1976, through September 30, 1976, make payments in lieu of taxes on such bases and in a manner which is consistent, to the fullest extent practicable, with the payments authorized and made for the immediately preceding fiscal year and to be made for the fiscal year immediately following, in accordance with the applicable provisions of that section.

(b) Pursuant to the provisions of section 15c of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n–4), the Corporation shall make a payment of $5,000,000, on September 30, 1976, as repayment of the appropriation investment plus a payment as a return on the appropriation investment for the period of July 1, 1976, through September 30, 1976, computed at the average interest rate payable by the Treasury upon its total marketable public obligations as of July 1, 1976, applied to the balance of said appropriations as of July 1, 1976.

Sec. 115. For the purposes of sections 409 (b) and 409(c)(1) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176 (b) and (c)(1)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provision in section 409(b)(3), the limitation of $50,000 specified in section 409(b)(3) shall be decreased to $12,500 for that period; and

(2) notwithstanding the provision in section 409(c)(1), the amount of $100,000 specified in section 409(c)(1) shall be decreased to $25,000 for that period.

Sec. 116. Notwithstanding the provisions of section 406(d) of the General Education Provisions Act (20 U.S.C. 1221e–1(d)), the report of the Assistant Secretary for the Department of Health, Education, and Welfare required by section 406(d) to be submitted in 1976 shall include a description of the activities of the National Center for Education Statistics during the period of July 1, 1976, through September 30, 1976.

Sec. 117. For the purpose of the Comprehensive Employment and Training Act, Public Law 93–203, the period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning on July 1, 1975, except that such period shall not be included in such fiscal year in applying the percentages specified in sections 103(a)(4) and 103(f) of that Act.

Sec. 118. (a) For the purposes of sections 201(a) and 202(a) of the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1151(a) and 1152(a)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitations of 170,000 specified in section 201(a) and 20,000 specified in section 202(a), shall be increased to 212,500 and 25,000, respectively, for the period of July 1, 1975, through September 30, 1976.

(b) For the purposes of section 21(e) of the Act of October 3, 1965 (79 Stat. 921), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of 120,000 specified in section 21 (e) shall be increased to 150,000 for the period of July 1, 1975, through September 30, 1976.

Sec. 119. In the case of any applicable program within the meaning of the General Education Provisions Act, except as otherwise specifically provided by this Act, for the purpose of comparison of activities between fiscal years, amounts applicable to the period July 1, 1975, through September 30, 1976, and the statistical measurements pertaining to those amounts, shall be reduced by 20 per centum where such period is to be by the terms of this Act made or considered to be a part of the fiscal year 1976 or the fiscal year ending September 30, 1977. Notwithstanding any other provision of this Act, where the period July 1, 1976, through September 30, 1976, is to be by the terms of this Act made or considered to be a separate fiscal year, it shall not be considered a fiscal year for the purpose of such comparison of activities between fiscal years and such measurements in the case of any such program.

Sec. 120. For the purposes of section 8147 (b) of title 5, United States Code, each agency and instrumentality of the United States dependent upon an annual appropriation and having an employee who is or may be entitled to compensation benefits under this subchapter or any extension or application thereof shall deposit in the Treasury to the credit of the Employees' Compensation Fund, no later than July 15, 1976, but no earlier than July 1, 1976, 25 per centum of the amount stated in the August 15, 1975, statement.

Sec. 121. For the purposes of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Agriculture pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws during calendar year 1975.

Sec. 122. For the purposes of section 2(a) of the Act of August 11, 1939 (53 Stat. 1412), as amended (15 U.S.C. 713c–3), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Commerce pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

Sec. 123. For the purposes of section 2005 (a) of title 39, United States Code, the period of July 1, 1975, through September 30, 1976, shall be considered a fiscal year and the maximum net increase in the amount of United States Postal Service obligations outstanding imposed by that section for such period shall be deemed to be $1,875,000,000 for obligations issued for the purpose of capital improvements and $625,000,000 for obligations issued for the purpose of defraying operating expenses of the Postal Service.

SEC. 124. For the purposes of the Older American Community Service Employment Act (42 U.S.C. 3056 et seq.) the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the amounts of $100,000 and $50,000 specified in section 906(a) (2) shall be reduced to $25,000 and $12,500, respectively, for that period.

SEC. 125. For the purposes of section 810 (c) (1) of the Public Health Service Act (42 U.S.C. 296e(c) (1)) the period July 1, 1976, through September 30, 1976, shall be considered part of fiscal year 1977, but that period shall not be considered in the calculation of average expenditures for any fiscal year, and the amount which a school must expend during that fifteen-month period is increased 125 per centum of the average of non-Federal expenditures in the preceding three fiscal years.

SEC. 126. For the purposes of section 815 of the Public Health Service Act (42 U.S.C. 296j) the period of July 1, 1976, through September 30, 1976, shall be considered part of fiscal year 1976, but that period shall not be considered in the calculation of average expenditures for any fiscal year for assurances required by section 815(b) (2) (42 U.S.C. 296j(b) (2)), and the amount which a school must expend during that fifteen-month period is increased to 125 per centum of the average of non-Federal expenditures in the preceding three fiscal years.

TITLE II

SEC. 201. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purpose of the following provisions of law:

(1) section 3(b) (2) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(b) (2));

(2) section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b));

(3) section 16(b) of the Food Stamp Act of 1964 (7 U.S.C. 2025(b));

(4) the Act of June 30, 1932 (16 U.S.C. 557a);

(5) section 1 of the Act of June 29, 1966 (Public Law 89–473; 31 U.S.C. 628a);

(6) section 2 of the Act of December 23, 1944 (chapter 716, as amended, 31 U.S.C. 492b);

(7) section 3(a) of the Act of July 15, 1957 (chapter 509, 31 U.S.C. 581d);

(8) section 10(c) of the Act of June 29, 1935, as added by the Act of August 14, 1946, as amended (7 U.S.C. 427i(c));

(9) section 208(d) of the District of Columbia Public Post Secondary Education Reorganization Act (Public Law 93–471);

(10) sections 2209, 2210, 3201, 3202, 5401, 5402, 7581, 8201, and 8202 of title 10 United States Code;

(11) section 305(b) of the Social Security Amendments of 1972 (Public Law 92–603, 42 U.S.C. 401 note);

(12) sections 201(a), (b), and (g) (1), 302(a), 403(g), 424, 431, 502, 901 (b), (c), and (f), 903 (a) (1) and (b) (1), 1203, 1817 (a), and 1841 (h) and (i) of the Social Security Act (42 U.S.C. 401 (a), (b), and (g) (1), 502(a), 603(g), 624, 631, 702, 1101 (b), (c), and (f), 1103 (a) (1) and (b) (1), 1323, 1395i(a), and 1395t (h) and (i));

(13) part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751–56a);

(14) section 7652(b) of the Internal Revenue Code of 1954 (26 U.S.C. 7652);

(15) the second sentence of section 3(b) (2) of the Act of May 8, 1914, as added by the Act of June 23, 1972 (7 U.S.C. 343 (b) (2));

(16) section 15(b) of the Peace Corps Act (22 U.S.C. 2514(b));

(17) sections 206(d); 209(c); 311(c), 313 (b), 314(d) (4) and (5), 317 (b), (d) (4), and (f), 318 (f) and (g), 324(b), 328(b), 331, 820(d), 838(a), 838(b) (2), 841, 846, 1206 (e), 1516(a), 1610(a), 1611(c), and 1640(a) of the Public Health Service Act (42 U.S.C. 207(d) 210b(c), 243(c), 245a(b), 246(d) (4) and (5), 247b (b), (d) (4), and (f), 247c (f) and (g), 251(b), 254a(b), 255, 296(d), 297d (a) and (b) (2), 297h, and 297k, 300d–5(e), 3001–5(a), 300p(a), 300p–1(c), and 300t(a));

(18) sections 303 (c) and (e), 306(c), 307 (a), 501(b), 703, 705(a) (2) (B), and 706 of the Older Americans Act of 1965 (42 U.S.C. 3023 (c) and (e), 3026(c), 3027(a), 3041(b), 3045b, 3045d(a) (2) (B), and 3045(e);

(19) for purposes of continuation grants under the Community Mental Health Centers Act, section 264(a) and the first sentence of section 221(c) of that Act as in effect prior to July 29, 1975 (42 U.S.C. 2688a(c) and 2688r(a));

(20) section 513(a) of the Headstart-Follow Through Act (42 U.S.C. 2928b(a)), except the material following the semicolon in the third sentence of that section shall not apply to funds appropriated for the period of July 1, 1976, through September 30, 1976;

(21) section 4(b) of the Act of July 22, 1963 (7 U.S.C. 390c(b));

(22) section 3(c) of the Act of May 8, 1914, as amended (7 U.S.C. 343(c));

(23) the last sentence of section 520(a) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3768(a));

(24) section 401 of the Act of June 15, 1935 (49 Stat. 383), as amended (16 U.S.C. 715s);

(25) section 203(d) of the Act of June 26, 1934, as amended (12 U.S.C. 1783(d));

(26) section 4 of the Act of July 18, 1958, as amended (15 U.S.C. 633);

(27) section 316 of the Act of August 10, 1965 (15 U.S.C. 694);

(28) section 2(e) of the Act of August 4, 1950 (31 U.S.C. 181a(e));

(29) section 7 of the Act of February 22, 1921 (31 U.S.C. 491);

(30) section 4 of the Act of June 26, 1934 (31 U.S.C. 725c);

(31) sections 102 and 103 of the Act of December 6, 1946 (31 U.S.C. 847 and 848);

(32) section 257 of the Revised Statutes (31 U.S.C. 1027);

(33) section 15 of the Act of July 31, 1894 (31 U.S.C. 1029);

(34) section 1 of the Act of February 26, 1907 (31 U.S.C. 1030);

(35) section 401 of the Act of December 31, 1970 (31 U.S.C. 1033);

(36) sections 103(c) and 111(d) of the Social Security Amendments of 1965 (42 U.S.C. 426a(c) and 1395i–1); and

(37) section 102(a) (11) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a) (11)).

SEC. 202. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purposes of the following provisions of law insofar as they relate to matching requirements:

(1) section 2 of the Act of March 1, 1911 (16 U.S.C. 563);

(2) sections 2, 4, and 5 of the Act of June 7, 1924, as amended (16 U.S.C. 565, 567, 568);

(3) section 4 of the Act of October 10, 1962 (16 U.S.C. 582a–3);

(4) section 2 of the Cooperative Forest Management Act, as amended (16 U.S.C. 568d); and

(5) section 402 of the Rural Development Act of 1972 (7 U.S.C. 2652).

SEC. 203. For the purposes of the paragraph captioned "Commodity Credit Corporation", "Reimbursement for Net Realized Losses" of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1966 (15 U.S.C. 713a–11a), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the words "June 30 of the fiscal year" shall be construed to mean September 30, 1976, for that period.

SEC. 204. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning July 1, 1975, for the purposes of the following provisions of law:

(1) the following provisions of the Public Health Service Act:

section 207(b) (42 U.S.C. 209(b));
section 301(c) (42 U.S.C. 241(c));
section 308(a), and the second sentence of section 308(i) (1) (42 U.S.C. 242m(a) and 242m(i) (1));
sections 314 (d) (2) (C) and (d) (6) (42 U.S.C. 246 (d) (2) (C) and (d) (6);
section 398 (42 U.S.C. 280b–10);
the last sentence of section 419B (42 U.S.C. 287i);
section 434(f) (42 U.S.C. 289c–1(f));
section 436 (42 U.S.C. 289c–3);
section 437 (42U.S.C. 289c–4);
section 439(f) (42 U.S.C. 289c–6(e));
the last sentence of section 439(h) (42 U.S.C. 289c–6(g));
section 513 (42 U.S.C. 229b);
section 805(f) (2) (42 U.S.C. 296d(f) (2));
section 1006(a) (42 U.S.C. 300a–4);
section 1009 (42 U.S.C. 300a–6a);
section 1207(a) (2) (42 U.S.C. 300d–6(a) (2));
section 1303(i) (42 U.S.C. 300e–2(i));
section 1304(k) (42 U.S.C. 300e–3(k));
section 1305(e) (42 U.S.C. 300e–4(e));
section 1610(c) (42 U.S.C. 300p(c));
section 1611(d) (42 U.S.C. 300p–1(d));
section 1621 (42 U.S.C. 300q–1);
section 1625 (42 U.S.C. 300r);

(2) sections 208, 304(a), 307(b), 505(b), 707(a) (4), and the last sentence of section 708 of the Older Americans Act of 1965 (42 U.S.C. 3018, 3024(a), 3027(b), 3041(b), 3054f (a) (4), and 3045g);

(3) section 503(d) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4843(d));

(4) sections 203(d) (2), 204(e) (1), 206(e), 221 (b) (2) and (b) (4) (B) of the Community Mental Health Centers Act (42 U.S.C. 2689b (d) (2), 2689c(e) (1), 2689e, 2689i (b) (2) and (b) (4) (B));

(5) section 417(a) (1) and 437(a) of the General Education Provisions Act (20 U.S.C. 1226c(a) (1) and 1232f(a));

(6) section 2(c) of the Sudden Infant Death Syndrome Act of 1974 (42 U.S.C. 289g note);

(7) the following provisions of the Social Security Act:

section 201(c) (42 U.S.C. 401(c));
sections 403 (c) and (f) (42 U.S.C. 603 (c) and (f));
section 423(c) (42 U.S.C. 623(c));
section 1118 (42 U.S.C. 1318);
section 1817(b) (42 U.S.C. 1395i(b));
section 1841(b) (42 U.S.C. 1395t(b));
section 1842(b) (3) (42 U.S.C. 1395u(b) (3));

(8) sections 409(c) (2) and 412(d) (2) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(c) (2) and 1179(d) (2));

(9) section 302(b) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(b));

(10) section 7 of the Act of September 30, 1950 (20 U.S.C. 241–1);

(11) section 410 of the Act of November 19, 1969 (Public Law 91–121, 50 U.S.C. 1436);

(12) sections 1012, 1013, and 1014(e) (1) of the Impoundment Control Act of 1974 (Public Law 93–344, 31 U.S.C. 1402, 1403, and 1404(e) (1));

(13) the Library Services and Construction Act (20 U.S.C. 351–364);

(14) section 207(b) of the National Productivity and Quality of Working Life Act of 1975 (15 U.S.C. 2417(b)); and

(15) section 6(b) of the Act of July 22, 1963 (7 U.S.C. 390e(b)).

SEC. 205. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning October

1, 1976, for the purposes of the following provisions of law:

(1) section 5532(c)(ii) of title 5, United States Code;

(2) sections 3, 4, and 5 of the Act of September 2, 1937 (50 Stat. 917, 918), as amended (16 U.S.C. 669b, 669c, 669d);

(3) sections 3, 4, and 5 of the Act of August 9, 1950 (64 Stat. 432), as amended (16 U.S.C. 777b, 777c, 777d);

(4) section 1 of the Act of August 12, 1955 (69 Stat. 698; 16 U.S.C. 669b-1);

(5) section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831y);

(6) section 303 of the Act of September 30, 1950 (20 U.S.C. 241bb);

(7) titles I, II, III, IV, and V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241a–o, 821–27, 841a, 861–69a, and 1801–32);

(8) section 612 of the Education of the Handicapped Act (20 U.S.C. 1412);

(9) sections 704 and 705 of the Emergency School Aid Act (20 U.S.C. 1603 and 1604);

(10) section 713 of the Education Amendments of 1974 (20 U.S.C. 1943);

(11) sections 404, 501(d), and 502(g) of the Rehabilitation Act of 1973 (29 U.S.C. 784, 791(d), and 792(g));

(12) section 3646 of the Revised Statutes (31 U.S.C. 528(c));

(13) section 40 of the Act of August 10, 1965, as amended (31 U.S.C. 649c);

(14) sections 3 and 5 of the Act of July 25, 1956 (31 U.S.C. 705 and 706);

(15) section 103 of the Act of June 6, 1972 (31 U.S.C. 1203);

(16) section 105(a)(2) of the Act of October 20, 1972 (31 U.S.C. 1224(a)(2));

(17) section 407(b) of title 37, United States Code;

(18) section 413 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5053);

(19) section 701 (b) and (f) of title 10, United States Code;

(20) section 1 of the Act of July 11, 1947, as amended (31 U.S.C. 132);

(21) sections 110, 111(d), and 210(f)(5) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 757, 759, and 490(f)(5));

(22) the final paragraph under the heading "PUBLIC BUILDINGS ADMINISTRATION" in the Act of May 3, 1945 (59 Stat. 115; 40 U.S.C. 293);

(23) Public Law 90–469 (82 Stat. 666);

(24) sections 802(a), 810(b), 810(c)(2), 810(e), and 811(a) of the Public Health Service Act (42 U.S.C. 296a(a), 296e(b), 296e(c)(2), 296e(e) and 296f(a));

(25) Sections 3 and 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1772, 1773(b)); and

(26) Sections 2, 3, and 4 of the Act of September 30, 1950 (20 U.S.C. 237, 238, 239).

SEC. 206. The period of July 1, 1975, through September 30, 1976, shall be considered one year for the purposes of the following provisions of law—

(1) sections 314(d)(2)(C)(ii) and (d)(3), 435(b), 646, 1210, and 1315 of the Public Health Service Act (42 U.S.C. 246(d)(2)(C)(ii) and (d)(3), 289c-2(b), 291o-1, 300d-9, and 300e-14);

(2) section 409(e) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(e));

(3) section 303 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4573);

(4) sections 203(e)(1) and 237(a)(1)(C) of the Community Mental Health Centers Act (42 U.S.C. 2689b(e)(1) and 2689t(a)(1)(C)); and

(5) section 205(b)(1) of the Water Pollution Control Act (33 U.S.C. 1285(b)(1)).

SEC. 207. A grant received under section 203(e)(1) of the Community Mental Health Center Act (42 U.S.C. 2689b(e)(1)) from appropriations for the period of July 1, 1976, through September 30, 1976, shall not be considered a grant for the purposes of section 203(e)(1)(A)(1) (42 U.S.C. 2689(e)(1)(A)(i)).

SEC. 208. For the purposes of section 206(c)(4) of the Community Mental Health Centers Act (42 U.S.C. 2689(c)(4)), the period July 1, 1976, through September 30, 1976, shall be treated as part of fiscal year 1976 and the 2 per centum minimum specified in that section shall be 2.5 per centum in respect to grants received for that period, and 1.6 per centum in respect to grants received for fiscal year 1977.

SEC. 209. The funds appropriated to an account for the period July 1, 1976, through September 30, 1976, shall be merged on July 1, 1976, with the balances available from the appropriations made for the fiscal year 1976 for such account.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **ERLENBORN**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Texas (Mr. BROOKS) will be recognized for 20 minutes and the gentleman from Illinois (Mr. ERLENBORN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. **BROOKS**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 12606, like the previous bill, is a technical measure to help effect a smooth transition from the current fiscal year to the new one beginning in October. Its purpose is to provide for the continuation of Federal programs and activity during the 3-month transition period from July 1 to September 30, 1976, without disruption or uncertainty due to the fiscal year change. Its principal feature is to treat the 3-month period as a fiscal year itself for certain Federal programs and adjust certain dollar amounts or limitations accordingly. Many statutes are referenced to the fiscal year, and if the transition period were not so considered, it would create confusion and difficulties.

As with the previous bill, this was proposed by the Office of Management and Budget, and we made a careful and detailed examination of all of its provisions to be certain that they did not make any substantive or policy changes in Federal programs enacted by the Congress. Copies were also sent to each of the chairmen of the committees of the House for their review with the request that they provide us with their comments insofar as any statutes within the legislative jurisdiction of their committees was affected. Their responses were received and their changes incorporated into the bill or reflected in the amendments. Witnesses from the Office of Management and Budget, the Treasury Department, and the General Accounting Office testified at our hearing on this bill.

Our committee reported H.R. 12606 by a unanimous vote, and I believe we have taken every reasonable step to assure that it properly carries out its limited purpose. It makes no change in policy or substance.

I hope that H.R. 12606 will be approved by the House so that the orderly transition to the new fiscal year may be accomplished.

Mr. **ERLENBORN**. Mr. Speaker, I rise in support of the bill H.R. 12606. It provides, as the chairman of our committee has just said, for the continuation of Federal programs and activities during the 3 months transition period. It is not intended to nor do we believe it does make any permanent changes in statutes or continue any program or activity beyond the date it was scheduled to terminate.

I think all that could possibly be done has been done by the committee to insure the executive branch and the directors of the ongoing programs that the bill does what we ascribe it to do, provides for an orderly transition, and makes no permanent changes.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS) that the House suspend the rules and pass the bill H.R. 12606, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. **BROOKS**. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of a similar Senate bill (S. 2444) to provide for the orderly transition to the new October 1 to September 30 fiscal year, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Year Transition Act".

TITLE I

SEC. 101. (a) For the purposes of sections 222(d)(1), 421, 506(d), 516, 705, 901 (e)(2) and (f), 902, 905(b)(2), 1108, 1115, and 2002 (a)(2) of the Social Security Act, the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provisians of section 222(d)(1) (42 U.S.C. 422(d)(1)), the amount authorized to be transferred from the trust fund pursuant to that section in the period beginning July 1, 1976, and ending September 30, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the first quarter of the fiscal year beginning July 1, 1975, and the amount authorized to be transferred from the Trust Fund in the fiscal year beginning October 1, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the preceding twelve months;

(2) the fixed dollar allotment to each State under section 421 (42 U.S.C. 621) shall be $17,500;

(3) the reduction required by section 506(d) (42 U.S.C. 706(d)) shall be the amount by which the sum expended from non-Fed-

eral sources for that period is less than one-fourth the sum expended from such sources for the fiscal year ending June 30, 1968;

(4) the amount allotted to each State under section 516 (42 U.S.C. 716) shall be the excess of one-fourth the amount of the allotment for the State under sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), for the fiscal year ending June 30, 1973, plus the amount of any grants to the State under sections 508, 509, and 510 of that Act (42 U.S.C. 708, 709, and 710), over the amount of the allotment of the State under sections 503 and 504 of that Act for the period;

(5) the limitation imposed by section 705 (b) (42 U.S.C. 906(b)) on the amount that may be available for carrying out section 705 (f) shall be $500,000 for that period;

(6) the percentage referenced in the second sentence of section 901(e) (2) (42 U.S.C. 1101(e) (2)) shall be reduced to 100 per centum for the purpose of advances to be made in that period;

(7) notwithstanding the provisions of section 901(f) (3) (A) (42 U.S.C. 1101(f) (3) (A)), for the fiscal year beginning October 1, 1976, the excess in the employment administration account shall be retained until the amount in such account is equal to 160 per centum of the amount of the total appropriation by the Congress out of the account for the period July 1, 1976, through September 30, 1976, and three thirty-seconds or $37,500,000 of the amount in the employment security administration account, whichever is the lesser, is authorized to be made available for that period under the conditions provided therein;

(8) the determinative calendar year for the purpose of a transfer to the unemployment account pursuant to section 902(a) (42 U.S.C. 1102(a)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(9) the determinative calendar year for the purposes of a transfer to the extended unemployment compensation account pursuant to section 905(b) (2) (B) (42 U.S.C. 1105(b) (2) (B)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(10) the limitations imposed by section 1108 (42 U.S.C. 1308) on amounts certified by the Secretary shall be one-fourth of the limitations imposed by that section with respect to the fiscal year ending June 30, 1976;

(11) the dollar limitation imposed by section 1115 (42 U.S.C. 1315) on the amount available for payments to the States for the cost of projects under that section shall be $1,000,000 of the aggregate amount appropriated for payments to the States for the period; and

(12) notwithstanding the provisions of subparagraph (A) of section 2002(a) (2) (42 U.S.C. 1397a (a) (2)), the limitation imposed by that subparagraph on payments with respect to expenditures by a State for the period shall be one-fourth of the limitation imposed on such payments with respect to expenditures by the State for the fiscal year beginning July 1, 1975; and notwithstanding the provisions of subparagraph (B) of section 2002(a) (2), the maximum allotments under that subparagraph for the period shall be $3,750,000 for Puerto Rico, $125,000 for Guam, and $125,000 for the Virgin Islands, but nothing in this Act shall apply to the second sentence of section 2002(a) (2) (A).

(b) Notwithstanding the provisions of sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), the fixed dollar allotment to each State under each of these sections for the period of July 1, 1976, through September 30, 1976, shall be $17,500.

(c) Notwithstanding the provisions of section 1101(a) (8) (B) of the Social Security Act (42 U.S.C. 1301(a) (8) (B)), the Federal percentages promulgated under that subparagraph in 1974 shall be conclusive for each of the nine quarters in the period beginning on July 1, 1975, and ending on September 30, 1977.

(d) Notwithstanding the provisions of section 2006(c) of the Social Security Act (42 U.S.C. 1397e(c)), the report on the operation of the program established by title XX of that Act during the fiscal year ending June 30, 1976, shall include the operation of that program during the period of July 1, 1976, through September 30, 1976, and shall be submitted to the Congress prior to April 1, 1977.

SEC. 102. For the purposes of section 401 of the Social Security Amendments of 1972 (42 U.S.C. 1382e note), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the limitations imposed by section 401(a) on the amount payable to the Secretary by a State shall be one-fourth of the non-Federal share of expenditures as aid or assistance for quarters in calendar year 1972, as determined under that section.

SEC. 103. For the purposes of the provisions of sections 110 and 120 of the Rehabilitation Act of 1973 (29 U.S.C. 730 and 740), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(a) the fixed dollar minimum allotment for any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under section 110 shall be $500,000, and

(b) the minimum allotment to any State under section 120 shall be $12,500.

SEC. 104. For the purposes of the first sentence of section 202(a) of the Community Mental Health Centers Act (42 U.S.C. 2682 (a)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the amount of $100,000 specified in section 202(a) shall be decreased to $25,000 for that period. For the purposes of the last two sentences of section 202(a), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975.

SEC. 105. (a) For the purposes of sections 210(a) and 307(c) of the Older Americans Act of 1955 (42 U.S.C. 3020(a) and 3027(c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the term "appropriation Act" in section 210(a) (42 U.S.C. 3020(a)), shall be considered to include any appropriation Act for the period of July 1, 1975, through September 30, 1976; and

(2) notwithstanding the provisions of section 307(c) (42 U.S.C. 3027(c)), a State's allotment under section 303 for the period of July 1, 1975, through September 30, 1976, shall be reduced by the percentage by which its expenditures for such period from State sources under its State plan approved under section 305 are less than 125 per centum of its expenditures from such sources of the preceding fiscal year, and, notwithstanding the provisions of section 307(c), a State's allotment under section 303 for the fiscal year ending September 30, 1977, shall be reduced by the percentage by which its expenditures for that year from State sources under its State plan, approved under section 305, are less than 80 per centum of its expenditures for the period of July 1, 1975, through September 30, 1976.

(b) For the purposes of sections 303(b) and 306(b) of the Older Americans Act of 1965 (42 U.S.C. 3023(b) and 3026(b)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the amount specified in section 303 (b) (2) (C) shall be decreased by 75 per centum for that period;

(2) the amount of $160,000 specified in section 306(b) (1) (A) shall be decreased to $40,000 for that period; and

(3) the amount of $50,000 specified in section 306(b) (1) (B) shall be decreased to $12,500 for that period.

SEC. 106. (a) For the purposes of sections 314(d) (3), 1516(c) (2), 1525(b), 1610(b), and 1640(b) of the Public Health Service Act, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) each State's allotment pursuant to section 314(d) (3) (42 U.S.C. 246(d) (3)) for that period may be less than the total amounts, but shall not be less than 25 per centum of the total amounts, allotted to that State under formula grants for cancer control, plus other allotments under section 314, for the fiscal year ending June 30, 1967;

(2) notwithstanding the provisions in the exception clause in section 1516(c) (2) (42 U.S.C. 3001–5(c) (2)), the amount of $175,000 specified shall be reduced to $43,750 for that period;

(3) notwithstanding the provisions of the exception clause in section 1525(b) (42 U.S.C. 300m–4(b)), the amount concerning which assurances are required in respect to the period shall be 75 per centum less than the amount specified, and funds expended in previous years shall not, for the purposes of that clause, include funds expended during that period;

(4) notwithstanding the provisions in section 1610(b) (1) (42 U.S.C. 300p(b) (1)), the amounts of $1,000,000 and $500,000 specified shall be decreased to $250,000 and $125,000, respectively, for that period; and

(5) notwithstanding the provisions of section 1640(b) (2) (42 U.S.C. 300t(b) (2)), the amount of $1 specified in section 1640(b) (2) shall be decreased to 25 cents for that period.

(b) Section 308(c) of the Public Health Service Act (42 U.S.C. 242m(c)), shall not apply to any funds obligated or grants or contracts made or entered into for the period of July 1, 1975, through September 30, 1976. The aggregate number of grants and contracts made or entered into under sections 304 and 305 of the Act (42 U.S.C. 242b and 242c), for the period of July 1, 1975, through September 30, 1976, respecting a particular means of delivery of health services, or another particular aspect of health services, may not exceed twenty-five, and the aggregate amount of funds obligated under grants and contracts for that period under those sections respecting a particular means a delivery of health services may not exceed $6,250,000.

(c) No grant under section 395 of the Public Health Service Act (42 U.S.C. 280b–7) for the period of July 1, 1976, through September 30, 1976, shall exceed $50,000.

(d) Of the sums appropriated under the Public Health Service Act for the National Institutes of Health for the period of July 1, 1976, throuhg September 30, 1976, not less than $125,000 shall be obligated for basic and clinical orthopedic research as prescribed under section 431(c) (42 U.S.C. 289a(c)).

(e) Notwithstanding the provisions of section 1516(b) of the Public Health Service Act (42 U.S.C. 300el–5(b)), the amounts specified in sections 1516(b) (1) (A), 1516(b) (1) (B), 1516(b) (2) (A) (i), 1516(b) (2) (A) (ii) (II), and 1516(b) (3) for purposes of grants made under section 1516 in the period of July 1, 1976, through September 30, 1976, shall be reduced by 75 per centum.

(f) For the purposes of section 1305(b) (1) of the Public Health Service Act (42 U.S.C.

300e-4(b)(1)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation specified in the second sentence of section 1305(b)(1) shall be $1,250,000 for the period beginning July 1, 1975, and ending September 30, 1976.

Sec. 107. For the purposes of the Development Disabilities Service and Facilities Construction Act (42 U.S.C. 2670 et seq.), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the minimum allotment to any State (other than the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and Guam) under section 132(a)(1) of that Act (42 U.S.C. 2672(a)) for that period shall be $25,000.

Sec. 108. (a) For the purposes of section 302(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of $50,000 specified in section 302(c) shall be increased to $62,500 for that period.

(b) For the purposes of section 302(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(a)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the amount of $200,000 specified in section 302(a) shall be decreased to $50,000 for that period.

(c) For the purposes of section 304(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4574(c)), the period of July 1, 1975, through September 30, 1976; shall be considered a fiscal year, and the 10 per centum limitation specified in section 304(c) shall be increased to 40 per centum for that period.

Sec. 109. (a) For the purposes of the first sentence of section 403(c)(1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693(c)(1)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the limitation of $50,000 specified in section 403(c)(1) shall be decreased to $12,500 for that period; and that period shall be considered as part of the fiscal year beginning July 1, 1975, for the purposes of the second sentence of section 403(c)(1).

(b) For the purposes of section 403(c)(2) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693(c)(2)) the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year. The amount required to be expended from State sources under section 403(c)(2) shall be decreased by 75 per centum for that period.

Sec. 110. For the purposes of sections 1079 and 1086 of title 10, United States Code, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, except that for the purposes of computing the minimum fixed dollar amounts prescribed by sections 1079(b) and 1086(b), that period shall be considered as part of the fiscal year ending June 30, 1976.

Sec. 111. (a) Except where the context otherwise requires, or where otherwise provided in this section, the phrase "fiscal year" shall include the period of July 1, 1976, through September 30, 1976, wherever it appears in sections 3, 4, 6(a), 7, 8, 10, and 11 of the National School Lunch Act, as amended (42 U.S.C. 1752, 1753, 1755(a), 1756, 1757, 1759, and 1759a).

(b)(1) The phrase "fiscal year ending June 30, 1972", in section 4 of the National School Lunch Act (42 U.S.C. 1753) shall be construed to mean the period of July 1, 1971, through September 30, 1971, in computing the minimum aggregate amount of food assistance payments to be made by the Secretary to each State educational agency for the period of July 1, 1976, through September 30, 1976.

(2) For the purpose of the sixth sentence of section 7 of the National School Lunch Act, as amended (42 U.S.C. 1756), for the period of July 1, 1976, through September 30, 1976, State revenue shall constitute at least 8 per centum of the matching requirement for the same three-month period in the preceding fiscal year.

Sec. 112. (a) For the period of July 1, 1976, through September 30, 1976, the limitations on expenditures in sections 15(d)(5) and 15(d)(7) of the Peace Corps Act (22 U.S.C. 2514(d)(5) and 2514(d)(7)) shall be $1,500.

(b) For the period of July 1, 1976, through September 30, 1976, the limitation on expenditures in section 301(b)(2) of the Peace Corps Act (22 U.S.C. 2501a(b)(2)) shall be $100,000.

Sec. 113. For the purposes of section 3(d) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(d)), the period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year and the figure $90,000 in section 3(d) shall be construed to be $22,500 for that period.

Sec. 114. (a) For the purposes of section 13 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831l), the Corporation shall, for the period of July 1, 1976, through September 30, 1976, make payments in lieu of taxes on such bases and in a manner which is consistent, to the fullest extent practicable, with the payments authorized and made for the immediately preceding fiscal year and to be made for the fiscal year immediately following, in accordance with the applicable provisions of that section.

(b) Pursuant to the provisions of section 15c of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n-4), the Corporation shall make a payment of $5,000,000, on September 30, 1976, as repayment of the appropriation investment plus a payment as a return on the appropriation investment for the period of July 1, 1976, through September 30, 1976, computed at the average interest rate payable by the Treasury upon its total marketable public obligations as of July 1, 1976, applied to the balance of said appropriations as of July 1, 1976.

Sec. 115. For the purposes of sections 409(b) and 409(c)(1) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(c) and (c)1)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provision in section 409(b)(3), the limitation of $50,000 specified in section 409(b)(3) shall be decreased to $12,500 for that period; and

(2) notwithstanding the provision in section 409(c)(1), the amount of $100,000 specified in section 409(c)(1) shall be decreased to $25,000 for that period.

Sec. 116. Notwithstanding the provisions of section 406(d) of the General Education Provisions Act (20 U.S.C. 1221e-(d)), the report of the Assistant Secretary for the Department of Health, Education, and Welfare required by section 406(d) to be submitted in 1976 shall include a description of the activities of the National Center for Education Statistics during the period of July 1, 1976, through September 30, 1976.

Sec. 117. For the purpose of the Comprehensive Employment and Training Act, Public Law 93-203, the period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning on July 1, 1975, and for the allocation of funds and the comparison of activities between fiscal years pursuant to that Act, amounts applicable to the period of July 1, 1975, through September 30, 1976, and the statistical measurements pertaining to those amounts, shall be reduced by 20 per centum.

Sec. 118. (a) For the purposes of sections 201(a) and 202(a) for the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1151(a) and 1152(a)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitations of 170,000 specified in section 201(a) and 20,000 specified in section 202(a), shall be increased to 212,500 and 25,000, respectively, for the period of July 1, 1975, through September 30, 1976.

(b) For the purposes of section 21(e) of the Act of October 3, 1965 (79 Stat. 921), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of 120,000 specified in section 21(e) shall be increased to 150,000 for the period of July 1, 1975, through September 30, 1976.

Sec. 119. For the purposes of sections 5008(c), 5142(b), 5801, 5802, and 5851 of the Internal Revenue Code, the period of July 1, 1976, shall be considered part of the fiscal year beginning October 1, 1976, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) for section 5008(c)(3) (26 U.S.C. 5008(c)(3)) the following table shall apply:

If total completions during the fiscal year in proof gallons are:	*The maximum allowable loss in proof gallons is:*
Not over 30,000	2 percent of completions.
Over 30,000 but not over 150,00	60 proof gallons plus 1% of excess over 30,000.
Over 150,000 but not over 750,000	1,800 proof gallons plus .6% of excess over 150,000.
Over 750,000 but not over 3,000,000	5,400 proof gallons plus .3% of excess over 750,000.
Over 3,000,000	12,150 plus .2% of excess over 3,000,000.

(2) for the purpose of section 5142(b) (26 U.S.C. 5142(b)), the tax for part II (occupational tax) shall be reckoned proportionately for the 15-month period beginning July 1, 1976, and ending September 30, 1977, providing that on commencing any trade or business on which such tax is imposed, it shall be reckoned proportionately from the first day of the month in which the liability to a special tax commenced, to and including September 30, 1977; and

(3) for the purpose of section 5801 (26 U.S.C. 5801), the following rate of tax shall apply for the 15-month period commencing on July 1, 1976:

Importers, $625;
Manufacturers, $625; and
Dealers, $250.

Except an importer, manufacturer, or dealer who imports, manufactures, or deals in only weapons classified as "any other weapon" under section 5845(e) shall pay a special (occupational) tax for each place of business at the following rates: Importers, $31.25; manufacturers, $31.25; dealers, $12.50.

Sec. 120. For the purposes of section 8147(b) of title 5, United States Code, each agency and instrumentality of the United States dependent upon an annual appropriation and having an employee who is or may be entitled to compensation benefits under this subchapter or any extension or application thereof shall deposit in the Treasury to the credit of the Employees' Compensation Fund, no later than July 15, 1976, but no earlier than July 1, 1976, 25 per centum of the amount stated in the August 15, 1975, statement.

SEC. 121. For the purposes of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Agriculture pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

SEC. 122. For the purposes of section 2(a) of the Saltonstall-Kennedy Act (15 U.S.C. 713c-3), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Commerce pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

SEC. 123. For the purposes of section 2005 (a) of title 39, United States Code, the period of July 1, 1975, through September 30, 1976, shall be considered a fiscal year and the maximum net increase in the amount of United States Postal Service obligations outstanding imposed by that section for such period shall be deemed to be $1,875,000,000 for obligations issued for the purpose of capital improvements and $625,000,000 for obligations issued for the purpose of defraying operating expenses of the Postal Service.

TITLE II

SEC. 201. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purpose of the following provisions of law:

(1) section 3(b)(2) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(b)(2));

(2) section 6(b) of the Act of July 22, 1963 (7 U.S.C. 390e(b));

(3) section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b));

(4) section 16(b) of the Food Stamp Act of 1964 (7 U.S.C. 2025(b));

(5) the Act of June 30, 1932 (16 U.S.C. 557a);

(6) section 1 of the Act of June 29, 1966 (Public Law 89-473; 31 U.S.C. 628a);

(7) section 2 of the Act of December 23, 1944 (chapter 716, as amended, 31 U.S.C. 492b);

(8) section 3(a) of the Act of July 15, 1957 (chapter 509, 31 U.S.C. 581d);

(9) section 10(c) of the Act of June 29, 1935, as added by the Act of August 14, 1946, as amended (7 U.S.C. 427i(c));

(10) section 208(d) of the District of Columbia Public Post Secondary Education Reorganization Act (Public Law 93-471);

(11) sections 2209, 2210, 3201, 3202, 5401, 5402, 7581, 8201, and 8202 of title 10, United States Code;

(12) section 305(b) of the Social Security Amendments of 1972 (Public Law 92-603, 42 U.S.C. 401 note);

(13) sections 302(a), 403(g), 424, 431, 502, 901 (b) and (c), 903 (a)(1) and (b)(1), 1203, and 1841 (h) and (i) of the Social Security Act (42 U.S.C. 502(a), 603(g), 624, 631, 702, 906, 1101 (b), (c) and (f), 1103 (a)(1) and (b)(1), 1323, and 1395t (h) and (i));

(14) part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751-56a);

(15) section 7652(b) of the Internal Revenue Code of 1954 (26 U.S.C. 7652);

(16) the second sentence of section 3(b) (2) of the Act of May 8, 1914, as added by the Act of June 23, 1972 (7 U.S.C. 343 (b)(2));

(17) section 15(b) of the Peace Corps Act (22 U.S.C. 2514(b));

(18) sections 206(d), 209(c), 311(c), 313 (b), 314(d)(4), 317 (b), (d)(4) and (f), 318 (f) and (g), 324(b), 328(b), 331, 1206(e); 1516(a), 1610(a), 1611(c), and 1640(a) of the Public Health Service Act (42 U.S.C. 207(d), 210b(c), 243(c), 245a(b), 246(d)(4), 247b (b), (d)(4) and (f), 247c (f) and (g), 251 (b), 254a(b), 255, 300d-5(e), 3001-5(a), 300p(a), 300p-1(c), and 300t(a));

(19) sections 303 (c) and (e), 306(c), 307 (a), 501(b), 703, 705(a)(2)(B), and 706 of the Older Americans Act of 1965 (42 U.S.C. 3023 (c) and (e), 3026(c), 3027(a), 3041(b), 3045b, 3045d(a)(2)(B), and 3045e);

(20) section 403(b) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693(b));

(21) the first sentence of section 221(c), the phrase "for the year" in the last sentence of section 224(a) and section 264(a) of the Community Health Centers Act (42 U.S.C. 2688a(c), 2688d(a), and 2688r(a));

(22) section 513(a) of the Headstart-Follow Through Act (42 U.S.C. 2928b(a)), except the material following the semicolon in the third sentence of that section shall not apply to funds appropriated for the period of July 1, 1976, through September 30, 1976;

(23) section 4(b) of the Act of July 22, 1963 (7 U.S.C. 390c(b));

(24) section 3(c) of the Act of May 8, 1914, as amended (7 U.S.C. 343(c));

(25) the last sentence of section 520(a) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3768(a));

(26) section 3(a) of the Act of September 30, 1950 (20 U.S.C. 238(a));

(27) the Act of June 15, 1935, as amended (16 U.S.C. 715s);

(28) section 203(d) of the Act of June 26, 1934, as amended (12 U.S.C. 1783(d));

(29) section 4 of the Act of July 18, 1958, as amended (15 U.S.C. 633);

(30) section 316 of the Act of August 10, 1965 (15 U.S.C. 694);

(31) section 2(e) of the Act of August 4, 1950 (31 U.S.C. 181a(e));

(32) section 7 of the Act of February 22, 1921 (31 U.S.C. 491);

(33) sections 4 and 20 of the Act of June 26, 1934 (31 U.S.C. 725c and 725s);

(34) sections 102 and 103 of the Act of December 6, 1946 (31 U.S.C. 847 and 848);

(35) section 257 of the Revised Statutes (31 U.S.C. 1027);

(36) section 15 of the Act of July 31, 1894 (31 U.S.C. 1029);

(37) section 1 of the Act of February 26, 1907 (31 U.S.C. 1030); and

(38) section 401 of the Act of December 31, 1970 (31 U.S.C. 1033).

SEC. 202. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purposes of the following provisions of law insofar as they relate to matching requirements:

(1) section 2 of the Act of March 1, 1911 (16 U.S.C. 563);

(2) sections 2, 4, and 5 of the Act of June 7, 1924, as amended (16 U.S.C. 565, 567, and 568);

(3) section 4 of the Act of October 10, 1962 (16 U.S.C. 582a-3);

(4) section 2 of the Cooperative Forest Management Act, as amended (16 U.S.C. 568d); and

(5) section 402 of the Rural Development Act of 1972 (7 U.S.C. 2652).

SEC. 203. For the purposes of the paragraph captioned "Commodity Credit Corporation", "Reimbursement for Net Realized Losses" of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1966 (15 U.S.C. 713a-11a), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the words "June 30 of the fiscal year" shall be construed to mean September 30, 1976, for that period.

SEC. 204. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning July 1, 1975, for the purposes of the following provisions of law:

(1) the following provisions of the Public Health Service Act:

section 207(b) (42 U.S.C. 209(b));
section 301(c) (42 U.S.C. 241(c));
section 308(a), and the second sentence of section 308(i)(1) (42 U.S.C. 242m(a) and 242m(i)(1);
sections 314(d) (6) and (7) (42 U.S.C. 246 (d) (6) and (7));
section 398 (42 U.S.C. 280b-10);
the last sentence of section 419B (42 U.S.C. 287i);
section 434(f) (42 U.S.C. 289c-1(f));
section 436 (42 U.S.C. 289c-3);
section 437 (42 U.S.C. 289c-4);
section 439(f) (42 U.S.C. 289c-6(f));
section 439(h) (42 U.S.C. 289c-6(h));
section 513 (42 U.S.C. 229b);
section 1207(a)(2) (42 U.S.C. 300d-6(a) (2));
section 1303(i) (42 U.S.C. 300e-2(i));
section 1304(k) (42 U.S.C. 300e-3(k));
section 1305(b) (42 U.S.C. 300e-4(b));
section 1305(e) (42 U.S.C. 300e-4(e));
section 1610(c) (42 U.S.C. 300p(c));
section 1611(d) (42 U.S.C. 300p-1(d));
section 1621 (42 U.S.C. 300q-1);
section 1625 (42 U.S.C. 300r);

(2) sections 208, 304(a), 305(a), 307(b), 505(b), 707, and the last sentence of section 708, of the Older Americans Act of 1965 (42 U.S.C. 3018, 3024(a), 3025(a), 3027(b), 3041 (b), 3045f and 3045g);

(3) section 503(d) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4843 (d));

(4) section 224(b), the last sentence of section 261(a), and section 261(c) of the Community Mental Health Centers Act (42 U.S.C. 2688d(b), 2688o(a) and 2688o(c));

(5) sections 401 (h) and (j) of the Mental Retardation Facilities and Community Health Centers Construction Act of 1963 (42 U.S.C. 2691 (h) and (j));

(6) section 417(a)(1) and 437(a) of the General Education Provisions Act (20 U.S.C. 1226c(a)(1) and 1232f(a));

(7) section 2(c) of the Sudden Infant Death Syndrome Act of 1974 (42 U.S.C. 289g note);

(8) the following provisions of the Social Security Act:

section 201(c)(2) (42 U.S.C. 401(c)(2));
sections 403 (c) and (f) (42 U.S.C. 603 (c) and (f));
section 423(c) (42 U.S.C. 623(c));
section 1118 (42 U.S.C. 1318);
section 1817(b)(2) (42 U.S.C. 1395i(b)
section 1817(b)(2) (42 U.S.C. 1395i(b) (2));
section 1841(b)(2) (42 U.S.C. 1395t(b) (2));
section 1842(b)(3) (42 U.S.C. 395u(b)(3));

(9) sections 409(c)(2) and 412(d)(2) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(c)(2) and 1179(d)(2));

(10) section 302(b) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(b));

(11) section 7 of the Act of September 30, 1950 (20 U.S.C. 241-1);

(12) section 410 of the Act of November 19, 1969 (Public Law 91-121, 50 U.S.C. 1436); and

(13) sections 1012, 1013, and 1014(e) (1) of the Impoundment Control Act of 1974 (Public Law 93-344, 31 U.S.C. 1402, 1403, and 1404(e)(1)).

SEC. 205. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning October 1, 1976, for the purposes of the following provisions of law:

(1) section 5532(c)(ii) of title 5, United States Code;

(2) section 4(a) of the Federal Aid in Wildlife Restoration Act, as amended (16 U.S.C. 669c(a));

(3) sections 3, 4, and 5 of the Federal Aid in Sport Fish Restoration Act of 1950, as amended (16 U.S.C. 777b, 777c, and 777d);

(4) section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831y);

(5) section 303 of the Act of September 30, 1950 (20 U.S.C. 241bb);

(6) titles, I, II, III, IV, and V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241a–o, 821–27, 841–a, 861–69a, and 1801–32);

(7) section 612 of the Education of the Handicapped Act (20 U.S.C. 1412);

(8) sections 704 and 705 of the Emergency School Aid Act (20 U.S.C. 1603 and 1604);

(9) section 713 of the Education Amendments of 1974 (20 U.S.C. 1943);

(10) sections 404, 501(d), and 502(g) of the Rehabilitation Act of 1973 (29 U.S.C. 784, 791(d), and 792(g));

(11) section 3646 of the Revised Statutes (31 U.S.C. 528(c));

(12) section 40 of the Act of August 10, 1965, as amended (31 U.S.C. 649c);

(13) sections 3 and 5 of the Act of July 25, 1956 (31 U.S.C. 705 and 706);

(14) section 103 of the Act of June 6, 1972 (31 U.S.C. 1203);

(15) section 105(a)(2) of the Act of October 20, 1972 (31 U.S.C. 1224(a)(2));

(16) section 407(b) of title 37, United States Code;

(17) section 413 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5053);

(18) section 701 (b) and (f) of title 10, United States Code; and

(19) section 1 of the Act of July 11, 1947, as amended (31 U.S.C. 132).

SEC. 206. The period of July 1, 1975, through September 30, 1976, shall be considered one year for the purposes of the following provisions of law—

(1) sections 407(b), 435(b), 646, 1210, and 1315 of the Public Health Service Act (42 U.S.C. 286a(b), 289c–2(b), 291o–1, 300d–9, and 300e–14);

(2) section 409(e) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176 (e));

(3) section 303 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4573);

(4) section 204(a) of the Community Mental Health Centers Act (42 U.S.C. 2684(a)); and

(5) section 205(b)(1) of the Water Pollution Control Act (33 U.S.C. 1285(b)(1)).

MOTION OFFERED BY MR. BROOKS

Mr. **BROOKS.** Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike out all after the enacting clause of S. 2444 and to insert in lieu thereof the provisions of H.R. 12606, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12606) was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3863, DESIGNATING THE EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, IN THE STATE OF COLORADO

Mr. **MATSUNAGA.** Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1127 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1127

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3863) to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 3863, the Committee on Interior and Insular Affairs shall be discharged from the further consideration of the bill S. 268, and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 3863 as passed by the House.

The **SPEAKER** pro tempore (Mr. BOLLING). The gentleman from Hawaii is recognized for 1 hour.

Mr. **MATSUNAGA.** Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1127 provides for the consideration of H.R. 3863, a bill which would designate certain federally owned lands in the Arapaho and White River National Forests as the "Eagles Nest National Wilderness."

The resolution provides for an open rule, with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs. When general debate has been completed, the bill shall be read for amendment under the 5-minute rule.

At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

After the passage of H.R. 3863, the Committee on Interior and Insular Affairs shall be discharged from further consideration of a similar Senate-passed bill, S. 268, and it shall be in order in the House to move to strike out all after the enacting clause of S. 268 and insert in lieu thereof the provisions of H.R. 3863, as passed by the House.

Mr. Speaker, the establishment of an Eagles Nest National Wilderness is a matter which has been under consideration for 4 years. Shortly after the President's initial recommendation was received in 1972, public hearings were held on the proposal by the Committee on Interior and Insular Affairs. Further public hearings were held in Colorado during the first session of the 94th Congress. The Interior and Insular Affairs Committee carefully evaluated the data collected during the hearings and has worked hard to draft a proposal which will meet the needs of the people of Colorado and their fellow citizens throughout the country. While there are still differences of opinion with respect to how large the proposed National Wilderness should be, it is time for the House to act on the measure. The Rules Committee has provided an open rule, which will allow consideration of amendments to the bill, and I urge that the rule be adopted so that we can proceed to consider the proposed establishment of this new national wilderness.

Mr. **LOTT.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman has explained that this is an open rule providing for 1 hour of general debate on H.R. 3863, a bill designating the Eagles Nest Wilderness, Arapaho, and White River National Forests, in the State of Colorado, as a unit of the National Wilderness Preservation System. The rule further makes in order a motion to strike all after the enacting clause of S. 268 and insert in lieu thereof the provisions of H.R. 3863 as passed by the House.

It is my understanding that under the legislation the Forest Service would continue to administer the area as an integral part of its overall multiple-use management program of Arapaho and White River National Forests, with the Wilderness area also being administered pursuant to the management provisions of the Wilderness Act of 1964. The bill contemplates that the Eagles Nest Wilderness will consist of 130,480 acres which is 42,725 acres above the President's original recommendation of 87,755 acres on February 8, 1972. The lands in question are already federally owned and managed, and enactment of this legislation will have no significant Federal budget impact. Administrative costs reportedly will continue to be minimal.

I am aware of a dispute surrounding the passage of the bill relative to the inclusion of additional lands allegedly for the single purpose of blocking the development of water collection facilities by the city of Denver. Since the rule proposes to allow all germane amendments, the opponents of including the additional acreage will have an opportunity to offer an amendment deleting these lands from the legislation.

I know of no objections to the adoption of this rule, and I support its passage.

Mr. **ARMSTRONG.** Mr. Speaker, will the gentleman yield?

Mr. **LOTT.** I yield to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. **ARMSTRONG.** I thank the gentleman for yielding.

Mr. Speaker, I appreciate the gentleman's explanation that amendments will be in order under this rule, because, in its present form, the effect of this bill is for Congress to intervene in a local dispute over water rights.

Mr. Speaker, during the course of debate on the bill itself we will be discussing this issue in greater detail, but I appreciate this opportunity to draw attention of the Members of the House to this question because it would be most unfortunate to use wilderness legislation to settle water disputes that are essentially unrelated to the purpose of the bill itself.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, may I ask the gentleman from Colorado (Mr. Armstrong) this question: Is the gentleman telling us then that the bill that will be brought to the House under this rule is in fact extending the acreage under the wilderness provisions far beyond what was originally intended and will thereby interfere with the ability of Denver and other communities to handle their water problems?

Mr. ARMSTRONG. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Colorado (Mr. Armstrong).

Mr. ARMSTRONG. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from California (Mr. Rousselot) has accurately stated the situation.

The original proposal by the Forest Service was for a wilderness area of some 87,000 acres.

The proposal now before us is for some 125,000 or 130,000 acres. The difficulty arises because of the attempt to use this legislation to accomplish a purpose which really has nothing to do with wilderness legislation.

Mr. Speaker, I support the wilderness concept and the establishment of this particular wilderness area. I have introduced legislation to do so. But when I discovered the full import of establishing the proposed size of the Eagles Nest area and the effect on the future of water development in the State of Colorado, I backed away from the most ambitious proposal. I learned, when the matter was carefully studied, that it was possible to accomplish essentially all of the wilderness purposes, which I support, without pre-empting water decisions.

Mr. ROUSSELOT. Mr. Speaker, If the gentleman will yield further, I appreciate the gentleman's explanation.

I realize the gentleman from Mississippi (Mr. Lott) stated that this is an open rule, so it will be perfectly possible to propose amendments to the bill, as the gentleman from Colorado (Mr. Armstrong) has stated.

Mr. LOTT. Mr. Speaker, in answer to the question asked by the gentleman from California (Mr. Rousselot), the bill contemplates that the Eagles Nest Wilderness will consist of 130,480 acres, which is 42,725 acres above the President's original recommendation of some 87,000 acres.

Mr. ROUSSELOT. So this bill that will come before us provides for roughly 42,000 more acres than recommended by the President?

Mr. LOTT. The gentleman is correct.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comments.

Mr. ARMSTRONG. I thank the gentleman for yielding.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, having no further requests for time, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SUPPLEMENTAL APPROPRIATIONS TO THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FOR FISCAL YEAR 1976

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1114 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1114

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12388) to amend Public Law 94–187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 12388, it shall be in order in the House to take from the Speaker's table the bill S. 3108 and it shall be in order to consider said Senate bill in the House.

The SPEAKER. The gentleman from Texas (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1114 is an open rule, providing 1 hour of general debate on the bill H.R. 12388, a bill authorizing supplemental appropriations to the Energy Research and Development Administration for fiscal year 1976 and the transition period. The rule provides that the bill shall be read for amendment by titles instead of by sections. After passage of H.R. 12388 it shall be in order in the House to take from the Speaker's table the bill S. 3108 and it shall then be in order to consider the Senate bill in the House.

Mr. Speaker, the Congress has authorized certain appropriations for ERDA for fiscal year 1976 and the transition period. While the Congress was considering that measure, the President submitted a request for further authorizations for ERDA's weapons program. Due to the lateness of that request the Congress was unable either to include those funds in the initial authorization bill or to initiate action on the supplemental request prior to the end of the 1st session of the 94th Congress. It was, therefore, necessary to provide for these funds through a supplemental authorization.

H.R. 12388 would authorize the appropriation of $34,000,000 for fiscal year 1976 and $23,000,000 for the transition period. These funds are necessary to provide a balanced nuclear weapons research, development, and testing program, a capability to verify the peaceful nuclear explosive agreement now being negotiated with the Soviet Union as part of the Threshold Test Ban Treaty, and to purchase a computer which is now being leased by the Government.

Mr. Speaker, the Joint Committee on Atomic Energy voted without dissent to report this bill favorably. The other body passed S. 3108, an identical bill, by voice vote and without amendment on March 24, 1976. I know of no controversy with respect to this measure.

Mr. Speaker, I urge the adoption of House Resolution 1114 so that we may proceed to the consideration of H.R. 12388.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1114 is a 1-hour open rule for the consideration of H.R. 12388, a supplemental authorization for the Energy Research and Development Administration for fiscal 1976 and the transition period. The rule provides that the bill be read by title instead of by section for amendment, since it consists of two short titles; and it also provides that after the House bill is passed it shall be in order to take from the Speaker's table the bill S. 3108 for consideration. That bill, which is the companion bill to H.R.

12388, was passed by the other body on March 24, 1976.

Mr. Speaker, it is necessary to consider this supplemental legislation because the President's request for the ERDA weapons program was not submitted until October 22, 1975, too late for consideration as part of the regular ERDA authorization for fiscal 1976. You will recall that the regular ERDA authorization for this fiscal year was reported from the Joint Committee on Atomic Energy and the Science and Technology Committee on June 13, 1975, passed the House on June 20, the Senate on July 31, and cleared the conference committee on December 8. The bill was signed into law on December 31, 1975.

ERDA's supplemental authorization request for the weapons program was submitted to the Congress on January 13, 1976, and bills were introduced in both Houses on March 9. On March 12, the Joint Committee met and voted without dissent to report the bill; and on March 18, voted without dissent to file the committee report.

Mr. Speaker, the bill this rule would make in order authorizes increased appropriations of $34 million for fiscal 1976 and $23 million for the transition period, and $26.5 million and $17.5 million in budget outlays for those respective periods. These additional funds are needed in the areas of research and development, nuclear testing, special test detection, and capital equipment.

Mr. Speaker, so far as I know, there is no objection to this rule, and I have no further requests for time.

Mr. Speaker, I have no requests for time.

Mr. YOUNG of Texas. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PRICE. Mr. Speaker, I call up the bill (H.R. 12388) to amend Public Law 94-187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

H.R. 12388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1976

That section 101(a)(5) of Public Law 94-187 is hereby amended by striking therefrom the figure "$3,158,970,000" and substituting the figure "$3,188,970,000".

SEC. 2. Section 101(b) of Public Law 94-187 is hereby amended by striking from subsection (15), (G), capital equipment, the figure "$237,502,000" and substituting the figure "$241,502,000".

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE PERIOD JULY 1, 1976, THROUGH SEPTEMBER 30, 1976

That section 201(a)(5) of Public Law 94-187 is hereby amended by striking therefrom the figure "$914,849,000" and substituting the figure "$937,849,000".

Mr. PRICE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the Joint Committee on Atomic Energy has considered and reported out without dissent and without amendments bill H.R. 12388, which would authorize for the Energy Research and Development Administration an increase in appropriations for fiscal year 1976 of $34,000,000 and for the transition period of $23,000,000.

This increase in appropriations is exclusively for the national security portion of the ERDA program. Dr. Robert C. Seamans, Jr., Administrator of ERDA, stated that the supplemental was of major importance to our national defense posture and has the full support of the Secretary of Defense and the President. He stated, further, that it was particularly important that the supplemental be authorized and appropriated as early as possible to prevent a further decrease in critical laboratory scientific strength, a reduction in nuclear testing to an unacceptably low level, a possible shortfall in capability to verify the peaceful nuclear explosives agreement now being negotiated with the Soviet Union, and a severe computing shortage at one laboratory.

The supplemental request resulted from an initial review by the ERDA Administrator of the critical scientific capability of the nuclear weapons laboratories which ERDA had inherited from the Atomic Energy Commission. The review, completed after submission of the fiscal year 1976 budget, revealed that since 1970 there has been a steady annual reduction in the scientific personnel levels of the laboratories and that the decline should be stopped before it affected adversely our national security posture.

The scientific personnel level of fiscal year 1976 is about 23 percent lower than that of fiscal year 1970. Dr. Seamans testified to the Joint Committee on Atomic Energy that if that trend is allowed to continue it would seriously jeopardize the ability of ERDA to fulfill adequately its nuclear weapon responsibility. He stated, further, that this supplemental request is essential if that trend is to be arrested and if ERDA is to continue to provide the necessary high quality of scientific and engineering support for our national nuclear deterrent.

If this supplemental request is not approved, ERDA will have to release within the next 6 months over 600 scientists, engineers, and craftsmen.

A second major purpose of this supplemental will be to resume the advanced development research and testing which had been deferred for over a year and a half while work was devoted to the immediate priority of preparing for the Threshold Test Ban Treaty. If this supplemental were not passed, this period of essentially no advanced development work would be extended beyond 2 years. This advanced development work is needed to allow major improvements in safety, security and reliability of the nuclear weapons stockpile.

The third major purpose is to provide ERDA the necessary funds to develop the necessary equipment and techniques to allow us to have a satisfactory verification of the peaceful nuclear explosives aspects of an agreement with the Soviet Union for which negotiations are apparently about to be completed. That agreement is associated with article III of the Threshold Test Ban Treaty which was signed on July 3, 1974. It would then allow the Treaty to be sent to the Senate for ratification.

Mr. Chairman, this supplemental request is important in keeping healthy the vital nuclear weapons scientific capability of our Nation. I, therefore, urge that this bill, H.R. 12388, be passed.

Mr. LUJAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I support this bill, H.R. 12388, a bill which would authorize supplemental appropriations of $34 million to the Energy Research and Development Administration for fiscal year 1976 and $23 million for the transition period. This bill was reported out by the Joint Committee on Atomic Energy without opposition.

The research and development capability of the ERDA nuclear weapons program is a fundamental element of our national security. One of the reasons why the United States was able to negotiate a strategic arms limitation agreement with the Soviet Union in 1972 was a then existent qualitative advantage the United States held in its strategic arms. This was made possible by the work of the nuclear weapons laboratories. If we are to continue to have a credible strategic deterrent force, then it is necessary to keep the weapons laboratories at an adequate level.

Further, if there is to be a further effective arms limitation agreement—which is to our long-term mutual advantage—then these laboratories must be able to continue to perform their past high quality research and development work. The ERDA decision to stop the steady reduction in the weapons scientific capability is prudent. The effect of this bill would be to hold that capability at the fiscal year 1975 level.

A second factor is that this bill will allow resumption of nuclear testing—at yields below 150 kilotons—of advanced concepts which will allow improvements in safety, security, and reliability of the nuclear weapons stockpile. The nuclear high yield test program now being completed to support the Threshold Test Ban Treaty has caused a long delay of the advanced development program.

Third, we understand that a long negotiation with the Soviet Union to include peaceful nuclear explosives under the Threshold Test Ban Treaty may soon be completed. This will allow the treaty to be sent to the Senate for ratification. This supplemental provides the funding which will make possible a satisfactory verification capability to support that treaty.

Mr. Chairman, this bill is important to our national security program and I urge that it be passed.

Mr. **BAUMAN**. Mr. Speaker, will the gentleman yield?

Mr. **LUJAN**. I yield to the gentleman from Maryland.

Mr. **BAUMAN**. I thank the gentleman for yielding.

This bill before us, while it does not seem to have created much interest among the Members of the House, contains $57 million in new authority for spending. How much has ERDA already received in the fiscal year prior to this authorization?

Mr. **LUJAN**. In the whole weapons end, I believe the weapons program is $800 million. This, however, is a much needed addition because, as the gentleman from Maryland knows, we are in the middle of negotiations with the Soviet Union to stop all high-yield testing. So we have gone ahead and spent the money for completing those high-yield tests. Since March 31 we are not doing any more over 150 kilotons. The second portion, one of the portions of the bill, is to be able to make equipment that will satisfactorily give us an opportunity to see if they are going beyond the 150 kilotons. I think it is very important for the threshold test ban treaty that we have this additional authorization.

Mr. **BAUMAN**. If the gentleman will yield further, I do not dispute the value of the programs that are being funded by this request, but it seems to me that if $800 million has already been allocated to these various programs, $54 million more seems like a rather large addition.

Mr. **LUJAN**. We considered it very carefully, and as the gentleman knows, we are not prone to spend excessive amounts of money. We found this amount to be prudent.

Mr. **BEDELL**. Mr. Speaker, last December the Congress authorized and appropriated an ERDA budget which included $1.3 billion for fiscal year 1976 and the transition quarter for nuclear weapons research and development. At that time, many Members, including myself, expressed concern about the size of this appropriation and about the way in which it is presented to the Congress. It seemed to us that, in order to stimulate a reasoned and constructive debate on the need for such funds, the nuclear weapons R. & D. request should be considered on its own merit and not under the guise of energy development. To combine peaceful and military uses of nuclear energy under an "energy" agency distorts the true picture of our overall energy and defense efforts.

That position is no less valid today.

Mr. Chairman, I do not believe that the ERDA budget is the appropriate vehicle for the authorization and appropriation of nuclear weapons development. The Energy Research and Development Administration was established to solve our Nation's energy problems. Its funds should be used to meet our Nation's energy needs, not to fuel the international arms race. In my view, the Congress should consider the issues of the peaceful and military uses of atomic energy and nuclear weapons separately. I am thus opposed to H.R. 12388, and I hope that, in the future, we will be able to deliberate on these highly significant issues in their proper perspective.

The **SPEAKER**. Without objection, the previous question is ordered on the bill.

There was no objection.

The **SPEAKER**. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER**. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **BLOUIN**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 311, nays 66, not voting 55, as follows:

[Roll No. 171]

YEAS—311

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bergland
Bevill
Biester
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carter
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harris
Harsha
Hawkins
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lujan
Lundine
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madigan
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Michel
Milford
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Perkins
Pettis
Peyser
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Russo
St Germain
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Waggonner
Walsh
Wampler
Waxman
Whalen
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—66

Allen
Aspin
AuCoin
Bedell
Bingham
Blouin
Brodhead
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Chisholm
Clay
Conyers
Cornell
Dellums
Dodd
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Ford, Tenn.
Fraser
Hannaford
Harkin
Harrington
Hechler, W. Va.
Holtzman
Jacobs
Kastenmeier
Keys
Koch
Krebs
LaFalce
Lehman
Long, Md.
McHugh
Maguire
Mezvinsky
Mikva
Miller, Calif.
Mitchell, Md.
Moffett
Mottl
Nolan
Ottinger
Pattison, N.Y.
Richmond
Riegle
Rosenthal
Roybal
Scheuer
Schroeder
Seiberling
Solarz
Stanton, James V.
Stark
Stokes
Studds
Vanik
Weaver
Wirth
Wolff
Young, Ga.

NOT VOTING—55

Abzug
Anderson, Ill.
Andrews, N.C.
Badillo
Barrett
Bell
Biaggi
Burke, Mass.
Cederberg
Chappell
Crane
Dingell
Esch
Eshleman
Evins, Tenn.
Fish
Flynt
Giaimo
Green
Hayes, Ind.
Heinz
Henderson
Hinshaw
Holland
Horton
Jarman
Johnson, Pa.
Litton
McCloskey
McDonald
Macdonald
Madden
Mann
Murphy, N.Y.
Nix
Obey
Patterson, Calif.
Pepper
Pickle
Rangel
Rees
Roberts
Rose
Ryan
Santini
Sarbanes
Slack
Steiger, Ariz.
Stephens
Stratton
Taylor, N.C.
Teague
Udall
White
Wiggins

The Clerk announced the following pairs:

On this vote:

Mr. Burke of Massachusetts for, with Ms. Abzug against.

Mr. Hayes of Indiana for, with Mr. Badillo against.

Mr. Teague for, with Mr. Rangel against.

Until further notice:

Mr. Stratton with Mr. Anderson of Illinois.

Mr. Biaggi with Mr. Heinz.

Mr. Murphy of New York with Mr. Stephens.

Mr. Macdonald of Massachusetts with Mr. Steiger of Arizona.

Mr. Barrett with Mr. Wiggins.

Mr. Dingell with Mr. McCloskey.

Mr. Green with Mr. Johnson of Pennsylvania.

Mr. Nix with Mr. Cederberg.

Mr. Giaimo with Mr. Eshleman.

Mr. Sarbanes with Mr. Jarman.

Mr. Santini with Mr. Crane.

Mr. Slack with Mr. Horton.

Mr. Chappell with Mr. Esch.

Mr. Evins of Tennessee with Mr. Bell.

Mr. Flynt with Mr. Madden.

Mr. Mann with Mr. Andrews of North Carolina.

Mr. Obey with Mr. Fish.

Mr. Pepper with Mr. Patterson of California.

Mr. Henderson with Mr. Rees.

Mr. Pickle with Mr. Ryan.

Mr. Taylor of North Carolina with Mr. Udall.

Mr. White with Mr. Roberts.

Mr. Holland with Mr. Rose.

Mr. McDonald of Georgia with Mr. Litton.

Messrs. **MEZVINSKY**, **FRASER**, **SCHEUER**, and **STOKES** changed their vote from "yea" to "nay."

Mr. **RUSSO** changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. **PRICE**. Mr. Speaker, pursuant to the provisions of House Resolution 1114, I call up from the Speaker's table the Senate bill (S. 3108) to amend Public Law 94–187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 3108

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1976

That section 101(a)(5) of Public Law 93–187 is hereby amended by striking therefrom the figure "$3,158,970,000" and substituting the figure "$3,188,970,000".

SEC. 2 Section 101(b) of Public Law 94–187 is hereby amended by striking from subsection (15)(G), capital equipment, the figure "$237,502.000" and substituting the figure "$241,502,000".

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE PERIOD JULY 1, 1976, THROUGH SEPTEMBER 30, 1976

That section 201(a)(5) of Public Law 94–187 is hereby amended by striking therefrom the figure "$914,849,000" and substituting the figure "$937,849,000".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12388) was laid on the table.

GENERAL LEAVE

Mr. **PRICE**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 3065, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. **HAYS** of Ohio. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, with the House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. Hays of Ohio, Dent, Brademas, Mathis, Davis, Dickinson, and Wiggins.

APPOINTMENT OF CONFEREES ON H.R. 9771, AIRPORT AND AIRWAY DEVELOPMENT ACT AMENDMENTS OF 1976

Mr. **JONES** of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9771) to amend the Airport and Airway Development Act of 1970, with the Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. Anderson of California, Wright, Roe, Roncalio, McCormack, Harsha, and Snyder.

DESIGNATING THE EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, IN THE STATE OF COLORADO

Mr. **MELCHER**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3863) to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado.

The **SPEAKER**. The question is on the motion offered by the gentleman from Montana (Mr. Melcher).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3863, with Mr. Duncan of Oregon in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the rule, the gentleman from Montana (Mr. Melcher) will be recognized for 30 minutes, and the gentleman from Colorado (Mr. Johnson) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Montana (Mr. Melcher).

Mr. **MELCHER**. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are now presenting to the House the opportunity to enact H.R. 3863 to designate about 130,000 acres in the Arapaho and White River National Forests in the State of Colorado as wilderness area under the Wilderness Act of 1964. It would be named the Eagles Nest Wilderness.

Mr. Chairman, the Wilderness Act of 1964 (P.L. 88–577) directed the Secretary of Agriculture to study all administratively designated primitive areas in existence upon passage of the act to determine the suitability or nonsuitability of each such area as wilderness. The act requires field hearings in affected local areas followed by recommendations of the Secretary to the President who, in turn, submits his recommendations to the Congress. Only the Congress can designate an area as a unit of the National Wilderness Preservation System. The Gore Range-Eagles Nest Primitive Area was designated administratively by the Chief, U.S. Forest Service, in 1932. Field studies, culminating in field hearings, were completed by the Forest Service in 1971. The President submitted his recommendations, including changing the name of the area to Eagles Nest Wilderness on February 8, 1972.

Mr. Chairman, the Eagles Nest Wilderness contains some of the most inaccessible country in Colorado. Situated within the boundaries of the Arapaho and White River National Forests in Eagle and Summit Counties, in north-central Colorado, it lies astride the Gore Range approximately 60 miles west of Denver, 50 miles east of Glenwood Springs, and directly north and east of the famed winter ski resort community of Vail. Included in the Eagles Nest Wilderness are wilderness characteristics of national significance ranging from forest areas and wild streams to high mountain lakes and abundant wildlife. The wilderness is dominated by the Gore Range, one of the more rugged mountain ranges in

Colorado with 17 peaks over 13,000 feet in elevation and 30 more over 12,000 feet.

According to the Forest Service, the greatest public value of any of the resources within the Eagles Nest Wilderness is water yield from drainages within the area. The quantity and quality of the water from this area has an effect on the economic well-being of individuals and communities for many miles downstream. The wilderness produces about 1.7 acre-feet of water per acre per year nearly all of which flows westerly into the Colorado River drainage. Thus, the area contributes to the water supply furnished by the Colorado River not only in the State of Colorado, but to lower basin States such as Arizona and California. Parts of the wilderness embodied in H.R. 3863 have been under consideration by the Board of Water Commissioners of the city and county of Denver as a domestic water source for the metropolitan Denver area. I want to make it clear, Mr. Speaker, that wilderness establishment would not preclude development of water resources for this important purpose in the event the Denver Water Board obtains the necessary water decrees to proceed with its planned diversions from western slope drainages. However, water collection methods, locations of water delivery systems and costs would be modified by wilderness classification.

Mr. Chairman, portions of the wilderness and adjacent lands have been grazed by domestic livestock since the turn of the century. Several range allotments lie wholly or partially within the wilderness. There would be no change in this important and longstanding use since the Wilderness Act (Sec. 4(d)(4)(2)) permits existing grazing activities to continue, a feature of wilderness management mandated by the parent act itself.

Insofar as minerals are concerned, the U.S. Geological Survey and the Bureau of Mines, Department of the Interior, conducted field investigations of the area and issued a report on the mineral potential of the area and adjacent lands. These field investigations found no known hard rock ore deposits and no geologic evidence to indicate a likelihood of hidden deposits with the wilderness of adjacent lands. The evaluation found no potential for coal, oil or gas production or potential for nonmetallic minerals. No current mining claim activity is known inside the wilderness.

The Eagles Nest Wilderness is eminently qualified for entry to the wilderness system. There is strong support for establishment of the wilderness, not only within the State of Colorado, but throughout the country. Public hearings, beginning with field hearings conducted by the Forest Service and culminating in hearings by the Subcommittee on Public Lands, which I chair, of the Committee on Interior and Insular Affairs, has produced overwhelming sentiment for classifying the Gore Range-Eagle Nest Primitive Area as the Eagles Nest Unit of the National Wilderness Preservation System. The wilderness will continue to be administered by the Forest Service pursuant to the management provisions of the Wilderness Act—section 4—as an integral part of its overall multiple-use management program of Arapaho and White River National Forests. While wilderness management focuses primarily on maintaining natural values by precluding road building and other activities which would interfere with natural processes, the Forest Service is charged with the responsibility of applying the wilderness law in a flexible manner in order to maintain the wilderness character of the area, not just for public use alone. Other important values, such as water resources in this specific case, often have a higher priority in management planning than on-site recreational use. I make this point so that my colleagues may know that wilderness is a valuable resource itself with values to human kind which often transcend traditional wilderness types of recreation.

Mr. JOHNSON of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman and members of the committee, I am very much interested in the Wilderness Act and in the designation of this particular wilderness area. I believe preserving the natural heritage of the Nation is a high priority. It, therefore, pleases me to endorse passage of legislation to preserve.

I regret, however, that under the guise of designating a wilderness area, this legislation seeks to accomplish other purposes which, while arguable, are really improper under the guise of this particular kind of legislation.

Mr. Chairman, before I explain the historical perspective of this particular bill, I would like to commend my colleague, the gentleman from Colorado (Mr. JOHNSON). Although I disagree emphatically with his position on this particular bill, I want to acknowledge the masterful presentation of this legislation by my colleague JIM JOHNSON.

I think he has done a marvelous job in representing his point of view. I only hope that I and the others who disagree can do as well.

The historical perspective of this particular matter is this: The Forest Service came forward a few years ago with a proposal for an Eagles Nest Wilderness Area of some 87,000 acres.

There were many in Colorado, including then Senator Peter Dominick and then Representative Mike McKevitt and others, who felt a larger wilderness area was justified. I myself thought a much larger area, perhaps as much as 125,000 acres, would be appropriate. I introduced a bill to accomplish that purpose.

However, Mr. Chairman, when I found out the secondary consequences of the legislation which I introduced and which, in fact, is very similar in form to what now appears before us as the committee bill, I backed away from it, and I would like to tell the Members why.

In essence there is no controversy over the wilderness area itself nor really over the size of the wilderness area, because the acreage differences between various proposals which will be discussed today are so minute that acreage is really not a factor in this discussion. What is at stake is this:

My colleague, the gentleman from Colorado (Mr. JOHNSON) and some others wish to use this bill to determine a local water controversy. The issue is whether Denver will be permitted to develop the water rights which they believe they own under Colorado law or shall be preempted from doing so by the passage of this bill.

I want to make it plain I am not arguing that Denver should be permitted to develop those water rights because that is a question that should properly be decided by the people of Colorado under the constitution of the State, the State laws, and by their elected representatives at the State and local levels. My concern is to avoid using wilderness legislation being used to resolve a local controversy which should be decided by the people who are directly affected. I think it is wrong to preempt that decision through Federal legislation.

In its present form, this bill will add to the cost of developing these water rights several million dollars. In effect, according to the Denver Water Board, this bill would deny them the right to develop their water rights.

There will be presented at a later time an amendment to alleviate to some degree this concern. I am going to support that amendment. This legislation in its present form is unacceptable and should either be amended or defeated.

Mr. JOHNSON of Colorado. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill, as has been outlined by the gentleman from Colorado (Mr. ARMSTRONG) is controversial within the State of Colorado only for that one particular subject which he has touched upon and which I will go into later. I would like to point out, however, that this bill was actually designed by a wide number of people who participated in the drafting of the boundaries. There were hearings held over a long period of time prior to the time that the actual boundaries were prepared, and the following groups have endorsed the present boundaries—in other words, this is a legitimate wilderness area with legitimate boundaries and it is not something which has been gerrymandered for this specific purpose of preventing anybody from developing water rights, if they have them, although they are not clearly defined as yet—but the original boundaries as they were prepared have the support of the following groups:

Trout Unlimited, Audubon Society, Colorado Women's Conservation Club, Wilderness Society, Club 20, Colorado Open Space Council, Northwest Colorado Council on Government, Colorado River Water Conservation District, county commisisoners of three different counties, the Sierra Club, the Colorado Mountain Club, and the Colorado Rivers Council.

The boundaries of this wilderness area are wholly confined within the area of my district. I think it is safe to say that it is the unanimous choice of the people within the area that the boundaries in the bill as brought out by the committee be used. The subcommittee and the full committee held hearings starting back in 1973 and again in 1975. The issues have been well presented. Studies have been made on the part of the committee. The measure passed the subcommittee and passed the full committee by a vote of four to one. The area involves about 130,000 acres.

While there are local Colorado water conflicts, this bill does not interefere with the right of the Denver Water Board to subsequently use other geographical areas to divert their water if, in fact, the courts allow them to. This matter is in the courts and at the present time has not been finally decided. There has been a Master's decision that has gone against the water board's right to utilize this water to which they lay claim. That is obviously in its beginning stages, and it has to go through the district court and a Supreme Court decision before we have any final decision on it.

But there are Federal interests that are involved here. This is not totally the Federal Government interfering with a State matter. This is not an attempt to inject the Federal Government's concerns to solve a problem. There are Federal questions which have not been addressed either in Colorado or at the Federal level which have to be taken into account. I would submit that that is something that the subcommittee and committee did finally take into account, and they decided in favor of this legislation because of all of these factors.

In the first place, the salinity of the Colorado River is very definitely a problem that concerns the Federal Government. We have made a commitment to the nation of Mexico. We have engaged in salinity studies. We have a salinity program. It is very expensive, and every time more water is diverted from one basin to another, the water from the Colorado River which goes to provide the requirements of the lower basin and Mexico becomes more saline.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding.

My information on that—while I think the gentleman is interested in salinity, and I am, too, and I realize that is a Federal issue—is that the additional resources would at most contribute maybe 1 percent of the salinity, according to a study I have seen, whereas the agricultural use is already contributing over 37 percent of the salinity. So maybe additional salinity caused by diversion is not quite as significant as it had been anticipated originally.

Does the gentleman have any recent data on this?

Mr. JOHNSON of Colorado. I do not know what studies the gentlewoman is referring to, but they were not brought to the attention of the committee at its hearings.

Our information is that for every 100,000 acres of water that is diverted out of a system, diverted from one basin to another—and in this case from western Colorado to eastern Colorado—this has the same effect as dumping almost 100,000 tons of salt in the river at Lee's Ferry, the dividing line between the upper and lower basin States. In fact, this is the salinity program we are involved in.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Colorado. Mr. Chairman, I yield myself 5 additional minutes.

That is just, as I say, one aspect of the problem.

The other is the development of coal and oil shale. All of the oil shale in Colorado, the bulk of it that is available in the United States for development, 600 billion barrels, lies within the confines of an area in northwestern Colorado. The studies telling us what the requirements of this resource at this time are unknown. Nobody can say how much water will be required for the development of this resource. However, we do know that the water in the Colorado River is a finite resource and it is limited. Without further development and without further studies telling us what the requirements for the development of oil shale are going to be, without further requirements and without further studies telling us what the coal developments are going to require, there is no way of our knowing whether or not this water is going to be used for the development of these resources and for the population that will develop in northwestern Colorado as a result of the developments of these resources.

We must remember that under the Wilderness Act, in the event that the water is not required in western Colorado, in the event that the Denver Water Board makes the determination that the water is not needed at the present time—and at the present time Denver has approximately the same amount of water which amounts to about 150,000 acre feet as opposed to 170,000 that is involved in this bill—they have 150,000 acre feet in western Colorado that they have a right to divert, but they do not divert, that they cannot use because they do not have the storage facilities at the present time.

So this would be just adding to their already enhanced surplus. But in the event that it is determined that it is not needed subsequently in western lowlands, and in the event that the water board decides they do not want to go to the additional expense of pumping from an additional source rather than using the gravity flow system, the wilderness can be invaded and on the finding of the President that there is an emergency involved the water could be subsequently used by the water board.

What this would do in the way of interference with the rights of the Denver Water Board would be in effect to delay the implementataion of whatever rights they may get under the court decision, which is yet to come.

So I feel all these considerations have been taken into account, the natural wilderness boundary, which has been considered, and the ability of the water board to subsequently invade the wilderness, and the requirements of western Colorado for the development of oil shale and coal if they in fact develop that; all these things then lead me and led the committee to adopt the present boundaries.

There has been a separate decision made in the Senate, but the Senate version invades the Denver Water Board's prerogatives to a certain extent, and so it is no panacea for Denver, and it certainly involves the same kinds of questions of principle that this bill does.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I appreciate the gentleman yielding.

I want to congratulate the gentleman from Colorado (Mr. JOHNSON) on his mastery of the very complex issue. During the last year or two my colleague, the gentleman from Colorado, has become an authority on water legislation. I only regret that I see this issue from a different perspective and I have come to a different conclusion.

I would like to ask some questions of the gentleman in order to put this into a clearer perspective for all the Members.

First of all the gentleman has mentioned the boundaries for this wilderness area contained in the bill are valid boundaries which have been validly developed. I am sure the gentleman did not mean to suggest there are no other valid boundaries.

Mr. JOHNSON of Colorado. Of course not.

Mr. ARMSTRONG. Mr. Chairman, I want to remind the committee that in 1974 boundaries almost as large as those now proposed were developed and generally agreed to by a cross-section of people including the water and wilderness interests in the State, and in that compromise, which I continue to support and which I still think is a reasonable proposition, we established a wilderness area virtually as large as that which is proposed by the gentleman's bill, and left to decision on the basis of other factors in the renewal legislation and on the basis of whether or not water would be developed.

I just wanted to bring that out.

Mr. JOHNSON of Colorado. The gentleman is absolutely correct.

Mr. ARMSTRONG. I would like if I could to turn to the real intent of this bill and ask a few questions at this point.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. I was hoping we could come back to the question of the previous compromise and as to what happened on it.

Mr. ARMSTRONG. My colleague, the gentleman from Colorado (Mr. JOHNSON) controls the time.

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to make a comment about that compromise which was very similar to the compromise my wife and I had worked out when we were first married. She wanted an Irish setter and I wanted a boxer, and we compromised and bought an Irish setter.

That was the nature of that previous compromise. It never took into account the needs of the people of western Colorado in that wilderness area. That was the case of the so-called compromise between the Denver Water Board and the people of the western area. It did not consider the people in the western area.

Mr. WIRTH. Mr. Chairman, if the gentleman will yield, I think the gentleman is correct. While all of us would like to have seen a compromise between the East Slope and the West Slope and Denver, that never happened. In 1974, we were well on the way to that but it fell through on the Senate side and then on the House side. But the Denver Water Board kept the pistol to our heads and said that this compromise would be valid only for that Congress and not into the next Congress. I was not here, but I understood they were very adamant that any agreement that could be reached at that time could not be carried beyond that time.

Mr. ARMSTRONG. Mr. Chairman, if the gentleman will yield further, I do not want to bog down on whose compromise and who set what deadlines, but my understanding is entirely the opposite from that which was just stated. I do not think it was the Denver Water Board that set the deadline nor do I understand why that compromise fell apart.

I do understand that some of those that were then a party to the compromise no longer are. I think our colleague, the gentleman from Colorado (Mr. JOHNSON), now a member of the committee, simply was more persuasive then, because the committee previously represented a compromise.

Let me move on to other issues, because I am really trying to get at the intent of this bill and the real function. The differences in wilderness considerations between the proposal, which was the 1974 compromise and the bill now before us, are relatively minor. The real intent or real effect, I think the gentleman will agree, as I do, is whether or not those water rights will be developed easily and at relatively low cost or only at some later date at some higher cost; would the gentleman agree?

Mr. JOHNSON of Colorado. With one caveat; there are some estimates, and most of these cost estimates have been presented to the committee. It is interesting that these cost estimates were not developed until just prior to the time the full committee was about to vote on this issue. It would seem logical to me if they were really serious about these things and had any solid evidence to back it up, those would be considered at the time in the subcommittee of marking up the bill; but all these things came in at the last minute. As a result, these are not substantive and not verifiable.

Mr. ARMSTRONG. With the understanding that the gentleman does not endorse the committee view, can the gentleman tell us the cost involved here?

Mr. JOHNSON of Colorado. The people from western Colorado say the cost to develop will be less than $1 million per year. The Denver Water Board said $500 million over the next 30 years.

Mr. ARMSTRONG. Did the gentleman say $500 million?

Mr. JOHNSON of Colorado. That is what the water board said, over a 30-year period; is that not correct?

Mr. ARMSTRONG. Yes; it is my understanding that the total projected cost of water development in the area we are talking about as estimated by the water board would be $250 million, approximately, if no legislation is passed. If the legislation is passed, as in the 1974 compromise, the effect of the gentleman's bill is to add $500 million to the cost.

Mr. JOHNSON of Colorado. I think it is 30 years; but one of these other Members might correct me. It could be 20 or 40 years; but my recollection is that it is 30 years.

Mr. ARMSTRONG. I think we have established what the issue is. Could we move on?

Is the gentleman aware of the legal ramifications of this matter? Is there to be a lawsuit on the question of whether or not an unlawful taking has occurred if the gentleman's bill were to be enacted?

Mr. JOHNSON of Colorado. I cannot tell the getleman and I do not think anyone else can until we find whether they have a right to the water to begin with.

The CHAIRMAN. The time of the gentleman from Colorado (Mr. JOHNSON) has again expired.

Mr. JOHNSON of Colorado. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. ARMSTRONG. Mr. Chairman, if the gentleman will yield further, the water board has contended over a long period of time that they are going to bring a lawsuit and they will claim unlawful taking has occurred by the passage of a bill of this kind. I do not know if the subcommittee or the full committee has considered what the legal ramifications of that are and who would be responsible for making such a statement.

Mr. JOHNSON of Colorado. I do not know whether their statement is an empty threat. I do not know whether it has any legitimacy or validity. I cannot say.

Mr. ARMSTRONG. I do not know that, either; but my question is, Has the committee considered whether such a lawsuit would be meritorious? I might say that I have not.

Mr. JOHNSON of Colorado. I do not think the committee has. I do not think it would have any validity. I think it is an empty threat.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to my colleague, the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I think the point that the gentleman from Colorado (Mr. ARMSTRONG) makes about the lawsuit was in part given up by the Denver Water Board when they agreed to a compromise in 1974, the compromise to which the gentleman from Colorado (Mr. ARMSTRONG) referred a few minutes ago, that they had agreed to give up some of their rights at that point.

I find it very difficult to understand how they could take one position a year and a half ago and now there are screaming headlines in the Denver newspaper today and they take a totally opposite position to what they were saying a year and a half ago.

Mr. JOHNSON of Colorado. Mr. Chairman, I might say they would have the same rights under the substitute that the gentlewoman from Colorado intends to offer.

Mr. WIRTH. When the time comes, I will support that substitute; but I must say to the gentleman, I think the gentleman is mistaken in characterizing the Denver Water Board in this way.

I will say that I think their tactics have been horrible. The way they have presented their case could hardly have been worse.

It is my understanding that they still support the compromise to which they agreed in 1974.

I would like to address one final question to my colleague, the gentleman from Colorado (Mr. JOHNSON). It occurs to me to wonder what will happen if his bill passes and if in fact passage of this bill is to preclude the development of these water rights. Then who would get the water that would otherwise revert to the use of the Denver Water Board?

Mr. JOHNSON of Colorado. It does not necessarily mean that it will preclude the development, if the President found there was such an emergency that would justify developing their rights from within the wilderness boundary. I would expect that that would happen before Denver would have to spend $500 million around the turn of the century, start in on this $500 million program. I would expect the President, whoever he happens to be at that time, would say, "Go ahead and develop these rights within the wilderness area."

Frankly, I think that makes sense, in the event the water rights are not developed further on downstream.

Mr. ARMSTRONG. If the gentleman will yield further, the gentleman is saying it would make sense for the President to grant such a waiver?

Mr. JOHNSON of Colorado. If the time came, rather than have Denver to spend all of that additional money, and if the water has not been developed somehow.

Mr. ARMSTRONG. I understand the gentleman's position. But suppose it did not happen that way. Suppose this enormous cost increase—if in fact the gentleman is correct—suppose the $500 million cost increase effectively preempts the water rights and then Denever is not able to go to development, who will use those rights?

Mr. JOHNSON of Colorado. In the event the court gives the rights to Denver, then we will have a ways to go on that. Denver would have a right to sell them in western Colorado.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Colorado (Mr. Wirth).

Mr. WIRTH. I thank the gentleman for yielding.

I do not think we should make the assumption that that is the only water available to the city of Denver.

Mr. JOHNSON of Colorado. If the gentleman will remember, I pointed out they have already 150,000 acre-feet that they cannot divert at this time, because they do not have storage facilities.

Mr. WIRTH. If the gentleman will yield further, some would come from Harrigan Creek; an additional 100,000 acre-feet would come from the Eagle-Piney collection system; and 83,000 acre-feet from the East Gore collection system.

If I remember, there would be added 130,000 acre-feet. There is a significant amount of water available to the city of Denver.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. ARMSTRONG. If the gentleman will yield further, I just have one more comment.

Mr. JOHNSON of Colorado. I yield to the gentleman from Colorado (Mr. Armstrong).

Mr. ARMSTRONG. I wanted to make it clear that I am not necessarily advocating this division. I think that is an issue to be settled in the regular course of events, the Colorado constitution, by State law, and by decisionmakers at the local level and the ultimate policymakers . . . the people themselves.

My concern is to have wilderness legislation used to preempt that decision, and for that reason I do support either substantial amendments or feel that the bill should be rejected.

Mr. MELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. Wirth).

Mr. WIRTH. Mr. Chairman, I think the discussion of this bill today has indicated the problem that we face in the State of Colorado, and that problem can be very simply stated that we have a scarce resource, water, which has to go to a broad variety of needs.

As the gentleman from Colorado (Mr. Johnson) has pointed out, there are many, many competing demands for the scarce amount of water that is found on the western slope, for energy, for agriculture, for tourism; and in particular there are strong competing demands from the eastern slope for the development of the Denver metropolitan area.

The issue today in the Eagles Nest Wilderness proposal is: How are we going to make an allocation between those various demands for this limited amount of water?

Effectively there have been three proposals made. The first proposal is the Forest Service proposal advocated by the Denver Water Board.

The second, more moderate, middle-ground proposal was accepted by the Senate and offered by Senator Haskell, which will be about 3,000 acres less than the third proposal, that which has been offered by the gentleman from Colorado (Mr. Johnson).

The House and the Senate will ultimately go to conference, deciding between whatever we decided here today and the Haskell bill on the Senate side.

It is important here also, I think, to review the legislative history and speak about what members of the delegation from the State of Colorado have supported in the way of amendments.

On the Senate side Senator Haskell has cosponsored the bill which has been accepted on that side. That was also sponsored by former Senator Dominick. Senator Allott cosponsored the Forest Service bill, but had done that on behalf of the administration in 1972.

On the House side we have had a number of differing positions. Congresswoman Schroeder and myself have consistently supported the Haskell proposal as the middle-ground proposal between the many competing demands. Congressman McKevitt, who used to represent the city and county of Denver, on May 18, 1972, proposed the Johnson proposal which is being debated on the floor today, and Congressman Armstrong on May 29 introduced that same legislation, although he later withdrew his sponsorship of that legislation.

So the members of the Colorado delegation have been all over the area in regard to the three various proposals.

Mr. Chairman, it is important today to recognize that the differences between the Johnson bill and the Haskell bill are not very significant. They relate to seven specific areas, and those are as follows: Cataract Lake, 150 acres; Harrigan Creek-Boulder Creek, 500 acres; North Rock Creek, 390 acres; South Rock Creek, 50 acres; Ryan Gulch, 300 acres; Lilly Pad Lake, 160 acres; and Corral Creek, 520 acres.

A number of us will be working on the possibility of ultimately substituting the Haskell proposal, which we believe is a more moderate proposal, dealing with more of the competing demands for Colorado than does the Johnson proposal, but we will wait until the debate on the full bill has been completed.

Mr. Chairman, attached is an editorial from the Rocky Mountain News, which is, I believe, a clear definition of the choices we face. Also, following is a letter from Senator Haskell to the Denver Water Board, outlining his proposal.

Adopt Haskell's Eagles Nest Plan

We are hopeful that a satisfactory end is finally in sight for what has become one of Colorado's most protracted disputes—the creation of an Eagles Nest wilderness east of Vail.

What began five years ago as a mere spat between environmentalists and the U.S. Forest Service has since escalated into a full-scale battle pitting West Slope water interests against the Denver Water Board and its supporters.

After numerous public hearings and much behind-the-scene lobbying, the House Interior subcommittee on public lands is scheduled Friday to take final action on a wilderness measure.

The subcommittee, headed by Rep. John Melcher, D-Mont., has been asked to consider several proposals:

A bill sponsored by Colorado Republican Rep. James P. Johnson, a subcommittee member, calling for creation of a 132,500-acre wilderness.

Legislation sponsored by Sen. Floyd Haskell, D-Colo., to establish a wilderness of approximately 129,000 acres. The Senate already has approved Haskell's bill.

A Forest Service recommendation that the wilderness be limited to 87,500 acres.

The Denver Water Board contends Johnson's bill would critically damage plans to divert to metropolitan Denver some 170,000 acre-feet of water annually from the wilderness area through its East Gore and Eagle-Piney projects.

Haskell's proposal was originally the same size as Johnson's but was trimmed to placate the desires of the water board. The board concedes that most of its water can be retrieved under Haskell's bill. Nevertheless, the board insists at least 9,000 more acres must be cut even from Haskell's proposal or $1 million annually will have to be spent to pump water rather than recovering it through gravity flow.

The water board of course has the right to zealously pursue what it perceives as its legitimate water rights. But we hope the House subcommittee rejects the water board's position and settles on an Eagles Nest wilderness similar to what has been proposed by Haskell.

The water board and some of its supporters are fond of accusing backers of the large wilderness proposals of using the 1964 Wilderness Act to "play water politics."

There is no question Johnson's interest in the large wilderness is based on some of his constituents' natural desire to keep as much Western Slope water as possible on the Western Slope.

But what the water board conveniently fails to mention is that Johnson's proposal follows essentially the same wilderness boundary proposal drafted in 1970 by the Sierra Club and other conservation groups.

During public hearings in October 1970 nearly everyone—including local politicians of both parties—testified in favor of the large wilderness and against the much smaller Forest Service proposal.

Water rights were not at issue during the hearing because the water board mysteriously chose to maintain public silence on the matter.

Witness after witness testified in favor of the environmentalists' proposal because they believed the land in question truly deserved wilderness protection.

In urging support of the large wilderness, we said in 1970: "Progress being what it is, it is much easier to subtract from wilderness than it is to add to it. Colorado needs to act and act quickly in preserving what's left of its rugged, untouched country."

This is all the more true today. We don't applaud using the Wilderness Act to purposefully block water development. But neither do we believe easy access to water supplies should automatically take precedence over wilderness preservation.

It seems to us that Sen. Haskell has made a good-faith effort in sifting through the detailed claims of both sides in the dispute and fashioning a reasonable compromise.

"Weighting the balance of wilderness values and the economic costs proves most difficult," Haskell said. "In my mind, however, the presumption must be in favor of wilderness values for a very simple reason: Preservation of wilderness is reversible; destruction of wilderness is not."

We concur and hope the House subcommittee does also. The larger wilderness could eventually mean a few cents more per month on our water bills. But we consider it a price well worth paying.

U.S. Senate,
Washington, D.C. May 14, 1975.

Mr. James L. Ogilive,
Manager, Denver Board of Water Commissioners, Denver, Colo.

Dear Jim: Thank you for your letter of May 1, 1975, concerning the proposed Eagles Nest Wilderness. I have enjoyed working with you in our mutual desire to establish a meaningful wilderness without unduly impairing other resource values or uses.

The Senate Committee on Interior and Insular Affairs today unanimously reported S. 268, my Eagles Nest Wilderness bill, together with S. 267, my bill to designate a Flat Tops Wilderness. As in the Eagles Nest Wilderness bill of the last Congress (S. 1864), S. 268 has been modified in response to your able testimony at the various hearings on the legislation.

As you will recall, I made three alterations in S. 1864 to answer concerns you or your representatives expressed to me about the bill's effect on the Board of Water Commissioners' proposed Eagle-Piney and East Gore diversion systems. During mark-up of the bill in the Subcommittee on Public Lands, I sponsored an amendment to delete 3,280 acres on the west side of the proposed wilderness above Vail. This placed the Board's diversion points on Booth, Pitkin, Bighorn and Main Gore Creeks outside the wilderness boundaries, enabling you to capture 93 per cent of the water for the Eagle-Piney system.

In response to additional concerns you expressed following Subcommittees action. I authored amendments deleting two additional areas from the wilderness when S. 1864 was marked up in full Committee. The express purpose of the first deletion near Frisco was protection of the south portal to your proposed tunnel under the wilderness to deliver water from the Eagle-Piney system to Dillon Reservoir.

The second deletion, in the Maryland Creek area, would permit the Board to more than double the length of the gravity flow canal which would be built as part of the proposed East Gore system.

As I am sure you realize, these deletions have not gone unchallenged. The large western deletion in particular has been very controversial. In our recent field hearing in Glenwood Springs, the Colorado Division of Wildlife and virtually every environmental witness urged that this area be reincorporated in the wilderness because of its significance as wildlife habitat.

I have attempted again in this Congress to accommodate your requests as we have worked on this legislation. Despite the deletions during the last Congress to remove from the wilderness the portals to the Eagle-Piney tunnel, late last year a Forest Service letter to you raised the spectre that the Board might be denied a permit for the tunnel on the basis that the Wilderness Act prohibits pipelines in the wilderness.

As Chairman of the Senate Subcommittee with jurisdiction over the Wilderness Act and the National Wilderness Preservation System, I know from experience that the Forest Service's interpretation is erroneous. In fact, there are buried pipelines within the boundaries of several wildernesses.

However to give you the assurance you desire, I today amended my bill for a fourth time on your behalf to declare that nothing in the Wilderness Act shall be construed as prohibiting construction and operation of an entirely subsurface tunnel under the Eagles Nest Wilderness. I did so despite my strong reservations about the wisdom of inserting single-purpose statutory language in wilderness legislation.

As you know it is difficult to weigh and balance the largely unquantifiable benefits of wilderness designation against its more readily measurable costs. It is noteworthy that, in my efforts to draw appropriate wilderness boundaries, I have not, in fact, "locked up" any significant portion of the 170,000 acre feet of water you project for the Eagle-Piney and East Gore systems.

As you state in your May 1 letter to me, 72 per cent of the water contemplated in the two systems can be obtained from diversion sites you already have outside the wilderness boundaries. Virtually all the remaining water can be obtained from new diversion points downstream from your existing ones.

Contrary to your suggestion in the letter, there appears to be little doubt that you can obtain these new diversion sites because, under Colorado law, your original priority would not be in jeopardy so long as you file for no more water than you were entitled to at your existing diversion points.

Therefore, the boundaries as they are now drawn do not substantially affect the availability of water for the proposed Eagle-Piney and East Gore systems. They do, however, increase the cost of that system.

Here, the weighing and balancing of wilderness values and economic costs proves most difficult. In my mind, however, the presumption must be in favor of wilderness values and for a very simple reason: Preservation of wilderness is reversible; destruction of wilderness is not.

If we elect now to construct water diversion systems on high-quality wilderness lands, we destroy wilderness values. We permanently foreclose the option to designate wilderness and to undertake a new balancing process should society's values change.

On the other hand, if we choose to protect the wilderness values we are free, if at some future date the public interest warrants, to remove the lands from wilderness by Congressional mandate or allow the construction of the water systems in the wilderness by Presidential action under section (4)(d)(4)(1) of the Wilderness Act.

In my mind, this presumption in favor of wilderness values prevails upon consideration of the additional deletions from S. 268 which you have requested. According to your May 1 letter and your testimony at the Glenwood Springs hearing, the purpose of these requested deletions is to further reduce pumping costs resulting from changes in diversion sites for the two systems. I understand that the energy costs for pumping made necessary by revised diversion plans are estimated at $1,010,000 annually.

Certainly this is a considerably expense, but it must be viewed in perspective. Making some reasonable assumptions about financing costs (25-year bonds at 7 per cent interest and service charges) and accepting the estimated cost of the Eagle-Piney and East Gore projects ($222 million and annual operation costs—without pumping—of $240,000) the annual amortized cost of the original projects would be nearly $20 million.

Thus, the incremental cost of $1 million is a small percentage—around 5 per cent. Furthermore, this cost would apply to only about 18 per cent of the Denver water supply by the year 2010 and would be averaged with low-cost water supplies. That would further reduce the impact upon water consumers.

I believe we must also consider the fact that the Gore Canal diversion will not begin to supply water to Denver until the 1990's. If growth in the metropolitan area is not as rapid as you have projected—and all indications are that the population will be substantially less than the 3.5 million you have predicted by 2010—or if new conservation or recycling measures are implemented, the water may well not be needed at all.

If you have any questions, please don't hesitate to call.

With very best wishes.

Sincerely,

Floyd K. Haskell, *U.S. Senator.*

Mr. MELCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, while a water issue such as this sounds complicated, there is one basic part of it that is not complicated at all. That is the question of whether the Denver Water Board, having established some water claims on the west slope of the Continental Divide, will be able to move that water over to the eastern side of the Continental Divide to serve the Denver metropolitan area.

They have a very profound interest in the bill in that regard, but I tend to believe that the committee's position was correct. The committee said that the boundaries of the wilderness area will be drawn to include that land that had wilderness characteristics notwithstanding the wishes of the Denver Water Board. We do not interfere with their water claims, but we do say to the Denver Water Board, "You are not going to build structures to convey that water in this pristine area that belongs in the wilderness area." We say that they can pick up their water at a lower elevation and they can then do whatever the courts will allow.

So the committee's position, I think, was correct. The committee designated that area that was ready for wilderness classification and was merited for wilderness designation and said to the Denver Water Board, "Utilize your claims at a lower elevation, but leave for the rest of this country this area that is truly good and truly worthwhile to be designated as wilderness."

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield to me for a question?

Mr. MELCHER. I yield to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Chairman, the gentleman has characterized the area encompassed within these boundaries as pristine.

I wonder whether the gentleman could tell us if there are any existing nonconforming uses within the boundaries encompassed by this proposal. Are there any logging operations or construction operations going on in this area?

Mr. MELCHER. I think the committee report will demonstrate clearly what type of operations had gone on in this area and in all the general area under the Wilderness Act. There will not be any logging operations or construction for water diversion uses. There will not be any damming in that particular area.

That is what the Denver Water Board objected to.

Mr. Chairman, I would remind the gentleman from Colorado (Mr. Arm-

STRONG) that all of these points have been gone over very carefully and very patiently by the committee with the entire Colorado delegation and that the entire Colorado delegation in the House told the committee that they would be delighted if the bill would move and they would accept whatever version the committee moved out, and they thought they would be happy with it.

The gentleman may amend it at this time, which is the right of any Member of the House; but the fact is that we have very carefully and diligently, through two Congresses, worked with the Colorado delegation, both in the House and in the Senate, to present them with an opportunity to vote on this bill.

Mr. ARMSTRONG. Mr. Chairman, if the gentleman will yield further, I think the chairman has inadvertently said something which, perhaps, he did not intend.

I wish to acknowledge the chairman's patience in the handling of this bill and the exemplary manner in which he has consulted the members of the delegation. However, I am sure that the chairman did not wish to have it in the RECORD that I, as one Member, have taken the position that I would support this bill in its present form, or that I have indicated to the committee that I would support the passage of this bill in whatever form it came from the committee. On the contrary, I am sure the chairman recalls that I have previously made it clear that I supported the 1974 compromise, but have not offered support of any other version.

Mr. Chairman, I am sure the chairman did not wish to imply to the contrary.

Mr. MELCHER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I really do have to commend the chairman for his incredible patience with the Colorado delegation for the last 3 years. This is an incredibly difficult thing that goes on in our State as we attempt to balance the needs for a wilderness and the needs for water.

Mr. Chairman, everybody has been all over the place. I, for one, was one of the people who also endorsed the 1974 compromise, but I was told, when that blew up, that the water board would not accept it again. Now I find, in the 11th hour, that the water board is willing to accept it again.

Mr. Chairman, I also said in the beginning that I would support the Haskell bill in the Senate, which is an attempt by our Senators to work out something between the competing interests so as to give as big an area as possible the most water possible. It was the kind of compromise that the Denver Water Board still will not accept because they only got 97 percent.

Mr. Chairman, I happen to think that that is a practical compromise. It seems to work out very well. Therefore, I will offer that as a substitute for this bill.

Mr. Chairman, I do feel sorry for the gentleman from Montana (Mr. MELCHER). If he had not moved this wilderness bill to the floor, we might never get a wilderness area up in that Eagles Nest area. It is too bad that within the State of Colorado we have not been able to get the environmental groups and the Denver groups to sit down and work out their own problems. We should not have different members of delegations going in different ways, but nevertheless here we are.

Mr. WIRTH. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I want to join in commending the gentleman from Montana(Mr. MELCHER), who has been extraordinarily patient with this very, very difficult piece of legislation.

I think it is also important to point out here that there was firm agreement among all Members of the Colorado delegation on the direction of wilderness legislation and that we should have wilderness legislation within that area. There were some disagreements as to how large that wilderness area ought to be, but we were all unanimous in our agreement that there should be a significant wilderness area in the Eagles Nest region.

Mr. Chairman, I thank the gentlewoman for yielding.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman for his comments.

I think that is true; we agreed that there should be a wilderness area, and we were very disappointed that interests within our own State would not sit down and work out something practical. We really did feel very badly that this had to come to this floor here to be determined.

I think that many of us felt that to go in front of the subcommittee and have everybody arguing five different ways would not help either and that this would not shed any light but would only add heat.

So, Mr. Chairman, I really must commend the gentleman from Montana (Mr. MELCHER) for the wonderful patience he exhibited. I must say that we never would have produced any wilderness legislation for Colorado if it had not been for the gentleman from Montana.

Mr. Chairman, what I want to do is to adopt the compromise which was put together by the senior Senator from Colorado (Senator HASKELL) who was also dealing with all of the various competing interests in Colorado who were taking bites out of him. I think that the compromise probably means that everybody had to give enough so that this really is a fair compromise.

Mr. JOHNSON of Colorado. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I certainly would be remiss if I did not join in with the members of the Colorado delegation in thanking the gentleman from Montana (Mr. MELCHER) for the patience he has shown and for the efforts he has made in behalf of this legislation. The gentleman from Montana has sweated through this problem since 1973 with me and again I say that I appreciate his forbearance very much. The gentleman from Montana has gone out of his way as I say, to be patient and to be understanding. Obviously this bill would not be here if it were not for his efforts.

I would like to add one thing, Mr. Chairman, and that is that the Senate bill is the bill with which, if our bill passes here intact, we would deal in conference.

However, if this Committee adopts the Senate bill today, it would change the boundaries in other areas, in areas that this committee has not seen fit to encompass. We excluded an area for timber development for western Colorado that is included in the wilderness bill that passed in the Senate, and that would then be precluded from negotiations in the conference committee. That is not something that the subcommittee felt was the way the boundaries should be drawn.

So I urge the Members of the Committee to reject the amendments and to stay with the committee's position.

Mr. SEIBERLING. Mr. Chairman, I support Representative TIMOTHY WIRTH in his good effort to secure House passage of the Eagles Nest Wilderness proposal in Colorado of 132,500 acres in the Gore Range of the Colorado Rockies—the Arapaho and White Rivers National Forests.

This proposal has been pending before the Congress for about 3 years. The Senate passed a 132,500-acre proposal of Senator HASKELL in October of 1973, and in August of 1974. Again in 1975, a similar proposal by Senator HASKELL, S. 268, passed the Senate.

All Senate actions include in the wilderness designation an area known as East Meadow Creek. The East Meadow Creek area is superb wilderness country known for its great wildlife and scenic value, and as a prime access route by the high country of the Gore Range. Moreover, East Meadow Creek was the subject of a landmark court decision on the question of the obligation of the Forest Service, under the Wilderness Act, to study lands of wilderness quality contiguous to "Primitive Areas," (*Parker* v. *United States*, 309 F. Supp. 593 (D. Colo. 1970)) later affirmed by the 10th circuit court. The salutary effects of this very worthy decision will be lost if the East Meadow Creek area is deleted from the wilderness designation.

This is exactly what has happened thus far in the House Interior Committee markup. The 6,270-acre East Meadow Creek area was deleted from Congressman JAMES JOHNSON's bill—H.R. 3863—at the request of Congressman SAM STEIGER. Kaibab Industries of Arizona proposes to log East Meadow Creek for its very limited timber.

It is very important that East Meadow Creek be restored to the wilderness proposal. Only in this way can a truly magnificent area be saved from road construction and timber cutting, the value of which is not commensurate with the public recreational and wildlife values to be found in the area.

I strongly urge the House to restore the 6,270 acres deleted in subcommittee, and to otherwise conform the proposal to that which has already passed the Senate. The Senate passed a bill adequately accommodating the water needs of the Denver area. I would likewise urge that the House defeat the Forest Service's 87,000-acre proposal represented by Mr. STEIGER's bill, H.R. 3507. This proposal is decisively known as "Wilderness on the Rocks" by Coloradans and others who know and understand that a meaningful wilderness system must include, in modest proportions, of course, a full-range of the forested and nonforested values of the overall ecosystem.

Mr. JOHNSON of Colorado. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. MELCHER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The **CHAIRMAN.** The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Gore Range-Eagles Nest Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated May 1973, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Eagles Nest Wilderness" within and as part of the Arapaho and White River National Forests comprising an area of approximately one hundred and twenty-five thousand acres.

COMMITTEE AMENDMENT

The **CHAIRMAN.** The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 8, strike out "May 1973," and insert "December 1975,".

Mr. MELCHER. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, the committee amendment is necessary because it reflects the action of the committee and it designates a map that draws the boundaries as identified and as voted on affirmatively by the committee.

Mr. WIRTH. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, on December 12, 1975, the Subcommittee on Public Lands reported out H.R. 3863 to designate the Eagles Nest Wilderness in Colorado. However, prior to passing out H.R. 3863, the subcommittee unfortunately deleted from the proposed wilderness an important area of 6,270 acres in the Piney River Valley known as East Meadow Creek. The East Meadow Creek has always been a key area of top priority to the many Colorado citizens actively supporting the designation of Eagles Nest. An overwhelming number of Coloradoans along with all members of the Colorado delegation have supported inclusion of East Meadow Creek, and I believe that the subcommittee made a serious error in the deletion of this area for a timber sale which appears to be highly questionable.

The circumstances surrounding this deletion were accurately described in an article in the January–February 1976 issue of Colorado Business. I would like at this point to insert that article in the RECORD:

[From Colorado Business, January-February 1976]

THE FOULING OF EAGLES NEST

Seven years of bitter struggle over inclusion of a Colorado forest glade in the Eagles Nest Wilderness Area was wiped out last month by a maneuvering Arizona congressman who made an end-run in a subcommittee to chop out 6,000 acres of East Meadow Creek timberland for Kaibab Industries of Phoenix.

The move resurrected a long-dead contract from the ashes where it had been consigned by environmentalists and put the whole battle back to square one.

Rep. Sam Steiger, Republican and gentleman horse breeder from Prescott, Ariz., quietly but forcefully amended a House version of Eagles Nest to exclude the forest land from fellow subcommittee member Colorado Rep. James Johnson's 125,000-acre proposal. Steiger's exclusion covers the same area which was the subject of a lawsuit by environmentalists against the U.S. Forest Service over a timber-cutting contract issued to Kaibab Lumber Co. of Eagle, Colo., in 1969.

Steiger's move resuscitates that contract. The lumber company is a subsidiary of Kaibab Industries, a lumber and petroleum firm headquartered in Steiger's home state of Arizona, with 1975 sales of approximately $50 million.

The suit, originally brought by the Sierra Club, the Wilderness Society and the Town of Vail, stated that by allowing timber cutting in East Meadow Creek, the Forest Service was seizing authority it didn't have since it arbitrarily excluded the area from possible Wilderness classification. The Wilderness Act of 1964 states that only the President and Congress can determine what areas may or may not be designated Wilderness.

Denver U.S. District Court agreed, ruling that no cutting was to be allowed in East Meadow Creek until the area had been considered for Wilderness classification. Appeals all the way to the U.S. Supreme Court were rejected.

If Steiger's amendment, tacked on in the public hands subcommittee of the House Interior and Insular Affairs Committee, holds up and becomes law, Kaibab will be able to begin full-scale timbering of a Wilderness area.

Problems. But the amendment has a long way to go. A Senate version of Eagles Nest, passed last June, encompassed 128,000 acres—as set forth by Colorado's Democratic Sen. Floyd Haskell—including East Meadow Creek. And the House bill has yet to pass the full Interior Committee or the entire House, so it may have some more rough sledding over the East Meadow Creek exclusion before it ever reaches conference committee.

While it may seem odd that no one objected to Steiger excluding a piece of a Colorado Wilderness area for the benefit of an Arizona company, a closer examination makes the reason crystal clear. It was, in effect, a tradeoff between Republicans Steiger and Johnson.

While environmental groups wanted a larger wilderness area than that originally proposed by the Forest Service because the expanded boundaries would include more lush, forested lower areas instead of only the "rockpiles" above timberline, Johnson wanted, and got, expanded boundaries for quite different reasons.

The East Gore Range drainage into the Blue River along the eastern edge of the area, and the Eagle-Piney watershed on the western border, are integral parts of the Denver Water Board's future transmountain water diversion projects, a practice which outrages West Slope residents—Johnson's expanded boundary includes enough of those drainage areas to effectively shut down the tap on Denver's plans. The Haskell version, although larger than Johnson's proposal, doesn't interfere with the Eagle-Piney diversion plans nearly as much as the House bill.

Colorado Business asked Johnson why he didn't object to the Steiger amendment. He said, "Steiger was in favor of the reduced acreage that the Forest Service had originally introduced. He was quite clear that if he didn't get at least that portion of it (East Meadow Creek) cut out, he was going to sit there and fight for the smaller Forest Service boundaries.

"I was in no position, really, to do anything other than say okay," says Johnson. "I didn't go along with it, but there wasn't any reason for me to fight about just that one issue.

"There was an awful lot of horse trading going on there," says Johnson, noting that the water board had been in Washington, D.C., and had secured from one subcommittee member a promise to introduce an amendment cutting 9,000 acres from the area. Johnson also says Rep. Harold Runnels, D-N.M., proposed going back to the original Forest Service boundaries. Both proposals lost "by about a four-vote margin" in the 16-member subcommittee, Johnson says.

And Johnson certainly didn't let the Steiger amendment slip through out of ignorance. "I know that Kaibab has an interest in that area and that the Forest Service had cut that acreage out of their proposed boundaries," he says.

Trapped. Johnson makes much of the fact that he "had no choice" but to accept the Steiger amendment: "He had told me that he was going to push for this and, after all, I thought, there's no reason for me to object to it because there was nothing I could do about it. So I just accepted it at the time of the hearings. I knew he was going to make the offer in advance, and I didn't speak for it; I just accepted it."

When asked if his desire to keep the wider border was primarily one of extending the Wilderness area or cutting off the Denver Water Board, Johnson waffled somewhat, saying it was both:

"I don't know how you weight something like this. It's an area that is justifiably Wilderness, and it's also an area which interferes with Denver's transmountain diversion."

Even the environmental groups, normally so outspoken, are lowering their profiles over the Steiger amendment. Some are breathing a sigh of relief that any kind of an Eagles Nest bill got out of the House subcommittee, and express fear that any rocking of the boat at this stage might forever kill the chances of a Wilderness area being established at Gore Range, a rugged upthrust 60 miles west of Denver.

This is oddly at variance with their former stand on the Forest Service's original boundary proposal, one which environmentalists attacked as being favorable to the lumber industry by excluding all the lower-elevation, thickly forested areas. Most of what was left in the proposed Wilderness, they charged, was the barren, rocky slopes above timberline. And, they claimed, one of the most untrammeled areas of all—one perhaps most deserving of Wilderness designation—was East Meadow Creek, that relatively small patch of evergreen forest 14 miles northwest of Vail.

Now, according to one environmental group spokesman, they wait quietly and hope that at some level of debate, East Meadow Creek is put back into the proposed Wilderness area. Certainly, they hope, that can be achieved at the Senate-House conference committee level, where they feel they have an ally in Sen. Haskell.

Haskell, in fact, says the House subcommittee version won't reflect the final form of Eagles Nest, and that he "probably would oppose the removal of East Meadow Creek" from the area.

A memorandum on East Meadow Creek has also been prepared by the Colorado Open Space Council. I would like to put that memo into the RECORD as well, since it gives a very good history and description of this area:

COLORADO OPEN SPACE COUNCIL,
Denver, Colo., February 4, 1976.

To: Members of the House Committee on Interior and Insular Affairs.

Subject: H.R. 3863 to designate an Eagles Nest Wilderness, Arapaho and White River National Forests, in the state of Colorado.

On December 12, 1975, the Subcommittee on Public Lands reported out H.R. 3863, introduced by Representative James Johnson of Colorado. An area of 6,270 acres was deleted from H.R. 3863 to accommodate road building and timber harvest activities in markup session by an amendment offered by Representative Sam Steiger.

The following is submitted as background material to be used in further consideration of this matter.

The 6,270 acre deletion is in the Piney River Valley. It includes the East Meadow Creek drainage, subject of Federal District Court and Circuit Court of Appeals cases in 1969–71. The appellate court upheld the lower court ruling in favor of the Sierra Club and others. The court found that the area was "predominantly of wilderness value and contiguous to the Primitive Area" and enjoined any timber sale activity there until "a determination has been made by the President and Congress that East Meadow Creek . . . should be made part of Gore Range-Eagles Nest or that it should not be.

This case (Parker v. United States, 309 F. Supp. 593 (D. Colo. 1970), affirmed F. 2d 977 (10th Cir. 1971)) set a far-reaching precedent for wilderness studies of Forest Service Primitive Areas by requiring that contiguous lands predominantly of wilderness value be studied along with the Primitive Area for possible Wilderness designation.

We strongly recommend that the 6,270 acres be restored to H.R. 3863 for the following reasons:

The deleted area is a marginal and submarginal timber producing area. Timber harvest here will be only barely profitable if it is at all, and will alter or preclude other current uses and values.

Forest Service lands must be capable of producing 20 cubic feet of growth per acre per year to be classified as commercial forest land. The deleted area does not as a whole meet this requirement.

The growth rates in the Holy Cross Working Circle (containing the area in question) *average* as follows: [1]

[Cubic feet per acre per year]

Forest type	*Gross Growth*	*Net Growth*
Douglas-fir sawtimber	3.31	2.26
Lodgepole Pine	14.30	8.42
Spruce-fir sawtimber	30.81	16.11
Lodgepole pine poletimber	13.92	12.77
Aspen poletimber	5.81	5.28

At the time of the Parker case, the Sierra Club asked for a review of the East Meadow Creek sale to Kaibab Industries by an independent forester. The forester, Gordon Robinson, wrote a lengthy report from which the following remarks are taken:

"The only forest type in the White River National Forest capable of producing over 20 cubic feet per year is the Spruce-Fir. That barely qualifies on the average. See Table 11, page 17 of *Timber Management Plan*. However, the Spruce-Fir type in East Meadow Creek is of the lowest site found in that type on the White River National Forest. In *General Timber Management Statement*, Exhibit 3a, on page 6 it states that, "Average volume per acre in the old-growth Spruce-Fir type vary from 15,000 board feet on the poorer sites to 40,000 board feet on the better sites." Then in *Sale Area Planning Report*, Exhibit 3c, on page 2 the average volume per acre of the Spruce-Fir type is shown to be only 16,000 board feet per acre, determined from plots measured in the sale area, which places it in the poorest site category. I estimate that the best sites in the East Meadow Creek sale area can produce only about 8 cubic feet per year.

Conclusion. The East Meadow drainage is clearly non-commercial forest, of principal value for watershed and recreation. It can not produce the 20 cubic feet per year of wood required to qualify as commercial even on the best spots within the area." [2]

There is enough standing volume in the area now to advertise a moderate-sized sale because the timber has been growing for 100–300 years there.[3] However, the site classes quoted above indicate very low timber production capability. East Meadow Creek is one of the *best* producing spots in the deletion area, described by Mr. Robinson as "patches of timber of merchantable size, islands in submarginal stands of large expanse." [4] In other words, much of the rest of the area deleted from HR 3863 is sub-marginal timber producing country. Some area, like the whole north slope of the Meadow Creek drainage, and the canyon of the Piney River, are virtually devoid of timber.

The East Meadow Creek sale of 4.3 million board feet was estimated in 1969 to be barely profitable (due mainly to costs of needed roads).[5] Since 1969, road construction and engineering costs in Colorado have increased 234%.[6] The timber index at present is up approximately 7.6% from the 1969 levels.[7]

It is questionable whether timber production in areas which are not prime timber producing sites can be considered, economically or environmentally, the best and highest use of the public's land. This area will continue to produce a variety of benefits to society if left in an undeveloped state and protected as Wilderness.

The deletion area provides habitat for many wildlife species. A large herd (approx. 75–100 head) of elk depends on the East Meadow Creek and Meadow Creek areas for partial winter range and for critical calving grounds. The area at the top of the Meadow Creek drainage is a very valuable elk sanctuary, where several herds of elk gather for refuge during hunting season. They may stay here through other seasons due to human pressures on former ranges. This type of wildlife habitat is rare for any herd and critical to this herd's prosperity.

The area is a healthy watershed providing pure water for downstream uses. The Timber Management Plan for this area states:

Water, recreation, grazing, wildlife, timber and minerals, probably in this order, are and will continue to be the basis of this area's economy.[9]

The area is accessible to all ages of people for a wilderness outing. Low elevation wilderness areas help to take user pressure off the higher, more rugged fragile areas. It is highly valued by local communities for these purposes. Several guides and outfitters derive income from trips led into this area, as it is an access route to the Primitive Area.

An overwhelming majority of all those who have made their wishes known on Eagles Nest Wilderness' proposals maintain that this tract should be included for Wilderness status. Since 1970, the area deleted has been included in the citizen conservationist proposals favored by these majorities. Bills including this acreage have been introduced by Colorado Senators and passed through the Senate 3 times. All members of the Colorado delegation to the House of Representatives and Colorado Governors John Love, John Vanderhoff and Dick Lamm have expressed support for bills including this area. In fact, it has been included in House bills without hesitation or debate at all other times previous to last December 12.

In summary, the 6270 acre area deleted in Subcommittee is not rich in merchantable timber, but does provide valuable wildlife habitat, sustain a pure watershed, and offer solitude and a wilderness setting for a large segment of society. A successful court fight by conservationists and the repeated support for preservation of this area by a great majority of the interested public amounts to very substantial testimony to the area's importance as wilderness.

We therefore urge that H.R. 3863 be passed without damaging deletions.

If you have any questions or would like additional information contact—

Theodore D. Tomasi, Colorado Open Space Council, 1325 Delaware, Denver, Colorado 80204. Phone: 303-573-7870.

FOOTNOTES

[1] *Timber Management Plan*, White River National Forest, p. 17.

[2] *Memorandum on Visit to East Meadow Creek* (supplement to 1969 report), Gordon P. Robinson, 1970.

[3] ibid.

[4] *Report on East Meadow Creek Timber Sale*, Gordon Robinson, 1969, p. 6.

[5] ibid., pp. 1–5.

[6] *Colorado Construction Cost Index*, Colo. Dept. of Highways, Jan. 1976.

[7] *Monthly Index*, Western Wood Products Association, Nov. 30, 1975.

[8] *The Forest Resource of Colorado*, U.S. Forest Service, 1964.

[9] *General Timber Management Plan*, White River National Forest, p. 22.

I would like, if I might, to summarize this history for my colleagues:

East Meadow Creek is well known in Colorado and throughout the Nation as the subject of a Federal district court case and circuit court of appeals case (*Parker* v. *United States*, 309 F. Supp. 593 (D. Colo. 1970) affirmed F. 2d 977 (10th Cir. 1971)) in which both the lower court and court of appeals ruled in favor of citizens efforts to halt a timber cut which would have preempted wilderness consideration. The courts found that East Meadow Creek was "predominately of wilderness value and contiguous to the primitive area" and enjoined any timber sale until "a determination has been made by the President and Congress that East Meadow Creek * * * should be made a part of Gore Range—Eagles Nest or that it should not be." This case set a far-reaching precedent for wilderness studies of Forest Service primitive areas by requiring that contiguous land predominantly of wilderness value be studied along with the primitive area for possible wilderness designation.

In addition to the historical significance of this area, the facts support my view that in terms of economic, social, and environmental factors, the value of East Meadow Creek as wilderness far exceeds what would be derived from timber harvest. A review of the proposed timber sale by an independent forester revealed that the 6,270-acre area in question is a marginal and submarginal timber producing area. By Forest Service standards, East Meadow Creek is not a commercial timber producing area as it cannot produce the required 20 cubic feet per year, even on the best spots within the area. The sale would only keep a small saw mill in operation for 4 months.

The existing use of this area as would be preserved through wilderness protection offers what I believe is the most productive and valuable use of the public's land.

The area is becoming increasingly important as a high quality watershed as population density increases in the Vail/Eagle Valley vicinity, one of the fastest growing winter recreation areas in the country. A large herd of some 75 to 100 elk depend on East Meadow Creek for winter range and critical calving grounds. The area is accessible to people of all ages for a wilderness outing and it is one of the most heavily used areas in the wilderness by the hunters and backpackers, also serving as a major access point to the high country.

East Meadow Creek has been and always will be a part of any Eagles Nest Wilderness. Its value for high quality watershed, wildlife habitat, recreation and grazing far exceeds any short-term gains that could be derived through timber harvest. Furthermore, I believe that the people of Colorado want an Eagles Nest Wilderness and they want it to include East Meadow Creek. It would be an oversight on the part of Congress not to restore this important area to the wilderness.

Therefore I oppose the committee amendment, and urge my colleagues to maintain the May 1973 map.

A "no" vote is a vote for 6,270 splendid wilderness acres.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

I think it should be pointed out in the context of the gentleman's remarks that the simple amendment of deleting December 1975, and inserting therein May 1973, does a lot more than change the boundaries as it affects East Meadow Creek. The boundaries in many other parts of the wilderness proposal would be altered by such an amendment. The gentleman really is concerned only about East Meadow Creek. He should have drafted his amendment in such a nature that it dealt only with East Meadow Creek. What he is doing now is reverting to a different map, and in many areas he will have redrawn the entire wilderness area. He is not dealing just with East Meadow Creek.

Mr. WIRTH. The purpose was to deal with the predominant and most important area of the map of May 1973, which deals with the East Meadow Creek area, and that is the area in which, at a time when we go to conference with the Senate, it is terribly important that the House have included this valuable wilderness area in the House bill.

I certainly cannot in good conscience support a piece of legislation that goes out of the House of Representatives that does not include this valuable wilderness area.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ARMSTRONG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, may I ask the chairman of the committee to explain his earlier comment. I had intended to support this amendment for the reason that my colleague, the gentleman from Colorado (Mr. WIRTH), has just outlined. But I am deeply troubled by the chairman's comments, a few moments ago, that there is something defective in my colleague's amendment. I am wondering if he could elaborate further, because I am reluctant to vote for something which may have effects that are different from what I had previously understood.

Mr. MELCHER. The older map of 1973 tallied up to 125,000 acres and it may or it may not be accurate. With the deletion of East Meadow Creek the accurate figure for the wilderness proposal is 130,480 acres. There is a question on the accuracy of the 1973 map.

Mr. ARMSTRONG. I wonder if, Mr. Chairman, the gentleman could offer any advice for those of us who want to vote to include the area in question, that is Eagle-Piney, but do not want to make any other changes, how do we accomplish this purpose? I think that is what my colleague, the gentleman from the Second District of Colorado had in mind.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, if we are successful in including the date of May 1973, in the bill, I will then offer an amendment on line 3 of page 2 increasing the acreage to 136,750 acres, which gets us to the exact amount of the existing Johnson bill plus the East Meadow wilderness area which is being debated right now.

Mr. ARMSTRONG. Mr. Chairman, with that word of explanation I will join my colleague in supporting inclusion of this territory and therefore voting against the committee amendment.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for several years Colorado citizens have waged a courageous effort to save the East Meadow Creek area from unwarranted development. A Federal court decision—Parker against United States—upheld by the 10th Circuit Court of Appeals, stopped the Forest Service and the Arizona-based Kaibab Timber Co. from destroying the wilderness character of East Meadow Creek in violation of the 1964 Wilderness Act. The appellate court upheld the lower court ruling in favor of the Sierra Club and others.

The court found that the area was "predominately of wilderness value and contiguous to the Primitive Area" and enjoined any timber sale activity there until "a determination has been made by the President and Congress that East Meadow Creek * * * should be made part of the Gore Range-Eagles Nest or that it should not be." In other words, the court ruled that the Forest Service and the timber industry could not close the options and destroy the wilderness value of the East Meadow Creek area without a final decision by the President and Congress as to whether the East Meadow Creek area should be a part of the Eagles Nest Wilderness.

After looking into the timbering potential of the East Meadow Creek area, I am surprised that it is even being considered by the Kaibab Lumber Co. The East Meadow Creek area is a marginal and submarginal timber producing area. Timber harvest here will be only barely profitable, if it is at all. To be classified. as commercial forest land, Forest Service lands must be capable of producing 20 cubic feet of growth per acre per year. The deleted area as a whole does not meet this requirement. Of the five forest types in the White River National Forest, of which the East Meadow Creek area is a part, the only forest type capable of producing over 20 cubic feet is the spruce fir. That barely qualifies on the average.

However, the spruce-fir type in East Meadow Creek is the poorest site of that type in the White River National Forest. According to a study done by an independent forester on the East Meadow Creek sale to Kaibab Industries:

> Average volume per acre in the old-growth Spruce Fir type vary from 15,000 board feet on the poorer sites to 40,000 board feet on the better sites. In the East Meadow Creek area that constitutes the sale to Kaibab Industries, the average volume per acre of the spruce fir type is shown to be only 16,000 board feet per acre, determined from plots measured in the sale area, which places it in the poorest site category. I estimate that the best sites in the East Meadow Creek sale area can produce only about 8 cubic feet per year. Conclusion. The East Meadow Creek area is clearly non-commercial forest, and is of principal value for watershed and recreation. It can not produce the 20 cubic feet per year of wood required to qualify as commercial even on the best spots within the area.

In fact, the only reason there is enough standing volume in the East Meadow Creek area now to advertise a moderate-sized sale is because the timber has been growing for 100 to 300 years there. However, the site classes which I previously quoted indicate very low timber production capability. Ironically, as poor as it is, East Meadow Creek is one of the best producing spots in the deletion area, described by Mr. Robinson as "patches of timber of merchantable size, islands in submarginal stands of large expanse." In other words, much of the rest of the area deleted from H.R. 3863 is submarginal timber-producing country. Some areas, like the whole slope of the Meadow Creek drainage, and the canyon of the Piney River, are virtually devoid of timber. To sum it all up, there is only enough timber in the deleted area to keep a small sawmill going for about 4 months. Moreover, the East Meadow Creek sale of 4.3 million board feet was estimated in 1969 to be barely profitable, due mainly to costs of needed roads. Since 1969, road construction and engineering costs in Colorado have increased 234 percent, while the timber index at present is up only about 7.6 percent from the 1969 levels.

All of this brings us to the question of whether timber production in areas which are not prime timber-producing sites can be considered, economically or environmentally, the best and highest use of the public's land. This area will continue to produce a variety of benefits to society if left in an undeveloped state and protected as wilderness.

The deletion area provides habitat for many wildlife species. A large herd—approximately 75–100 head—of elk depends on the East Meadow Creek and Meadow Creek areas for partial winter range and for critical calving grounds. The area at the top of the Meadow Creek drainage is a very valuable elk sanctuary, where several herds of elk gather for refuge during hunting season. They may stay here through other seasons due to human pressures on former ranges. This type of wildlife habitat is rare for any herd and critical to this herd's prosperity.

The area is a healthy watershed providing pure water for downstream uses.

The timber management plan for this area states:

> Water, recreation, grazing, wildlife, timber and minerals, probably in this order, are and will continue to be the basis of this area's economy.

The area is accessible to all ages of people for a wilderness outing. Low elevation wilderness areas help to take user pressure off the higher, more rugged fragile areas. It is highly valued by local communities for these purposes. Several guides and outfitters derive income from trips led into this area, as it is an access route to the primitive area.

An overwhelming majority of all those who have made their wishes known on Eagles Nest Wilderness proposals maintain that this tract should be included for wilderness status. Since 1970, the area deleted has been included in the citizen conservationist proposals favored by these majorities. Bills including this acreage have been introduced by Colorado Senators and passed through the Senate three times. All members of the Colorado delegation in the House and Colorado Governors John Love, John Vanderhoof, and Dick Lamm have expressed support for bills including this area. In fact, it has been included in House bills without hesitation or debate at all other times prior to last December 12 (Subcommittee on Public Lands Markup).

In summary, the 6,270-acre area deleted is not rich in merchantable timber, but does provide valuable wildlife habitat, sustain a pure watershed, and offer solitude and a wilderness setting for a large number of people. A successful court fight by conservationists and the repeated support for preservation of the area by a great majority of the interested public amounts to very substantial testimony to the area's importance as a wilderness.

Mr. JOHNSON of Colorado. Mr. Chairman, I rise in favor of the committee amendment.

I think this is really illustrative of the kind of problem we have just in trying to satisfy people on what is essentially one newspaper's campaign along with the Denver Water Board.

The committee itself has considered these things. The committee has taken all these into account. There is a balance. Perhaps it is not a perfect balance. I am sure there is no perfect balance in this bill. But the committee has tried to consider the varying effects of excluding various areas and of putting in various areas.

I represent people in western Colorado but I also represent more people in eastern Colorado than I do in western Colorado. The original Denver Water Board position and the people who are centrally interested all should be considered.

The fact that the bids have been made on timber there seems to be immaterial, because there are other people who do not live in the area who decide that they do not want it to be timbered and they do not want it to be harvested.

They do not want it to be harvested and the people who live in the area and the people whose jobs depend upon it, their considerations are not even a part of this whole aspect. It is a very frustrating and a very irritating process for me as a representative of both sides of the mountains to try to strike some kind of a balance in this bill and to see that balance acknowledged, to see that the rest of the committee participates in this in a very detailed and in a very thorough way, to have this whole thing thrown out because of a newspaper campaign and because of the Denver Water Board's late considerations and late presentation of figures, which are unverifiable; it seems to me that the full Interior Committee position should be sustained throughout this whole process.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to try to clear up where we are, my understanding is that the gentleman from Colorado (Mr. WIRTH) opposes the amendment because the gentleman wants to include this meadows and, if this committee amendment is defeated, he will then offer a different amendment at a later time for that purpose. Is that correct?

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I would be happy to yield to my colleague.

Mr. WIRTH. Mr. Chairman, that is absolutely correct. It has nothing to do with satisfying one newspaper, and that is a reference to the Denver Post. It has nothing to do with satisfying the Denver Water Board. The only reason this amendment is in there in the first place, the 6,200 acres being taken away, is to satisfy one industry that is going to go in and timber it. This is what is described in the vernacular as a major rip-off and we cannot allow it to happen.

Mr. EVANS of Colorado. Mr. Chairman, I am trying to discover where we are or might be parliamentarily. If this committee amendment is defeated and the gentleman's subsequent amendment is defeated, what boundaries do we then have?

Mr. WIRTH. As I understand the parliamentary situation, if this committee amendment is defeated, we then go back to the map of May 1973. That includes the 6,200 acres for this piece of wilderness on East Meadow Creek and, also as the chairman points out, a few other pieces.

I will then offer an amendment to conform the acreage to the May 1973, map. Were the House then to pass a piece of legislation, we would then go to conference with the Senate, presumably, where any of those differences might remain to be worked out.

Mr. EVANS of Colorado. In order to make sure that we have covered both sides of the aisle on this question, I would like to address the question to the gentleman from Colorado (Mr. JOHNSON). If this committee amendment is defeated and the amendment of the gentleman from Colorado (Mr. WIRTH) subsequently is defeated, then what boundaries do we have?

Mr. JOHNSON of Colorado. Mr. Chairman, if the gentleman will yield, I do not know that we have any boundaries.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. WIRTH. Mr. Chairman, I make the point of order that a quorum is not present and I object to the vote on the ground that a quorum is not present.

The CHAIRMAN. The gentleman's objection is not in order.

Mr. WIRTH. I was on my feet, Mr. Chairman.

The CHAIRMAN. The gentleman can ask for a quorum call, but cannot object to the vote on the ground that a quorum is not present in the Committee of the Whole.

Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

The CHAIRMAN. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to record their presence. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 172]

Abzug
Addabbo
Anderson, Ill.
Andrews, N.C.
Archer
Badillo
Barrett
Bell
Biaggi
Buchanan
Burke, Mass.
Burton, John
Cederberg
Cochran
Conyers
Crane
Derwinski
Dingell
Drinan
Edwards, Calif.
English
Esch
Eshleman
Evins, Tenn.
Fascell
Fish
Flynt
Ford, Mich.
Fraser
Giaimo
Green
Harsha
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Holland
Horton
Jarman
Johnson, Pa.
LaFalce
Litton
McCloskey
McDonald
McKinney
Macdonald
Madden
Mann
Miller, Calif.
Mills
Murphy, N.Y.
Nix
Obey
Pepper
Rangel
Rees
Roberts
Rodino
Rose
Rosenthal
Ryan
Santini
Sarbanes
Satterfield
Scheuer
Schneebeli
Shuster
Sikes
Solarz
Staggers
Steiger, Ariz.
Stephens
Stratton
Stuckey
Teague
Udall
Vigorito
White
Whitten
Wiggins
Wilson, C. H.
Wolff

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DUNCAN of Oregon, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 3863, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 349 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The Speaker resumed the chair.

The SPEAKER. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On March 31, 1976:

H.J. Res. 857. Joint resolution making further continuing appropriations for the fiscal year 1976, and the period ending September 30, 1976, and for other purposes; and

H.R. 12490. An act to provide tax treatment for exchanges under the final system plan for ConRail.

April 5, 1976:

H.R. 49. An act to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; and

H.R. 6346. An act to extend the authorization of appropriations for carrying out title V of the Rural Development Act of 1972, and for other purposes.

The SPEAKER. The Committee will resume its sitting.

DESIGNATING THE EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, IN THE STATE OF COLORADO

The Committee resumed its sitting.

The CHAIRMAN. When the point of order of no quorum was made, the Committee had voted upon the first committee amendment and the Chair had announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WIRTH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

PARLIAMENTARY INQUIRY

Mr. WIRTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. WIRTH. Mr. Chairman, am I correct in my understanding that a "no" vote would enable us to include the East Meadow in this legislation?

The CHAIRMAN. An "aye" vote is for the committee amendment; a "no" vote is against the committee amendment. The committee amendment is set out in italics on line 8, page 1, of the printed bill.

The vote was taken by electronic device, and there were—ayes 109, noes 273, not voting 50, as follows:

[Roll No. 173]

AYES—109

Abdnor
Alexander
Ashbrook
Bauman
Beard, Tenn.
Bowen
Breckinridge
Brown, Mich.
Brown, Ohio
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Downing, Va.
Eilberg
Erlenborn
Evans, Colo.
Evins, Tenn.
Findley
Foley
Forsythe
Gonzalez
Haley
Hansen
Hicks
Hillis
Holt
Hughes
Hungate
Hutchinson
Hyde
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kazen
Kelly
Ketchum
Kindness
Krebs
Landrum
Lloyd, Tenn.
Lujan
McCormack
McEwen
McKay
Madigan
Mahon
Martin
Mathis
Melcher
Milford
Myers, Ind.
Oberstar
O'Brien
O'Hara
Patten, N.J.
Pettis
Pickle
Poage
Pritchard
Quillen
Railsback
Randall
Rhodes
Risenhoover
Robinson
Roncalio
Rousselot
Ruppe
Sarasin
Satterfield
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Steelman
Steiger, Wis.
Sullivan
Symms
Taylor, N.C.
Treen
Ullman
Vigorito
Waggonner
Wampler
Whitten
Winn
Wright
Young, Alaska
Zablocki

NOES—273

Adams
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Esch
Evans, Ind.
Fary
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hightower
Holtzman
Howard
Howe
Hubbard
Jacobs
Jeffords
Jenrette
Jones, Okla.
Karth
Kasten
Kastenmeier
Kemp
Keys
Koch
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
Lott
Lundine
McClory
McCollister
McDade
McFall
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
O'Neill
Ottinger
Passman
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Preyer
Price
Quie
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
St Germain
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Simon
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stokes
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Thompson
Thone
Thornton
Traxler
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Walsh
Waxman
Weaver
Whalen
Whitehurst
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zeferetti

NOT VOTING—50

Abzug
Addabbo
Anderson, Ill.
Andrews, N.C.
Badillo
Barrett
Bell
Biaggi
Burke, Mass.
Crane
Dingell
Eshleman
Flynt
Giaimo
Green
Gude
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Holland
Horton
Jarman
Johnson, Pa.
Litton
McCloskey
McDonald
Macdonald
Madden
Mann
Murphy, N.Y.
Nix
Obey
Pepper
Pressler
Rangel
Rees
Roberts
Rose
Ryan
Santini
Sarbanes
Steiger, Ariz.
Stephens
Stratton
Teague
Udall
White
Wiggins

So the committee amendment was rejected.

The result of the vote was announced as above recorded.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the remaining committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, lines 2 and 3, strike out "one hundred and twenty-five thousand acres." and insert in lieu thereof "one hundred and thirty thousand four hundred and eighty acres."

Mr. MELCHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to explain to the committee that in view of the House vote on the amendment just disagreed to, a conforming amendment will be offered.

If the gentleman from Colorado (Mr. WIRTH) is recognized to add that conforming amendment, it will allow the House to consider its past action to make it conform to the facts and the new acreage that would be allowed under the map of 1973.

AMENDMENT OFFERED BY MR. WIRTH TO THE COMMITTEE AMENDMENT

Mr. WIRTH. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WIRTH to the committee amendment: Page 2 strike out "one hundred and twenty five thousand acres" on lines 2 and 3 and insert in lieu thereof, "one hundred and thirty six thousand seven hundred and fifty acres."

Mr. WIRTH. Mr. Chairman, this amendment substitutes the acreage figure in the bill and conforms the acreage figure in the bill with the map that the House just agreed upon in its previous vote.

I believe that the chairman of the subcommittee, the gentleman from Montana (Mr. MELCHER) has pointed out that this is simply a conforming amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. WIRTH) to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mrs. SCHROEDER: Strike out all after the enacting clause and insert in lieu thereof the following:

That, in accordance with subsection 8(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Gore Range-Eagles Nest Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated May 1975, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Eagles Nest Wilderness" within and as part of the Arapaho and White River National Forests comprising an area of approximately one hundred and twenty-eight thousand three hundred and seventy-four acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Eagles Nest Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and description may be made.

SEC. 3. The Eagles Nest Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. Nothing in this Act or the Wilderness Act shall be construed as impairing the authority of the appropriate Secretary to permit, subject to such regulations as he deems necessary to protect wilderness values, the construction, operation, and maintenance of a subsurface water tunnel in Federal land under the Eagles Nest Wilderness.

SEC. 5. The previous classification of the Gore Range-Eagles Nest Primitive Area is hereby abolished.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, at this time, there are two bills in Congress establishing an Eagles Nest Wilderness Area, both of which have significant support. These two bills are Mr. JOHNSON's bill, H.R. 3863, which we have before us now, and the Haskell bill, which passed the Senate last June. Of the two bills, I think the Haskell bill is the preferable bill. The Haskell bill is, in my opinion, a fair compromise between an optimum wilderness area and the water needs of the Denver metropolitan area.

Over the last 3 years, Senator HASKELL and his Environment and Land Resources Subcommittee staff have worked with the Denver Water Board and environmental groups to try to find ways of mitigating potential adverse impacts which wilderness designation might have on the Denver Water Board's two proposed collection systems—the Eagle-Piney and East Gore collection systems—while, at the same time, preserving as much of the proposed wilderness as possible.

This balancing process has resulted in the deletion of 3,280 acres on the west side of the proposed wilderness near Vail, and two smaller deletions, about 640 acres, around Maryland Creek on the east side of the proposed wilderness near Frisco. These deletions were made to maintain the possibility of eventual use of areas adjacent to the wilderness for water resource projects and to place the east portal of the Vail Pass Tunnel outside of the proposed wilderness area.

As reported by the Senate Interior Committee, the Haskell bill contains 128,084 acres. This acreage figure includes the 6,270-acre East Meadow Creek area, which has no bearing on the water issues involved, that was deleted from the Johnson bill in the House Subcommittee on Public Lands. Without the East Meadow Creek area, the Haskell bill would contain 121,814 acres. The Johnson bill, as reported by the House Interior Committee without the East Meadow Creek area, contains 130,480 acres. With the East Meadow Creek area, the Johnson bill would contain 136,750 acres. The difference in acreage between the Johnson and Haskell bills is, therefore, 8,666 acres.

However, and this is a big however, the Haskell bill, as amended, would make all or virtually all of the 170,000 acre-feet proposed to be collected annually in the Eagle-Piney and East Gore Collection Systems available to those systems should they be constructed at a cost that would not be prohibitive.

Mr. JOHNSON's bill, on the other hand, would make the development of the collection systems proposed by the Denver Water Board so expensive that they would be prohibitive.

The total capital construction costs of the water collection systems under the Johnson bill would be $130.1 million. Under the Haskell bill, the capital construction costs would be $24.9 million, a difference of $105.1 million.

The annual cost of operating the collection systems would be $13.22 million with the Johnson boundaries, and only $3.06 million with the Haskell boundaries. Over a 40-year amortization period, the cost of Mr. JOHNSON's bill would be $529 million and the cost under the Haskell bill would be only $122 million, a sizable difference of $407 million.

In sum, although both the Haskell and Johnson bills would require pumping, the pumping costs under HASKELL's bill are not prohibitive, under Mr. JOHNSON's bill, they are. Both bills offer a viable wilderness area, but the Haskell bill offers a large and beautiful wilderness while, at the same time, making allowances for the water projects planned by the Denver Water Board to serve the growing Denver metropolitan area.

I urge your support of this amendment which would substitute the Haskell boundaries, as reported by the Senate Interior Committee, for those in Mr. JOHNSON's bill, H.R. 3863.

Mr. Chairman, I insert some editorals from the Denver Post and Rocky Mountain News in support of the Haskell boundaries:

[From the Rocky Mountain News, Dec. 12, 1975]

ADOPT HASKELL'S EAGLES NEST PLAN

We are hopeful that a satisfactory end is finally in sight for what has become one of Colorado's most protracted disputes—the creation of an Eagles Nest wilderness east of Vail.

What began five years ago as a mere spat between environmentalists and the U.S. Forest Service has since escalated into a full-scale battle pitting West Slope water interests against the Denver Water Board and its supporters.

After numerous public hearings and much behind-the-scene lobbying, the House Interior subcommittee on public lands is scheduled Friday to take final action on a wilderness measure.

The subcommittee, headed by Rep. John Melcher, D-Mont., has been asked to consider several proposals:

A bill sponsored by Colorado Republican Rep. James P. Johnson, a subcommittee member, calling for creation of a 132,500-acre wilderness.

Legislation sponsored by Sen. Floyd Haskell, D-Colo., to establish a wilderness of approximately 129,000 acres. The Senate already has approved Haskell's bill.

A Forest Service recommendation that the wilderness be limited to 87,500 acres.

The Denver Water Board contends Johnson's bill would critically damage plans to divert to metropolitan Denver some 170,000 acre-feet of water annually from the wilderness area through its East Gore and Eagle-Piney projects.

Haskell's proposal was originally the same size as Johnson's but was trimmed to placate the desires of the water board. The board concedes that most of its water can be retrieved under Haskell's bill. Nevertheless, the board insists at least 9,000 more acres must be cut even from Haskell's proposal or $1 million annually will have to be spent to pump water rather than recovering it through gravity flow.

The water board of course has the right to zealously pursue what it perceives as its legitimate water rights. But we hope the House subcommittee rejects the water board's position and settles on an Eagles Nest wilderness similar to what has been proposed by Haskell.

The water board and some of its supporters are fond of accusing backers of the large wilderness proposals of using the 1964 Wilderness Act to "play water politics."

There is no question Johnson's interest in the large wilderness is based on some of his constituents' natural desire to keep as much Western Slope water as possible on the Western Slope.

But what the water board conveniently fails to mention is that Johnson's proposal follows essentially the same wilderness boundary proposal drafted in 1970 by the Sierra Club and other conservation groups.

During public hearings in October 1970 nearly everyone—including local politicians of both parties—testified in favor of the large wilderness and against the much smaller Forest Service proposal.

Water rights were not at issue during the hearings because the water board mysteriously chose to maintain public silence on the matter.

Witness after witness testified in favor of the environmentalists' proposal because they believed the land in question truly deserved wilderness protection.

In urging support of the large wilderness, we said in 1970: "Progress being what it is, it is much easier to subtract from wilderness than it is to add to it. Colorado needs to act and act quickly in preserving what's left of its rugged, untouched country."

This is all the more true today. We don't applaud using the Wilderness Act to purposefully block water development. But neither do we believe easy access to water supplies should automatically take precedence over wilderness preservation.

It seems to us that Sen. Haskell has made a good-faith effort in sifting through the detailed claims of both sides in the dispute and fashioning a reasonable compromise.

"Weighing the balance of wilderness values and the economic costs proves most difficult," Haskell said. "In my mind, however, the presumption must be in favor of wilderness values for a very simple reason: Preservation of wilderness is reversible; destruction of wilderness is not."

We concur and hope the House subcommittee does also. The larger wilderness could eventually mean a few cents more per month on our water bills. But we consider it a price well worth paying.

PURSUE WATER-WILDERNESS COMPROMISE

The Denver Water Board is getting encouraging support in its battle to protect its water supply in the skirmish over wilderness legislation in Washington.

Suburban groups are being asked to protect the city's water interests—which are their interests, too—and they are coming through in a heartening manner.

The Lakewood City Council, representing 130,000 suburbanites, voted this week to support the Denver Water Board position on the Eagles Nest Wilderness.

This is significant. At stake is the question of how the Eagles Nest boundaries should be drawn as Congress formalizes the area under the Wilderness Act of 1964.

If Congress sets the boundaries of this area, near Vail, in accordance with a bill prepared by Congressman Jim Johnson, R-Colo., the metro area's future water supply will be jeopardized.

Johnson, wooing West Slope voters, has turned his back on 50,000 metro voters in his district. His bill would bar Denver water expansion in the wilderness area; those users would be hurt because they are part of the Denver supply area.

The compromise bill passed in the Senate by Colorado senior Sen. Floyd Haskell is a lot closer to reality. Haskell's bill has much better balance.

On the west side of the Eagles Nest, which sprawls along the spine of the Gore Range, Haskell draws the 130,000-acre area so that environmental groups get two major objectives: a ban on construction of the Piney Reservoir by the Denver Water Department and inclusion of the Meadow Creek site as wilderness.

The Water Board will have to live with those decisions. Piney Reservoir, particularly, is a beauty spot worth defending. Its highest use is not water development, especially considering the fact that Denver can, with pumping, still divert most of its water without the project.

Where the Haskell bill makes its real contribution to Denver water supply is in exempting certain west side areas, south of Vail, from the wilderness. These areas are crucial. If locked away as Johnson sought, Denver couldn't build tunnel and access facilities needed for diversion. It would lose all the west side water.

On the east side of the wilderness area, along the Blue River, Haskell's bill is still restrictive. For the sake of environmental imperatives the Denver area would have to pay for a lot of pumping. Changing the boundaries slightly would give gravity flow water deliveries that, in the long term, would save a lot of money.

Maybe the votes by Lakewood City Council and other suburban agencies will help Senator Haskell adjust remaining boundaries at issue. But his bill is close to being a balanced approach serving the interests of both wilderness and water. We hope the Colorado House delegation, Democrats Schroeder and Wirth and Republicans Armstrong and Johnson, can get together on something workable. That may be asking too much of Johnson—who has opted for his West Slope voters—but adequate protection of Denver water now seems in reach. The compromise should be pursued and that includes some compromise of the water board's position along the lines of Haskell's proposal.

A POSITIVE CONTRIBUTION

With the Denver Water Board resisting compromise on the Eagles Nest Wilderness Area boundaries, the question of how Congress can moderate the impact on Denver's future water supplies is highly pertinent.

Gov. Dick Lamm made a positive contribution to the debate last week when he suggested that the city must consider accepting compromise boundaries offered by Sen. Floyd Haskell, D-Colo. The Haskell bill has passed the U.S. Senate. It is not the best possible bill but it is a lot better than the punishing bill offered in the House by Rep. Jim Johnson, R-Colo.

The Johnson bill would penalize Denver water users by adding about a half-billion-dollars to the cost of water the Denver area will have to divert in the 1980s.

The reason Johnson has this power is that under the 1964 Wilderness Act areas incorporated into wilderness are off-limits to water collection facilities. So by drawing the boundaries slightly lower on the mountainside, Johnson would force Denver to build costly pumping plants.

The difference between pumping and gravity is about a half-billion-dollars over a 40-year period. This money will be paid by the users of Denver water at an annual price of about $12 for each of the 940,000 users if Johnson's bill becomes law.

The price will be only a third that if the Haskell bill takes precedence. For that reason, Denver water officials and customers had better unite behind the Haskell bill as the best of the two choices. If Governor Lamm can throw additional support in the direction of the Haskell compromise he will be doing 940,000 residents of the metro area a good turn. He will be showing leadership the water board, with its narrow political objectives, can no longer provide. There is no question the Haskell bill does represent the fairest choice, as the governor says.

Mr. MELCHER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I would be delighted to yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentlewoman for yielding.

Under the amendment which was just agreed to by the Committee, offered by the gentleman from Colorado (Mr. WIRTH) the bill before us now contains 136,750 acres. Will the gentlewoman tell us what the acreage will be if her substitute is adopted?

Mrs. SCHROEDER. The acreage will be that which is in the Haskell bill. Let me say I think that there is a difference in acreage between the Johnson bill and the Haskell bill to about 4,000 acres. I am not clear whether that difference comes before or after we added East Meadow Creek by the last vote.

Mr. MELCHER. Will the gentlewoman yield further?

Mrs. SCHROEDER. I will be delighted to yield to the gentleman.

Mr. MELCHER. I thank the gentlewoman for yielding.

As I read the first page of her substitute, the acreage would be 128,084 acres as compared to 136,750 acres that the House just agreed to.

Mrs. SCHROEDER. That is correct.

Mr. MELCHER. That is a reduction of about 8,000 acres.

Mrs. SCHROEDER. That is correct,

and the difference is in some of the boundaries that are required to get the water to Denver. As I say, that is the compromise. The boundaries are changed a bit from the House bill in the Johnson bill by our Senators to attempt to get the water to Denver in the most economical fashion. For example, the cost estimate differences—and I am not sure that these are totally accurate; they may or may not be—as between the House bill and the Senate bill are the Senate bill will cost about one-fifth of what the House bill would cost to bring the water into Denver. One of the sad things is that the people in Denver do need some water, and the water resources may have to be developed. The reason some of those boundaries were modified a bit was in order to develop that water in a more economical fashion than would be mandated if they have to develop it under the House bill, so that is why there are some boundary changes in it.

Mr. WIRTH. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I will be delighted to yield to the gentleman from Colorado.

Mr. WIRTH. I thank the gentlewoman for yielding.

I think the specifics of the differences between the Johnson bill and the Haskell bill are outlined in the Senate report, Calendar 165, June 3, 1975, on page 10. There are seven significant differences which account for the acreage which is questioned about by the gentleman from Montana.

The **CHAIRMAN.** The time of the gentlewoman has expired.

Mr. MELCHER. Mr. Chairman, I rise in opposition to the substitute.

Mr. Chairman, the purpose of the substitute is to agree to the Senate-passed bill and to avoid going to conference. It is a dubious distinction that the committee has not asked for. We on the committee shall oppose the substitute.

If the intent of the House is to adjust the boundaries of wilderness area to take into consideration where the Denver Water Board on the west side of the Continental Divide can pick up the water that it hopes to transport to the eastern side of the Continental Divide, then the substitute is in order and should merit the support of the House.

But I would urge the Committee to resist the amendment because I do not believe we should adjust wilderness boundaries on the west side of the Continental Divide to accommodate a city's need for water on the east side of the Continental Divide, and to deny that water to those on the western slope. If the Denver Water Board can prove through a court action that they are, indeed, entitled to the water rather than those on the western slope, that will be the decision of the courts and will have to be honored. But I would urge the Committee in drawing the boundaries of this wilderness not to adjust the boundaries on the basis of solely what the Denver Water Board would like.

I would urge the Committee to review what the character of the land is and find, as our committee, the House Interior and Insular Affairs Committee, found, that indeed this area was of unique quality and was deserving of designation as wilderness for the benefit of all the people of this country.

Then, whatever the Denver Water Board does about getting water from the West Slope to the East Slope can be done, if the courts allow, at points outside the boundaries of the wilderness area without having given up some of the area that truly deserves to be designated wilderness.

I hope the Committee rejects the amendment.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me point out what we have done here. The Interior and Insular Affairs Committee voted a bill that required a 130,000-acre wilderness boundary. We, just by our previous action, added 6,000 acres to that, so we now have 136,000 acres in the wilderness boundary. The pending amendment would reduce that to 128,000 acres.

As the bill presently stands, the 136,000 acres, or as it was originally reported by the Committee on Interior and Insular Affairs, the 130,000 acres, had the support of the following groups: Trout Unlimited, Audubon Society, Colorado Women's Conservation Club, Wilderness Society, Club 20, the Colorado Open Space Council, the Northwest Colorado Council of Governments, the Colorado River Water Conservation District, the three counties through their county organizations, the Sierra Club, the Colorado Mountain Club, and the Colorado Rivers Council.

Those are the groups that are urging the Members to vote "No" on the present amendment.

Mr. ARMSTRONG. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Earlier today I discussed the issue of principle which is involved in this bill. The question is this: Are we going to use wilderness legislation to settle a local water controversy? The bill in its present form does exactly that.

I regret that the amendment before us really does not completely solve that problem, but as a choice between practical alternatives, as a compromise, as a middle ground, it is certainly a vast improvement over the bill from the committee.

The main question is: How much will it cost to develop water rights if, in their wisdom, the people of Colorado and their representatives acting under State law and the State constitution decide to develop these water rights? If no legislation is adopted or if legislation in the form of the original compromise between the wilderness interests and the water interests would be adopted, the cost would be something like $250 million to develop this water.

In its present form, I am told by water authorities, provisions of this bill will raise that cost to $750 million, an addition of nearly one-half billion over a period of 40 years.

The effect of this amendment is to reduce the add-on cost from $500 million to $120 million. So if these figures are credible, and I am not able to verify the data, but they come from a reliable source—if it does not solve the issue of principle, at least it represents a practical compromise and I therefore support it.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, the figures the gentleman is citing are the cost to the metropolitan area of Denver, the water board. At what point or how much would the water board be paying to the U.S. Government for this privilege?

Mr. ARMSTRONG. As the gentleman knows, water rights are adjudicated under State law, and in this instance these are water rights which the Denver Water Board believes they already own.

The question, as I understand it, is whether or not they would be permitted to exercise these rights under the law, using a gravity system, or whether they are forced to install an expensive electric pumping system; so if the water rights are to be developed, and I am not urging that to be done necessarily, if these rights are developed, they ought to be developed in the way that uses the least amount of electricity and costs the least, rather than imposing unnecessary electric and financial requirements.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask another question. Is this not a case where they have more people in Denver than on the western slopes, who are farmers and might want to use this water for farming; so they have the majority of the population of Denver demanding water from the western slopes; is not that it?

Mr. ARMSTRONG. No, it is not.

Mr. SYMMS. Is this also a question of water to be used for swimming pools or developing drinking water?

Mr. ARMSTRONG. The issue is not who lives where or how many votes. There are many people that I represent on the eastern slopes of Colorado who are adamantly opposed to diverting west-slope water. This is not a question of the people on the western slopes being deprived of water. The question is should Congress step in and settle what is essentially a local dispute over water which is already owned by the Denver Water Board. If they do not own the water, and my colleague, the gentleman from Colorado (Mr. JOHNSON) says they do not, that that is to be adjudicated, and if the gentleman is right and they own the water, this amendment will not hurt a thing; but if the Water Board attorneys are right, there is a difference of $400 million.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to my colleague, the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I think it is possible to answer that the water at issue is spring runoff water. We are not in the business of drying up streams and diverting water and so on, were the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER) accepted.

The **CHAIRMAN.** The time of the gentleman from Colorado (Mr. ARMSTRONG) has again expired.

(By unanimous consent, Mr. ARMSTRONG was permitted to proceed for 1 additional minute.)

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I want to point out that the figures that have been presented here, presented and developed during the course of debate, the figures were presented long after we held our hearings. They were not presented to the committee in time for its consideration. There are other figures that indicate it would cost less than $1 million a year to pump the water they are talking about. The figures they talk about, as far as I am concerned, are a total fabrication.

Mr. ARMSTRONG. All I can say is, this is not perfect by a long shot; but it sounds like a good amendment and we should go with it.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment submitted by the gentlewoman from Colorado. Without the amendment, the bill would preclude the taking of water by the city of Denver from the planned points of diversion.

Denver's right to take water from the Colorado River is based on the Colorado River Compact of 1922 and the Upper Colorado River Compact of 1948, which compacts have been approved by Congress. Water claims initiated in 1956—8 years before the Wilderness Act passed—are now the subject of litigation.

Normally, I would not get involved in a controversy in someone else's State and district; and I know that the gentleman from Colorado (Mr. JOHNSON) who represents the area is concerned and is sincere and is representing his constituents. But I believe that a national issue is at stake.

The issue is, shall the Wilderness Act be used or misused as a means of adjudicating the water rights of one section of Colorado versus another? I was a Member of the House when the Wilderness Act was adopted. The purpose was to preserve through legislation unique natural resources that fitted into the Wilderness concept.

It was never intended that this legislation be used to block construction of a road, or a water system, or to solve a local problem. The Interior Committee does not have jurisdiction of these matters. We are not staffed with the expertise that would be needed. Certainly these rights should not be adjudicated in a wilderness bill.

My purpose here is to protect the concept of the Wilderness System. In the absence of this amendment, the bill distorts the intent of the Wilderness Act and is a precedent which will come back to haunt us.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. I thank the gentleman for yielding.

Mr. Chairman, will the gentleman also agree that the Wild and Scenic Rivers Act should not be used for the purpose of adjudicating local river rights?

Mr. TAYLOR of North Carolina. Mr. Chairman, I would state that in my opinion the Wild and Scenic Rivers Act should only be used to adjudicate and locate the wild and scenic rivers that fit into the concept of the system.

Mr. BUTLER. I thank the gentleman.

Mr. WIRTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a question for the gentlewoman from Colorado (Mrs. SCHROEDER), and it relates to the acreage figures in her amendment and the colloquy with the chairman, the gentleman from Montana (Mr. MELCHER).

The existing legislation has 136,750 acres in it. The deletion proposed, according to the maps, under the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER), would be a subtraction of 4,890 acres from that. This would let us arrive at the final figure in the wilderness of 131,860 acres. This is the most recent Forest Service correction from the existing maps.

Mr. Chairman, I was wondering if the gentlewoman might adhere to an amendment that would shift the acreage from 128,000, I believe it is in her amendment, to 131,860 acres.

Mrs. SCHROEDER. If the gentleman would yield, I would accept the amendment, and I appreciate the gentleman pointing that out.

Mr. Chairman, there has been a great deal of difficulty getting the map coordinated. I think the gentleman also put in the specific areas, when he was speaking from the floor, the separate areas that would be deleted.

Mr. WIRTH. Mr. Chairman, I might direct this inquiry to the gentleman from Montana (Mr. MELCHER).

Were the substitute offered by the gentlewoman from Colorado (Mrs. SCHROEDER) to be accepted, we do not want to be in a position of writing into law the wrong acreage number.

How do we get from the point of the amendment offered by the gentlewoman from Colorado to the more correct figure from the most recent Forest Service assessment of the House proposal?

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. I thank the gentleman for yielding.

Mr. Chairman, I would say that the best way to accomplish what the gentleman has just proposed would be to vote down the substitute and allow the committee to go to conference where we can make the proper adjustment, rather than to attempt to get the House into voting one amendment to increase the acreage to 136,750 acres and then reduce it to 128,084 acres and then suggest that somehow we would add another 4,000 acres in between.

To answer the gentleman's question, this bill needs to go to conference to iron out the differences.

Mr. Chairman, I hope that the substitute is not agreed to.

Mr. WIRTH. I thank the gentleman.

Mr. Chairman, there is one final point that has to be made, that the dollars that were being discussed in the earlier colloquy relating to pumping costs have nothing to do with this wilderness bill. This wilderness bill I think everybody agrees upon, and we are now talking about small differences around the edge, which would allow the Denver Water Board, were they to see fit, to more easily pump water outside the wilderness area.

The amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER) is, in my opinion, a good and moderate position between many poles which have been offered, and I would urge the adoption of the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentlewoman from Colorado (Mrs. SCHROEDER) a question.

What the issue here is, the gentlewoman is trying to transfer water from the western slope domestic water for Denver; is that right?

Mrs. SCHROEDER. If the gentleman will yield, that is not right, no. This does not determine whether it will be transported over. It only determines if at some time it is transported over they will not have to buy such expensive pumps.

Mr. SYMMS. If the gentleman will yield further, as I understand it, the city of Denver does not use water meters to measure the water the people in that area use, yet they are still trying to get the use of the water that is used by the farmers on the western slope.

Mrs. SCHROEDER. If the gentleman will yield, that is not totally correct. The area we are talking about has about 40 percent of the State's population, and it is estimated that we use about 1½ percent of the water.

So we are really not stealing all the water in the world, and we are not the only ones diverting it for specific uses. We are using it for domestic purposes, and it is not going to be wasted.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment in the nature of a substitute.

Mr. Chairman, I think my friend, the gentleman from Colorado (Mr. Wirth), has done a very fine thing in adding the 6,000 acres in the East Meadow area to this park. The primary question at issue here is not the water supply of Denver. That will be worked out in conference. It is a question of retaining the acreage just added. It would be a great mistake now to subtract 8,000 acres from this park. That, I believe, is far more than is needed for Denver's water purposes.

Therefore, I hope the Members of the Committee will support the committee position and will vote in opposition to the amendment in the nature of a substitute.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, I note that in the amendment in the nature of a substitute that was offered we have now another dated map, and that date is May 1975. The committee presented one map, and there was an amendment offered by the gentleman from Colorado (Mr. Wirth). We accepted a different map, and now the gentlewoman from Colorado (Mrs. Schroeder) is offering a substitute amendment which presents a third map.

I think the situation is very confusing, and I hope the amendment in the nature of a substitute is voted down so we can go to conference and get a decent bill.

Mr. OTTINGER. Mr. Chairman, with 136,000 acres now in the bill, we are in the best possible position to go to conference and resolve any remaining doubts. I do hope the Committee will support the committee position and vote in opposition to the amendment in the nature of a substitute.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentlewoman from Colorado (Mrs. Schroeder).

The amendment in the nature of a substitute was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Eagles Nest Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

Sec. 3. The Eagles Nest Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

Sec. 4. The previous classification of the Gore Range-Eagles Nest Primitive Area is hereby abolished.

Mr. MELCHER (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

The CHAIRMAN. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Duncan of Oregon, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3863) to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado, pursuant to House Resolution 1127, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1127, the Committee on Interior and Insular Affairs is discharged from the further consideration of the Senate bill (S. 268) to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. MELCHER

Mr. MELCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Melcher moves to strike out all after the enacting clause of the Senate bill S. 268 and to insert in lieu thereof the provisions of H.R. 3863, as passed, as follows:

That, in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132(b)), the area classified as the Gore Range-Eagles Nest Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated May 1973, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the "Eagles Nest Wilderness" within and as part of the Arapaho and White River National Forests comprising an area of approximately one hundred and thirty-six thousand seven hundred and fifty acres.

Sec. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Eagles Nest Wilderness with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

Sec. 3. The Eagles Nest Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

Sec. 4. The previous classification of the Gore Range-Eagles Nest Primitive Area is hereby abolished.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3863) was laid on the table.

GENERAL LEAVE

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

POSTPONING FOR 6 MONTHS THE EFFECTIVE DATE OF CERTAIN CHILD DAY CARE CENTER STANDARDS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–440)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval, H.R. 9803, a bill which would perpetuate rigid Federal child day care standards for all the States and localities in the Nation, with the cost to be paid by the Federal taxpayer.

I cannot approve legislation which runs directly counter to a basic principle of government in which I strongly believe—the vesting of responsibility in State and local government and the removing of burdensome Federal restrictions.

I am firmly committed to providing Federal assistance to States for social services programs, including child day care. But I am opposed to unwarranted Federal interference in States' administration of these programs.

The States should have the responsibility—and the right—to establish and enforce their own quality day care standards. My recently proposed Federal Assistance for Community Services Act would adopt this principle, and with it greater State flexibility in other aspects of the use of social services funds available under Title XX of the Social Security Act.

H.R. 9803 is the antithesis of my proposal. It would make permanent highly controversial and costly day care staff-to-children ratios. And it would deny the States the flexibility to establish and enforce their own staffing standards for federally assisted day care.

This bill would not make day care services more widely available. It would only make them more costly to the American taxpayer. It would demand the expenditure of $125 million over the next six months, and could lead to $250 million more each year thereafter.

H.R. 9803 would also specify that a portion of Federal social services funds be available under Title XX of the Social Security Act for a narrow, categorical purpose In the deliberations leading to enactment of Title XX, a little over a year ago, the States and the voluntary service organizations fought hard to win the right to determine both the form and the content of services to be provided according to their own priorities. This bill would undermine the Title XX commitment to State initiative by dictating not only how day care services are to be provided, but also how they are to be financed under Title XX.

It would introduce two additional Federal matching rates for some day care costs that are higher than the rates for other Title XX-supported services, thereby further complicating the States' administration of social services programs. My proposal would, on the other hand, eliminate State matching requirements altogether.

Moreover, H.R. 9803 would create an unfair situation in which some child day care centers would operate under a different set of standards than other centers within the same State. Those day care centers in which fewer than 20 percent of those served are eligible under Title XX could be exempt from Federal day care standards. This provision would have the probable effect in some instances of reducing the availability of day care services by encouraging day care centers to reduce the proportion of children in their care who are eligible under Title XX in order to meet the "quota" set by H.R. 9803. In those centers not choosing to take advantage of this loophole, the effect could well be to increase day care costs to families who use these centers on a fee-paying basis. In effect, they would be helping to subsidize the high cost. imposed on day care providers serving Title XX-eligible children.

There is considerable debate as to the appropriateness or efficacy of the Federal day care standards imposed by H.R. 9803. In fact, the bill recognizes many of these questions by postponing their enforcement for the third time, in this case to July 1 of this year. Fewer than one in four of the States have chosen to follow these standards closely in the administration of their day care programs. The Congress itself has required by law that the Department of Health, Education, and Welfare conduct an 18-month study ending in 1977, to evaluate their appropriateness.

Rather than pursue the unwise course charted in this bill, I urge that the Congress extend, until October 1, 1976, the moratorium on imposition of Federal day care staffing standards that it voted last October. This would give the Congress ample time to enact my proposed Federal Assistance for Community Services Act, under which States would establish and enforce their own day care staffing standards and fashion their social services programs in ways they believe will best meet the needs of their citizens.

GERALD R. FORD.

THE WHITE HOUSE, *April 6, 1976.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that further consideration of the veto message from the President on the bill H.R. 9803 be postponed until Tuesday, May 4, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CONFERENCE REPORT ON S. 1941, ANIMAL WELFARE ACT AMENDMENTS OF 1976

Mr. FOLEY. Mr. Speaker, I call up the conference report on the Senate bill (S. 1941) to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of March 29, 1976.)

Mr. FOLEY (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

Mr. SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The gentleman from Washington is recognized for 30 minutes.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the committee of conference I am pleased to bring back to the floor of the House, virtually intact, the bill passed by the House in February by a vote of 335 to 34. This bill strengthens the authority of the Secretary of Agriculture under the Animal Welfare Act to deal with the serious and growing problem of mistreatment of animals in connection with their transportation in commerce.

At public hearings conducted during 1974 and again last fall, the Committee on Agriculture developed an extensive record which shows that the problem is particularly acute in the case of air transportation. Solution of the problem has been impeded by the confusion occasioned by the ill-defined and, heretofore, incomplete jurisdiction of the Secretary of Agriculture, the Civil Aeronautics Board, and the Federal Aviation Administration. The record developed during the hearings demonstrates that, despite the attention focused on the problem by our hearings and by the 1973 report by the Committee on Government Operations, no progress has been made toward solution of this problem. This bill will give to the Secretary of Agriculture the responsibility and the authority to solve it.

This bill also comes to grip, for the first time, with the vexing problem of animal fighting ventures, particularly dog fighting, which has spread throughout the United States. A dog fight is an ugly, dehumanizing spectacle in which dogs, either trained for the purpose or maddened by drugs and abuse, are deliberately set upon each other in a pit or ring to fight usually to the death. Large sums of money are frequently bet on the outcome and the dogs are horribly mutilated in the process. Testimony before the committee indicated, that in addition to high-stakes gambling, other criminal activities, such as prostitution, frequently take place at dog fighting conventions.

For the benefit of the Members, I will restate in brief outline, the principal provisions of the bill. First, it brings carriers and intermediate handlers within the class of persons regulated under the Animal Welfare Act and requires that they adhere to humane standards promulgated by the Secretary of Agriculture with respect to the transportation in commerce of all animals protected by the act.

Second, dealers, exhibitors, auction sale operators, and Federal, State, and local agencies are required to obtain a veterinarian's certificate before delivering any dog, cat, or other animal designated by the Secretary for transportation in commerce; and dogs, cats, and other animals may not be transported at less than the minimum age established by the Secretary.

Third, COD transportation of animals is prohibited unless the shipper guarantees payment of roundtrip fare and any out-of-pocket expenses of the carrier or intermediate handler for care of animals not claimed at destination.

Fourth, this bill extends the Secretary's investigative authority to intermediate handlers and carriers and authorizes the Secretary to impose upon such handlers and carriers a civil penalty of up to $1,000 for each violation of the standards of humane care.

Fifth, this bill revises the present penalty provisions of the act and provides a uniform civil penalty of up to $1,000 for violations by any person regulated under the statute.

Finally, the bill adds to the statute an entirely new section which makes it a crime, punishable by fine and imprisonment, knowingly to sponsor, participate in, or use the mails to promote fights between live dogs or other mammals, except man. With a limited exception, which I will note in a few minutes, this new section would also outlaw such activities in connection with fights between gamefowl or other live birds.

The conference substitute adopts, with minor modifications, the provisions of H.R. 5808, as passed by the House, but incorporates a few additional provisions from the Senate bill. The conferees incorporated in the title of the bill a phrase from the title of the Senate bill, and adopted the short title—Animal Welfare Act—and the amended congressional declaration of policy contained in the Senate bill. The conference substitute also contains a Senate provision which requires the ICC, CAB, and FMC to implement standards for humane treatment of animals established by the Secretary of Agriculture.

The House bill prohibited transportation of dogs and cats at an age of less than 8 weeks but gave the Secretary of Agriculture discretion to change this, and also to establish the minimum age for other animals. The conferees agreed to drop the 8-week provision for dogs and cats and to permit the Secretary to establish by regulation the minimum age at which dogs, cats, and all other animals covered by the act may be transported.

The House bill authorized the Secretary to impose a civil penalty of up to $1,000 for violation of the act. The conferees agreed to retain this provision but to incorporate from the Senate bill the additional authority to issue cease-and-desist orders enforceable by a judicially imposed civil penalty of $500 per day.

The conferees retained the House provision prohibiting the use of interstate commerce to sponsor, promote, or participate in animal fighting ventures, including those in which gamefowl are pitted against each other. However, in the case of gamefowl they modified the prohibition slightly to permit gamefowl fights in those few States, territories, and the Commonwealths of Puerto Rico where such fights are lawful.

Finally, the conferees rejected the authorization of $4 million per year for fiscal years 1977 and 1978 contained in the Senate bill. Instead, the conference substitute adopts the House provision which imposes an authorization ceiling of $400,000 per year on appropriations to enforce the animal fighting section. However, the conferees agreed to permit the normal appropriations process to govern implementation of those provisions of the bill which relate to humane treatment of animals in commerce and, accordingly, deleted the $600,000 ceiling upon such appropriations contained in the House bill.

Mr. Speaker, the conference substitute incorporates into the House-passed bill the best features of the Senate bill. The product is a comprehensive measure to assure the humane treatment of animals in transit and to combat the dehumanizing problem of animal fighting ventures and related criminal activities. I urge that the conference substitute be promptly approved and forwarded to the Senate for passage and transmittal to the President.

Mr. WAMPLER. Mr. Speaker, I wonder if I may have the attention of the distinguished gentleman from Washington so that I may propound some questions for the purpose of legislative history.

Mr. Speaker, section 3 of the Animal Welfare Act exempts from the requirement to obtain a license any person who derives less than a substantial portion of his income—as determined by the Secretary of Agriculture—from the breeding and raising of dogs and cats on his own premises. I note that the conferees rejected the amendment to section 3 proposed by the Senate. May I take it then that it was the intent of the conferees to preserve this exemption?

Mr. FOLEY. The gentleman is correct.

Mr. WAMPLER. I thank our committee chairman for providing that clarification of S. 1941. I would also ask the gentleman from Washington for further clarification of section 26 of this bill as amended in conference.

Section 26(d) was amended in conference to read as follows:

> Notwithstanding the provisions of subsections (a), (b), or (c) of this section, the activities prohibited by such subsections shall be unlawful with respect to fighting ventures involving live birds only if the fight is to take place in a State where it would be in violation of the laws thereof.

The joint explanatory statement of the committee of conference—page 23—in explanation of this amendment states that—

> The section does not apply to export of live birds to foreign countries nor to interstate shipment of live birds for breeding purposes.

My first question is: May a gamecock breeder in Virginia ship a live bird by interstate shipment to the State of Washington for breeding purposes even though cockfighting is prohibited in the States of Virginia and Washington without violating section 26 of this bill?

Mr. FOLEY. Yes.

Mr. WAMPLER. My second question is: Assuming such gamecock shipped in interstate commerce, as noted above, is delivered or transported to a person in Washington who uses that gamecock to "participate in an animal fighting venture," without the prior knowledge of the breeder-shipper in Virginia, would the latter be considered to have violated section 26?

Mr. FOLEY. No. The Virginia breeder would not violate the section unless he knowingly shipped the bird for use in an animal fighting venture.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I would like the chairman to respond if the gentleman will yield to him, so that we may make legislative history on this question also.

Mr. WAMPLER. The gentleman from Mississippi is propounding a question for purposes of legislative history. I will yield to the gentleman from Washington (Mr. FOLEY) to reply.

Mr. MONTGOMERY. Mr. Speaker, in Mississippi gamecock fighting is illegal but we have many breeders and many gamecock fighters there. If they would send the gamecocks from Mississippi, where it is illegal, into Louisiana to fight as gamecocks, would that come under the terms of this act? Would they be subject to fines or sentences under this bill for shipping birds from Mississippi into a legal fighting State?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I would answer the question in this way: If shipment were from a State where fighting gamecocks is illegal into a State where such activities were legal, there would be no violation.

Mr. MONTGOMERY. There is no violation of section 26 of this act in shipping from an illegal State to a legal State?

Mr. FOLEY. It makes no difference whether gamecock fighting is legal or illegal in the State of origin. The question is whether the activity is legal in the State of destination. If gamecock fighting is legal in the State of destination, then the shipment is legal.

If, on the other hand, the point of destination is in a State where the conduct is illegal, the shipment would be prohibited under the act.

Mr. JONES of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Tennessee.

Mr. JONES of Tennessee. Mr. Speaker, for the purpose of making a little legislative history, I would like to inquire about a situation where birds are bred within a State where it is prohibited to fight them and they are shipped to a State where it is also illegal to fight them, but they are shipped for breeding purposes, is this legal or not?

Mr. WAMPLER. This is not a violation of section 26 of the act. It would be legal because the shipment was made for breeding not fighting purposes.

Mr. JONES of Tennessee. Mr. Speaker, I thank the gentleman for that explanation.

Mr. WAMPLER. Mr. Speaker, I rise to note my objections to the inclusion of section 26 in S. 1941, as approved by the conferees.

I will vote against adoption of the conference report. I voted for the Animal Welfare Act that would clarify and strengthen the present law relating to the mistreatment of animals in the course of their transportation affecting commerce. More specifically, the bill, in its major provisions, addresses carriers and intermediate handlers in the problem of promoting the humane treatment of animals.

I am greatly disturbed that the conferees retained the cockfighting prohibition in this bill inasmuch as no hearings have been held on that subject and both the proponents and opponents of such a provision should have an opportunity to have this matter thoroughly examined by way of a hearing.

My principal opposition to the conference report goes to the provision that would prohibit gamecock fighting and certain activities—transportation and publicizing—related thereto.

This provision was inserted as an

amendment to section 26, the dog fighting prohibition, in the full committee mark-up. No hearings were held regarding such a prohibition on gamecock fighting. No opportunity was given the States, the Federal agencies, or interested parties to comment on such an amendment.

The penalty for violation of section 26, as it relates to gamecock fighting, is stated in terms of a fine of "not more than $5,000" or imprisonment "for not more than 1 year or both, for each such violation." This is a substantial penalty to attach to a Federal statute where no representatives, either from those who engage in breeding gamecocks or in gamecock fighting or those who oppose gamecock fighting, have had an opportunity to express their view.

Such a procedure, involving as it does legislation with a heavy criminal penalty, is neither fair to those who seek enforcement of such laws or those who may run afoul of such laws.

Moreover, I would think that those who hold themselves out as civil libertarians would be lobbying against a Federal "cadre" or police force of investigators and prosecutors roaming our States and local communities looking for Federal violations of animal fighting ventures. Those who encourage the establishment of a Federal police force for this good purpose may find they oppose such a force as bad, when, as, or if it is extended to include Federal laws prohibiting other sports or betting ventures ranging from bingo to game bird shooting.

I favor limiting further Federal intervention in areas of law enforcement that can be adequately handled by the States. I unsuccessfully opposed this intervention as it relates to cock fighting in this bill, and I will continue to fight any further extension of this or related Federal intervention in this area.

This new section 26 as added to the Animal Welfare Act by S. 1941 would place the Federal Government in the business of enforcing Federal law prohibiting animal fighting ventures—a new added cost of the Federal Government.

While the authorization for Department of Agriculture appropriations is limited in the bill to $400,000 for regulating and investigating animal fighting ventures, how much will be spent by the Department of Justice, the Federal Bureau of Investigation, or the Treasury Department—the agents of the latter two departments may be called upon to investigate animal fighting ventures—is unknown at this time. Moreover, if "the past is prolog" as is chiseled in the marble of the Archives Building here in Washington, much, much more than $400,000 may be authorized and spent in future years.

I want to make clear that I will oppose further federalization of what up to this time has been State enforcement of animal fighting ventures; and I will oppose increasing appropriations for the enforcement of this provision in the Animal Welfare Act.

Why in Heaven's name are we involving the Federal Government in the policing and enforcing of animal fighting ventures? It would not appear to be because no State laws have been enacted to cover the subject. Information provided the committee indicates that approximately all States prohibit dogfighting and 45 prohibit gamecock fighting.

Obviously those who would make the Secretary of Agriculture—or his designee—the dogfighting and gamecock fighting czar are dissatisfied with the policing and enforcing being conducted by the States. They obviously want that FBI agent or Treasury agent obtaining search and arrest warrants. They must want violators brought before U.S. judges and prosecuted by U.S. attorneys rather than local judges and local attorneys.

I submit that if there is one thing that will confuse and possibly cause a breakdown of the policing and enforcing of animal fighting ventures, it will be the introduction of the Federal Government into this hitherto exclusive State area of authority. Whatever resources our States and local governments have heretofore utilized in this function may well, and probably will, be diminished or discontinued. State and local governments are facing budget squeezes, and I forecast that they will view the federalization of this criminal activity as a reason for State neglect of the policing of animal fighting ventures.

Without hearings it is difficult to know the extent of gamecock fighting in the United States. I have no evidence of the extent of gamecock breeding, but the bill was amended in Conference—wisely, I believe—to exempt this element of breeding participation as synonomous with animal fighting, because there is apparently a certain amount of breeding carried on in a number of States.

Letters forwarded from some gamecock breeders claim that fighting is natural and inherent in the disposition of the gamecock. They claim that if the gamecocks were not separated by pens or fences after they are a few weeks old, the gamecocks would kill one another.

Meanwhile, the Washington Post for Sunday, March 21, 1976, in its Travel section discussing tourism to Haiti appears to suggest that gamecock fighting in that country is a "social" function which tourists from the Nation's Capital might wish to participate in:

> Today any tourist in a week or less can become an expert on Haiti, since this is a very small country and its people are friendly. . . . The visitor quickly learns to tick off the country's social, political and economic problems and to conjure up his own immediate and simplistic solutions. Fortunately, he can do all this without losing much valuable holiday time from taking the sun. . . . Or watching a rural mountainside cockfight on Sunday, wherein no blood is drawn because an alert referee whistles a halt when one contestant seems bested. Or partaking, in the dirt beside the cockpit, of a rustic craps game using homemade dice. These Sunday sports are of, by and for the natives, not tourists, although the latter are welcome and can pay the same 10-cent admission fee for cockfight bleachers, 20 cents for ringside chairs.

Comments such as those in the Washington Post are not prohibited by this bill as amended in Conference as promotion of animal fighting. However, I believe it illustrates some of the problems surrounding the prohibition of gamecock fighting in this country at a time it seems to be suggested by our newspaper media as an interesting social and cultural event in a foreign country.

The comments of the several Federal agencies involved in the enforcement of section 26 relating to the prohibition on animal fighting ventures tells us much about the inadvisability of inserting this provision in the Animal Welfare legislation: The U.S. Department of Agriculture position is as noted in an excerpt from a September 25, 1975, letter from Assistant Secretary Feltner to the committee chairman:

> Concerning the animal fighting provisions of H.R. 5808, the Department strongly opposes the holding of such events. However, we do not have the kind of trained manpower and other resources necessary to prohibit animal fights or arrest the involved persons. In our view, this is a proper responsibility of State and local law enforcement agencies and, with few exceptions, laws exist at that level, which would permit effective dealing with this problem.

The U.S. Department of Justice position is as noted in an excerpt from an October 8, 1975, letter from Assistant Attorney General Uhlman to the committee chairman:

> Aside from any technical infirmities with the bill, the Department strongly feels that prohibition against dog or animal fighting ventures should be a matter of state rather than federal law. Traditionally in our form of government the responsibility for the maintenance of law and order has been lodged with state and local authorities. Federal jurisdiction has been for the most part restricted to matters directly involving a function of the federal government or otherwise beyond the normal enforcement capability of such state or local authorities. There appears to be no sound basis for the view that federal intervention in this area could more effectively handle such investigations or have a more deterent effect in preventing the type of offenses contained in H.R. 5808.

Informally the Department of Treasury and Federal Bureau of Investigation—through the Justice Department—have also indicated their opposition to the animal fighting provisions of this bill. Certainly it is more important to have our FBI agents investigating crimes against persons and our Treasury agents investigating bomb threats than it is to have them investigating animal fighting ventures.

I do not profess to know what action the President will take on this legislation, other than that I know the administration is opposed to Federal regulation, enforcement and prosecution of animal fighting as a matter that should be reserved to the States.

However, the Christian Science Monitor, in an article which appeared on Wednesday, March 17, 1976—on the issue of gamecock fighting and what the President might do about this Federal incursion into State enforcement of animal fighting ventures—states in part as follows:

> The most difficult problem facing congressional conferees is whether or not to in-

clude all these animal fighting provisions in the final bill. The objections are threefold: that the provisions were tacked onto the bill later, preventing full debate; that cockfighting is a traditional "sport" in some areas such as Puerto Rico and is legal in five states.

* * * * *

Aides to Senator Lowell P. Weicker (R) of Connecticut, main sponsor of the Senate bill, are confident that even these differences can be reconciled and a compromise bill passed.

But the White House is none too happy with the legislation, and rumors abound on Capitol Hill that President Ford will use his veto.

"We have not indicated we would veto," as such, says a White House spokesman, "but we have indicated strong opposition. The bills would require federal enforcement and we think that the federal police force implications raise constitutional problems."

This objection, adds the spokesman, applies especially to the animal fighting provisions.

CONCLUSION

I wish to commend the chairman for his fine work in narrowing down the provisions of section 26 as they apply to cockfighting. I know that he too does not like to see our committee forced to legislate on important matters without hearings.

I regret, as I have stated, that this cockfighting provision is in this bill, and for that reason I did not sign the conference report. Had it not been added and retained I could have strongly supported all provisions of this bill including the provision on dogfighting, inasmuch as that matter was discussed in hearings and in committee and I see no redeeming social or cultural value in such activity.

I wish to include as a part of my remarks a letter I have recently received from Michael Beard, president of the United Game Fowl Breeders Association. I do this so that some balance be given the legislative history on the provision prohibiting cockfighting. It contains, as an attachment, a study conducted in 1974 by a professor from Clemson University and a professor from Virginia Polytechnic Institute giving background on game fowl fighting.

The material follows:

UNITED GAMEFOWL—
UGBA—BREEDERS
ASSOCIATION, INC.,
Muskogee, Okla., March 25, 1976.
Hon. WILLIAM C. WAMPLER,
c/o John E. Hogan,
Longworth House Office Building,
Washington, D.C.

DEAR SIR: The membership of the United Gamefowl Breeders Association, Inc. is very disappointed by the action taken by the House-Senate Conference Committee in regard to the removal of "live birds" from H.R. 5808 and S. 1941. As Senator Weicker pointed out during the conference, the gamefowl breeders have not had an opportunity to express their side of this issue to any of the Committees that have held hearings. "Live birds" were added by the House at the last minute, and by the time we were made aware of this addition, hearings were closed.

Our Association is in full support of the Animal Welfare Act Amendments of 1976, as long as they exclude "live birds" from the animal fighting provisions and definitions of the Bill. We are in support of the Bill if this exception is made.

Gamefowl have a heritage and tradition in the United States that should be thoroughly examined, and given appropriate consideration before legislation is passed that will eventually result in the extinction of the gamecock.

Enclosed you will find documentation of the following facts: Our first President, George Washington was a spectator at the contests involving gamecocks regularly, Abraham Lincoln was a referee of these contests, and Andrew Jackson was a participator in the pitting of gamefowl. Enclosed also is a survey which was conducted by a Sociologist from Clemson University, with assistance from a professor at V.P.I. This was the most extensive survey ever conducted of gamefowl enthusiasts. The results will surprise most who take the time to read the survey.

Our Association estimates that there are approximately 300,000 American Citizens that participate in the sport in some way. Due to the infancy of our Association, a complete study is not available, but before Congressional action is taken, this study should be made. Our information is that some 30,000 Americans derive a large part of their income from the export of gamefowl, not to mention the feed that is consumed, the lumber that is used in facilities to house gamefowl, airline freight charges, poultry supplies that are consumed, and many other commodities that are involved in the raising, shipping, and use of gamefowl.

The cooperation of gamefowl breeders with the United States Department of Agriculture has helped in the control of certain poultry diseases. This aspect should be studied before Congressional action is taken.

Many foreign countries (Guam, Puerto Rico, Central American Countries, the Philippine Islands, etc.) import hundreds of thousands of gamefowl each year from the United States. Cockfighting is looked upon in these countries in the same light as Baseball or Football are looked upon in the United States. Our Country is the major supplier of gamefowl for all of these countries.

Our Association feels that before a final determination is made on restrictions involving "live birds" i.e. gamefowl, our Congress should make itself aware of all of the many facets of the gamefowl industry in the United States. Only by doing this can a fair and equitable determination be made.

At a time when the legalization of abortion is being considered, relaxation of marijuana laws are occurring everyday, pornography is being sent through the mails under freedom of speech, and crime is on the rise in almost every American city, it seems unfortunate to our membership that the Congress, would consider passing legislation that will make Federal Criminals of those that participate in the raising and fighting of gamefowl in the United States.

Respectfully,

MARSHALL BEARD,
President, United Gamefowl Breeders Assn., Inc.

SOME FINDINGS ABOUT AMERICAN COCKERS RESULTING FROM NATIONAL SURVEY CONDUCTED IN 1974

(By William C. Capel and Clifton Bryant)

While a great deal has been surmized about cock breeding and cock fighting, most of this has been conjectural or observational and has tended to emphasize the gambling and sensational aspects of a type of behavior that has ancient roots, going back at least 1000 before Christ and followed in almost every known culture. The practice of the selective breeding of game fowl over innumerable centuries has produced a product totally different from the ordinary barnyard poultry.

The American variant of this behavior pattern was imported early in our Colonial period from England, and records clearly indicate that it was followed by most of the landed gentry. George Washington, Jefferson, Madison and others bred gamecocks as a matter of course. Still later, there is clear evidence that Stonewall Jackson bred such cocks, preferring, as a matter of fact, a strain he called his "Black Tormentors." Although there is no empirical proof of the matter, Abraham Lincoln, while in Illinois, is supposed to have supplemented his meager law income by being a referee at cockfights.

Solon, the great lawgiver, some 120 A.D., has written a very expressive defense, or rather exhortation to engage in cockfighting as a moral exercise, presenting ideas held by Alexander the Great and other Greeks earlier.

Students interested in the historical background of the sport can find any number of excellent historical documents and books outlining this aspect of the sport.

The object of the National Cocker Survey, as it is known, was to see who, in what number, and of what disposition, are followers of this behavior in the United States today. Through the assistance of one of the national magazines devoted to the development of this activity, Professors William C. Capel of Clemson University and Professor Clifton Bryant, of Virginia Polytechnic Institute and State University, were able to conduct a national mail survey of a selected random sample of 1000 cockers, of whom over 500 responded fully. This supplemented individual interviews and investigations and led to a number of conclusions.

The survey was not limited to merely assessing the demographic data on these people, but in assessing their psychological profiles, and any differences in actions, feelings, or motivations that would separate this group from other Americans. In particular, the surveyors wanted to see if people engaged in this activity were more sadistic, more prone to compulsive gambling, more violent or aggressive, or in any other way socially pathological.

"In summary of the above latter point, although the data has not been completely analyzed as yet, it can be stated that no pathologies have been exhibited. Devotees of cocking show no psychological abnormalities, at least on the measures used. Their prime variation from the norm for other Americans on all these points seems to be their interest in gamecocks, extending from breeding to matching these birds in combat."

What follows in this report, which it must be stressed, is not complete, and is presently being computer analyzed, is a brief summary of some of the salient findings of this survey, which, so far as is known, is the ONLY effort to examine this activity on a national scale, in depth.

Cockfighting is a major American recreational activity which has a very sizable number of enthusiasts and participants. Cockfighting itself is misunderstood, if not, in large measure, unknown to the general public, and the general picture of the cocker himself is incomplete and sometimes distorted. The recent National Cocker Survey was designed to learn more about cockers and their involvement in the sport, and thus to better complete that picture. The enthusiastic response to the survey was most gratifying, and approximately 53% of the individuals who received a questionnaire completed and returned it. The responses have been coded and tabulated and a complete report on the research is now in progress.

REGION OF RESIDENCE

Regionally speaking, cockers seem to live predominately in the Southeastern or Southwestern part of the United States. Almost 58% of all those responding said they lived in a state in these areas, with more than one-quarter of all cockers mentioning a state in South Atlantic region (Delaware to Florida). Less than 5% lived in New England or the Mid-Atlantic states, less than 10% listed a Pacific Coast state, and only 5% lived in a Mountain State. The Midwest accounted for 16.5% of the cockers. Only a few dozen respondents lived in Hawaii, Alaska, Guam, or Canada. (Persons from overseas countries were excluded from our sample because of the time necessary for mail to reach them.)

RURAL OR URBAN RESIDENCE

Although *more than one-half* of the cockers indicated that they lived in a rural area (village under 2500 or open country) when they grew up, the majority (56%) reported that they now live in towns or larger urban areas. This reflects the general urbanization trend of all Americans.

Age would seem to be no impediment to participation in the sport in that the cockers ranged in age from under 15 years of age to over 80. The average of the respondents was approximately 39 while slightly more than one-third were 50 or older, and 17% were 19 or younger. Nine cockers reported that they were over 80.

MARITAL STATUS

Like most Americans, a very high percentage (85.9%) of the cockers are married, and almost as many (80.1%) have children. The average number of children per family is 2.39, which reflects the typical American family of 2 to 3 children.

OCCUPATION

There was a fairly large range of occupational pursuits reported by cockers. Some 17% of all cockers responding said that they were retired and listed their former occupation. Some 28% of the respondents listed an occupation classified as Skilled Blue Col-Collar, and slightly less than one-quarter of them mentioned a Semi-skilled Blue-collar specialty, white almost 38% fill the white collar ranks in sales, administrative, or business positions. Almost one-quarter of the respondents said that they were self-employed and approximately 45% mentioned a business or commercial organization. Less than 15% said that they worked in government, education, or the armed services.

An examination of the occupations shows that those taking part in this activity represent a cross section of what is basically "the great American middle class" and there are simply very few representatives of unemployed, welfare, or other such groups, unless one wished to regard retired persons in this category. Those self-employed are principally owner-operators of small businesses.

Slightly more than 10% of the respondents did not reveal their incomes, but of those who did, the average income was $9,000.00 to $11,000.00 annually. Only 12.8% of the cockers responding reported an income of less than $7,000.00, while approximately one-quarter listed a figure of $7,000.00–$11,000.00. Some 22% said they earned from $11,000.00 to $15,000.00, and almost 30% made $15,000.00 or more.

EDUCATION

The average educational attainment of our respondents was nearly 12 years (11.85) of formal schooling. High school graduates made up 38.8% of the sample, while those having education beyond high school constituted 27.4% of those answering the questionnaire. Less than 4% of the sample claimed less than an eighth grade education and 12.4% reported campleting college or work beyond college. Some 26% of all those surveyed had completed business or trade school.

Only 2 out 533 respondents were female, so the term "spouse" generally refers to a wife. Wives of cockers tend to be somewhat less well educated than their husbands having completed an average of eleven years of schooling. About 45% of the wives are high school grads while a smaller number, only 20% have education beyond high school. Only 1.9% of the spouses have less than an 8th grade education and about 10% report having a college degree or higher. About 20% of spouses have attended a business or technical school.

AGE WHEN WENT TO FIRST STAGED COCKFIGHT

While the mean (or average) age for all cockfighters who reported fell between 20 and 29 years old, 30% were fifteen and younger when they went to their first fight, while less than 6% never went to a fight until they were past 40. This finding suggests that cockers are initiated into the sport at an early age, and by their elders. Most cockers reported that they become involved as more than spectators (if they become involved at all) also at ages about 24 or 25. Seventy-seven per cent of the answers stated that cocking was their main time activity. Not surprisingly, the next most active hobby had to do with active, outdoor leisure, such as hunting, fishing, trapping, etc. Only a few cared very much for team or individual sports.

PARTICIPATION BY SPOUSE

By an overwhelming percentage (84.6%) the spouses, usually wives, approve of cockfighting. The small number who did not approve usually did so on the grounds of cruelty. Of the married cockers, just over half (55%) participate in the sport, either as a spectator, or helping with the raising and training of the birds. As noted in Part 1 of the study 85.9% of all cockers are married and have an average of between two and three children, although almost 11% had four. One per cent managed to have eight. But, rather surprisingly, almost 20% reported no children. On the question "Do your children participate in fights" there was an almost exact split. Forty per cent reported that "yes" their children did participate and 40% reported "no" they did not, while the remaining 20% chose, for reasons of their own, not to answer.

FREQUENCY OF ATTENDANCE, FREQUENCY OF FIGHTING

Nearly all the cockers responded to this question. Some four per cent say they are not interested in the fighting aspects of the sport and never attend fights, while another four per cent said they attended "very seldom." By far the greater number, some 54% "a few times a month," while 18% say they go "once or more weekly," which translates into a lot of people seeing a lot of cockfights.

The next question showed that, of those who fight birds, that in contrast to the 18% who attend more than one a week only 7.5% fight birds that often, although a whopping 50% of all those who fight birds do so a few times a month. Some 25% fight only a few times a year. Cockfighting promotes sharing leisure time in other activities with individuals met through cocking in 51% of the cases.

A slightly higher percentage (62.1%) have occasion to visit or go out socially with other cockfighting enthusiasts and their friends, while an even higher percentage (67.7%) have "best friends" who are also involved in the sport.

BETTING

Although a number of fictional books about cockfighting and one recent movie strongly intimated that the be-all and end-all of cocking was betting, and that mains or hack fights were the predominant forms, the national survey indicated that things are quite a bit different. In the first place, it is only almost true that the majority of cockers who bet at all, and 83% say they do bet, do so "frequently." Forty-nine per cent of all cockers say they bet frequently, and another 34% say they bet "occasionally." It should be noted that only some 15% say they bet "seldom" or "never." Additionally, the preferred type of fight attended is clearly the "derby" or "tournament" fight. Very few attend mains, probably because of their decline in general popularity.

DEFENSES AND CRITICISMS OF COCKING AS A SPORT

When asked the twin questions "What is the thing about cockfighting that you think most people in it like?" and, "What is the major thing that you like about cockfighting?" there was close agreement. Some 19 reasons were presented in answer to these questions, but three clearly presented the vast majority viewpoint. The leading thing most liked about cockfighting was "Competition," an answer that received 26.5% of the votes. A close second was "Thrills and excitement" an answer that received 23.5% of the votes and "cock husbandry" which received 12.8%. "Money" came in a distant fourth, with 8.8% of the sample selecting this as their main reason for liking the sport. This same rating was given for both questions, as to what cockers think others would like best and what they themselves liked best.

In defense of critics of the sport, who call it cruel, illicit or "deviant" cockers tend to concentrate in two areas. Thirty-one per cent thought the critics were uninformed and ignorant about the purpose and practice of cockfighting, while the larger number, some 42.4%, lumped their defenses under what we called "general disagreement with critics." Their reasons for defending cockfighting were concentrated on the idea that "The Lord made gamebirds to fight, that cocking is no different and no more cruel than other sports, that cockers have a degree of honesty, dignity and pride unknown to many other sportsmen and so on." The primary contention was on some variation of the general theme that cocks are born to fight, and exhibit such gameness that they provide inspiration in the game of life.

In response to the question, "It is said that some hobbies tend to change people and their personality. What has the gamecock sport done for or to you?" On this rather complex question there was a surprising degree of agreement that cocking has a definite "Therapeutic" value. Almost 45% endorsed this view, citing improved marital relations, giving one goals to strive for, giving great personal satisfaction and sense of personal worth, new lease on life after retirement and the like. Less than one per cent said that it provided profits. In fact, on all questions involving money, cockers are in entire agreement that if it is money you're looking for, the cocking is not for you.

How the cocker looks at his sport—(part 2)

The prelimniary stages of the survey have been reported above, and show who the cocker is, where he lives, how he gives his time to the sport, who bets, how much, and other of what sociologists call "Demographic features." In this section we will look more closely at the "How" of the cocker. How he became involved in the sport, some of the ways he maintains contacts and involvement in the behavior patterns, and the like.

INVOLVEMENT IN COCKFIGHTING

Cockfighting, like other hobbies and sports, has a large number of followers, not all of whom are involved to the same degree in terms of time and effort, or for the same reasons. Hobbyists find different aspects of their recreational pursuits satisfying, and cockers are no exception.

One of the questions on the survey inquired as to the individual's present involvement in the sport. Since many cockers participate in this leisure activity in various ways, multiple responses were permitted. Some hobbyists follow their sport only by keeping up through the magazines. This is certainly not the case with cockers. As Table 1 shows, only a very small percentage, 12.6%, only keep up with cockfighting through the magazine devoted to the sport. Cockers, it would seem, are not in general, only vicarious participants in their hobby. Nor are cockers only onlookers. As the results of the question indicate, only a very small percentage of individuals in the sport, only about 8.5% or one in twelve, are only spectators at fights. There is no denying the feathered beauty of gamecocks, but they are a special kind of bird and apparently most cockers who raise gamecocks are more interested in the birds for competitive rather than for merely poultry or business reasons. As Table 1 points out, more than 82% of those individuals in the survey said that they raised and fought gamecocks.

TABLE 1.—PRESENT INVOLVEMENT IN THE SPORT OF COCKFIGHTING

[In percent]

	Yes	No	Did not respond
Only keep up with cockfighting through the magazine	12.6	87.4	-------
Only a spectator at cockfights	8.3	91.7	-------
Raise gamecocks merely as poultry hobby	14.4	85.6	-------
Raise and fight gamecocks	82.2	17.6	0.2
Primarily raise gamecocks as a business	8.1	91.9	-------
Primarily am in business making or selling some product for the sport (i.e., spurs, medication, diet supplement, etc.)	1.7	98.3	-------
Primarily enjoy the opportunity for betting on cocks	8.4	91.6	-------
Other	8.1	91.9	-------

At the same time, only 8.1% or less than one in ten raised the birds as a business, and only slightly less than 15% mentioned raising gamecocks as a poultry hobby. Cockfighting is a big hobby and there is a sizable market for various products used in the sport. Only a very small percentage of cockers, however, less than 2%, are primarily involved in conducting a business selling some product. Cockfighting does permit the opportunity for betting, but a small number of persons, 8.4% of all responding to the question, indicated that they were primarily in the sport to enjoy the opportunity for betting on cocks. An even smaller percentage, 8.1% listed other reasons. Overall, it would appear that cockers are involved in the hobby primarily because they enjoy raising and fighting their own birds. It's the competition that is the main factor, and other reasons would seem to be very much secondary.

EARLY CONTACT WITH COCKERS

Since many cockers started out in the sport at a relatively early age (the average age, as you recall from Part II was between 20 and 29), it might be assumed that they might have known other cockers while growing up, and perhaps been influenced by them. On the survey cockers were asked about persons that they might have known when they grew up that raised or fought cocks. The results of that question are shown in Table 2.

TABLE 2.—CONTACT WITH COCKERS WHILE GROWING UP

[In percent]

Who Cockers were	Yes	No	Did not respond
No one	24.2	75.6	0.2
Members of immediate family	21.4	78.4	.2
Other relatives	24.0	75.8	.2
Neighbors	22.1	77.7	.2
Friends (other than neighbors)	49.5	50.3	.2

Less than one-quarter of those answering the question said that they knew no one who raised or fought cocks while growing up. Surprisingly, only a little over 20% of those in the survey indicated that members of their immediate family raised or fought cocks. The sport was apparently not a "family tradition" in many instances. Similarly, less than one quarter of the respondents reported that other relatives were cockers, and only slightly over 22% mentioned neighbors. A somewhat larger percentage of individuals, almost one-half of all answering the question said that they had friends who raised or fought cockers when they grew up. Three out of four cockers did know persons who raised or fought birds when they were growing up. In some instances, these persons were members of the immediate family, relatives, or neighbors. In most cases, however, they were friends and undoubtedly were an influence on those in the survey in terms of taking up the sport.

HOW COCKFIGHTING KNOWLEDGE ACQUIRED

To raise a healthy gamecock and properly condition him for the ring is a challenging task. Appropriate behavior in handling birds in matches, and being familiar with proper procedures, etc., in derbys and tournaments all call for detailed knowledge of the sport. As might be expected, cockers acquired their skills and knowledge from a variety of sources.

TABLE 3.—*How knowledge to raise and/or fight gamecocks acquired*

[In percent]

	Yes	*No*
Learned from members of family, neighbors, or old friends	61.2	38.8
Learned directly from other cockers that you met while attending matches	48.8	51.2
Learned from just observing things at cockfights	39.2	60.8
Learned from reading books and magazines about cockfighting	53.5	46.5
Attended a cockfighting school	2.8	97.2
Other	6.8	93.2

As Table 3 points out, the largest percentage of cockers, upwards of two-thirds of those responding to the question, said they acquired their knowledge from family, neighbors, or friends. In view of the information given in the previous table, that about one-half of the cockers in the survey knew friends that raised or fought cocks when they grew up, it is a strong likelihood that it was perhaps these friends that shared their knowledge of cock raising and cockfighting with the respondents. A substantial percentage of cockers, however, almost one-half, met other, presumably more experienced, cockers at matches and gained the necessary information and skills from them. A good many individuals, somewhat more than one-third, managed to learn what they needed to know from just their observations while attending cockfights. In cockfighting, as in other sports, books and magazines are important devices of communication and information. It is interesting to note in Table 3 that slightly more than one-half of the cockers in this survey, some 53.5%, obtained their knowledge of cock raising and cockfighting from books and magazines on the subject. Although there are schools for cockers, it would seem that not many individuals have yet had occasion to attend. Only a very small percentage of the cockers in the survey, less than 3%, had attended a cockfighting school. Over all, it appears that cockers acquired the necessary knowledge to participate in the sport through information shared by family, friends, and newly met fellow cockers, and/or picked it up by themselves through observation and reading.

SOME RESULTS OF RESPONSES TO PSYCHOLOGICAL QUESTIONS ASKED OF COCKERS ON NATIONAL SURVEY

The establishment of "psychological profiles" on individuals and on groups of individuals linked through some behavioral characteristic has been an established practice in sociology and psychology for some time.

Results of such studies have often been badly used by sensation seekers and popularizers who do not appreciate the limits of such devices. The basis of psychological studies is a comparative one. If one studies a *known* group which has already demonstrated a characteristic response in real life to certain conditions and extracts those responses that occur most often, one can predict about what a person known to be in that category will do, and even think, in a given situation.

If we then take the responses of an unknown individual or group and extract the same responses as those of the known group we can make fairly inferences as to what the unknown group will do. If psychotic individuals answer a certain item in a certain way, regularly and persistently, we can assume that this response is "typical" of a psychotic. If we give the same item to a person about whom we know nothing, and he responds regularly and persistently in the same way as a psychotic (known) does, the investigator feels reasonably sure that this individual, while not ever necessarily acting in a psychotic manner, has the more pronounced capacity to do so when compared to a person who makes totally different answers. Inexact as the science is today, it does afford a way of looking at groups of persons and calculating their major characteristics. One section of the National Cocker Survey concerned itself with the responses to a questionnaire designed to reveal certain known characteristics to see which pattern, the one followed a minority (which society has labeled "deviant") or of the majority (which society has labeled "normal").

This section is a condensed report of some of the major findings of this profile study. It has not been completed at this time, but throws considerable light on the way cockers look at things generally.

The questionnaire consisted of a list of items with which the respondents were asked to check whether or not they "agreed" were "neutral or didn't know" or whether they "disagreed." A variety of variations were provided for degrees of approval or disapproval, but these were condensed in the discussion in the interest of space and time.

What was immediately apparent is that cockers, whatever their position, are seldom neutral. This made the interpretation of your positions on these issues easier to determine.

In one sense this is like the familiar Gallup Poll in that you are asked your opinion, and the results can be tabulated and given to you in percentages. For example, one item asked "In times like these a person doesn't know who he can count on." Thirty-one per cent agreed and 18% strongly agreed, making a total of 49% who thought this was so, or very probably so.

On the other hand 18% strongly disagreed and 24% disagreed, so we had 42% who do not think that it is hard to find someone you can count on. There some of the items that do not receive much endorsement at all, and others that many people felt they either did not know enough about, or were not sure as to make it unusable, but there were many very interesting responses that show much about the views of cockers. For clarity's sake, we have condensed the strongly disagree and disagree together and have done the same with the agree and strongly agree categories. The middle position is called neutral. Percentages are rounded off, and do not always add up to 100% but are close enough to show these differences and similarities.

These are, of course, opinions and there are no "right" or "wrong" answers. It is reasonable to ask why these particular statements were chosen to be asked out of all those possible. For instance, you note that no political questions were asked. While many of these statements may appear simple, actually they have been carefully tested over quite a long time, with thousands of different people from many walks of life. These items, out of thousands tried, have shown themselves to be "discriminating" in the best sense of that word, meaning that these items are capable of arranging themselves into patterns that allow differences between groups of people to become apparent, and thus allow for comparisons. For instance, when we compare cockers with a general sample of the population taken without regard for their occupations or leisure time activities, we find that cockers are more concerned with their health than the general population. This may be because they are aware of the value of good nutrition, exercise and the like as shown by the development of their fighting cocks, or it may be due to their association with the outdoors, and with sports. Whatever the reason, it can be stated that cockers are more interested in their health. It is possible that this may be responsible for the continued activity of many cockers into old age. Thus, one answer to "Who is a cocker?" might be "A man with a sensible regard for his health."

The first listing in this article simply shows the percentage answers to select items (the complete statistics on this will be in the book to be published on the complete results of the cocker survey). It should be noted that the items are grouped together into certain natural divisions rather than listed randomly as they were in the questionnaire.

When a large group of people act alike and respond alike to certain stimuli we say they are "homogenous." This state may be brought about by people living very near one another, but it is sometimes attained through a group sharing of some common experience. It is apparent from an examination of how cockers "look at things" that they are a remarkably homogenous group. It would almost seem that if you asked any cocker what his opinion on a subject was (other than quality of his cocks) what one cocker said would represent what ¾ths or more would say. Notice in the items listed in the table below, you will see that the opinions are usually lopsided, either very strongly "pro" or very strongly "con." For example, 85% of the cockers agree that "Old people should get more respect than they do" and you might ask "Doesn't everyone feel this way?" but the answer is "No, they don't." Many other groups are far less convinced of this fact.

TABLE 4.—PERCENTAGE RESPONSES TO SELECTED OPINION ITEMS

Item	Agree	Neutral	Disagree
In times like these a person doesn't know who he can count on	50	5	42
No one is lower than a person who does not show love, gratitude and respect for his parents	74	4	19
What young people need today is discipline, determination, and the desire to fight, if necessary, for home and country	85	3	8
Obedience and respect for authority are the first duties of a good citizen	86	3	6
These days things change so fast that you hardly know what to expect next	74	4	18
It is hard to decide who you can really trust these days	54	4	38
Old people should get more respect than they do	85	5	10
In times like these a person has to live pretty much from day to day and let tomorrow take care of itself	34	5	49
Good health is more a matter of luck then what a person does about his health	11	4	80
A person's health is more a matter of something that is born into him than what he does about it	24	9	63
It's usually not possible to prevent sickness; if you're going to be sick, you will be sick	19	6	68
Public officials will help a person if he just lets them know what his problems are	51	14	30
There is not much chance that people will do more to make this country a better place to live in	29	7	60
Most people can be trusted	54	9	31
In court, a poor man has just as good a chance of a fair deal as a rich man	23	4	76
I am more concerned about my general state of health than most persons my age	41	16	38
I think about my own general state of health quite frequently	63	6	25
I am a hard driving, aggressive sort of person	58	10	27
I often have the feeling that time is passing too quickly each day to get done all that needs to be done	82	2	11
I don't like it if I have to wait in line, or wait on someone who is late for an appointment	67	7	20
To get somewhere in the world a man has to carefully plan for the future	84	3	8
I am often in a hurry to get things done	76	3	14
Many people do not know what to do with their lives	82	4	9
Many people today are lonely	83	4	9
Today there are a lot of people who are unhappy because they do not know what they want out of life	85	3	5
The health of a person my age depends on the food he eats	60	11	24
The health of a person my age depends on the amount of stress and tension he has to put up with in his daily life	70	6	18

Cockers are very firmly on the side of law and order, and respect for one's fellow man. Other issues about which cockers feel more pronounced unanimous feelings than other groups are about such things as that most people can be trusted, that young people need more discipline and determination, and that to get ahead one must make careful plans for the future.

The happy-go-lucky attitude toward life is not for the cocker. He sees time as a precious commodity that is moving too fast. He feels that his diet is important to his health, and definitely feels that he has control over his health.

All of the responses to all of the items have been analyzed by a different procedure from that described so far. This procedure is called "factor analysis" and is only possible since the advent of the computer. What this does, in simple language, is to take into consideration the way in which every person who answered these opinion questions. He is assigned a certain scale value according to each answer. Then *each* answer is related to every other answer, and all of each person's answers are related to all of every other person's answers. If you think this is a complicated arithmetical problem you are absolutely right. It would take 1,000 accountants 1,000 years to do it, but the computer can do the entire procedure in a few minutes or less. It is thus possible to make millions of comparative analyses that were impossible a few years ago. One thing that we do is to take all the answers and group them into sets of items that "hang together." In the above table you will note that the items "Good health is more a matter of luck than what a person does about his health:" "It's usually not possible to prevent sickness; if you're going to be sick, you will be sick" and "A person's health is more a matter of something that is born into him than what he does about his health," all are very much alike. These three statements indicate a strong belief in "fate" or "chance" and in the kind of analysis that we are talking about (factor analysis) they compose a factor and are treated as if they were one, and reveals persons who agree with this to be strongly psychologically given to trusting to luck in their lives. Notice that cockers, by a large majority, don't agree with this.

Now suppose we take the people who did agree with this and checked to see if they also bet compulsively and heavily, with a great deal of dependence on luck, then we would be justified in saying that such people are apt to be compulsive gamblers. Many people make just such assumptions about cockfighters . . . that they are big gamblers, often betting on superstition and luck . . . whereas our study shows that on this factor, which we have called "Fatalism", that cockers are, for the most part, far different.

SUMMARY

While, as we have several times indicated, the findings in this report are by no means complete, they do give us the best general profile of the American cocker thus far assembled.

It is difficult, of course, to estimate the total number of persons who are engaged in some aspect or other of this form of behavior. If we count persons whose participation has been limited to a very occasional visit to a Derby, it is possible, by extrapolation from circulation figures of the three principal magazines, plus observational studies, to estimate that something over 100,000 are more or less actively engaged in some form or other of the activity. An estimate of some 40,000 might be more accurate for those who are extensively engaged in the behavior generally described as "cockfighting."

While generalizations may often be inaccurate, there are a few salient features that have emerged. Cocking is basically a white (and Puerto Rican) activity in the United States, and is primarily a middle class activity viewed by the participants as "recreational" in nature, and while some gambling is usually closely associated with the behavior, this gambling is neither as intense nor on anything like the scale in which it accompanies other sports.

There are no serious psychological differences between those who engage in this behavior and those who do not. Certainly there are NO signs of psychotic behavior. On attitudes expressed, people engaged in this recreational form are basically conservative, highly concerned with health and outdoor life, strongly patriotic and strongly in favor of obeying laws and preservation of public order.

It is very clear that they do not consider themselves as a "deviant" group, and do not view their behavior as either morally or legally wrong in the deeper sense that it could be considered an action of real danger to society. It is a very "long-lasting" behavior pattern, and people engaged in it are very unlikely to cease their activity no matter what efforts are made to suppress it.

At the present time the entire behavior represents a good example of "decriminalization" in that while laws against it remain on the books of most states (albeit they are very vague in some) the enforcement depends almost entirely on local sentiment. Anytime enough pressure is brought to bear, or when the conduct is considered offensive by enough local citizens, it usually moves elsewhere.

About the only real effect of a national act of legislation to make this activity a felony would be to "criminalize" a considerable number of otherwise law-abiding taxpayers without a great decrease in the activity itself. Any behavior so strongly rooted in history and tradition will survive, but being criminalized would bring individual grief to many citizens who are otherwise solid pillars of the community.

From this survey, it would appear that little could be gained in terms of national order by a national legislative act that is not now covered by local action.

There is no attempt in this survey to make any judgments on the "cruelty" or lack of in cock fights. Strong arguments can be made for both sides of this question, but they are basically emotional. We were concerned with whether, because of their somewhat variant recreational behavior, these people were demographically or psychologically "different" from general population, and whether or not these differences, if any, would be apt to create other problems, or breed general disrespect for the law or accepted moral attitudes. All the evidence to date (and again, this is a preliminary report) indicates that this activity, which seems to maintain a remarkably even level of participation through time, poses no serious threat to the public order.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the gentleman for his very fine statement, and I would just like to say that, in other words, if this bill becomes law, if it is not vetoed, if it passes this body today, then in fact our colorful Secretary of Agriculture will aptly or by law become the new czar of cockfighting in America; is that right?

Mr. WAMPLER. The gentleman can style it any way he wishes, but at least one of his responsibilities will be the enforcement of legislation regarding cockfighting.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. I thank the gentleman for yielding.

During the course of the debate on this bill, it seems to me that a letter from the Secretary of Agriculture was received which indicated that the cost of enforcing this legislation would be in the neighborhood of $25 million. Is that correct?

Mr. WAMPLER. That figure was mentioned during the discussion of the bill on the floor, but the specific section relating to the enforcement of the animal fighting provision I think, by virtue of the action of the Committee of the Whole House, was restricted, I believe, to $400,000.

Mr. KETCHUM. If the gentleman will yield further, as I recall, the Secretary's letter estimated that the costs would be in the neighborhood of $25 million.

The Congress, in its limitless wisdom, limited the amount to $400,000.

Would that not indicate to the gentleman that an aye vote on this conference report would result in the fact that next year and the year thereafter there is going to be one request after another until we reach that $25 million figure?

Mr. WAMPLER. I think the gentleman raises a reasonable assumption, because this has happened so frequently in the past.

Mr. KETCHUM. I thank the gentleman.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, the gentleman may recall that I was the one who offered the $400,000 amendment. I did it—if I can have the attention of the gentleman from California—because in the time that I have served on the Committee on Agriculture we have had, I think, on the whole, very good cooperative efforts from the Department of Agriculture. There have been a few occasions, however, when I thought that we were not well served by statistical and other information that has come before the committee. On the occasion of consideration of the Animal Welfare Act amendments the estimate of $25 million cost was made in a letter from the Deputy Assistant Secretary to the gentleman from Idaho (Mr. SYMMS) 3 or 4 days before the bill reached the floor, and after the Department of Agriculture had formally indicated they could not give us an estimate when we were considering the legislation. It was perhaps the most flagrant case that I have had come to my attention as the chairman of this committee of the manipulation of statistics by the Department to back up a position taken by the Department.

Mr. Speaker, regardless of who is in the administration and whoever is responsible for the enactment of legislation, it seems to me that we ought to be able to get from the departments of Government reliable figures, whether it be a Department that encourages the legislation or opposes it.

I want to give another example, as long as we are on this subject. We passed a bill not too long ago on rice. That was a bill which I supported and which the Department of Agriculture said was not going to cost any money. In fact, they said it was going to save money. Yet, a very few months after it was passed, the Department of Agriculture estimated that it will require $128 million for deficiency payments in that very program.

Mr. Speaker, there are other departments of Government that are absolutely reliable, as far as I can tell, concerning the information that they provide to the committees with which they deal, whether they are for a bill or against it, or whether they are for an amendment or against it. I think that ought to be the standard.

This totally ridiculous figure of $25 million, which is inflated and fraudulent in my opinion, was, I hope, scotched by the cap of $400,000 which we adopted in the committee. I do not think it serves the interest of the Department or enhances the credibility of the Department when we learn that this letter came up through a backdoor channel after we had been formally advised by the USDA that a reliable estimate could not be given to the committee.

I am sorry the gentleman raised this question again, and I did not mean to speak about it on the floor today. But as far as I am concerned, this is an example of poor cooperation and not very credible behavior on the part of the Department in estimating costs. The new budget process we have entered into is one of the most important legislative developments in the last generation, if not in this century. It behooves all of us, in this Congress and in the administration, to make it work. But it will not be made to work if figures are manipulated, either here or downtown, for political purposes and not presented in straightforward fashion for the purpose of hard analysis.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield further?

Mr. WAMPLER. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I cannot say that I disagree with my friend, the gentleman from Washington (Mr. FOLEY), as to the accuracy of the figures we receive from some of the departments or, for that matter, the accuracy of information we receive from time to time from some staff personnel on the various committees. I would point out that from time to time this is true of some of the information the Members receive from the staff of the Committee on Ways and Means on which I serve.

I think what this points out, I would say to my colleagues, is this: I have listened to Members in this body on the stump talking about Government regulation and loading something more on the backs of the people. Yet, I have the feeling here today that because these animal fighting provisions cost only 400,000 bucks, it is not worth going home, telling the people about and letting them know what a really bad bill this is.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Texas.

Mr. POAGE. Mr. Speaker, just for the purpose again of establishing a little legislative history in the RECORD, it seems to me the gentleman may have overstated the effect of this section 26. I understood the gentleman to suggest that this would now make the Federal Government consider it a Federal offense to engage in cockfighting anywhere in the United States.

I do not understand that the bill does that. I understand that the bill leaves State law just exactly as it is, and that in those States that have legislation there would be no change. One of those States is my State of Texas, where it is presently against the law to engage in cockfighting. The bill provides that it would be against the law to import chickens through interstate commerce to fight in the State of Texas or to advertise a cockfight to be held in Texas in a media of interstate circulation.

Mr. Speaker, I believe that is really as far as this goes. Is that not correct?

Mr. WAMPLER. It is, Mr. Speaker. And I would, for the purposes of legislative history, like to quote briefly from an excerpt from a letter from the Department of Justice written to the committee on October 8, 1975. This is from Attorney General Uhlmann to the chairman of the committee, the gentleman from Washington (Mr. FOLEY). I am stating that so that we can put this in its proper context. I am quoting from that letter, as follows:

> Aside from any technical infirmities with the bill, the Department strongly feels that the prohibition against dog or animal fighting ventures should be a matter of State rather than Federal law. Traditionally, in our form of Government the responsibility for the maintenance of law and order has been lodged with State and local authorities, and Federal jurisdiction has been, for the most part, restricted to matters directly involving a function of the Federal Government or otherwise beyond the normal enforcement capability of such State or local authorities. There has been no sound basis

for the view that Federal intervention in this area could more effectively handle such investigations or have a more deterrent effect in preventing the type of offenses contained in the House bill, H.R. 5808.

As I understand it, this bill sets forth a Federal offense, as I indicated in my earlier remarks, subject to a fine of not more than $5,000 or imprisonment for not more than 1 year, or both, for each such violation; and there is a penalty for violation of section 26.

Mr. POAGE. However, the violation must be an interstate one; is that not correct?

Mr. WAMPLER. That is correct.

Mr. POAGE. So as to make it possible for the people of my home State to understand it, let me see whether the gentleman and I understand it alike. Texas has a law against cockfighting.

Mr. WAMPLER. As does Virginia.

Mr. POAGE. As is the law in Virginia; but in the States of New Mexico, Oklahoma, and Louisiana and in certain Mexican States, it is perfectly legal to engage in cockfighting.

Mr. WAMPLER. That is my understanding.

Mr. POAGE. If I understand it correctly, an individual in the State of Texas can grow chickens, cockfighting chickens. If the gentleman in the well and I were both growing these chickens, we can take them out and fight them in the State of Texas. As far as the Federal law is concerned, there would be no offense; is that correct?

Mr. WAMPLER. That is correct, assuming there is no interstate activity.

Mr. POAGE. However, it would still be a violation of the laws of the State of Texas. Unless the legislature did something, we could ship those chickens into any of those American States in which it is legal to engage in cockfighting or into any of the Mexican States; is that not correct?

Mr. WAMPLER. For whatever purpose, for fighting or whatever?

Mr. POAGE. For whatever purpose, exactly; for whatever purpose. There is no prohibition in this law against that?

Mr. WAMPLER. That is correct where the shipment is into a State where cockfighting is legal.

Mr. POAGE. Virginia has a law against fighting chickens. However, we could still ship chickens from Texas into Virginia for breeding purposes only; is that not correct?

Mr. WAMPLER. That is correct.

Mr. POAGE. If the individual who shipped them knew that they were going to be used for fighting, it would be a violation of the law?

Mr. WAMPLER. That is my understanding, a violation of Federal law and perhaps State law.

Mr. POAGE. But if he does not have that knowledge, there would be no violation of the law; is that not correct?

Mr. WAMPLER. Here I would assume that it would be a matter of the intent that would be important for the Federal law.

Mr. POAGE. I think that is right. Therefore, as far as the chicken breeder in the State of Texas is concerned, I do not see that we have limited him whatever.

Mr. WAMPLER. I think the statute clearly says as long as the purposes are for breeding or other than gaming; I think that is correct as far as this bill is concerned.

Mr. POAGE. I think that is right. Therefore, I believe that it is plain that the breeder of chickens in the State of Texas could fight them in the State as far as the Federal law is concerned.

Mr. WAMPLER. That is correct, again assuming no interstate activity violation of section 26.

Mr. POAGE. He could ship them into Louisiana for any purpose; and he could ship them into Virginia for breeding purposes; is that not correct?

Mr. WAMPLER. That would be a correct statement of law, as far as I understand it.

Mr. POAGE. Mr. Speaker, I appreciate the gentleman's answers.

Mr. SEBELIUS. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Speaker, as the gentleman in the well knows, I refused, as he did, to sign the conference report on this bill, and I did so not because I wanted to abandon all the wonderful provisions we have in the animal welfare portion of the bill, but because I do feel the animal fighting provisions go beyond what is necessary. I do think that the gentlemen making the legislative history here were establishing some sound dialog on the animal fighting provisions in this bill. However, section 26, makes it a Federal offense with a penalty of $5,000 or 1 year imprisonment for any person who knowingly sponsors or exhibits an animal in any fighting venture in interstate commerce. If one knew that that chicken had moved in interstate commerce, then his act of showing the chicken off in a game fight is an offense, so actually, the offense is not the matter of interstate commerce; that is just one element. The offense is showing that animal off or exhibiting it in a cockfight, so that we are in that position.

Mr. Speaker, I do think that this is just as simple as this.

All but four or five of our States do have cockfighting laws. My State does not have one. We thought we did but the Supreme Court said that we did not. So it appears to be that there is no need for Federal regulators except for four or five States. We can only put up some $400,000 to enforce the law so, as far as game cockfighting is concerned, as far as the Federal offense it will be far more severe than most State laws and cost $400,000 for enforcement.

But, Mr. Speaker, I do feel very strongly that we have done something that will be coming back on us for a long, long time to come. For more appropriations and more enforcement. However, I do feel that there is enough good in the legislation to outweigh the bad. If there is a record vote, I will vote for the bill but I may well regret this day for having done so, because there are some very bad features in the bill.

This bill will substantially reduce the mistreatment of animals on all means of conveyance, including aircraft. Standard requirements for shipping containers, food, water, rest, and ventilation will be adopted to insure adequate protection of animals in transit.

I strongly support the protection of animals during transportation. However, I concur with other minority members of the conference committee who did not sign the report. I have reservations regarding the section to appropriate public funds for the prevention of cockfighting ventures.

Although I do not condone cockfighting personally, I view the expenditure of public funds as wasteful and of low priority with respect to other bills before Congress. Law enforcement relating to cockfighting should be left to State jurisdiction. However, because of the benefits this bill provides in regard to humane treatment of animals in transportation, I will vote for the conference report.

Mr. QUILLEN. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I rise for the purpose of asking a specific question, and I would direct the question to both the chairman of the committee and the gentleman in the well.

Tennessee has a law against gamecock fighting. In the event an arrest is made, will the party be prosecuted under the Tennessee law or does the Federal law then trigger?

Mr. WAMPLER. Let me respond first and then the chairman, the gentleman from Washington (Mr. FOLEY) may desire to elaborate further on it.

If a citizen were arrested in the State of Tennessee and were charged with violating a Tennessee statute, I assume that individual would be prosecuted in the courts of the State of Tennessee. If that individual were arrested by a Federal agent for violating section 26 of this act of transporting a live animal in interstate commerce for the purpose of gaming, then I think he would be subject to being prosecuted in the U.S. District Court.

Mr. QUILLEN. Mr. Speaker, will the gentleman from Washington respond to my inquiry?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I agree with the gentleman from Virginia (Mr. WAMPLER). I would say that either jurisdiction could proceed to prosecute, either under the State law or the Federal law. I would think the probability is that there would be no attempt to prosecute under both the State and Federal laws, but it might be possible for both prosecutions to take place.

More likely, what would occur is that

the violator would be prosecuted under either the State or the Federal law, depending upon which jurisdiction made the arrest.

The Federal law is quite restrictive, as I tried to point out.

Mr. QUILLEN. Mr. Speaker, I think what I really wanted the Members to know is that in the States which have these laws the Federal investigators will be there and will trigger prosecution under the Federal law. I think that is right.

Mr. FOLEY. If the gentleman will yield further, I would like to make clear that a gamecock fighting exhibition, in States where it is illegal, is a matter exclusively under the jurisdiction of the State if no instrumentalities of interstate commerce are used. The only way an individual in that State could come under the Federal law would be if an instrumentality of interstate commerce were used to promote, or sponsor, or participate in or advertise such a fight.

Mr. QUILLEN. I thank the gentleman from Virginia for yielding to me.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, the thrust of the bill is to provide for humane treatment of animals. As we passed it in the House, rather overwhelmingly on this issue, the House agreed with the action of the committee to take a logical step and forbid the interstate shipment of game cocks for the purpose of cockfighting.

It also banned the use of the mails to advertise such events. By and large, the people of his country when they are faced with a humane issue will come down very strongly on the side of treating animals humanely. That is why the overwhelming vote of the House when it was attempted to remove this portion of the bill upheld the committee's decision to take this step forward in limiting the fighting of cocks. We did that because it is inhumane. People treat it as if it were a sport. It is an inhumane sport. As a result of a cockfight generally, one or the other of the birds dies. As a rule only one survives the fight. Of all of the features of this particular bill, this particular section as it passed the House went the furthest in preventing inhumane treatment of animals. I use that term animal in its broadest sense now to include birds. So I regret that the conference watered down this section of the bill, and while some of my esteemed colleagues, have said that we still have done too much regarding cockfighting, I will have to admit that I do not think we have done nearly enough. We should have stuck with the House version of this prohibition as it passed. For that reason I did not sign the conference report. So there are two sides on this issue and I would forcefully assert that the conference report is defective in this section as being less humane than when the House acted upon the bill.

The SPEAKER. The time of the gentleman has expired.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. KREBS).

Mr. KREBS. Mr. Speaker, I rise in support of the conference report. I was the author of the cock fight amendment. I offered it for the same reason that the gentleman from Montana (Mr. MELCHER) so well articulated a minute ago. It should be remembered that this particular amendment passed this body by a vote of almost 4 to 1, and I think, if anything, it may be a reflection on the responsiveness of this Congress that the conference saw fit to water down an amendment covering an activity that is illegal in the vast majority of the States, and despite the fact that it passed by an overwhelming vote in this House.

I urge the Members to vote in favor of this conference report.

Mr. KOCH. Mr. Speaker, I am delighted to support the conference report on S. 1941 which amends the Animal Welfare Act of 1966. I only regret that it has taken so many years for the House to act on these important additions to the Animal Welfare Act. I am certain, however, that none of my colleagues believe that this legislation approaches a total solution to the inhumane treatment of animals. It deals with two major areas requiring attention: the transportation of animals as well as a ban on dogfighting and to some extent cockfighting. There are many other examples of inhumane treatment which are not covered by this bill and of which we are all painfully aware; that is—

Experiments on primates which appear to cause pain and appear to have no beneficial scientific purpose;

The use of purse seine nets to catch tuna which also unintentionally catch porpoises who die and are not used for food;

The use of leghold steel traps to catch animals with marketable furs;

The clubbing of baby seals;

The soring of Tennessee walking horses;

The massive killing of whales;

The inadequate care provided animals in zoos; and

The use of toxic substances in the control of predator animals.

Recently a national television program described the gruesome clubbing of baby seals going on now by hunters seeking seal pelts. It is distressing to contemplate how many other cases of repeated animal abuse exist which have not yet received public attention and outcry.

Congressman EDWARD PATTISON and I have introduced H.R. 11112 which would establish a Commission on the Humane Treatment of Animals. The Commission would study those areas of animal abuse which it deems to need further investigation and/or corrective legislation.

I would like at this point make special note of one person who has led the fight, and continues to do so, on behalf of the helpless animals who are the victims of mankind's inhumanity. She is Christine Stevens who was one of the chief supporters of S. 1941 and who deserves a great deal of credit for marshaling congressional support of this bill.

I am pleased that the Society for Animal Protective Legislation of which Christine Stevens is the director has endorsed H.R. 11112. I am appending at this point an article she authored which appeared in the April 5, 1976, issue of Capitol Hill Forum. The article follows:

ANIMAL LEGISLATION: HUMANE TREATMENT IN CONGRESS

(By Christine Stevens)

Nine important bills to protect animals are waiting action in two Senate and three House committees, and a major bill, S. 1941, cleared a Senate-House conference committee March 18.

S. 1941 amends the Animal Welfare Act of 1970 to require humane standards for animals in transit by carriers and intermediate handlers, to prohibit interstate commerce in promotion of dog fights, and to prohibit interstate shipment of game cocks for fights except to states where the practice has not been outlawed (45 states have anti-cockfight laws). All aspects of this legislation cover problems which cannot be dealt with by the states themselves because the animals cross state lines. More than five years of effort by sponsors of the bills, supported by humane organizations, went into the legislation. Agriculture Committee Chairman Thomas Foley (D-Wash.) was author of the House bill and headed the conference committee on which Senator Lowell Weicker (R-Conn.), author of S. 1941, was a conferee.

Senate action has been completed on S. 811 which strengthens the 1970 law to prevent cruel soring of Tennessee Walking Horses for show purposes. House hearings were held December 17 under the chairmanship of Rep. Paul Rogers (D-Fla.). Despite numerous substantial fines under existing law, violators are still causing unfair competition to law-abiding trainers, breeders and owners who train their horses carefully and humanely instead of resorting to the use of burning chemicals that make horses feet so painfully tender that they throw them out in an exaggerated gait, called "the sore lick" or "big lick," to win prizes in the show ring. If S. 811 is passed, the veterinary inspectors of the US Department of Agriculture will have sufficient authority to end this practice.

Hearings were held nearly a year ago on H.J. Res. 448 authored by Rep. Alphonzo Bell (R-Calif.) designed to save the great whales from extinction by embargoing products from commercial whaling concerns. A similar bill to embargo fisheries products from these entities, whether private companies, as in Japan and most other whaling nations, or the fisheries agency, as in the Soviet Union, is pending in the Senate Commerce Committee under the sponsorship of Senator Warren Magnuson (D-Wash.). In view of recent reductions in whaling equipment by the two major whaling nations, an amendment is proposed to put the embargo into force if excess whaling vessels, explosive harpoons and other equipment were transferred for further whaling by other countries. The new proposal would add pressure for any nation that kills whales for commercial purposes to join the International Whaling Commission (IWC) so the quotas set by that body would not be exceeded. The United States long ago ceased whaling except for a quota of 60 whales killed under "scientific permit" by a California fishing company up to the time the nine species of great whales were put on the US Endangered Species List and the Department of Commerce ended the killing in 1971. The US commissioner to the International Whaling Commission has repeatedly sought a ten-year moratorium on commercial whaling, in accordance with resolutions passed by both houses of Congress in 1971. Although a simple majority was obtained, the IWC, long known as "the whalers' club" requires a three quarters majority for a resolution such as this to carry. Thus the killing continues with the explosive harpoon which often explodes in the whale's intestines causing an agonizing death. Some reduction in quotas was made last year as the result of pressure from a citizen boycott of Japanese and Russian goods. Congressional action on the Magnuson and Bell resolutions is needed before this year's IWC meeting, scheduled for June 25–30 in London.

Senator Magnuson's S. 3130 to prohibit further capture of orcas, the black and white dolphin-like cetaceans known as killer whales, has cleared the Senate Commerce Committee and awaits Senate action. An identical bill, H.R. 12460, has been introduced in the House by Rep. Don Bonker (D. Wash.). The population of this species appears to be much lower than previously thought and whales quite often die in capture operations. A recent capture of six orcas in Puget Sound resulted in a suit against the U.S. Commerce Department by the state's attorney general on behalf of the governor. The outcome was a decision that none of the whales will remain captive. Two will be fitted with radio transmitters before being set free.

Hearings were held in November on H.R. 66, sponsored by Rep. Glenn Anderson (D-Calif.) and about one hundred cosponsors, to restrict the use of traps that cause pain and fear. Many animals gnaw off their legs in order to escape, others twist and turn, breaking bones and teeth in the frantic effort to be free. Characterized as "diabolical instruments" by the government commission which examined leghold traps in Britain and successfully recommended their abolition, painful traps are outlawed in Austria, Chile, Denmark, Norway, Switzerland, the United Kingdom and West Germany. This nation should move swiftly to substitute box traps or killer traps where animals must be captured.

Authorization bills to extend funding for the Departments of Interior and Commerce to administer the Endangered Species Act are still pending. The bill has passed the House, and Senate hearings are expected shortly. Conservationists recommend a doubling of authorized funds for FY '77 and '78.

Four bills which have not yet had hearings are especially deserving of mention: Senator Mathias' S. 2088 "to prohibit the use of dogs by the Department of Defense in connection with the research, testing, development or evaluation of radioactive, chemical, or biological warfare agents, and to require the Department of Defense to develop and use, where feasible, alternative, non-animal methods of experimentation." Rep. William Whitehurst (R-Va.) is the sponsor of H. Con. Res. 410 to encourage the use of alternative methods of research where feasible in order to spare laboratory animals of all kinds.

Rep. George E. Brown (D-Calif.) is author of H.R. 9658 to require that humane standards of slaughter equivalent to those provided under the U.S. Federal Humane Slaughter Act be made mandatory for animals whose meat is imported into the United States.

Rep. Edward Koch (D-N.Y.) authored H.R. 11112 to establish a commission to review serious animal cruelty problems in a variety of different fields. In some legislation, modifications should be made prior to passage, but all address problems that call for a sound humane solution.

(NOTE.—The Society for Animal Protective Legislation recommends favorable action on all bills mentioned.)

Mr. FOLEY. Mr. Speaker, I yield back the remainder of my time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker anounced that the ayes appeared to have it.

Mr. KETCHUM. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—ayes 332, nays 31, not voting 69, as follows:

[Roll No. 174]

YEAS—332

Abdnor
Adams
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jeffords
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kelly
Kemp
Keys
Kindness
Koch
Krebs
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
Lundine
McClory
McCollister
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Russo
St Germain
Sarasin
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitehurst
Wilson, Bob
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—31

Ashbrook
Bevill
Breaux
Burleson, Tex.
Burlison, Mo.
Collins, Tex.
Conte
Eckhardt
Edwards, Ala.
Findley
Hansen
Ichord
Jenrette
Johnson, Calif.
Kazen
Ketchum
Krueger
Long, La.
Melcher
Montgomery
Myers, Pa.
Risenhoover
Runnels
Satterfield
Shuster
Symms
Taylor, Mo.
Treen
Waggonner
Wampler
Whitten

NOT VOTING—69

Abzug
Addabbo
Anderson, Ill.
Andrews, N.C.
Armstrong
Badillo
Barrett
Bell
Biaggi
Burke, Mass.
Burton, John
Chisholm
Crane
Dellums
Eshleman
Evins, Tenn.
Fish
Flynt
Giaimo
Gonzalez
Green
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Holland
Horton
Jarman
Johnson, Pa.
Jones, Ala.
LaFalce
Landrum
McCloskey
McCormack
McDonald
Macdonald
Madden
Mann
Murphy, N.Y.
Nix
Obey
Pepper
Peyser
Rangel
Rees
Roberts
Rose
Ryan
Santini
Sarbanes
Schneebeli
Spence
Staggers
Steelman
Steiger, Ariz.
Stephens
Stratton
Talcott
Teague
Udall
White
Wiggins
Wilson, C. H.
Wilson, Tex.
Young, Alaska
Young, Ga.

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Heinz.

Mr. Addabbo with Mr. Madden.

Mr. Biaggi with Mr. Bell.

Mr. Nix with Mr. Steiger of Arizona.

Mr. Pepper with Mr. Eshleman.

Mr. Barrett with Mr. Anderson of Illinois.

Mr. Hayes of Indiana with Mr. Johnson of Pennsylvania.

Mr. Stratton with Mr. Crane.

Mr. Murphy of New York with Mr. McCloskey.

Ms. Abzug with Mr. Horton.

Mr. Green with Mr. Jarman.

Mr. Henderson with Mr. Wiggins.

Mr. Macdonald of Massachusetts with Mr. Fish.

Mr. Udall with Mr. Andrews of North Carolina.

Mr. Charles H. Wilson of California with Mr. Armstrong.

Mr. John Burton with Mr. Evins of Tennessee.

Mrs. Chisholm with Mr. Flynt.

Mr. Dellums with Mr. Gonzalez.

Mr. LaFalce with Mr. Hébert.

Mr. Staggers with Mrs. Heckler of Massachusetts.

Mr. Teague with Mr. Holland.

Mr. Young of Georgia with Mr. Jones of Alabama.

Mr. Rangel with Mr. Landrum.

Mr. Santini with Mr. McDonald of Georgia.

Mr. Mann with Mr. Peyser.

Mr. McCormack with Mr. Rees.

Mr. Giaimo with Mr. Steelman.

Mr. Hawkins with Mr. Schneebeli.

Mr. Obey with Mr. Sarbanes.

Mr. Rose with Mr. Roberts.

Mr. Ryan with Mr. White.

Mr. Badillo with Mr. Young of Alaska.

Mr. Charles Wilson of Texas with Mr. Stephens.

Mr. Spence with Mr. Talcott.

Mr. CONTE and Mr. BREAUX changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. CHAPPELL. Mr. Speaker, at the time of the passage of the bill H.R. 3863, Eagles Nest Wilderness, I was detained in my office and could not reach the floor.

I would like the Record to show that had I been present I would have voted "aye."

CONFERENCE REPORT ON S. 3056, GUATEMALA DISASTER RELIEF ACT OF 1976

Mr. MORGAN submitted the following conference report and statement on the Senate bill (S. 3056) to amend the Foreign Assistance Act of 1961 to provide emergency relief, rehabilitation, and humanitarian assistance to the people who have been victimized by the recent earthquakes in Guatemala:

Conference Report (H. Rept. No. 94-1009)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3056) to amend the Foreign Assistance Act of 1961 to provide emergency relief, rehabilitation, and humanitarian assistance to the people who have been victimized by the recent earthquakes in Guatemala, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Guatemala Relief and Rehabilitation Act of 1976".

Sec. 2. Chapter 9 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 495A. Guatemala Relief and Rehabilitation.—(a) The President is authorized to provide assistance, on such terms and conditions as he may determine, for the relief and rehabilitation of the people who have been victimized by the recent earthquakes in Guatemala. There is authorized to be appropriated to the President to carry out the purposes of this section $25,000,000 for the fiscal year 1976, which amount is authorized to remain available until expended, except that not more than $4,000,000 of this amount shall be available for repairs to the Puerto Barrios highway in Guatemala. Assistance under this section shall be provided in accordance with the policy and general authority of section 491 of this Act. Obligations incurred prior to the enactment of this section against other appropriations or accounts for the purpose of providing relief and rehabilitation assistance to the people of Guatemala may be charged to the appropriations authorized under this section.

"(b) Assistance made available under this section shall be distributed to the maximum extent practicable through United States voluntary relief agencies and other international relief and development organizations.

"(c) In order to limit the extent of deaths, injuries, and destruction in future earthquakes, assistance provided under this section which is used for the construction of housing in the Republic of Guatemala shall, to the maximum extent possible, be used for housing which is constructed of seismic resistant materials or which will otherwise minimize the danger of injury to occupants during future earthquakes; and the President should encourage the Government of the Republic of Guatemala to promote the use of such materials.

"(d) Notwithstanding any other provision of law, the amount authorized to be appropriated in subsection (a) of this section may be used only for the purposes specified in this section. The authority contained in section 610(a) of this Act may not be used to transfer funds made available under this section.

"(e) Not later than sixty days after the date of enactment of appropriations to carry out this section, and at the end of each quarter thereafter, the President shall transmit a report to the Committees on Foreign Relations and Appropriations of the Senate and to the Speaker of the House of Representatives on the programing and obligations of funds under this section.".

And the House agree to the same.

That the House recede from its amendment to the title of the Senate bill.

Thomas E. Morgan,
Clement J. Zablocki,
Charles C. Diggs, Jr.,
Robert N. C. Nix,
Stephen J. Solarz,
Wm. S. Broomfield,
Benjamin A. Gilman,
Members on the Part of the House.

John Sparkman,
Gale W. McGee,
Hubert H. Humphrey,
Clifford P. Case,
Jacob K. Javits,
Members on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3056) to amend the Foreign Assistance Act of 1961 to provide emergency relief, rehabilitation, and humanitarian assistance to the people who have been victimized by the recent earthquakes in Guatemala, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE OF THE LEGISLATION

The title of the Senate bill cited the legislation as an amendment to the Foreign Assistance Act of 1961.

The title of the House amendment, which did not amend the Foreign Assistance Act, did not contain such a citation.

The House receded, consistent with the agreement of the committee on conference to formulate the measure as an amendment to the Foreign Assistance Act.

SHORT TITLE

The Senate bill provided that the short title of the Act would be the "Guatemala Relief and Rehabilitation Act of 1976."

The House amendment provided that the short title of the Act would be the "Guatemala Relief Act of 1976."

The House receded.

FORM OF THE ACT

The Senate bill amended the Foreign Assistance Act of 1961.

The House amendment provided for a freestanding statute.

The House receded.

LIMITATION ON THE PUERTO BARRIOS HIGHWAY

The House amendment contained a $4 million limitation on the amount of funds made available under the Act which could be used for rebuilding the Puerto Barrios highway in Guatemala.

The Senate bill contained no comparable provision.

The Senate receded.

POLICY GUIDANCE

The Senate bill contained mandatory language requiring that the use of the funds authorized be governed by the provisions of Section 491 of the Foreign Assistance Act, which concerns disaster assistance.

The House bill stated that assistance under the Act "may" be provided under Section 491, but was not mandatory.

The committee of conference agreed on mandatory language.

"SENSE OF CONGRESS" LANGUAGE

The Senate bill contained "sense of Congress" language concerning the humanitarian tradition of the United States.

The House amendment contained no comparable provision.

The Senate receded, since the language of its provision was very similar to that which already is in Section 491 of the Foreign Assistance Act.

SEISMIC-RESISTANT MATERIALS

The House amendment contained a provision to encourage the use of seismic-resistant materials in the re-building of housing funded from the Act.

The Senate bill contained no comparable provision.

The Senate receded.

TRANSFERS UNDER SECTION 610(a)

The Senate bill contained a prohibition designed to prohibit the transfer of any funds made available under the Act to other program accounts under the provisions of Section 610(a) of the Foreign Assistance Act.

The House amendment contained no comparable provision.

The House receded.

EXECUTIVE REPORTING REQUIREMENT

The Senate bill provided for an initial report from the Executive Branch on the expenditure of funds under the Act to be submitted to the Congress within 30 days.

The House bill provided for such reporting within 90 days.

The committee of conference agreed on reporting within 60 days. It is the intention of the committee that the initial report should be submitted 60 days after enactment of the appropriation legislation. Quarterly reporting periods should begin with the succeeding quarter which begins July 1, 1976, and may be terminated upon the expenditure of all funds made available under the act.

Thomas E. Morgan,
Clement J. Zablocki,
Charles C. Diggs, Jr.,
Robert N. C. Nix,
Stephen J. Solarz,
Wm. S. Broomfield,
Benjamin A. Gilman,
Members on the Part of the House.

John Sparkman,
Gale W. McGee,
Hubert H. Humphrey,
Clifford P. Case,
Jacob K. Javits,
Members on the Part of the Senate.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON H.R. 12048

Mr. FLOWERS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on H.R. 12048.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman tell us what that bill is?

Mr. FLOWERS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Alabama.

Mr. FLOWERS. Mr. Speaker, this is important legislation concerning congressional oversight of the administrative rulemaking. I understand the gentleman from California is a cosponsor of the legislation.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's answer, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORT ON H.R. 8235

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file a report on H.R. 8235, Federal-Aid Highway Act of 1975.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

THE JOBS CREATION ACT VERSUS THE SO-CALLED FULL EMPLOYMENT ACT—A CHOICE FOR THE CONGRESS BETWEEN TWO COMPETING ALTERNATIVES TO JOBS CREATION

The SPEAKER pro tempore (Mr. Lloyd of California). Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, the American people overwhelmingly prefer private enterprise jobs to more government service jobs. But many times they do not know exactly how jobs are created in the private sector. Nor do they know that there are alternatives to more and more government solutions to the unemployment problem.

Until the American people know that there are private enterprise, jobs creating alternatives to measures like the existing public service programs and the proposed guaranteed government jobs program—not just in principle but also in the form of legislation structural unemployment cannot be solved. It also means that such measures as the guaranteed government jobs program will be perceived as the "only show in town," thus accelerating the process by which our economy is becoming "Britainized."

Not until the level of public consciousness is raised on the issue of jobs creation, therefore, will Congress debate it as a choice between competing alternatives—policy and practical alternatives—for political choice is constrained not just by the conditions which exist in a constituency but also by people's awareness of the constructive alternatives.

There is an alternative to the guaranteed Government jobs bill now being aired before our committees and touted through the press. That alternative is a massive stimulus to productivity and private enterprise jobs creation through enlightened and constructive tax reform which renews incentives for investment and savings.

There are only two ways of trying to assure enough jobs for those now unemployed and for those coming into the work force each year. We can create and sustain productive, tax-generating jobs in and through the private sector. Or, we can rely even more heavily on the tax-consuming public sector jobs programs.

There is an important difference between these two approaches. Relying on the private sector works if given the chance, therefore, the Jobs Creation Act would work. Relying on Government jobs programs does not work; it is counterproductive; therefore, the so-called Full Employment and Balanced Growth Act would lead to more unemployment in the private sector.

History records in illustrative terms the ways in which private enterprise provides jobs and increases in real wages, but overregulation and confiscatory taxation are choking off the oxygen supply of our economy. That oxygen supply is capital investment. Look at the record. Until the burden of taxes and regulation became so severe, the private sector was providing both enough jobs and real increases in wages. When Government tried to assure full employment, it financed its own employment programs through deficit spending and stimulated the economy through inflation. That inflation got out of hand—rising to 13 percent, and measures put in place to control it caused shortages and then unemployment. The Government-caused boom-or-bust cycle had come full circle again, and unemployment rose to over 8 percent.

It is my belief that too many people and too many Congressmen fail to understand that public sector jobs have to be paid for in real terms just like anything else. These so-called full employment bills will not, therefore, create full employment. On the contrary, they will simply transfer jobs from the private sector to the public sector. If more Government spending creates jobs, then the 100-percent increase in spending in the past 6 years would not have been accompanied by a 100-percent rise in unemployment—from 4 to 8 percent.

To pay for these public service and public works jobs programs out of taxes or borrowing from the private sector just transfers resources out of other activities into public activities. To pay for them by inflating the money supply transfers purchasing power from the general population to those employed in the newly created public jobs and debases everyone's currency.

Too many of our colleagues, economists, and other advocates of public-sector jobs do not address the questions of, first, what specific producing and investing activities they are prepared to sacrifice in order to have more public service activities and, second, whether they are prepared to inflict inflation on the general population in order to help a few. Whether it is tax and spend, borrow and spend, or inflate and spend, it consumes capital at the expense of the Nation's economic potential and the working man and woman's living standard.

It is clear to me that the long-run and the short-term answers to unemployment lie in higher rates of private savings and investment and in the elimination of Government budget deficits, the financing of which results in those Government-generated business cycles of boom or bust.

This means that there must be fundamental changes in Government taxing and spending policies. It also means that Government cannot continue to increase its share of the economy's resources without destroying the capital necessary to finance new jobs and energy, housing, mass transit, environmental and defense needs.

The private enterprise alternative to the Humphrey-Hawkins full employment bill would get us off the horns of the dilemma of how to fight inflation without causing more unemployment or of how to fight unemployment without causing more inflation. It would help us win both the battles against unemployment and inflation, and it is the most pro-jobs bill pending in Congress today.

What is this alternative? It is the Jobs Creation Act, most recently reintroduced as H.R. 12802.

The Jobs Creation Act—which already has 103 cosponsors in the House and Senate—would greatly increase employment in the private sector by reducing the *existing* tax bias against savings and investment. People have been cheated out of productive, long-term employment by the Government transferring funds out of savings and investment into current consumption, and they have been cheated out of these benefits to themselves long enough. The problem is that the majority in the Congress seems to want to address the unemployment problem by continuing the very policy that has caused the unemployment in the first place—the very policy which gave the world a nearly bankrupt Great Britain and which gave America a bankrupt New York City.

The Jobs Creation Act would create more jobs and would cause an increase in real wages.

If all of the productivity which its provisions would generate went into employment, there would be increases in employment over what would otherwise occur of 8.7 percent in the first year, 10.6 percent in the second, for a total of 12.4 increase by the third year. On the other hand, if all the increased productivity went into higher real wages, there would be real increases of 8.2 percent in the first year, 10.3 in the second, and 12.1 in the third. Of course, the reality would be a combination of more jobs and higher wages—but both would be higher—certainly higher than if we relied upon Government programs.

The ability of our economy to provide jobs through the private sector is being strangled by Government policies which are shortsighted and in fact interfere with the stated goals of those very same policies.

During a period when national income has increased by $159 billion from $622 billion in 1966 to $1,141 billion in 1974, corporate profits declined both absolutely and as a percentage of national income. The Commerce Department's benchmark revision of the national income and product accounts shows that after tax corporate profits with inventory valuation and capital consumption adjustments have fallen from $48.9 billion in 1966 to $38.7 billion in 1974. In percentage terms, after tax profits have fallen from 7.9 percent of national income in 1966 to 3.4 percent in 1974.

Retained earnings have fallen from $29.4 billion in 1966 to $7.6 billion in 1974. Furthermore, if the profits earned by American corporations abroad are omitted and only the retained earnings from domestic operations are considered, then in 1974 adjusted corporate retained earnings were a negative figure of minus $2.3 billion. That is, on their domestic earnings, American corporations in 1974 paid out more in taxes and dividends than they earned.

The trend in profits continued downward through 1975. Before tax profits have fallen from 13.3 percent of national income in 1966 to 8.4 percent in 1975. After tax profits have fallen from 7.9 percent of national income in 1966 to 4.5 percent in 1975.

Business cannot invest in the expanded plant and modern tools and equipment which are necessary to provide a growing number of well-paid jobs when retained earnings are so low. Unfortunately, the liberal controlled Congress focuses on unemployment measures that continue the existing tax bias against saving and investment. They apparently see it as good politics to take an anti-business posture, but in reality they are punishing workers by holding down the productivity of labor and, thereby, real wages, while also undermining our competitive position in international markets.

How would the Jobs Creation Act address itself to removing the disincentives to savings and investment?

The revised bill retains the prior bill's major provisions: That is, providing tax credits for qualified savings and investments; enlarging the dollar amount for individual retirement accounts, savings, and bonds; excluding from the gross income of individuals the dividends received from domestic corporations; excluding the first $1,000 on capital gains; reducing the corporate normal tax from 22 to 20 percent and the corporate surtax from 26 to 22 percent; increasing the corporate surtax exemption to $100,000 on a permanent basis; increasing the ADR range from 20 to 40; providing for a new alternative method accelerating capital recovery; and providing for a 1-year writeoff of mandated pollution control facilities.

But it has been amended in several important respects, too. New sections have been added of great importance to small business, farmers, and industrial development agencies.

First, the President's estate tax proposals for small businesses and family farmers have been included: a 5-year deferral, a 20-payment period after the deferral, and a lower rate of interest on the amount owed.

Second, and of great importance to small business, the prior bill's 15-percent investment tax credit proposal has been retained, but with a graduated, even greater investment credit for small business: 20 percent between $25,000 and $50,000, and 25 percent between zero dollars and $25,000.

Third, the bill would also put into effect a method of handling capital gains for small business owners patterned after the present homeowners deferral. The section would allow gains on small business interests to be deferred if the gain is reinvested in ownership of another small business.

Fourth, during the recent credit crunch, industrial development agencies often had great difficulty in marketing bonds for expansion of plants and facilities. One reason was that the interest exemption applied only on bond issues of $1 million or less. The revised Jobs Creation Act would increase that to $10 million.

A reliable econometric study of the Jobs Creation Act has already told us what we can expect to happen if the Jobs Creation Act is made law.

That study concludes that in the first year after its enactment the act would generate increases over what would otherwise occur of $151.4 billion in the gross national product, $74.6 billion in capital outlays, and $5.2 billion in Federal revenues. The second year after enactment would see additional increases of $200.5 billion in GNP, $77.9 billion in capital outlays, and $14.6 billion in Federal revenue. And the third year would see further increases of $248.9 billion in GNP, $81.1 billion in capital outlays, and $25.2 billion in Federal revenue. These are real increases, not artificial increases resulting from inflation. And, of course, it would translate into the additional jobs and higher real wages to which I have already referred.

These benefits are in marked contrast to what we can expect if the Humphrey-Hawkins bill becomes law.

What would be the real effects of the Humphrey-Hawkins bill?

The Humphrey-Hawkins bill is guaranteed to expand unemployment in the private sector, and thereby, create a growing public service constituency. The Humphrey-Hawkins bill will expand private sector unemployment—not employment—for two basic reasons.

First, by guaranteeing a Government-funded job to everyone who is unemployed, the bill removes all restraint from wage demands. No one would have to fear the unemployment effects of forcing huge wage increases. They could demand 20-, 30-, 40-, 50-percent wage increases, such as in Britain, knowing that all who were bumped out of jobs by overpricing labor have a guaranteed federally funded job cushion to fall back on. The presently unemployed would be diverted from reemployment in productive, tax-producing private sector jobs as the recovery proceeds. Such a tightening of the labor market would allow exorbitant wage demands that could abort the recovery, thus throwing additional people out of tax-producing private sector employment and into tax consuming public employment.

Second, public employment jobs as I stated earlier have to be paid for in real terms—in terms of resources diverted from alternative uses—just like anything else, and there would be a lot of them to pay for. How would they be paid for? To pay for public employment out of taxes or borrowing from the private sector just transfers resources out of private sector activities, including investment, into public sector activities. Clearly, the private sector cannot maintain the same level of activities when resources are transferred out of it. Therefore, private sector jobs must fall as public employment jobs financed by taxes or borrowing rise. Alan Fechter, an economist at the Urban Institute, has done an extensive study of public employment and he concludes that there is "a substantial amount of displacement" in the long run of private sector jobs.

To pay for public employment by inflating the money supply would simply set the boom-bust cycle off again before recovery is completed from the previous cycle. People are beginning to realize that no one benefits from inflation except the Federal Government. The reason government benefits is that inflation pushes everyone into higher tax brackets, with the result that the Government receives a larger percentage of the national income in tax receipts, just as it would do by raising the tax rates. The evidence is certainly in that inflation destroys capital because of widely used accounting practices which result in firms paying taxes on profits that they do not really have.

Professional economists are increasingly realizing that monetary expansion no longer works as a means of stimulating production, but simply causes inflation. We do not need more paper money, we need more production to absorb the money already in the system and to bring down an inflation that is running at a rate of 6 percent even during a recession. To get a greater rate of production requires a lower rate of taxes. Over a year ago Prof. Robert Mundell of Columbia University stated that—

> The level of U.S. taxes has become a drag on economic growth in the United States. The national economy is being choked by taxes—asphyxiated. Taxes have increased even while output has fallen, because of the inflation.

Free enterprise isn't dead but it is being choked by excessive regulation and taxes.

This point was one of the reasons why the Washington Post of March 30 editorialized against the Humphrey-Hawkins bill:

The question is whether the country can establish full employment, permanently and with stability, by enacting a law that requires it. The answer, as you probably suspected, is that it cannot—not without either a dangerous inflation or ironclad wage controls.

The Humphrey-Hawkins bill would require the administration to get the unemployment rate for adults down to 3 percent within 4 years. It does not define "adult," but the authors are inclined to include everyone over 18. Since unemployment is heaviest among the youngest workers, that would make the target much more difficult to meet. Even if the teenagers are excluded from the rate, the bill would mandate unemployment at a level that, in the past 30 years, it has reached only during the wars in Korea and Vietnam.

This bill would take the extraordinary step of conferring on all adult Americans the right to "useful paid employment at fair rates of compensation." It would require the President to prepare federal programs to keep the rate down—programs of public service jobs, public works grants, state and local aid, manpower training, youth employment and community development. Federal ventures of this sort have existed for years, of course, but the bill envisions an expansion on a scale that cannot be easily predicted. How much would it cost? Mr. Humphrey hazarded a guess that creating 2 million jobs would require an outlay of about $25 million a year, although nearly half of it would be offset by higher taxes and lower unemployment benefits.

But the inflationary pressure does not come mainly from the direct costs of public jobs. It comes from the effect of a tightening labor market on wage rates. Long before the adult unemployment rate fell as low as 3 percent, wages would have started to creep upward at a dismaying pace as employers bid against each other for manpower. Even without the Humphrey-Hawkins bill, inflationary wage settlements may well turn into the most difficult economic issue with which the next President will have to deal. The most obvious defect of the bill is that it contains no recognition that this danger exists, let alone providing any safeguards. And yet, as the country has seen over the past 2 years, a high inflation rate itself contributes to unemployment.

We must not let the fact that there is excess capacity during recovery from recession obscure the fact that there is a capital shortage, a shortage which will produce mounting rates of unemployment unless there is tax reform to reduce the existing tax bias again saving and investment. Although I am mainly concerned with the long-run health of our economy, with saving the free enterprise system from destruction by Government, our tax reform legislation, the Jobs Creation Act, is also directly relevant to the current recession. As most people recognize, the current recovery is consumer-led and is not being led by capital investment. What this may mean is that the recovery will peak at full capacity, and the monetary expansion necessary to accommodate the third huge deficit in a row could result in an outbreak of inflation beyond the high rates we recently suffered, thus leading to a worse recession.

These dangers we face can be avoided by intelligent tax reforms which provide resources for jobs-creating investments.

Fiscal conservatives can be assured that the tax provisions of the Jobs Creation Act do not produce revenue losses and will not enlarge the Government's deficit. The tax reduction provisions of the Jobs Creation Act are not directed toward stimulating consumption, but toward increasing production. The increase in tax receipts from the expanded tax base more than offsets the loss in tax receipts from lower tax rates.

Mr. Speaker, it is not a coincidence that it was in 1776, the year both of the Declaration of Independence—the great single statement of political freedom—and of the publication of Adam Smith's "The Wealth of Nations"—the greatest single statement of economic freedom—that James Watt's newly patented steam engine was first put to work. It was that steam engine which started to revolutionize the modern world. Watt and those who followed him in the competitive struggle to make a better engine and sell it for less did more to take women and children out of the coal mines and off the towpaths of the canals; more to take children out of the factories than all the 19th century politicians and social activists combined. Yet Watt would be unknown today had it not been for a man named Matthew Boulton. Boulton was the man who risked his savings of $150.000 in investment capital for Watt's invention.

Look at the difference between 1776 and 1976. Compare the living standard today with then. Men and women were working 12 to 18 hours a day and 6 or more days a week. Poverty and child labor was the norm. Horses and oxen were plowing the fields and pulling wagons and carts. Electrical power consisted of Benjamin Franklin pondering over the effects of his kite in an electrical storm. The internal combustion engine was a hundred years away from even being invented. Machines were in their infancy. Sail and flowing water were the means of waterborne commerce. There was no running water in homes. It was a hard life by today's standards even for the wealthiest.

We know what we have today by contrast. Prosperity has reached a level never known in the world's history. Worker's real wages have reached a level unprecedented in any economy. We produce in one hour the wheat it took then one week to produce. We travel in 5 hours the distance across America it took them two full seasons to travel. Instead of a campaign to open the Appalachians, we have walked on the Moon. Of all the figures one can recite, the most revealing is this: One-half of all the goods produced in the past 10,000 years, from the beginning of man's quantifiable economic history in 8,000 B.C., have been produced in the United States in just the past 200 years. As I said earlier, more and better tools is the key to production and production is the answer to more jobs and fighting inflation.

Modern-day Luddites who fear modernized machinery and new tools, who say capital exploits labor, overlook not just our unprecedented living standards but also that it has been the accumulation of capital that took children out of the factories and put them in the home and in the school. They overlook that it is capital that has greatly raised the productivity of labor so that the economy can support millions of people who are otherwise out of work. It is not capital that exploits labor as Karl Marx mistakingly promulgated, it was labor that exploits capital and so it must be for a future of both freedom and prosperity.

It is the productivity of free economies that allows people and nations to be humane.

That is why I advocate freedom as the road to prosperity.

That is why I advocate capital formation to increase the productivity of labor and expand job opportunities.

That is why I am opposed to the increased production of the three principal products of Government—regulation, taxes, and inflation. These Government products make it hard for private enterprise to make and keep profits and I agree with the great labor leader, Samuel Gompers, who said that—

> The worst crime against working people is a company that fails to make a profit.

Profits mean progress and must be understood as such lest we erode our freedom.

That is why I am offering the Jobs Creation Act as the specific policy and legislative alternative to the guaranteed Federal jobs program.

I will be reintroducing the Jobs Creation Act with additional cosponsors on Wednesday, April 14, and I welcome the support and cosponsorship of it by every Member. Deciding which economic policy road to follow is not an easy decision, but it is one which will soon be upon us. And, I think the Jobs Creation Act will carry us down the road to jobs and prosperity without giving Government the power to control our lives.

A TRIBUTE TO WRIGHT PATMAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 5 minutes.

Mr. AuCOIN. Mr. Speaker, during the brief time I have been in Congress, few friendships have meant as much to me as did my friendship with the late Wright Patman. I am certainly not alone in referring to the late Representative from Texas as my friend. Many of my colleagues also treasured their friendship with this timeless crusader. His passing was a great loss to us all.

A newspaper in my district, the Newberg Graphic, recently published an editorial praising the memory of this man.

Mr. Speaker, in tribute to the memory of the Honorable Wright Patman, and to show how far his shadow fell, I insert the editorial in the Record.

A Tribute to Wright Patman

One of the first Journalism courses this editor ever took concerned the Robinson-Patman Act, which was co-authored by Texas Congressman Wright Patman. He passed away March 7th at the age of 82.

Patman was little known outside of Congress, but at the time of his death was the senior member of that august body. He entered Congress in 1928.

A lifelong champion of the small businessman and working man, his contribution to Journalism and advertising was his sponsorship of a bill, in the 1930's, which prohibited big firms, such as General Electric or Jantzen or Procter and Gamble from favoring big firms over small ones when it came to advertising co-op (financial assistance) to retailers.

Under the terms of the Robinson-Patman Act, a small Newberg business, such as Major Appliance, Stouffer's Big V, Fowler Tire or whatever, must receive the same financial remuneration from the large corporation selling the merchandise as the large merchant, such as Meier and Frank or Fred Meyer.

In other words, according to the Robinson-Patman Act, if a retailer purchased $1,000 worth of merchandise from a large corporation and was offered 2% rebate for advertising purposes, it had to be offered equally to all purchasers whether they be large or small.

Prior to passage of Patman's bill, most major manufacturers would subsidize advertising for major purchasers, but neglected the small businessman. After his bill was enacted into federal law, all of the little guys were eligible for advertising allowances based upon the amounts purchased. Prior to enactment of this law, the small retailer generally received nothing in the way of advertising rebates. Thus, Safeway, which might receive a kickback of so much per case for volume purchases of coffee, sugar or what have you, was immediately put into the same boat as any other purchaser of coffee or sugar or flour or whatever and Patman's bill helped enable this country to develop a strong network of independent supermarkets and other independent retailers, simply because large corporations could not give the large chains a discount without also giving the same discount to independent merchants.

Rep. Patman, a Democrat, always was on the side of the small businessman and the working man. Many of his bills forced banks to start lending money to people who needed the money instead of investing it in blue chip securities so as to make more money for the banks and as an indirect result of this 47 years of Congressional service, we are all better off.

He was much like Teddy Roosevelt. He spoke softly, but as the senior member of the House of Representatives, he carried a very, very big stick and few Congressmen did not heed his pleas when he was sponsoring an important piece of legislation.

We are sorry to have him leave us, but wrote this editorial as a testimonial to the work of one of the least known and most effective Congressmen this nation has ever known.

AMTRAK MAKES WRONG DECISION ON FLORIDIAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Fuqua) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, the creation of Amtrak by the Congress was intended to increase rail passenger service and thereby bring about all of the benefits in energy conservation and convenience we all seek.

Yet, in my congressional district, the opposite is happening. Last week I sent a strong protest to Amtrak about the possibility of discontinuing the Floridian, the only train traversing the Midwest from Chicago to the southern tip of the Nation. I consider this to be a vital link in what is supposed to eventually be a modern and up-to-date rail transport system.

If the Floridian is discontinued, then passenger service to the Gainesville area in my district, through Ocala and Wildwood is terminated as far as this train is concerned. There would still be the limited service up the east coast to New York.

But now my protest seems to be a moot question. Amtrak has announced that because of the lack of sleeping cars in the system, they will no longer be able to split the Floridian at Jacksonville and send two units down through the State. Presently, one goes down the coast to Miami, the other to Waldo in the Gainesville area, the growing central Florida section of Ocala and Wildwood into the Tampa Bay area.

Amtrak, in its present decision, says that they can no longer continue this service because of the shortage of passenger cars. They say that they cannot awaken passengers at 4 a.m. and move them from sleepers to other cars.

Therefore, service by this train from the Midwest to my district and a critical section of Amtrak's service is effectively terminated. I contend they are wrong, that this is not the right decision.

If a person purchases a ticket on a sleeper and knows that one of the conditions of that service is that they will have to move to a day car at 4 a.m., that is far preferable to curtailing service. As a matter of fact, sleeping cars enjoy only limited use at present.

Amtrak must offer more service, not less. I feel offended that 1 week I find that they are considering terminating service entirely and almost at the same time that they are curtailing service in my district anyway.

I feel offended personally that they have not taken my protest any more seriously than they have and that they have shown such a callous disregard for the need for service to the people in my district.

I hope through these remarks and other actions available for me to take that this unwise and unfortunate decision will be reversed.

"ORPHANS OF THE EXODUS"

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, all of the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of the families which remain separated.

A case history of these families entitled "Orphans of the Exodus," dramatically details this tragic problem. At this time, I would like to bring to the Members' attention the situation of the Bogomolny family.

Veniamin Bogomolny is 29 years old and by training a builder. He applied for an exit visa in November 1972 and his refusal came in April 1973 on the grounds of "national security."

In May 1975, the Jerusalem Post reported his being the victim of a "mini-pogrom" as the KGB stepped up its campaign to crush the Jewish activists in the U.S.S.R. The paper wrote of his being manhandled by two drunks as he and his best friend, Veniamin Grushko, left the post office after making a telephone call to relatives. This was necessary since his home phone had long been disconnected by officials in an attempt to isolate and harass the Jewish "refusniks." Returning home later, he found the same 2 "drunks" now fully sober and 12 other men wielding clubs and shovels and breaking things in his apartment. Bogomolny, whom the men threatened to hang, escaped through a back window and complained to the police. One man was supposedly arrested.

However, on visiting the police precinct the following day, Bogomolny found that there was no record of his complaint nor the arrest. The police denied any knowledge of the incident. It is believed that the authorities promoted the attack as just another method of harassment and intimidation.

In addition, a student who rents a room in Bogomolny's apartment was warned by KGB agents about subletting a room from "a man who wishes to emigrate from the U.S.S.R."

In a letter received in June 1975, Veniamin's father wrote:

> "We are happy to hear that you are willing to do what you can to help our two boys (Veniamin and his friend, Grushko) to leave the U.S.S.R. and to come to Israel. We will be very grateful and you will have a big mitzvah because their lives are in danger. Here in Israel, we are making a wonderful living and we are free people and looking forward to see all—our son and his friend and all the Jews in Israel. Thanks again and may God bless you all. We hope to hear from you soon."

EXTENDING TEMPORARY UNEMPLOYMENT COMPENSATION PROGRAMS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 10 minutes.

Mr. **CORMAN**. Mr. Speaker, I am introducing today, along with a number of cosponsors, legislation that would continue three temporary unemployment compensation programs beyond expiration dates in current law:

First, authority to make Federal general revenue loans to the unemployment insurance fund of the Virgin Islands, which expires June 30, 1976;

Second, the special unemployment assistance—SUA—program, which expires December 31, 1976 with tailout through March 31, 1977; and

Third, the Federal supplemental benefits—FSB—program, which expires March 31, 1977.

The bill continuing Federal supplemental benefits through fiscal year 1977 would also modify the present trigger provisions in that program.

Extension of the first two of these temporary programs, loans to the UI fund of the Virgin Islands and special unemployment assistance—SUA—are necessary because the new budget procedures have delayed action on H.R. 10210, the Unemployment Compensation Amendments of 1975. H.R. 10210, approved by Ways and Means last December, makes changes in the permanent law eliminating the need for these two temporary measures.

First, extension of existing temporary authority to make Federal general revenue loans to the Unemployment Insurance Fund of the Virgin Islands: Under present law, Public Law 94–45, the Secretary of Labor is authorized to loan up to $5 million out of Federal general revenues to the Virgin Islands to enable it to continue to pay benefits under its unemployment compensation program. This authority expires June 30, 1976. Upon enactment of H.R. 10210, the Virgin Islands will be allowed to become a part of the Federal-State unemployment insurance system and participate in the loan provisions of that system.

The bill I am introducing today would continue the present temporary loan authority through fiscal 1977—September 30, 1977—and authorize an additional $10 million for such loans during that period.

Second, extension of the special unemployment assistance—SUA—program for 1 year: The special unemployment assistance—SUA—program provides unemployment compensation protection for workers not covered under the permanent UC law—primarily farmworkers, domestic workers, and State and local government employees. Financed out of Federal general revenues, SUA provides up to a maximum of 39 weeks of benefits to eligible, unemployed workers when the rate of total unemployment is 6 percent or higher nationally, or 6.5 percent or higher in local CETA areas. It was enacted in December 1974, Public Law 93–567, and extended and modified in June 1975, Public Law 94–45. SUA expires December 31, 1976, with tailout through March 31, 1977.

H.R. 10210, the UC bill approved by Ways and Means in December 1975, provides coverage under the permanent UC law for substantially all of the Nation's wage and salary earners and thereby eliminates the need for the SUA program. It was anticipated that H.R. 10210 would be enacted early this year, in time for its coverage provisions to take effect as SUA expired and prevent a gap in UC protection for SUA-covered workers.

Under the new budget procedures, legislation like H.R. 10210 is subject to a point of order on the House floor until after the House has approved the first concurrent resolution on the budget for fiscal 1977. This is scheduled to occur on May 15. Because the House cannot act on H.R. 10210 until after May 15, the new coverage provisions in the bill will have to be postponed for 1 year. This will result in a 1-year gap in unemployment compensation protection for SUA covered workers—from December 31, 1976, when SUA expires under current law, until January 1, 1978, which is the earliest date the coverage provisions in H.R. 10210 can become effective—unless SUA is extended.

For the purpose of continuing temporary UC protection until SUA covered workers can be included under the permanent program, I am introducing legislation today that extends the SUA program in its present form through December 31, 1977, with tailout through March 31, 1978. It is estimated by the Department of Labor that this extension will cost $500 million in fiscal year 1977 and $300 million in fiscal year 1978.

Third. Extension of the Federal supplemental benefits — FSB — program through fiscal year 1977: In States with insured unemployment rates of 6 percent or more, FSB currently provides a maximum of 26 additional benefit weeks—up to a combined maximum of 65 weeks of regular, extended and Federal supplemental benefits—to unemployed workers covered under the permanent UC law. In States with insured unemployment rates between 5 and 5.9 percent, FSB currently provides a maximum of 13 additional benefit weeks—up to a combined maximum of 52 weeks—to unemployed, covered workers. The program was enacted in December 1974, Public Law 93–572, and extended and modified in June 1975, Public Law 94–45. It expires March 31, 1977.

Because unemployment rates during the last half of fiscal year 1977 are expected to be at about the same level as they were when FSB was enacted, I am introducing a bill that, with modifications in current trigger provisions, continues the FSB program through fiscal year 1977—until September 30, 1977. This legislation would reinstate the original FSB program enacted by Ways and Means in December 1974. It would provide a maximum of 13 weeks of FSB—up to a combined maximum of 52 weeks of regular, extended, and Federal supplemental UC benefits—when the insured unemployment rate in the Nation or State is 4.5 percent or higher. According to the most recent projections, a national trigger at this level would result in the payment of 13 weeks of FSB in all States through fiscal 1977. In addition to reinstating the original 13 week FSB program, the bill would provide another 13 weeks of FSB—or a total of 26 weeks of FSB, up to a combined maximum of 65 weeks of regular, extended, and FSB payments—in States with insured unemployment rates of 6 percent or higher. The following table shows the most recent insured unemployment rates in the States as compiled by the Department of Labor for use in triggering FSB payments.

The Department of Labor has estimated that this proposed extension of FSB and change in the triggers for the first 13 weeks of payments would cost approximately $800 million in fiscal year 1977.

Hearings before the Subcommittee of Unemployment Compensation of the Ways and Means Committee on legislation pertaining to the SUA and FSB programs have been tentatively scheduled for April 28, 29, and 30.

I include the following:

States by EB-FSB trigger rates for week ending March 20, 1976

[In percent]

Below 5 percent:	
Colorado	[1] 3.16
District of Columbia	4.20
Indiana	4.63
Kansas	4.00
Louisiana	3.97
Mississippi	4.89
Nebraska	4.81
Ohio	4.91
Oklahoma	4.97
South Dakota	3.87
Texas	2.64
Virginia	3.21
Wyoming	3.42
5–5.99 percent:	
Delaware	5.22
Florida	5.58
Georgia	5.68
Iowa	5.27
New Hampshire	[3] 5.95
New Mexico	5.90
North Carolina	5.28
North Dakota	[4] 5.07
South Carolina	5.95
Utah	5.82
6 percent and over:	
Alabama	6.49
Alaska	12.38
Arizona	6.98
Arkansas	7.57
California	7.65
Connecticut	8.79
Hawaii	6.92
Idaho	7.47
Illinois	7.92
Kentucky	6.97
Maine	9.92
Maryland	[2] 6.04
Massachusetts	8.82
Michigan	[2] 9.32
Minnesota	6.15
Missouri	6.41
Montana	8.56
Nevada	8.51
New Jersey	9.68
New York	7.94
Oregon	8.92
Pensylvania	8.37
Puerto Rico	18.72
Rhode Island	10.00
Tennessee	6.69
Vermont	9.29
Washington	10.82
West Virginia	6.95
Wisconsin	6.25

[1] Trigger rate indicators as of December 27, 1975.

[2] Trigger rate indicators as of March 13, 1976.

[3] New Hampshire's rate changed from 6.00 percent (March 6, 1976) to 5.9 percent (March 13, 1976).

[4] North Dakota's rate changed from 4.93 percent (March 13, 1976) to 5.07 percent (March 20, 1976).

(Source: U.S. Department of Labor, ETA, UIS Office of Research, Legislation and Program Policies, April 5, 1976.)

WAYS AND MEANS OVERSIGHT SUBCOMMITTEE ANNOUNCES HEARING ON NEW DEFERRAL OF SOCIAL SERVICE PAYMENTS TO THE STATES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. **Vanik**) is recognized for 5 minutes.

Mr. **VANIK**. Mr. Speaker, at the request of the Public Assistance Subcommittee, the Ways and Means Oversight Subcommittee will hold public hearings on HEW's deferral of social service claims on Monday, April 12. The hearing will begin at 12:30 p.m. The hearing room will be announced at a later date.

Following are some of the issues to be discussed at the subcommittee's hearing:

First, the inordinate amount of delay in resolving the social service claims problems;

Second, the practice of withholding of payments subject to a preaudit;

Third, the issuance of final deferral-resolution regulations 3 years after the fact, plus problems with the regulations as published in the Federal Register on February 17, 1976;

Fourth, the approval of new or revised State plans; and

Fifth, the impact of deferrals on States' delivery of services, et cetera.

The schedule of witnesses will include HEW's Social and Rehabilitation Service Acting Administrator, Donald Wortman, and SRS regional commissioners. Representatives from Michigan, New York, and one other State will be testifying as a panel.

I want to especially commend Representative **Richard Vander Veen**, a subcommittee member, for his active and continuing interest in this issue which is of such great budgetary importance to the States.

Because of the limited time available to the subcommittee to conduct these hearings, it will not be possible to include additional State representatives on the schedule. The subcommittee would therefore welcome any written statements that interested persons would like to file with the subcommittee for its consideration for inclusion in the printed record of the hearings.

BUREAUCRACY REFORM LEGISLATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. **Jones**) is recognized for 5 minutes.

Mr. **JONES** of Oklahoma. Mr. Speaker, for some time I have been concerned about the growing influence of Federal programs and regulatory agencies over our economy and daily life. In many instances these self-serving programs and agencies tend to defy efforts of the Congress and the general public to make them more responsive to our needs and to close up shop when their goals have been achieved. Instead, they tend to expand their jurisdiction over more and broader areas of our society.

For example, since the creation of the Interstate Commerce Commission in 1887, which was established to deal with monopoly practices among the railroads, we find that we now have some 63,000 employees in 33 agencies, including approximately 230 bureaus, regulating nearly all sectors of our economy and daily life. It is estimated that the direct cost to the American taxpayer for this bureaucracy is in the neighborhood of $4 billion annually. This $4 billion is only the tip of the iceberg. There are other hidden costs to the consumer that are far larger—the added expenses of complying with Government regulations. And let no one doubt that it is the consumer, rich or poor, working on a fixed income or on welfare, in all parts of the Nation, who ultimately must bear the cost of these agencies and programs.

Those indirect costs are by now quite substantial. Imagine for a moment what we now require of the businessman in America, small or large: An expensive and time-consuming process of submitting reports, filling out questionnaires, replying to orders and directives, and the appeal of some rulings in the courts. In addition, there is the cost of compliance itself. And, an often overlooked cost is the reduced rate of technological innovation, caused largely by regulatory lag.

President Ford has estimated that the annual cost to consumers of unnecessary and wasteful regulatory policies is at $2,000 per family or a total annual cost to the public of $130 billion annually. I cannot substantiate the accuracy of this figure, but I am certain the dollar impact is not far off.

Looking at the agencies is only a part of the problem. An examination of our Federal programs is staggering. We have 228 health programs, 156 income security and social service programs, 83 housing programs, et cetera, et cetera—that all in all, we have nearly 1,000 Federal programs, touching on virtually every aspect of life in these United States.

If you were to turn to the Federal Government manual, you would discover that in addition to the 11 Cabinet Departments, we require 44 independent agencies and 1,240 advisory boards, committees, commissions, and councils to run the Federal Government. In 1974 alone, 85 separate governmental bodies were created, of which only 3 were subsequently abolished.

Through my service on the President's Commission on Regulatory Reform, I have become all the more aware of this growing threat to our society. I feel only through a radical approach to the problems created by these agencies can we begin to get a handle on this situation.

To meet these problems I am today introducing a bill that I feel can most effectively deal with them. First, my bill will require the Congress to reauthorize all Federal programs and agencies every 4 years. Second, all Federal agencies would be required to submit all of their proposed regulations to Congress prior to their effectiveness so as to provide the

Congress with an opportunity to review them to determine if they are consistent with the congressional intent that was intended in establishing the issuing agency.

Without such a frontal attack as this on the bureaucracy we will find ourselves in a worsening situation each year that we fail to face up to the problem.

My first approach of bringing about a mandatory quadrennial review of each agency is similar to that proposed by Senator Muskie and others in the Senate. The legislation I am proposing would do the following things:

First, all Government programs and activities would have to be reauthorized every 4 years, or be terminated, with certain limited exceptions.

Second, the bill would establish a schedule for reauthorization of Government programs and activities on the basis of groupings by budget function. Programs within the same function would terminate simultaneously, so that Congress would have an opportunity to examine and compare Federal programs in that functional area in its entirety, rather than in bits and pieces. The GAO would be asked to identify inefficiencies and assist the Congress with recommendations for improvement.

Third, the bill would reverse the assumption that old programs and agencies deserve to be continued just because they existed the year before, by incorporating a zero-base review into the reauthorization process.

The second aspect of my bill would provide a congressional review of the steady stream of regulations that come forth from the bureaucracy. One only has to glance at the daily volume of the Federal Register to realize that our agencies are going overboard in issuing redtape that is, in many instances, unnecessarily hampering our economy and society. In 1974 it is estimated that some 6,000 administrative rules were issued by almost 70 Federal agencies, departments, and bureaus. Only by bringing into play an effective congressional oversight can we begin to make this problem manageable.

I feel that all segments of our political spectrum are fed up with the way our agencies are operating and realize that aggressive and far-reaching steps must be taken to meet the problem we are facing. I believe this bill will go a long way in a practical and simple manner to meet the problem.

In closing, I would like to state for the record that it would be unfair to say that all agencies and programs are unnecessary and uneconomical. There is much good in many of our agencies and programs. However, we in Congress have been derelict in not constantly reviewing these agencies and programs. This bill provides such an opportunity.

I urge my fellow Members to join me in supporting this bill. I urge the Government Operations Committee and the Budget Committee to consider at an early time the merits of my bill.

CARBON MONOXIDE POLLUTION IN SCHOOLBUSES: H.R. 12954 IS LEGISLATION TO CORRECT THIS PROBLEM

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, last week I introduced legislation to protect schoolchildren from exposure to carbon monoxide inside buses. I have received numerous inquiries concerning the legislation. I am appending relevant correspondence I have had with the EPA, DOT, and the New York City Board of Education. I am also appending a copy of the bill, and urge its cosponsorship by our colleagues.

U.S. Environmental
Protection Agency,
Washington, D.C.

Mr. Victor Botnick,
Care of Congressman Edward I. Koch,
26 Federal Plaza,
New York, N.Y.

Dear Mr. Botnick: The purpose of this letter is to confirm the information which I provided to you by telephone on January 27 regarding air pollution standards of the Environmental Protection Agency which relate to carbon monoxide levels in school buses.

Beginning with the 1970 model year, Federal emission standards have limited the amount of carbon monoxide and hydrocarbons which may be emitted from heavy duty gasoline engines. This is the type of engine most commonly used in school buses. Beginning with the 1974 model year, somewhat more stringent standards, which also limit emissions of oxides of nitrogen, have been in effect. The Environmental Protection Agency is currently preparing to propose still more stringent emission limitations for this type of engine. Such emission standards limit the amounts of carbon monoxide, and other pollutants, which may be emitted by a heavy duty gasoline engine when that engine is operated over a standardized pattern of speeds and loads.

The Environmental Protection Agency also has ambient air quality standards for various pollutants, including carbon monoxide, which specify the levels of air quality which are necessary, with an adequate margin of safety, to protect public health. Such ambient standards establish the levels of ambient air quality which state air pollution control programs must attain under the requirements of the Clean Air Act.

While the emission standards discussed above would be expected to contribute to reductions in the general level of carbon monoxide in the outside air entering a school bus, and while the ambient standards would provide guidance as to levels which are protective of health, the Environmental Protection Agency does not have standards which specifically restrict ambient concentrations of carbon monoxide within the passenger space of an operating school bus.

Sincerely yours,

Joseph J. Merenda,
Staff Assistant for Mobile Source Air Pollution Control.

House of Representatives,
Washington, D.C., February 6, 1976.

Hon. William T. Coleman, Jr.,
Secretary, Department of Transportation, Washington, D.C.

Hon. Russell E. Train,
Administrator, U.S. Environmental Protection Agency, Washington, D.C.

Gentlemen: It has come to my attention that due to structural deficiencies in the model of school bus commonly used across the country, children traveling to and from schools on buses may be exposed to potentially dangerous levels of carbon monoxide. At the same time, it is distressing to learn that standards do not exist which specifically restrict ambient concentrations of carbon monoxide within the passenger space of a school bus.

The danger of carbon monoxide intoxification stems from faulty exhaust systems and carriage design deficiencies which permit gases to seep into the passenger cabin. Medical researchers associated with the Seattle Dept. of Health recently confirmed that carbon monoxide levels of many of the standard school bus models often exceed the recommended level of 35 parts per million for an enclosed "industrial" space. My own staff has recently conducted tests here in New York using a simple hand-operated carbon monoxide monitor on a sample of the buses used to transport an estimated 126,000 public school children. The results of this survey substantiate the earlier study's findings. In over half the cases, the actual levels exceed the recommended levels.

The potential health hazard to literally hundreds of thousands of school children requires immediate federal action. The consequences of even mild carbon monoxide intoxification are extensive. It can cause headaches, nausea, vomiting, increased blood pressure, drowsiness and diminished motor coordination. I would urge you to order the following three point program to ensure that both bus design and exhaust emission levels are consistent with acceptable public health standards.

(1) The immediate extension of exhaust pipes on all buses above the level of the roof so that exhaust fumes are drawn off the top.

(2) The promulgation by your department(s) of standards for ambient air quality within the passenger cabins of buses and the definition of the permissible range of carbon monoxide concentration.

(3) Institution of a requirement that appropriate state and local authorities periodically inspect all school buses for unacceptable carbon monoxide levels.

I would appreciate knowing at your earliest convenience what action you direct in this area.

Sincerely,

Edward I. Koch.

U.S. Environmental Protection Agency,
Washington, D.C., February 20, 1976.

Hon. Edward I. Koch,
House of Representatives,
Washington. D.C.

Dear Mr. Koch: Thank you for your letter of February 6, 1976, bringing to our attention the relatively high levels of carbon monoxide sometimes occurring within school buses. We will immediately begin exploring with the Department of Transportation the actions that can be taken by the federal government to deal with this problem.

The Environmental Protection Agency, in accordance with the Clean Air Act, has established national ambient air quality standards (NAAQS) specifying the concentrations of carbon monoxide allowable in the general atmosphere, if public health is to be protected. These standards are 35 parts per million, averaged over one hour, and nine parts per million, averaged over eight hours.

Attainment and maintenance of the NAAQS is being implemented through state plans and through the federal motor vehicle control program. The state plans and the federal program will reduce general carbon monoxide concentrations which will, in turn, affect the concentrations measured inside school buses and other vehicles. The state and federal measures presently do not, however, deal with exhaust system design and maintenance, the factors you feel may be the cause of the high concentrations in the school bus interiors.

We will keep you informed of the alternative ways we identify with the Department of Transportation to reduce carbon monoxide levels in school buses and the actions we intend to take.

Sincerely yours,

Roger Strelow,
Assistant Administrator for Air and Waste Management.

The Secretary of Transportation,
Washington, D.C., March 5, 1976.

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Mr. Koch: I share the concern about carbon monoxide intrusion in school buses as expressed in your letter of February 6. The enclosed "School Bus Carbon Monoxide Report" dated February 1976, prepared by the staff of the National Highway Traffic Safety Administration (NHTSA), will explain how this Department has faced that concern.

The NHTSA indicates it is not aware of any information that would alter the opinion expressed in this report, however, NHTSA would appreciate receiving a report of the testing performed by your staff members.

We will remain alert to any area of improvement in which we may play a role.

Sincerely,

William T. Coleman, Jr.

Board of Education,
of the City of New York,
Brooklyn, N.Y., March 15, 1976.

Hon. Edward I. Koch,
Congressman, New York Office, 26 Federal Plaza, New York, N.Y.

Dear Congressman: Thank you for your letter of February 6, 1976 concerning Carbon Monoxide in school buses and for your personal efforts to establish the facts.

As soon as I learned of your efforts and discovery, all school bus contractors were contacted and reminded of our rules against idling vehicles while waiting for pupils to arrive at the vehicle, while loading the vehicle or when the vehicle is loaded and the driver is experiencing a delay in getting under way. Further to the extent that our extremely limited staff permits, we are checking for compliance.

Also using your efforts as a springboard, we will begin work with Federal and State Transportation authorities to develop and promulgate the proper limits and equipment standards, and methods, and responsibilities for monitoring compliance.

Please consider this to be an interim reply to your letter as I will keep you informed of our progress.

Sincerely,

Irving Anker,
Chancellor.

House of Representatives,
Washington, D.C., March 16, 1976.

Hon. William T. Coleman, Jr.,
Secretary, Department of Transportation, Washington, D.C.

Dear Secretary Coleman: Your response to my letter concerning carbon monoxide intrusion in school buses has been received by my office. My staff has reviewed the report prepared by the National Highway Traffic Safety Administration (NHTSA), and would appreciate the following information.

1. Under what operating modes were the buses tested?
2. What were the interior carbon monoxide levels?
3. What were the ambient carbon monoxide levels?
4. Were the buses in an urban or suburban traffic environment?

I am enclosing a summary of the test conducted by my staff, as well as a copy of an article which recently appeared in the American Journal of Public Health. I feel the problem is a serious one which needs immediate remedy. Therefore, I plan to introduce legislation in the near future which I hope you will support.

If your agency desires any further information on the tests we conducted, please contact Mr. Victor Botnick in my New York office.

All the best.

Sincerely,

Edward I. Koch.

Office of the
Secretary of Transportation,
Washington, D.C., March 19, 1976.

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Mr. Koch: Secretary Coleman has asked that I acknowledge receipt of your letter of March 16 enclosing a summary of tests conducted by your staff concerning carbon monoxide intrusion in school buses and also a copy of an article from the American Journal of Public Health on this same subject.

The information you forwarded is receiving careful attention, and the Secretary will be in touch with you in this regard as soon as possible.

Sincerely,

A. B. Virkler Legate,
Executive Secretary.

H.R. 12954

A bill to amend the Clean Air Act to require the protection of passengers of school buses and certain other vehicles from concentrations of carbon monoxide within the vehicle

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title II of the Clean Air Act (relating to emission standards for moving sources) is amended by adding the following new part at the end thereof:

"PART C—CARBON MONOXIDE STANDARDS FOR VEHICLE INTERIORS

"ESTABLISHMENT OF STANDARDS

"Sec. 241. (a) Not later than 90 days after the enactment of this part, the Administrator shall by regulation prescribe (and from time to time revise) in accordance with the provisions of this section, standards applicable to the presence of carbon monoxide in the passenger area of buses which in his judgment causes or contributes to, or is likely to cause or to contribute to, a danger to the public health.

"(b) Any standard prescribed under subsection (a) (or any revision thereof) shall take effect on the date six months after the date of enactment of this Act (or six months after promulgation of the regulation in the case of a regulation revising a standard prescribed under subsection (a)).

"STATE PLANS

"Sec. 242. Effective six months after the enactment of this part, each applicable implementation plan shall include such measures applicable to buses, including monitoring, as may be required under section 110(a)(2)(I) to implement the standards prescribed under section 241(a) without regard to whether such buses are new motor vehicles or not.

"DEFINITION

"Sec. 243. For purposes of this part, the term 'bus' means any vehicle having a passenger capacity of six or more persons in addition to the driver, including but not limited to a school bus, which is used to transport any person for hire."

(b)(1) Section 206(a)(1) of such Act (relating to motor vehicle and motor vehicle engine compliance testing and certification) is amended by inserting "and 241" after "202".

(2) Section 206(a)(2) of such Act is amended by inserting "and 241" after "202(b)".

(3) Section 206 is amended by adding the following new subsection at the end thereof:

"(f) No bus (within the meaning of section 243) shall be eligible for a certificate of conformity under this section if such bus is manufactured after the model year 1977 unless, in addition to such other requirements as may apply under an applicable State plan as provided in section 242, the exhaust pipe of such bus extends to such level above the roof of such bus as may be determined under regulations promulgated by the Administrator."

(4) Sections 207(a) and 207(c) of such Act are amended by inserting "and 241" after "202".

(5) Section 207(b) of such Act is amended by inserting "or 241" after "202" in each place it appears.

(c)(1) Section 110(a)(2) of such Act (relating to State implementation plans) is amended by adding the following new subparagraph at the end thereof:

"(I) it provides for such measures, as may be required under section 242 to attain and maintain the standards applicable to vehicle interiors under section 241(a)."

(2) Each State shall adopt and submit a plan or a plan revision for purposes of meeting the requirements of section 110(a)(2)(I) not later than four months after the date of enactment of this Act. Not later than six months after such date of enactment, the Administrator shall approve such plan revision or promulgate a plan revision under section 110(c) for purposes of meeting such requirements.

MORE ON THE ARAB BOYCOTT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on March 22 of this year I placed in the Congressional Record a memorandum of October 23, 1975, on the Arab boycott prepared by William F. Haddad, director of the Office of Legislative Oversight and Analysis of the New York State Assembly, for Stanley Steingut, speaker of the Assembly of the State of New York. I should like to place in the Record today a further memorandum dated March 1976 which should shock our colleagues in that it documents the unconscionable lengths to which American corporations will go to remove themselves from the Arab boycott list. The need for comprehensive national legislation to prevent the enormous pressures to which American firms are being subjected becomes even more obvious with this startling memorandum. I urge my colleagues to cosponsor H.R. 11463, the Koch-Scheuer bill to prohibit

U.S. participation in the heinous Arab boycott, which is now cosponsored by 62 Members of the House.

The memorandum follows:

THE ASSEMBLY, STATE OF NEW YORK, ALBANY—CONFIDENTIAL MEMORANDUM

To: Speaker STANLEY STEINGUT,
From: William Haddad and Thomas Burton,
Date: March 5, 1976.
Subject: How to Get Off the Arab Boycot List.

This report is a follow-up to our December report and continues our investigations into the Arab boycott of corporations doing business with Israel.

In our December report, we stated that the Arab boycott "is real and it is effective." We have recently discovered it is so effective that at least one American corporation was forced to descend into the netherworld of corporate payments to get off the boycott list.

According to documents, interviews, and a sworn affidavit which we obtained, General Tire and Rubber Company paid $150,000 to an Arab group in an effort to remove GT&R from the boycott list. One document in our possession confirms that General Tire & Rubber, General Tire International (the international subsidiary of GT&R), and RKO General, Inc. (a wholly owned subsidiary of GT&R) were removed from the boycot list by 1973.

The companies who intervened on behalf of General Tire and Rubber and RKO General was "Perco Establishment, which I believe is a subsidiary of Triad Corporation," according to John Dalton, general counsel of GT&R.

The principal owner of Triad is Ahnan Khashoggi, who has United States banking interests and has been mentioned as a go-between on other business arrangements, including those related to the current Congressional inquiries into pay-offs by American firms to do business overseas.

We believe we have located, through this transaction, the mysterious procedure used by some American businesses to get off the Arab boycott list.

We had previously heard reports of a "secret channel" used by businessmen to get off the list, but this is our first proof that such a procedure does exist.

Previously, we had been told, the U.S. embassies overseas served "informally" to bring together boycotted American companies and officials of the Arab boycott.

As you know, we were also told of companies being placed on the Arab boycott list for no apparent reason, forcing them to seek methods to be removed from the list.

The payments and procedure were confirmed to us on Friday, March 5, 1976, in an interrogation of Mr. Dalton, who said $150,000 had been paid to get off the Arab boycott list.

Thomas Burton and Susan Mackenzie conducted the interview based on facts developed earlier.

Mr. Dalton said that the cause of the trouble for his company was its contract with an Israeli corporation. When this corporation was merged with another company, GT&R's contract was ended. Mr. Dalton stated this was the reason, and not the $150,000, that GT&R was removed from the list.

There are many aspects of this arrangement (how the contact was made, how the money was transmitted, what assurances were exchanged, etc.) which should be quickly clarified in either public or private sessions under oath.

General Tire and Rubber has not yet responded to a sworn affidavit, which has been on file as part of federal agency hearings since the second week in February and which alleges widespread overseas payments to do business overseas and to prevent competitors from doing business in certain Arab World markets.

Testimony and statements, under oath, are urgently needed from responsible officials of General Tire or its subsidiaries to examine the essential details of these documents and determine their relationship to New York based companies.

It is unacceptable that any American corporation would have to make a payment to get off the boycott list, particularly since the list is aimed at firms which have merely committed the "crime" of doing business with Israel or of employing Jews as officials.

As stated above, the payment to escape the Arab boycott list is one of a number of financial transactions described in the documents. At least some of the payments described were, according to the documents, discussed quite frankly by top officers of GT&R or of its subsidiaries in private conversation. One of the payments discussed by the president of GT&R in December, 1974, was the Arab payment.

Of the other payments described, one other transaction provides a particularly interesting twist to the dreary saga of foreign corporate bribes. A $500,000 payment is described in which money from overbillings and profits, which had been maintained in Akron, Ohio, GT&R's corporate headquarters, was paid to an unnamed Moroccan individual for two purposes: One was to obtain a permit for an expansion of GT&R's plant in Morocco, but the other was for the express purpose of preventing Goodyear, a competitor, from obtaining a business permit in Morocco.

Traditionally, some corporate executives have defended foreign corporate payoffs with the When-in-Rome-do-as-the-Romans-do theory: They have said that free enterprise demands payoffs in certain countries. But this Moroccan transaction was the very opposite of free enterprise, an attempt to fix the deck before any free competition could begin.

Other payments were recounted in the documents, too:

The Bank of Liechtenstein is said to have been a stop-over for $90,000 which went from Fructal, GT&R's Liechtenstein subsidiary and landed in two Austrian accounts apparently taken out under false names, and then finally landed in the hands of Rumanian officials.

The same Liechtenstein subsidiary was named as the corporate conduit for payments to an official of the Chilean government and at least one other Chilean politician.

One individual received a payment of $150,000.

In all, a vast misappropriation of more than $1 million is described in the documents, which, to a great extent, cite the original source of the information as being top General Tire and Rubber officials, speaking in conversation at their Akron corporate headquarters.

An additional $300,000 went to Moroccan officials to obtain the agreement of the Moroccan government to secure their purchase of a satellite station built by GT&R and its subsidiary.

This larger pattern of foreign payments is for federal agencies to look into—the Securities and Exchange Commission, the Federal Trade Commission, the Justice Department.

But the action to get General Tire and Rubber off the Arab boycott list falls within the Assembly's jurisdiction. This payment provides graphic new evidence that the Arab boycott is alive, and that it works. Corporate officials must be brought under oath to recount, both in statements and testimony, the details of this transaction.

U.S.S.R. AUTHORIZED TERRORISM IS SHAMEFUL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I believe that terrorist acts against innocent civilians are reprehensible, must be condemned, and the perpetrators should be severely punished. First let me make it clear that I believe those individuals who call themselves the Jewish Armed Resistence are engaging in criminal behavior when they plant bombs. Firing upon the 67th Street residence of the Soviet delegation in New York City is a vile criminal act. I hope that the culprits are apprehended, convicted, and punished.

At the same time, I see an enormous distinction between the acts of individuals, reprehensible as they are, and the acts of terrorism initiated in the Soviet Union by the Soviet Government, intending to retaliate against U.S. diplomats and Embassy personnel and using its citizens for that purpose. There is a report in today's New York Times that "a senior American diplomat was surrounded tonight—in Moscow—by six or seven Russian men who grabbed his jacket and threatened him with retaliation for the harassment of Soviet diplomats by demonstrators in New York."

The Soviet Union prides itself in the fact that people can walk the streets of the U.S.S.R. without being assaulted. Thus nothing of this kind could occur without the approval, tacit or express, of the Soviet Government itself. I repeat, I condemn both terrorism committed by individuals and terrorism committed by governments, but when a government acts to deprive people of their rights the results are far more pervasive and perfidious than when an individual acts. The Government has a duty to arrest an individual violating the law but who can arrest the Government?

BOOKMOBILE VISITS CAPITOL HILL DURING NATIONAL LIBRARY WEEK

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, this week is National Library Week, when we honor libraries of all types, and pay tribute to the contributions they have made to the lives of our citizens. In connection with this event, the District of Columbia Public Library has a bookmobile on display today outside the Rayburn Building on South Capitol Street. I hope many will take advantage of this opportunity to visit a compact library on wheels.

At the same time librarians and friends of libraries from across the country are gathering in Washington, many of whom will be visiting their Representatives. I know these library visitors will be warmly received.

I also urge my colleagues to join with me in honoring our Nation's libraries during National Library Week. In this Bicentennial Year it is most fitting that we recognize the important role libraries play in preserving our heritage. It is also important to note that libraries today do far more than this—besides providing access to printed materials they lend films, records, and other audio-visual materials; they sponsor classes, lectures and discussion groups; they provide voter registration and serve as community information centers, they extend their services beyond those able to come to the library, by bookmobile services, books-by-mail programs, and service to institutions; and provide much needed information to students, businessmen, children, researchers, public officials, and all of us who have a need for information beyond our own personal resources.

METRO IS A WINNER

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, on April 1 the Washington Star reported the first results of Metro's operation. According to the Star, Metro is working better than anyone, including Metro itself, had anticipated.

In recent months, some people have been highly critical of the Metro project. The basis for much of that criticism related to Metro's ridership estimates. During hearings before a District of Columbia subcommittee, there was testimony that Metro would attract only half of its projected ridership.

The facts mean more than any projections or conjecture. Metro opened 4½ miles for revenue service on Monday, March 29. This small section was expected to serve mainly as a shakedown operation, somewhat experimental in nature.

The projected ridership for this initial stage was approximately 8,000 trips daily. After several days of operations we find that Metro's critics were half-right and Metro half-wrong. Instead of 8,000 riders per day, Metro has averaged well over 19,000 riders per day, more than double the ridership projected. Further, according to yet another story in the Star, the bulk of the ridership is not there to sightsee. The public is using it for commuting and shopping—to get across town in a fraction of the time it used to take to drive or take a cab or bus.

This success, while measured in only the early stages of operations to be sure, is nevertheless remarkable. Businesses in downtown Washington are reporting 10 and 20 percent increases in sales. Metro is beginning to revitalize downtown Washington after 1 week of service.

At this point, Mr. Speaker, I would like to insert the article from the Star in the RECORD. I hope that all of my colleagues will give it their attention for a moment. I think they will see that their years of support has been well worthwhile.

The article follows:

METRO'S LOOKING LIKE A SURPRISE WINNER

(By Timothy Hutchens and Thomas Crosby)

They said nobody would ride.

But on Monday, there were 19,913 riders. Tuesday, there were 19,742. Yesterday, the count was 19,875. Metro itself expected only about 8,300 passengers a day as its first 4.9 miles opened to paying passengers.

There were fears Washington's new subway would become an instant crime center, particularly for muggers.

So far, there have been only three instances of pocket picking, and they came during last Saturday's mass free rides.

"They"—the subway's explicit critics, the habitually cautious and skeptics who never believe anything new will work—also said the trains would rattle and squeal, assaulting the ears of office workers several stories above the subway.

Thousands of trips beneath Washington's Superior Court complex have yet to raise a judicial grumble about noise.

There was conviction the subway would be vandalized 24 hours after opening, sprouting graffitti like mushrooms gone wild in the dank dark.

So far, not an irreverent mark has appeared on an advertising sign or inside a car.

"They" warned that the sophisticated subway machinery would spawn hour-long delays daily. Since revenue rides started Monday, there has been no delay longer than 45 minutes and there are fewer each operating day.

The fact is that the subway's first section, which Metro officials call the "baby" of the eventual 100-mile network, already has taken giant steps toward dispelling the forebodings that surrounded its birth.

For years there has been worry about whether Metro would revive business in downtown Washington, but Greg Varnam has no doubts about his decision to relocate near the newly operational Farragut North Station.

Varnam rolled his Sabrett's hot dog stand from the west side of Connecticut Avenue to the east side right next to the escalators that descend to the tracks. Result: A 100 percent overnight increase in sales.

"I used to sell 150 hot dogs a day," he said. "Now it's 300 or 400. Everybody really gets off on Metro. It's going to bring people into the downtown areas."

Across the street is The Bottery, Joe Beberman figures business is up 20 percent since the Metro's opening, thanks to the number of people walking by on their way to the station. To help foster good will, he now starts out each day with $40 in change instead of $20, for Metrorail riders who have to pay exact fares.

For the man behind the wheel, however, Metro has had the ironic effect of congesting traffic rather than alleviating it, according to Scott Pollock, who drives a Bootery delivery truck. Whole trainloads barge out of the station and jaywalk.

"They get under your wheels," he said.

At the other end of the line, Ben Fantroy also is enjoying a big increase in the number of people who walk into his Shirl's Dinette & Carpet Co. rather than zip by in their cars on Rhode Island Avenue NE.

"I fought for a loading zone out front and still have to fight to keep it clear," he said, "but it's a good feeling knowing more people are walking by."

This edge of Brookland, however, is primarily residential and the biggest hope for Metro-inspired commercial rejuvenation is for the area around the Metro Center stationed at 12th and G Streets NW. It is there that the downtown has its biggest needs, following the general drift of the city's more prestigious commerce to the west.

Woodward & Lothrop, which has the advantage of a doorway directly to the Metro Center stop, believes that transactions may have increased as much as 10 percent since the trains started running regularly on Monday.

But many other stores in the area are not so likely to attract lunchtime and after-work shoppers from the Capitol via the Union Station stop or the court complex via the Judiciary Square stop. Moreover, even distinctive stores such as Brentano's on the F Street Mall or Campbell's at 13th and G Streets NW believe it is too early to tell what impact Metro has had on them.

Inside the trains themselves, none of scores of riders interviewed agreed with current and past Metro critics that the rail system is not worth the $4.6 billion, which is the least it will cost. Such a figure is too abstract to compete for attention with the thrill of a ride on a brand new train.

Instead, riders complained about either not having the 40 or 55-cent fare, depending on the time of day, or of spending up to seven cents a minute to go from Farragut Square to Rhode Island Avenue. The fact that Metro might also cost the area's individual taxpayers more than $1,000 before Metro is completed was shrugged off as cavalierly as worry about birthday present bills during a shopping binge.

"It's a nice new toy for the Bicentennial, said an Army colonel stationed at the Pentagon. "I'm glad I'm shipping out and don't have to pay for it."

Suggestions that plans for the 100-mile system should be cut in half were also rejected by hundreds of commuters and would-be commuters who parked at the Rhode Island Avenue station's 300-car lot. At least as many others were turned away after spending half an hour driving into the city in order to spend six minuts getting downtown.

"Most of those we had to turn away wanted to know when Metro was coming out to them, said Bob Lewis, a Metro traffic engineer. The system is not scheduled for completion until at least 1982.

Some of Metro's benefits are more subtle than others.

"I need 17 cents to get to D.C. General Hospital," said a Mr. Williams next to the Sabrett's umbrella. "My back's bothering me."

"And where did you come from?" asked someone trying to take a ridership survey.

"Seventh Street. By the way, my friend needs 40 cents to accompany me."

"Will you transfer at Union Station?"

"Yes, yes," said Mr. Williams, as he took the money and sauntered onto K Street, his back erect as though proud of having also successfully relocated.

CONFERENCE REPORT ON S. 2662

Mr. MORGAN submitted the following conference report and statement on the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–1013)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "International Security Assistance and Arms Export Control Act of 1976".

TITLE I—MILITARY ASSISTANCE PROGRAM

AUTHORIZATION

SEC. 101. Section 504(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a)(1) There is authorized to be appropriated to the President to carry out the purposes of this chapter $196,700,000 for the fiscal year 1976. Not more than the following amounts of funds available for carrying out this chapter may be allocated and made available to each of the following countries for such fiscal year:

Country:	Amount
Greece	$31,000,000
Indonesia	13,000,000
Jordan	50,000,000
Korea	55,000,000
Philippines	17,000,000
Thailand	16,000,000
Turkey	31,000,000
Ethiopia	6,000,000

The amount specified in this paragraph for military assistance to any such country for the fiscal year 1976 may be increased by not more than 10 per centum of such amount if the President deems such increase necessary for the purposes of this chapter.

"(2) Not to exceed $6,000,000 of the funds made available for fiscal year 1976 to carry out the purposes of this chapter may be used to provide assistance to countries and international organizations which are not designated in paragraph (1).

"(3) Funds made available for assistance under this chapter may not be used to furnish assistance to more than 20 countries (including those countries designated in paragraph (1)) in fiscal year 1976.

"(4) The authority of section 610(a) and of section 614(a) may not be used to increase any amount specified in paragraph (1) or (2). The limitations contained in paragraphs (1), (2), and (3) shall not apply to emergency assistance furnished under section 506(a).

"(5) There is authorized to be appropriated to the President, for administrative and other related expenses incurred in carrying out the purposes of this chapter, $32,000,000 for the fiscal year 1976.

"(6) None of the funds appropriated under this subsection shall be used to furnish sophisticated weapons systems, such as missile systems or jet aircraft for military purposes, to any less developed country unless the President determines that the furnishing of such weapons systems is important to the national security of the United States and reports within thirty days each such determination to the Congress.

"(7) Amounts appropriated under this subsection are authorized to remain available until expended.

"(8) Assistance for Turkey under this chapter shall be subject to the requirements of section 620(x) of this Act.".

SPECIAL AUTHORITY

SEC. 102. Section 506(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a)(1) If the President first determines and reports to Congress in accordance with section 652 of this Act—

"(A) that an unforeseen emergency exists which requires immediate military assistance to a foreign country or international organization;

"(B) that a failure to respond immediately to that emergency will result in serious harm to vital United States security interests; and

"(C) that the emergency requirement cannot be met under authority of the Arms Export Control Act or any other law except this section:

he may order defense articles from the stocks of the Department of Defense and defense services for the purposes of this part, subject to reimbursement from subsequent appropriations made specifically therefor under subsection (b).

"(2) The total value of defense articles and defense services ordered under this subsection in any fiscal year may not exceed $67,500,000. The authority contained in this subsection shall be effective in any fiscal year only to the extent provided in an appropriation Act.

"(3) The President shall keep the Congress fully and currently informed of all defense articles and defense services ordered under this subsection.".

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 103. Section 514 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 514. STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.—(a) No defense article in the inventory of the Department of Defense which is set aside, reserved, or in any way earmarked or intended for future use by any foreign country may be made available to or for use by any foreign country unless such transfer is authorized under this Act or the Arms Export Control Act, or any subsequent corresponding legislation, and the value of such transfer is charged against funds authorized under such legislation or against the limitations specified in such legislation, as appropriate, for the fiscal period in which such defense article is transferred. For purposes of this subsection, 'value' means the acquisition cost plus crating, packing, handling, and transportation costs incurred in carrying out this section.

"(b)(1) The value of defense articles to be set aside, earmarked, reserved, or intended for use as war reserve stocks for allied or other foreign countries (other than for purposes of the North Atlantic Treaty Organization) in stockpiles located in foreign countries may not exceed in any fiscal year an amount greater than is specified in security assistance authorizing legislation for that fiscal year.

"(2) The value of such additions to stockpiles in foreign countries shall not exceed $75,000,000 for the fiscal year 1976 and shall not exceed $18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976.

"(c) Except for stockpiles in existence on the date of enactment of the International Security Assistance and Arms Export Control Act of 1976 and for stockpiles located in countries which are members of the North Atlantic Treaty Organization, no stockpile may be located outside the boundaries of a United States military base or a military base used primarily by the United States.

"(d) No defense article transferred from any stockpile which is made available to or for use by any foreign country may be considered an excess defense article for the purpose of determining the value thereof.

"(e) The President shall promptly report to the Congress each new stockpile, or addition to an existing stockpile, described in this section of defense articles valued in excess of $10,000,000 in any fiscal year.".

TERMINATION OF MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS

SEC. 104. Section 515 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "Effective July 1, 1976," and inserting in lieu thereof "(a) During the period beginning July 1, 1976, and ending September 30, 1977."; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) After September 30, 1977, no military assistance advisory group, military mission, or other organization of United States military personnel performing similar military advisory functions under this Act may operate in any foreign country unless specifically authorized by the Congress.

"(2) The President may assign not more than three members of the Armed Forces of the United States to the Chief of each United States Diplomatic Mission to perform such functions as such Chief of Mission determines necessary with respect to international military education and training provided under chapter 5 of this part, to sales of defense articles and services under the Arms Export Control Act, or to such other international security assistance programs as the President may designate. After September 30, 1977, no such functions or related activities may be performed by any defense attachés assigned, detailed, or attached to the United States Diplomatic Mission in any foreign country.

"(c) After September 30, 1976, the number of military missions, groups, and similar organizations may not exceed 34.

"(d) As used in this section, the term military assistance advisory group, military mission, or other organization of United States military personnel performing similar military advisory functions under this Act' does not include regular units of the Armed Forces of the United States engaged in routine functions designed to bring about the standardization of military operations and procedures between the Armed Forces of the United States and allies of the United States.".

TERMINATION OF AUTHORITY TO FURNISH GRANT MILITARY ASSISTANCE

SEC. 105. Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 516. TERMINATION OF AUTHORITY.—(a) Except to the extent that the Congress may, subsequent to the enactment of this section, authorize the furnishing of military assistance in accordance with this chapter to specified countries in specified amounts, the authorities contained in this chapter (other than the authorities contained in sections 506, 514, and 515(b)(2)) may not be exercised after September 30, 1977, except that such authorities shall remain available until September 30, 1980, to the extent necessary to carry out obligations incurred under this chapter on or before September 30, 1977.

"(b) Funds available to carry out this chapter shall be available notwithstanding the limitations contained in paragraphs (2) and (3) of section 504(a) of this Act—

"(1) for the winding up of military assistance programs under this chapter, including payment of the costs of packing, crating, handling, and transporting defense articles furnished under this chapter and of related administrative costs; and

"(2) for costs incurred under section 503(c) with respect to defense articles on loan to countries no longer eligible under section 504(a) for military assistance.".

INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 106. (a) Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 5.—INTERNATIONAL MILITARY EDUCATION AND TRAINING

"SEC. 541. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine (but whenever feasible on a reimbursable basis), military education and training to military and related civilian personnel of foreign countries. Such training and education may be provided through—

"(1) attendance at military educational and training facilities in the United States (other than Service academies) and abroad; and

"(2) attendance in special courses of instruction at schools and institutions of learning or research in the United States and abroad; and

"(3) observation and orientation visits to military facilities and related activities in the United States and abroad.

"SEC. 542. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter $27,000,000 for the fiscal year 1976. After June 30, 1976, no training under this section may be conducted outside the United States unless the President has reported and justified such training to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate.

"SEC. 543. PURPOSES.—Education and training activities conducted under this chapter shall be designed—

"(1) to encourage effective and mutually beneficial relations and increased understanding between the United States and foreign countries, in furtherance of the goals of international peace and security; and

"(2) to improve the ability of participating foreign countries to utilize their resources, including defense articles and defense services obtained by them from the United States, with maximum effectiveness, thereby contributing to greater self-reliance by such countries.".

(b) The Foreign Assistance Act of 1961 is amended as follows:

(1) Section 510 is repealed.

(2) Section 622 is amended—

(A) in subsection (b) by inserting "and military education and training" immediately after "(including civic action)"; and

(B) by amending subsection (c) to read as follows:

"(c) Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of economic assistance, military assistance, and military education and training programs, including but not limited to determining whether there shall be a military assistance (including civic action) or a military education and training program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.".

(3) Section 623 is amended—

(A) in subsection (a)(4) by inserting "and related civilian" immediately after "military"; and

(B) in subsection (a)(6) by inserting ", education and training" immediately after "assistance".

(4) Section 632 is amended—

(A) in subsections (a) and (e) by inserting ", military education and training" immediately after "articles" wherever it appears; and

(B) in subsection (b) by striking out "and defense articles" and inserting in lieu thereof ", defense articles, or military education and training".

(5) Section 636 is amended—

(A) in subsection (g)(1) by inserting ", military education and training" immediately after "articles"; and

(B) in subsection (g)(2) and in subsection (g)(3) by striking out "personnel" and inserting in lieu thereof "and related civilian personnel".

(6) Section 644 is amended—

(A) by amending subsection (f) to read as follows:

"(f) 'Defense service' includes any service, test, inspection, repair, publication, or technical or other assistance or defense information used for the purposes of furnishing military assistance, but does not include military educational and training activities under chapter 5 of part II."; and

(B) by adding at the end thereof the following new subsection:

"(n) 'Military education and training' includes formal or informal instruction of foreign students in the United States or overseas by officers or employees of the United States, contract technicians, contractors (including instruction at civilian institutions), or by correspondence courses, technical, educational, or information publications and media of all kinds, training aids, orientation, and military advice to foreign military units and forces.".

(c) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken or entered into under authority of any provision of law amended or repealed by this section shall continue in full force and effect until modified, revoked or superseded by appropriate authority.

(d) Funds made available pursuant to other provisions of law for foreign military educational and training activities shall remain available for obligation and expenditure for their original purposes in accordance with the provisions of law originally applicable to those purposes or in accordance with the provisions of law currently applicable to those purposes.

TITLE II—ARMS EXPORT CONTROLS

CHANGE IN TITLE

SEC. 201. (a) The first section of the Foreign Military Sales Act is amended by striking out "The Foreign Military Sales Act" and inserting in lieu thereof "the 'Arms Export Control Act".

(b) Any reference to the Foreign Military Sales Act shall be deemed to be a reference to the Arms Export Control Act.

ARMS SALES POLICY

SEC. 202. (a) Section 1 of the Foreign Military Sales Act is amended by striking out the last paragraph and inserting in lieu thereof the following new paragraphs:

"It shall be the policy of the United States to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war and to lessen the danger of outbreak of regional conflict and the burdens of armaments. United States programs for or procedures governing the export, sale, and grant of defense articles and defense services to foreign countries and international organizations shall be administered in a manner which will carry out this policy.

"It is the sense of the Congress that the President should seek to initiate multilateral discussions for the purpose of reaching agreements among the principal arms suppliers and arms purchasers and other countries with respect to the control of the international trade in armaments. It is further the sense of Congress that the President should work actively with all nations to check and control the international sale and distribution of conventional weapons of death and destruction and to encourage regional arms control arrangements. In furtherance of this policy, the President should undertake a concerted effort to convene an international conference of major arms-supplying and arms-purchasing nations which shall consider measures to limit conventional arms transfers in the interest of international peace and stability.".

(b)(1) The President shall conduct a comprehensive study of the arms sales policies and practices of the United States Government, including policies and practices with respect to commercial arms sales, in order to determine whether such policies and practices should be changed. Such study shall examine the rationale for arms sales to foreign countries, the benefits to the United States of such arms sales, the risks to world peace as a result of such arms sales, trends in arms sales by the United States and other countries, and steps which might be taken by the United States to provide for limitations on arms sales. In addition, such study shall include an evaluation of the impact of United States arms sales policies on the economic and social development of foreign countries and consideration of steps which might be taken by the United States to encourage the maximum use of the resources of the developing countries for economic and social development purposes.

(2) Not later than the end of the one-year period beginning on the date of enactment of this section, the President shall submit to the Congress a report setting forth in detail (A) the findings made and conclusions reached as a result of the study conducted pursuant to paragraph (1) of this subsection, together with such recommendations for legislation as the President deems appropriate, (B) the efforts made by the United States during the five years immediately preceding the submission of such report to initiate and otherwise encourage arms sales limitations, and (C) the efforts being made by the United States at the time of the submission of such report to initiate and otherwise encourage arms sales limitations in accordance with the policies stated in the amendment made by subsection (a) of this section.

TRANSFER OF DEFENSE SERVICES

SEC. 203. (a) Section 3(a)(2) of the Foreign Military Sales Act is amended, effective July 1, 1976, by inserting immediately after "article" each time it appears "or related training or other defense service".

(b) Section 505(a) of the Foreign Assistance Act of 1961 is amended, effective July 1, 1976, by inserting immediately after "articles" each time it appears "or related training or other defense service".

APPROVAL FOR TRANSFER OF DEFENSE ARTICLES

SEC. 204. (a) Section 3 of the Foreign Military Sales Act is amended by adding at the end thereof the following new subsections:

"(e) The President may not give his consent under paragraph (2) of subsection (a) or under the third sentence of such subsection to a transfer of a defense article, or related training or other defense service, sold under this Act and may not give his consent to such a transfer under section 505(a)(1) or 505(a)(4) of the Foreign Assistance Act of 1961 unless—

"(1) the President submits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate, on the same day, a written certification with respect to such proposed transfer containing—

"(A) the name of the country or international organization proposing to make such transfer.

"(B) a description of the defense article or related training or other defense service proposed to be transferred, including the original acquisition cost of such defense article or related training or other defense service.

"(C) the name of the proposed recipient of such defense article or related training or other defense service.

"(D) the reasons for such proposed transfer, and

"(E) the date on which such transfer is proposed to be made; and

"(2) either—

"(A) the Congress does not adopt a concurrent resolution disapproving the proposed transfer within the first period of thirty calendar days after the date on which such certification is submitted, or

"(B) the President certifies in his certification that an emergency exists which requires such transfer in the national security interests of the United States.

Any certification submitted to Congress pursuant to this subsection shall be unclassified, except that information regarding the dollar value and number of defense articles, or related training or other defense services, proposed to be transferred may be classified if public disclosure thereof would be clearly detrimental to the security of the United States. A resolution of disapproval under paragraph (2)(A) shall be considered in the

Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(f) If the President receives any information that a transfer of any defense article, or related training or other defense service, has been made without his consent as required under this section or under section 505 of the Foreign Assistance Act of 1961, he shall report such information immediately to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate.".

(b)(1) The second sentence of subsection (a) of section 3 of the Foreign Military Sales Act is amended by striking out ", and prior" and all that follows thereafter through "transferred" the second time it appears.

(2) The first sentence of section 505(e) of the Foreign Assistance Act of 1961 is amended by striking out ", and prior" and all that follows thereafter through "transferred" the second time it appears.

SALES FROM STOCKS

SEC. 205. Section 21 of the Foreign Military Sales Act is amended to read as follows:

"SEC. 21. SALES FROM STOCKS.—(a) The President may sell defense articles and defense services from the stocks of the Department of Defense to any eligible country or international organization if such country or international organization agrees to pay in United States dollars—

"(1) in the case of a defense article not intended to be replaced at the time such agreement is entered into, not less than the actual value thereof;

"(2) in the case of a defense article intended to be replaced at the time such agreement is entered into, the estimated cost of replacement of such article, including the contract or production costs less any depreciation in the value of such article; or

"(3) in the case of the sale of a defense service, the full cost to the United States Government of furnishing such service.

"(b) Except as provided by subsection (d) of this subsection, payment shall be made in advance or, if the President determines it to be in the national interest, upon delivery of the defense article or rendering of the defense service.

"(c) Personnel performing defense services sold under this Act may not perform any duties related to training, advising, or otherwise providing assistance regarding combat activities, outside the United States in connection with the performance of those defense services.

"(d) If the President determines it to be in the national interest pursuant to subsection (b) of this section, billings for sales made under letters of offer issued under this section after the enactment of this subsection may be dated and issued upon delivery of the defense article or rendering of the defense service and shall be due and payable upon receipt thereof by the purchasing country or international organization. Interest shall be charged on any net amount due and payable which is not paid within sixty days after the date of such billing. The rate of interest charged shall be a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding short-term obligations of the United States as of the last day of the month preceding the billing and shall be computed from the date of billing. The President may extend such sixty-day period to one hundred and twenty days if he determines that emergency requirements of the purchaser for acquisition of such defense articles or defense services exceed the ready availability to the purchaser of funds sufficient to pay the United States in full for them within such sixty-day period and submits that determination to the Congress together with a special emergency request for the authorization and appropriation of additional funds to finance such purchases under this Act.

"(e)(1) After September 30, 1976, letters of offer for the sale of defense articles or for the sale of defense services that are issued pursuant to this section or pursuant to section 22 of this Act shall include appropriate charges for—

"(A) administrative services, calculated on an average percentage basis to recover the full estimated costs of administration of sales made under this Act to all purchasers of such articles and services;

"(B) any use of plant and production equipment in connection with such defense articles; and

"(C) a proportionate amount of any nonrecurring costs of research, development, and production of major defense equipment.

"(2) The President may reduce or waive the charge or charges which would otherwise be considered appropriate under subparagraphs (1)(B) and (1)(C) for particular sales that would, if made, significantly advance United States Government interests in North Atlantic Treaty Organization standardization, or foreign procurement in the United States under coproduction arrangements.

"(f) Any contracts entered into between the United States and a foreign country under the authority of this section or section 22 of this Act shall be prepared in a manner which will permit them to be made available for public inspection to the fullest extent possible consistent with the national security of the United States.

"(g) In carrying out section 814 of the Act of October 7, 1975 (Public Law 94-106), the President may enter into North Atlantic Treaty Organization standardization agreements for the cooperative furnishing of training on a bilateral or multilateral basis, if the financial principles of such agreements are based on reciprocity. Such agreements shall include reimbursement for all direct costs but may exclude reimbursement for indirect costs, administrative surcharges, and costs of billeting of trainees (except to the extent that members of the United States Armed Forces occupying comparable accommodations are charged for such accommodations by the United States). Each such agreement shall be transmitted promptly to the Speaker of the House of Representatives and the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate.".

SALES FROM STOCKS AFFECTING UNITED STATES COMBAT READINESS

SEC. 206. Section 21 of the Foreign Military Sales Act, as amended by section 205 of this Act, is further amended by adding at the end thereof the following new subsection:

"(h)(1) Sales of defense articles and defense services which could have significant adverse effect on the combat readiness of the Armed Forces of the United States shall be kept to an absolute minimum. The President shall transmit to the Speaker of the House of Representatives and the Committees on Armed Services and Foreign Relations of the Senate on the same day a written statement giving a complete explanation with respect to any proposal to sell, under this section, any defense articles or defense services if such sale could have a significant adverse effect on the combat readiness of the Armed Forces of the United States. Each such statement shall be unclassified except to the extent that public disclosure of any item of information contained therein would be clearly detrimental to the security of the United States. Any necessarily classified information shall be confined to a supplemental report. Each such statement shall include an explanation relating to only one such proposal to sell and shall set forth—

"(A) the country or international organization to which the sale is proposed to be made;

"(B) the amount of the proposed sale;

"(C) a description of the defense article or service proposed to be sold;

"(D) a full description of the impact which the proposed sale will have on the Armed Forces of the United States; and

"(E) a justification for such proposed sale, including a certification that such sale is important to the security of the United States.

A certification described in subparagraph (E) shall take effect on the date on which such certification is transmitted and shall remain in effect for not to exceed one year.

"(2) No delivery may be made under any sale which is required to be reported under paragraph (1) of this subsection unless the certification required to be transmitted by paragraph (E) of paragraph (1) is in effect.".

PROCUREMENT FOR CASH SALES

SEC. 207. (a) Section 22(a) of the Foreign Military Sales Act is amended by adding at the end thereof the following: "Interest shall be charged on any net amount by which any such country or international organization is in arrears under all of its outstanding unliquidated dependable undertakings, considered collectively. The rate of interest charged shall be a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding short-term obligations of the United States as of the last day of the month preceding the net arrearage and shall be computed from the date of net arrearage.".

(b) Section 22(b) of the Foreign Military Sales Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The President may, if he determines it to be in the national interest, issue letters of offer under this section which provide for billing upon delivery of the defense article or rendering of the defense service and for payment within one hundred and twenty days after the date of billing. This authority may be exercised, however, only if the President also determines that the emergency requirements of the purchaser for acquisition of such defense articles and services exceed the ready availability to the purchaser of funds sufficient to make payments on a dependable undertaking basis and submits both determinations to the Congress together with a special emergency request for authorization and appropriation of additional funds to finance such purchases under this Act.".

EXTENSION OF PAYMENT PERIOD FOR CREDIT SALES

SEC. 208. (a) Paragraph (1) of section 23 of the Foreign Military Sales Act is amended by striking out "ten years" and inserting in lieu thereof "twelve years".

(b) The amendment made by subsection (a) shall apply with respect to financing under agreements entered into on or after the date of enactment of this Act for the procurement of defense articles to be delivered, or defense services to be rendered, after such date.

ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM

SEC. 209. (a) Immediately after section 24 of the Foreign Military Sales Act, add the following new section:

"SEC. 25. ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.—(a) The President shall transmit to the Congress, as a part of the presentation materials for security assistance programs proposed for each fiscal year, a report which sets forth—

"(1) an estimate of the amount of sales expected to be made to each country under sections 21 and 22 of this Act, including a detailed explanation of the foreign policy and United States national security considerations involved in expected sales to each country;

"(2) an estimate of the amount of credits and guaranties expected to be extended to each country under sections 23 and 24 of this Act;

"(3) a list of all findings which are in effect on the date of such transmission made by the President pursuant to section 3(a) (1) of this Act, together with a full and complete justification for each such finding, explaining how sales to each country with respect to which such finding has been made will strengthen the security of the United States and promote world peace; and

"(4) an arms control impact statement for each purchasing country prepared by the Director of the Arms Control and Disarmament Agency, including (A) an analysis of the relationship between expected sales to each country and arms control efforts relating to that country, and (B) the impact of such expected sales on the stability of the region that includes the purchasing country.

"(b) Not later than thirty days following the receipt of a request made by the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives for additional information with respect to any estimate submitted pursuant to subsection (a), the President shall submit such information to such committee.

"(c) The President shall make every effort to submit all of the information required by this section wholly in unclassified form. In the event the President submits any such information in classified form, he shall submit such classified information in an addendum and shall also submit simultaneously a detailed summary, in unclassified form, of such classified information.".

(b) Section 634(d) of the Foreign Assistance Act of 1961 is amended by striking out "and military sales under this or any other Act" in the fourth sentence.

MILITARY SALES AUTHORIZATION

SEC. 210. (a) Section 31(a) of the Foreign Military Sales Act is amended by striking out "not to exceed $405,000,000 for the fiscal year 1975" and inserting in lieu thereof "not to exceed $1,039,000,000 for the fiscal year 1976".

(b) Section 31(b) of such Act is amended to read as follows:

"(b) The aggregate total of credits, or participations in credits, extended pursuant to this Act and of the principal amount of loans guaranteed pursuant to section 24(a) shall not exceed $2,374,700,000 for the fiscal year 1976, of which not less than $1,500,000,000 shall be available only for Israel.".

(c)(1) Section 31 of such Act is further amended by adding at the end thereof the following new subsections:

"(c) Funds made available for the fiscal year 1976 under subsection (a) of this section shall be obligated to finance the procurement of defense articles and defense services by Israel on a long-term repayment basis either by the extension of credits, without regard to the limitations contained in section 23, or by the issuance of guaranties under section 24. Repayment shall be in not less than twenty years, following a grace period of ten years on repayment of principal. Israel shall be released from one-half of its contractual liability to repay the United States Government with respect to defense articles and defense services so financed.

"(d) The aggregate acquisition cost to the United States of excess defense articles ordered by the President in any fiscal year after fiscal year 1976 for delivery to foreign countries or international organizations under the authority of chapter 2 of part II of the Foreign Assistance Act of 1961 or pursuant to sales under this Act may not exceed $100,000,000.".

(2) Subsections (a), (b), (c), and (e) of section 8 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (Public Law 91-672; 84 Stat. 2053), are repealed effective July 1, 1976. All funds in the suspense account referred to in subsection (a) of such section on July 1, 1976, shall be transferred to the general fund of the Treasury.

REPORTS ON COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS; CONGRESSIONAL ACTION

SEC. 211. (a) Section 36 of the Foreign Military Sales Act is amended to read as follows:

SEC. 36. REPORTS ON COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS; CONGRESSIONAL ACTION.—(a) The President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate not more than thirty days after the end of each quarter an unclassified report (except that any material which was transmitted in classified form under subsection (b)(1) of this section may be contained in a classified addendum to such report, and any letter of offer referred to in paragraph (1) of this subsection may be listed in such addendum unless such letter of offer has been the subject of an unclassified certification pursuant to subsection (b)(1) of this section) containing—

"(1) a listing of all letters of offer to sell any major defense equipment to be sold for $1,000,000 or more under this Act to each foreign country and international organization, by category, if such letters of offer have not been accepted or canceled;

"(2) a listing of all such letters of offer that have been accepted during the fiscal year in which such report is submitted, together with the total value of all defense articles and defense services sold to each foreign country and international organization during such fiscal year;

"(3) the cumulative dollar amounts, by foreign country and international organization, of sales credit agreements under section 23 and guaranty agreements under section 24 made during the fiscal year in which such report is submitted;

"(4) a numbered listing of all licenses and approvals for the export to each foreign country and international organization during such fiscal year of commercially sold major defense equipment, by category, sold for $1,000,000 or more, together with the total value of all defense articles and defense services so licensed for each foreign country and international organization, setting forth with respect to the listed major defense equipment—

"(A) the items to be exported under the license,

"(B) the quantity and contract price of each such item to be furnished, and

"(C) the name and address of the ultimate user of each such item;

"(5) projections of the dollar amounts, by foreign country and international organization, of cash sales expected to be made under sections 21 and 22, credits to be extended under section 23, and guaranty agreements to be made under section 24 in the quarter of the fiscal year immediately following the quarter for which such report is submitted:

"(6) a projection with respect to all cash sales expected to be made and credits expected to be extended to each country and organization for the remainder of the fiscal year in which such report is transmitted:

"(7) an estimate of the number of officers and employees of the United States Government and of United States civilian contract personnel present in each such country at the end of that quarter for assignments in implementation of sales and commercial exports under this Act; and

"(8) an analysis and description of the services being performed by officers and employees of the United States Government under section 21(a) of this Act, including the number of personnel so employed.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (i) the foreign country or international organization to which the defense article or service is offered or was sold, as the case may be; (ii) the dollar amount of the offer to sell or the sale and the number of defense articles offered or sold, as the case may be; (iii) a description of the defense article or service offered or sold, as the case may be; and (iv) the United States Armed Force or other agency of the United States which is making the offer to sell or the sale, as the case may be.

"(b)(1) In the case of any letter of offer to sell any defense articles or services under this Act for $25,000,000 or more, or any major defense equipment for $7,000,000 or more, before such letter of offer is issued, the President shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate a numbered certification with respect to such offer to sell containing the information specified in clauses (i) through (iv) of subsection (a). In addition, the President shall, upon the request of such committee or the Committee on International Relations of the House of Representatives, transmit promptly to both such committees a statement setting forth, to the extent specified in such request—

"(A) a detailed description of the defense articles or services to be offered, including a brief description of the capabilities of any defense article to be offered;

"(B) an estimate of the number of officers and employees of the United States Government and of United States civilian contract personnel expected to be needed in such country to carry out the proposed sale;

"(C) the name of each contractor expected to provide the defense article or defense service proposed to be sold (if known on the date of transmittal of such report);

"(D) an analysis of the arms control impact pertinent to such offer to sell, prepared in consultation with the Secretary of Defense;

"(E) the reasons why the foreign country or international organization to which the sale is proposed to be made needs the defense articles or services which are the subject of such sale and a description of how such country or organization intends to use such defense articles or services;

"(F) an analysis by the President of the impact of the proposed sale on the military stocks and the military preparedness of the United States;

"(G) the reasons why the proposed sale is in the national interest of the United States;

"(H) an analysis by the President of the impact of the proposed sale on the military capabilities of the foreign country or international organization to which such sale would be made;

"(I) an analysis by the President of how the proposed sale would affect the relative military strengths of countries in the region to which the defense articles or services which are the subject of such sale would be delivered and whether other countries in the region have comparable kinds and amounts of defense articles or services;

"(J) an estimate of the levels of trained personnel and maintenance facilities of the foreign country or international organization to which the sale would be made which are needed and available to utilize effectively the defense articles or services proposed to be sold;

"(K) an analysis of the extent to which comparable kinds and amounts of defense articles or services are available from other countries; and

"(L) an analysis of the impact of the proposed sale on United States relations with the countries in the region to which the defense articles or services which are the subject of such sale would be delivered.

A certification transmitted pursuant to this subsection shall be unclassified, except that the information specified in clause (ii) and the details of the description specified in clause (iii) of subsection (a) may be classified if the public disclosure thereof would be clearly detrimental to the security of the United States. The letter of offer shall not be issued if the Congress, within thirty calendar days after receiving such certification, adopts a concurrent resolution stating that it objects to the proposed sale, unless the President states in his certification that an emergency exists which requires such sale in the national security interests of the United States.

"(2) Any such resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(3) For the purpose of expediting the consideration and adoption of concurrent resolutions under this subsection, a motion to proceed to the consideration of any such resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(c)(1) In the case of an application by a person (other than with regard to a sale under section 21 or section 22 of this Act) for a license for the export of any major defense equipment sold under a contract in the amount of $7,000,000 or more or of defense articles or defense services sold under a contract in the amount of $25,000,000 or more, before issuing such license the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate an unclassified numbered certification with respect to such application specifying (A) the foreign country or international organization to which such export will be made, (B) the dollar amount of the items to be exported, and (C) a description of the items to be exported. In addition, the President shall, upon the request of such committee or the Committee on International Relations of the House of Representatives, transmit promptly to both such committees a statement setting forth, to the extent specified in such request, a description of the capabilities of the items to be exported, an estimate of the total number of United States personnel expected to be needed in the foreign country concerned in connection with the items to be exported, and an analysis of the arms control impact pertinent to such application, prepared in consultation with the Secretary of Defense. A certification transmitted pursuant to this subsection shall be unclassified, except that the information specified in subparagraph (B) and the details of the description specified in subparagraph (C) may be classified if the public disclosure thereof would be clearly detrimental to the security of the United States. No license for the export of any major defense equipment sold for $7,000,000 or more may be issued if the Congress, within thirty calendar days after receiving the certification with respect to such license, adopts a concurrent resolution stating that it objects to the issuance of such license, unless the President states in his certification that an emergency exists which requires the issuance of such license in the national security interests of the United States.

"(2) Any such resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(3) For the purpose of expediting the consideration and adoption of concurrent resolutions under this section, a motion to proceed to the consideration of any such resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(d) In the case of an approval under section 38 of this Act of a United States commercial technical assistance or manufacturing licensing agreement for or in a country not a member of the North Atlantic Treaty Organization which involves the manufacture abroad of any item of significant combat equipment on the United States Munitions List, before such approval is given, the President shall submit a certification with respect to such proposed commercial agreement in a manner similar to the certification required under paragraph (1) of subsection (c) containing comparable information.".

(b) The amendment made by subsection (a) of this section shall apply with respect to letters of offer for which a certification is transmitted pursuant to section 36(b) of the Arms Export Control Act on or after the date of enactment of this Act and to export licenses for which an application is filed under section 38 of such Act on or after such date.

CONTROL OF LICENSES WITH RESPECT TO ARMS EXPORTS AND IMPORTS

SEC. 212. (a)(1) Chapter 3 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 38. CONTROL OF ARMS EXPORTS AND IMPORTS.—(a)(1) In furtherance of world peace and the security and foreign policy of the United States, the President is authorized to control the import and the export of defense articles and defense services and to provide foreign policy guidance to persons of the United States involved in the export and import of such articles and services. The President is authorized to designate those items which shall be considered as defense articles and defense services for the purposes of this section and to promulgate regulations for the import and export of such articles and services. The items so designated shall constitute the United States Munitions List.

"(2) Decisions on issuing export licenses under this section shall be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account the Director's opinion as to whether the export of an article will contribute to an arms race, or increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements.

"(b)(1) As prescribed in regulations issued under this section, every person (other than an officer or employee of the United States Government acting in an official capacity) who engages in the business of manufacturing, exporting, or importing any defense articles or defense services designated by the President under subsection (a)(1) shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations. Such regulations shall prohibit the return to the United States for sale in the United States (other than for the Armed Forces of the United States and its allies or for any State or local law enforcement agency) of any military firearms or ammunition of United States manufacture furnished to foreign governments by the United States under this Act or any other foreign assistance or sales program of the United States, whether or not enhanced in value or improved in condition in a foreign country. This prohibition shall not extend to similar firearms that have been so substantially transformed as to become, in effect, articles of foreign manufacture.

"(2) Except as otherwise specifically provided in regulations issued under subsection (a)(1), no defense articles or defense services designated by the President under subsection (a)(1) may be exported or imported without a license for such export or import, issued in accordance with this Act and regulations issued under this Act, except that no license shall be required for exports or imports made by or for an agency of the United States Government (A) for official use by a department or agency of the United States Government, or (B) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

"(3) No license may be issued under this Act for the export of any major defense equipment sold under a contract in the amount of $25,000,000 or more to any foreign country which is not a member of the North Atlantic Treaty Organization unless such major defense equipment was sold under this Act.

"(c) Any person who willfully violates any provision of this section or section 36(f), or any rule or regulation issued under either section, or who willfully, in a registration or license application or required report, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than $100,000 or imprisoned not more than two years, or both.

"(d) This section applies to and within the Canal Zone.

"(e) In carrying out functions under this section with respect to the export of defense articles and defense services, the President is authorized to exercise the same powers concerning violations and enforcement which are conferred upon departments, agencies and officials by sections 6(c), (d), (e), and (f) and 7(a) and (c) of the Export Administration Act of 1969, subject to the same terms and conditions as are applicable to such powers under such Act. Nothing in this subsection shall be construed as authorizing the withholding of information from the Congress.".

(2) Section 2(b) of the Foreign Military Sales Act is amended—

(A) by inserting "and exports" immediately after "sales" both times it appears; and

(B) by inserting "and whether there shall be delivery or other performance under such sale or export," immediately after "thereof.".

(b)(1) Section 414 of the Mutual Security Act of 1954 is repealed. Any reference to such section shall be deemed to be a reference to section 38 of the Arms Export Control Act, and any reference to licenses issued under section 38 of the Arms Export Control Act shall be deemed to include a reference to licenses issued under section 414 of the Mutual Security Act of 1954.

(2) All determinations, authorizations, rgulations, orders, contracts, agreements, and other actions issued undertaken, or entered into under section 414 of the Mutual Security Act of 1954 shall continue in full force and effect until modified, revoked, or superseded by appropriate authority.

ANNUAL CEILING ON ARMS SALES

SEC. 213. (a) Chapter 3 of the Foreign Military Sales Act, as amended by section 212 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 39. ANNUAL CEILING ON ARMS SALES.—(a) The aggregate value of defense articles and defense services—

"(1) which are sold under section 21 or section 22 of this Act; or

"(2) which are licensed or approved for export under section 38 of this Act to, for the use, or for benefit of the armed forces, police, intelligence, or other internal security forces of a foreign country or international organization under a commercial sales contract;

may not exceed $9,000,000,000, in any fiscal year in constant 1975 dollars, which ceiling shall be calculated by the President quarterly to conform to changes in the Unit Value Index of United States domestic exports of finished manufactures and reported to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate. The President may waive such limitation with respect to such defense articles and services as he determines and certifies to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate are required to be furnished in the national security interests of the United States. Such determinations and certifications shall be made on a case-by-case basis. For the purposes of this subsection, the value of defense articles and defense services is the contract price for such articles or services as of the date on which the contract under which they are sold is entered into in the case of a contract of sale under this Act or as of the date of licensing or approval for export in the case of a commercial sales contract.

"(b) In implementing the requirements of subsection (a), the President may, subject to such requirements as the Congress may by law prescribe, establish such arms sales quotas for countries and regions, and for sales under this Act and commercial exports licensed or approved under this Act as he deems appropriate.

"(c) In computing aggregate value of defense articles and defense services sold or licensed or approved in a fiscal year for purposes of the ceiling established by subsection (a) of this section and for purposes of any quotas established under subsection (b) of this section, the following shall be excluded:

"(1) The value of any defense articles or defense services which are not actually furnished.

"(2) The value of any defense articles or defense services which are the subject of a replacement sales contract which is entered into in substitution for a contract described in subsection (a)(1) of this section or in substitution for a contract for which there was a license or approval described in subsection (a)(2) of this section to the extent that such value was previously included in the computations under this section.

"(d) Any person who, with intent to avoid a limitation or prohibition with respect to a ceiling or quota established by or under this section, exports or attempts to export any defense article or defense service without a license or approval required under section 38 of this Act, shall, in addition to any penalty prescribed under section 38 upon conviction be fined not more than $25,000 or imprisoned not more than two years, or both.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1976, and shall apply with respect to fiscal year 1977 and each fiscal year thereafter.

CANCELLATION AND SUSPENSION OF LICENSES AND CONTRACTS

SEC. 214. Section 42 of the Foreign Military Sales Act is amended by adding at the end thereof the following new subsection:

"(e)(1) Each contract for sale entered into under sections 21 and 22 of this Act shall provide that such contract may be canceled in whole or in part, or its execution suspended, by the United States at any time under unusual or compelling circumstances if the national interest so requires.

"(2)(A) Each export license issued under section 38 of this Act shall provide that such license may be revoked, suspended, or amended by the Secretary of State, without prior notice, whenever the Secretary deems such action to be advisable.

"(B) Nothing in this paragraph may be construed as limiting the regulatory authority of the President under this Act.

"(3) There are authorized to be appropriated from time to time such sums as may be necessary (A) to refund moneys received from purchasers under contracts of sale entered into under sections 21 and 22 of this Act that are canceled or suspended under this subsection to the extent such moneys have previously been disbursed to private contractors and United States Government agencies for work in progress, and (B) to pay such damages and costs that accrue from the corresponding cancellation or suspension of the existing procurement contracts or United States Government agency work orders involved.".

ADMINISTRATIVE EXPENSES

SEC. 215. (a) Section 43 of the Foreign Military Sales Act is amended by designating the present section as subsection (a) and by adding at the end thereof the following new subsection:

"(b) Administrative expenses incurred by any department or agency of the United States Government (including any mission or group) in carrying out functions under this Act which are primarily for the benefit of any foreign country shall be fully reimbursed from amounts received for sales under sections 21 and 22.".

DEFINITIONS

SEC. 216. Section 47 of the Foreign Military Sales Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon; and

(3) by adding immediately after paragraph (2) the following new paragraphs:

"(3) 'Defense article', except as provided in paragraph (7) of this section, includes—

"(A) any weapon, weapons system, munition, aircraft, vessel, boat, or other implement of war,

"(B) any property, installation, commodity, material, equipment, supply, or goods used for the purposes of furnishing military assistance,

"(C) any machinery, facility, tool, material, supply, or other item necessary for the manufacture, production, processing, repair, servicing, storage, construction, transportation, operation, or use of any article listed in this paragraph, and

"(D) any component or part of any article listed in this paragraph,

but does not include merchant vessels or (as defined by the Atomic Energy Act of 1954) source material, byproduct material, special nuclear material, production facilities, utilization facilities, or atomic weapons or articles involving Restricted Data;

"(4) defense service, except as provided in paragraph (7) of this section, includes any service, test, inspection, repair, training, publication, technical or other assistance, or defense information (as defined in section 644(c) of the Foreign Assistance Act of 1961), used for the purposes of furnishing military assistance;

"(5) 'training' includes formal or informal instruction of foreign students in the United States or overseas by officers or employees of the United States, contract technicians, or contractors (including instruction at civilian institutions), or by correspondence courses, technical, educational, or information publications and media of all kinds, training aid, orientation, training exercise, and military advice to foreign military units and forces;

"(6) 'major defense equipment' means any item of significant combat equipment on the United States Munitions List having a nonrecurring research and development cost of more than $50,000,000 or a total production cost of more than $200,000,000; and

"(7) 'defense articles and defense services' means, with respect to commercial exports subject to the provisions of section 38 of this Act, those items designated by the President pursuant to subsection (a)(1) of such section.".

ANNUAL FOREIGN SALES REPORT

SEC. 217. Section 657 of the Foreign Assistance Act of 1961 is amended as follows:

(1) The section caption is amended by inserting "AND MILITARY EXPORTS" after "FOREIGN ASSISTANCE".

(2) Paragraph (1) of subsection (a) is amended to read as follows:

"(1) the aggregate dollar value of all foreign assistance (including military education and training), foreign military sales, sales credits, and guaranties provided or made by the United States Government by any means to all foreign countries and international organizations and the aggregate dollar value of such assistance, sales, sales credits, and guaranties, by category, provided or made by the United States Government to or for each such country or organization during that fiscal year;".

(3) Paragraph (3) of subsection (a) is amended to read as follows:

"(3) the aggregate dollar value and quantity of defense articles and defense services, and of military education and training, exported to each foreign country and international organization, by category, specifying whether the export was made by grant under chapter 2 or chapter 5 of part II of this Act, by sale under chapter 2 of the Arms Export Control Act, by commercial sale licensed under chapter 3 of that Act, or by other authority; and".

(4) Paragraph (4) of subsection (a) is repealed.

(5) Paragraph (5) of subsection (a) is amended—

(A) by redesignating such paragraph as paragraph (4), and

(B) by striking out "(4)" and inserting in lieu thereof "(3)".

REPORT OF SALES OF EXCESS DEFENSE ARTICLES

SEC. 218. Not later than February 28, 1977, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a full and complete report regarding all sales made under the Arms Export Control Act during the period July 1, 1976, through December 31, 1976, of excess defense articles to foreign governments and international organizations (other than any such articles sold solely for scrap). Such report shall set forth—

(1) the number of such sales;

(2) the total acquisition costs of the articles sold;

(3) the total gross price paid for such articles exclusive of administrative surcharges and costs of repairing, rehabilitating, or modifying such articles;

(4) the data set forth under paragraphs (1), (2), and (3) totaled separately for those sales made at less than 33⅓ per centum of the acquisition costs thereof; and

(5) the estimated total proceeds of sales of articles included under paragraph (4) if such articles had been sold instead through United States Government surplus property disposal operations and the percentage thereof that would have been paid out of such proceeds to meet direct expenses incurred in connection with such dispositions pursuant to law.

TITLE III—GENERAL LIMITATIONS

HUMAN RIGHTS

SEC. 301. (a) Section 502B of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 502B. HUMAN RIGHTS.—(a)(1) It is the policy of the United States, in accordance with its international obligations as set forth in the Charter of the United Nations and in keeping with the constitutional heritage and traditions of the United States, to promote and encourage increased respect for human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion. To this end, a principal goal of the foreign policy of the United States is to promote the increased observance of internationally recognized human rights by all countries.

"(2) In furtherance of the foregoing policy the President is directed to formulate and conduct international security assistance programs of the United States in a manner which will promote and advance human rights and avoid identification of the United States, through such programs, with governments which deny to their people internationally recognized human rights and fundamental freedoms, in violation of international law or in contravention of the policy of the United States as expressed in this section or otherwise.

"(3) Except under circumstances specified in this section, no security assistance may be provided to any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights.

"(b) The Secretary of State shall transmit to the Congress, as part of the presentation materials for security assistance programs proposed for each fiscal year beginning with the fiscal year 1977, a full and complete report, prepared with the assistance of the Coordinator for Human Rights, with respect to practices regarding the observance of and respect for internationally recognized human rights in each country proposed as a recipient of security assistance. In determining whether a government falls within the provisions of subsection (a)(3) and in the preparation of any report or statement required under this section, consideration shall be given to—

"(1) the relevant findings of appropriate international organizations, including nongovernmental organizations, such as the International Committee of the Red Cross; and

"(2) the extent of cooperation by such government in permitting an unimpeded investigation by any such organization of alleged violations of internationally recognized human rights.

"(c)(1) Upon the request of the Senate or the House of Representatives by resolution of either such House, or upon the request of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives, the Secretary of State shall, within thirty days after receipt of such request, transmit to both such committees a statement, prepared with the assistance of the Coordinator for Human Rights, with respect to the country designated in such request, setting forth—

"(A) all the available information about observance of and respect for human rights and fundamental freedom in that country, and a detailed description of practices by the recipient government with respect thereto;

"(B) the steps the United States has taken to—

"(i) promote respect for and observance of human rights in that country and discourage any practices which are inimical to internationally recognized human rights, and

"(ii) publicly or privately call attention to, and disassociate the United States and any security assistance provided for such country from, such practices;

"(C) whether, in the opinion of the Secretary of State, notwithstanding any such practices—

"(i) extraordinary circumstances exist which necessitate a continuation of security assistance for such country, and, if so, a description of such circumstances and the extent to which such assistance should be continued (subject to such conditions as Congress may impose under this section), and

"(ii) on all the facts it is in the national interests of the United States to provide such assistance; and

"(D) such other information as such committee or such House may request.

"(2)(A) A resolution of request under paragraph (1) of this subsection shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) The term 'certification', as used in section 601 of such Act, means, for the purposes of this subsection, a resolution of request of either House under paragraph (1) of this subsection.

"(3) In the event a statement with respect to a country is requested pursuant to paragraph (1) of this subsection but is not transmitted in accordance therewith within thirty days after receipt of such request, no security assistance shall be delivered to such country except as may be specifically authorized by law for such country unless and until such statement is transmitted.

"(4)(A) In the event a statement with respect to a country is transmitted under paragraph (1) of this subsection, the Congress may, within the first period of ninety days of continuous session after such report is transmitted, adopt a concurrent resolution terminating, restricting, or continuing security assistance for such country. In the event such a concurrent resolution is adopted, such assistance shall be so terminated, so restricted, or so continued, as the case may be.

"(B) Any such resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(C) The term 'certification', as used in section 601 of such Act, means, for the purposes of this paragraph, a statement transmitted under paragraph (1) of this subsection.

"(d) For the purposes of this section—

"(1) the term 'gross violations of internationally recognized human rights' includes torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, and other flagrant denial of the right to life, liberty, or the security of person; and

"(2) the term 'security assistance' means—

"(A) assistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) or chapter 5 (military education and training) of this part or part VI (assistance to the Middle East) of this Act;

"(B) sales of defense articles or services, extensions of credits (including participations in credits), and guarantees of loans under the Arms Export Control Act; or

"(C) any license in effect with respect to the export of defense articles of defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country under section 38 of the Arms Export Control Act.".

(b) Section 624 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(f)(1) There is established in the Department of State a Coordinator for Human Rights. The Coordinator shall be appointed by the President with the advice and consent of the Senate. He shall be responsible to the Secretary of State for matters pertaining to human rights in the conduct of foreign policy. The Secretary of State shall carry out his responsibility under section 502B of this Act through the Coordinator for Human Rights.

"(2) The Coordinator for Human Rights shall maintain continuous observation and review of all matters pertaining to human rights in the conduct of foreign policy including—

"(A) gathering detailed information regarding the observance of and respect for internationally recognized human rights in each country to which requirements of sections 116 and 502B of this Act are relevant;

"(B) preparing the statements and reports to Congress required under this section;

"(C) making recommendations to the Secretary of State and the Administrator of the Agency for International Development regarding compliance with sections 116 and 502B of this Act; and

"(D) performing other responsibilities which serve to promote increased observance of internationally recognized human rights by all countries.".

PROHIBITION AGAINST DISCRIMINATION

SEC. 302. (a) Section 505 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(g)(1) It is the policy of the United States that no assistance under this chapter should be furnished to any foreign country, the laws, regulations, official policies, or governmental practices of which prevent any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1954) from participating in the furnishing of defense articles or defense services under this chapter on the basis of race, religion, national origin, or sex.

"(2)(A) No agency performing functions under this chapter shall, in employing or assigning personnel to participate in the performance of any such function, whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based upon race, religion, national origin, or sex.

"(B) Each contract entered into by any such agency for the performance of any function under this chapter shall contain a provision to the effect that no person, partnership, corporation, or other entity performing functions pursuant to such contract, shall, in employing or assigning personnel to participate in the performance of any such function, whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based upon race, religion, national origin, or sex.

"(3) The President shall promptly transmit reports to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate concerning any transaction in which any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1954) is prevented by a foreign government on the basis of race, religion, national origin, or sex, from participating in the furnishing of assistance under this chapter, or education and training under chapter 5 to any foreign country. Such reports shall include (A) a description of the facts and circumstances of any such discrimination. (B) the response thereto on the part of the United States or any agency or employee thereof, and (C) the result of such response if any.

"(4) If the discrimination by a foreign government reported pursuant to paragraph (3) of this subsection continues so that such person would be prevented from participating in the furnishing of such military assistance transaction, or military education or training transaction, under the provisions of this Act on account of the race, religion, national origin, or sex of such person (or, in the case of a partnership, corporation, association, or other entity, any officer, employee, agent, director, or owner thereof), then the President shall immediately terminate such assistance or training transaction, as the case may be; except that the President may waive such termination requirement if he determines, and so reports to the Congress, that such termination would have a significant adverse impact on the security of the United States.".

(b) Chapter 1 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 5. PROHIBITION AGAINST DISCRIMINATION.—(a) It is the policy of the United States that no sales should be made, and no credits (including participations in credits) or guaranties extended to or for any foreign country, the laws, regulations, official policies, or governmental practices of which prevent any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1954) from participating in the furnishing of defense articles or defense services under this Act on the basis of race, religion, national origin, or sex.

"(b)(1) No agency performing functions under this Act shall, in employing or assigning personnel to participate in the performance of any such function, whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based upon race, religion, national origin, or sex.

"(2) Each contract entered into by any such agency for the performance of any function under this Act shall contain a provision to the effect that no person, partnership, corporation, or other entity performing functions pursuant to such contract, shall, in employing or assigning personnel to participate in the performance of any such function, whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based upon race, religion, national origin, or sex.

"(c) The President shall promptly transmit reports to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate concerning any instance in which any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1954) is prevented by a foreign government on the basis of race, religion, national origin, or sex, from participating in the performance of any sale or licensed transaction under this Act. Such reports shall include (1) a description of the facts and circumstances of any such discrimination, (2) the response thereto on the part of the United States or any agency or employee thereof, and (3) the result of such response, if any.

"(d) If the discrimination by a foreign government reported pursuant to subsection (c) continues so that such person would be prevented from participating in the performance of any sale or licensed transaction under the provisions of this Act on account of the race, religion, national origin, or sex of such person (or in the case of a partnership, corporation, or other entity, of any officer, employee, agent, director or owner of such partnership, corporation, or other entity), then the President shall immediately cancel such sale or suspend such license as the case may be; except that the President may waive such cancellation or suspension requirement if he determines, and so reports to the Congress, that such cancellation or suspension would have a significant adverse impact on the security of the United States."

INELIGIBILITY

SEC. 303. (a) Section 505(d) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(d)(1) Assistance and deliveries of assistance under this chapter to any country shall be terminated as hereinafter provided, if such country uses defense articles or defense services furnished under this Act, the Mutual Security Act of 1954, or any predecessor Foreign Assistance Act in substantial violation (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved) of any agreement entered into pursuant to any such Act (A) by using such articles or services for a purpose not authorized under section 502 or, if such agreement provides that such articles or services may only be used for purposes more limited than those authorized under section 502, for a purpose not authorized under such agreement; (B) by transferring such articles or services to, or permitting any use of such articles or services by, anyone not an officer, employee, or agent of the recipient country without the consent of the President; or (C) by failing to maintain the security of such articles or services.

"(2)(A) Assistance and deliveries of assistance shall be terminated pursuant to paragraph (1) of this subsection if the President so determines and so states in writing to the Congress, or if the Congress so finds by concurrent resolution.

"(B) The President shall report to the Congress promptly upon the receipt of information that a violation described in paragraph (1) of this subsection may have occurred.

"(3) Assistance to a country shall remain terminated in accordance with paragraph (1) of this subsection until such time as—

"(A) the President determines that the violation has ceased; and

"(B) the country concerned has given assurances satisfactory to the President that such violation will not recur.

"(4) The authority contained in section 614(a) of this Act may not be used to waive the provisions of this section with respect to further assistance under this chapter.".

(b)(1) Section 3(c) of the Foreign Military Sales Act is amended to read as follows:

"(c)(1)(A) No credits (including participations in credits) may be issued and no guaranties may be extended for any foreign country under this Act as hereinafter provided, if such country uses defense articles or defense services furnished under this Act, or any predecessor Act, in substantial violation (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved) of any agreement entered into pursuant to any such Act (i) by using such articles or services for a purpose not authorized under section 4 or, if such agreement provides that such articles or services may only be used for purposes more limited than those authorized under section 4, for a purpose not authorized under such agreement; (ii) by transferring such articles or services to, or permitting any use of such articles or services by, anyone not an officer, employee, or agent of the recipient country without the consent of the President; or (iii) by failing to maintain the security of such articles or services.

"(B) No cash sales or deliveries pursuant to previous sales may be made with respect to any foreign country under this Act as hereinafter provided, if such country uses defense articles or defense services furnished under this Act, or any predecessor Act, in substantial violation (either in terms of quantity or in terms of the gravity of the consequences regardless of the quantities involved) or any agreement entered into pursuant to any such Act by using such articles or services for a purpose not authorized under section 4 or, if such agreement provides that such articles or services may only be used for purposes more limited than those authorized under section 4, for a purpose not authorized under such agreement.

"(2) The President shall report to the Congress promptly upon the receipt of information that a violation described in paragraph (1) of this subsection may have occurred.

"(3)(A) A country shall be deemed to be ineligible under subparagraph (A) of paragraph (1) of this subsection, or both subparagraphs (A) and (B) of such paragraph in the case of a violation described in both such paragraphs, if the President so determines and so reports in writing to the Congress, or if the Congress so determines by concurrent resolution.

"(B) Notwithstanding a determination by the President of ineligibility under subparagraph (B) of paragraph (1) of this subsection, cash sales and deliveries pursuant to previous sales may be made if the President certifies in writing to the Congress that a termination thereof would have significant adverse impact on United States security, unless the Congress adopts or has adopted a concurrent resolution pursuant to subparagraph (A) of this paragraph with respect to such ineligibility.

"(4) A country shall remain ineligible in accordance with paragraph (1) of this subsection until such time as—

"(A) the President determines that the violation has ceased; and

"(B) the country concerned has given assurances satisfactory to the President that such violation will not recur.".

(2) Section 3(d) of the Foreign Military Sales Act is repealed and subsection (e) of such section, as added by section 204 of this Act, is redesignated as subsection (d).

PROHIBITION OF ASSISTANCE TO COUNTRIES GRANTING SANCTUARY TO INTERNATIONAL TERRORISTS

SEC. 304. Chapter 1 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 620A. PROHIBITION AGAINST FURNISHING ASSISTANCE TO COUNTRIES WHICH GRANT SANCTUARY TO INTERNATIONAL TERRORISTS.—(a) Except where the President finds national security to require otherwise, the President shall terminate all assistance under this Act to any government which aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism and the President may not thereafter furnish assistance to such government until the end of the one year period beginning on the date of such termination, except that if during its period of ineligibility for assistance under this section such government aids or abets, by granting sanctuary from prosecution to, any other individual or group which has committed an act of international terrorism, such government's period of ineligibility shall be extended for an additional year for each such individual or group.

"(b) If the President finds that national security justifies a continuation of assistance to any government described in subsection (a), he shall report such finding to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate. Assistance may be furnished to such government unless the Congress, within thirty calendar days of receiving such report, adopts a concurrent resolution stating that it does not find that the national security justifies assistance to such government.".

TITLE IV—PROVISIONS RELATING TO SPECIFIC REGIONS OR COUNTRIES

MIDDLE EAST POLICY STATEMENT

SEC. 401. Section 901 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"It is the sense of Congress that the United States will continue to determine Middle East Policy as circumstances may require and that the authority contained in the joint resolution entitled 'Joint resolution to implement the United States proposal for the early-warning system in Sinai', approved October 13, 1975 (Public Law 94–110), and the authorizations contained in the amendments made by the International Security Assistance and Arms Export Control Act of 1976 do not, and shall not in any way be construed to, constitute congressional approval, acceptance, or endorsement (1) of any oral or written commitment, understanding, assurance, promise, or agreement, whether expressed or implied, or any other expression, oral or written (other than the 'United States Proposal for the Early Warning System in Sinai'), made by any official of the United States which Israel, Egypt, or any other nation or organization might construe or interpret as a basis on which it could rely or act, or (2) of any characterization of any such commitment, understanding, assurance, promise, or agreement, or other expression, as constituting a 'codification' of existing, congressionally approved United States policy.".

AID FOR CYPRIOT REFUGEES

SEC. 402. Section 495 of the Foreign Assistance Act of 1961 is amended by striking out "$30,000,000" and inserting in lieu thereof "$40,000,000".

ASSISTANCE TO TURKEY

SEC. 403. Section 620(x)(1) of the Foreign Assistance Act of 1961, as amended by section 2(c) of the Act of October 6, 1975 (Public Law 94–104), is amended by striking out "Provided," and all that follows through the end of paragraph (1) and inserting in lieu thereof the following: "Provided, that for the fiscal year 1976 and the period beginning July 1, 1976, and ending September 30, 1976, the President may suspend the provisions of this subsection and of section 3(c) of the Arms Export Control Act with respect to cash sales and extensions of credits and guaranties under such Act for the procurement of such defense articles and defense services as the President determines are necessary to enable Turkey to fulfill her defense responsibilities as a member of the North Atlantic Treaty Organization, except that during the fiscal year 1976 and the period beginning July 1, 1976, and ending September 30, 1976, the total value of defense articles and defense services sold to Turkey under such Act, either for cash or financed by credits and guaranties, shall not exceed $125,000,000. Any such suspension shall be effective only so long as Turkey observes the cease-fire on Cyprus, does not increase its military forces or its civilian population on Cyprus, and does not transfer to Cyprus any United States supplied arms, ammunition, or implements of war. The determination required by the proviso in the first sentence of this paragraph shall be made, on a case-by-case basis, with respect to each cash sale, each approval for use of credits, and each approval for use of a guaranty for Turkey. Each such determination shall be reported to the Congress and shall be accompanied by a full and complete statement of the reasons supporting the President's determination and a statement containing the information specified in clauses (A) through (D) of section 2(c)(4) of the Act of October 6, 1975 (Public Law 94–104). In any case involving the sale of significant combat equipment on the United States Munitions List in which the congressional review provisions of section 36(b) of the Arms Export Control Act do not apply, the President may not issue the letter of offer or approve the use of the credits or guaranty, as the case may be, until the end of the thirty-day period beginning on the date on which the report required by the preceding sentence is submitted to the Congress.".

LIMITATION ON CERTAIN ASSISTANCE TO AND ACTIVITIES IN ANGOLA

SEC. 404. (a) It is the sense of Congress that—

(1) the people of Angola should be allowed to determine their own political future without military interference from any foreign country;

(2) the Congress supports efforts by the Organization of African Unity to achieve a settlement of the conflict in Angola and calls upon all countries to terminate any military assistance such countries may be giving to any group, organization, movement, or individual in Angola;

(3) a disengagement by such countries would be a welcome reaffirmation of the spirit of detente, both throughout the world and in Africa; and

(4) the President should do his utmost to seek an agreement among the various parties involved in hostilities or in the support of such hostilities in Angola to terminate such hostilities or such support.

(b)(1) Notwithstanding any other provision of law, no assistance of any kind may be provided for the purpose, or which would have the effect, of promoting or augmenting, directly or indirectly, the capacity of any nation, group, organization, movement, or individual to conduct military or paramilitary operations in Angola unless and until the Congress expressly authorizes such assistance by law enacted after the date of enactment of this section.

(2) If the President determines that assistance prohibited by paragraph (1) of this subsection should be furnished in the national security interests of the United States, he shall submit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a report containing—

(A) a statement by the President that his efforts to obtain the agreement described in paragraph (4) of subsection (a) have not been successful;

(B) a description of the amounts and categories of assistance which he recommends to be authorized and the identity of the proposed recipients of such assistance; and

(C) a certification that he has determined that the furnishing of such assistance is important to the national security interests of the United States and a detailed statement, in unclassified form, of the reasons supporting such determination.

(3) The prohibition contained in paragraph (1) does not apply with respect to assistance which is furnished solely for humanitarian purposes.

(4) The provisions of this section may not be waived under any other provision of law.

(5) The President shall report to the Congress on the implementation of this section within sixty days after the date of enactment of this section and every thirty days thereafter until such time as both the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate have adopted resolutions stating that such reports are no longer necessary.

SOVIET INTERVENTION IN ANGOLA

SEC. 405. The Congress views the large-scale and continuing Soviet intervention in Angola including active sponsorship and support of Cuban armed forces in Angola, as being completely inconsistent with any reasonably defined policy of détente, as well as with Articles 1 and 2 of the United Nations Charter, the principle of noninterference in the affairs of other countries agreed to at Helsinki in 1975, and with the spirit of recent bilateral agreements between the United States and the Union of Soviet Socialist Republics. Such intervention should be taken explicitly into account in United States foreign policy planning and negotiations.

PROHIBITION AGAINST MILITARY ASSISTANCE AND SALES CREDITS TO CHILE

SEC. 406. (a) No military or security supporting assistance may be furnished under the Foreign Assistance Act of 1961; and no credits (including participations in credits) may be extended, and no loan may be guaranteed, under the Arms Export Control Act with respect to Chile.

(b) No deliveries of any such assistance may be made to Chile on and after the date of enactment of this section.

CONTROL OF MILITARY FORCES IN THE INDIAN OCEAN

SEC. 407. (a) It is the sense of Congress that the President should undertake to enter into negotiations with the Soviet Union intended to achieve an agreement limiting the deployment of naval, air, and land forces of the Soviet Union and the United States in the Indian Ocean and littoral countries. Such negotiations should be convened as soon as possible and should consider, among other things, limitations with respect to—

(1) the establishment or use of facilities for naval, air, or land forces in the Indian Ocean and littoral countries;

(2) the number of naval vessels which may be deployed in the Indian Ocean, or the number of "ship-days" allowed therein; and

(3) the type and number of military forces and facilities allowed therein.

(b) Not later than December 1, 1976, the President shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate with respect to steps he has taken to carry out the provisions of this section.

UNITED STATES CITIZENS IMPRISONED IN MEXICO

SEC. 408. (a) The Congress, while sharing the concern of the President over the urgent need for international cooperation to restrict traffic in dangerous drugs, is convinced that such efforts must be consistent with respect for fundamental human rights. The Congress, therefore, calls upon the President to take steps to insure that United States efforts to secure stringent international law enforcement measures are combined with efforts to secure fair and humane treatment for citizens of all countries.

(b)(1) The Congress requests that the President communicate directly to the President and Government of the Republic of Mexico, a nation with which we have friendly and cooperative relations, the continuing desire of the United States for such relations between our two countries and the concern of the United States over treatment of United States citizens arrested in Mexico.

(2) The Secretary of State shall report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate within one hundred and twenty days after the date of enactment of this section, and every one hundred and twenty days thereafter, on progress toward full respect for the human and legal rights of all United States citizens detained in Mexico.

EMERGENCY FOOD NEEDS OF PORTUGAL

SEC. 409. It is the sense of the Congress that the President should undertake immediately an evaluation of the emergency food needs of Portugal. It is further the sense of the Congress that the President should take timely action to alleviate such emergency by providing Portugal with food commodities under the provisions of pertinent statutes.

STRIFE IN LEBANON

SEC. 410. It is the sense of the Congress that the situation in Lebanon, a nation traditionally friendly to the United States, poses a danger to peace in the Middle East. The Congress deplores the armed civil strife and the continuing erosion of national institutions which threaten to destroy the political and economic fabric of Lebanon with such tragic impact on all its people. The Congress views with grave concern any outside efforts to exploit the current strife with the purpose of transforming Lebanon into a radical state in confrontation with Israel. The Congress requests that the President use his good offices to secure an end to the civil strife and national discord in Lebanon and to preserve the traditional friendly attitude of Lebanon toward the United States.

REPORT ON KOREA

Sec. 411. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 668. Report on Korea.—Within ninety days after the enactment of this section, and at least once during each of the next five years, the President shall transmit to the Speaker of the House of Representatives and to the Committees on Foreign Relations and Armed Services of the Senate a report which (1) reviews the progress made under the announced program of the Republic of Korea to modernize its armed forces so as to achieve military self-sufficiency by 1980, (2) reports on the role of the United States in mutual security efforts in the Republic of Korea, and (3) reports on prospects for or implementation of phased reduction of United States armed forces assigned to duty in the Republic of Korea, in coordination with the timetable of the Republic of Korea for military self-sufficiency.".

REPEAL OF INDOCHINA ASSISTANCE

Sec. 412. (a) Part V of the Foreign Assistance Act of 1961 and sections 34, 35, 36, 37, 38, 39, and 40 of the Foreign Assistance Act of 1974 are repealed. All determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this section shall continue in full force and effect until modified, revoked, or superseded by appropriate authority.

(b) Subject to the availability of appropriations therefor, the President is authorized to adopt as a contract of the United States Government, and assume any liabilities arising thereunder (in whole or in part), any contract which had been funded or approved for funding by the Agency for International Development prior to June 30, 1975, for financing with funds made available under the Foreign Assistance Act of 1961 or the Foreign Assistance Act of 1974, or any equitable claim based upon a letter of intent issued prior to April 30, 1975, in which the Agency had expressed its intention to finance a transaction subject to the availability of funds, between the former Governments of Vietnam or Cambodia (including any of their agencies) or the Government of Laos (or any of its agencies) and any person and to apply with respect to any such contract the authorities of the Foreign Assistance Act of 1961.

(c) Funds made available for the purposes of part V of the Foreign Assistance Act of 1961 and of section 36 of the Foreign Assistance Act of 1974 (including amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955 (31 U.S.C. 200), as having been obligated against appropriations heretofore made) are authorized to be appropriated, and thereafter, to remain available until expended, to meet necessary expenses arising from the actions authorized by subsection (b) of this section and such funds are authorized to remain available until expended to meet necessary expenses arising from the termination of assistance programs authorized by such part and such section 36, which expenses may include but need not be limited to the settlement of claims and associated personnel costs.

TRADE WITH VIETNAM

Sec. 413. (a) It is the purpose of this section to encourage, promote, and facilitate (1) a prompt accounting of American prisoners and missing in action and repatriation of American war dead, military and civilian, (2) prompt reclamation of, or full and just compensation for, American investments and property remaining in Vietnam, and (3) mutual cooperation leading toward improved relations between the Government of North and South Vietnam and the Government of the United States, by removing all prohibitions or restrictions relating to exports from the United States or to transactions involving foreign assets which are applicable with respect to North or South Vietnam but are not also applicable with respect to the People's Republic of China, or which are applicable with respect to dealings between North or South Vietnam and the People's Republic of China.

(b) Notwithstanding any other provision of law—

(1) any restriction on or prohibition of exports from the United States to North or South Vietnam shall be limited (A) to export controls the President determines are necessary (i) to protect the domestic economy from excessive drain of scarce materials and to reduce the serious inflationary impact of foreign demand, or (ii) to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States, and (B) to export controls over goods and technology which would make a significant contribution to the military potential of North or South Vietnam;

(2) for purposes of administering the Export Administration Act of 1969, the policies applicable to countries in Country Group Y of the Export Administration Regulations of the United States (15 C.F.R. 368–399) shall apply to North and South Vietnam;

(3) any restriction on or prohibition of transactions involving assets of North and South Vietnam or assets in which any national of North or South Vietnam has an interest shall be limited to (A) those assets over which the United States has jurisdiction on the date of enactment of this section, and (B) income derived from such assets which accrues on or after such date; and

(4) any restriction on or prohibition of activities by persons bearing a United States passport who are traveling in North or South Vietnam shall be limited to activities with respect to exports or transactions the restriction or prohibition of which is permitted under paragraph (1), (2), or (3).

(c) The limitations contained in this section shall expire at the end of the one-hundred-and-eighty-day period beginning on the date of enactment of this section, unless prior to the end of such period the President certifies to the Congress that the Governments of North and South Vietnam have accounted for a substantial number of the American prisoners and missing in action in Vietnam and have returned the remains of a substantial number of American war dead that they have been able to identify in Vietnam.

TITLE V—MISCELLANEOUS AUTHORIZATIONS

SECURITY SUPPORTING ASSISTANCE

Sec. 501. Section 532 of the Foreign Assistance Act of 1961 is amended to read as follows:

"Sec. 532. Authorization.—There is auauthorized to be appropriated to the President to carry out the purposes of this chapter for the fiscal year 1976 $1,766,200,000, of which not less than $65,000,000 shall be available only for Greece, $730,000,000 shall be available only for Israel, and $705,000,000 shall be available only for Egypt. Amounts appropriated under this section are authorized to remain available until expended.".

MIDDLE EAST SPECIAL REQUIREMENT FUND

Sec. 502. Section 903 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a), by striking out "for the fiscal year 1975 not to exceed $100,000,000" and inserting in lieu thereof "for the fiscal year 1976 not to exceed $50,000,000"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) Funds appropriated under subsection (a) shall be available to assist the Governments of Egypt and Israel in carrying out activities under the Agreement of October 10, 1975, and to pay the costs of implementing the United States proposal for the early warning system in Sinai. Such funds may be obligated without regard to the provisions of subsection (b) of this section to the extent that the proposed obligation has been justified to the Congress prior to the enactment of this subsection.

"(d) Of the amount authorized to be appropriated in subsection (a), not less than $12,000,000 shall constitute a contribution by the United States toward the settlement of the deficit of the United Nations Relief and Works Agency for Palestine Refugees in the Middle East, if the President determines that a reasonable number of other countries will contribute a fair share toward the settlement of such deficit within a reasonable period of time after the date of enactment of the International Security Assistance and Arms Export Control Act of 1976. In determining such fair share, the President shall take into consideration the economic position of each such country. Such $12,000,000 shall be in addition to any other contribution to such Agency by the United States pursuant to any other provision of law.".

CONTINGENCY FUND

Sec. 503. Chapter 5 of part I of the Foreign Assistance Act of 1961 is amended—

(1) in the chapter heading, by striking out "Disaster Relief" and inserting in lieu thereof "Contingency Fund"; and

(2) in section 451(a)—

(A) by striking out "1975" and inserting in lieu thereof "1976";

(B) by striking out "or by section 639"; and

(C) by adding at the end thereof the following new sentence: "Amounts appropriated under this section are authorized to remain available until expended.".

INTERNATIONAL NARCOTICS CONTROL

Sec. 504. (a) Section 482 of the Foreign Assistance Act of 1961 is amended by inserting "and $40,000,000 for the fiscal year 1976, no part of which may be obligated for or on behalf of any country where illegal traffic in opiates has been a significant problem unless and until the President determines and certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that assistance furnished to such country pursuant to the authority in this chapter is significantly reducing the amount of illegal opiates entering the international market" immediately after "1975".

(b) Section 481 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(c)(1) Notwithstanding any other provision of law, no officer or employee of the United States may engage or participate in any direct police arrest action in any foreign country with respect to narcotics control efforts.

"(2) The President shall carry out a study with respect to methods through which United States narcotics control programs in foreign countries might be placed under the auspices of international or regional organizations. The results of such study shall be transmitted to the Speaker of the House of Representatives and the President of the Senate not later than June 30, 1977.".

AUTHORIZATION FOR INTERNATIONAL ATOMIC ENERGY AGENCY

Sec. 505. Section 302 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(i) In addition to amounts otherwise available under this section, there are authorized to be appropriated for fiscal year

1976 and to remain available until expended $1,000,000 to be available only for the International Atomic Energy Agency to be used for the purpose of strengthening safeguards and inspections relating to nuclear fissile facilities and materials.".

INTERIM QUARTER AUTHORIZATIONS

SEC. 506. (a) Any authorization of appropriations in this Act, or in any amendment to any other law made by this Act, for the fiscal year 1976, shall be deemed to include an additional authorization of appropriations for the period beginning July 1, 1976, and ending September 30, 1976, in amounts which equal one-fourth of any amount authorized for the fiscal year 1976 and in accordance with the authorities applicable to operations and activities authorized under this Act or such other law, unless appropriations for the same purpose are specifically authorized in a law hereinafter enacted.

(b) The aggregate total of credits, including participations in credits, extended pursuant to the Arms Export Control Act and of the principal amount of loans guaranteed pursuant to section 24(a) of such Act during the period beginning July 1, 1976, and ending September 30. 1976, may not exceed an amount equal to one-fourth of the amount authorized by section 31(b) of such Act to be extended and guaranteed for the fiscal year 1976.

TITLE VI—MISCELLANEOUS PROVISIONS

EXPEDITED PROCEDURE IN THE SENATE

SEC. 601. (a) (1) The provisions of subsection (b) of this section shall apply with respect to the consideration in the Senate of any resolution required by law to be considered in accordance with such provisions.

(2) Any such law shall—

(A) state whether the term "resolution" as used in subsection (b) of this section, means, for the purposes of such law—

(i) a resolution of either House of Congress; or

(ii) a concurrent resolution; and

(B) specify the certification to which such resolution shall apply.

(b) (1) For purposes of any such law, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rule-making power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by subsection (a) (1) of this section; and they supersede other rules of the Senate only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(3) (A) If the committee of the Senate to which has been referred a resolution relating to a certification has not reported such resolution at the end of 10 calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same certification which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a resolution with respect to the same certification.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4) (A) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

PROCUREMENTS FROM SMALL BUSINESSES

SEC. 602. In order to encourage procurements from small business concerns under chapter 4 of the Foreign Assistance Act of 1961, the Administrator of the Agency for International Development shall report to the Congress every six months on the extent to which small businesses have participated in procurements under such chapter and on what efforts the Agency has made to foster such procurements from small business concerns. The Small Business Administration shall lend all available assistance to the Agency for the purposes of carrying out this section.

PAYMENT OF CONSULTANTS

SEC. 603. Section 626(a) of the Foreign Assistance Act of 1961 is amended by striking out "$100 per diem" and inserting in lieu thereof "the daily equivalent of the highest rate which may be paid to an employee under the General Schedule established by section 5332 of title 5, United States Code".

FEES OF MILITARY SALES AGENTS AND OTHER PAYMENTS

SEC. 604. (a) Section 36 of the Foreign Military Sales Act, as amended by section 211 of this Act, is further amended as follows:

(1) In subsection (a)—

(A) strike out "and" at the end of paragraph (7);

(B) redesignate paragraph (8) as paragraph (9); and

(C) insert the following new paragraph immediately after paragraph (7):

"(8) a description of each payment, contribution, gift, commission or fee reported to the Secretary of State under subsection (f), including (A) the name of the person who made such payment, contribution, gift, commission or fee; (B) the name of any sales agent or other person to whom such payment, contribution, gift, commission or fee was paid; (C) the date and amount of such payment, contribution, gift, commission or fee; (D) a description of the sale in connection with which such payment, contribution, gift, commission or fee was paid; and (E) the identification of any business information considered confidential by the person submitting it which is included in the report; and".

(2) In the first sentence of subsection (b), insert immediately before the period "and a description, containing the information specified in paragraph (8) of subsection (a), of any contribution, gift, commission or fee paid or offered or agreed to be paid in order to solicit, promote or otherwise to secure such letter of offer.".

(3) Add the following new subsection at the end of such section:

"(f) (1) In accordance with such regulations as he may prescribe, the Secretary of State shall require adequate and timely reporting on political contributions, gifts, commissions and fees paid, or offered or agreed to be paid, by any person in connection with—

"(A) sales of defense articles or defense services under section 22 of this Act; or

"(B) commercial sales of defense articles or defense services licensed or approved under section 38 of this Act;

to or for the armed forces of a foreign country or international organization in order to solicit, promote, or otherwise to secure the conclusion of such sales. Such regulations shall specify the amounts and the kinds of payments, offers, and agreements to be reported, and the form and timing of reports, and shall require reports on the names of sales agents and other persons receiving such payments. The Secretary of State shall by regulation require such recordkeeping as he determines is necessary.

"(2) The President may, by regulation, prohibit, limit, or prescribe conditions with respect to such contributions, gifts, commissions, and fees as he determines will be in furtherance of the purposes of this Act.

"(3) No such contribution, gift, commission, or fee may be included, in whole or in part, in the amount paid under any procurement contract entered into under section 22 of this Act, unless the amount thereof is reasonable, allocable to such contract, and not made to a person who has solicited, promoted, or otherwise secured such sale, or has held himself out as being able to do so, through improper influence. For the purposes of this subsection, 'improper influence' means influence, direct or indirect, which induces or attempts to induce consideration or action by any employee or officer of a purchasing foreign government or international organization with respect to such purchase on any basis other than such consideration of merit as are involved in comparable United States procurements.

"(4) (A) All information reported to the Secretary of State and all records maintained by any person pursuant to regulations prescribed under this subsection shall be available, upon request, to any standing committee of the Congress or any subcommittee thereof and to any agency of the United States Government authorized by law to have access to the books and records of the person required to submit reports or to maintain records under this subsection.

"(B) Access by an agency of the United States Government to records maintained under this subsection shall be on the same terms and conditions which govern the access by such agency to the books and records of the person concerned.".

(6) The amendments made by this section shall take effect sixty days after the date of enactment of this Act.

USE OF PERSONNEL

SEC. 605. (a) Nothing in this Act is intended to authorize any additional military or civilian personnel for the Department of Defense for the purposes of this or any other Act. Personnel levels authorized in statutes authorizing appropriations for military and civilian personnel of the Department of Defense shall be controlling over all military and civilian personnel of the Department of Defense assigned to carry out functions under the Arms Export Control Act and the Foreign Assistance Act of 1961.

(b) Section 42 of the Foreign Military Sales Act, as amended by section 214 of this Act, is further amended by adding at the end thereof the following new subsection;

"(f) The President shall, to the maximum extent possible and consistent with the purposes of this Act, use civilian contract personnel in any foreign country to perform defense services sold under this Act.".

And the House agree to the same.

Thomas E. Morgan,
Clement J. Zablocki,
Wayne L. Hays,
Dante B. Fascell,
Lee H. Hamilton,
Wm. S. Broomfield,
Edward J. Derwinski,
Managers on the Part of the House.

John Sparkman,
Hubert H. Humphrey,
Gale W. McGee,
George McGovern,
Frank Church,
Stuart Symington,
Clifford P. Case,
Jacob K. Javits,
Hugh Scott,
Charles H. Percy,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2662), to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference recommends a substitute for both the Senate bill and the House amendment to the text of the Senate bill.

Except for clarifying, clerical, and necessary conforming changes, the differences between the two Houses and the adjustments made in the committee of conference are noted below.

The committee of conference agreement contained authorizations for international security assistance for fiscal year 1976 of $3,166,900,000 which represents a reduction of $293,050,000 in the House figure, an increase of $116,500,000 in the Senate figure, and a reduction of $298,400,000 in the amount requested by the executive branch.

The amounts approved by the committee of conference compared to the amounts requested by the executive branch and recommended by the House and Senate follow:

FUNDS AUTHORIZED FOR FISCAL YEAR 1976 BY S. 2662

[In millions of dollars]

	Executive request	House recommendation	Senate recommendation	Conference substitute
Grant military assistance	394.5	334.0	180.9	[1] 196.7
Grant military assistance administration	(2)	32.0	32.0	32.0
Foreign military education and training	30.0	28.15	25.0	27.0
Foreign military sales credits	1,065.0	1,065.0	1,014.5	1,039.0
Contingency fund	10.0	5.0	5.0	5.0
Narcotics control	42.5	42.5	37.5	40.0
Security supporting assistance	1,873.3	1,883.3	1,705.0	1,766.2
Middle East Special Requirements Fund	50.0	50.0	50.0	50.0
Aid to Cypriot refugees		[3] 20.0		10.0
International Atomic Energy Agency			1.0	1.0
Total	3,465.3	3,459.95	3,050.4	3,166.9

[1] In addition to the amount authorized to be appropriated for grant military assistance programs, $28,300,000 in recoupments and reimbursements are authorized to be made available for such programs.

[2] The executive request included $37,000,000 for general costs in its overall request for grant military assistance.

[3] The $20,000,000 authorized in the House amendment for aid to Cypriot refugees is in addition to the $30,000,000 authorization for such purpose contained in H.R. 9005 (Public Law 94-161).

Allocations

Grant military assistance (MAP)

The Senate bill amended section 504(a) of the Foreign Assistance Act to authorize $180,900,000 for MAP in fiscal year 1976. Such sum, plus recoupments, was allocated among eight specified recipients, with not to exceed $5,200,000 made available for fiscal year 1976 for unspecified countries and international organizations.

The House amendment authorized $334 million for MAP in fiscal year 1976 and provided allocations for the same eight specified recipients, although in different amounts, with not to exceed $25 million of the appropriation to be available for unspecified countries and international organizations.

The committee of conference agreed to a substitute MAP authorization of $196,700,000 and to MAP allocations as follows:

[In millions of dollars]

Recipient	Senate bill	House amendment	Conference substitute
Greece	25.0	50.0	31
Indonesia	13.0	19.4	13
Jordan	50.0	70.0	50
Korea	54.0	65.0	55
Philippines	17.0	19.6	17
Thailand	15.0	25.0	16
Turkey	25.0	50.0	31
Ethiopia	5.0	10.0	6
Unspecified countries	5.2	25.0	6
Total	[1] 209.2	[1] 334.0	[1] 225

[1] The allocations in the Senate bill included $28,300,000 in recoupments and reimbursements. The committee of conference agreed to include recoupment, and reimbursements in the allocations.

Security supporting assistance

The Senate bill amended section 532 of the Foreign Assistance Act to authorize $1,705 million for fiscal year 1976 security supporting assistance programs of which $725 million would be available only for Israel. The Senate bill also allocated certain amounts of the remainder of the funds authorized for fiscal year 1976 for specific countries and purposes.

The House amendment authorized a total of $1,883,300,000 for fiscal year 1976 of which not less than $90 million was earmarked for Greece. The House amendment placed a ceiling of not to exceed $1,657,500,000 of the total authorization for furnishing assistance to Middle East countries and earmarked not less than $755 million of that amount for Israel and not less than $750 million for Egypt.

The committee of conference agreed to a substitute authorization of $1,766,200,000 of which not less than the following amounts will be available for the following countries:

Israel	$730,000,000
Egypt	705,000,000
Greece	65,000,000

It is the intent of the committee of conference that the remainder of the funds authorized for security supporting assistance for fiscal year 1976 be allocated as follows:

Jordan	$72,500,000
Syria	80,000,000
Bahrain	600,000
Malta	9,500,000
Portugal	52,500,000
United Nations Force in Cyprus	9,600,000
Zaire	18,900,000
Operating Expenses	22,600,000

Foreign Military Sales Credits (FMS)

Authorization

The Senate bill amended section 31(a) of the Foreign Military Sales Act to authorize $1,014,500,000 for FMS financing for fiscal year 1976.

The House amendment authorized $1,065 million for fiscal year 1976.

The committee of conference adopted a substitute authorization level of $1,039 million.

Aggregate ceiling

The Senate bill amended section 31(b) of the Foreign Military Sales Act by setting a ceiling of $2,324,700,000 on the aggregate total of FMS credits or participation in credits, extended under section 23 of the act, and of the principal amounts of loans guaranteed under section 24 of the act, during fiscal year 1976.

The House amendment established an aggregate ceiling of $2,374,700,000 for fiscal year 1976.

The committee of conference agreed to an aggregate ceiling of $2,374,700,000.

FMS repayment period for Israel

The Senate bill specified that, with respect to the long-term repayments mandated for FMS financing provided to Israel, "repayment shall be in not less than 20 years following a grace period of 10 years on repayment of principal."

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

Middle East Special Requirements Fund

The Senate bill authorized the appropriation of $50 million for the Middle East Special Requirements Fund for fiscal year 1976.

The House amendment contained an identical authorization but earmarked $12 million for use as a U.S. contribution toward the settlement of the deficit of the United Nations Relief and Works Agency for Palestine Refugees in the Middle East.

The committee of conference adopted the House provision.

INTERIM QUARTER AUTHORIZATIONS

The Senate bill authorized, for the period beginning July 1, 1976, and ending September 30, 1976, the appropriation of one-fourth of any amount authorized for fiscal year 1976 by this act or by any amendment thereto in accordance with the authorities applicable to operations and activities authorized under this act, unless appropriations for the same purpose are specifically authorized in subsequently enacted legislation.

The Senate bill also provided that the aggregate total of foreign military sales credits extended during such period may not exceed an amount equal to one-fourth of the amount authorized for such purpose for fiscal year 1976.

The House amendment authorized, for such period, such sums as may be necessary but not to exceed one-fourth of the amount authorized for fiscal year 1976.

The committee of conference adopted the Senate provision.

SHORT TITLE

The short title of the Senate bill was the "International Security Assistance and Arms Export Control Act of 1976."

The short title of the House amendment was the "International Security Assistance Act of 1976."

The committee of conference adopted the Senate title.

GIANT MILITARY ASSISTANCE PROGRAM (MAP)

Ceiling on number of MAP recipients

The Senate bill reduced the ceiling in section 504(a) of the Foreign Assistance Act on the maximum number of countries receiving grant military assistance from 31 to 20 for fiscal year 1976.

The House amendment reduced the ceiling to 17 countries for fiscal year 1976.

The committee of conference adopted the Senate provision.

MAP administrative expenses

The Senate bill provided a specific authorization for "administrative and related expenses" of the grant military assistance program.

The House amendment contained a specific authorization for "administrative expenses."

The committee of conference adopted the Senate provision. This authorization is in lieu of the executive branch request for $37 million which were included as general costs within the program authorization request.

Sophisticated weapons systems

The Senate bill created an exemption for countries specified in the bill as MAP recipients from the existing prohibition on the use of MAP funds to furnish sophisticated weapons systems without a Presidential determination that the furnishing of such weapons systems is important to the national security. The determination has to be reported to Congress.

The House amendment restated existing law.

The committee of conference adopted the House provision.

Special drawdown authority

The Senate bill amended section 506(a) of the Foreign Assistance Act so as to continue the President's emergency authority to draw on Department of Defense stocks and services for military assistance purposes, subject to reimbursement from subsequent appropriations. As amended this authority would be applicable only in an unforeseen emergency requiring immediate action where vital U.S. security interests are at stake and the emergency requirement cannot be met under any other authority. The President's authority under this section would be reduced from $150 million to $75 million in any fiscal year. The Senate bill also required current reporting to Congress on the use of such authority.

The House amendment also continued the President's use of such authority in emergency situations where it was determined to be in the security interests of the United States but reduced such authority to $50 million in any fiscal year.

The committee of conference adopted the Senate version with an amendment reducing such authority to $67,500,000 in any fiscal year.

Stockpiling of defense articles for foreign countries

The Senate bill amended section 514 of the Foreign Assistance Act—

(1) to define the term "value", for purposes of determining the amount to be charged against appropriations and limitations when stockpiled items are transferred, as "acquisition cost plus crating, packing, handling, and transportation costs";

(2) to stipulate that defense articles placed in stockpiles located in foreign countries for use by foreign countries (except for NATO purposes) may not exceed in any fiscal year an amount greater than is specified in security assistance authorizing legislation for such fiscal year (the Senate bill made no such specific authorization for fiscal year 1976 or the transition quarter);

(3) to provide that, except for existing stockpiles and those located in NATO countries, no stockpile may be located outside a U.S. military base; and

(4) to provide that no stockpiled defense article transferred to a foreign country may be considered "excess" for valuation purposes.

The House amendment amended section 514—

(1) to permit new stockpiles or additions to stockpiles located in foreign countries of not to exceed $150 million in fiscal year 1976 and not to exceed one-fourth of that amount during the transition quarter (July 1–September 30, 1976); and

(2) to require a report on each new stockpile and each addition to an existing stockpile having a value in excess of $10 million in any fiscal year.

The committee of conference adopted a substitute which (1) retains the Senate bill's definition of "value"; (2) permits new stockpiles or additions to existing stockpiles of not to exceed $75 million in fiscal year 1976 and not to exceed $18,750,000 during the transition quarter; (3) retains the Senate bill's prohibition on locating future stockpiles outside U.S. military bases (except for stockpiles located in NATO countries); (4) stipulates that stockpiled defense articles transferred to a foreign country may not be considered "excess" for valuation purposes; and (5) retains the House amendment's reporting requirement for each new stockpile or addition to an existing stockpile having a value in excess of $10 million. It is intended that the reports to Congress required by subsection (e) of this section be made to the House Committee on International Relations and the Senate Committee on Foreign Relations, as well as to the House and Senate Armed Services Committees.

Termination of military assistance advisory groups and missions (MAAG's)

The Senate bill amended section 515 of the Foreign Assistance Act to provide that (1) after September 30, 1977, no U.S. military group or mission performing military assistance advisory group functions under the act may operate in a foreign country unless specifically authorized by Congress; (2) where such groups or missions are terminated, the President may assign no more than three U.S. military personnel to the Chief of the U.S. Mission in question to perform such military advisory functions as the Chief of Mission determines necessary; and (3) after June 30, 1976, the number of such groups or missions may not exceed 34 and the number of personnel assigned thereto may not exceed 1,400. The Senate bill defines "military assistance advisory group" so as to exclude regular units of the Armed Forces engaged in routine function, to bring about standardization with allies.

The House amendment (1) provided that after September 30, 1977, no U.S. military assistance advisory group or mission may operate in a foreign country unless specifically authorized by Congress; (2) authorized up to three U.S. military personnel that may be assigned to the Chief of each U.S. Mission to perform security assistance functions with $2,500,000 authorized for fiscal year 1978 and each subsequent fiscal year for such purpose; (3) prohibited the use of waiver authority to increase the $2,500,000; and (4) provided that security assistance functions may not be performed by defense attaches assigned to U.S. missions.

The committee of conference adopted a substitute which (1) prohibits the performance of security assistance functions by defense attaches after September 30, 1977; (2) places a ceiling of 34 on military assistance advisory groups and missions effective September 30, 1976; (3) excludes regular U.S. Armed Forces units designed to bring about U.S.-allied procedural and operational standardization from the definition of MAAG's; and (4) permits the assignment of up to three U.S. military personnel to each Chief of a U.S. Mission to perform security assistance functions, regardless of the prior existence of a MAAG in that country. Further, such military personnel may be assigned to replace MAAG's as they are phased out, in accordance with the requirements of this act. The sale of services previously performed by MAAG's is dealt with in subsequent sections of the bill.

Termination of grant military assistance programs

The Senate bill amended chapter 2 of part II of the act by adding thereto a new section 516 which provides that after September 30, 1977, and except to the extent that Congress may subsequently authorize, the authorities contained in chapter 2, other than authorities contained in sections 506 and 515, may no longer be exercised. Those authorities would remain available until September 30, 1980 to the extent necessary to carry out obligations incurred under chapter 2 prior to September 30, 1977. The Senate bill also would make MAP funds available for winding up the assistance program notwithstanding the limitations contained in section 504(a) (2) and (3) of the act.

The House amendment was virtually identical with the Senate version except that it did not make explicit that funds are to be available for winding up assistance notwithstanding limitations found in section 504(a) (2). The House amendment also stipulated that the authorities contained in section 514 of the act are not affected by the termination.

The committee of conference adopted a substitute which makes (MAP) funds available for winding up MAP programs notwithstanding the limitations contained in section 504(a) (2) of the Foreign Assistance Act and exempts the authorities contained in section 514 of the act relating to stockpiling of defense articles for foreign countries from the termination requirement.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Reimbursement

The House amendment provided that military education and training shall be provided, whenever feasible, on a reimbursable basis.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

It is the intent of the committee of conference that this provision shall not preclude the sale of defense services under the Foreign Military Sales Act.

Applicability of Foreign Assistance Act requirements

The Senate bill provided that the authority to furnish military education and training must be exercised consistent with the requirements of the Foreign Assistance Act.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

Eligible recipients

The Senate bill permitted military education and training for "friendly foreign countries and international organizations."

The House amendment permitted such training for "foreign countries."

The committee of conference adopted the House provision.

Authorization of funds

The Senate bill authorized an appropriation of $25 million for military education and training in fiscal year 1976.

The House amendment authorized an appropriation of $28,150,000.

The committee of conference adopted a substitute authorization of $27 million.

Training outside United States

The Senate bill provided that military education and training programs conducted outside the United States must be justified to the Speaker of the House and the Senate Foreign Relations Committee.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision with the understanding that such justification will be included in the annual presentation to Congress.

Limitation on certain types of training

The Senate bill provided that military training may not be associated with the operation of certain major weapons systems of U.S. origin.

The House amendment contained no comparable provision.

The committee of conference agreed to the House position.

Repeal of limitation on number of foreign military trainees in the United States

The House amendment repealed section 510 of the Foreign Assistance Act which limits the number of foreign military trainees in the United States in any fiscal year to the number of civilans brought to the United States under the Mutual Educational and Cultural Exchange Act of 1961, in the previous fiscal year.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

Availability of funds

The Senate bill permitted funds previously appropriated for military education and training purposes to be available for obligation and expenditure in accordance with provisions of law currently applicable.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

SPECIAL AUTHORITIES

The Senate bill repealed section 614(b), relating to the use of funds for West Berlin, and section 614(c), which authorizes the use of up to $50 million cumulatively of funds appropriated under the authority of the Foreign Assistance Act without specifying the purpose of such use.

The House amendment contained no comparable provision.

The committee of conference agreed to the House position.

ANNUAL FOREIGN ASSISTANCE REPORT

Additional information required

The Senate bill amended section 657(a) (1) and (3) relating to the annual foreign assistance report. The amendment to section 657(a)(1) required more detailed information with respect to foreign military sales, credits, and guaranties. The amendment to section 657(a)(3) required that the report specify whether exported military equipment was sold by the U.S. Government or was sold commercially.

The House amendment contained no comparable provisions.

The committee of conference adopted a substitute which contains the Senate amendment to section 657(a)(1) and also contains a substitute for the Senate amendment to section 657(a)(3) which eliminates duplicative reporting requirements for arms sales which would have resulted from adoption of the Senate amendment.

Classification of information

The Senate bill amended section 657(b) of the Foreign Assistance Act so as to repeal the President's authority under the statute to classify specific items in the Annual Foreign Assistance Report if he determines their publication would be detrimental to the security of the United States.

The House amendment contained no comparable provision.

The committee of conference agreed to retain the President's authority to classify such information. However, it is the intent of the committee of conference that the requirement of existing law that each such classified item be accompanied by a justification therefor be rigorously adhered to by the President.

CHANGE OF FOREIGN MILITARY SALES ACT TITLE

The Senate bill changed the title of the Foreign Military Sales Act to the "Arms Export Control Act."

The House amendment retained the existing title.

The committee of conference adopted the Senate provision.

GOVERNMENT VERSUS COMMERCIAL ARMS SALES POLICY STATEMENT

The Senate bill amended the last paragraph of section 1 of the Foreign Military Sales Act, which calls for a reduction in the role of the U.S. Government in arms sales and a return of such sales to commercial channels by adding an exception in the case of major defense equipment, valued in excess of $25 million.

The House amendment repealed the last paragraph of section 1 of the Foreign Military Sales Act.

The committee of conference adopted the House provision.

STATEMENT OF ARMS SALES POLICY

Statement of policy

The Senate bill amended section 1 of the Foreign Military Sales Act by adding new paragraphs thereto containing a statement of policy on arms sales. It provided that the President should undertake multilateral discussions for the purpose of reducing the international trade in arms and lessening the dangers of regional conflict. It further provided that the President shall report to Congress not later than June 30, 1976, and thereafter, on steps taken to carry out the policy.

The House amendment added a similar policy statement at a different place in the Foreign Military Sales Act.

The committee of conference adopted the statement of policy contained in the Senate bill but deleted the requirement for a report as unnecessary in view of the requirement placed upon the President to review United States arms sales policies in another part of the Act.

Review of arms sales policy

The House amendment added a new section 48 to the Foreign Military Sales Act which requires the President to conduct a comprehensive study of U.S. arms sales policies to determine whether such policies should be changed, and to report the results of such study to Congress along with an account of steps taken to encourage arms limitations not later than the end of the 1-year period beginning on the date of enactment of the amendment.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

ANNUAL CEILING ON ARMS SALES

The House amendment added a new section to the Foreign Military Sales Act, setting an annual ceiling of $9 billion on the value of all U.S. arms sales contracts (both government-to-government and commercial), with any foreign country or international organization, such ceiling to apply to fiscal year 1977 and each fiscal year thereafter.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision with the following changes.

Scope of ceiling

The committee of conference adopted an amendment providing that the aggregate value of defense articles and defense services which are sold under the Foreign Military Sales Act or which are licensed or approved for export in connection with commercial sales for the use or for the benefit of the armed forces, police, intelligence, or other internal security forces of a foreign country or international organization in connection with commercial sales contracts, shall not exceed $9 billion in any fiscal year.

Subceiling on combat equipment

The House amendment established a subceiling, equal to 40 percent of the overall ceiling, on aggregate U.S. sales of combat equipment in any year.

The committee of conference agreed to delete this provision.

Waiver authority

The House amendment permitted the President to waive the limitations on aggregate arms sales "to the extent necessary to allow defense articles and services to be furnished on an emergency basis if he determined and certified to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate that an emergency exists which requires the furnishing of such defense articles and services in the national security interests of the United States."

The committee of conference adopted a substitute provision which permits the President to waive the limitations on annual aggregate arms sales without declaring that an emergency exists if he determines that the national security interests so require. Such determinations are to be made on a case-by-case basis.

Enforcement procedures

The House amendment required U.S. arms manufacturers to submit proposed commercial arms export contracts to the Secretary of Defense to insure that the proposed sales were consistent with quotas established by the President, and provided criminal penalties for wilful violations.

The Senate bill contained no comparable provision.

The committee of conference adopted a substitute provision which provides criminal penalties for any person who, with intent to avoid the application of the arms sales ceiling, exports or attempts to export any defense article or defense service without a license or approval as required.

TRANSFER OF DEFENSE SERVICES

The Senate bill amended section 3(a)(2) of the Foreign Military Sales Act and section 505(a) of the Foreign Assistance Act to provide that the requirement in existing law under which recipient countries must agree in advance not to transfer U.S.-supplied defense articles to a third country without prior U.S. consent shall also apply to related training and other defense services.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

APPROVAL FOR THIRD COUNTRY ARMS TRANSFERS

Transfer disapproval procedure

The Senate bill amended section 3 of the Foreign Military Sales Act to prohibit the President from consenting to any transfer of defense articles worth $25 million or more, or any major defense equipment, or of training related to such articles or equipment, if it was sold or licensed for export under the act, or was furnished as grant military assistance under the Foreign Assistance Act. Such prohibition could be waived (1) if the

President certified such proposed transfers to the Congress and the Congress did not adopt a concurrent resolution of disapproval within 30 calendar days, or (2) if the President stated that an emergency existed which required such transfer in the national security interests of the United States.

The House amendment also amended section 3 of the Foreign Military Sales Act by adding a similar prohibition on arms transfers and providing similar Presidential certification waiver and congessional disapproval procedures. Such prohibition, however, was applicable to all defense articles, but not to related training. The House amendment also provided that Congress could disapprove such transfers within a period of 30 days of continuous session.

The committee of conference adopted the House provision with an amendment providing for congressional disapproval of proposed arms transfers within a period of 30 calendar days.

Expedited procedure for resolutions of disapproval

The Senate bill contained a provision permitting, in either House, a motion to discharge the committee to which a resolution of disapproval was referred if such resolution is not reported by such committee at the end of 10 calendar days after its introduction.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision, but made it applicable only in the Senate.

Classification of information

The Senate bill contained a provision which required that the Presidential report to the Congress with respect to a proposed transfer must be unclassified unless the publication of such report would be detrimental to U.S. security.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

EXTENSION OF PAYMENT PERIOD FOR CREDIT SALES

The House amendment amended section 23 of the Foreign Military Sales Act to provide that the payment period for credit sales under the act shall not exceed 12 years after the delivery or rendering of the articles or services involved. The House amendment further provided that the 12-year payment period would apply to financing under agreements entered into on or after the date of enactment of the amendment.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

USE OF DEPARTMENT OF DEFENSE (DOD) PERSONNEL

The Senate bill stated that nothing in this act is intended to authorize any additional military or civilian personnel for the purpose of the act and that both military and civilian personnel assigned to the Defense Department and carrying out functions under the act (even if funded by other than DOD appropriations) fall under military and civilian manpower ceilings imposed by the DOD authorizing legislation. The Senate bill also added to the Foreign Military Sales Act the injunction to maximize the use of civilian contractor personnel to perform defense services overseas, if consistent with the purposes of the act.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision.

SALES FROM STOCKS

The Senate bill amended section 21 of the Foreign Military Sales Act to—

(1) limit the sale of the defense services to nine specified services;

(2) provide that, with respect to the sale of a defense article which will not be replaced by the United States, the price of such defense article shall be the actual value thereof;

(3) provide that the price of articles which are intended to be replaced shall be the actual cost of replacement;

(4) provide that the price of defense services shall be equal to the cost to the United States of such services;

(5) require that payment for defense articles and services be made in advance, unless the President determines it to be in the national interest to delay such payment, in which case interest is charged on any amount paid more than 60 days after delivery of such article or service (or 120 days if the President finds that an emergency exists);

(6) Prohibit personnel performing defense services from performing combat duties;

(7) Require that letters of offer include charges for administrative services, plant and production equipment, and for major defense equipment, a proportionate amount of nonrecurring research and development costs, with certain exceptions for standardization and coproduction arrangements with members of the North Atlantic Treaty Organization (NATO);

(8) require contracts made pursuant to sections 21 and 22 of the act be made available for public inspection to the extent possible consistent with the national security of the United States; and to

(9) authorize the President to enter into NATO standardization agreements.

The House amendment contained no comparable provisions.

The committee of conference adopted the Senate provisions with an amendment which deletes the provision limiting the sale of defense services to only those nine services as listed in the Senate bill. The committee of conference also deleted the Senate bill's definition of major defense equipment. In addition, the committee of conference also adopted an amendment which specifies that the interest to be charged is not less than the current cost of U.S. Government borrowing.

SALES FROM STOCKS AFFECTING COMBAT READINESS

The Senate bill amended section 21 of the Foreign Military Sales Act to provide that sales of defense articles and services which could have a significant adverse effect on the combat readiness of U.S. Armed Forces shall be kept to a minimum. With regard to any such sale, the President was to transmit to Congress a written statement setting forth the details of the proposed sale, a full description of its impact on U.S. Armed Forces, and a justification and certification that such sale was important to U.S. security. No delivery could be made under any such sale unless the latter certification was in effect. Such certification would remain in effect for 1 year from the date of transmittal, unless Congress adopted a concurrent resolution suspending such delivery within 30 calendar days after transmittal.

The House amendment amended section 657(a) of the Foreign Assistance Act to require inclusion in the annual foreign assistance report a statement describing the impact on U.S. military readiness and capacity to protect U.S. security, and to fulfill mutual defense commitments, of deliveries of defense articles and rendering of defense services under the Foreign Assistance Act and the Foreign Military Sales Act during the year in question.

The committee of conference adopted the Senate provision with an amendment deleting the provision relating to a concurrent resolution of disapproval. The committee of conference notes that congressional authority to disapprove sales of major defense equipment valued in excess of $7 million, and other congressional controls over arms sales provided elsewhere in this act, will greatly increase the capacity of the Congress to monitor and to minimize the impact of arms sales on U.S. combat readiness.

PROCUREMENT FOR CASH SALES

The Senate bill amended section 22(a) of the Foreign Military Sales Act to require that interest be charged on any net amount by which a country is in arrears, taking all outstanding undertakings collectively. The Senate bill also amended section 22(b) of the act to authorize the President, if he determines that the purchasing country faces an emergency, and that it is in the national interest to provide such a country with certain equipment or services, to allow payment within 120 days after the date of billing.

The House amendment contained no comparable provision.

The committee of conference adopted the Senate provision with an amendment which specifies that the interest to be charged is not less than the current cost of U.S. Government borrowing.

ANNUAL ARMS SALES ESTIMATES

Content and format of estimates

The Senate bill required the President to transmit annually to Congress a report setting forth (1) an estimate of the amount of sales, credits, and guaranties expected for each country for the next fiscal year, (2) findings made under section 3(a)(1) of the Foreign Military Sales Act, and (3) an arms control impact statement for each purchasing country. Such report was to be included in the annual congressional presentation materials.

The House amendment contained a similar provision requiring more detailed information and explanation and also requiring that the arms sales estimates cover the next 2 fiscal years. Such estimates had to be submitted by February 15 of each year.

The committee of conference adopted the Senate provision.

Requests for additional information

The House amendment required that requests by either the House International Relations Committee or the Senate Foreign Relations Committee for additional information on such estimates must be met within 30 days.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

Classification of information

The House amendment stipulated that the President should make every effort to keep the estimates in unclassified form.

The Senate bill contained no comparable provision.

The committee of conference adopted the House provision.

CONGRESSIONAL REVIEW PROCEDURES—REPORTS ON COMMERCIAL AND GOVERNMENT MILITARY EXPORTS

Limitations on items which can be sold through commercial channels

The Senate bill required that all sales of "major defense equipment" of $25 million or more must be made through government channels. The Senate bill defined "major defense equipment" as "a defense equipment or weapons system having a total research and development investment for hardware of $50,000,000 or more, or a total estimated production cost, both recurring and nonrecurring, of $200,000,000 or more."

The House amendment contained a comparable provision but defined "major defense equipment" as "any item of significant combat equipment on the United States Munitions List having a nonrecurring research and development cost of more than $50,000,000 or a total production cost of more than $200,000,000."

The committee of conference agreed to a provision which requires that all sales of major defense equipment in excess of $25 million must be handled on a government-to-government basis, except for sales to members of NATO, to whom sales above that limit can continue to be made through commercial channels.

The committee of conference agreed to define "major defense equipment" as:

Any item of significant combat equipment on the United States Munitions List having a nonrecurring research and development cost of more than $50,000,000 or a total production cost of more than $200,000,000.

The committee of conference agreed to this definition with the understanding that the designations of "significant combat equipment" on the U.S. Munitions List will be expanded by the Department of State to include electronic equipment, assigned a military designation, which is to be exported for military purposes.

Congressional review of proposed sales and licenses

The Senate bill revised and expanded provisions of existing law which require that all proposed government offers to sell defense articles or defense services of $25 million or more to a foreign country or international organization be submitted to Congress by the President, with Congress allowed 20 calendar days within which to reject the proposed sale by passage of a concurrent resolution, unless the President, in an emergency situation, waives the waiting requirement.

The Senate bill required that the following proposals be submitted to Congress for possible rejection by concurrent resolution:

Government sales.—(1) All proposed sales of "major defense equipment", regardless of value, and (2) All proposed sales of defense articles or defense services of $25 million or more.

Commercial sales.—(a) All proposed licenses for the export of "major defense equipment," regardless of value, and (2) All proposed licenses for the export of defense articles and defense services valued in excess of $25 million.

Congress would have had 30 calendar days within which the proposed sale or license could be rejected by passage of a concurrent resolution. The waiting period could be waived by a certification by the Secretary of State that an emergency exists which required the sale or the issuance of the license in the national security interests of the United States, a provision comparable to existing law.

The House amendment did not contain comparable provisions, with the exception of a provision which extended the waiting period for proposed government sales from 20 to 30 calendar days.

The committee of conference agreed to a substitute provision which requires the President to submit to Congress, for possible rejection by concurrent resolution, the following types of proposals:

Government sales.—(1) All proposed government sales of "major defense equipment" of $7 million or more, and (2) All proposed sales of any defense articles or defense services of $25 million or more.

Commercial sales.—All proposed export licenses pursuant to commercial sale of "major defense equipment" of $7 million or more (commercial sales of such items sold for more than $25 million can be made only to NATO countries).

Any such proposed sale or license can be rejected by concurrent resolution within 30 calendar days after the required data is submitted to the Congress.

Data concerning all proposed export licenses pursuant to commercial sales of defense articles or services in excess of $25 million, regardless of composition, must be submitted to the Congress in advance of issuance of the license but there is no provision for rejection by concurrent resolution unless the articles are major defense equipment.

In agreeing to the revised provisions, the committee of conference expects that there will be no attempt by the executive branch or commercial firms to circumvent the new controls by breaking a large transaction for the sale of major defense equipment into several separate sales in order to avoid the $7 million trigger for congressional review.

The committee of conference also agreed to waiver provisions allowing the 30 calendar day waiting period to be waived if the President certifies that an emergency exists which requires the sale or the issuance of the license, as the case may be, in the national security interests of the United States.

Data required on submissions to Congress of proposed sales and licenses

The Senate bill required that additional data, beyond that required under existing law, be submitted to Congress with proposals to sell defense articles or defense services on a government-to-government basis. The additional data called for was:

(*a*) A brief description of the capabilities of any defense article;

(*b*) An estimate of the number of officers and employees of the United States and civilian contract personnel expected to be needed in such country to carry out the contract;

(*c*) The name of each contractor expected to provide the defense article or defense service to be sold (if known); and

(*d*) An arms control impact statement.

The House amendment also required that additional information be submitted to Congress with such proposals:

(*a*) A detailed description of the defense articles or services offered;

(*b*) A description of the need for such services by such country and how such country intends to use them;

(*c*) An analysis of the impact of the proposed sale on the military preparedness of the United States;

(*d*) Reasons why the proposed sale is in the United States national interests;

(*e*) The impact of the proposed sale on the military preparedness of the country to which such sale would be made;

(*f*) How the proposed sale would affect the relative military strengths of the countries in the region;

(*g*) An estimate of the number of trained personnel needed to effectively use the defense articles or services proposed to be sold;

(*h*) An estimate of the number of United States personnel whose presence would be required in such country to carry out the sale;

(*i*) An analysis of the availability of such articles or services from other countries; and

(*j*) An analysis of the impact of the proposed sale on United States relations with other countries in the region.

The committee of conference agreed to language which would require the President to furnish any of the information specified in both the Senate and House versions upon the request of either the House Committee on International Relations or the Senate Committee on Foreign Relations. This listing of specific data which may be requested by either Committee is not to be construed as restricting in any way the right of either Committee to request such other pertinent data on proposed sales or licenses as it deems necessary.

Classification of submissions to Congress of proposed sales and licenses

The Senate bill required that the certification to the Congress by the President which accompanied proposals for sale by the government of defense articles and defense services must be unclassified, except that the dollar amount of the offer to sell and the number of defense articles to be sold could be classified if public disclosure thereof would be clearly detrimental to the security of the United States.

The House amendment contained no comparable provision.

The committee of conference agreed to the Senate provision with an amendment which allows the details of the description of the defense article proposed to be sold to be submitted on a classified basis if public release of the detailed description would be clearly detrimental to the security of the United States.

Quarterly reports on sales and exports of defense articles and defense services

The Senate bill revised and expanded provisions in existing law which require the submission to Congress of quarterly reports on government military sales activities and periodic reports on the issuance of certain commercial export licenses. The Senate bill added four additional items to the quarterly report requirement with respect to government sales:

(*a*) Projections of the dollar amounts of cash sales expected to be made in the next quarter;

(*b*) A projection of cash sales and credits expected for each country and organization for the remainder of the fiscal year;

(*c*) An estimate of the number of United States personnel present in each country at the end of the quarter who are performing FMS sales and commercial export functions; and

(*d*) An analysis of the services being performed by United States personnel for foreign countries or international organizations on a sales basis.

The Senate bill also repealed the requirement in existing law for periodic reports on the issuance of commercial export licenses and required that the revised quarterly report contain a cumulative statement regarding all licenses issued during the fiscal year for commercial exports of defense articles and services in excess of $100,000. All information was to be submitted in unclassified form with the exception of data on certain outstanding government sales offers and material concerning individual sales proposals which had been submitted to Congress on a classified basis.

The House amendment did not require additional data on government sales for the quarterly Foreign Military Sales Act report but did require quarterly report on the following data for commercial sales:

(*a*) A numbered listing for each foreign country of all licenses issued for the export of significant combat equipment in excess of $1 million; and

(*b*) The total number of licenses issued and the total value of all arms, ammunition, and implements of war licenses for export to each foreign country.

The House amendment did not repeal the provision of existing law requiring periodic reports on the issuance of certain commercial export licenses.

The committee of conference agreed to a provision which combined features of both bills.

Under this provision, the following information must be included in the quarterly report:

(1) A listing of all Government offers to sell any major defense equipment valued at $1 million or more if the offer has not been accepted or canceled;

(2) A listing of all Government offers to sell that have been accepted, together with the total value of all defense articles and defense services sold to each foreign country;

(3) The cumulative dollar amounts, by country, of credits and guaranties of credit

extended during the fiscal year in which the report is submitted;

(4) Information concerning all licenses for export to each foreign country of commercially sold major defense equipment, by category, sold for $1 million or more, together with the total value of all defense articles and defense services licensed for each foreign country;

(5) Projections of the dollar amounts, by country, of cash sales expected to be made on a government basis, and credits and guaranties to be provided, in the next quarter;

(6) A projection of Government cash sales expected to be made and credits expected to be extended to each country for the remainder of the fiscal year;

(7) An estimate of the number of officers and employees of the Government and U.S. civilian contract personnel present in each such country at the end of that quarter for assignments in implementation of Government sales and commercial exports; and

(8) An analysis and description of the services being performed by officers and employees of the United States through Government sales, including the number of personnel so employed.

Reporting of certain commercial technical or manufacturing license agreements

The Senate bill required the Secretary of State to submit to Congress a certification, similar to that required on proposed commercial export licenses, in the case of a proposed export license with respect to certain commercial technical agreements or manufacturing license agreements for all non-NATO member countries. No congressional disapproval procedure was provided for in the provision.

The House amendment did not contain a comparable provision.

The committee of conference agreed to the Senate provision.

Reporting of Government and commercial sales to countries which have not purchased military articles during previous year

The Senate bill required prompt reports to Congress by the Secretary of State regarding—

(A) any letter of offer to sell defense articles or services to any country to which no articles or services were sold during the previous year; and

(B) an application for a license for the export of defense articles or services to a country to which no such articles or services were exported during the previous year.

The House amendment did not contain a comparable provision.

The committee of conference agreed to the House position.

CANCELLATION AND SUSPENSION OF LICENSES AND CONTRACTS

The Senate bill amended section 42 of the Foreign Military Sales Act to require that each contract entered into under sections 21 and 22 of that act to provide that the contract may be cancelled by the United States under unusual or compelling circumstances if the national interest so required: that each commercial export license provide that it may be revoked, suspended or amended without notice whenever the Department of State deemed it advisable. The provision also required that each contract and export license must provide that, upon cancellation or revocation, deliveries thereunder may be suspended or terminated and authorized the appropriation of funds necessary to refund money disbursed for work in progress under any cancelled or suspended contract entered into under the Foreign Military Sales Act and to pay damages and costs arising from such cancellation or suspension.

The House amendment did not contain a comparable provision.

The committee of conference agreed to adopt the Senate provision with an amendment deleting the requirement that each contract and export license must provide that upon cancellation or revocation, deliveries thereunder may be suspended or terminated.

Under existing munitions control regulations licenses can be revoked, suspended or denied by the Department of State whenever the Department deems such action to be advisable in furtherance of (1) world peace; (2) the security of the United States; (3) the foreign policy of the United States; or (4) whenever the Department has reason to believe that section 414 of the Mutual Security Act of 1954, as amended, or any regulation contained in this subchapter shall have been violated. Similarly, all government military sales contracts contain provisions which reserve to the United States the right to cancel all or part of the order "when in the best interests of the United States."

It is the judgment of the committee of conference that existing regulations and procedures, if vigorously applied, are adequate to protect the security interests and other legitimate concerns of the United States, and that therefore, further legislative authority is unnecessary at this time.

REIMBURSEMENT FOR ADMINISTRATIVE EXPENSES

The Senate bill amended section 43 of the Foreign Military Sales Act to require that the administrative expenses of any U.S. agency resulting from functions under the Act and carried out primarily for the benefit of the foreign country shall be reimbursed from Foreign Military Sales Act sales receipts, or from license or approval fees with respect to commercial sales, as the case may be.

The House amendment did not contain a comparable provision.

The committee of conference agreed to adopt the Senate provision with an amendment deleting the requirement that United States agencies be reimbursed for expenses incurred for the benefit of foreign countries from license or approval fees collected in connection with commercial sales.

REPORTS OF SALES OF EXCESS DEFENSE ARTICLES

The Senate bill required a report of all sales of excess defense articles for the period July 1, 1976 to December 31, 1976.

The House provision did not contain a comparable provision.

The committee of conference adopted the Senate provision.

DEFINITIONS

Defense articles

The House amendment defined "defense articles" for purposes of the Foreign Military Sales Act.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House definition with a clarification to ensure against any conflict with the designation of defense articles for purposes of commercial export controls.

Defense services

The House amendment defined "defense services" for purposes of the Foreign Military Sales Act.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House definition with a clarification similar to that contained in the definition of defense article.

Training

The House amendment defined "training" for purposes of the Foreign Military Sales Act.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House definition for sales under the Foreign Military Sales Act. The term "defense article and defense service" for commercial export license purposes means those items designated by the President.

Major defense equipment

The Senate bill defined "major defense equipment" as any defense equipment or weapons system having a total research and development cost of $50 million or more, or a total estimated production cost of $200 million or more.

The House amendment contained two definitions of "major defense equipment":

(1) a weapons system which costs, over the life of its development, testing and engineering, in excess of $50 million or procurement in excess of $200 million, and

(2) any item of significant combat equipment on the United States Munitions List having a nonrecurring research and development cost of more than $50 million or a total production cost of more than $200 million.

The committee of conference agreed to define "major defense equipment" to mean any item of significant combat equipment on the United States Munitions List having a nonrecurring research and development cost of more than $50 million or a total production cost of more than $200 million. It is the intention of the committee of conference that this definition apply throughout the act.

Major defense services

The House amendment defined "major defense service" to mean any defense service which materially increases the military capability of the country or international organization to which it is rendered.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the Senate position.

CONTROL OF LICENSES WITH RESPECT TO ARMS EXPORTS AND IMPORTS

The Senate bill repealed section 414 of the Mutual Security Act of 1954, replaced it with a new section 38 of the Foreign Military Sales Act and made several changes in existing law to:

(1) Give the Secretary of State, instead of the President, statutory jurisdiction over commercial export licenses;

(2) Direct the President to give foreign policy guidance to persons involved in the export and import of defense articles and defense services;

(3) Give the President explicit authority to promulgate regulations for the export or import of defense articles or defense services, including authority to designate items as defense articles and defense services;

(4) Make commercial sales and the transfer of defense articles and defense services subject to the eligibility, transfer, use and other provisions of sections 3 and 4 of the Foreign Military Sales Act;

(5) Require that every private person or firm engaged in manufacturing or exporting defense articles and defense services register with the Department of State and with the President if importing such articles or services;

(6) Make an export license in connection with commercial sales mandatory; and

(7) Make a willful violation of requirements of this section or of the export regulations promulgated thereto punishable by a fine of up to $100,000 and/or 2 years imprisonment and authorize the President to exercise the same powers concerning violations and enforcement which are conferred upon departments, agencies and officials by certain sections of the Export Administration Act of 1969.

The House amendment retained existing law with an amendment that authorized the President to exercise the same powers concerning violations and enforcement by certain sections of the Export Administration Act of 1969.

The committee of conference agreed to adopt the Senate provision with two amendments to give statutory jurisdiction over commercial arms exports to the President and to delete the requirement that the provisions of sections 3 and 4 of the Foreign Military Sales Act applied to commercial sales and the transfer of defense articles and defense services to third countries. It is the intent of the committee of conference, that, the President should apply the eligibility, transfer, use and other provisions of sections 3 and 4 of the Foreign Military Sales Act in promulgating regulations for the commercial export of defense articles and defense services or when giving approval for the transfer of defense articles or defense services from one country to another.

In using the term "defense articles and defense services" in this section, the committee of conference intends to include within its meaning such items as may be designated by the President. No change is intended by this change in terminology from the President's authority to designate items as "arms, ammunition and implements of war, including technical data relating thereto."

REMOVAL OF REGIONAL CEILINGS

The House amendment repealed section 33 of the Foreign Military Sales Act which places a $40 million annual ceiling on military assistance, credits, and guaranties for African countries.

The Senate bill did not contain a comparable provision.

The committee of conference agreed to the Senate position.

INELIGIBILITY—GRANT MILITARY ASSISTANCE TERMINATION

The Senate bill revised section 505 of the Foreign Assistance Act to require the termination of grant assistance, including deliveries, to any country which uses such assistance in substantial violation of an applicable agreement with the United States by using United States furnished defense articles or defense services for a purpose not authorized by United States law, by transfering such articles without United States consent or by failing to maintain the security of such articles or services.

Under the Senate bill, ineligibility for military assistance would occur if the President determined that a country had committed a substantial violation and so stated in writing to the Congress, or if the Congress, by concurrent resolution, found a country to be ineligible.

The Senate bill also required the President to make a determination and transmit a statement of ineligibility to the Congress promptly upon receipt of information that a violation had occurred thus making the termination of assistance automatic.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision with an amendment that requires the President to report to the Congress information indicating that a substantial violation may have occurred. The conference substitute does not require the President to make an immediate determination of ineligibility. The information in the report could, however, constitute the basis for either a Presidential or a Congressional determination of ineligibility.

The committee of conference also adopted a technical amendment to make clear that a violation of either the purposes for which assistance is provided (as specified in the Act) or of the terms of the sales/grant agreement, constitutes grounds for ineligibility.

Restoration of eligibility

The Senate bill allowed the restoration of eligibility and the resumption of military assistance when the President determined that the violation had ceased and the country concerned had given assurances satisfactory to the President that such a violation would not reoccur.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision.

Waiver authority

The Senate bill removed the President's authority to use the waiver authority of section 614(a) of the Foreign Assistance Act in the case of ineligibility, except with respect to defense articles in the pipeline.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision.

INELIGIBILITY—FOREIGN MILITARY SALES

Termination of assistance; waiver of authority

The Senate bill amended section 3(c) of the Foreign Military Sales Act to prohibit credits and guaranties to any country which uses defense articles or defense services furnished under the Foreign Military Sales Act in substantial violation of any agreement entered into under the act by using such articles or services for a purpose not authorized by U.S. law, by transfering them without U.S. consent or by failing to maintain the security of such articles or services. This provision also prohibited cash sales or deliveries to any country committing a substantial violation by using defense articles or defense services for a purpose not authorized by U.S. law.

Ineligibility for military sales, credits or guaranties occurred if the President so determined and stated in writing to the Congress, or if the Congress found a country to be ineligible by concurrent resolution.

The Senate also required the President to make a determination and to transmit a statement of ineligibility to the Congress promptly upon receipt of information that a substantial violation had occurred, thus making the termination of sales, credits, and guaranties automatic.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision with an amendment that requires the President to report to the Congress information indicating that a substantial violation may have occurred. The conference substitute does not require the President to make an immediate determination of ineligibility. The information or the report could, however, constitute the basis for either a Presidential or a congressional determination of ineligibility.

The committee of conference also adopted a technical amendment to make clear that a violation of either the purpose for which assistance is provided as specified in the Act or of the terms of the agreement itself, constitutes grounds for ineligibility.

The conference substitute also permits the President to waive the termination requirements of this section with respect to cash sales and deliveries if he finds that a termination would have a significant adverse impact on U.S. security. The waiver authority may not be used if Congress has adopted or subsequently adopts a concurrent resolution declaring a country ineligible for such sales.

Restoration of eligibility

The Senate bill allowed the restoration of eligibility and the resumption of sales, credits, or guaranties when the President determined that the violation had ceased and the country concerned had given assurances satisfactory to the President that such a violation would not recur.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision.

HUMAN RIGHTS

The Senate bill provided that it is the policy of the United States that except under certain conditions no security assistance may be provided to any country, the government of which engages in a consistent pattern of gross violations of internationally recognized human rights. The conditions referred to are as follows: (1) exceptional circumstances exist requiring such assistance; and (2) the United States is taking steps to discourage any practices which are inimical to internationally recognized human rights and is publicly or privately calling attention to, and disassociating any assistance provided under the Foreign Assistance Act from, such practices. Security assistance is defined to mean grant military assistance, security supporting assistance, military education and training, assistance for Middle East; cash or credit sales under the Foreign Military Sales Act; and licenses for the export of commercially sold defense articles or services. Internationally recognized human rights were defined to include particularly the right to life, liberty, and the security of person, and the right not to be subjected to torture or cruel, inhuman, or degrading treatment or punishment, or prolonged detention without charges.

In addition to the area of security assistance, the Senate bill enunciated as a principal goal of U.S. foreign policy the promotion of increased observance of internationally recognized human rights by all countries.

The Senate bill required the Director of the Office of Human Rights, Department of State, to submit as part of the presentation materials for security assistance for each fiscal year, a full and complete report with respect to the status of human rights in each country which is proposed to be a recipient of security assistance. The report was to take into account the relevant findings of international organizations and the extent of cooperation by the government concerned in permitting an unimpeded investigation of alleged violations of human rights.

Under the Senate bill, the Senate, the House of Representatives, the Senate Foreign Relations Committee, or the House Committee on International Relations could request the Director of the Office of Human Rights to provide the following information within 30 days: a detailed description of the human rights practices of the recipient government; the steps the U.S. government has taken to discourage violations of human rights by the recipient government and to publicly or privately call attention to, and disassociate any assistance provided under the Foreign Assistance Act from, such violations; whether in the opinion of the Secretary of State exceptional circumstances require continuation of such assistance and, if so, a description of such circumstances and the extent to which such assistance should be continued; and other information which is requested by the House, Senate, or the abovementioned committees. Within 90 days of continuous session after each such statement is transmitted, the Congress may under an expedited procedure adopt a concurrent resolution terminating or restricting the provision of security assistance to the recipient government.

Under the Senate bill, an Office of Director of Human Rights was to be established. The Director was to be appointed by the President with the advice and consent of the Senate. The Director would be required to transmit to Congress under section 502B detailed reports on the status of human rights in each country receiving security assistance; to determine whether security and economic assistance is being furnished in compliance with section 116 and 502B of the Foreign

Assistance Act; and to make recommendations to the President, Secretary of State, and the Administrator of the Agency for International Development regarding any deficiencies in such compliance.

The House bill was essentially the same as the Senate bill except for the following differences:

(1) Whereas the Senate bill stated it is the policy of the United States not to provide security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, the House bill directed such a prohibition;

(2) The House bill required the President to determine, if so requested by Congress, whether or not there existed in a particular country a serious question of a consistent pattern of gross violations of internationally recognized human rights. The Senate bill did not have such a requirement.

(3) The House bill allowed 90 days of continuous session for the consideration of a concurrent resolution terminating or restricting security assistance to a particular government.

(4) The House bill's reference to the findings of nongovernmental organizations did not include those organizations having consultative status with the United Nations.

(5) The House bill did not provide for a Director of Human Rights. The annual reports on the status of human rights in recipient governments and statements regarding particular recipient governments were to be submitted by the President.

The committee of conference adopted the Senate provision with several amendments as follows:

(1) It accepted the House bill's language directly stating the prohibition of security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights.

(2) It provided that the expedited procedure would apply only to the Senate; and that the Congress would have 90 days of continuous session to enact a concurrent resolution restricting, terminating or restoring security assistance to a given country.

(3) It required the Secretary of State to file the reports and statements required under section 502B.

(4) It deleted the reference in the Senate bill relating to international organizations having "consultative status" with the United Nations.

(5) It established the position of a Coordinator for Human Rights in the Department of State. The Coordinator is to be appointed by the President, with the advice and consent of the Senate. The Coordinator is to be responsible to the Secretary of State who would carry out his responsibilities under section 502B through the Coordinator. The duties of the Coordinator remain largely the same as specified in the Senate bill for the Director; in addition, he is asked to perform other responsibilities which serve to promote increased observance of internationally recognized human rights by all countries.

It is the understanding of the committee of conference that the Coordinator for Human Rights would devote full-time to human rights as articulated in this section and in section 116 of the Foreign Assistance Act.

The committee of conference expects the Coordinator for Human Rights to be given sufficient staff to carry out his duties.

POSITIONS TAKEN AT INTERNATIONAL ORGANIZATIONS

The House amendment directed the President to take into account positions taken in international organizations in determining future requests for military and security supporting assistance.

The Senate bill did not contain a comparable provision.

The committee of conference agreed to the Senate position.

DISCRIMINATION

The Senate bill added a new subsection (g) to section 505 of the Foreign Assistance Act and a new section 5 to the Foreign Military Sales Act. The new provision (1) enunciated United States policy not to furnish assistance or to make sales or extend credits or guaranties to governments discriminating against United States nationals or persons, (2) prohibited United States agencies or contractors from acquiescing in such discriminatory practices in their assignment and employment of personnel, (3) required Presidential reports to Congress on any transaction in which a United States person or corporation is prevented, due to such discrimination, from participating either in the furnishing of assistance or in any sale or commercial license transaction under the Foreign Military Sales Act, and (4) if the discrimination persisted, required the immediate termination of the assistance transaction, the immediate cancellation of the sale, or the immediate suspension of the license in question.

The House amendment was comparable but did not require the mandatory termination of the assistance, sale, credit, or guaranty or the cancellation of the license if the country continued to discriminate against United States citizens.

The committee of conference adopted the Senate provision with an amendment which permits the President to waive the requirement to suspend the assistance, sale, credit, guaranty, or to cancel the license, if he determines and certifies to the Congress that termination of such assistance, sale, credit, guaranty, or the cancellation of the export license, would have a significant adverse impact on the security of the United States.

PROHIBITION AGAINST ASSISTANCE TO COUNTRIES WHICH AID OR ABET INTERNATIONAL TERRORISTS

The Senate bill prohibited assistance of any kind under the Foreign Assistance Act for a period of one year to any country which aids or abets an individual or group that has committed an act of international terrorism. The prohibition could be waived if the President determined that the security of the United States required it, but such a determination could be disapproved within 30 days by the passage by the Congress of a concurrent resolution.

The House amendment prohibited assistance to any country which granted sanctuary from prosecution to any individual or group that had committed an act of international terrorism. The prohibition could be waived if the President determined and reported to Congress that extraordinary circumstances existed which justified continuation of assistance and if the Congress did not reject such a determination within 30 days by the passage of a concurrent resolution.

The committee of conference adopted the Senate version with an amendment to include the House provision by requiring termination of assistance to any country which aids or abets by granting sanctuary from prosecution to any individual or group that has committed an act of international terrorism.

AID FOR CYPRIOT REFUGEES

The House amendment contained a provision increasing the authorization for assistance for the refugees in Cyprus from $30 million to $50 million.

The Senate bill did not contain a comparable provision.

The committee of conference agreed to an authorization of $40 million for the refugees in Cyprus.

ASSISTANCE FOR ANGOLA

Policy statement and reporting requirement

The Senate bill contained a policy statement urging the President to seek agreement among the various factions in Angola. The President was required to report Congress within 30 days on steps taken to reach such an agreement and on military aid being provided by foreign governments to Angola.

The House amendment contained a policy statement calling upon the President to seek an end to the fighting in Angola. This provision also required the President to report to the Congress within 60 days after enactment and every 30 days thereafter until the reporting requirement was suspended by the concerned committees of the Congress.

The committee of conference adopted the Senate policy language and the House reporting requirement.

Prohibition on assistance

The Senate bill prohibited security assistance to any group, individual, organization, or persons in Angola for military or paramilitary operations, unless such assistance is specifically authorized by this act. This provision also authorized the President to furnish security assistance if he submitted a report to the Congress fully justifying such assistance, and either House of the Congress did not disapprove the report by simple resolution.

The House amendment prohibited assistance of any kind other than for humanitarian purposes, unless specifically authorized by subsequent legislation.

The committee of conference adopted the House prohibition with an amendment adding the words, "notwithstanding any other provision of law," to make clear that the prohibition on security assistance is not limited solely to assistance furnished pursuant to this Act.

SOVIET INTERVENTION IN ANGOLA

The House amendment expressed the concern of the Congress with respect to the large-scale and continuing Soviet intervention in Angola, including Soviet sponsorship and support for Cuban Armed Forces in that country.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House provision.

ASSISTANCE FOR TURKEY

The Senate bill amended section 620(x) of the Foreign Assistance Act to permit cash sales under the Foreign Military Sales Act during fiscal year 1976 and the transition quarter if the President determined that such sales were necessary to enable Turkey to fulfill her defense responsibilities as a member of the North Atlantic Treaty Organization.

The House amendment authorized cash sales, credits, and guaranties under the Foreign Military Sales Act to finance the procurement of defense articles and defense services by Turkey if the President determined on a case by case basis that such sales, credits, and guaranties were necessary to enable Turkey to fulfill her defense responsibilities as a member of the North Atlantic Treaty Organization. The House provision also established a ceiling of $125 million on such sales, credits, and guaranties during fiscal year 1976 and the interim quarter. This section further provided that the authority to make such sales shall be effective only so long as Turkey observes the cease-fire on Cyprus, does not increase its military forces or its civilian population on Cyprus, and does not transfer to Cyprus any additional United States supplied arms, ammunition, or implements of war.

The House amendment also required that any determination relating to the sale of significant combat equipment on the U.S. Munitions List to which the reporting requirement of section 36(b) of the Foreign Military Sales Act does not apply must lie before the Congress for 30 days before the transaction or transactions with respect to which it is made may be undertaken.

The committee of conference adopted the House provision. It is the intent of the committee of conference that in the event Congress does not enact further legislation on this subject prior to September 30, 1976, the delivery of defense articles sold under the limited authority of this section, i.e., during fiscal year 1976 and the interim quarter, shall not be suspended at the end of the interim quarter, providing that Turkey adheres to the specified conditions contained in this section.

PROHIBITION AGAINST MILITARY ASSISTANCE AND SALES TO CHILE

The Senate bill prohibited military assistance, security supporting assistance, all cash sales, credits and guaranties under the Foreign Military Sales Act and the issuance of export licenses with respect to commercial sales of defense articles to Chile. This provision also prohibited the delivery of all defense articles in the pipeline, including deliveries of articles purchased through commercial channels, effective on the date of enactment.

The House amendment prohibited military assistance, security supporting assistance and credits and guaranties under the Foreign Military Sales Act. The delivery of such assistance was to be prohibited effective on the date of enactment of this section. The House amendment also authorized the President to waive the prohibitions of this section after September 30, 1976, if he determined that the Government of Chile had made substantial progress in promoting the recognition and enforcement within Chile of internationally recognized human rights. The House provision required the President to submit each such determination to Congress. The determination was subject to disapproval by concurrent resolution within 30 days.

The committee of conference adopted the House provision with an amendment deleting the President's authority to waive the prohibitions of this section after September 30th.

The committee of conference understands that military assistance in the form of military education or training under the newly created chapter 5 of part II of the Foreign Assistance Act is included in the ban and consequently can not be provided to any Chilean citizen.

CONTROL OF MILITARY FORCES IN THE INDIAN OCEAN

The Senate bill included a provision expressing the sense of the Congress that the President should initiate negotiations with the Soviet Union regarding control of military forces in the Indian Ocean. The President was required to report not later than July 1, 1976 regarding steps taken to carry out this section.

The House amendment contained the same provision except the President would be required to submit the report to the Congress not later than December 1, 1976.

The committee of conference adopted the House reporting date of December 1, 1976.

U.S. CITIZENS IMPRISONED IN MEXICO

The House amendment declared the intent of Congress that efforts to secure stringent international law enforcement measures with respect to dangerous drugs shall be combined with efforts to secure fair and humane treatment for citizens of foreign countries who are imprisoned. The provision also requested the President to communicate directly to the President of Mexico the continuing concern of the United States over the treatment of United States citizens arrested in Mexico and for continued friendly relations with that country. The House amendment also required the Secretary of State to submit quarterly reports to Congress on progress achieved toward full respect of the human and legal rights of all United States citizens detained in Mexico.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House provision with an amendment to make it clear that Mexico is a nation with which the United States has a continuing friendly and cooperative relationship.

While the provisions of this section apply only to U.S. citizens arrested in Mexico, there is widespread concern in Congress that U.S. citizens who have been imprisoned in other countries are not afforded fair and humane treatment while incarcerated. The committee of conference therefore expects the President to communicate the same concerns and desires as embodied in this provision to the governments of other countries, particularly those in which U.S. citizens are known to be under arrest.

EMERGENCY FOOD NEEDS OF PORTUGAL

The Senate bill expressed the sense of the Senate that the President undertake immediately an evaluation of the emergency food needs of Portugal and that the President take timely action to alleviate such emergency by providing Portugal with food commodities under the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) and other statutes.

The House amendment differed from the Senate provision in that it expressed the sense of the Congress with respect to the food needs of Portugal but did not specify that food commodities should be provided under the provisions of the Agricultural Trade Development and Assistance Act of 1954.

The committee of conference adopted the House provision.

MIDDLE EAST POLICY STATEMENT

The House amendment expressed the sense of the Congress that the United States will maintain full flexibility to determine its Middle East policy. This provision also stated that Congressional approval of the Sinai early warning system and of funds in this bill to carry out the Middle East agreement did not constitute congressional approval of any commitment or assurance made to Israel, Egypt, or any other nation or organization, and did not constitute Congressional acceptance of any characterization of any such commitment or assurance as a codification of existing U.S. policy.

The Senate bill did not contain a comparable provision.

The committee of conference agreed to accept the House provision with an amendment deleting the phrase "maintain full flexibility to determine Middle East policy as circumstances may require" in the first sentence and substituting the words "will continue to determine United States policy as circumstances require".

STRIFE IN LEBANON

The Senate bill expressed the sense of the Congress that the situation in Lebanon poses a serious danger to Middle East peace, and that the Congress viewed with grave concern outside efforts to exploit the current strife for the purpose of transforming Lebanon into a radical state in confrontation with Israel. This provision also contained a request that the President use his good offices to bring about peace.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision with an amendment which conforms the language to reflect the situation as it is reported to exist in Lebanon at the present time.

REPORT ON KOREA

The House amendment required the President to submit a report within 90 days after enactment and at least once a year during each of the next 5 years reviewing the progress made by the Republic of Korea in its program to modernize its Armed Forces, the United States role in Korean security and the prospects for or implementation of a phased United States military force reduction in Korea.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House provision.

REPEAL OF INDOCHINA ASSISTANCE

The Senate bill repealed existing authorities for assistance to Indochina, authorized the President to adopt as contracts of the United States Government host country contracts in Indochina which the Agency for International Development (AID) had approved for financing and authorized the assumption of liabilities arising from an equitable claim based upon any letter of intent issued prior to April 30, 1975, in which AID had expressed its intention to finance a transaction subject to the availability of funds. The Senate provision also continued the availability of funds available for programs in Indochina for the purpose of terminating the program and adopting contracts and claims.

The House amendment differed in two respects. First, it did not authorize the assumption of liabilities arising from letters of intent and, second, it made clear that the authority to adopt contracts would be subject to the availability of appropriated funds.

The committee of conference adopted the House version with an amendment to allow the President to assume liabilities for equitable claims based upon letters of intent issued prior to April 30, 1975.

TRADE WITH VIETNAM

The House amendment limited the President's existing authority to impose limitations on financial transfers, except for assets controlled by the United States on the date of enactment, and on nonstrategic trade between persons under United States jurisdiction and persons under North and South Vietnamese jurisdiction, except for reasons of national security and adequacy of domestic supply. In addition, the House amendment removed restrictions on travel for certain specified purposes. However, the restrictions removed would be reimposed (1) after 90 days unless the President certified to Congress that progress had been made in securing the cooperation of North and South Vietnam in obtaining information on American prisoners of war (POW's) and missing in action (MIA's), and (2) after 180 days unless the President certified to Congress that the Vietnamese have accounted for a substantial number of POW's and MIA's and returned the bodies of a substantial number of dead.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House provision with an amendment deleting the provision that the trade restrictions may be reimposed 90 days after enactment unless the President certifies to Congress that progress has been made with regard to obtaining information on American POW's and MIA's. This gives the President 180 days to determine the attitude of the Governments of North and South Vietnam with respect to the status of United States prisoners of war and missing in action.

The committee of conference intends that the provisions of subsection (b) of this section be read in conjunction with those of subsection (a), so that the trade restrictions and prohibitions applicable to Vietnam shall be those which are also applicable to the People's Republic of China. For example, this section is not intended to affect the continued application to Vietnam of part 505 of Title 31, Code of Federal Regulations, which restricts trade with both China and Vietnam in certain strategic commodities. No provision of this section is intended to limit United States controls over trade with Vietnam in strategic commodities pursuant to other provisions of law.

EXPEDITED PROCEDURE

The Senate bill established a general procedure for expediting consideration of concurrent resolutions of disapproval of certain presidential certifications provided for in this Act.

The House amendment did not contain a comparable provision.

The committee of conference agreed that the expedited procedures as provided for in the Senate bill will apply only in the Senate and not to the House of Representatives.

ARMS CONTROL AND DISARMAMENT AGENCY ADVISORY COMMITTEE

The Senate bill required to the General Advisory Committee of the Arms Control and Disarmament Agency to report from time to time to the Congress on issues the Committee believes should be brought to the attention of Congress and the public.

The House amendment did not contain a comparable provision.

The committee of conference adopted the House position.

INTERNATIONAL NARCOTICS CONTROL

Police actions involving U.S. personnel

The Senate bill prohibited U.S. personnel from engaging in any police action in any foreign country in connection with narcotics control efforts.

The House amendment contained no comparable provision.

The committee of conference adopted a substitute provision which prohibits U.S. personnel from engaging or participating in direct police arrest actions in any foreign country in connection with narcotics control efforts. In adopting this provision the committee of conference seeks to insure that U.S. narcotics control efforts abroad are conducted in such a manner as to avoid involvement by U.S. personnel in foreign police operations where violence or the use of force could reasonably be anticipated. By "arrest actions" the committee of conference means any police action which, under normal circumstances, would involve the arrest of individuals whether or not arrests, in fact, are actually made. The committee of conference intends that the U.S. Ambassador in any country where U.S. narcotics control activities are being carried out shall exercise close supervision over such activities to insure that U.S. personnel do not become involved in sensitive, internal law enforcement operations which could adversely affect U.S. relations with that country.

The committee of conference emphasizes that this provision is not intended to prohibit U.S. Government agencies from assisting foreign governments to enforce their own laws on narcotics trafficking by providing such assistance as training, technical equipment, and intelligence.

Reporting requirement

The Senate bill required the President to study methods of placing U.S. narcotics control efforts in foreign countries under the auspices of international or regional organizations and required a report on the study to be submitted to Congress by January 1, 1977.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision with an amendment to extend the reporting date to June 30, 1977.

Prohibitions against certain assistance

The House amendment prohibited international narcotics assistance to any country where illegal drug traffic in opiates has been a significant problem until the President certifies to Congress that such assistance is significantly reducing the amount of illegal opiates entering the international market.

The Senate bill did not contain a comparable provision.

The committee of conference adopted the House provision.

Authorization

The Senate bill authorized the appropriation of $37,500,000 for fiscal year 1976 for the international narcotics control assistance program.

The House amendment authorized the appropriation of $42,500,000.

The committee of conference agreed to an authorization of $40 million.

SMALL BUSINESS PARTICIPATION

The Senate bill required the Administrator of the Agency for International Development to report to the Congress on the participation of small businesses in security supporting assistance procurements.

The House amendment did not contain a comparable provision.

The committee of conference accepted the Senate provision, with a technical and clarifying amendment.

PAYMENT OF AID CONSULTANTS

The Senate bill authorized the Agency for International Development to pay consultants the same per diem compensation which may be paid by other departments and agencies of the U.S. Government.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision.

AUTHORIZATION FOR INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)

The Senate bill authorized an additional $1 million to be available for the purpose of strengthening IAEA safeguards and inspections relating to nuclear fissile facilities and materials.

The House amendment did not contain a comparable provision.

The committee of conference adopted the Senate provision.

FEES, CONTRIBUTIONS, GIFTS, AND BRIBES

The Senate bill added a new subsection (f) to section 36 of the Foreign Military Sales Act to require reports to the Secretary of State, pursuant to regulations issued by him, concerning political contributions, gifts, and fees paid by any person in order to secure sales under section 22 of the Foreign Military Sales Act. Adequate records would have to be kept by persons making such payments. No such payment could be reimbursed under any U.S. procurement contract unless it was reasonable, allocable to the contract, and not made to someone who secured the sale in question through improper influence. Similar reporting requirements were required with respect to commercial sales to or for the armed forces of a foreign country. All information reported and records kept were to be available to Congress upon request and to any authorized U.S. agency. The President was to report quarterly to Congress concerning such payments and the details thereof, identifying any confidential business information included therein.

The House amendment required quarterly reports on fees paid to military sales agents in conjunction with Foreign Military Sales Act sales and commercial sales. This provision also required the President to report to the Congress whenever he found that officials of a country receiving assistance under the International Security Assistance Act of 1976 have either (1) received payments or other illegal or improper considerations of value from a U.S. corporation in return for an arms sale agreement, or (2) extorted, or attempted to extort, money or other things of value in exchange for allowing a U.S. citizen or corporation to do business in that country. Each such report was to contain the President's recommendation on whether the security assistance program for the country in question should be continued.

The committee of conference combined the House and Senate versions, retaining all of the Senate procedures and substantive provisions and adding the House requirement that payments information be included in letters of offer to sell defense articles or services that the President is required to submit to Congress, as well as to House language which makes clear that the requirements of this section apply to sales agents and other persons involved in the sale of defense articles or defense services.

The committee of conference specifically intends that this provision cover direct as well as indirect payments. The amendment is aimed at uncovering all of the facts about this aspect of sales transactions, such as the ultimate recipient of the payment or offer, amount involved, date of the transaction, and name of the person making the payment or offer. The Secretary of State is required to collect information necessary for adequate and timely reporting of these transactions and the ultimate facts involved. The Secretary is also given authority to prescribe appropriate regulations that, for example, guarantee U.S. Government access to agents and consultants and others they employ and their documents and *records to insure a complete* description of the transactions involved. It is the intent of the committee of conference insofar as it is possible that neither the Secretary of State nor the President classify or declare confidential any sections of this report. However, the President, in reporting to Congress, shall identify any information considered to be confidential business information by the person submitting it. This section is not intended to expose U.S. firms to competitive disadvantage with foreign firms or to alter existing law regarding the confidentiality of business information.

The President is given the authority to prohibit, limit or prescribe conditions with respect to these transactions in the furtherance of this act. The committee of conference contemplates that the President will prescribe regulations that insure traceability of the funds.

It is further the expectation of the committee of conference that, upon finding that officials of a foreign nation receiving assistance under this act have received illegal or improper payments or have extorted such payments in return for—

(1) a contract to purchase military equipment from a U.S. corporation; or

(2) certain actions by such officials that allow a U.S. citizen or U.S. corporation to conduct business in that nation; the President shall submit to the Congress within 60 days a report outlining the circumstances of such illegal or improper payments or extortion. It is further requested that such report contains a recommendation from the President as to whether the United States should continue a security assistance program with that nation.

The need for this provision arose from facts developed during investigations and hearings by the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee and the International Economic Policy Subcommittee of the International Relations Committee of the House. Uncovered was information that contributions, payments, and gifts were made not only directly, but, more frequently, indirectly, through agents, consultants, their employees and through various shell corporations frequently established in countries with laws prohibiting disclosure of information on corporate operations.

JOHN SPARKMAN,
HUBERT H. HUMPHREY,
GALE W. MCGEE,
GEORGE MCGOVERN,
FRANK CHURCH,
STUART SYMINGTON,
CLIFFORD P. CASE,
JACOB K. JAVITS,
HUGH SCOTT,
CHARLES H. PERCY,
Managers on the Part of the Senate.
THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
DANTE B. FASCELL,
LEE H. HAMILTON,
WM. S. BROOMFIELD,
EDWARD J. DERWINSKI,
Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TALCOTT (at the request of Mr. RHODES), for today and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. LAGOMARSINO) to revise and extend his remarks and to include extraneous material:)

Mr. KEMP, for 15 minutes, today.

(The following Members (at the request of Mr. LUNDINE) to revise and extend their remarks and to include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. AUCOIN, for 5 minutes, today.
Mr. FUQUA, for 5 minutes, today.
Ms. HOLTZMAN, for 10 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. CORMAN, for 10 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. BINGHAM, for 10 minutes, today.
Ms. ABZUG, for 15 minutes, today.
Mr. JONES of Oklahoma, for 5 minutes, today.
Mr. DOWNEY of New York, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SEIBERLING, on H.R. 3863 today, and to include extraneous matter.

Mr. KOCH, and to include extraneous matter, on the conference report on S. 1941 today.

(The following Members (at the request of Mr. LAGOMARSINO) and to include extraneous matter:)

Mr. CONABLE.
Mr. FRENZEL in three instances.
Mr. LAGOMARSINO.
Mr. BOB WILSON in four instances.
Mr. WIGGINS.
Mr. EMERY.
Mr. KEMP.
Mr. DERWINSKI.
Mr. MICHEL.

(The following Members (at the request of Mr. LUNDINE) and to include extraneous material:)

Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. WIRTH.
Mr. NEAL.
Mr. MURTHA in two instances.
Mr. AUCOIN.
Mr. MINETA in two instances.
Mrs. COLLINS of Illinois.
Mr. MONTGOMERY.
Mr. BLANCHARD in two instances.
Mr. ROSENTHAL in 10 instances.
Mr. VANIK.
Mr. BINGHAM.
Mr. DOMINICK V. DANIELS in two instances.
Ms. ABZUG.
Mr. MAZZOLI.
Mr. HELSTOSKI.
Mr. HUNGATE.
Mr. JONES of Oklahoma.
Mr. ZABLOCKI in two instances.
Mrs. KEYS.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2308. An act to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 670. Joint resolution to designate April 13, 1976, as "Thomas Jefferson Day."

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on April 5, 1976, present to the President, for his approval, bills of the House of the following title:

H.R. 4941. An act for the relief of Oscar H. Barnett.

H.R. 1466. An act to convey certain federally owned land to the Twentynine Palms Park and Recreation District; and

ADJOURNMENT

Mr. LUNDINE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 7, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2972. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1976 and the transition quarter and a budget amendment for fiscal year 1977 for the Federal Trade Commission (H. Doc. No. 94–441); to the Committee on Appropriations and ordered to be printed.

2973. A letter from the General Counsel, Office of Telecommunications Policy, Executive Office of the President, transmitting a report on the Office's administration of the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2974. A letter from the Staff Director, U.S. Commission on Civil Rights, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2975. A letter from the Administration, Small Business Administration, transmitting a report on the agency's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2976. A letter from the Secretary of Transportation, transmitting a report on the relocation of railroad lines from the central areas of cities, pursuant to section 163(1) of the Federal-Aid Highway Act of 1973; to the Committee on Interstate and Foreign Commerce.

2977. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the third quarterly report on abnormal occurrences at or associated with licensed or otherwise regulated facilities, pursuant to section 208 of Public Law 93–438; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DIGGS: Committee of Conference. Conference report on S. 3056 (Rept. No. 94–1009). Ordered to be printed.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1131. Resolution providing for the consideration of H.R. 10686. A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes (Rept. No. 94–1010). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1132. Resolution providing for the consideration of H.R. 11337. A bill to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes (Rept. No. 94–1011). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 1133. Resolution providing for the consideration of H.R. 12678. A bill to amend the Public Health Service Act to provide authority for health information and health promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act, to revise and extend that act (Rept No. 94–1012). Referred to the House Calendar.

Mr. MORGAN: Committee of Conference. Conference report on S. 2662 (Rept. No. 94–1013). Ordered to be printed.

Mr. FLOWERS: Committee on the Judiciary. H.R. 12048. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; with amendment (Rept. No. 94–1014, pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California (for himself, Mr. Phillip Burton, Mr. Drinan, and Mr. Richmond):

H.R. 13044. A bill to provide for sound forest management practices in the national forests of the United States consistent with the principles of multiple use and sustained yield; to the Committee on Agriculture.

By Mr. CONABLE (for himself and Mr. Bafalis):

H.R. 13045. A bill to amend the Internal Revenue Code of 1954 relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property; to the Committee on Ways and Means.

By Mr. DRINAN (for himself, Mr. Bingham, Mr. Brademas, Mr. Phillip Burton, Mr. Conte, Mr. Eckhardt, Mr. Edwards of California, Mr. Fraser, Mr. Gude, Mr. Hayes of Indiana, Mr. Kastenmeier, Ms. Keys, Mr. McFall, Mr. Metcalfe, Mr. Mikva, Mr. Moss, Mr. Ottinger, Mr. Sarbanes, Mr. Seiberling, Mr. Simon, and Mr. Symington):

H.R. 13046. A bill to amend the Solid Waste Disposal Act to encourage research, development, and implementation of energy and resource recovery from solid waste, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. DRINAN (for himself, Ms. Abzug, Mr. Ambro, Mr. Andrews of North Dakota, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Blouin, Mr. Burke of Massachusetts, Mr. Carney, Mrs. Chisholm, Mr. Corman, Mr. Conyers, Mr. D'Amours, Mr. Dominick V. Daniels, Mr. Downey of New York, Mr. Edgar, Mr. Eilberg, Mr. Fascell, Mr. Fithian, Mr. Florio, Mr. Ford of Tennessee, Mr. Gilman, and Mr. Gonzalez):

H.R. 13047. A bill to amend the Solid Waste Disposal Act to encourage research, development, and implementation of energy and resource recovery from solid waste, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. DRINAN (for himself, Mr. Hannaford, Mr. Harrington, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Howard, Mr. Hungate, Ms. Holtzman, Mr. Jeffords, Mr. Jenrette, Mr. Koch, Mr. Krebs, Mr. LaFalce, Mr. Lagomarsino, Mr. Lehman, Mr. McCloskey, Mr. McHugh, Mr. Meeds, Mr. Melcher, Mrs. Meyner, Mr. Moakley, Mr. Mosher, Mr. Neal, Mr. Nix, and Mr. Nowak):

H.R. 13048. A bill to amend the Solid Waste Disposal Act to encourage research, development, and implementation of energy and resource recovery from solid waste, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. DRINAN (for himself, Mr. Oberstar, Mr. O'Hara, Mr. Pattison of New York, Mr. Pepper, Mr. Price, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Sarasin, Mr. Scheuer, Mrs. Spellman, Mr. Stark, Mr. Steelman, Mr. Studds, Mr. Thompson, Mr. Tsongas, Mr. Udall, Mr. Vander Veen, Mr. Vigorito, Mr. Waxman, Mr. Weaver, Mr. Whalen, and Mr. Wolff):

H.R. 13049. A bill to amend the Solid Waste Dsiposal Act to encourage research, development, and implementation of energy and resource recovery from solid waste, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. McDADE:

H.R. 13050. A bill to amend title 38 of the United States Code in order to entitle any veteran who is discharged or released from active duty by reason of hardship to 36 months of educational assistance; to the Committee on Veterans' Affairs.

H.R. 13051. A bill to establish the National Diabetes Advisory Board and to take other actions to insure the implementation of the long-range plan to combat diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. NEDZI:

H.R. 13052. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. PRICE (by request):

H.R. 13053. A bill to approve the sale of certain naval vessels, and for other purposes; to the Committee on Armed Services.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 13054. A bill to authorize the disposal of antimony from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 13055. A bill to authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 13056. A bill to authorize the disposal of tin from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 13057. A bill to authorize the disposal of silver from the national stockpile; to the Committee on Armed Services.

By Mr. QUILLEN:

H.R. 13058. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 476) and the act of June 4, 1897 (30 Stat. 35); to the Committee on Agriculture.

By Mr. ULLMAN:

H.R. 13059. A bill pertaining to the inheritance of trust or restricted lands on the Umatilla Indian Reservation; to the Committee on Interior and Insular Affairs.

By Mr. VANDER VEEN:

H.R. 13060. A bill to encourage plant expansion and construction or renovation of facilities in metropolitan areas suffering from chronic high unemployment by providing more rapid amortization for plants and equipment located in such areas; to the Committee on Ways and Means.

By Mr. VANDER VEEN (for himself, Mr. Bell, Ms. Burke of California, Mr. Corman, Mr. Fauntroy, Mr. Hawkins, Mr. Helstoski, Mr. Karth, Ms. Keys, Mr. Krebs, Mr. Oberstar, Mr. Patterson of California, Mr. Rangel, Mr. Solarz, and Mr. Yatron):

H.R. 13061. A bill to amend the Internal Revenue Code of 1954 to increase the standard deduction; to the Committee on Ways and Means.

By Mr. ALLEN (for himself, Mr. Roe, Mr. Evins of Tennessee, Mr. Yatron, Mr. Ottinger, Mr. Bafalis, Mr. Waxman, Mr. Harrington, Ms. Abzug, and Mr. Pressler):

H.R. 13062. A bill to amend title II of the Social Security Act so as to prohibit any reduction in the monthly benefits of a fully insured individual, who is otherwise entitled to old-age insurance benefits, by reason of any outside earnings which may be received by such insured individual; to the Committee on Ways and Means.

By Mrs. BOGGS (for herself and Mr. Brooks):

H.R. 13063. A bill to authorize the erection of a statue of Bernardo de Galvez on public grounds in the District of Columbia; to the Committee on House Administration.

By Mr. CLANCY:

H.R. 13064. A bill to amend the Communications Act of 1934 in order to expedite the issuance of licenses to operate citizen's band radio transmitters; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ (for himself, Mr. Walsh, Mr. Bafalis, Mr. Fish, Mr. Broyhill, Mr. Hyde, and Mr. Andrews of North Dakota):

H.R. 13065. A bill to amend the Internal Revenue Code of 1954 to provide tax assistance to small businesses; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma:

H.R. 13066. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, to provide a mechanism for congressional review of agency rules, and for other purposes; to the Committee on Rules.

By Mrs. LLOYD of Tennessee:

H.R. 13067. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Obed River and its tributaries, in Tennessee, as a component of the National Wild and Scenic Rivers System and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RUPPE:

H.R. 13068. A bill to amend title 13, United States Code, to require the Secretary of Commerce to use sampling methods in taking agricultural censuses; to the Committee on Post Office and Civil Service.

By Mr. CORMAN (for himself, Mr. Steiger of Wisconsin, Mr. Burke of Massachusetts, Mr. Jacobs, Ms. Keys, Mr. Fisher, Mr. Pickle, Mr. Frenzel, and Mr. de Lugo):

H.R. 13069. A bill to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands; to the Committee on Ways and Means.

H.R. 13070. A bill to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands, and for other purposes; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 13071. A bill to extend the special unemployment assistance program for 1 year; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. Burke of Massachusetts, Mr. Ashley, Mr. Brademas, Mr. Carney, Mr. Downing of Virginia, Mr. Hamilton, Mr. Harris, Mr. Harsha, Mr. Hayes of Indiana, Mr. Neal, Mr. Seiberling, and Mr. Whalen):

H.R. 13072. A bill to extend the emergency unemployment compensation program until September 30, 1977, to revise the trigger provisions in such program, and for other purposes; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin:

H.R. 13073. A bill to extend the emergency unemployment compensation program for 1 year, to adjust the number of weeks for which compensation is payable under such program, and for other purposes; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin (for himself and Mr. Seiberling):

H.R. 13074. A bill to provide that emergency unemployment compensation benefits will be paid on the basis of State or area triggers; to the Committee on Ways and Means.

By Mr. FREY:

H.J. Res. 912. Joint resolution proposing an amendment to the Constitution of the United States to establish a procedure in addition to impeachment for the removal of judges of the Supreme Court of the United States whose conduct is or has been inconsistent with the good behavior required by article III, section 1 of the Constitution; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.J. Res. 913. Joint resolution to designate the week beginning on April 18, 1976, as National Private Property Week; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN (for himself, Mr. Mahon, Mr. O'Neill, Mr. Rhodes, Mr. McFall, Mr. Michel, Mr. Phillip Burton, Mr. Anderson of Illinois, Mr. Morgan, Mr. Broomfield, Mr. Reuss, Mr. J. William Stanton, Mr. Adams, Mr. Conable, Mr. Staggers, Mr. Broyhill, Mr. Perkins, Mr. Hutchinson, Mr. Zablocki, Mr. Derwinski, Mr. Fascell, Mr. Frey, Mr. Fraser, Mr. Vander Jagt, and Mr. Edwards of Alabama):

H. Con. Res. 606. Concurrent resolution to urge the Soviet Union to release Georgi Vins and permit religious believers within its borders to worship God according to their own conscience; to the Committee on International Relations.

By Mr. WHITTEN:

H. Res. 1129. Resolution disapproving the deferral of budget authority relating to special supplemental food program (WIC) (deferral D76–105) which is proposed by the President in his message of March 18, 1976, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. LONG of Maryland (for himself, Mr. Fraser, Mr. John L. Burton, Mr. Reuss, Mr. Fish, Mr. Ford of Tennessee, Mr. Dellums, Mr. Duncan of Tennessee, Mr. Maguire, Mr. Dent, Mr. Vander Veen, Ms. Schroeder, Mr. Fisher, Mr. Melcher, Mr. Miller of California, Mr. Alexander, Mr. Hannaford, Mr. Bergland, Ms. Burke of California, Mr. Rangel, Ms. Mink, Mr. Wolff, Mr. AuCoin, Mr. Downey of New York, and Mr. Aspin):

H. Res. 1130. Resolution creating the Select Committee on Nuclear Proliferation and Nuclear Export Policy; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

348. By the SPEAKER: Memorial of the Legislature of the State of Idaho, requesting that Congress propose an amendment to the Constitution of the United States requiring that the Federal budget be balanced; to the Committee on the Judiciary.

349. Also, memorial of the House of Representatives of the State of Hawaii, relative to National Guard training; jointly, to the Committees on Armed Services, and Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FITHIAN:

H.R. 13075. A bill for the relief of Renard A. Koehnemann; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 13076. A bill for the relief of Anna Attanasio; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

438. By the SPEAKER: Petition of James C. Martin and Kenneth H. McKinley, Stillwater, Okla., relative to Indian education in Oklahoma; to the Committee on Education and Labor.

439. Also, petition of Kaydene Jordan, Singapore, and others, relative to taxation of U.S. citizens living abroad; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12438

By Mr. CARR:

Page 2, line 19, after "Navy," delete "$7,378,300,000" and insert in its place, "$6,438,300,000"

Page 2, line 19, after "Navy," delete "$7,378,300,000" and insert in its place, "$6,788,300,000"

Page 2, line 6, after "Marine Corps," delete "$3,157,500,000" and insert in its place "$2,987,600,000"

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of April 5, 1976, page 9481.

H.R. 12585. March 17, 1976. International Relations. Requires express Congressional approval prior to any (1) sale of defense articles or services to Egypt under the Foreign Military Sales Act, (2) extension of any credit or guarantee to Egypt under such Act, and (3) issuance of an export license for arms, ammunition, or implements of war to Egypt under the Mutual Security Act of 1954.

H.R. 12586. March 17, 1976. International Relations. Prohibits any person doing business in the United States from selling wheat to the Soviet Union until October 1, 1976, unless the President determines that such sales will not cause serious domestic price increases.

Imposes a fine of not more than $10,000 or imprisonment for not more than one year, or both for violation of this Act.

H.R. 12587. March 17, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to the government of the Virgin Islands upon its application, to be used for any governmental purpose.

H.R. 12588. March 17, 1976. Veterans' Affairs. Revises eligibility requirements for veterans' dependency and indemnity compensation.

H.R. 12589. March 17, 1976. Judiciary. Amends the Bankruptcy Act to include among debts which have priority specified debts to consumers of deposits of money made in connection with the purchase of goods or services for personal or household use not delivered on the date of bankruptcy.

H.R. 12590. March 17, 1976. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to prohibit a pipeline company engaged in the transportation of oil from transporting any oil through its pipelines if that company has an interest in such oil.

H.R. 12591. March 17, 1976. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice for employers, labor organizations, or employment agencies to discriminate against a physically handicapped individual because of such handicap.

H.R. 12592. March 17, 1976. Education and Labor. Directs the Secretary of the Interior and the Secretary of Agriculture to extend the Youth Conservation Corps program to provide year-round employment for young adults between the ages of 19 and 24.

H.R. 12593. March 17, 1976. Education and Labor. Amends the Higher Education Act of 1965 to prescribe criminal penalties for the misuse or misappropriation of Federal funds, assets, or property by persons connected with federally assisted educational entities. Prescribes criminal penalties for obstructing related lawful investigations and for fraudulently seeking to obtain accreditation as required by such Act.

H.R. 12594. March 17, 1976. Banking, Currency and Housing. Prohibits State and local laws which permit the construction of buildings or other obstructions which interfere with the effective operation of solar heating and cooling equipment.

H.R. 12595. March 17, 1976. Banking, Currency and Housing. Amends the Federal Reserve Act to permit the payment of interest on demand deposits which consist of public funds of the United States or of a State or political subdivision or instrumentality of a State.

H.R. 12596. March 17, 1976. Education and Labor. Repeals the provisions of the Fair Labor Standards Act of 1938 which permit the employment of full-time students at less than the minimum wage required by that Act.

H.R. 12597. March 17, 1976. Ways and Means. Amends the Social Security Act to include hearing aids and dentures under the Medicare supplementary medical insurance program.

H.R. 12598. March 17, 1976. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to require that State plans submitted for the purpose of receiving grants under the libraries and learning resources provisions of such Act give satisfactory assurances that the per pupil amount (previously aggregate) to be expended by the State and its local educational agencies from funds derived from non-Federal sources for specified programs for each fiscal year will not be less than 95 percent of the amount so expended for the previous fiscal year.

Authorizes the Commissioner of Education, under specified conditions, to waive such requirement.

H.R. 12599. March 17, 1976. Banking, Currency and Housing. Amends the Consumer Credit Protection Act to prohibit specified practices in the case of second mortgages which secure residential property including: prepayment penalty, foreclosure without opportunity for judicial hearing, and harassment through collection practices. Prescribes remedies with respect to any violation.

H.R. 12600. March 17, 1976. Agriculture. Amends the Rural Electrification Act of 1936 to revise criteria used in the determination of interest rates for borrowers from the Rural Electrification Administration.

H.R. 12601. March 17, 1976. Judiciary. Expands the annuity plan for widows and dependent children of U.S. judges to include the widowers of such officials and the widows, widowers, and dependent children of the Director of the Federal Judicial Center and the administrative assistant to the Chief Justice of the United States. Shortens the period necessary to vest rights in the annuity payments and changes the basis of their computation.

Establishes a Judicial Survivors' Annuity Fund on the books of the U.S. Treasury.

H.R. 12602. March 17, 1976. Agriculture. Directs the Secretary of Agriculture to make loans available to agricultural producers who suffer losses as a result of having their agricultural commodities or livestock quarantined or condemned because such commodities or livestock have been found to contain toxic chemicals dangerous to the public health.

H.R. 12603. March 17, 1976. Judiciary; Education and Labor.

Prohibits the requirement of quotas, goals designed to establish quotas, or programs to expand applicant pools in affirmative action programs required of Federal grantees or contractors.

Prohibits findings of discrimination (1) based solely on composition of work force or membership, and (2) unless based upon an act of discrimination.

Prohibits court or agency ordered relief for discrimination to enforce quotas or goals which establish quotas.

Prohibits Federal instrumentalities from requiring the collection of data relating to race, color, religion, national origin, or sex, by employers, labor organizations, or Federal grantees or contractors.

H.R. 12604. March 17, 1976. Ways and Means. Amends the Social Security Act to maintain the inpatient hospital deductible under the Medicare program at the level which was applicable during calendar year 1975.

H.R. 12605. March 17, 1976. Government Operations. Revises the fiscal year provisions of specified public laws in order to conform them to the October-September fiscal year.

H.R. 12606. March 17, 1976. Government Operations. Revises provisions of existing law to reflect the transition to the October-September fiscal year.

H.R. 12607. March 17, 1976. Small Business. Amends the Small Business Act to revise the eligibility requirements for small business home-building firms for assistance under the act. Stipulates that determinations by the Small Business Administration of the reasonable assurance of repayment of prospective loans shall be made on a case-by-case basis.

H.R. 12608. March 17, 1976. Interstate and Foreign Commerce. Amends the Federal Power Act to direct the Federal Power Commission to require utilities to file curtailment plans to meet anticipated power shortages.

Requires public hearings on proposals for utility rate increases. Authorizes the Commission to take additional measures to eliminate discriminatory and anticompetitive practices by utilities.

H.R. 12609. March 17, 1976. Ways and Means. Amends the medicare program of the Social Security Act to include payment for eyeglasses and optometric or medical vision care under the supplementary medical insurance program.

H.R. 12610. March 17, 1976. Banking, Currency and Housing. Authorizes the Secretary of the Treasury to make grants to local governments for emergency support of firefighting services in instances where local economic problems threaten to reduce to an unsafe level the number of firefighters.

H.R. 12611. March 17, 1976. Interstate and Foreign Commerce. Amends the Medicaid program of the Social Security Act to authorize the States to include in their plans for medical assistance arrangements for the purchase of laboratory and X-ray services.

H.R. 12612. March 17, 1976. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit in an amount of $250 for each individual who is at least 61 years of age before the beginning of the taxable year, whose principal place of abode during the taxable year is the principal residence of the taxpayer, and who is not a lodger with the taxpayer.

H.R. 12613. March 17, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 12614. March 17, 1976. Ways and Means. Directs the Secretary of the Treasury to admit a certain bell to the United States free of duty.

H.R. 12615. March 17, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

HOUSE JOINT RESOLUTIONS

H.J. Res. 871. March 17, 1976. Judiciary. Proposes a Constitutional amendment stating that the Congress and the States shall have power to protect life including the unborn at every stage of biological development irrespective of age, health, or condition of physical dependency.

H.J. Res. 872. March 17, 1976. Judiciary. Proposes an amendment to the Constitution which includes unborn offspring within the definition of "person" for purposes of the fifth and fourteenth Articles of Amendment to the Constitution.

H.J. Res. 873. March 17, 1976. Post Office and Civil Service. Authorizes and requests the President to issue a proclamation designating the week beginning on November 7, 1976, as "National Respiratory Therapy Week".

H.J. Res 874. March 17, 1976 Post Office and Civil Service. Authorizes the President to issue annually a proclamation designating the seven-day period commencing on April 30 of each year as "National Beta Sigma Phi Week".

H.J. Res. 875. March 18, 1976. Judiciary. Proposes a Constitutional amendment which provides for the election of Presidential and Vice Presidential electors. Provides that the person having the greatest number of electoral votes for President shall be the President, and the person having the greatest number of electoral votes for Vice President shall be the Vice President.

H.J. Res. 876. March 18, 1976. Post Office and Civil Service. Authorizes and requests the President to issue a proclamation designating the week beginning on November 7, 1976, as "National Respiratory Therapy Week".

H.J. Res. 877. March 18, 1976. Post Office and Civil Service. Designates April 8, 1976, as "National Food Day".

H.J. Res. 878. March 18, 1976. Post Office and Civil Service. Designates April 8, 1976, as "National Food Day".

H.J. Res. 879. March 22, 1976. Post Office and Civil Service. Authorizes the President to issue annually a proclamation designating the seven-day period commencing on April 30 of each year as "National Beta Sigma Phi Week".

H.J. Res. 880. March 22, 1976. Post Office and Civil Service. Authorizes the President to designate the second full calendar week in March of 1976 as "National Employ the Older Worker Week".

SENATE—*Tuesday, April 6, 1976*

The Senate met at 12 o'clock meridian and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Reverend Prescott B. Wintersteen, D.D., minister, the First Parish in Milton, Milton, Mass., offered the following prayer:

O Thou Heavenly Father, consider the words of each of Thy servants here gathered as he whispers his personal prayer:

Wait, O World, for one short moment, while I climb the secret stairs to that rare plain of survey, from whose height I can catch a distant glimpse of our land's brave past, see a little within myself, anxiously behold the world of my daily involvement, and peer dimly toward the future.

In this brief moment I flee from the strident sounds and tensions, from the pain and strife and puzzlement of this life, to find again that peace, which sometimes seems lost forever—that peace which enables my endurance of this fretful world and engenders within me a fresh resolve to travel the ways of good.

In this moment I hear above the clamor of life's demands and the people's crying needs Thy gentle summons and pledge myself to the larger good, the nobler cause, in the love of truth and in the spirit of Jesus Christ and the holy souls of all the ages, who have joined to Thy worship the service of their fellow men.

Hear, Thou my prayer, O God. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 5, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services, the Committee on the Judiciary, the Committee on Commerce, and the Select Committee To Study Governmental Operations With Respect to Intelligence Activities be authorized to meet during the session of the Senate today.

I ask unanimous consent that all other committees be authorized to meet until 1 p.m. or the end of the morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 701 and 702.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL MUSEUM OF THE SMITHSONIAN INSTITUTION

The Senate proceeded to consider the bill (S. 2945) to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act, which had been reported from the Committee on Rules and Administration with an amendment on page 1, line 7, strike "1980." and insert "1980.'."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b) of the National Museum Act of 1966 (20 U.S.C. 65a) is amended to read:

"(b) There are hereby authorized to be appropriated to the Smithsonian Institution $1,000,000 each year for fiscal years 1978, 1979, and 1980.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INSCRIPTION OF ALASKA AND HAWAII ON THE LINCOLN MEMORIAL

The Senate proceeded to consider the bill (S. 64) to provide for the addition of the names of the States of Alaska and Hawaii to the list of the 48 States inscribed upon the walls of the Lincoln Memorial, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 1, following "Hawaii." insert the following:

Such authorization is contingent on approval of the design and plans for such inscriptions by the Commission of Fine Arts, the National Capital Planning Commission, and the Advisory Council on Historic Preservation.

Sec. 2. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of adding the names of Alaska and Hawaii to the existing list of names of the forty-eight States inscribed on the walls of the Lincoln National Memorial, the Secretary of the Interior is authorized and directed to take such action as may be necessary to inscribe on the walls of such memorial, at an appropriate place in a manner and style consistent with the existing inscriptions of the names of the forty-eight States, the names of the States of Alaska and Hawaii. Such authorization is contingent on approval of the design and plans for such inscriptions by the Commission of Fine Arts, the National Capital Planning Commission, and the Advisory Council on Historic Preservation.

Sec. 2. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THEY SHAME US ALL

Mr. MANSFIELD. Mr. President, last week I had some remarks to make about the crude, cruel, and outrageous behavior of a group of young people in Madison, Wis., in caricaturing Gov. George Wallace, of Alabama, a candidate for the Democratic nomination for the Presidency.

These people came in wheelchairs—and the young can be cruel—wearing masks resembling Arthur Bremer, who attempted to assassinate Governor Wallace. They were obscene in their remarks. I thought it was thoroughly un-American and out of character for this Nation.

At the same time, perhaps, the same group spat upon another Democratic candidate for the Presidency, our colleague, Senator Henry Jackson, of Washington.

I do not condone either of those acts. I deplore them. They were utterly uncalled for and distasteful.

In relation to those antics or tactics, I ask unanimous consent that an article on the editor's page of the U.S. News & World Report, under date of April 12, 1976, entitled "They Shame Us All" by Howard Flieger, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THEY SHAME US ALL

(By Howard Flieger)

It is like the gasp forced by a sudden illness to be made to feel ashamed of being an American.

Yet, each and every one of us must feel soiled and degraded because of the mindless conduct of a handful of showoffs in Madison, Wis., the other day.

Imagine spitting into the face of a man who many consider worthy of being elected President of the United States.

Imagine the cruelty of mocking a crippled Governor who aspires to national leadership by taunting him with caricatures of a maniac who maimed him four years ago.

One need not be an admirer of Henry Jackson or George Wallace to be revolted by the crudities of a few who took it upon themselves to bring a presidential campaign down to the sordid level of a Saturday-night brawl in a back alley.

The tragedy is that all of us are their victims, spattered by their muck. Nobody could look at the photograph of Senator Jackson with a glob of spittle coursing down his brow without being ashamed.

There is yet another humiliation. In all likelihood, those who insulted us in Madison aren't even voters. Chances are they won't be around when the polls open.

In the opinion of this writer, they were a coarse-mannered rabble. And the sad thing is that they chose for their uncouth demonstration the soil of a State that has made a distinctive contribution to the political evolution of this country.

Wisconsin produced Joe McCarthy. But it also produced the La Follettes, father and sons, and many others of marked stature. Agree with them or not, some of the great debates on national issues were put in motion by the people of Wisconsin. They added the ginger of discord, and they often added dignity to the public life of America.

Our political history is filled with antics. But it is also filled with cameos of a people who feel deeply the responsibility of governing themselves and of choosing those who will be their leaders.

One has only to read the Federalist Papers, the Lincoln-Douglas debates, the stimulating writings of George Washington, Thomas Jefferson and Woodrow Wilson to thrill at the acuteness of creative thinking that has seasoned the politics of America.

Any man or woman who chooses to bid for the right to lead this nation deserves its respect. One doesn't have to agree with a candidate's program. But each of them offers a choice, and it is both a privilege and a duty for the people to hear them out.

Do Americans spit on them?

Do Americans jeer, stone them with personal insults and demean them with tasteless reminders that four years ago somebody tried and failed to kill—and in so doing crippled a man in body but not in dedication?

Very, very few Americans do such things. That has been true for 200 years, and certainly will be true in the future.

But what of the few? Most of us have never been comfortable with the suppression of minorities. In one sense or another, we are all creatures of minorities. It is the minorities in meld that make majorities.

Still, personal tolerance of other views should not extend to the point of condoning those who besmirch us.

After the Madison episode, Governor Wallace's manager in Wisconsin said:

"Well, this is one of the things we have to put up with. There are a few sick individuals in our society."

That is typical of us Americans—we usually forgive those who offend. And we shrug and "put up with" conduct that hurts us in our own peace of mind.

But we certainly are entitled to resent those few who make the rest of us ashamed.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, appoints the Senator from Oregon (Mr. Packwood) to attend the U.N. Conference on Trade and Development—UNCTAD—to be held in Nairobi, Kenya, May 3 to 28, 1976.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I do not seek recognition.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Colorado (Mr. Haskell) is recognized for not to exceed 15 minutes.

TAX REFORM ACT OF 1975—
H.R. 10612

AMENDMENT NO. 1562

(Ordered to be printed and referred to the Committee on Finance.)

CONTINUING EROSION OF THE INCOME TAX BASE

Mr. **HASKELL**. Mr. President, yesterday I briefly addressed myself to the subject of the continuing erosion of the income tax base, pointing out that corporate revenues from income taxes had declined over the past 15 years dramatically and pointing out that the so-called progressive tax on individuals is, in fact, not very progressive.

I discussed two reasons for this unfortunate situation: First, special rates of tax given to special people; and second, artificial deductions given to certain people. Artificial deductions have been defined by the Committee on Ways and Means in their report as accelerated deductions which, in fact, do not reflect real economic losses.

Yesterday, Mr. President, I submitted one amendment, and I intend to submit today a second amendment, to try and effect some structural reforms in our income tax laws.

The amendment which I am submitting today would repeal two particularly invidious artificial deductions. One is the so-called ADR or asset depreciation range. If repealed, we would then add to the Federal Treasury $1.6 billion for fiscal year 1977. The second amendment repeals the other so-called rapid depreciation schemes on real property, which would add to the Federal Treasury $1.3 billion. This is a total of $2.9 billion.

Quite obviously, Mr. President, anybody investing in income-producing property is entitled to depreciation, and the depreciation should be over the useful life of the asset, whether that is measured in a period of time or whether it is measured by use; that is, the number of units a particular machine puts out.

But these artificial deductions, which, in the case of the asset depreciation range, allow an arbitrary 20 percent shorter useful life, and in the case of accelerated depreciation, double the normal depreciation deductions, are the source of great erosion of income tax base. They skew the economy, in that they induce people to make investments for tax rather than economic reasons. They are used most frequently by the larger corporate enterprises of this country. They are not reflective of what would be normal expenses on a balance sheet. And, Mr. President, they do another thing: Because of these artificial deductions, which might be compared to phantom freight in the antitrust laws, the use of so-called tax shelters arises.

The Committee on Ways and Means in the House of Representatives recognized the artificiality of these deductions, but instead of eliminating them, the committee tried to patch up the so-called tax shelters by placing some limits on them. One of our goals—at least I assume it is one of our goals—in income taxation is simplicity. But by trying to patch up tax shelters, the Committee on Ways and Means has written about 35 complicated provisions into the measure now before the Committee on Finance of the Senate, when they could have attacked artificial deductions head on, and eliminated them. By one sentence, they could have repealed this particular provision and saved themselves 35 pages of great complexity.

Of course, there will be those who argue that these artificially rapid deductions are merely deferrals of income tax. It is very obvious, I think, to anyone who has looked into the matter, that in an expanding corporate enterprise, this is not just deferral. It is tax forgiveness, because as the company adds to depreciable property year by year as it grows—and this is particularly true in the utility field—the deferred taxes never catch up with them, because they are always taking twice as much depreciation as they are entitled to. The huge depreciation deductions more than offset the recaptured losses of past years. But even, Mr. President, should it not be a permanent avoidance of income taxes, at the very least it is an interest-free loan from the U.S. Government to those certain individuals, and I see no reason why the U.S. Government should grant interest-free loans. Certainly no Member of this body and no member of the public could go into a financial institution and get a comparable loan.

For this reason, I submit an amendment to H.R. 10612, which I shall present at the markup of that bill in the Committee on Finance, and if the Committee on Finance does not see fit to adopt it, I will then pursue it on the floor.

The **ACTING PRESIDENT** pro tempore. Without objection, the amendment will be rceived and printed, and appropriately referred.

Mr. **HASKELL**. Mr. President, I reiterate what I stated yesterday, that I have additional amendments—actually only two or three—which pick up a total of about $15 billion in tax shelters that we can use to provide tax relief to the low-income and middle-income groups. If the Committee on Finance will not accept these amendments, I hope that the Senate as a whole will.

I yield back the remainder of my time.

ORDER OF BUSINESS

Mr. **PROXMIRE**. Mr. President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator will state it.

Mr. **PROXMIRE**. It is my understanding that the Senator from Missouri (Mr. EAGLETON) has had time reserved following the Senator from Colorado (Mr. HASKELL); is that corect?

The **ACTING PRESIDENT** pro tempore. That is correct. Under the previous order, the Senator from Missouri has 15 minutes.

Mr. **PROXMIRE**. I have discussed this with Senator EAGLETON, and it is all right with him if I go ahead with remarks I have prepared in response to his speech.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the 15 minutes assigned to the Senator from Missouri (Mr. EAGLETON) be transferred to the Senator from Wisconsin (Mr. PROXMIRE).

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **PROXMIRE**. I thank the Senator, and I am sure Senator EAGLETON appreciates it as well. We have an urgent matter before the committee.

(By unanimous consent, the remarks made by Mr. PROXMIRE at this point in the proceedings are printed in today's RECORD following the remarks of Mr. EAGLETON.)

DR. MALCOLM CURRIE

Mr. **EAGLETON**. Mr. President, yesterday's New York Times contains a disturbing story about the activities of a man who has more to do with the spending of taxpayers' money than any other single Government employee. That man is Dr. Malcolm Currie, the Pentagon's Director of Research and Development. Dr. Currie, like many of his colleagues in Gerald Ford's Pentagon, is a former employee of a large defense contractor, in this instance Hughes Aircraft—historical note—prominently mentioned in today's press.

According to the Times story, by the experienced defense reporter, John Finney, Dr. Currie was confronted with a crucial decision upon his return from Bimini in the Bahamas, where he was flown for a free fishing vacation on a Rockwell International jet. Would he recommend approval for Rockwell's Condor missile? Or would he acknowledge the serious technical difficulties a Navy test team had revealed and recommend delay or cancellation of the $500 million project?

According to the Times story, Dr. Currie not only recommended approval of the missile, but he also signed a memorandum emphatically endorsing the Condor program and strongly recommending a production go-ahead.

At a September 29 meeting to decide Condor's fate, Dr. Currie reportedly said that—

> He had been assured by company officials that the developmental problems (described so explicitly in the Navy report) could be overcome.

The other three principals at that meeting indicated they would vote again against a production go-ahead, according to the New York Times. Yet Dr. Currie went to extraordinary lengths to switch their votes on the decision. He eventually prevailed upon two of his colleagues and Condor seemed in the clear. Fortunately, however, conscientious Defense Department employees let GAO defense analysts in on Condor's problems.

Deputy Secretary William Clements had no choice but to take the advice of GAO and reversed Dr. Currie's recommendation. But a deliberate decision was then apparently made to keep this decision from the Senate Appropriations

Committee, which at the time was marking up the defense bill.

Mr. President, I became aware of the details of this decision as the defense bill was being considered on the Senate floor in November of last year. I joined with Chairman McClellan in an amendment to hold back production money for Condor until the Navy proved it would work effectively. Yet I did not know until yesterday about the highly questionable tactics used by Dr. Currie to advance the cause of a system he knew to have serious technical deficiencies.

Just last week Dr. Currie was in Europe negotiating important matters with our NATO allies. He is continually making decisions worth millions to Rockwell and Hughes and other defense contractors. And he frequently appears as a witness before congressional committees to support the R. & D. portion of the defense budget.

A man with this responsibility should not be allowed to continue under this dark cloud of suspicion. The integrity of a man who handles 10 billion tax dollars annually must be unassailable.

The Times story also quotes an industry representative as stating that Dr. Currie was "making the rounds" to inquire about prospective employment with defense contractors. It also raises serious questions about his relationship with his former employer, Hughes Aircraft. If indeed Dr. Currie had this type of relationship with industry, could he reasonably be expected to impartially decide matters affecting those firms?

It is known, for example, that Dr. Currie personally negotiated with the German and French Governments for the Roland air defense system.

He approved extensive modifications to that system—modifications which became highly controversial because the foreign manufacturers considered them unnecessary. Interestingly, Hughes Aircraft was awarded the contract to develop the expensive changes. The contract has thus far resulted in a $40 million cost overrun.

Perhaps this and other decisions were made simply because Dr. Currie, as the Times describes it, has a "technological zeal for new weapons." Whatever may have been Dr. Currie's motive, the appearance of impropriety has now badly damaged the credibility of a man who is constantly called upon to make controversial decisions involving millions of dollars.

Mr. President, this newspaper account raises grave questions of personal conduct that cannot go unanswered. I have written to Secretary of Defense Rumsfeld to ask that he immediately suspend Dr. Currie until an investigation of these highly questionable actions is conducted.

Whether or not there is a connection between Dr. Currie's Rockwell-sponsored vacation to Bimini and his decision to support Condor—or whether or not Dr. Currie was arranging his own prospective employment with defense contractors, the appearance of impropriety must now be dealt with forthwith. The fine previously levied by Secretary Rumsfeld, because of Dr. Currie's Bimini trip is not sufficient to clear this contaminated air. Dr. Currie will not regain the confidence he needs to fulfill his responsibilities until these serious charges are answered in full.

In fairness to Dr. Currie, there may be no improper connection whatsoever between his decision on Condor and his relationship with Rockwell. He may have had some valid reason for ignoring the Navy's test report and for taking the extraordinary steps he did to win approval for the missile. In addition, those who claimed that he has been improperly approaching contractors for work may have been mistaken.

Dr. Currie should have the opportunity to defend himself in a public forum. I am hopeful that a congressional committee will urgently examine these charges and either clear Dr. Currie or censure him.

I note that Senator Proxmire's Joint Committee on Defense Production has been closely examing these conflict-of-interest cases. I hope Chairman Proxmire will give this matter his immediate attention.

Until these matters are resolved, Dr. Currie should be prevented from making any further decisions that affect the defense of this country.

Mr. President, I ask unanimous consent that my letter of April 5 to Secretary Rumsfeld and the New York Times article by Mr. Finney be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Hon. Donald H. Rumsfeld,
Secretary of Defense, Department of Defense,
The Pentagon, Washington, D.C.

Dear Mr. Secretary: This morning's *New York Times* contains a story by correspondent John W. Finney which raises very serious questions about the activities of Dr. Malcolm R. Currie, your Director of Defense Research and Engineering. This article indicates that Dr. Currie went to extraordinary lengths to gain the Department's approval of the CONDOR missile program despite the fact that a Navy test group and other offices within OSD raised serious questions about the missile's reliability.

While taking these actions to override the recommendations of an independent test group should normally raise questions, the circumstances here are particularly suspect. Dr. Currie's actions in favor of the CONDOR program were taken immediately upon his return from Bimini where he was flown for a vacation on a Rockwell International jet. As you know, Rockwell produces the CONDOR missiles.

The *Times* story also raises serious questions about Dr. Currie's relationship with his former employer, Hughes Aircraft, and quotes industry sources as stating that Dr. Currie has "made the rounds" of defense contractors to inquire about prospective employment. If these allegations are true, Dr. Currie could be in violation of the section of the Federal Code which specifies that a government official must not have any dealings with a firm with which he has a prospective arrangement for employment. These allegations are, therefore, extremely serious.

It is my feeling that Dr. Currie should not be allowed to continue in his highly sensitive position until these matters have been carefully examined and resolved in his favor. The Director of Research and Development at the Defense Department is frequently called upon to decide controversial issues involving millions of dollars. Congress and the American public must have the utmost confidence that an individual in Dr. Currie's position is basing his decisions solely on the technological merit of the systems at issue.

I call upon you to suspend Dr. Currie immediately and to urgently investigate the allegations contained in this *New York Times* article. Your prompt and forthright action will go far in reinstating public confidence in your Department's operations.

Sincerely yours,

Thomas F. Eagleton,
U.S. Senator.

[From the New York Times, Apr. 5, 1976]

Furor Over Missile Decision Reflects Pitfalls of Policymaking Jobs in the Pentagon

(By John W. Finney)

Washington, April 4.—At a time when the conflict-of-interest problem has risen once again to haunt the Pentagon, Dr. Malcolm R. Currie, director of defense research and engineering, symbolizes the ethical judgments and pitfalls confronting industry executives who move into policy-making jobs in the Defense Department.

Over the last two and a half years in the key Pentagon post, in which he supervises a $10 billion-a-year research enterprise, Dr. Currie has gained a reputation as an able administrator and articulate spokesman for the department's massive research and development program. If his superiors have had one criticism it has been that, with his technological zeal for new weapons, he has been too pliant to the wishes and pressures of the military.

Then, as Dr. Currie acknowledges, he made a serious mistake in judgment. Last Labor Day weekend he accepted an invitation to go to a fishing lodge maintained by Rockwell International Corporation, a major defense contractor, on Bimini Island in the Bahamas.

For that indiscretion, Dr. Currie was severely reprimanded by Defense Secretary Donald H. Rumsfeld and was fined one month's pay for violating the Defense Department's "standards of conduct" regulation that specifically prohibits Defense officials from accepting entertainment from defense contractors.

At the same time, Mr. Rumsfeld has permitted Dr. Currie to continue his influential involvement in major weapons programs being handled by Rockwell International, such as the B–1 strategic bomber being developed for the Air Force and the Condor missile for the Navy.

Within the defense industry there is some feeling that Dr. Currie was unjustly punished and was the victim of retroactive morality for engaging in a once commonly accepted practice of entertainment of Defense officials.

At the same time, questions have been raised about the impartiality of Dr. Currie in view of his entertainment by Rockwell International and his past association with other defense contractors, such as Hughes Aircraft Company.

IMPARTIALITY QUERIED

John W. Gardner, chairman of Common Cause, a public affairs lobbying organization, wrote Mr. Rumsfeld advising that Dr. Currie be removed from any role in the B-1 program. The advice was promptly rejected through Mr. Rumsfeld's spokesman, William L. Greener.

In the wake of the disclosure of his trip to Bimini, some staff officials in the Defense

Department have suggested in interviews that Dr. Currie demonstrated partiality toward the controversial Condor missile being developed by Rockwell International.

They cite as evidence that on the day after he returned from Bimini in a company plane, Dr. Currie strongly urged that production be approved for the missile, which was still having developmental and reliability problems.

Dr. Currie's recommendation was described by these officials as the first in a series of personal interventions by the Defense research chief in the next month to save the $500 million Condor missile program from cancellation.

Dr. Currie and his immediate superior, Deputy Defense Secretary William P. Clements Jr., do not believe that the official displayed any particular favoritism toward Rockwell International. Their position has been that Dr. Currie had always been an enthusiastic supporter of the Condor program, that his attitude did not change after his entertainment by the president of Rockwell International and that in urging a production go-ahead he was exercising the technical judgment expected of his office.

As the official supervising the Defense Department's research and development program, Dr. Currie is the most important figure in the Pentagon for the defense contractors. He is in a position to influence or determine which weapons development programs are pursued and then is influential in deciding whether the weapons are placed in production.

JOB OFFER DENIED

There are reports, within the Pentagon and industry, that for some months Dr. Currie has been planning to leave his Defense Department post to return to industry.

An executive in one major concern reported that about a year ago Dr. Currie began dropping hints in personal meetings that he would be leaving the Pentagon and was looking for a job. According to this executive, Dr. Currie said that he was "making the rounds" of defense contractors, inquiring about prospective employment opportunities.

One report circulating in Dr. Currie's office and in defense industry circles is that he has been offered a key job in Hughes Aircraft, the ninth-ranking defense contractor, when he leaves the Pentagon.

Through a spokesman, Dr. Currie denied that he had had any job or commitment from Hughes or that he had been seeking a job in the defense industry.

Dr. Currie accepted the invitation to visit the Rockwell International fishing lodge at a time when he knew that in the next few weeks the Defense Department would have to reach a crucial decision on the Condor program, which represented an attempt by the company to get back into the missile business.

The question before the Defense Department was whether to go into production of the Condor, an air-launched missile that is one of the new generation of "smart bombs." Nearly $300 million had already been invested in development of the television-guided missile, but it was still having reliability problems, according to a Navy study.

The production decision was to be made by a Pentagon committee known as the defense systems acquisition review committee. Dr. Currie was a member of that committee along with Terence E. McClary, comptroller of the Defense Department; John J. Bennett, Acting Assistant Secretary of Defense for installations and logistics and Leonard Sullivan Jr., then Assistant Secretary of Defense for program analysis and evaluation.

DISAGREEMENT OVER MISSILE

The committee's meeting on the Condor program had been scheduled some weeks previously for Sept. 30. On Sept. 2, the day after Dr. Currie returned from Bimini on a Rockwell plane, his test and evaluation staff convened a preliminary meeting to consider the test results of the Condor program.

Of particular concern was a report from the Navy's test that on 19 test firings of the missile, there had been 12 successes and five failures and two "no tests." The report recommended against production until the reliability problems troubling the missile could be solved.

According to participants in the staff meeting, Dr. Currie sent a memorandum to the meeting emphatically endorsing the Condor program and strongly recommending a production go-ahead.

The four members of the committee held an executive meeting on Sept. 29 to review the issues to be discussed with the Navy at the formal committee meeting the next day.

The formal meeting ended with the committee divided, according to staff officials who participated. Dr. Currie was in favor of production. Mr. Sullivan was for killing the Condor program, which he described as one of those "nice-to-have weapons" but only if its cost was low and its reliability was high. The cost of the Condor had grown to $1 million a missile and there was considerable question about its reliability and whether it could operate effectively in cloudy conditions or against countermeasures.

Other, lower-ranking Defense officials involved in the discussions of the Condor program, however, drew a link between Dr. Currie's personal connection with the defense contractor and what they described as his emphatic defense of the Condor program despite its technical difficulties.

Mr. Bennett, the chairman of the committee, had been advised by his staff to support cancellation of the program and in his critical questions indicated opposition to production. Mr. Bennett told a reporter recently, however, that he was only asking "tough questions to bring out the facts."

Mr. McClary, who had also been urged by his staff to terminate the program, also indicated some opposition to production in his questioning but seemed to be wavering, according to participants.

Within a few days after the committee meeting, staff officials report, Dr. Currie took what they describe as the unusual step by sending a memorandum to Mr. McClary and not to the two other members of the committee.

In the memorandum, Dr. Currie recommended that the panel recommend production of the missile, but with the understanding that its technical problems would have to be resolved first.

"Currie was singling out the waverer and trying to bring him over to his side," observed one staff aide to Mr. McClary.

Mr. McClary, who had his personal differences with Mr. Sullivan, accepted the Currie memorandum without checking any further with his staff, according to a Pentagon official. The Currie memorandum was then taken to Mr. Bennett and was adopted as the committee's recommendation, with Mr. Sullivan dissenting.

Unknown to any of the committee members, a Defense staff official, disturbed over Dr. Currie's intervention, turned a copy of the critical Navy study over to the General Accounting Office, which was already studying the Condor program.

Sometime in October, R. W. Guttman, director of the procurement and systems acquisition division in the G.A.O., the investigative arm of Congress, wrote to Mr. Clements expressing concern about the Defense Department move to order the missile into production, particularly in light of the reliability problems described in the Navy report.

Mr. Clements changed the thrust of the committee recommendation. In a Nov. 4 memorandum he directed that the Navy conduct further reliability testing and that no production funds be released until the missile's deficiencies had been corrected.

Senator Thomas F. Eagleton, Democrat of Missouri, who had been told of the situation by the G.A.O. in November, won acceptance of an amendment to the Defense appropriations bill specifying that no money could be spent on production until the Secretary of Defense certified to Congress that the weapon's reliability problems had been solved.

Dr. Currie declined to talk to a reporter about his involvement in the Condor program or his relations with other defense contractors, such as Hughes Aircraft Company. Through a spokesman, however, he said that there had been no conflict of interest and that he had displayed no bias in his recommendations on the Condor.

In addition to the fishing lodge at Bimini, Rockwell International has maintained hunting lodges at Wye Island on Chesapeake Bay, and at Farmington, Pa., and Pinebloom, Ga.

According to lists made public by Senator William Proxmire, Democrat of Wisconsin, more than 100 military and civilian officials of the Defense Department have been entertained at the fishing and hunting lodges since 1973. Among those on the lists were several officers involved with the Condor program.

"THREATS" BY CONTRACTOR

Two Pentagon sources reported independently that Rockwell International representatives, who have ready access to Pentagon offices, have threatened to ruin the military careers of officers critical of the Condor program.

The close relationship that sometimes develops between contractors and Defense officials, in what President Eisenhower in his farewell message described as "the military industrial complex" has become a growing problem, in the view of many familiar with it.

In the opinion of a number of long-time Pentagon officials, the problem has become more pronounced in recent years because of the tendency of Deputy Defense Secretary Clements to recruit industry officials in mid-career to fill civilian policy-making posts in the Defense Department and the three individual services.

In effect, the officials are on a leave of absence from industry and, after two or three years of public service in the Defense Department, expect to return to industry.

Without such a leave arrangement, Defense officials maintain, it would be extremely difficult to recruit competent executives. The Pentagon has had difficulty in f[illegible]ing top posts in recent years, partly because of the relatively low salaries and partly because of apparent increasing aversion to working for the Government.

Dr. Currie, who is 49 years old, came to his $42,000-a-year post in the Defense Department in June 1973. He previously served for 19 years as an engineer and corporate executive with Hughes Aircraft Company and then for four years as vice president for research and development of Beckman Instruments Inc. of Fullerton, Calif.

He was the first industry executive to serve in the Defense research post—the fourth-ranking civilian job in the Pentagon.

(The following remarks by Mr. PROXMIRE were delivered earlier and are printed at this point in today's RECORD by unanimous consent.)

Mr. PROXMIRE. Mr. President, the Senator from Missouri (Mr. EAGLETON) raises a number of important issues here today with regard to conflict of interest. Perhaps in no other area of Government is there more latitude for shortchanging the taxpayer than in conflict of interest. Furthermore, when a conflict situation exists within the Defense Department, our defense activities could suffer.

The Senator from Missouri has done an excellent job of keeping an eye on the Condor program and the AWACS and the XM-1 tank. I know few who can equal his detailed knowledge or determination to uncover the facts. We need only to remember his work on the MBT-70 to conclude that he knows how to protect the interest of the taxpayers.

That is why his remarks today carry such weight. He has followed the Condor program from its inception.

It seems clear that an investigation into the facts surrounding this case should be made. The Joint Committee on Defense Production is currently involved in a number of conflict-of-interest cases arising out of its responsibilities under the Defense Production Act. I believe that the matter at hand would be an appropriate extension of the committee's ongoing work and I would so recommend to the joint committee.

Should it come to pass that the joint committee does undertake an investigation into the Dr. Currie matter, I would insist that it be conducted in a highly professional unbiased manner over a relatively short period of time and in cooperation with any other committee of Congress expressing an interest. It undoubtedly would require interviewing, sworn statements, and access to records.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR—S. 3136

Mr. LEAHY. Mr. President, I ask unanimous consent that Herbert Jolovitz and Mary Sullivan of my staff be granted privileges of the floor during all the deliberations of the National Food Stamp Reform Act of 1976.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Mickey Barnett of my staff be granted privileges of the floor during all deliberations of the National Food Stamp Reform Act of 1976.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following joint resolutions, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 35. Joint resolution to provide for the designation of the second full calendar week in March 1976 as "National Employ the Older Worker Week," and

S.J. Res. 101. Joint resolution to authorize the President to issue a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week."

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 5446. An act to implement the Convention on the International Regulations for Preventing Collisions at Sea, 1972;

H.R. 8957. An act to raise the limitation on appropriations for the U.S. Commission on Civil Rights;

H.R. 9811. An act to designate the Veterans' Administration hospital in Madison, Wis., as the "William S. Middleton Memorial Veterans' Hospital," and for other purposes;

H.R. 11140. An act to require that a national cemetery be established at Quantico, Va.; and

H.R. 11559. An act to authorize appropriations for the saline water conversion program for fiscal year 1977.

H.R. 11670. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes;

H.R. 11722. An Act to amend title 18 of the United States Code to prohibit deprivation of employment or other benefit for political contribution, and for other purposes;

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244) as amended;

H.R. 13012. An act to amend the Public Health Service Act to authorize and require the establishment and implementation of a national influenza immunization program;

H.J. Res. 491. A joint resolution to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes;

H.J. Res. 726. A joint resolution to authorize and request the President to establish a "National Bicentennial Highway Safety Year"; and

H.J. Res. 890. A joint resolution making emergency supplemental appropriations for preventive health services for the fiscal year ending June 30, 1976, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 670. A joint resolution to designate April 13, 1976, as "Thomas Jefferson Day".

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. METCALF).

At 4:20 p.m., a message from the House of Representatives delivered by Mr. Hackney, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 9771) to amend the Airport and Airway Development Act of 1970; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ANDERSON of California, Mr. WRIGHT, Mr. ROE, Mr. RONCALIO, Mr. MCCORMACK, Mr. HARSHA, and Mr. SNYDER were appointed managers of the conference on the part of the House.

The message also announced that the House insists upon its amendments to the bill (S. 3065) to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. HAYS of Ohio, Mr. DENT, Mr. BRADEMAS, Mr. MATHIS, Mr. DAVIS, Mr. DICKINSON, and Mr. WIGGINS were appointed managers of the conference on the part of the House.

The message further announced that the House has passed the following bills, without amendment:

S. 719. An act granting a renewal of patent numbered 92,187 relating to the badge of the Sons of the American Legion;

S. 720. An act granting a renewal of patent numbered 54,296 relating to the badge of the American Legion;

S. 721. An act granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary;

S. 804. An act for the relief of Zoraida E. Lastimosa;

S. 832. An act for the relief of Kristen Marisol Kneebone; and

S. 3108. An act to amend Public Law 94-187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy

Research and Developmet Act of 1974, and for other purposes.

The message also announced that the Speaker has signed the following enrolled bill:

S. 2308. An act to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area.

The enrolled bill was subsequently signed by the President pro tempore (Mr. Eastland).

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were read twice by their titles and referred as indicated:

H.R. 5446. An act to implement the Convention on the International Regulations for Preventing Collisions at Sea, 1972; to the Committee on Commerce.

H.R. 8957. An act to raise the limitation on appropriations for the U.S. Commission on Civil Rights; to the Committee on the Judiciary.

H.R. 9811. An act to designate the Veterans' Administration hospital in Madison, Wisc., as the "William S. Middleton Memorial Veterans' Hospital," and for other purposes; to the Committee on Veterans' Affairs.

H.R. 11140. An act to require that a national cemetery be established at Quantico, Va.; to the Committee on Veterans' Affairs.

H.R. 11559. An act to authorize appropriations for the saline water conversion program for fiscal year 1977; to the Committee on Interior and Insular Affairs.

H.R. 11670. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes; to the Committee on Commerce.

H.R. 11722. An act to amend title 18 of the United States Code to prohibit deprivation of employment or other benefit for political contribution, and for other purposes; to the Committee on the Judiciary.

H.R. 11876. An act to amend the Water Resources Planning Act (79 Stat. 244), as amended; to the Committee on Interior and Insular Affairs.

H.R. 13012. An act to amend the Public Health Service Act to authorize and require the establishment and implementation of a national influenza immunization program; to the Committee on Labor and Public Welfare.

H.J. Res. 726. A joint resolution to authorize and request the President to establish a "National Bicentennial Highway Safety Year"; to the Committee on the Judiciary.

H.J. Res. 890. A joint resolution making emergency supplemental appropriations for preventive health services for the fiscal year ending June 30, 1976, and for other purposes; to the Committee on Appropriations.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate the following letters, which were referred as indicated:

Proposed Supplemental Appropriation Request To Pay Claims and Judgments Rendered Against the United States

A communication from the President of the United States, submitting a proposed supplemental appropriation to pay claims and judgments rendered against the United States, as provided by various laws, in the amount of $12,282,519, together with such amounts as may be necessary to pay indefinite interest and costs (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

Animal Welfare Enforcement Report

A letter from the Under Secretary of the Department of Agriculture, transmitting, pursuant to law, the annual report for 1975 on Animal Welfare Enforcement (with an accompanying report); to the Committee on Commerce.

Proposed Legislation Concerning Maritime Industry

A letter from the Secretary of Transportation, transmitting proposed legislation to amend the laws relating to the qualification and certification of able seamen and qualified members of the engine department, to encourage young persons to choose a maritime career by increasing and enhancing the employment opportunities in that career, and to help meet the needs of the maritime industry for qualified persons (with an accompanying report); to the Committee on Commerce.

Report of the Federal Trade Commission

A letter from the Chairman of the Federal Trade Commission transmitting, pursuant to law, the 61st Annual Report of the Federal Trade Commission covering its accomplishments during the fiscal year ended June 30, 1975 (with an accompanying report); to the Committee on Commerce.

Report on Trade Between the United States and the Nonmarket Economy Countries

A letter from the Chairman of the U.S. International Trade Commission, transmitting pursuant to law, the fifth quarterly report on trade between the United States and the nonmarket economy countries (with an accompanying report); to the Committee on Finance.

Report of a Proposed New System of Records

A letter from the Records Officer, U.S. Postal Service, Finance Group, transmitting, pursuant to law, the report of a proposed new system of records (with an accompanying report); to the Committee on Government Operations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the role of Federal coal resources in meeting national energy goals which need to be determined and the leasing process improved (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on special priorities assistance program: its shortfalls and its possibilities, Multiagency (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on new child support legislation—its potential impact and how to improve it, Office of Child Support Enforcement, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

Price of U.S. Oil Imports

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a Report on the Feasibility of Reducing the Price of U.S. Oil Imports by Providing Incentives for Domestic Producer/Importers (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the Government Comptroller of Guam/TTPI

A letter from the Director of Territorial Affairs, Department of the Interior, transmitting, pursuant to law, the annual report of the Government Comptroller for Guam/TTPI on the fiscal condition of the Government of Guam for the year ended June 30, 1975 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Plan for Use and Distribution of the Award Granted to the Three Affiliated Tribes of the Fort Berthold Reservation

A letter from the Secretary of the Interior, transmitting, pursuant to law, a proposed plan for the use and distribution of the award granted to the Three Affiliated Tribes of the Fort Berthold Reservation in Docket 350-F before the Indian Claims Commission (with an accompanying document); to the Committee on Interior and Insular Affairs.

Report to Congress on Abnormal Occurrences

A letter from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, the third report on abnormal occurrences at or associated with licensed or otherwise regulated facilities, October-December 1975 (with an accompanying report); to the Joint Committee on Atomic Energy.

Report of the National Institute of Arts and Letters

A letter from the Secretary, The National Institute of Arts and Letters, reporting, pursuant to law, on the activities of the National Institute of Arts and Letters during the year 1975; to the Committee on the Judiciary.

Third Preference and Sixth Preference Classification of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classification for certain aliens (with accompanying papers); to the Committee on the Judiciary.

Orders Suspending Deportation of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders suspending deportation of certain aliens (with accompanying papers); to the Committee on the Judiciary.

Reports on the Administration of the Freedom of Information Act

Letters transmitting, pursuant to law, reports on the administration of the Freedom of Information Act for the calendar year 1975, from the following:

The President, Inter-American Foundation;

The Staff Director, U.S. Commission on Civil Rights;

The General Counsel, Office of Telecommunications Policy;

The Executive Secretary, Occupational Safety and Health Review Commission;

The Director, Freedom of Information Office, Office of Communications and Public Affairs, Federal Energy Administration; and

The General Counsel, Council on Wage and Price Stability, Executive Office of the President (with accompanying papers); to the Committee on the Judiciary.

Report of the Advisory Council on Education Statistics

A letter from the Assistant Secretary for Education, Office of the Assistant Secretary for Education, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on the Advisory Council on Education Statistics, on the membership and functions of the Council, a summary of Council activities, and the findings and recommendations made during the previous calendar year (with an accompanying report); to the Committee on Labor and Public Welfare.

Report on Presidential Advisory Committee Recommendations

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on Presidential Advisory Committee recommendations, March 1976 (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Water Resources Council

A letter from the Chairman, U.S. Water Resources Council, reporting, pursuant to law, on the activities of the Federal Water Resources Council; to the Committee on Public Works.

Report on the Railroad-Highway Demonstration Projects

A letter from the Secretary of Transportation, transmitting, pursuant to law, the 1976 annual report on Railroad-Highway Demonstration Projects, December 1975 (with an accompanying report); to the Committee on Public Works.

Report on Railroad Consolidation and Relocation in Urban Areas

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on Railroad Consolidation and Relocation in Urban Areas, March 1976 (with an accompanying report); to the Committee on Public Works.

Report of the Veterans' Administration

A letter from the Administrator, Veterans' Administration, transmitting, pursuant to law, the 1975 annual report of the Veterans' Administration (with an accompanying report); to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ABOUREZK, from the Committee on Interior and Insular Affairs, with an amendment and an amendment to the title:

S. 2981. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1977, together with minority views (Rept. No. 94–737).

By Mr. ABOUREZK, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 1465. An act to provide for the division of assets between the Twenty-nine Palms Band and the Cabazon Band of Mission Indians, Calif., including certain funds in the U.S. Treasury, and for other purposes (Rept. No. 94–738).

By Mr. TUNNEY, from the Committee on Commerce without amendment:

S. 1624. A bill to promote the free flow of commerce among the several States, and for other purposes (Rept. No. 94–739).

BILL PLACED ON CALENDAR

Pursuant to the order of the Senate of February 4, 1974, the Committee on Labor and Public Welfare was discharged from the further consideration of the bill (H.R. 7108) to authorize appropriations for environmental research, development, and demonstration, and the bill was placed on the calendar.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were received:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Charles W. Robinson, of California, to be Deputy Secretary of State.

Dortch Oldham, of Tennessee; and

Beryl B. Milburn, of Texas, to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs.

Maurice J. Williams, of West Virginia, Chairman of the Development Assistance Committee of the Organization for Economic Cooperation and Development at Paris, France, for the rank of Minister, while so serving.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Samuel R. Martinez, of Colorado, to be Director of the Community Services Administration.

James F. Scearce, of Virginia, to be Federal Mediation and Conciliation Director.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHURCH (for himself, Mr. Williams, and Mr. Tunney):

S. 3248. A bill to amend title II of the Social Security Act to establish eligibility for husband's benefits based on having a child in care, and to provide benefits for widowed fathers with minor children. Referred to the Committee on Finance.

By Mr. DOMENICI:

S. 3249. A bill to authorize the Secretary of the Interior to amend the contract for the construction, operation, and maintenance of the Vermejo Reclamation Project between the Vermejo Conservancy District, located in the State of New Mexico, and the United States. Referred to the Committee on Interior and Insular Affairs.

S. 3250. A bill for the relief of the Vermejo Conservancy District. Referred to the Committee on the Judiciary.

By Mr. McGOVERN (for himself and Mr. Abourezk):

S. 3251. A bill to authorize establishment of the Gutzon Borglum National Historic Site, S. Dak., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. LONG (for himself and Mr. Johnston):

S. 3252. A bill to amend the Act authorizing the construction of the Mississippi River-Gulf outlet with respect to certain bridge construction. Referred to the Committee on Public Works.

S. 3253. A bill to amend the Red River Waterway authorization. Referred to the Committee on Public Works.

By Mr. INOUYE (for himself, Mr. Magnuson, Mr. Baker, Mr. Cannon, Mr. Hugh Scott, Mr. McGee, and Mr. Moss):

S. 3254. A bill to amend the act to encourage domestic travel in order to authorize the Secretary of Commerce to provide certain assistance to projects carrying out the purpose of such act. Referred to the Committee on Commerce.

By Mr. EASTLAND:

S. 3255. A bill for the relief of Lai-Fung Wong. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 3256. A bill to authorize the burial of the remains of Matthew A. Henson in the Arlington National Cemetery, Va. Referred to the Committee on Veterans' Affairs.

By Mr. INOUYE:

S. 3257. A bill to require that skilled nursing homes furnishing services under the medicare and medicaid programs be adequately equipped with wheel chairs and other appropriate equipment and supplies. Referred to the Committee on Finance.

By Mr. STEVENS:

S. 3258. A bill to amend Sec. 8335(e) of title 5, United States Code. Referred to the Committee on Post Office and Civil Service.

By Mr. BUMPERS:

S. 3259. A bill to establish in the Energy Research and Development Administration an Energy Extension Service to develop, demonstrate, and analyze energy conservation opportunities, and to develop programs to encourage acceptance and adoption of energy conservation opportunities by energy con-

Referred to the Committee on Interior and Insular Affairs.

By Mr. LONG:

S. 3260. A bill to amend the Intercoastal Shipping Act, 1933, by revising its suspension provisions and by authorizing periodic promulgation of rate of return guidelines. Referred to the Committee on Commerce.

S. 3261. A bill to amend the Intercoastal Shipping Act, 1933, for the purpose of assuring adequate, modern, and efficient transportation by water between the noncontiguous States, territories, and possessions of the United States, and the U.S. mainland. Referred to the Committee on Commerce.

By Mr. JAVITS (for himself and Mr. Williams):

S. 3262. A bill to amend and improve the programs authorized under the Emergency Unemployment Compensation Act of 1974, and the Emergency Jobs and Unemployment Assistance Act of 1974, to extend such programs for 1 year, and for other purposes; to the Committee on Labor and Public Welfare and the Committee on Finance, jointly, by unanimous consent.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHURCH (for himself, Mr. Williams, and Mr. Tunney):

S. 3248. A bill to amend title II of the Social Security Act to establish eligibility for husband's benefits based on having a child in care, and to provide benefits for widowed fathers with minor children. Referred to the Committee on Finance.

FATHER'S SOCIAL SECURITY BENEFITS

Mr. CHURCH. Mr. President, on behalf of myself and Senators WILLIAMS and TUNNEY, I introduce for appropriate reference a bill to provide benefits for a husband, widower, or surviving divorced husband on the same basis as for a wife, widow, or surviving divorced wife similarly situated.

Social security benefits are now payable to a retired or disabled worker's wife, or a deceased worker's widow or divorced widow, regardless of her age, provided two conditions are met:

First. She has in her care a child under 18 or over 18 and disabled; and

Second. She does not have substantial earnings from work.

Until recently, no benefits were provided for fathers in like circumstances. This, however, was changed by the historic Weinberg against Wiesenfeld decision.

The Supreme Court held that the gender-based distinction in the social security law—granting survivors' benefits on the earnings of a deceased husband and father to a widow and minor children in her care, but providing benefits on the earnings of a covered deceased widow and mother only to the minor children—violates the right to equal protection secured by the due process clause of the fifth amendment.

The Supreme Court determined that this provision unjustifiably discriminates against women wage earners by affording them less protection for their survivors than provided for men wage earners.

The Social Security Administration estimates that 15,000 widowed fathers will be affected by the Wisenfeld decision.

Legislation, however, is still necessary because the Wiesenfeld case left unsettled a number of important questions. One example, is whether benefits should continue when a surviving father with dependent children in his care remarries.

In addition, the Wiesenfeld decision applied only to widowed fathers with entitled children in their care. It did not, however, provide benefits for young husbands or surviving divorced husbands with children in their care.

Under my proposal, remarriage would terminate benefits—in the same manner that it does now for a surviving mother with dependent children in her care.

To my way of thinking, sex alone should never be a basis for difference in treatment. Benefits for widowed fathers with entitled children should be provided on the same basis as benefits are now provided for widowed mothers similarly situated.

Moreover, my proposal will provide an important step in assuring that contributions of women generate as much in benefits for their family members as the contributions of men.

My proposal, I am pleased to say, is supported by several leading authorities. The 1975 Advisory Council on Social Security, for example, recommended that "benefits be provided for fathers on the same basis as benefits are provided for mothers."

In testimony before the House Ways and Means Social Security Subcommittee on February 2, Secretary of HEW Mathews also urged that benefits should be provided for young husbands and fathers who have in their care a child under 18, or disabled, and entitled to benefits on the same basis as for wives and mothers similarly situated.

I also want to stress that this bill can be enacted into law now while the Congress examines alternatives for reducing the long-range and short-term actuarial deficit for social security. The long-range cost of this proposal is negligible because the overwhelming proportion of widowed fathers with young children will continue to work outside the home. Benefits, therefore, will not be payable to them under the earnings test.

Mr. President, I urge prompt approval of this legislation. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ELIGIBILITY FOR HUSBAND'S BENEFITS BASED ON HAVING CHILD IN CARE

SECTION 1. (a) Section 202(c)(1)(B) of the Social Security Act is amended to read as follows:

"(B) has attained age 62 or (in the case of a husband) has in his care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual,".

(b) Section 202(c)(1) of such Act is further amended by inserting immediately after the first sentence the following new sentence: "In the case of a husband who has not attained age 62, entitlement to such benefits shall also end with the month preceding the first month in which no child of the insured individual is entitled to a child's insurance benefit.".

BENEFITS FOR WIDOWED FATHERS WITH MINOR CHILDREN

SEC. 2. Section 202(g) of the Social Security Act is amended to read as follows:

"Mother's and Father's Insurance Benefits

"(g)(1) The widow, widower, and every surviving divorced mother or father (as defined in section 216(d)) of an individual who died a fully or currently insured individual, if such widow, widower, or surviving divorced mother or father—

"(A) is not married,

"(B) is not entitled to a widow's or widower's insurance benefit,

"(C) is not entitled to old-age insurance benefits, or is entitled to old-age insurance benefits each of which is less than three-fourths of the primary insurance amount of such individual,

"(D) has filed application for mother's or father's insurance benefits, or was entitled to wife's or husband's insurance benefits on the basis of the wage and self-employment income of such individual for the month preceding the month in which such individual died, and

"(E) at the time of filing such application has in her or his care a child of such individual entitled to a child's insurance benefit,

shall (subject to subsection (s)) be entitled to a mother's or father's insurance benefit for each month, beginning with the first month in which she or he becomes so entitled to such insurance benefits and ending with the month preceding the first month in which any of the following occurs: no child of such deceased individual is entitled to a child's insurance benefit, or such widow, widower, or surviving divorced mother or father becomes entitled to an old-age insurance benefit equal to or exceeding three-fourths of the primary insurance amount of such deceased individual, becomes entitled to a widow's or widower's insurance benefit, remarries, or dies. Entitlement to such benefits shall also end, in the case of a surviving divorced mother or father, with the month immediately preceding the first month in which no son, daughter, or legally adopted child of such surviving divorced mother or father is entitled to a child's insurance benefit on the basis of the wages and self-employment income of such deceased individual.

"(2) Such mother's or father's insurance benefit for each month shall be equal to three-fourths of the primary insurance amount of such deceased individual.

"(3) In the case of a widow, widower, or surviving divorced mother or father who marries—

"(A) an individual entitled to benefits under this subsection or subsection (a), (b), (c), (e), (f) or (h), or under section 223(a), or

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

the entitlement of such widow, widower, or surviving divorced mother or father to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) but subject to subsection (s), not be terminated by reason of such marriage; except that, in the case of such a marriage to an individual entitled to benefits under section 223(a) or subsection (d) of this section, the preceding provisions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under section 223(a) or subsection (d) of this section unless (i) he or she ceases to be so entitled by reason of his or her death, or (ii) in the case of an individual who was entitled to benefits under section 223(a), he or she is entitled, for the month following such last month, to benefits under subsection (a) of this section.".

MISCELLANEOUS CONFORMING AMENDMENTS

SEC. 3. (a) Section 202(b)(3)(A) of the Social Security Act is amended by striking out "(f) or (h)" and inserting in lieu thereof "(f), (g), or (h)".

(b) Section 202(e)(3)(A) of such Act is amended by striking out "(f) or (h)" and inserting in lieu thereof "(f), (g), or (h)".

(c) Section 202(f)(1)(C) of such Act is amended by inserting after the comma at the end thereof the following: "or was entitled, on the basis of such wages and self-employment income, to father's insurance benefits for the month preceding the month in which he attained age 65,".

(d) Section 202(k) of such Act is amended—

(1) by striking out "or (f)(5)" wherever it appears in paragraphs (2)(B) and (3)(B) and inserting in lieu thereof in each instance "or (f)(4)"; and

(2) by striking out "or (f)(3)" in paragraph (3)(A) and inserting in lieu thereof "or (f)(2)".

(e)(1) Section 202(p)(1) of such Act is amended by striking out "subparagraph (C) of subsection (c)(1),".

(2) Section 202(p)(1) of such Act is further amended by striking out "clause (i) or (ii) of subparagraph (D) of subsection (f)(1), or".

(f)(1)(A) Section 202(q)(3)(E) of such Act is amended, in the matter preceding clause (i) thereof, by inserting "or surviving divorced husband" immediately after "in the case of a widower".

(B) Section 202(q)(3)(F) of such Act is amended, in the matter preceding clause (i) thereof, by inserting "or surviving divorced husband" immediately after "in the case of a widower".

(C) Section 202(q)(3)(G) of such Act is amended by inserting "or surviving divorced husband" immediately after "in the case of a widower".

(2)(A) Section 202(q)(5)(A) of such Act is amended—

(i) by inserting "or husband's" immediately after "wife's" each place it appears therein,

(ii) by inserting "or by him" immediately after "by her",

(iii) by inserting "or he" immediately after "she" each place it appears therein,

(iv) by inserting "or in his" immediately after "in her", and

(v) by striking out "her wife's insurance benefit" and inserting in lieu thereof "her wife's or his husband's insurance benefit".

(B) Section 202(q)(5)(B) of such Act is amended—

(i) by striking out "woman" and inserting in lieu thereof "individual", and

(ii) by striking out "she" and inserting in lieu thereof "such individual".

(C) Section 202(q)(5)(C) of such Act is amended—

(i) by striking out "woman" and inserting in lieu thereof "individual",

(ii) by inserting "or his" after "in her her",

(iii) by inserting "or he" immediately after "she" each place it appears therein, and

(iv) by inserting "or husband's" immediately after "wife's".

(D) Section 202(q)(5)(D) of such Act is amended by inserting immediately before the period at the end thereof the following: "; and no widower's insurance benefit for a month in which he has in his care a child of his deceased wife (or deceased former wife) entitled to child's insurance benefits shall be reduced under this subsection below the amount to which he would have been entitled had he been entitled for such month to father's insurance benefits on the basis of his deceased wife's (or deceased former wife's) wages and self-employment income".

(3) Section 202(q)(A)(i)(II) of such Act is amended by inserting "or husband's" immediately after "wife's".

(4) Section 202(q)(7)(B) of such Act is amended—

(A) by inserting "or husband's" immediately after "wife's",

(B) by inserting "or he" immediately after "she", and

(C) by inserting "or his" immediately after "or her".

(g) Section 202(s) of such Act is amended—

(1) by inserting "(c)(1)," after "(b)(1)," in paragraph (1);

(2) by striking out "Subsection (f)(4), and so much of subsections (b)(3), (d)(5), (e)(3), (g)(3), and (h)(4), of this section as precedes the semicolon" in paragraph (2) and inserting in lieu thereof "Subsections (b)(3), (c)(4), (e)(3), and (f)(3), and so much of subsections (d)(5), (g)(3), and (h)(4) of this section as precedes the semicolon"; and

(3) by striking out "Subsections (c)(2)(B) and (f)(2)(B) of this section, so much of subsections (b)(3), (d)(5), (e)(3), (g)(3), and (h)(4)" in paragraph (3) and inserting in lieu thereof "So much of subsections (d)(5), (g)(3), and (h)(4)".

(h) Section 203 (c)(2) of such Act is amended—

(1) by striking out "wife" and inserting in lieu thereof "wife or husband";

(2) by striking out "wife's" each place it appears and inserting in lieu thereof "wife's or husband's";

(3) by striking out "her care" and inserting in lieu thereof "her or his care"; and

(4) by striking out "her husband" each place it appears and inserting in lieu thereof "her or his spouse".

(i)(1) Section 203(c)(3) of such Act is amended to read as follows:

"(3) in which such individual, if a widow or widower entitled to a mother's or father's insurance benefit, did not have in her or his care a child of the deceased husband or wife entitled to a child's insurance benefit; or"

(2) Section 203(c)(4) of such Act is amended to read as follows:

"(4) in which such individual, if a surviving divorced mother or father entitled to a mother's or father's insurance benefit did not have in her or his care a child of her or his deceased former spouse who (A) is her or his son, daughter, or legally adopted child and (B) is entitled to a child's insurance benefit on the basis of the wages and self-employment income of her or his deceased former spouse.".

(j) The last sentence of section 203(c) of such Act is amended by inserting "or surviving divorced husband" after "the widower".

(k) The second sentence of section 205(b) of such Act is amended by inserting "surviving divorced father," after "surviving divorced mother,", by inserting "divorced husband," after "husband,", and by inserting "surviving divorced husband," after "widower,".

(l)(1) Section 216(d)(3) of such Act is amended to read as follows:

"(3) The term 'surviving divorced mother or father' means an individual divorced from a person who has died, but only if (A) such individual is the mother or father of such person's son or daughter, (B) such individual legally adopted such person's son or daughter while such individual and such person were married and while such son or daughter was under the age of 18, (C) such person legally adopted such individual's son or daughter while such individual and such person were married and while such son or daughter was under the age of 18, or (D) such individual was married to such person at the time both of them legally adopted a child under the age of 18."

(2) The heading of section 216(d) of such Act (as amended by section 2(c)(3) of this Act) is amended by inserting "Surviving Divorced Mothers and Fathers;" immediately after "Husbands;".

(m)(1) The first sentence of section 222(b)(1) of such Act is amended by striking out "or surviving divorced wife" and inserting divorced wife, or surviving divorced husband".

(2) Section 222(b)(2) of such Act is amended by inserting "or father's" after "mother's" each place it appears.

(3) Section 222(b)(3) of such Act is amended by inserting "divorced husband," immediately after "husband,".

(n) Section 222(d)(1) of such Act is amended by inserting "and surviving divorced husbands" immediately after "for widowers".

(o) Section 223(d)(2) of such Act is amended by striking out "or widower" in subparagraphs (A) and (B) and inserting in lieu thereof "widower, or surviving divorced husband".

(p) The first sentence of section 225 of such Act is amended by inserting "or surviving divorced husband" immediately after "a widower".

(q) Section 226(h)(3) of such Act is amended—

(A) by inserting "(A)" immediately after "(3)", and

(B) by adding at the end thereof the following new subparagraph:

"(B) For purposes of determining entitlement to hospital insurance benefits under subsection (b) any disabled widower age 50 or older who is entitled to father's insurance benefits (and who would have been entitled to widower's insurance benefits by reason of disability if he had filed for such widower's benefits) shall, upon application for such hospital insurance benefits, be deemed to have filed for such widower's insurance benefits and shall, upon furnishing proof of such disability within such time limits and under such procedures as the Secretary may prescribe, be deemed to have been entitled to such widower's insurance benefits as of the time he would have been entitled to such widower's benefits if he had filed a timely application therefor.".

EFFECTIVE DATE

SEC. 3. (a) The amendments made by the preceding sections of this Act shall be effective with respect to monthly insurance benefits under the Social Security Act for months after the month in which this Act is enacted based on applications therefor filed in or after the month in which this Act is enacted.

(b) Nothing in subsection (a) shall be construed to limit any right, to monthly benefits under title II of the Social Security Act, which any individual may be, or may have been, determined to have by a court of competent jurisdiction or by the Secretary of Health, Education, and Welfare on the basis of a decision by such a court.

FATHERS' SOCIAL SECURITY BENEFITS

Mr. WILLIAMS. Mr. President, earlier in this session I sponsored legislation which, if enacted, would correct several longstanding inequities in the treatment of women and their dependents under social security. Today, I am pleased to join Senator CHURCH and Senator TUNNEY in cosponsoring a measure which would be another step toward eliminating discrimination on the basis of sex in social security. This bill would provide social security benefits for a widower or surviving divorced husband on the same basis as for a widow or surviving divorced wife.

Social Security Act benefits based on the earnings of a deceased husband and father are payable, with some limitations, both to the widow and to the minor children in her care. Similar benefits were denied widowers in like circumstances until the Supreme Court in the Weinberger against Wisenfeld case held that the gender-based distinction in the Social Security Act is unconstitutional.

As a result of the Supreme Court decision, HEW issued regulations which provided deceased wife's benefits for a widower and his dependent children. However, a divorced widower's eligibility for benefits was left unresolved. No provision was made to permit payment of deceased wife's benefits for divorced fathers, despite the fact that divorced mothers receive benefits based on the earnings of the father who dies. This legislation would permit benefits to be paid to surviving divorced fathers with minor or disabled children in his care.

Another unresolved issue is the young widowed husband's eligibility for benefits based on the deceased wife's earnings. In order for a widower to receive a benefit on the basis of his wife's earnings, it is necessary to prove that he was receiving one-half of his support from his wife when she died. S. 2860, a bill I cosponsored with Senator Church, would eliminate the dependency requirements for entitlement to husbands and widowers social security benefits. The provision in the legislation being introduced today would insure that the dependence requirement is eliminated as well for a young widower with children in his care.

Lastly, this measure would clarify the eligibility of the surviving father with dependent children if he chooses to remarry. Under present law, social security benefits are terminated for a widow with children in her care if she remarries. But it is not clear whether benefits are similarly terminated for a surviving father. I believe that this provision in the law should apply equally to fathers with children who remarry. This bill, therefore, ends a surviving father's benefits in the same manner as a surviving mother.

Mr. President, I am proud that Congress continues to review the social security system with a greater eye toward social justice. Yet, despite past efforts to make the system equitable, sex discrimination under social security still exists. Times have changed drastically since social security was established, particularly the role of working women and the needs of their dependents. Accordingly, it is important that the social security laws be amended to reflect these changes in society. Working women certainly deserve the same rights and protection for their surviving dependents as working men. I am hopeful that this legislation will contribute to that objective.

By Mr. DOMENICI:

S. 3249. A bill to authorize the Secretary of the Interior to amend the contract for the construction, operation, and maintenance of the Vermejo Reclamation Project between the Vermejo Conservancy District, located in the State of New Mexico, and the United States. Referred to the Committee on Interior and Insular Affairs.

S. 3250. A bill for the relief of the Vermejo Conservancy District. Referred to the Committee on the Judiciary.

VERMEJO CONSERVANCY DISTRICT

Mr. DOMENICI. Mr. President, today I am introducing legislation designed to provide some relief to residents in the Vermejo Conservancy District in Maxwell, N. Mex. The legislation will provide a means for the conservancy district to cancel its remaining construction obligations.

The Vermejo Project was authorized by the act of September 27, 1950 (64 stat. 1072), as amended. In accordance with section 3 of that act, the President approved the project on June 22, 1951. The Bureau of Reclamation program was initiated in 1953 and completed in 1955. The project works were designed to serve 7,379 irrigable acres in the Vermejo Conservancy District. Water for the project is derived from the Vermejo River and Chico Rico Creek watersheds. Runoff from the Vermejo River watershed can serve about 60 percent of the land.

There are some major deficiencies in the project and these include, water shortages and inability to divert, store and distribute the available waters efficiently. The water for this project is diverted from the two watersheds through long supply canals and the sediment load carried in both watersheds is high. The district spends most of its operation and maintenance budget for silt removal. The Bureau indicates that upstream developments and climatic conditions have reduced the project's overall average water supply to about 50 percent of the long-range expectations shown in the plan report.

Unfortunately, for the Vermejo Conservancy District, the supply has been much less than 50 percent. In 1974, an estimated total farm delivery of only 1,770 acre-feet was made compared to the normal full-supply requirement of about 20,000 acre-feet. Of that total, nearly all was used on 1,100 acres, and essentially no water was distributed to the remaining 6,279 acres in the project.

The Vermejo watershed derives its water largely from snowmelt and has produced virtually no significant amount of project water during the past four irrigation seasons. The Chico Rico Creek watershed derives its water largely from rainfall and has produced the major supply of water for the project during the past years. However, the supply of water has been inadequate for optimum crop production.

About the only solution to the water supply problem would involve construction of sediment-detention structures and water storage and diversion facilities on both the Vermejo River and Chico Rico Creek. However, this would require millions of dollars and cannot be justified from the standpoint of economics. In addition, the district does not have the repayment capacity.

The Bureau of Reclamation has concluded that the long-term outlook for an adequate supply of water will continue to be limited, particularly from the Vermejo River watershed. The extremely poor economic conditions brought on because of the water shortage have restricted the Vermejo Conservancy District's ability to repay its construction obligation in the past and it appears likely that these conditions will continue and may even worsen.

Mr. President, it appears that the only solution to this problem is for the Congress to enact legislation to cancel the remaining repayment obligation. It is my hope that the appropriate committee will act on this legislation as soon as possible so that the people in Maxwell will no longer be burdened with this debt.

Mr. President, I ask unanimous consent that a letter from the Bureau of Reclamation which describes the situation be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Bureau of Reclamation,
Washington, D.C., January 8, 1976.
Hon. Pete V. Domenici,
U.S. Senate, Washington, D.C.

Dear Senator Domenici: This is in reply to your letter of November 28, 1975, concerning problems of the Vermejo Conservancy District at Maxwell, New Mexico, as expressed by Mr. Durward Sims, president of the board of directors, in his November 19, 1975, letter to you.

The water supply for the 7,379-acre project has been declining, as indicated by end-of-month storage records for the three storage reservoirs on the project, and reflects the known drought conditions of the watershed.

The district officials feel that the numerous water detention, stockwater, and fishpond structures, which have been constructed during the last 20 years or subsequent to the water supply studies associated with authorization of the project, are the primary causes of the water shortage. That assumption seems to be confirmed by the long-term streamflow records near Dawson, New Mexico, which is the only stream-gaging station in the vicinity. Records at that station, which measures about 88 percent of the Vermejo watershed, have indicated a declining trend in the total runoff, except in years of major floods. The Vermejo watershed derives its water largely from snowmelt and has produced virtually no significant amount of project water during the irrigation season in the past 4 years. The other watershed, the Chicorica Creek, derives its water largely from rainfall, and high runoff has produced the major supply of water for the project during the past years. However, that supply has been inadequate for optimum crop production.

A contributing factor to the shortage of water is the poor condition of the diversion dams and supply canals which often become clogged with debris and silt so that much of the available runoff to which the district is entitled cannot be diverted. This also results in high operation and maintenance costs.

The first irrigation facilities in the Vermejo Conservancy District were constructed in the 1890's by private interests. Works provided under the Bureau of Reclamation's program were largely for rehabilitation and betterment (R&B) of the existing project facilities. The Reclamation program was completed in 1955, and payment of the $2,107,943 R&B obligation began in 1966 after a 10-year development period. Contract payments are determined under a variable repayment formula, and project payout is estimated to require about 73 years. This would result in an average annual payment of about $28,900 or $3.92 per irrigable acre.

The district had some relief during the first 8 years of payments. About $0.30 per acre or $2,213.70 per year was allowed for the years 1966 through 1968 and $0.50 per acre or $3,690 per year for the years 1969 through 1973. The 1974 payment of $12,688 was made on schedule. Upon receipt of the 1975 repayment notice, which was determined to be $16,842, the district requested a deferment of all but $5,000 of this sum. However, we informed the district that another annual deferment was not considered to be an interim solution to the real problem and that, under the Act of September 21, 1959 (73 Stat. 584), a permanent resolution of the problem by contract would require congressional approval. We offered to work with the district officials in an effort to resolve the situation. The district paid only one-half of its requested $5,000 payment by the due date of February 1, 1975, and the other one-half by August 1, 1975. The remaining $11,842 is now delinquent, $5,921 since February 1, 1975, and $11,842 since August 1, 1975.

It is evident that the long-term outlook for an adequate supply of water will continue to be poor, particularly from the Vermejo River watershed. The expenditures necessary to modernize the irrigation system are difficult to justify from the standpoint of economics.

We have concluded that the Vermejo Conservancy District does not have the ability to repay its construction costs associated with the Vermejo Project. Legislative measures would be required to cancel the district's remaining repayment obligation.

Sincerely yours,

G. G. Stamm,
Commissioner.

By Mr. McGOVERN (for himself and Mr. Abourezk):

S. 3251. A bill to authorize establishment of the Gutzon Borglum National Historic Site, South Dakota, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

THE GUTZON BORGLUM NATIONAL HISTORIC SITE ACT

Mr. McGOVERN. Mr. President, in 1925 the Mt. Rushmore National Memorial, first called the Mount Harney Memorial, was begun in the rugged and beautiful Black Hills of South Dakota. Started as a private enterprise, it soon became apparent that Federal assistance would have to be provided if the monument, as conceived by its sculptor, Gutzon Borglum, was to be completed.

Through a succession of appropriations the four great heads of Presidents Washington, Jefferson, Theodore Roosevelt and Lincoln were carved in stone for generations yet to come. They are today a source of inspiration for all Americans marking as they do the pride in our past which provides the foundation for the future.

It is well to note, in the context of our Bicentennial, the specific quotations that are carved at the Rushmore Memorial for the men we honor:

From George Washington's First Inaugural Address of April 1789:

> . . . the preservation of the sacred fire of liberty and the destiny of the Republican model of government, are justly considered as deeply, perhaps as finally staked, on the experiment entrusted to the hands of the American people.

From Thomas Jefferson's Declaration of Independence on—July 4, 1776:

> . . . We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among are Life, Liberty and the pursuit of Happiness.

From Theodore Roosevelt's address at Carnegie Hall in New York City on March 30, 1912:

> . . . We, here in America, hold in our hands the hopes of the world, the fate of the coming years; and shame and disgrace will be ours if in our eyes the light of high resolve is dimmed, if we trail in the dust the golden hopes of men.

And from Abraham Lincoln's second Inaugural Address on March 4, 1875:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in . . . .

Even as we note the inspiring words of these great Americans whose visages are preserved for all time on this great stone mountain in South Dakota, so, too, should we turn our attention to the preservation of the studio and artifacts of the sculptor who made this possible, Gutzon Borglum.

Located just to the east of the Black Hills National Forest, the Gutzon Borglum Ranch and Studio captures the creative atmosphere in which this great American transformed the spirit of America into works of art.

Certainly it is fitting that in this Bicentennial Year we, as a people, preserve the memory of a man whose sacrifice, dedication and selfless devotion to a dream has allowed us to stand in the presence of these figures from the past, to gain, each in his own way, personal inspiration for the future.

Mr. President, I am pleased to introduce, along with my good friend, Senator Abourezk, "The Gutzon Borglum National Historic Site Act." This bill provides, through a cooperative arrangement with the State of South Dakota, a portion of the money needed to purchase and preserve these irreplaceable studio and artifacts.

I ask unanimous consent that this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Gutzon Borglum National Historic Site Act."

Sec. 2. That, in order to preserve in public ownership historically significant properties associated with the life and cultural achievements of Gutzon Borglum, the Secretary of Interior is authorized to contract with the State of South Dakota for the purpose of purchasing those properties and structures together with any works of art, furnishings, reproductions within the structures and on the memorial grounds deemed by the Secretary as necessary for the purposes of this Act.

Sec. 3. Under the provisions of this Act, the Borglum Ranch and Studio shall be defined as that property which is described by title caption as: Tract Borglum portion of North Half of the Southwest Quarter, (N½SW¼) of Section Sixteen (16), Township Three South, Range Seven East (T3S–R7E) of the Black Hills Meridian in Custer County, South Dakota, and Tract A in Southeast Quarter of the Southeast Quarter of the Northwest Quarter (SE¼SE¼NW¼) of Section Sixteen (16) Township Three South, Range Seven East (T3S–R7E) of the Black Hills Meridian in Custer County, South Dakota.

Sec. 4. The purchase of this property shall be accomplished through participation of Department of Interior and the State of South Dakota by means of a matching grant program. The Federal portion of this grant shall be fifty-two percent (52%) and shall not exceed $300,000. The State of South Dakota shall be responsible for the procurement of the remainder of the funds required for purchase of this property and any future purchases.

Sec. 5. The State of South Dakota, through the Office of Cultural Preservation, shall administer, protect, develop, and maintain the Gutzon Borglum National Historic Site with the advice and consent of the Gutzon Borglum Memorial Committee, organized for the purpose of preserving this site.

Sec. 6. (a) There is hereby established a Gutzon Borglum Memorial Committee (hereafter in this section referred to as the "Committee.")

(b) The Committee shall be composed of sixteen (16) members appointed by the Governor for terms of three years each, as follows: (1) Two members to be appointed from the recommendations submitted by the Secretary to represent the interests of the Interior Department; (2) Two members to be appointed from recommendations submitted by the Chief of the Forest Service; (3) The Secretary of the Office of Cultural Preservation or his designate; (4) The Secretary of the Department of Economic and Tourism Development or his designate; (5) Ten members from recommendations by the Office of Cultural Preservation who have demonstrated active interest in preserving for posterity this important site.

(c) Any vacancy in the Committee shall be filled in the same manner in which the original appointment was made.

(d) The Chairmanship of the Committee shall be determined by affirmative vote of a majority of the members thereof.

(e) Members of the Committee shall serve without compensation, as such, but the Secretary is authorized to pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by representatives of the Federal Government in carrying out their responsibilities under this Act.

(f) The Committee shall meet as the circumstances require and consult with the State of South Daokta on general policies and specific matters related to the administration of the historic site.

(g) The Committee shall act and advise by affirmative vote of a majority of the members thereof.

Sec. 7. The Secretary and the Committee shall take into account comprehensive local or State development, land use, or recreational plans affecting or relating to areas in the vicinity of the site, and shall, wherever practicable, consistent with the purposes of this Act, exercise the authority granted by this Act in a manner which will not conflict with such local or State plans.

Sec. 8. When the sites, structures, and other properties authorized for acquisition under the third section of this Act have been transferred to the State of South Dakota, the Secretary of the Interior shall establish the Gutzon Borglum National Historic Site by publication of notice thereof in the Federal Register.

Sec. 9. In order that the Gutzon Borglum National Historic Site may achieve more effectively its purpose as a living memorial, the Secretary of the Interior is authorized to cooperate with the South Dakota Office of Cultural Preservation and the Gutzon Borglum Memorial Committee and other

organizations in the presentation of art expositions and festivals and other appropriate events that are traditional to the site.

By Mr. LONG (for himself and Mr. JOHNSTON):

S. 3252. A bill to amend the act authorizing the construction of the Mississippi River-Gulf outlet with respect to certain bridge construction. Referred to the Committee on Public Works.

Mr. LONG. Mr. President, Public Law 455 of the 84th Congress, 2d session, authorized construction of the Mississippi River-gulf outlet, a 70-mile tidewater channel designed to provide an alternate route for ocean-going vessels calling at the Port of New Orleans. As constructed, the channel extends from the industrial canal in New Orleans to the open waters of the Gulf of Mexico in the vicinity of Breton Sound.

The details regarding this project are set forth in the report of the U.S. Chief of Engineers, dated May 5, 1948, contained in House Document No. 245, 82d Congress, 1st session.

At its upper reaches, from approximately Paris Road to its junction with the industrial canal, the channel also serves as part of the Gulf Intracoastal Waterway, which extends from Florida to Mexico.

The industrial canal which extends from Lake Pontchartrain to the Mississippi River, with a lock at the river end, is not a Federal project. It was constructed by and entirely with funds of the board of commissioners of the Port of New Orleans, an agency of the State of Louisiana, commonly known as the dock board, which administers the public wharves and landings of the Port of New Orleans, and which is also the local assuring agency for the Mississippi River-Gulf outlet.

To accommodate the Gulf Intracoastal Waterway and as a saving of Federal funds, the dock board has leased to the United States the right to use that portion of the industrial canal which extends from the Mississippi River-gulf outlet to the river and also the lock located at the juncture with the Missisippi River.

I might observe that none of the bridges across this portion of the canal have been federally funded, as would have been the case had the United States been required to construct a new channel for the Gulf Intracoastal Waterway.

The industrial canal, which was constructed in 1918 and is also designed to accommodate ocean-going traffic, is now lined with wharves and industries, both public and private, and the dock board and others have also made substantial port-oriented investments along the north bank of the Mississippi River-gulf outlet.

In fact, the tidewater region served by the confluences of the Mississippi River-Gulf outlet, the industrial canal and the Gulf Intracoastal Waterway has been dubbed "Centroport" by the dock board and figures most prominently in that board's short- and long-range plans for port development.

As noted, the only connection between the Gulf Intracoastal Waterway, the Mississippi River-gulf outlet system, and the Mississippi River itself, is the now antiquated lock that was built by the dock board in 1923.

Because of the extraordinary volume of traffic, that lock is and has been for many years a source of extensive delays of up to 80 hours to both oceangoing and coastal traffic, at enormous expense to those industries and at great inconvenience and expense to their customers.

For this reason and also because of its limited size and its inadequate sill depth, that lock is and has been a marked deterrent to development in the Centroport area and the growth of commerce both in the area and on the Gulf Intracoastal Waterway.

The Congress, through Public Law 455 and its adoption of House Document 245, took note of this then developing problem in providing:

> That when economically justified by obsolescence of the existing industrial canal lock, or by increased traffic, replacement of the existing lock or an additional lock with suitable connections is hereby approved.

As a result of studies conducted at the district and division engineer levels and now awaiting final approval, the Corps of Engineers has determined that the conditions described have now become so acute as to warrant construction of the new lock and connecting channel approved in Public Law 455, and is proposing that the new connection between the Mississippi River-gulf outlet and the Mississippi River be made at or in the vicinity of Meraux, in St. Bernard Parish, below New Orleans.

This proposed connecting channel would also provide a connection with the Gulf Intracoastal Waterway and would thus serve as and provide a link in the latter system that has not heretofore been provided by the Congress at Federal expense.

The construction of the new lock and channel would require severance of the State highway and a branch line of the Southern Railway. However, some confusion exists regarding the meaning of certain language contained in House Document No. 245 regarding responsibility for the bridges that must be constructed if these transportation arteries are severed.

It is the purpose of the bill that I am introducing today with Senator JOHNSTON to clarify the language of Public Law 455 so as to make it clear that the financing of those constructions is indeed a Federal responsibility.

In House Document No. 245, it was stipulated that a federally funded bridge across the Mississippi River-gulf outlet would be constructed at Paris Road and that local interests would provide and maintain "any other bridges required over the waterway."

However, it is my contention and that of local interests that this language was only intended to apply to the Mississippi River-gulf outlet itself and to restoration of the only major artery that was being severed by that project, and not to the then as yet specifically authorized connecting channel or to the effects that the latter would have upon any arteries of transportation.

It is well known and can be adequately documented that for federally funded intracoastal or other waterway projects, restoration of existing arteries of transportation has been a Federal responsibility and has been paid for with Federal funds.

The recognized normal assignment of costs between Federal and local interests provides that when a Federal waterway severs existing land routes the consequently required bridges are a Federal responsibility.

To interpret Public Law 455 in any other manner would present an unjustified exception to well-established practice.

Equity also dictates that the Congress recognize this Federal responsibility, inasmuch as 80 percent of the shallow draft tonnage presently using the obsolete lock is involved in the Nation's commerce, rather than that of Louisiana.

As noted, the new lock and channel will close a gap in the Federal Intracoastal Waterway system and should be funded by the Federal Government as in the case of other segments of that system. Local interests should not be called upon to bear the heavy expense of restoring transportation arteries that are interrupted by an essentially Federal project.

Accordingly, I urge adoption of the measure I am introducing together with my colleague Senator JOHNSTON, which would amend Public Law 455 of the 84th Congress to provide that the required bridges over the new land cut be federally funded.

By Mr. LONG (for himself and Mr. JOHNSTON):

S. 3253. A bill to amend the Red River Waterway authorization. Referred to the Committee on Public Works.

Mr. LONG. Mr. President, the Red River Waterway Commission was created by the Louisiana Legislature to serve as the State agency to provide local requirements and assurances to the U.S. Army Corps of Engineers for the Federal navigation project "Red River Waterway, Louisiana, Arkansas, Oklahoma and Texas."

This Red River Waterway project was authorized by the River and Harbor Act of 1968. It is the only remaining major river in the United States which does not have the benefits of a dependable navigation channel.

The Red River Waterway Commission is deeply concerned about its financial capability to fulfill the rapidly increasing costs of providing local requirements and assurances. They are experiencing tremendous cost increases for rights-of-way, utilities, pipelines, and other relocation items.

The Corps of Engineers original survey report in 1968 showed the local interest costs for real estate alone for the

Red River Waterway from the Mississippi River to Shreveport, La., to be $5,401,000. A realistic estimate based on present day acquisition costs is $18 million.

In addition, similar increased costs for utilities, pipelines, and other relocation costs, which are a responsibility of the Red River Waterway Commission also, can be expected.

Included as an item of local interest assurances is the requirement that the Red River Waterway Commission provide necessary retaining dikes, bulkheads and embankments, or the cost of such retaining works for the disposal of dredged material.

This requirement must be changed to permit Federal payment for retaining dikes. Such procedure is strongly supported by the fact that the spoil retaining dikes are made necessary through Federal requirements to protect the environment and are a construction, not a right-of-way, requirement for the navigation project.

The Red River Waterway Commission is not a construction agency, and therefore will be faced with another large expense if required to provide for the retaining dikes. This should truly be a part of the Federal construction cost for the project.

The requirement that local interests provide retaining dikes or the costs thereof is not consistent with Federal policy on other navigation projects in Louisiana.

The Bayou Barataria project authorized July 3, 1958, the Bayou Lafourche-Lafourche Jump project authorized July 14, 1962, the Gulf Intracoastal Waterway authorized October 23, 1962, and the Mississippi River-Gulf outlet project authorized October 23, 1962, all had requirements for retaining dikes and bulkheads which were built at Federal expense.

Another significant navigation project in Louisiana is the Atchafalaya River and Bayous Chene, Boeuf, and Black, authorized August 13, 1968. This project has been amended by Public Law 93-251, section 58 of the 1974 Water Resources Development Act which specifies that Federal interests shall contribute 75 percent of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads, and embankments therefor.

Three other highly important navigation projects in the State of Louisiana authorized by the River and Harbor Act of 1960 are the Calcasieu River and Pass, Freshwater Bayou and Vicinity, and the Ouachita and Black Rivers projects. All three of these navigation projects as authorized by Congress did not require local interests to provide spoil retaining dikes, bulkheads, or the costs thereof.

I also wish to point out that the intent of Congress was evident in that the predecessor project—Red River Lateral Canal authorized in 1946 as a modification of Red River below Fulton—to the Red River Waterway had no requirement of local costs for providing retaining works. The costs of all spoil dikes and bulkheads where required were to be borne by the Federal Government as a part of the construction costs.

The design of retaining dikes for the Red River Waterway is dictated by Federal environmental regulations which stipulate that dredged effluent must be returned to the main channel with a certain water quality.

To accomplish this, retaining dikes are necessary and are to be built at variable distances from the navigation channel to create large ponding areas to settle out fine particles of earth from the dredged effluent so that the water returned into the river channel will contain as little sand, silt, and turbidity as possible.

These dikes do not enhance the value of the spoil disposal area, nor does their construction reduce the amount of spoil disposal area required.

These procedures and arrangements are designed to protect the environment according to Federal criteria.

Such procedure is not a necessary requirement for the navigation project to be constructed, but rather a Federal requirement through laws such as section 404 of the Federal Water Pollution Control Act Amendments of 1972.

This brief review of major navigation projects in the State of Louisiana presents an accounting of congressional and Federal policy which is conclusively consistent in the fact that local interests have been required to construct spoil dikes or pay the costs thereof.

Certainly, this policy should be continued since local interests and individual property owners will not benefit from the spoil dikes and bulkheads through enhancement of local properties. Rather, these are clearly requirements of Federal environmental regulations.

Also, the Red River Waterway Commission should be relieved of this overburden of costs since their financial capability is limited and in view of rapidly increasing costs for rights-of-way and relocations.

Therefore, I strongly urge that an amendment to the River and Harbor Act of 1968 be included in the omnibus bill, to provide relief to local interests—the Red River Waterway Commission—from having to bear the cost of providing retaining dikes, bulkheads, and so forth.

The measure I am introducing today with my colleague Senator JOHNSTON is patterned after language contained in Public Law 93-251, section 58 of the 1974 Water Resources Act as directed to the Project Atchafalaya River-Bayous Chene, Boeuf and Black. Section 58 specifies that:

> Non-Federal interests shall contribute 25 per centum of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads and embankments therefor.

The Red River Waterway Commission would be willing to assume this burden of 25 percent of the costs as a pledge of full and faithful local support and a demonstration of willingness to accept more than the real local share so that the project can be constructed and completed at the earliest possible time.

Accordingly, I urge adoption of this measure, which I am introducing today with my colleague Senator JOHNSTON.

By Mr. INOUYE (for himself, Mr. MAGNUSON, Mr. BAKER, Mr. CANNON, Mr. HUGH SCOTT, Mr. MCGEE, and Mr. MOSS):

S. 3254. A bill to amend the act to encourage domestic travel in order to authorize the Secretary of Commerce to provide certain assistance to projects carrying out the purpose of such act. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, the most recent statistics from the U.S. Travel Data Center indicate that tourism expenditures in the United States exceed $70 billion annually. According to the U.S. Travel Service, over 5 million jobs are sustained by these expenditures. It is not surprising, therefore, that in 46 of our 50 States tourism is among the top three industries.

Conservative estimates place the cost/benefit ratio at 10 to 1 for Federal dollars spent promoting tourism to and within the United States. In spite of the soundness of this investment and the importance of tourism to our national economy, the Federal Government has been reluctant to give tourism the support it warrants. Our efforts lag far behind those of almost every economically developed country in the Western World.

Attempts which have been made for the Government to recognize tourism's national importance and to support it accordingly have initiated in the U.S. Senate.

The International Travel Act of 1961, which created the U.S. Travel Service, committed the Government to a policy of promoting the United States as an international travel destination originated in the Senate.

Likewise, the major amendments to that act in 1970 had their genesis here. Among other things, those amendments authorized the U.S. Travel Service to grant matching funds to States, cities, and nonprofit organizations for projects promoting international travel to the United States; elevated the position of Director of the U.S. Travel Service to that of an Assistant Secretary of Commerce for Tourism; increased the budget authorization of the Travel Service; and created the National Tourism Resources Review Commission to study the tourism needs and resources of the United States.

During the 1973-74 energy crisis when the policies and proposals of the then Federal Energy Office threatened substantial segments of the tourism industry with financial ruin, the Commerce Committee held extensive hearings, and the Senate unanimously agreed to the resolution which the committee recommended—Senate Resolution 281, 93d Congress, 2d session—as a consequence. That resolution expressed the sense of the Senate that in any allocation of energy supplies or other Federal action to alleviate the energy crisis proper consideration should be given to the provision of adequate supplies of energy to all segments of the tourism industry in view of its national economic and social importance.

Shortly thereafter, on October 10, 1974, the Senate unanimously agreed to Senate Resolution 347. That resolution, which was cosponsored by 71 Senators, authorized the Senate Commerce Committee to conduct a study and investigation which will enable it to recommend a national tourism policy to the Congress. That study has, of course, been underway since last December.

More recently, as a result of legislation which again originated in the Senate (S. 2003, 94th Cong., 1st sess.), funds have been authorized for the U.S. Travel Service to promote domestic tourism. Its efforts may not compete with those of cities, States, or private agencies, however.

As I indicated earlier, the Travel Service is authorized to grant matching funds to cities, States, and nonprofit organizations for projects promoting international travel to the United States; and the Travel Service may supply no more than 50 percent of the cost of such a project.

I believe the success and popularity of this program is indicated by the fact that over $1 million in requests for matching grant projects were submitted to the Travel Service last year.

Recently, in response to an inquiry from the committee, the Acting General Counsel of the Department of Commerce gave his legal opinion that additional legislation was necessary if the Travel Service were to have authority to grant matching funds to cities, States, and nonprofit organizations for projects to promote domestic travel, that is, travel within the United States, as opposed to travel to the United States from abroad.

Inasmuch as the great bulk of tourism volume and expenditures is by far domestic, I believe it is only sound economic sense to give the U.S. Travel Service the authority to institute a matching grants programs for domestic travel promotion projects.

Moreover, since domestic tourism is substantially greater than international tourism, the limited promotional funds available to the majority of cities, States, and nonprofit organizations must be used to promote tourism from adjacent regions and States, because those are the markets.

A matching grant program for domestic travel promotion projects would therefore have more relevance to these entities and permit broader based participation by them.

Accordingly, with Senators Magnuson, Baker, Cannon, McGee, Hugh Scott and Moss, I am introducing legislation which will give the U.S. Travel Service authority to make matching grants for domestic travel promotion projects. In all respects the legislation will be identical to existing law regarding matching grants for international travel promotion, except that it is also subject to the express provision in existing law that the Travel Service's activities shall not compete with the activities of any State, city, or private agency.

In view of your past support and interest in tourism, expressed by the Members of this body, the cosponsors and I would be pleased to have them join us as cosponsors of the proposal which I now send to the desk.

By Mr. BEALL:

S. 3256. A bill to authorize the burial of the remains of Matthew A. Henson in the Arlington National Cemetery, Va. Referred to the Committee on Veterans' Affairs.

BURIAL OF MATTHEW A. HENSON IN ARLINGTON NATIONAL CEMETARY

Mr. BEALL. Mr. President, today marks the 67th anniversary of the discovery of the North Pole by Adm. Robert Peary and Matthew A. Henson. The legislation I am introducing today would permit the remains of Matthew A. Henson to be interred in the Arlington National Cemetery in Virginia.

Matthew Alexander Henson was both a close friend and trusted associate to Admiral Peary during their historic trip to the North Pole. A courageous son of Maryland, Matthew Henson worked hard to overcome the limitations of his childhood and became the first person to locate and stand on top of the world. His dedication to the United States and his loyalty to Admiral Peary earned him the respect and admiration of the other members of the polar expedition. On November 18, 1961, former Maryland Governor, His Excellency J. Millard Tawes, dedicated a plaque in the Statehouse which reads:

> Matthew Alexander Henson, Co-Discoverer of the North Pole with Admiral Robert Edwin Peary, April 6, 1909. Born August 8, 1866, died March 9, 1955. Son of Maryland, exemplification of courage, fortitude and patriotism, whose valiant deeds of noble devotion under the command of Admiral Robert Edwin Peary in pioneer Arctic exploration and discovery, established everlasting prestige and glory for his State and country.

Mr. President, it was Matt Henson's dying wish that he be buried near his friend and leader, Admiral Peary. Among the numerous honors received by this valiant Marylander were a Congressional Medal, a citation from the Department of Defense, and a commendation from President Dwight D. Eisenhower.

In light of Matt Henson's achievements and his dedication to the service of his country, I think it is appropriate for us to authorize the transfer of his remains to Arlington National Cemetery even though he did not serve in the Armed Forces of the United States.

Mr. President, I ask unanimous consent that a biographical sketch of Matthew Henson be printed in the Record together with articles entitled "Peary's Aide on Polar Dash Says Once Is Enough for Him" and "Matthew A. Henson Dies, Went to Pole With Peary."

There being no objection, the material was ordered to be printed in the Record, as follows:

Matthew Henson Memorial

This memorial tablet, unveiled and dedicated November 18, 1961, is located in the State House, Annapolis, Maryland, in the section which formerly (November 26, 1783, to August 13, 1784) was the Capitol of the United States of America.

MATTHEW (MATT) ALEXANDER HENSON

Matthew (Matt) Alexander Henson was born August 8, 1866, on a farm, the site of a former slave market, in Nanjemoy, Charles County, Maryland. Henson, the man destined to become the first person to locate and stand on the Top of the World, was born in virtual obscurity. Little is known of his early boyhood. Around the age of eleven, he ran away from Nanjemoy one night and walked to Washington, D.C. There, he divided his time between working in a restaurant operated by his aunt, Mrs. Janey Moore, and attending irregularly, the N Street Elementary School.

Henson left Washington at the age of thirteen, walked to Baltimore, Maryland, and located around the waterfront. Soon thereafter, as one without a home, he shipped as a cabin boy on a schooner under the command of a Captain Childs. This skipper taught him the rudiments of simple mathematics and navigation. The voyage carried him to China and return.

Returning to Washington, he found employment as a porter in a hat shop on Pennsylvania Avenue. One day, the then Lt. Robert E. Peary visited this store. He observed Matt Henson at work and became impressed with him. Matt was invited by Lt. Peary to join him on a canal surveying expedition to Nicaragua. Henson accepted.

When this mission was completed, Peary became interested in heading an expedition in search of the North Pole, which at that time, was the intensive objective of many nations. Henson accompanied Peary on each of his seven expeditions into the Arctic and Polar regions.

Matt saved Peary's life when he was attacked by an infuriated musk ox, and also on one occasion rescued him from starvation. He was chosen by Peary to be a member of the party of six to make the final dash to the Pole. Peary paid him this compliment—"He is my most valuable companion. I could not get along without him."

Overcome with exhaustion and crippled by the loss of most of his toes by frostbite, Peary sent Henson forward to make final observations and calculations, and await his arrival. Forty-five minutes later, Peary, driven up on his sled by four Eskimos, joined Henson. Peary's check confirmed the discovery of the North Pole.

---

90 N. Lat., North Pole,
April 6, 1909.

Arrived here today, 27 marches from Cape Columbia.

I have with me 5 men: Matthew Henson, colored; Ootah, Eginwah, Seegloo and Ookeah, Eskimos; 5 sledges and 38 dogs.

The expedition under my command has succeeded in reaching the Pole . . . for the honor and prestige of the United States of America.

Robert E. Peary,
U.S. Navy.

FROM LOG BOOK OF ADMIRAL PEARY

"This scene my eyes will never see again. Plant the Stars and Stripes over there, Matt, . . . At the North Pole."—Peary.

Aside from Peary, the leader of the expedition, Henson has been given most of the credit for the success of the discovery of the North Pole. This is because of his courage and daring, ability to withstand the most rigorous climate and exposure, mastery of the Eskimo language and their admiration of him, his skill in sled building, driving and igloo construction. These credits were accorded him by all the surviving members of the polar expeditions.

In recognition of his contributions, Mr. Henson was awarded the Master of Science degree by Morgan State College, and Howard University, a Congressional Medal, Life Membership in the Explorers Club, a medal from the Chicago Geographical Society, a citation by the U.S. Department of Defense, a commendation from President Dwight D. Eisenhower, at the White House, numerous medals and plaques from civic organizations.

On August 12, 1956, a memorial tribute to him was dropped on the North Pole from a U.S. Air Force plane by Afro-American Arctic Correspondent, Herbert M. Frisby, the author of this biographical sketch.

There is Henson Bay, in northwest Arctic Canada, named as a tribute to him.

Mr. Henson died March 9, 1955, in New York City. He is survived by Mrs. Lucy J. Henson, his widow.

Since his passing, he has been memorialized by His Excellency, J. Millard Tawes, Governor of Maryland, proclaimed April 6, 1959, the 50th Anniversary of the Discovery of the North Pole, as Matthew Alexander Henson Day in the State of Maryland.

By action of the Maryland General Assemblies in 1959 and 1961, provisions were made for the establishment of permanent memorials to Mr. Henson, one to be placed in the State House at Annapolis, and a small replica of the same on the campus of the Pomonkey High School, Charles County, both in Maryland.

(H. M. F.)

For further details see:

Henson, Matthew A.: *A Negro Explorer at the North Pole* (1912).

Life Magazine: *Discovery of the North Pole* (May 12, 1951).

MacMillan, Admiral Donald B.: *Matthew Henson*: Explorers Magazine, Fall 1955.

Peary, Admiral Robert E.: *The North Pole* (1910) (Contains 13 references).

Robinson, Bradley: *Dark Companion* (1947).

Frisby, Herbert M.: *Matt Henson Helped Discover North Pole,* Afro-American Newspapers, April 15, 1952.

From the collection of Herbert M. Frisby, 3403 Bateman Ave., Baltimore 16, Maryland.

[From the Washington Post, Apr. 7, 1954]

Peary's Aide on Polar Dash Says Once Is Enough for Him

Another trip to the North Pole is absolutely the last undertaking that Matthew A. Henson would care to repeat in this world.

Forty-five years ago yesterday, Henson pushed to the top of the ice-capped world with Rear Adm. Richard E. Peary and four Eskimos. The party was the first and last to reach the Pole on foot. Henson, 87, a Maryland-born Negro, is the only living survivor.

"Again? No, I've had enough," said Henson, who once remarked that a man who would go to the Pole for a pleasure trip would go to hell for pastime. "Nineteen years in the Arctic is enough for any man."

In the memory of the historic expedition, Henson and his wife came down from New York yesterday to visit President Eisenhower at the White House. They were accompanied by representatives of the National-Newspaper Publishers Association, which presented the President with a plaque for his championship of integration in the armed services and nonsegregation in Washington.

But it was primarily Henson's day. After the White House visit, he placed a wreath at Peary's grave in Arlington Cemetery, then dined at the Capitol.

Henson said his most vivid memory of the exploration was the lonely hour when the full party turned back 133 miles from the Pole. Peary decided to fight on with his aide—Henson—and the Eskimos.

"Peary said we'd reached the do-or-die part," Henson recalled. "And really, you didn't know whether you'd get back or not. It was the unknown. I decided to take a chance. Of course, I went up there to stick with him."

The naval officer and Henson took the lead alternately, each with two Eskimos and a dog team. They raced across the icy, wind-lashed wastes, fighting the danger of rising temperatures. It was on April 6, 1909, when Peary took a memorable bearing and announced, in a trembling voice, "Eighty-nine degrees, 57 minutes. The Pole at last!"

The great explorer's aide was born in Charles County, Md., on August 8, 1866. As a boy, he came to Washington and attended the "N Street School" for six years. He moved to Baltimore and shipped out to China as a cabin boy at the age of 12.

Nine years later, he joined Peary as a seaman on an expedition to survey a canal across Nicaragua. Then they turned north for almost two decades of Arctic exploration.

Henson became an expert Northsman. Peary once wrote, "He can handle a sledge better, and is probably a better dog driver, than any man living, except some of the best of the Eskimo hunters themselves."

But the life Henson chose was mostly hardship, with little glory. In his twilight years, he remembers the cold, the sickness, the hunger and the "wind that cut you to pieces."

On one trip, the party ate 34 of its 35 dogs.

Glory came late. In 1914, he finally was appointed to the Customs Service and retired on a small pension in 1936. In 1945, 35 years after the polar discovery, Henson received his first real recognition—a special medal awarded by Congress.

A fragment of a flag which Peary cached at Cape Columbia during a 1906 expedition now hangs in the home of Peary's white-haired, 90-year-old widow. She has lived on a cove near Portland, Me., since Peary died in 1920.

Yesterday, in an interview with United Press, Mrs. Peary said her first reaction to news of the discovery of the North Pole was, "Now he will be able to stay home." And her wish was realized. He never went exploring again.

Mrs. Edward Stafford, of Washington, D.C., his daughter, now staying with her mother, thinks someone may eventually discover the fragment of the flag left at the Pole by Peary—and Henson.

[From the Herald Tribune, Mar. 10, 1955]

Matthew A. Henson Dies; Went to Pole With Peary

Matthew Alexander Henson, eighty-eight, the Negro companion of Adm. Robert E. Peary during the latter's successful expedition to the North Pole in 1909, died yesterday in St. Clare's Hospital after a six-week illness. He lived at 246 W. 150th St.

Mr. Henson had lived in retirement for the last sixteen years, emerging only to receive belated recognition ten years ago for his services with the Peary expedition. In June of 1945. Thirty-six years after the polar exploit, he received a Navy medal along with others on the expedition.

Surviving are his wife, Mrs. Lucy Ross Henson, and a sister, who lives in Washington.

VISITED EISENHOWER

Last April 6, on the forty-ninth anniversary of the conquest of the North Pole, Mr. Henson visited President Eisenhower at the White House. Together they looked at a large globe of the world in the President's office and Mr. Eisenhower, pointing to the Arctic, remarked, "Now we have air bases all along there."

Living on an $85-a-month governmental pension, Mr. Henson took only occasional trips to receive awards from various groups but gave up even these although until his illness he maintained his routine of walking four miles a day.

Mr. Henson was a porter in a Washington hat store in 1886 when Mr. Peary came in to buy a hat and mentioned to the proprietor he was looking for a valet. Mr. Henson got the job, stayed with Mr. Peary on and off for five years, then remained with him steadily for eighteen years during which Adm. Peary made all his eight polar expeditions.

LECTURE TOUR

Mr. Henson's rewards were a silver loving cup from the Bronx Chamber of Commerce and a $960-a-year job as a mail clerk in the Customs House. He wrote a book that did not sell, and he made a lecture tour that netted only a few hundred dollars. In 1926 Rep. Emanuel Celler, D., N.Y., tried to get him a $1,700 pension and a Congressional medal for bravery but nothing came of it.

He and four Eskimos were Adm. Peary's sole companions when they stood at ninety degrees North Latitude on April 6, 1909. Six others who had started on the final dash over the ice from Cape Columbia had returned one by one as the supplies diminished. At the end of the month Capt. Bob Bartlett was the only white man left with Peary, and he turned back in 87 degrees 48 minutes North, the highest latitude reached up to that time.

Over the last stretch Mr. Henson bore the brunt of the trail-breaking. On the whole sledging conditions were not unfavorable. But on the morning of April 6, although his observations showed him to be in Latitude 89 degrees 57 minutes—only three miles from the pole—Peary was so nearly exhausted that with the prize actually in sight he could go no further.

AT POLE 30 HOURS

After a few hours sleep, however, he covered the remaining miles. He raised the Stars and Stripes above a cairn of ice while Mr. Henson led the Eskimos in three cheers. The party remained at the pole thirty hours, took observations, and, on sounding a few miles from the pole, found not bottom at 9,000 feet. The North Pole was thus proved to be in the center of a vast sea of ice.

The return was made in forced marches, and further time was saved by occupying the igloos built during the northern advance. The weather was favorable, and with the light loads the dogs made rapid progress. The distance from the pole to the base camp at Cape Columbia was covered in the incredibly quick time of sixteen days.

HECKLED ON LECTURE TOUR

Mr. Henson was heckled unmercifully when he attempted a lecture tour upon his return.

Sinister meaning was read into the fact that on the final dash to the Pole, Adm. Peary had chosen him instead of Capt. Bartlett. It was not generally known that Mr. Henson had been with the admiral on seven previous Arctic expeditions, that he was probably the best dog driver in the party that he could get along better with the Eskimos than any of the white men.

"He was the only man in the party who could build a snow house," recalled Cmdr. Donald B. McMillan years later. "He made every sledge and cookstove used on the route to the pole. Henson was altogether the most efficient man with Peary."

By Mr. INOUYE:

S. 3257. A bill to require that skilled nursing homes furnishing services under the medicare and medicaid programs be adequately equipped with wheelchairs and other appropriate equipment and supplies. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am introducing legislation that will be a step in the improvement of our system of nursing homes. This bill would require those homes which furnish services under medicare and medicaid programs to be adequately equipped with wheelchairs and other appropriate equipment and supplies.

We have come to realize that our system of care for the aged and infirm has been a tragic failure in public policy. While many nursing homes provide a lifestyle which invigorates their patients countless others can be rightly depicted as crimes against humanity. Sadly, many of these homes have become places to die, where life is gradually sapped away by a daily routine of humiliation and dehumanization.

The state of physical facilities in the nursing home has a direct bearing on the quality of health services provided. In many homes now receiving medicare and medicaid reimbursements, a lack of wheelchairs confines patients to beds and limits therapy to watching television. Such treatment has been empirically proven to be debilitating to the convalescent's mental and physical well-being. Where patients have enjoyed a variety of stimulating activities, dramatic improvement in their health and outlook on life has resulted.

The legislation that I am proposing would provide for the availability of wheelchairs for patients. While it would be too much to expect that these nursing homes will initiate programs of beneficial therapy, patients will be assured of freedom of movement which might otherwise be denied by a lack of such equipment. This simple provision can be of immeasurable value to those who are trapped within the confines of their beds and waiting for death to come.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(j) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (13),

(2) by inserting "and" at the end of paragraph (15), and

(3) by adding immediately after paragraph (15) the following new paragraph:

"(16) is adequately equipped (as determined under regulations of the Secretary) with wheel chairs and other appropriate equipment and supplies;".

(b) The amendment made by subsection (a) shall take effect on the first day of the first calendar month which begins more than 90 days after the date of enactment of this Act, and the Secretary of Health, Education, and Welfare shall, prior to such date, promulgate and have published in the Federal Register, the regulations which are referred to in section 1861(j)(16) of the Social Security Act (as added by subsection (a) of this section.

By Mr. STEVENS:

S. 3258. A bill to amend section 8335 (e) of title 5, United States Code. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, today I am introducing legislation which would cost little if any in the term of Federal funding but which would eliminate an undue and unjustifiable restriction on certain Federal clerical employees.

As is well known, the Alaska Railroad is the only federally owned railroad in the Nation. As such, Alaska Railroad employees are Federal employees. The Alaska Railroad Retirement Act of 1936—Public Law 74-836—provided for mandatory retirement at age 62 for employees of the Alaska Railroad except clerical employees. Mandatory retirement at age 62 was established because transportation employees of the Alaska Railroad were subject to unusual hardships and dangers as compared to those confronted by employees in the continental United States. A part of the Alaska Railroad is located in country which is swept by severe storms and is subject to heavy snowfall and very low temperatures. It was deemed in the best interest of both the employee's and passengers' safety not to permit employees of advancing age to engage in work under such difficult and trying conditions.

Clerical employees were excluded from this act on the basis that they were not subject to these same dangers, difficulties, and hazards. Due to administrative difficulties encountered because of this exclusion and because of differing employee deductions between the Alaska Railroad Retirement Act and the Civil Service Retirement Act, clerical employees of the Alaska Railroad were brought under the Alaska Railroad Retirement Act in June of 1940—Public Law 76-680.

As a result of this action, clerical employees are now required to retire upon reaching the age of 62 after completing 15 years of service in Alaska. This despite the fact that they do not in any way face the same hazards as railroad transportation employees.

In 1949, the Alaska Railroad Retirement Act was merged with the Civil Service Retirement Act—Public Law 81-810. The age 62 mandatory retirement provision was retained. As a result of the merging of these two retirement programs, the major administrative difficulties, administering differing retirement systems, was brought to an end. Unfortunately, clerical employees continue to be subjected to the 62 mandatory retirement provisions.

Mr. President, my bill, if passed, would once again exempt clerical employees from this unfair restriction. Many clerical employees of the Alaska Railroad would prefer to remain with the Federal service beyond age 62. Mr. President, I do not think we can afford to lose the valuable services of these clerical and management level employees just because they are 62 years of age. Many of these people want to remain with the Government and the Alaska Railroad wishes to retain them. But because of a former administrative problem, solved almost 30 years ago, these employees continue to suffer this undue restriction.

Mr. President, I ask for unanimous consent to have my bill printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3258

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(e) "This section applies to an employee of the Alaska Railroad in Alaska, except an employee in a managerial or clerical position, and to an employee who is a citizen of the United States employed on the Isthmus of Panama by the Panama Canal Company or the Canal Zone Government, who becomes 62 years of age and completes 15 years of service in Alaska or on the Isthmus of Panama."

By Mr. BUMPERS:

S. 3259. A bill to establish in the Energy Research and Development Administration an Energy Extension Service to develop, demonstrate, and analyze energy conservation opportunities, and to develop programs to encourage acceptance and adoption of energy conservation opportunities by energy consumers. Referred to the Committee on Interior and Insular Affairs.

ENERGY EXTENSION SERVICE ACT OF 1976

Mr. BUMPERS. Mr. President, I introduce for your consideration today an act to create an Energy Extension Service. The idea behind this proposal is so simple and yet the prospective impact so great that I wish I could claim credit for it. The idea is not mine, however, but originated with my distinguished Arkansas colleague in the House, Representative Ray Thornton. It is essentially his bill originally introduced as H.R. 10154 which I present for your consideration today.

The concept is modeled after the highly successful Agricultural Extension Service of the Department of Agriculture with which most of you are familiar. The Energy Extension Service proposed in this bill would provide a mechanism for informing end users about more efficient methods of energy utilization. As a member of the Energy Research and Water Resources Subcommittee of the Senate Interior Committee I have been made aware of the significant shortcomings in this area. No matter how good the research and development activities at ERDA, they will do us little good if the people who will use these new techniques are unaware of them. Yet every place I look, I see compelling evidence that we can effectively increase our energy resources more quickly and at a lower cost by end use energy conservation, and other techniques to enhance efficient energy use, than by any other method.

The Energy Extension Service which I propose in this bill would rectify another problem that exists. Neither ERDA nor any other agency, including FEA, now has an effective mechanism to inform the individual homeowner, building contractor, municipal or State official, the farmer, or the small businessman of energy efficient techniques and technologies. In my view ERDA needs to do more research and development on a scale suitable for the family, the farm and the community. The Energy Extension Service will hopefully stimulate demand for more work in those areas.

One final aspect of this bill which I would like to bring to your attention is the manner in which this bill conveys useful energy information to the public. Energy Extension Service agents are provided for, and to the greatest extent possible they are encouraged to work closely with existing structures such as the established offices of the Agriculture

Extension Service. In this way efficient energy utilization can be incorporated into other programs, and the cost of support facilities can be reduced to a minimum.

Mr. President, I ask unanimous consent that the text of the Energy Extension Service Act of 1976 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy Extension Service Act of 1976."

SEC. 2. The Congress hereby declares—

(a) that the general welfare and the common defense and security require a greater public knowledge of energy conservation opportunities;

(b) that scientific identification and demonstration of specifically designed energy conservation opportunities, the dissemination of information relating thereto, and the prompt delivery and acceptance of specific energy conservation opportunities require a national effort; and

(c) that the national effort required to develop, demonstrate, and encourage acceptance and adoption of energy conservation opportunities should be coordinated at the Federal level by the Energy Research and Development Administration.

SEC. 3. (a) There is established in the Energy Research and Development Administration an office to be designated as the Energy Extension Service (hereinafter in this Act referred to as the "Service"). The Service shall be headed by a Director who shall be appointed by the Administrator. The Director shall be a person who by reason of training, experience, and attainments is exceptionally qualified to implement the programs of the Service. There shall be in the Service a Deputy Director who shall be appointed by the Administrator, who shall perform such functions, powers, and duties as may be prescribed from time to time by the Director, and who shall act for, and exercise the powers of, the Director during the absence or disability of, or in the event of a vacancy in, the office of the Director.

(b) The Director shall receive basic pay at the rate provided for level IV of the Executive Schedule in section 5315 of title 5, United States Code, and the Deputy Director shall receive basic pay at the rate provided for level V of such Schedule in section 5316 of such title.

SEC. 4. (a) The Service shall develop and implement a comprehensive program for the identification, development, and demonstration of energy conserving practices, techniques, materials, and equipment for—

(1) agricultural, commercial, and small business operations, and

(2) new and existing residential, commercial, or agricultural buildings or structures. Such programs shall provide for technical assistance, instruction, and practical demonstrations in energy conservation opportunities.

(b) To accomplish the objectives of this Act, the Service shall establish energy extension service offices consisting of metropolitan city offices, county agents, and technical staff assistants.

(c) In establishing energy extension service offices the Director is authorized to enter into agreements for the utilization of existing Agriculture Extension Service offices and personnel, or such other offices and personnel as may be appropriate, and to provide funds for such operations.

(d) Local extension offices shall disseminate information and provide advice and assistance to individuals, groups, and units of State and local government by means of—

(1) specific studies and recommendations applicable to individual residences, businesses, and agricultural or commercial establishments;

(2) demonstration projects;

(3) distribution of studies and instructional materials;

(4) seminars and other training sessions for State and local government officials and the public; and

(5) other public outreach programs.

SEC. 5. (a) The Director shall promulgate such regulations and directives as may be necessary to carry out the functions and projects of the Service.

(b) The Director shall consult and cooperate with the Secretary of Housing and Urban Development, the Administrator of the Federal Energy Administration, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the heads of other Federal agencies administering energy-related programs, with a view toward achieving optimal coordination with such other programs, and shall promote the coordination of programs under this Act with other public or private programs or projects of a similar nature.

(c) Federal agencies described in subsection (b) shall cooperate with the Administrator in disseminating information with respect to the availability of assistance under this Act, and in promoting the identification and interests of individuals, groups, or business and commercial establishments eligible for assistance through programs funded under this Act.

SEC. 6. (a) Section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5801) is amended by redesignating paragraphs (7) through (11) as paragraphs (8) through (12), respectively, and inserting immediately after paragraph (6) the following new paragraph:

"(7) establishing, in accordance with sections 1 through 5 of the Energy Extension Service Act of 1976, an Energy Extension Service to provide technical assistance, instruction, and practical demonstrations on energy conservation measures and alternative energy systems to individuals, businesses, and State and local government officials;".

By Mr. LONG:

S. 3260. A bill to amend the Intercoastal Shipping Act, 1933, by revising its suspension provisions and by authorizing periodic promulgation of rate of return guidelines. Referred to the Committee on Commerce.

S. 3261. A bill to amend the Intercoastal Shipping Act, 1933, for the purpose of assuring adequate, modern, and efficient transportation by water between the noncontiguous States, territories, and possessions of the United States, and the United States mainland. Referred to the Committee on Commerce.

Mr. LONG. Mr. President, on March 18, 1976, I introduced S. 3180, the proposed Intercoastal Shipping Improvement Act of 1976.

Today I am introducing two additional bills directed toward the same subject: The economic regulation of common carriers by water in intercoastal commerce. These three measures each take a different approach toward assuring adequate, modern, and efficient transportation by water between the United States mainland and the noncontiguous States, territories, and possessions of the United States. I am not necessarily wedded to any one of them, however, I have introduced them in order to promote a dialog which will assist the Commerce Committee's Merchant Marine Subcommittee in recommending appropriate legislation.

I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 3260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 845), is amended by inserting at the end thereof the following new paragraph:

"*Provided, however,* That commencing in calendar year 1976 and with a frequency of not more often than once each twelve months a carrier may file a general increase in rates without suspension of that portion of such changed rates bringing about an increase of 7 per centum or less in its gross annual revenues. If at the conclusion of any proceeding the Commission finds that such portion of the changed rates is unjustified in whole or in part, it may order the carrier or carriers concerned to make appropriate refunds, with interest, to the persons entitled. For purposes of this section a general increase in rates is defined as a change in rates that in the aggregate brings about an increase of 3 per centum or more in a carrier's gross revenue or in 50 per centum or more of its tariff items per trade for the twelve-month period ending not more than sixty days prior to the date of filing."

SEC. 2. Section 3 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 845), is amended by adding at the end thereof the following new paragraph:

"As a means of assisting in insuring that the noncontiguous States, territories, and possessions of the United States will have adequate, modern, and efficient ocean transportation service to and from the United States mainland, the Commission shall, within six months after enactment of this provision and from time to time thereafter as substantial change in circumstances may make appropriate, promulgate numerical guidelines as to common carrier rate of return on rate base and common equity which the Commission deems to be prima facie reasonable: *Provided,* That in its determination of such guidelines the Commission shall include therein as determinative factors—

(A) the cost of replacing vessels and related equipment including that associated with stevedoring and terminal operations;

(B) the prevailing cost of capital;

(C) the degree of risk associated with the investment of such capital;

(D) the need of the public interest for the continued provisions by carriers of certain unprofitable segments or elements of service; and

(E) other appropriate factors.".

S. 3261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 845), is amended by adding at the end thereof the following new paragraph:

"The Commission shall within twelve months after enactment of this provision, and from time to time thereafter as substantial change in circumstances may make appropriate, develop and promulgate a reasonable prima facie rate of return for common carriers by water operating self-propelled vessels, with development of the initial rate of return to be preceded by notice and an opportunity for a hearing: *Provided,* that such rates of return shall include as determinative factors—

(A) the cost of replacing vessels and related equipment including that associated with stevedoring and terminal operations;

(B) the degree of risk associated with the investment of capital;

(C) the prevailing cost of money in capital markets;

(D) the need in the public interest for the continued provision by carriers of certain unprofitable segments or elements of service; and

(E) other appropriate factors."

Sec. 2. Section 3 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 845), is amended by inserting at the end of the second sentence of the second paragraph the following: "*Provided, however*, that when a carrier files a change in rates and charges there shall be no suspension of the effective date of that portion of such changed rates and charges which will provide the carrier with an opportunity to realize during the succeeding 12 months an increase in gross revenues not exceeding that sufficient to raise the carrier's rate of return to the prima facie rate of return, which until its initial development and promulgation, shall be for this purpose 10.59 percent on rate base. Nothing in this paragraph shall be construed as establishing a presumption that any increase in gross revenues in excess of such amounts is unlawful or should be suspended. If at the conclusion of any proceeding the Commission finds that the portion of the changed rates and charges hereby made exempt from suspension is unjustified in whole or in part, it may order the carrier or carriers concerned to make appropriate refunds to the persons entitled to the excess charges collected during the four month period of exemption from suspension, plus interest at a rate which is equal, on the date the changed rates or charges are filed, to the average yield of marketable securities of the United States having a duration of 90 days."

By Mr. JAVITS (for himself and Mr. Williams):

S. 3262. A bill to amend and improve the programs authorized under the Emergency Unemployment Compensation Act of 1974, and the Emergency Jobs and Unemployment Assistance Act of 1974, to extend such programs for 1 year, and for other purposes; to the Committee on Labor and Public Welfare and the Committee on Finance, jointly, by unanimous consent.

EMERGENCY UNEMPLOYMENT COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE AMENDMENTS OF 1976

Mr. JAVITS. Mr. President, Senator Williams, of New Jersey, and I are today introducing legislation to amend and extend two programs of emergency unemployment compensation originally adopted by the Congress in December, 1974. These programs are, first, the Federal supplemental benefits—FSB—program, which provides up to 26 weeks of additional unemployment compensation for long-term unemployed workers who have exhausted their benefits under the regular State unemployment insurance laws, and the Federal-State extended unemployment benefits program; and, second, the special unemployment assistance—SUA—program, which provides up to 39 weeks of unemployment assistance to unemployed workers who lose their jobs in employment not covered by the regular unemployment insurance system and who are, therefore, ineligible for any other form of unemployment compensation.

There has been much discussion of the economic indications that our Nation is beginning to recover from the deep recession which gripped our economy for much of the last 2 years. However, we continue to suffer the highest levels of unemployment since the depression of the 1930's. Despite some improvement in the total unemployment rate over the past few months, it remains a stark fact that there are now 7.5 million men and women who, although ready, willing and able to work, have been unable to find gainful employment in either the public or private sector.

In addition, over the period of the last year, the number of long-term unemployed, those out of work for 6 months or more, has virtually doubled to more than 1½ million. Unemployment nationwide remains in excess of 7 percent, and this does not take into account nearly 1 million men and women who have become so discouraged that they have given up their search for a job; or the hundreds of thousands who want full time jobs, but have had to settle for part-time employment. Many metropolitan areas, numerous central city ghettos, and indeed, black and other minority workers across the country, continue to suffer double digit unemployment. As compared with the 7.5 percent level of unemployment for the workforce as a whole, unemployment for blacks and other minorities was 12.5 percent in March. For teenagers, the unemployment levels are even higher—19.1 percent—and nearly double that rate for black teenage workers.

The bill that we are today introducing would continue the SUA program for an additional year beyond its current expiration date to December 31, 1977. This extension is necessary to assure the approximately 12 million American workers whose employment is not currently covered by the regular unemployment insurance system of at least minimal levels of income security protection in the event of unemployment. The principal groups not covered by the regular unemployment insurance system are State and local government employees, domestic service workers, and farm workers. In view of our Nation's hard-pressed State and municipal governments, which have been experiencing, and will continue to experience, conditions forcing lay-offs of municipal employees in unprecedented numbers, the extension of this program is essential.

Legislation is currently awaiting action in the House which would provide for a significant expansion of coverage under the regular Federal-State unemployment insurance system, eliminating the need for continued extensions of the SUA program. It is problematic, however, as to when or whether that legislation will be enacted. Until such time as the Congress is able to act on that legislation, we must provide for the continued income maintenance protection for unemployed workers excluded from the unemployment insurance system.

Our bill would also provide for the continuation of the FSB program for an additional year, through March 31, 1978. This program is designed to provide assistance to workers suffering the hardship of prolonged periods of unemployment. A failure to provide for the continuation of these benefits would be a serious error on two grounds. First, even the most optimistic projections indicate that this Nation will continue to experience intolerably high levels of unemployment for the remainder of 1976, and continue through 1977 as well. To permit this essential program of unemployment assistance to lapse at this time would be to ignore the serious problems of long-term unemployment and the inadequacies of the permanent unemployment insurance system on which we rely so heavily to protect individuals from economic recessions. Second, these benefits provide direct economic stimuli which aid in continued progress toward economic recovery. They flow directly into the mainstream of the economy from unemployed workers who use them to provide the basic essentials of food, shelter, and clothing for their families.

Estimates prepared for the Committee on Labor and Public Welfare indicate that, even with the continuation of the FSB program through 1977, over 2 million unemployed workers will still exhaust their entitlement to all unemployment assistance during 1976. Mr. President, I ask unanimous consent that tables prepared by the Department of Labor forecasting the number of exhaustees of the FSB and SUA programs be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. The Labor and Public Welfare Committee is currently considering amendments to the public service jobs program under title VI of the Comprehensive Employment and Training Act, which would provide additional public service employment opportunities for unemployed workers exhausting their entitlement to regular unemployment benefits. However, even if that legislation were to provide for one million public service employment opportunities, it would not begin to create enough jobs for the long-term unemployed who do not have the resources to provide for themselves and their families. If our economy, in either the public or private sector, is unable to employ those workers who are ready, willing and able to work, it is imperative that we at least continue to maintain unemployment assistance benefits at current levels and provide a viable alternative to public assistance.

In addition to continuing the FSB program for an additional year, the bill that we are introducing today would also institute a new national trigger for the first 13 weeks of benefits under that program. The FSB program is currently triggered on and off solely on the basis of the statewide level of insured unemployment. In order for unemployed workers in a State to be eligible to receive maximum entitlement under the FSB program of up to 26 weeks of additional benefits, the insured unemployment rate in the unemployed worker's State must equal or exceed 6 percent. These trigger requirements were added to the FSB program last June when Congress considered legislation extending and modifying the FSB and SUA programs. When these amendments were adopted by the Congress, I expressed my reservations about the potentially harsh and inequitable impact of the new trigger requirements. At that time I said:

> I am wary of the potential impact of the trigger requirements for the FSB program adopted by the Finance Committee and approved by the Senate and the conferees. There is, in my judgment, danger that certain states which have relatively low statewide unemployment, as compared to the rest of the Nation, will trigger out of some or all of the FSB program next January 1 (1976). Some of those States may well contain large metropolitan areas suffering significant unemployment, and central city areas where unemployment overall may continue to run as high as 10 to 15 percent, even though unemployment in the State as a whole is much lower. To deprive unemployed workers in those areas of the benefits provided by this act at a time when they may well be experiencing as much difficulty in obtaining employment as similarly situated workers in States with higher overall unemployment concerns me deeply.

Now that the triggers adopted last June have been in place for 3 months, I am sorry to report that the fears I expressed last year have come to fruition. No workers in the following 12 States and the District of Columbia are eligible to file new claims under the FSB program at all:

Colorado, District of Columbia, Indiana, Kansas, Louisiana, Mississippi, Nebraska, Ohio, Oklahoma, South Dakota, Texas, Virginia, and Wyoming.

In the following 10 States, workers are entitled to receive only one-half of their full entitlement to FSB benefits because those States have statewide insured unemployment rates of between 5 and 6 percent:

Delaware, Florida, Georgia, Iowa, New Mexico, North Carolina, South Carolina, Utah, North Dakota, and New Hampshire.

The inequities of the trigger system adopted last June for the FSB program are quite apparent. Although the insured unemployment rate in a given State may be low overall, metropolitan areas within the State may be experiencing considerably higher unemployment levels. Many of our poorest workers, who live in central city areas, are likely to have still greater levels of unemployment. For a worker in a central city ghetto in one part of a large State, it is little comfort to be told that he or she is being cut off from unemployment assistance benefits because jobs are readily available in another part of the State several hundred miles away.

The situation in Ohio exemplifies my point. No unemployed worker there is now entitled to file a new claim for any benefits under the FSB program because the statewide insured unemployment rate of 4.91 percent has triggered the program off. Nevertheless, workers in many areas of Ohio are experiencing high unemployment rates. In Cincinnati the total unemployment rate in January, according to the Bureau of Labor Statistics of the Department of Labor, stood at 10.4 percent. At the same time, workers in other areas with lower unemployment rates remain eligible for FSB benefits.

I recognize, however, the support for a trigger mechanism to provide longer durations of benefits in those States where the overall need for them is the greatest, and have determined not to propose the abandonment of the trigger mechanisms adopted last June. Rather, the bill we are introducing would add a new national trigger—at a level of 4.5 percent insured unemployment—which, when met, would provide that the first half of the FSB program—up to 13 weeks—would be triggered on in all States. The second 13 weeks of FSB benefits would continue to be governed by the trigger adopted last June—requiring at least a 6-percent insured unemployment rate, statewide, in order for workers in that State to be eligible to receive those benefits.

In addition, the bill that we are proposing makes a number of other necessary changes in the FSB and SUA programs. First, it provides for a change in the method of computation of the insured unemployment rate, upon which the triggers for the FSB program, and the Federal-State extended benefits program, as well, are based. Under current practice, the only persons counted as unemployed for the purposes of calculating the insured unemployment rate are those actually receiving regular or extended unemployment benefits. Workers who have exhausted their entitlements to those benefits and still cannot find jobs, even those currently receiving FSB benefits, are not counted among those unemployed in calculating that rate. The effect of this practice is that, particularly during periods when many workers are suffering prolonged periods of unemployment, the IUR does not adequately reflect the number of persons covered under the regular unemployment insurance system who are currently unemployed and seeking work.

To remedy this serious defect in calculating the insured unemployment rate, we are proposing that the number of persons counted as unemployed include an estimate of the number of persons who have exhausted their entitlement to benefits under the regular unemployment insurance program and the extended benefits program, but who remain unemployed and are seeking work. It is necessary that this figure be estimated because neither the Department of Labor nor the State unemployment insurance administrators maintain accurate records of the number of such exhaustees who remain unemployed and in the labor force.

I note that this modification of computing the insured unemployment rate was also incorporated in the Emergency Unemployment Compensation Act of 1971, a predecessor of the FSB program. In this connection, I urge both the Department of Labor and the responsible State agencies to consider methods by which such data may be more accurately gathered so that we may have a clearer understanding of the number and economic characteristics of unemployment insurance exhaustees.

Such information as is available regarding such exhaustees indicates the need for the amendments we are proposing today. A recent study sponsored by the Department of Labor of unemployment insurance exhaustees reports that—

> Extending benefits keeps many individuals above the poverty line. Without such extensions, nearly 40 percent of white exhaustees would have incomes below the poverty line, whereas with extensions only 10 percent do.

For black and other minority workers, the effect is even more dramatic. There, fully 55 percent of exhaustees have incomes below the poverty line when benefits are terminated, as opposed to 21 percent when they are continued on unemployment assistance. This study also shows that, 4 months after exhausting their benefits, three-fourths of the workers were still out of work or had dropped out of the labor force. I ask unanimous consent that two tables from this study, showing the percentages of those unemployment insurance exhaustees whose incomes are below the poverty line, and those who remained unemployed, printed in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.4—EFFECT OF EXTENDED BENEFITS ON THE DISTRIBUTION OF FAMILIES BY RACE AND RATIO OF INCOME TO POVERTY LINE

[In percent]

Ratio of income to poverty line	Whites		Negro and other races	
	Without extended benefits	With extended benefits	Without extended benefits	With extended benefits
0 to 0.5	30.7	0.8	42.7	2.3
0.5 to 1.0	9.1	9.2	12.6	19.4
1.0 to 1.5	10.7	17.9	12.1	27.5
1.5 to 2.0	12.5	14.3	9.9	14.3
2.0 to 3.0	17.2	23.4	13.5	18.1
3.0 to 4.0	11.2	17.5	4.7	12.2
4.0 plus	8.1	16.9	3.5	6.2
Total	100.0	100.0	100.0	100.0

TABLE I.6—LABOR FORCE STATUS 4 MO AFTER EXHAUSTION OF BENEFITS (BY RACE AND SEX)

[In percent]

	White		Negro and other races		Total	
	Male	Female	Male	Female	Male	Female
Employed	28.8	24.9	24.5	16.0	27.0	22.1
Out-of-labor-force	11.3	17.7	5.9	22.0	9.0	19.1
Unemployed	59.9	57.4	59.6	61.1	64.0	58.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Percentage receiving extended benefits	23.7	22.5	13.8	14.2	19.4	19.6
Percentage applied for extended benefits but not yet receiving	11.5	16.4	17.8	16.9	14.1	16.6

Mr. JAVITS. The bill that I am proposing also contains provisions making available additional unemployment assistance benefits under the FSB and SUA programs for unemployed workers who have otherwise exhausted their entitlement to unemployment assistance, and who are participating in approved programs of job training or retraining. Under the FSB amendments adopted last June, FSB recipients who are determined by the appropriate State unemployment assistance administrator to be in need of job training or retraining are required to apply for, and participate in, available training programs. Under section 3304 (a)(8) of the Internal Revenue Code, the permanent unemployment insurance law, workers voluntarily participating in job training programs approved by the State unemployment insurance administrators are exempted from the "seeking work," "availability for work," and "disqualification for refusal to accept work" requirements of the law.

The amendment that I am proposing would provide that, when an unemployed worker is participating in an approved job training program, and that worker exhausts his entitlement to unemployment assistance under the FSB or SUA programs, he or she would be eligible to receive up to 13 weeks of additional unemployment assistance to permit him to complete the course of job training which he has begun.

This amendment is but another small step toward the desirable goal of integrating our unemployment insurance and manpower development systems. This country is certainly far short of the approach adopted in other countries, such as Germany and France, of providing training and education courses as a matter of right to the unemployed with financing through the unemployment insurance tax mechanism. The Federal response to the recession, in terms of assisting unemployed individuals, has essentially been limited to expansion of the unemployment insurance system on an ad hoc basis and the addition of only a few public service jobs. Education and training stand virtually at prerecession levels.

In my judgment, recessionary periods, such as we are experiencing today, should be used to increase the education and skill level of the work force, and to maximize the possibility of funding jobs. Preliminary reports indicate that the requirement for FSB claimants to register for available training slots has had practically no effect. A thorough review of this matter should be undertaken, and I am pleased to note that such institutions as the National Commission for Manpower Policy and the National Manpower Institute have begun to give it serious consideration.

In addition, this bill provides, on a prospective basis, for the financing of FSB from general revenues. I concur in the views expressed by the Senate Committee on Finance last year—report No. 94-200)—that it is inappropriate to expect the repayment of advances to the trust fund from the Federal unemployment tax.

Finally, this bill provides for financing, through the SUA program, of the cost of unemployment insurance coverage for public service employees under the Comprehensive Employment and Training Act. In 41 States and the District of Columbia these employees are already covered under SUA. However, in nine States which have—commendably—covered public employees under their permanent unemployment compensation laws, the cost of coverage must be financed by the CETA prime sponsors. This operates unfairly to reduce the number of jobs which could otherwise be provided out of the allocation of funds under CETA. Our provision will bring the funding of such unemployment insurance coverage under one source.

In closing, Mr. President, I urge not only the enactment of this much needed legislation, but the prompt enactment of legislation to reform the permanent Federal-State unemployment insurance system. Such legislation is now pending before the House and I hope that the Senate will be able to consider it shortly.

Mr. President, the Federal supplemental benefits program originated in legislation reported by the Finance Committee, and the special unemployment assistance program was initiated by the Committee on Labor and Public Welfare. In June 1975, legislation to improve and extend these programs—reported as H.R. 6900—was referred jointly to both committees.

In light of this precedent, and the inherent interrelatedness of these emergency programs, I ask unanimous consent that the bill be referred jointly to the Committee on Labor and Public Welfare and the Committee on Finance.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. I also ask unanimous consent, Mr. President, that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 3262

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation and Special Unemployment Assistance Amendments of 1976".

TITLE I—AMENDMENTS TO EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1974

SEC. 101. STATE AND NATIONAL "ON" INDICATORS.

(a) Section 102(c)(3)(B)(i) of the Emergency Unemployment Compensation Act of 1974, as amended by section 101(a)(1) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended to read as follows:

"(B)(i) For purposes of subparagraph (A), there is an 'emergency on' indicator in a State for a week if—

"(I) the rate of insured unemployment in the State for the period consisting of such week and the immediately preceding twelve weeks equaled or exceeded 5 per centum; or

"(II) the rate of insured unemployment for all States for the period consisting of such week and the immediately preceding twelve weeks equaled or exceeded 4.5 per centum.".

(b) Section 105(6) of such Act, as added by section 101(d)(3) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended to read as follows:

"(6) the term 'rate of insured unemployment' means the percentage arrived at by dividing—

"(A) the sum of (i) the average weekly number of individuals filing claims for regular and extended compensation under the State law with respect to the specified period, and (ii) 25 per centum of the sum of the exhaustions, during the most recent 12 calendar months ending before the week with respect to which such rate is computed, of extended compensation under the State law; by

"(B) the average monthly covered employment for the specified period.".

(c) Section 105(8) of such Act, as added by section 101(d)(3) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended to read as follows:

"(8) determinations with respect to the rate of insured unemployment in a State shall be made by the State agency on the basis of reports made by the State agency to the Secretary and in accordance with regulations prescribed by the Secretary; and".

(d) Section 105 of such Act, as amended by section 101(d)(3) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is further amended by deleting "and" at the end of paragraph (7), and adding the following new paragraph:

"(9) determinations with respect to the rate of insured unemployment for all States shall be made by the Secretary on the basis of reports made by the State agencies to the Secretary and in accordance with regulations prescribed by the Secretary.".

(e) the amendments made in this section shall apply to "emergency, on" indicators for all weeks which begin after the last day of the first full calendar month after the date of enactment of this title.

SEC. 102. STATE AND NATIONAL "OFF" INDICATORS.

(a) Section 102(c)(3)(B)(ii) of the Emergency Unemployment Compensation Act of 1974, as amended by section 101(a)(2) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended to read as follows:

(ii) For purposes of subparagraph (A), there is an 'emergency off' indicator in a State for a week if there is not for such week an 'emergency on' indicator in the State, as prescribed in subparagraph (B)(i), and if at the end of such week the emergency benefit period in the State has lasted for at least 13 weeks."

(b) The amendment made in this section shall apply to "emergency off" indicators for all weeks which end after the last day of the first full calendar month after the date of enactment of this title.

SEC. 103. FUNDING OF EMERGENCY UNEMPLOYMENT BENEFITS.

(a) Section 104(b) of the Emergency Unemployment Compensation Act of 1974 is amended—

(1) in the first sentence thereof, by striking out "as repayable advances (without interest),", and

(2) in the second sentence thereof—

(A) by striking out "as repayable advances", and

(B) by inserting ", to the extent that such amounts are paid with respect to emergency compensation paid to individuals prior to July 1, 1976," immediately after "section 103 shall".

(b) The amendment made by subsection (a) shall take effect on July 1, 1976.

SEC. 104. EXTENSION OF PROGRAM

(a) Section 102(f) of the Emergency Unemployment Compensation Act of 1974, as amended by section 102(a) of the Emergency

Compensation and Special Unemployment Assistance Act of 1975, is amended to read as follows:

"(2) No emergency compensation shall be payable to any individual under an agreement entered into under this Act for any week ending after—

"(A) March 31, 1978, or

"(B) June 30, 1978, in the case of any individual who had a week beginning before March 31, 1978, with respect to which emergency compensation was payable under such agreement.".

(b) The amendment made in this section shall take effect on the date of enactment of this title.

SEC. 105. ASSISTANCE TO TRAINEES

(a) Section 102 of the Emergency Unemployment Compensation Act of 1974, as amended by section 103(a) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended by adding thereto a new subsection (h) to read as follows:

"(h) (1) Subject to the provisions of this subsection and implementing regulations adopted by the Secretary of Labor, an individual participating in a training program approved pursuant to subsection (g) of this section, or a provision of State law which meets the requirements of section 3304(a) (8) of the Internal Revenue Code of 1954, or provided under the Comprehensive Employment and Training Act of 1973, shall be entitled to compensation after exhaustion of the maximum amount of emergency compensation otherwise payable to the individual, with respect to any week in such training.

"(2) Such compensation shall be payable to an individual for the lesser of a maximum of 13 consecutive weeks, or the weeks the individual is participating and making satisfactory progress in the training program.

"(3) The weekly amount of compensation payable to an individual under this subsection shall be equal to the weekly amount of emergency compensation established for the individual for a week of total unemployment.

"(4) Compensation under this subsection shall be payable for weeks which begin during an emergency benefit period, additional eligibility period (as to the individual), or extended benefit period (as prescribed in section 203 of the Federal-State Extended Unemployment Compensation Act of 1970) which is in effect in the State; and for consecutive weeks thereafter during which the individual continues to participate in the training program, but not in excess of the maximum weeks of compensation as provided in paragraph (2) of this subsection."

(b) The amendment made in this section shall apply to weeks which begin after the date of enactment of this title.

SEC. 106. PAYMENT TO STATES.

(a) Section 103(a) of the Emergency Unemployment Compensation Act of 1974 is amended by deleting "emergency compensation" and by inserting the word "compensation".

(b) The amendment made in this section shall take effect on the date of enactment of this title.

SEC. 107. MODIFICATION OF AGREEMENTS.

The Secretary of Labor shall, at the earliest practicable date after the enactment of this title, propose to each State with which he has in effect an agreement under section 102(a) of the Emergency Unemployment Compensation Act of 1974 a modification of such agreement designed to provide for the payment of compensation allowable under such Act by reason of the amendments made in this title. Notwithstanding any provision of the Emergency Unemployment Compensation Act of 1974, if any State fails or refuses, within the six-week period beginning on the date of enactment of this title, to enter into such a modification of such agreement, the Secretary of Labor shall terminate the agreement with the State as of a date that will preclude the payment of emergency compensation pursuant to such agreement to any individual for any week of unemployment that begins after the end of such six-week period, and the amendments in sections 101, 102, 104, 105, and 106 of this title shall not become operative in that State.

SEC. 108. RULES AND REGULATIONS.

(a) The Emergency Unemployment Compensation Act of 1974 is amended by adding thereto a new section 109 to read as follows:

"SEC. 109. RULES AND REGULATIONS.

"The Secretary of Labor may prescribe rules and regulations to implement this Act.".

(b) The amendment made in this section shall be effective from and after the date of enactment of the Act.

TITLE II—SPECIAL UNEMPLOYMENT ASSISTANCE AMENDMENTS

SEC. 201. EXTENSION OF PROGRAM.

(a) Section 208 of the Emergency Jobs and Unemployment Assistance Act of 1974, as amended by section 201(b) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended to read as follows:

"SEC. 208. TERMINATION DATE.

"Notwithstanding any other provision of this title, no payment of assistance under this title shall be made to any individual with respect to any week of unemployment ending after March 31, 1978; and no individual shall be entitled to any assistance under this title with respect to any initial claim for assistance or waiting period credit which is effective in a week beginning after December 31, 1977.".

(b) The amendment made in this section shall take effect on the date of enactment of this title.

SEC. 202. ASSISTANCE TRAINEES

(a) Title II of the Emergency Jobs and Unemployment Assistant Act is amended by adding a new section 211 thereto to read as follows:

"SEC. 211. ASSISTANCE TO TRAINEES.

"(a) Subject to the provisions of this section and implementing regulations adopted by the Secretary, an individual participating in a training program approved pursuant to a provision of State law which meets the requirements of section 3304(a) (8) of the Internal Revenue Code of 1954, or provided under the Comprehensive Employment and Training Act of 1973, shall be entitled to assistance after exhaustion of the maximum amount of assistance otherwise payable to the individual, with respect to any week in such training.

"(b) Such assistance shall be payable to an individual for the lesser of a maximum of 13 consecutive weeks, or the weeks the individual is participating and making satisfactory progress in the training program.

"(c) The weekly amount of assistance payable to an individual under this section shall be equal to the weekly amount of assistance established for the individual pursuant to section 205 for a week of total unemployment.

"(d) Assistance under this section shall be payable for weeks which begin during a Special Unemployment Assistance Period in the area in which the individual was last employed and for consecutive weeks thereafter during which the individual continues to participate in the training program, but not in excess of the maximum weeks of assistance as provided in subsection (b) of this section.".

(D) The amendment made by this section shall apply to weeks which begin after the date of enactment of this title.

SEC. 203. UNEMPLOYMENT ASSISTANCE FOR PUBLIC SERVICE EMPLOYEES

Title II of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding a new section 212 thereto to read as follows:

"SEC. 212. (a) Definitions.—For purposes of this section—

"(1) 'State' means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands;

"(2) 'compensation' means cash benefits payable to individuals with respect to their unemployment, and includes 'regular compensation,' 'additional compensation,' and 'extended compensation' as defined in section 205 of the Federal-State Extended Unemployment Compensation Act of 1970;

"(3) 'public service job' means any public service job funded with assistance provided under the Comprehensive Employment and Training Act of 1973;

"(4) 'public service wages' means remuneration for services performed in a public service job;

"(5) 'base period' means the base period as determined under the State law;

"(6) 'Secretary' means the Secretary of Labor;

"(7) 'State agency' means the agency of the State or political subdivision which administers the State law; and

"(8) 'State law' means the unemployment compensation law of a State which has been approved by the Secretary of Labor under section 3304(a) of the Internal Revenue Code of 1954 (26 U.S.C. 3304(a)), the unemployment compensation plan of a political subdivision of a State, and, with respect to the Virgin Islands, the unemployment compensation law of the Virgin Islands.

"(b) Payments to States. (1) Each State and political subdivision shall be paid by the United States, with respect to each individual whose base period wages include public service wages, an amount which shall bear the same ratio to the total amount of compensation paid to the individual with respect to weeks of unemployment which begin on and after January 1, 1976, as the amount of the individual's public service wages in the base period with respect to the current benefit year (most recent benefit year if there is no current benefit year) bears to the total base period wages used in the calculation of the individual's rights to regular compensation.

"(2) Each State and political subdivision shall be paid either in advance or by way of reimbursement, as may be determined by the Secretary, the sum that the Secretary estimates is payable to the State or political subdivision under this section for each calendar month. The sum shall be reduced or increased by the amount which the Secretary finds that his estimate for an earlier calendar month was greater or less than the sum which should have been paid to the State or political subdivision. Estimates shall be made on the basis of reports made by the State agency to the Secretary as prescribed by the Secretary.

"(3) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State or political subdivision the sums payable under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment in accordance with such certification, from the funds appropriated for the purposes of title II of the Emergency Jobs and Unemployment Assistance Act of 1974. Payment to a State shall be made by crediting the payment to the State's account in the Unemployment Trust Fund.

"(c) *Repayment of Employers.* Notwithstanding the provisions of any other law—

"(1) a State or political subdivision shall repay to an employer liable for making reimbursements to the unemployment fund of the State or political subdivision the amount equal to the amount by which the sums paid to the State or political subdivision under subsection (b) of this section are duplicative of the employer's reimbursements to the unemployment fund; and shall not charge a reimbursing employer the amounts which are subject to payment by the United States under subsection (b) of this section; and

"(2) a State or political subdivision shall repay to an employer liable for contributions with respect to public service jobs and public service wages, the total amount of the contributions paid by the employer into the unemployment fund of the State or political subdivision with respect to public service wages paid for services performed in public service jobs on and after January 1, 1976; and shall not take into account, for the purposes of computing contribution rates for the employer, the compensation with respect to which payment is made under subsection (b) of this section, or the employment, wages, payrolls, or separations pertaining to such compensation.

SEC. 204. RULES AND REGULATIONS.

(a) The Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding thereto a new section 213 to read as follows:

"SEC. 213. RULES AND REGULATIONS.

"The Secretary of Labor may prescribe rules and regulations to implement this title.".

(b) The amendment made in this section shall be effective from and after the date of enactment of this Act.

SEC. 205. MODIFICATION OF AGREEMENTS.

The Secretary of Labor shall, at the earliest practicable date after the enactment of this title, propose to each State with which he has in effect an agreement under section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974 a modification of such agreement designed to provide for the payment of assistance allowable under such Act by reason of the amendments made in sections 201 and 202 of this title. Notwithstanding any provision of title II of the Emergency Jobs and Unemployment Assistance Act of 1974, if any State fails or refuses, within the six-week period beginning on the date of enactment of this title, to enter into such a modification of such agreement, the Secretary of Labor shall terminate the agreement with the State as of a date that will preclude the payment of special unemployment assistance pursuant to such agreement to any individual for any week of unemployment that begins after the end of such six-week period, and the amendments in sections 201 and 202 of this title shall not become operative in that State.

TITLE III—AMENDMENTS TO FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970

SEC. 301. INSURED UNEMPLOYMENT RATE.

(a) Section 203(f)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended to read as follows:

"(f)(1) For purposes of subsections (d) and (e), the term 'rate of insured unemployment' means the percentage arrived at by dividing—

"(A) the sum of (i) the average weekly number of individuals filing claims for regular, additional and extended compensation under State law with respect to the specified period; and (ii) 25 per centum of the sum of the exhaustions, during the most recent 12 calendar months ending before the week with respect to which such rate is computed, of extended compensation under the State laws; by

"(B) the average monthly covered employment for the specified period.

"Determinations with respect to the rate of insured unemployment in a State shall be made by the State agency on the basis of reports made by the State agency to the Secretary and in accordance with regulations prescribed by the Secretary, and determinations with respect to the rate of insured for all States shall be made by the Secretary on the basis of reports made by the State agencies to the Secretary and in accordance with regulations prescribed by the Secretary.".

(b) the amendment made in this section shall apply to "on" indicators and "off" indicators for all weeks which begin or end, as the case may be, after the last day of the first full calendar month after the date of enactment of this title.

SEC. 302. EXTENSION OF WAIVER OF 120 PERCENT REQUIREMENT AND REDUCTION OF NATIONAL TRIGGER FOR PURPOSES OF EXTENDED COMPENSATION PROGRAM

(a) The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970, as amended by section 102(b) of the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, is amended by striking out "March 31, 1977" and inserting in lieu thereof **"March 31, 1978".**

(b) The last sentence of section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970, as amended by the Emergency Unemployment Compensation Act of 1974, is amended by striking out "December 31, 1976" and inserting in lieu thereof "March 31, 1978".

(c) The amendments made in this section shall take effect on the date of enactment of this title.

SECTION-BY-SECTION ANALYSIS—JAVITS-WILLIAMS UNEMPLOYMENT INSURANCE BILL

Section 1. Short Title.

Section 101. State and National "On" Indicators.—(a) Provides that regardless of whether the insured unemployment rate in a State equals or exceeds the 5% insured unemployment rate trigger, currently in existence for the emergency unemployment compensation program, there shall be a national trigger of 4.5% insured unemployment, which, if met, shall trigger the emergency unemployment compensation program "on" in all states entitling unemployed workers who are eligible to receive benefits under the program to up to 13 weeks of additional unemployment compensation under the emergency program. In order for an unemployed individual to be eligible to receive the maximum entitlement under the program, of up to 26 weeks of benefits, the current state trigger requirement of a state insured unemployment rate of 6% or higher would still have to be met.

(b) Alters the method of computation of the insured unemployment rate for purposes of determining whether the trigger requirements of the emergency unemployment compensation program are met by including in the number of persons considered to be unemployed, for the purposes of such calculation, an estimate of the number of persons who have exhausted their entitlement to regular and extended unemployment benefits under the applicable State unemployment insurance program, and who are still unemployed and seeking work.

(c) Requires the States, in making determinations of the insured unemployment rate, for the purposes of the emergency unemployment compensation program, to make such determinations based upon their reports of unemployment to the Secretary of Labor, pursuant to his regulations.

(d) Requires the Secretary of Labor, in making determinations of the insured unemployment rate, for the purposes of the emergency unemployment compensation program, to make such determinations on the basis of the reports of unemployment to the Secretary, by the States, pursuant to his regulations.

(e) This section is to be effective for all weeks which begin after the last day of the first full calendar month after enactment.

Section 102. State and National "Off" Indicators.—(a) Provides that the Emergency Unemployment Compensation program shall trigger "off" in any State in which the State insured unemployment rate is below 5% and the national insured unemployment rate is below 4.5% but that no State shall trigger "off" unless the program has been in effect in the State for a minimum period of 13 weeks.

(b) This section is to be effective for all weeks which end after the last day of the first full calendar month after enactment.

Section 103. Funding of Emergency Unemployment Benefits.—Provides that funds for the payment of emergency unemployment compensation shall continue to be advanced from the general treasury to the federal unemployment trust fund; however, such advances made for payment of emergency unemployment compensation to individuals on or after July 1, 1976 shall no longer be considered as repayable by the trust fund to the general treasury.

Section 104. Extension of Program.—Extends the emergency unemployment compensation program for an additional year, through March 31, 1978, and provides that individuals who become eligible to receive benefits under this program before that date may continue to receive such benefits through June 30, 1978.

Section 105. Assistance to Trainees.—Provides that in accordance with new section 102(h) and implementing regulations adopted by the Secretary of Labor, individuals who are participating in job training or retraining programs, as a requirement for continued eligibility for receipt of benefits under the emergency unemployment compensation program, pursuant to section 102(g) of the Emergency Unemployment Compensation Act of 1974, as amended or who are in approved training pursuant to provisions of the applicable State law meeting the requirements of section 3304(a)(8) of the Internal Revenue Code of 1954, or in training provided under the Comprehensive Employment and Training Act of 1973, shall, upon exhaustion of their entitlement to Emergency Unemployment Compensation, be entitled to receive additional weeks of compensation, so long as they continue to participate and make satisfactory progress in such training programs, for a maximum of 13 weeks. This provision is to be effective during any weeks in which the trigger requirements of either the emergency unemployment compensation program or the Federal-State extended unemployment benefits program are met in the applicable State, and for up to 13 weeks thereafter to assist an individual to continue in training.

Section 106. Modification of Agreements.—Requires the Secretary of Labor to modify his agreements with the States, made pursuant to section 102(a) of the Emergency Unemployment Compensation Act of 1974, to provide for the payment of the compensation provided for under this Act. If such modification shall fail to occur within six weeks of the effective date of this Act, the Secretary is required to terminate his agreement with that State, and the amendments in this title (except section 103) shall not become operative in the state.

Section 108. Rules and Regulations.—Authorizes the Secretary of Labor to promulgate rules and regulations for the purpose of implementing the Emergency Unemployment Compensation Act of 1974. This amendment is effective from the date of enactment of the Act.

Section 201. Extension of Special Unemployment Assistance Program.—Extends the special unemployment assistance program for an additional year, through December 31, 1977, and provides that individuals who become eligible to receive benefits under this program before that date may continue to receive such benefits through March 31, 1978.

Section 202. Assistance to Trainees.—Provides assistance to trainees under this section and implementing regulations adopted by the Secretary of Labor in the same circumstances as additional weeks of compensation are furnished to trainees under the amendment in section 105 of this Act. Upon exhaustion of their entitlement to benefits under the special unemployment assistance program, individuals will be entitled to receive additional weeks of assistance so long as they continue to participate and make satisfactory progress in approved training programs, for a maximum of 13 weeks. This provision is to be effective during any weeks in which there is in effect a special unemployment assistance period in the area in which the individual was last employed, and for up to 13 weeks thereafter to assist an individual to continue in training.

Section 203. Unemployment Assistance for Public Service Employees.—Provides that the States and political subdivision shall be reimbursed under the Special Unemployment assistance program for the costs of providing unemployment benefits to workers who are employed in public service employment pursuant to the Comprehensive Employment and Training Act. This provision applies to such employees who are employed by State or local government employers in the nine states which provide for mandatory or elective coverage of employees of such employers, and any such employers covered under a local unemployment compensation plan. It also applies with regard to employees employed in public service employment by non profit organizations, the employees of which are required to be covered under the applicable state unemployment insurance law by the Federal Unemployment Tax. (Public service employees employed by State and local governments in the other 43 States generally already receive unemployment assistance under the special unemployment assistance program. This amendment is effective with regard to weeks of unemployment beginning on and after January 1, 1976.

Payments under this authorization would be made on a monthly basis to the States, or to political subdivisions in the case of coverage under local unemployment compensation plans, on estimates made by the Secretary of Labor on the basis of reports made to the Secretary. The Secretary will certify his estimates to the Secretary of the Treasury, who will make the payments from the appropriation for special unemployment assistance. The amendment is effective with respect to compensation or assistance paid for weeks of unemployment that begin on and after January 1, 1976.

To avoid duplication of payments to the States and political subdivisions for the costs of unemployment insurance protection of public service employees, the States and political subdivisions are required to repay to employers who have reimbursed the State or political subdivision for any such benefits paid before the January 1 effective date, and may not charge the employers for benefits which are subject to payment by the United States. Also, an employer who is liable for contributions to the State or political subdivision with respect to public service employment must be repaid the amount of any contributions paid with respect to services performed in such employment on and after January 1, 1976, and in computing the contribution rates for any such employer the relevant factors in the computations may not take into account any element pertaining to public service employment or compensation paid which is the subject of a payment by the United States under this section. Adherence to these requirements by a State is not intended to impair certifiability for credits under sections 3303(b) and 3304 of the Federal Unemployment Tax Act, or certifiability of grants under title III of the Social Security Act.

Section 204. Rules and Regulations.—Authorizes the Secretary of Labor to promulgate rules and regulations for the purpose of implementing the special unemployment assistance program under Title II of the Emergency Jobs and Unemployment Assistance Act of 1974. This amendment is effective from the date of enactment of the Act.

Section 205. Modification of Agreements.—Requires the Secretary of Labor to modify his agreements with the States, made pursuant to section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974, to provide for the payment of the assistance provided for under this Act. If such modification shall fail to occur within six weeks of the effective date of this Act, the Secretary is required to terminate this agreement with the State, and the amendments in section 101 and 102 shall not become operative in that State.

Section 301. Insured Unemployment Rate.—Alters the method of computation of the insured unemployment rate for the purposes of determining whether the trigger requirements of the Federal-State Extended Unemployment Compensation Act of 1970 are met, by including in the number of persons considered to be unemployed, for the purposes of such calculation, an estimate of the number of persons who have exhausted their entitlement to unemployment insurance benefits under the applicable State unemployment insurance program and the Federal-State extended benefits program, and who are still unemployed and seeking work.

Section 302. Extension of Waiver of 120 Percent Requirement and Reduction of National Trigger for Purposes of the Extended Compensation Program.—(a) Provides for continuation of the waiver of the requirement that, in order for a State to meet the trigger requirements of the Federal-State extended unemployment benefits program, its rate of insured unemployment must be 120% of such rate for the corresponding period in the previous two years. This waiver to continue to be effective through March 31, 1978.

(b) Provides for continuation of the reduction of the national trigger level of insured unemployment required for individual states to be triggered "on" for the purposes of the Federal-State extended unemployment benefits program from 4.5% to 4% through March 31, 1978.

EXHIBIT 1

TABLE I.—FSB EXHAUSTEE ESTIMATES—CALENDAR YEAR 1976

[Table reflects new estimates and data from the States Jan. 26, 1976]

	1976												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total	192,120	189,860	194,358	175,293	167,927	168,111	181,119	153,051	144,680	141,782	130,862	119,457	1,958,620
Alabama	2,300	2,300	2,500	2,200	1,900	2,200	1,900	1,700	1,600	1,500	1,500	1,500	23,100
Alaska	75	60	100	45	130	90	80	125	90	120	80	160	1,155
Arizona	1,500	1,400	1,350	1,350	1,300	1,300	1,200	1,100	1,100	1,100	900	700	14,300
Arkansas	1,782	1,500	1,300	680	715	760	440	550	880	875	1,050	1,630	12,162
California	35,000	35,000	35,000	34,000	34,000	34,000	32,000	32,000	32,000	32,000	32,000	32,000	399,000
Colorado	290	320	300	40	0	0	0	0	0	0	0	0	950
Connecticut	3,200	2,900	4,200	3,400	3,000	3,500	2,800	2,700	2,700	2,600	2,800	2,900	36,700
Delaware	700	800	900	0	0	0	0	0	0	0	0	0	2,400
District of Columbia	700	800	900	0	0	0	0	0	0	0	0	0	2,400
Florida	9,100	8,900	8,700	8,500	8,300	8,100	8,000	7,800	7,600	7,400	7,200	0	89,600
Georgia	8,500	8,800	8,700	7,100	7,100	5,000	4,500	4,600	4,700	4,800	4,900	5,000	73,700
Hawaii	450	350	300	300	450	400	400	0	0	0	0	0	2,650
Idaho	170	150	120	130	140	180	210	160	100	40	0	0	1,400
Illinois	7,600	7,800	8,100	8,400	8,700	8,900	9,200	9,300	9,100	8,900	8,800	8,800	103,600
Indiana	8,210	5,470	2,740	0	0	0	0	0	0	0	0	0	16,420
Iowa	1,100	1,200	1,300	1,100	1,100	1,200	900	800	500	250	100	0	9,550
Kansas	690	700	780	100	0								2,270
Kentucky	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	16,800
Louisiana	2,150	1,960	1,825										5,935
Maine	500	520	810	1,000	900	780	760	570	650	525	485	380	7,880
Maryland	1,480	1,480	1,710	2,120	1,425	1,835	2,680	1,780	1,825	1,030	525	860	18,750
Massachusetts	9,000	9,500	10,500	11,000	11,000	14,000	37,000	17,000	13,000	10,000	7,000	7,000	156,000
Michigan	11,000	11,000	12,000	11,000	11,000	12,000	13,000	12,000	11,000	15,200	7,000	4,800	131,000
Minnesota	3,000	3,000	3,500	2,000	1,800	1,400	1,000	1,000	1,000	1,000	1,000	1,100	20,800
Mississippi	700	650	550	550	400	200	200	175	100	0	0	0	3,525
Missouri	4,200	4,500	6,000	5,400	3,800	2,700	3,400	2,700	2,300	1,600	1,400	1,000	39,000
Montana	210	180	160	200	100	200	280	290	270	300	240	320	2,750
Nebraska	867	714	612	612	561	510	510	450	408	102	102	102	5,550
Nevada	800	750	750	725	725	700	660	660	600	600	600	600	8,170
New Hampshire	200	230	300	350	350	350	225	100	50	50	30	20	2,255
New Jersey	12,700	12,300	12,000	11,900	11,700	11,600	11,400	11,300	11,100	10,800	10,700	10,500	138,000
New Mexico	451	491	536	331	206	171	179	116	57	20	0	0	2,558
New York	16,900	15,400	17,700	16,900	16,200	16,900	13,500	13,500	13,500	12,900	13,500	14,200	181,100
North Carolina	1,400	1,300	1,200	400	0	0	0	0	0	0	0	0	4,300

EXHIBIT 1—Continued

TABLE I.—FSB EXHAUSTEE ESTIMATES—CALENDAR YEAR 1976—Continued

[Table reflects new estimates and data from the States Jan. 26, 1976]

	1976												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
North Dakota	50	70	40	10	10	70	30	60	60	80	60	70	610
Ohio	4,300	5,000	6,400	3,900	3,600	3,400	0	0	0	0	0	0	26,600
Oklahoma	1,600	1,500	1,600	0	0	0	0	0	0	0	0	0	4,700
Oregon	1,400	1,350	1,450	1,350	1,100	1,000	950	950	850	750	700	900	12,750
Pennsylvania	5,500	7,800	8,500	12,700	10,300	8,500	8,400	6,500	5,600	4,900	8,500	4,000	91,200
Puerto Rico	7,000	5,500	4,500	5,200	6,000	7,000	6,300	5,900	6,100	6,900	5,200	5,800	71,400
Rhode Island	1,800	1,600	1,600	1,600	1,600	1,600	1,800	1,600	1,600	1,600	1,600	1,800	19,800
South Carolina	4,500	5,000	5,500	5,000	5,000	4,500	4,500	3,000	2,000	1,700	1,500	1,500	43,700
South Dakota	150	150	100	0	0	0	0	0	0	0	0	0	400
Tennessee	4,200	4,400	4,600	4,600	4,500	4,400	4,200	4,000	3,800	3,700	3,600	3,400	49,100
Texas	3,300	2,750	1,350	0	0	0	0	0	0	0	0	0	7,400
Utah	560	430	210	50	0	0	0	0	0	0	0	0	1,250
Vermont	275	200	375	450	300	450	200	250	275	275	325	260	3,625
Virginia	990	1,150	1,300	0	0	0	0	0	0	0	0	0	3,440
Washington	3,800	4,200	4,500	4,200	4,100	3,800	3,900	4,000	3,900	3,900	3,200	3,400	46,900
West Virginia	350	400	450	450	500	500	500	400	350	350	350	350	4,950
Wisconsin	4,000	4,500	3,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	3,000	34,500
Wyoming	20	35	40	50	15	15	15	15	15	15	15	15	265

Source: Unemployment Insurance Service, U.S. Department of Labor, with data provided by States.

TABLE II. *Estimated number of FSB claimants who will not receive full entitlement in calendar year 1976 because of termination or reduction of FSB program by operation of "off" triggers in present law*

(Estimates prepared by State agencies)

Total	292,340
Alabama	27,500
Alaska	0
Arizona	0
Arkansas	3,950
California	0
Colorado	9,800
Connecticut	0
Delaware	2,800
District of Columbia	6,800
Florida	10,100
Georgia	0
Hawaii	0
Idaho	1,220
Illinois	3,000
Indiana	6,400
Iowa	24,000
Kansas	5,500
Kentucky	500
Louisiana	7,200
Maine	525
Maryland	14,000
Massachusetts	0
Michigan	7,000
Minnesota	5,000
Mississippi	400
Missouri	20,000
Montana	2,000
Nebraska	2,900
Nevada	0
New Hampshire	75
New Jersey	0
New Mexico	0
New York	0
North Carolina	4,900
North Dakota	530
Ohio	54,000
Oklahoma	6,500
Oregon	0
Pennsylvania	0
Puerto Rico	0
Rhode Island	0
South Carolina	7,800
South Dakota	500
Tennessee	0
Texas	40,000
Utah	1,890
Vermont	0
Virginia	8,400
Washington	0
West Virginia	0
Wisconsin	7,000
Wyoming	150

TABLE III.—SUA EXHAUSTEE ESTIMATES—CALENDAR YEAR 1976

[Table reflects new estimates and data from the States Jan. 26, 1976]

	1976												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total	20,400	19,419	19,580	19,020	18,061	18,349	19,091	18,468	18,166	18,237	17,571	18,256	224,618
Alabama	475	500	400	340	300	300	325	300	280	350	340	300	4,210
Alaska	15	12	13	10	11	17	14	10	20	18	16	25	181
Arizona	150	150	150	150	150	150	150	150	150	150	150	105	1,800
Arkansas	1,080	870	620	325	350	1,080	620	310	260	455	715	1,280	7,965
California	2,800	2,800	2,800	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	35,400
Colorado	29	29	29	29	29	29	29	29	29	29	29	31	350
Connecticut	390	290	230	240	230	200	180	180	160	280	240	200	2,820
Delaware	8	8	8	8	8	8	8	8	8	8	8	8	96
District of Columbia	10	10	5	5	5	10	5	5	10	5	5	5	80
Florida	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Georgia	800	650	610	400	240	480	600	620	600	480	480	480	6,440
Hawaii	10	10	10	10	10	10	10	10	10	10	10	10	120
Idaho	30	50	130	130	200	20	60	30	70	150	80	40	990
Illinois	540	560	530	510	490	480	460	440	430	410	400	390	5,640
Indiana	600	500	600	600	500	400	700	900	1,000	600	400	600	7,400
Iowa	50	150	200	150	150	90	80	70	50	25	25	20	1,060
Kansas	105	95	95	120	170	150	150	70	55	60	65	65	1,200
Kentucky	175	175	175	175	175	175	175	175	175	175	175	175	2,100
Louisiana	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Maine	230	240	380	470	420	370	360	270	240	220	200	300	3,700
Maryland	165	165	365	335	270	165	165	510	670	670	170	170	3,820
Massachusetts	600	800	1,000	800	600	500	600	500	700	800	600	500	8,000
Michigan	600	500	500	500	500	500	500	500	500	500	500	500	6,100
Minnesota	130	140	140	150	160	150	130	100	100	100	100	100	1,500
Mississippi	310	213	106	100	188	229	281	202	230	283	225	248	2,615
Missouri	600	700	600	400	400	300	200	200	100	100	100	200	4,000
Montana	87	87	87	87	87	87	87	87	87	87	87	93	1,050
Nebraska	61	61	61	61	58	53	52	45	51	51	51	61	666
New Hampshire	25	30	45	20	15	10	10	10	10	15	15	20	225
New Jersey	650	630	620	610	600	580	650	560	550	530	520	500	7,000
New Mexico	54	53	45	39	29	40	189	21	10	90	125	110	305
New York	1,500	1,350	1,550	1,500	1,450	1,450	1,500	1,500	1,500	1,400	1,400	1,550	17,650
North Carolina	550	530	500	450	420	400	350	350	330	300	320	350	4,850
North Dakota	85	85	85	85	85	85	85	85	85	85	85	85	1,020
Ohio	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Oklahoma	300	275	250	300	300	300	300	300	300	275	275	275	3,450
Oregon	90	90	110	110	100	80	70	60	50	70	80	90	1,000
Pennsylvania	550	475	375	250	225	225	200	150	150	200	250	275	3,320
Puerto Rico	2,000	1,500	1,400	1,300	1,550	1,700	2,100	2,200	1,800	1,900	1,850	1,700	21,000
Rhode Island	200	150	100	150	100	100	150	150	100	100	100	100	1,500
South Carolina	180	180	180	190	190	190	250	250	250	220	220	220	2,520

	1976												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
South Dakota	80	90	110	140	110	100	90	70	60	60	60	60	1,030
Tennessee	500	600	600	500	500	500	500	400	350	325	325	300	5,400
Texas	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Utah	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Vermont	70	75	175	725	145	85	85	70	65	80	100	80	1,755
Virginia	75	110	150	100	100	75	75	75	100	120	125	140	1,145
Washington	375	375	375	375	375	375	375	375	375	375	375	375	4,500
West Virginia	35	35	35	40	45	50	50	50	45	45	45	45	525
Wisconsin	110	100	110	110	100	130	200	150	130	110	110	110	1,400
Wyoming	21	21	21	21	21	21	21	21	21	21	20	20	250

Source: Unemployment Insurance Service, U.S. Department of Labor, with data provided by States.

NEW HOPE FOR JOBLESS AMERICANS: A BILL TO EXTEND UNEMPLOYMENT ASSISTANCE

Mr. WILLIAMS. Mr. President, it is with a sense of urgency and concern that I join today with the Senator from New York (Mr. JAVITS) in introducing S. 3262, the Emergency Unemployment Compensation and Special Unemployment Assistance Amendments of 1976.

In the midst of all of the legislative imperatives of the current congressional session, a certain complacency may develop about the plight of the jobless in times that remain exceedingly difficult for them. In some quarters, complacency has already crept in; the miniscule decline in the official national unemployment rate in March has been interpreted by some as a strong signal that the economy can recover and swiftly absorb the unemployed.

This view is clearly in error. All of the good estimates of leading economists foretell unemployment above 6 percent throughout 1976 and 1977. At any point in time over the next 18 months, no fewer than 5 million persons will be counted as unemployed; another millon or more will be equally jobless, but not counted as unemployed because they have given up hope of finding work. Still another million or more will be working part-time because of economic constraints.

It is toward these victims of economic misfortune and the 10 million members of their families that we direct our concern with this bill. However vigorous the economic recovery—and the Senate Budget Committee has recommended a modest growth rate of only 6 percent for fiscal 1977—millions of Americans will endure great difficulty in finding a job for many, many months.

In December of 1974, when the unemployment rate was nearly a half-percent lower than it is today, the Congress deemed it necessary to enact two emergency programs of unemployment assistance. In each case, it was our conviction that the existing programs could not adequately cope with excessively high and prolonged unemployment on a scale that rivaled the level of joblessness in the Great Depression. Explicitly noted was the fact that unemployed persons would require much more time to find work in the tight and highly competitive job markets that occur in times of recession.

For this reason, the regular and extended unemployment compensation benefit period, totalling 39 weeks for workers in insured employment, was supplemented by an additional 26 weeks of Federal supplemental benefits—FSB. The supplemental benefits are now scheduled to expire on March 31, 1977; unemployment at that time, according to recent estimates, will range between 6.5 and 7 percent.

It must also be noted that long-term unemployment has been increasing, while the overall unemployment rate has declined in recent months. More and more persons are being forced to search longer and longer for the available jobs. Many of them exhaust their unemployment compensation benefits without finding work. Clearly, the principles that underlay the action of the Congress in December 1974 are as valid today, if not more so, than on the day the FSB program was enacted.

The other program enacted in December 1974, was designed to provide income support for some 12 million workers who are employed in uninsured jobs. For the most part, this group comprises farm workers, State and local government employees, and domestic workers. Initially, these workers were provided with special unemployment assistance—SUA—for up to 26 weeks of unemployment. In June 1975, the benefit period was extended to 39 weeks. The SUA program is now scheduled to expire on December 31, 1976.

Mr. President, the Ways and Means Committee of the House has reported legislation to bring 9.5 million of these uninsured workers under the regular coverage of the unemployment compensation system. I welcome that decision, and I hope that it meets with the approval of the Congress.

It is important to recognize, however, that this legislation could not be implemented in the States until well into 1977, and a date of January 1, 1978, seems to be a more realistic target date. To prevent a lapse in coverage for these workers, I am confident that the Congress will agree to an extension of the SUA program until the new program of coverage is in place.

The bill we introduce today provides for these extensions, authorizing continuation of FSB and SUA payments to the unemployed for an additional year in each case.

I would emphasize, Mr. President, that the Senate Budget Committee has allowed in the first concurrent resolution on the budget for a continuation of these programs throughout fiscal 1977.

In addition, the bill provides for persons engaged in approved job training to continue to receive their weekly benefits for an additional period of up to 13 weeks, or until their training is completed, whichever occurs first. In many cases, a trainee could not have enrolled in a training program without the assurance of a regular, minimal weekly income to sustain him. In providing up to 13 additional weeks of benefits, it is our intention to preserve the incentive that directed him or her into training for the purpose of developing skills that enhance prospects for permanent employment.

The bill also provides for a modification of the unemployment rate triggers that are used to determine the duration of FSB benefits payable in each of the several States. We propose a uniform national trigger of 4.5 percent insured unemployment rate as the level of which 13 weeks of FSB—or a total of 52 weeks of benefits—would be payable in all States. States where insured unemployment exceeds 6 percent would be eligible to pay benefits under FSB for 26 weeks—or a total of 65 weeks.

In the event the national trigger rate declines below 4.5 percent, the State-by-State triggers would remain in effect, providing 13 weeks of FSB in States with insured unemployment in excess of 5 percent and 26 weeks in States where insured unemployment exceeds 6 percent. The training allowances provided in the bill would be in addition to the duration of benefits as determined by the triggers.

We have also proposed legislation in this bill to strengthen the method for determining insured unemployment, taking into account for the first time the workers who have exhausted their benefits but have not yet found work. With this change, the insured unemployment rate would much more accurately reflect conditions in the job market of each State, assuring that when job competition is high an unemployed worker will have additional time for his job search.

The bill also provides for funding of the FSB program with general revenues, rather than the Federal tax on employers. This nationwide recession is a problem for all Americans and should not be laid on the shoulders of employers for years to come.

Finally, the bill includes provisions to provide Federal coverage for workers employed in public service jobs programs under the Comprehensive Employment and Training Act. The House has passed, and the Senate Committee on Labor and Public Welfare is considering, proposals to establish emergency employment projects with private nonprofit organizations among the eligible sponsors.

In addition, nine States now provide unemployment insurance coverage for public service employees of State and local government; in the other States, unemployed CETA workers are covered by the national special unemployment assistance program. In these nine States, as well as in the case of private nonprofit sponsors, funds intended to pay the wages and fringe benefits of workers have to be diverted and reserved to pay unemployment benefits at some point in the future. Since the emergency public service jobs programs are temporary under law, they will terminate without question, and the terminated employees will be eligible for unemployment assistance. The bill insures that these benefits will be paid by the Federal Government from funds allocated for that purpose, and not from funds intended to provide meaningful employment for workers who have no other hope of a job.

Mr. President, this bill and the existing statutes that it amends should not be considered as a permanent solution to the problems that have come to light in our income maintenance programs as a result of the severe stresses imposed by the recession. I believe we have taken some steps toward permanent provisions, and I hope that we have laid at least part of the foundation for the future.

But there is a great deal more to be done, before we can be confident that the unemployment insurance system of this Nation is sufficiently strengthened to cope with excessively high and prolonged unemployment. Legislation aimed toward this goal has been reported to the House of Representatives by the Ways and Means Committee, and I am confident that the Senate will have the opportunity to consider that bill, H.R. 10210, in early summer.

I urge my colleagues to look favorably upon the bill that we introduce today, and I urge them to join with me in committing the Senate to acting upon permanent reforms of the unemployment insurance system while the plight of millions of unemployed Americans is still clearly in view.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 110

At the request of Mr. Inouye, the Senator from Florida (Mr. Stone) was added as a cosponsor of S. 110, the widow dependency legislation.

S. 1395

At the request of Mr. Thurmond, the Senator from Texas (Mr. Bentsen) was added as a cosponsor of S. 1395, a bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty medical personnel, and for other purposes.

S. 1776

At the request of Mr. Hugh Scott, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 1776, a bill to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania.

S. 2845

At the request of Mr. McIntyre, the Senator from New Hampshire (Mr. Durkin) was added as a cosponsor of S. 2845, a bill to reorganize the activities of the Federal Government to provide small business concerns and individual inventors with increased opportunities to participate in the activities carried out by the Energy Research and Development Administration, and for other purposes.

S. 2886

At the request of Mr. Inouye, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 2886, a bill to provide for a greater utilization of the professional services of licensed psychiatric nurses in the medicare and medicaid programs.

S. 3036

At the request of Mr. Stone, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 3036, a bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors.

S. 3113

At the request of Mr. Bartlett, the Senator from Arizona (Mr. Goldwater) was added as a cosponsor of S. 3113, a bill to amend the Congressional Budget Act of 1974 to require that concurrent resloutions on the budget recommend levels of Federal revenues not lower than the appropriate levels of total budget outlays.

S. 3165

At the request of Mr. Pell, the Senator from Oregon (Mr. Hatfield) and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 3165, a bill to establish a national marine science and technology policy for the United States, and to extend the national sea grant program.

S. 3222

At the request of Mr. Durkin, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3222, a bill to amend the Veterans Readjustment Benefits Act.

S. 3226

At the request of Mr. Burdick, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3226, a bill to amend title 38 of the United States Code to remove the time limitations within which programs of education for veterans must be completed.

SENATE JOINT RESOLUTION 45

At the request of Mr. Inouye, the Senator from Rhode Island (Mr. Pastore) was added as a cosponsor of Senate Joint Resolution 45, the Municipal Clerk's Week legislation.

SENATE JOINT RESOLUTION 179

At the request of Mr. Bartlett, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of Senate Joint Resolution 179, a joint resolution to authorize the President to issue a proclamation designating July 2, 1976, a "National Bicentennial Day of Prayer of Thanksgiving and Guidance."

SENATE RESOLUTION 197

At the request of Mr. Leahy, the Senator from Utah (Mr. Garn) was added as a cosponsor of Senate Resolution 197, a resolution to establish a Select Committee on Federal Responsiveness and Accountability.

SENATE RESOLUTION 307

At the request of Mr. Leahy, the Senator from Utah (Mr. Garn) was added as a cosponsor of Senate Resolution 307, a resolution amending the Standing Rules of the Senate to require committee reports to contain assessments of the language of bills and joint resolutions, in relation to legislative goals.

SENATE RESOLUTION 413

At the request of Mr. Ribicoff, the Senator from New Jersey (Mr. Case) and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of Senate Resolution 413, a resolution regarding the freedom of the press at the Olympic Games.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. Brooke, the Senator from California (Mr. Cranston) and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding democracy in Italy and participation by Italy in the North Atlantic Treaty Organization.

SENATE RESOLUTION 422—SUBMISSION OF A RESOLUTION AMENDING THE STANDING RULES OF THE SENATE WTH RESPECT TO UNANIMOUS-CONSENT REQUESTS

(Referred to the Committee on Rules and Administration.)

Mr. HUGH SCOTT submitted the following resolution:

S. Res. 422

Resolved, That the Standing Rules of the Senate are amended by adding at the end thereof the following new rule:

"Rule XLV

"UNANIMOUS-CONSENT REQUESTS

"1. Except as provided by paragraph 2, a request for unanimous consent made by a Senator must be made by that Senator orally.

"2. Paragraph 1 shall not apply to a request for unanimous consent to have matter printed in the Congressional Record or to add cosponsors to a bill, resolution, or amendment.".

AMENDMENTS SUBMITTED FOR PRINTING

TAX REFORM ACT OF 1975—H.R. 10612

AMENDMENT NO. 1562

(Ordered to be printed and referred to the Committee on Finance.)

Mr. HASKELL submitted an amendment intended to be proposed by him to the bill (H.R. 10612) to amend the Internal Revenue Code of 1954 to repeal accelerated depreciation.

(The remarks of Mr. Haskell when he submitted the amendment appear earlier in today's Record.)

AMENDMENTS NOS. 1563 THROUGH 1569

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BUMPERS. Mr. President, I send

to the desk seven amendments intended to be proposed to H.R. 10612, entitled "The Tax Reform Act of 1975," which has passed the House and is now pending before the Committee on Finance.

The purpose and effect of these proposals are described in my testimony before the Committee on Finance, delivered on March 19. This testimony was a modest attempt on my part to inject an additional measure of reform into the House-passed bill. I am hopeful that the Committee on Finance will carefully consider these proposals that I have made, and I am introducing them today in the form of printed amendments in order to facilitate that consideration.

A number of these amendments are not original with me. They are based upon years of experience and advocacy in the tax-reform field. They are nonetheless, in my view, worth fighting for. Correspondence coming to my office, and I am sure that other Members have the same experience, is full of complaints about the inequities, complexities, and oppressiveness of the Internal Revenue Code. My preference, Mr. President, would be to junk H.R. 10612 and start from the ground up to draft a bill containing a much larger measure of tax reform and simplification. In view of the fact that tax bills originate in the House and that the Senate is, as a practical matter, limited to amending House proposals, it may not be practical for the Senate to originate such a movement, but surely we can consider a number of important changes in H.R. 10612, and it is in that spirit that I submit this group of amendments today.

I ask unanimous consent that a portion of my testimony before the Committee on Finance, explaining the amendments, be printed in the Record immediately following the text of the amendments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. Mr. President, I would like to acknowledge my debt to the Senator from Colorado (Mr. Haskell) for one of the amendments that I am submitting today, the amendment relating to the foreign tax credit in respect of income derived from the extraction, production, or refining of oil or gas. My proposal is patterned after an amendment proposed on the floor of the Senate by the Senator from Colorado on March 19, 1975, during our consideration of H.R. 2166, which later became the Tax Reduction Act of 1975, Public Law 94–12. The Haskell amendment, in turn, was based on a bill, S. 512, introduced by Mr. Haskell in the 1st session of Congress, as well as upon a similar bill, S. 3095, introduced in the 2d session of the 93d Congress by the Senator from Idaho (Mr. Church), the Senator from Colorado (Mr. Haskell), and seven others.

After a fairly extensive discussion on the floor, the Senator from Colorado withdrew his amendment, partly because of his expectation that similar proposals would be embodied in H.R. 6860, the energy tax bill then being considered by the Committee on Ways and Means, and that this bill would be an appropriate vehicle for considering far-reaching changes in the foreign tax credit. As the Senate knows, H.R. 6860 did eventually pass the House and was referred to the Committee on Finance, where it remains today. The bill is largely out of date, having been superseded in many respects by S. 622, which became the Energy Policy and Conservation Act of 1975, Public Law 94–163, and I suppose it is probable that H.R. 6860 will not be acted on in this body. Much of the need for the bill, certainly, is past.

The present tax-reform bill, H.R. 10612, is, therefore, an appropriate occasion for raising again the question of the foreign tax credit. I might remind Members of the Senate that on March 19, 1975, amendment No. 162 of the Senator from Indiana (Mr. Hartke) was agreed to by voice vote. This amendment, a more sweeping proposal than the one I make today, converted the foreign tax credit entirely to a deduction. As H.R. 2166 was eventually reported back from the committee of conference and signed into law, much of the force of the Hartke amendment was lost, however.

I therefore urge that this question be now considered anew and that forthright action be taken to close this gaping loophole.

Mr. President, I ask unanimous consent that the seven amendments be printed in the Record.

There being no objection, the amendments were ordered to be printed in the Record, as follows:

Amendment No. 1563

On page 237, after line 24, insert a new Section 1036 as follows:

"Sec. 1036.—Limitation on Credit for Certain Sums Paid to Foreign Governments.—Section 903 of the Internal Revenue Code of 1954 (relating to definition of creditable taxes) is amended to read as follows:

"(a) In General.—For purposes of this subpart and Sections 164(a) and 275(a), the term 'income, war profits, and excess profits taxes' means a tax paid in lieu of a tax on income, war profits, or excess profits otherwise generally imposed by any foreign country or by any foreign possession of the United States.

"(b) Royalties.—

"(1) In General.—For purposes of this subpart and Sections 164(a) and 275(a), in the case of taxes paid or accrued to any foreign country with respect to income derived from the extraction, production, or refining of oil or gas in such country, the term 'income, war profits, and excess profits taxes' does not include any amount paid as a royalty.

"(3) Determination Whether a Payment Is a Royalty or a Tax.—In the case of any foreign country which imposes an income, war profits, or excess profits tax on income from activities other than the extraction, production, or refining of oil or gas in that country, any part of a payment made to that country as an income, war profits, or excess profits tax which is not reasonably similar (in terms of the rate of tax, of the amount of tax paid for the income or profits involved, of the base on which the tax is computed, or otherwise) to the amount payable with respect to income or profits arising out of other activities, as determined by the Secretary or his delegate, is considered to be a royalty payment. In the case of any other foreign country, any part of a payment made to that country as an income, war profits, or excess profits tax which is determined by the Secretary or his delegate, on account of the manner in which it is determined, the rate of tax, the amount of tax paid for the income or profits involved, the basis on which the tax is computed, or any other reason, to constitute the payment of a royalty is considered to be a payment.

"(b) Effective Date.—This Section shall be effective with respect to taxable years commencing on or after the date of enactment of this Act."

Amendment No. 1564

On page 381, strike lines 9 through 19, being subsection (d) of Section 1403 of the bill.

Amendment No. 1565

On page 137, after line 2, insert the following:

"(b) Deductibility of Air Travel Expenses.—Section 274 is amended by redesignating subsection (i) as subsection (j) and inserting after subsection (h) a new subsection (i) as follows:

"(i) No deduction shall be allowed under Section 162 or Section 212 for any expense paid or incurred for the transportation of any person by commercial airplane in excess of the retail price of a coach class fare ticket for such person on the same airline to the same destination at the same time of day and at the same time of year, as determined by the Civil Aeronautics Board and reported to the Secretary or his delegate."

And renumber subsection (b) on line 3 of page 137 as subsection (c).

Amendment No. 1566

Strike new subsection (h) of Section 274, beginning on line 11 of page 132, and continuing through line 2 of page 137, inclusive, and insert in lieu thereof the following:

"(h) Foreign Conventions.—

"(1) Disallowance of deductions for foreign conventions.—No deduction allocable to attendance at any foreign convention shall be allowed under Section 162 or Section 212, in the case of any taxpayer who is a resident of the United States.

"(2) Definition.—The term 'foreign convention' means any convention, seminar, or similar meeting held outside the United States, its possessions, and the Trust Territory of the Pacific, except conventions, seminars, or similar meetings held by organizations a majority of whose members are not residents of the United States."

Amendment No. 1567

Strike Section 204 of the bill in its entirety, being page 54, line 5, through page 59, line 10, inclusive.

Amendment No. 1568

On page 15, line 21, after the word "grain," insert the following: "rice, soybeans".

Amendment No. 1569

On page 15, line 22, strike the words "other than" and insert in lieu thereof "including."

Exhibit 1

Extract From Statement of Senator Bumpers Before the Committee on Finance With Respect to H.R. 10612

Mr. Chairman, I appreciate very much the opportunity to appear before the Committee on Finance and offer a few observations on H.R. 10612, entitled The Tax Reform Act of 1975.

Before addressing some of the specific issues that the bill raises, I would like to offer a general comment. The title of the bill, The Tax Reform Act of 1975, is unfortunately a misnomer. Although the bill would result in increasing federal revenues for calendar year 1976 by about $1.3 billion, and although certain so-called loopholes would be closed or narrowed by some of the bill's provisions, it is by no means a "reform" measure. It simply adds to the already almost incomprehensible complexity of the Internal Revenue Code.

A glance at any section of the bill will reveal that it is honeycombed with special exceptions, carefully tailored effective dates, and special-interest rules. As a matter of fact, each section of the bill seems to have been prepared with particular individual or corporate taxpayers in mind. The Internal Revenue Code, instead of being a simple and reasonably straightforward device for raising revenues to support the operations of the federal government, has instead become a mass of unintelligible rules, many of which are designed to encourage or discourage certain conduct that either does or does not appear to have social value. The taxing statute, in other words, has become a vehicle for almost everything except taxation, and if I could leave one point with the Committee in my testimony today, it would be that H.R. 10612 should be scrapped. It would be better for the Committee to start anew from the ground up and produce a true reform measure, beginning the difficult and painful process of streamlining the Internal Revenue Code so that it is fair and understandable.

It is easier to talk about this task than to accomplish it, of course, but we have to start somewhere, and today is as good a time as any.

I would like to comment on just a few of the provisions I consider to be seriously flawed in H.R. 10612. I am concerned first of all, about the provisions of the bill on limitation of artificial losses, known in taxing jargon as LAL. In the case of farm operations, for example, Section 101 defines "artificial losses" to include prepaid feed, seed, and fertilizer expenses, accelerated depreciation of livestock, and expenses incurred for certain crops. Artificial losses include expenses incurred for crops, animals, or trees before the period of production. But the bill continues then to except from this new provision livestock other than poultry.

I fully understand and sympathize with the general purpose of these proposals. They discourage persons with high non-farm income from using farms as tax shelters. Real economic losses from farms, for example, current expenses of production, could still be deducted against any kind of income, farm or non-farm, but by omitting poultry from the exception for livestock, the bill discriminates against an important agricultural interest of Arkansas.

Mr. Chairman, I can see no economic or tax-policy reason for distinguishing poultry from livestock with respect to the deductibility of artificial losses. If the loophole is going to be closed, it ought to be completely closed, and if it is going to be left open, it should be left open for all crops and agricultural pursuits without unreasonable distinction. As a matter of fact, this group of provisions is an excellent example of what is wrong with the Internal Revenue Code. The statute has become a lacy filigree of special-interest exceptions and carefully tailored grandfathering dates. For example, the LAL provisions do not apply to that portion of a grove, orchard, or vineyard planted before September 11, 1975.

I suggest, therefore, that new Section 468 (c) (1) (B) (ii) be amended by adding rice and soybeans to the favored group of crops, and that new Section 468(c) (1) (B) (iv) be amended by striking out the words "other than poultry."

Mr. Chairman, Section 204 of the bill, which would add a new Section 447 to the Code, contains similarly objectionable special rules. In general, the new section would prohibit farming corporations from using the cash basis of accounting. Their taxable income would have to be computed on the accrual method. In passing, I might say that I see little justification for such a special rule as to farming corporations. The Commissioner of Internal Revenue already has the authority under existing law to disallow the use of any basis of accounting that he finds does not clearly reflect income, and I do not understand why this authority is not sufficient to cure any distortion of income that may now be taking place in the tax returns of farming corporations of other taxpayers. After all, an expense paid and deducted in one year will normally be compensated for by income earned the next year.

Beyond that, the proposed new Section 447 is not a simple prohibition of the use of the cash basis for all farming corporations. If it were that straightforward, it would perhaps be defensible. The proposal, however, in a manner typical of the approach of this bill to taxation, contains a number of exceptions. A corporation, for example, could continue to use the cash basis, if it wishes, if two-thirds of its stock is owned by members of the same family. There then follows, in proposed new Section 447(c), an extensive definition of the term "family," and, in proposed new Section 447(d), special rules under which two families, for tax purposes, can be treated as one.

And why, one may ask, would Congress want to specify instances in which two families are considered as one, any more than we might want to include in the Tax Code a series of special circumstances in which the moon shall become the sun or vice versa. The answer, I suspect, is that some small group of taxpayers wanted to preserve its own option to use the cash basis and has done so not by a frontal attack upon the principle of proposed new Section 447 itself, but by securing adoption of a carefully structured special-interest exception.

The trouble, Mr. Chairman, is that all of these exceptions, even if justifiable in the case of the individual taxpayers whom they benefit, cut two ways. That is, farming corporations which do not, for one reason or another, fall within the precise terms of the exceptions, may be placed at a disadvantage with respect to other farming corporations with whom they compete and which do fall within the exceptions.

The proper solution, it seems to me, is that all of Section 204 be stricken. In this way, the problem of structuring special exemptions for certain taxpayers can be avoided altogether, and farming corporations, in common with other business corporations, could continue to use whatever basis of accounting clearly reflects their income.

Mr. Chairman, Section 602 of the bill, relating to deductions for the expense of attending business meetings outside the United States, is a step in the right direction, but in my opinion it does not go nearly far enough. Under Section 602, for example, taxpayers would be allowed to deduct the cost of attending two foreign conventions per year, and their transportation expenses could be deducted only up to the cost of coach air fare. I frankly do not see why any deductions should be allowed for attending conventions, seminars, or conferences out of the country.

There is rarely a genuine business purpose for holding a business meeting abroad. Usually they are just excuses for wealthy professional people to take a deductible vacation. Again, persons should be perfectly free to travel without as well as within the United States, but I cannot understand why the general body of low and moderate income taxpayers should have to subsidize this travel for higher income persons who could afford to go on their own. I suggest, therefore, that Section 602 be rewritten to prohibit this kind of deduction altogether.

In addition, for many of the same reasons, all deductions for air fare should be limited to the cost of coach tickets. S. 1698, which I am co-sponsoring and which is now pending before this Committee, would accomplish this result, and I urge that provisions of S. 1698 be attached by way of amendment to Section 602 of H.R. 10612.

Section 1035 of the bill relates to the tax treatment of foreign taxes on oil and gas extraction income, and this would be an appropriate opportunity, it seems to me, to raise again the whole question of abuse of the foreign tax credit. I have no quarrel with the general proposition, long recognized in the law, that income should not be subject to double taxation. There should be a credit allowed, in other words, for amounts paid to foreign governments that are truly income or excess-profits taxes, and this is in fact what the statute now says and has said for a long time. Rulings of the Internal Revenue Service, however, are permitting the crediting of certain payments to foreign governments that are in fact royalties, not taxes. These payments are measured not by net income or profit from foreign operations, but by the artificial posted price for oil, reduced by a few relatively insignificant deductions.

I suggest, therefore, that existing law on the creditability of foreign income taxes be clarified to provide that payments that are actually royalties or gross-income taxes not be eligible for the credit.

This simple change, which is in full accord with the spirit of the statute as it presently exists, would produce several hundreds of millions of dollars of revenue each year and would greatly increase the respect of the ordinary taxpayer for the equity and fairness of the law. It would also remove a serious disincentive for domestic exploration and production of energy resources. At the present time, because of the structure of the tax laws, it makes much more economic sense for an oil company to explore in foreign lands than here in the United States. Changing the rules for the foreign tax credit in this way would simply continue the work that we began last year in the Tax Reduction Act, Public Law 94–12, by eliminating the foreign percentage depletion allowance.

Finally, Mr. Chairman, I would like to comment on Section 1403 of the bill. This Section would gradually increase the holding period required for a capital gain or loss to be long term from six months to one year. The large difference in rates between ordinary income and long term capital gain, of course, makes the holding period extremely important. For some reason, however, Section 1403(d) provides that the six-month holding period shall be retained in the case of futures transactions in any commodity subject to the rules of a Board of Trade or Commodity Exchange.

Speculation in futures, Mr. Chairman, is entirely lawful and, according to some, serves useful economic purposes. I cannot understand, however, why this kind of investment should be favored by retention of the six-month holding period, when all other kinds of assets are going to lose that privilege. I suggest, therefore, that Section 1403(d) be stricken from the bill.

Mr. Chairman, I appreciate very much the indulgence of the Committee in allowing me to share some of my impressions with regard to tax policy in general and H.R. 10612 in particular. I would appreciate very much whatever consideration the Committee can give to the changes in the bill I have suggested. Thank you for hearing me out.

PUERTO RICO FEDERAL RELATIONS ACT AMENDMENT—S. 2998

AMENDMENT NO. 1570

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. JACKSON submitted an amendment intended to be proposed by him to the bill (S. 2988) to amend the Puerto Rico Federal Relations Act.

Mr. JACKSON. Mr. President, at the

request of my good friend and colleague, Virgin Islands Delegate **Ron de Lugo**, I am today submitting legislation which makes clear that all taxes collected under the Internal Revenue Code on petroleum products refined in the Virgin Islands and transported to the United States shall be included in determining the amount of quarterly payments to the Virgin Islands, as authorized under existing law.

This amendment would also authorize payment to the Virgin Islands, over a 5-year period, of amounts which would have been paid had this legislation been in effect. The amount involved is approximately $100 million.

Mr. President, the reason for this legislation is simple. Section 28(b) of the Virgin Islands Revised Organic Act, as codified under the Internal Revenue Code as section 7652(b), provides in part:

> . . . the Secretary or his delegate shall determine the amount of all taxes imposed by, and collected during the quarter under, the internal revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States. The amount so determined less 1 percent and less the estimated amount of refunds or credits shall be subject to disposition as follows:
>
> (A) There shall be transferred and paid over, as soon as practical after the close of the quarter, to the government of the Virgin Islands from the amounts so determined a sum equal to the total amount of the revenue collected by the government of the Virgin Islands during the quarter, as certified by the Government Comptroller of the Virgin Islands.

Congress enacted this provision "to increase the financial self-sufficiency of the territory" and today it represents one of the cornerstones of the fiscal relationship between the Virgin Islands and the United States. In recommending such a provision in a report to the Senate Interior Committee in 1954, Chief Judge Albert B. Maris of the U.S. Court of Appeals for the Third Circuit wrote:

> For it is true that these unincorporated territories not destined for statehood are being taxed without any present or future hope of representation. It seems democratic and fair, therefore, that any taxation imposed upon them by Congress ought to be for their own benefit and subject to disposition by their own elected representatives. Report of Albert B. Maris, Senate Report No. 1271, Apr. 29, 1954 (To accompany S. 3378) U.S. Code Congressional and Administrative News, 83rd Congress, Second Session, 1954, p. 2613.

For several years, internal revenue taxes collected on rum manufactured in the Virgin Islands and shipped to the United States have been returned to the treasury of the Virgin Islands. Since 1966 substantial volumes of gasoline refined in the Virgin Islands have been shipped to the U.S. mainland for consumption, but the U.S. Treasury Department has never rebated the 4 cents per gallon manufacturers' excise tax. For fiscal years 1966–75, the amount of this tax collected is approximately $100 million. Prospectively, the amount collected would be in the range of $25 to $40 million a year.

Mr. President, there is nothing in the language or the legislative history of section 28(b) of the Revised Organic Act of the Virgin Islands, as codified in the Internal Revenue Code, which indicates that Congress ever intended that these provisions be applied to certain products but not to others. While in a legal opinion dated October 3, 1975, the U.S. Justice Department ruled that section 28(b) did not apply with respect to Federal excise taxes collected on gasoline refined in the Virgin Islands and shipped to the United States, the memorandum also stated:

> As you may be aware, the Government of Puerto Rico has recently instituted a suit against the Secretary of the Treasury for payment of the gasoline excise taxes collected on gasoline produced in Puerto Rico and shipped to the United States, *Commonwealth of Puerto Rico* v. *Simon*, Civ. No. 75–1035 (D.D.C.). It should be apparent from the above discussion that a decision in that case that the taxes due Puerto Rico would lead to a similar conclusion with respect to the Virgin Islands, at least to the extent of matching the revenue collected by the Island government itself.

However, even with expeditious consideration of this case, it is apparent that, with allowance for appeals, judicial resolution of this matter could take several years. In spite of drastic cutbacks in essential government services and layoffs of public employees, the Virgin Islands government still faces a projected deficit of some $25 million for fiscal year 1977. With the official unemployment rate in the territory surpassing 10 percent, there is little room for further budget cuts.

In light of this situation, Delegate **de Lugo** has discussed with me for some time the possibility of legislative action to resolve the Virgin Islands' rights with respect to taxes on petroleum products. Gov. Cyril E. King has also indicated his interest and support for legislation. I am, therefore, submitting this amendment to clarify the Virgin Islands' right to a rebate of the Federal taxes collected on the output of its refineries. Prompt congressional action on this legislation will not only confirm the original legislative intent, but also provide important financial support to the Virgin Islands at a difficult time in its history.

NATIONAL FOOD STAMP REFORM ACT OF 1976—S. 3136

AMENDMENT NO. 1571

(Ordered to be printed.)

Mr. DOLE (for himself, Mr. **McGovern**, Mr. **Humphrey**, Mr. **Talmadge**, Mr. **Hugh Scott**, Mr. **Javits**, and Mr. **Percy**) proposed an amendment to the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

AMENDMENTS NOS. 1572 AND 1573

(Ordered to be printed and to lie on the table.)

Mr. CLARK submitted two amendments intended to be proposed by him to the bill (S. 3136), supra.

AMENDMENT NO. 1574

(Ordered to be printed and to lie on the table.)

Mr. JAVITS (for himself and Mr. **Kennedy**) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3136), supra.

AMENDMENT NO. 1575

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself and Mr. **Brooke**) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3136), supra.

Mr. MATHIAS. Mr. President, I submit an amendment in behalf of Senator **Brooke** and myself which we intend to offer to S. 3136, the National Food Stamp Reform Act of 1976. The purpose of our amendment is to lay the groundwork for serious congressional and Presidential consideration of specific legislative steps we might take next year to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare services.

I am pleased to note, Mr. President, that the distinguished chairman of the Committee on Agriculture and Forestry and floor manager of S. 3136, Mr. **Talmadge**, recognizes that the reform of the food stamp program—important as this task may be—represents only one in a number of reforms which we must undertake, if we wish to develop a coherent, effective, and sensible system of public income maintenance programs. As the chairman stated on the floor yesterday during the opening round of debate on S. 3136, "the food stamp program does not operate in a vacuum." But to stress his point, he quoted a statement made by Dr. Richard P. Nathan of the Brookings Institution who said last year in testimony before the Agriculture Committee:

> The main lesson learned by analysts of welfare policies in the five years since President Nixon's family assistance plan was proposed in August 1969, is that all programs of the Federal Government that transfer cash and in-kind assistance to individuals must be looked at together.

Mr. President, this is precisely the purpose which our amendment would accomplish. This amendment would create a national commission of 18 distinguished members; 6 would be appointed by the President pro tempore of the Senate, 6 by the Speaker of the House of Representatives, and six by the President. The Commission would have 1 year from the date of enactment to develop and recommend specific and detailed legislation regarding the reform of all Federal income maintenance programs for the relevant committees of the Congress and, of course, the Commission would have authority to hold hearings, conduct the necessary research and obtain all of the information and materials it requires through a full-time staff.

This amendment is offered in the present form rather than as a specific immediate proposal to reform the current public income maintenance system in recognition of certain facts; facts which have convinced me that there will be no reform of the welfare system this year, though most of us agree that reforms are necessary; facts which suggest that there is, at this time, no general consensus in the Congress or public as to what form and substance the reform of income maintenance progams should take; facts which suggest that the issues involved are of such magnitude and complexity and so fraught with emotion that, as an important initial step, we should remove partisanship as much as possible from the development of a well researched and documented welfare reform proposal by providing for a high-level issue oriented study and investigation of present income maintenance programs. I would point out that a number of State and local governmental organizations and public interest groups have been studying a proposal such as my amendment for several months. I am pleased to note also that the approach outlined in our amendment has received the endorsement of the National Association of State Legislatures and has received favorable consideration by the National Urban Coalition.

Mr. President, this amendment will not guarantee that the Commission will recommend a proposal on which the Congress, the President, or the general public will agree. But that outcome does not alarm me because the Congress will still have an opportunity to work its will on whatever proposal comes before it. The most important feature, however, is that, by adopting this amendment, the Senate will be indicating its own dissatisfaction with our present system and its firm intention to begin, and begin now, the process of designing a better income maintenance system.

It must be a system which assists citizens to achieve self-support and independence; it must be a system which provides expenditures in the amounts adequate to meet the needs of families and individuals; it must be a system which eliminates duplication and overlapping of services, activities, and functions; it must be a system which consolidates services, activities, and functions of a similar nature; it must be a system which reduces fraud and errors in program administration; it must be a system which assures equtable treatment of citizens in similar circumstances and needs; and finally, it must be a system which contains methods of equitable financing and some measure of fiscal relief for our financially pressed States, cities, and counties. The need for reform is clear and pressing.

According to a January 6, 1975, report prepared for me by the Congressional Research Service, Federal welfare expenditures for fiscal year 1975 totaled $28.7 billion. This sum includes those major programs that transfer income—cash and in-kind benefits—to individuals with low pretransfer income such as AFDC, medicaid, SSI, food stamps, social services, general assistance, emergency assistance, veteran's pensions, and housing payments.

I also inquired about the efficiency of Federal programs in reducing poverty and was advised that 46.9 percent of the families and 62.7 percent of the unrelated individuals who received public assistance cash payments in 1974 had money income below the poverty line. This income count, however, excluded the bonus value of food stamps, which totaled almost $3 billion in fiscal year 1974 and currently exceeds $6.5 billion annually; and it excludes medicaid payments which totaled $11 billion in fiscal year 1974 and now exceeds $14 billion yearly. Also, the definition of "family" was not restricted to families with children, but covers "a group of two or more persons related by blood, marriage, or adoption and residing together."

Nonetheless, CRS went on to indicate that data collected by the University of Michigan Survey Research Center showed that social security and unemployment insurance checks in 1971 reduced by 52 percent the number of poor "families" headed by the aged, including elderly individuals. But, according to CRS, such payments had relatively minor impact on the poverty of families with children reducing by 11 percent the number of poor families without fathers and by 6 percent the number of poor families with two parents.

Cash welfare, plus the bonus value of food stamps, the study showed, further reduced the number of poor families as follows: those headed by the aged, 11 percent; mother-headed families with children, 32 percent; and male-headed families with children, 16 percent. All in all, social insurance, plus cash welfare and food stamps, failed in 1971 to remove from poverty 43 percent of aged families, 61 percent of mother-headed families with children, and 79 percent of male-headed families who originally were poor.

I recognize that food stamps were a relatively small program in 1971, unavailable in many counties; and that SSI had not yet come into being. Yet the Michigan survey indicated that coverage of the poor population by the Nation's "system" of transfer payments is best for the poor aged, the poor disabled, and for poor mother-headed families with children. Of these groups, all received some transfers except for 3 percent, 11 percent, and 17 percent, respectively.

Significantly, however, 51 percent of poor male-headed families with children, and 57 percent of poor families with a nonaged, nondisabled head without children received no transfer payments. One additional group of statistics from the Census Bureau points to the problem; namely that of the Nation's 5.1 million which were classified as poor in 1974, 980,000 had a breadwinner who worked full time year round. The heads of another 200,000 families worked all year at part-time jobs, and 1.5 million of the poor families had a breadwinner who worked only part of the year. In all, 53 percent of the persons heading poor families did some work in 1974.

The issues, at this point, appear to be the same which we confronted unsuccessfully more than 4 years ago: Is the present system very effective when it comes to reducing income poverty, and does the present system, despite food stamps, discourage men from working by excluding families headed by male full-time workers? Does the system still contain other wrong way incentives?

In addition to those arguments we heard—and used—from 1969 to 1972 describing the welfare system as inefficient, we are now confronted with the issue of multiple program participation and the effect of this phenomenon on recipients. The several welfare programs restricted to certain categories, we are told, omit many of the poor and create financial incentives for some to form into units eligible for help. For example, in States permitting AFDC only for fatherless families and for families of incapacitated fathers, the program provides a financial incentive for fathers to desert their children, or to pretend to do so, or to fail to marry the mother in the first place. Categorical programs, therefore, result in inequitable treatment. Additionally, State-local administration of federally subsidized welfare is supposed to be complex, costly, error-prone, and impedes uniform treatment of the poor.

Perhaps, the most piercing argument against the present system is that our categorical programs which result in multiple program participation generally increase work disincentives by increasing the rate at which benefits are reduced for offsetting income. Additionally, multiple program participation can lessen the need for work, and it can make work less competitive with welfare. For instance, in July 1975 maximum potential combined benefits—cash plus food stamps—to AFDC families of four persons in 37 States exceeded the estimated net gain from a full-time job at the Federal minimum wage after social security taxes, busfare, and modest other expenses.

In many respects, some of the arguments used against the system in 1969–72 still apply today; namely, that it contains disincentives to work; that it encourages family dissolution; and that it is inequitable both with respect to regions of the country and individuals.

But this does not lessen the dilemma which potential reformers face. We recognize that unless AFDC is opened up to poor intact families with a full-time working father, any changes that liberalize benefits automatically will increase the financial penalty against excluded families. This in turn will increase the incentive for family splitting. Moreover, if separate, uncoordinated programs continue to proliferate in response to specific needs, work disincentives will climb. At the same time ultimate rationalization of the system may be impeded by the rising level of combined benefits that would have to be surrendered to achieve a universal system. We must acknowledge that the benefits of the food stamp program have narrowed regional income disparities of the poor and aided groups excluded from cash welfare, but, this fact alone increases the probable cost of replacing major welfare programs with a national cash program.

Accepting for a moment the goals established by the Institute for Research on Poverty of an income-tested welfare program are sound—a system which is adequate, efficient—administratively, and target population-wise, equitable with incentives for work and family stability, and one which promotes independence, the question is how do we get there from here.

Do we conclude, as we did 6 years ago, that the system is in abysmal chaos beyond fine tuning and must be restructured? Or should we pursue incremental reform? Facing us is a $28 billion system which pleases few Americans, regardless of political ideology or class status. Yet the question recurs: how do we begin to address this issue, particularly this year? This amendment offers the way.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1575

At the end of the bill add a new section as follows:

SEC. 14. (a) It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare services, including, but not limited to, those programs which provide a cash benefit or the equivalent of cash to individuals and families in need by—

(1) assisting needy and low income people to achieve self-support and self-sufficiency;

(2) providing funds in the amounts adequate to meet the needs of needy and low income families and individuals;

(3) eliminating duplication and overlapping of services, activities, and functions in the Federal income maintenance programs;

(4) consolidating services, activities, and functions of a similar nature in such programs;

(5) reducing fraud and errors in administration of such programs;

(6) assuring equitable treatment of people in similar circumstances and needs under such programs, taking into consideration geographic locations and other factors; and

(7) developing methods of equitable financing for such programs.

(b) There is hereby established a Commission to be known as the National Commission on the Reform of Income Maintenance Programs (hereinafter referred to as the "Commission") for the purpose of developing specific legislative proposals designed to carry out the policies set forth in subsection (a).

(c) (1) The Commission shall consist of eighteen members as follows:

(A) The Secretary of Health, Education, and Welfare.

(B) The Secretary of Labor.

(C) Four members appointed by the President from public or private life.

(D) Three members appointed by the majority leader of the Senate, one from the Senate and one from private life.

(E) Three members appointed by the minority leader of the Senate, one from the Senate and one from private life.

(F) Three members appointed by the majority leader of the House of Representatives, one from the House of Representatives and one from private life.

(G) Three members appointed by the minority leader of the House of Representatives, one from the House of Representatives and one from private life.

(2) If any member has been appointed by virtue of the office he holds, his term shall expire when he no longer holds such office.

(d) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) The Commission shall elect a chairman and vice-chairman from among its members except that no member of the President's Cabinet or Congress may serve in either position.

(f) Ten members of the Commission shall constitute a quorum.

(g) (1) Members of the Commission who are officers or full-time employees of the United States or who are Members of Congress shall receive no compensation for their services as members of the Commission.

(2) All other members, unless precluded by the nature of any office they hold, shall be compensated at rates determined by the Commission, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5, United States Code.

(3) All members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(h) The Commission shall appoint an Executive Director and not to exceed three assistant directors. The Executive Director shall be compensated at a rate not to exceed that of level V of the Executive Schedule and the Assistant Directors at a rate not in excess of the maximum rate authorized by the General Schedule (subchapter III of chapter 53 of title 5, United States Code). The Commission shall have the power to appoint other personnel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual shall receive compensation at a rate in excess of the maximum rate authorized by the General Schedule. The Commission may request the detail of Federal employees with or without reimbursement. The Commission may also use consultant or contract services.

(i) The Commission shall develop and draft proposed legislation to reform existing social welfare laws and programs in accordance with the policies set forth in subsection (a). It shall also draft a proposed plan for implementation of such legislation. The Commission shall also prepare cost estimates for carrying out such proposed legislation.

(j) In carrying out the purpose of this section and in developing the necessary legislation, the Commission shall:

(1) hold public hearings, discussions, and meetings and receive such testimony as it deems necessary;

(2) study and analyze past and present social welfare policies and programs on the local, State, and federal levels;

(3) consider the relationships among cash and in-kind income and job security programs, job creations, social services, and manpower programs;

(4) consult with persons knowledgeable in the development and administration of social welfare programs, including recipients of benefits; and

(5) regularly inform and consult with the relevant legislative committees of Congress and the relevant agencies of the Executive Branch.

(k) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment or instrumentality information, suggestions, estimates, and statistics needed by the Commission in carrying out the purposes of this section; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates and statistics directly to the Commission, upon request made by the chairman or vice chairman of the Commission.

(l) No later than one year after the date of enactment of this section, the Commission shall submit its recommendation to the appropriate committees of the Congress and to the President.

(m) Any information obtained by the Commission from individuals, groups, organizations, Federal, State, and local agencies and officials shall be subject to all existing and future laws concerning privacy and freedom of information.

(n) The Commission shall commence its activities as soon as ten members have been appointed.

(o) The Commission shall locate its offices in the District of Columbia and may obtain and utilize services, facilities, and staff provided under agreement between it and any Federal agency, for which such agency may or may not be reimbursed.

(p) If, after ten members have been appointed, no money has been appropriated to carry out the purpose of this section, the Commission may enter into an agreement with the Secretary of Health, Education, and Welfare to advance such financial resources as may be necessary to begin the work of the Commission. The Department of Health, Education, and Welfare shall be reimbursed for such advances out of funds appropriated to carry out this section.

(q) (1) The Commission is authorized, by a vote of two-thirds or more of its members, to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any subcommittee or member. Subpenas may be issued under the signature of the chairman or vice chairman and may be served by any person designated by the chairman or the vice chairman.

(2) In the case of contumacy or refusal to obey a subpena issued under paragraph (1) of this subsection by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

(r) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purpose of this section, to remain available until expended.

Mr. BROOKE. Mr. President, I am today joining with Senator MATHIAS in submitting an amendment to the food stamp bill which provides for the establishment of a National Commission on the Reform of Income Maintenance Programs.

The time has long passed for consideration of the problem of the burden of welfare on our Nation's cities and States. Over the years, I have advocated the assumption of responsibility for welfare at the Federal level, and the welfare problem has become particularly urgent with the intensification of the fiscal crisis which confronts our cities and States.

Last year at our hearings in the Banking Committee on the New York City fiscal crisis, I expressed my own grave reservations about the wisdom of financing the debt of New York City through Federal loan guarantees. Based upon my experience in municipal fi-

nance, I believe that it is the responsibility of State and local governments to finance their own activities. However, I did vote for the New York City Seasonal Financing Act of 1975. That act provided for short-term, seasonal cash-flow loans of up to $2.3 billion for New York over the next 3 years. The seasonal financing program will assist New York in meeting its short-term cash needs. It will not, however, solve the city's basic economic problems.

At recent oversight hearings on the Seasonal Financing Act, Secretary Simon presented to the Banking Committee some long-term options to help meet the needs of New York and other cities. Among other things, the Secretary observed,

> We need a comprehensive re-examination of Federal, State and local relationships in the area of assistance to the disadvantaged.

He cautioned that a change in welfare policy would not in itself be a solution to the financial problems of New York and other cities, and I agree with him on this. However, Federal assumption of responsibility for welfare would go a long way toward easing the fiscal burdens of our financially strapped cities and States. In New York, for instance, if the Federal Government were to assume all of the city's current welfare obligations, the city's budget deficit would be reduced by about $800 million.

Welfare is truly a national problem and the financing of public assistance must be a Federal responsibility. New York's situation is only the most publicized example of this problem. In fact, the city of Boston has a higher percentage of its population on public assistance than New York does. Philadelphia, St. Louis, Baltimore, Newark, and Washington, D.C. all have higher percentages of welfare recipients than New York. With a declining population, these cities can no longer afford to support their increasing welfare populations.

A dramatic shift in our population has occurred over the past decade or two. There has been a large migration of poor persons from the South and elsewhere to our urban centers, a movement of the middle class to the suburbs, and an aging of the existing population in our cities. The population of the central cities has decreased, while the number of poor persons on welfare has increased. The unavailability of jobs for these people in the cities has increased the welfare burden. At the same time, the loss of a tax base because of the migration of middle-income people and industry to the suburbs has made the burden of paying for welfare even greater for the hard-pressed working people still living in the cities.

Ironically, those cities and States which have tried to provide a decent standard of living for their welfare population, including my own State of Massachusetts, have been forced to bear a disproportionate share of the national welfare burden. A Federal assumption of responsibility for welfare can remove this unfair burden and, at the same time, equalize the benefits available to poor persons in all jurisdictions.

In sponsoring this amendment, I am not suggesting that the issues involved in federalization of welfare are simple. We must consider the intricate relationship between our employment program and our welfare policies and, in my opinion, the availability of jobs is our highest national priority. We must deal with regional variations in the cost of living. We must consider the relationship of welfare related services — day care, medicaid, and food stamps. These and other considerations must be carefully weighed.

But it is not as if we have just begun to think about these problems. Congress and the administration have studied, investigated, and evaluated proposals for dealing with the welfare issue for many years. A decision cannot be put off much longer—if nothing else, the fiscal plight of our cities and States reminds us of that.

What Senator Mathias and I are proposing is that we set a definite timetable for consideration of specific proposals to reform the welfare system. I urge my colleagues to support this amendment.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Ermen J. Pallanck, of Connecticut, to be U.S. marshal for the district of Connecticut for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, April 13, 1976, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, Task Force No. 6 on Indian Health, announces public hearings to be held May 1, 1976, at the Northern Hotel, First Avenue North at Broadway, Billings, Mont., beginning at 9 a.m.

Persons interested in submitting testimony should contact Al Cayous at 202-225-2235, 2979 or 2984 or write: American Indian Policy Review Commission, HOB Annex No. 2, Second and D Streets SW., Washington, D.C. 20515. Attention: Task Force No. 6.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, Task Force No. 6 on Indian Health, announces public hearings to be held April 30 and May 1, 1976, at the Holiday Inn, Six Avenue, Aberdeen, S. Dak., beginning at 9 a.m.

Persons interested in submitting testimony should contact Al Cayous at 202-225-2235, 2979, or 2984 or write: American Indian Policy Review Commission, HOB Annex No. 2, Second and D Streets SW., Washington, D.C. 20515. Attention: Task Force No. 6.

ADDITIONAL STATEMENTS

SOCIAL SECURITY—HOW SERIOUS IS THE PROBLEM?

Mr. HUMPHREY. Mr. President, in recent months there has been a lot of loose talk from some Government officials about the so-called crisis in the social security system. Many people are very concerned and upset because they are afraid that the social security trust fund is hovering on the brink of bankruptcy. The President has called for a tax increase to "restore the integrity" of the trust fund.

The Congress of the United States is not going to stand idly by and allow the financial security of millions of retired people to be jeopardized. We will take whatever action is necessary to insure the integrity of the social security system.

But before Congress acts on the President's proposal or others that have been suggested, we need to take a hard look at the problem. Is there a "crisis"? If so, what caused it? What are the best solutions? We will do a disservice to the social security system and the American people if we act precipitously without adequate information.

I have asked the staff of the Joint Economic Committee to prepare a paper discussing the social security "crisis" and laying out the facts for our consideration.

My conclusion from the committee analysis is that although the social security system faces several problems, it does not face a crisis. The system is basically sound.

Most of the short-term problems are a direct result of sluggish economic growth and recession. As we return to full employment these problems will disappear.

The surplus in the trust fund is currently about $45 billion. It is expected to decline for the next few years and stabilize at about $30 billion. There are arguments for and against increasing the size of the surplus

Longrun problems can be divided into two categories—those that result from a defect in the method of adjusting for inflation and those that result from demographic changes. There is widespread agreement that the inflation adjustment problem can and will be solved in the near future. Potential problems from demographic changes lie further in the future and deserve more careful consideration.

I commend this paper to the attention of my colleagues. Mr. President, I ask unanimous consent that this staff study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY—HOW SERIOUS IS THE PROBLEM

Since the social security trustees issued their report last May, a great deal of concern has been expressed about the fundamental soundness of the social security trust fund. This concern was sufficiently serious that the President included a recommendation in his 1977 budget to increase the wage tax that finances the trust fund. Congress is giving careful consideration to this proposal and others.

This paper will raise several questions and attempt to answer them: Is there a crisis or merely a problem? How serious is it? What are the causes? What kinds of solutions merit consideration?

CRISIS OR PROBLEM?

In his 1977 budget message President Ford declared "We must recognize, however, that the social security trust fund is becoming depleted. To restore its integrity, I am asking the Congress to raise social security taxes, effective January 1, 1977, and to adopt certain other reforms of the system." The sense of urgency conveyed by the President in this and other speeches has led many people to fear that the social security trust is in imminent danger of bankruptcy. A careful examination of the facts is in order.

Table 1 shows the overall condition of the social security trust fund from 1971 through 1976. Between 1971 and 1975 the surplus remaining at the end of each year grew larger—from $40.8 billion to $48.2 billion. However, in 1976 outlays are estimated to exceed receipts by about $3 billion causing the surplus to decline. The best estimates available show the surplus continuing to shrink by several billion dollars each year until the early 1980s. The surplus would then stabilize at about $29–30 billion and remain there throughout the 1980s. Table 2, based on the assumption that current law remains unchanged, shows these projections.

The information shown in these tables leads one to the conclusion that the social security trust fund does not face a problem of crisis proportion. The social security trust fund is not in imminent danger of bankrupty. However, there still remain some problems. For the next 10–15 years, some would argue that a $30 billion reserve cushion is inadequate and should be increased. This argument has been presented by Secretary of the Treasury Simon. The proposals presented in the President's budget would increase the reserve cushion to about $73 billion by 1980. Others have argued that extremely large surpluses could have significant impacts on the economy depending upon other factors in the budget. Problems might also arise in trying to invest the surplus appropriately.

TABLE 1.—OASDI TRUST FUND RECEIPTS AND OUTLAYS

[Billions of dollars, fiscal years]

	1971	1972	1973	1974	1975	1976[1]
Receipts	38.9	43.2	49.6	57.5	66.7	70.8
Outlays	35.0	40.2	49.1	55.9	64.7	73.7
Surplus(+) or deficit(−)	+3.0	+3.0	+.5	+1.8	+2.0	−3.0
Balance at end of year	40.8	43.8	44.3	46.1	48.2	45.2

[1] Estimated.

Source: Department of the Treasury.

TABLE 2.—PROJECTIONS OF THE OASDI TRUST FUND[1]

[Billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Assuming economic projections used by Congressional Budget Office.					
Annual surplus (+) or deficit (−)	−5.2	−4.1	−3.7	−2.7	+1.9
Balance at end of year	38.4	34.3	30.6	27.9	29.8
Assuming economic projections contained in the President's budget.					
Annual surplus (+) or deficit (−)	−3.5	−3.9	−3.0	−2.3	−1.5
Balance at end of year	40.6	36.7	33.7	31.4	29.9

[1] These projections assume a continuation of current law.

Source: Budget Options for fiscal year 1977: A Report to the Senate and House Committees on the Budget, Congressional Budget Office, Mar. 15, 1976.

CAUSES AND SOLUTIONS

The problems facing the social security system can be conveniently divided into current problems and potential future problems.

The current problem is that trust fund receipts have grown more slowly than outlays. This fact can be seen in Table 1. This has been caused by sluggish growth and recession in the overall economy and by the unusual relationship between wage increases and inflation in the recent recession. Recessions generally cause government tax receipts to fall and expenditures to rise. For social insurance taxes the impact on receipts is much larger than the impact on outlays. Between 1975 and 1976 all social insurance funds combined lost over $30 billion as a result of the recession. The problem has been aggravated by the disparity between price increase and wage increases. From 1974 to 1975 the Consumer Price Index (CPI) increased 9.1 percent while wages and salaries increased only 5.1 percent. Since benefits paid out are tied to changes in the CPI while receipts paid in are tied to wages and salaries, the problem became worse.

The impact of economic recession on the trust funds cannot be overstressed. In 1977 alone the trust fund will lose about $10½ billion because the economy is expected to operate so far below its potential output level. Since the recession-induced tax loss is over twice as large as the projected deficit, returning the economy to full employment is clearly the most important single thing that can be done to insure the financial soundness of the social security trust fund.

The seriousness of the current problem depends on one's view of the appropriate size of the surplus balance in the trust fund. Regardless of the seriousness of the problem, there is widespread agreement that it could be eliminated by restoring the economy to conditions of full employment. Under these conditions the surplus would grow over the next five years rather than diminish. Until a healthy economy is able to support the trust fund, numerous changes could be considered. The Congressional Budget Office has published a brief discussion of changing the tax rate, changing the wage base, changing the benefit structure, allowing some funding from general revenues, and other alternatives.[1]

The Joint Economic Committee recommended in March 1976[2] that the payroll tax receipts now set aside for hospital insurance should be reallocated to the OASDI fund and that hospital insurance should be funded from general revenues. Implementing this recommendation would increase trust fund receipts $10–15 million per year between now and 1980 and therefore would cause the surplus to grow larger.

Looking beyond 1990 some potential future problems emerge. The first is related to the method used to compensate for inflation. Benefits are calculated by multiplying a wage base by a formula that includes an inflation adjustment. For retired persons the wage base is fixed so that their benefits are adjusted once (by the formula) for inflation. For workers not yet retired, however, the wage base will increase as wages rise. Thus they receive two inflation adjustments—one from the higher wage base and one from the higher benefit formula. This problem accounts for roughly one-half of the anticipated long-run deficit in the trust fund and there is widespread agreement that it must be corrected before it becomes serious.

The second potential long-run problem is the result of demographic trends. Presently there are about 30 beneficiaries of social security for 100 workers. The workforce is relatively large because of the post-World War II baby boom. However, the lower fertility rates now being observed lead us to expect this situation to change as the post-World War II babies reach retirement age. By 2030 projections show about 45 beneficiaries for each 100 workers. Therefore, the burden retired persons place on the next generation of workers will be much heavier than it is at present.

Given our limited ability to solve problems which may develop 50 years from now, no immediate action seems necessary to deal with the demographic changes. Congress and the various advisory councils have begun examining this problem and exploring various possible solutions.[3]

SUMMARY

Although the social security system faces several problems, it does not face a crisis. The system is basically sound.

Most of the short-term problems are a direct result of sluggish economic growth and recession. As we return to full employment these problems will disappear.

The surplus in the trust fund is currently about $45 billion. It is expected to decline for the next few years and stabilize at about $30 billion. There are arguments for and against increasing the size of the surplus.

Long-run problems can be divided into two categories—those that result from a defect in the method of adjusting for inflation and those that result from demographic changes. There is widespread agreement that the inflation adjustment problem can and will be solved in the near future. Potential problems from demographic changes lie further in the future and deserve more careful consideration.

MARYLAND'S TRAUMA TEAM

Mr. MATHIAS. Mr. President, coping with a severe emergency, in which an individual's life may hang in the balance, is probably medicine's greatest challenge. The Maryland Institute for Emergency Medicine, in Baltimore, was established to meet this challenge. Hardly a day passes when a critically ill or injured person is not transported, often by a specially equipped Maryland State Police helicopter, to the Institute, where the best efforts that modern medicine can produce are applied in an attempt to save a life. The March 1976 issue of Emergency Medicine contains an article, "Notes from a Trauma Team," which describes the work of the Maryland Institute for Emergency Medicine. The Institute may well serve as an example of the kind of program that can be established elsewhere, and I ask unanimous consent that this article be printed in the RECORD.

---

[1] *Budget Options for Fiscal Year 1977: A Report to the Senate and House Committees on the Budget*, Congressional Budget Office, March 15, 1976, p. 131–133.

[2] *The Joint Economic Report*, Joint Economic Committee, March 10, 1976, p. 71.

[3] See for example, *Financing the Social Security System*, Subcommittee on Social Security, May and June 1975.

There being no objection, the article was ordered to be printed in the Record, as follows:

Notes From a Trauma Team

Victim of a horrendous accident, he's brought in barely clinging to life. You've no idea how many different kinds of injury he's suffered, how many vital organs are smashed and pouring out blood beneath his chalky skin. With so much to find out and deal with in so little time, where do you start? How do you give him back the life that's fast slipping away?

The Maryland Institute for Emergency Medicine, in downtown Baltimore, offers you many answers—some defying tradition—to these hauntingly familiar questions.

The institute, housed in a five-story building adjoining the University of Maryland Hospital, is specifically designed to handle critically ill and injured patients. Most have been in catastrophic auto accidents. Most are brought in unconscious—generally by helicopter, for the institute serves the entire state of Maryland as well as areas of the adjoining states and Washington, D.C. And most—about 80%—survive.

Including some pronounced "dead" at the scene.

Few hospitals will be able to duplicate the institute's approach to treatment right down the line. But the institute's most vital methods and principles of trauma management need no sophisticated setting anyway; they'll help you save lives with what you already know and have. You may want to adopt the center's quick way to check for internal bleeding, for example, or their technique of transfusion, or—in a different sense of saving a life—their approach to preparing an amputee emotionally for the ordeal of returning to the outside world.

Before going into this, however, a few words about *why* the institute came into being, the philosophies that guide it, and the role it plays in Maryland's system of emergency care:

Back in the 1950s, when institute director Dr. R. Adams Cowley was chairman of the division of thoracic surgery at the University of Maryland Hospital, he recalled for EM, "we had seven postoperative beds for heart surgery and we had to make rounds several times a day because those were the days before sophisticated equipment and it was the only way you could try to evaluate what was going on. So you would go down the line with your doctors and nurses and sometimes by the time you'd get to the last patient, the patient in the first bed was dead. This caused us so much consternation that we started three programs—one, to develop better care by the physician; two, better care by the nurse who *is* the physician when he isn't there; and three, we began developing monitoring systems. In fact, everything we've done over the years is for one reason—necessity."

In 1956 he began animal research into shock, which he refers to as "a momentary pause in the act of death." Four years later the Army awarded him a grant that enabled him to open a four-bed unit in the hospital to study shock and trauma problems. And in 1969 the present building opened with a capacity of 32 beds. To supplement local ambulance facilities, the Maryland state police Medevac helicopter program was established to provide emergency evacuation from anywhere within the state. The institute trains at least one member of each two-trooper crew as a cardiac rescue technician, the next level of proficiency above emergency medical technician. Although the crews spend most of their time on regular police work, controlling traffic from the sky, chasing fleeing cars, they immediately swoop off when an alert comes through to go to the scene of an accident. Each helicopter can carry two litter patients.

Finally, in 1973, Maryland's governor created a Division of Emergency Medical Services; headed by Dr. Cowley. Briefly, the program divides the state into five regions, each with various categories of emergency facility that are linked by a network of communication and transportation systems and are backed up by five "specialty referral centers." These, in addition to the institute, are the pediatric trauma unit at Johns Hopkins, the burn treatment center at Baltimore City Hospitals, the neonatal intensive care units at Baltimore City and University of Maryland hospitals and the new hand treatment center at Baltimore's Union Memorial Hospital.

Most people in Maryland are within an hour's helicopter flight of these specialty centers—a vital factor, says Dr. Cowley. "There's a golden hour between life and death," he explains. "If you are critically ill or critically injured you have less than 60 minutes to survive. That doesn't mean you'll be dead in 60 minutes but if you're not in the right place at the right time, seen by the right people, your chances of dying are greatly enhanced. You might not die right then; it may be three days later or two weeks later—but something has happened in your body that is irreparable."

The institute has four teams of general surgeons, anesthesiologists, and nurses to handle admissions; one team is always on duty. At the institute, says director Cowley, getting an emergency patient isn't like "getting a surprise package where you open up the back door of the ambulance, wondering what you've got. A dead man? Somebody whose guts are spilled all over the floor? Somebody whose leg is off? And then you have to start massing the troops, looking for this kind of guy, that kind of guy." Rather, the ambulance or helicopter crew alerts them in advance about the type of case to expect.

An anesthesiologist and a nurse meet at the helipad atop University Hospital's parking garage, while the rest of the team waits, scrubbed and gowned, in the admitting area. Every piece of equipment they will need has its special place so that everyone knows exactly where to reach for what. Portable x-ray equipment stands ready. "Critically traumatized patients shouldn't be moved," explains Dr. Cowley. "Many animal experiments have demonstrated that you bleed an animal to a certain blood volume and then all you had to do was move his leg and it would kill him." Sometimes surgery is performed right in the admitting area, even though there are two adjoining operating rooms. Downstairs are two hyperbaric chambers; upstairs, a 24-hour clinical lab. By printouts and phone, the team will quickly get reports on blood gases, electrolytes, urine, and so forth.

Once the helicopter crew has reached a decision at the scene that this is a case for the institute, they're instructed not to waste time on anything but the most imperative life-preserving procedures. A must, of course, is to stop external hemorrhaging. And when a patient is unconscious, the technician inserts an esophageal obturator. Basically, it's an esophageal tube with air holes at the level of the pharynx and an inflatable cuff that seals off the esophagus. You ventilate the patient either by blowing through the tube or by attaching an Ambu bag to it.

It's the job of the anesthesiologist-nurse welcoming team to get the patient from helipad to institute without mishap. The physician sees to the all-important airway. If cardiopulmonary resuscitation is necessary, they start—or continue—it on the short ambulance trip to the admitting area. And the patient's clothes are removed, usually cut off, in transit. Once he arrives in the admitting area, what one team member calls controlled chaos erupts. Although one group may be working on the victim's head and another on his abdomen, the team—with the surgeon serving as leader—pretty much follows a protocol. And the all-important first steps are resuscitation and stabilization—*without* waiting for x-rays or tests or any attempt at diagnosis.

INITIAL ANESTHESIA

Any patient who's in shock, head-injured, or in, or potentially headed for, respiratory distress is intubated and put on a mechanical ventilator with PEEP. And at the same time "we do something that perhaps is a little unusual," says anesthesiologist T. Crawford McAslan, professor and head of the division of critical care medicine. "We actually lightly anesthetize all patients, conscious and unconscious, and give them a muscle relaxant. We feel this is a humanitarian function in that we relieve pain for the patient, in addition to optimizing oxygen delivery and minimizing metabolic demands. He doesn't feel the discomfort of having his arms and legs moved while we take x-rays and do tests. It also makes things go faster because the surgeons can put in lines without the patient struggling. Furthermore, while the patient is still in the admission area, the surgeon can take a knife at any moment and make an incision, put his hand inside, and control any intra-abdomial bleeding by direct pressure on the main vessels. It's all systems 'go' from the time the victim comes in. We can act in seconds if he doesn't respond or deteriorates suddenly." They use 50% nitrous oxide to anesthetize the patient and, as a muscle relaxant, succinyl-choline for the head-injured—since it can be reversed quickly for neurologic evaluation—or, for most other patients, a longer-acting drug like curare.

During this time the surgeon has already made a very fast assessment of the patient: Is he awake, can he be awakened by stimulation, or is he unconscious? Are his pupils equal, can he move his limbs, or is he paralyzed? Then the surgeon draws venous and arterial blood sample for quick dispatch to the lab and, while other team members are fastening EKG leads and catherizing the patient's bladder, he inserts a CVP catheter, through the subclavian vein if possible, and four IV lines—the largest ones possible, by cutdown if they won't go in almost instantly—two above the diaphragm and two below.

"We've learned that sometmes a patient may have ruptured vessels between the neck and heart and if you put all your lines in from the top you may just be pouring the blood into the chest. Similarly if you put them all below, the pelvis may be injured and you're pouring all the blood into the pelvis. But if we have lines above and below, as soon as we identify a pelvic injury we go easy on the lower ones; if we find serious chest injury, we go easy on the chest line. Or if you identify a lower injury you go easy there."

PLASMA FIRST

For fluid replacement, the institute team starts off with plasma or plasma protein fraction, their own preference. "We don't start with blood immediately," says attending staff aneisthesiologist Baekhyo Shin, "because we may be able to resuscitate the patient with just the colloid part. We'll be prepared to run in up to a liter." Then if the patient still isn't stabilized they add packed cells. A unit each of the synthetic plasma and packed cells makes a unit of blood so "we reconstitute the blood," he adds. If a patient absolutely has to have whole blood, he'll get group O positive; a supply of 7 units is kept in the admitting area. Cross matching is done on every patient, of course, but even under these best circumstances, that takes about an hour—and "our patients are either alive or dead in an hour."

The use of O positive isn't ideal, to be sure, adds Dr. Ernest A. Austin, chief of surgery and traumatology. "O negative would be ideal but you just can't keep a supply of rare O negative blood on hand in the admitting area as we can the O positive."

"Of course you get a reaction in some people," says Dr. Shin, "but we take that calculated risk because obviously it's better to deal with a reaction than to have a dead man."

Finally, he continues, since the replacement blood is deficient in clotting factors, patients get several units of clotting factors, in the form of fresh frozen plasma, for every 10 units of blood. "We know they're going to get deficient every time we do what's called a replacement transfusion. In fact, these people will have had all their clotting factors washed out. Similarly we know that after we've done two such washouts, we'll have diluted the number of platelets; so we give platelets every 20 units."

Another simple but vital fact, accentuated by so much massive transfusing, is the cooling effect of replacement solutions, notes Dr. McAslan. "People still don't recognize that every time you give a unit of blood you drop the temperature of the body 1° C. In our early days here we found that many patients would get down to temperatures of 31, 32° C., at which point the heart becomes very irritable and many of the cardiac arrests we had then were the result of hypothermia. Since then, all the solutions we use go through warmers."

The anesthesiologist has been paying close attention to the movement of the patient's chest as he secures the airway and the IV's are being started. He may have noticed that air isn't entering one side of the chest as well as the other. Now he listens and percusses both sides: decreased breath sounds and typerresonance on percussion signal pneumothorax; blood in the pleural space will also cause decreased breath sounds but dullness on percussion. A chest tube is inserted at the least suspicion. "We can't wait for an x-ray," says surgeon Austin, though the traditional first step is to take an x-ray and *then* decide what to do next.

As a rule of thumb, how much bleeding from the chest tube before they go in to see what's going on? First, says Dr. Austin, you must be aware that you can't base that decision on the *initial* amount of blood loss; the patient may have bled a great deal into the chest and then stopped. The decision should be based on how much continuous bleeding there is. "If, for example, it's not obviously massive," says the surgeon, "and he loses, say, 200 cc. through the chest tube the first hour and 150 the second, we'll continue to observe him; in all likelihood it will keep decreasing every hour. Even if it's 200 the first hour and 300 the next, you might consider watching him another hour if you've got him stabilized. But unless there's a significant decrease by the third hour, you should go in." If, on the other hand, "we simply can't stabilize the patient with transfusions, if we can't catch up or we're losing ground, then we go ahead into the chest."

MINI-LAPAROTOMY FOR ALL . . .

As for occult abdominal bleeding, "we do a minor operation on almost every patient who comes in," says Dr. McAslan. Why? A recent study in Baltimore of 100 autopsies revealed 15 cases of fatal abdominal lesions that could have been corrected surgically but had never been diagnosed. Indeed, stresses surgeon Austin, you simply can't depend on a physical exam to evaluate the abdomen of an unconscious patient or a patient with serious head or chest trauma or paraplegia. And the abdominal tap, with either needle or catheter, is too unreliable, he adds; it's done percutaneously so the slightest bleeding from the abdominal wall can cause a false-positive result, and "all physicians agree that if it's negative it doesn't prove that there's no intra-abdominal bleeding."

So the institute patients get what the team calls a mini-laparotomy—a 1- to 2-inch incision is made just below the navel and all bleeding is stopped immediately. After making sure that the area is dry, the surgeon picks up the peritoneum with a forceps, puts a purse-string suture in it, incises it, inserts a length of dialysis tubing into the pelvis, and ties the purse string tight so that no blood from the wound can slip in to give a false positive. "Then we instill a liter of normal saline into the tube and siphon it off," says Dr. McAslan. "Any trace of pink signals a full laparotomy in the OR."

True, he admits, they've performed laparotomies on some patients who didn't need it—but "we have not missed a single operation that we had to do. Our philosophy involves a kind of trade-off—we operate on some who may not need it to be sure to save the ones who do."

Perhaps the most common injury found during laparotomy is a ruptured spleen. Indeed, since the mini-laparotomy has been so successful in detecting splenic bleeding they no longer do an arteriogram for the spleen. "We've never had a patient with a negative mini-lap who was later found to have a significant injury to the spleen," reports Dr. Robert J. Ayella, chief of radiology at the institute and associate professor and chief of the special procedures division in radiology at the University of Maryland Hospital.

Nor do they use arteriography anymore as the initial step in assessing liver damage, perhaps the second most common injury. Arteriographic evidence of interrupted blood supply used to mean dead liver, which, in turn, means resection. But Dr. Ayella has found that the liver can stay alive and develop collateral circulation even with more than half its main blood supply cut off. So now initial evaluation is done with portohepatography, which is simpler and safer than arteriography and can be done right in the trauma unit using the portable apparatus. (see EM, February 1975, p. 171). Portograms can delineate gross avascular liver damage—to be investigated with selective arteriography later on—or tell whether there's active bleeding, which must be dealt with surgically at once.

. . . PLUS NECK AND CHEST FILMS

Meanwhile, back at the patient's head, Dr. Ayella or one of his radiologist colleagues is taking cervical spine films, routine procedure in all patients—"assuming," says Dr. Austin, "they're stable enough that we don't have to open the belly or chest immediately. This film is given a lot of lip service in medical circles," adds the surgeon, "but is rarely done unless there's some clinical indication for it—and that's usually paralysis. But most of these patients come in with no evidence of spinal cord injury. It's surprising how many of these patients do in fact have fractured necks without obvious neurological damage at that time."

Visualization of all seven vertebrae is, of course, a must, so the patient's shoulders are pulled down or he wears a cervical collar and any film that doesn't reveal C7 is repeated. If the cervical spine is normal, the patient is lifted into a sitting position for an AP chest x-ray. He is tilted slightly forward, as though he were standing for a standard PA chest film. He's being checked for a possible ruptured thoracic aorta, a prime suspect in all cases of shock-trauma, which can best be detected on an erect chest film as a widened mediastinum. Supine films aren't nearly as useful for this purpose since the mediastinum is normally widened in that position.

In a patient with cervical spine injury, you'll have to settle for a supine film, however. Just be sure that this film is read very carefully, warns Dr. Ayella, and that every structure in the chest can be identified. Of course, you can avoid the extra films altogether if the trauma couldn't possibly have involved the aorta, a diving accident, for example.

If the chest x-ray is at all suspicious, an aortogram is done, fast, to check out whether "the widening is due to rupture of the aorta, which requires immediate surgery, or just some bleeding from small vessels that's going to stop on its own," explains Dr. Ayella.

And here's where long experience and the emergency team approach really pay off. "One of the problems we're working on," says the radiologist, "is the fact that there's no aortography equipment made that will work satisfactorily in a multiple trauma unit." So the patient has to be moved to the x-ray suite in the main hospital. But "I can get through an aortogram in ten minutes, whereas it will take an hour, an hour and a half, up to four hours, at the average place. I now do this with all my arteriogram patients, just take them as if they're going through the emergency unit so I stay in trim."

Before the group started using the tilt technique, "we had a lot of false widened mediastinums," he continues. "But in the three years we've been doing it, we haven't had a patient go through an aortogram who didn't have a hematoma." Furthermore, adds surgeon Austin, "we've salvaged about 80% of patients with such ruptures.'

A few words from Dr. Ayella about a so-called ruptured aorta. Most ruptures involve only the two inner layers of the vessel. "You have what looks like tissue paper or Kleenex—the outer layer—still managing to hold in the blood. However, in eight of our last ten cases the aorta was completely torn across. Every one of those patients was saved; what happens is that the pleura, adventitia, and other tissues hold the blood in temporarily. But it's a big job to move these patients from the admitting area to x-ray so I won't do a rupture aorta unless I have an anesthesiologist there plus a surgeon standing by; if the patient's really bad we have two or three surgeons. And we bring over an entire kit for opening the chest right on the spot if we have to because we don't know at what instant one of those aortas is going to let loose. And then you've only got about four to five minutes, tops, to save them."

And they can do it. What with the patient's airway patent, the ventilator doing his breathing for him, replacement fluid running in, all monitors go, and with the light anesthesia and muscle relaxant, "we can move into an operation at the drop of a hat," says Dr. Austin. "We can literally hold on to the aorta while he's being transferred into the operating room."

The other films taken routinely right in the trauma unit are of the pelvis and skull. The limbs are x-rayed only when there's clinical evidence of a fracture. And here Dr. Ayella draws a picture of the "controlled chaos" at admission. "You have people moving in all different directions but each one is doing a specific job; the patient is having three and four procedures done on him at once. The main thing is to get him out of shock, of course, get in all the lines. Then we swing in our x-ray equipment." Plus the chest examination and the mini-lap, of course. And for the head-injured patient, two more diagnostic imperatives: cerebral pressure measurements and carotid angiograms.

A MONITOR FOR CEREBRAL EDEMA

Dr. Dermot P. Byrnes, attending neurosurgeon, describes this innovative addition to routine monitoring: "Let's say somebody comes in after an automobile accident. You know he's got a head injury; he's got a fractured skull—you can see it on the x-ray. Or he's unconscious or you can't get any information from him. Or he's got a headache or he's disoriented. Now traditionally you watch that patient to see if he's going to develop signs of the head injury. And at the same time you may be trying to treat him prophylactically just in case.

"We routinely put a catheter into the ventricle of the brain to measure the intracranial pressure on any patient not showing signs of cerebral improvement. If the pressure goes up we can see it immediately and treat very specifically to decrease that pressure—by surgery or conservative means." The catheter is inserted—under local anesthesia if necessary—through a small, usually right, frontal scalp incision and a twist-drill bone opening into the right lateral ventricle.

As for carotid arteriograms, "people have been doing them since 1927," notes Dr. Ayella, "usually with sophisticated equipment and rapid film changes and all, but we do them with portable equipment." Meglumine iothalamate (*Conray*, Mallinckrodt) is injected into the carotid with the film behind the supine patient's head; then a film is put beside his head, a second injection is given, and a lateral film is taken. "What we're looking for is a blood clot or a tear in the vessels," he adds, "and they can be detected with this single-shot arteriography."

The institute's radiology section can be said to have, in fact, a regular floating arteriography service. If, for example, "we have a patient who has a fractured pelvis with evidence of internal bleeding," says the radiologist, "I'll just do a portable arteriogram right there, using the same technique but without a catheter. I put a needle into one of the femoral arteries and then shoot in about 30 cc. of contrast material by hand and time the film, taking one film and then possibly a second one, three or four seconds later. Or if a patient has a loss of pulse in an extremity, I'll do the same procedure to see if any of the arteries are torn."

Then there's the patient who's had to be hurried off to the OR for surgical management of obvious thoracic or abdominal bleeding. The portable x-ray there is put right to work for any necessary pinpointing or to check for other possible injuries. And, adds Dr. Ayella, "if we should happen to be doing an aortogram for a ruptured aorta on a patient with suspected head injury, I'll flip the catheter up into the carotid and I can do that exam at the same time."

There may well be a big plus for you in this aspect of the institue's experience. For, says Dr. Ayella, "the only piece of equipment we use in the trauma unit is a portable x-ray machine, which every hospital will have. So there's no reason that any of the things—except the aortograms and the specialized things we do in the x-ray department—can't be done by any hospital right in the emergency room."

ONE-STOP SURGERY

Needless to say, emergency surgery is almost SOP for institute patients. And here, too, tradition gives way to a new approach, the result of long experience with the severely and multiply injured.

"We attempt to do all the surgery that's necessary right after admission," says surgeon Cowley. "If the patient has an intracranial lesion that needs surgery and is also bleeding in the abdomen, then two teams of surgeons will be operating. The neurosurgeons will operate on the head while general surgeons are on the belly. When all that is completed, any fractures that need to be treated are taken care of. In short, as long as the patient's condition is stable, we'll continue all therapy or as much of it as possible."

The advantages of this one-fell-swoop approach? "For one thing the patient is anesthetized only once. You don't have to keep taking him back to the operating room. Then there are certain fractures that can't be simply splinted; if they're not treated by open reduction and internal fixation right away, they require traction. And most patients with multiple injuries, with chest problems, head injury, etc., can't be treated satisfactorily in traction. As a result we're more aggressive as far as open reduction and internal fixation are concerned, even if the fractures aren't ideal for such treatment."

"We fix the head, the chest, the abdomen, the bones, one after another in order of priority," continues Dr. McAslan. "The only reason we would cut the operation short is if we needed the operating room for somebody whose life was in danger. We even do plastic surgery as an emergency procedure to minimize the need for staged procedures later on."

Adds Dr. Cowley: "When you operate on the multiply injured, you're adding severe insult to injury; it's like making them get out of bed and run a hundred yards. If you can help it, you're not going to give him another 100-yard run down the corridor tomorrow and then two days later give him still another run while he's still trying to get over the first 100 yards. After multiple surgery, the multiply injured patient is, as far as possible, physically stabilized, and the body repair process starts immediately."

What, you may ask, about the patient with underlying serious illness who winds up in the institute—the diabetic, the heart patient? "For him," says Dr. Austin, "we treat the total system and do only the surgery necessary to save his life. Most of our patients, however, are young and healthy; the bulk of them are between 15 and 35 years old."

From the admitting area, patients are taken upstairs to a 12-bed critical care recovery unit where they're monitored continuously. And they're kept on a ventilator for at least 24 hours. "We know the oxygenation is perfect," says Dr. McAslan, "and so we can relax. After a day or so we evaluate him. Does he get treated like a more ordinary surgical patient? Or do we keep him a bit longer because he shows signs of incipient respiratory or renal or liver problems or because he's still losing blood and isn't absolutely stable? Until every organ in his body looks as though it's stable, we give him all the support we can. We don't let go until we're satisfied that the body has come to grips with the injuries totally."

PULMONARY PHYSIOTHERAPY

Most patients get a chest x-ray every day because "the leading cause of death in trauma units, after you've gotten them past the original repair work and shock, is respiratory failure," says Dr. Ayella. "So what we try to do is actually localize the exact segment of the lung that has mucus in it. Then we hold a conference every morning with the pulmonary physiotherapists so they can clean out those segments." Only rarely have they had to resort to bronchoscopy.

No, it's not impossible to pinpoint the involved segments, even on the supine AP films commonly taken in these patients. "We prove the accuracy of our chest x-rays—as well as the value of pulmonary physiotherapy—every once in a while by taking films before and 20 minutes after a treatment. What looks like a massive pneumonia—the result of a mucus plug—in the pretreatment film will be completely resolved afterwards."

Pulmonary physiotherapists aren't available everywhere, of course. What then? Nurses can do physiotherapy, says Dr. Ayella. "They won't compare with people who've been particularly trained in it but I wouldn't go back to using the bronchoscope. If I didn't have physiotherapists I would get whoever is caring for the patient to do it—nurses or the doctors themselves. The straight Jackson bronchoscope, the only instrument that will actually get the mucus out, is simply too traumatic. And the fiberoptic bronchoscope, though easier to pass, is not only still traumatic but it won't, in most cases, get the mucus out."

Finally, says Dr. Ayella, "we don't get shock lung," a record he attributes to the early use of PEEP to keep patients' alveoli from collapsing and the daily clearing of their lungs.

SEEING TO THE PSYCHE

In taking to heart that familiar old admonition to treat the whole patient—easier, and considerably more often, said than done—the institute hasn't overlooked the phychological trauma of severe multiple injury. And the time to begin treatment, says Dr. Nathan Schnaper, who is chief of psychiatry at the institute and professor of psychiatry at the University of Maryland, is when the patient is unconscious.

Most patients who are brought in unconscious remain so for three days to two weeks. But Dr. Schnaper's studies of the unconscious trauma patient reveal that many of them later report having had "bad dreams"—a common theme being they're imprisoned for some wrongdoing or are dead—and that they'd also heard fragments of the conversations at their bedsides (see EM, January 1976, p. 132). So institute personnel are instructed not only to avoid saying anything foreboding when working near such patients but to treat them as though they were conscious. Whenever possible both doctors and nurses comfort them by touching them, call them by name, explain every procedure they're going to do.

"Even though it's a one-way conversation, they'll say such things as 'Now you're going to feel a little needle. It's going to make you feel more comfortable in a few minutes. Now it's done.' "

Furthermore, when the patient regains consciousness, it's usually to total confusion. Unlike the elective surgery patient, he's not prepared for the tubes and oxygen and all the rest. At the time of his accident he had only a split second—if that—to be aware of what was happening. Now he not only doesn't know where he is but may be hallucinating, still in the terrifying grip of his "dreams."

He is, therefore, reoriented as quickly as possible—"Your name is so-and-so, mine is so-and-so, it's January 5, 1976, you're in such-and-such hospital," repeating it over and over. They say nothing to feed his fantasies or to imply that the staff may be making light of them—for instance, "How many 'ghosts' are holding you prisoner?"—but keep trying to bring him back to reality in a calm, reassuring way. And if he's hostile when he comes to, obviously it shouldn't be taken personally, says Dr. Schnaper, but this can be hard to do unless you're skilled at dealing with your own feelings. "Your inner self may be saying, 'Here I'm trying to help this bastard and look how the hell he's treating me,' " says Dr. Schnaper. "We see this with doctors taking care of dying patients, too. Here the doctor did the surgery on him, now the patient's got the *chutzpah* to die; it threatens his omnipotence."

Drawing on the institute's experience, Dr. Schnaper goes on to describe what you can do, in any hospital, anywhere, to help patients handle what may be the greatest emotional as well as physical blow of their lives.

YOU'RE THE DOCTOR

If the patient seems psychotic, don't be too quick to dismiss it as an intensive care unit psychosis. Check his psychiatric history: this may be a problem of long standing. Also rule out possible organic factors such as hypoglycemia or a still-uncovered neurologic injury. Expect to see a great deal of anxiety and depression, comments Dr. Schnaper; after all, they're entitled to it. Some may need antidepressants or tranquilizers but unless you're familiar with psychotropic drugs and their interactions—for these patients are usually on several medications—call in a psychiatrist. Most of these patients don't need psychotropics or a psychiatrist, however; they do need to feel free to talk out their problems with you and the nurses. For example, many of them think that their dreams and hallucinations are evidence that they're "crazy." They need reassurance that this is perfectly normal.

Be aware, too, that dealing with the severely injured and dying can put you and the nurses under a tremendous emotional strain. Sometimes it's more than you might realize, sometimes more than you think you can handle. Dr. Schnaper cites the case of a child who was apparently dead when brought in by helicopter.

"I was standing by watching the team work on him when Dr. Cowley walked in. He said to me, looking at the table, 'How long have they been working on this child? I looked up at the clock and said, 'About an hour and a half.' Then he leaned over the table and said, 'Is this child salvageable?' "

Almost always, a fully trained, full-time surgeon on the staff serves as team leader; this time it happened to be a third-year surgical resident.

"Everyone backed away from the table but him. He didn't even hear Dr. Cowley; he was still working on the child. After a couple of minutes Dr. Cowley put a hand on his shoulder and said, 'Is this child salvageable?' The resident looked around the table and saw that everybody had moved away, so he backed away and the nurses started to wrap the child in sheets. It's the team leader's responsibility to tell the relatives, so he went out. Everybody was standing around; nobody talked; everyone was alone with his thoughts."

About ten minutes later the resident came back, tears running down his face. "He told me he couldn't be a surgeon, that he was going into his family's business. But then another call came through and they were able to resuscitate and stabilize this patient. The atmosphere became completely different. Everyone was kidding around, laughing and so on. It was great therapy. It always is."

Later, though, the resident came to see him, still upset. "He told me that at the hospital he'd come from everybody got emotional when somebody died. Here, he said, he never saw this emotionality. Furthermore, it turned out that he had a son about the same age as the boy. I reassured him that his tears were appropriate, that maybe he didn't see other people crying on the outside but all of us were crying on the inside for this little boy. He said he still wanted to be a surgeon but that he had to get used to the idea of being less emotional. I pointed out to him that this was a contradiction—that he was talking about wanting more emotionality and less emotionality at the same time. Basically, what I said to him was to be yourself, that though you lose a little bit of yourself when someone dies, your satisfaction would come from saving so many more lives than you lost."

Keep in mind, too, that you may come across tragedies that, instead of stirring your pity for the patient, may turn you molten with anger. For example, about one-fifth of the patients seen at the institute were drunk at the time of the accident. How would you react to the drunken patient who has cost the lives of innocent people, to the junkie who slipped into a narcotic haze and slammed head-on into another car, to the auto thief responsible for a fatal accident? Unless you're alert to your feelings, your anger can cost you good medical judgment or show itself in many subtle ways, says Dr. Schnaper. Instead of "explaining that you're going to anesthetize a cut, for example, you just go ahead and stick a needle into it. And you're not even conscious of what you've done."

A FAMILY AFFAIR

As in every tragedy, there are other victims besides the patient—his family. Not only can you be of great support during the acute phase of their anguish, but you can help lay the foundation that will enable the family to cope emotionally with a paraplegic daughter or a husband without legs. Indeed, unless they have some immediate help with their reactions to the accident and the patient, their future and his may be considerably bleaker.

The institute's family service division, directed by social worker Margaret Epperson, was set up to provide this help, which begins the very moment the family rushes into the institute after being notified of the accident. And a study Ms. Epperson has made of 230 families she's worked with offers you some fundamental guidelines to therapy. There's an "identifiable process" she says, "that these families go through to reestablish the equilibrium disrupted by the sudden crisis." It usually consists of six phases but members of the same family may go through them at different times and even react to them in different ways.

The first phase, obviously enough, is that period of almost unbearable anxiety when families are waiting for word from the admitting area. Although you're not yet able to tell them how the patient is, simply letting them know *where* he is and that he's receiving expert care can be of great help. Also try to get them to talk about how they felt when they were notified of the accident; these families have a tremendous need to ventilate these feelings. Usually all you have to do to start them off is to ask something like, "Can you tell me what happened when you got the phone call?"

Then once they get word from the admitting area, they usually go through the following phases over varying periods of time:

Denial. If the patient has died or is in critical condition, the most common types of reactions you get are, "How do you know the state police identified him correctly?" or "Johnny can't be paralyzed, I was talking to him an hour ago!" Don't try to *argue* them out of it but at the same time don't go along with the denial or say anything that might conceivably buttress it. Rather, as gently as possible, tune into their thinking: "I know it must be very difficult for you to realize Johnny is so badly hurt because you *did* talk to him an hour ago, but I'm sorry to say that he is paralyzed." Although these truths may always sound cruel, stresses Ms. Epperson, it's important that the family face stark reality as quickly as possible because what you're doing is of necessity short-term therapy. "You don't have lots of time and you have to prepare them for what is now and what's going to be later on." Although the family may go through recurring periods of denial, they can't begin to mobilize their strengths until they get over this acute phase.

Remorse. Here all the guilts and "if only's" pour out. "If only I hadn't given him the car." "If only I hid the gun." "If only I bought new tires." Working with the family as a group can have many advantages, for they frequently can help each other over the various phases, but whether you work with them together or individually, the most important thing is to foster trust in you. "They're wondering what you think of them and they need your reassurance that they're okay people. Not by saying such things as 'You're a fine man and it was all an accident'; that won't be helpful to him. These people have to be able to say it themselves and be able to say it more than once. Your job is to try to get them to the point where they can say there was nothing, or very little, they could have done to prevent whatever happened. You have to help them build a rationale for why they didn't buy those new tires, why they let him have the car."

Grief. Once the reality of the injury sets in, they not only grieve for what this means to the patient but what it means to themselves. The only "treatment" is to give them support, let them know that it's perfectly normal to feel this way, to cry. In fact, if they're clinging to denial, look for clues that will help you bring on this healthy grieving. "They often start off with something 'outside themselves.' For instance, a mother will say, 'The neighbors are going to miss him so much,' or 'The children really love him.' Move right in with something like, 'Tell me about him. It sounds like he was really appreciated.' What you're trying to do is get them to say, 'I'm going to miss him like hell,' to localize the grief within themselves."

Anger. This can take many forms, be covert or right out in the open. Frequently it goes in all different directions—the person who broke the news to them was rude; the staff, you included, did this or that. Although the anger may be difficult to take if it's directed at you, you've got to help them let it out; equally important, help them focus it on the right target. Was the caller actually wrong? What exactly did you or any of the staff do? You'll often find that the anger is really aimed at the *patient* but that the family had been too ashamed to admit it. "That damn kid!" "they'll frequently burst out. "Why was he driving so recklessly?" "I told him if he continued to cut down those trees one would fall on him!" If the patient was actually at fault, let them know it's legitimate to be mad; if he wasn't, help them see this too, of course. The important thing is that if you don't help them deal with their anger and put it in its proper place, you're going to have a lot of passive-aggressive angry behavior when the patient returns home and it's going to cut down on his potential for rehabilitation."

The last phase—the one you're striving to help them reach—is where they start to become reconciled to what's happened; where even though they're still trying to work through their anger and grief, they're beginning at last to try to think of solutions to the terrible dilemmas they now face. Where can they turn for financial support now that the husband will have to spend months in a rehabilitation center? Who will take care of the children while the wife works? Where will they get the emotional strength to meet the patient's psychological and physical needs once he's returned to them? Ms. Epperson emphasizes that here, too, you and others on the staff can do much to help in the planning, offering advice, directing them to agencies.

ONE PATIENT, ONE NURSE

The nurses at the institute work closely with the family service division to prepare the family for the patient's homecoming. Indeed, since the family service staff isn't on duty all the time, the nurses are frequently the first ones to meet with the family. And in *all* cases a nurse talks to the family after the physician has given them the diagnosis, the main purpose being to offer further emotional support. Moreover, since the families aren't allowed to visit the patients during their stay in the critical care unit—primarily to avoid infection—the nurses keep in touch with them by phone.

Although your hospital's intensive care unit may not have anywhere near the number of nurses who staff the institute's unit—42—much of their philosophy and approach to trauma nursing care can still apply. They've found it to be extremely important, for example, to have one nurse in charge of each patient. After talking to the family and assessing the complete situation, she sets up the nursing plan and is responsible for it; if anyone wants to change it while she's off duty, he or she has to get in touch with her unless it's an emergency. The main advantage, says Jo Marie Walrath, head nurse in the critical care unit, is to ensure continuity of care; in many if not most hospitals, nursing plans can be altered by every shift. It makes life easier for the patient and his family.

"One time I stood by a cubicle," Ms. Walrath recalls, "and counted 26 people coming in contact with a patient—dieticians, laboratory technicians, and so on. What a primary nurse does is sort all of that out. Also, if the patient or his family want to discuss a problem they can contact her rather than having to go through ten other people, which is a big problem in nursing. If they have so many people to talk to they have nobody who really understands."

Although a critical care nurse obviously has to be highly adept at handling equipment and making fast assessments, Ms. Walrath warns that if your nurses *over*emphasize the technical aspects of their work it can also be deleterious to the patient.

"When I first came here three years ago, the nurses wanted to be sort of mini-doctors. They wanted to learn to do tracheostomies, put in subclavian lines, draw arterial blood gases. Well, I don't believe in that myself. That's the physician's role and we have the personnel to do it. The patient needs someone who *humanly* cares about him, somebody to talk to, to listen to, not only somebody who is equipment- and technique-oriented. Now we're finally at the stage here where the nurses don't want to learn just about everything a doctor does. They want to care for the patient on a human level and be coordinators of care."

Consequently, she adds, they're able to build a close relationship with these seriously injured and seriously troubled patients, hear problems and worries the patient might never have revealed. If he seems suicidal—and it's important to remember that many auto accidents are actually suicide attempts—or has any other problem the nurse feels she can't handle, she calls in the psychiatric nurse on the staff or psychiatrist Schnaper; but even so, her relationship with the patient has generally smoothed the way.

Finally, says Dr. Schnaper, soon after your patient's been admitted you should begin thinking about his discharge. Where can he best learn to use two prostheses? Should he go to a school for the blind right away? It's essential to start thinking of this early rather than to explore it with him toward the end of his stay. The sooner he's able to get at and vent his feelings—to you, a nurse, perhaps a psychiatrist—the easier the rehabilitation process will be. "Anyone in rehab work will tell you that unless a patient is psychologically ready and motivated he will not progress in his rehabilitation," affirms nurse Linda Summey, the institute's discharge planner. It's not enough, she says, to gently lift a patient into an ambulance and wish him well during his stay at a rehab center, pleased you've been able to save still another life. For unless you've helped prepare him emotionally to share a ward with six other paraplegics or to stare down a shiny artificial leg, he may curse the moment you gave him back his life.

No doubt about it. A trauma center like the Maryland Institute for Emergency Medicine within easy transportation distance from your community is something dearly to be desired. And if you're one of the great majority of American physicians, you're not going to get one in the near future. But the most exciting and positive finding to come out of this sophisticated and very specialized facility is that you already have practically everything you need right there in your own hands and your own very basically equipped emergency room. A few really simple innovations, a lot of practice in the standard techniques, and a serious effort to develop teamwork with your colleagues do not a great trauma unit make—but the badly smashed up patients who continue to be rushed to the "nearest hospital" will have a much better chance of making it if you're ready for them.

NATIONAL DEVELOPMENT BANK ADVOCATOR

Mr. SPARKMAN. Mr. President, above everything else, during his long years of service on the Joint Economic Committee, Wright Patman wanted the economy of the Nation to work for the little man—the people who build the country up in peacetime and go out and defend it in time of war. If the economy did not function in a way that gave the people the opportunities they needed to make better lives for themselves and their children, then it was not working right at all, as far as he was concerned.

To him, an economy that worked right meant the availability of adequate credit on reasonable terms so that people could buy homes and farms and start or improve small stores and manufacturing plants. It meant being able to borrow funds needed for education and to purchase cars and appliances and all the other items that all of us depend on in our daily lives.

He was convinced that if our system did not provide a constantly expanding job market and the opportunity for all the people to share in the things their jobs produced at prices they could afford, then Congress and the administration were failing to meet one of their most important responsibilities. To him, America was a promise to give people the chance to realize their potential and to have a chance to earn a fair share of the Nation's wealth.

That is why he insisted throughout so much of his long and productive career in Congress that a National Development Bank should be established and continually maintained to channel adequate credit on reasonable terms to the priority areas of our economy, to low- and moderate-income housing, to public works, and facilities for State and local governments, to small- and medium-size business and industry. In his eyes, a Development Bank could be a mechanism to protect the little people of the Nation from drastic swings toward tight money and high-interest economic conditions that have occurred, almost with predictable regularity.

In effect, the bills that he introduced and tenaciously supported over the years to establish a National Development Bank were calls to Congress to fulfill the promise of America to the little people by providing them with a lender of last resort they could depend on when they could not obtain the funds they needed from any other source at fair and reasonable cost.

He was determined to create a peoples' bank for the little man, a bank that would be funded largely through the sale of obligations that would be fully guaranteed by the Government.

To Wright Patman, that guarantee would be an expression of the faith and confidence he knew the people of this Nation have in each other.

We need hardly be reminded of the hard evidence around us that Wright Patman was correct in this proposal. That is why the Joint Economic Committee's annual report of 1976 contains a recommendation for establishment of a National Development Bank. It is a recommendation that I sincerely hope is soon made into reality.

VETERANS' EDUCATION BILLS

Mr. MONTOYA. Mr. President, when Congress enacted the veterans' readjustment benefits to assist veterans in completing their education, we recognized not only the value of higher education, but also the debt we owed to those who had sacrificed for their country and who had lost precious years when they normally would have been in school.

Originally, veterans had 8 years from the date of discharge to take advantage of the GI bill educational entitlement. If discharge had taken place prior to the date of the May 1966 act, the veteran still had 8 years during which he or she could use this benefit. Two years ago, Congress recognized that 8 years was not long enough for the successful completion of postsecondary education, especially when the process was slowed by the responsibilities of a family and a job. To rectify this, a 2-year extension was granted making the cutoff date May 31, 1976. We are now approaching that cutoff date and it is once again time for us to reconsider the value of education, both to the student and the Nation, and to take steps which would insure the continuation of this vital support for all veterans.

The investment made so far in the postsecondary education of our veterans has more than paid for itself in better jobs and higher wages for veterans, and additional tax dollars for the Government. The greatest benefit, of course, is the benefit to the Nation in having better educated manpower for our national work force. Moreover, as long as a full set of benefits have been earned, it is arbitrary and capricious to terminate this entitlement without providing a reasonable amount of time for their use. Many veterans of the Korean and early Vietnam era are facing the loss of their educational benefits as of May 31, 1976. Those who have not yet started school will receive nothing. Those in school already will see an end to their previous support. The question of how many veterans will never begin, or fail to complete, their education for lack of funds is one which I hope the Congress will never let be answered. I trust we will find the way to provide the educational support these men and women deserve.

There are three Senate bills which would achieve this effect. S. 2989, introduced by Senator Hugh Scott, provides a 5-year extension. S. 3222, introduced by Senators Durkin and McIntyre, provides that benefits earned are available until used. S. 3226, introduced by Senator

BURDICK, removes the time limitations within which programs of education for veterans must be completed. So that there will be no question with regard to my position, I have cosponsored all three of these measures. The Senators who introduced them are to be commended for providing a means of relief for a serious and pressing problem. The Senators who vote on them should realize the urgency of this matter and support as fully and strongly and swiftly as possible an extension or elimination of the time period during which veterans educational benefits must be used.

The cost to the taxpayer for this educational program will be very small in relation to the benefits to be realized by our Nation's veterans, and by the Nation itself, in future years.

GERMANS BARRED FROM THE HOMELAND

Mr. BUCKLEY. Mr. President, in the month of November 1974 I visited the Soviet Union and had several conversations with the distinguished Soviet physicist and humanitarian, Andrei Sakharov, at his home in Moscow. Among other things we discussed the plight of a large ethnic group known as the Volga Germans. This ethnic group numbers approximately 2 million. Their ancestors migrated from Germany to Russia during the reign of Catherine the Great. Unitl 1942 they were resident primarily in a constituent republic of the Soviet Union, the Volga German Republic. In one of the Soviet Union's many bloody forced deportations of ethnic minorities, the entire Volga German population was transported to the central Asian Soviet areas of Kazakhstan, Kirghiz, and Tadzhik. Those who survived were put to work in the mines and farms of the area. They have retained a high degree of ethnic cohesion and identity.

Their plight came to the attention of Dr. Sakharov despite the best efforts of the Soviet secret police apparatus, the KGB, to prevent it. In 1974, at the risk of their lives, 20 elders of the Volga German community in Kazakhstan collected a list of 6,000 families numbering 25,000 to 30,000 individuals who wished to emigrate to Germany. The individuals who collected the names were swiftly arrested and left to the mercies of the Soviet police apparatus for their efforts. Nevertheless the scraps of paper were collected and sent to Moscow where I brought them out of the country. The names were turned over to the West German Government as well as the Red Cross. Regrettably, the West German Government does not intend to press the case of the Volga Germans with the Soviet Government because of their policy of détente with the Soviet Union. Emigration of such a large number—according to Dr. Sakharov, virtually the entire Volga German population wishes to leave—would be too telling an indictment of the Soviet system within West Germany for the Soviets to tolerate with good grace.

The sad story of the Volga Germans has been published recently in the German language edition of the Readers Digest entitled, "Germans, Barred From the Homeland," by **Klaus** Einar Langen, editor of the Frankfurter Allgemeine Zeitung, a leading West German daily newspaper.

I ask unanimous consent that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GERMANS, BARRED FROM THE HOMELAND

(By Claus-Einar 'Langen)

"Twenty-nine years after World War II, the time has come to open the borders. Whether you like it or not, Comrades, I shall one day return to Germany!"

Erich Abel, a Soviet citizen of German ancestry, uttered these defiant words on January 22, 1975, before a Soviet court in the mining town of Karaganda, in the Central Asian Soviet republic of Kazakhstan. The verdict: "Three years imprisonment for defamation of Soviet authorities, participation in a petitioning campaign and other illegal activities."

Abel's case is not an exception. Currently, more than 1.8 million ethnic Germans are living in the Soviet Union. (Their ancestors were called into the country in the 18th century by Catherine the Great and, later, by her grandson, Czar Alexander I.) Experts estimate that about one million of these people wish to emigrate to West Germany but those who petition to do so may come under the pressure of local authorities and the KGB or even face jail. Nevertheless, demonstrations continue and on September 30, 1973, the military had to be called out to control more than 20,000 prospective emigrants who had gathered for a protest march in Karaganda.

The main reason given by those who desire to resettle in West Germany is the intensified pressure of Russification. Their cultural autonomy is interfered with, German-language schools do not exist even where the local population is predominantly German-speaking. The Karaganda districts of Melkombinat and Kirzawod, for example, count a German background population of some 25,000. Yet some children receive only two hours of instruction per week in their mother tongue. Generally, parents must request such instruction in writing.

Why is Moscow so determined to keep these people against their will? Perhaps the most obvious answer comes from the Asian parts of the Soviet Union, where today, some 986,000 people of German stock live in the Kazakhstan, Kirgiz and Tadzhik republics. These are frontier regions, rich in natural resources, and Soviet Germans play a highly important role in developing them. As Anastas Mikoyan, then chairman of the Presidium of the Supreme Soviet, declared in 1965: "It is conceivable today to open new frontiers without the Germans."

But no matter in what part of Russia Soviet Germans now live, to get to their historic Western homeland, they must bear with incredible hardships. Take the case of Wilhelm Messerschmidt, born October 12, 1926. Born in a village on the Black Sea, he was deported at 15 to Kazakhstan. In 1970, he moved with his family to the Estonian capital of Tallinn, from where he thought emigration might be easier. While his wife, a daughter and two sons supported the family. Messerschmidt wrote petitions, studied applicable laws and informed himself about civil rights in other countries.

At Easter 1973, Messerschmidt went to Moscow where, with 45 Estonians, he took part in a sit-in demonstration at a Moscow post office. Their banners read: "We are Germans and want to go to Germany." Soviet soldiers forcibly took the demonstrators back to Tallinn, where they were locked up for several days. In February 1974, Messerschmidt, accompanied by his son Alexander, once again went to Moscow. In support of their plea for emigration, they cited Article 12 of the International Covenant on Civil and Political Rights: "Everyone shall be free to leave any country, including his own." The visit was fruitless.

Not until January 19, 1975—after threatening to publicly immolate himself and his entire family—was Messerschmidt allowed to take his family to West Germany.

He was lucky. The only chance most German ethnics have to emigrate is when they have relatives living in West Germany. And even then, some have waited 20 years or longer to be reunited with their families.

Consider Ukranian-born Margarete Gretzinger, whose family was resettled in German-occupied Poland in 1943. Two years later, she fled west to Cologne. Then, on the morning of October 23, 1945, her doorbell rang. Outside stood four Soviet officers who confiscated her identity papers and arrested her. Deported to Perm in the Central Urals, she was assigned to forced labor in an alabaster works.

In 1956, Margarete received permission to move to Latvia, where she learned about relatives living in West Germany. She corresponded with them, and began petitioning the Soviet government to let her join them. Over the years, she submitted five emigration applications. Always there was a negative reply. One official told her: "You never will emigate as long as I live!" Another said simply: "Your only way out is to hang yourself. Why don't you try that?"

But perseverance finally won out for Margarete Gretzinger, and, on October 24, 1974, she arrived in West Germany. The price had been high: imprisonment, a hunger strike and treatment at a psychiatric clinic.

The wait to be reunited with their families can often be just as frustrating for West Germans. Born February 1909, Alfons Schaaf, 67, who lives near Stuttgart, has tried ever since 1956 to bring his wife and daughter out of Russia. The Schaaf family belongs to the roughly 350,000 Soviet Germans who were resettled during World War II in German-occupied West Poland and Austria.

In the spring of 1945, Schaaf, who had been drafted into the German army, became a prisoner-of-war to the Americans. At the end of the war, the Soviets deported his family from Poland to Novosibirsk. After the general Soviet amnesty of 1955, Frau Schaaf moved with her daughter to Karaganda.

In February 1956, she wrote the International Red Cross in Geneva: "I sincerely beg to be reunited with my husband and the father of my child." To no avail. Today, Frau Schaaf is living in the Moldavian Soviet Socialist Republic where she, her daughter, her son-in-law of German descent and her two grandchildren are still waiting for exit visas.

The West German government does not publicize such individual hardship cases. Soviet intransigence is taken for granted, and questions about family reunion are treated within "the framework of the possible." The fact is, that since the German-Soviet treaty of August 12, 1970, an increasing number of Soviet Germans—half of them from the European part of the USSR—have been allowed to join West German relatives, with 5,985 coming over in 1975 alone. However, since only 35,000 Soviet Germans meet requirements for family reunion, the pool of eligible returnees is bound to dry up soon—unless Bonn exerts more pressure.

Especially pitiful is the fate of Soviet Germans (as of this writing, 14 were known by name) whose emigration efforts have resulted in KGB persecution, jail and deportation to the Soviet interior. Most were summarily sentenced to three years in a general labor camp. They are not allowed to receive mail from abroad.

Soviet Germans view Andrei Sakharov, Nobel Peace prize-winner and outspoken government critic, as their most effective spokesman. "The Germans have suffered in the highest degree from the cruelties of deportation, persecution, discrimination, deprivation of their culture, and constant national humiliation," he has stated publicly.

Early in November 1974, Sakharov turned over to U.S. Senator James Buckley, then visiting Moscow, a list of 6,000 Soviet-German families seeking emigration. On November 18, in Bonn, Buckley gave this list to the West German government. It was later submitted to the Red Cross. Senator Buckley wrote to the Landsmannschaft der Deutschen aus Russland e.V. that he hoped the West German government would exert all necessary diplomatic pressure.

Senator Buckley expects Bonn to go further than the federal government appears willing to go. Bundestag debates have made the German position clear: Moscow is to be given no excuse to accuse West Germany of interfering in internal Soviet politics. In an explanation before the Bundestag on January 23, 1975, State Secretary Karl Moersch stated that none of the would-be emigrants listed "had ever had any legal ties with West Germany." The Bonn government thus lacks any legal justification for negotiating their emigration with the Soviet Union.

However safe the Bonn government may feel hiding behind legal casuistry, it will not escape its moral obligation to help the persecuted. The freedom of the individual weighs more than political détente or the legal aspects of citizenship.

What then, can and should our government do?

At the conference on security and cooperation in Europe last summer, an agreement was reached by all participants, including the Soviet Union, that human interrelations should be facilitated. It is up to our government to take the Russians at their word and demand the release of those ethnic Germans who want to emigrate.

Our government should demand compliance with the Universal Declaration on Human Rights.

The German Foreign Office should exert constant pressure on Moscow to speed up emigration applications that have been deliberately delayed for years.

The outcome of German-Soviet negotiations (economic, political or cultural) should be connected to the fate of those Soviet Germans who want to leave that country.

And here is what you can do:

Write to your elected MP drawing his attention to the lot of the Soviet Germans.

Ask your local Red Cross to tell you where there are Soviet German emigrants in your community. Help make these new fellow citizens adapt to the homeland they have yearned for so long.

Any pretense of dealing with this tragic situation as if it were only a legal or political issue is an abandonment of our basic principles as a free and democratic society. The Soviet Germans are suffering for their belief in human rights, and they have clearly asked for help. It does not become us to slam the door in their faces.

OAKLAND, CALIF.'S EAST BAY SKILLS CENTER

Mr. TUNNEY. Mr. President, I would like to take a moment to bring to the attention of my colleagues an outstanding manpower program in Oakland, Calif., which, this month, will celebrate its 10th anniversary.

The East Bay Skills Center, located at 1100 67th Street, Oakland, is an outstanding example of a jobs program that works. Over the course of its 10-year history, the center has graduated more than 15,000 skilled workers in fields ranging from engineer's aide to licensed vocational nurse, to clerical worker. Job placement upon graduation has remained high—over 85 percent—even in these days of chronic unemployment. Consistently, three out of four graduates are immediately placed in jobs to provide needed skilled services to the population of northern California.

The East Bay Skills Center is probably the only agency of its type to have survived a decade of rapid changes throughout the society of which it is a part. Undoubtedly, this is a direct result of a dedicated staff, a hardworking student body, and a receptive community all working together to train people and provide them meaningful employment. The center has a fine rapport with the community at large—business, industry and labor. The faculty has found that tailoring its program to the needs of the labor market as well as the needs of the students provides an ideal working atmosphere, and a certainty of success.

Again, I want to congratulate the outstanding staff and students on this, the 10th anniversary of the EBSC. Their past record is to be commended, and their future success realized.

THE IMPACT OF ECOLOGICAL DETERIORATION ON AGRICULTURE

Mr. HUMPHREY. Mr. President, I would like to call the attention of my colleagues to an article by Erik P. Eckholm of Worldwatch Institute entitled "Losing Ground: Impending Ecological Disaster." This appeared in the March/April 1976 issue of the Humanist and is based on his recent book, Losing Ground.

In this article, the author discusses the effect that our disregard for ecological systems has had on agricultural productivity, rural development, and the incidence of famine. Eckholm states:

> A far deadlier annual toll, and perhaps an even greater threat to future human welfare, than that of the pollution of our air and water is that exacted by the undermining of the productivity of the land itself through accelerated soil erosion, creeping deserts, increased flooding, and declining soil fertility. Humans are—out of desperation, ignorance, short-sightedness, or greed—destroying the basis of their own livelihood as they violate the limits of natural systems.

Eckholm urges that ecological impacts be given a higher priority in the rural development of developing nations and in our own domestic policies. In terms of U.S. development assistance policies, he stresses the need for incorporation of an ecological perspective. Eckholm finds that—

> Ecological degradation is to a great extent the result of the economic, social, and political inadequacies . . . it is also, and with growing force, a principal cause of poverty. If the environmental balance is disturbed, and the ecosystem's capacity to meet human needs is crippled, the plight of those living directly off the land worsens, and recovery and development efforts—whatever their political and financial backing—become all the more difficult.

Without giving more attention to the ecological effects of development policies, Eckholm fears that less of the land in developing countries will be productive, and more people will have to depend on the U.S. exports for survival.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOSING GROUND: IMPENDING ECOLOGICAL DISASTER

(By Erik P. Eckholm)

THE UNDERMINING OF FOOD-PRODUCTION SYSTEMS

Coaxing enough food from the earth has traditionally been guided by a certain simple logic: plow more land, intensify labor, refine techniques, and the supply of food will grow commensurately. But this has been the logic of humans, not of nature, and today's newspaper headlines tell with increasing frequency a different, more puzzling story. Millions of individuals, and sometimes whole countries, are learning the hard way that more work doesn't necessarily mean more food—that it may mean fatally less.

A Somali nomad builds his herd to record size, but the land is overgrazed, his cattle grow thin, and sand dunes bury pastures. A farmer in northern Pakistan clears trees from a mountain slope to plant his wheat; soon after, fields downstream are devastated by severe floods. In Indonesia, a peasant burns away luxuriant hillside vegetation to plant his seeds; below, rice production drops as soil washed down the mountain chokes irrigation canals.

Over the course of ten thousand years humans have successfully learned to exploit ecological systems for sustenance. Nature has been shaped and contorted to channel a higher than usual share of its energies into manufacturing the few products humans find useful. But while ecological systems are supple, they can snap viciously when bent too far. The land's ability to serve human ends can be markedly, and sometimes permanently, sapped.

The international discussion of environmental quality has, like that of many other topics, been largely preempted by the rich industrial world. The term environmental crisis joined the lexicon of journalism and politics only within the last decade, in response to the visible *spread* of acrid air and poisoned waters. Even within the field of agriculture, concern for ecological damage usually focuses on the polluting impact of misused chemicals.

These problems are pressing enough, and deserve all the attention they have received and more. Yet in the world war to save a habitable environment, even the battles to purify the noxious clouds over Tokyo and Sao Paulo and to restore life to Lake Erie are but skirmishes compared to the uncontested routs being suffered in the hills of Nepal and Java, and on the rangelands of Chad and northwest India. A far deadlier annual toll, and perhaps an even greater threat to future human welfare, than that of the pollution of our air and water is that exacted by the undermining of the productivity of the land itself through accelerated soil erosion, creeping deserts, increased flooding, and declining soil fertility. Humans are—out of desperation, ignorance, shortsightedness, or greed—destroying the basis of their own livelihood as they violate the limits of natural systems.

Not surprisingly, the principal victims of these trends are the world's poor, who, in their quest for food and fuel, are often forced by circumstances and institutions beyond their control to serve as the agents of their own undoing. Though poverty is often associated with a pristine environment, and affluence with despoliation, in some important ways the poor are damaging the environment even more than the rich.

The littered ruins and barren landscapes left by dozens of former civilizations remind us that humans have been undercutting their own welfare for thousands of years. What is new today is the awesome scale and dizzying speed with which environmental destructions is occurring in many parts of the world. The basic arithmetic of world population growth reveals that the relationship between human beings and the environment is now entering a historically unique age of widespread danger. Whatever the root causes of suicidal land treatment and rapid population growth—and the causes of both are numerous and complex—in nearly every instance the rise in human numbers is the immediate catalyst of deteriorating food-production systems. The number of humans reached one billion in about 1830, perhaps two million years after our emergence as a distinct species. The second billion was added in one hundred years, and the third billion in thirty years. One day in late 1975, just fifteen years later, world population reached four billion. At the present rate of growth, the fifth billion will come in thirteen years, and the sixth in ten years after that.

Seldom does the imagination translate these inconceivable abstractions into the events on the ground that give them meaning: farmers forced onto mountain slopes so steep that crops and topsoil wash away within a year; peasants making charcoal out of forests that are essential for restraining flood waters and soil erosion; drought-prone pastures plowed up for grain despite the high odds that a lifeless dust bowl will ensue. In some respects, these are Malthusian phenomena with a twist. Exponentially growing populations not only confront a fixed supply of arable land, but sometimes they also cause its quality to diminish. However, a second addendum to Malthus's gloomy formulation is also crucial. Today the human species has the knowledge of past mistakes and the analytical and technical skills to halt destructive trends and to provide an adequate diet for all, using lands well suited for agriculture. The mounting destruction of the earth's life-supporting capacity is not the product of a preordained, inescapable human predicament, nor does a reversal of the downward slide depend upon magical scientific breakthroughs. Political and economic factors, not scientific research, will determine whether or not the wisdom accumulating in our libraries will be put into practice.

This is not the first effort to spotlight self-defeating efforts to expand the supply of food, and it most certainly will not be the last. Earlier in this century a number of analysts, concerned primarily with the threat of soil erosion, catalogued the ecological calamities impending if humans did not change their ways.[1] Erosion was sometimes painted as the greatest single threat to the future of human civilization. In the 1930s, as the Great Plains heartland of North America wasted away into the Dust Bowl—one of the century's more dramatic environmental debacles—previous warnings achieved an air of prophecy.

Then as the Great Plains were recovering from their human-caused infirmity, World War II created environmental disasters of a different type and scale and was followed by an era of economic expansion such as the world had never seen. World agriculture, too, entered an era of remarkable gains with global grain output far outpacing population growth since the late forties. Headlong economic growth in richer countries, and in small pockets of the poorer countries, creates new environmental challenges as the refuse of industrialism piles up, but earlier predictions that land degradation would be humanity's downfall seem to have been disproved by history.

Or have they? The continuing growth in world food output and the remarkable climb of the gross national product in most countries, rich and poor, over the last two decades mask some basic facts that add up to a different story. National income averages conceal the billion or more people locked in cycles of abject poverty, misery, and exploitation, many of whom live in worse conditions than their parents did. World, and even national, food output totals conceal the stagnant or deteriorating productivity of huge numbers of farmers in the poorer regions and countries. Such figures veil the half-billion people suffering chronic malnutrition in the best of years, and the hundreds of millions who join their lot when food prices soar, as they have in the mid-seventies. The statistics of progress ignore the swelling urban shantytowns filled with refugees from untenable rural situations. In short, the aggregate figures for growth, of both agriculture and economies, disregard the casualties and the cast-offs of the global development process.

The wretched lot of one-fourth or more of the world's people has not, of course, gone unnoticed. Through both national and international channels, many billions of dollars and the talents of thousands of "experts" are earmarked each year for the agricultural progress of the poor. Broadly based rural development through agriculture, it is increasingly recognized, can ameliorate simultaneously many of the world's most acute social problems. Not only will more food be grown under the auspices of such programs, but it will be grown by those who most need more nourishment and income. By providing greater income and employment in rural areas, properly designed agricultural devlopment can help stem the flow of migrants to the cities. And with improved social conditions, the rural poor may well follow the historical path toward smaller families. Yet somehow, in many regions of many countries, things don't seem to be working. All the money, all the research, all the experts have done little for those on the bottom. What has gone wrong?

Looking at this dark side of the development record, analysts find many culprits. Depending on personal prejudices, the economist may see a failure to generate adequate capital for raising productivity, imperfect markets for labor, capital, and technology that impede efficiency, or systems of trade and investment heavily weighted against the well-being of the poor. The sociologist may see tradition-fixed cultures incapable of assimilating the requirements of "modernization," or socio-economic structures that compel the poor to live recklessly. The political scientist may stress the absence of the administrative capacity to implement social change, or outline the power relationships that prevent the poor from taking control of their own destiny.

All these explanations contain truths, but an additional perspective that in many ways subsumes them all, and is almost always overlooked, is an ecological view that blends the study of human beings' place in nature with that of their place in society. A common factor linking virtually every region of acute poverty, virtually every rural homeland abandoned by destitute urban squatters, is a deteriorating natural environment. Ecological degradation is to a great extent the *result* of the economic, social, and political inadequacies noted above; it is also, and with growing force, a principal *cause* of poverty. If the environmental balance is disturbed, and the ecosystem's capacity to meet human needs is crippled, the plight of those living directly off the land worsens, and recovery and development efforts—whatever their political and financial backing—become all the more difficult. The soft underbelly of global rural development efforts, environmental deterioration, is often a neglected factor that severely undermines their effectiveness.

The glaring disregard of the ecological requisites of progress is at least partially attributable to the rigid compartmentalization of professions, both in the academic world and in governmental agencies. When reading the analyses of economists, foresters, engineers, agronomists, and ecologists, it is sometimes hard to believe that all are attempting to describe the same country. The actions of experts frequently show the same lack of mutual understanding and integration. Engineers build one dam after another, paying only modest heed to the farming practices and deforestation upstream that will, by influencing river silt loads, determine the dam's lifespans. Agricultural economists project regional food production far into the future, using elaborate, computerized models, but without taking into account the deteriorating soil quality or the mounting frequency of floods that will undercut it. Water-resource specialists sink wells on the desert fringes with no arrangement to control nearby herd sizes, thus ensuring overgrazing and the creation of new tracts of desert. Foresters who must plant and protect trees among the livestock and firewood gatherers of the rural peasantry receive excellent training in botany and silviculture, but none in rural sociology; their saplings are destroyed by cattle, goats, and firewood seekers within weeks after planting.

A failure to place agriculture in its ecological context has been apparent at even the highest levels of global policy-making. Nowhere were forests so much as mentioned in the dozens of resolutions directed to eliminating hunger passed by the Rome World Food Conference of November 1974, despite the accelerating deforestation of Africa, Asia, and Latin America and its myraid effects on food-production prospects. The editors of the United Nations magazine *Ceres* were not speculating idly when they wrote in early 1975: "It is no coincidence that the forests of all the countries with major crop failures in recent years due to drought or floods—Bangladesh, Ethiopia, India, Pakistan, and the Sahel countries—had been razed to the ground."[2]

Even without the impediment of professional or disciplinary blinders, recognizing and controlling the causes of environmental deterioration present special problems. Precise figures on ecological trends and their impact on agricultural systems are scarce. This does not make the trends any less real or menacing; it does suggest the exceptional difficulty of isolating and measuring these factors.

---

[1] Prominent examples in the English language include: G. V. Jacks and R. O. Whyte, *The Rape of the Earth—A World Survey of Soil Erosion* (London: Faber, 1939); Hugh Hammond Bennett. *Soil Conservation* (New York: McGraw Hill, 1939); W. C. Lowdermilk, "Man-Made Deserts," *Pacific Affairs,* Vol. 8, No. 4 (1935); Russell Lord, *Behold Our Land* (Boston: Houghton Mifflin, 1938); Fairfield Osborn, *Our Plundered Planet* (Boston; Little, Brown, 1948); Paul B. Sears, *Deserts on the March* (Norman: University of Oklahoma Press, 1935); William Vogt, *Road to Survival* (New York: William Sloane, 1948).

[2] "The Nurturing Forest," *Ceres,* Vol. 8, No. 2, (March-April 1975), p. 4.

The symptoms of ecological stress are often confused with their causes, in part because the more visible environmental disasters are usually precipitated by a harsh turn of nature, such as prolonged drought or excessive rainfall. When topsoil clouds the air in the Great Plains or the African Sahel or when record floods rise in India, it is tempting to place full blame on nature. It is easy to ignore the human role in making a region vulnerable to damage far more drastic than inclement weather alone would cause. Under some conditions the stresses mount almost invisibly, gradually building force until the system suddenly explodes with an unexpected fury. This has happened before and will happen again. The question to be answered is not whether but where future ecological debacles will detonate—and with what casualties.

World fisheries present an instructive, readily measured example of what happens when too much is demanded of a food-producing ecosystem. In this case it is more often the rich than the poor who have neglected ecological reality and reaped the penalties. While the differences between farming the land and extracting food from the oceans are obvious, declining catches in numerous regional fisheries demonstrate clearly that greater effort and investment can bring not just diminishing returns but, as fish stocks are depleted by overfishing, *negative* returns. And in the early seventies, the sum of these local pressures produced a three-year sustained drop in the total *global* fish catch. We must now ask how many localized land regions have already experienced similar absolute declines in food output due to environmental degradation—and how many entire countries may be following suit, as some in central Africa apparently have already.

Rapid population growth, miserable social conditions, and environmental deterioration form the ultimate vicious circle. Improved living conditions and economic security encourage smaller families, yet steeply climbing populations undermine the effort to provide adequate nutrition, health care, education, and housing, and drain funds and energies from productive investment. New technologies can often increase the ability of even fragile ecosystems to produce food or other goods for humans, but burgeoning populations bound by poverty and traditional techniques can drastically impair the land's life-support capacity.

The sterile debate those who advocate attacking this conundrum mainly from one side or another grows more shrill with each passing year. Simply inundate the poor with birth-control devices, some say, and development prospects will soon improve. Concentrate on social reforms and economic progress, others say, and the population will take care of itself. Many forget that these issues form a circle, not a square, and thus have no distinct sides. The only alternative at this stage of human history is to simultaneously meet this quandary at every point along its circumference, in an all out effort to turn the negative chain reactions into positive ones.

Billions of human beings are still denied access to family-planning services, though surveys of parents in even the poorest countries often reveal a gap between desired and actual family size. A redistribution of power, land, and social services can improve the prospects of the world's dispossessed and also pull down birth rates. Yet reform and development efforts will not achieve their aims if they are not also suffused with an ecological ethic that recognizes the conjugal bond between humankind and the natural world from which there can be no divorce. Environmental deterioration requires direct attention in its own right; at the same time, the balance of nature will not be preserved if the roots of poverty, whatever they may be, are not eradicated.

ENVIRONMENTAL STRESS, FOOD, AND THE HUMAN PROSPECT

It would be a great mistake to view the various ecological trends discussed here as isolated, localized threats. Local threats they are, but unfortunately they also form a mosaic whose patterns help define many of the key global concerns of our age—issues which, directly or indirectly, will touch upon the lives of nearly everyone.

Few realize the extent to which the countries of the world as growing dangerously dependent on North America for food supplies, a trend to which the ecological deterioration of food-production systems contributes. As recently as the mid-1930s, Western Europe was the only continent with a grain deficit. Africa, Asia, Latin America, North America, the Soviet Union and Eastern Europe, and Australia all produced a small food surplus. To be sure, malnutrition was rampant among the poor of Africa, Asia, and Latin America, but in the commercial market each of these continents produced more food than the numbers and purchasing power of its inhabitants could consume.

The ensuing four decades have been marked by both general progress in reducing malnutrition in the world and a story attrition of sellers in the food market. One by one continents have dropped from self-sufficiency to become net importers of food. In the mid-seventies, North America and Australia are the only regions with a net grain surplus, and North America controls a larger share of world grain exports than the Middle East does of world oil exports.

Europe, Japan, and the Soviet Union, all relatively affluent areas with a rising consumption of grain-fed livestock products, are the major importers, but many of the poor countries, too, have gradually become more dependent on outside purchases to meet their minimum food needs as local production fails to keep pace with human numbers. A new current in the food market is the escalation of food imports by several of the oil-exporting countries, where, among at least part of the population, soaring incomes are boosting food demands far more rapidly than archaic and sometimes deteriorating agricultural systems can be modernized.

An extrapolation of current trends into the next decade and beyond leads in directions that bode ill for all countries, rich and poor. In their preparations for the 1974 World Food Conference, the U.N. Food and Agriculture Organization analysts concluded that, if the production trends of the past decade continue, the expected growth of populations and incomes in the developing countries will produce a widening imbalance between food demand and production. Among the non-Communist developing countries, in fact, the need for grain imports may multiply fivefold between 1970 and 1985, reaching a net total of some eighty-five million tons per year.[3]

To the extent that the poor countries can fill this massive gap through food purchases abroad, claims on the exportable supplies of the few surplus countries—and especially the United States, the dominant global seller—will multiply. But as the world has learned since 1972, the chronic surplus-production capacity, large reserve stocks, and low, stable prices of the preceding two decades can no longer be taken for granted. Thus a growing drain on exportable supplies could well intensify inflationary pressures in all countries, as international demand pulls food prices up and forces costly investments that bring diminishing production returns in the agricultural sector of the advanced countries. The point could be reached where the sum of national grain import needs chronically exceeds the level North America is willing or able to supply, leaving heavy importers in a dangerous position. Furthermore, for the poor countries, the wholesale diversion of scarce foreign exchange from productive domestic investment to the purchase of food abroad would cripple economic development efforts.

Unpalatable as the latter prospect is, the more likely alternative is even more menacing. Given the past economic record and foreseeable economic future of many of the poorest countries, a good share of the potential food gap will probably be left unfilled by the commercial market. If so, scarcity will manifest itself in a rising incidence of malnutrition and premature death, the common assumption of steady historical progress toward a better life for all shattered. Under these circumstances the more affluent countries, particularly those with a food surplus, will face choices and responsibilities so politically sensitive that they may not be able to deal with them rationally. What portion of the exportable food should be reserved for charity, what portion for cash customers? Should domestic consumers alter their diets to make food available for the impoverished abroad? Are food gifts to needy countries moral or even responsible if they encourage greater tragedy in the future? Bitter debates over questions like these have already broken out in the United States; should international scarcity persist or recur and should food aid needs multiply over present levels, these thorny issues will become all the more acute and divisive—and the lives of more and more human beings will hang on the answers given.

Hearing talk of food shortages and future production constraints, some scientists calculate reassuringly that, with present-day technology put to work on all potentially arable lands, planet Earth could feed fifteen, twenty, or even forty billion inhabitants. But rarely does the real world of human events intrude upon theoretical computations wearing such a gaunt face as it does in the case of food.

As the cost of further yield-gains in the more advanced countries becomes harder to bear, and as the fossil fuels that undergird the most productive known agricultural systems become dearer, visions of adequately feeding a world population doubling over the next forty years (let alone one redoubling after that) will likely grow dimmer. Even as capital and energy considerations hamper the realization of hypothetic agricultural potential, every ton of fertile topsoil unnecessarily washed away, every hectare claimed by desert sands, every reservoir filled with silt further drains world productivty and spells higher costs for future gains in output. The levels of social organization and technical sophistication required to extract higher yields from the land will also climb as the natural productivity of ecosystems is impaired.

For economic as well as political reasons, then, the loss or degradation of arable land anywhere concerns everyone. The ecological deterioration of agricultural systems is most severe in poor countries. But it must be viewed in the context of a world food economy from which the comfortable margin of surplus of previous decades seems to be disappearing; of a world in which inflation, caused in part by unstable food prices, has emerged as one of the key economic challenges of the decade; of a world in which extreme dependence on one geographic region for food exports dramatizes the fabled foolhardiness of placing all our eggs in one basket. In today's market conditions, a loss of productive capacity in Algeria, to take one example, has a direct effect on the world price of wheat. Decades of environmental degeneration, recently capped by drought, have forced Algeria to purchase some two million tons of wheat—well over half the country's grain supply—on world markets in 1975.

---

[3] United Nations World Food Conference, *Assessment of the World Food Situation, Present and Future* (Rome, November 5–16, 1974). EConf. 65/3.

Losses of productive capacity due to environmental stress must also be considered in the context of the reckless, inadequately measured takeover of current and potential farmlands by urban sprawl and other competing uses, a myopic activity occurring in both rich and poor countries. In the United States, for example, at least 240,000 hectares of cropland, including some land of the highest quality, are annually engulfed by urban and transportation development, reservoirs, and flood-control programs. In over-crowded Egypt, over each year by cities, roads, factories, and military installations—rivaling the new lands annually reclaimed for agriculture.[4] Land losses to nonagricultural uses join the losses to environmental deterioration to reduce the ability of our planet to produce food.

Discernible trends of deterioration, viewed against the ineluctable curve of population growth, raise the additional possibility that catastrophic agricultural collapses over large areas, causing famines and requiring major international emergency-relief efforts, will occur with increasing frequency. This contingency exists irrespective of any possible global climatic changes, which would by themselves raise the incidence of crop failures.

As human-caused stress on an ecosystem builds, whether on the hillsides of Java and Pakistan or the rangelands of Botswana and Afghanistan, the capacity of the vegetation and land to withstand climatic extremes intact is exhausted. What might have been a difficult period of low rainfall becomes a period of famine and abandonment of once productive fields to desert sands; what might have been a serious flood becomes a calamitous one, washing away a year's harvest and a layer of fertile topsoil that took many centuries to build. In mid-1975, large-scale famine-relief efforts were undertaken in parts of Somalia, Ethiopia, and Haiti; in each case the immediate cause of famine was drought, but in each case the stricken regions were ecological disaster zones well before the drought set in.

The site and nature of the next ecological catastrophe is impossible to predict, and we can only speculate about the human costs. Likewise, we can at best surmise the impact of future ecological debacles on the survival of governments; certainly the overturning of several African regimes in the early seventies was at least partly linked to famine conditions and food-relief politics in areas of ecological distress. What we can say with confidence is that, when the next calamities do occur, governments and the media will label them acts of God, when in fact humans will have helped set the stage.

To the extent that population growth in the afflicted countries is slowed, ecological pressures will ease and their fearsome consequences will be at least postponed. Only a combination of improved land-use habits, with a drastic slowdown and eventual halt in the population growth of Africa, Asia, and Latin America can put off nature's day of reckoning altogether. The accumulating evidence of severe ecological deterioration underscores the urgency of attacking the population problem from all directions at once; making family-planning services universally available; liberating women from traditional roles; meeting basic social needs, such as rudimentary health care, adequate nutrition, and literacy, that are usually associated with reduced fertility; and reorienting social and economic policies to promote smaller families.

The development and dissemination of renewable, decentralized, and low-cost energy sources for the half of mankind now burning wood, crop residues, or dung for fuel figures centrally in the amelioration of global environmental stress. Current energy research and investment patterns, in poor as well as in rich countries, betray a heavy preoccupation with new fuels for industry and the machines of the rich, while the pressing energy crisis of the masses in the poor countries is given short shrift. Extensive technical and sociological research, as well as ample funding for implementation, is needed to disseminate small-scale fuel sources, such as solar cookers, bio-gas plants that convert dung into fuel and fertilizer, and, most of all, tree plantations.

Tree planting, like family planning, is needed nearly everywhere. Tree plantations, supporting sustainable fuel-wood industries, can provide badly needed jobs as they help curb the depletion of both remaining forests and scattered trees throughout the countryside of the poor nations. They can also help halt the increasingly frequent diversion of precious dung from fields to fireplaces. Tree planting on eroded hillsides, on abandoned farmlands, along roads, and between agricultural fields is insurance against the erosion of topsoils by wind and water, the accelerated choking of the reservoirs and canals with silt, and the rising incidence of severe floods.

However crucial, reforestation and soil-conservation programs cannot succeed without a concomitant transformation of agricultural methods on the lands best suited to agriculture. Many of the negative trends involve the spread of cultivation to marginal lands where no type of farming is sustainable; only the rapid expansion of food output and employment elsewhere, together with curbs on population growth, can curtail the futile exploitation of substandard lands and the razing of strategic forests.

Good land, too, is often damaged because its carrying capacity, its ability to support humans and animals on a sustainable basis, is overtaxed. Yet the concept of agricultural carrying capacity takes on meaning only in conjunction with a particular technology. Properly managed, many areas now threatened with decertification or accelerated erosion could produce far more grain or meat than they do. Some of the institutional and political prerequisites of the needed agricultural revolution include, in most countries, reforms in land tenure and the distribution of credit and advice, as well as steadfast governmental commitment to helping the broad masses of farmers to improve their methods. Farm technologies tailored to local ecological conditions are also, of course, essential; research on appropriate farming systems, where such systems are not already known, ranks as a high priority.

A new, broader approach to development planning is required of both international development assistance agencies and national governments. Based on economic analyses that isolate a few threads from the whole cloth of natural environment and human activity, foreign-aid projects and indigenous development programs alike too often fail to discern and eradicate the ecological roots of impoverishment.

"Environmental impact" assessments of proposed projects are a new stock-in-trade among many governments and aid agencies in the mid-seventies. Such investigations certainly represent a measurable step forward from the days, not long gone, when dams or factories could be built with hardly a thought to the harmful side effects that would cast shadows on the planned benefits. What is now needed, however, is another giant step beyond such assessments to the incorporation of an ecological perspective into the development-planning process from its inception. A planning exercise with the natural environment's capacity to serve human needs as its reference would, in many countries, generate a different mix of priorities and projects than those supported by present-day systems. The need is not just for an agency to predict detrimental environmental consequences of projects chosen on the basis of traditionally quantified financial variables, but is, rather, for one to identify the programs and strategies needed to enhance the environment's ability to support an improved life for people.

This is, after all, the ostensible goal of development.

Though nothing can substitute for a governmental commitment to ecological analysis and regeneration, and to agrarian reforms, some kinds of international assistance to the poorest countries are essential. The United States was able to recover the productivity of the Dust Bowl, and the Soviet Union that of the Virgin Lands, only because each country had the technical and financial resources needed to identify the sources of stress and then to act on their finding. Furthermore, both countries had enough momentum in their food economies—in the form of surplus output elsewhere or the ability to purchase grain abroad—to permit the necessary lag of farming efforts in the afflicted zones without serious shortages or prolonged hardship.

Many of the countries whose environments are most seriously threatened today, by contrast, are short of the multitude of technical skills—including, at a minimum, engineering, hydrology, forestry, agronomy, range management, and ecology—that must simultaneously be brought to bear on a disintegrating food system. And it is unrealistic to expect those eking out a precarious existence on degenerating lands to give their plots up to trees, to leave land fallow, or to sacrifice their herds, if the government is unable to provide alternative sources of food and income. Channeling a higher share of international food aid into "food for work" programs, in which food wages support the poor while they rebuild the environment that poverty forced them to destroy, would make constructive use of the food aid that will be necessary in any case in coming years.

The systematic identification and analysis of trends in ecological deterioration, as well as the marshaling of technical and financial resources to oppose them, are the formidable tasks confronting the recently established United Nations Environment Program. The problems of "land, water, and desertification" have been accorded top priority by UNEP, and, by means of its new Global Environmental Monitoring System, UNEP will promote information gathering in various regions on such natural-resource conditions as soil quality, deforestation rates, and oceanic pollution trends. Though far from comprehensive, the GEMS program is a meaningful start toward filling some glaring and dangerous gaps in humankind's accumulated knowledge about its milieu. The multitude of research efforts being sponsored by Unesco's Program of Man and the Biosphere will similarly increase our knowledge of global ecological trends.

Yet the predictable slowness with which precise figures on ecological deterioration in one country or another become available—if they ever do—is no excuse for continued procrastination by political and economic decision-makers. Waiting for the ponderous process of scientific data-collection to produce definitive results would, for some countries, amount to committing ecological suicide. In too many areas, the spreading denudation of hillsides and overgrazing of rangelands is apparent to even the untrained eye; no computer print-outs, only an appreciation of the price humans will pay for inaction, should be necessary to justify initiating emergency salvage operations.

---

[4] Council for Agricultural Science and Technology, *Conservation of the Land, and the Use of Waste Materials for Man's Benefits*, prepared for the Committee on Agriculture and Forestry, United States Senate, March 25, 1975, p. 11; and John Waterbury, "Egypt's Staff of Life," *Common Ground*, Vol. 1, No. 3 (July 1975).

Identifying the underlying causes of the various symptoms of ecosystem overstress will tax to the fullest the analytical skills of governments and development planners. Falling agricultural yields, disappointing returns from capital investments and chemical-fertilizer applications, and occasional dramatic disruptions of production over large areas will be the more obvious manifestations of unchecked deterioration. Tracing the resulting effects on nutritional status, economic prospects, political stability, and indeed, on the very social fabric of whole societies is rather more difficult. The causes of social maladies are often obfuscated by the pressing demands of the symptoms. The indirect international economic and political effects, ranging from inflation to possible military conflicts, will likewise be shrouded by the particular events that catalyze them.

The trends charted in this study do not point toward a sudden, cataclysmic global famine. What appears most likely, if current patterns prevail, is chronic depression conditions for the share of humankind, perhaps a fourth, that might be termed economically and politically marginal. Marginal people on marginal lands will slowly sink into the slough of hopeless poverty. Some will continue to wrest from the earth what fruits they can, others will turn up in the dead-end urban slums of Africa, Asia, and Latin America. Whether the deterioration of their prospects will be a quiet one is quite another question.

NATIONAL HEALTH INSURANCE

Mr. DOMENICI. Mr. President, during the next several months, Congress will probably turn its attention to national health insurance legislation. I do not know at this time which NHI proposal is the best approach, or even if this is the time to discuss any new major spending legislation, but I believe thoughtful dialog on the issues is always helpful.

I would like to bring to the attention of my colleagues an article in the Santa Fe El Independiente by Dick Heim, the former director of the New Mexico Department of Health and Social Services. Dick outlines the many difficulties of administrating the medicaid program—a Federal/State program which affects many millions of citizens throughout the country. His story illustrates the inherent problems and misunderstandings that arise when the Federal Government and the States coadminister an extensive benefit program, and I recommend that my colleagues read this article.

I have another reason that I wish to bring Dick Heim's article to the attention of everyone in this body. Dick has been in constant contact with the Finance Committee staff continuing his legislative interests since his years as the late Senator Anderson's administrative assistant. Drawing on his unique experience both as a draftsman of legislation and later as a State administrator of some of those programs, Dick has been extremely helpful in the drafting of S. 3205, a bill recently introduced by Senator TALMADGE to coordinate the medicare and medicaid programs into one cohesive administrative plan. I am a cosponsor of the bill.

Dick resigned his post as director of the Health and Social Services Department last January. I wish to commend him for his expertise and dedication during his years of public service. He ran his department competently and without regard to partisan considerations. Senator TALMADGE and his assistant on the Finance Committee, Jay Constantine, should be complimented for soliciting the views from many experts throughout the country. S. 3205 is a product of Dick's suggestions as well as others in the field, and I hope that at least the administrative streamlining provisions of that bill will be enacted this year.

I ask unanimous consent that the article by Dick Heim that I have referred to above be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Santa Fe (N. Mex.) El Independiente, Mar. 19, 1976]

ANY NATIONAL HEALTH SYSTEM WILL HAVE TO UNTANGLE THE BUREAUCRACY

National Health Insurance (NHI) proposals have been tied up for years in Congressional committees, and none has yet reached a floor vote in either house. Nevertheless, I believe that some form of NHI is inevitable—some form of government-financed health care for all Americans. What we don't know is when and in what form Congress will eventually enact it. As former HEW Secretary Wilbur Cohen said recently, "The NHI bill that will ultimately be enacted has not yet been introduced." (Max Bennett has recently reviewed the prospects this year for NHI, *Independent*, January 30, 1976.)

I share Sen. Pete Domenici's (R–NM) view expressed in his article in *The Independent*, Feb. 27, 1976, that some of our human services programs are so obviously national in scope that they might best be run entirely as federal programs. (We might differ over which programs.) NHI will clearly be "national in scope," but I believe that for NHI to be politically acceptable the state governments will have to have a significant role in running it.

If you will accept, at least for the moment, these assumptions that some form of NHI is inevitable, and that the state governments will be involved in the program, then it can be useful to look at a current federal/state health benefit program: Medicaid. This program has the dubious distinction of being one of the most difficult to manage of all our governmental grant-in-aid programs. My observations come from my personal experiences and frustrations in trying to make Medicaid work in New Mexico, and my hope is to point out some things we should avoid in any approach to NHI.

A SERIOUS PROBLEM

I first became aware that New Mexico had a serious Medicaid problem in the spring of 1969. At that time I was an Administrative Assistant to the late U.S. Senator Clinton P. Anderson. Two delegations from New Mexico called on the Senator that spring to seek his help in solving the state's Medicaid crisis. The first group, headed by Governor David Cargo, consisted of key officials of the executive branch of state government. The second group included the speaker of the New Mexico House of Representatives and the chairmen of the House and Senate Finance Committees.

The two groups had different views of the Medicaid problem, who was to blame, and what should be done about it. But they agreed on one basic point: the state government had moved into the Medicaid program in 1966, poorly prepared to administer the program and with cost estimates which were seriously in error. Of course, other states were making the same unpleasant discoveries about their own Medicaid programs.

Senator Anderson had a lively interest in Medicaid, and had even predicted the crisis in the states long before it materialized. He was also the principal sponsor of Medicare, the somewhat similar but entirely federally run program for those aged 65 and over. The practical question that spring was, what could he and his colleagues in the Congress do in short order to give the states some relief from their Medicaid problems, which were approaching nightmare proportions in terms of runaway costs.

The visits of the New Mexico delegations to the senator coincided with the opening of oversight hearings of the U.S. Senate Finance Committee on operations of the Medicaid and Medicare programs. The hearings were the obvious springboard for developing short-term relief for the states.

The most disturbing aspect of Medicaid to the New Mexico legislators was that the program constituted a blank check on the state's treasury. Their only choice was to appropriate funds to cover deficits after the fact, or to get out of the program entirely. The state government did exercise that latter option for one frantic week in 1969.

Under then-existing law and regulations, the best that Senator Anderson could accomplish in 1969 was an amendment permitting the states to reduce the scope of their Medicaid programs within certain limits. He tacked his amendment onto a minor tariff bill, and Congress passed it in a surprisingly short time.

This measure offered the states some limited financial relief, but did not address the basic problem: Was it possible to develop cost and quality control in a health-care financing scheme, without denying necessary services to those eligible? Senator Anderson consequently followed carefully the testimony before the Senate Finance Committee in 1969 and 1970 on this issue. He was an early supporter of Sen. Wallace Bennett's (R-Utah) concept of involving practicing physicians in the review of medical services in government-financed health care programs.

This concept, now known as Professional Standards Review, was introduced by Sen. Bennett in the fall of 1970 and was enacted as part of the Social Security Amendments of 1972.

Let's keep in mind in the remaining discussion here that in human services programs many months and even years can pass after the President signs an act of Congress into law, until the federal agency charged with administering the law promulgates the regulations that set specific policies for the new program or programs.

HSSD NEAR BANKRUPTCY

Late in 1970 I resigned from Sen. Anderson's staff to return to New Mexico, and accepted an appointment by the governor as director of the state's Health and Social Services Department (HSSD), the principal state umbrella agency for human services programs. HSSD was then virtually bankrupt.

Four weeks after assuming the position, it was my uncomfortable task to appear before a joint session of the House Appropriations and Senate Finance Committees to request the largest deficiency appropriation in the history of the state legislature. Most of the deficit was caused by the state's Medicaid program.

Those not familiar with state government may not appreciate just how unpleasant a deficiency appropriation request must be for all concerned. The legislature appropriates funds in advance to operate the state agencies and their programs. Legislators feel responsible, and are responsible to the voters for successful operation of these programs. Yet, by its very nature, the legislature cannot manage programs.

That responsibility rests with the agencies. When an agency head requests an appropriation to operate his agency the following fiscal year, he enters into an implied contract with the legislature that he will keep agency expenditures within the appropriated amount. The state cannot borrow money—incur debt—to meet future operating costs of programs. The funds have to come out of current revenues.

A deficiency appropriation request is a flat assertion to the legislature that the agency has exceeded these understood limits. The request is a red flag indicating serious problems within the agency. A mitigating circumstance can be federal intervention through regulations which cause overspending.

The legislature granted this request, but not before wresting from me a commitment that I would not return to future legislative sessions for further deficiency appropriations. I honored that commitment for more than four years thereafter, as long as I was head of HSSD.

It is my strong feeling that the measures we took to control the state's Medicaid problems during those years offer important guidelines for any combined federal/state approach to NHI in the future.

THREE MAJOR STEPS

Our basic decision, made in those first weeks, was that the state had to manage, rather than be managed by, the big-money programs we were administering. To control Medicaid costs we took three major steps:

1. Taking advantage of Sen. Anderson's 1969 amendment, we cut back the scope and duration of Medicaid benefits, to keep Medicaid expenditures within the state's budget. Since Medicaid is a critically necessary program for the poor of our state, we made the cuts only as a temporary expedient until our other two steps could become effective in moderating costs. (The restrictions were in effect for only 14 months. Except for a few minor services, they were lifted completely by July 1, 1972.)

2. We adopted the principle that the physicians of the state who provided or ordered Medicaid services were the group best qualified to control the utilization of those services. HSSD therefore contracted with the New Mexico Foundation for Medical Care, a nonprofit organization of physicians, to review all Medicaid claims to determine if the services were medically necessary and appropriate.

By that step New Mexico established the first operational statewide Professional Standards Review Organization (PSRO) in the nation, even before Sen. Bennett's amendment providing for PSRO's nationwide was enacted into law. (Independent, December 12, 1975).

3. Professional review by physicians requires accurate, timely information on all claims, including summaries of the patients' medical records and of the patterns of care being offered by the providing physicians. In addition, a major part of Medicaid administration involves prompt and accurate payment of approved claims. To meet both these needs, HSSD contracted with The Dikewood Corporation, a New Mexico research organization with wide experience in computerized systems design, to develop and operate a sophisticated on-line computerized Medicaid information system that would simultaneously perform two functions:

a. Allow Dikewood, as the state's fiscal agent, to receive, process, and pay Medicaid claims, and provide management information to HSSD; and

b. Provide all claims information, including patient and provider profiles, instantaneously on computer read-out scopes, to reviewing physicians of the PSRO.

SYSTEM GAINS CLAIMED

The PSRO/Dikewood/State system has been in operation since September 1971. We can claim on behalf of this system the following gains:

1. Since 1971 New Mexico's Medicaid program has operated within its budget. Medicaid expenditures nationwide have more than doubled in the past four years, while our Medicaid costs in New Mexico have increased less than 50%.

2. Average length of stay in hospitals for New Mexico Medicaid patients has been reduced 24%.

3. Some doctors were giving, and charging the state for, unnecessary injections during office visits. Through professional review the rate of office injections for Medicaid patients has been reduced from 42 per 100 visits, to 14 per 100 visits today.

4. Prescription drug costs to the state's Medicaid program were reduced 12% in the first year of the new system, and another 5% the second year. Today the New Mexico Medicaid program spends less on drugs than five years ago, even though drug prices are higher and more people are eligible for Medicaid.

These examples show why we feel New Mexico's Medicaid system, though imperfect, is working. We are providing access to quality medical care to eligible citizens of our state, without bankrupting the program. But remember, we were in advance of federal legislation in some of these efforts. Let me now outline what being out in front can cost a state agency in harassment and obstruction in dealing with entrenched federal agencies.

Sen. Bennett's amendment to the 1972 federal social security act required the Secretary of Health, Education, and Welfare to contract with local physician groups throughout the country to establish PSROs to monitor the necessity and appropriateness of care provided under Medicaid, Medicare, and the Maternal and Child Health programs. Another section of the same law (Sec. 235) provided financial incentives to the states to develop computerized claims processing systems for Medicaid. This section increased the federal match from 50% to 90% of the costs to the states to design, develop, and install such systems. It also increased the federal match from 50% to 75% for the operating costs of such systems thereafter.

New Mexico did benefit by being in early—first, in fact—with an operating computerized Medicaid management system. After long and frustrating negotiations with HEW, our system has been approved and has received the 90% federal funding for developing and installing the system, retroactive to 1971. We were also the first state in the country approved by HEW for the 75% federal funding for the system's operation, retroactive to July 1973.

BACKGROUND HELPED

As an aside here, I have to note that my service with Senator Anderson, and the senator's specific interest in the Medicaid and Medicare programs, did give me considerable understanding of the thinking in Congress on needed controls for Medicaid, and on the possible technology and systems approach for such controls. My Washington background also made it easy for me, when back in New Mexico directing HSSD, to verify through direct informal contacts, the intent of Congress in enacting the Bennett amendment, and other pertinent legislation.

Therefore I state with confidence that Congress intended the financial incentives of Sec. 235 described above to stimulate the states to use their initiative in managing their Medicaid programs through computerized claims processing systems. Congress did not intend that HEW would develop one basic system and require every state to adopt it as a condition for receiving the increased federal funding support for developing and operating such systems. But HEW did just that, and New Mexico came perilously close to suffering penalties rather than rewards for daring to be first in the field. Here is the basic chronology:

1. The Social Security amendments providing the financial incentives to the states in Sec. 235 were introduced in 1971, with an effective date of July 1, 1971.

2. The entire bill was passed, after extensive amendments, and signed into law, in October 1972. It retained the effective date of July 1, 1971 for Sec. 235 even though the bill passed almost a year and a half later. That was no oversight. Congress intended to reward states, such as New Mexico, which were making their own efforts to establish rational cost and quality controls over their very complicated federal/state Medicaid programs.

3. Congress enacts laws; federal agencies write the regulations that determine how the laws will be applied. HEW issued proposed regulations covering Sec. 235 in June 1973. The proposed regulations virtually excluded New Mexico from qualifying for the increased matching funds for developing its computerized Medicaid claims processing system. The proposed regulations also effectively prevented any state from securing retroactive matching benefits.

4. Our reaction in New Mexico was to seek an amendment to federal law to insure that HEW could not thwart Congressional intent in this manner. Naturally, we were talking with HEW about these problems, and HEW assured us we would receive our increased matching funds when we demonstrated that our system was "conceptually equivalent" to the HEW-developed Medicaid Management Information System. That HEW system, which was not mandated by Congress, incidentally, is not completely operational in any state yet today.

5. In November 1973 a team of HEW systems experts found that New Mexico's system was, indeed, "conceptually equivalent" to the HEW system. HEW made a commitment to the state that the 90% federal match for developing the New Mexico system would be paid, retroactive to July 1, 1971, and that the 75% match for operating the system thereafter would be made retroactive to July 1973.

6. Taking HEW at their word, HSSD reduced its budget request to the state legislature by the amount of increased federal funds we expected to receive.

7. HEW issued final regulations for Sec. 235 in May 1974, and HSSD billed HEW for the retroactive funds they had guaranteed us the previous November.

8. Five months later HEW authorized the 90% retroactive federal match for the design, development, and installation of our system. At the same time HEW reneged entirely on their commitment for the 75% retroactive match for operating costs. Their stated grounds were that New Mexico had not met all of the HEW system's specifications, some of which were newly required since the November 1973 evaluation and approval of the New Mexico system by HEW's own experts.

9. Obviously, at this point we felt we had been had and we insisted that HEW's commitment, which we had accepted in good faith the year before, was legally binding on HEW.

10. Apparently HEW attorneys agreed with us, because after many meetings, extensive correspondence, repeated demonstrations of the system and mutual concessions, HEW officials certified the New Mexico system in May 1975, and paid us the retroactive funds, totalling $750,000 in August 1975.

That's a hard way, I submit, to secure $750,000 to which the state was clearly entitled.

We are proud that we were the first state to be so certified, but appalled by the extraordinary effort, time and money it took to achieve this distinction. The fact that we were certified three years after the law was passed and four years after the effective date, tells us something about the way federal agencies carry out national policy.

This episode, or rather series of episodes, is important not so much in itself but as a symptom of the basic problems in federal/state relations that are making not just public servants but citizens at large increasingly cynical about our federal bureaucracy. God may help those who help themselves, but when Congress has commanded it.

This experience has left scars in HEW and in our state government.

I feel there is a real villain in the case; not the people in HEW, but the system (or non-system) by which federal grant-in-aid programs are being carried out. We need only note the huge, costly administrative superstructures that have developed on federal and state levels to carry out these programs, and the inability of many of the programs to meet the needs for which they were established.

In part because of complex congressional mandates, more often because of cumbersome administrative systems, many essential programs have become uneconomical, unmanageable, actually unworkable.

The federal agencies involved in these federal/state programs have shown that they alone cannot correct the problems in these relationships. But the other side of the coin is that the states in the past have acted mostly as silent and passive partners, and that their performance has been uneven at best. I fear the abuses and inequities will continue until the states themselves force changes in their relationships with the federal government, while improving their own management capabilities.

What has this to do with National Health? Recall my initial assumptions: Some form of NHI is inevitable, although we do not know what that form will be, nor when it will be enacted. Further, state governments will be involved in NHI.

I will not attempt to predict how the states might be involved. Their role could range from simply extending traditional state-supervised health services, to providing and operating systems to moderate health care costs and to assure some acceptable level of quality of health care, which would require them to share costs and administrative responsibilities for NHI. I think the role of the states in NHI is much more likely to be significant than trivial.

If that is so, the following suggestions could help the states avoid some of the unpleasant experiences they have had with programs such as Medicaid:

1. The state governments should insist that their role be clearly set forth in any federal NHI legislation, rather than being left to those in federal agencies who will draft the applicable regulations.

2. Congress should require by law that the federal agency which administers NHI must involve representatives of the state governments in drafting regulations which will affect the states. Congress should assure by law that these state representatives will have not a perfunctory role, but an effective voice in the regulation-drafting process. Congress should set firm and relatively brief time limits for drafting and promulgating final regulations.

3. The states must demand and secure, through federal law, sufficient lead time to allow their legislatures to act on each state's role in NHI, and to allow the state agencies responsible for NHI to develop effective administrative machinery.

HUMANITARIAN PROBLEMS IN LEBANON

Mr. KENNEDY. Mr. President, yesterday the Subcommittee on Refugees, which I serve as chairman, opened its inquiry into the massive human and political tragedy of Lebanon—and the response of the United States and others in the international community.

The subcommittee was privileged to receive testimony from Under Secretary of State Joseph J. Sisco, who was accompanied by Mr. James Wilson, Coordinator for Humanitarian Affairs in the Department of State, and others from the executive branch.

The civil war in Lebanon is now a year old. But the sporadic violence which marked the early stages of the conflict, has spread and escalated into sustained battle, which is now interrupted by sporadic ceasefires to restore the peace.

But the peace has never been sustained. One day's ceasefire leads to another day's conflict. And today's total war not only threatens the very survival of Lebanon, but also the peaceful development and stability of the entire Middle East.

And so, Mr. President, since last fall—but especially since early this year—developments in Lebanon have been a source of growing concern for Americans and people around the world.

And the Subcommittee on Refugees has shared this concern. Over recent weeks and months the subcommittee has closely followed developments in Lebanon—and we have consulted regularly with the Department of State and others here in Washington, and with the International Committee of the Red Cross and the United Nations in this country and overseas. Members of the subcommittee have also introduced legislation for relief purposes in Lebanon, and have made repeated efforts to encourage a stronger American response to the undeniable humanitarian needs of the Lebanese people.

The personal anguish and human misery of the civil war almost defies description and belief. The frontlines are everywhere—and no one is safe from the sniper's bullet. Well over 10,000 people have been killed. Tens of thousands more have been wounded. Many people are missing, and families are torn apart. Many homes are destroyed, and refugees number in the hundreds of thousands—both within the country and beyond its borders. Beirut is devastated and Government services are in shambles. Communications are disrupted. Water and electricity are in short supply. And so is shelter for the refugees—and blankets, clothing, and food and medicine for the many in need.

The agenda for action is clear. First, in concert with others, the United States, through the President's Special Envoy in Beirut, must continue to do all that is necessary in helping the parties involved in the conflict to secure a durable ceasefire and a peaceful resolution of the internal issues which so bitterly divide Lebanon. And Congress must fully support this effort and goal.

Second, the urgent humanitarian needs of the Lebanese people, and the appeals for help and support from international organizations in the field, deserve better of our Government. To date, we have contributed some $1,100,000 in medical supplies to the American University Hospital in Beirut. And last Friday, April 2, we finally committed some $500,000 to a long-standing and repeated appeal for help from the International Red Cross.

It distresses me that we could treat so lightly, for so many months, the urgent appeals of the International Red Cross. I commend the Administration for its action on Friday, and would hope that additional contributions would soon be provided to help sustain the Red Cross work in the field.

In this connection also, I strongly recommend that the President respond favorably and generously to the U.N. Secretary General's February appeal of $50,000,000 for emergency relief purposes in Lebanon. Conditions in the field have made it difficult for the U.N. program to get fully underway. But this should not excuse our own Government, and others, from pledging their concrete support for the Secretary General's appeal and the important humanitarian work the United Nations High Commissioner for Refugees and other U.N. agencies will be providing to Lebanon. Such international humanitarian efforts can contribute much to establishing a climate for peace.

Third, some greater effort is needed to guarantee the freer movement of relief convoys and humanitarian personnel from the International Committee of the Red Cross and other organizations. Mercy corridors into areas of need, agreed to by all parties concerned, are essential to the safety and welfare of distressed people in many areas of Lebanon.

Fourth, the Department of State and the Immigration and Naturalization Service should expeditiously review the situation of Lebanese nationals wishing to come to the United States—and facilitate the processing of their visa applications, wherever made, under the appropriate provisions of the Immigration and Nationality Laws. This is a matter of special concern to many Americans with family ties in Lebanon, and their appeals for help in behalf of their family members deserve our attention and immediate action.

And finally, Mr. President, I am hopeful that the special program for resettling more than 2,000 Assyrian and Armenian refugees, who, until recently, were in Beirut under the mandate of the United Nations High Commissioner for Refugees, is well underway. A good share of these Middle East refugees will be coming to the United States to join family members and friends. For several weeks their care and protection was a matter of important concern to the subcommittee, as they waited endless days to reach safety.

Peace and relief are urgently needed today in Lebanon—to save lives and a country, and to promote the stability and peaceful development of the entire region.

FOREIGN COMPETITION IN RESEARCH AND DEVELOPMENT

Mr. INOUYE. Mr. President, recently there has been growing interest in and public concern about the condition of scientific and technical research and development in the United States. The popular press has begun to publish stories about research and development in this country, and it is becoming apparent that this issue will soon become the focus of a major national policy debate.

Evidence is now accumulating that scientific and technical research and development in this country is on a steady decline. The slowing of our own R. & D. efforts and the rapid growth of overseas R. & D. are in large part responsible for the increased competition that we now face from abroad and the decline of the U.S. economy relative to many other industrialized nations.

Several weeks ago the National Science Board of the National Science Foundation released a report entitled "Science Indicators 1974" in which the precarious position of American science was graphically detailed. This report was subsequently reviewed by the New York Times 2 weeks ago.

The report concluded that although the United States continues to set the pace in international science, our leadership is being challenged by other nations. The proportion of the gross national product—GNP—devoted to R. & D. has declined steadily over the past decade in the United States while growing in the U.S.S.R., West Germany, and Japan. The National Science Board estimated that in 1974 the United States spent 2.4 percent of its GNP for this purpose compared to 3.1 percent for the U.S.S.R., 2.4 percent for West Germany, and 1.9 percent for Japan. Although our total budget was significantly larger, much of it was allotted to areas which did not yield economic and commercial benefits.

The other indicia are equally ominous. The number of scientists and engineers engaged in R. & D. per 10,000 population declined in the United States after 1969 but grew for Japan, West Germany, U.S.S.R., and France. The United States continues to expend most of its R. & D. funds on national defense and space, while the other industrialized nations spend a considerably larger percentage in other areas such as basic research.

The number of patents granted by the United States to foreign nationals has been growing substantially while the number of patents granted to U.S. nationals by foreign governments has been declining, thus leading to a reduction in our patent balance. The proportion of major technological innovations of American origin has experienced a serious decline since its peak in the 1950's.

Other statistics raise serious questions about domestic R. & D. policy. The United States has an increasingly positive balance of payments from the sale of technical know-how, with receipts from the sale of patents, licenses, and manufacturing rights exceeding payments. The figures presented in the report also probably understate the export of this technical know-how since it did not count transfers between affiliates or the exchange personnel or through informal agreements.

While such sales of technical know-how improve our balance of payments, organized labor and many academic researchers have charged that technology transfer can result in the loss of jobs to the American economy. This charge, while as yet unsubstantiated, deserves careful attention in view of the large outflow of technology to some of our major industrial competitors through multinational corporations and of our serious domestic unemployment.

The need to enhance R. & D. expenditures has been recognized in other quarters. In the March 8, 1976, issue of Business Week a reporter wrote a story entitled "The Silent Crisis in R. & D." which noted that economists and scientists were becoming alarmed by the long-term slump in R. & D.

I am pleased to see that the President shares this concern about the stagnation in R. & D. and has requested an 11 percent increase in his authorization request for R. & D. While I would like to review this request in detail, it could be an important step in the right direction by reversing the steady erosion of R. & D. funds.

I ask unanimous consent that the articles from the New York Times and Business Week be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Business Week, Mar. 8, 1976]

THE SILENT CRISIS IN R. & D.

Even if the apparent economic recovery takes a firm hold, some concerned economists are warning that the U.S. may face a serious slowdown in its long-term growth rate because of the protracted slump in spending for research and development.

Merton Peck of Yale calls it "the silent crisis"—not obvious like other national crises but nonetheless real. Harvard economist Zvi Griliches, one not given to hyperbole, says: "The slack growth of the past seven years in research and development spending will come home to roost."

Economists in this group maintain that the slowdown in long-term growth has already been set in motion by the slump in R&D spending since the late 1960s (chart). They have no pat solutions to the problem, and their new findings raise almost as many questions as they answer. But their message is clear: unless the nation steps up its investment in developing and marketing improved processes and products, the U.S. economy is doomed to grow more slowly in the 1970s and 1980s than it did in the 1960s. The potential loss in gross national product in the next 10 years alone could reach $100 billion, not counting the loss of improvement in the quality of life that cannot be measured in GNP dollars.

Moreover, productivity gains, which reduce unit costs, are a prime factor in combating long-term inflation. Thus, by scrimping on R&D, the nation is fighting the inflation battle with its right arm in a sling.

LOSING GROUND FAST

The slowdown in research spending has been dramatic. From 1953 to 1961, R&D expenditures, adjusted for inflation, increased at an average rate of 13.9% a year for government and 7.7% for nongovernment, according to the National Science Foundation. From 1961 to 1967, government-funded R&D increased 5.6% a year and private R&D 7.4%. But from 1967 to 1975, government R&D shrank 3% a year, and nongovernment spending rose a mere 1.8% a year.

Recent studies confirm not only that R&D is a significant factor in the nation's growth but also that companies themselves are missing a good bet by not putting more of their dollars into R&D. The major findings:

Organized R&D projects of the kind that are covered in company budgets account for about 40% of the total increase in U.S. productivity. This means that a dollar spent on R&D has a far greater impact on economic growth than a dollar invested in physical capital.

Industry earns an average 30% rate of return per year on its R&D spending—about twice the return that companies get from their capital investments.

On the average, the largest companies do not spend proportionately more or less than smaller companies, and their rate of return per dollar of R&D expenditure is also similar. Therefore, tinkering with the market structure of U.S. industry to spur R&D spending offers no hope of a payoff.

Three sources feed the stream of national economic growth: capital investments, increases in both the quantity and quality of the labor force, and improvements in technology. Although economists have long labored over the perplexities in measuring the contribution of each of these three factors, they now agree that technological gains have been as important to the economic growth of the U.S. as increases in capital and labor. Fully one-third of the measured growth in GNP has come from technological progress, they say.

THE PAYOFF

Technological progress stems from a variety of sources, including such informal ones as the amateur inventor puttering in his garage on weekends or the manager who gets a idea on how to organize the production line better. The major question is how much of this progress has resulted directly from organized R&D. Griliches' econometric findings put this contribution at 20% to 25%. And a recent study by Nestor E. Terleckyj of the National Planning Assn. conservatively estimates that in 1948–66 organized R&D was responsible for at least 33% of the improvement in technology. Considering that industry invests about 10 times as much in plant as in R&D, $1 of R&D has almost four times the impact on growth that $1 invested in plant and equipment has.

Spending on R&D has not only paid off in a big way for the country as a whole but has also produced high rates of return for the industries that do the spending. A paper by Griliches shows that in 1957–64 R&D produced an average annual 27% rate of return, based on the depreciated life of the expenditure. This, he says, is about twice the return of physical capital investments by the 883 companies in his sample.

Using a different set of data, Terleckyj finds a direct productivity return of about 30% a year on R&D in manufacturing industries in 1948–66. Moreover, he finds, some industries that do little of their own R&D but buy from R&D-intensive industries achieved productivity gains of 80% per year. For example, airlines benefit from the R&D done by the airframe industry.

The findings of Griliches and Terleckyj apply only till the mid-1960s, the latest years for which detailed data are available. But a study by Edwin Mansfield of the Wharton School seems to indicate that high rates of return persisted into the 1970s. Mansfield used a sample of 17 run-of-the-mill innovations, ranging from a metal process introduced in the late 1950s to a door control mechanism marketed in the early 1970s. He shows an average annual rate of return of 25% to the innovating company, after adjustment for unsuccessful R&D efforts, and a return of well over 50% to other users as a whole.

Why the slump? Given the high rates of return on R&D, economists are hardpressed to explain why industry spending has lost its historically robust growth. Industry R&D amounted to 1.5% of total sales in 1957, peaked at 2.3% in 1969, and has now fallen below 2%.

Some businessmen contend that increased government regulation of industry has put a crimp in private R&D. But Terleckyj argues that it should only open vistas for new and better products and would not have an overall negative impact. Some critics suggest that the oligopolistic market structure of U.S. industry is the cause. But economists who have analyzed the relationship between company size and technological progress deny this claim.

There are two conflicting views of the impact of big companies on innovation. One theory, first formulated by the late Joseph Schumpeter and eloquently elaborated upon by John Kenneth Galbraith, holds that R&D is carried out much more productively by very large companies. To foster innovation, this theory would call for relaxation of the antitrust laws. In total contrast, some economists and most consumer advocates maintain that large companies stifle innovation, so antitrust laws should be enforced more vigorously.

The overwhelming evidence is that neither theory fits the facts. "For practically all industries," Wharton's Mansfield says, "the data indicate that very big firms do not carry out more innovation relative to their size than do smaller firms." Instead, economists find a threshold effect. Explains Mansfield: "In order to do much research and development, a firm must be of a certain minimum size—which, of course, will vary by industry. Beyond that, innovation seems to be proportional to size." He does note exceptions, though. For example, Du Pont spends more on R&D, relative to its size, than smaller chemical companies do.

The very largest companies may get slightly less productivity out of an R&D dollar than somewhat smaller companies get, Mansfield adds, but this disadvantage is offset by their ability to do a superior marketing job. He says "Small and large firms should be looked at as complements to each other. You need the small firm's flexibility to move quickly, especially in the initial stages of innovation, and you need the very large firms with their huge capital resources, large numbers of researchers, and marketing knowhow."

HOW TO CASH IN

"R&D isn't worth anything alone," Mansfield maintains. "It has got to be coupled with the market. The innovative firms are not necessarily the ones that produce the best technical output but the ones that know what is marketable."

Economists who agree cite as an extreme case the Soviet Union's problems in improving productivity through R&D. "They keep spending tons of money on R&D, but they don't get much out of it," says a government economist who specializes in Soviet affairs. "The Soviets are right at the frontiers of research in the lab. It's getting from the lab to metal-bending and into production that is the trick."

Charlotte Schroeder of the University of Virginia, an expert on the planned economies, notes that the Russians are turning out engineers and scientists by the drove. But because of the emphasis on today's production, managers have little incentive to shut down for retooling and, thus, are not receptive to new ideas. "The researchers and the production people are on different wavelengths," she says.

Resistance to innovation is not confined to planned economies, Mansfield finds. In a survey of the R&D executives of 20 major chemical, drug, and electronics companies in the U.S., he found an opinion that the success rate of innovation would have been boosted by 50% if the R&D results had been fully and properly exploited by their companies' manufacturing and marketing people. To confirm this evaluation, Mansfield put the same set of questions to non-R&D executives. Their estimate turned out to be even higher than that of the R&D managers.

INCENTIVES

While economists agree that companies should invest more heavily in R&D and should improve their output from it, by no means all of them advocate that government should provide special tax incentives. "Since R&D really is investment, there's already a tax benefit because companies can write it all off," says William Fellner, of the American Enterprise Institute. And Yale's Merton Peck says: "I'm against government incentives. The best thing to get private R&D moving is get this economy off its bottom.

But Mansfield disagrees. "We need a general incentive," he suggests. "Let's explore tax incentives carefully." Edward F. Denison of the Brookings Institution, a pioneer in the study of economic growth, says: "I have always been against tax incentives for R&D. But after seeing Mansfield's work on the rate of return, I'm reconsidering my position."

Although Fellner is against tax incentives, he favors more federal funds for R&D, especially where the risks for private industry are enormous, as in energy development. In the 1977 budget, federal funds for R&D increase only 10% in inflation-bloated dollars, and Fellner notes that real R&D will rise less than real GNP. "I would not try to save on the R&D budget," he says.

Griliches believes that more federal dollars should be going into the universities, where he says the nation has a high-class scientific establishment that is "now underutilized and malnourished." The low rate of utilization, he concedes, is partly the universities' own fault. "They expanded, thinking that government funds would be flowing forever," he says. Still, he says, university labs represent an underutilized resource that should be put to work.

Like Fellner, Mansfield argues for more federal R&D funds, but he also does not advocate opening all the money taps. "I'm not throwing a wad of money into machine tool research, for instance," he says. "What we do need is a concerted research effort to determine just where government R&D funds should be going."

[From the New York Times]

U.S. SCIENCE LEAD IS FOUND ERODING—STUDY NOTES TECHNOLOGICAL ADVANTAGE HAS BEEN CUT BY OTHER COUNTRIES

(By Victor McElheny)

The international predominance of the United States in science and technology has suffered erosion in the last 15 years, according to a study released by the National Science Foundation and transmitted to Congress by President Ford.

Such nations as the Soviet Union, West Germany, France and Japan have been improving their inventiveness, support for science and worker productivity faster than the United States, the study said.

Called Science Indicators 1974, the study was issued as the seventh annual report of the National Science Board, governing body of the foundation. The board is headed by Dr. Norman Hackerman, president of Rice University.

More detailed than the first report of its kind three years ago, the study was the most specific compilation to date of facts about the changing relative support for innovation in the United States and other developed nations.

The study noted these major trends:

Such a rapid increase in foreign inventors receiving United States patents that foreign patents now account for more than 30 percent of those issued by the United States Patent Office.

Foreign improvements in the output of workers, expressed in noninflated dollars per civilian employee, that raised productivity in France to 56 percent of the United States figure in 1969 to 80 percent in 1974, from 52 to 75 percent in West Germany and from 25 to 55 percent in Japan.

Declines in the United States of spending on research and development as a proportion of the gross national product, and in the proportion of scientists and engineers in the population, contrasting with sharp increases in the Soviet Union, West Germany and Japan.

President Ford's message to Congress transmitting the study did not mention the international comparisons that formed its first chapter. The President said, "On balance, the data in this report and other evidence indicate that the nation's research and development enterprise continues to be productive and competitive."

Mr. Ford said that inflation and recession had affected science and technology "adversely"—as they had other activities.

For the last 10 years, the reports said, declines in Federal spending on space and defense research had more than offset large increases in support for health and environmental studies. Chiefly because of this, the proportion of United States gross national product spent on research and development declined from a peak of 3 percent in 1963 to 2.3 percent in 1974.

In 1973 and 1974, the study said, West Germany edged past the United States in the proportion of gross product devoted to science and engineering.

Expressed in 1967 dollars, the nation's total spending on research and development rose from $15.4 billion in 1960 to a peak of $23.7 billion in 1968, and then receded slowly to $22.1 billion in 1974. The *number of* scientists and engineers engaged in research and development fell back from 558,000 in 1969 to 528,000 in 1974, the report said.

To provide material for the National Science Board study, a special review of 492 "major technological innovations" in the last 20 years was conducted by Gellman Research Associates. The review covered applications of inventions such as lasers, oral contraceptives, weather satellites, nuclear reactors and integrated circuits.

Of the total, 319 were made in the United States, but the proportion of the total sank from 75 percent in 1953–55 to 58 percent in 1971–73, the Gellman review said. The Gellman results have been published in a report entitled, "Indicators of International Trends in Technological Innovation."

The sharp increase in United States patents issued to foreigners, the National Science Board study said, "suggests that the number of patentable ideas of international merit is growing at a greater rate in other countries than in the United States."

While the total of United States patents granted grew from 47,170 in 1960 to 74,139, the total granted to foreigners tripled. The number rose from 7,698 to 22,638.

Ever since 1969, the report noted, the number of United States patents granted to West Germans has exceeded the number of West German patents going to American inventors. West Germans receive roughly 8 percent of all United States patents.

The report cited several examples of continued American strength in technology.

Since 1960, the report said:

United States receipts from abroad of fees for use of American inventions and "know-how" have tripled, while payments the other way has increased 4.5 times. In 1974, United States receipts totaled $780 million and payments $180 million, leaving a favorable technological trade balance of $600 million.

Since 1960, the favorable United States trade balance in such high-technology industries as airplanes, electronics and chemicals has quadrupled, the report said, while trade deficits increased almost as sharply in commercial fields where little is spent on research and development.

Typically, the report said, United States industry as a whole spends about as much of its own money on research and development as it spends on advertising, and about half as much as it spends on new plant and equipment.

Because of declining Government support for defense and space projects, the report noted, the proportion of industrial research spending provided by industry itself rose from 42 per cent in 1960 to 60 per cent in 1973, according to a National Science Foundation study cited in the board's report.

ENERGY CONSERVATION

Mr. HUMPHREY. Mr. President, I had the honor on March 30 to address the Joint Engineering Legislative Forum in Washington, D.C.

The forum brings together a large number of individual professional engineering societies and associations. They meet here in Washington and share with Members of Congress their counsel and advice on a variety of topics—topics across the spectrum from solar energy to pollution abatement.

The forum this year had as its theme, "A National Energy Conservation Policy, Myth or Mandate?"

I would like to share my remarks on that topic with my colleagues.

I noted that the Congress is very serious about energy conservation, congressional enactment of the Energy Policy and Conservation Act, was a major step in addressing this national priority.

If we are to effectively achieve energy independence, we must have an effective national energy conservation effort. And the development of that conservation effort is the greatest challenge to be faced by our engineering society since the space program.

Mr. President, I ask unanimous consent that my address to the Joint Engineering Legislative Forum be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Senator Hubert H. Humphrey, Joint Engineering Legislative Forum, Washington, D.C., March 30, 1976

Your legislative forum this year focuses on the question: "A National Energy Conservation Policy: Myth or Mandate?"

There is, indeed, a myth that Congress—and Washington generally—is not serious about energy conservation. There is a myth that we have no National Conservation Policy.

The myth says that as memory of the embargo fades, so will energy conservation efforts.

The myth also says that the *big loser* in the Energy Compromise reached in December between Congress and the Administration was energy conservation. The myth is that because we did not have immediate energy price decontrol, we'll have little or no conservation.

The reality about energy conservation is precisely the opposite. Congress is deadly serious about energy conservation.

It has in fact *already* put into effect a comprehensive national energy conservation policy. And that policy is contained in the same legislation, The Energy Policy and Conservation Act, which allows oil price decontrol to occur over 40 months. In fact, according to Administration projections, the conservation measures in that Act will trim oil imports 40 percent by 1980.

What are these measures?

First and most important, it imposed mandatory auto fuel economy standards for 1978 and beyond. By 1985, this standard alone will be saving us an estimated 1 of every 6 barrels of oil we now import!

Next, it mandated a minimum 20 percent improvement by 1980 in appliance energy efficiency.

It mandated appliance and auto energy-use labeling to encourage consumers to select energy efficient products.

It set aside $50 million annually to help State Governors develop conservation programs to cut energy consumption 5 percent by 1980.

And, it required the regulated transportation and communications industries to cut energy use 10 percent by next Christmas.

In fact, almost one-half of the entire 100 page Act was devoted to energy conservation.

Finally, just two weeks ago, Congress added mandatory building insulation standards to the list of energy conservation steps taken.

The result, when we add these programs up, is a very impressive National energy conservation program. A program which meets just about every target set out by the Administration and Congress over two years ago.

However, there is more that needs to be done to carry through our commitment to a comprehensive energy conservation program.

For example, industrial and commercial conservation programs can be expanded and improved.

Utilities can be encouraged to practice "peak-load" pricing and other techniques to trim electricity usage.

But, while these added steps will increase energy savings, Congress and the Administration must look elsewhere for other ways to substantially reduce oil imports.

One major effort must be the substitution of coal for oil. We must make more use of our huge coal reserves, if clean air requirements can be met.

As engineers, in fact, you can make a significant contribution to energy independence by developing reliable pollution abatement devices, like coal scrubbers. My "Coal Substitution Incentive Act of 1976," S. 3609, provides up to $5 billion through 1985 in loan guarantees for pollution abatement devices to encourage conversion to coal. This legislation could save an estimated 2 million barrels of oil-equivalent daily in 1985.

Another fruitful area of savings is to recycle urban wastes into boiler fuel. My Solid Waste Recovery Act, S. 2439, would provide $100 million over each of the next 4 years to municipalities to set up recycling plants. This effort could save an estimated one-half million barrels of oil daily.

We should also pursue the solar energy alternative more aggressively. Solar energy is expensive now and not widely accepted by consumers. The Government must focus an expanded solar program on more demonstration projects to sell the solar energy concept and bring costs down. That is exactly what the "Solar Energy Act of 1976," which I have offered with Senator Fannin and 20 other Senators, is designed to do.

Let me now take a step back and put energy conservation in perspective for a moment.

Why do we want to conserve energy?

Why has Congress mandated a comprehensive energy conservation policy as the law of the land?

The first reason is straight-forward: OPEC has pushed prices so high that it makes sense economically to conserve, to reduce to a minimum this costly ingredient in production, this necessary expenditure in every family budget.

With conservation, our real incomes in future years will be higher. We'll have more to spend here on goods and services because we'll be paying less to energy producers.

That means employment will be higher here.

It means less inflation.

And it means more exports as you and other engineers build and sell energy saving auto engines, furnaces and consumer goods.

So energy conservation is an asset, not a drain on our economy.

But, it's something more important than exports or inflation. It also can free us from the threat of another embargo.

By reducing our oil imports, we eliminate the Achilles heel of American political independence.

It frees us to pursue at home and abroad our own interests, without fear of energy blackmail.

So, it makes sense economically and politically. But it's not out there just waiting to be plucked . . . it is going to take a great effort.

Technically, an energy-efficient society is years away. We've just started to scratch the surface in developing energy conservation technology.

To develop that technology is the greatest challenge to your profession—to the American engineer—since the space program.

I know you can meet that challenge. The same society that can warm and cool 3 men in the bitter vacuum of deep space can surely warm and cool us more efficiently right here on the ground. In fact, I believe it is time to take the lessons of space and apply them here at home—to bring our space technology down to earth.

All we need is for you to rise to that challenge. And if you do, I'll see to it that no one in Washington—or anywhere else—stands in your path.

DR. ABEL WOLMAN OF MARYLAND

Mr. MATHIAS. Mr. President, several generations of Marylanders have admired Dr. Abel Wolman, of the Johns Hopkins University, so I am not surprised that he is one of three scientists to receive this year the Tyler Ecology Award for his work benefiting mankind in the fields of ecology and the environment.

Although Dr. Wolman's home is Maryland, his renown is worldwide, and his accomplishments have, indeed, served to benefit all of mankind. We in Maryland are enormously proud of him. I know my colleagues in the Senate join with me in paying tribute to Dr. Wolman and to the two others—Dr. Rene Dubos, of Rockefeller University, and Charles Elton, of Oxford University—who share the Tyler Award this year.

Mr. President, the Baltimore Sun, on April 6, reported the honor bestowed upon these three distinguished men, and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hopkins Professor Shares Pre-eminent Ecology Prize

(By Albert Sehlstedt, Jr.)

Dr. Abel Wolman, professor emeritus of sanitary engineering at the Johns Hopkins University, is one of three scientists to receive the third annual Tyler Ecology Award, it was announced yesterday.

The other scientists who will share the $150,000 prize, largest single award of its kind in the world, are Dr. Rene Dubos of Rockefeller University, and Charles Elton of Oxford University.

The Tyler Ecology Award, inaugurated in 1970 by John C. Tyler, founder of Farmers Insurance Groups, was established to honor a person or team of individuals working on a common project whose accomplishments have been recognized as conferring the greatest benefits on mankind in the fields of ecology and the environment.

More than a half-century ago, Dr. Wolman's work formed the basis of methods for chlorinating city water. This techique, in the opinion of expert observers, has probably had a more profound effect upon public health than any other single procedure in water management.

His scheme for the supply of treated municipal wastewater to Bethlehem Steel's Sparrows Point plant was also a pioneer accomplishment in the rescue of waste water.

Yesterday's announcement of the Tyler prizes was made by William S. Banowsky, president of Pepperdine University, which administers the awards, and Russell W. Peterson, chairman of the President's Council on Environmental Quality.

Last year, Dr. Wolman was one of 13 scientists named by President Ford to receive the National Medal of Science, the government's highest award for distinguished achievement in science and engineering.

Dr. Dubos, professor emeritus at Rockefeller University in New York city, is a microbiologist, who first demonstrated more than 30 years ago the feasibility of obtaining germ-fighting drugs from microbes. Dr. Elton is considered by many to be the primary founder of modern ecology and has pioneered many concepts now commonplace in the field.

WOMEN'S BUREAU OF THE DEPARTMENT OF LABOR SUPPORTS DISPLACED HOMEMAKER LEGISLATION

Mr. TUNNEY. Mr. President, the Displaced Homemakers' Equal Opportunity Act, S. 2541, is pending before the Senate Labor and Public Welfare Committee. It has the bipartisan support of 16 of my colleagues.

There is nationwide interest in the bill. Articles have appeared in the newspapers of our major population centers as well as in smaller communities from California to New Jersey. I have received countless letters from women's groups, from national organizations including NOW, NWPC, and the national YWCA in support of the measure. They have recognized that 3 to 6 million individuals, "displaced homemakers," are falling through the cracks of Federal jobs, education, and welfare programs. They have recognized that S. 2541 is a step toward bringing this group relief—making them self-sufficient, working, and contributing members of society.

Most recently, the Women's Bureau of the Department of Labor published an editorial in Women and Work, the Bureau's monthly journal, expressing the belief that this legislation is urgently needed. The statement is blunt, to the point, and describes the magnitude of the problem which S. 2541 will help ameliorate.

I ask unanimous consent that the text of this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Displaced Homemaker's— A Source of Growing Concern

(By Carmen Maymi, Director, Women's Bureau, U.S. Department of Labor)

Washington.—There is growing concern in government and among private agencies about the disadvantaged situation of the woman who has worked in the home, who has been dependent upon the income of another family member, and who in her middle years finds herself divorced, widowed or deserted with no financial resources and no marketable skills.

Such women, who have spent most of their adult lives raising children and making a home for their families, are often referred to as "displaced homemakers".

Their children have left home to make their own way and they no longer have a husband. They are without the support their husbands once provided and they cannot draw upon their husbands' social security benefits until they are 60 years old.

Those who have been divorced are ineligible for such benefits even when they reach 60. Members of the work force who lose their jobs or whose jobs are abolished can apply for unemployment insurance payments. But the housewife, whose labor in the home was unpaid, is not eligible for those benefits.

Often, employment would solve most of the displaced homemaker's problems, but she usually is without marketable skills. However, unless she has enough income to support herself during a training period, she is not likely to acquire job skills.

There are other employment barriers for her. The number of unskilled jobs in the economy is steadily declining and older women must compete with students and high school dropouts for those that do exist. Additionally, these women may be subjected to discrimination in employment because of their age, because they are women, and if they are members of minority groups because of their race or ethnic background.

Legislation has been introduced in Congress that would meet some of the needs of the displaced homemaker—job counseling, job training and placement services, health education and counseling, financial management services, educational counseling, and outreach and information services relating to existing federal programs.

The federal government does, of course, have a responsibility to help these women. But communities and organizations in the private sector also must help. Information and referral centers could be established to put mature women in touch with community resources available to them.

Employers could help by giving mature women special consideration, taking into account their experience as managers of homes, child care experts, and volunteer workers when their qualifications are evaluated.

Women's organizations might provide scholarships and other financial assistance to women who need education and training, conduct job orientation clinics, and set up free job placement services.

Estimates on the number of displaced homemakers range from two to six million. Their needs are urgent. They call for the combined efforts of our society to reach solutions to the problem.

WOMEN AND SOCIAL SECURITY

Mr. CHURCH. Mr. President, the Senate Committee on Aging is conducting a comprehensive study on "'Future Directions in Social Security."

All major issues are being examined closely.

The committee has already focused on the retirement test, the financing of the program, the need for an independent Social Security Administration, and many other issues.

Last fall we began work in another important area: the treatment of women under social security.

As chairman of the Committee on Aging, I appointed a distinguished six-member task force to prepare a working paper to serve as a springboard for discussion during 2 days of hearings.

That working paper also included several recommendations to strengthen social security for women and their dependents.

Recently I introduced legislation, S. 2860, to implement three key proposals advanced by the task force:

To provide social security benefits for divorced husbands and widowers on the same basis as for divorced wives and widows;

To eliminate the dependency requirements for husbands and widowers to receive benefits on a wife's earnings record; and

To reduce from 20 to 15 years the duration of marriage requirement for a divorced husband or wife to qualify for benefits on a spouse's earnings record and to remove the consecutive years requirement.

On March 22 Senator Clark introduced legislation, S. 3185, to implement another recommendation of the task force. That bill would permit disabled widows and disabled surviving divorced wives to receive full social security benefits without regard to age. Under existing law, these individuals can receive actuarially reduced benefits at age 50.

Additional proposals will soon be introduced to implement other recommendations of the task force.

Mr. Wendell Coltin, a reporter for the Boston Sunday Herald Advertiser, has followed closely the work of the Committee's Task Force on Women and Social Security.

In a recent column he provides an excellent summary of several important issues affecting women under social security.

Mr. President, I commend this account to my colleagues, and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, **as follows:**

[From the Boston Sunday Herald Advertiser, Feb. 8, 1976]

Medicine Mailbox—Task Force Recommending Ways To Improve Benefits for Women and Dependents

(By Wendell Coltin)

Several Medicare Mailbox columns ago, which appeared the latter part of 1975 and in early 1976, we familiarized our readers with the report made by the six-member Task Force on Women and Social Security to the Senate Committee on Aging.

Now, Sen. Frank Church (D.-Idaho), chairman of the Senate committee, has introduced legislation, based upon recommendations of the Task Force, to improve Social Security protection for elderly women and their dependents.

Also, Sen. Harrison A. Williams, Jr., (D.-N.J.), a former chairman of the Committee on Aging and its ranking member, is a sponsor of legislation "to correct longstanding inequities between the treatment of men and women and their respective dependents," under Social Security law.

The Church package would accomplish the following:

Provide Social Security benefits for divorced husbands and widowers on the same basis as for divorced wives and widows.

Reduce the duration of marriage requirement from 20 to 15 years for a divorced wife or husband to qualify for benefits on the earnings' record of a spouse and remove the consecutive years of marriage requirement.

Remove the dependency requirement for husbands and widowers to receive benefits on the wife's earnings' record.

Sen. Church points out, "A retirement income crisis now affects millions of elderly women and threatens to engulf many more. Older women are nearly twice as likely to be poor as older men. Nearly 2.3-million aged women live in poverty, or 18.3 percent of all elderly women."

The proposals are not only based on recommendations of the Task Force, but are also the result of testimony taken at a hearing in 1975.

"As things now stand," Sen. Church says, "Social Security taxes paid by women workers do not generate as much protection for their family members as the taxes of men.

"I believe there should be equality of treatment between males and females, whether they be workers or dependents. Social Security compensates for earnings loss; and it should recognize the earnings' loss of the woman, regardless of the part the earnings play in family income."

Sen. Williams also observes, "Compared to the husband, at present the wife's contributions to the Social Security system purchase considerably less in terms of dependents' benefits. Yet, certainly the 30-million working women in America deserve the same rights and protection for their dependents as working men. Such explicit sex discrimination clearly calls for correction.

"Under current law, sex discrimination exists in the absence of any benefits for divorced husbands. Benefits based on a former husband's earnings' record are available for aged divorced wives and for (divorced) widowers, provided their marriages have lasted 20 consecutive years. However, comparable protection is not provided for aged divorced husbands, or for widowers.

"The proposed legislation would change the law to provide Social Security benefits for divorced husbands and (divorced) widowers on the same basis as for divorced wives and widows. In addition, it would eliminate the dependency requirement for entitlement to husband's and widower's benefits. Currently, if a husband covered by Social Security dies, his wife is presumed eligible for benefits, even if she is working and has always worked; but if a working woman covered by Social Security dies, or is disabled, the husband must prove he had been dependent upon her income. The bill would drop the dependency requirement and make the law apply equally to men and women."

Sen. Williams, also pointing out his proposed legislation stems from the findings and recommendations of the Senate Committee on Aging, states:

"My goal is to make the Social Security system as free as possible of discrimination between the treatment of men and women. Times have changed drastically over the past quarter century, particularly with regard to the growing role of working women; and there is every indication this trend will continue in the foreseeable future.

Sen. Williams points out that between 1940 and 1970 the proportion of women in the labor force jumped from 26 percent to 40 percent. During 1973, in just over half of all husband-wife families (husband aged 23-64), both members worked.

He adds, "It is important that the Social Security laws be amended to reflect these changes in society. The legislation I have offered is a major step toward eliminating discrimination on the basis of sex in Social Security."

Coincident with our receiving information from Sens. Church and Williams about their proposed legislation, we received this letter from a woman in a suburb:

"Dear Mr. Coltin:

"Thank you for your columns about Social Security, the elderly and especially your concern for divorced women.

"I was married for 26 years before my divorce in 1960. I am 68 years old, but so far have not been able to collect any Social Security because my ex-husband is a physician and is still practicing. I am told I will not receive any until he is 72.

"He will be 70 by the end of March.

"It does seem hard to have to wait until he is 72, when some people can collect at 62. My small alimony has not increased in 15 years. But inflation, taxes, medical insurance certainly have; and my rent has increased twice this year. I don't know how I can survive three or more years.

"I am glad some changes are taking place for women as I feel homemaking and child-raising is a big and reasonable job. In fact, I feel if more mothers could stay home, we would have fewer runaways and fewer problems with the young, which is costing us all so much in rehabilitation programs.

"Is there any possibility the eligible age will be dropped to 70 years? I read somewhere it is being considered. This is my only hope. If you have any advice for me, I would appreciate hearing from you."

A. There has been proposed legislation to reduce from age 72 the age at which persons could receive Social Security without any limitation on earnings. Certainly, we can sympathize with you in your not being able to collect a divorced wife's benefit until your former husband, the physician, starts collecting. That's hard medicine to swallow; but when attention is given to the proposal to reduce the years-of-marriage requirement to 15 years, from 20, perhaps consideration should also be given to the elderly divorced wife in the predicament you have found yourself.

HONOULIULI INTERNMENT CAMP

Mr. INOUYE. Mr. President, for many years now, an increasing number of Americans have been learning about one of America's most flagrant violations of civil rights—the internment of more than 100,000 innocent persons of Japanese ancestry in the United States during World War II. Part of that unfortunate experience was conveyed only recently in a television network dramatization, "Farewell to Manzanar," which was broadcast throughout the country. And this spring, a new and comprehensive history of the wartime internment has been published by Michi Nishiura Weglyn, entitled, "Years of Infamy: The Untold Story of America's Concentration Camps."

Of course, Americans, mindful of our cherished Bill of Rights, have taken steps to prevent the reoccurrence of the internment camp experience in the United States. In 1972, the White House and Congress approved the repeal of the emergency detention provision—title II—of the Internal Security Act of 1950. In February of this year, President Ford officially repealed Executive Order 9066 that authorized the internment camps in World War II.

Much of the literature available today on the internment camps has told of the frightful detention facilities built in several mainland States. In my own State of Hawaii, where Japanese Americans comprised a sizable portion of the local population in the war years, mass internment like that in the mainland apparently seemed unfeasible for Federal authorities; it may be said the anguish of Japanese Americans in the mainland, loyal to our great Nation, was not felt as deeply in the Islands.

To the surprise of many Hawaii residents, myself included, and of a number of Japanese Americans who endured the mainland camps, the Honolulu Star-Bulletin last month reported of an internment camp that operated in Hawaii, within 10 miles of Honolulu and Pearl Harbor. I have known for some time about the harassment of some Hawaii residents who were wrongly suspected of sabotage and espionage, and it is well known that some were sent to camps in the mainland.

The story of Camp Honouliuli is not so familiar, however. It did not seem as harsh an environ as such camps as Manzanar or Tule Lake. Nevertheless, it stood as a regrettable symbol of our wartime hysteria and of a shocking chapter in the history of a great nation so dedicated to the protection of human rights and freedoms.

I ask unanimous consent to have printed in the RECORD the Honolulu Star-Bulletin story so that others may learn of Camp Honouliuli.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Honolulu Star-Bulletin, March 18, 1976]

HONOULIULI INTERNMENT CAMP: OAHU'S FOOTNOTE TO A DARK CHAPTER

(By Hank Sato)

"I was told I was inimical to the best interests—or security—of the United States," Samuel M. Nishimura said as he sat in his Haleiwa tailor shop and recalled his World War II experiences.

"I didn't know for sure what that meant," he said. "I went back to my barracks and looked up 'inimical' in the dictionary."

That was in April 1942 and Nishimura, now 70, had already been in custody for about two weeks on Sand Island.

The dictionary told him that despite his U.S. citizenship, a military panel had adjudged him "guilty" of being an American who could not be trusted in time of war.

This was confirmed about two months later when he received a letter from Hawaii's military governor which said "it appears necessary to intern you for the duration of the war."

The martial-law decision did not specify charges against Nishimura. There was no word that he had been convicted of a crime.

After some 10 months of detention on Sand Island, Nishimura and several others were transferred to an internment camp at Honouliuli.

The camp had been carved out of a canefield in Honouliuli Gulch and, as the war progressed, was expanded to accommodate prisoners-of-war taken in the South Pacific.

The Honouliuli camp was mainly for nisei (second-generation Japanese-Americans) whose loyalty was questioned by U.S. military authorities. Under martial law, none of the internees was allowed to contest his incarceration in the courts.

Compared with relocation camps on the Mainland where thousands of West Coast

Japanese-Americans were interned, the Honouliuli camp has received scant publicity.

The fact that it existed is not generally known, although oldtimers in the Waipahu and Ewa areas recall a "concentration camp" for prisoners-of-war.

"I do not recall such a camp," said Edward J. Burns, brother of the late Gov. John A. Burns, who had done police intelligence work during the war.

Dr. Ernest I. Murai, retired U.S. Customs chief who was active in the war effort, said he, too, was unaware the Honouliuli camp existed.

Incarceration at Honouliuli lasted from several months for some to more than two years for others.

Dan T. Nishikawa, 66, a retired Dole Co. employe, recalls the ride from Sand Island to Honouliuli in early 1943.

"There were about 60 of us," he said "We rode in two trucks. There was a Jeep in front and another in the back. Both had machine guns aiming at us.

"At our sides were military policemen on motorcycles."

Nishikawa said the trucks turned mauka off Farrington Highway near an Oahu Sugar Co. pumping station and took a bumpy dirt road into Honouliuli Gulch.

He said there were about 15 wooden barracks in the compound which was surrounded by a barbed wire fence. Armed guards patrolled outside the fences.

Guard towers were built later by the internees.

"We slept in double-decker beds and there were about eight to 10 men in each barracks," Nishikawa said. "Mosquitoes were a big problem."

Tetsuo Oi, 66, vice president of Hitachi Sales Corp. of Hawaii, said the camp was "deep in the valley and we couldn't see anything."

A SECTION FOR WOMEN

The camp included a women's section which was separated from the men's barracks by a barbed wire fence. Among the women internees was Mrs. Yoshio Harada, whose husband shot and killed himself after aiding a Japanese pilot who had crash-landed on Niihau on Dec. 7, 1941.

Other women who are said to have spent time at Honouliuli were Helen S. Nakagawa, Ryuto Tsuda, Haruko Takahashi, Masako Fujimura, Yasue Takahashi and Teruchiyo Suzuki.

Meals were served in a large mess hall. The internees did their own cooking.

To keep themselves busy, internees took up handicraft or volunteered for camp chores. They were paid 10 cents an hour for camp work. The American Red Cross gave them $3 a month.

Softball games were the main group recreation.

Nishimura worked in the tailor shop six days a week. His assistant for a time was Henry Tanaka, 64, of Waimea, Kauai.

Tanaka, an appliance dealer, later taught English grammar to the internees.

He was taken into custody Feb. 10, 1942, in Waimea as he walked home from work. He was released 2½ years later.

His internment included time at the Waimea and Wailua jails on Kauai, Sand Island and Honouliuli.

Robert S. Muroda, 70, of Waianae, said he was the camp's mess sergeant.

He said the internees were issued the same food rations as the military.

"We often exchanged food items with the GIs," he said. "For instance, they didn't care too much for canned fish and we didn't care for chili con carne. So we traded."

THE GUARDS WERE FRIENDLY

There was generally agreement among former internees interviewed by the Star-Bulletin that the guards were friendly.

Nishikawa, who works part-time for a local radio station, said he remembers a Sgt. Loveless who was stripped of his rank because he did a favor for the internees.

"Coral dug out from Pearl Harbor was brought to the camp to cover the dirt roads," Nishikawa said.

"There were lots of seashells mixed with the coral and we wanted to pick them up to make trinkets to keep ourselves busy.

"So we asked Sgt. Loveless and he let us out of the gate.

"The next time I saw him, he didn't have his stripes. He was demoted because someone had reported to the camp commander that he had gone out with us without his weapon."

Nishikawa said internees were wary of guards who had just been transferred from the Mainland.

"We were always forewarned about new arrivals," he said.

He recalled one shooting incident but said no one was hurt.

"A Mr. Tsuchiya, who was partly deaf, volunteered to pick up rubbish outside the gate area.

"He kept his eyes on the ground and was unaware that he was approaching a guard. The guard yelled 'halt' but Tsuchiya kept on walking.

"The guard then fired several shots at Tsuchiya's feet."

FAMILIES COULD VISIT

Families were allowed to visit the internees about twice a month—on Sundays. They met in the mess hall.

"We were also allowed to write letters," Oi said. "But when they reached my family there were lots of pukas in them. The censors had snipped parts of the letters. They didn't want us to write about camp life."

Nishimura, the tailor, said one person died in camp of natural causes and two others had nervous breakdowns.

"One ended up in the nut house in Kancohe," he said.

What criteria did the military government use in selecting internees?

For men like Nishimura, Muroda and former Territorial Rep. Thomas T. Sakakihara of Hilo, prewar education in Japan was not the reason. They had never been to Japan before the war.

For the Kageura brothers—Nobuo, Tadao, Chojiro and Yutaka—that probably was the reason.

"We were educated in Japan," said Nobuo Kageura, who is now in the roofing business in Honolulu. "I guess that's the only reason they picked us up."

Muroda, born in Waianae, was a sugar plantation carpenter when he was taken into custody.

"I was called to the plantation office in the afternoon in September 1942 and I was told that I was being taken to headquarters for questioning," he said.

"I was asked a few questions at the Dillingham Building and since it was late in the afternoon, they told me I'd better stay overnight. That's how my interment began."

"ON THE BLACKLIST"

Nishimura said he had heard that "I was on the blacklist even before the war. Why, I don't know."

"I had never been to Japan and had no ties there except through my parents.

"I think the two things they used against me was that I held dual citizenship and the fact that I once signed a bank note to buy a truck for the Japanese Red Cross.

"My father was to sign that note but since he did not have an account at that bank, I did."

Nishimura said a neighbor had been educated in Japan but was never interned.

"I guess nobody squealed," he said.

Sakakihara said he was picked up Feb. 22, 1942, "on suspicion of being an alien," which he is not. He said his late father, Shinzo, was an alien was but not interned.

Shortly after the Pearl Harbor attack, Sakakihara was named special deputy sheriff to advise Hilo police and to act as a liaison between police and the military.

He said he was "removed" from the job three months before he was arrested.

FORMER JAPANESE SOLDIER

For Shinzaburo Sumida, 61, president of Honolulu Sake Brewery & Ice Co. Ltd., the reason why he was interned was clear.

Sumida was a student at the Tokyo University of Commerce in the late 1930s when he was drafted into the Japanese army.

He spent two years in China as a second lieutenant; was discharged and returned to Hawaii in December 1940.

He was arrested on Christmas Eve, 1941.

"I did feel that an injustice was being done," he said. "But somehow, justice was beyond my reach.

"All they had to do was point to my service in the Japanese army. And that (army service) was a fact."

From Sand Island, Sumida was sent to the Mainland. His first stop after reaching California was Camp McCoy, Wis., which was later to become the training camp of the 100th Battalion.

He was sent back to Hawaii in August 1942, and after a few weeks on Sand Island was interned at Honouliuli where he stayed until November 1944.

"We all had a hearing then," Sumida said. "They segregated the 'desirables' and the 'undesirables.' The 'desirables' were released.

"I was one of the 'undesirables,' and along with about 100 others I was sent to Tule Lake, Calif. We stayed there through the end of the war and returned to Hawaii in December 1945 to be released."

BLAMES FBI AGENT'S WIFE

Isao Okada, 61, who sells fishing supplies in Kaimuki, said the wife of an FBI agent is partly to blame for his internment.

"I was a food peddler, and certain foods were scarce right after Pearl Harbor. So I used to save them—things like cucumber and celery—for my regular customers.

"One day I sold some celery I had hidden in my truck to a regular customer. The FBI agent's wife saw me do that.

"The next day the agent came and asked to buy some celery. When I told him I didn't have any, I was told to report to the Immigration Office for interrogation. I got called in seven times."

"Finally I got tired and told them that they should put me in if they thought I was dangerous."

Okada was taken to Honouliuli and later to Tule Lake.

Although the internees were to be kept "for the duration" many were "paroled" during the war.

Before being released, each parolee was required to sign a promise that he would not bring a damage suit against the U.S. government as a result of the internment.

Sakakihara, 76, recalls that he signed the statement after he had returned to Hilo.

"I was coerced—intimidated—into signing that statement," he said. "I was told that if I didn't sign I would again lose my freedom.

"I could have taken it to any court and had it nullified. But it's all pau now."

Nishikawa said the internees "should have been compensated for the time we lost in camp. We could have been doing something productive outside."

DOUBTS OF LOYALTY PERSISTED

Tanaka said that after his release, "There was some doubt in the minds of some of my friends of non-Japanese background as to my loyalty."

"This thought was hard on me.

"One of the saddest moments in my life was when my Caucasian benefactress, who had made it possible for me to finish my last two years in high school, refused to see me when I went to visit her on her sickbed. She sent word that she was disappointed in me."

These prominent Island men were among those interned at Honouliuli:

Former Territorial Sen. Sanji Abe, 81, who resigned from the Legislature during his confinement.

The late James Murakami, former City-County auditor.

Kanichi Takitani, father of State Sen. Henry Takitani of Maui.

Shigeru Horita, father of developer Herbert K. Horita.

Gosei Kodama, principal of the Makiki Japanese Language School.

Today, only traces of the old camp remain at Honouliuli. Two concrete floors of what used to be mess halls can be seen. Wooden posts that used to support barbed wire still stand.

The gulch is now populated by about 50 head of cattle owned by Louis Santiago, who has leased the land from Oahu Sugar Co.

The coral roads are visible under a thin layer of dirt.

Many of the internees have never gone back to take a second look at the camp. Some tried but were unable to find it.

Nishikawa said he will never go back.

"I don't want to look at that damned place," he said.

HEALTH MANPOWER PROGRAMS

Mr. DOMENICI. Mr. President, I was interested to note the recent approval by the Subcommittee on Health legislation authorizing new health manpower programs. The measure was referred last week to the full committee for consideration.

The provisions in the measure of particular interest to me would allow Federal and State institutions to be designated "underserved" areas by the Secretary of Health, Education, and Welfare. Earlier this year, I proposed an amendment to the health manpower bill which would make such an accommodation, and I am pleased the subcommittee incorporated the substance of that amendment into the bill.

Although we are well aware of the health manpower shortages throughout the country, we usually think of large geographic boundaries when, in fact, health shortage areas can also be close by—in our public institutions. This measure would allow Federal and State-operated facilities to be considered as viable options to the National Health Service Corps scholarships recipients.

Public mental centers have long been understaffed in many areas of the country—including urban areas. This legislation would give a boost to this public service long in need of corrective and innovative action. I am sure everyone in this body can all point to some examples in each of our own States as well as right here in Washington, D.C., clearly illustrating an insufficient and inhuman patient/doctor ratio. Juvenile detention centers, prisons, and other public facilities could, at last, have adequate medical personnel.

I also note that the bill would allow a doctor serving in such an institution to conduct a private practice should his or her services not be needed on a full-time basis. It seems to me that this flexibility is important to attract prospective doctors to the scholarship program.

Mr. President, at this time, I would like to urge the full Committee on Labor and Public Welfare to retain these important broadening provisions in the final health manpower bill.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, it has been argued that the only reason for ratifying the Genocide Convention now is that it would improve the image of the United States in the eyes of the Soviet Union and other authoritarian parties to the convention. My answer is that the convention should be ratified, because the United States wants officially to demonstrate its opposition to genocide. U.S. ratification would be the final convincing step that would reaffirm our commitment to prevent and punish genocide. Ratification would be as beneficial to the moral strength of our Nation as to our good standing in the international community.

There is no doubt that ratifying the convention would enhance the impression which other nations have of us. The 82 nations that have signed the convention and the others which have failed to do so only because of our own stubbornness cannot understand the grounds for our opposition. In the quarter-of-a-century history of the convention, no nation has encountered any of the difficulties that opponents of ratification here have said the United States would encounter. Failure to ratify the treaty hurts our credibility worldwide.

World War II is not so far distant that many of our citizens and those of other nations have forgotten the atrocities which occurred then. The people of all nations will benefit by our ratification. We will remind ourselves and all peoples that 20th century mankind will not tolerate the savagery of the past.

THE BICENTENNIAL WALTZ

Mr. PASTORE. Mr. President, the State of Rhode Island, though our smallest, has contributed out of all proportion to her size to American political thought and to the establishment of a free and independent United States.

Roger Williams, founder of Rhode Island, bequeathed to the Nation a set of principles first practiced there and later enshrined as basic rights in the Constitution—the freedoms of religion, thought, and speech and the separation of church and state.

Twelve years before the Declaration of Independence, Rhode Islanders fought a pitched battle with Redcoats, captured a British fort in Newport and fired the fort's cannon at a British warship, damaging the vessel.

For the next 12 years, Rhode Islanders, chafing under increasingly autocratic and oppressive acts by the British, engaged in a long series of skirmishes, battles, and rebellions. In one of these incidents, a group of Rhode Islanders seized and burned to the waterline the revenue ship HMS Gaspee in June of 1772.

Then, 2 full months before the other 12 colonies did so, Rhode Island declared its independence. This bold action by the only colony that had never had a crown-appointed royal governor created the first free republic in the new world.

I am proud of my State's role in the formation of our Nation, Mr. President, just as I am proud of the marvelous contribution of Mrs. Eunice Flink Brown, a Rhode Islander and dear friend of mine, to the celebration of our Bicentennial. Mrs. Brown has composed the lyrics and music for the Bicentennial Waltz, an altogether lovely composition that has attracted national and international acclaim. Mrs. Brown thought it would be appropriate that on our 200th birthday we should have birthday music, song, and dance music, rather than another military march.

And I think it would be appropriate here, Mr. President, to introduce the Bicentennial Waltz to all my colleagues in the Senate and the House of Representatives so that they have the same opportunity as the President of the United States and Queen Elizabeth to enjoy this beautiful musical salute to America's 200th birthday.

President and Mrs. Ford have danced to Mrs. Brown's composition at the National Symphony Ball. Our vivacious composer herself performed the Bicentennial Waltz for Lady Frances Ramsbotham, wife of the distinguished British Ambassador, who transmitted a copy of the score to the Queen.

Furthermore, the waltz has been recorded by the National Symphony String Quartet and published as sheet music.

For her excellent composition, Mrs. Brown has been memorialized in a resolution by the Senate of the State of Rhode Island.

I intend to furnish all Members of the Congress with a copy of this marvelous music for their pleasure and as a memento of the State of Rhode Island.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the lyrics, a copy of the resolution by the Rhode Island Senate, and several letters received by Mrs. Brown concerning the Bicentennial Waltz.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE BICENTENNIAL WALTZ

(Moderate Waltz in ¾ time)

Our hearts, our hands we pledge to thee
We're ever yours, eternally,
We're all for one and one for all,
Fifty states, large and small.
For two hundred years you have served us and
Protected our freedoms, our homes and our lands.
We give to you a birthday wish:
Many years to come from seventy-six.
Two hundred years ago began
A brand new breed—American.
Our birthday now we celebrate,
And give our thanks in every state.
From thirteen small colonies all alone,
To fifty great statehoods today we have grown.
You stand so tall, so proud, so free,
The world's great light of liberty.

Senate Resolution Extending Congratulations to Mrs. Russell Morton Brown for Her Composition, "The Bicentennial Waltz"

Whereas, Mrs. Russell Morton Brown, native of Rhode Island, daughter of Mrs. Rose Flink and the late A. V. Flink, and wife of Russell Morton Brown of Rhode Island and Alexandria, Virginia, now a prominent Washington attorney, has long been associated with cultural endeavors, especially as a patron of the National Symphony Orchestra; and

Whereas, Mrs. Brown has now won recognition for her own musical gifts in a composition which reflects the love of country and dedication to the Muse instilled by her upbringing; and

Whereas, This lyrical piece, entitled "The Bicentennial Waltz", published by Chapel Music, and recorded by the National Symphony String Quartet, featuring the famous soprano, Myra Merritt, has been aired on NBC News T.V. and on the Panorama Talk Show in Washington, D.C.; it was proudly presented in the February, 1976 Rhode Island Bicentennial Day Performance at the United States Capitol, at the Canadian Embassy, and at the National Symphony Ball, where it was performed by the renowned Peter Duchin Orchestra, President and Mrs. Gerald Ford and many Washington notables, including television personality Barbara Walters, being among the dancers. Now a delightful addition to the repertoire at many Washington Balls, the "Bicentennial Waltz" was performed by Mrs. Brown herself for Lady Ramsbotham, wife of the British Ambassador to the United States, who forwarded a copy and a recording of the composition to Queen Elizabeth. The response from the British Sovereign to Mrs. Brown expressed her congratulations and her desire to hear the waltz again during her visit to the United States this year; and

Whereas, The highest praise and warmest felicitations are due Mrs. Russell Morton Brown for her creation of a work of grace and beauty honoring the bicentennial celebration of our nation's independence; now therefore be it.

Resolved, That the senate of the State of Rhode Island and Providence Plantations extends its most exultant congratulations to the gracious and gifted Mrs. Russell Morton Brown for her composition, "The Bicentennial Waltz"; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to Mrs. Russell Morton Brown.

WASHINGTON, D.C.,
June 20, 1975.

MRS. RUSSELL MORTON BROWN,
Alexandria, Va.

DEAR MRS. BROWN: Thank you so very much for sending Mrs. Washington and to me a copy of your own musical score, The Bicentennial Waltz. We are privileged to know you—the composer and to have our own autographed copy for posterity.

We were certainly thrilled to have the opportunity to dance to The Bicentennial Waltz when Howard Devron and his orchestra played for The Opera Ball earlier this month.

On behalf of the citizens of Washington, I wish to thank you for your creative contribution to the celebration of our Bicentennial.

Sincerely,

WALTER E. WASHINGTON,
Mayor.

WASHINGTON, D.C.,
January 23, 1975.

MS. EUNICE F. BROWN,
Alexandria, Va.

DEAR MS. BROWN: Mr. J. Curtis Fee of the White House staff has very kindly shared with us your composition, "The Bicentennial Waltz". As interest in the Bicentennial gathers impetus across the country, interest in the music created for the occasion will certainly be widespread and we hope that many will have the opportunity to enjoy your work.

While this Administration has adopted a policy of not designating official Bicentennial works in any art form in order to promote full freedom of expression for the Bicentennial, we do maintain a file of works that have been submitted to us for possible use by Bicentennial planners. I am pleased to place "The Bicentennial Waltz" on file and will have interested parties contact you directly regarding use of your work.

We appreciate your interest in the Bicentennial. If you should have any further questions or comments, please do not hesitate to contact us. In the meantime, please accept our thanks and best wishes.

In The Spirit Of '76,

JOHN W. WARNER,
Administrator.

WINDSOR CASTLE,
December 27, 1975.

MRS. RUSSELL M. BROWN.

DEAR MRS. BROWN: Lady Ramsbotham gave me a copy of the score of the Bicentennial Waltz, of which you have composed the lyrics and the music, and also a tape recording by the National Symphony String Quartet of this work.

As requested, I have given these to The Queen and Her Majesty commands me to send you an expression of her warm thanks and appreciation for them. The Queen is most grateful for this gift.

As I am sure you realize, The Queen and The Duke of Edinburgh are much looking forward to their visit to the United States of America next July and the score and recording of the Bicentennial Waltz comes, therefore, at a most appropriate time.

The Queen sends you her best wishes for 1976.

Yours sincerely,

MARTIN CHARTERIS.

JOE HARP: NEWSPAPERMAN

Mr. MATHIAS. Mr. President, 50 years is a long time to be in one place, but in the case of Joe Harp, the executive editor of the Herald-Mail Co., which publishes the daily newspapers in Hagerstown, Md., 50 years may not seem like a long time at all. March 25 marked the 50th anniversary of the day he went to work for the newspaper company, and although many things in life have changed since then, the Hagerstown Herald and Mail, and Joe Harp, are still going strong, serving the citizens of western Maryland in the best journalistic traditions. The anniversary of their association is one that merits congratulations, and I am sure that my colleagues join me in extending best wishes for many more years of service together to Joe Harp and the Hagerstown Herald-Mail.

The Morning Herald, on March 29, published an account of Joe Harp's first 50 years at the company, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Joe Harp: Fifty Years at the Morning Herald and Still Going Strong

Fifty years ago, a young fellow named Joseph Moody Harp went to work for the Morning Herald.

Emory Dansberger, now living in retirement here after serving for decades as composing room foreman for the Herald, remembers that new employe very well.

"He came into the composing room one night after he'd been working a few days," Dansberger recalls. "I asked him how he liked his new job.

"Joe told me he wasn't sure, that he hadn't made up his mind yet. I got the impression that he had prospects of going some other place to work."

Whatever uncertainty may have existed in the final days of March, 1926, had no permanent effect on Harp's newspaper career. He must have made up his mind, because he's still on the job. March 25, 1976, marked the 50th anniversary of the day he began employment with the Herald-Mail Company.

Hagerstown journalism was different from today in a lot of ways when the recent graduate of Smithsburg High School began his newspaper career.

The Morning Herald sold for two cents, if you bought it at a newsstand or from one of the men and boys who hawked it on downtown corners. If you subscribed on an annual basis, you got it for $4.50 per year. Even so, circulation was lower than 5,000 copies per day, in a year that was close to high water mark for the post-war prosperity and growth around here.

The Herald and the Daily Mail occupied in 1926 the same site they share today. But the newspaper structure was much smaller, before periodical expansions in the last half-century. Even so, it contained a big job department, where the newspaper company printed all sorts of letterheads, sale announcements, pamphlets, and various other non-newspaper things.

The building stood at that time on South Jonathan Street. It wasn't until a bit later that the block was renamed as part of Summit Avenue.

Some of the older employes with whom Harp worked in 1926 had been on the job in the era when all newspaper stories were set by hand by men who laboriously picked each letter, space and punctuation mark out of little compartments in large wooden boxes, then just as painstakingly returned them to their proper places after each edition had come off the press. Among them was a survivor of the first daily newspaper in Hagerstown which began publication in the 1870's, Billy South.

There was competition for the Herald reporters, not only from the sister publication, the Mail, but also from the Hagerstown Globe, which was still appearing daily from a building in the first block of North Potomac Street.

Editor of the Herald when Harp accepted the job with the newspaper was C. Neill Baylor. Illness had confined him to his parent's home in Charles Town during most of the week when Harp began his duties on a Thursday.

Writing sports for the Herald was Frank Calley. He was a former minor league pitcher who had turned into a journalist when his arm started to give out. He wrote a column called "Seeing 'Em" at that time, because he hadn't invented the title that became famous here, "The Colley-See-Um of Sports."

The only Herald journalist who got bylines regularly, other than Colley, was Dixie. That was the penname used by Roxanna White. She was in charge of the Herald's social page, but she also wrote many feature stories for its news pages.

Dixie is today Mrs. John S. Kieffer, a resident of Annapolis. She is the widow of an internationally known educator who had an important role in making St. John's College in that city a leader in liberal arts education.

Asked what she can remember about the cub reporter, Mrs. Kieffer responds:

"I have been trying to bring foggy memories into sharper focus without much success. I remember Joe as a good-looking, pipe-smoking young man full of eagerness and goodwill.

"His eagerness to work was soon rewarded by shouts of 'Answer the phone!' from Frank Colley and me because, unless it was our phone ringing, Frank and I didn't like our profound thoughts interrupted. We couldn't, of course, shout to Neill Baylor to answer the phone because he was the boss.

"Neill Baylor, with his imperturbable disposition, was a good editor to work for, too. He was a quiet man and he never banged the desk and swore (as edtiors are supposed to do) if you slipped up on a story.

"Garvin Hager was assistant editor at the time I went on the paper. He bubbled over with excited enthusiasm about good stories, which sometimes amused Neill, but they made a nicely balanced team. Garvin later moved over to the Mall to join Pete Hawken, a wise and kindly man, who was the Mall's longtime editor."

Evidencing needless concern for the condition of her memory, Mrs. Kieffer continues:

"If my memory is right, Joe Harp was to cover police court, but on a small staff everyone at times becomes a general reporter, a political expert, a theatrical critic (Hagerstown had good professional plays from the Broadway world in those days) and everything else.

"Joe was interested in music and played in a band. He used to bring a big brass horn to the office where it gleamed incongruously beside the typewriter on his desk. There was some apprehension that he might play it right there. Sometimes he did.

"I do not recall Joe showing any special interest in amateur theatricals then but I know he did later. My sister-in-law, Paula Kieffer, has a history of the Potomac Playmakers which lists his name as a member of the cast of 'The Barker,' produced March 3, 4 and 5, 1937.

"Joe was popular with the staff and his friendliness and good nature made it easy for him to be a good news getter. I think those same qualities, plus mature judgment, have made him a good editor."

Mrs. Kieffer also recalls how different things were politically for Hagerstown journalists when Harp was beginning his career. The Herald was firmly Republican while the Mall was strongly Democratic on the editorial page, and sometimes elsewhere. Both newspapers have become politically independent in more recent years.

She remembers:

"The political duality of the Herald-Mail Company was sometimes puzzling to outsiders but to us it was no problem. Neill could write Republican editorials with a clear conscience because he was a Republican. Mere reporters did not have to swear allegiance to either party. If a Democrat was sent to cover a Republican meeting he gave an objective report and remembered he was not writing an editorial. But arguments did get hot within the staff at election time.

"There was one famous occasion when this dual personality of the papers got the politicians all uptight. The Herald came out one morning with a list of Democrat candidates in big type, urging readers to vote for them. There was consternation at Republican headquarters (some cried 'Spy!'), but glee among the Democrats. The makeup man had forgotten to lift the type from the forms used by the Mall the preceding afternoon.

"Perhaps present day printing technology would prevent that now, I don't know. But at least in the old days our linotype operators knew the proper division of words and one didn't see the strange disregard for syllables that modern printing methods have produced.

"There were old stand-by stories that could be dusted off when news was really scarce. One was the annual spring freeze that threatened the Washington County peach crop. More colorful was the reappearance of the Snallygaster. The Snallygaster was a strange monster that roamed South Mountain and would appear at intervals to late-night revelers driving the road that passes Dahlgren Chapel. Details of his appearance differed but all witnesses agreed on the fiery eyes.

"I never saw the Snallygaster, was never assigned to interview him, don't know how far back he goes, or who named him. He was the Loch Ness Monster, the Unidentified Flying Object, of that place and time.

"It is sad to think that, except for Joe, none of those I have mentioned is alive to share these memories with me, and set me straight on a few. Here at the Herald in those days there was a friendly camaraderie which made it a pleasant place to work. Joe must have thought so too."

Baylor, Hager, and Colley are all dead now. So are most of the individuals who wrote for the Daily Mail in 1926.

But J. Richard Rauth, residing in Hagerstown in retirement, has a special reason for remembering Harp's debut as a journalist. He went to work for the Mail at almost the same time that Harp began to report for the Herald.

When Harp was beginning his half-century career, Rauth was transferring allegiance from the Globe to the Daily Mail. The change occurred because Rauth had a well-grounded suspicion that the Globe's lifespan was approaching its end.

Harp and Rauth always worked on different shifts in the same building. Both of them progressed from the status of reporter to that of editor. Their contact on the job was confined mostly to the time around the change of shifts. But that was enough for Rauth to acquire a firm early impression of Harp.

"He has always been such a dependable sort of fellow," Rauth said recently.

"People knew that they could always rely on Joe. He was a workhorse, too."

Back in the 1920's, Rauth points out, "Everyone worked hard" for the news staffs. There weren't many reporters to cover the basic sources that still provide most of the important local news stories today.

The two reporters had the same basic assignment back in the late 1920's, that of covering police news. They got along very well, Rauth recalls.

"There was no real rivalry between us. Things ran right along very smoothly."

In those boom years of the late 1920's, before the Depression, local journalists found their expenses almost as modest as the cost of the newspaper or their salaries.

If Harp decided to eat a meal downtown instead of going home for it, there was a lunchroom at 15 S. Jonathan St., just a few doors from the newspaper building, whose plate lunches in early 1926 cost 26 cents, with "regular meals" offered at 35 cents.

Run of mine coal was selling in Hagerstown for $5.25 a ton as that winter approached its end. People who used Pocahontas nut paid $8.50 for it.

One real estate firm was offering a quantity of houses for rent. They ranged in size from four to six rooms and in cost from $12 to $20 per month. Another firm was trying to sell a bungalow on a 16-acresite with trolley service at the door for $3,200.

Salaries weren't big for reporters, but they weren't impressive for most other fields of labor, either. The state was seeking attendants for hospitals, for instance, offering $25 to $40 per month in addition to board. Someone needed a barber in Hancock and offered to pay between $30 and $40 per week for the right man.

Harry Myers' grocery store offered pork chops at 32 cents per pound, chuck roast for 18 cents, and chocolate creams for 17 cents per pound. At the other extreme, the newest model Overland, a popular light auto of the day, was selling here for $596.

Mrs. Kieffer's memories of live drama here were accurate. That production in which Harp participated was a Kenyon Nicholson play which had starred Walter Huston when it ran on Broadway.

Harp played the role of a ticket purchaser in what was billed as a "vivid drama of the North Carolina hills in February" with a carnival setting. The complete cast for the local production of "The Barker" reads like a who's who in Hagerstown during the 1930's. In it were such other widely known men as A. Lesley Gardner, Odello Leiter, Spangler Kieffer, and George Updegraff, together with music by the Hawaiian Brigadiers "of radio fame."

For many years, Harp's love of the drama remained evident. Long before superhighways and airline service speeded travel out of Hagerstown, he somehow managed to crowd into his six-day work week frequent jaunts to New York City to attend Broadway productions.

After he became editor, he always managed to put news about actors and actresses in a prominent spot in the Herald. He also strove to convince a couple of generations of other journalists about the merits of "Ruggles of Red Gap," which for many years was his favorite motion picture.

When he went to work for the Herald, a 40-member company was giving live performances at the Maryland Theater under the direction of Raynor Lehr, under such well-tested titles as "Over the Road to the Poorhouse."

Movie entertainment in Hagerstown when he went to work included "Tracked in the Snow," starring Rin Tin Tin, "Empty Hands," a Jack Holt vehicle, "The Grand Duchess and the Waiter" with Adolph Menjou, and "The Prince of Broadway" with George Walsh.

There wasn't any television drama yet. Local residents were acquiring radio sets but stations which could be heard in Hagerstown offered none of the stars who were to become celebrated airwaves personalities just a few years later. A typical evening's program listings for that week, for instance, includes only one name that anyone is likely to remember today, the famous opera singer, Claudia Muzio, who gave a recital over one station.

Harp took up his new job in the midst of an unusually newsworthy time. Hagerstonians on March 25 were grabbing newspapers to get the gory details of several sensational stories.

The headless body of Charles William Moore, a 42-year-old Washington County farmer who had been missing since Christmas Eve, had just been found on a Potomac River Island. A bootlegger was suspected in the gunshot death of Clarence Koontz, a North Carolina Avenue youth. The remains of four infants had been discovered in an otherwise unoccupied house at Cherry Run.

Amid all these sensations, there wasn't much time for people to talk about the impending trips to Chicago of the Surrey High School basketball squad, which had won the state championship and was raising funds to participate in national competition, or the third term victory of Charles E. Bowman as mayor of Hagerstown. The Democrat had just defeated Lewis J. Orrick.

Hagerstown's city government had an annual budget of only about $400,000 in 1926, incidentally. Some individual city departments spend more than that in a year nowadays.

When Harp took his job with the Hagerstown newspaper, the daily editions weren't quite as large as today in number of pages. There were no advertising tabloids to add to the bulk of the newspaper, no chains of supermarkets to fill up pages with their weekly bargains. In his first week of work, for instance, the Herald had 18 pages on Thursday, 22 pages on Friday, and 14 pages on Saturday.

However, the page size was slightly bigger than today, and type was crowded onto the pages in a more compact manner, leaving a lot of space to be filled up. There were no local photographs, except on the rarest of occasions like a political sensation or a rich bride. So local news coverage was more intense than today, in order to fill up the space left unoccupied by Associated Press news. The tiny staff turned out enormous quantities of stories, big and little.

The local newspaper field had experienced a first shortly before Harp came to work. This was the first time a woman had found work in the advertising field here. That pioneer, Jeanette McClain, is still living in Hagerstown after retiring several years ago from her lifelong career in the Herald-Mail advertising department.

She shares the feeling of others about Harp's qualities as both a journalist and a man.

"One not mellow with age to express sentiments of Joe," according to Miss McClain. "In paying him tribute on his 50th anniversary with the Herald-Mail, I am sure his countless friends and acquaintances are most happy to sing his praises."

Miss McClain remembers:

"I preceded him at the Herald-Mail by a few months (December, 1925), the first female in the advertising department. Yes, Joe is the same 'ole Joe' now as then.

"I believe his initial M. stands for Moody. If not a family name, it is certainly adverse to his personality."

"When Joe was a cub reporter on the Morning Herald, he had a wonderful teacher boss and friend, our C. Neill Baylor, the editor. It didn't take many years before he became a replica of Mr. Baylor as a sincere and devoted newspaperman. When Mr. Baylor was made general manager, Joe followed in his footsteps as editor.

"Whether reporter or editor, Joe is still 'old Joe.' His time is your time, be it news, information or a few jokes."

The retired advertising official remembers a couple of other characteristics of Harp.

"Although pencils and pens were in goodly stock, he preferred short, short stubs of thick, soft pencils. For many years, I saved my discards for him. He disliked new or long pencils. They disappeared. No one swiped the stubs.

His long stride and walking pace is truly a trademark. He can be detected a mile away.

"In the yesteryears when voting machines were unheard of, his pace picked up momentum on election night when the Herald-Mail received and tabulated the returns, a service to the community.

"Over the many, many years, I am proud to have his friendship and that of his lovely wife, Alice."

But another Washington Countian who can remember Harp even before he came to work for the newspaper is Charlotte Forrest. As children, she and he grew up together in neighboring Smithsburg houses.

Today, Miss Forrest is librarian at Smithsburg Senior High School.

"The old Harp home is still standing," she points out. "The Harp family lived on Pennsylvania Avenue in Smithsburg. That's the old Ringgold Road."

Moreover, the house where Harp lived as a boy still looks today just as it did when he was growing up, Miss Forrest says. Joseph Metz lives there today.

Miss Forrest lived as a child in a house on the other side of the road. She and the youthful Joe Harp used to play together much of the time, together with his brothers.

"There were two buckeye trees in my front yard," she recalls. "We used to climb them all the time."

Miss Forrest remembers the youthful Joe Harp as a better than average student who got lots of B's on his report cards. On the other hand, she found him slower than average in responding to his mother's calls, when she tried to get him back in the house while he was playing outdoors.

Harp showed absolutely no evidence of interest in a journalistic career in boyhood, as far as Miss Forrest can remember. But he did have another kind of interest which has been generally forgotten by now.

The Smithsburg librarian has a copy of a 1919 yearbook from the Smithsburg School. It lists Joe Harp as a member of the Boys' Corn Club, even though there was no farm attached to the Harp home. He was in approximately the sixth grade at the time, she believes.

The Boys Corn Club was one of the pioneering 4–H groups in Washington County. Heading it, according to the school publication, was the first county agent ever assigned to this area, Thomas Smith.

All of Smithsburg's children got their education in the same schoolhouse in the years when Miss Forrest and Joe were attending classes. The school which educated everyone from grades one through 12 was at the site of the present middle school, which was later converted solely to high school purposes.

Smithsburg didn't have as many students finish school in the first part of the century as today. Harp was one of only 19 students who stayed in school with his class long enough to graduate in June, 1925.

The list of graduates in that class of 1925 consists almost entirely of family names long associated with Washington County, like Harp, Bushey, Trumpower, Toms, Rowe, Wolfinger, and Henneberger. That last name belonged to Richard Henneberger, whom Miss Forrest remembers as one of Harp's best friends during the school years.

Despite the modest dimensions of the graduating class, there were full-scale festivities the night Harp received his diploma. He heard Dr. Wallman Barbe of West Virginia University tell the graduating class members to build their characters as if they were building a house.

The commencement speaker told Harp and the 18 other graduates to put the best possible materials into this project, so the structure would withstand the stress and strain of the years to come.

Rexford B. Hartle, principal of the school, was another speaker that night. B. J. Grimes, Washington County's superintendent of schools, gave the diplomas to Harp and the other graduates.

Memories from a later part of Harp's career are offered by Gloria Dahlhamer, who went to work as a social page reporter for the Herald about two decades after the beginning of Harp's career. She is now editor of the Herald's family pages. According to Mrs. Dahlhamer.

"The first time I met Joe Harp I was 17, still in high school, and scared. I asked him for a job. It was the greatest job interview I ever had. He asked me if I could spell, and I said yes, and he told me to come to work when I graduated. What a gambler he was!"

By then, the local newspapers had somewhat larger staffs in their news departments. Mrs. Dahlhamer recalls:

"The Herald staff in the summer of 1947 consisted of eight people. It was a great time to learn the newspaper business. Joe told me the only way to learn the job was by doing it and there was ample opportunity for that.

"We had no proof readers in those days, so proof reading was done by anyone who wasn't doing anything else. Despite the fact that he was the editor, Joe read proof with the rest of us.

"I, being the newest member of the staff, usually got stuck with reading the classified and display ads. Joe was a frequent partner in those read-aloud sessions. I can still hear his dulcet tones reading the farm sales while I followed the copy. Joe told me I'd get an education by reading the ads, and I did . . . after he carefully explained to a city kid what a close springer was!"

It wasn't always unbrokenly serious business in the Herald newsroom. The family pages editor remembers:

"Joe also was a great practical joker. Once he gave me a 'hot tip' on the wedding of the year. The couple in question had been keeping company for something like 30 years without ever making it to the altar. How Joe snickered as I squirmed when the lady involved told me in no uncertain terms there had been no 'I do's.'

"Another of his favorite tricks was to leave the telephone number of the SPCA on my desk with a note to call and ask for 'Kitty.'

"But Joe was a good teacher. He drummed it into my head that you don't report by guesswork. 'If you don't know, ask,' he'd say. He was a stickler for getting the facts right, for spelling people's names correctly, and for writing a story so that everybody who read it could understand it. He didn't like 'highfalutin' words. Once I said a kid broke his clavicle, and Joe asked me if I was writing a medical report. 'When it's a collarbone, say collarbone,' he told me.

"I remember when the Herald and Mail editors were given their fancy glassed-in private offices. Joe never liked his much. Said he felt left out.

"That glassed-in Herald office became a broadcast booth for a number of years, when Herald and Mail news staffers gave four daily broadcasts for WJEJ. Joe always did the midnight wrap-up, and that was the one time of the working day when the rest of us tried to put one over on him. We'd stand inside George Rash's office and make faces at him through the glass. But he always kept his cool; he never cracked up till he signed off."

Summing up, Mrs. Dahlhamer puts it this way:

"In all the years I've been on the job, I've rarely seen Joe lose his temper. When I've made mistakes, he has quietly taken me to task. When I've done a good job, he has told me.

"When I came to work on the Herald staff, my parents had some misgivings. But when they learned that Joe played trombone in his Sunday school orchestra, they were satisfied that my boss was a gentleman.

"He is."

It's doubtful if there has been a public official in city or county government during the past half-century who hasn't known Harp in some degree ranging from slight acquaintance to deep friendship. Typical of these nonjournalist acquaintances is H. L. Mills.

Mills served term after term as mayor of Hagerstown during Harp's career as a journalist, in addition to undertaking a multitude of other civic duties and ranking as one of the area's most successful businessmen.

"I have known Joe for more than half a century," the former mayor comments.

"I refer to him affectionately as Joe from our long years of friendship."

According to the former mayor:

"I have admired him for his high ideals, integrity, trustworthiness and loyalty to his friends, city and country.

"As one of our finest newspaper men, I know of no man whom I have had more confidence in than Mr. Harp."

Mills, who is now retired from public office, also speaks of Harp's "long and faithful service in the newspaper field."

Similar sentiments are echoed by other survivors of the newspaper business who were already on the job when Harp went to work.

For instance, Bob Snyder was a linotype operator during the bulk of the half-century. He is now retired, residing near Chambersburg. Asked for reaction to the 50th anniversary occasion, he declares:

"What I remember about Joe Harp most vividly in the early years of his employment by The Morning Herald was his aptitude in learning the skills of writing."

Another linotype operator who has retired is William C. Snyder, who still resides in Hagerstown. After more than four decades as a fellow employe of Harp, he says:

"Everyone liked Joe. I don't know of anyone who didn't like him."

Others who have worked many years with Harp can remember specific aspects of his career and personality.

For instance, there were the times when he was paid the ultimate tribute that can be given to any reporter. That happened every time a group of officials delayed the start of a meeting until he arrived to cover it.

During the earlier part of his working career, there were times when Harp didn't own an auto. This wasn't an eccentricity. Only after World War II did most Hagerstown newspaper writers begin to acquire cars of their own.

But Harp always managed to get to the places where he needed to be. Many news sources were concentrated in his reporting years within easy walking of the newspaper office. His good relations with law enforcement authorities caused him to be notified whenever there was a serious accident or other spot news story outside walking distance. If it justified his presence, police usually gave him a ride to the scene while the news was still fresh.

Sometimes he found unforgettable sights at the destination. Harp talked for years about how he arrived in time to find fragments of bodies scattered here and there when he was among the early arrivals at the site of a train-motor vehicle crash several miles outside Hagerstown.

Another big news story that stuck in his memory was the Raleigh Poffenberger murder case. Poffenberger was a farmer and a former county commissioner. His slaying, the search for the culprits, their eventual capture, trial and conviction seemed to impress him more than any of the other murder stories he covered down through the years.

The small staff that existed in the news department during most of Harp's career created various problems. Even though his basic job as a reporter was to cover police and city government, he found himself doing almost every type of news story at one time or another.

You could see his byline on an occasional Hagerstown High School football game story in the Herald on Monday mornings many autumns ago. Colley was the full-time sports editor of the Herald, and normally did all the local sports coverage.

But Colley picked up some extra cash by moonlighting as an official at various scholastic contests in those years. He could remember enough details of unimportant matches to write a story after refereeing or umpiring, but for something as important as a high school football game, he sometimes got Harp to handle the story.

Harp occasionally made news on the sports pages, too. He sometimes participated in the annual baseball game between the Newsies and Police. This was an event staged each summer for fun, in theory. Sometimes it produced genuine rivalries between journalists and law enforcement authorities who took it seriously.

One persistent legend involves the long drawn-out game which Harp put a merciful end to. There are several versions of how it happened, most of which indicate that he managed to let a fly ball escape him in right field at Municipal Stadium. At that time, the right field foul line ran halfway to Funkstown, before the ball park was remodeled.

This athletic ability sometimes came in handy for job purposes for Harp. The Herald-Mail building was always locked up tight from Saturday afternoon through early Sunday afternoon, because there were no Sunday newspapers produced locally. Baylor, the Herald's editor, opened up the building early each Sunday afternoon, just before the Herald staff started to come to work.

But once in a while, Baylor went out of town for the weekend and didn't get back in time to unlock the door on schedule. This created problems. The morning newspaper stories began coming over the Associated Press teletype in mid-afternoon, making it important to get that machine turned on at the right time. Moreover, each linotype had a little furnace which heated the metal from which the slugs were cast by the operator. Unless these heating units were turned on during the afternoon, the metal wouldn't be hot enough for the linotypes to function when the operators arrived in the early evening.

Harp, the first to arrive on those occasions, simply shinnied up the rear of the building and crawled in through a second story window which in those years before remodeling gave access in emergencies in the news department.

Harp created various types of legends around the newspaper office. During one period, he was celebrated for his habit of burning incense from time to time. Some reporters feigned annoyance but others welcomed the temporary change from the tobacco smoke aroma that filled the news room most of the time.

His love of boats and the water also became legendary. Everyone who worked with him was quickly convinced that the wrong Harp had become an admiral. He had a brother who was chief of chaplains in the United States Navy. Eventually, Joe Harp acquired a boat of his own and went gliding all over the East Coast's waterways on weekends and during vacations.

He has also been that rarest of the journalistic breed, one who is willing to admit his mistakes.

For months, he talked with relish about the excitement he caused one early morning in the composing room. This was in the era before the local newspaper employes had begun to enjoy the luxury of using printed forms for their "dummies." A dummy is a sheet on which editors mark the spot where each story is supposed to be placed by the makeup man.

In those days, editors simply drew with pencil a rough set of columns and scrawled in the headlines with their soft pencil. Every page consisted of eight columns, each of them two inches wide. On one busy night, Harp absentmindedly drew up a dummy for a seven-column front page. The mistake wasn't discovered until the front page's type was well on the way to filling up the form except for that missing column.

In fact, when Harp went to work for the Herald, some of the makeup work was done by the writers and editors. When things got busy in the composing room, shortly before press time, the whole staff moved down to it. Half of the news room workers read proof as fast as it came off the proof press and the remainder helped the makeup men by putting type into the forms. Dansberger remembers that Harp was never as active in this particular phase of the writer's job as Baylor and Hager.

Sometimes things grew even more hectic. One of Harp's big nights came early in his career when a wild blizzard accompanied by a fierce gale cut Hagerstown off from the remainder of the nation. All roads were blocked, telephone and telegraph wires were snapped, and it took real ingenuity to put out a normal edition of the Herald with no AP news available. Harp helped with the emergency measures which consisted of a local radio amateur transmitting the city's plight to the outside world, and KDKA, a Pittsburgh radio station, reading over the air an assortment of national and international news for Herald staff members to copy and run in the local paper.

Harp was a believer all along in the importance of keeping news stories down to a reasonable size. While he was a reporter, his stories always conveyed essential facts without the repetitious trimmings that some journalists applied to attempt to make the story appear bigger than it should be.

When he became editor, he applied the same philosophy of fat-trimming to the AP news published in the Herald. Stories which had once sprawled over much of the first page and continued inside were cut down to more readable dimensions.

Harp rose from his starting role of cub reporter to that of city editor and assistant editor on the Herald, during Baylor's long tenure as editor. Late in the 1940's, Baylor was named general manager of the Herald-Mail Company.

Harp succeeded him as editor of the Herald, holding that title for more than two decades. Around the start of 1973, he was named executive editor of both the Herald and Mail.

But even after he took on his new front office post, Harp contained to keep his hand in at actual editing, by handling the Herald's editorial page for a year or two longer. He also continued to function in one highly specialized task left over from his days as a reporter, chronicling divorce suits as they were filed in circuit court.

Amid all the tributes and recollections which have been created by his 50th anniversary on the job, one fact seems to have escaped everyone. It's quite possible that nobody will ever equal in the future Harp's record for actual time spent on the job as a newspaper journalist in Hagerstown.

It's doubtful if many local journalists will achieve a 50th anniversary in the future, because most of them don't begin full-time employment until they're college graduates and normal retirement comes a little more than 40 years later. It would require at least 60 years on the job, under today's working schedules, for a future journalist to give as much of his time to Hagerstown newspapers as Harp has accomplished in five decades.

THE CALIFORNIA GOVERNOR'S LIST OF OUTSTANDING LAW ENFORCEMENT OFFICERS

Mr. TUNNEY. Mr. President, it is with great pleasure that I bring to the attention of my colleagues in the Senate 20 outstanding law enforcement officers in California. Out of more than 7,000 participants competing annually under the auspices of the California Combat Association, these 20 men have proven the best in the field of pistol marksmanship.

The competitors come from all types of law enforcement agencies throughout California, and the winners are certainly to be congratulated for their excellence in their profession. The winners selected for the Governor's list include, in order:

Sgt. James Christman, San Francisco Police Department.

Officer Wayne Johnson, California Highway Patrol.

Bill Davis, California Highway Patrol/Sacramento County Sheriff Reserve.

Sgt. John Davison, Monterey County Sheriff Department.

Deputy Paul Keene, Monterey County Sheriff Department.

Officer George Deaderick, Mt. View Police Department.

Officer Robert Dawson, Huntington Beach Police Department.

Officer Robert Landreth, California Highway Patrol.

Officer Jeri Kelch, Los Angeles Police Department.

Jack Forcier, Santa Cruz County Sheriff Reserve.

Agent Michael Fitzpatrick, U.S. Treasury, Bureau of AFT.

Officer Wayne Spencer, California State Police.

Deputy Tim Cantrell, San Bernardino County Sheriff Department.

Chief of Police James Zurcher, Palo Alto Police Department.

Officer Jim Cost, Palo Alto Police Department.

Officer James Gong, Sunnyvale Department of Public Safety.

Richard Mickel, Palo Alto Police Department Reserve.

Officer John Pride, Los Angeles Police Department.

Officer Ed Taylor, Bell Garden Police Department.

Officer Roger McLean, Los Gatos Police Department.

In addition to individual competition, 10 top teams in pistol marksmanship were chosen. Those teams honored in 1975 include:

California Highway Patrol Blue Team.
Sacramento County Sheriff Department Gold Team.
Palo Alto Police Department.
Mt. View Police Department.
Stockton Police Department.
San Jose Police Department.
Los Angeles County Sheriff Department.
Riverside County Sheriff Department.
Los Angeles Police Department.
California State Police (Capitol Team).

Again, I commend these men and teams for their excellence in one of the many aspects of law enforcement work, and hope that they will continue to shine in this and all other aspects of their day-to-day conduct.

RESEARCH AND TRAINING NEEDS IN GERONTOLOGY

Mr. CHILES. Mr. President, nearly 31 million Americans are aged 60 or older.

Solutions for many of their problems are apparent, but often-times elusive. For the more elusive questions, answers must be sought through applied research and demonstrations.

However, the low priority assigned to these programs continues to be a major problem.

The administration, for example, recently recommended that funding for the title IV research program under the Older Americans Act be reduced for this year.

In addition, the administration is urging that the training program be phased out completely by 1977.

Yet, a critical shortage of adequately trained personnel now constitutes one of the most pressing problems in the entire field of aging.

Continued funding, however, is essential to meet today's mounting demands, as well as tomorrow's needs.

The number of older Americans is increasing rapidly and will continue to accelerate in the years ahead. Among the elderly, the 70-plus age category constitutes the fastest growing age group. These individuals have, of course, the greatest needs for services.

Most older Americans—even those suffering from severe chronic conditions—would prefer to remain in their homes, rather than being institutionalized.

And many can if appropriate in-home services are available. This makes sense not only from a humanitarian standpoint but also economically.

Numerous elderly persons are now forced into nursing homes or hospitals, simply because other alternatives are not available. Yet, institutionalization is the most expensive form of care. Moreover, it may be totally inappropriate for the elderly's needs.

But if a meaningful strategy on alternatives to institutionalization is to be developed, it is essential that there be adequately trained personnel to provide the services the elderly need.

In the past, funding for research, demonstration projects, and training has proved to be a prudent investment. Research and demonstrations have helped to assure that a greater proportion of retirees will be healthy, independent adults.

A comprehensive training program is necessary to deliver vital services for the elderly.

The Labor-HEW Appropriations Subcommittee—on which I serve—will soon act on the supplemental appropriations bill to provide funding for the Older Americans Act and other Federal programs.

We have already heard much impressive testimony. One excellent example is a statement by Leonard Gottesman, secretary for the Gerontological Society and a director of the Training and Policy Center at the Philadelphia Geriatric Center.

He provides much compelling testimony about the value and worth of research and training to enable older Americans to continue to live independently in their own homes.

His statement, it seems to me, merits the attention of the Senate. For this reason, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF LEONARD E. GOTTESMAN, PH. D.

Senator Magnuson and distinguished members of the Senate Labor-HEW Subcommittee on Appropriations, my name is Leonard E. Gottesman, and I am here today representing the Gerontological Society, a society of 4200 persons engaged in research, training and direct services to older people. I am Secretary of the Society. The Gerontological Society is multi-disciplinary and is the largest scientific membership organization in the world for persons in the field of aging. I am a psychologist and Director of the Training and Policy Center at the Philadelphia Geriatric Center, an internationally known center for treatment, research and training related to the care of older people. I have been working on behalf of older people for 15 years.

My mission today is to lay before you the recommendations of the Gerontological Society regarding federal appropriations for research and for training on behalf of the elderly (see recommendations summary). I would like to relate these recommendations to specific programs for older people.

Three agencies, the Administration on Aging, the National Institute of Mental Health and the National Institute on Aging fund most federally supported research and training programs in gerontology. The Administration on Aging is closely identified with social programs directly benefiting the aged. The National Institute of Mental Health has led development of programs addressing such serious problems as senility and mental frailty and the National Institute on Aging, a new agency created by congress last year, but only now getting underway, will spearhead research and training regarding health problems affecting the aged.

Unfortunately, as currently proposed by the administration, all three of these valuable programs will be seriously underfunded. Services, research and training will be severely limited and as a result older people will suffer. For the Administration on Aging in fiscal 1977 the administration has recommended 192 million dollars; a cut back of $52 million over fiscal 1976. This means that more than one out of every five dollars spent in 1976 will not be available in 1977. The $264.2 million requested for the National Institute of Mental Health in 1977 is $86 million below that agency's 1976 continuation. This means that one in every four of the dollars to be spent in 1976 will not be available in 1977. The administration has recommended an increase for FY 77 for the National Institute on Aging but this increase only minimally replaces the losses in other areas. I would like to give you examples of what these cuts will mean in the lives of older people.

Under the Older Americans Act, innovative programs and increased skills for practitioners are encouraged in the model project section of Title III. In the years from 1975 to 1977, Title III model projects have been reduced from $8 million to nothing at all as proposed for 1977. This means that the congressionally mandated nursing home ombudsman program, the legal services program, the adult day care program and a range of important new service programs touching older people in every state of the union will be phased out. The Gerontological Society recommends that $8 million be appropriated to these projects again for 1977.

Also under the Older Americans Act, Title IV authorities training (IVa), research (IVb) and multidisciplinary centers (IVc). The appropriations for training have also been eliminated. Eight million dollars in FY 75 and 76 is matched with no request for funding for FY 77. This means an end to the inservice training programs for staff of 486 Area Agencies on Aging which are just now acquiring the skill necessary for providing high quality service to older people. You should recall that the number and the proportion of older people in this country continues to grow. Among the aged, the fastest growing group are those 70 and over—a group where the need for services is the greatest. These agencies which serve them have new, eager and devoted staff, but they will need more personnel as well as help for those already hired to become maximally competent in their jobs. This cut in funds also means an end to university based programs which are developing the needed leadership capable of developing services to the elderly. The field of gerontology is still growing and many more trained people are needed. The *Gerontological Society* recommends that for inservice and university programs together, $15 million be appropriated.

The administration has recommended that research be supported at a level considerably lower than that of 1975 and 1976. Their request is for $5.8 million which represents a cutback of $1.2 million. Here, one out of every six dollars to be spent in 1976 will not be available for FY 77. It is the research under this Title that will lead to improvements in services to older people and ought not to be cut back. Programs studying (1) the impact of social, economic and environmental changes on the aged, (2) service delivery systems which are both cost and service efficient, (3) the social process of aging, and (4) the demography of aging would be cut back or curtailed. Research under this Title and model projects are the primary source of innovation in such essential areas of new services as the development of community based forms of care. The successful base of a nationwide network of programs for the elderly came about as a result of research under those Titles. As another example, at the Philadelphia Geriatric Center, we are now studying ways of improving the provision of in-home services from an institutional base to disabled, dependent old people who live in their own homes (see enclosure one). Without adequate funding programs like these will no longer be supported. The Gerontological Society recommends that $10 million be authorized for these important programs.

The Congress itself in the 1975 amendments to the Older Americans Act created the concept of multidisciplinary centers for gerontology to consolidate efforts of many specialists to solve the varied and interrelated problems confronting the elderly. A small number of such centers have come into being slowly and with great difficulty because there was no funding explicitly earmarked for such a purpose.

Many more such centers like the ones at Duke University and University of Southern California are needed but such programs are unstable because they rely on the aggregation of funds from many sources. It would be more cost efficient if such programs were funded as a creative core from which integrated projects could emerge. For three years now the administration has failed to seek funds for these centers. The Gerontological Society urges that $8 million be appropriated to support these multi-disciplinary centers as Congress intended.

The National Institute of Mental Health, Center on Aging was created last year out of recognition of the fact that problems such as chronic brain syndrome and senile dementia deserve extensive study and that persons with such mental disorders need services which are responsive to their special needs. This year, NIMH is funding a range of programs including a program which is studying services needed by mentally frail elderly persons in welfare hotels, studies of the effects of oxygen treatment on senility, and a program at our Center evaluating housing for semi-independent vulnerable old people who live near to but not in the institution (see enclosures two, three and four). These and other programs which focus primarily on the eldery account for $4.2 million or 5% of the NIMH budget. We urge, as did the 1971 White House Conference on Aging, that $5 million is the minimum amount of funding necessary to stimulate programs of service and research in Mental Health.

Last year the National Institute on Aging was created by focusing the intra-mural and extra-mural programs on aging of the National Institutes of Health into a single new agency. The agency is responsible for basic research and for training of scientists and teachers who will help understand the process of human aging and to move toward a cure of the illnesses which now account for much of the misery of aging as well as for the stupendous federal expenditures for health services in hospitals, nursing homes and in-home services. The administration has asked for an increase from $17.5 million to $26.2 million but has allocated none of this amount for training activities. Most of the amounts requested by the Administration will in fact go to support ongoing programs only and would allow for little growth in research intended by the creation of the Institute. The Gerontological Society urges that you appropriate $30.1 million to the Institute in order to get expanded research and training underway.

Another problem at the National Institute on Aging has also just come to my attention and needs your action. Because of limits on hiring the 173-person staff at NIA is now below the 193-person level authorized for last year. Your explicit legislative authorization is needed to allow hiring the 43 additional persons so that mandated intra-mural studies of minorities and of women and social and behavioral studies can be initiated and so that the extra-mural program can be implemented expeditiously.

In 1968 Dr. Ethel Shanas, a past president of the Gerontological Society was forced to write that we could not compare the American service system with that in other countries because there were almost no American services for the elderly. I am happy to report from my vantage that we have made significant progress. We now have the beginning of a service system in place, and it is beginning to work. The modest appropriations we recommend are essential to its functioning and development. These funds are also essential to evaluate the emerging system so as to inform policy decisions necessary to provide an adequate program of support for 21.3 million older Americans.

Federal agency	1976: Appropriated (a) or continued (c) (1)	1976: President's supplemental budget request for 1976 (2)	1976: Support recommended by the Gerontological Society (3)	1976: Total recommended by the Gerontological Society (4)	1977: Requested by the administration (5)	1977: Recommended by the Gerontological Society (6)
NIA (National Institute on Aging)	[1] $17,526 (a)	0	[2] $1,762	$19,288	$26,220	[3] $30,100
AoA (Administration on Aging):						
Title III:						
State administration	$15,000 (c)	[4] 16,200	16,200	16,200	16,200	16,200
State and community services	76,000 (c)	76,000	76,000	76,000	82,000	82,000
Model projects	[5] 5,000 (c)	5,000	[5] 8,000	[5] 8,000	0	8,000
Title IV:						
Pt. A (Training)	8,000 (c)	0	8,000	8,000	0	15,000
Pt. B (R. & D.)	7,000 (c)	[4] 5,800	7,000	7,000	5,800	10,000
Pt. C (Multidisciplinary centers)	0	0	0	0	0	8,000
NIMH (National Institute of Mental Health): Center on Aging	0	0	0	0	0	[6] 5,000

[1] Without training.

[2] For training.

[3] The Gerontological Society recommends the authorization of 215 staff positions for the NIA in fiscal year 1977.

[4] The administration proposes reducing the research budget by $1,200,000 and increasing the support of State administrations by that same sum. The Gerontological Society supports the mandated incr[illegible] to State administrations but also firmly supports a continuing level of $7,000,000 for research in the AoA budget.

[5] Actual appropriations in fiscal year 1975 were $8,000, including a $3,000 Congressional supplement. Thus our request of $8,000 for 1976 and 1977 represents no increase over amounts expended in 1975.

[6] Little or no funds are currently available for programs, research and education in mental health and aging. The amount suggested above is in keeping with the general agreement at the White House Conference on Aging as the minimal amount necessary.

Gerontological Society Public Information Committee Recommendations on Federal Funding of Research and Training in Gerontology

The number of older persons in the United States continues to grow in both real numbers and percentages of the total population. The Gerontological Society is seriously concerned that there be an adequate cadre of professionals trained to meet the needs of the elderly, as well as production of information critical to planning for an improved quality of life. Training and research in aging must be conducted in a wide variety of professional disciplines ranging from medicine, nursing, and biology to social work, architecture and urban planning. Congress has shown considerable support for gerontology as witnessed by the creation of the new National Institute on Aging. It is now critical to provide both the NIA and Older Americans Act programs with adequate support. Accordingly, the Gerontological Society urges the following sums be appropriated.

Regarding supplemental appropriations for FY 1976:

National Institute on Aging (NIA)

Congress appropriated $17,526,000 for FY 1976, but failed to include provision for training. The Society recommends a supplemental appropriation of $1,762,000 so that the Institute may begin its training activities.

Administration on Aging (AoA)

The Administration proposes reducing the Title IV research budget by $1,200,000 and increasing the support of State Administrations by the same amount. We urge that research moneys not be robbed in order to provide adequate funding for State Administration. The Society supports the increment to State Administration but also firmly supports a continuing level of $7,000,000 for Research.

There are rumors that the Administration may fail to request any FY 1976 supplemental appropriations for AoA, or may actually propose recisions in the NIA FY 1976 appropriation. The Gerontological Society urges supplemental appropriations for AoA, as currently envisaged, and opposes any recision of NIA funding.

The President's Supplemental Budget Request for FY 1976 for Model Projects is $5,000,000. This figure is $3,000,000 lower than the amount available in FY 1975, which had included a $3,000,000 Congressional supplement. The Gerontological Society recommends that the 1975 level of $8,000,000 be maintained.

Regarding FY 1977 appropriations:

National Institute on Aging (NIA)

The Administration has requested only $26,220,000 for FY 1977. The Society urges that, given inflation, the need for developing regional centers and a more adequate support level, this figure should be $30,100,000. The scientific community in gerontology has pointed out that there are several avenues of research which may produce significant results in the area of health. This budget reflects some of the additional but modest sums required.

Administration on Aging (AoA)

The Administration proposes to cut all Title IV training funds. The Society believes that continued and increased support of training is essential if programs for the aging are to be staffed by those with adequate knowledge and skill, and urges an appropriation level of $15,000,000.

The Administration proposes to cut back the current continuation level of $7,000,000 for Title IV research to only $5,800,000 for 1977 as well as 1976. We urge appropriation of $10,000 to support the programmatically relevant research carried out under this title.

Despite the fact that multi-disciplinary centers are part of Title IV of the Older Americans Act, the Administration has failed to request any funds since the inception of this section of the Act, and Congress in turn has not provided any appropriations. The Society urges that $8,000,000 be appropriated to carry out the intent of the legislation.

For the first time in AoA history, the Administration has requested no funds for Title III model projects. Yet Congress has just assigned (in the 1975 amendments to the OAA) three major priorities for model projects: nursing home ombudsmen, legal services and day care. The Society advocates appropriation of $5,000,000 (no increase over FY 1976) so that model projects in these direct service areas may be carried out.

National Institute of Mental Health (NIMH)

The NIMH Center on Aging has thus far received no special appropriation of its own, having to rely on funds provided by other units of NIMH. This Center is concerned with critical mental health issues such as chronic brain syndrome and senile dementia—the "senility" issues so important to the public. The Society urges an appropriation of $5,000,000 for 1977. This sum is the amount agreed upon at the 1971 White House Conference as the minimum necessary to stimulate programs of service and research.

A GOOD CASE FOR FEDERAL GRAIN INSPECTION

Mr. McGOVERN. Mr. President, currently within the Committee on Agriculture and Forestry, Federal grain inspection legislation is being considered. Prospective bills have been taken up by appropriate subcommittees and the full committee is awaiting markup sessions. The largest daily newspaper in South Dakota, the Sioux Falls Argus Leader, in a March 29, 1976, editorial entitled "Pass Senate Grain Inspection Bill," makes a compelling case for the Federal inspection bill introduced by Senators Humphrey, Clark, Talmadge, and myself.

The Argus Leader is sensitive about America's credibility as a nation and has long advocated an inspection system that guarantees the integrity of the grain produced by South Dakota and the Nation's farmers.

Mr. President, I ask unanimous consent that the text of the editorial I have referred to be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Pass Senate Grain Inspection Bill

Three South Dakota, Iowa and Minnesota United States senators are among the cosponsors of the new, tough Senate bill designed to reform grain inspection in this country.

The chief author of the measure is U.S. Sen. Dick Clark, D-Iowa. His bill is co-sponsored by senators George McGovern, D-S.D., Hubert H. Humphrey, D-Minn., and Herman Talmadge, D-Ga.

Humphrey's agriculture subcommittee approved the bill last week. It will go before the full Senate Agriculture Committee April 7, where a hard fight is expected on the measure.

The bill would federalize inspection at all export elevators and federal agents would also handle inspection duties at 25 major inland grain terminals in 10 states. The bill is designed to combat the scandals uncovered in handling of grain for export. Investigations thus far have resulted in indictments against 62 individuals and firms, on criminal charges which include misweighing, misgrading, grain theft, conspiracy, bribery and income tax evasion.

A much milder bill has been approved by the House Agriculture Committee.

The Ford administration opposed the provision in the Senate bill which would set up all federal inspection at ports and inland terminals, and also the language in the measure which would set up a new, semi-independent federal grain inspection agency within the U.S. Department of Agriculture.

The grain trade, private agencies which handle inspections now and state departments of agriculture oppose federalization. They all want to keep their roles in the present inspection system.

Congress should enact a measure that will remove a blight on American agriculture: the situation in which foreign buyers of United States grain have been cheated on weights, quality, etc. The buyers in Europe or Asia now can't be sure they'll get what they order from United States firms.

We believe that the federalization approach taken by Clark, McGovern, Humphrey and Talmadge is on the mark. Congress should pass the Senate measure—and the Ford administration should lend its assistance to the effort.

United States grain exports amount to $12 billion a year—the largest source of income from overseas. Serving that market well is essential to the future of South Dakota and other farmers in the nation. The United States' credibility as a nation which will not tolerate cheating in export shipments is also at stake.

DEPARTMENT OF DEFENSE ANNUAL REPORT ON INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, section 203, paragraph (c) of Public Law 91–441 requires the Department of Defense to submit an annual report to the Congress on independent research and development, I.R. & D., and bid and proposal, B. & P., costs. The report for 1975 has been received and I ask unanimous consent to have the report and a copy of the letter of transmittal dated March 12, 1976, printed in the Record at the conclusion of my remarks. For the purpose of my statement, I.R. & D. and B. & P. will be referred to as I.R. & D.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, this is the sixth year of reporting, and it covers the fifth full year of implementation since section 203 was enacted in response to a letter dated October 8, 1973, signed jointly by myself as chairman, Subcommittee on Research and Development of the Armed Services Committee, and my distinguished colleague, the senior Senator from Wisconsin, in his capacity as chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, the General Accounting Office made indepth investigation of the underlying assumptions and the overall justification of the I.R. & D. programs. The GAO report was issued in two parts: a partial report was issued in August 1974 and the remainder was issued on June 5, 1975.

Joint hearings open to the public were held in September 1975 to review the findings in the GAO report and to determine what legislative actions, if any, were needed. In addition to the Comptroller General, representatives of the Department of Defense, the National Aeronautics and Space Administration, the Energy Research and Development Administration, and the Office of Federal Procurement Policy testified, along with representatives of industry associations and other expert witnesses. The full text of the hearings has been published and is available to the public.

Mr. President, I would like to summarize the financial data reported by the Department of Defense and to comment on its significance. As estimated a year ago, gross DOD payments to major contractors for I.R. & D. were expected to be $808 million for calendar year 1974 compared to $801 million in 1973. The actual amount of DOD payments to major contractors for I.R. & D. in 1974 was $823 million, $15 million more than was estimated. There were, however, 8 additional contractors and 22 more contractors' divisions with $9.2 million in I.R. & D. included in the DOD data than had been reported in the previous estimate. On a comparable basis, therefore, the actual amount of DOD payments to major contractors for I.R. & D. in 1974 was $5.8 million more than was estimated last year. This is less than a 1-percent increase.

Similarly, the amount of DOD payments to major contractors for I.R. & D. in 1975 is estimated as $877 million. This is $54 million more than the 1974 figure, which is approximately a 6.2-percent increase. Considering the inflation that has plagued the Nation, it would seem that the total cost of I.R. & D. has remained quite constant.

Mr. President, these amounts do not represent actual costs to the Department of Defense because amounts recovered from foreign sales are included. For example, the amounts reported for 1974 and 1975 of $823 million and $877 million include $46 million and $66 million, respectively, which were paid from foreign sales. Thus, the cost out-of-pocket costs for I.R. & D. absorbed by DOD in 1974 and 1975 were $777 million and $811 million respectively. This means that the Government is expected to pay $34 million more for I.R. & D. in 1975 than the previous year, a 4.2-percent increase which is less than the rate of inflation.

I.R. & D. also can be considered as a percentage of sales to the Department of Defense by the 98 major contractors involved. In 1974 sales totaled $22.120 billion compared to $24.461 billion in 1975. The I.R. & D. percentage of sales declined from 3.72 percent in 1974 to 3.57 percent in 1975. Thus, I.R. & D. payments on a comparable basis actually dropped despite a substantial increase in gross sales.

I would like to conclude, Mr. President, by pointing out, as I have done in previous years, that there is no doubt that the total amount spent for I.R. & D. by the Department of Defense is very large, about $800 million. But much of this expenditure leads to the advancement of technology on a broad front. This is not only essential to the security of this Nation but also is crucial to our economic strength and the well being of our people. Many of our advancements have led to better consumer products.

Mr. President, my good friend, Senator PROXMIRE and I have looked thoroughly into the Government-wide implications of the I.R. & D. program during the hearings of last September. We expect to report our findings and make necessary recommendations following receipt and consideration of the contents of a letter from the Secretary of Defense in response to an extensive series of questions that we asked in our joint letter dated December 31, 1975. The reply has just been signed and is expected momentarily.

EXHIBIT 1

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 12, 1976.

Hon. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of Defense has requested that I prepare and submit to you the report of Independent Research and Development and Bid and Proposal costs required under Section 203, paragraph (c) of the 1971 Department of Defense Appropriation Authorization Act (PL 91-441). This Section requires the submittal of an annual report to the Congress on or before March 15th each year setting forth—

"(1) those companies with which negotiations were held pursuant to subsection (a) (1) of this Section prior to or during the preceding fiscal year of the Federal Government, together with the results of those negotiations:

(2) the latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the independent research and development or bid and proposal payments made to major defense contractors, whether or not covered by subsection (a) (1) of this section during the preceding calendar year; and

(3) the manner of his compliance with the provisions of this Section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' independent research and development and bid and proposal programs."

The report is in three parts corresponding to the three items quoted above. Part I and II were compiled from detailed data pertaining to individual companies. This detailed company information is very sensitive and is not included in the report, however, it will be made available for review.

Sincerely,

FRANK A. SHRONTZ,
Assistant Secretary of Defense (Installations and Logistics).

Enclosures.

REPORT TO THE CONGRESS ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS AND BID AND PROPOSAL COSTS

(This report covers the fiscal year ended June 30, 1975.)

PART I

Companies with which negotiations were held pursuant to Section 203 prior to or during the preceding fiscal year of the Federal Government and the results of those negotiations.

In accordance with the above requirement the attached Schedule A provides data pertaining to the negotiations conducted in the Government's fiscal year 1975.

SCHEDULE A.—I.R. & D./B. & P. REPORT—PT. I

NEGOTIATIONS COMPLETED IN FISCAL YEAR 1975 AND RESULTS OF THOSE NEGOTIATIONS

[Dollar amounts in thousands]

Contractors' fiscal year	Number of companies	Total program dollars proposed by contractors			Total advance agreement ceiling dollars negotiated by DOD			Estimated DOD share of ceiling dollars negotiated		
		I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total
1974	8	$16,647	$21,120	$37,767	$15,441	$18,663	$34,104	$9,070	$12,239	$21,309
1975	54	629,026	926,996	1,556,022	797,726	447,465	1,245,191	366,939	307,539	674,478
1976	21	624,154	294,206	918,360	449,501	249,770	699,271	161,919	163,448	325,367
1977	6	327,806	107,672	435,478	232,097	87,260	319,357	54,890	54,406	109,296

PART II

Latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development (IR&D) or Bid and Proposal (B&P) payments made to major defense contractors, whether or not covered by Subsection (a) (1) of this Section [203, PL 91-441] during the preceding calendar years.

The statistics required are provided in the attached DCAA report. The report shows total IR&D and total B&P costs incurred by the contractors reviewed, the amount accepted or recognized by the Department of Defense and the DoD share. In addition, total sales of the contractors are shown along with the portion representing DoD sales.

The amount listed on Page 1 under the column heading "Amount Accepted by Government" represents the sum of the ceilings negotiated with individual contractors as well as the sum of amounts recognized for other contractors who had no advance agreements. These accepted amounts are not the costs reimbursed by the DoD but are the amounts that the DoD recognizes for allocation to all the contractors' business. The DoD portion is shown under the column headed "DoD share."

On pages 2 and 3 of the report the totals shown on page 1 are broken down to show, respectively, the portions applicable to contractors for which advance agreements were required, and the portion applicable to contractors for which advance agreements were not required. The foreword appearing in the DCAA report explains the basis for the cost data reported, but we would like to call particular attention to note A on page 1 regarding foreign military sales. These sales and IR&D/B&P costs should be subtracted from the amounts shown in the report to determine the amounts applicable to the Department of Defense. This adjustment is as follows (all figures are in millions):

	1974	1975
Sales to DOD per report	$22,120.0	$24,461
Less foreign military sales	1,447.9	2,084
Net sales to the DOD	20,662.1	22,377
DOD share of I.R. & D./B. & P. per report	823.0	877
Less amounts absorbed by sales to foreign governments	45.9	66
Net costs charged to DOD	777.1	811

It will be noted that data for both 1974 and 1975 are furnished. It has been the practice to update data previously furnished because latest year figures include significant amounts of estimated information. The 1974 figures presented here have had most of the estimated data replaced with actual data. The report furnished next year will similarly update the 1975 data furnished herewith.

At the request of the Senate and House Appropriations Committees, the Department of Defense provided in a letter to the Committees on 12 February 1976 an estimate of the amount of IR&D/B&P costs of major defense contractors that would be recovered in 1976 in defense contracts held by these contractors. Those estimates were based on actual 1974 costs and estimated 1975 costs. As of this report, actual costs for 1975 are available and this permits revised estimates for 1976. The revised estimates of the amount of IR&D/B&P recovery in DoD contracts for 1976 are $505 million for IR&D and $393 million for B&P. These estimates are substantially lower than the 12 February estimates because while the actuals of 1975 were quite close to our estimates, the actuals included substantial amounts of recovery in DoD contracts representing foreign military sales reimbursed by foreign governments. Adjustment for this in the 1976 estimates was made since it is believed that the FMS situation will continue in 1976.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS IN THE YEARS 1974 AND 1975

FOREWORD

This summary report presents the latest available Defense Contract Audit Agency (DCAA) statistics on the independent research and development (IR&D) and bid and proposal (B&P) payments to defense contractors. The statistical data are to be included in the Secretary of Defense's annual report to the Congress on or before 15 March 1976, in accordance with paragraph (c), Section 203, Public Law 91-441. The data in this summary report are similar to that previously furnished to the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD (I&L)), for contractor fiscal years 1973 and 1974.

Page 1 shows the overall IR&D and B&P costs incurred by 98 defense contractors during their fiscal years 1974 and 1975, amounts accepted by the Government, and the Department of Defense (DoD) share of amounts accepted. The amounts accepted by the Government are allowable and allocable to all contractor work performed—Government and commercial. The DoD share of the costs accepted each year is the contractors' allocation of such costs to DoD work. In addition, this summary shows related sales achieved by the 98 contractors, comprising 258 reporting divisions and/or operating groups.

As in past reports, the defense contractors in this summary are those which had an annual auditable volume of costs incurred of $15 million of required 4,000 or more man-hours of DCAA's direct audit work a year. In addition, the summary includes other contractors which, although not meeting the above criteria, negotiated IR&D and B&P advance agreements so that the summary on page 2 will be compatible with the advance agreement reports prepared by Army, Navy, Air Force, and the Defense Supply Agency. Contractors specifically excluded from this summary are construction companies; educational institutions; foreign contractors and overseas operations of U.S. contractors; insurance companies; marine transport contractors; and military medicare contractors. These contracting activities incurred nominal or no IR&D and B&P costs.

DCAA obtained the IR&D and B&P cost and sales data from contractors' records, but such data do not necessarily represent audited amounts. Included in the costs shown are amounts accepted by the Government in overhead negotiations and through advance agreements. Where actual cost and sales data were not available, as in the case of contractors which had not closed their books for 1975, DCAA auditors obtained reasonable estimates.

Page 2 shows the extent of advance agreements in effect during 1974 and 1975. Page 3 shows costs not subject to advance agreements.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED AND SALES ACHIEVED BY MAJOR DEFENSE CONTRACTORS FOR CONTRACTOR FISCAL YEARS 1974 AND 1975

[Dollar amounts in millions]

	1974			1975		
	Costs incurred	Amount accepted by Government	DOD share	Costs incurred	Amount accepted by Government	DOD share
Independent research and development (I.R. & D.)	$1,175	$921	$467	$1,224	$1,010	$493
Bid and proposal (B. & P.)	551	506	356	595	543	384
Total I.R. & D. and B. & P. Costs	1,726	1,427	[1] 823	1,819	1,553	[1] 877
Sales:						
Total Government and commercial		[1] $43,175			[1] 46,664	
Total DOD			22,120			[1] 24,461

	1974				1975			
	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions
WITH ADVANCE AGREEMENTS								
Independent research and development (I.R. & D.)	1,153	902	454	206	1,195	987	482	205
Bid and proposal (B. & P.)	520	477	337	206	570	519	369	205
Total I.R. & D. and B. & P. costs	1,673	1,379	791		1,765	1,506	851	
WITHOUT ADVANCE AGREEMENTS								
Independent research and development (I.R. & D.)	22	19	13	53	29	23	11	53
Bid and proposal (B. & P.)	31	29	19	53	25	24	15	53
Total I.R. & D. and B. & P. costs	53	48	32		54	47	26	

[1] Included in the data are the sales to foreign governments placed through DOD contracts and reimbursed to DOD by such foreign governments in the amounts of $1,447,900,000 and $2,084,000,000 for 1974 and 1975, respectively, as well as the applicable I.R. & D. and B. & P. costs allocable to these sales in the amounts of $45,900,000,000 and $66,000,000,000 for 1974 and 1975, respectively.

PART III

The manner of his compliance with the provisions of this section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal Programs.

During the past year, we believe our implementation of Section 203, PL 91-441, has been in full compliance with that section. We have not revised any of our major policies for administration of contractors' Independent Research and Development and Bid and Proposal programs.

SUPPRESSION IN SOUTH KOREA

Mr. KENNEDY. Mr. President, on March 1, a number of Korean religious, academic, and political leaders were arrested for signing a "Declaration of Democracy" which called for the restoration of freedom of speech, press, and assembly, a return to parliamentary democracy, and an independent judiciary. The Korean Government announced subsequently that 11 of them would be charged with plotting to overthrow the government.

An official South Korean Government spokesman explained the charges in this way to the New York times:

It is the Government's interpretation that calling for the President's resignation is the same as calling for the overthrow of the government of President Park Chung Hee.

Mr. President, the United States has real economic and security interests in Korea, particularly as an adjunct to our commitment to Japan. A total of 40,000 American troops are stationed in Korea and many thousands of Americans fought and died in that country in a long and bitter war. All told we have spent nearly $12 billion in foreign economic and military assistance for Korea over the last quarter century. Yet the security of Korea does not rest upon military or economic strength alone. It has long been clear that the steady systematic erosion of liberties in that country are undermining the basis of cohesion, commitment and common action that Korea must have to provide for its own security.

Mr. President, these deep concerns are shared by many of my colleagues, in both Houses of Congress. We believe that the policies of President Park toward political dissidents have reached the point where serious questions concerning the supportive U.S. role must be raised. Last weekend, a letter was sent to the President, signed by 119 Members of the House and Senate, urging the President to direct his close attention to this problem. I ask unanimous consent that the text of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 2, 1976.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are deeply distressed by evidence that the Government of the Republic of Korea is continuing suppression of Koreans who urge progress toward restoration of democracy in their country. Several religious, academic and political leaders have been arrested and are being charged with plotting to overthrow the government after signing a declaration presented at a church service. These measures indicate an intensification of the longstanding crisis of democracy in South Korea.

The policies of President Park toward political dissidents not only violate internationally recognized standards of human rights but also raise serious questions about the supportive role of the United States in its relations with the Republic of Korea. Military support in response to the threat from North Korea was extended originally on the premise of a credible commitment to democracy by the Government of the Republic of

Korea. More than two and a half decades later, it is difficult to perceive such a commitment. Since military power is directly associated with governmental control over the population, many Americans and Koreans suspect that United States military support somehow condones or even contributes to the long wave of repression, in the absence of strong public signals to the contrary from our government.

Under present circumstances it is increasingly difficult for us to justify military support for South Korea to our constituents. We believe that the posture of our government toward repression in South Korea is a matter which merits your close attention and we stand ready to cooperate with you in dealing with it in an appropriate manner.

Sincerely,

Bella S. Abzug, Herman Badillo, Berkley Bedell, Jonathan Bingham, Don Bonker, John Brademas, George E. Brown, Jr., John L. Burton, Phillip Burton, Ronald V. Dellums, Thomas J. Downey, Robert F. Drinan, Pierre S. du Pont, Robert W. Edgar, Don Edwards, Dante B. Fascell, Millicent Fenwick, Donald M. Fraser, Bill Frenzel, Gilbert Gude, Lee H. Hamilton, Michael Harrington, Herbert E. Harris, II, Les Aspin, Les AuCoin, Alvin Baldus, Bob Bergland

Elizabeth Holtzman, Robert W. Kastenmeier, Edward I. Koch, Andrew Maguire, Matthew F. McHugh, Ralph H. Metcalfe, Helen S. Meyner, Abner J. Mikva, Parren J. Mitchell, David R. Obey, Richard L. Ottinger, Henry S. Reuss, Frederick W. Richmond, Donald W. Riegle, Jr., Peter W. Rodino, Jr., Robert A. Roe, Benjamin S. Rosenthal, Edward R. Roybal, Leo J. Ryan, John F. Seiberling, Stephen J. Solarz, Fortney H. Stark, Andrew Young, Michael Blouin, Richard Bolling, William M. Brodhead, Yvonne B. Burke.

Bob Carr, Shirley Chisholm, Cardiss Collins, John Conyers, Jr., James C. Corman, Robert J. Cornell, Charles C. Diggs, Jr., Bob Eckhardt, Robert W. Edgar, Joshua Eilberg, Walter E. Fauntroy, William D. Ford, Tom Harkin, Anthony Toby Moffett, Lucien N. Nedzi, Robert N.C. Nix, Richard Nolan, James L. Oberstar, Edward W. Pattison, Charles B. Rangel, Thomas M. Rees, James H. Scheuer, Morris K. Udall, Richard F. Vander Veen, Charles A. Vanik, Walter F. Mondale, Birch Bayh, George McGovern, Joseph R. Biden, Jr., Charles McC Mathias, Jr., Frank Church, Edward M. Kennedy, Dick Clark.

Augustus F. Hawkins, Allan T. Howe, William J. Hughes, Andrew Jacobs, Jr., Martha Keys, John Krebs, William Lehman, Lloyd Meeds, Edward Mezvinsky, George Miller, Norman Mineta, Patsy T. Mink, Joe Moakley, Patricia Schroeder, Philip R. Sharp, Paul Simon, Gladys Noon Spellman, Louis Stokes, Gerry E. Studds, James W. Symington, Frank Thompson, Jr., Paul E. Tsongas, James Weaver, Sidney R. Yates, James Abourezk, Adlai E. Stevenson, Alan Cranston, Mark O. Hatfield, Gary Hart, Vance Hartke, Philip A. Hart, John V. Tunney, Floyd K. Haskell.

LOVA ELIAV: A CHOICE FOR ISRAEL

Mr. McGOVERN. Mr. President, a year ago, when I was in Israel, I spent a stimulating, informative evening with Lova Eliav, a member of the Knesset and a former secretary general of the Labor Party. A few weeks ago, Mr. Eliav was my guest in Washington and he is now traveling in the United States.

I believe that Lova Elia's views on the Middle East situation deserve careful consideration by his fellow Israelis and by persons in the United States and throughout the world interested in achieving a peaceful resolution of the problem confronting that region.

In the Monday, April 5, 1976, edition of the New York Times, Anthony Lewis comments on Mr. Eliav's views and I want to take this opportunity to bring Mr. Lewis' column to the attention of my colleagues. Mr. President, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times]

A Choice for Israel

(By Anthony Lewis)

Those who believe that Israel can gain security by holding on to occupied Arab territory indefinitely should have been shaken in that view by recent events. Disturbances in the West Bank were followed by the first serious incidents in 28 years among Arab citizens of Israel itself.

In the United States, the wisdom of Israel's policies toward the occupied territories is increasingly being questioned. When Ambassador William Scranton said at the United Nations that Israeli settlements in the occupied areas were an "obstacle" to peace, he was only saying openly what American officials have thought privately.

Criticism of Israeli policy tends to draw angry reactions from some American supporters of Israel. Anyone who suggests a change risks being accused of wanting to destroy the Jewish state. So it may be worth recording the views of an Israeli whose dedication to his country cannot be questioned—and who thinks it is time, indeed long past time, for a new policy.

Lova Eliav was born in Moscow 53 years ago, came to Palestine at the age of 2. He fought in the British Army in World War II, then commanded ships running the British blockade with Jewish refugees from Europe. After 1948 he was a regional developer for Israel. He planned the new city of Arad in the Negev Desert, which many Americans have seen.

In 1965 Eliav was elected to the Knesset, the Israeli Parliament. He rose fast in politics, becoming secretary general of the Labor Party in 1970. But then he broke with Government policy on the issue of how to approach the Arabs. He remains in the Knesset, but without power. He is now visiting the United States, and the other day he spoke of his fears and hopes.

"Israel," he said, "cannot carry on her shoulders for many more years a million Palestinian Arabs in occupied territories with no rights whatever. These people living under us for ten years—ten years—that erodes the moral basis of Zionism, which is a national liberation and renaissance movement of the Jewish people, not a movement to control other people.

"Time is not on our side: for that reason, and because Israel cannot stand the terrible burden of military preparedness, and because the Arabs with their petrodollars are arming themselves to the teeth, and because Israel is more and more isolated in the world. So we should face reality.

"We have cards to play. We should play them before some future American Secretary of State rams them down our throat. A strong Israel can be reasonable, flexible, logical—not a wounded, cornered animal."

Mr. Eliav's view is that Israel should declare to the world, now, her intent to give up the territories occupied in 1967 in return for full peace—meaning a peace formally signed, with demilitarized zones and diplomatic relations. Minor border adjustments would be negotiated, and as the last step a special status would have to be worked out for Jerusalem.

"The Government of Israel should also declare," Eliav said, "that it is ready to recognize the right of self-determination for the Palestinian Arab people, and for them to have a state of their own in the West Bank and Gaza Strip.

"The source of the problem is that two national movements claim the same territory. The Zionist rightly claims the whole of it, even the East Bank—it's the land of our fathers, my great-great-grandfather's dream. But it's also the land of *their* fathers. So what do you do? You halve it.

"That solution is in the path of true Jewish thinking. The Talmud says: When two people hold to one piece of cloth, even a prayer shawl, and one says, 'It's all mine,' and the other says, 'It's all mine,' and each says, 'I found it,' you must halve it. It is not like the baby and Solomon. You can cut a piece of cloth or a piece of territory, holy to both sides, and still have two viable pieces."

The Eliav proposals is for words only at first—to be followed by deeds if the Arabs respond. He would not negotiate about the Palestine Liberation Organization's idea of a single secular Palestinian state, which he sees as a way "to annihilate Israel." He thinks events in Lebanon show that both Jews and Arabs would be better off with their own separate states.

When he speaks to Jewish groups in this country, he is sometimes heckled by people who accuse him of wanting to sell out Israel. Mr. Eliav responds: "Do you want me to take off my shirt and show my scars? You know who I am. My son is a reserve captain in a tank brigade—he's fought in three wars, I in seven."

Some American politicians appeal to supporters of Israel by arguing that she should not give an inch and by denouncing any attempt to help the most moderate of Arabs. But true admirers of Israel should reflect on whether that is not terribly dangerous advice. In Israel itself, underneath the public posture, many people agree with Lova Eliav that time is not on the side of a rigid policy. And they are the people who bear the unending pressure of life without peace.

TALMADGE ADDRESSES AGRICULTURAL EDITORS

Mr. HUMPHREY. Mr. President, I wish to share with my colleagues the remarks the distinguished chairman of the Senate Committee on Agriculture and Forestry, Senator Herman Talmadge, delivered to the American Agricultural Editors Association on March 30.

In his remarks, Senator Talmadge pointed out the important role which our agricultural publications play in informing our agricultural community. He also noted the major changes which have taken place in agricultural reporting in recent years, particularly in providing information on markets and world weather conditions.

The Senator also pointed out that our farm editors need to have an opportunity for joint meetings with their urban counterparts. This is a most useful suggestion in light of the growiing importance of agriculture to our economy and the growing interest of urban residents in food availability, prices and sound nutrition.

The Senator also included a summary of some of the major bills before the Committee on Agriculture and Forestry which are likely to be acted upon before the conclusion of this session.

Mr. President, I ask unanimous consent that this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Senator Talmadge Addresses Agricultural Editors

It is a pleasure to be with you again this year—and to say "welcome" to our Nation's Capitol.

It has always been a pleasure to visit with editors of our Nation's farm publications.

Your publications provide the bulk of information which farmers read or hear about farming. That gives you a heavy responsibility.

For many years, your publications gave most of their emphasis to the "how to" side of agriculture—"how to" try narrow rows, "how to" improve the farrowing house, "how to" apply chemicals more efficiently.

You can be proud of these accomplishments.

But I have been impressed in recent years with your increased attention to the other steps in the food and fiber system.

You are giving more attention to marketing. Your publications describe alternative marketing methods that some farmers have used with success. You have been writing more about futures markets and forward contracting.

And you have been giving increased attention to the food and farm policy decisions which have such a profound impact on your farmer-readers.

All of this is healthy.

Decisions made in Washington in recent years are having a more profound effect on agriculture and food than at any time in the recent past.

You are telling the Washington story in terms of its impact on farmers' lives and livelihoods.

During almost 20 years in Washington, I have never seen such widespread interest in farm and food policy. All of a sudden, agriculture is on the front page of our major urban dailies. More and more, farmers are on the nightly news.

In all of this news coverage of agriculture, there is both good news and bad news.

Some writers have the idea that farmers are lining their pockets at the expense of the consumer. In the past few years, some farmers have made money. I wish more of them had.

But too many farmers have been hard hit, and some wiped out altogether. I would like to see more frontpage coverage of the tragedy of farm sales, the bitterness of farm bankruptcy.

The good news is that people are paying more and more attention to farm and food policy—how the policy is made, what it means, and who is making it.

In the long run, a better informed public will mean better public policy.

And that is where you—and your nonfarm colleagues—will play such a key role.

As farm publication editors, you contribute to farm policy discussion as well as write about it. As opinion leaders in farm country, you help shape the thinking of many farmers and farm leaders.

Likewise, your nonfarm colleagues in the general news media have an enormous impact on how most Americans think about farm and food policy.

About this time every year, you come to Washington to talk shop, trade ideas and visit with the people who are involved in farm and food policy. The Newspaper Farm Editors Association—and the farm broadcasters—have similar meetings.

It would be helpful if there would be similar meetings for the urban reporters and editors who write about farm and food policy.

There is no forum of which I am aware, for daily newspaper and network television news people to get together and learn about agriculture.

It might be useful for you—who write for and about agriculture on a daily basis—to have a working session like this with your counterparts from the urban press.

It could be on a national level. Perhaps, it could be on a local or regional basis—with farmers talking about problems of specific commodities, specific regions.

Farm editors could take the leadership in such a venture. It could be useful to agriculture, useful to your farmer subscribers, and—most of all—useful to the readers and listeners of the non-farm press.

I am looking forward to your regional reports to the Congress—your impressions of how farmers think about what we do, and don't do, in Washington.

But first let me do what your president asked me to do—outline the current issues facing the Senate Agriculture Committee.

One of our most challenging responsibilities in this Congress has been to reform the Federal food stamp program. We have made a great deal of progress.

The full Senate this week is considering a bill which was developed by our Committee.

Our bill would take about 1.3 million relatively higher income participants out of the program. It would increase benefits for more of the truly needy. It would cut about 10 per cent of the $6.3 billion cost of the program.

The week after next, our Committee will probably finish its work on grain inspection reform. We will consider a bill approved by two Subcommittees last week. It would federalize inspection and supervision of weighing at export elevators and the 25 largest interior terminals.

All of you are familiar with the corruption and bribery which has been exposed in New Orleans and other places.

Our Committee is pledged to cleaning up the system. We must assure American farmers that their products have the best possible reputation in world commerce.

Following that we will take up a critical issue—the management of our National Forest resources.

We will be looking at legislation designed to encourage more direct farmer-to-consumer marketing of farm products—a concept that farmers in my own state of Georgia are looking at with great interest.

We have approved for Senate consideration a bill to improve our planning process for soil and water resource conservation.

We may be looking at proposals to reestablish a National Commission on Food Marketing.

These are just the highlights of what appears to be another active and challenging year for agriculture in our Nation's Capital.

In addition to new legislation, we will continue to look at how the old programs are working.

We are likely to continue our oversight efforts in farm credit, rural development, farm production costs, and a wide range of related subjects.

What other farm problems may occupy the Congress is anybody's guess. A year ago I could not have predicted we would have been concerned about grain inspection. Two year ago, there was no way of telling that we would have been involved in last year's emergency farm bill effort.

We must be ready to respond to the challenges facing our food and fiber system, whatever form they take.

I hope that you will help us keep aware of the needs and concerns of rural America.

And I hope that you will call on us whenever we might help you meet your responsibilities to your readers, our constituents.

I wish you another successful meeting in Washington today.

UNWARRANTED NUCLEAR SECRECY

Mr. SYMINGTON. Mr. President, for years now all of us on the Joint Atomic Energy Committee have known that the unnecessary secrecy which has pervaded and still pervades all aspects of our nuclear force effort has been detrimental to both the security and prosperity of the United States.

The latest practical illustration of the logic of this position is currently well demonstrated by the secrecy which surrounds the meetings of the seven countries that produce nuclear material; which countries, in unwarranted secrecy, have been meeting periodically in London.

The absurdity of this secrecy is now becoming a matter of world attention as well as something of deep concern to many of us in this country.

As but one illustration of the above, I ask unanimous consent that an article in "The Economist" of February 28, 1976, be printed in the RECORD at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMINGTON. Mr. President, the first sentence of the first paragraph of this article sums up the thrust of what we are saying. The sentence follows:

> Control of nuclear technology looks more and more endangered by undue secrecy, misplaced priorities in the less-developed countries, and the ambivalent role now played by the International Atomic Energy Agency (IAEA).

Exhibit No. 1

Nuclear Inspector or Salesman?

Control of nuclear technology looks more and more endangered by undue secrecy, misplaced priorities in the less-developed countries, and the ambivalent role now played by the International Atomic Energy Agency (IAEA). The case for overhaul of the agency is urgent, for it is now being asked to take on new responsibilities in a regrettably piecemeal way. Few any longer take much notice of the nuclear non-proliferation treaty.

On Tuesday Britain laid a proposal on the table of the agency's governing board in Vienna, which is a direct result of the cosmetic gentlemen's agreement concocted last month by the United States and six other nuclear-exporting countries. Britain suggests rewriting the standard IAEA agreements (usually signed by buyer and seller nations and by the agency) for supervision of nuclear sites. Ostensibly, the object is to make the rules more strict but in fact the new standard agreement, by replacing several alternative types now used, would merely be a simplification. Sellers of nuclear materials would not feel constrained (if they do now) in deals with nontreaty countries, and buyers would be saved from having to make a political display of their peaceful intentions by signing the treaty. In short, Britain's proposal (on behalf of America, Canada, Denmark, Holland and Venezuela as well) lays the treaty to rest.

By definition, the agency's standard agreement will be technical and will therefore gloss over the buyer country's promises not to use nuclear knowhow to make bombs.

Those countries that objected to signing the nonproliferation treaty were anyway unlikely to sign IAEA agreements unless they thought their hands would remain relatively free. But the agency has only 67 inspectors to cover some 400 atomic facilities worldwide. Nuclear power stations are popping up everywhere, and the agency will have to inspect at least 1,000 facilities by 1980. So, although new inspectors are being recruited, there will continue to be loopholes that cannot be plugged no matter how detailed the agency's mandate to supervise.

January's wider agreement is still secret. Weirdly, the secrecy extends even to the IAEA, which, although it would police the regulations, did not take part in the talks last year in London and has still not been formally notified of the outcome. However, the agreement is known to boil down to a vague commitment to forget about the treaty and to let nuclear pedlars sell their wares to anyone who is willing to accept standard IAEA safeguards. That does not seem much.

But the gentlemen's agreement could yet prove workable if the agency is able to move its regulatory operations into high gear. Its job is to detect any diversion of nuclear materials from commercial to military applications, but increasingly it has become more preoccupied with spreading commercial nuclear power than with regulating its uses. The agency now spends about a third of its $37m annual budget on site inspection and the supervision of health and safety regulations. These regulatory functions relate specifically to improper uses that might be made of commercial nuclear equipment or fuels. The remaining two-thirds of the budget goes on information and, notably technical assistance for developing nuclear power in the third world. This is the IAEA's promotional business. It has grown tremendously in recent years.

Regulation and promotion are inconsistent. In 1974, the American Atomic Energy Commission was disbanded, and in its place two new bodies were created, one to license and regulate nuclear power plants, the other to encourage their construction through research and development. Since then, the new Nuclear Regulatory Commission has proved far stricter in its regulatory duties than the old commission had ever been, much to the displeasure of the nuclear industry and of electricity producers. Their resentment is perhaps the best barometer of the success of the commission as a regulatory body.

EXPENSIVE POWER, EASY BOMBS

Although officials in Vienna are certainly not trying to encourage weapons proliferation, they have become open partisans of greater use of nuclear power in the poor countries. The economics of nuclear power depend greatly on levels of interest rates and on assumed forward prices for other rates of energy, but at present the economic arguments tell against nuclear power except in the most populous and advanced countries of the third world, such as Brazil and Iran. Reactor types are generally too big for their needs. Now the IAEA is promoting smaller reactors and soliciting support from poor countries.

Furthermore, the agency is encouraging third-world countries to ask for a "nuclear power planning study" to assess the prospects for atomic energy. Pakistan, Bangladesh and Indonesia called in the IAEA early on, and the studies were completed last year. Others will follow. And although each of the studies is essentially an "energy audit," the common assumption is that, where at all possible, nuclear power should fill the gap between indigenous energy supplies and demand. That is a self-serving assumption to make, especially when a wide range of alternative energy sources, notably solar, are only now coming on line. It is also politically undesirable. Most northerners should not want a body that their taxpayers help finance to be persuading the General Amins of this world to make uneconomic decisions in favour of energy systems from which local nuclear bombs could be a byproduct.

There is an argument for providing information to the less-developed countries, but not for myopically promoting nuclear power in them. The sellers' cartel formed by the seven exporting countries, now trying to put some order into safeguard rules, should be the first to accept the need for the IAEA to spend all its time safeguarding, not promoting, the seven's exports. That is what Britain should have proposed this week.

LULAC NATIONAL EDUCATION CENTERS

Mr. MONTOYA. Mr. President, one of the most serious problems which the Congress faces this year is to explain to the public our reasons for refusing to accept the severe cuts which the President's budget request suggests in Federal education and social service programs. Because most of these programs were designed to correct inequities which adversely affect specific target populations, each with limited numbers of advocates, it has become necessary for us to refight old battles over and over again in an effort to maintain support for even the most successful programs. I believe an excellent example of that problem can be seen in the funding request for Community Services Administration in the 1977 budget of the President. For fiscal year 1976 the appropriation was $497,152,000. The request this year is for a reduction to $334,000,000.

This cut, if accepted by the Congress, will cause severe injury to many good programs. I would like to pinpoint one specific program in some detail, as an example of the danger of this kind of wholesale cutback without consideration or preparation for alternative support.

One of the most difficult education problems we face is the severe underrepresentation of Hispanic Americans in our institutions of higher education. Even though this is the Nation's second largest minority, comprising 6 percent of the total population, they account for only 2 percent of our college enrollment, and only one-half of 1 percent of our college faculties. A long and tragic system of benign neglect and cultural discrimination has kept those figures low. There is an extreme shortage, as a result, of college trained Hispanic professionals to provide adequate leadership and representation in such vital fields as medicine, business, law, education, engineering, and others. In spite of great strides which Spanish-speaking Americans have made in recent years, there still exist sharp imbalances which must be corrected for the sake of the future social and educational health of Spanish-speaking communities and students.

Because of the urgent need to correct this critical situation confronting Hispanics in higher education, the LULAC educational centers were founded in 1973 by the League of United Latin American Citizens. LNESC is currently funded by the Community Services Administration—CSA. It is the express intent of LNESC to foster Hispanic leadership through education by striving to increase the number of Hispanic students attending the country's colleges and universities. LNESC also seeks to increase public awareness of the unmet higher educational needs of Spanish-speaking Americans. At the same time, LNESC through the recruiting, counseling, and placement services provided by its 11 field centers, is working to alleviate and eventually solve the problem of low Hispanic participation in higher education.

The New Mexico LULAC Educational Service Center in Albuquerque began serving the citizens of New Mexico in July 1973. While the Center's primary function is to increase the number of Spanish-surnamed students in America's colleges and universities, the Center also extends its services to any and all disadvantaged students regardless of their ethnic background. Since its inception, the New Mexico Center has counseled over 2,600 individuals seeking higher education. It has enrolled over 1,600 students in institutions of higher learning, in addition to generating over $1,200,000 in financial aid. These figures and the excellent relationship with the community indicate that the New Mexico LULAC Educational Service Center is a vital force in the field of higher education in New Mexico's colleges and universities and in other schools throughout the country. Former LNESC participants are now completing programs at UCLA, Georgetown, Harvard, Brandeis, Radcliffe, and many other fine institutions of higher learning.

The community, universities, career schools and high schools of New Mexico work closely with the LULAC Educational Service Center and vice versa. This year, for example, the close cooperation with the city of Albuquerque led the city to entrust the center with the coordination and administration of the city's CDA—Community Development Association—scholarship fund which benefited 189 students. This cooperative effort was made possible by the credibility the center has established in serving all students in need of help and not just those of Hispanic heritage.

Many high schools, as well as colleges and agencies throughout the State, invite LULAC Educational Service Center personnel to provide them or other individuals with the Center's Services. New Mexico Highlands University and New Mexico Western University are considering permitting some of their graduate students pursuing degrees in the field of guidance and counseling to complete their "practicum experience" with the center.

The New Mexico Center also works closely with other organizations and programs such as SER, OIC—Opportunities Industrial Center—Albuquerque Job Corps for Women, Talent Search, New Mexico Opportunity Center, to name a few. Care is taken not to duplicate services in a given area. The city of Albuquerque and the county of Bernalillo OCETA program have recognized both the effectiveness and the need for the Center's services by allocating personnel to the Center in order to help meet the needs for its services.

The staff members, including the director, counselors, and support staff, are bilingual in English and Spanish. They have all lived and worked in the area for many years and are familiar with the community they serve, thus enabling the staff to create an atmosphere of cooperation, rapport, and trust while assisting low income and educationally disadvantaged students.

LNESC staff members pride themselves in their support of community voluntary organizations during their own time. Close working relationships have been established with many New Mexico government officials, from the Governor's office to Municipal government agencies.

The New Mexico LULAC Educational Service Center is only 1 of the 11 centers throughout the country. Nationally, LULAC National Educational Service Centers have enrolled 11,160 students in the nation's colleges and universities and have counseled over 36,000 students in addition to generating over $10.5 million in financial aid. Other centers are located in Boston, Chicago, Colorado Springs, Corpus Christi, Houston, Phoenix, Pomona, San Francisco, Seattle, and Topeka. LNESA is a prime example of what CSA can and has done nationwide for low income groups, particularly in the area of adult education.

This is not an example of Federal bureaucracy at work wasting the taxpayers' dollars. This is an example of a Federal program which is contributing to the present and future well-being of the local communities in which it is being used. It is a very good example of government working to solve problems in an efficient and productive way. It is also an example of the kind of program which we must preserve, in spite of the mindless attacks of the budget cutters.

THE OCEAN AND COASTAL RESOURCES ACT OF 1976

Mr. GRAVEL. Mr. President, on March 17, Senators PELL, HOLLINGS, and others introduced S. 3165, the Ocean and Coastal Resources Act of 1976. This legislation extends authorization for the national sea grant program, and establishes a national policy for the development of our marine resources through NOAA. As I have been involved in the strengthening and preservation of our marine resources for some time, I am pleased to join with my colleagues in cosponsoring this legislation.

The sea grant program has contributed significantly to the body of technical and economic knowledge of our seas. There are presently several important studies operating under the sea grant program through the University of Alaska: experiments in artificial upwelling to increase marine life nutrients, investigations as to the most beneficial fish hatchery sites, the development of a chemical assay for clam toxin. All of these projects have tremendous environmental and economic implications.

NOAA and the sea grant program have not merely been engaged in isolated research projects, but have applied their knowledge to the very real problems our Nation, and other nations, face, that is, the need for increased reliance upon marine resources, combined with the awareness that we must insure the continuation and protection of those same resources.

The changes in this bill—a strengthened national marine policy role for NOAA, and a structuring of the sea grant program to meet national, State, and regional needs—will serve to integrate goals and disseminate knowledge in order to build a sound national marine resource policy.

EXPRESSION OF SUPPORT FOR DAVID SMITH TO BE AMBASSADOR TO SWEDEN

Mr. PELL. Mr. President, I wish to express my support for David Smith who is taking on the challenge of being our Ambassador to Sweden.

Having known and liked him for more than 20 years, I believe that I have good grounds for supporting his candidacy.

He has the education, experience, and interests that will equip him to do an outstanding job.

While my fellow committee members know my general thought that the proportion of career Ambassadors should be increased, this appointment is one that I would like to see as a model for noncareer appointments when and if they are made.

I know Mr. Smith and his attractive wife will do an excellent job representing our country and wish them well.

ESTATE TAX REVISION

Mr. BURDICK. Mr. President, I am pleased today to bring to the attention of my colleagues a recent editorial written by Mr. John Paulson, editor of the Fargo Forum. Mr. Paulson's insightful comments, published in the March 8 morning edition of North Dakota's largest daily, concern the updating of the Federal estate tax.

Mr. Paulson is to be commended for his careful analysis of the many pieces of legislation which have been introduced in the 94th Congress to provide the first meaningful revision of the Federal estate tax since 1942. Mr. Paulson has stated perhaps the most compelling argument for revision of the exemption levels from the current $60,000 to much higher figures. His thesis is that persons in all walks of life, not just farmers and ranchers, will benefit from the raising of the exemption level to $200,000. Urban homeowners, small business operators, as well as all other citizens who have wisely managed their financial resources should be accorded tax relief. I wholeheartedly endorse the Forum's position that any relief provided be accorded across the board.

Mr. President, I ask unanimous consent that the Fargo Forum editorial of March 8, 1976, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL INHERITANCE TAX RELIEF SHOULD BE UNIFORM FOR EVERYONE

There is a concerted effort among the farmers of this nation to have Congress pass some special relief for them from the federal inheritance tax. The same effort is being made in those states where the state inheritance tax is as tough or tougher than the federal tax.

There is no doubt but what the exemptions allowed under either state or federal inheritance tax laws have not kept pace with inflation. For the federal tax, the exemptions were established in the early 40s and have stayed unchanged. Under the $60,000 exemption for individuals, whole farms could be passed from father to son or daughter without a nickel being paid to Uncle Sam.

With land selling in the neighborhood of $50 an acre, no trouble was encountered in passing along two sections from one generation to the next. Some land values have increased tenfold since then, and the exemption covers only 120 acres instead of 1,200.

Senators and congressmen from farm states get strong support from their constituents when they propose that the exemptions be increased to at least $200,000 for family farms, but there has been no noticeable reaction from the tax committees of Congress yet. It doesn't take any great amount of political smarts to figure out that the urban congressmen, who dominate Congress, aren't going to devise a program to aid those that they describe as the rich farmers without doing something for the voters in their own districts.

They have a point. The successful small business, whether it be a fast food franchise, a combination car repair and service station or a suburban drug store, has taxable values similar to those of farmland, and the estate tax man wants Uncle Sam's money right now when the death taxes come due. It should also be noted that the residential values throughout the nation have jumped in value in about the same proportion as have farms. The $18,000 home of 10 years ago could well be worth $45,000 or $50,000 now. And residential values push up the taxable values of estates just as do farm values.

So the problem before Congress is not the simple one of protecting the "right" of farmers to pass an operating farm along from one generation to the next. Also to be protected are the suburban homeowners, the small business operators and also those who have managed to have a tidy nestegg through thrift or wise investments. The logical solution would be to increase the exemptions uniformly for everyone, just to keep pace with inflation which has been triggered by the high spending level set by one Congress after another.

"DAY CARE CATCH 22"

Mr. JAVITS. Mr. President, a letter to the editor appeared in Tuesday's edition of the New York Times which poses questions the Senate must address. "Day Care Catch 22" raises important long-range concerns which, I hope, will be brought before the Senate in the near future.

The problem of CETA reauthorization is presently being considered by the Subcommittee on Employment, Poverty and Migratory Labor of the Senate Committee on Labor and Public Welfare. It is anticipated that shortly the full Committee on Labor and Public Welfare will have a bill for reauthorization of public service employment before it. Problems remain for some prime sponsors whose funds will expire before June 30, 1976, but it is hoped that an emergency supplemental appropriation bill will be passed to enable those prime sponsors to continue their programs through June 1976. Before then, a bill authorizing 1 million public service jobs for local projects of 1-year duration will have been considered by the Congress. This will continue the present programs with additional funds authorized to develop local projects through fiscal year 1977. If we do this quickly, Peter Aviles will have his question answered.

The problem of day care eligibility has long been a concern of Congress. As presently constituted, income eligibility as a criteria works as a disincentive to work. The question of welfare reform has been raised many times before this body. Recently, I introduced S. 3000, Tax Credits and Allowances Act of 1976, which approaches the problem of work disincentives from many angles, and comprehensively reforms the welfare system as we know it. Within this reform, the various Catch 22's that have caused so much consternation will be eliminated. The day care question would be addressed by elimination of income eligibility tests, and by charging a standard fee for the service regardless of income. I realize there may be no prospect of immediate action on this measure, but it is time we begin considering the merits of the arguments.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAY CARE CATCH 22

NEW YORK, *March 11, 1976.*

TO THE EDITOR: As one intimately involved with day-care issues, parents and children, I feel compelled to respond to the statement by First Deputy Mayor John E. Zuccotti quoted in The Times (March 10) that "as many as 16,000 of the 36,200 children enrolled in 410 centers financed by the city, state and Federal governments might be ineligible."

The public should be aware that New York State has lowered the financial eligibility thresholds for families to inadequate levels as part of the state's program to cut its own expenses in response to the budgetary crisis. Current eligibility maximum annual gross income levels are $11,411 for a family of four, $9,585 for a family of three and $8,730 for a family of two. Any earnings over that amount immediately disqualify a family for day care, because the former system of sliding-scale fees based on income levels has been eliminated.

The irony and cruelty of the current eligibility system is that children are eligible for day care while the parent is receiving welfare and during job training, but once the parent obtains employment, the family income level often disqualifies the parent for the day-care services needed in order for the parent to have some place to leave preschool children while the parent is at work.

Unrealistically low income eligibility levels wreak hardship on parents who want to work but who lose day-care eligibility if they do so. To label children as "ineligible" is conveniently to ignore this "Catch 22" reality of the present day-care eligibility system.

MARGARET G. EISENSTADT.

THE CASE FOR A 40 PERCENT TAXABLE BOND ALTERNATIVE

Mr. KENNEDY. Mr. President, last week the House Ways and Means Committee favorably reported H.R. 12774, a major bill designed to provide an alternative method of State and local financing through the payment of a Federal interest subsidy on bonds that the issuing jurisdiction chooses to make taxable.

The idea is so worth while that I hope the measure will be promptly approved by both the House and Senate, so that its benefits can begin to flow as soon as possible to State and local governments.

Although there are many points in favor of the bill, one that should be especially appealing to Members of the Senate and House, whatever their political philosophy, is the fact that use of the taxable bond alternative will vastly improve the efficiency of the existing subsidy to State and local bonds.

I say "existing" subsidy, because Congress is today, through the tax exemption for State and local bonds, providing a $4.5 billion a year tax subsidy to State and local governments—but only $3 billion of the subsidy actually reaches its destination; $1.5 billion is siphoned off in the form of tax benefits for the wealthy private citizens, commercial banks and insurance companies who have been the principal purchasers of tax exempt bonds. In other words, it costs the Federal Government $1 to provide 67 cents worth of benefits to State and local governments.

By contrast, as the Ways and Means Committee and others have pointed out, the taxable bond alternative offers much higher efficiency in the expenditure of scarce Federal funds. For each Federal dollar spent, $7 of benefits flow through to State and local governments. Thus, the shift to the alternative gives much more bang to the Federal buck—10 times more bang, in fact, than the existing wasteful subsidy for tax-exempt bonds.

H.R. 12772—and S. 3211, the companion bill I have introduced in the Senate—do not impair the tax-exemption option available to State and local governments. But the bills do encourage these jurisdictions to try the taxable bond alternative, as a way of obtaining substantial new Federal assistance at far lower net cost to the Federal Treasury.

The taxable bond alternative is also designed to minimize as much as possible the instinctive reaction that arises in some quarters against Federal intrusion into the traditional preserve of State and local financing. The bill accomplishes this goal in three ways:

The Federal subsidy will be automatic, in the sense that the subsidy will be available without Federal conditions or other Federal oversight to all jurisdictions that choose the alternative of issuing taxable bonds.

In addition, the subsidy will be funded by a guaranteed entitlement, to insure that the Federal funds for the subsidy will not become victims of the vagaries and delays and uncertainties of the annual appropriations process in Congress.

Finally, the subsidy will be set at a level low enough—35 percent in the pending House bill and 40 percent in my Senate bill—to guarantee that it will not disrupt the existing tax-exempt bond market, which will continue to be available for all jurisdictions that wish to use it.

My strong preference is for a 40-percent level of the subsidy, as the proper balance between encouraging use of the taxable bond alternative and avoiding disruption of the existing tax-exempt market.

The following table indicates the effect on the estimated $30 billion in annual issues of State and local bonds, at various levels of the subsidy:

Subsidy level	Amount of taxable bonds issued (millions)				Amount of tax exempt bonds issued (millions)	
	Short term	Long term	Total	Percent	Total	Percent
30 percent		$1,400	$1,400	5	$28,600	95
35 percent	$200	2,900	3,100	10	26,900	96
40 percent	500	4,500	5,000	17	25,000	80
45 percent	1,000	6,200	7,200	24	22,800	73
50 percent	14,500	13,700	28,200	94	1,800	6

These figures make a convincing case for at least a 40-percent subsidy level. At this level, only about $5 billion, or 17 percent, of the $30 billion of annual State and local government offerings would shift over to the taxable bond market.

Even at a 45-percent subsidy level, only about a quarter of the offerings would shift to the taxable alternative. At this level, there is no real threat to the existing tax-exempt market, since the vast majority of offerings would still be made through the tax-exempt route.

It is only when the 45-percent subsidy level is exceeded and the 50-percent level is approached that serious effects begin to be felt on the tax-exempt market. My hope, therefore, is that Congress will see fit to adopt the 40-percent level as the most appropriate compromise for the subsidy.

These data offer virtually no justification for the administration's support of a 30-percent level for the subsidy. At this level, only 5 percent of the offerings would choose the taxable alternative, and the minuscule resulting use of the approach would effectively bar its role as an efficient source of new capital formation for State and local governments. In effect, Congress would be adopting the concept in theory, but would be denying it in practice.

Moreover, as the following table indicates, the 30-percent subsidy level would mean an extremely low net Treasury cost, defined as the gross cost of the subsidy to the Treasury, less the revenues generated for the Treasury from taxes on the interest on the taxable bonds. For a 30-percent subsidy, the net cost would only be $7 million in the first full year of the program, and only $81 million by the 10th year, when the program would be operating at equilibrium. The low net cost emphasizes the negligible role the administration envisions for the new program.

FEDERAL COSTS AND STATE-LOCAL BENEFITS OF TAXABLE MUNICIPAL BONDS AT VARIOUS SUBSIDY LEVELS

[In millions of dollars]

	Year (30 percent)		Year (35 percent)		Year (40 percent)		Year (45 percent)		Year (50 percent)	
	1st	10th	1st	10th	1st	10th	1st	10th	1st	10th
Gross subsidy cost	39	486	99	1,240	181	2,272	290	3,653	1,174	14,766
Revenues generated	32	405	77	975	135	1,704	210	2,638	1,026	12,908
Net subsidy cost	17	81	21	266	45	568	81	1,015	148	1,858
Reduction in State and local interest cost	69	868	157	1,972	282	3,547	407	5,122	533	6,698

In fact, at all subsidy levels—30 to 50 percent—the net Treasury cost is remarkably low, considering the leverage effect that can be achieved in the form of reduction of State and local borrowing costs. At the 40-percent level which I favor, for example, the net cost of the program would be only $45 million in the first year, rising to $568 million in the 10th year.

In terms of this cost-benefit analysis, the 50-percent subsidy is extremely attractive—except, of course, for the disruptive effect on the tax-exempt market. At 50 percent, the Treasury would be spending $1.8 billion in the 10th year of the program to provide $6.7 billion in benefits to State and local governments.

This is an interesting "might have been"—if, in years gone by, Congress had adopted this sort of subsidy for State and local bonds, and if Congress had set the subsidy at 50 percent, then the program today would be providing $6.7 billion in savings to State and local governments, at a cost to the Federal Treasury of $1.8 billion.

In other words, at less than one-third the cost of the current revenue sharing program, we could be giving State and local governments even more benefits than they now receive under revenue sharing. That fact should be food for thought for Governors and mayors and municipal finance officers, as they balance their concern for retaining the existing tax exempt market against their need for capital formation and realistic forms of Federal aid that Washington can afford.

The potential savings and benefits and efficiencies available under the taxable bond alternative are dramatic points in favor of the pending bills. I believe the proposal deserves careful consideration by all of us in Congress, and by State and local officials throughout the country. I hope that it will be approved.

Mr. President, an excellent background paper on the taxable bond alternative has been prepared by the staff of the Joint Committee on Internal Revenue Taxation, and I ask unanimous consent that excerpts therefrom may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TAXABLE BOND ALTERNATIVE FOR STATE AND LOCAL GOVERNMENTS

[Prepared for the use of the Committee on Ways and Means by the Staff of the Joint Committee on Internal Revenue Taxation]

PRESENT LAW

Interest payments received from debt obligations issued by State and local governments and their instrumentalities generally are exempt from Federal income tax (section 103 of the Code). The exemption has been provided since the adoption of Federal income tax in 1913. In contrast, interest payments on virtually all debt obligations issued by the Federal Government are subject to Federal income tax.

The tax law presently places no restrictions or conditions on issuing tax-exempt general revenue and general obligation State and local government bonds or on the use of the proceeds from these bonds. However, in the case of industrial development bonds[1] the tax-exempt status is available only for small issues of industrial development bonds (up to $1 million annually) or where the total project costs involved are not over $5 million. Additional exemptions also apply to site purchases and development for industrial parks and to several types of business activities carried on by governmental units, such as stadiums and coliseums, residential housing, pollution control and waste disposal, and transportation, terminal and storage facilities.

Tax-exempt status also is not available for arbitrage bonds issued by State and local governments. Arbitrage bonds, in general, are issued at the low tax-exempt bond interest rate, but the proceeds are invested in Federal Government (or other) bonds whose higher rates of interest are not taxed when held by State and local governments. Tax exemption was withdrawn from State or local bonds used for this purpose because they often produce income for the State or local government and may not be used to finance a government function.

BACKGROUND: THE TAX-EXEMPT BOND MARKET

Capital outlays by State and local governments, and bond issues to finance them, have increased sixfold since 1950. In addition to traditional expenditures for schools and other public buildings, highway projects and sewer and water projects, substantial capital outlays in recent years have been made for transit systems, public pollution control devices and industrial activity through industrial revenue bonds. As is indicated by table 1, State and local government bond issues have increased from about 10 percent to nearly 25 percent of the total funds raised in capital markets since 1947. Over the same period, funds raised by corporations in the capital markets have increased from about one-third of the total to nearly 45 percent of the total.

TABLE 1.—ISSUES OF SECURITIES BY PUBLIC AND PRIVATE ORGANIZATIONS, 1947-72

[In millions of dollars]

Year	Total	Corporations				Government bonds		
		Bonds	Common stock	Preferred stock	Corporate total	Total	U.S. Government	State and municipal
1947	19,941	5,036	779	762	6,577	13,364	10,589	2,324
1948	20,250	5,973	614	492	7,078	13,172	10,327	2,690
1949	21,110	4,890	736	425	6,052	15,059	11,804	2,907
1950	19,893	4,920	811	631	6,361	13,532	9,687	3,532
1951	21,265	5,691	1,212	838	7,741	13,523	9,778	3,189
1952	27,209	7,601	1,369	564	9,534	17,675	12,577	4,401
1953	28,824	7,083	1,326	489	8,898	19,926	13,957	5,558
1954	29,765	7,488	1,213	816	9,516	20,249	12,532	6,969
1955	26,772	7,420	2,185	635	10,240	16,532	9,628	5,977
1956	22,405	8,002	2,301	636	10,939	11,467	5,517	5,446
1957	30,571	9,957	2,516	411	12,834	17,687	9,601	6,958
1958	34,413	9,653	1,334	571	11,558	22,885	12,063	7,449
1959	31,074	7,190	2,027	531	9,748	21,326	12,322	7,681
1960	27,541	8,081	1,664	409	10,454	17,387	7,906	7,230
1961	35,527	9,420	3,294	450	13,165	22,363	12,253	8,360
1962	29,956	8,969	1,314	422	10,705	19,251	8,590	8,558
1963	35,199	10,856	1,011	343	12,211	22,989	10,827	10,107
1964	37,122	10,865	2,679	412	13,957	23,165	10,656	10,544
1965	40,108	13,720	1,547	725	15,992	24,116	9,348	11,148
1966	45,015	15,561	1,939	574	18,074	26,941	8,231	11,089
1967	68,514	21,954	1,959	885	24,798	43,716	19,431	14,288
1968	65,562	17,383	3,946	637	21,966	43,596	18,025	16,374
1969	52,747	18,348	7,714	682	26,744	26,003	4,765	11,460
1970	88,666	30,315	7,240	1,390	38,945	49,721	14,831	17,762
1971	106,430	31,883	10,459	3,683	46,025	60,406	17,325	24,370
1972	96,481	28,896	9,694	3,367	41,957	54,523	17,080	23,028

Source: "1973 Statistical Supplement to the Survey of Current Business," pp. 103-104.

---

[1] Present law defines an industrial development bond as a State or local government obligation a major portion of the proceeds of which is to be used for the benefits of a taxable business, and the payment of which is secured by an interest in property used by a taxable business or is to be derived from revenue of such a property.

From 1960 to 1972 State and local government long-term bond issues have increased from $7.23 billion to $22.94 billion—more than threefold (see table 2). These capital issues have been used for schools, water and sewer projects, highway projects, veterans aid, public housing, industrial aid, and other uses. The relative importance of these activities has varied during the 13-year period. Bonds issued for school purposes have more than doubled, but the relative importance of school construction has decreased from 34 percent of the total in 1960 to 23 percent in 1972. Water and sewer projects, highway projects and public housing have experienced two to threefold increases in absolute levels of bond financing, but their relative importance also have declined among all State and local government activities financed through bond issues.

TABLE 2.—STATE AND MUNICIPAL BONDS SOLD BY PURPOSES 1960-72

[In thousands]

Year	School	Water and sewer	Highway bridge and tunnel	Veterans aid	Public housing authority	Industrial aid	Other	Total
1972	$5,348,943	$2,841,441	$2,082,267	$259,700	$958,960	$470,695	$10,978,836	$22,940,843
1971	5,723,009	3,617,497	2,717,903	307,300	1,000,435	219,510	10,783,880	24,369,536
1970	4,583,101	2,329,706	1,497,392	213,000	130,790	47,593	8,560,061	17,761,645
1969	3,174,829	1,357,049	1,571,846	147,000	397,885	24,020	4,737,622	11,460,251
1968	4,717,957	1,887,228	1,564,259	155,000	524,810	1,585,269	5,939,808	16,374,332
1967	4,454,022	1,947,162	1,140,352	165,000	477,510	1,325,147	4,773,754	14,287,949
1966	3,719,296	1,637,418	1,493,202	90,000	439,705	504,460	3,204,857	11,088,938
1965	3,615,745	1,904,759	966,254	50,000	464,045	211,631	3,870,754	11,084,188
1964	3,377,700	1,702,849	354,293	120,000	635,745	191,351	3,562,188	10,544,127
1963	3,100,241	1,793,406	1,000,348	25,000	254,015	119,120	3,314,534	10,106,663
1962	3,001,785	1,319,628	1,146,000	125,000	381,800	84,317	2,499,669	8,558,209
1961	2,713,707	1,354,650	1,204,062	477,676	188,810	71,711	2,348,895	8,359,512
1960	2,432,748	1,007,859	1,072,944	200,000	382,755	46,867	2,086,317	7,229,500
Percentage distribution (selected years):[1]								
1972	23.3	12.4	9.1	1.1	4.2	2.1	47.9	100
1970	27.5	13.1	8.4	1.2	.7	.3	48.2	100
1965	32.6	17.2	8.7	.5	4.2	1.9	34.9	100
1960	33.7	13.9	14.8	2.8	5.3	.7	28.9	100
Percentage change 1960-72	220	282	194	130	250	1,002	526	317

[1] Details may not add to total due to rounding.

Source: Bond Buyer's "Municipal Finance Statistics." vol. 11, May 1973.

Industrial aid programs, which are financed through industrial revenue bonds, increased from $47 million in 1960 to $1.6 billion in 1968; they decreased to $24 million in 1969 (because of restrictions in their size provided in the 1969 Tax Reform Act) but rose to $471 million in 1972. From 1960 to 1972, the increase was tenfold, but the 1968 level was more than 30 times the 1960 level. In table 3 are estimates of gross fixed capital formation by type, by State and local governments, from the period from 1958 to 1973.

One of the effects of the substantial increase in the use of industrial revenue bonds which has been of concern to State and local governments is the market congestion which results from the increased number of bonds competing for buyers in the tax-exempt market. This congestion increases tax-exempt interest rates and narrows the interest differential between taxable corporate and tax-exempt State and local bonds.

Interest yields on both corporate taxable bond issues and on tax-exempt State and local government issues have increased substantially since the end of World War II. As shown in table 4, average corporate yields in 1947 were 2.86 percent, and average municipal yields were 1.93 percent. By 1975, average corporate yields had risen to 9.46 percent and average municipal yields to 7.05 percent. Through this period, the ratio of government tax-exempt yields to corporate taxable yields has fluctuated between 64 percent and 80 percent. From 1969 to 1975, the ratio has varied between 67 percent and 79 percent—the lowest level in 1973 and the highest in 1969. The higher ratios have taken place when corporate or government demand for funds has increased or when a tight monetary policy has prevailed.

TABLE 3.—STATE AND LOCAL GOVERNMENT GROSS FIXED CAPITAL FORMATION BY FUNCTION

[Billions of dollars]

	Total	Highways	Education	Sewer and water	Health	Airports and water terminals	All other
1958	13.8	5.9	3.5	1.5	0.4	0.1	2.3
1959	14.3	6.2	3.4	1.6	.4	.4	2.3
1960	14.3	5.8	3.7	1.6	.4	.4	2.5
1961	15.5	6.2	4.0	1.7	.4	.4	2.8
1962	16.3	6.8	4.0	1.8	.4	.4	2.9
1963	18.0	7.5	4.6	1.9	.4	.4	3.1
1964	19.5	7.6	5.2	2.4	.4	.4	3.5
1965	21.4	8.1	5.8	2.6	.5	.5	4.0
1966	23.8	9.0	7.1	2.5	.5	.5	4.2
1967	26.0	9.3	7.9	2.5	.7	.6	5.1
1968	28.5	10.0	8.1	3.2	.8	.8	5.6
1969	29.2	9.9	8.1	2.9	.9	.8	6.6
1970	29.8	10.7	8.1	2.8	.9	.9	6.4
1971	31.4	11.2	8.3	3.3	1.0	.7	6.8
1972	32.2	11.0	8.6	3.4	1.1	.8	7.3
1973	34.9	11.2	9.8	3.9	1.1	.8	8.2

Note.—Details may not add to totals because of rounding.

Source: Paul Schneiderman, "State and Local Government Gross Fixed Capital Formation," in "Survey of Current Business," October 1975, p. 23.

TABLE 4.—COMPARISON OF YIELDS ON CORPORATE AND MUNICIPAL BONDS, 1947-75

[In percent]

Year	Average corporate yield	Average municipal bond yield[1]	Ratio of municipal to corporate bond yields
1947	2.86	1.93	0.675
1948	3.08	2.35	.763
1949	2.95	2.15	.726
1950	2.86	1.90	.664
1951	3.08	1.97	.640
1952	3.19	2.20	.690
1953	3.43	2.73	.800
1954	3.16	2.38	.753
1955	3.25	2.49	.766
1956	3.57	2.80	.784
1957	4.21	3.28	.779
1958	4.16	3.18	.764
1959	4.65	3.58	.770
1960	4.73	3.51	.742
1961	4.66	3.46	.742
1962	4.62	3.14	.680
1963	4.50	3.18	.707
1964	4.57	3.20	.700
1965	4.64	3.28	.707
1966	5.34	3.83	.717
1967	5.82	3.96	.680
1958	6.51	4.47	.687
1969	7.36	5.79	.787
1970	8.51	6.34	.745
1971	7.94	5.46	.688
1972	7.63	5.25	.688
1973	7.80	5.22	.669
1974	8.98	6.19	.689
1975	9.46	7.05	.745

[1] From Bond Buyer, 20 bonds.

Source: "1973 Statistical Supplement to the Survey of Current Business," p. 105, for 1947 through 1972; Federal Reserve Bulletin, February 1976, p. A28 for 1973-75.

PROBLEMS IN THE PRESENT TAX-EXEMPT MARKET

In order to attract investors into the tax-exempt market, interest yields on tax-exempt issues rise to the level where they are equal to the yield after taxes on taxable corporate bonds (assuming the same risk). For individual taxpayers in the 70 percent marginal tax bracket a ratio of tax-exempt to taxable interest rates as low as 30 percent would equal the after-tax yield on a taxable bond. For an individual in the 50-percent tax bracket, the ratio must be at least 50 percent, and the ratio must be 72 percent for a taxpayer in the 28-percent bracket. Table 5 shows the relationship among income tax brackets, taxable bond yields and after-tax yields, which are the rates at which an investor would be indifferent between taxable and tax-exempt bonds, assuming the same risk.

TABLE 5.—AFTER-TAX YIELD ON TAXABLE BONDS, BY SELECTED INCOME TAX BRACKETS

[In percent]

Income tax bracket	Taxable bond yields					
	10	9	8	7	6	5
70	3.0	2.7	2.4	2.1	1.8	1.5
60	4.0	3.6	3.2	2.8	2.4	2.0
50	5.0	4.5	4.0	3.5	3.0	2.5
40	6.0	5.4	4.8	4.2	3.6	3.0
35	6.5	5.9	5.2	4.6	3.9	3.2
30	7.0	6.3	5.6	4.9	4.2	3.5

Because there are relatively few persons in the highest tax bracket, it is necessary to increase the yield on tax-exempt issues relative to taxable corporate issues substantially above the 30-percent ratio in order to attract sufficient investors. The higher yield on tax-exempt bonds (relative to the after-tax yields on taxable issues) attracts the more numerous taxpayers in the somewhat lower marginal tax brackets who then find tax-exempt issues desirable investments. This usually occurs as the volume of tax-exempt offerings increases. This also usually means that tax-exempt bonds are a larger share of total issues offered, and this in turn means that the ratio of tax-exempt to taxable interest rates probably increases to attract individual investors with lower marginal tax rates.

However, as the differential between tax-exempts and taxables is reduced in order to attract new investors, the higher tax-bracket investors receive a windfall since they would hold tax-exempt bonds even at a lower rate of interest. The amount of the windfall is the difference between the interest yield that would be sufficient to stimulate their purchase of a tax-exempt issue and the higher current market interest yield that was subsequently necessary to bring the additional investors from a lower tax rate bracket into the tax-exempt bond market. The greater the difference between the current market interest rate and the interest rate which would just induce an investor to purchase tax-exempt issues, the greater is the windfall return to the investor.

The graph on chart I, which shows the fluctuations in the municipal-corporate bond yield ratios (listed in the third column of table 4) illustrates this point. The bottom line which is drawn at the 30-percent ratio shows the ratio at which an individual taxpayer in the 70-percent marginal tax bracket would be indifferent between taxable and tax-exempt issues, that is, his after-tax yield is identical for both types of issues. For a corporate taxpayer, the indifference ratio is 52 percent, in terms of the statutory tax rate for taxable income over $25,000 (over $50,000 in 1975 and 1976). For a corporation with an effective tax rate below 48 percent, the indifference ratio would be lower. For each year covered by the graph, the windfall (or subsidy) element is the difference between the ratio and the indifference line, and the windfall varies as the ratio rises and falls.

State and local governments often prefer longer-term issues to finance long-term projects and, as a result, the interest yields and the ratios of tax-exempt to taxable yields tend to be higher on these issues. Consequently, the windfall received by some taxpayers at these yields is higher, but in the existing situation these yields are necessary to attract sufficient numbers of individual investors to the tax-exempt market.

In the past, individuals have not always been major purchasers of tax-exempts, but in 1969, 1974 and 1975, as can be seen in table 6, individuals purchased more than half of the net new issues that were marketed. In 1969, individuals purchased virtually all of the net new issues.

TABLE 6.—ACQUISITIONS OF ANNUAL NET ISSUES OF STATE AND LOCAL GOVERNMENT BONDS, BY TYPE OF HOLDER, 1960-76

[In billions of dollars]

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Total	5.3	5.1	5.4	5.7	6.0	7.3	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4
Households	3.5	1.2	-1.0	1.0	2.6	1.7	3.6	-2.2	-.8	9.6	-.8	-.2	1.0	4.3	10.0	10.1
Corporate business	-.3	(1)	.3	1.1	-.1	.9	-1.0	-.3	.5	-1.0	-.6	1.0	1.0	-.1	.6	-.2
State and local government general funds	(1)	(1)	-.2	-.2	-.1	-.1	(1)		(1)	.1	.2	-.3	.2	.2	.2	-.1
Commercial banking	.6	2.8	5.7	3.9	3.6	5.2	2.3	9.1	8.6	.2	10.7	12.6	7.2	5.7	5.5	1.3
Mutual savings banks	(1)	(1)	-.2	-.1	(1)	-.1	-.1	(1)	(1)	(1)	(1)	.2	.5	(1)	(1)	.6
Life insurance companies	.4	.3	.1	-.2	-.1	-.3	-.4	-.1	.2	(1)	.1	.1	(1)	(1)	.2	.6
State and local government retirement funds	.2	-.1	-.5	-.5	-.4	-.3	-.1	-.1	(1)	-.1	-.3	.1	-.1	-.6	-.6	1.1
Other insurance companies	.8	1.0	.8	.7	.4	.4	1.3	1.4	1.0	1.2	1.5	3.9	4.8	3.9	1.8	2.1
Brokers and dealers	.1	-.1	.2	(1)	.2	-.2	(1)	(1)	(1)	-.2	.6	.1	-.1	.2	-.4	-.1

[1] Less than $50,000.

Source: Federal Reserve flow of funds data.

Because of the attraction of tax exemptions, commercial banks and insurance companies (chiefly casualty and some life insurance companies) have been major sources of funds for these bonds. Commercial banks have been the dominant purchasers, holding about 45 percent of the outstanding issues at the end of 1975. (See table 7.) They have purchased half or more of the net new issues in most of the years since 1960 (table 6). Since the statutory rate on corporate taxable income is 48 percent, yields on tax-exempt bonds need to be only slightly above 52 percent of taxable bonds to attract commercial banks.

TABLE 7.—OWNERSHIP OF MUNICIPAL SECURITIES YEAREND OUTSTANDINGS, SELECTED YEARS

[Dollar amounts in billions]

Year	Total	Households		Commercial banks		Nonlife insurance		All other	
		Billions of dollars	Percent of total	Billions of dollars	Parcent of total	Billions of dollars	Percent of total	Billions of dollars	Percent of total
1960	$70.8	$30.8	43.5	$17.7	25.0	$8.1	11.4	$14.2	20.1
1965	100.3	36.4	36.3	38.9	38.8	11.3	11.3	13.7	13.7
1970	144.5	45.6	31.6	70.2	48.6	17.8	12.3	10.9	7.6
1974	204.1	60.3	29.6	100.3	49.2	30.7	15.1	12.8	6.3

Source: Federal Reserve Board, flow of funds data.

However, commercial banks have a strong preference for assets with short-term maturities, i.e., less than 5 years, because their liabilities also are short-term. As a result, they dominate the short-term tax-exempt market, and the ratio of yields on short-term issues generally has averaged around 52 percent. State and local governments which have substantial portions of their outstanding debt in short-term issues find themselves particularly vulnerable to short-term money market fluctuations, especially when the markets are characterized by high interest rates and/or tight money. Also, the larger the proportion of long-term issues (i.e., a longer average maturity) for any given volume of debt, the smaller the amount of annual refundings. This also means a reduced vulnerability to short-term money market changes.

With a shorter average maturity of debt that requires refunding, the local government must re-enter the money market more frequently and for greater amounts of money. In tight money periods, the larger amounts that must be raised add to the tightness of the general monetary situation. The higher rates of interest prevalent at such times raise the interest costs and also may force many governments up against statutory ceilings on rates of interest that may be paid. With a longer average maturity of the debt, although refundings will encounter identical money market conditions, a smaller proportion of the debt will require refinancing at those times. As a result, a smaller proportion of the debt is liable to encounter risks of a tight market in any year, and the borrowing structure of the government has more flexibility and diversity which enables it to better protect itself against tight money, recessions and other forms of financial stress.

The budget of a government can be affected adversely by having to incur substantial borrowings when interest rates are high. With a given level of revenues, the higher debt service charges caused by the high interest rates reduce the amount of funds that can be spent for other local programs. At the municipal government level, the local programs basically are education, public safety and human welfare where the costs normally are not characterized by much flexibility. In addition, a relatively short average debt maturity is more burdensome for local governments in recessions where they may find it necessary to borrow to meet revenue shortfalls—in addition to necessary refinancing—or must reduce local outlays because the relative burden of debt service has reduced their fiscal flexibility.

Another important effect of the present tax-exempt financing arrangements is that the markets for State and local bonds are largely closed for certain classes of institutional investors for whom long-term bond issues with relatively high long-term rates otherwise would be desirable investments because of the relatively low risk generally associated with such issues. However, these organizations (largely retirement and pension funds and charitable, religious and educational institutions) do not purchase many tax-exempt issues because the income on their investments is also tax-exempt. These bonds would be attractive to these organizations, however, if they were taxable and had higher yields, because of their relative safety and the opportunity they would present for greater diversification of risk in their investment portfolios.

PROPOSALS AND PREVIOUS COMMITTEE ACTION

Several proposals have been made to provide a taxable bond with an interest subsidy by the Federal Government as an alternative to tax-exempt financing of State and local government capital outlays. The differences among these proposals primarily involve the rate of the Federal Government interest subsidy to be allowed; the existence and identity of Federal requirements or conditions to be imposed in order to qualify for the interest subsidy; the manner in which the Federal interest payments should be made; and the proper treatment of the Federal funds to pay this interest under the new Congressional budget procedures.

1969 House proposal

In 1969, the House version of the 1969 Tax Reform Act included a Federal subsidy for taxable bonds that could be issued at the election of the State or local government. The Federal subsidy was to vary between 25 and 40 percent of the yield on the taxable bond (between 30 and 40 percent prior to January 1, 1975). The subsidy ratio was to be determined quarterly by the Secretary of the Treasury, who would set the rate after considering the relationship of tax-exempt and taxable yields in view of prevailing money market conditions. No other requirements or conditions were established for any State or local obligation to be eligible for the Federal interest payment if taxable bonds were issued. A "dual coupon" system could be elected under which the Federal share of the interest payment would be paid directly to the bondholder through a separate coupon. This amount was to be paid even if the issuing government defaulted on its interest payment. A permanent appropriation was to be established for Federal subsidy payments.

Treasury proposal

In 1973 and again this year the Treasury Department has recommended an elective taxable bond alternative with a fixed subsidy of 30-percent of the net interest cost. If that net interest cost exceeds 12 percent, however, no interest subsidy would be paid on the excess. The subsidy would be adjusted to reflect any discount or premium and Federal administrative expenses. The subsidy would be assured for the life of the issue, irrespective of any changes in the law that affect subsequent issues. Only obligations presently eligible for tax exemption (under section 103(a)(1) which are issued through competitive public offerings (rather than negotiated directly with the lenders) would be eligible for the taxable option. Obligations maturing within one year, those with unrealistically high net interest expenses (as determined by the Treasury Department), and those held by State and local governments or by agencies owned in part or all by the Federal Government would also not be eligible. In most cases the subsidies could be obtained automatically through certification that the statutory requirements were fulfilled. The interest subsidy would be paid directly to the paying agent of the issuing government without any dual coupon option as in the 1969 bill. Treasury's proposal makes no recommendation regarding how the appropriation of funds for the interest subsidy should be provided.

H.B. 11214 (introduced by Mr. Reuss) and S. 2800 (introduced by Senator Kennedy)

Each of these bills establishes a 40 percent fixed Federal interest subsidy for taxable State and local debt obligations. Each bill extends the subsidy to any taxable State or local bonds, other than those guaranteed by the Federal Government, which would otherwise qualify for tax exemption under the code (sec. 103(a)). Issuing governments are given an entitlement to whatever Federal funds are needed to finance interest payments. The funds to fulfill the entitlement are to be appropriated annually. Payments are to be made to the issuing State or local government or to a paying agent of the issuing government. The bill also establishes a Municipal Technical Assistance Office within the Department of Housing and Urban Development to undertake research and to provide technical assistance to State and local governments concerning municipal capital market management and budgetary planning.

H.R. 12774 (introduced by Mr. Ullman and Mr. Conable)

This bill establishes an election in the Internal Revenue Code for State and local governments to issue taxable bonds and other debt obligations with the Federal Government paying 35 percent of the net interest cost. All State and local obligations (other than industrial development bonds and arbitrage bonds), which are or would be exempt from tax under the code, are to be eligible for this taxable bond alternative. However, obligations held by related entities (such as related pension funds) are to be eligible for the election only if those obligations are issued through a competitive public offering. The bill establishes an entitlement to the Federal funds needed to finance the interest payments. Funds are to be appropriated annually to fulfill the entitlement. The Federal interest subsidy is to be paid to an issuing government (or its paying agent) which will act as paying agent for the Federal Government. The Federal Government is not to be liable for its portion of the interest until the issuing government pays the remaining interest.

AREAS FOR COMMITTEE CONSIDERATION

Economic impact of subsidized taxable bond alternative

Impact on State and local government taxable bond issues.—If a taxable bond option were available, State and local governments could be expected to issue them, other things being equal, as long as the interest rate they have to pay minus the Federal subsidy is less than (or equal to) the interest rate they would have to pay if they issued tax-exempt securities. For example, a State and local government that had to pay 6 percent on its tax-exempt securities would be indifferent between tax exempt obligations and taxable obligations with a 35 percent subsidy if the interest rate on the taxables were 9.2 percent (9.2 percent minus the 3.2 percent resulting from the 35-percent Federal subsidy leaves a net cost of 6 percent to the State or local government). If the interest rate on the taxable bond is less than 9.2 percent, the State and local governments would prefer taxable issues.

Taking into account actual market yields, tax-exempts currently are yielding about 6 percent, and taxable corporate bonds currently are yielding slightly over 9 percent. Probably taxable State and local government bonds would initially (although probably not in the long run) require a slightly higher interest rate than would corporate securities. Therefore, given the present corporate rate of about 9 percent, it is reasonable to expect that with a 35-mile subsidy the taxable State and local bond interest rate would reach an equilibrium somewhere between 9 and 9.5 percent. This means that taxable State and local securities would be attractive to State and local governments but would not be so attractive as to induce State and local governments to switch entirely to taxable issues. The Treasury staff and the Joint Committee staff have estimated that with a 35-percent subsidy rate approximately $200 million worth of short-term and $2.9 billion of long-term taxable bonds would be issued in the first full year. This and similar estimates for other subsidy rates are shown in table 8 below.

TABLE 8.—ESTIMATED AMOUNT OF TAXABLE MUNICIPAL BONDS ISSUED, TAXABLE INTEREST, INCREASED FEDERAL INCOME TAX LIABILITY AND AMOUNT OF FEDERAL SUBSIDY, BY SUBSIDY RATE (1ST FULL YEAR EFFECT)

[Millions of dollars]

Subsidy rate	Average tax rate on taxable interest (percent)	Short-term maturities				Long-term maturities				Total		
		Amount of taxables issued	Taxable interest (0.075)	Tax	Treasury subsidy	Amount of taxables issued	Taxable interest (0.092)	Tax	Treasury subsidy	Tax	Treasury subsidy	Net cost to the Treasury
30 percent	25.0					1,400	128.8	32.2	38.6	32.2	38.6	6.4
35 percent	27.5	200	15.0	4.1	5.3	2,900	266.8	73.4	93.4	77.5	98.7	21.2
40 percent	30.0	500	37.5	11.3	15.0	4,500	414.0	124.2	165.6	135.5	180.6	45.1
45 percent	32.5	1,000	75.0	24.4	33.8	6,200	570.4	185.4	256.7	209.8	290.5	80.7
50 percent:												
Individual	35.0	1,500	112.5	39.4	56.3	7,200	662.4	231.8	331.2	271.2	387.5	
Corporate	48.0	13,000	975.0	468.0	487.5	6,500	598.0	287.0	299.0	755.0	786.5	
Total		14,500	1,087.5	507.4	543.8	13,700	1,260.4	518.8	630.2	1,026.2	1,174.0	147.8

The estimated reduction in State and local interest costs resulting from the taxable subsidy program (discussed more fully below in the section on "Benefits and Market Adjustments") is shown in the bottom row of table 9 below.

TABLE 9.—ANNUAL COSTS AND BENEFITS OF TAXABLE MUNICIPAL BOND PLAN WITH 35 PERCENT SUBSIDY

[Millions of dollars]

	Total for 10 years	Year									
		1	2	3	4	5	6	7	8	9	10
Gross subsidy cost	6,327	99	202	311	425	545	671	803	942	1,088	1,241
Revenues generated	4,970	77	159	244	334	428	527	631	740	855	975
Net subsidy cost	1,357	21	43	67	91	117	144	172	202	233	266
Reduction in State and local interest costs	10,053	157	321	494	676	866	1,066	1,276	1,497	1,728	1,972

Impact on bond purchasers.—The likely composition of investors in State and local taxable securities depends primarily on the level of interest subsidy chosen. At a 35-percent subsidy rate, it is estimated that approximately 70 percent of securities of the taxable State and local issues will be held by taxable investors and about 30 percent by tax-exempts. Thus, the success of such a program does not depend on a large influx of tax-exempt organizations into the State and local bond market. The estimated ownership pattern among the major holders of State and local securities is shown in Table 10 below.

TABLE 10.—ESTIMATED SALES OF NEW MUNICIPAL BONDS BY MATURITY STRUCTURE AND BY MAJOR CLASS OF PURCHASERS

[In millions of dollars]

	Maturity (years)		
	1 to 15	15 and over	Total
Purchaser:			
Banks	12,000	3,000	15,000
Households	2,000	8,500	10,500
Insurance companies	1,000	3,500	4,500
Total	15,000	15,000	30,000
Assumed yields:			
(a) Tax exempt issues	.05	.069	
(b) Taxable issues	.075	.092	
(c) Ratio a/b	.67	.75	

The taxable bonds paying a significant interest rate will, however, attract some tax-exempt investors regardless of the level of interest subsidy. In part, this is because of the portfolio preferences of some tax-exempt investors compared to taxable investors. For example, banks appear to be reluctant to increase the proportion of their assets held in the form of State and local securities because it is dangerous to have too large a portion of one's portfolio in long-term assets which are backed up by short-term deposits. On the other hand, pension funds are engaged in long-term commitments on the liability side, and they have less reluctance to carry long-term investments on the asset side. Therefore, some broadening of the market for State and local government securities will probably be provided by tax-exempt organizations. But the bulk of the securities will still be purchased by taxable entities, such as banks, insurance companies, and individuals.

Cost to Treasury.—Treasury and the Joint Committee staff estimate that the first-year cost to the Treasury of a 35-percent subsidy rate program, which would result in the first-year issuance of $3.1 billion worth of taxable securities, would be $98.7 million. This figure is shown on the next to the last column on table 8. If $3.1 billion of taxable securities are issued at a 9-percent interest rate, about $280 million of taxable interest will be generated. Assuming bondholders have a 27.5-percent average tax rate, the tax revenue from these bonds will be $77.5 million a year, which leaves a net cost to the Treasury of $21.2 million. Table 8 shows these calculations under a 35-percent subsidy and comparable calculations at other subsidy rates. With a gross subsidy at a 35-percent rate, the tax revenues generated and the net subsidy cost to the Treasury are shown for a 10-year period in table 9.

Benefits and Market Adjustments.—One purpose of a taxable bond alternative with a Federal subsidy is to provide lower borrowing costs to State and local governments in a more efficient manner than through a tax exemption alone. This is accomplished principally by reducing the windfall gain to tax-exempt bondholders (as discussed above) and thereby transferring a larger portion of the lost Federal revenues from the tax exemption to State and local governments rather than to the high-bracket taxpayer who holds tax-exempt securities. In effect, what would happen is that as some taxable bonds are issued instead of tax-exempts, competition for buyers in the tax-exempt market will be reduced and thus interest rates on tax-exempt obligations will be relatively lower. Holders of tax-exempt securities will have their windfall reduced, and issuers of tax-exempt securities will pay lower interest costs. The effect of lower interest costs is shown in table 9.

This indicates the estimated size of the reduction in State and local interest costs under a 35-percent subsidy proposal. For example, the first-year estimate shows a reduction in State and local interest costs of $157 million of which $99 million is the direct subsidy and another $58 million is the general reduction in tax-exempt interest rates. Thus, at a net cost to the Federal Government of $21.2 million, the program is expected to generate savings to State and local governments of $157 million.

However, there has been some concern expressed about the impact that market shifts, induced by a taxable bond alternative, might have on financial markets generally and on the market for tax-exempt and taxable securities. Specifically, two major concerns have been expressed. The first is that the tax-exempt market would be eliminated and the second is that any possible savings of State and local governments from an interest subsidy (and any reduction in tax-exempt interest rates) would be offset in other parts of the economy by a rise in interest rates on taxable securities.

As discussed above, the first development is not likely to occur. The staffs estimate that only $3.1 billion out of $30 billion of annual State and local government offerings would shift over to the taxable bond market. This is only 10 percent of the total tax-exempt market, but it can be expected to have a fairly significant impact on the interest rate for tax-exempt securities, generating substantial savings to State and local governments over and above the savings resulting directly from the subsidy.

On the other hand, the transfer of $3.1 billion of funds to the taxable securities market is unlikely to have any significant effect on that market or the interest rates prevailing in the market. The flow-of-funds data indicate that the estimate for 1976 of the total amount of funds to be raised in 1976 is $252.5 billion (see table 11). Subtracting from $252 billion the estimated net new financing of State and local government issues of $13.5 billion reduces the total demands on the market to about $239 billion. The transfer of approximately $3.1 billion from the tax-exempt to the taxable market represents an additional $3 billion to a base of $239 billion, or 1.3 percent. This is likely to have a minimal impact on the interest rates in the taxable securities market.

It would thus appear that the taxable bond subsidy provides a larger amount of the benefits to the State and local government per dollar of cost to the Treasury than does the present system. Under the present system, it costs the Federal Government approximately $1.50 in foregone tax revenue to provide $1 of benefits to the State and local governments. This is a State and local-Federal benefit-cost ratio of 1 to 1.5. As indicated above, under the taxable bond subsidy, the State and local-Federal benefit-cost ratio is estimated to be 7.1 to 1.

Essentially, the taxable bond subsidy transfers to the States and local governments an important part of the windfall (or consumer surplus) presently being received by the higher tax bracket taxpayers who are receiving an interest rate substantially higher than that necessary to induce them to purchase tax-exempt securities because of the necessity to have a high enough rate to attract lower tax bracket taxpayers. The taxable bond subsidy, in effect, reduces the size of this windfall both by reducing the rates on tax-exempt securities and by reducing the amount of tax-exempt securities sold and transfers this benefit to the State and local governments in the form of a subsidy. In turn, the Federal Government is reimbursed for the majority of the subsidy through tax revenues derived from the taxable issues induced by the subsidy.

Permanence of taxable bond subsidy program

If any taxable bond alternative is to be attractive to a substantial number of State and local governments, it must contain assurances that the funds required to finance the Federal interest subsidy will be available in a timely fashion. The simplest way to provide this assurance under the new Congressional budget procedures would be to establish in the legislation an entitlement for State and local governments to the amount of appropriations necessary to pay the full accrued cost of the interest subsidy. The assurance given by this entitlement is that if no funds are appropriated, State and local governments have the right to sue the United States in court to obtain the necessary funds under the entitlement. Thus, annual appropriations of the necessary funds would become virtually automatic. This approach is followed in H.R. 12774.

TABLE 11.—THE FLOW OF FUNDS THROUGH THE U.S. CREDIT MARKETS

[In billions of dollars]

	1972	1973	1974	1975 [1]	1976
Total funds raised	198.3	239.4	218.1	209.0	252.5
U.S. Government	17.3	9.7	12.0	82.0	70.0
Federal credit agencies	6.2	19.6	22.1	8.0	10.0
State and local governments	14.2	12.3	16.6	13.5	13.5
Households	63.1	72.8	44.0	46.5	71.5
Mortgages	39.8	45.6	34.0	34.8	44.0
Other	23.3	27.2	10.0	11.7	27.5
Corporate business	55.3	67.2	77.1	32.0	51.0
Bonds, mortgages, and equities	39.2	34.5	36.3	46.0	34.0
Other	16.1	32.7	40.9	−14.0	17.0
Noncorporate and farm business	15.3	17.9	15.0	9.5	14.5
Financial sectors	22.7	32.4	15.9	4.5	12.0
Foreign	4.3	7.5	15.4	13.0	10.0
Total funds advanced	198.3	239.4	218.1	208.0	252.5
U.S. Government	2.6	3.0	7.4	11.0	10.0
Federal credit agencies	7.0	20.3	24.1	9.0	11.0
State and local governments	3.6	0.4	.3	4.0	5.0
Households	1.1	21.5	22.1	11.0	24.0
Corporate business	2.6	7.9	7.5	16.0	9.0
Noncorporate business	1.1	1.3	.9	1.0	1.0
Foreign	10.7	3.5	12.1	8.0	8.0
Insurance companies	20.4	20.6	20.6	22.0	23.0
Pension funds	14.3	16.4	20.4	26.5	29.0
Thrift institutions	49.9	35.4	27.0	58.0	46.0
Other financial	16.1	18.9	11.3	−3.5	10.0
Federal Reserve System	.3	9.2	6.2	8.5	9.0
Commercial banks	68.8	80.9	58.2	37.5	67.5

[1] Forecast.

Source: Kidder, Peabody & Co., Inc.

Some representatives of State and local governments fear that the Congress might some year decide not to pay the subsidies on taxable bonds that have already been issued. This, of course, would be a breach of faith on the part of the Congress and Congress has not acted this way in the past. More importantly, entitlement programs impose legal obligations on the Federal Government which can be enforced in the Federal court of claims.

Types of eligible obligations

The types of tax-exempt obligations issued by or through State and local governments include general obligations bonds, revenue bonds, short-term loans (most frequently tax or revenue anticipation notes) from banks, some industrial development bonds, and certain obligations issued for housing and other special purpose programs where one of several statutes (other than the Internal Revenue Code) provides for tax exemption.

It has been argued that the tax exemption for interest on these obligations is the equivalent of a Federal interest subsidy, and that as a result under any taxable bond alternative all obligations eligible for the tax exemption should be eligible for the Federal interest subsidy. On the other hand, the Federal Government has already provided limits on the extent to which tax exemption is to be provided, and there would seem to be no requirement that in providing a new taxable bond option, this program be extended to bonds such as industrial revenue bonds. Moreover, it would appear that industrial development bonds could be denied the subsidy because the primary benefits of these bonds go directly to private businesses. In any case the industrial revenue bonds will gain from the fact that tax-exempt bonds generally will bear a lower rate of interest.

In addition, obligations that are exempt through statutory provisions outside of the Code could be denied eligibility because any direct subsidy for these obligations might be more appropriately authorized through the legislation relating to the programs involved.

A separate problem arises in determining what State and local obligations should be eligible for the taxable bond election where an obligation (especially a note) is held by an entity which is related to the issuing government. For example, a local government could issue a note or bond to its local pension fund, or a State government could issue a note to its local government, with the recipient of the note obtaining a Federal interest subsidy. Particularly if these transactions involve no real transfer of funds or reflect less than arm's-length terms, the potential for abuse exists.

A provision which denied eligibility to any obligations held by related entities would prevent the possibility of abuse in this area. However, it would also prevent legitimate investors, such as government pension funds, which have a definite stake in the finances of their own governments, from owning any of their related governments' bonds.

A different approach would be to allow only obligations with a term of one or more years to be eligible for the subsidy (since most loans between related entities involve short-term obligations). However, this limitation alone would not end the possibility of abuse to the extent longer-term issues are involved. Moreover, it would prevent legitimate arm's-length borrowings, such as tax anticipation loans with banks, from being eligible for the interest subsidy.[2]

Alternatively, the committee may be interested in allowing related entities (including pension funds) to invest in taxable obligations only if those obligations are distributed through competitive public offerings (under which independent underwriters submit competitive bids for the right to sell the bonds and the issuing government accepts the lowest substantive bid) and then only if a substantial portion of the obligations are sold to unrelated entities. The argument for this approach is that the public offering process insures that the terms of any issue are set at arm's-length, particularly where the process results in a number of unrelated parties purchasing the obligations.

Under this approach (which is followed in H.R. 12774), however, revenue bonds as well as privately negotiated notes issued as taxable obligations could not be held by related entities, since they are normally not distributed through a public offering. But general obligation bonds, which are in many cases distributed through a public offering, could often be held by related entities.

Subsidy payment liability and procedures

Generally, two alternative plans for distributing Federal interest subsidy payments have been proposed. The 1969 House proposal would have established an elective dual coupon system for taxable bonds, under which the holder of the bond would be paid separately by the Federal Government and by the issuing government. The Federal Government was to be liable for its payment whether or not the issuing government had paid the interest it owed.

The double coupon approach with a fixed U.S. liability for its interest portion may have the effect of improving the credit rating of the issuing government because the Federal guarantee of its interest portion may have the effect of improving the credit rating of the issuing government since the Federal guarantee of part of the interest liability should decrease the risk on payment of part of the interest. To avoid this result H.R. 12774 and the Treasury proposal do not make the Federal Government liable for its interest payment unless and until the issuing government's interest portion has been paid.

Under H.R. 12774 the Federal payment is to be made to the issuing government (if it acts as its own paying agent) or to its paying agent. Under the Treasury proposal payment is made only to an outside paying agent. Thus, any issuing government which ordinarily acts as its own paying agent would have to obtain an outside agent if it issues taxable bonds.

RECESS UNTIL 12:55 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 12:55 p.m. today.

There being no objection, the Senate, at 12:32 p.m., recessed until 12:55 p.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

CONSIDERATION OF AMENDMENTS SUBMITTED TO THE PRESIDING OFFICER PRIOR TO A CLOTURE VOTE

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of Senate

---

[2] Treasury has argued that this limitation is also desirable because it presents unnecessary administrative expenses. Also, it may be argued that a direct subsidy on obligations with maturities of less than 1 year is unnecessary since the differential between the interest rates on tax-exempt obligation and taxable obligations is greatest on these short-term obligations except in periods of extremely tight credit.

Resolution 268, which will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 268) to amend rule XXII of the Standing Rules of the U.S. Senate to provide for the consideration of amendments submitted to the Presiding Officer prior to a cloture vote.

The Senate resumed the consideration of the resolution.

Mr. GRIFFIN. Mr. President, the Senator from Massachusetts has an amendment which he will be offering, and pending his arrival on the floor I would like to express my concern about the proposed change in the rules that is before the Senate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time the Senator consumes not be charged against anyone on this measure, with the limitation not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I thank the Senator.

Mr. President, I do not think this is going to be the most important issue that the Senate is ever going to consider, but I do believe there is an important principle involved. I think that one of the basic questions involved is whether or not we want to make it as easy as possible to invoke cloture.

If Senators know what they are voting on, if they know what the circumstances are, it seems to me they would be more likely to invoke cloture than if they do not know what amendments are at the desk.

At the present time, under rule XXII, for an amendment to be qualified and be considered after the invocation of cloture the Senator must have presented the amendment to the desk and it must have been read to the Senate prior to the vote on cloture.

That is a pretty good rule. The main purpose of the rule is to give the Senate notice of the amendments that will be presented to the Senate in the event debate is cut off.

We have run into the problem that some Senators from time to time, through inadvertence or otherwise, not perhaps being familiar with the rules, have had amendments and did not present them in a timely way. Thus, they would not qualify because they were not read.

The Rules Committee considered this at the request of the Senator from Massachusetts (Mr. KENNEDY) and we reported an amendment to rule XXII which would provide that an amendment would qualify if it was submitted to the clerk and read, as it now is, or if it was submitted in writing 30 minutes prior to the vote—the 30 minutes prior to the vote being to get around the requirement that it be read, but at least it would be available at the desk 30 minutes in advance so that Senators would know what amendments were there.

But the Senator from Massachusetts, at least on yesterday, was not satisfied to have even a 30-minute requirement. As I understand it, one of his amendments will require, or seek to provide, that any amendment would qualify if submitted in writing at any time prior to the sounding of the warning bell, during the course of the vote.

So we really come down to the question of whether we want the Senate to have any notice at all. If notice is not important, then, of course, it does not matter whether it is presented at the beginning of the vote or at the end of the vote or anytime at all.

But I submit to the Senate that we will have fewer successful efforts to close off debate if we change this rule in such a way that the Senate cannot know what it is voting on.

If we adopt the change which the Senator from Massachusetts seeks, it will mean that during the vote, presumably, a Senator can go up to the desk and dump 15 or 20 amendments before the clerk and they will qualify. Senators will go ahead and vote without knowing what those amendments are.

They may be questionable as far as germaneness is concerned, we may have to guess as to what the Presiding Officer will rule with regard to germaneness, but, most important, we will not even know what the amendments are.

I think that the requirement of the reading of the amendments prior to the vote on cloture had some purpose and was a legitimate requirement. If we are going to make an exception to the requirement that an amendment be read, then it seems to me at least there ought to be a procedure whereby Senators could, in some fashion other than reading, have notice of what amendments are at the desk.

If I may have the attention of the Senator from Alabama and perhaps the majority whip, I have thought about this overnight and I do concede that the idea of a 30-minute requirement prior to the vote has some problems. We do not know when that time would begin, because we do not know how long it would take to ascertain the presence of a quorum.

It would be my suggestion, and now that the Senator from Massachusetts is in the Chamber, I would also direct it to him, that we consider an alternative that amendments be in writing and presented prior to the beginning of the mandatory rollcall to ascertain the presence of a quorum. That would be a time fixed and certain, and during the time that the quorum was being established, whether it is 5 minutes or 15 minutes or 20 minutes, at least there would be some time period when Senators could go to the desk and determine what amendments would be involved if they vote for or against cloture.

Now that the Senator from Massachusetts has arrived I am glad to yield the floor to him for whatever action he may wish to take at this time.

Mr. President, I yield the floor to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I would like to have the attention of the Parliamentarian.

Is it appropriate now to send a perfecting amendment to the desk?

The PRESIDING OFFICER. It is appropriate.

Mr. KENNEDY. Mr. President, I send a perfecting amendment to the desk on behalf of myself and the distinguished Senator from Oklahoma (Mr. BARTLETT).

The PRESIDING OFFICER. The amendment will be stated

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) for himself and Mr. BARTLETT proposes an amendment:

In lines 8 through 11 of the Committee amendment, strike out the phrase "unless the same has been presented and read prior to that time or submitted in triplicate in printed or typed form to the Presiding Officer thirty minutes prior to the beginning of the vote" and insert in lieu thereof the following: "unless the same has been submitted in writing to the Presiding Officer prior to the end of the vote".

The PRESIDING OFFICER. There is to be one-half hour on this amendment, equally divided between the Senator from Massachusetts and the Senator from Michigan.

Mr. KENNEDY. Mr. President, I think all of us are very much aware of the very considerable amount of discussion and debate that has gone into the formulation of the cloture rule. This is a matter that has been debated and discussed at great length, usually at the beginning of each Congress. It is one of the rules which is of the highest importance and consequence in terms of the orderly procedure in the legislative function in which we participate as Members of the Senate.

The amendment which Senator BARTLETT and I offer today is a very simple amendment. It is devised primarily to avoid a roadblock or what we consider to be an arbitrary provision of part of the present cloture rule, the part which requires any amendment to be read at the desk prior to the time of the cloture vote, if the amendment is to be eligible for consideration after cloture.

It is interesting that in reviewing the history of the cloture rule, we have not been able to find an occasion where there has been an objection to a unanimous-consent request to waive this requirement that all prospective amendments must be read. Almost without exception, before a cloture vote the parliamentary situation has been that the leader or his designee says, "I ask unanimous consent that all amendments be considered to have been read for purposes of rule XXII."

There has never been an occasion when that request has been objected to.

Yet, there have been circumstances where the failure to comply with this reading requirement has blocked the opportunity for the Senate to consider important amendments after cloture. The clearest recent example was at the end of this past year, on an amendment that was offered by my colleague, the Senator from Massachusetts (Mr. BROOKE).

Mr. President, we had a brief debate on this issue yesterday afternoon, in which I discussed various questions and inserted various materials in the RECORD. Rather than dwelling on the issue again at length at this time, I would refer Members to yesterday's proceedings in the RECORD.

I think we have already agreed on two technical issues in the committee proposal—the requirements that amendments be submitted in printed or typed form, and that they be submitted in triplicate. I believe we all agree that handwritten amendments should qualify, and that only the original of the amendment need be submitted.

The only remaining issue, which we could not resolve yesterday is the cutoff time by which amendments must be submitted in advance of a cloture vote.

Mr. President, there are essentially five choices before us on the cutoff issue. I have put on each Senator's desk a brief summary of those choices. I ask unanimous consent that the list may be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CHOICES FOR DEADLINE FOR SUBMISSION OF AMENDMENTS BEFORE CLOTURE

SENATE RESOLUTION 268

The principal issue in S. Res. 268 is the deadline by which Senators must hand in amendments to the Presiding Officer before a cloture vote, in order that the amendments may be eligible for consideration after cloture. The principal choices are:

1. Thirty Minutes Before the Vote (Rules Committee Version).
2. Beginning of the Vote.
3. Warning Bell.—amendments could be submitted until the warning bell (7½ minutes left in the vote). This would let Senators come to the floor with amendments during the vote. It would let Senators see amendments before they vote on cloture, if they wish to do so.
4. End of Vote (Kennedy-Bartlett Amendment).—amendments could be submitted up until the vote is announced. This lets Senators come to the floor with amendments at the end of the vote.
5. After the Vote.—amendments could be submitted even after cloture. This allows new amendments to be drafted after cloture, without restricting votes to amendments already introduced. The germaneness requirement would still keep the debate narrowly restricted. When Senators vote for cloture, they would be on notice that anything germane can be considered. Now Senators tend to draft all possible amendments, including amendments to other amendments, in the hope that they will guess right as to the circumstances after cloture.

The amendment which Senator BARTLETT and I are offering will allow amendments to be handed in up until the end of the cloture vote, that is, prior to the announcement of the vote. Our proposal makes no change in the germaneness rule. To be eligible for consideration after cloture, an amendment would still have to be germane. But so long as it had been submitted in writing before the end of the cloture vote, it could be offered.

I want to stress that point: There still is the rule of germaneness. It is not possible for any amendment to be considered that is not germane. Only germane amendments, obviously, under the other provisions of rule XXII, could be considered.

So any amendment that would be submitted under this rule change would be required to be germane. This provides ample protection for the Senate. It assures each Member that any amendment which would actually be considered subsequent after cloture would have to be germane. No extraneous amendment could be considered.

I know that there may be some, as we discussed yesterday, who feel, "We want to have all amendments available 30 minutes prior to the beginning of the vote." But that would require a special trip to the floor in advance of the vote by any Senator who wants to hand in an amendment.

I also think the Members of this body understand clearly enough that it is not certain when a particular vote may begin, so the time of the cutoff will be unclear.

It could happen that a Member who comes over here 28 minutes prior to the time of the vote would not be able to submit his amendment, even though it may raise some of the most important issues that Congress considers.

Yesterday, we considered whether to set the cutoff at the time when the warning bell rings, 7½ minutes before the end of the vote. But I was reminded by the assistant majority leader that the time of the warning bell is set by the leadership and may vary.

So it does seem to me, if we are interested in eliminating some of the roadblocks—and I consider the reading requirement to be such a roadblock—we ought to use the cutoff in the amendment which is offered by the Senator from Oklahoma and myself, and allow amendments to be handed in any time before the end of the vote.

I think this cutoff best accords with the convenience of the Senate. As each of us know, in so many instances we are back in our offices. We expect a vote at a given time and suddenly the vote comes earlier than anticipated. An early cutoff might preclude us from offering an amendment to the legislation that is being considered.

But we all come to the floor to vote on cloture. Why should we not be able to bring our amendments with us?

I would like to yield to the Senator from Oklahoma, and then I will be glad to debate the issue with the Senator from Alabama.

Mr. ALLEN. I do not mean to debate. I believe I am on the same side.

Mr. BARTLETT. I thank the Senator from Massachusetts and I am very pleased to join with him on this amendment.

I realize that there are those who feel that they want to know precisely what amendments are at the clerk's desk before they cast their vote for cloture or against cloture.

I think in a very practical way that is not the basic issue. As far as I know, everybody in this body favors cloture, but in my mind cloture has often been voted prior to any extended debate. In some cases it has been voted before any debate whatsoever.

I believe the issue is whether or not a Senator is going to have a maximum opportunity to introduce an amendment. In my mind, the whole legislative process is prostituted if there is any interference with the maximum opportunity to offer an amendment.

As a practical matter in the cases that I am familiar with concerning amendments at the clerk's desk, oftentimes they are so long and there is often only one copy so it is impossible for an individual Senator to read the amendment anyway. I think in practice what Senators do in anticipating other amendments on cloture is that they introduce a number of amendments and will bring up that amendment that they think is appropriate, depending upon what the pending business is.

This proposal by the distinguished Senator from Massachusetts will set a time certain, and it will be a time that will be available to everybody. They will be here to vote and they will not have to worry about any interference that their schedule may cause them which would preclude them from the opportunity of introducing an amendment.

I have experienced that. It was not an important amendment to anybody in this body except to me. The one I am thinking of undoubtedly would have lost but at least I would have had the chance to make my record on that amendment. I brought it to the clerk's desk when the vote on cloture was in process. Cloture was voted and the amendment was not accepted.

I think this is a big step forward to maximize the opportunity that each individual Senator has to introduce amendments.

He is going to be here to vote. If he gets here at the last minute he can submit his amendment and in that way have an opportunity to call it up later.

I compliment the distinguished Senator from Massachusetts for a very sound and reasonable amendment to the rules.

Mr. ALLEN. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. Yes.

Mr. ALLEN. As I read the amendment of the Senator from Massachusetts and the Senator from Oklahoma, all this really does is to make a part of the Senate rules what is generally gained by unanimous consent. Is that not correct?

Mr. KENNEDY. The Senator is correct.

Mr. ALLEN. In other words, what the Senator is complaining about is that under the rules unless unanimous consent has been given to consider all of the amendments at the desk prior to the announcement of the cloture vote, they must have been presented and read. But unanimous consent invariably has been given on request that all amendments at the desk may be considered as having been read.

All the Senator is doing is striking out the requirement for unanimous consent and putting this rule into effect. It will not change the procedure in the Senate. It will just prevent the situation that might exist if that unanimous consent was not requested and given. Is that correct?

Mr. KENNEDY. The Senator is correct. I appreciate his pointing that out.

Mr. ALLEN. I think the Senator has hit on the best one of the suggested changes, if there is to be a change.

One suggestion I made that the Senator agreed to in one of his other amendments, requiring them to be submitted to the Presiding Officer, ought to be changed because the Presiding Officer changes from time to time. All he could do with the amendments would be to hand them down to the clerk. I wonder if the Senator would agree to modify his amendment to strike out "the Presiding Officer" and put in "the clerk."

Mr. KENNEDY. The Senator makes a valid point.

If the Senator will look at rule XXII, it mentions the Presiding Officer at four different places. There is no mention of the clerk. Our amendment was fashioned in such a way as to conform with the other parts of the present rule XXII. That is the reason for it. I would agree to the logic in the Senator's comment that amendments are going to be submitted to the clerk, but it was to conform the proposal to the rest of rule XXII that we put in "the Presiding Officer." I have no objection to altering it to read to "the clerk," with the clear understanding that the fact that "Presiding Officer" is mentioned in other parts of the rule would in no way affect my amendment.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I hope the Senator from Massachusetts will obtain unanimous consent to modify his amendment to change the words "Presiding Officer" to the "clerk." Where the Presiding Officer is referred to in the other parts of the rule, it has nothing to do with purely ministerial functions. In the other instances, the Presiding Officer is carrying out functions that only a Presiding Officer could carry out and a clerk could not perform.

So I would hope that the Senator would agree to modify his amendment in this way.

Mr. KENNEDY. Mr. President, I ask unanimous consent to so modify my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, of course I shall not object, but I wonder if the Senator from Massachusetts——

Mr. KENNEDY. Mr. President, how much time do I have remaining?

Mr. GRIFFIN. I will yield some time from this side, if I may, to comment.

The PRESIDING OFFICER. The Senator from Massachusetts has 4 minutes remaining.

Mr. GRIFFIN. There is a point I would like to raise. Because of a technicality, which I am sure the Senator will not insist upon, the fact that he is amending a committee amendment and his amendment is in the second degree as the situation now stands means there would be a question as to whether I could offer an amendment to his amendment. My amendment would give the Senate the choice between doing and not doing what the Senator from Massachusetts seeks to do or to have done prior to the beginning of the mandatory rollcall to ascertain the presence of a quorum. It seems to me that then the Senate has a clear choice. They want some notice of what the amendments are, or they do not care about notice. If they do not care about notice, if it means nothing, of course, they would vote with the Senator from Massachusetts.

I would like to ask unanimous consent that my amendment may be offered notwithstanding the fact that it would be in the third degree. Does the Senator from Massachusetts object?

Mr. KENNEDY. Mr. President, I would certainly want to comply with the request of the Senator from Michigan. But I do think that it would probably be more appropriate for him to either accept or table our amendment, and then to offer his own proposal as a substitute. His proposal is very different from the one we favor.

Mr. GRIFFIN. It would give the Senate a choice, of course. I mean if Senators voted down my amendment, they would go ahead and vote for the Senator's amendment.

Mr. KENNEDY. I am sure the Senator can understand that it would be my desire to try to get a vote on our amendment initially, and then get a vote on the Senator's proposal subsequently. Certainly, the Senator can offer a substitute for the committee amendment.

Mr. ROBERT C. BYRD. Mr. President, has the Senator from Massachusetts received unanimous consent to modify his amendment to change the words "Presiding Officer" to "clerk"?

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. ALLEN. Mr. President, will someone yield me about 3 minutes?

Mr. ROBERT C. BYRD. Has there been objection to the change?

The PRESIDING OFFICER. Will the Senators suspend for one moment, please?

On the amendment of the Senator from Massachusetts there is a specific time agreement and that is the reason that it would require unanimous consent to modify the amendment. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, and I certainly hesitate to object, I take it that the Senator from Massachusetts does object to my offering an amendment. May I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Would a substitute for the Kennedy amendment by the Senaator from Michigan be in order? Is there some way I can get my amendment before the Senate?

The PRESIDING OFFICER. The Chair is informed it would be an amendment in the third degree, and would not be in order.

Mr. GRIFFIN. I am sure the Senator from Massachusetts is not going to insist on a technicality in this kind of situation. I do not want to do it, and I would hesitate to object to his modifying his amendment, but he must concede that this is a very technical situation that he would be taking advantage of it to prevent me from offering an amendment to his amendment.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Would it not be possible for the Senator from Michigan to offer his amendment as a substitute for the committee amendment?

Mr. GRIFFIN. I have just been told it would not.

Mr. KENNEDY. His request involved a substitute for my amendment, not a substitute for the committee amendment.

The PRESIDING OFFICER. Not as a substitute for the amendment of the Senator from Massachusetts. If the Senator's amendment is adopted, then, a substitute for the committee amendment would be in order.

Mr. KENNEDY. That opportunity would be available to the Senator from Michigan after a vote on our amendment?

The PRESIDING OFFICER. After the Senator's amendment has been acted upon, the Senator from Michigan could then offer an amendment in the nature of a substitute for the committee amendment.

Mr. GRIFFIN. All right. Then I will not object to the Senator's unanimous-consent request, even though he objects to mine.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Massachusetts is so modified.

Mr. ALLEN. Mr. President, will the Senator from West Virginia now yield me the time I had requested?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Mr. President, one reason why I feel the amendment offered by the distinguished Senator from Massachusetts and the distinguished Senator from Oklahoma is a good amendment is illustrated by this situation: The present rule requires the presentation and reading of an amendment if it is to be considered after cloture has been invoked. The only variation from that is that if unanimous consent is given, then any amendments that are presented at any time prior to the announcement of the vote may be offered and received and acted upon.

But we run into this situation, which makes this amendment necessary: On the day of cloture, just as soon as we come in, the 1 hour ordinarily begins to run, the hour that is set aside for argument on the cloture vote. Then following that comes the ascertainment of a quorum, and then the cloture vote. So if any Senators were arbitrary, and objected to unanimous consent for the consideration of the amendments, it would not be possible to introduce an amendment on the day of cloture, and that certainly is not a situation that we want to have inflicted upon us.

So the amendment of the Senator from Massachusetts and the Senator from Oklahoma would guarantee that any Senator who presents an amendment prior to the announcement of the invoking of cloture would have that amendment received, and, if germane, it could be accepted or rejected by the Senate. So I believe this amendment is an excellent amendment, in that it guarantees any Senator an opportunity to file amendments on the day of cloture. Otherwise there is no guarantee that an amendment can be offered on the day that cloture is acted upon. For that reason, I believe it is a good amendment. Not only that, it really makes a part of the Senate rules the procedure that we ordinarily use here in the Senate, where unanimous consent is given for consideration of any amendments at the desk at the time cloture is invoked. So it will not be any real difference in the operation of the Senate. But it assures, in effect, unanimous consent will be given.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. ALLEN. Yes.

Mr. KENNEDY. We would welcome—I am sure I speak for the Senator from Oklahoma—the Senator from Alabama as a cosponsor of our amendment.

Mr. ALLEN. No. I am satisfied to support the Senator's amendment. I do not care to sponsor it. I thank the Senator for that offer, though.

Mr. ROBERT C. BYRD. Mr. President, I ask the distinguished Senator from Massachusetts if the words "in writing" mean also that typewritten amendments would be included.

Mr. KENNEDY. That is correct. It means printed, typewritten, or handwritten.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. GRIFFIN. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. The Senator from Michigan has 8 minutes remaining.

Mr. GRIFFIN. I am glad to yield 2 minutes to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I wonder if a compromise could be reached between the Senator from Massachusetts and the Senator from Michigan.

The Senator from Michigan wishes amendments to be permitted in if they are offered prior to the time that the automatic quorum call begins. The Senator from Massachusetts suggests that amendments be in if they are offered at any time prior to the announcement of the vote.

Would it be a reasonable compromise to allow amendments to come in up to the point in time at which the automatic rollcall vote begins?

I offer this as a compromise because once the rollcall vote begins obviously no amendment can be read because that rollcall vote cannot be interrupted. But if amendments are allowed to come in up to the point at which the rollcall begins, then Senators have 15 minutes within which to examine those amendments at the desk, and an examination of those amendments at the desk may be a deciding factor in a Senator's judgment as to whether or not he will vote for or against cloture.

Mr. GRIFFIN. Mr. President, will the Senator from West Virginia allow me to respond on the remainder of my time?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. GRIFFIN. Mr. President, the suggested compromise of the Senator from West Virginia, it seems to me, makes the case that I want to be sure the Senate understands before we vote. When we vote on cloture, do we want to know what we are voting on or do we not? Do we want to be aware of the amendments that will be offered if cloture is invoked, or do we not?

If we do not care, then it does not matter whether amendments are offered at the end of the rollcall on cloture or even after that.

The reason we have the requirement in rule XXII that amendments have to be read to the Senate—and I am sure we can always waive that by unanimous consent, and we usually do—is because anyone could object if he did not know what amendments were at the desk.

The reason we have that in the rule is because we want to know what we are doing. We want to know what amendments are going to be in order and presented to the Senate if we vote for cloture.

Anything that takes away the information and the notice, thus making it more difficult for the Senate to find out what it is voting on, is going to mean that we are going to be less likely to invoke cloture.

We have an interesting coalition of Senators here. I do not ascribe any motives to anyone. But it is interesting that for different reasons we are moving toward the elimination of knowing what we are voting on when we act on cloture.

I think that we have been trying to liberalize the idea of closing off debate in the Senate. We have been moving in that direction. This is going to be a little step backward. It may not be a big step backward. But this is one Senator who will be more reluctant to vote for cloture if I do not know what is at the desk and I have to go up there, at the last minute, and search through 20 amendments in order to try to figure out what they mean before my name is called.

The Committee on Rules and Administration was willing to go along with the idea that amendments did not have to be read to the Senate if they were presented 30 minutes in advance. That would give all Senators 30 minutes.

I am retreating from that. I am saying: Let us at least have them at the desk when we begin the rollcall to establish the quorum because, before we have a vote on cloture under the rule, we always have to call the roll and establish the presence of a quorum. That sometimes take 5 minutes. Sometimes it might take a half-hour to ascertain the presence of a quorum. During that period of time, Senators would be free without any pressure to go to the desk and determine what amendments were going to be offered.

I do not think that is very unreasonable.

If we move it to the beginning of the vote, then, of course, we have only 15 minutes. A Senator's name might be in the B's or the C's. He is under pressure to vote promptly, and it could be very difficult for him to find out what he is voting on.

As I say, this is not going to be the end of the world one way or the other, and the Senate can work its will. I think we would be better off if we would at least preserve the principle of trying to give the Senate the opportunity to find out what we are voting on. If we vote down the amendment of the Senator from Massachusetts, then it will be possible for me to offer an alternative which would provide that amendments would have to be at the desk at the beginning of the rollcall to establish the presence of a quorum.

Mr. President, if the Senator from Massachusetts wishes to say something on my time, I am glad to yield to him.

Mr. KENNEDY. Mr. President, will the Senator yield 2½ minutes on the Senator's time?

Mr. GRIFFIN. I yield that time.

Mr. KENNEDY. Mr. President, all of the Senate is protected from extraneous matters by the rule of germaneness. There cannot be any amendment offered after cloture unless it is germane. So any Member of the Senate who is concerned as to possible amendments after cloture can cast his vote, knowing that no amendment is going to be considered unless it is germane. So the Members of this body are protected in that very significant way.

The history of this particular provision, Mr. President, is that at least in recent years, it has been the practice for Senators to ask for unanimous consent to consider amendments at the desk as having been read. Occasionally unanimous consent was not requested. Last fall, the inadvertent failure to obtain such consent prevented the Senate from considering an important germane amendment after cloture.

If we go the route that is suggested by the Senator from Michigan, we do not know the particular time it is going to take for a quorum to be reached before the vote begins. We are not exactly sure when the particular moment will arrive when amendments may no longer be submitted. The question is whether we are going to perpetuate some of the arbitrary roadblocks that prohibit the submission of amendments by Senators on a particular issue after cloture. The practical reality of the situation is, and there is not a Member here who does not understand it, that often we are tied up on other business in committees or in our offices and suddenly we hear the bell ring, and we know we have an amendment. Then we want to be able to come over here to offer it.

That is the situation in which 95 percent of the Members find themselves. If we accept the Griffin position, we will be effectively precluding the legitimate submission of amendments that should be considered by the Senate.

So I hope, Mr. President, recognizing the background of this reading requirement under rule XXII, understanding how it has in the not too distant past been used to prohibit Members of this body from considering important substantive germane amendments—I hope that the kind of modest reform that we have outlined here is a reasonable way to meet our objective.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. NUNN). Two minutes.

Mr. GRIFFIN. I yield 1 minute to the Senator from Maine.

Mr. HATHAWAY. I thank the chairman from Michigan for yielding.

Mr. President, I point out that it seems to me that the position of Senator KENNEDY is a very reasonable one. In fact, I would advocate the fifth position that is in the letter he circulated, that we be allowed to offer any amendments, even after the vote, so long as they are germane. It seems to me that that would give adequate protection to all Members.

There is already the limitation of a hundred hours thereafter, with 1 hour per Member, which is not transferable. So long as the Members know that any amendment that may be offered after cloture is invoked must be germane, they are protected adequately.

I believe it is even a necessity that we be allowed to offer any germane amendment, because we do not know, prior to cloture, just which of the amendments that would have to be submitted by the end of the vote are going to be adopted. An amendment may be adopted that we do not think is going to be adopted, and we might like to offer another amendment to modify the bill as a result of that amendment having been adopted.

I believe that the position of Senator KENNEDY is a very reasonable one, and we should adopt the amendment.

Mr. GRIFFIN. Mr. President, I yield the remaining minute to the ranking member of the Rules Committee, the Senator from Oregon.

Mr. HATFIELD. Mr. President, I am very reluctant to make the motion I intend to make—namely, to table the entire resolution. We are 18 months into this session, and we are only a few months away from the beginning of the new session. I think that then would be the time to take up the rules changes.

The committee has seen fit to bring this matter to the floor of the Senate, and we have had many changes on the floor. It seems to me that a rule of this significance not only should have careful scrutiny of the committee, but also, it should be done at the beginning of the session.

Therefore, I move to table Senate Resolution 268.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold his motion, with the understanding that he will be recognized to make that motion after 1 minute, so that I may speak?

The PRESIDING OFFICER. Does the Senator withhold his motion?

Mr. HATFIELD. With that understanding, I withhold my motion.

Mr. ROBERT C. BYRD. Mr. President I think the Senator from Massachusetts is entitled to a vote up or down on this amendment. He proceeded to ask unanimous consent that the rules be changed. He agreed to not to proceed by that route, with the understanding that the Rules Committee would report a resolution. The committee did that. It lived up to its responsibility and to its promise. I hope the Senator will be allowed a vote on his amendment.

I ask the Senator whether he will modify his amendment in this respect: Rather than just say "clerk," make it "journal clerk," because there are various clerks at the desk, and the precise clerk should be identified.

Mr. KENNEDY. Yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment be modified to read "journal clerk" rather than "clerk".

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLEN. Mr. President, will the Senator yield me 2 minutes?

Mr. HATFIELD. Mr. President I restate my motion. I believe I have further evidence of the validity of my motion. Here we are, at the last sentence of the discussion, having to ask unanimous consent to add further amendments to the rule change. Therefore, I renew my motion to table Senate Resolution 268.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. HART), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 30, nays 64, as follows:

[Rollcall Vote No. 120 Leg.]

YEAS—30

Beall
Brock
Buckley
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Hatfield
Hruska
Javits
Long
Mathias
McClure
Packwood
Pearson
Roth
Scott, Hugh
Scott, William L.
Stafford
Stevens
Taft
Thurmond
Tower
Weicker
Young

NAYS—64

Abourezk
Allen
Bartlett
Bayh
Bellmon
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney

NOT VOTING—6

Baker
Eastland
Hart, Philip A.
Laxalt
McClellan
Williams

So Mr. HATFIELD's motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment, as modified, of the Senator from Massachusetts. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

(At this point Mr. BROCK assumed the chair.)

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART), the Senator from Arkansas (Mr. McCLELLAN), the Senator from Illinois (Mr. STEVENSON), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), and the Senator from Nevada (Mr. LAXALT), are necessarily absent.

The result was announced—yeas 72 nays 22, as follows:

[Rollcall Vote No. 121 Leg.]

YEAS—72

Abourezk
Allen
Bartlett
Bayh
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Eastland
Fannin
Ford
Glenn
Gravel
Hansen
Hart, Gary
Hartke
Haskell
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stennis
Stone
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker

NAYS—22

Beall
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Curtis
Domenici
Fong
Garn
Goldwater
Griffin
Hatfield
Hruska
Long
McClure
Packwood
Pearson
Scott, Hugh
Stafford
Stevens
Tower
Young

NOT VOTING—6

Baker
Hart, Philip A.
Laxalt
McClellan
Stevenson
Williams

So Mr. KENNEDY's amendment, as modified, was agreed to.

Mr. BARTLETT. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr.

BROCK). The question is on agreeing to the committee amendment, as amended.

Mr. KENNEDY. I make a motion——

Mr. ALLEN. I have an amendment.

The **PRESIDING OFFICER.** The Senator from Alabama has an amendment?

Mr. ALLEN. I have an amendment.

The **PRESIDING OFFICER.** The Senator from Alabama has an amendment. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment:

Amend the committee amendment as follows: On lines 7 and 8 strike words "in order" and insert in lieu thereof the following: "proposed".

The **PRESIDING OFFICER.** The Senate will be in order.

Mr. ALLEN. Mr. President, I yield myself such time as I shall use.

Mr. President, while I feel that this amendment would be an improvement over the present rule, the reason I am offering my amendment is because of the conflict in two sentences in the rule.

First, under the Kennedy amendment it is provided that no amendment shall be in order unless it is filed at the desk prior to the announcement of cloture. That would seem to indicate, or there would be the slight shadow of doubt that it might indicate, that, whether germane or not, it would be in order, even though the next sentence says that no amendment that is not germane shall be in order.

Still, we should not have the two sentences, one indicating that all amendments filed prior to the announcement of cloture will be in order, and then have to take it back in the next sentence. There should not be inconsistent provisions there.

Having said that about the amendment, on the amendment that I am offering, I want to point out why I feel that the Kennedy amendment is a good amendment. As I stated earlier today, when there were not as many Senators present as there are now, under the present rule unless one gets unanimous consent for the consideration of amendments——

Mr. GRIFFIN. Mr. President, may we have order?

The **PRESIDING OFFICER.** The Senate will be in order.

Mr. ALLEN. Unless one gets unanimous consent for the consideration of amendments, no amendment can be considered unless it has been presented and read.

When a Senator comes over on the day that cloture is going to be invoked, we start off with 1 hour of debate and then there is the automatic rollcall. It might be possible that a Senator would be frozen out from even offering his amendments and having them read.

The Kennedy amendment guarantees that on any issue on which cloture is invoked, at any time prior to the announcement of the vote, a Senator can file his amendments with the journal clerk and they would be in order, or they might be proposed under the amendment that I am offering.

I feel that the Kennedy amendment is in aid of those who might possibly want to offer amendments after cloture is invoked. Concerning those who have voted for cloture, the chances are they will not be offering amendments because they are satisfied with the bill on which cloture has been invoked. So, it is those who want to improve the bill, and they would be the ones who, in all likelihood, had voted against cloture, who would be the ones offering amendments. So, I believe the Kennedy amendment protects the right to offer amendments. It is for that reason that I voted against the motion to table and voted for the Kennedy amendment.

This amendment, which I have discussed with the Senator from Massachusetts, merely says that any amendment may be proposed. It does not guarantee that it will be accepted and does not guarantee that it will be ruled to be germane. But it may be proposed if it has been presented to the journal clerk prior to the announcement of the cloture vote.

I hope it will be accepted on a voice vote.

Mr. GRIFFIN. Will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. GRIFFIN. I want to indicate my support for his amendment and commend him. He has done a masterful job today in lining up a lot of liberal support for a change in the rules which will make it harder to invoke cloture.

He is absolutely right. As the situation usually is, it is not the people who want to pass the bill who have a lot of amendments. People who are trying to get a bill passed want to get to a vote. They have a bill and they want to pass it. It is the people who are against the bill.

Mr. ALLEN. No, the people who want to improve the bill, I will correct the Senator.

Mr. GRIFFIN. But if a Senator is against a bill and wants to filibuster it, one of the best ways, of course, to prolong the situation is to have a lot of amendments. Of course, now we have changed the rules in such a way that we will be voting for cloture without even knowing what those amendments are. A Senator can go up with a whole bushel basket full of amendments at the very end of the vote and dump them on the clerk's desk.

I know that the Senator from Alabama is going to have a good time operating under this new amendment. He is a master at argument and debate. He has carried the day with the Senator from Massachusetts in liberalizing the rules.

I do support his amendment. This is a good one that he is offering now.

Mr. ALLEN. I thank the Senator for commending the Senator from Alabama, but I just wonder if he really feels like commending the Senator from Alabama. I do not believe he is much in favor of the Kennedy amendment. I appreciate his support of the amendment I have offered.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes.

The overwhelming majority of the Members have gone on record this afternoon to indicate that they are prepared to vote after cloture on any matters which are germane. I certainly am. I believe the Senator from Alabama and the Senator from Michigan are as well.

With regard to the bushel of amendments, it is quite clear, in the limited time I have been around here, that those who want to obstruct any piece of legislation never have any problem in insuring that all of their amendments are at the desk in plenty of time, usually a few days prior to the time we are voting on cloture. It is the other Members who have a sincere and legitimate interest in a measure, who may very well be precluded from offering their worthwhile amendments. It has happened that way, as we saw last fall in a debate on an extremely important measure.

I want to say I urge my colleagues to accept the amendment of the Senator from Alabama.

Mr. ALLEN. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. FANNIN). Without objection, it is so ordered. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I am ready to vote.

Mr. KENNEDY. I am ready to vote, Mr. President.

The **PRESIDING OFFICER.** Does the Senator from Alabama yield back the remainder of his time?

Mr. ALLEN. I yield back the remainder of my time.

The **PRESIDING OFFICER.** All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Alabama.

Mr. PEARSON. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. PHILIP HART), the Senator from Illinois (Mr. STEVENSON), and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 78, nays 17, as follows:

[Rollcall Vote No. 122 Leg.]

YEAS—78

Abourezk
Allen
Bartlett
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd,
 Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Durkin
Eagleton
Eastland
Fannin
Fong

Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Scott,
William L.
Sparkman
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NAYS—17

Beall
Bellmon
Brock
Brooke
Buckley
Case
Domenici
Hatfield
Javits
Mathias
McClure
Pearson
Schweiker
Scott, Hugh
Stafford
Taft
Weicker

NOT VOTING—5

Baker
Hart, Philip A.
Laxalt
McClellan
Stevenson

So Mr. ALLEN's amendment was agreed to.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

SEVERAL SENATORS. Third reading!

The PRESIDING OFFICER. If there be no further amendments, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 268) was agreed to, as follows:

S. RES. 268

Resolved, That the second sentence of the final paragraph of section 2 of rule XXII of the Standing Rules of the Senate is amended to read as follows: "Except by unanimous consent, no amendment shall be proposed after the vote to bring the debate to a close, unless the same has been submitted to writing to the Journal Clerk prior to the end of the vote."

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The PRESIDING OFFICER (Mr. DOMENICI). Under the previous order, the Senate will now resume consideration of the unfinished business, S. 3136, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. CURTIS obtained the floor.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that James O'Connell may have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Bob Brown, of my staff, may have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I ask unanimous consent that Barbara Dixon, of my staff, may have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1533

Mr. CURTIS. Mr. President, I call up my amendment No. 1533. Each Senator has an explanation of it on his desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself, Mr. HELMS, and Mr. BUCKLEY, proposes an amendment numbered 1533.

The amendment is as follows:

On page 10, lines 2 and 3, strike out "bona fide students in any accredited school or training program;".

On page 10, line 4, strike out "without good cause".

On page 10, line 5, after "(A)" insert "without good cause".

On page 10, line 9, after "(B)" insert "without good cause".

On page 10, line 13, after "(C)" insert "without good cause".

On page 10, line 25, strike out "or".

On page 11, line 1, after "(D)" insert "without good cause".

On page 11, line 4, strike out the period and insert in lieu thereof a semicolon and the word "or".

On page 11 between lines 4 and 5, insert the following:

"(E) is enrolled in an institution of postsecondary education and such enrollment is a substitute for full-time employment, as determined by the Secretary in accordance with regulations issued by him; however, no household shall be disqualified from participation in the food stamp program under this Act because an able-bodied member of such household, other than the head of such household or the spouse of the head of such household, is enrolled in an institution of postsecondary education and his enrollment is a substitute for full-time employment (as determined by the Secretary) whether or not such member complies with the requirements of clauses (A) through (D) of this paragraph; but the benefits to which any such household is entitled under this Act shall be determined without regard to any such member or members of such household.".

On page 12, line 20, strike out "(j)" and insert in lieu thereof "(i)".

On page 13, beginning with line 22, strike out down through line 3 on page 14.

On page 14, line 4, strike out "(h)" and insert in lieu thereof "(g)".

On page 14, line 12, strike out "(i)" and insert in lieu thereof "(h)".

On page 14, line 19, strike out "(j)" and insert in lieu thereof "(i)".

The PRESIDING OFFICER. There are 10 minutes on this amendment, 5 minutes to a side.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be the usual time allocation of 15 minutes on the next vote and that on all rollcall votes for the remainder of the day, on the Curtis amendments, there be 10 minutes apiece.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, upon the arrival of the chairman of the Committee on Agriculture and Forestry, I am going to ask him what the latest estimates are on what the committee bill would save. I understand that those estimates are lower than they thought.

This amendment is very simple. It is to refuse to give food stamps to students.

The amendment states that if an individual is enrolled in an institution of post secondary education, he and his family—because he must be the head of a family—are not eligible for food stamps. This amendment relates to the student's own family as the head of a household. It in no way would effect the eligibility of his parents or his brothers or his sisters.

There are already many aids for young people seeking a college education. These are both Government and non-Government. A number of Government programs provide both grants and loans for higher education. Students also are the beneficiaries of other Government subsidies which are paid to the institution, including subsidized housing.

It is not fair to tax the people who cannot go to college to provide food stamps for those who do go to college, in addition to all the other subsidies that are available.

Again I remind the Senate that this is a nutrition program, intended to benefit people who find no way of getting enough food to avoid hunger and malnutrition. It is not intended as an aid to education.

Mr. President, I am prepared to yield back the remainder of my time, and I ask for a vote on the amendment.

Mr. MANSFIELD. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator is recognized.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be charged against the time of the Senator from Georgia.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanmious consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask unanimous consent that we return to the time limitation.

The PRESIDING OFFICER. We are on a time limitation.

Who yields time?

Mr. CURTIS. May I inquire how much time I have and how much the chairman has?

The PRESIDING OFFICER. The Senator from Nebraska has 2 minutes and the Senator from Georgia has 1 minute remaining.

Mr. CURTIS. I withhold my time.

Mr. TALMADGE. Mr. President, the Senator's amendment would remove the student exemption from the work registration requirement and would make any head of household or spouse who "is enrolled in an institution of postsecondary education and such enrollment is a substitute for full-time employment as determined by the Secretary" ineligible for the program. The tax dependency test for students would be eliminated.

Mr. President, with regard to what the committee did, we thought one of the most notorious abuses under present law is the fact that college students from affluent families enrolled in college are getting a ripoff on food stamps, and it ought to be corrected; it ought to be stopped. The committee's position was plain and simple and clear: we provided that if a student were in college and if he were eligible as a dependent under the tax laws, he would not be eligible for food stamps. That means that no student who is enrolled in college, and is 22 years of age or younger, who could be claimed as a dependent under the committee bill, could be eligible for food stamps. I think the amendment of the distinguished Senator from Nebraska goes too far. I urge that it be rejected.

Mr. CURTIS. Mr. President, I yield myself the remainder of the time.

All that the committee bill does is say that if somebody else claims the student as a dependent for tax purposes, he cannot get food stamps. What this amendment does is say that a student, a full-time student, cannot get food stamps at all.

We have many programs for loans and grants. Many of them are non-Government, but the Government spends billions of dollars on those programs. Under the committee bill, a young married man, if his father does not claim him as a dependent, can stay in college from now on and be fed by the people, many of whom have never been to college and never will get to go. This is a program to prevent starvation, malnutrition, and hunger. It should not be an aid to education. Under the committee bill, the student is not even required to register for work in the summertime. The passage of this amendment would save $90 million.

I yield back the remainder of my time.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. CURTIS. Parliamentary inquiry: how much time is there remaining?

The PRESIDING OFFICER. The Senator from Georgia has no time remaining. The Senator from Nebraska has yielded back his time.

Mr. DOLE. I support the position of the Senator from Georgia.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 31, nays 63, as follows:

[Rollcall Vote No. 123 Leg.]

YEAS—31

Allen
Bartlett
Bellmon
Bentsen
Biden
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Curtis
Domenici
Eagleton
Eastland
Fannin
Garn
Goldwater
Hansen
Hatfield
Helms
Hruska
Johnston
McClure
Morgan
Nunn
Proxmire
Roth
Scott, William L.
Stennis
Symington
Thurmond
Tower

NAYS—63

Abourezk
Bayh
Beall
Brock
Brooke
Bumpers
Burdick
Cannon
Case
Church
Clark
Cranston
Culver
Dole
Durkin
Fong
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Taft
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—6

Baker
Hart, Philip A.
Inouye
Laxalt
Long
McClellan

So Mr. CURTIS' amendment was rejected.

APPOINTMENTS TO SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. HUGH SCOTT. Mr. President, under the provisions of Senate Resolution 109, I submit the Republican members to be appointed by the President of the Senate to the temporary Select Committee to Study the Senate Committee System.

The PRESIDING OFFICER (Mr. DOMENICI). The Chair on behalf of the President of the Senate appoints the following Senators, which the clerk will state.

The legislative clerk read as follows:

Senator HANSEN.
Senator GOLDWATER.
Senator PACKWOOD.
Senator BROCK.
Senator DOMENICI.
Senator HELMS.

VISIT OF VICE PRESIDENT TO NEW ZEALAND

Mr. HUGH SCOTT. Mr. President, our esteemed Vice President, and my very good personal friend, NELSON A. ROCKEFELLER, has just returned from his third foreign mission since becoming Vice President.

When the Vice President reached New Zealand—the Vice President visited seven countries—he was welcomed by the Right Honorable R. D. Muldoon, the Prime Minister.

On that occasion the Prime Minister made some very kind and generous remarks, not only about my friend, the Vice President, but more importantly, about our country. I commend the Prime Minister's remarks to the attention of my colleagues, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

WELCOMING ADDRESS TO THE VICE PRESIDENT BY THE RIGHT HONORABLE R. D. MULDOON, PRIME MINISTER OF NEW ZEALAND, AT THE GOVERNMENT LUNCHEON IN THE LEGISLATIVE COUNCIL CHAMBER, WELLINGTON, NEW ZEALAND, FRIDAY, APRIL 2, 1976.

Vice President Rockefeller, Ambassador Selden, our other American guests, ladies and gentlemen: I must at the outset first of all express to Vice President Rockefeller the warmest welcome on behalf of the government and the people of New Zealand.

There is a temptation on occasions like this to launch into what might be called a "let us now praise famous men" routine. I do not propose to succumb to that because it is my belief that so much is known of Vice President Rockefeller that a recital of his abilities and accomplishments would add nothing to the knowledge of a gathering such as that I am addressing.

I will, rather, later direct my remarks towards the American people in general, whose representative he is.

But I think the observation worth making that here is a man born to a high, influential and wealthy position in life who early chose to leave to others the conduct of his material affairs and devote himself almost unreservedly to the pursuit of the common good. He concerned himself with health, education and welfare, the field of human relations, freedom, peace and the environment.

And, as this gathering has a high political content, I should add that he was the first Governor in the history of the United States to be elected to four 4-year terms, and that, as the Governor of a State—New York—which has a population 6 times that of New Zealand. I am sure I am not alone in this audience in envying this record.

This is a right and proper time for me, as prime minister, to reiterate the attitude of my government to that of the United States: Indeed not only to that great nation but to its people.

It tends to be forgotten by those of younger generations than most of those here today—and, unhappily by some of my own generation—just what the United States meant to the future of this country little more than 30 years ago.

Let me remind those who are unaware, or who have forgotten, that many thousands of the many, many thousands of American servicemen who did their final training in New Zealand had their last touch of home life among our people.

Their last meal with a family, the last chat around a fireside or, according to season, at some picnic place; their last companionships with other than their own mates—in short, they went forth from here and died.

I do not forget, in saying this, that our own young men were likewise laying down their lives on battlefields far from home.

I could not, in retrospect, wish more for them than the goodwill with which American servicemen were received here and I know that they had it and retain their affection for those countries.

On a wider scale I recall that extraordinary measure of wartime assistance devised by President Roosevelt—Lend-Lease, which Winston Churchill said in a speech in the House of Commons on April 17, 1945 "will stand forth as the most unselfish and unsordid financial act of any country in all history."

The American continued their generosity into the post-war era, notably with the Marshall Plan in Europe, which helped set that stricken, war-ravaged continent back on its feet.

There were and are other examples of their generosity, continuing to this day, too many to enumerate. But I would like the critics, particularly of later generations, to consult their history books, or newspaper files, think and rethink some of their attitudes.

We, New Zealander-born, and others who have come to live among us as New Zealanders, are people of the same language, largely of the same faith, of the same fundamental laws and ideals and, I firmly believe, to a large extent of the same interests.

The United States is the principal guarantor of our security and we remain committed to ANZUS. Let there be no doubt about that—ANZUS is our Atlantic charter.

We, as a government, want to play our part without any pussyfooting about imposing unrealistic conditions as to whether our allies should come bearing bows and arrows or muzzle-loading muskets.

The United States is also our third largest trading partner but for the last 2 years the balance has been running against us to the extent of about 100 million dollars a year. That has been largely the result of the large drop in beef, wool and dairy receipts: At the same time our imports of industrial goods from the United States has expanded.

It is my government's urgent desire that the imbalance be corrected. Without a thriving economy we cannot achieve all we desire over a wide area, including that of an adequate defense contribution to ANZUS.

I can assure Vice-President Rockefeller that not only members of the government and of parliament as a whole, but that indefinable person "the man in the street" welcome the reports of an upsurge in the United States economy. They augur well for us as well as for the people of the United States.

Stability and prosperity in the Pacific and in South-East Asia rank high in New Zealand's priorities and my government believes that effective American leadership remains essential to the stability of this region. We do not see this as incompatible with United States maintenance of an international leadership role.

I believe that the United States is morally, technically, creatively and physically strong enough to meet these challenges. To fail to do so would be disastrous for the free world.

It is a heavy responsibility but the United States has before demonstrated its resilience in all kinds of difficult situations. It would be fatal if because of disillusionment with the results of historical accidents and human failings its resolve to play the role for which destiny has selected it was diminished.

In conclusion, Mr. Vice-President, may I say this. We all know that this is United States bicentennial year. Unlike greater nations we bear them no great gifts to mark the occasion.

We are delighted that your country has in its generosity, honoured us with your presence. And we assure you that this is an occasion that will be recorded with great pleasure in our own history.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. CURTIS. Mr. President, I yield to the distinguished Senator from Maryland (Mr. BEALL).

Mr. BEALL. Mr. President, I ask unanimous consent that Neil Messick of my staff be granted privilege of the floor during the debate and voting on the amendments to this bill and the bill itself.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1534

Mr. CURTIS. Mr. President, I call up my amendment No. 1534 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself, Mr. HELMS, and Mr. BUCKLEY, proposes an amendment numbered 1534.

The amendment is as follows:

On page 10, lines 2 and 3, strike out "bona fide students in any accredited school or training program;".

On page 11, between lines 4 and 5, insert the following:

"(2) No household shall be disqualified from participation in the food stamp program under this Act because an able bodied member of such household, other than the head of such household or the spouse of the head of such household, fails to comply with any of the requirements of clauses (A) through (D) of this paragraph if such member is a bona fide student in any accredited school or training program; but the benefits to which any such household is entitled under this Act shall be determined without regard to any such member or members of such household.".

On page 11, line 5, strike out "(2)" and insert in lieu thereof "(3)".

On page 11, line 20, strike out "(3)" and insert in lieu thereof "(4)".

On page 11, line 22, strike out "(2)" and insert in lieu thereof "(3)".

On page 12, line 11, strike out "(4)" and insert in lieu thereof "(5)".

On page 12, line 14, strike out "(5)" and insert in lieu thereof "(6)".

Mr. CURTIS. Mr. President, I yield myself 2 minutes.

This amendment requires students to register for work and meet the work requirements like everybody else does.

In other words, at the present time, every other person between the ages of 18 and 60 has to register for work if he gets food stamps and he has to meet the requirements of accepting the employment.

Many, many students work full time and go to school. Capitol Hill is filled with them.

Why should we say to the students, "You are the only ones who don't have to work in order to get food stamps"?

The committee bill does not even require them to register for work in the summertime to qualify for food stamps.

The saving is not so great, but there is an important principle involved. We are taxing the people who cannot go to college and do not go to college to provide food stamps for 5 or 10 years to anybody that elects to go to school. They do not even have to register to work in the summertime. I think that is wrong.

This amendment would require college students to meet work registration requirements, as well as job search and acceptance if offered, instead of automatically disqualifying college students.

Many of the arguments cited re amendment No. 1533 apply here as well. There is no reason why college students should be exempt from work registration and related requirements applicable to other recipients. It is entirely possible that a college student may be offered a job which would be consistent with his college schedule; there is no reason why, moreover, he should not be able to, and required to, adjust his curriculum schedule if an opportunity to work arises. Innumerable students in the past have put themselves through college by working. The food stamp program now offers, instead, what amounts to a free ride at taxpayers' expense for some students.

It should be noted that this, as well as the previous amendment, have a carefully drafted provision that does not disqualify the family—the parents and brothers and sisters, for example—which was previously eligible for food stamps if a son or daughter goes to college.

Estimated savings over the committee bill are $4 million.

I reserve the remainder of my time.

Mr. DOLE. Mr. President, this amendment No. 1534 is almost identical to the amendment just defeated. It disqualifies students, as the Senator from Nebraska said, who fail to register for work, and accept jobs, or accept full-time jobs.

Clearly, a student who accepts a full-time job is no longer a student and thus the amendment simply uses a different mechanism to disqualify students.

The Senator from Nebraska, as I understand it, may offer my amendment No. 1535, which I can support.

It requires college students to register for work during vacation periods of 30 days or more. I think this is a step in the right direction.

But I think the amendment just offered by the Senator from Nebraska, is an amendment that somehow disqualifies poor students.

As the Senator from Georgia pointed out in debating the last amendment, the committee bill has been tightened up. Anybody who could be claimed as a tax dependent is ineligible for food stamp benefits.

Therefore, I am opposed to the present amendment of the Senator from Nebraska.

Mr. TALMADGE. I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back and the yeas and nays have been ordered. The question is on agreeing to the amendment of the Senator from Nebraska and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. Long) and the Senator from Arkansas (Mr. McClellan) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Nevada (Mr. Laxalt) are necessarily absent.

The result was announced—yeas 35, nays 61, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—35

Allen
Bartlett
Bellmon
Brock
Buckley
Bumpers
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Domenici
Eagleton
Eastland
Fannin
Garn
Goldwater
Hansen
Hart, Gary
Hatfield
Helms
Hruska
Johnston
McClure
Nunn
Percy
Proxmire
Randolph
Roth
Scott,
William L.
Stennis
Taft
Thurmond
Tower
Young

NAYS—61

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Culver
Dole
Durkin
Fong
Ford
Glenn
Gravel
Griffin
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—4

Baker
Laxalt
Long
McClellan

So Mr. Curtis' amendment (No. 1534) was rejected.

AMENDMENT NO. 1536

Mr. CURTIS. Mr. President, I call up my amendment No. 1536.

The PRESIDING OFFICER (Mr. Garn). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. Curtis), for himself, Mr Helms, and Mr. Buckley, proposes an amendment as follows:

On page 6, line 25, strike out "sixty" and insert in lieu thereof "sixty-five".

Mr. CURTIS. Mr. President, I yield myself 2 minutes.

The committee bill, and in fact a number of the proposals in the Buckley-Michel bill, the so-called National Food Stamp Reform Act, introduced a concept that the aged should get an additional $25 credit on their income. In other words, if someone had income of $225, and was over 65, only $200 of it would be counted. Thus it was in their favor.

When the committee accepted that idea, they lowered the age from 65 to 60. I think we should keep this age in conformity with most of the social security program. Unless one is disabled or there is some other special reason, or he accepts a reduced amount, the standard retirement age is 65. I believe that we make a mistake when we do not have as much uniformity throughout the Government as possible.

Other special benefits for the aging, such as the double exemption on the individual income tax, take effect at 65. There was no sound reason offered in the committee for lowering it to 60.

Mr. President, I reserve the remainder of my time.

Mr. TALMADGE. Mr. President, I yield myself as much time as I may require.

When the committee was marking up this bill, we had almost 8 million people unemployed in the United States of America. If someone becomes unemployed at 60 years of age, job offers which would give that person an opportunity for employment are almost nonexistent, unless he has some particular skill or is a professional person. That is the reason why the committee felt we would allow this additional $25 for those who are 60 years of age or over.

We have taken care of this problem of people with high incomes getting food stamps by eliminating all this vast maze of deductions. That is the reason why we used to see some of these advertisements in Parade magazine: "Send me $3.50, and I will tell you how to get on food stamps, even though your family earns $16,000 a year."

I am sad to tell you that could be true, if you could pyramid those deductions. This committee bill has tried to eliminate that by putting a cap on all deductions that they can take. That cap is $100 a month for the ordinary individual, but for one who is 60 years of age or over it is another $25, making it $1,500 a year. That is the cap that we put on this deduction from income, to keep people from affluent families from drawing food stamps.

Mr. President, I hope the amendment will be rejected.

Mr. CURTIS. Mr. President, I yield myself 2 additional minutes.

I ask unanimous consent that Bob Simmons of Senator Hruska's staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, this amendment has nothing to do with eligibility. Regardless of how many unemployed we have in the country, the adoption of this amendment would not affect their eligibility. It is a question of whether to extend a special benefit to somebody who is aging.

If we say 60 years is the age, we are apt to be called upon to lower the double exemption age for income taxes from 65 to 60.

Again I remind the Senate that if we agree to all of my amendments, those who have zero income would still get all the stamps free, and all the individuals who are clear up to the poverty level, which will be $5,500 for a family of four, will participate in the program.

This proposal would work out so that some people will qualify even though they have income beyond that, and they are only 60 years old instead of 65. I hope that the amendment will be agreed to.

I yield back the remainder of my time, and ask for a vote.

Mr. THURMOND. Mr. President, will the Senator yield me 10 seconds?

Mr. CURTIS. I yield.

Mr. THURMOND. I ask unanimous consent that George Jett of my staff be accorded the privilege of the floor during the discussion and voting on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the Senator from Idaho.

Mr. McCLURE. I ask unanimous consent that Diana Hoalst of my staff be accorded the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the Senator from Kansas.

Mr. DOLE. I ask unanimous consent that Doug Jackson, a member of Senator Bellmon's staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 1536) of the Senator from Nebraska (Mr. Curtis). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. Abourezk), and the Senator from Missouri (Mr. Symington) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Nevada (Mr. Laxalt) are necessarily absent.

The result was announced—yeas 18, nays 77, as follows:

[Rollcall Vote No. 125 Leg.]

YEAS—18

Bartlett
Bellmon
Buckley
Curtis
Fannin
Fong
Garn
Goldwater
Hansen
Hatfield
Helms
Hruska
McClure
Moss
Taft
Thurmond
Tower
Young

NAYS—77

Allen
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Eastland
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Talmadge
Tunney
Weicker
Williams

NOT VOTING—5

Abourezk
Baker
Laxalt
McClellan
Symington

So Mr. CURTIS' amendment (No. 1536) was rejected.

AMENDMENT NO. 1538

Mr. **CURTIS**. Mr. President, I call up my amendment No. 1538.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself, Mr. HELMS, and Mr. BUCKLEY, proposes an amendment numbered 1538:

On page 9, line 22, strike out "twelve" and insert in lieu thereof "six".

Mr. **CURTIS**. Mr. President, an explanation of this amendment is on the desk of each Senator, as has been done in the case of the other amendments.

I feel that the food stamp law should be reformed. It can be done and still take care of the poor. I do not believe that the committee bill confines it to that. There is a long list of loopholes, such as those for students who do not have to meet the requirements that other people have to meet.

This is what the amendment would do: This takes the AFDC criteria established by the distinguished Senator from Georgia and applies them to food stamps. In the program of AFDC, the parent is not required to register for work if he or she is caring for a child 6 years of age or under. That was a loophole that was closed by the Committee on Finance with the Talmadge amendment. It is sound and workable.

This bill exempts people from working if they have a child under 12, and there are other provisions to take care of the handicapped, and so forth.

A child from 6 to 12 is in school, and for the AFDC program we require the parent to register in order to get benefits. Here, the committee chose to put it at 12 years instead of 6.

The amendment speaks for itself. I hope it will be adopted.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER**. Who yields time?

Mr. **CURTIS**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **TALMADGE**. Mr. President, I yield to the distinguished Senator from Kansas such time as he may require.

Mr. **DOLE**. Mr. President, I oppose the amendment of the distinguished Senator from Nebraska.

The current food stamp program exempts from the work registration requirement any adult who is responsible for the care of a child under age 18. The Agriculture Committee lowered the age of such dependent child to 12. Amendment No. 1538, as proposed by Senator CURTIS would lower this age limit even further and require the parent of a child over age 6 to register for, and accept, employment as a condition for receiving food stamps.

This amendment would mean that a parent with children aged 7, 9, and 11, would have to leave home, search for work, and accept a job—possibly on a night shift. The committee considered such a requirement, but rejected it on the grounds that children aged 6 to 11 are too young to have their mothers forced out of the home. The Curtis amendment would also be extremely cost-ineffective. It would require food stamp offices to locate child care slots for tens of thousands of women. Already, a huge number of welfare mothers are considered "unavailable for employment" because welfare offices can find no afterschool or evening child care for their children. The Curtis amendment would make this situation far worse. It would entail the expenditure of millions of dollars in attempts to find and provide social services such as child care, and in the end, most of these women would have to be considered "unavailable" anyway.

Moreover, many of the day-care facilities currently available to low-income families, are overcrowded, ill equipped, and understaffed. The additional demand created by this amendment would compound the present problems, and further lessen the already minimally beneficial aspects of the centers. It is reasonable to allow a parent the opportunity of assuming the child-rearing role at least until the child is 12 years old, especially when the alternative is too often inadequate "caretaker" day care.

The committee bill's use of age 12 is a reasonable compromise in this area, and balances the needs of a young child against the goal of forcing people to look for and accept employment.

I suggest that this amendment simply would add millions of dollars to the program. It is cost ineffective. For that reason, the amendment should be defeated.

Mr. **CURTIS**. Mr. President, I yield myself 1 additional minute.

All this does is require them to register for work. That is all. It does not have anything to do with child care centers. It deals with school age individuals. It will save $20 million. I urge the adoption of the amendment.

Mr. **DOLE**. In response to that, I point out that the mother would have to register for work; and if work was available, she would have to take the work, and the children would be eligible for day care services. It is provided for in the bill. After much discussion in the Committee on Agriculture and Forestry on whether to use the age of 18, 12, or 6, we arrived at a compromise of 12. I think that is fair and just, and it would save millions of dollars.

Mr. **CURTIS**. Mr. President, I yield back the remainder of my time.

The **PRESIDING OFFICER** (Mr. PERCY). Does the Senator from Georgia yield back the remainder of his time?

Mr. **TALMADGE**. I yield back the remainder of my time.

The **PRESIDING OFFICER**. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Nebraska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from North Dakota (Mr. ABOUREZK) are necessarily absent.

Mr. **GRIFFIN**. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 18, nays 78, as follows:

[Rollcall Vote No. 126 Leg.]

YEAS—18

Bartlett
Beall
Brock
Buckley
Curtis
Fannin
Garn
Goldwater
Hansen
Helms
Hruska
McClure
Packwood
Roth
Scott, William L.
Taft
Thurmond
Tower

NAYS—78

Allen
Bayh
Bellmon
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Eastland
Fong
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—4

Abourezk
Baker
Laxalt
McClellan

So Mr. CURTIS' amendment was rejected.

AMENDMENT NO. 1526

Mr. **CURTIS**. Mr. President, I am about to call up amendment 1526. A moment ago the sheet for amendment 1525 was delivered to Senators. I have changed my mind, and I am going to offer amendment 1526.

Mr. President, I ask that amendment 1526 be stated.

The **PRESIDING OFFICER**. The amendment will be stated.

The second assistant legislative clerk read as follows:

> The Senator from Nebraska (Mr. CURTIS) proposes amendment numbered 1526.
>
> The amendment is as follows:
>
> On page 6, line 23, strike out "$100" and insert in lieu thereof "$50".

Mr. **CURTIS**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **CURTIS**. This amendment would reduce the standard deduction from $100 to $50 per household per month, and would allow the additional deductions of Federal, State, local, and social security taxes, as in the bill reported by the committee.

There has been virtually no discussion in the committee or elsewhere around the Nation of liberalizing the provisions of the food stamp program. Yet, that is exactly what the committee has done in approving a standard deduction which exceeds the current average of all itemized deductions, which is about $77. If, in the judgment of the Senate, we should allow the separate deduction of taxes paid by a working family so that we do not have a work disincentive, we need to scale down substantially the amount of the standard deduction.

The purpose of a standard deduction is to adjust for all deductions including taxes. If taxes are to be treated as an additional deduction then the standard deduction should be lowered as provided in this amendment. A deduction of $50, when taxes are added, comes very close to the amount of present deductions.

The estimated savings over the committee bill are $1 billion.

Mr. President, I believe if the committee bill is enacted the final calculation of what it saves over the present system, which is in disrepute all over, will be very limited; may be $100 million or $200 million out of a program of $6 billion.

Here is how the program works: A family of four is required to have food of $166 a month. If they have zero income they will get $166 worth of food stamps free under my proposal or any of these others.

Then they pay a percentage from their own, never more than 30 percent. If a family has an income of $200, 30 percent of that is $60, and they pay $60 and get $166 worth of food stamps.

If their income is $400 they would pay $120 and they would get $166 worth of food.

I believe the program should phase out at the poverty level. The poverty level is about to be increased. By the time this bill becomes effective, for a family of four it will be $5,500. The committee bill says in addition to the poverty level there is a standard deduction of $100 a month, and then all the taxes that you paid. Well, if a family of four has $5,500, you add $1,200 to that—$100 a month standard deduction—and suppose they have $600 worth of taxes, you have raised the eligibility to $7,300.

I think that is too much. There is much to be said—something to be said—for a standard deduction. It simplifies matters. But if you are going to include a special deduction for taxes paid, then the $100 deduction should be reduced to $50. That is what this is all about.

If someone is living in public housing, he does not have to count the housing subsidy as part of his income.

There are other provisions. A student who gets a grant does not have to count it as income.

Now, if we had a standard deduction of $100, and it took care of everything, that would be one thing. But the committee bill, in addition to housing, in addition to certain in-kind income, has a standard deduction of $100 a month, plus taxes.

What my amendment does is to reduce the $100 to $50. It reduces the $100 to $50 and you still get a deduction.

The **PRESIDING OFFICER**. The Senator's 5 minutes on the amendment have expired.

Mr. **CURTIS**. How much time has expired?

The **PRESIDING OFFICER**. Five minutes have expired.

Mr. **CURTIS**. I thank the Chair.

The **PRESIDING OFFICER**. The Senator from Georgia.

Mr. **TALMADGE**. Mr. President, I yield myself such time as I may require.

Dropping the standard deduction from $100 in the committee bill to $50 as proposed by the distinguished Senator from Nebraska would penalize the neediest recipients the most.

As compared with the committee bill, purchase prices would rise by $14 a month for all recipients. There would be a 50-percent increase for households with $200 a month gross income. There would be a 16-percent increase for households with $400 a month gross income.

Furthermore, it would grant a standard deduction far below what the average food stamp recipient now claims. The committee bill grants $100 a month standard deduction, roughly comparable to the $93 a month now claimed by the average recipient.

The Curtis amendment would grant only a $50 standard deduction, about half of what the average recipient now claims.

The intent of the committee bill is to cut high-income people off the food stamp program by not allowing deductions above $100 a month, above the average. The Curtis amendment would cut participation even more by allowing only a $50 a month deduction.

I urge the Senate to reject the amendment.

Mr. **DOLE**. The amendment, offered by Senators CURTIS, HELMS, and BUCKLEY, would slash benefits for families with net incomes below the poverty line by over $1 billion. The amendment would provide a flat $50 standard deduction for all households, plus an extra $25 for the elderly. No separate deduction for taxes would be allowed.

The committee bill provides a flat $100 standard deduction, plus an extra $25 for the elderly—the standard deduction level proposed in the administration bill and regulations—and also includes a deduction for income taxes.

If adopted, the Curtis amendment would have the following results:

First. If in effect today—with a poverty level of $5,050 still in use—the amendment would set a gross income limit for a four-person family at only $5,650. For the year from June 1976 to June 1977, the income limit would be only $6,100.

Under the committee bill, the income limits for the coming year would be $6,700 for nonworking families and about $7,700 for working families. Families of four with gross incomes of $6,500 or $7,000 are not high income and should continue to be eligible for stamps.

Second. The amendments would cut benefits $165 a year below the levels provided in the bill for all nonworking families, and by up to $400 a year for all gainfully employed. Over $1 billion a year in benefits would be cut from families with net incomes below the poverty line. The amendment would cut standard deductions far below the current average deduction, while purchase price would still be raised from its current average of 23 to 27.5 percent.

Third. The amendment would be unfair to working families. Working families with take-home pay in the $5,600 to $6,100 range, but gross income above $6,100, would be made ineligible. Families on welfare or unemployment compensation with incomes in the same $5,600 to $6,100 range would be eligible.

In addition, a working family with $5,500 in take-home pay would receive $150 a year less in food stamp benefits than a welfare or unemployed family at the same income level.

Fourth. The $50 deduction is far too low for the elderly, even with the extra $25, they would receive. Most elderly households now pay only 10 to 22 percent of net income for their stamps. The committee bill raises this percentage all the way up to 27.5 percent, an increase of one-third—1½ times for most elderly. The only way to avoid cutting back on the elderly is to give them a far larger standard deduction than this amendment provides, in order to counteract the effects of the higher purchase price.

Fifth. The $50 deduction is far too low for larger families. A new study by the House Agriculture Committee found that the average household of 4 to 6 persons received a $114 deduction a year ago.

Sixth. The $50 deduction is far too low for working families, who currently get the largest itemized deductions because of expenses for taxes, work-related expenses, child care in order to work, et cetera.

The **PRESIDING OFFICER**. All time has expired.

The question is on agreeing to the amendment of the Senator from Nebraska.

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce

that the Senator from Arkansas (Mr. McClellan) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Nevada (Mr. Laxalt) are necessarily absent.

The result was announced—yeas 12, nays 85, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—12

Allen
Bartlett
Buckley
Curtis
Fannin
Goldwater
Hansen
Helms
Hruska
McClure
Scott, William L.
Thurmond

NAYS—85

Abourezk
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—3

Baker
Laxalt
McClellan

So Mr. Curtis' amendment (No. 1526) was rejected.

Mr. CURTIS. Mr. President, I send an unprinted amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. Curtis) proposes an amendment:

On page 12, line 20, strike out "(j)" and insert in lieu thereof "(k)".

On page 15, line 6, strike out the quotation marks and the second period.

On page 15, between lines 6 and 7, insert the following:

"(k) Notwithstanding any other provision of this Act, no household shall be eligible to participate in the food stamp program if the head of such household is a full-time employee of the Federal Government or of the government of any State or local subdivision of a State. In any case in which any household is eligible for a coupon allotment under this Act and such household includes a member, other than the head of such household, who is a full-time employee of the Federal Government or the government of any State or political subdivision of a State, the benefits to which such household is entitled shall be determined without regard to any such member or members so employed.".

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, this is a simple amendment. It is offered by request. I am not at liberty to disclose the name of the Senator who wanted it offered. I endorse it, however.

This provides that a Government employee who is the head of a household—a Government employee, Federal, State, or local—is not entitled to food stamps.

I believe that if we have underpaid Government workers, their wages should be raised. But I do not believe that civil or military should have to purchase food stamps if they are working full time for the Government.

It relates to the head of the household. If there is a family which qualifies for food stamps and there happens to be an individual in the home, say one of the children, working for the Government, this does not disqualify the rest of the family at all.

Mr. President, I urge the adoption of the amendment.

I reserve the remainder of my time.

Mr. TALMADGE. Mr. President, I rise to oppose the amendment.

In the first place, the Senator's amendment would create two classes in America. One group would be those who work for the State governments, the Federal Government, the municipal governments, and the county governments. They would be denied benefits to be granted to all other Americans. They would be precluded simply because they happened to be on the payroll of some subdivision of government. That, in my judgment, is wrong. I think it is legally indefensible and probably would be stricken down by the courts.

The amendment also goes beyond that. It cuts off any benefits to poor people who might be working for the government, either the Federal Government, the State governments, the local governments, or the municipal governments.

The committee bill denies any benefits to a family of four with incomes of $7,800 or more. What does the amendment of Senator Curtis do? It would deny any benefits to GS-1, GS-2, GS-3, and GS-4 Federal employees.

Over and beyond that there must be thousands and thousands of employees, such as a town marshal, or a man who cleans up garbage in a small municipality, the streetsweeper, someone who paints the jail or the courthouse, somebody like that, at very, very low wages. He might be working for the minimum wage. He might have a family of six children. The Senator's amendment would absolutely deny him the food stamps.

I yield back the remainder of my time. I hope the Senate will reject the amendment.

Mr. CURTIS. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 2½ minutes remaining.

Mr. CURTIS. The facts are being developed. According to the distinguished chairman, a person is eligible for food stamps if they have an income of $7,800. The poverty level is $5,050. In a few weeks it will be $5,500. This is not a program geared to the poor. Why should we pay Government workers such a small amount that they are undernourished? It should not be done.

Mr. President, we are writing quite a record here. That $7,800 eligibility for food stamps comes about because after they take in the poverty core level they add $100 and then they add all the taxes. They do not count housing subsidies, medicaid, or anything else.

Mr. President, it took 185 years for the expenditures of this Government to reach $100 billion. In 9 years it went to $200 billion. In only 4 years it went to $300 billion. It is going to go through the ceiling. The reason is that 45 cents out of every $1 spent by this Government goes as direct benefits to individuals.

It does not cost much to govern. It costs an awful lot to provide. That is a Socialist state. I do not want any part of it.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. CURTIS. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. Hart), the Senator from Louisiana (Mr. Long), and the Senator from Arkansas (Mr. McClellan) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Nevada (Mr. Laxalt) are necessarily absent.

The result was announced—yeas 18, nays 77, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—18

Biden
Brock
Curtis
Eastland
Fannin
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
McClure
Pastore
Roth
Scott, William L.
Stennis
Thurmond
Tower

NAYS—77

Abourezk
Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Fong
Ford
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—5

Baker
Hart, Philip A.
Laxalt
Long
McClellan

So Mr. Curtis' amendment was rejected.

AMENDMENT NO. 1528

Mr. CURTIS. Mr. President, I call up my amendment No. 1528.

The PRESIDING OFFICER (Mr. Stone). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS) (for himself, Mr. HELMS, and Mr. BUCKLEY), proposes an amendment numbered 1528, as follows:

On page 17, line 24, strike out "27.5" and insert in lieu thereof "30".

Mr. CURTIS. Mr. President, the Senate has spoken on food stamps. We have provided that food stamps are not limited to those under the poverty level of $5,500, as before, but the level goes up to $7,800. We have provided that strikers and students—who can be professional students all their lives, and of course they can show no assets and no income—can get the stamps. We have quite a loophole bill here.

This amendment—and there is a description of it before each Senator here—deals with the amendment that an individual should pay. At the present time, they pay up to 30 percent of their income. Not all of them pay quite 30. It is near. And it works this way: I mentioned it before, but there are some Senators on the floor that were not here then. The Department of Agriculture says that a family of four should have $166 worth of groceries a month; that is their thrifty plan. The poverty level is $5,500 for a family of four. If they have zero income, they receive $166 food stamps free. And then they pay 30 percent of their income toward this $166. It works out this way: if they have income of $200 a month, 30 percent of that is $60. They pay $60 and in return receive $166.

If they have an income of $400 a month, 30 percent of that is $120. They pay $120 and receive $166 worth of groceries. That is to assist them.

The committee agreed that the amount they should pay is 30 percent of their income. Thirty percent is favored by the Department of Agriculture. Thirty percent was in the bill introduced by the distinguished Senator from South Dakota (Mr. McGOVERN); 30 percent was in the bill introduced by the distinguished Senator from Kansas (Mr. DOLE), and in the last few minutes of consideration without any adequate facts or figures that was lowered from 30 to 27½.

There are a lot of well-meaning people who worked on this bill, but I think we have gone too far trying to get everyone under the tent to get them to agree on this bill. There was never anything submitted to the committee that this should be 27.5 percent instead of 30. Keep in mind that if this passes people who have no income will still get their stamps without paying anything.

The average person in the low-income group, according to the Bureau of Labor Statistics, at the poverty level already are spending 32.6 percent of their income, and some of them below that are spending as much as 39 or 40 percent. Thirty percent is a reasonable figure. It will allow a substantial subsidy for people who have a low income.

As I say, this comes here with a recommendation by the bill introduced. It was in the bill introduced by the distinguished Senator from South Dakota (Mr. McGOVERN). It was in the Dole bill. It was in the Buckley-Michel bill. It is what is favored by the administration.

Then in that finagling that went on in the last few minutes they lowered it to 27.5 percent. It increases the cost by $214 million.

Mr. President, I think we have an obligation not to increase dependency in this country. I think we have an obligation so far as the able-bodied are concerned that they support themselves. This bill goes in the opposite direction.

Here is one more amendment whereby Senators have a chance to make a correction.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TALMADGE. Mr. President, I yield such time as he may desire to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, at the present time, as the Senator from Kansas understands, the average household pays 24 percent of net income for stamps, and these figures are furnished by the U.S. Department of Agriculture.

This amendment, by raising the purchase price further, would cut $300 million more in benefits than the committee bill already has cut.

I recall when President Ford suggested that we increase that requirement to 30 percent only eight Senators voted with the administration on that issue. I might suggest that this amendment is similar to that regulation.

As the distinguished Senator from Nebraska has indicated, this 30-percent figure has appeared in various bills. The final result of the committee bill was an effort to compromise the differences, and I might suggest that at the appropriate time there will be a substitute bill offered by the Senator from Kansas which will lower the purchase requirement to 25 percent in an effort to make certain that those truly in need can participate in the program.

As a tradeoff for lowering that contribution, we will drop any effort to eliminate the purchase requirement.

But, as the Senator from Kansas said many times, reform is a two-edged sword. We want to lop off those people who should not be in the program and the committee, under the leadership of the Senator from Georgia, has done this; but at the same time we want to make certain that those who should participate and have not been able to participate can participate.

I do not think we perform any service by this amendment. I hope that the amendment will be defeated.

Mr. BUMPERS. Mr. President, will the floor managers yield for a question?

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. I yield.

Mr. BUMPERS. I was curious as to the memo on my desk on this amendment which states that this saving difference between 30 and 27.5 percent will be $214 million. I was wondering if the committee agrees with that figure.

Mr. TALMADGE. Let me see if we have any information on this in our files here.

Perhaps Senator CURTIS can answer that question. I yield him such time as he desires to explain where he got his figures.

Mr. CURTIS. I think that was the figure used in the committee. Some of these figures have to be reworked. The committee bill is supposed to save $630 million. The latest information I have is that that is not going to work out that way at all. It is going to be $260 million. In other words, it does not amount to anything in the $6 billion program.

Mr. BUMPERS. I was looking at the cost estimates on the proposed substitute, which apparently is going to be offered today, to show there is roughly a $400 million difference in the committee bill and the substitute; in other words, the substitute costs $400 million more than the committee bill, and I was curious as to whether half of that was made up of the difference between the 27.5 percent in the committee bill and the 25 percent which will be in the figure in the proposed substitute. That seemed like a rather high savings figure for me as to 2.5 percent.

Mr. TALMADGE. In our committee report, if the Senator will look on page 87, amendment 2, reduce the benefit reduction rate from 27.5 to 25 percent. That cost will be $300 million. So I presume the savings that the Senator from Nebraska indicates would occur if his amendment were agreed to would be in the ball park.

Mr. BUMPERS. I thank the Senator.

Mr. TALMADGE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) and the Senator from Arkansas (Mr. McCLELLAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 23, nays 73, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—23

Allen
Bartlett
Beall
Bellmon
Brock
Buckley
Byrd,
  Harry F., Jr.
Curtis
Eastland
Fannin
Fong
Goldwater
Griffin
Hansen
Helms
Hruska
McClure
Roth
Scott,
  William L.
Stennis
Thurmond
Tower
Young

NAYS—73

Abourezk
Bayh
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Ford
Garn
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hatfield

Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tunney
Weicker
Williams

NOT VOTING—4

Baker
Hart, Philip A.
Laxalt
McClellan

So Mr. CURTIS' amendment was rejected.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. BEALL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. TALMADGE. Let us hear what the amendment is. We might not need the yeas and nays.

Mr. BEALL. I think we will need the yeas and nays.

I yield to the Senator from Oregon.

The PRESIDING OFFICER. If the Senator will suspend, is there a sufficient second?

Mr. MANSFIELD. Mr. President, could the clerk be asked to read the amendment? I want to make a proposal to the Senator from Maryland.

The PRESIDING OFFICER. Does the majority leader wish to suspend the call for the yeas and nays?

Mr. MANSFIELD. Yes; I should like to hear the amendment first.

Mr. BEALL. I shall be happy to withhold the request for the yeas and nays to explain the amendment, if the majority leader please.

Mr. MANSFIELD. Why not hear it? I want to make a proposal.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I know less now than I did before.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

S. 3136

On page 10, line 3, strike out the semicolon and insert in lieu thereof a comma and "subject to the provisions of paragraph (6) of this subsection;".

On page 12, line 18, strike out the quotation marks and the second period.

On page 12, between lines 18 and 19, insert the following:

"(6) The exception provided in paragraph (1) with respect to bona fide students shall not apply in the case of any student during any period such student is not attending the school or training program in which he is enrolled because of a break in the school year (or between school years) or training programs if the duration of such break is thirty days or more.".

Mr. TALMADGE. Mr. President, I am thoroughly familiar with the amendment.

Mr. BEALL. This is exactly like the Curtis amendment No. 1535.

Mr. TALMADGE. I am prepared to accept it and am prepared to give the Senator default judgment without a vote.

Mr. BEALL. Mr. President, I ask for the yeas and nays.

Mr. TALMADGE. We do not need the yeas and nays. I assume if the Senator proposes an amendment, his constituents will know he supported his own amendment.

Mr. BEALL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? Please raise your hands. There is a sufficient second.

The yeas and nays were ordered.

Mr. BEALL. I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent that, during the remaining time for consideration of this bill and votes taken thereon, my staffman, Keith Kennedy, be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maryland is recognized.

Mr. BEALL. How much time do I have?

The PRESIDING OFFICER. There is no time limit on the amendment.

Mr. BEALL. I am willing to have this vote in 5 minutes.

Mr. CURTIS. Reserving the right to object, I want to be heard on this amendment.

Mr. MANSFIELD. Go ahead.

Mr. CURTIS. He has the floor.

Mr. BEALL. I shall explain, for the Senator from Nebraska, the amendment.

Mr. CURTIS. I want about 2 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 7 minutes on the pending amendment, 2 minutes to be given to the Senator from Nebraska (Mr. CURTIS), the rest to the sponsor of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

The Senator will suspend until there is order in the Chamber.

The Senate will be in order.

The Senator from Maryland is recognized.

Mr. BEALL. Mr. President, I yield myself 1 minute.

This amendment is the same as amendment No. 1535, that was offered or proposed to be offered by the Senator from Nebraska (Mr. CURTIS). It requires a student who receives food stamps to register for work if he or she is on vacation for 30 days or more. Mr. President, unless this amendment is agreed to, students who receive food stamps during the academic semester will be able to continue receiving stamps through the 3 months' summer vacation period without complying with the same work registration requirement which applies to other households. Obviously, Mr. President, this would be very unfair and inequitable to nonstudent low-income families.

I think it is an amendment that should be adopted. I am happy that the Senator from Nebraska had the foresight to propose such an amendment. I am sorry he is not offering it, but I think it is so worthy of consideration that I am offering it and suggested that we have a rollcall vote so everybody could be recorded on this measure.

Mr. CURTIS. Mr. President, I shall, of course, vote for this amendment. It is the best escape hatch amendment that has ever been written. We have taken a position here for increasing expenditures on food stamps. There are enough loopholes in this committee bill to grow on. We have 19 million takers of food stamps now.

Without changing the law 40 million are eligible, and the court has said, "Get the word out, tell them about it."

Now the Senate has turned down amendments that would save $2 billion. This one would save $2 million out of a program of $6 billion. I commend it to everybody who wants to go home and say, "I voted to clean up the food stamp program."

Mr. TALMADGE. Mr. President, I support the amendment. I think it is a worthy one, and I hope the Senator will ask unanimous consent to withdraw the record vote so we can proceed to other business.

I yield back the remainder of my time.

Mr. BEALL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Maryland.

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Arizona (Mr. GOLDWATER) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—95

Abourezk
Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Durkin
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye

Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Baker
Goldwater
Hart, Philip A.
Laxalt
McClellan

So Mr. BEALL's amendment was agreed to.

Mr. **FORD.** I have an amendment I wish to bring up.

Mr. **MANSFIELD.** Will the Senator yield me 1 minute?

Mr. **FORD.** I am delighted to.

The **PRESIDING OFFICER.** The Senator from Kentucky has the floor.

The Senator from Montana.

INTERIM REPORT OF THE CULVER COMMISSION

Mr. **MANSFIELD.** Mr. President, pursuant to Senate Resolution 227 of last year, an interim report from the Commission on the Operation of the Senate which was adopted by a unanimous vote has been received by the Republican leader and myself. It was transmitted to us on March 31, 1976, by the Chairman of the Commission, Harold E. Hughes, as required by section 6 of the establishing resolution.

The interim report, in my judgment, bears witness to the comprehensive nature of the Commission's inquiries and the strenuous efforts which are being made to carry out the purposes of Senate Resolution 227. In less than 4 months of active existence, a most useful contribution has been made by the group and its staff.

It is the hope of the joint leadership that the Commission will persevere in its considerable task, will follow all the leads available to it for the improvement of the operation of the Senate, will say forthrightly what needs to be said of a critical nature and will make specific proposals for improvement in this unique institution.

The interim report sets out a work program for the balance of the life of the Commission which is of ambitious dimensions, given the complexity of the Senate. It reaches no conclusions or recommendations as of now. It does, however, point strongly to the need for a more integrated administration—particularly with respect to housekeeping and general services—and requests all those concerned to think through how they can continue to clarify and rationalize the existing structure.

To facilitate the effort to improve the Senate-wide housekeeping and general services, we are asking the Secretary of the Senate and Mr. Gerald Frank who are ex officio members of the Commission to convene a working group to include the Sergeant at Arms, the Architect of the Capitol, the staff directors of the Committee on Rules and Administration and the Legislative Appropriations Subcommittee and any other pertinent personnel of the Senate to review together the way in which these services are provided at present and to consider steps to rationalize the distribution of administrative responsibilities so as to enhance effectiveness.

Lastly, as the interim report suggests, because of the time it has taken to get the Commission underway, it appears reasonable to move the date for its final report from September 30 to December 31. No additional funds are involved. I, therefore, am submitting an amendment in the form of a Senate resolution to Senate Resolution 227 to provide for this short extension of time.

Mr. President, I send the interim report to the desk and I ask unanimous consent that it be printed as a Senate document.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **CULVER.** Mr. President, I welcome the submission by the leadership of the interim report of the Temporary Commission on the Operation of the Senate. It sets the stage for the main working phase of the Commission's work and for the development of final recommendations. The work program which the report sets forth and the reflections it makes on the need for a clearer administrative structure within the Senate augur well for the contribution the Commission can make to our membership and to public understanding.

Senator MANSFIELD has wisely stressed the desirability that the various administrative units and officials of the Senate seek a working group arrangement to explore ways of better rationalizing their several responsibilities as well as assisting the inquiries of the Temporary Commission. I am sure also that the recommended postponement of the final report by 3 months will strengthen the final product and give the Commission a far better opportunity to accomplish its comprehensive work objectives.

With the reforms adopted in caucus during this Congress, with the creation last week of a bipartisan Select Committee on Committees, and with the encouraging progress marked in this report by the Temporary Commission on the Operation of the Senate we can take genuine hope that the Senate is equipping itself better to meet its legislative responsibilities. We are grateful to the public members of the Commission and to the staff for the course they have set in this report. I am sure that the Senate membership can count on a final report which is sensitive to the strengths the Senate already has as well as to the adaptations required for a demanding future.

Mr. **MANSFIELD.** Mr. President, I ask for the immediate consideration of the resolution.

The **PRESIDING OFFICER.** The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 423) extending the date for submission of the final report of the Commission on the Operation of the Senate.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 423) was agreed to, as follows:

Resolved, That section 6(a) of Senate Resolution 227, 94th Congress, agreed to July 29, 1975, is amended by striking out "September 30, 1976" and inserting in lieu thereof "December 31, 1976".

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. **FORD.** Mr. President, I call up my unprinted amendment which is at the desk.

The **PRESIDING OFFICER.** The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. **FORD.** Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add a new section as follows:

SPECIAL TEMPORARY ELIGIBILITY FOR CERTAIN HOUSEHOLDS

SEC. 15. Notwithstanding any other provision of law, any household which lost the head of such household as a result of the Scotia coal mine disasters which occurred on March 9 and 11, 1976, at Oven Fork, Kentucky, shall be eligible for a coupon allotment under the Food Stamp Act of 1964 for a period of six months after the date of enactment of this section without having to meet any requirements of eligibility for such allotment prescribed by law or regulation.

Mr. **FORD.** Mr. President, this is an amendment that adds a new section to this bill. That new section would be entitled "Special Temporary Eligibility for Certain Households" and it would be section 15.

It reads, and I think this explains the intent of my amendment:

> Notwithstanding any other provision of law, any household which lost the head of such household as a result of the Scotia coal mine disasters which occurred on March 9 and 11, 1976, at Oven Fork, Kentucky, shall be eligible for a coupon allotment under the Food Stamp Act of 1964 for a period of six months after the date of enactment of this section without having to meet any requirements of eligibility for such allotment prescribed by law or regulation.

Mr. President, the widows and families of those who lost their lives in this disaster have been attempting to secure food stamps and they have been turned down. I can understand why those at the local level would have a problem determining the efforts of these people. They have some life insurance coming and it has not yet arrived. There could be workmen's compensation that has not yet arrived.

But they need help. So in this special case I am asking the Senate to add to this piece of legislation this amendment.

I have talked with the floor manager of the bill and he has given me good advice and I shall pursue administrative procedures in order to secure the help for these families as a result of this disaster.

But being one who believes in backing up his aces, I am hopeful the floor manager will allow me to have this amendment on the bill.

Mr. TALMADGE. I have discussed this amendment. I think it is something that should be handled administratively, but in the absence of it being handled administratively, I think it is a worthy purpose and I urge the Senate to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The Senator from Kansas.

Mr. DOLE. Mr. President, I have discussed the amendment with the Senator from Kentucky. I think it certainly has merit. I hope the proper authorities of the USDA take note of the present amendment and the efforts of the distinguished Senator from Kentucky, but I certainly have no objection to the amendment.

Mr. FORD. I appreciate that.

Mr. President, I am not asking for a rollcall vote and will be happy with a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

AMENDMENT NO. 1571

Mr. DOLE. Mr. President, I call up my amendment in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Messrs. MCGOVERN, HUMPHREY, TALMADGE, HUGH SCOTT, JAVITS, and PERCY, proposes an amendment in the nature of a substitute.

The amendment is as follows:

AMENDMENT No. 1571

Strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Food Stamp Reform Act of 1976".

DEFINITIONS

SEC. 2. Section 3 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (e) is amended to read as follows:

"(e) The term 'household' means a group of individuals who are sharing common living quarters, but who are not residents of an institution or boardinghouse, and who have access to cooking facilities and for whom food is customarily purchased in common. Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) or section 236 of the National Housing Act (12 U.S.C. 1715z–1), shall not be considered residents of an institution or boardinghouse. The term 'household' also means (1) a single individual living alone who has access to cooking facilities and who purchases food for home consumption; (2) an elderly person who meets the requirements of section 10(h) of this Act; or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program. Notwithstanding any other provision of this subsection, households in which a member is eligible to participate in the nutrition program for the elderly under title VII of the Older Americans Act of 1965, or is authorized by section 10(h) of this Act to use coupons for meals on wheels, shall not be required to have cooking facilities.".

(b) Subsection (f) is amended by striking out the period at the end of the second sentence and inserting in lieu thereof the following: ", or any private nonprofit cooperative food purchasing venture in which the members pay for food purchased prior to receipt of such food. Such private nonprofit cooperative is authorized to redeem members' food coupons prior to receipt by the members of the food so purchased. Organizations and institutions specified in section 10(i) of this Act are not authorized to redeem coupons through banks.".

(c) Subsection (l) is amended to read as follows:

"(l) The term 'elderly person' means a person sixty years of age or over who is not a resident of an institution or boardinghouse.".

(d) Section 3 is amended by adding at the end thereof new subsections (o), (p), and (q) as follows:

"(o) The term 'nutritionally adequate diet' means a diet having the value of the food required to feed a family of four persons consisting of a man and a woman twenty through fifty-four; a child six through eight; and a child nine through eleven years of age, determined in accordance with the thrifty food plan developed in 1975 by the Secretary. The cost of such diet shall be the basis for uniform coupon allotments for all households regardless of composition, except for household size adjustments and adjustments to reflect economies of scale set forth in the thrifty food plan.

"(p) The term 'coupon vendor' means any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated administrative responsibility in connection with, the issuance of coupons to households.

"(q) The term 'adjusted semiannually' means adjusted effective every January 1 and July 1 to reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics in the Department of Labor for the preceding six months ending September 30 and March 31."

DISTRIBUTION OF FEDERALLY DONATED FOODS

SEC. 3. Section 4(b) of the Food Stamp Act of 1964, as amended, is amended to read as follows:

"(b) In areas where the food stamp program is in operation, there shall be no distribution of federally donated foods to households under the authority of any other law except that distribution thereunder may be made for such period of time as the Secretary determines necessary to effect an orderly transition on an Indian reservation on which the distribution of federally donated foods to households is being replaced by a food stamp program: *Provided*, That the Secretary shall not approve any plan submitted under this Act which permits any household to participate simultaneously in both the food stamp program and the distribution of federally donated foods: *Provided further*, That households may continue to receive such donated foods under separately authorized programs which permit commodity distribution on a temporary basis to meet disaster relief needs.".

ELIGIBLE HOUSEHOLDS

SEC. 4. Section 5 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (b) is amended to read as follows:

"(b)(1) The Secretary shall establish uniform national standards of eligibility for participation by households in the food stamp program and no plan of operation submitted by a State agency shall be approved unless the standards of eligibility meet those established by the Secretary.

"(2)(A) The income standards of eligibility in every State (except Alaska and Hawaii) shall be the income poverty guidelines for the nonfarm United States prescribed by the Office of Management and Budget, as adjusted in accordance with clause (B) of this paragraph. The income standards of eligibility for Alaska and Hawaii shall be the nonfarm income poverty guidelines established pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d), as adjusted in accordance with clause (B) of this paragraph.

"(B) The income poverty guidelines shall be adjusted semiannually (as that term is defined in section 3(q) of this Act) pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d), to the nearest $1 increment. However, the first adjustment under this paragraph shall take effect on July 1, 1977, and shall be made by multiplying the income poverty guidelines published as of May 1, 1976, by the changes between the average 1975 Consumer Price Index and the Consumer Price Index for March 1977.

"(3) The Secretary shall utilize the preceding thirty-day period in determining income for purposes of eligibility and benefit levels of households: *Provided*, That a longer period may be used as determined by the Secretary for households in which all members receive income from sources such as self-employment, agriculture, contract work, and educational scholarships.

"(4) Notwithstanding the provisions of paragraph (3) of this subsection, a household that has suffered a substantial loss of earned income may immediately make application for participation in the food stamp program. Such application shall be processed in the same manner as that for other applicants except for the determination of the applicant household's income. At the time of such application, members of the household (who are not otherwise exempt) must register for employment under subsection (c) of this section and shall receive the same services under such subsection as any other applicant. At the end of the thirty-day period after the loss of income, the applicant household may present the verification of its income to the certifying authority and such authority shall issue the applicant household its authorization-to-purchase card immediately thereafter: *Provided*, That in the case of State agencies that use mechanized issuance systems, such agencies must have the authorization-to-purchase cards available upon presentation of the vertification of income and issued to the applicant household if such household is eligible for benefits under this Act, and such State agency must recoup any loss suffered because such initial authorization-to-purchase card was in error.

"(5) The Secretary shall also prescribe additional standards of eligibiilty with respect to the amounts of liquid and nonliquid assets a household may own. However, the Secretary may not propose any amendments to the assets regulations in effect on March 31, 1976, until sixty days after the submission to Congress of the assets study report under section 20 of this Act.

"(6) (A) Household income for purposes of the food stamp program shall be the gross income of the household, as defined in paragraph (7) of this subsection, less (i) a standard deduction of $100 a month applicable to all households, except that the standard deduction for Puerto Rico, the Virgin Islands, and Guam shall be $60 a month; (ii) an additional deduction of $25 a month for any household in which there is at least one member who is age sixty or older, or any household which has at least $150 a month in earned income; and (iii) Federal, State, and local income taxes and social security taxes paid by employees under the Federal Insurance Contributions Act.

"(B) Effective July 1, 1977, the standard deduction shall be adjusted semiannually (as that term is defined in section 3(q) of this Act). Such adjustment shall be rounded to the nearest $5 increment.

"(7) Notwithstanding any other provision of law, gross income for purposes of the food stamp program shall include, but not be limited to, all money payments (including payments made pursuant to the Domestic Volunteer Services Act of 1973) and payments in kind, excluing:

"(A) payments for medical costs made on behalf of the household;

"(B) income received as compensation for services performed as an employee or income from self-employment by a child residing with the household who is a student and who has not attained his eighteenth birthday;

"(C) payments received under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

"(D) infrequent or irregular income of a household which does not exceed $30 during any three-month period;

"(E) all loans, scholarships, fellowships, grants, and veterans educational benefits, except deferred educational loans, scholarships, fellowships, grants and veterans educational benefits to the extent they are not used for tuition and mandatory fees at an institution of higher education or school for the handicapped;

"(F) housing vendor payments made directly to landlords under programs administered by the Department of Housing and Urban Development;

"(G) payments received under the special supplemental food program for women, infants, and children authorized by section 17 of the Child Nutrition Act;

"(H) payments in kind derived from government benefit programs including, but not limited to, school lunch, medicare, and elderly feeding programs, and any payments in kind which cannot reasonably and properly be computed;

"(I) the cost of producing self-employed income;

"(J) Federal, State, and local income tax refunds, federal income tax credits, and retroactive payments under the Social Security Act: *Provided*, That the full amount of such refunds, credits, or payments shall be included in household resources; and

"(K) income specifically excluded by other Federal laws.

"(8) The Secretary may also establish temporary emergency standards of eligibility for the duration of the emergency, without regard to income and other financial resources, for households that are victims of a disaster which disrupts commercial channels of food distribution when he determines that (A) such households are in need of temporary food assistance, and (B) commercial channels of food distribution have again become available to meet the temporary food needs of such households.".

(b) Subsection (c) is amended to read as follows:

"(c) (1) Notwithstanding any other provision of law, the Secretary shall include in the uniform national standards of eligibility to be prescribed under subsection (b) of this section a provision that each State agency shall provide that a household shall not be eligible for assistance under this Act if it includes an able-bodied adult person between the ages of eighteen and sixty (except a parent or other member of the household who has the responsibility of care of a dependent child under the age of twelve or of an incapacitated person; a parent or other caretaker of a child or of an incapacitated person in households where there is another able-bodied parent who is subject to the requirements of this subsection; bona fide students in any accredited school or training program; or persons employed and working at least thirty hours per week) who without good cause either—

"(A) fails to register for employment at a State employment service office or, when impractical, at such other appropriate State or Federal office designated by the Secretary of Labor;

"(B) fails to inquire regularly about employment with prospective employers or otherwise fails to engage regularly in activities directly related to securing employment;

"(C) refuses to accept employment or public work at not less than the highest of (i) the applicable State minimum wage; (ii) the applicable Federal minimum wage; (iii) the applicable rates established by a valid regulation of the Federal Government authorized by existing law to establish such regulations; or (iv) if there is no applicable wage as described in subdivision (i), (ii), or (iii) of clause (C) of this paragraph, a wage which is not substantially less favorable than the wage normally paid for similar work in that labor market, but in no event less than three-fourths of the Federal minimum wage rates specified in section 6(a) (1) of the Fair Labor Standards Act; or

"(D) voluntarily quits any job unless the household of which such person is a member was certified for benefits under this Act immediately prior to such unemployment.

"(2) In carrying out its responsibilities under this subsection, the State employment service shall comply with regulations which the Secretary of Labor shall issue in consultation with the Secretary. The Secretary of Labor, in issuing the regulations, shall conform them as closely as possible to the work incentive program requirements set forth under title IV of the Social Security Act, taking into account the unique requirements under the work incentive program, including the provision for social services. To the maximum extent possible, taking into account the diversity of the food stamp work registrant population and varying registrant needs, the Secretary of Labor shall provide manpower training, employment services and opportunities, and supportive services, including child care services of the type available under the work incentive program.

"(3) In the event of a failure of the State employment service to comply with the regulations issued under paragraph (2) of this subsection, the Secretary of Labor is authorized to assume the responsibilities of such State employment service. From the sums appropriated to carry out this Act, there are authorized to be allocated for transfer to the Secretary of Labor (A) for fiscal year 1977 not more than $100,000,000 and (B) for each succeeding fiscal year such sum as may be jointly determined by the Secretary and the Secretary of Labor to be necessary for the Secretary of Labor to carry out his responsibilities under this section. The Secretary shall transfer such sums as are allocated for transfer to the Secretary of Labor. The Secretary of Labor is authorized to make grants or enter into agreements with public or private agencies or organizations in order to carry out his responsibilities under this Act.

"(4) Refusal to work at a plant or site subject to a strike or lockout for the duration of such strike or lockout shall not be deemed to be a refusal to accept employment.

"(5) For the purposes of this section, the term 'ablebodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program.".

(c) Section 5 is amended by adding at the end thereof new subsections (e) through (i) as follows:

"(e) No individual shall be eligible to participate in the food stamp program unless he is a resident of the United States, and is either (1) a citizen or (2) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under a color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a) (7) or section 212(d) (5) of the Immigration and Nationality Act). If, in the application process it becomes known, or the State agency has reason to believe, that an alien has entered or remained in the United States illegally, the State agency shall submit to the Department of Justice information indicating that the applicant may be an illegal alien.

"(f) No household shall be eligible to participate, or to continue to participate, in the food stamp program, if it refuses to submit to the State agency necessary information for a determination as to the household's eligibility to participate in the program. No household shall be eligible to participate in the food stamp program for a period of up to one year after it has been found either by a court of appropriate jurisdiction to have been guilty of a crime involving fraud in connection with its participation in the food stamp program, or by a State agency, after hearing and notice, to have fraudulently obtained coupons. The Secretary shall require every participating household that experiences changes in its eligibility or benefit status to report to the State agency, within 10 days of the date upon which such changes become known to the household, any change in monthly income in excess of $25 and any other change in household's eligibility or benefit status. If a household fails to fulfill this reporting requirement, its coupon allotment for the next certification period shall be reduced to reflect the impact of the changes at the time when they should have been reported.

"(g) No individual shall be considered a household member for food stamp program purposes if such individual (1) has reached his eighteenth birthday; (2) is enrolled in an institution of higher education, and (3) is properly claimed or could properly be claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household.

"(h) No household that knowingly transfers liquid or nonliquid assets for the purpose of qualifying or attempting to qualify for the food stamp program shall be eligible to participate in the program for such period of time as may be determined in accordance with regulations issued pursuant to this Act, but in no event shall such period of time be less than thirty days from the date of discovery of the transfer.

"(i) No individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93–66, as amended, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month, if, for such month, such individual resides in a State which provides State supplementary payments (1) of the type described in section 1616(a) of the Social Security Act, and (2) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

ISSUANCE AND USE OF COUPONS

SEC. 5. Section 6 of the Food Stamp Act of 1964, as amended, is amended by redesignating subsections (b) and (c) as subsections (d) and (e), respectively, and inserting new subsections (b) and (c) as follows:

"(b)(1) The Secretary shall by regulation develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of coupon vendors for the purpose of insuring that such inventories are at proper levels (taking into consideration the historical and projected volume of coupon distribution by such vendors). Any such regulations shall contain procedures to insure that coupon inventories in the hands of coupon vendors are not in excess of the reasonable needs of such vendors taking into consideration the case and feasibility of resupplying such coupon inventories. The Secretary may, at his discretion, require periodic reports from such coupon vendors respecting the level of such inventories.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide a report required under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any report required under paragraph (1) of this subsection shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(c)(1) The Secretary shall by regulation prescribe appropriate procedures for the delivery of coupons to coupon vendors and for the custody, care, control, and storage of coupons in the hands of coupon vendors in order to secure such coupons against theft, embezzlement, misuse, loss, or destruction.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating any regulations issued under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.".

VALUE OF THE COUPON ALLOTMENT AND CHARGES TO BE MADE

SEC. 6. Section 7 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (a) is amended to read as follows:

"(a) The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as will provide such households a coupon allotment sufficient to allow them to purchase a nutritionally adequate diet as defined in section 3(o) of this Act: *Provided*, That in no event shall the face value of the coupon allotments used in Puerto Rico, the Virgin Islands, and Guam exceed those in the fifty States. The face value of the coupon allotment shall be adjusted semi-annually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor. Such changes shall be made in January and July of each year based upon the cost of food in the preceding August and February, respectively. In no event shall such adjustments be made for households of a given size unless the increase in the face value of the coupon allotment for such households, as calculated in accordance with this subsection, is a minimum of $2.".

(b) Subsection (b) is amended to read as follows:

"(b) Households shall be charged for the coupon allotment issued to them, and the amount of such charge shall be 25 per centum of the household's income rounded to the nearest whole dollar, as determined in accordance with section 5(b) of this Act: *Provided*, That for single-person households and two-person households the minimum benefit shall be $10 per month. The Secretary shall provide a reasonable opportunity for any eligible household to elect to be issued a coupon allotment having a face value which is less than the face value of the coupon allotment authorized to be issued to the household under subsection (a) of this section. The charge to be paid by an eligible household electing to exercise the option set forth in this subsection shall be an amount which bears the same ratio to the amount which would have been charged under subsection (b) of this section as the face value of the coupon allotment actually issued to the household bears to the face value of the coupon allotment that would have been issued to the household under subsection (a) of this section.".

(c) Subsection (d) is amended by inserting "(1)" immediately after "(d)" and adding at the end thereof the following new paragraphs:

"(2)(A) The Secretary shall by regulation prescribe the manner in which funds derived from the distribution of coupons (charges made for coupon allotments) shall be deposited by coupon vendors. The regulations shall contain provisions requiring that coupon vendors promptly deposit such funds in the manner prescribed by the Secretary: *Provided*, That such regulations shall, at a minimum, require that such deposits be made weekly: *Provided further*, That such regulations shall, at a minimum, require that upon the accumulation of a balance on hand of $1,000 or more, such deposits be made within two banking days following the accumulation of such amount.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating the regulations issued under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3)(A) Coupon vendors receiving funds derived from the distribution of coupons (charges made for coupon allotments) shall be deemed to be receiving such funds as fiduciaries of the Federal Government, and such coupon vendors shall immediately set aside all such funds as funds of the Federal Government. Funds derived from the distribution of coupons (charges made for coupon allotments) shall not be used, prior to the deposit of such funds in the manner prescribed by the Secretary, for the benefit of any person, partnership, corporation, association, organization, or entity other than the Federal Government.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating subparagraph (A) of this paragraph shall be fined not more than $10,000, or a sum equal to the amount of funds involved in the violation, whichever is the greater, or imprisoned not more than ten years or both: *Provided*, That if the amount of such funds is less than $1,000, such vendor shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(4)(A) The Secretary shall by regulation require that upon the deposit, in the manner prescribed by the Secretary, of funds derived from the distribution of coupons (charges made for coupon allotments), coupon vendors shall immediately send a written notice to the State agency, accompanied by an appropriate voucher, confirming such deposit. In addition to such other information deemed by the Secretary to be appropriate, such regulations shall require that the notice contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of such coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the deposit period;

"(iii) the amount of the deposit;

"(iv) the name and address of the depository; and

"(v) an oath, or affirmation signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in such notice is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide the notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(5)(A) The Secretary shall by regulation require each coupon vendor at intervals prescribed by the Secretary, but not less often than monthly, to send to the Secretary, or his designee, a written report of the vendor's operations during such period under the food stamp program. In addition to such other information deemed by the Secretary to be appropriate, the regulations shall require that the report contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of the coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the report period;

"(iii) the total amount of deposits made by the vendor of funds derived from the distribution of coupons (charges made for coupon allotments) during such period;

"(iv) the name and address of each depository receiving such funds from such vendor; and

"(v) an oath, or affirmation, signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in the report is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide any notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(6) The Secretary may by regulation require State agencies to provide periodic reports to the Secretary, or his designee, containing a consolidation of the respective coupon vendor's notices to such State agencies at such intervals as the Secretary in his discretion deems appropriate.

"(7) The Secretary and the United States Postal Service shall jointly arrange for the prompt deposit of funds collected by the Postal Service on behalf of a State from charges made for coupon allotments.".

ADMINISTRATION

SEC. 7. Section 10 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (a) is amended by inserting "(1)" immediately after the subsection designation and adding at the end thereof a new sentence and a new paragraph (2) as follows: "To encourage the purchase of nutritious foods, the Extension Service of the Department of Agriculture, with the technical assistance of the Food and Nutrition Service, shall extend its food and nutrition education program to the greatest extent possible to reasonably reach food stamp program recipients. The program shall be further supplemented by the development of printed materials designed to teach low-income persons how to buy and prepare more nutritious and economical meals. From the funds appropriated to carry out this Act, the Secretary is authorized to allocate to the Extension Service such sums as the Secretary determines necessary to implement the program of nutrition education.

"(2) Federal agencies that administer programs for needy people, including, but not limited to, supplemental security income and social security programs, shall make every reasonable attempt to inform recipients of those programs (who are potentially eligible for the food stamp program) of the existence of the food stamp program and its income and resource guidelines.".

(b) Subsection (e) is amended by revising clause (5) to read as follows: "(5) that the State agency shall undertake effective action, including the use of services provided by other federally funded agencies and organizations, to inform low-income households concerning the availability and benefits of the food stamp program;".

(c) Subsection (c) is further revised (1) by inserting in clause (7) after the word "law", the following: ", and at the option of the State agency"; (2) by deleting "and" preceding clause (8) and striking the period at the end of clause (8); and (3) by adding the following new clauses (9) and (10): "; (9) for the prompt payment to households of the bonus value of any coupon allotment which has been wrongfully denied, delayed, or terminated as a result of any administrative error on the part of the State agency: *Provided,* That application for such payment shall be filed not later than three months after the household has knowledge of such error and any such payment shall not exceed the bonus value of any such coupon allotment to which the household is determined to be entitled for a three month period: *Provided further,* That the period for which such coupon allotment may be paid shall be extended by such time, in excess of three months, as may be required to complete administrative review of the alleged wrongful denial; and (10) the institution of procedures under which the State agency shall undertake effective action to (A) determine promptly the eligibility of applicant households by providing an opportunity for each household to receive and file an application for participation in the food stamp program on the same day of such household's first reasonable attempt to make an oral or written request for such application, and (B) complete the certification of all eligible households and provide an authorization to purchase card to such households not later than thirty days after the filing of such applications.".

(d) Subsection (f) is amended to read as follows:

"(f) (1) If the Secretary determines that in the administration of the program there is a failure by a State agency to comply with the provisions of this Act, or with the regulations issued pursuant to this Act, or with the State plan of operation, he shall inform such State agency of such failure and allow the State agency a specified period of time for the correction of such failure. If the State agency does not correct such failure within the specified period of time, the Secretary may alternatively or concurrently (A) refer the matter to the Attorney General with a request that an injunction be sought to require compliance by the State agency and, at the suit of the Attorney General in an appropriate United States district court the State agency may be so enjoined, or (B) direct that there be no further issuance of coupons in the political subdivisions where such failure has occurred until such time as satisfactory corrective action has been taken.

"(2) If any State fails substantially to carry out the State plan of operation under section 10(e) of this section (including any quality control plan) approved by the Secretary for such State for such year, the Secretary shall withhold from the State an amount equal to 10 per centum of the funds which would otherwise be payable to such State under section 15(b) for such fiscal year for administrative expenses.".

(e) Subsection (g) is amended by striking out the word "gross" in the first sentence thereof.

(f) Subsection (h) is amended by striking out the first sentence and inserting in lieu thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary in the regulations issued pursuant to this Act, household members who are elderly, housebound, feeble, physically handicapped, or otherwise disabled, to the extent that they are unable to prepare adequately all of their meals, may use coupons issued to them to purchase meals prepared for and delivered to them by a political subdivision or by a private nonprofit organization which (1) is operated in a manner consistent with the purposes of this Act; and (2) is recognized as a tax-exempt organization by the Internal Revenue Service.".

(g) Subsection (i) is amended by striking out ", (2), and (3)" in the first sentence thereof and inserting in lieu thereof "and (2)".

(h) Section 10 is amended by adding at the end thereof new subsections (j) and (k) as follows:

"(j) The Secretary, in conjunction with the Secretary of Health, Education, and Welfare, is authorized to prescribe regulations permitting applicants and recipients of supplemental security income benefits under title XVI of the Social Security Act to apply for food stamps at supplemental security income certification offices. In accordance with the regulations issued by the Secretary, certification of food stamp eligibility in such offices shall be conducted by State agency personnel, and employees of the Social Security Administration in such offices shall refer supplemental security income applicants and recipients to the appropriate State agency personnel in order that the application and certification for food stamp assistance may be accomplished as efficiently and conveniently as possible.

"(k) In areas where there are numerous persons who speak a language other than English, multilingual personnel and printed material shall—where necessary—be used in the administration of the food stamp program.".

SETTLEMENT AND ADJUSTMENT OF CLAIMS

SEC. 8. Section 12 of the Food Stamp Act of 1964, as amended, is amended by adding at the end thereof the following new sentence: "Such claims include, but are not limited to, claims arising from fraudulent and nonfraudulent overissuances to recipients.".

CRIMINAL PENALTIES

SEC. 9. Subsections (b) and (c) of section 14 of the Food Stamp Act of 1964, as amended, are amended by striking out "$5,000" and inserting in lieu thereof "$1,000".

ADMINISTRATIVE EXPENSES

SEC. 10. Section 15 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (b) is amended—

(1) by striking out "The" and inserting in lieu thereof the following: "Except as provided in subsection (c) of this section, the"; and

(2) by inserting at the end of clause (1) and immediately before the semicolon the following: ", exclusive of those households in which all members are receiving assistance under federally aided public assistance programs".

(b) Section 15 is amended by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding any other provision of this Act, the Secretary is authorized to pay to each State agency an amount equal to 75 per centum of all direct costs of State food stamp program investigations, prosecutions, and State activities related to recovering losses sustained in the food stamp program, except for the costs of such activities with respect to households in which all members are receiving assistance under federally aided public assistance programs.".

PILOT PROJECT AUTHORITY; EARNINGS CLEARANCE SYSTEM STUDY; ASSETS STUDY

SEC. 11. The Food Stamp Act of 1964, as amended, is amended by adding at the end thereof new sections 18 through 21 as follows:

"PILOT PROJECT AUTHORITY

"SEC. 18. In carrying out the provisions of this Act, the Secretary is authorized to carry out on a trial basis, in one or more areas of the United States, but in no event for more than 10 percent of the participating population of any State, experimental projects for purposes of increasing the program's efficiency and delivery of benefits to eligible households. Except for the pilot project mandated by section 21 of this Act, no project shall be implemented which would lower or further restrict the resource and income limitations; or increase the purchase requirement, provided for under this Act."

"STUDY OF EARNINGS CLEARANCE SYSTEM

"SEC. 19. The Secretary is authorized and directed to conduct a study of the feasibility and advisability of the establishment of an earnings clearance system (which system shall be consistent with the Privacy Act of 1974 (5 U.S.C. 552a), insofar as it provides for the use of information from records of Federal agencies, and with any other applicable privacy law insofar as it provides for the use of information from non-Federal records) for the purpose of checking the actual income and assets of a household against those reported by such household. The Secretary shall submit a written report to the Congress within one year after the date of enactment of this section, disclosing the results of such study. The report shall include such explanations and comments as the Secretary deems appropriate.

"ASSETS STUDY

"SEC. 20. The Secretary shall conduct a survey of households participating in the food stamp program for the purpose of determining the average assets and distribution of assets held by participants. The Secretary shall submit a written report to the Congress within one hundred and eighty days after the date of enactment of this section, disclosing the results of such survey. The report shall include such explanations and comments as the Secretary deems appropriate.

"PILOT PROJECT ON ELIMINATION OF PURCHASE REQUIREMENT

"SEC. 21. Within ninety days after the date of enactment of this section, the Secretary shall implement a pilot project testing the effect of elimination of the purchase requirement specified in section 6 of this Act. Such project shall be carried out in a statistically significant number of project areas, or parts of project areas, not fewer than 10, in geographically dispersed urban and rural regions, and shall employ a benefit reduction ratio of not higher than 30 per centum of household income. Not later than March 1, 1977, the Secretary shall report to the Congress on the progress of such project, including statistical information on participation rates, changes in food consumption patterns, impact on benefit costs and administrative costs, and other observations and recommendations which he may deem appropriate. From the sums appropriated to carry out this Act, the Secretary is authorized to allocate not more than $20,000,000 to carry out his responsibilities under this section."

CONFORMING AMENDMENTS

SEC. 12. (a) section 3 (b) and section 4(c) of Public Law 93–86 are repealed.

(b) The last sentence of section 416 of the Act of October 31, 1949 (as added by section 411(g) of Public Law 92–603), is repealed.

(c) Section 8(c) of Public Law 93–233 is amended by striking out "section 3(e) of the Food Stamp Act of 1964 (as amended by subsection (a) of this section) and subsections (b) (3) and (f)" and inserting in lieu thereof "section 5(j) of the Food Stamp Act of 1964, as amended, and subsections (b) (3) and (e)".

(d) Section 8(e) of Public Law 93–233 is amended by striking out everything through "during such period," and inserting in lieu thereof "The amendment made by subsection (d) shall not".

ESTABLISHMENT OF ADDITIONAL ASSISTANT SECRETARY OF AGRICULTURE

SEC. 13. (a) There shall be hereafter in the Department of Agriculture, in addition to the Assistant Secretaries now provided by law, an Assistant Secretary of Agriculture for Food and Nutrition Programs who shall (1) be appointed by the President, by and with the advice and consent of the Senate, and (2) receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of Agriculture.

(b) Section 5315 of title 5 of the United States Code is amended by striking out "(4)" at the end of paragraph (11) and by inserting in lieu thereof "(5)".

Mr. DOLE. Mr. President, I might say very briefly that I hope we can discuss this amendment more fully tomorrow.

This is a substitute that has been worked out with the cooperation of the distinguished chairman of the committee, the Senators mentioned as cosponsors, and others who are interested in two things.

First of all, reform of the food stamp program, as the Senator from Kansas indicated earlier, to ignore those who should not be participating, and secondly, to make certain that those who are in the poverty class and the poverty level can participate.

That, in essence, is the substance of the substitute.

It seems to me that in exchange for support of the substitute, the Senator from Kansas and the Senator from South Dakota and others are dropping their insistence that we eliminate the purchase requirement.

This Senator believes that with the changes made in the substitute, we will make it possible for more of those who are truly in need to participate, and that is the sole aim of the program.

I do not know of any member of the Senate Agriculture Committee who holds a different view, or held a different view at the time of the hearings.

Mr. President, I ask unanimous consent that a table comparing S. 3136, the Agriculture Committee food stamp bill, and the substitute amendment I introduced along with Senators MCGOVERN, HUMPHREY, TALMADGE, and HUGH SCOTT, be printed in the RECORD.

Mr. ALLEN. Reserving the right to object, Mr. President, may I inquire of the Chair at what point the point of order must be raised as to the amendment, without running the risk of waiving the point of order?

The PRESIDING OFFICER. The point of order, the Chair is advised, can be raised at any moment up to action on the amendment.

Mr. ALLEN. Very well. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIFFERENCES BETWEEN THE COMMITTEE BILL AND THE PROPOSED SUBSTITUTE

PROVISION	COMMITTEE BILL	ADDITIONAL COST OVER COMMITTEE BILL[1]
(1) Provides for semi-annual adjustment of the "standard deduction" according to changes in the Consumer Price Index. The first adjustment would take effect on July 1, 1977—based on Consumer Price Index changes over the six months ending March 1977. Subsequent adjustments would take place each January and July—based on Consumer Price Index changes over the six months ending in September and March, respectively. All adjustments would be rounded to the nearest $5.	The Committee bill has a fixed "standard deduction" that does not vary over time.	No Cost.
(2) Provides for semi-annual adjustment of the "poverty levels" according to changes in the Consumer Price Index. The first adjustment would take effect on July 1, 1977—based on Consumer Price Index changes from the average level in 1975 to the level for March 1977. Subsequent adjustments would take place each January and July—based on Consumer Price Index changes over the six months ending September and March, respectively.	The Committee bill provides that "poverty levels" be updated *annually* based on changes in the Consumer Price Index. Annual adjustments are to be made based on changes in the Consumer Price Index from the average of one year to the next. The first adjustment would be made in April 1977 (the assumption used in cost estimates).	Minimal Cost.
(3) Sets the "standard deduction" for Puerto Rico, the Virgin Islands, and Guam at $60 per household per month (vs. $100 per household per month for the 50 States and D.C.).	The Committee bill has a $100 per household per month "standard deduction" applicable to all areas (including territories).	−$52 million.
(4) Provides an additional $25 a month deduction for households with earned income over $150 a month.	The Committee bill has no comparable provision.	+$78 million.
(5) Mandates that "ATP" Cards be issued 30 days after application, for the recently unemployed. Also provides for recoupment of any "over-issued" benefits due to this mandate.	The Committee bill mandates a special "speeded-up" application process for the recently unemployed, but, in areas where there is mechanized issuance, households who are recently unemployed might have to wait 45–60 days after application to actually receive their "ATP" card.	Minimal Cost.
(6) Freezes existing assets eligibility standards until 60 days after a report on assets holdings (and recommendations for legislation) have been submitted to Congress.	The Committee bill grants the Secretary discretion to set assets standards and mandates a study of the assets holdings of food stamp recipients within 180 days of enactment.	No Cost.
(7) Deletes the $15,000 limitation on income-producing property and tools used in a trade or business.	The Committee bill requires that only the first $15,000 worth of income-producing property be disregarded in counting assets.	+$15 million.

Footnotes on following page.

DIFFERENCES BETWEEN THE COMMITTEE BILL AND THE PROPOSED SUBSTITUTE—Continued

PROVISION	COMMITTEE BILL	ADDITIONAL COST OVER COMMITTEE BILL [1]
(8) Excludes from income VA education benefits and educational grants and fellowships *to the extent used for tuition and mandatory fees,* in addition to the bill's exclusions.	The Committee bill excludes from income deferred student loans and scholarships *to the extent used for tuition and mandatory fees.*	Minimal Cost.
(9) Counts income tax refunds and tax credits as *assets.*	The Committee bill counts income tax refunds and tax credits as *income.*	
Counts retroactive Social Security Act payments as *assets.*	The Committee bill counts all retroactive "lump-sum" payments as *income.*	Minimal Cost.
(10) Mandates that the "poverty levels" for Puerto Rico, the Virgin Islands, and Guam be the same as those for the continental U.S.	No provision specifying what the "poverty levels" for Puerto Rico, the Virgin Islands, and Guam should be.	No Cost.[2]
(11) Excludes from income employer-provided housing (a type of non-cash income).	Counts as income the value of employer-provided housing—up to a ceiling of $25 a month.	Minimal Cost.
(12) Exludes from income the income specifically excluded by other Federal laws.	No comparable provision.	Minimal Cost.
(13) Deletes the provision making minors ineligible if they are not living with the person legally responsible for their support.	The Committee bill makes ineligible minors who are not living with the person legally responsible for their support unless the person does not exist, cannot be found, or cannot supply support.	Minimal Cost.
(14) Deletes authority for monthly income reporting system and puts into law current rules on reporting. Allows recoupment of "over-issued" benefits if a household does not fulfill reporting requirements. However, it is expected that the Secretary of Agriculture will require (1) households whose income is likely to change to be certified on a monthly basis and (2) that all households be given written instructions and forms on how to report changes in income and other circumstances.	The Committee bill gives the Secretary authority to require monthly income reporting (even if there are no changes in income).	−$2 million.
(15) To be disqualified for fraudulent participation, a household would have to be found guilty in court or by a State welfare agency (after a proper hearing).	Provides for the disqualification of households found to be participating fraudulently.	No Cost.
(16) Sets the purchase price at 25 percent of net income.	The Committee bill sets the purchase price at 27.5 percent of net income.	+$330 million.
(17) Restricts authority for pilot projects by mandating that they cannot reduce income and assets eligibility criteria or raise the percent of income charged as a purchase price—except for the pilot project on elimination of the purchase price. No pilot project can cover more than 10 percent of the participating population in each State.	The Committee bill has no limit on pilot project authority.	No Cost.
(18) Mandates a pilot project on elimination of the purchase price—to cost no more than $20 million.	The Committee bill has no comparable provision. It allows pilot projects in general.	+$20 million.

---

[1] In fiscal 1977 only.

[2] This was assumed in the bill's cost estimates.

Mr. ALLEN. I would like to ask the Senator a number of questions.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senator from Illinois (Mr. PERCY) be added as a cosponsor to the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Will the Senator yield?

Mr. DOLE. I yield.

Mr. ALLEN. What is the number of the Senator's amendment?

Mr. DOLE. There is no number. There will be a number when the amendment has been printed.

Mr. ALLEN. I have been hearing something about a mystical substitute for many days now but thus far I have not been furnished with a copy of the substitute. Are copies available?

Mr. DOLE. Yes, they will be available in printed form tomorrow morning. I would be very happy to deliver to the distinguished Senator from Alabama a typewritten copy of the substitute.

Mr. ALLEN. How much of an increase over the present bill does the Senator, by his estimate, feel this substitute would run?

Mr. DOLE. It is the impression of the Senator from Kansas that without amendments, and there may be amendments offered and adopted—I assume the Senator from Alabama has an amendment and others may have amendments—if the substitute is adopted in its present form, as introduced by the Senator from Kansas and others, it would save about $240 million.

Mr. ALLEN. I do not believe the Senator understood my question. How much would it add to the cost of the committee bill?

Mr. DOLE. It would add about $390 million.

Mr. ALLEN. $390 million added rather than $140 million saved?

Mr. DOLE. As the Senator from Kansas understands, the cost impact of the committee bill will be a savings of $30 million. In the event the substitute of the Senator from Kansas were adopted in its present form, there would be a saving of $241 million.

Mr. ALLEN. The Senator, then, is basing his assumption on the assumption that the committee bill would, in fact, save some $630 million. Has that estimate, as a result of figures recently furnished by the Budget Office, the Agricultural Department, and various staff members, been knocked into a cocked hat and instead does not the committee bill only save about $200 million?

Mr. DOLE. The Senator from Kansas has not heard of that. Cost savings have been estimated by the U.S. Department of Agriculture and the Congressional Budget Office. The current service budget office, as I understand it, is about $6.3 million under the committee bill, and it would be a saving of about $630 million.

Mr. ALLEN. The assumptions that the Department of Agriculture gave us in committee, on which I serve along with the distinguished Senator from Kansas, were based on the fact that the department at that time figured that the average deduction ran around $114 a month, whereas they have now estimated that the average deduction runs only about $77 per month. Since each $1 of deduction translates into a $10 million expense, actually the Department of Agriculture estimate was off about a mere $400 million, I believe. If the Senator has not ascertained that fact, I think it might be well for him to check on that, in saying that this bill would effect a savings and it would increase the committee bill by some $400 million, which is not a small amount.

Tomorrow, Mr. President, I will raise the point of order.

Mr. DOLE. I might say to the Senator from Alabama that it is my understanding, from the cost analyst in the Food and Nutrition Service in USDA, that there are no new figures. If there are figures, the Department of Agriculture is not aware of them; this Senator is not aware of them. The Senator from Alabama asked for additional figures, and I am certain they will be discussed at length in debate.

The Senator from Kansas believes, as the Senator from Alabama does and others on the committee, that we should reform the program. That means, yes, that we cut back the cost, if we can; yes, that we cut off those who should not be participating. At the same time, reform of the program means that we make it possible for those who have not been participating, who are totally eligible, to have that opportunity. That is where the real difference in savings comes.

Many of the amendments offered by the distinguished Senator from Nebraska earlier today had some merit. But, unfortunately, in most cases they were directed to the very people who do not now participate to the fullest because of income limitations and resources.

The Senator from Kansas would hope that after a full discussion of the substitute, and after the adoption, perhaps, of some worthwhile amendments, we could proceed and pass the food stamp bill so that we can have real reform.

The Senator from Kansas is not convinced that the new guidelines promulgated and issued by the Department of Agriculture will be implemented without considerable litigation. It seems to this Senator that the Congress has an obligation to move quickly to reform the program.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I rise in support of the proposed substitute amendment.

The bill reported by the Senate Committee on Agriculture and Forestry is a very good bill. It would make the broad and sweeping reforms that the food stamp program so badly needs to restore its credibility in the eyes of the American people. For this reason, I would prefer to see S. 3136 passed without any substantial amendments.

However, I have been in the U.S. Senate long enough to know that the exercise of Government is the achievement of the possible. It is rare that any Member of Congress succeeds in getting everything he wants in a bill of major importance.

As I pointed out in my opening statement on the committee bill, the most destructive amendment that could be offered is an amendment that would eliminate the purchase requirement.

The no-purchase amendment would destroy the food stamp program as a nutrition program. It would be the first step toward a national guaranteed annual income program.

Moreover, giving away free food stamps would cost upwards of $2 billion a year, thus sending us further down the road to fiscal irresponsibility.

However, as strongly as I oppose the no-purchase amendment, I am enough of a realist to recognize that there probably are enough votes in this body to secure its adoption.

I feel that the President surely would veto the food stamp bill if amended by the no-purchase proposal, thus eliminating all chances of legislative reform of the food stamp program this year.

Therefore, I must reluctantly agree to support the proposed substitute as the best available compromise.

Even though this compromise will wipe out most of the savings that would be effected by the committee bill, it would still permit a savings of approximately $240 million in fiscal year 1977.

The most desirable feature of the compromise proposal is that, while it does make several changes in the committee bill, it does not in any way destroy the basic reform that the committee bill provides.

Under the proposed compromise, we would retain the committee bill's provision of a standard deduction in lieu of itemized deductions.

We would still limit participation to the households with net incomes at or below the Federal poverty level.

We would still greatly simplify the administration of the program, thus avoiding many costly embarrassing errors.

We would retain the tough work registration provisions in the committee bill.

We would cut down on abuse by students and others who were not meant to receive food stamps.

We would retain the tough provisions to prevent vendor fraud and abuse.

We would retain the system of retrospective accounting to determine eligibility.

We would retain various provisions giving the Secretary better means of enforcing tight administration on the part of State agencies.

We would retain the several provisions for the strengthening of the penalties in the antifraud provisions of the Food Stamp Act.

In short, with the adoption of the substitute, the Senate food stamp reform bill is still a bill of which we can be proud. It is a better bill than I would have thought that the Senate would have been able to have passed a year ago.

I believe that the fact that we are able to agree on such a compromise proposal shows that the Senate is hearing the voice of the people.

Senators realize that their constituents are fed up with the flagrant abuses in the food stamp program and therefore, members of various persuasions are willing to give a little bit in order to achieve meaningful food stamp reform this year.

The supporters of this compromise have indicated their willingness to give up all their pet amendments and to oppose all amendments if the substitute is adopted.

I hope that the other Members of the Senate will join in full support of the compromise and vote against other costly amendments which will no doubt be offered.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENT SUBMITTED ON S. 3136

Mr. TOWER. Mr. President, here in the Senate today we are debating the National Food Stamp Reform Act of 1976. This is a notable occasion in that it is the first time in history that the Senate has addressed itself to the huge and difficult task of food stamp reform. Never have we attempted to deal with this multifaceted and multimillion dollar program on a comprehensive basis.

S. 3136 was reported out of the Senate Agriculture Committee with mixed feelings. The bill is a conglomeration of the myriad food stamp proposals which have been introduced this Congress and incorporates some of the best and some of the worst features of all of them. This legislation makes significant changes in the areas of eligibility, available benefits, administration and regulations of the program, and penalties for food stamp program violations. It is estimated that the bill before us would eliminate 1.37 million higher income food stamp recipients and increase benefits for most lower income recipients.

Mr. President, the food stamp program has been one of the most commendable efforts ever undertaken by the Federal Government—in theory, at least. Nevertheless, the food stamp program as we now know it has recently been plagued by soaring costs, countless reports of mismanagement and corruption, and proliferating waste. In our laudable zeal to help needy Americans to obtain a nutritionally adequate diet, we have watched this program grow from a $40 million investment in 1975 to a fiscal leviathan which will devour nearly $6 billion of our tax dollars this year. The number of people using food stamps has increased from 1 out of every 439 persons in 1965 to 1 out of 13 today, with a staggering 1 out of every 4 Americans conceivably eligible.

It is my contention that few Americans begrudge helping their less fortunate fellow citizens if they are truly in need. The argument is over how far to extend our humanitarian feelings, and what really constitutes need. There is undoubtably some point at which the Nation will have met the nutritional needs it recognized back in 1965. I believe that, if we have not met the need, we have at least reached the point where we have expended enough of our resources to have done so. These resources must be redirected, and the growth of the Federal food stamp program must be curbed.

It is time to end the explosion in transfer payments which have engorged the Federal budget. It is up to us here in the Senate, as we debate S. 3136, to carefully assess this legislation to ascertain whether it truly eliminates the roots of escalating costs, profligate waste and corruption, or whether it exacerbates these problems. We must determine if S. 3136 is a reform bill in the admirable sense of the word.

In order to make an objective assessment of the food stamp program, we should ask ourselves what the purposes of the program are. Is the food stamp program designated to provide a nutritious diet for the poor? Is it intended as a welfare subsidy or as a permanent supplement to other welfare programs? Moreover, what effect does this massive Government program have in driving up the cost of living for everyone?

In exercising any meaningful food stamp program reform, we must establish specific guidelines for the program. First, we must establish definitive criteria for who is eligible. Second, we must determine what is an appropriate level for benefits. Third, we must have a streamlined program in which there is as little redtape and bureaucratic mismanagement as is possible in a Federal endeavor.

The supporters of S. 3136 have touted this legislation as conservative, yet compassionate. I submit that, while the bill is compassionate, it is not conservative. Indeed, far from tightening up many of the provisions of the food stamp program, this legislation liberalizes them. In order to illustrate my point. I would like to cite a few examples. In addressing the question of eligibility, I believe we have failed to deal adequately with the problem of nonneedy eligibles. S. 3136 ostensibly limits eligibility to those at or below the official poverty line—$5,500.

In fact, however, the maximum income level for eligibility is approximately 146 percent of the poverty index. This is so because not only does S. 3136 allow a standard deduction, but it also allows the exclusion from gross income of social security taxes and State, local and Federal income taxes. We have then established a maximum income of about $7,818 for a family of four. I contend that, while $7,818 does not permit a family of four to live in the lap of luxury, it is not poverty.

I submit further that the National Food Stamp Reform Act invites abuse because of the lack of any meaningful assets test. S. 3136 leaves to the Secretary of Agriculture the responsibility for determining countable assets, which is the situation at present. Under current law, the only assets limitation is $1,500 in liquid and nonliquid assets, exclusive of a home, a car, or other kinds of personal property. It is inconceivable to me that we can permit a provision that places no dollar limit on the value of a house, car, or any kind of personal property ad infinitum. The food stamp program was instituted to help provide nutritional assistance. An effective assets test is necessary to insure that individuals establish reasonable priorities for their expenditures. We must provide food stamps only to those who legitimately need them.

S. 3136 is fraught with numerous other examples of how we allow those who are nonneedy or nondeserving to live off our Federal magnanimity. This legislation continues to allow strikers—the voluntarily unemployed—to qualify for food stamps. I submit that a refusal to work because of a strike or other labor dispute, regardless of how justifiable the dispute, is a voluntary refusal to accept employment, and furthermore, places the Government on the side of the labor unions in a settlement and gives labor an unfair advantage which manifests itself in the ultimate burden on the taxpayer in both the increased cost of the settlement and increased cost of goods. The taxpayer should not be asked to underwrite the costs of labor disputes any more than he already does.

Then there are the students. While eliminating from food stamp eligibility those students who are dependent on families who are not eligible for food stamps, the legislation continues to allow students who are independent to obtain food stamps. It is my contention that students fall into the category of the voluntarily unemployed. Let me emphasize that I think it admirable that any young person desires to further his education, and moreover, I recognize that in our society today a college education is a virtual necessity for future economic success.

Nevertheless, the Federal Government is already subsidizing the postsecondary education of large numbers of young people through various grants and student loan programs. The Federal food stamp program must not be yet another massive Government program to fund educational pursuits. I believe that any young person who wants a college education badly enough can work himself through school, at least part time, and can get by without depending on the Federal Government for food subsidies.

Mr. President, I have dwelt on the inadequacies of the legislation presently before us, and I reiterate that I do not believe that S. 3136 satisfactorily addresses the failures of the Federal food stamp program. Nevertheless, this legislation does make some improvements over the present system. The bill does, for instance, make an effort to simplify the administration of the program and will, perhaps, cut down on the volume of abuse. For the first time we have set an upper income limit—although I have already stated that I feel it is too high. Hopefully, too, for the first time we have instituted real work incentives for some of the food stamp recipients. It is estimated, too, that S. 3136 will shave millions of dollars off the expense of the program and millions of nonneedy recipients off the rolls. I must concede that the National Food Stamp Reform Act is at least a step in the right direction, but I find it extremely unfortunate that we have not made further advances in eliminating the problems and abuses which plague this potentially viable nutritional assistance program.

ORDER FOR RECOGNITION OF SENATOR HASKELL TOMORROW, DESIGNATION OF PERIOD FOR ROUTINE MORNING BUSINESS, AND ORDER FOR RESUMPTION OF THE UNFINISHED BUSINESS AT 1 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order, the Senator from Colorado (Mr. HASKELL) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business not to extend beyond the hour of 1 o'clock p.m., at which time the Senate resumes the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT MESSAGE FROM THE HOUSE ON HOUSE JOINT RESOLUTION 491 BE HELD AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the House of Representatives on House Joint Resolution 491, to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that statements during the period for the transaction of routine morning business tomorrow be limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon tomorrow.

After the two leaders or their designees have been recognized under the standing order, the Senator from Colorado (Mr. HASKELL) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each; and after routine morning business is concluded, the Senate will resume the consideration of the unfinished business, S. 3136, to reform the Food Stamp Act of 1964. Amendments and/or motions in relation to that bill and/or the substitute by Mr. Dole, amendment No. 1571, will be subject to debate and rollcall votes. I think it can be appropriately estimated that there will be rollcall votes tomorrow afternoon.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 6:05 p.m. the Senate adjourned until tomorrow, Wednesday, April 7, 1976, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate April 6, 1976:

Federal Trade Commission

Thomas Sowell, of California, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1969, vice Lewis A. Engman, resigned.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Melvin Zais, [redacted] Army of the United States (major general, U.S. Army).

In the Navy

Rear Adm. Forrest S. Petersen, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

EXTENSIONS OF REMARKS

MIKE MANSFIELD

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 6, 1976

Mr. METCALF. Mr. President, I cannot exactly remember when I first met Mike Mansfield. It was during the time that I was going to law school and he was an assistant professor of Far Eastern History at the University of Montana. I came to know him and respect him early. He was elected to the House of Representatives while I was in the Army in World War II. He had achieved the remarkable record of serving in all three branches of service in World War I. I suspect that the Marines was his favorite branch. At least when President Truman attempted to eliminate the Marine Corps as a separate force, Mike Mansfield was one of the most vehement defenders of that branch and helped achieve a victory that inspired President Truman to quote Mayor LaGuardia that when he made a mistake he made a beaut.

In the House, Mike was a whip, a member of the Foreign Affairs Committee, a leader in conservation. He was a valued and trusted emissary for both President Truman and President Eisenhower.

When I returned from World War II, I was elected to the Montana Supreme Court. My term on the court expired at the same time as the term of the Republican incumbent of the Senate expired. Mike ran for the U.S. Senate and I ran for his seat in the House of Representatives. Thus began a relationship in Congress that has been rewarding down to the present day.

When the late Senator James E. Murray retired in 1960, I was elected to succeed him. That was the year that Senator John F. Kennedy, who came to the Senate the same year as Mike, was elected President. Mike who had been Democratic whip and assistant Democratic floor leader under Lyndon Johnson was the leading candidate for floor leader to succeed Johnson who had been elected Vice President. In the Democratic caucus, even before I was sworn in as U.S. Senator, it was my privilege, because I was the junior Senator from Montana, to nominate my colleague for majority leader. He was unanimously elected and has been continuously elected in every Congress since. Looking back on my own legislative accomplishments, I suppose those nominations are my most significant contributions to the Senate. At any rate, I was privileged to nominate Mike every time and I never lost a case. That is evidence that if you have an overwhelming candidate you can be pretty sure that you will win.

Much has been said and will be said about Mike Mansfield's stature as a national figure. Senator Mansfield as the majority leader of the U.S. Senate for a longer period than any other person; both as Congressman and Senator an adviser to Presidents; Senator Mansfield as a recognized expert on foreign affairs; Senator Mansfield as a unique example of a U.S. Senator in all that term means. But Senator Mansfield never ceased to be a Senator from Montana and for Montana. The special concerns and the interests of his Montana constituents were always high in his legislative priorities. That is why he was so universally beloved all over Montana. He may have been an ambassador extraordinary in foreign capitals, a leader in national affairs on the floor of the Senate, but when he returned to Montana, he was Mike to thousands of constituents.

So we will miss Mike as our leader, as our friend, as a valued supporter of the spirit and institution of the Senate, but I will especially miss the relationship that grows between two Senators from the same State. I will miss him as all my colleagues will miss him, but in addition in the next session will lose the consideration and the friendship he has shown to the junior Senator from Montana.

SOUTH AFRICA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BOB WILSON. Mr. Speaker, South Africa is one of our staunchest allies, but the United States persists in its course of nonrecognition of these close ties of friendship. Perhaps it is because we tend to think of South Africa as a country where a white minority subjugates a black majority, ruling over it in almost feudal fashion.

I believe that we are being too simplistic in our judgment of the country. I believe that the social, economic, and political atmosphere that exists in South Africa is much more complex and needs to be studied. In my opinion, we are judging emotionally rather than rationally, and have not examined all the circumstances and conditions that make up South Africa.

The South African Secretary for Information, Dr. Eschel Rhoodie, spoke recently to the Bull Elephants Club here in Washington and the points he made as set forth in the following article may help explain or add to our knowledge of South Africa's modern day social and political situation and the hopes and plans the country has for the future.

[From South African Scope, February 1976]

(By Dr. Eschel Rhoodie, South African Secretary for Information)

For intelligent people to applaud dialogue and détente between black and white in Africa while continuing to shut their eyes to the need for a reappraisal of the ethnic and social complexities of South Africa or to the real merits of what the white governing society is pursuing through separate development (for "apartheid" as it is still erroneously and mischievously referred to) would be a deliberate act of intellectual negligence.

The Republic of South Africa is a microcosm of the world's ethnic and political complexities. Since South Africa is an imperfect society and since no policy applied to a complex situation anywhere in the world is perfect, we expect and appreciate well-founded criticism of the way in which we have set about restructuring our society. We have made mistakes in the past and we will probably commit some more mistakes in the future. However, the vehement criticism in some American circles, political and academic, about the restructure of South Africa is too often unfounded. The lack of perspective and balance is so striking (and sometimes so persistent) that I am inclined to substitute outright intellectual dishonesty for intellectual negligence as the reason for this state of affairs.

DOUBLE STANDARDS PRACTISED IN THE UNITED NATIONS

If these politicians and news commentators have not allowed themselves to be taken in by the political expediency and double standards practised daily in the United Nations, then their criticism of the broad pattern of development in South Africa can only rest on a false premise brought on by ignorance of conditions in South Africa. This premise, which at least some of you will recognize or even share, is that while South Africa is inhabited by a majority of black people (aborigines), they are dominated economically and politically by a minority conglomeration of white settlers (latecomers) whose main objective is to stay in power while retaining the black people as a source of cheap labor.

In the eyes of people who approach South African affairs on this premise, the solution to the country's multi-racial problem lies in a speedy socio-political integration of all the races. The only real obstacle in their mind is the white people's craving for power. This premise I have found in almost every hostile analysis of South African affairs in American newspapers. But anyone who bases his argument on this premise, with the facts at hand, is indeed being intellectually dishonest.

THESE ARE THE FACTS

South Africa is not inhabited by a homogeneous black society with a common loyalty, language, history or culture. Instead the black people consist of disparate ethnic communities, different nations, with a recent history of internecine tribal warfare. As for "white settlers," considering that Dutch pioneers began farming in South Africa just a few years after the first Europeans settled in America and that even the language of the majority of the white people (Afrikaans) evolved in Africa, not in Europe, then any reference to "white settlers" is dishonest. This fact is recognized by African Heads of State such as Presidents Senghor, Mobutu, Houphouet-Boigny and Kaunda—why so many American politicians and newspapers still struggle to recognize this truth is beyond me.

The White South Africans are as much an identifiable African nation as the French or the Germans are European nations. In fact a better appreciation of the South African population structure requires that one envisages Western Europe as one state with the Dutch, Belgian, French, German, Austrian, Swiss and Italian peoples all living under one government within one common frontier The fact that this would be one big European state would never be able to disguise the hard reality of its multinational character. A Latin America under one government as one big state is another example. South Africa may not be as big as Latin America but it is almost as big as Europe and its nations far more diverse in character.

Neither the black nations nor the white nation have a prior claim to all of South Africa except to those territories which they settled by right of first occupation. Do not confuse the black homelands in South Africa with the Indian reservations in the United States. There is no historical, political or constitutional parallel. The reason various nations find themselves within one border in South Africa is a direct outflow of Britain's 19th-Century colonial conquest of the sub-continent of Africa.

These considerations are at the root of South Africa's problem for the disparate communities, the different nations living within one frontier, set in colonial times, represent a potentially disastrous clash of nationalisms if their distinctive political needs are not satisfied.

What the South African government proposes to do about this multinational community and the widely divergent political aspirations of the various communities is precisely what a multinational world has ordered for itself the past 30 years, namely, sovereign states for each different nation in its historical homeland. For 65 years, before most of us here were born, these territories have been protected by law as the inalienable homelands of the black peoples.

EUROPEAN EXAMPLE

The fact that Western Europe and Scandinavia today consist of 14 countries has more to do with the divergent political aspirations of these nations, their cultural differences and their specific identities than anything else. Certainly the fact that they are all white and speak related languages, that they are all developed states economically interdependent has not led to any serious attempt that their common frontiers be abolished and that a one-man one-vote government be elected for all of Europe or Scandinavia.

In such a situation the smaller nations such as Holland, Belgium and Denmark would virtually disappear and become social and political impotent minorities. Latin America is another example.

Political integration of South Africa's different nations on a basis of one-man one-vote would have exactly the same result. We certainly are not going to pursue a policy which could lead to cultural genocide or suicide of minority nations—whether that nation be black or white. It is a point of interest, ethnologically speaking, that after the Zulu the white people are the second strongest nation in South Africa, followed by the Xhosa and Tswana nations.

The situation elsewhere in the world gives cause for South Africa to believe that its policy of separate political development (or ethnic democracy to use a more descriptive phrase) while unpopular in terms of liberal theory is at least practical and realistic. In 1945, only some 50 nations were members of the United Nations. Today there are 144. There is therefore greater political separation than ever before, not less. In southern Africa in the 19th and early 20th century there was only one British South Africa. But take a look at the map of today. Now there are seven independent states and when our policy is fully carried out, there will probably be an additional seven. Since the elected Parliament of one black nation in South Africa (the Xhosa) recently passed a resolution to work towards independence for the Transkei (their homeland) by October 1976, this is a development that American commentators might as well get used to.

If the independence of numerically smaller peoples living in geographically smaller territories in Africa or on islands have been accepted and applauded, then the Xhosa nation has no less right to acceptance. The Xhosas are numerically stronger and their homeland state bigger than about 40 countries recognized by the U.S. government. Similarly the white nation's aid and cooperation in the establishment of this (and future other) black states require endorsement.

SOUTH AFRICA WILL NOT BE DETERRED

The spectacle of a political committee of the UN General Asembly voting recently not to recognize any nation states established as a result of our doing is not going to deter us. Membership of the United Nations is not a pre-requisite for nationhood. All that counts is whether or not the independent black states of South Africa will be totally free to determine their own social and political future. That we guarantee just as we guarantee them the continuation of our development aid program which, incidentally, is 12 times that of the U.S. calculated on a per capita basis of tax payers. The UN refusal will have little effect on the independence of the black homelands of South Africa. Aid-wise South Africa's assistance to the black homelands of South Africa is higher than what the UN spends on about 38 developing states.

The transition in South Africa from a single state consisting of black nations and a white nation into a block of politically independent states, economically interdependent is taking place peacefully and step by step. There is no violence in South Africa such as accompanied the abortion of Biafra or the birth of Bangladesh. May it serve as a reminder to those American intellectuals and editorial writers who since 1950 already predicted the imminent violent death of South Africa by racial conflict. Their predictions failed and of the 123 wars, revolutions and coups d'etat which have convulsed the world since that time, none as much as touched South Africa.

With dialogue and détente between South Africa and at least some black states of Africa a reality, perhaps we can now also look forward to a more realistic appraisal in the United States of South Africa's domestic affairs in which realities instead of false premises prevail.

There is hope for such a fresh appraisal not only of South African affairs but also of the political morality of the United Nations, terrorism and the liberal theory on power sharing between disparate ethnic communities.

Is it not time that the United States of America, your Senate and Congress, your press and your government recognized the fact that South Africa is in reality only a microcosm of the world? Is it not time that you should welcome the developments towards a peaceful restructuring of South Africa to avoid potential Ulsters and Angolas?

THE FOURTH ANNUAL REPORT OF FEDERAL ADVISORY COMMITTEES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 6, 1976

Mr. METCALF. Mr. President, the fourth annual report of Federal advisory committees, covering calendar year 1975, was prepared by the General Services Administration and transmitted to the Congress on March 30—a day ahead of its due date.

Here are the highlights:

First. As of December 31, 1975, there were 1,267 advisory committees, an increase of 25 from the total a year earlier. During the year 272 new committees were formed and 233 committees were merged or abolished or expired. Special factors affecting the tally—for example, changes in reporting methods, and the discovery of eight preexisting panels that were chartered in 1975 for the first time—are explained and reconciled.

Second. Total Federal costs to operate and support advisory committees in 1975 were $51,769,400, substantially above the $39.4 million which the Office of Management and Budget had anticipated in the third annual report would be necessary for the expenses of advisory committees in calendar 1975. Five committees cost more than $1 million apiece. For calendar 1976 OMB recommends $53,327,900 to operate and support advisory committees, an amount incorporated in the President's budget recommendations to the Congress.

Third. Advisory committees held 4,179 meetings during the year—counting a meeting held on 2 or more consecutive days as one meeting—of which 2,164, or 52 percent, were open to the public, 836, or 20 percent, were wholly closed to the public, and 1,179, or 28 percent, were partially closed.

Mr. President, GSA, and especially the Office of Records Management in its National Archives and Records Service, should be commended for producing a tidy and timely report. The 166-page publication includes a brief written report, five pages of summary data and footnotes, an alphabetical list of advisory committees in existence at the end of 1975, a list of those same committees grouped according to the agency or department responsible for them, annotated to show new or terminated committees, a roster of agency committee management officers, and a four-part appendix which includes the text of the Federal Advisory Committee Act and relevant Presidential and agency documents.

The Senate Subcommittee on Reports, Accounting and Management and the House Subcommittee on Government Information and Individual Rights have copies of the fourth annual report for distribution to congressional offices. Federal agencies may obtain copies of the report from OMB. The Superintendent of Documents is selling the report for $2.90.

As was done last year, the thousands of pages of agency supporting documents from which the fourth annual report was compiled will be microfilmed and placed on public sale. These documents carry the names, addresses, and occupations of all advisory committee members, provide information on each committee's background, function and activities, and more. The microfilm should become available for congressional use and public purchase in about 30 days.

TOO MANY CLOSED MEETINGS

Advisory committees held 553 more meetings in 1975 than in 1974, but only 170 more meetings were fully open to the public. In percentage terms, the advisory committee open-meeting batting average dropped to 52 percent in 1975 from 55 percent in 1974. By contrast, congressional committees "opened their doors to the public and press in record numbers in 1975," according to Congressional Quarterly, which found 93 percent of their meetings open.

The Federal Advisory Committee Act provides that each advisory committee meeting be open to the public unless it is "concerned with matters" which the Freedom of Information Act exempts from mandatory public disclosure. It is a permissive statute, in that it merely permits and never requires that an advisory committee meeting be closed. Perhaps that was a mistake. Congress intended that meetings of the vast stable of executive branch advisory committees be open to public scrutiny, yet the executive branch somehow claimed justification last year for closing some or all of 48 percent of advisory committee meetings.

The Department of Defense led with 297 wholly closed advisory committee meetings, followed by the National Endowment for the Humanities with 101. The Department of Health, Education, and Welfare led far and away in partially closed meetings, with 806. On the affirmative side, several agencies held nothing but fully open advisory committee meetings, led by Department of the Interior with 151.

WHAT SHOULD FREE ADVICE COST?

Advisory committees issued 1,070 reports to Federal agencies and officers last year, and no doubt made countless other informal recommendations, at a total Federal cost of $51.8 million. This includes salary, travel and per diem allowances for advisory committee members, staff support costs, consultants fees, and printing and supplies. No one would really expect that advice and recommendations could be obtained from 1,267 committees, commissions, councils, boards and other citizen panels at no cost, but I think we sometimes assume they are obtained at very little cost. Not so.

The Federal Government pays top dollar for the "free" advice it obtains from advisory committees, although it is true that many advisory committee members donate their services. I have thought it likely that prior annual reports were understating advisory committee costs, for several reasons: the information, by law, is sought on a calendar rather than fiscal year basis; the information sometimes was assembled outside normal budget channels, or on the basis of estimates rather than actual costs; and agencies are still turning up advisory committees they did not realize they had. It does not surprise me that the actual figure for 1975 exceeds the anticipated figure by more than $12 million.

One way to reduce the cost of advisory committees is to reduce their number. Another is to hold more open meetings, since it is simpler and cheaper to conduct an open meeting than a closed one.

The Subcommittee on Reports, Accounting, and Management will continue to press for both.

LOCATING ABSENT PARENTS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. MICHEL. Mr. Speaker, it was reported in the news media today that Secretary of Health, Education, and Welfare David Mathews has granted approval to the Parent Locator Service for the use of social security numbers as part of the effort to track down absent parents.

I have been urging such a course of action for some time, because the use of social security numbers was provided for in the law establishing the Parent Locator Service and the expanded child support enforcement program, and because it is essential to the success of this effort. An individual's social security number is oft times the only method we have available for determining his or her whereabouts, because most records tend to be classified according to that number.

The various levels of government are losing somewhere in the neighborhood of $7 or $8 billion a year under the aid to families with dependent children program because of absent parents, and it is thus more urgent than ever that every effort be made, using all the means at our disposal, to track down such parents. The efforts of HEW to move full speed ahead in this regard are therefore most encouraging and commendable.

FAULTS IN FOOD STAMP BILL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. LAGOMARSINO. Mr. Speaker, the following editorial "Faults in Food Stamp Bill" from the Santa Barbara News Press accurately portrays my views and that of many of my colleagues on the controversial subject of food stamps.

FAULTS IN FOOD STAMP BILL

Less than 10 years ago the term food stamps was unknown as now used. From a small program, started to help strengthen the market for farm commodities, it has grown to an income-transfer program with 18.6 million people on the receiving end. All other taxpayers are on the paying end of this program which was recently called "a sleeper" by Richard Nathan of the Brookings Institution. He described food stamps as a "mini-negative income tax that operates with funny money."

There is a widespread belief that food stamps have gone too far too fast, yet many in Congress seem reluctant to do much hacking away at its deficiencies during an election year. Before the Senate now is S. 3136, a bill that would trim an estimated $400 to $600 million from the $6 billion being spent this year to provide food stamps.

The trouble with S. 3136 is that it doesn't provide for significant food stamp reform. If passed in its present form, indolent people who would rather subsist on food stamps than actively seek work could still do so. Strikers would still be able to receive them, as would families above the official poverty level ($5,505 for a family of four). Those who oppose giving food stamps to workers who are on strike argue that it means that taxpayers are helping finance and prolong strikes.

Another deficiency of S. 3136 is that it doesn't deal adequately with food stamp fraud control. So many sets of statistics have been used about food stamp fraud that speechwriters can choose from many figures. It is frequently mentioned that food stamp abuse applies to only 1 or 2 percent of the total. Yet the federal General Accounting Office, the so-called "watchdog of the federal treasury," reported that present controls permit numerous errors and that 17 percent of all food stamp households were actually ineligible in a recent audit.

Certainly those who are in need must be helped, but if Congress is going to change the food stamp program it should strive for meaningful reform, something that S. 3136 won't accomplish without amendments.

Americans have demonstrated repeatedly that they are generous to those who are genuinely in need. When it comes to food stamp ripoffs, however, we suspect that their feeling was captured mostly colorfully by Sen. Herman Talmadge (D-Ga) when he said that "nothing makes working families angrier than living alongside a guy who is not hitting a lick at a snake and getting all sorts of welfare benefits."

REVENUE SHARING NEEDS REVISING

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. HUNGATE. Mr. Speaker, apparently, we may soon be considering revenue sharing. I believe the following article from the St. Louis Review may prove helpful:

Revenue Sharing Needs Revising

(By the Reverend Edward J. O'Donnell)

In his State of the Union Address, President Ford asked the Congress for a five-year extension of revenue sharing. As the termination date of the current revenue sharing authorization draws nearer, Congress makes brave noises about revising revenue sharing, but the simple fact is that the local communities of the United States, especially the large cities, have become so dependent upon revenue sharing that the withdrawal of the funds at that time would paralyze the country. So, after angry sputtering and breath-holding anticipation, revenue sharing funds will be made available, and we'll lurch on to another crisis.

And that's a shame, because the whole system of revenue sharing needs reorganizing.

The basic idea of revenue sharing is sound. It returns to the states, "no strings attached" as the President said in New Hampshire, a portion of the payments made by their citizens through federal taxes, especially the income tax. Local government should be in tune with the needs and desires of the people, and so the money should be spent in accord with real community need as perceived by local people.

But taxation was never meant to take money from the people with one hand and simply hand it back with the other—minus a substantial percentage, of course, for the handling. Taxes have been enacted to enable the community to respond to common need. In the political workingout of revenue sharing, the "no strings" arrangement has worked to the detriment of real need.

While one community uses its revenue sharing to maintain minimal social services, another community uses it as a bonanza to build recreation areas. When it is recalled that revenue sharing replaced the war on poverty, it can be seen that the diversion of funds from vital people-oriented programs is a severe blow to the efforts of our country to assure all citizens of equal opportunity and to assist those who because of age, illness or other cause are unable to help themselves.

The problem with the war on poverty was that all decisions about such programs were ivory-towered ideas from Washington bureaucrats. The problem with revenue sharing is that no one has the obligation to make the hard decisions that would pinpoint real local problems and work to solve them.

We recommend that the Congress extend revenue sharing legislation, but for one year, not the five years suggested by the President. Let the Congress during this one year examine the program more leisurely and provide the correctives that could make revenue sharing more effective in achieving its stated goals.

RETIREMENT OF THREE MUSIC FACULTY MEMBERS AT SAN JOSE STATE UNIVERSITY

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. MINETA. Mr. Speaker, this year three outstanding music professors will be retiring from the faculty of San Jose State University and I wish to bring their dedicated careers to the attention of my colleagues here in the House.

Dr. W. Gibson Walters has been chairman of the music department at San Jose State University since 1964. He is retiring after spending 29 years on the faculty. Among his many contributions, Dr. Walters was the conductor and founder of the Santa Clara Philharmonic Orchestra, former president of the Western Division Music Educators National Conference, and former president of the California Music Educators Association.

Dr. Violet E. Thomas has been a professor of instrumental music at San Jose State University for the last 29 years. Among her many activities she has served as the president of the San Jose State University Faculty Women's Club, and president of the Mu Phi Epsilon Alumnae Chapter. Dr. Thomas has also been an active member of the American Guild of Organists, Music Educators National Conference, and the Music Educators Association.

Mr. Thomas Eagan received his bachelors degree from San Jose State University and returned there to teach on the music department faculty for 49 years. In addition to being an author and composer, Mr. Eagan's many activities have included being manager of the San Jose Symphony, solo clarinetist for the Bohemian Club in San Francisco, director of the San Jose State University marching band, life members of the Music Educators National Conference, and province governor of Phi Mu Alpha Sinfonia for 37 years. Mr. Eagan was also the recipient of the honorary gold card given by the International Musicians San Jose local, which enables him to play with any union musicians throughout the world.

These three outstanding musicians have dedicated their lives to teaching countless others to enjoy music and have used their talents to enrich the lives of their students and the lives of many of us in the community.

I wish to extend to Dr. Walters, Dr. Thomas, and Mr. Eagan my own personal congratulations for their outstanding contributions to music, San Jose State University and the community and, I am sure, Mr. Speaker, that you and all of my colleagues in Congress will want to join me in recognizing their dedicated and talented careers.

MIA'S NOT NEGOTIABLE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

[From the San Diego Union, Mar. 30, 1976]

Hanoi Ignores Agreements—MIA's Not Negotiable

The possibility has emerged that Secretary of State Henry Kissinger will be going back to Paris for talks with representatives of North Vietnam—shades of the Paris meetings that produced a Vietnamese truce agreement in 1973.

Our State Department is looking toward a "normalization" of relations with Hanoi, and Mr. Kissinger is expected to press for an accounting of Americans still listed as missing in action in the Indochina war. The North Vietnamese have given only token compliance to their 1973 agreement to help establish the fate of the missing.

Officials in Hanoi, meanwhile, have been reminding American visitors that under the same 1973 agreement the United States had promised to provide reconstruction aid to both Vietnams. They even claim that former President Richard Nixon had pledged a specific amount—$3.25 billion.

The implication from Hanoi is that if Americans want to talk about MIAs, the North Vietnamese want to talk about aid, trade and other benefits that might go along with "normalization." However, while there was some linkage between these two subjects in 1973, it does not exist today.

The 1973 truce agreements went out the window when the North Vietnamese blatantly ignored them to build up a massive military force in South Vietnam, finally overrunning the country after the withdrawal of U.S. troops and curtailment of our military aid to Saigon. The provisions for democratic procedures to establish the political future of South Vietnam were ignored.

It takes unabashed nerve for the Hanoi government to be appealing now to Article 21 of the 1973 agreements, which provided that the United States would "contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam and throughout Indochina."

If there are to be new talks in Paris, they should start with a clean slate. The obligation of North Vietnam to close the records on missing soldiers does not arise from the 1973 agreements. It is an obligation of any decent government to do as much after a cessation of hostilities.

North Vietnam used American prisoners as pawns to negotiate the 1973 agreements. This time around our government should make clear that the MIAs are an issue to be settled before there is any discussion of a new relationship between the United States and North Vietnam. It should not be part of any trade-off.

The question of future U.S. relations with Hanoi and the other new Communist governments in Southeast Asia must be faced sooner or later—not because of what Hanoi wants from us, but because that part of the world cannot be ignored in our foreign policy. The time to face it is after the most important unfinished business of the Vietnam war—the fate of 800 Americans still listed as missing—is formally dealt with by the government in Hanoi.

TOXIC SUBSTANCES CONTROL: COST/BENEFIT RATIO DEMONSTRATES NEED FOR EFFECTIVE LEGISLATION

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am sure that many of my colleagues have been receiving letters from the American chemical industry claiming that the costs of complying with toxic substances control legislation will be devastating. The industry claims that thousands of jobs will be endangered and that hundreds of chemical plants will be forced to close.

If all of this rhetoric sounds familiar, it is because the industry sang the same song when the Occupational Safety and Health Administration proposed new stringent standards for worker exposure to polyvinyl chloride.

Well, as we all know, the industry has complied with those standards at a fraction of the cost originally estimated by the industry. Workers in those plants still have their jobs—and their jobs are much safer as a result of responsible OSHA action.

Further, only one marginal plant closed for reasons other than costs of compliance with new OSHA standards.

A thriving industry does not have to be built upon dying workers. The PVC issue has certainly demonstrated that fact.

Georgia-Pacific Corp. has recently announced the completion of a new 220 million pounds per year PVC plant at Plaquemine, La. This plant incorporates modern safety and health design features. I certainly believe this new plant demonstrates that industry can protect its workers and still conduct profitable operations.

Similar cost/benefit ratios need to be analyzed in the case of toxic substances control.

A number of studies have been conducted regarding the economic cost to the industry of complying with toxic substances control legislation.

Industry studies have set forth compliance costs ranging from $360 million to $2 billion per year. The Environmental Protection Agency estimates the cost as between $80 and $141 million per year. The General Accounting Office conducted an analysis of the various compliance costs comparisons and concluded that the highest industry figure—supplied by Dow Chemical Co.—is the least reliable of all the figures, and that the EPA estimate is the most reliable. The GAO would increase the EPA figure somewhat to give a figure ranging from $100 million to $200 million per year.

The sector of the industry most affected by toxic substances control legislation had sales of about $72 billion in 1974, and after-tax profits of $5.5 billion the same year. Thus, the highest GAO estimate on compliance costs of toxic substances control legislation comes out to be one twenty-fifth of industry profits.

But toxic substances control costs are a legitimate cost of doing business, and there is no reason to believe that such costs have to be absorbed out of profit margins. These costs, which are modest, should be passed along in the price of the product. To the consumer, this means that he will be paying a fraction of a penny or so more for some goods. This is a small price to pay for limiting human and environmental exposure to hazardous substances.

Our cancer death toll this year is estimated to be 365,000 Americans. About 60 percent to 90 percent of these cancer deaths will be environmentally-caused—and toxic substances are one of the major culprits in our national cancer epidemic. Hospitalization costs for cancer exceed $15 billion per year. Environmental damage costs also run into the billions.

Surely, when we talk about a few millions spent to save billions and to save lives, the cost/benefit ratio is heavily weighted on the side of control of toxic substances.

There are some other figures I would like the American chemical industry to consider. Those figures are the amounts of damages for which suits have been filed in the courts by injured workers—workers whose health has been ruined and whose lives have been endangered as a result of exposure to toxic substances.

The Wall Street Journal of April 5, and the mid-April of Man Not Apart, published by the Friends of the Earth, contained articles on recent lawsuits filed by workers in the Life Sciences kepone plant in Virginia, and the Johns-Mansville Asbestos Roofing Co. in California. These two suits alone total $183.6 million. This figure nearly approximates the total cost of toxic substances control for 1 year estimated by the General Accounting Office.

Mr. Speaker, I believe these lawsuits are but the first of many which will be filed by injured workers and their families for the damages, the pain, and the suffering they have incurred as a result of exposure to toxic substances.

It appears to me that the industry should consider the wisdom of investing a modest amount of money to prevent health damage, environmental degradation, and the threat of costly lawsuits resulting from such damages.

Mr. Speaker, I am sure my colleagues will be interested in these two articles describing the court actions initiated by injured workers and by the State of Virginia in the kepone incident, and I include them at this point in my remarks:

INDICTMENTS SAID LIKELY IN KEPONE STUDY INVOLVING LIFE SCIENCE, ALLIED CHEMICAL

(By Thomas J. Bray)

RICHMOND, Va.—A federal grand jury investigating widespread illness at a pesticide manufacturing plant in Hopewell, Va., is nearing the end of its hearings and is expected to hand up indictments before the end of April, sources said.

A prime target of the investigation has been Life Science Products Co., a small company whose sole product was Kepone, a potent ant and roach killer. But the grand jury also has focused on Allied Chemical Corp., which helped set up Life Science in early 1974 and purchased its entire output.

Life Science closed its doors last summer after Virginia health authorities threatened to close it down by emergency decree. Several dozen workers at the plant, housed in a former gasoline station, were found to be suffering symptoms ranging from severe trembling to sterility, apparently as a result of exposure to Kepone dust in the plant. Subsequent tests showed that all 135 past or present employes of the plant had traces of Kepone in their blood; 80 also demonstrated one or more symptoms associated with Kepone poisoning.

National Cancer Institute tests last fall showed that rats and mice exposed to Kepone had a sharply higher than normal rate of cancer. None of the workers are known to have developed cancer as a result of their exposure, but health authorities say it might take years for such an ailment to manifest itself.

SUITS AGAINST ALLIED, OTHERS

More than $100 million of civil lawsuits have been filed by Life Science's former workers and their families against Allied Chemical and Hooker Chemicals & Plastics Inc., a unit of Occidental Petroleum Corp. that supplied certain raw materials to Life Science.

Commercial fishermen along the James River, which was closed to fishing after it was found to be contaminated with Kepone, also have filed a damage suit. And several weeks ago, the state of Virginia filed a civil action against Life Science and Allied Chemical seeking $3.6 million damages for alleged water pollution as a result of Kepone production.

Allied, Life Science and Hooker generally have denied any wrongdoing.

A major question in the grand jury investigation, it is known, has been whether Allied, which holds the patents on Kepone and itself produced the substance before 1974, turned production over to Life Science to insulate itself from potential environmental or occupational health problems. Production of Kepone rose sharply after Life Science took over the formulating phase of the business.

Allied has flatly denied the allegation. It says it ceased producing Kepone because it wanted to use the plant space at its own Hopewell plant for expanded production of another chemical. But shortly thereafter, production of the other chemical also was discontinued, for insurance reasons, according to Allied.

From early 1974 until it was closed in July 1975, Life Science produced pure Kepone under contract to Allied, which then marketed the substance in the U.S. and abroad. Life Science was formed by two former Allied employes, William P. Moore, a researcher who had helped develop Kepone, and Virgil A. Hundtofte, formerly manager of the Allied plant where Kepone had been produced from 1966 to 1973.

Allied officials made numerous visits to the Life Science plant, where Kepone frequently coated the walls and was piled up underfoot, according to many accounts. On at least one occasion, Allied has said, an allied official recommended a plant clean-up, but apparently Allied didn't take any steps to ensure that this was done.

In defending itself against the lawsuits by former Life Science employes, Allied has claimed it was the "statutory employer" of the workers because of its relationship to Life Science. As a consequence, Allied has claimed in court filings, it is immune to tort liability under Virginia's workmen's compensation laws. However, in its public statements, Allied has asserted that it had nothing to do with the operation of the plant or responsibility for conditions there.

It has been learned, however, that the grand jury, in addition to its interest in the relationship between Allied and Life Science, is closely examining conditions at the Allied plant during the years in which Kepone was formulated by Allied itself.

DISPOSAL OF WASTES

The Wall Street Journal has obtained an Environmental Protection Agency memo alleging that "a substantial body of evidence exists showing that . . . waste from the manufacturing process (at Allied) which contained Kepone was routinely washed or flushed down the drains which lead to Gravelly Creek, a tributary of the James River."

Charles Horner, a former Allied foreman at Allied's Kepone plant, said in an interview late last fall that on occasions the Allied chemical plant was "white with Kepone." He said Kepone would be produced for about 90 days at a time, alternating with production of other materials. At the end of each Kepone cycle, Mr. Horner said, the area housing the production facilities would be hosed down and the waste water washed down a drain.

The EPA memo obtained by the Journal said that "Allied may be liable for submission of false information" on a discharge permit filed with the Army Corps of Engineers in 1971 saying that its Hopewell plant didn't produce pesticides. (The EPA memo claims the permit was signed, ironically, by Mr. Hundtofte, who later would help form Life Science to make Kepone.)

The memo recommends that criminal action also be considered against Allied for failure to obtain EPA discharge permits under the 1972 Water Quality Act. The memo suggests convening a grand jury to compel testimony from witnesses.

When production of Kepone switched to Life Science in early 1974, heavy discharges of Kepone and other toxic materials were made into the Hopewell city sewer system, according to testimony before Congress and interviews with key sources.

Soon thereafter, the sewage "digester" system at the Hopewell treatment plant was knocked out of action. A permit for discharges into the city sewer system from the Life Science plant had been approved by a Hopewell city official who was also a former Allied employee. (The official died in early 1975.) The sewer discharge permit was the only such industrial permit issued in Hopewell, which calls itself "the chemical capital of the South."

The James River, which runs south from Richmond through Hopewell and empties into Chesapeake Bay, is a major source of commercial fish and shellfish. The EPA found significant traces of Kepone in the river as far as 40 miles from Hopewell, and state officials last fall closed the river and its tributaries to fishing. It since has been reopened to shad fishing and the harvesting of seed oysters, or baby oysters, that are transplanted to other areas more favorable for growth to maturity.

[From Man Not Apart, Mid-April, 1976]

ASBESTOS EMPLOYEES SUE FOR $80 MILLION

A massive series of lawsuits have been filed against the Johns-Manville roofing company in Pittsburgh, California. The cause of the legal landslide is asbestosis, an insidious lung disease caused by long-term exposure to asbestos.

The suits arose from charges that the company doctor, Kent Wise, deliberately withheld information that plant employees had asbestosis. Five of the suits name only Dr. Wise as defendant, while three others include the company as well.

Dr. Wise is filing cross complaints against the company, alleging the company had claimed that a specialist would be responsible for determining which employees had the disease.

Although the company had said that its plants are within governmental safety standards, the state of California is looking into two alleged asbestos-related deaths at the Lompoc, California, J-M mining and milling plant.

Asbestosis is a lung disease caused by small fibres of asbestos lodged in the finest air passages of the lungs. Tiny knots of tissue form around the particles, eventually causing infection, emphysema, and heart failure. Although it is similar to other industrial lung diseases, asbestosis is the only known disease to cause mesothelioma, a lethal form of cancer.

The company claims that the suits concern delayed symptoms from conditions that existed many years ago, before the nature of the disease was recognized. Each of the eight lawsuits against Wise and J-M asks for $10 million.

In an interview with the San Francisco Chronicle, Marcos Vela, a shingle machine tender who spent 33 years at the Pittsburg Johns-Manville plant attested to the disease's vicious slow-death. "If I take too deep a breath it kicks up a coughing that can send me to the hospital for three or four weeks at a time." Mr. Vela is more fortunate than some other workers. In 1966 he successfully sued company doctor Kent Wise for manpractice and was awarded $350,000. Dr. Wise had claimed, after reading his x-rays, that Vela did not have asbestosis. Vela discovered that in fact he did have it when he was examined for arthritis by another doctor.

Johns-Manville and other asbestos manufacturers are facing class action lawsuits in several other states, but none has come to court yet.

IN RECOGNITION OF THE SCHOLASTIC EXCELLENCE OF CONGRESSIONAL INTERN LEE WOODWARD, JR., OF BELFAST, MAINE

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. EMERY. Mr. Speaker, if there are times when we become discouraged with the way things are going and worry for the future of this Nation and the world, those are the times I have found it most comforting and encouraging to look to the youth of this country. The young men and women who are now growing, and developing, and learning, are by far the most valuable asset we have. And as I look at the young people in our schools, our colleges, and universities, and our vocational schools, I am proud of what I see.

Those of us in Congress who have interns serve in our offices are fortunate. The learning process is a two-way street; the interns gain immeasurably from their time in congressional offices, but equally important, we gain from them. This is certainly true with the interns I have been fortunate enough to have had in my offices, both here in Washington and back home in Maine.

My pride is focused in the achievements of the intern I presently have in my office here in Washington.

Lee Woodward, Jr., is a junior at the University of Maine at Orono, Maine. Lee is majoring in political science and plans to go on to law school. Lee, who is the son of Mr. and Mrs. Lee Woodward, of Lincolnville Avenue, Belfast, Maine, is spending his spring semester in the University of Maine's outstanding congressional intern program. We are fortunate to have him in our office.

We are also proud that Lee has just been notified of his selection to Phi Beta Kappa, a national undergraduate honor society. Lee was chosen for selection to Phi Beta Kappa based on his overall scholastic excellence at the University of Maine.

My staff and I extend our congratulations to Lee on this outstanding honor, and wish him well in his future endeavors.

THE REDISCOVERED FAMILY: A FIRST HURRAH

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. ZABLOCKI. Mr. Speaker, I am pleased to insert in the RECORD an article by Michael Novak which appeared in the Washington Star of Sunday, April 4, 1976, titled "Who Dares Rediscover the Family?" It needs no introduction; it needs only to be read—and acted upon:

WHO DARES REDISCOVER THE FAMILY?

(By Michael Novak)

Recently a friend of mine told me the following anecdote. At lunch in a restaurant, he had mentioned that he and his wife intended to have a second child soon. His listener registered the words, stood, and reached out his hand with unmistakable fervor. "You are making a political statement. Congratulations!"

We live in lucky times. So many, so varied, and so aggressive are the antifamily sentiments in our society that brave souls may now have (for the first time in centuries) the pleasure of discovering for themselves the importance of the family. Choosing to have a family used to be uninteresting. It is, today, an act of intelligence and courage. To love family life, to see in family life the most potent moral, intellectual, and political cell in the body politic is to be marked today as a heretic.

Orthodoxy is usually enforced by an economic system. Our own system, postindustrial capitalism, plays an ambivalent role with respect to the family. On the one hand, capitalism demands hard work, competition, sacrifice, saving, and rational decision-making. On the other, it stresses liberty and encourages hedonism.

Now the great corporations (as well as the universities, the political professions, the foundations, the great newspapers and publishing empires, and the film industry) diminish the moral and economic importance of the family. They demand travel and frequent change of residence. Teasing the heart with glittering entertainment, gratifying the demands of ambition, they dissolve attachments and loyalties. Husbands and wives live in isolation from each other. Children of the upwardly mobile are almost as abandoned, emotionally, as the children of the ghetto. The lives of husbands, wives, and children do not mesh, are not engaged, seem merely thrown together.

There is enough money. There is too much emotional space. It is easier to leave town than to pretend that one's lives truly matter to each other. (I remember the tenth anniversary party of a foreign office of a major newsmagazine; none of its members was married to his spouse of ten years before.) At an advanced stage capitalism imparts enormous centrifugal forces to the souls of those who have most internalized its values; and these forces shear marriages and families apart.

To insist, in the face of such forces, that marriage and family still express our highest moral ideals, is to awaken hostility and opposition. For many, marriage has been a bitter disappointment. They long to be free of it and also of the guilt they feel, a residual guilt which they have put to sleep and do not want awakened. They loathe marriage. They celebrate its demise. Each sign of weakness in the institution exonerates them of personal failure.

Urban industrial life is not designed to assist families. The city, the workplace are not designed with family needs in mind; neither are working hours.

Yet, clearly, the family is the seedbed of economic skills, money habits, attitudes toward work, and the arts of financial independence. The family is a stronger agency of educational success than the school. The family is a stronger teacher of the religious imagination than the church. Political and social planning in a wise social order begin with the axiom: What strengthens the family strengthens society. Highly paid, mobile, and restless professionals may disdain the family (having been nurtured by its strengths), but those whom other agencies desert have only one institution in which to find essential nourishment.

The role of a father, a mother, and of children with respect to them, is the absolutely critical center of social force. Even when poverty and disorientation strike, as over the generations they so often do, it is family strength that most defends individuals against alienation, lassitude or despair. The world around the family is fundamentally unjust. The state and its agents, and the economic system and its agencies, are never fully to be trusted. One could not trust them in Eastern Europe, in Sicily, or in Ireland—and one cannot trust them here. One unforgettable law has been learned painfully through all the oppressions, disasters and injustices of the last thousand years: if things go well with the family, life is worth living; when the family falters, life falls apart.

Aggressive sentiments against marriage are usually expressed today in the name of "freedom," "openness," "play," or "serious commitment to a career." Marriage is pictured as a form of imprisonment, oppression, boredom, and chafing hindrance. Not all these accusations are wrong; but the superstition surrounding them is. Marriage is an assault upon the lonely, atomic ego. Marriage is a threat to the solitary individual. Marriage does impose grueling, humbling, baffling, and frustrating responsibilities. Yet if one supposes that precisely such things are the preconditions for all true liberation, marriage is not the enemy of moral development in adults. Quite the opposite.

In our society, of course, there is no need to become an adult. One may remain—one is exhorted daily to remain—a child forever. It is difficult to have acquired a good education, a professional job, and a good salary, without meeting within one's circle of associates not a few adult children. In medieval paintings, children look like miniature adults. In tableaux from life today, adults appear as wrinkled adolescents.

The central idea of our foggy way of life seems to be that life is solitary and brief, and that its aim is self-fulfillment. Autonomy we understand to mean protection of our inner kingdom—protection around the self from intrusions of chance, irrationality, necessity, and other persons. ("My self, my castle.") In such a vision of the self, marriage is merely an alliance. It entails as minimal an abridgment of inner privacy as one partner or the other may allow. Children are not a welcome responsibility, for to have children is, plainly, to cease being a child oneself.

For the modern temper, great dreads here arise. Sanity, we think, consists in centering upon the only self one has. Surrender self-control, surrender happiness. And so we keep the other out. We then maintain our belief in our unselfishness by laboring for "humanity"—for women, the oppressed, the Third World, or some other needy group. The solitary self needs distant collectivities to witness to its altruism. It has a passionate need to love humankind. It cannot give itself to a spouse or children.

There is another secret to this aggressive sentiment, dominated as it is by the image of enlightenment. Ask, "Enlightenment from what?" and the family appears: carrier of tradition, habit, prejudice, confinement, darkness. In this view, the seeds of reaction and repression, implanted by the family of one's birth, are ready to sprout as soon as one sets up a family of one's own.

The jading of everyday, the routines of weekdays and weekends, the endless round of humble constraints, are, in this view, the enemies of human liberty.

A return to the true conditions of our own humanity will entail a return on the part at least of a dedicated few, to the disciplines and terrors of marriage and family. Many will resist these disciplines mightily.

People say of marriage that it is boring, when what they mean is that it terrifies them: too many and too deep are its searing revelations, its angers, its rages, its hates, and its loves. They say of marriage that it is deadening, when what they mean is that it drives us beyond adolescent fantasies and romantic dreams. They say of children that they are piranhas, eels, brats, snots, when what they mean is that the importance of parents with respect to the future of their children is now known with greater clarity and exactitude than ever before.

Marriage, like every other serious use of one's freedom, is an enormous risk, and one's likelihood of failure is rather high. No tame project, marriage. The raising of children, now that so few die in childbirth or infancy, and now that fate takes so little responsibility out of the hands of affluent and well-educated parents, brings each of us breathtaking vistas of our inadequacy. Fear of freedom—more exactly, fear of taking the consequences—adds enormously to the tide of evasion. The armies of the night find eager recruits.

It is almost impossible to write honestly of marriage and family. Who would like the whole world to know the secret failures known to one's spouse and one's children? We already hate ourselves too much. Given our affluence and our education, we are without excuses. We are obliged by our own vague sentiments of progress and enlightenment to be better spouses, better parents, than our ancestors—than our own parents, or theirs.

Suppose we are not? We know we are not. Having contempt for ourselves, we want desperately to blame the institution which places our inadequacy in the brilliant glare of interrogation.

Still, just as marrying and having children have today the force of public political and moral statements, it is necessary to take one's private stand. Being married and having children has impressed on my mind certain lessons, for whose learning I cannot help being grateful. Most are lessons of difficulty and duress. Most of what I am forced to learn about myself is not pleasant.

The quantity of sheer impenetrable selfishness in the human breast (in my breast) is a never-failing source of wonderment. I do not want to be disturbed, challenged, troubled. Huge regions of myself belong only to me. Getting used to thinking of life as bicentered, even multicentered, is a struggle of which I had no suspicion when I lived alone. Seeing myself through the unblinking eyes of an intimate, intelligent other, an honest spouse, is humiliating beyond anticipation.

Maintaining a familial steadiness whatever the state of my own emotions is a standard by which I stand daily condemned. A rational man, acting as I act?

My dignity as a human being depends perhaps more on what sort of husband and parent I am than on any professional work I am called upon to do. My bonds to them hold me back (and my wife even more) from many sorts of opportunities. And yet these do not feel like bonds. They are, I know, my liberation. They force me to be a different sort of human being, in a way in which I want and need to be forced.

Nothing, in any case, is more poignant and private than one's sense of failing as a father. When my own sense of identity was that of a son, I expected great perfection from my father. Now that I am a father, I have undergone a psychic shift. Blame upon institutions, upon authorities, upon those who carry responsibilities, now seems to me so cheap. Those who fail in their responsibilities have a new claim upon my sympathies. I know the taste of uncertainty. To be a father rather than a son is to learn the inevitability of failure.

It would be a lie, however, to write only of the difficulties of marriage and family, and not of the beauty. The joys are known. The more a man and a woman are in love, the more they imitate the life of husband and wife; long, sweet affairs are the tribute romances pay to matrimony. Quiet pleasures and perceptions flow; the movement of new life within a woman's belly; the total dependence of life upon the generosity and wisdom of its parents; the sense that these poor muscles, nerves and cells of one's own flesh have recreated a message to the future, carried in relays generation after generation, carried since the dim beginnings. There may not be a "great chain of being." But parents do forge a link in the humble chain of human beings, encircling heirs to ancestors. To hold a new child in one's hands, only ounces heavy, and to feel its helplessness, is to know responsibilities sweet and awesome, to walk within a circle of magic as primitive as humans knew in caves.

But it is not the private pleasures of family life that most need emphasis today. Those who love family life do not begrudge the price paid for their adulthood. What needs elucidation is the political significance of the family. A people whose marriages and families are weak can have no solid institutions.

In intellectual terms, no theme is so neglected in American thought. The definition of issues given both by our conservatives and by our liberals is magnetized by two poles only: "the state" and "the individual." Both leave the family out. Emphasis on the family appears to conservatives a constraint upon the state, and to liberals a constraint upon the individual. Our remarkable humanitarianism holds that attention to family weaknesses will stigmatize those who suffer. No concept in the heavens of theory is as ill-starred. Turning toward the family, our minds freeze in their turning.

The time to break taboos in our minds must surely come. Every avenue of research today leads to the family. Do we study educational achievement? nutrition? the development of stable and creative personalities? resistance to delinquency and violence? favorable economic attitudes and skills? sex-role identification? relations to authority and to dissent? Family life is fundamental.

Almost everything about both "liberal" and "conservative" economic thought neglects, ignores or injures family networks. It is not benign neglect. Millions of dollars are spent on the creation of a larger and larger state apparatus. Resources are systematically taken from the family. Is this an accident?

One by one, all centers of resistance to the state are being crushed, including the strongest, family. The trend does not augur well for our liberties.

A politics based on the social unit of the family would have a revolutionary impact on the sterile debate between Democrats and Republicans, and between libertarians and socialists. To strengthen the family through legislative reform is, indeed, a social intervention, but one which creates a counterpoise to the state. It is the forgotten lever of social change.

Why, for example, does the preferred liberal solution for the sufferings of blacks look to every avenue of approach—school buses, affirmative action, welfare—except the family? Could it be that the family is too truly at the center, and is the one thing that liberals themselves cannot supply? That the family is the one social standing place for independence?

Liberals too seldom think about the economic values of strong family life; they neglect their own sources of strength, and legislate for others what would never have worked for themselves.

Consider the educational preparation of black children as they leave their homes, before they enter school. Among successful blacks, patterns are like those among whites. Parents watch over their children. Books and papers are available in the home. Where the parents take education seriously, there is high probability that children will. Where the parents do not, schools cannot reasonably be expected to reach the psyches of the young. Why, then, do we habitually try to help schools, but not families? For both blacks and whites of the working class and all the more for the still more needy "underclass," the provision of books and newspapers to the home, and sessions to assist parents in teaching their children, might be more profitable than efforts in the school.

In a word, a politics aimed at strengthening families, white and black, would be a politics of unity rather than of division. It would also have higher prospect of success. The chief obstacle in its execution is the mysterious contempt liberals unthinkingly manifest toward their own greatest source of advantage.

As Jean-Paul Sartre has taught us, it is bad faith to plead "to each his own," to permit intellectual laissezfaire. Actions speak louder than shrugs of the shoulder. To marry, to have children, is to make a political statement hostile to what passes as "liberation" today. It is a statement of flesh, intelligence and courage. It draws its strength from nature, from tradition, and from the future. Apart from millions of decisions by couples of realistic love, to bring forth children they will nourish, teach and launch against the void, the human race has no future—no wisdom, no advance, no community, no grace.

Only the emptiness of solitary space, the dance of death.

It is the destiny of flesh and blood to be familial.

PHILADELPHIA AIDS BICENTENNIAL TOURISTS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. EILBERG. Mr. Speaker, two new telephone services were implemented in Philadelphia to help answer the questions of the millions of visitors expected for the Bicentennial.

These numbers will be in operation through November 30: 511, for free visitor information and municipal services; 894–1776, for Bicentennial services.

The inauguration of 511 marks the first time in the Nation that a three-digit code has been used to solve visitor problems about municipal services.

The 511 number is designed to be strictly a visitor's aid and will operate without a coin from all pay phones in the city. Visitors dialing 511 should be able to get answers to most general Bicentennial questions, as well as information on municipal services. Residents will continue to be served by regular city agencies.

The Bicentennial services number, 894–1776, will answer detailed queries about events, locations and hotel facilities.

Visitors' calls to 511 will be received at the Philadelphia Communications Center at city hall, where operators will be able to divert calls to all city service departments. The 894–1776 service will be operated by Information Management, Inc.

The new services were instituted at the suggestion of the mayor, with the cooperation of the Bell Telephone Co.

JUVENILE CORRECTIONS AND BUREAUCRATIC FAILURE

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Ms. HOLTZMAN. Mr. Speaker, I am deeply concerned about the problem of violent crime committed by juveniles.

I would like to bring to the attention of my colleagues a letter which I wrote to the New York Times on this subject:

[From the New York Times, Mar. 15, 1976]

CORRECTIONS SYSTEMS FAILURE

TO THE EDITOR:

Your news article of March 2 about the Goshen Center for Boys illustrates the scandalous failure of the juvenile corrections system either to protect the public or treat the offender. Behind this story, however, lies an even more frustrating one: that the system's failure is due in large part to bureaucratic foot-dragging and indifference.

For example, last April I urged Governor Carey to use available Federal funds to create a secure facility from which violent, disturbed juvenile offenders could not escape, but in which they could receive treatment. There was no such facility in the state and this created an intolerable risk to New Yorkers.

As a result of the Governor's efforts and my own, in May 1975 the state approved Federal funding to set up the secure facility for violent juveniles in Bronx State Hospital, mentioned in your article.

This secure facility, however, did not begin to operate until ten months later (March 1976)—despite the obvious need for it, and the immediate availability of Federal funds.

It is small wonder that New York is unable to protect the public from violent juvenile criminals, when it cannot even take advantage of existing funds without months of delay and miles of red tape.

ELIZABETH HOLTZMAN,
Member of Congress, 16th District, New York.

WASHINGTON, *March 10, 1976.*

U.S. WEAPONS AIMED AT ISRAEL?

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. LEHMAN. Mr. Speaker, I testified today before the House Committee on International Relations in opposition to the proposed sale of U.S. C–130 transport planes to Egypt.

I am strongly opposed to this sale and would like to share the reasons for my opposition with my colleagues:

TESTIMONY OF CONGRESSMAN BILL LEHMAN

Mr. Chairman, I have introduced House Con. Res. 599 to disapprove the proposed sale of U.S. C–130 transport planes to Egypt because this is the first step in a plan by the Administration to supply Egypt with a wide array of sophisticated American weapons.

Recent reports have detailed plans to furnish Egypt with modern F–5E jet fighter aircraft, TOW anti-tank and Hawk anti-aircraft missiles, and advanced electronic equipment.

When I first heard of this proposed sale, I wrote Secretary of State Kissinger asking how this would advance the cause of peace. Could Egyptian friendship be bought with American weapons where billions in Soviet arms had failed?

I asked how he could justify putting weapons into the hands of those who will not make peace with their neighbor. The reply, signed by a State Department aide, failed to answer any of my questions.

America is not just another country which happens to be powerful enough to influence the course of world events. America is the result of a moral ideal—a nation where freedom and democracy and liberty are more important than the political expediency of a shifting foreign policy.

Let's look at the Middle East as it really is. The Russians are still heavily involved in Egypt. They sent $1.5 billion in arms to Egypt last year. Egypt refuses to make peace with Israel or even to approve a half-step toward peace, called non-belligerency. Sadat is not firmly in power and has been reported to be in ill-health, with more radical elements waiting to take over.

I say it is more important for the U.S. to stand by a long-time friend than to prop up the current ruler of Egypt as part of some global game.

Mr. Chairman, as your Committee deliberates this resolution of disapproval, I hope you will carefully study the reports which I am including with my testimony. I hope you will conclude that we should not seek to buy Egyptian friendship with guns aimed at Israel.

[From the Washington Post, Mar. 27, 1976]

SADAT TO ASK UNITED STATES FOR JETS AND MISSILES

(By Don Oberdorfer)

CAIRO, March 26.—President Anwar Sadat said today he will ask the United States to provide Egypt with jet fighter planes, anti-tank missiles and other weapons after the collapse of the nation's long-standing military relationship with the Soviet Union.

"I think I have the right now to ask for defensive weapons. When they asked me in the states I said I didn't have a shopping list. I can now say that I am in need, at least for defensive weapons," said Sadat in an interview at his presidential residence on the banks of the Nile.

Sadat called the U.S. proposal to sell Egypt six C–130 transport planes—submitted to Congress by the Ford administration amid objections from Israel—"a very small thing." But he made clear that the evolving relationship with the United States, symbolized by the first proposed military sale in two decades, is of prime importance to Egypt.

The Egyptian president, who announced abrogation of the Soviet-Egyptian friendship treaty in a speech 12 days ago, accused the Soviets of putting "a vicious squeeze" on him militarily and economically. He said the decision to abrogate the treaty, like his 1972 decision to send home Soviet military advisors and antiaircraft personnel, was "a pure Egyptian decision," made without consulting the United States.

Sadat confirmed rumors that the Soviets have been asked to leave the port of Alexandria, the last remaining naval support facility open to them on Egypt's Mediterranean coast. He said the Soviets would have to be out by April 14—one month after he announced his decision on the treaty.

While Sadat spoke, a U.S. guided-missile destroyer, the U.S.S. Dahlgren, was making a rare and symbolic port call on the port of Alexandria.

The Soviet Union has been the predominant outside power in Egypt for more than 20 years, providing almost all the equipment and arms for the Egyptian armed forces as well as large amounts of economic aid and an important commercial market. The United States had no diplomatic relations with Egypt from 1967 to early 1974, but since then has begun close diplomatic cooperation in efforts to solve the Arab-Israeli dispute. The United States has undertaken an economic aid program of about $1 billion to show support for Sadat's policies.

Calling this "a historical moment" in Egypt's relations with the great powers. Sadat traced in some detail his version of Soviet unresponsiveness to his military and economic requests. He described Egypt as caught in an untenable position without substantial military supplies, spare parts or overhaul for major weapons while the United States continues to arm Israel heavily and Soviet weapons continue to pour into Syria, a growing Arab political rival to Egypt.

Sadat is due to leave Monday for a two-week trip to France, West Germany, Italy, Yugoslavia and other European countries that he has approached in attempts to purchase arms to substitute for Soviet weapons. He repeated today that without replacement parts, his armed force would be "scrap" in about 18 months.

[In Paris, Egyptian War Minister Mohammed Gamassi said after a talk with French President Valery Giscard d'Estaing that France had agreed to sell more arms to Cairo and help build arms factories in Egypt, news agencies reported.]

While he has made no secret of his desire for a military supply relationship with the United States, Sadat has formally lodged no request beyond the controversial C–130s.

He said he was making public his needs in order to explain his situation to the U.S. public and Congress.

Specifically, he said he is requesting F–5E jet fighter planes, which he described as "very moderate . . . not sophisticated" and which he said have been supplied to Iran, Saudi Arabia and Jordan. He also said he is requesting TOW anti-tank missiles as well as some communications and naval gear. The weapons are needed before the end of the year, he said.

Asked how he can assure that the arms will be only defensive as he maintains, he responded by citing, "my attitude toward peace, the steps I have already taken and the validity of my word."

[A State Department spokesman in Washington said Sadat had informally indicated his interest in the jet fighters, anti-tank missiles and other equipment to U.S. administration and congressional leaders, but the only weapons the administration was considering providing Egypt were the C–130s.]

Sadat called the Chinese gift of 30 jet engines to fit Egypt's Soviet-built Mig aircraft, plus some spare parts and other equipment, "a very encouraging act." The gift was made public by Egypt yesterday. China said it was not an arms merchant and thus would not sell, but give the arms to Egypt.

Sadat said that a major reason for the strain with the Soviet Union was Soviet disapproval of his cooperation with the United States in the step-by-step diplomatic process during the past two years. He said that in recent correspondence with him, Soviet leaders complained they were excluded from the peace-seeking process, particularly after the second disengagement agreement between Israel and Egypt last fall.

Wearing a blue pinstripe suit and fingering an unlit briar pipe, the former general spoke in English in a firm, clear voice during the nearly 60-minute interview. He displayed great interest in the political situation in the United States, making several references to the presidential election year.

Though earlier he had expressed hope for major strides toward peace in the middle east by 1976, he virtually conceded today that little progress is likely before the U.S. elections are over in November.

The step-step process of seeking peace by increments, in which he cooperated closely with the United States, has reached its end, he said; that a great "leap" toward a settlement was now needed. He dismissed as "not workable at all" a plan being discussed by the United States and Israel in which Arab states would agree to "non-belligerency" in return for further partial withdrawals by Israel from occupied Arab lands.

Recent U.S. intelligence briefings for Congress, which have been contested by Israel, reported that Israel regains a military edge over the Arabs. A CIA briefing a few days ago in Washington reportedly estimated that Israel has 10 to 20 nuclear weapons "ready and available for use."

[From the Economist Foreign Report, Mar. 24, 1976]

The Middle East Arms Race

The polite officialese for the present behaviour of Middle East arms buyers is "diversifying sources of supply". More than ever, the arms trade in the Middle East is a free-for-all; the major powers have allowed small dealers a fairly clear run, confident that the customers will have to turn to them for bulk buying and really sophisticated items.

America and Russia, as the main armourers, remain the final arbiters of the regional balance of power. But they have shown little inclination to hold the arms race in check this year. In the west alone, the Arab states have bought arms worth $12 billion since 1974, and have spent a further $4 billion in the Soviet block; Israeli purchases from the west total close to $5 billion over the same period.

Egypt, with the biggest army in the region, presents the biggest puzzle. Although President Sadat's recent public behaviour suggests a definitive break with the Russians, the Egyptians are pressing on with the rebuilding of their war machine. The Egyptian army has been subjected to an ambitious programme of reorganisation and absorbing new types of weapons. By 1977 or 1978 it could be a more powerful instrument than ever before.

Today, the Egyptians have 650,000 men under arms (after demobbing reservists who had served without a break since the 1967 war) organised in five infantry divisions, five mobile divisions, two armoured divisions, six brigades of special forces and 26 commando battalions. They are equipped with 2,500 T–62, T–65 and T–54 tanks, 2,600 armoured fulltrack vehicles (many fresh off the Soviet assembly lines in 1975) 2,200 heavy guns (120mm calibre)—plus two brigades equipped with 500 Frog and Scud ground-to-ground missiles. How many of these weapons, except the very newest, are still usable is another matter; sophisticated arms can soon become useless—"scrap iron" in President Sadat's phrase—under Egyptian standards of maintenance.

The Egyptian air force has 515 combat planes, including at least 30 Mig-23 fighter-bombers (notwithstanding reports that the Russians had taken them away). The rest are mostly French Mirage 111s, Soviet Mig-21s, Mig-17s, Sukhoi-7s, Sukhoi-20s, together with 30 heavy Tupolev bombers. There are unconfirmed reports of a secret Soviet-Egyptian deal to supply an unknown quantity of Mig-25s next year, but in the changed political climate this may well fall through. Egypt's anti-aircraft missile defence system now includes 150 batteries of Sam-6, Sam-3 and Sam-2 missiles. Egypt's navy has five destroyers, three frigates, 12 submarines, 12 missile boats, 30 torpedo boats and 14 minesweepers.

A close look at this list, based on reliable military intelligence sources, suggests that supplies from the Soviet block have definitely not dried up, as Egypt has been claiming for months. During 1975 and the first months of this year Egypt received arms worth $1.5 billion from the Russians. Only a few months ago, a Soviet shipment of spare parts reached Alexandria, and the Egyptian war minister, General Mohammed Gamasi, paid visits to Jugoslavia, Czechoslovakia and Poland, before going on to Paris this week. Jugoslavia is Egypt's main source of aircraft spare parts, and it is now known that President Tito rushed 130 tanks to Egypt as part of the east European airlift during the 1973 war. Czechoslovakia and Poland are both regular suppliers of spare parts and tanks. Moreover, at their Libyan depots, the Russians are believed to maintain huge supplies of spare aircraft engines and at least 1,000 T-62 tanks, available for delivery to Egypt within 24–36 hours.

The reason why Egypt goes shopping in the west is clearly essentially political. But there are other factors as well. It pays to buy from the Americans and Europeans, since the Arab oil sheikhs are willing to foot the bill for purchases if made in the west. There may also be a military calculation involved. General Gamasi may have picked up the idea from the Israelis, when he saw that captured Soviet equipment could be successfully integrated into an army based on western arms. He is convinced that with weapons from both east and west, Egypt will have the quality and quantity to gain the upper hand in any clash.

Egypt's most important source of western weaponry is, of course, America. To reduce congressional opposition, the Egyptian and American governments are thought to have worked out a five-stage plan for American deliveries. The stages are as follows:

1. The delivery of six Hercules C–130 giant transport aircraft—(The basic details have been published but Israeli reports suggest that the planes will be equipped with advanced electronic equipment appropriate for intelligence missions.)

2. Communications equipment.

3. Sophisticated electronic devices, including decoy planes.

4. Full-track armoured vehicles, the Tow anti-tank missile, and Hawk antiaircraft missiles.

5. Sonic 20–40 jet fighter aircraft. There are indications that Egyptian pilots have already begun training with American instructors in Saudi Arabia and Iran.

The Egyptians have been looking for western engines that could be built into 230 of their Mig-21s. The engine they would most like is the General Electric G-17-19, which, according to some aviation experts, could improve the aircraft's performance by 20 percent. These engines are already used in the Israeli Phantoms and are built into the Israeli Mirages. But the Egyptians may have to make do with French Atar engines; one of General Gamasi's prime tasks in Paris this week is no doubt to see how the French would guarantee delivery. Gamasi is also working out the background details for other deals that are expected to be concluded when President Sadat visits Paris next month; these include the purchase of 120 Mirage F-1 fighter-bombers, 120 Franco-German Alfa jets (for strikes against ground targets), 200 Gazelle helicopters, and torpedo boats.

Abu Dhabi and *Saudi Arabia* are said to be chipping in $3 billion towards the cost of Egypt's arms purchases in the west, and the Arab oil states have also promised Egypt and Jordan the use of some of the advanced weapons they have bought from the west in the event of another war. Abu Dhabi itself has spent $500m on 32 Mirage-5s, 18 Mirage interceptors and a British Rapier defense system. Kuwait, for a similar sum, has acquired 36 Mirage-111s for delivery this summer, and 32 Mirage F-1s. (It has also received Chieftain tanks from Britain.)

Saudi Arabia has bought 38 Mirage-111s, a mobile air defense system and 200 AMX tanks from France. From America, the Saudis will receive 20 F-5B, 70 F-51, and 20 F-5F combat aircraft this year, and are said to have signed a secret agreement for 100 F-4 Phantoms, 400 helicopters (mainly Bell), 26 naval vessels, including missile boats, and equipment for two complete military harbours. By the end of 1976, Saudi Arabia will have received 1,000 American tracked vehicles and 1,000 Tow anti-tank missiles.

Libya, with 24 Soviet Mig-23s, 26 Sam batteries and 1,000 T-62 tanks in hand, has bought 110 Mirage-111s and 38 Mirage F-1s from France (with an option on a further 50). The Libyans are now awaiting delivery of four missile boats that are under construction in Genoa and of French "Daphne" type submarines from Spain.

Jordan has some 200 American-made M-48 tanks, Hawk missiles, 36 F5-1 combat aircraft delivered via Iran and a further 22 supplied directly from America.

Syria is exclusively supplied by the Soviet bloc. Its current military strength consists of 425 fighter jets including 45 Mig-23s, 2,100 tanks (including the new T-62), with 500 more on order, over 1,000 heavy guns, more than 40 anti-aircraft missile batteries and 500 ground-to-ground Frog and Scud missiles. *Iraq* has 250 combat planes and 1,100 tanks, all from the Soviet bloc.

What are the Israelis doing to keep up their side of the balance? Since 1973, *Israel* has spent $1.5 billion a year on arms. In 1976-77 it will have $2.5 billion available from America for defense shopping.

Israel has already bought M-48 tanks for delivery in 1977, and will start receiving the M-60 in 1978. Its air force has F-15 fighters and is due to receive the F-16 when production is complete. Also on order: Tow anti-tank missiles; 110 Lance surface missiles; the FR-4 reconnaissance aircraft; Bell helicopters; Cobra 'flying gunboats' equipped with anti-tank missiles; Hawk anti-aircraft missiles; 'smart' bombs; Maverick and Redeye guided air-to-ground bombs; radar; and night vision equipment.

The Israelis are also expanding their domestic armaments industry. After developing the Kfir fighter-bomber, the Israelis are preparing a new model and building a new type of missile boat with an advanced version of the Gabriel sea-to-sea missile. But the two most significant new products in the making are a new kind of helicopter designed for anti-tank warfare and a new tank. This tank will be specifically designed for desert warfare. It will have an American-made engine, a 105mm gun of local manufacture and an array of gadgets for protecting its crew against atomic, biological and chemical warfare. Other novelties include a range-finder guided by a laser beam, infra-red night sights and a device for magnifying starlight.

WASHINGTON, D.C.,
March 15, 1976.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR SECRETARY KISSINGER: The U.S. Government appears to be seeking to establish a military supply relationship with Egypt.

A resolution of the conflict in the Middle East is clearly in the interests of the United States. But how will the establishment of a military supply relationship with Egypt advance the cause of peace in the Middle East?

The Russians couldn't buy the lasting trust and friendship of the Egyptians with billions in Soviet military aid. Do you believe the Egyptians will be more impressed with American weapons?

The Egyptians have only one use for their weapons—to attack the State of Israel. How can you justify putting weapons into the hands of those who will not make peace with their neighbor?

If it is true that the Egyptians do want to turn toward peace, what possible need do they have for additional weapons?

Your prompt reply will be appreciated.

Thanking you for your cooperation, I am
Sincerely,

WILLIAM LEHMAN,
Member of Congress.

WASHINGTON, D.C.,
April 2, 1976.

Hon. WILLIAM LEHMAN,
House of Representatives,
Washington, D.C.

DEAR MR. LEHMAN: The Secretary has asked me to reply to your letter of March 15 about possible arms sales to Egypt.

The United States, particularly since the October 1973 Arab-Israeli war, has been actively engaged in efforts to move the confrontation states in the Middle East toward an overall settlement of their differences. The recent agreement between Israel and Egypt and corollary efforts that have been undertaken offer more promise for an ultimately peaceful solution of the Arab-Israeli dispute than has been the case of any time over the past quarter century.

Egypt has a decisive role in Middle East affairs. Thus, the approach Egypt takes toward the resolution of the conflict that has kept the area unsettled for many years is critical to the U.S. interest in achieving a just and permanent peace. Egyptian determination to move toward peace has been essential in achieving the progress made thus far. Egypt has courageously embarked on the road to peace and moved from confrontation to negotiation as a means to resolve the Middle East dispute.

President Sadat has shown his desire to end Egyptian dependence on the Soviet Union and it is clearly in our interest to assist him in defending his policies of moderation against pressures. The transaction we are considering, and about which we are consulting with Congress, is the sale of six C-130s.

We recognize the importance of Egypt's economic needs and believe that Egypt clearly wishes to concentrate its attention on reconstruction and economic growth. Congress has been requested to provide substantial funds for economic assistance to Egypt in fiscal years 1976 and 1977. The objective of U.S. assistance is to support Egypt's new priorities in a way which will permit Egypt to meet the aspirations of the people through peaceful means. This is the only assistance we are giving or proposing. The purchase of six C-130s by Egypt would be a cash sale and would not involve U.S. assistance funds.

We strongly believe it is in our nation's interest to be responsive to Egypt's needs at this crucial time. This step is vital in maintaining the confidence of Egypt in the peace process and the U.S. role in it.

Sincerely yours,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

FEDERAL JOBS BILL MIGHT BRING ON A NEW RECESSION

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. CONABLE. Mr. Speaker, the economics writer for the Baltimore Sun, Art Pine, has written a thoughtful analysis of the Full Employment and Balanced Growth Act being advocated by Senator HUMPHREY and Congressman HAWKINS. Because there are so many unrealistic claims being made for this legislation in the present political climate, I think it is helpful to have this sober assessment by a neutral commentator. As Mr. Pine points out, the promotion of this legislation represents a conflict of campaign politics with economic reality and we should not permit it to undo the present steady economic recovery. The report follows:

FEDERAL JOBS BILL MIGHT BRING ON A NEW RECESSION

(By Art Pine)

WASHINGTON.—The proposition is a tempting one, especially in an election year: Commit the federal government to reducing the adult unemployment rate to 3 per cent in the next four years. Set up new procedures for establishing specific numerical economic targets. Require the administration to achieve these goals by launching massive new programs, ranging from public-service jobs to local construction projects. Then promise that, from now on, Washington will provide a job for every adult work-seeker who cannot find one on his own. The result: Long-term economic prosperity.

Such is the stuff of the new "Full Employment and Balanced Growth Act of 1976," now being sponsored by Senator Hubert H. Humphrey (D., Minn.) and Representative Augustus F. Hawkins (D., Calif.)—and doubtless it is the most appealing campaign promise since the Hoover administration's legendary chicken in every pot. In just a few short weeks, the measure has become an economic manifesto for liberals and many moderates, attracting the support of virtually all the Democratic presidential candidates except Jimmy Carter. The only real question is, would the bill do more harm than good?

To be sure, the impetus behind the new legislation is difficult to quarrel with. In the wake of the past two years' recession, no one is arguing seriously that the government should not aim its policies at spurring economic growth and employment. Indeed, many of the measures the bill would require—such as public-service jobs and local construction programs—already are in effect, albeit on a much smaller scale.

Both parties are committed to returning the nation to long-term prosperity. Their differences lie over how to go about it.

The question is, can the nation actually achieve the goals of the Humphrey-Hawkins bill without dangerously high inflation or rigid wage-and-price controls—and the answer, according to a broad range of both liberal and conservative economists, is unequivocally no. Critics contend the measure would severely tighten labor markets, embark the nation on a spate of costly income-maintenance programs, and produce a new set of production cutbacks, supply bottlenecks and inflation. Many analysts fear it ultimately could bring on another recession.

To begin with, for a variety of reasons relating to the make-up of the labor market, most economists view a 3 per cent unemployment target as unrealistic. For one thing, so-called "frictional" unemployment—the temporary joblessness that inevitably accompanies job-switching or moving to new locations—alone guarantees an astonishing 3.5 per cent jobless rate, and other structural problems add on even more. Many analysts believe unemployment cannot be pushed below 4.5 per cent without skyrocketing inflation. An adult unemployment rate of 3 per cent would imply an overall jobless rate of between 3.6 and 3.7 percent.

Moreover, to hold the unemployment rate at 3 per cent or so for very long would require a continuous spurt in output at a rate that most economists believe would be unsustainable without severe inflation.

Sar Levitan, director of the liberal-oriented Center for Manpower Studies, testified recently that to achieve a jobless rate of that level, the government would have to spur output at a long-term annual rate of 7.5 per cent. The nation, he added, "has never achieved such a sustained high growth" before, and is not likely to now.

Secondly, as economists have learned painfully in recent years, it is foolhardy to set specific numerical targets for such broad aggregates as the unemployment rate, because changes in overall economic conditions may make it impossible to achieve them. Sometimes the nation can afford to push joblessness to 4 per cent or so without risking renewed inflation, but at other times the most reasonable goal may be 5 per cent, or even 6 per cent. To many, committing the nation to a hell-or-high-water target of any sort is choosing in advance to ignore reality.

Then, too, as both liberal and conservative economists have pointed out, different sets of economic conditions produce different types of unemployment—not all of which can be remedied by the same kinds of policies. In 1969 and 1970, for example, when engineers and aircraft workers were being laid off because of cutbacks in government research and procurement programs, a Washington-financed ditch-digging program hardly would have helped very much. Similarly, an expensive new construction program won't directly help laid-off auto workers.

If anything, economists who deal with labor-market problems fear that a permanent government job-creation program—as Humphrey-Hawkins almost certainly would be if it ever got started—could well worsen the job problem rather than help it, by ultimately diverting job-seekers from the private sector, where they could prove more productive. If that happens, the nation could end up producing highways and new courthouses at a time when its citizens are demanding more houses and automobiles—leaving private-sector wage rates to skyrocket into an inflationary spiral.

Perverse effects of another sort already have shown up in the wake of recent increases in unemployment compensation benefits, which now have been extended to cover persons who are out of work for up to 65 weeks. Although the humaneness of such payments is not being disputed, many economists have begun to notice that the high level of benefits has encouraged some laid-off workers to turn down some jobs they might otherwise have taken, or simply to stop looking altogether. Had benefits been less attractive, they contend, the recipients might have been back on jobs earlier.

To many economists, the combination of these pressures would be to tighten labor markets so severely that wages would begin to soar spurring inflation to the double-digit level and paving the way for formal wage-price controls. Indeed, although more starry-eyed supporters refuse to acknowledge the fact, economists who have worked on the legislation concede the Humphrey-Hawkins program would not be workable without some form of mandatory restraints. The main reason sponsors do not admit this publicly is that they would risk the opposition of organized labor.

But the prospect of controls raises still another specter: As the recent U.S. experience demonstrated, controls programs themselves often create still-further sets of problems — with investment cutbacks, supply bottlenecks and, eventually, a new round of inflation. Many analysts are convinced that a move to anything that comprehensive could well set the nation up for another recession — precisely what the Humphrey-Hawkins bill is attempting to avert.

A Library of Congress study on last year's version of the bill warned of its inflationary effects, but has not been widely quoted. There also is the question of whether the public really wants to take on the kind of responsibility the Humphrey-Hawkins bill implies, and whether it is willing to pay the price—either in actual outlays or in inflation.

Although sponsors argue the legislation technically would do no more than simply set up a new economic policymaking procedure, the fact that it requires the government to achieve specific numerical goals actually commits the nation to a spate of massive job-creation and income-transfer programs—many of which are untested on any scale approaching what the bill calls for.

Although Mr. Humphrey several times has refused to acknowledge publicly what the legislation would cost the Treasury, congressional staff members estimate the tab could run to between $20 billion and $26 billion a year in outlays, even assuming that the recovery continues to be vigorous. Mr. Humphrey contends that all but $12 billion of this would be offset by increased tax receipts and other savings, but such projections traditionally are unreliable, and do not really reduce the actual cost of the legislation.

The bill also would push the government into a degree of economic planning that many economists fear could deprive policymakers of some flexibility. While on one hand it would do no more than formalize what already happens—the President would be required to submit an economic plan for approval by Congress—on the other hand it would make it more difficult for the government to change tack when the economic winds shift.

There is little the new structure would provide that cannot already be accomplished under the new congressional budget process which gives Congress a firm hand, if it wants one, in setting fiscal policy.

Apart from such philosophical and policy issues, almost as disconcerting to many analysts is the myriad of technical defects in the legislation—a flaw many economists fret could make the bill a nightmare to administer. Just listing the criteria for who is to be given priority for the government-financed jobs, for example, takes pages of legislation to describe, and still invites arguments concerning possible exceptions. And many crucial definitions—such as what age groups should be included in the "adult" category that is to be guaranteed jobs—remain dangerously vague.

There also are several internal contradictions. At one point, for instance, the legislation actually mandates that under no circumstances can the government run a "full-employment deficit"—an economic term for a spending level that would place the budget in deficit even if the jobless rate were 4 per cent.

Although the whole thrust of the Humphrey-Hawkins measure is to ensure a more stimulative economic policy, this one clause alone would prohibit the government from pursuing a strategy even as expansive as the one it is following now. As a result, the bill would be trapped by its own prohibitions.

To be sure, defects of this sort are unlikely to inhibit supporters of the legislation, who already have received assurances from the congressional leadership that the bill will be reported out of committee and sent to the House and Senate floors. Although the measure got nowhere last year in an even more expansive version, this year's model has been made more palatable to organized labor, and now is receiving more serious consideration.

The major opposition seems to come from President Ford, who vowed he would veto the package, and from a variety of mainstream economists—both Democratic and Republican—who conspicuously have not flocked to endorse the package. But to many serious analysts, the hope is that, like many election-year vehicles before it, the Humphrey-Hawkins bill can be rethought a few more times before it finally is adopted either as a Democratic campaign platform or as a national law.

If Congress wants to enact job-creation programs—or enlarge the current tax reductions instead—it can do so without this legislation, and retain the flexibility to alter them when necessary.

This no doubt is not the first time that salable campaign politics has conflicted with economic reality. But there's no sense in risking the undoing of a steady recovery for the sake of a grandiose political promise that may not be achievable.

IN MEMORY OF FLORENCE DWYER

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. HELSTOSKI. Mr. Speaker, in in 1972, when Florence Dwyer retired from the House, we lost a valuable legislator and dedicated public servant. A short time ago when she passed away, we lost a model citizen and lifelong friend.

Throughout her more than 20 years as an assemblywoman and Member of Congress, Florence Dwyer served the interests of her constituents faithfully and tirelessly. She possessed a sense of commitment found in very few people. As the first Republican woman from New Jersey to be elected to the House, she was challenged by the tasks which confronted her and devised innovative solutions to solve problems. She set her goals and reached them—by utilizing her talents to their fullest and with sheer determination, even the most insurmountable feat became possible. Her qualities of fairness, sincerity, and strength remain an inspiration to many.

I am proud to have known and worked with this remarkable woman for half of her eight terms in the House. In addition to her creation of and active support for legislation which would bring about equality for women, her daily activities stand as testimonials to what women's rights are all about.

It is with sadness that I pay tribute to the memory of Florence Dwyer, but it is my hope that her fine example will encourage and assist more women in seeking and obtaining elective office.

DR. DAVID SMITH—A FOREST EXPERT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BROWN of California. Mr. Speaker, I would like to draw the attention of my distinguished colleagues to some comments by Dr. David M. Smith on the subject of ecology and forest management. Dr. Smith has been a professor of silviculture at the Yale University School of Forestry for 28 years. His textbook—the "Practice of Silviculture"—is used throughout the Nation's forestry schools and he served as a consultant and part-author in the preparation of the 1973 "Report of the President's Advisory Panel on Timber and the Environment." His knowledge on the effects of various timber harvesting techniques, on soil erosion and solar radiation, even-aged and mixed-aged management is widely accepted and respected.

There will always be conflicting viewpoints on where and how to clearcut, on species' needs for varying degrees of sunlight, and the effects of solar radiation on the regenerative ability of clearcut acreage. But I would like to quote a section of Dr. Smith's article, which I would like to insert into the RECORD in total—

> The procedure of clearcutting and burning seems to be one that has worked well for replacing old-growth stands at low and middle elevations in the interior of western Washington but has met with decreasing success as it has extended to places that are more and more dissimilar ecologically. There are plenty of sites in southwestern Oregon where not even planting has prevented the technique from failing.
>
> Attempts to extend the technique to high elevations, as the Cascades, where the true firs abound, have caused some of the closest approximations of silvicultural disaster yet seen anywhere on this continent. While noble fir could be an exception, it does not appear that the true firs evolved to withstand severe load of either incoming solar radiation or outgoing nocturnal terrestrial radiation.

Clearcutting continues in this abusive manner on slope, elevation, and soil conditions which do not seem to be able to successfully regenerate, even with planting. As demand for timber doubles in the next 25 years, I can only see that such instances of misused forest harvesting techniques will multiply unless clearer priorities and guidelines are established.

I urge my fellow Representatives to read Dr. Smith's article, which was reprinted by the Forest Service from the joint session proceedings of Western Forest Fire, Pest and Reforestation Coordinating Committees, December 1, 1970:

APPLIED ECOLOGY AND THE NEW FOREST

(By David M. Smith, Yale University School of Forestry)

Thank you. Good morning, gentlemen. It is always with a great pleasure that I come out this way. More years ago than I like to think, it was my ambition to become a forester and go west. I made it about 80 miles. However, there have been at least some occasions when I have had the pleasure, stimulation and inspiration of traveling in these parts, and it is certainly a matter of great importance to keep in touch with what goes on in this almost pre-eminently important part of the forestry world.

There are many circles today in which the implication that ecology might be, or has been, applied in man-cultured forests seems a blasphemous contradiction in terms. Scarcely a day passes without word of some project being decried, wisely or unwisely, as a disruption of what is termed the "ecology" of this stream, that forest, or somebody's potato field. It is not clear at the moment whether ecology is an old science, a new religion, or a fad which will go to join the technocracy of the 1930's in history's museum of naive and outmoded ideas.

To the extent that ecology is a messianic religion, the forester, who is perhaps the ecological engineer of most ancient standing, now seems cast in the role of the heretic. Zealous defenders of the faith have traditionally reserved their hottest fires not for the heathen infidel but for apostate co-religionists who differed over minor points of doctrine.

Rather than pursue this terrifying analogy farther, it is better to reaffirm the view and fond hope that ecology is a respectable science which will serve forestry even better in the future than it has in the past.

The silvicultural part of forestry rests on an ecological basis out of sheer necessity. Even at its most extravagant, forestry must be so parsimoniously financed that the forester is forced to imitate nature quite closely and to base much of what he does upon observation of natural processes that have produced desirable results. Experience has repeatedly shown that the penalties for exceeding the ecological speed limits are costly. These costs are often measured in regeneration failure, invasion of unwanted vegetation, soil deterioration, growth reduction, and abnormal losses to damaging agencies.

The ecology of the forest is learned partly from careful observation of the kinds of natural forests that concern us and partly from analysis of the results of silvicultural practices that have been employed either experimentally or routinely. In a certain sense, anything that is done to the forest, whether it be a cutting, a planting operation, or installation of a culvert is an ecological experiment. The forest ecosystem is dynamic rather than static and the dynamic characteristic arises from continuing disturbances large and small. Even in a pure state of nature, the changes that are associated with the development of a forest stand and the events which cause it to assume whatever structure it has are primarily the result of lethal disturbances. Since the trees quickly fill all the growing space available to them, no new trees can appear unless some vacancy develops in the growing space from the lethal effect of some damaging agency. No tree can grow vigorously for very long unless some of its neighbors are successively overtaken by accidents of nature. Silviculture differs from nature in that the lethal disturbances are planned to lead to some desired development for which there is at least some approximation in nature.

The forests of the Coast Douglas-fir Region provide examples of what both theoretical ecologists and foresters can learn from the results of silviculture treatments. It is a region where one of the most honored hypotheses of theoretical ecology, that of the balanced, all-aged "ecosystem" or selection forest, has been tested and found wanting. It is also one in which the current fashionable routine of clearcutting, burning, and planting shows signs of being less than a universally sound simulation of the ecological development of all forests.

ECOLOGICAL LESSONS FROM THE SELECTIVE CUTTING FIASCO

The selective cutting episode of 1930–50 has been too easily forgotten by foresters and overlooked by ecologists. The cuttings then conducted in the pursuit of single-tree selection cutting, development of all-aged stands, gentle treatment of nature and sustained yield proved to be such a fiasco in the ancient stands to which they were applied that our profession has been all too reticent to discuss them. One can read about the glorious take off in a persuasive 1936 publication by Kirkland and Brandstrom and the crash-landing in a mimeographed account that Leo Isaac was allowed to issue in 1956.

This was a moderately good test on a large scale of an attractive idea that repeatedly emerges from thoughtful consideration of theoretical ecology. If ecological systems, including managed forests, are to be perpetually enduring, they must be in an equilibrium in which production and consumption are brought into balance within spans of time and space that are not unduly large. All of the cycles of materials should be closed within distances and periods of time that are as short as possible. These fundamentally sound ideas, applied to silviculture, are all too easily wrapped into a minute package in the mirage of the all-aged selection stand. Sustained yield would be automatic; few units of growing space would remain long unoccupied; the new generations of trees would close the cycles of materials quickly because most of the bones of their progenitors would be close at hand.

The light, partial cuttings conformed quite faithfully to these goals and to the outward appearances envisioned in the concept of the all-aged stand. Only large trees were removed and this released smaller and ostensibly younger trees as well making room for some new trees to become established. It could be said that all this was a respectable cloak for high-grading but it is hard to see that the fundamental ecological concept being applied would have called for anything else. If the ancient stands involved had, in fact, evolved that all-aged condition of ultimate balance which some ecologists ascribe to stands long untouched by human hand, this method of cutting should have worked well.

The immediately apparent cause of failure was that the stands were so ancient and decrepit that the light cuttings set off chain-reactions of accelerated windfall, rot, and bark-beetle attack (Isaac, 1956). Furthermore, the regeneration that usually appeared in the small vacancies was not Douglas-fir However, as far as the test of ecological theory is concerned, the results showed that the structure of the stands was misinterpreted. The scheme failed because the stands probably had no more than two ancient age-classes and a modest amount of advance growth. It might have worked had there been groups of middle-aged and vigorous trees. It would be technically possible to construct more youthful all-age stands in time, but these would be highly artificial creations.

The hypothesis which I draw from this situation and others like it, is that the essentially even-aged stand structure generated by lethal disturbances over sizeable areas is more nearly the norm of nature. The complex stands commonly found on favorable sites and casually taken as uneven-aged, are often more realistically interpreted as stratified even-aged mixtures. In such stands the different species grow at differing rates in height nad tend to segregate into different horizontal strata accordingly.

Whether stands be pure or mixed, the various kinds of ecological equilibrium as well as the objectives of sustained yield and maintenance of productive efficiency, can most readily be achieved in forests composed of even-aged stands. However, the books are not balanced in spaces of time and distance as small as they might theoretically be. While this may be a biased rationalization of even-aged management, it also appears to be a common way in which the same balance was struck in pure state of nature.

VARIATIONS ON THE CLEARCUTTING THEME

The most important practical conclusion which emerged from the selective cutting detour was that it fell short of meeting the comparatively versatile ecological requirements of Douglas-fir seedlings. The technique of clearcutting, slash burning, and planting which subsequently became commonplace obviously does meet these requirements on the majority of sites. However, there is plenty of evidence that it is not a universal solution to all the present and future silvicultural problems of the region. In fact, there is no silvicultural method that works well enough to deserve becoming standard operating procedure. Even for a given species it is not logical to expect that the controlling environmental factors will necessarily be the same on all sites in a locality or from one edge of the natural range to the other.

It is actually fortunate that the routine of clearcutting, burning, and seeding or planting of Douglas-fir has worked at all. From the standpoint of ecological adaptation the native species best adapted to this kind of disturbance are red alder, lodgepole pine, possibly ponderosa pine, and a wide variety of shrubby and herbaceous pioneers. In most instances the optimum environment for young Douglas-firs is found underneath partial shade. Roy Silen, who is here today, has pointed out to me on several occasions that the natural fires which give rise to so many pure stands of Douglas-firs did not result in immediate, total exposure of the site but left partial shade at least of dead snags and more often of scattered trees that died slowly or not at all after the fires. The fact that Douglas-fir can be regenerated on many exposed sites shows that it can often endure such microclimates but not that they are ideal.

The widespread use of planting partially obscures the fact that complete exposure is actually detrimental to regeneration of Douglas-fir on many sites such as some southerly slopes, loose-textured soils, high elevations, and parts of the range where the rainless season is long. Planting by-passes some of the more serious problems of heat injury and other hazards of succulent seedlings and sometimes enables evasion of some ecological limitations. The eruption of herbaceous pioneers that usually follows clearcutting and burning is probably fully as much a microclimatic help as a water-robbing hindrance; there have been times and places where bracken fern helped substantially once the incidence of fern-fires was brought under control.

The procedure of clearcutting and, burning seems to be one that has worked well for replacing old-growth stands at low and middle elevations in the interior of western Washington but has met with decreasing success as it has extended to places that are more and more dissimilar ecologically. There are plenty of sites in southwestern Oregon where not even planting has prevented the technique from failing.

Attempts to extend the technique to high elevations of the Cascades, where the true firs abound, have caused some of the closest approximations of silvicultural disaster yet seen anywhere on this continent. While noble fir could be an exception, it does not appear that the true firs evolved to withstand severe loads of either incoming solar radiation or outgoing nocturnal terrestrial radiation. Since I saw this sort of thing in the Cascades it has become apparent to me that current misguided attempts to employ the same sort of treatment with balsam fir in the eastern part of the continent are also going badly even at sea level. The reservation of advance growth is the key to maintenance of these forests. The clearcutting itself, if carefully conducted, is sound enough but one has to skip the slash burning. The only alternative would be to burn and plant lodgepole pine; Douglas-fir and ponderosa pine are out of place under the heavy snow loads and it seems doubtful that the Douglas-fir would stand the severe radiation loads very well either.

The routine of clearcutting, burning, and establishing pure stands of Douglas-fir has not worked perfectly when extended to some of the excellent sites of the coastal rain forest. Here the problem has not been any inherent barrier to establishment of conifer regeneration but the tendency for broadleaved species to usurp the sites after burning Thimbleberry and red alder are lesser problems in the long run than vine and bigleaf maple. There appears to be at least a possibility that Douglas-fir by itself is not entirely capable of holding such sites against the broadleaved species. The heavy-foliaged hemlock, on the other hand, does seem to be capable of doing so; mixtures of Douglas-fir and hemlock would probably be more capable of exclusive site utilization than Douglas-fir alone.

ADVANCE REGENERATION AND SHELTERWOOD CUTTING

The high proportion of the desirable softwood species of the region seems best adapted to originating, not in the open, but as advance growth beneath existing stands. Some, such as the true firs and hemlock, can do so beneath stands which have been subjected to little or no disturbance. Others, notably Douglas-fir, ordinarily do so only after the pre-existing stand has been partly destroyed. If silviculture were a perfect imitation of natural processes leading to the ecological optimum for each species and site, a number of variants of the shelterwood method rather than clearcutting would be the most common kind of silvicultural management in the region.

So long as the tolerances of the desired species are not exceeded there is no requirement that silviculture be a slavish imitation of nature. The problems of forestry have many ingredients other than the ecological ones. Nevertheless there are species and sites, some previously mentioned, for which experience already indicates that success depends on shelterwood cutting, or something akin to it, for the establishment of new reproduction or the release of that already established.

Shelterwood cutting has been used in the replacement of old-growth stands mainly where it has been essential to protecting regeneration against heat injury or frost. However, except in such cases of dire necessity, it is seldom used unless it provides advantages additional to its purely ecological rationale. T. J. Starker (1970) of Corvallis, Oregon, has provided an excellent enumeration of the advantages of shelterwood management in second-growth Douglas-fir. It is significant that these turn as much on the financial manipulation of growing stock as the ecological factors involved in wood production.

One of the primary advantages of shelterwood cutting is that it provides for the retention of trees that can earn an acceptable rate of return on their value and for liquidating those which cannot. This kind of juggling of growing stock is not possible in old-growth stands; none of the trees can "earn their keep" so they can be rather expensive umbrellas if reserved mainly to protect seedlings.

This aspect of shelterwood cutting is, of course, merely an extension of one of the purposes of thinning into the regeneration period. Where thinning is feasible, shelterwood cutting can be logical regardless of whether there is benefit to regeneration.

Use of shelterwood cutting does not have to mean natural regeneration. If there is reason to employ planting or direct seeding, there is no law which prohibits doing it beneath a shelterwood.

The desirability of shelterwood cutting, like that of its handmaiden, thinning, depends on whether road systems are managed to keep stands accessible through all or part of rotation. In a region of steep terrain and high costs of road maintenance, decisions about the nature of the permanent road system are obviously a crucial consideration in overall solutions to management problems including those of silviculture and forest protection.

STRATIFIED MIXTURES

Earlier in this discourse the view was advanced that attempts to apply the selection method had failed partly because the structure of the complex, mixed stands of old growth was misinterpreted. The tendency to equate mixed composition with mixture of age classes has impeded attempts of both ecologists and foresters to comprehend mixed forests throughout many parts of this continent.

During two decades of peripatetic travels around the humid parts of the continent I have come to believe in—or be obsessed by—the belief that most complex stands are essentially even-aged stratified mixtures. In such stands the very large difference in tree diameter are not the result of significant differences in age but of the markedly different rates at which various species grow in association with each other. Where such stands arise from the release of advance growth, the demonstration of the even-aged condition rests on reckoning age from time of release rather than using total tree age. However, it is entirely possible for even-aged stratified mixtures to arise from nearly simultaneous establishment of different species after disturbances that either involve fire or its simulation. There are more than a few stands that were supposed to be pure Douglas-fir plantations that have become stratified mixtures which also include hemlock, red-cedar and true firs.

Such stands, in fact, epitomize the situation in which use of stratified mixtures is a logical alternative of silviculture procedure. Where the environmental conditions favor the establishment of a multiplicity of species it is commonly cheaper to play along with nature than to invest main strength and awkwardness in efforts to keep stands pure. Part of the reason why we like pure stands is they are easier to understand. The concept of the stratified mixture is a pathway to understanding mixed stands.

While this concept could hardly be advertised as a universal answer to all silvicultural problems and does have its drawbacks, it has some subtle advantages. Part of the reason why we are constantly fretful about the need for thinning of pure stands is that their diameter growth is hampered by intense competition within single crown strata. In mixed stands we can get faster growth on fewer trees in the uppermost strata because the trainers or fillers of growing space can stay rather contentedly in the lower strata. The more shade-tolerant trees of the lower strata can keep weedy pioneers such as red alder or shade-tolerant shrubs such as vine maple from capturing otherwise productive growing space. The opportunity for sequential removal of various strata can have the effect of enabling the growing of several stands for the price of establishing one.

Timber harvests in such stands would be more complicated than simpler stands. However, there is already ample precedent for such operations in the region. The practice referred to as overstory removal is in many instances an established and logical reaction to the existence of stratified mixtures.

This kind of procedure or, for that matter, anything involving the deliberate use of advance growth would provide for relatively continuous occupancy for forest sites. This not only contributes to production efficiency but also helps keep the forest continually green in the eyes of a critical public.

Finally this approach has the virtue of simulating the natural ecological development of many important kinds of stands. The simulation is not only more honest and faithful than attempts to manufacture all-aged stands would be but it also takes the form of even-aged management and is thus more practical.

The silvicultural and logging problems of replacing decrepit old-growth stands have led to considerable zeal for planting up "nice, clean burns." The new forest of younger, more vigorous, and resistant trees will bring its new problems. However, the constraints on the exercise of constructive silvicultural imagination will be less severe. A wider variety of procedures will emerge from sober analysis of all of the natural and social factors that govern forestry practice.

And then finally there is only one other point about ecology which I think ought to be made about and in connection with timber production. We are constantly rated for disrupting the forest in cutting procedures and there is no secret that a lot of ostensibly ecologically-oriented conservationists give us a hard time. And yet if you back away from this business and consider the alternative sources of materials for our society, one sees all sorts of things like the tremendous consumption of fossil fuels with sulphur dioxide pollution and all that sort of thing that is involved; all manner of environmental problems of unknown magnitude stemming from the use of petrochemically-derived plastics.

And, yet here with wood production we have a mode of producing materials which goes on at ordinary temperatures and actually cleans the atmosphere more than it pollutes. I know this point is obvious to you all—that in our present state of affairs this is something which we should be emphasizing to society more than we are. Thank you.

ON THE RETIREMENT OF WILLIAM O. DOUGLAS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. VANIK. Mr. Speaker, I rise to express deep regret in the retirement of Justice William O. Douglas from the Supreme Court.

William O. Douglas served as a professor at Yale Law School, and as a Commissioner, and Chairman of the Securities and Exchange Commission. He brought a unique versatility to the bench. In 1939, at the age of 40, Mr. Douglas became the youngest Justice in history to servé in the Court. Throughout his career, he was a dedicated environmentalist and outdoorsman. He is best known in the Court for his strong convictions about the interpretations of the Constitution, free speech, and the protection of individual rights.

Perhaps his most forceful statement on the importance of human rights is contained in his dissent in Dennis against United States. He expresses his belief that the strength of our country and democratic form of government is grounded on the free exchange of ideas.

His retirement takes from the Supreme Court one of its most powerful and dramatic figures. All of his accomplishments served for the betterment of his fellow man. I hope that Mr. Douglas enjoys a long and rewarding retirement.

STOP FORCED BUSING—NOW

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BLANCHARD. Mr. Speaker, today once again I urge the Congress to exercise its responsibility by passing a constitutional amendment to stop forced busing.

Over 40 resolutions which would prohibit forced busing and preserve neighborhood schools have been introduced thus far during this session of Congress, including several amendments of my own.

What action has the Congress taken? None.

Over 90 Democratic Members made their wishes known during a Democratic Caucus by voting for a resolution that would have required the House Judiciary Committee to approve an antibusing constitutional amendment. I was one of them.

What action has the Congress taken? None.

Over 165 Members of Congress have signed a letter urging the House Judiciary Committee to hold hearings on this matter. I was one of them.

What action has the Congress taken? None.

Over 90 Members of Congress have written to the President asking for his support of an antibusing constitutional amendment. I was one of them.

What action has the President taken? None. In fact, as of this date, my office has not even received a response from the President.

Mr. Speaker, the fact that Congress and the President have failed to respond to the will of the people is understandably a most frustrating experience for me and for the people of this Nation.

Over the past year and a half I have joined each and every organized effort in the House of Representatives to try to get an antibusing constitutional amendment enacted. I have also worked to prevent any possibility of court-ordered plans in Ferndale, Mich. For the information of my colleagues, the following is a summary of the actions I have taken on this matter:

SUMMARY OF ACTION TAKEN

February 4, 1975.—Office of Revenue Sharing threatens to withhold funds from State of Michigan because of Ferndale situation. Blanchard calls action "abuse of power."

February 20, 1975.—Blanchard writes letter to Office of Revenue Sharing opposing their intention to force Ferndale to desegregate. Blanchard asks that Michigan's funds not be withheld.

March 6, 1975.—Blanchard arranges and attends meeting between Ferndale School District officials and representatives to discuss Ferndale situation.

March 10, 1975.—Blanchard hand-delivers letter to President Ford asking for his intervention in this matter.

March 13, 1975.—Blanchard sends letter to Attorney General Levi asking for personal meeting on Ferndale.

March 14, 1975.—Blanchard receives letter from President Ford stating that the President will not intervene to stop the Justice Department from suing to force court-ordered desegregation plan in Ferndale.

March 21, 1975.—Blanchard meets with Assistant Attorney General to discuss Ferndale situation.

March 22, 1975.—Blanchard sends telegram to Attorney General Levi requesting immediate meeting on Ferndale.

March 27, 1975.—Attorney General Levi says he will meet with Blanchard April 10, assures Blanchard suit will not be filed until after meeting.

April 8, 1975.—Blanchard introduces Constitutional amendment to prevent forced busing and preserve neighborhood schools. He also cosponsors similar amendment.

April 10, 1975.—Blanchard joins seven other Michigan Congressmen in letter to Attorney General asking Justice Department to intervene to prevent mass busing in Detroit.

April 10, 1975.—Blanchard meets with Levi. Levi promises to review Ferndale case, and to delay filing suit for at least 30 days.

April 16, 1975.—Blanchard writes to thank Levi for meeting and reiterates feelings about Ferndale situation.

May 21, 1975.—Attorney General Levi announces decision to proceed with suit against Ferndale. Blanchard terms action "gross injustice . . . Federal policy making at its worst."

May 22, 1975.—Blanchard joins eight other Michigan Congressmen in letter to President Ford asking him to order Justice Department to intervene in Detroit busing case to oppose busing.

June 25, 1975.—Blanchard votes for Moore amendment to Labor-HEW bill. Amendment, which would have banned HEW from threatening to withhold funds to force busing, did not pass. Blanchard speaks on floor for amendment.

June 26, 1975.—Blanchard inserts article in Congressional Record called "Busing is a Failure."

July 7, 1975.—Justice Department case against Ferndale dismissed by District Court. Attorney General to appeal decision. Blanchard recruits seven other Congressmen to join him in a letter urging the Attorney General not to appeal the case. Appeal still pending.

September 11, 1975.—Blanchard inserts in Congressional Record "Busing—the Arrogance of Power."

September 24, 1975.—Blanchard votes for Collins amendment to H.R. 7014 which would have banned gasoline-fueled vehicles from transporting students beyond the closest school to help conserve energy. Amendment passed House, but was dropped by Senate.

September 29, 1975.—Blanchard signs letter with 50 other members asking Democratic Caucus to bring up and pass resolution requiring House Judiciary Committee to approve an anti-busing Constitutional amendment within 30 days.

October 3, 1975.—Blanchard joins 93 Congressmen in letter to President Ford asking him to support an anti-busing Constitutional amendment.

November 19, 1975.—Blanchard votes for resolution before Democratic Caucus requiring Judiciary Committee action in approving an amendment within thirty days. Resolution tabled.

November 19, 1975.—Blanchard inserts "Face Up To Busing" in Congressional Record urging Congress to act promptly on amendment.

December 4, 1975.—Blanchard votes for version of Labor-HEW bill which includes Byrd amendment preventing HEW from threatening to withhold funds to force busing.

December 19, 1975.—Blanchard and 166 other Members of Congress send letter to House Judiciary Committee urging that hearings be held on anti-busing Constitutional amendment.

January 27, 1976.—Blanchard votes to override President's veto of Labor-HEW Appropriations bill. House and Senate successfully override veto and amendment preventing HEW from forcing busing is enacted. Prevents HEW from withholding funds from Ferndale in order to force busing.

March 24, 1976.—Blanchard joins 8 other Michigan Congressmen in sending letter to Attorney General Levi asking reconsideration of the Detroit busing plan in view of fact that busing does not work in other areas of the country.

It is painfully clear that we cannot wait for the courts to come to their senses. Congress and the President must take the initiative, respond to the will of the people, and enact a constitutional amendment to stop forced busing.

WILLIAM O. DOUGLAS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BINGHAM. Mr. Speaker, the legacy that Mr. Justice Douglas has left us upon his retirement is probably unique in the annals of our jurisprudence. This uniqueness derives partly, of course, from the force and eloquence with which he continually defended the Bill of Rights; partly from his unflagging efforts to expand and redefine these basic rights so that they would take on meaning in the lives of all, and not just some Americans; and partly from his pioneering efforts in defense of the environment.

But Justice Douglas' career cannot be summed up simply by indexing and analyzing his opinions. What he leaves us with, as he returns to his native Western mountains, is more than a collection of pithy dissents and invaluable precedents; for, uniquely among even our great Justices, William O. Douglas' legacy is a fighting legacy; it stands for the proposition that what is best in our Constitution and our Nation cannot be left to the Government and thick leatherbound law books, but can and must be fought for by the individual citizens of this free Nation.

In a profession that is conservative almost by definition, Justice Douglas stands out as the enemy of stagnation and complacency.

It is ironic, after the solemn tributes that have been made to Justice Douglas over the past 6 months, that today the constitutional principles he fought for should stand in danger of being seriously eroded. Justice Douglas was the author of the Court's landmark opinion in Griswold against Connecticut, in which privacy was for the first time defined as a basic constitutional right; yet just this week the new Supreme Court has refused to even review a case challenging sodomy statutes—as applied to consenting adults—as an invasion of the right to privacy. Justice Douglas was ever watchful that artificial legal distinction not impede the exercise of basic rights; he sat on the Court over 30 years ago when it delivered its opinion in Marsh against Alabama—establishing freedom of speech in a company-owned town—yet just last week the Supreme Court overturned the holding of Logan Valley Plaza, which had established the right to picket in a public shopping center despite its technical status as private property.

Rumor has it that one of the basic criminal rights decisions of our century, Mapp against Ohio—establishing that evidence obtained illegally may not be admitted in State trials—may be next in our legal march backward. And, perhaps most painful of all for William Douglas, the Reserve Mining Co. of Minnesota, thanks to the Eighth Circuit Court of Appeals, continues to poison Lake Superior, the largest and once the purest of our Great Lakes.

In recent tributes to Justice Douglas, it has been frequently mentioned how many of his dissents have later become law. Today we face the distressing prospect of seeing opinions for which Douglas fought being overturned, and his principles again being honored more in dissent than in law.

Sadly, it is not only in the Supreme Court that the libertarian traditions of which Douglas was so powerful an exponent are being violated. It pains me to admit that even as the Congress is printing this volume of tributes to William Douglas, it is taking steps, in the Schorr case, that have already had a substantial "chilling effect" on freedom of the press.

As I look through the November 19, 1975, Congressional Record, and its numerous congressional tributes to Justice Douglas, how often I see quotes such as—

> Free speech has occupied an exalted position because of the high service it has given our society. Its protection is essential to the very existence of democracy. (from *U.S. v. Dennis*)

and—

> The dominant purpose of the First Amendment was to prohibit the widespread practice of government suppression of embarassing information. (from the *Pentagon Papers* case).

How ironic that, only 4 months after Justice Douglas' retirement, we in the House should vote to suppress publication of one of our own committee reports, simply because it might have embarred executive agencies. How unjust to spend the taxpayers' money to place a reporter in danger of a criminal contempt citation merely because he did his job, and—without harming national security in any sense—brought suppressed information out into the open. What a reminder it is that our constitutional liberties are never safe just because the words of men like Justice Douglas are printed in the back issues of Supreme Court reports; that our liberties are, in fact, neither safe nor vital without a continual struggle to exercise and maintain them.

I believe that, in rededicating ourselves to maintaining our rights, we should recall that William O. Douglas, a champion of those rights, nearly became a victim of the men who turned the early 1970's into such a nightmarish era for our Constitution.

The dangerous fight waged by Richard Nixon and John Mitchell against Justice Douglas should not be forgotten, simply because those men are in such total disgrace. And the part played in that vicious drama by Representative Gerald Ford should not be forgotten just because, as President, he sent a congratulatory message to Justice Douglas upon his retirement.

Perhaps the best way to recall the anti-Douglas vendetta is to turn to "Points of Rebellion," the book by Douglas that Representative Ford cited as "evidence" of Justice Douglas' "subversive" tendencies. The following paragraph was frequently quoted at the time:

> We must realize that today's Establishment is the new George III. Whether it will continue to adhere to its tactics, we do not know. If it does, the redress, honored in tradition, is also revolution.

Too bad Representative Ford failed to turn the page, where he would have found elaboration of William Douglas' concept of what a desirable revolution would be:

> We know by now that technology can be toxic as well as tonic. We know by now that if we make technology the predestined force in our lives, man will walk to the measure of its demands. We know how levelling that influence can be, how easy it is to computerize man and make him a servile thing in a vast industrial complex.
>
> This means we must subject the machine—technology—to control, and cease despoiling the earth and filling people with goodies merely to make money. The search of the young today is more specific than the ancient search for the Holy Grail. The search of youth today is for ways and means to make the machine—and the vast bureaucracy of the corporation state and of government that runs that machine—the servant of man.
>
> That is the revolution that is coming.

"Points of Rebellion" ends with a prediction that came perilously close to coming true. Still speaking of the future, Justice Douglas wrote that the coming revolution:

> . . . need not be a repetition of 1776. It could be a revolution in the nature of an explosive political regeneration. It depends on how wise the Establishment is. If, with its stockpile of arms, it resolves to suppress the dissenters, America will face, I fear, an awful ordeal.

As we know today, it was only through a terrible ordeal that America escaped an era of repression that very nearly succeeded in robbing us of our ability to dissent freely. Our narrow escape from that fate, however, does not guarantee that we will experience the political regeneration that Justice Douglas hoped for. Such regeneration, it is clear, can come neither from memory nor citation, but only from ourselves, out of our own struggle for justice, equality, and quality in life.

Should it come, however, it will be due in no small part to the influence, the eloquence, and the example of Justice William O. Douglas.

PUBLIC FUNDING DOESN'T WORK

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. FRENZEL. Mr. Speaker, in last evening's Star, in an editorial, Garry Wills says that he will not check off his dollar for public funding of elections on his income tax form. Says Wills, "Public funding doesn't work."

Wills cites examples that are bothering taxpayers all across the country. He mentions candidates who really have withdrawn from the race but stay in technically so they can draw matching funds. Wills mentions that public funding helps incumbents. He also stresses the problem of the single issue candidate who may not be a serious campaigner.

It is about time the editorialists woke up to the follies of public financing of elections. Taxpayers began to wake up as soon as public financing began.

The best reform Congress could make this year would be to terminate all public financing as of November. Wills' editorial follows:

A Goo-Goo Scheme

(By Garry Wills)

In the past few years, I routinely checked off the dollar for public funding of elections when I turned in my tax form. But not this year. Public funding doesn't work.

Public funding has led to crazy anomalies—for example, candidates really withdrawing from the race, but keeping in technically so they can draw matching funds to pay off their debts. This is public financing of a private pretense. It sets a precedent for candidates to overspend in a quick shot at the presidency, hoping to pay off some of their debt with public money if they fail.

Public funding allows an incumbent, with his free publicity and a greater leverage for extracting donations, to draw on tax money as well. Paying President Ford to campaign seems loony.

But the real clincher for me is the campaign of Ellen McCormack. This is a blatant use of a fake campaign to draw off public funds for the promotion of anti-abortion views. One does not have to be a defender of abortion to see that this is grossly unfair. According to the polls, Americans overwhelmingly support legalized abortion. Yet the majority is paying tax money to propagandize against its own view.

Ms. McCormack is no doubt a dedicated and admirable woman. Nor can we ever hope to have presidential candidates whose views are all supported by a majority of the electorate. We do not expect that, and do not want it.

But Ms. McCormack is not a presidential candidate with a wide range of views, only one of which is unpopular with the people forced to support her effort. She has only one issue, and runs only to draw attention to it. That is her privilege. But why should we pay her to do it?

There have always been minor candidates in American elections—spokesmen for temperance, nudism, or whatever. It is an honorable tradition of dissent; and Norman Thomas, with his perennial socialist campaign, made a real impact on the American consciousness. But those were campaigns mounted by believers in a cause, who made an effort based on their own initiative and sacrifice. They did not ask for a subsidy.

Of course, the reformers will want to reform this reform—make up some new rules that try to exclude single-issue candidates. But that would only lead to more trouble. Was Norman Thomas a single-issue candidate? In one way, he was—his single issue was socialism; but that affected a thousand other issues of the economy, the academy, the bureaucracy, etc. I am sure Ms. McCormack can make a case that "respect for life" affects not only medicine but education, family laws, insurance, etc.

The reform laws that aimed at fairness have already led to uncertainty and litigation. It is time to give up the schemes of this season's goo-goo (good government) types.

ANOTHER VIEW ON TOBACCO PROGRAM

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. NEAL. Mr. Speaker, the Committee on Agriculture now has under consideration, in the Tobacco Subcommittee, the bill S. 700, which would substantially alter the permissible lease-transfer of Flue-cured tobacco allotments. Last week, members of the subcommittee demonstrated, at a full committee hearing, that they had not reached accord on the subject. The bill was sent back to subcommittee, where, I am told, further efforts are being made to iron out the differences between at least four separate approaches to the issue.

As a representative of the people of the Fifth District of North Carolina, which is a part of the "Old Belt" tobacco producing area, I take a position opposed to all the positions thus far stated by the subcommittee. That is, I believe the tobacco program should not be changed in any way at this time. A number of my colleagues have expressed a desire to learn the reasons for my opposition to lease-transfer of tobacco allotments across county lines. My views were expressed in testimony before the Tobacco Subcommittee, and I am pleased to share those comments with all my colleagues:

Testimony of Hon. Stephen L. Neal

Mr. Chairman, I appreciate the opportunity to appear before this subcommittee to express what I believe to be the majority view of the tobacco producers in the Fifth District of North Carolina. That view has come to me in telephone calls, letters, personal conversations, and the hearings this subcommittee held last June 20 in Winston-Salem.

I am convinced that a vast majority of the tobacco producers in the Fifth District are opposed to lease-transfer across county lines. They expressed that view vigorously, as you know, at the hearings you chaired in Winston-Salem. I have received no communication which leads me to believe they have changed their minds.

I realize, Mr. Chairman, that it is economically desirable in some sections of the tobacco belt to permit the lease-transfer of allotments from one area to another. There is a deep-rooted feeling in the Fifth District, however, that once quotas are permitted to leave the district, the end of tobacco production in that area is in sight. This fear is most often expressed by those producers who have struggled to stay in the tobacco business because it is just about the only way to make a living on the farm in our part of the country.

I am sure the chairman is aware of the impracticality of large-scale mechanization in the Fifth District. The N.C. Department of Agriculture, in response to my request, has estimated that less than 2 per cent of Old Belt tobacco was mechanically harvested in 1975. The figure would be only a fraction of 2 per cent in the Fifth District, where the topography, for all practical purposes, precludes the use of mechanical harvesters. The fields are small, and sometimes steeply sloped. The distance from one arable plot to another sometimes is great. The average tobacco farm in the district contains few acres suitable for tobacco production. So, with rare exceptions, the growing of tobacco is a small-farm family operation, with much of the labor performed by hand.

I think the chairman would agree that lease-transfer across county lines would benefit the large producers in the flatlands of the flue-cured belts more than it would the small farmers of the Fifth District. While it might be said that lease-transfer across county lines would stabilize the lease price throughout the tobacco producing states, the simple truth is that the Fifth District lessee could not afford to pay the "stabilized" price. Lacking the ability to mechanize, he would be forced by circumstances to pay perhaps three times the present Fifth District lease rate. Mr. Chairman, one cannot pay 20 to 25 cents a pound for a tobacco lease in the Fifth District and still make a living growing tobacco. The lease rate there is as low as four cents a pound—and sometimes it's free. That, of course, is not a fair price to the quota-owner, but lacking enough quota to attract a substantial bid from "down East," the small quota holder is not going to benefit substantially, in my opinion, from lease transfer across county lines.

I am concerned about the plight of the lessor, of course, but I am even more concerned about the farmers who actually grow tobacco. The survival of the tobacco program, which has worked better than all other agricultural programs put together, depends on producers who grow the quantity and quality of tobacco demanded by the market. The tobacco farmers of the Fifth District are essential to the balance of quality because of the somewhat different characteristics of their product. It is my understanding that the best flue-cured leaf, smoking leaf, and wrappers are grown in the Old Belt, of which the Fifth District is a part.

Mr. Chairman, the tobacco producing industry in the Fifth District affects the entire economy. As you know, many of the small quotas in that area are grown by part-time farmers who work full-time jobs in the cities and towns. Many other tobacco farmers have struggled to stay in business because growing tobacco is a way of life with them. It is the occupation they do best, and love most. There, as in your own district, the cash derived from the tobacco crop is spread throughout the economy. The tobacco farmer is a consumer who requires many goods and services. He also is an employer, because he, too, must use hired labor at harvest time and other peak-effort periods of the growing and marketing seasons. Most frequently, the people he hires are either youngsters of elderly people, who find in the part-time employment a much-needed source of extra income.

A great number of tobacco farmers also hold seasonal jobs at the redrying facility of R.J. Reynolds Tobacco Company at Brook Cove. Without the opportunity to plant a small crop of tobacco, they would have to seek full-time employment, and the source of skilled seasonal labor would no longer exist for the manufacturing industry in the area.

Mr. Chairman, the tobacco growers of the Fifth District have great confidence in this subcommittee. They have accrued that confidence over a long period of time because this subcommittee always has protected their interests. The message they now send you, by me, is that they are opposed to the lease-transfer of tobacco quotas across county lines. They see it as the beginning of the end of the tobacco program and they urge you to fight it.

Again, I would like to thank you, Mr. Chairman, for the opportunity to express the views of my constituency to this subcommittee.

PANAMA CANAL BELONGS TO UNITED STATES IN PERPETUITY

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. MONTGOMERY. Mr. Speaker, a subject very much on the minds of all Americans and of great concern to our fellow citizens is the future control of the Panama Canal. Unfortunately, the Department of State is presently trying to give away our jurisdiction over this important waterway, which would be a severe blow to our national defense and international shipping. I recently had an opportunity to read a rebuttal statement by Mr. Phillip Harman to arguments being made by Ambassador Bunker in his efforts to negotiate away U.S. rights over the canal. Mr. Harman's arguments should be of interest to my colleagues and provide them with needed information on this very important subject. I commend this article, which follows, to my colleagues:

ANSWERS TO ELLSWORTH BUNKER

(By Phillip Harman)

(EDITOR'S NOTE.—Ellsworth Bunker, previously American Ambassador to South Vietnam, has since 1973 been chief U.S. negotiator in treaty talks with Panama, which may end United States ownership and operation of the Panama Canal and Canal Zone. In a public adress on December 2, 1975 in the Los Angeles area, Ambassador Bunker attempted to explain and justify the State Department's position on this issue. Here his 8 main points are examined by Phillip Harman, grandson-in-law of Jose Agustin Arango, founder of the Panama Republic. Mr. Harman is internationally recognized as an authority on Panama.)

BUNKER. No effort to improve our policy concerning the Canal can succeed without the full understanding and support of Congress and the American people.

HARMON. This is true . . . and it's true too that the State Department's "giveaway" policy on Panama is not the policy of the American public. In a nationwide survey by Opinion Research Corp., 2 out of every 3 Americans favor continued U.S. ownership of the Canal.

BUNKER. For many years Panama has considered the Treaty to be heavily weighted in our favor. As a result, the level of Panama's consent has steadily declined.

HARMON. The key point that Ambassador Bunker chooses to ignore here is that the present government of Panama is Communist-oriented and cannot be expected to welcome an open, democratic society as a neighbor. The people of Panama have nothing to say about our presence in the area, because they are the gagged populace of a police state. But they know that if the U.S.A. ever surrenders its sovereignty over the Canal Zone, the military junta would nationalize it at once; the Canal Zone would become part of a Russian satellite, like Cuba.

BUNKER. Our Latin American neighbors see in our handling of the Panama negotiations a test of our political intentions in the hemisphere.

HARMAN. This particular bogey-man is largely illusory. Many realistic Latin American leaders know very well that stable operation of the Canal at fair toll rates depends on our continued control of it, and that the Canal is also their lifeline to world trade. We must recognize too that there are nearly a dozen left-wing, anti-American military dictatorships controlling various Central and South American countries. Nothing the U.S. does is going to please them. Our Ambassadors in friendly or uncommitted capitals should explain our Treaty rights and point out that since 1903 we have used our sovereignty of the Zone in trusteeship for the world.

BUNKER. Some form of conflict in Panama would seem virtually certain, and it would be the kind of conflict which would be costly for all concerned.

HARMAN. The United States has defended the Canal through four wars plus the 1964 Red-engineered mob attack and riots. The Canal Zone is a major military complex and it is defendable. Threats of sabotage to it are simply blackmail. We've never gained anything from submitting to Communist coercion—from large or small adversaries.

BUNKER. And clearly, an international relationship of this nature negotiated more than 70 years ago cannot be expected to last forever without adjustment.

HARMAN. A good faith agreement made in perpetuity between honest parties should last forever! And the words "without adjustment" are farcical: what the State Department recommends is a complete abrogation of the 1903 Treaty and full surrender of our Canal to the Republic of Panama . . . certainly far more than "an adjustment"!

BUNKER. The United States does not own the Panama Canal Zone . . . the $10 million we gave Panama in 1903 was in return for rights, not territory. (On page 3, lines 1 and 2, of Mr. Bunker's address, he specifically states that these rights were ceded to the United States in perpetuity.)

HARMAN. The U.S. not only bought the rights but the power and authority in perpetuity as well. The U.S. Supreme Court examined our title closely and on January 7, 1907, upheld our ownership and the entire 1903 Treaty. And since even the State Department acknowledges that we acquired the rights in perpetuity, why should these rights end now . . . or ever?

BUNKER. From as early as 1905, U.S. officials have acknowledged repeatedly that Panama retains at least titular sovereignty over the Zone.

HARMAN. Titular sovereignty means that if the U.S. ever abandoned the Zone, the property would revert to Panama. Secretary of State John Hay said in 1904 that he deemed this reversionary interest "at best, a barren scepter." And the use of this argument now, by the State Department, is "at best, a weak rationalization."

BUNKER. The 1936 Treaty with Panama actually refers to the Zone as "territory of the Republic of Panama under the jurisdiction of the U.S."!

HARMAN. This erroneous statement formed the premise for unwise decisions by Presidents Johnson, Nixon and Ford. The above reference was taken out of context from paragraph 6 of Article 3 of the 1936 Treaty. The actual paragraph says, ". . . to use and enjoy the dockage and other facilities of said ports for the purpose of receiving and disembarking passengers to or from the territory of Panama under the jurisdiction of the United States of America, and of loading and unloading cargoes . . ."

The fact is that this phrase "territory of the Republic of Panama under the jurisdiction of the U.S. of America", refers only to parcels of Panamanian territory which were under the jurisdiction of the U.S. at the time of the 1936 revision and were returned to Panama by the 1955 Treaty. It does not in any way refer to or affect the status of the Canal Zone.

It is incredible that, from this one sentence stated out of context, with its meaning totally distorted, three Presidents have been led by internationalists in the State Department to believe that the United States has no perpetual claim to the Canal Zone and therefore should turn over our property to Panama!

HOUSING DISCRIMINATION

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mrs. SPELLMAN. Mr. Speaker, I would like to commend the House Subcommittee on Civil Rights for its recognition of the need for a reevaluation of the existing situation in housing discrimination and for holding hearings last month to discuss the problems in this area. Because of my deep interest in this area of discrimination I submitted the following testimony to the record of those hearings.

On March 4, 1976 I introduced H.R. 12344 to the Committee on the Judiciary. The bill was submitted in concurrence with the hearings taking place before this subcommittee during the second week in March concerning civil rights and housing. H.R. 12344 would amend title VIII of the Civil Rights Act of 1968 by granting the Secretary of HUD the power to initiate civil court action to enforce the provisions of that title. Specificially, this act would amend section 810(d) by inserting the italic phrase into the following sentence:

> If within thirty days after a complaint is filed with the Secretary or within thirty days after expiration of any period of reference under subsection (c), the Secretary has been unable to obtain voluntary compliance with this title, the person aggrieved *or the Secretary* may within thirty days thereafter commence a civil action in an appropriate United States district court . . .

The bill would also strike out the proviso in section 812(c) of the same act which limits the awarding of attorney's fees and punitive damages in discrimination cases to only those who cannot afford legal counsel. Striking out this proviso would allow any plaintiff who is successful in his or her case to be entitled to receive awards for legal expenses and punitive damages.

The problem of discrimination in housing is one which I know is of deep concern to the members of this committee. I commend the conscientious efforts of my colleagues in this area as is evident by their holding of these hearings. This is also an area which is of great interest to me and the other members of the Housing Subcommittee. On February 20, 1976 I held a seminar with several experts in the housing field to discuss this problem. In that seminar we concluded, as the members of this committee realize, that unfortunately the problem of discrimination in housing opportunities is still prevalent in America. What makes this particularly disturbing to me is the fact that this discrimination continues despite congressional legislation making such practices illegal.

Several recent reports, including those by the U.S. Civil Rights Commission, HUD, and the National Committee Against Discrimination in Housing, Inc., have pointed to the fact that women and minority groups are discriminated against in home buying, rentals, and the receving of loan credit. Women who are heads of households, and often fall into the lowest income bracket, continue to face unfair practices in renting and receiving credit to a greater degree than any other segment of our society. During calendar year 1975 HUD received a total of 4,687 complaints about housing discrimination. This figure does not represent the far greater number of cases that went unreported.

The reports go on to state that the major factor causing discrimination in housing to continue is not the lack of Federal legislation prohibiting these practices, but rather a failure on the part of Federal, State, and local housing agencies to administer and enforce fair housing statutes. Title VIII of the Civil Rights Act of 1968 and the Housing and Community Development Act of 1974 set up the process by which Federal enforcement of fair housing laws is carried out.

Under the present system HUD is designated as the primary enforcement agency in this area. Section 810 of the Civil Rights Act of 1968 grants HUD the power to investigate housing discrimination cases that are submitted to them and to resolve those cases by the "informal methods" of conference, conciliation, and persuasion. If the case is not resolved in this manner the plaintiff may initiate civil action in an appropriate court, or the Secretary of HUD may refer the case to the Justice Department for court proceedings. If neither of these actions are taken or followed through there is virtually no other means to compel the parties involved to reach an agreement.

HUD's record in resolving housing discrimination cases has not shown itself to be effective. In 1975, out of the 4,687 complaints filed with the Fair Housing Division of HUD, the 600 staff throughout the country were only able to bring to conciliation and investigate 786 or 17 percent of the total. Of those 786, agreements were reached in 490. This means that 296 cases, often those involving the greatest degree of discrimination, went unresolved. In addition, individuals have rarely made use of their right to bring civil action against an offender because of the time and expense involved in such a procedure. Similarly, HUD has very infrequently exercised its option of refering a case to the Justice Department.

The problems that exist in HUD's enforcement proceedings are several. There are no funds appropriated to HUD to help them in assisting in discrimination cases that are referred to it by State and local agencies. HUD has no real monitoring process to check to see if conciliation agreements are being carried out. There is no coordination between HUD and other Federal agencies in the area of fair housing. Also HUD has virtually no effective means for guaranteeing that builders and developers using FHA mortgage insurance have implemented affirmative marketing plans.

This general ineffectiveness on the part of HUD, which has resulted in conciliatory agreements only in about 12 percent of the total cases, has not enabled HUD to carry out its role affirmatively as the leader in reducing housing discrimination in the United States. Shortage of staff and poor administration constitutes part of the problem. However, the single greatest reason for HUD's failure in this area is their lack of an effective tool to compel action in a housing discrimination case.

It was agreed upon by participants in the housing seminar I conducted that granting HUD the power to initiate civil action directly against a party in violation of fair housing laws would be the tool HUD needs to improve the housing discrimination situation for several reasons. According to a HUD study on the cost and staff requirements for the authority to bring civil action in discrimination cases, it was estimated that in 1977 there would be approximately 356 cases in which conciliation will be attempted unsuccessfully. In order to bring these cases to civil action effectively HUD estimates than an addition of 37 staff would be needed. This would include 25 lawyers. Under the current system an addition of more than 100 staff would be needed to reach conciliation successfully in the same number of cases.

A second reason, and one that is perhaps more important than the smaller amount of staff increase needed, is the wider reaching affect that a judicial decision will have on decreasing the amount of housing discrimination as a whole. Present conciliation attempts have an impact only on the parties involved and can rarely force an offending party to accept measures totally in compliance with fair housing laws. However, judicial decisions, as the members of this Committee are well aware, have the advantage of being able to force total compliance with fair housing standards and, in addition, set precedents that will affect the housing market as a whole.

In conclusion, there is now a consensus among housing authorities nationwide that enforcement of existing fair housing laws, especially by HUD, has been ineffective in reducing the amount of housing discrimination against women and minority groups. HUD's lack of a stronger means than "informal methods" to carry out its responsibility of enforcing the Federal fair housing statutes is the single greatest impediment to this process. H.R. 12344, which would grant HUD the power to initiate civil action, is a tool which would call for a minimal increase in staff yet have a significant impact on reducing housing discrimination. In the recent past this committee, as well as Congress as a whole, has taken an assertive role in passing legislation to guarantee fair housing for all Americans. However, in light of the vast number of discrimination cases that go unresolved each year, this measure is one which I feel follows the philosophy of this committee by better promoting the implementation of the congressional intent of previous legislation.

RAMPANT SEXISM

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. KOCH. Mr. Speaker, discrimination against women continues unabated in our own country and in the world. A particularly perceptive article on the subject, which I should like to bring to the attention of our colleagues, was authored by Letty Cottin Pogrebin—someone who I know and admire.

The article follows:

[From the New York Times, Mar. 19, 1976]

SEXISM RAMPANT

(By Letty Cottin Pogrebin)

As we lurch or strut toward the United States' July superbirthday, I'm feeling like a wallflower at the Bicentennial Ball. Betsy Ross and Molly Pitcher were good "helpers," but they just don't inspire patriotic ecstasy. Indeed, the whole masculine, militaristic flavor of the celebration turns me off.

Maybe women should use 1976 to challenge the American dream, not celebrate it. After all, 1776 was the year women's powerlessness was first enshrined in the Constitution. In response to his own wife Abigail's plea to "Remember the Ladies," the otherwise enlightened John Adams wrote, "I cannot but laugh. . . . We know better than to repeal our Masculine systems."

In 1976, the laughter has faded, but women's grievances are still being dismissed as boring and trivial. In magazine articles and personal arguments, "Total Women" and their Frederick's of Hollywood costumes are being used to put down serious women and their demands for change.

Now when we campaign for an equal rights amendment to rectify our "forefathers" omission we are greeted with hysterical—and untrue—warnings about coed bathrooms (what kind do you have in your house, anyway?) and fragile daughters in the infantry (what makes us more willing to kill off our sons than our daughters?).

In employment, women of all races (and minority men) are the most vulnerable to the "last hired, first fired" principle. Affirmative-action programs for women have been eroded by layoffs. The lack of available child care puts women at a further disadvantage.

As for "equal pay for equal work," that remains a cruel myth. According to the United States census, working men earned more than women in every occupation except kindergarten teaching; overall, full-time working women average only 61 cents for every dollar men make. Furthermore, in 1973 not one of the 500 largest United States corporations was found in compliance with anti-discrimination laws.

There are other harbingers of backlash and regression. President Ford deemed it impossible to find a "qualified" woman for the United States Supreme Court, and instead named John Paul Stevens, who has ruled in several cases that sex discrimination is legitimate.

The President also criticized the 1973 Supreme Court abortion decision and favored state control over a woman's private reproductive freedom—in both cases against the expressed opinion of his wife. Thanks to Abigail Adams and Betty Ford, we have learned that we cannot marry power; we must have it ourselves.

On an international scale, we saw the bitter fruits of patriarchal domination at the International Women's Year conference in Mexico City last summer. Delegates who were puppets of their countries' nationalist policies emerged from this women's meeting with a resolution condemning Zionism as racism, but they rejected mention of the word "sexism."

Even in the spiritual realm, eleven women ordained as Episcopal priests are still unauthorized and punished for administering sacraments. More recently, Pope Paul VI cautioned that giving women power "runs the risk of vitilizing and depersonalizing them" because motherhood is of "prime importance" to all women. The Vatican seems unaware that millions of women laboring to support hungry families cannot afford to luxuriate in the Madonna role.

Even the sexual uses of women are getting more sinister. In addition to rape, pornography and prostitution, we now have "snuff films," presented as a real, you-are-there slaughter of a woman hired to "act" in the movie—and this is presented as titillating.

With so much real suffering in full view, why has news-media attention been lavished on the inevitable pockets of dissension in the women's movement itself? After ten years of consciousness-raising, hearings and legal battles, why are some people still debating whether or not injustice exists? During hard times (war, reconstruction, depression, unemployment) why is it always women who are asked to step aside in favor of men, no matter what the real need of the individual may be?

Nobody had to teach blacks how to recognize racism, yet millions of women are still unable to identify sexism. Or perhaps these women refuse to enter the struggle because the enormity of the task extinguishes their hopes, and the reward for effort is as likely to be ridicule or hostility as progress.

So let's change the time frame. Let's admit that it will take a lot more than 200 years to declare women independent. Not only because the very concept of the independent woman is still a cultural anathema, but because too many of us are still dependent on men for survival, and "men know better than to repeal their Masculine systems." Asking men to Remember the Ladies just won't do. We must speak for ourselves, fight for ourselves, invent our own futures.

In the nation's third century, let us celebrate the Bicentennial in the only way that makes sense. By using our vote, our voice and our rage to plot the next and deepest American Revolution—the one that frees the real silent majority: womankind.

TV AND CONGRESS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. MURTHA. Mr. Speaker, some complaints have been noted about the decision by the Rules Committee to defeat the legislation authorizing televising and recording of House sessions.

For the record I would like to note that action is heartily endorsed by the citizens I represent.

An "instant poll" of 7,000 citizens I took prior to the final committee action showed only 30 percent favored televising and recording sessions, while 66 percent opposed it, with 4 percent undecided.

I know there are many sincere arguments on both sides of this issue, but I am glad to note that the House has acted in agreement with the citizens of the 12th Congressional District.

REVENUE SHARING

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. WIRTH. Mr. Speaker, many of my colleagues who favor major changes in the general revenue sharing program do so because they feel that the program in its present form does not adequately provide for public participation, civil rights, or for social needs. I have recently discussed these issues with Ms. Ruth A. Correll, a member of the Boulder, Colo., city council, and she was kind enough to provide a review of the conduct of the city's revenue sharing program.

DEAR REPRESENTATIVE WIRTH: It has come to my attention that certain members of Congress are expressing concern regarding the local government budget process for General Revenue Sharing. Particular areas of concern appear to focus on public participation in decision-making and enforcement of civil rights. In light of this, it seems appropriate for local governments to explain and justify their process.

Initially, it should be stated that Boulder's Revenue Sharing funds have been incorporated fully into the annual budgeting process. Although this action has been criticized by some members of Congress, I believe this action is far superior to separating Revenue Sharing from the regular budget process.

Because Revenue Sharing funds can be substituted for general city funds, the "priority expenditures" categories of the law have had little impact in changing the areas of local government service provided to the citizens. The ability to substitute makes Revenue Sharing funds not substantially different from other city funds.

I believe the spirit of Revenue Sharing is best served by maximizing citizen input on the entire City budget rather than just a segment of it. To hold separate public hearings on Revenue Sharing without regard to the other spending decisions would be exceptionally disingenuous and deceitful. I see it as a major benefit that, through Revenue Sharing, more citizens have become involved in total budget consideration.

Although Boulder is not wholly satisfied with the amount of citizen participation, we have a considerable number of access points for such input. The City utilizes a wide range of citizen boards and commissions, which provide direct public participation into the policy formation process through their own members and public hearings. Among these are the Human Relations Commission, Planning Board, Housing Authority, and Parks and Recreation Board.

Policies are then implemented through the budget process which seeks additional citizens input. Approximatley six months before the budget is adopted, the City Council holds a series of neighborhood budget hearings to listen to citizen interests and concerns. While the City Manager is preparing his recommended budget, he holds an administrative public hearing to help him determine citizen concerns. All City Council work and study sessions are open to the public with notice and coverage of those meetings provided by the local news agencies. Before the City Council takes any formal action on the budget, a public hearing is held at a regular Council meeting. Two additional public hearings are held during the consideration of two pieces of Council legislation—the Ordinance establishing the property tax mill levy and the Annual Appropriation Ordinance. In summary, there are a minimum of seven different opportunities—from the earliest stages of formulation through final adoption—for citizen input. I believe any lack of public participation must be assigned to the citizens themselves, rather than the opportunity offered in our governmenal process.

In the area of civil rights, I wish to point out that the City of Boulder operated under equal opportunity employment guidelines long before Revenue Sharing was enacted. Beginning in 1972 an intensification of our policies was begun through a Public Service Careers programs. I believe that Boulder has not only refrained from that; we have made a substantial effort to work actively against such discrimination. Nearly $1 million of Revenue Sharing money has been spent in the areas of low income and elderly housing, community health services, day care, and women's and family resource centers. I strongly believe that many of these critically important efforts could not have been accomplished without the additional revenue made available through Revenue Sharing. If the Congress hopes to see local programs of this nature continue, the re-enactment of Revenue Sharing is paramount.

In conclusion, I wish briefly to state what I believe to be major strengths of the Revenue Sharing program. The multi-year authorization and appropriation of the Revenue Sharing funds has been extremely supportive to local government long-range planning. Maximum benefit from Revenue Sharing funds can be achieved only if we are assured of continued funding in the programming of municipal services from year to year. Imagine the turmoil if Congress had to debate annually and re-enact the personal income tax. Another area of strength for Revenue Sharing is the emphasis placed on local decision-making and accountability. Revenue Sharing gives the citizen who sends his dollar to Washington the opportunity to participate directly in how his/her dollar will be spent in his/her own community. The influence that the average citizen can exert on budget decisions is far greater at the local level than it can ever be at the national level.

I sincerely hope you will find this information useful in persuading the Congress to re-enact General Revneue Sharing. Please feel free to contact me at any time if I may be of further service.

Sincerely,

RUTH A. CORRELL,
Boulder City Councilmember.

Mr. Speaker, while many cities have not been able to conduct their affairs in such an excellent manner, I do not believe that Boulder is an isolated case. Cities are trying hard to deal with the many problems which they face, and I do not feel that they should be burdened with additional redtape in the administration of revenue sharing funds.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on April 6, 1776, after weeks of prolonged and often bitter debate. the Continental Congress took a major step toward independence by opening the ports of the Colonies to the trade of all nations, except for trade with British dominions and in British goods. By this action, Congress denied the right of the mother country to control the trade of the Colonies. At the same time, Congress moved to end the slave trade by adopting a resolution that prohibited the importation of slaves into the Thirteen Colonies.

Also on April 6, 1776, the Committee for Prisoners reported to the Continental Congress that it had failed in its efforts to persuade captured British brigadier general, Richard Prescot, to write to the British commanding officer in North America, Gen. William Howe, to inform him that unless the British forces treated American prisoners of war more humanely, the Colonies would have to retaliate against British prisoners. The committee reported that soldiers and sailors fighting for the Colonies who were captured by the British "were treated with unprecedented * * * severities."

SECRETARY BILL SIMON ON HOW TO CREATE JOBS AND CHECK INFLATION SIMULTANEOUSLY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. KEMP. Mr. Speaker, while our national economy is perking up, and there is a growing spirit of optimism—here in Washington and across the land—as this does not mean our economy worries are over. But it does mean we can begin concentrating more thoughtfully on the longterm economic policies required to keep us from falling back into the quick-fix or inflationary policies which too easily lead to a repeat of boom-or-bust economic cycles so devastating to the working people of our communities and our Nation. Certainly in my State of New York and community of Buffalo area where high unemployment still is endimic.

One of the most critical economic problems which has not been resolved by the recovery is the need for massive capital investment by the private sector—the investment needed to keep plants producing and to increase that productivity of our plants and workers.

Secretary of the Treasury, William E. Simon, has written an informative article on the capital investment question in the current issue of Nation's Business.

The trouble is—says Secretary Simon—

That not enough Americans have been taught the fundamentals about profits, capital investment, and productivity, the real sources of jobs and solid living standards.

Secretary Simon then names the three basic reasons why capital investment is needed:

First, to create jobs.

Second, to modernize or replace plants and equipment.

And, third, to reach specific policy objectives, such as self-sufficiency in energy and an improved environment.

Secretary Simon points out that a staggering $4 billion will have to be invested by the private sector in the next decade if goals in these areas are to be met. Twenty million jobs will have to be created in this period to accommodate entrants into the work force and others who are now unemployed or underemployed.

Secretary Simon gives four policy prescriptions for assuring enough capital for the decade ahead: Achieving a much greater public understanding of basic economic fundamentals, the Government putting its own financial house in order, reforming our Federal tax structure by removing the bias against savings and investment, and changing our Government's economic policymaking response from a stop-go relation to reinstituting more long-term reliance on the private sector. Mr. Speaker, I commend Bill Simon for his outstanding leadership on behalf of private enterprise solutions to both inflation and recession.

This is what the Jobs Creation Act, H.R. 12802 and S. 2465, would do. This is what the administration's proposed Jobs Creation Incentives Act would do in conjunction with their proposals for capital formation and capital recovery.

Mr. Speaker, the article follows:

[From Nation's Business, April 1976]

HOW TO CREATE NEW JOBS AND CHECK INFLATION

(By William E. Simon, Secretary of the Treasury)

Low productivity weakens the nation.

If productivity is low, industry is prevented from creating new jobs needed for a growing population. Inflation pressures are created. The level of living is undermined.

The problem of low productivity can be solved. But, in order to solve it, we have to wake up to the fact that capital investment is a key to industrial productivity.

When sufficient capital is accumulated and invested in plant and equipment, productivity rises. When there is a lag in capital investment, productivity grows more slowly, and industry and the economy are in trouble.

The thing for us to do, then, is to think through what is required to create conditions that make saving and investing worthwhile and to plan and work in that direction.

IT COULD HAPPEN HERE

To illustrate the point, here is something that happened in England. A while back, the British government cut off its subsidies to a manufacturer of motorcycles. Without subsidies, the company was quickly forced to shut down two of its three plants. In a free market, the company was no match for its Japanese competitors.

To some businessmen, this story might have the familiar ring of another company driven to the wall by low-cost foreign competition. In this case, however, the story contained a surprising twist. The Japanese workers were actually receiving higher pay than their British counterparts; they simply had more productive tools.

In the British motorcycle plant, the average production was fewer than 20 motorcycles a year for each worker; in the Japanese plant, the average was about 200 motorcycles a year for each worker.

The British company, unfortunately, was building motorcycles with antiquated machinery. The machinery which the Japanese had at their command was the newest and the best.

Over the years, the British company had invested about $2,700 per employee in plant and equipment. The Japanese had invested four times that much.

CONCERN ABOUT THE FUTURE

In a world where new technology is at the heart of economic growth, it is clear that the margin between success and failure is determined, far more than most people realize, by the degree to which we are able, as well as willing, to save and invest in the future.

In recent months, there has been growing public concern about the future capital needs of the U.S. economy. Many serious observers have concluded we are heading toward an era where a gap will exist between the capital provided and that which is necessary to achieve our fundamental desire for more jobs, less inflation, and greater prosperity.

I believe the problem is more immediate. The capital problem is not something out there on the distant horizon. It is here. And it is already having a marked effect on the performance of American industry.

To a large extent, the inadequacy of our past investment—as well as the need for future investment—has been masked by the recent recession. After all, how can there be a capital gap when so many of our productive facilities are effectively idle? Yet, when the shorter run cyclical factors are stripped away, there is persuasive evidence that capital investment problems exist now.

Looking back over the past 20 years, it would be easy to get the surface impression of great stability in the savings and investment pattern of U.S. output. We see, for instance, that savings and investment have consistently averaged a bit more than 15 percent of gross national product. On the basis of just this one figure, we might be tempted to conclude that investment has been adequate, that there have been sufficient outlays, for new productive facilities, and that financial markets are working well.

Unfortunately, the fact is that past levels of investment have been less than desired. Indeed, they have been the lowest among the developed countries in the western world. And the results have been showing up in important ways.

BIGGEST DISAPPOINTMENT

The biggest disappointment has been the slowing down of gains in worker productivity. From 1948 through 1954, output per man-hour in the private economy rose four percent a year. From 1955 through 1964, it rose 3.1 percent and from 1965 through 1969, 2.3 percent. From 1970 through 1974, it rose only 1.5 percent, and in 1975 the increase was a disappointing 1.4 percent.

These, then, are the signs of the times. We cannot afford to be complacent. We cannot overlook the fact that productivity, after all, is the basic source from which real living standards are derived.

Other measures of economic performance have also been cause for concern. From 1970 through 1974, after-tax profits averaged only 4.8 percent of the GNP compared to 5.6 percent for the 15-year period prior to 1970.

It is fair to say that the U.S. has been in a profit depression. That's only part of the story.

While profits were going down, consumer prices were going up. From 1970 through 1974, the consumer price index rose an average of 6.1 percent a year as compared to an annual 2.1 percent for the 15-year period prior to 1970.

The period from 1970 through 1974 was, in fact, the worst five-year period since World War II for both profits and prices.

In other words, diminished productivity

increases inflation and decreases profits—neither of which developments is a sign of a vigorous and healthy economy.

GROWTH OF LABOR FORCE

The labor force has had a record growth in recent years, and capital investment has not kept pace. There has been a sharp decline in new capital per worker. From 1961 through 1965, almost $77,000 of real capital—in 1972 dollars—was added per new worker. By the five years ending with 1975, this had fallen to only $67,000.

This is not to imply that new capital per worker is the only source of productivity gain. It is not. Other factors that help produce improvements in productivity include new technology; the shift in the composition of output, especially away from agriculture; the accumulated base of goods; the health, skills, and competence of the labor force; the availability of transportation, communication, financial, and service facilities; access to raw materials; the stage of the business cycle; and the proportion of output devoted to research.

Still, basic to everything else, capital investment is the driving force behind higher productivity. We must not for a moment forget this, if we want to maintain our industrial leadership in the world and our strength as a nation.

Present trends do not, of course, mean that the U.S. is no longer an efficient or competitive producer. It is. What the trends do mean is that we cannot take our growth for granted. Only by investing a sufficient amount of capital will we have more jobs, higher real output, lower inflation. And it must be the right kind of capital investment.

SPENDING FOR ENVIRONMENT

A fair amount of recent capital investment has added very little to the actual productive ability of workers. Expenditures required by law to clean up the environment and to bring about safer working conditions have accounted for a growing share of business capital outlay.

In 1974, for example, about eight percent of all spending for new plant and equipment in manufacturing was accounted for by environmental control expenditures. In the iron and steel industry, the figure was 12 percent; in the paper industry, it was 19 percent. Additional amounts were spent to comply with Occupational Safety and Health Administration regulations.

This is not to suggest that these expenditures were ill-advised. To the contrary, it is clear that industry bears a heavy responsibility in this area to its employees and to society. In measuring levels of investment, however, we must be careful to distinguish between expenditures which will raise the productivity of the company and those which are devoted to other purposes.

Perhaps the most obvious manifestation of inadequate investment occurred in 1973, when serious capacity shortages developed in several key industries during the height of an economic boom. These strains were partly attributable to earlier wage-price controls and jawboning and partly to current inflation and unsatisfactory fiscal and monetary policies in Washington. But no matter the cause, many industries bumped up against productive limits much earlier in the boom than originally expected, and prices were jolted upward throughout the economy.

PROBLEMS IN MONEY MARKETS

Industry is facing growing difficulty in trying to finance modernization and expansion in the financial markets. High rates of inflation and past misguided government policies have put great pressures on our financial mechanism. The problem has become particularly acute over the past decade and has been spreading. To a large degree, part of the deterioration is hidden by the swing to liquidity caused by the recession. Such cyclical rebuilding of balance sheets is common, but the long-term trend is clear. To be specific:

Access to the long-term public bond markets, for all practical purposes, is still limited to top-rated companies. The flight to quality has been pronounced. With few exceptions, a company with less than a prime rating has difficulty in tapping the long-term public debt market as a major source of funds. Marginal companies, new growth companies, and even solid companies with less than an A rating do not have the same ready access to the long-term sector that they had five or ten years ago.

Lenders are increasingly reluctant to make long-term commitments, and borrowers, too, are reluctant to take on very long-term, high-cost debt. Many more new securities today are of intermediate duration—that is, seven to ten years—rather than of long-term duration, 25 to 30 years, which was the rule not long ago.

Whole industries, such as the airlines and the utilities, are faced with serious financial problems.

Some state and local areas are under intense and increasing financial pressure.

The quality of loans and investments and the equity base of many commercial banks have deteriorated in recent years so that the availability of credit for further long-term business expansion could easily be curtailed.

SHARP EROSION IN PROFITS

Because of the sharp erosion in profitability over the past decade, business has been compelled to raise much more of the money it needs for expansion from external sources. At the same time, the government has been drawing on financial markets much more heavily in order to cover its chronic deficits. This has led to accelerated inflation and record interest rates.

Unfortunately, inflation has distorted two parts of the corporate balance sheet: The value of inventories has been overstated and depreciation understated—based on historic rather than replacement cost. As a result, there has been a substantial overstatement of true gain in corporate profits.

In 1974, reported after-tax earnings for nonfinancial corporations were $61.1 billion, compared to $37.2 billion in 1965, an apparent increase of 64 percent. But when the inventory and depreciation costs are recast to account for inflation, the figures are $39 billion of profits for 1965 as compared to $20.5 billion in 1974—a decline of $18.5 billion, or 47 percent.

HEAVY EXTERNAL FINANCING

When dividends are subtracted from these adjusted profits, the resulting retained earnings have, in fact, been quite small, especially in recent years. Indeed, the level of adjusted retained earnings in 1974 was negative. That means there were not enough internal funds in that year to finance the capital used, let alone any investment in additional productive capacity.

To expand real productive facilities, funds had to be raised externally. From 1955 through 1964, the amount of capital funds raised externally by corporations averaged about 33 percent a year; in 1974, no less than 60 percent of all capital funds were raised externally. All the same time, the trend of interest rates has been sharply rising, despite cyclical declines in 1967, 1971, and 1975.

No less serious in this pattern of financing has been a heavy reliance on debt rather than on equity funds. This trend developed because debt financing was for a long period relatively inexpensive, with less uncertainty about placement. Furthermore, interest payments were tax-deductible while dividends were not. Since corporations can deduct interest payments but must subject their dividends to double taxation, they have naturally been encouraged to draw more and more heavily upon borrowed funds. And their fixed interest commitments have made our financial system less flexible and more vulnerable to economic shocks.

From 1965 through 1974, nonfinancial corporations raised a total of $263.3 billion of long-term funds—82.4 percent of which was long-term debt. The balance sheet impact of this was to cause the amount of outstanding long-term debt to rise from $141.4 billion to $358.3 billion over the same time span—a 2½-fold increase in just ten years. Clearly, the preference for debt financing is strong, and the magnitude of the increase is worrisome.

Not only did the amount of the debt increase substantially, but the cost of the debt also increased greatly. Yields on new issues of highgrade corporate bonds rose from an average of 4.5 perecnt in 1964 to 9.4 percent in 1974.

Obviously, there is no single level where the financial structure suddenly becomes too inflexible, but an ever-higher burden of debt commitments relative both to financial assets and to income is definitely a matter for careful thought.

MORE SHORT-TERM DEBTS

At the same time that the corporate balance sheet is becoming highly leveraged, the average maturity of the debt is becoming shorter. Corporate treasurers will have to make more frequent trips to the financial markets, where—as I mentioned earlier—fewer and fewer companies are finding their securities welcome.

Under the circumstances, it is hardly surprising that maturities on debt are becoming shorter and shorter. At the end of 1964, one fifth of the debt of nonfinancial corporations was short-term. A decade later, short-term debt had risen to more than a quarter of the total. At the same time, liquidity was falling sharply in relation to short-term debt, indicating that both the liquidity and maturity structure of American business have become more risky.

Furthermore, the share of the corporate bond market for the lower-rated issues—Baa or less—has diminished. Demand for quality, relatively short maturity, and long-term lending only with stiff call provisions as a protection to the lender are much more prevalent in today's market than was the case five or ten years ago.

POLICIES AFFECT INFLATION

Government policies—besides directly affecting the rate of inflation and the level of interest rates—have had an impact on capital outlays in two other ways.

First, past practices of relying on government spending and general tax cuts to stimulate the economy, while using tight money to slow it down, have discouraged spending for capital. In effect, the government has stimulated consumption during expansions and retarded investment during periods of tight money. Over time, such a mix creates an inadvertent, but nevertheless meaningful, anti-investment bias.

FUTURE NEEDS FOR CAPITAL

Second, the stop-go shifts in government policies have not achieved their intended purposes, but instead have accentuated the swings in the economic cycle. As a result, business has faced increasing uncertainty about future returns and has found it more difficult to plan ahead. Projects which might well have been undertaken in the past are simply not considered today.

Against this background, how are we to meet our future needs for capital? The answer depends on how great these capital needs are. Economic projections are difficult and uncertain at best because they are based on arbitrary assumptions. Nevertheless, in making any decision about appropriate public policy, some fix must be taken on where we are going versus where we would like to be, in order to see whether any shifts in public policy are needed.

The first need for more capital—an immediate need—is to create jobs for our rapidly growing labor force. Between 1975 and 1985, they will expand by roughly 15 million persons. In addition, there are at least three million unemployed persons in the labor force today who must be reemployed if the country is to return to reasonably full employment.

MILLIONS OF JOBS WANTED

Many other workers in our current labor force are underemployed and are eager to find more productive and satisfying jobs. Thus, during the next decade, if our economy is to fulfill the most fundamental hopes of our population, it must create almost 20 million new jobs—an increase in total employment of almost 25 percent and the biggest single increase in our history.

By contrast, during the past decade—years marked by economic growth—13 million new jobs were created. On this basis alone, and recognizing that some excess capacity still exists in the economy, the task ahead is formidable.

The second need for capital is simply for the replacement and modernization of the existing stock of capital we have. From 1960 through 1971, for example, 62 percent of U.S. business investment was needed for this purpose. This compares with 61 percent in the United Kindom, 52 percent in Canada, 53 percent in West Germany, and 41 percent in Japan. The relatively heavy replacement burden provides a continuing opportunity to introduce new technology into the U.S. economic system, but, at the same time, such investment does not not represent a net addition to our capital base.

The third need for capital centers around specific public policy objectives: accelerated development of new resources to make us more self-sufficient in energy; improvement in the quality of our environment; safer working conditions to protect the well-being of our work force; and the provision of more and better-quality housing for a growing population.

NOT AN IMPOSSIBLE TASK

The list of such objectives could go on. Of course, no accurate dollar total can be given for how much investment is needed to achieve these objectives in the next decade. But we can be certain that the levels of outlays must be very high. In the energy field alone, some estimates of capital needs over the decade that started in 1975 are close to $1 trillion.

When the three broad categories of needs for capital are added together, they point to total private investment outlays in the decade of more than $4 trillion, a staggering sum. The cumulative total of gross private domestic investment over the decade 1965 through 1974 exceeded $1.5 trillion. Our capital needs during the decade could be three times higher.

Is the task as impossible as it sounds? Not really. In an economy as large as ours and with a fairly steady growth rate, my best estimate is that we can meet our capital investment needs by increasing the savings and investment rate only one percentage point—from its historical average of 15 percent of the gross national product each year to approximately 16 percent.

In dollar terms, one percent of our current gross national product currently amounts to $15 billion a year. As the economy grows, of course, the extra amount needed for savings and investment will also grow. By the mid-1980's, this one percent will be more than $30 billion per year.

We should recognize that the needed increase in capital investment would not require a radical shift in our present way of life. Our needs can most assuredly be met without a wrenching change in consumption patterns. At the same time, however, it is equally clear that our economy must tilt away from an overemphasis upon consumption and government spending and toward a slightly higher emphasis upon savings and investment.

And this tilt can be achieved only through a reordering of the governmental policies that have prevailed over the past ten to 15 years.

POLICY PRESCRIPTIONS

There are four key areas where changes are essential, three of them relating to specific governmental policies.

First, we must somehow achieve a much greater public understanding of basic economic fundamentals. In the early 1960's, after serving as Secretary of Commerce, Luther Hodges remarked: "If ignorance paid dividends, most Americans would make a fortune out of what they don't know about economics." That observation may seem flippant, but it points to a harsh reality which no businessman can ignore.

The truth is that not enough Americans have been taught the fundamentals about our economy—about profits, capital investment, and productivity, the real sources of jobs and solid living standards.

Yet the argument for a private enterprise system must not rest on hard facts alone: It must also be cast in human terms. Being pro-free enterprise is the same as being pro-people. The economic growth which we seek yields direct benefits to wage earners, consumers, and producers—more and better jobs, higher wages, and less inflation.

In my view, those who practice free enterprise should—more than anyone else—be responsible for getting its success story across to the American people.

REQUIREMENT FOR GOVERNMENT

Second, the government must put its own financial house in order. The excessive fiscal and monetary policies of the past decade can be continued only at the expense of price stability and a healthy economy. In the past two years alone, federal outlays have grown by 40 percent. That growth must be moderated.

We have had an unprecedented string of budget deficits—16 out of the past 17 years. This record must be changed. Over time, the budget must be balanced or, preferably, be in surplus.

In the current fiscal year, four out of every five dollars borrowed in the securities markets will be soaked up by government. That dominance must end.

The third key area in which changes are essential is the federal tax structure. It must be altered, I believe, to encourage greater investment. If the federal tax structure is not changed, funds will simply not be forthcoming for vitally needed investment.

A way must be found, therefore, to lighten the corporate tax burden. Specifically:

1. The corporate tax rate should be reduced from 48 percent to 46 percent, as has been proposed in Washington.

2. The ten percent investment tax credit and the 1975 corporate rate and surtax exemption changes should be made a permanent part of the tax law, as has been proposed.

3. Utilities should receive specialized tax relief.

These changes would increase the incentive to invest; they would increase internal sources of funds by raising the levels of corporate cash flows.

Furthermore, a return of greater decision-making power to private hands would ultimately serve to reallocate resources more efficiently and enable the economy to use capital resources more effectively.

TO ENCOURAGE INVESTMENT

For the long range, a plan has been proposed in Washington to integrate personal and corporate income taxes, ending double taxation.

This sensible proposition is specifically designed to encourage greater savings and investment. It is also the only major proposal of which I am aware that seeks to correct the imbalance between corporate debt and equity by encouraging greater reliance on equity financing.

The fact that almost every other major industrialized nation has adopted such a plan should be borne in mind as debates over corporate income tax integration build in the months ahead.

The fourth key area for change is government economic policy-making. In order to spur capital investment, it is absolutely necessary to end stop-go policies. Too often over the past 15 years, policies have been molded by short-range considerations; and because there is an inevitable lag between the development of a new policy and its impact on the economy, the changes have sometimes accentuated rather than corrected the cyclical swings of the economy.

It is pure folly for the government to attempt such fine-tuning when this only destabilizes the economy and makes it more difficult for the private sector to come up with sensible long-range investment plans.

ALTERNATIVE TO ACTION

There can be little question that, if we fail to take the proper corrective steps, we can look forward to more of the same economic difficulties we have experienced over the past decade, as well as an ominous increase in governmental power.

Continued massive budget deficits will prevent many private borrowers from raising funds for expansion.

With fewer capital resources, productivity gains will be inadequate.

Inflation will be exacerbated, profit margins will be squeezed, and growth will be disappointing.

Corporations will come under increasing financial pressures.

Growing illiquidity will eventually force more firms into bankruptcy or into the arms of the government.

Workers disappointed with their living standards will turn in frustration to Washington.

The disadvantaged members of our society will be pushed even further into dependency.

Financial institutions will seek governmental protection from inflation.

Decisions once left to the marketplace will be shifted to the desks of government regulators.

And as these developments unfold and people become increasingly disenchanted with the private enterprise system, they will become convinced that the old ideals and principles that stimulated the nation's growth and prosperity do not work—when, in fact, it is precisely the failure to live up to those ideals and principles that has brought on our difficulties.

THE WAY OUT

We can be optimistic to this extent: There is a way out. If we open our eyes to the situation, if we use our heads, and if we put forth the necessary effort, we will be able to formulate the right national policies in this country. We will achieve a higher level of savings and investment—and we will resolve our problems of unemployment, recession, and inflation. We can do it. If we don't, not only will industry be in trouble, but America will be in deep trouble.

REMARKS OF PRESIDENT FORD IN MILWAUKEE, APRIL 2

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. DERWINSKI. Mr. Speaker, in the last 2 weeks there has been a great deal of controversy over certain pronouncements on Eastern Europe by Secretary of State Henry Kissinger and the Counselor to the State Department Helmut Sonnenfeldt. This is a controversy that appears to be a long way from running its course. However, lest the Kissinger-Sonnenfeldt statements be misconstrued as reflecting the views of the President, I direct the attention of the Members to remarks of President Ford in Milwaukee on Friday, April 2, when he spoke to a citizens' group in that community. These remarks clearly demonstrate the President's views on U.S. foreign policy as it relates to Eastern Europe:

REMARKS OF THE PRESIDENT TO REPRESENTATIVES OF THE GREATER MILWAUKEE ETHNIC ORGANIZATIONS

The PRESIDENT. First, let me express my appreciation for your being here, and after I make a few prepared remarks I will look forward to the opportunity to responding to any questions, whether it is on the subject matter that I am speaking on or any other subject, whether it is domestic or international matters.

I am reminded, as I see some of the faces here, of the meeting that we had, with some of you at least, in the Cabinet Room at the White House on July 25, as I recollect. At that time some 30 leaders of the Eastern European community met with me to discuss problems relating to Western Europe and related matters. I understand, however, that that was the very first time that a President of the United States met with leaders representing the interests of so many Americans concerned about Eastern Europe.

I think on our Bicentennial Anniversary it is particularly appropriate that we in Government recognize the great contributions of our citizens from Eastern Europe. Before the departure for the European Security Conference in Helsinki last July I stated my policy very categorically in reference to Eastern Europe, and at this time let me reiterate that statement. I worked on it myself, I am very proud of it and I think oftentimes it is not read in proper context.

It goes like this: It is the policy of the United States and it has been my policy ever since I entered public life to support the aspirations for freedom and national independence of the peoples of Eastern Europe with whom we have such close ties of culture as well as blood by every proper and by every peaceful means.

I stated my hope and expectation that my visits to Poland, Rumania and Yugoslavia would again demonstrate the friendship and the interest in the welfare and progress of the fine people of Eastern Europe. This remains my policy, regardless of what any Washington experts or anti-Washington experts may say or write.

On July 28, 1975, in the market square of Krakow, Poland, I told a good many thousands who were assembled there that I was standing only a very few feet from the flag marking where General Kosciusko stood and took his famous oath to fight, to regain the independence of Poland and the freedom of all Poles. I said I was very proud to be in a place so rich in Polish history and so closely associated with the Polish hero in our own struggle for independence in the United States.

During my visit to Belgrade I said that Americans particularly admired Yugoslavia's independent spirit, I said whenever independence is threatened, people everywhere look to the example of Yugoslavian people throughout their history. They take strength and they take inspiration from their example.

America's interest in Yugoslavia's continued independence, integrity and well-being, expressed often in the past, remains undiminished.

In the Joint Communique which President Ceausesau and I signed in Rumania we emphasized our support for a just and equitable international order which respects the right of each country, regardless of size or political or economic or social system to choose its own destiny free from the use or threat of force.

When I returned from Europe, I told the American people that I was able to deliver in person a message of enormous significance to all Europeans. My message was very clear: America still cares. And the torch and the Statue of Liberty still burns very brightly. We stand for freedom and independence in 1976 just as we stood for freedom and independence in 1776.

I have recalled these events because they underline the fact that my policy, America's policy, toward Eastern Europe is fully, clearly and formally documented. It is a creative and cooperative policy toward the nations of Eastern Europe. It is the policy that embraces our most important ideals as a nation. It is a policy that I have repeated in messages to Americans of Estonian, Lithuanian and Ukrainian ancestry, and I add the Latvian people whom I know so well in my hometown of Grand Rapids, Michigan, know of my deep concern and devotion and friendship with them.

What it amounts to—there is no secret Washington policy, no double standard by this Government.

The record is positive, consistent, responsive to your concerns, and I say it is indisputable. The United States strongly supports the aspirations for freedom, for national independence of peoples everywhere, including the peoples of Eastern Europe. I have followed this policy in my visits to Eastern Europe and in my meetings with Eastern European leaders here as well as overseas. Our policy is in no sense—and I emphasize this—in no sense to accept Soviet dominion of Eastern Europe or any kind of organic origin.

Nor is it in any way designed to permit the consolidation for such dominion. On the contrary, the United States seeks to be responsive to and to encourage as responsibly as possible the desires of Eastern Europeans for greater autonomy, independence and more normal relations with the rest of the world.

This is the policy that I will continue to pursue with patience, with firmness and with persistence—a policy from which the United States will not waiver.

Thank you very, very much.

BICENTENNIAL VOTER REGISTRATION EVENT

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mrs. KEYS. Mr. Speaker, I believe that it is worthy that we take note of a Bicentennial project which celebrated our history and also marked an effort to improve our present government by involving more individuals.

A local committee called "Operation U.S.A. Party" in my district in Topeka, Kans., recently conducted an unusual Bicentennial event. This group sponsored Clarence "Soulful Sonny" Scroggins to establish the world's longest continuous nonstop performance by a disc jockey. Mr. Scroggins' broadcast for 1,000 hours, January 5 through February 16, 1976, has been recognized by the Guinness Book of World Records acknowledging this disc jockey marathon as the longest on record.

Voter registration was emphasized throughout the broadcasting. Mr. Scroggins' efforts were based at a community center whose staff was on hand to respond to Mr. Scroggins' appeals in registering minorities.

Such individual efforts are what collectively make for a responsive and active government.

SOLDIER WITHOUT A GUN

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

SOLDIER WITHOUT A GUN

(By Robert Morris)

(Few know of this little man who gave his time, his devotion and, eventually, his life for the freedom we enjoy today.)

I was sitting in the coffee house when I read the news. *On Thursday died Haym Salomon—a broker.*

I searched through the newspaper looking for some more about him. But no. Just that one line.

I first met Haym Salomon early in the Revolution and I had been put in charge of its fiscal operations. Haym Salomon had been recommended to me as a financial genius and expert in troop supply. With the enormous problems we were facing we needed just such an expert, but I could hardly disguise my feelings about him. All my life I had looked down on Jews. When they told me that he had fled from Poland to this country and had then joined the Sons of Liberty early in our struggle I could hardly believe it. A Jew putting his life in jeopardy for a dangerous cause? A man who was not allowed to vote or even hold office in most of our colonies? But a friend quoted Salomon's words: "The cause of freedom—anywhere—concerns all men."

Later I was to learn that Jews had already died fighting for our cause. Even so, I was dubious when Salomon joined my staff. But with his wide knowledge of languages and commerce, Salomon soon became very useful. General Washington pleaded incessantly for funds to pay his army. And as our struggling government received hides, tobacco and other such stuff from the colonies, Salomon skillfully, ingeniously turned them into cash.

One day I happened to mention to a friend how much his cough annoyed me. My friend's face sobered. "Then you don't know how he got it . . . or that he worked with Washington as a spy?"

Salomon's activities as a broker enabled him to supply Washington with reports on British ships and troop movements. Arrested, he had been imprisoned twice by the British. The cough stemmed from his exposure to bitter cold when confined in the unheated Old Sugar House in New York City.

My friend added quietly: "You should also know, Robert, that Haym Salomon was sentenced to hang. Only at the last minute did he escape, coming here to Philadelphia."

Slurs and insults never stopped this quiet little man. When French and Dutch subsidies began to reach our impoverished colonies, they came through Salomon. As a young man he had traveled widely in European circles and was deeply trusted. He might have profited by such activities, but rarely did he take a commission for his work.

One day early in the fall of 1781, one of the darkest periods of the Revolution, Washington sent word to me that if money could not be found, his troops would either starve or desert.

I sent for Haym Salomon. I knew he would find a way. But that day, Haym was secluded in Micveh Israel Synagogue, the temple he founded. It was the religious holiday of Yom Kippur.

My courier blustered in, calling out that he had a message for Haym Salomon. The courier was met by shocked silence; the holy day observance had been interrupted. Then from a little group Haym Salomon stepped forward. He read the letter, then turned to the courier: "Tell Mr. Morris that our country's appeal will not be in vain."

Right there in that synagogue he raised the money that General Washington needed so desperately.

After freedom was won, Haym Salomon continued to give unstintingly of himself to our struggling new nation. But slowly misfortune began to overtake him. His cough turned out to be consumptive. I heard rumors of bankruptcy.

His last few days were tragic. I heard that when a paper which would provide reimbursement of funds owed him by the government was brought to him to sign, he turned from it. "It is Saturday," he murmured. "I cannot write on the Sabbath. I'll sign it Monday."

He never got the chance. By Monday he was too ill. A few days later he was dead leaving a widow and four children.

I sat there in the coffee house holding the newspaper with the pitiful obituary. I thought of the man who I had come to respect, a man who had fought and given as much as any soldier. A man closer to God than I'll ever be.

I looked again at the seven words the newspaper gave him and knew that Haym Salomon would not have been bitter or resentful. He already had his reward: the knowledge that his children and their children would grow up in a free country where people live together without fear, worshipping God as they pleased.

U.S. DEPENDENCY ON FOREIGN OIL IS GROWING

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, the ordeal of the 5-month Arab oil embargo is slowly fading from our national memory. But our dependency lingers on, and is growing with every passing day.

Back in the winter of 1973–74, we all talked bravely about energy independence, and a Manhattan-type project to develop energy alternatives that would free us once and for all from the clutches of the Arab oil sheiks.

Today, there are few, if any, policymakers who believe that the United States can become truly energy independent—at least in the short- and midterm. To do so would require a massive commitment of money, manpower, and a wholesale revision of our national policies on environmental protection—including the willingness to expose the American public to the risks inherent in a plutonium economy.

Spokesmen on national energy policy seem to be roughly divided into three schools.

The "drain America first" advocates claim that energy independence must be achieved despite the horrendous economic, social and environmental costs. These are the people who want to see us pump every drop of oil we can out of our domestic reserves. They want to expand exploration and production offshore and in the far reaches of northern Alaska. They also want a massive Federal commitment to increased coal production and nuclear power, despite the environmental hazards posed by both alternatives.

Another school of thought claims that we should hold our domestic oil and natural gas in reserve, and depend almost entirely upon imports for the short-term. These people claim the imbalance in our international payments that would result from such a policy would be offset by tremendous savings, both in environmental damage that would be avoided and in Federal subsidies to the development of questionable energy alternative technologies.

Advocates of this point of view also maintain that this strategy would allow the United States more time to discover a truly acceptable alternative energy source—in economic, environmental and social terms. They also note, with some degree of correctness, that the Arabs would be less inclined to impose another embargo if they knew that we were capable of turning immediately to our domestic resources that had been wisely held in reserve for just such a contingency.

The third school of thought lies somewhere between these two extremes. Advocates of this school maintain that we should be prepared to accept a reasonable amount of dependency upon foreign oil and natural gas producers, and that, at the same time, we should be taking steps to improve the energy efficiency of our industry and to adopt energy conservation as a national ethic. They also believe that our primary research and development efforts should be directed toward long-term options which hold the promise of infinite energy supplies with minimal environmental danger—such as solar energy and nuclear fusion. These advocates are also prepared to accept the increased use of coal as a power source, as long as environmental impact is minimized through effective control technology and land restoration techniques.

Wise national energy policy should probably include some components of each of these three points of view.

In our development of such a policy, we will obviously have to include a consideration of OPEC supply and pricing intentions for the future, particularly those of the Arab bloc.

Unfortunately, we do not have a crystal ball to gaze into the future. We have to rely on the lessons of history to provide us with a guide as to what the Arab oil suppliers might or might not do, depending upon tide of events that might be projected to occur in the Middle East. Those lessons have been far from comforting.

Congress has taken some positive steps forward in the development of a coherent national energy policy. I believe the provision for emergency stores of oil to be used in the event of another embargo is a wise move. It is also going to be a costly proposition—let there be no doubt about that.

What I hope will result from our further work in the 94th Congress in the vital energy area is an increased concentration on the issue of energy conservation.

The Federal Energy Administration recently released a report comparing energy usage between the United States and Western Germany. After reading that report, it is apparent to me that there are many steps we could take to conserve energy without any diminution of our lifestyle.

Energy conservation is more than turning down thermostats and imposing 55-mile-per-hour speed limits. These are important components of our national conservation effort, but they are nowhere near the complete answer.

We have to begin to seriously examine utility practices that discourage imprudent energy use. We should look at European examples of industrial energy conservation—techniques which not only make those European industrial products more competitive than our own, but which also benefit the communities in which those industries are located. For instance, waste heat generated in industrial processes in West Germany is transmitted to nearby apartment buildings, schools, and hospitals instead of being blown up a smokestack or discharged into waterways as we do in this country. Many industries in West Germany generate their own electricity, and use waste heat to warm their factories.

These are just two minor examples of the kinds of energy savings that are possible, practical, and available today.

Mr. Speaker, this Congress faces a continuing energy policy challenge. What I would like to point out to my colleagues is that while increased energy self-sufficiency is not going to be painless, it is certainly not going to be a national agony to become more responsible and more conservative in our energy use. The West Germans and the Scandinavians have proved beyond a shadow of a doubt that a country can enjoy a high standard of living and produce competitive industrial products while simultaneously practicing national energy conservation.

Mr. Speaker, some of the issues I have raised, including our growing dependency upon imported oil, were addressed in a thought-provoking article which appeared in the New York Times of April 4. I commend this article to the attention of my colleagues, and include it at this point in my remarks:

U.S. DEPENDS MORE THAN EVER ON IMPORTED OIL

(By Edward Cowan)

WASHINGTON.—In January, Government figures show Arab countries supplied just over two barrels of every five barrels of crude oil—nearly 41 percent—imported into the United States. In September 1973, the month before the start of an Arab states embargo on oil shipments to the United States, the Arab share of American crude oil imports was 31 percent.

The January, 1976, ratio may exaggerate the trend, but there is no mistaking it. Two years after the five-month embargo forcibly introduced Americans to the idea of "energy independence," the United States is more dependent than ever on foreign oil. According to the Chase Manhattan Bank, imports provided 39.1 percent of all supplies in November-January, as against 37 percent a year earlier.

In the simplest terms, the reasons are clear. The American appetite for energy is growing as the economy grows, albeit at a slower rate than before the embargo, evidently because prices are higher and more people are more aware of energy conservation. Before and after the embargo, the United States has been unable to match growth of domestic energy supplies to growth of consumption. Production of natural gas and crude oil have been falling for several years. Expansion of coal and nuclear power has been slowed by uncertainty about the growth in future dedemand for electricity; by environmental issues; by greatly increased capital costs, and by spreading concern about nuclear safety.

So, as consumption rises, the country imports oil. Imports now stand at more than six million barrels a day of crude and refined products; they have never been that high and they are rising. Although almost all oil-exporting states have unused production capacity, the country that has the greatest potential to expand output to meet growing demand now is Saudi Arabia. In ten years, there may be major new non-Arab sources of oil—China, for one—but for the next half decade at least Saudi Arabia, Iraq and possibly quasi-Arab Iran will be the chief sources for additional world oil supplies.

The inevitable questions of those who stopped paying attention to energy developments when the lines of cars at filling stations disappeared two years ago are, "What's going on? Didn't we learn anything? Are we setting ourselves up for another embargo?" One answer might be, "It could be worse." The Federal Energy Administration calculates that in the four weeks through March 12, demand for all petroleum products averaged 17.66 million barrels a day. That was up 3.4 percent from demand for the same period a year ago, when the recession was just turning around, but only 0.2 percent higher than in 1973.

In other words, the country is using energy more efficiently. The Chase Manhattan Bank's latest oil letter anticipates that "energy use in 1976 will be silghtly below 1973, despite a somewhat higher level of economic activity." Calling greater efficiency "a natural response to much higher energy prices," the bank estimates that response is saving the country one million barrels of oil a day, or roughly $4 billion a year in oil imports. The Federal energy agency's recently published "National Energy Outlook," estimates that because of the five-fold increase in energy prices in 1973–75, the annual growth rate for energy consumption in the next 10 years will be 2.8 percent, down appreciably from the pre-1973 rate of 3.6 percent.

But in the short term, the country's need for imported oil is growing. Whether it should be allowed to do so over the longer term is a question that underlies several discrete energy issues. The energy agency's report maintains that policy actions can determine whether 1985 imports drop to 1.7 million barrels a day or climb to more than 11 million barrels. Key decisions will involve continuation of price controls on oil and natural gas. The Administration contends controls suck in imports by encouraging consumption and holding back domestic production. Also at issue are the rate of offshore leasing, development of shale under Government-guaranteed loans, expansion of coal production, and acceleration of Federal efforts to solve current nuclear power fuel recycling and waste disposal problems, including construction of a breeder reactor.

With imports at 1.7 million barrels a day, and all of those barrels coming from Venezuela, the United States would be "invulnerable" to foreign pressure, the document notes. The statement is a tacit prediction that Venezuela would not dare cut off the United States. The question that the agency's report doesn't examine, and that the Administration hasn't examined publicly in the two years since the embargo, is whether even an import level of six million barrels a day—the probable mean in 1985—is worth what it would cost.

The price would come in Federal spending and project underwriting, in environmental damage to Western shale and coal regions, in increased air pollution, in the risks of widespread use of plutonium as a reactor fuel, and in higher energy prices and profits to pay for the tremendous investments in offshore drilling, railroad coal cars and shale oil recovery.

Indeed, some experts argue that importing oil is the cheapest way to meet energy needs of the next 10 years. Their argument is based on this scenario: By 1985, oil imports will have climbed 10 million barrels a day. There will be no new embargo, and only small price mark-ups by the 13-nation Organization of Petroleum Exporting Countries that will probably be in line with inflation generally, and perhaps a bit less. Offshore drilling in the Atlantic may well prove disappointing, and nuclear power will continue to lose ground to coal-fired power. And despite so-called advanced recovery techniques in old fields, domestic oil production will never reverse the downward trend that began in 1971.

If that scenario is the correct one, there will be in 1985 some loud "I-told-you-so's" from the Administration's 1976 critics. But no politician is willing now to stake his personal, and his party's reputation, on predictions that there will be no Arab oil embargo if there is not another war in which America helps Israel, or that the oil producers cartel will make only modest and gradual price increases, no matter how much the United States imports.

Some politicians do say publicly that by accelerating conventional energy development, the Government is likely to succeed only in spending a lot of money without making an important difference in 1985 oil imports or national security. Indeed, the "national energy outlook" acknowledges that demand growth and imports are likely to turn up after 1985. What no one is willing to argue is that the United States should forget about shale and plutonium and turning coal into synthetic gas, take its chances with imported oil for the next 15 or 20 years and meanwhile focus its efforts on developing the promising but uncertain energy sources of the next century—sunshine, nuclear fusion, the heat of the oceans and the earth.

The risks of such a course are incalculable. For that reason, no future President is likely to renounce "energy independence," although its meaning already has been modified by the President now in office and may well be again. For that reason, Congress is unlikely to develop a comprehensive alternative energy policy. The Democratic majority tried in 1975 and found the job too complex and politically delicate. Now the legislators have settled back to dealing with energy piecemeal. In view of the disparate interests of their constituents, perhaps nothing more could have been expected.

NUCLEAR PROLIFERATORS BUSY BEHIND SMOKESCREEN OF PIOUS PLEDGES

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. ZABLOCKI. Mr. Speaker, the Subcommittee on International Security and Scientific Affairs which it is my privilege to chair recently concluded a series of hearings on the urgent and dangerous problem of nuclear proliferation. The conclusions it drew were numerous and starkly frightening. They are best summed up perhaps by the observation that the world is on a gluttonous rampage of nuclear proliferation. Commonsense, future peace prospects, stabilized international security are apparently all thrown out the window by the desire for profit.

Evidence pointing to the seriousness of the danger abounds. For example, nuclear materials, from which nuclear explosives could ultimately be made, now exist in approximately 30 countries. It is estimated that by 1985 nearly 50 countries will have at least one nuclear powerplant that can produce enough plutonium each year for at least several dozen nuclear explosives. By the year 2000, the annual rate of plutonium production worldwide will be nearly 1 million kilograms—enough to make 100,000 nuclear explosive devices.

All of this is effectively expressed in the New York Times editorial of Monday, April 5, a copy of which I include at the end of these remarks. In short, what it points up is the reality of the problem as reflected in recent nuclear technology sales by France and West Germany to Pakistan and Brazil, respectively.

The case of West Germany is particularly disappointing in view of that country's admirable policy of refusing to sell conventional military equipment in "areas of tension." One might have hoped that the same responsible statesman-like policy would have prevailed in nuclear technology sales.

In regard to France's sale of a plutonium reprocessing plant to Pakistan, again one would have hoped for a repeat of the responsible decision by which France recently canceled the sale of a reprocessing plant to South Korea. Unfortunately, such is not to be the case.

Especially distressing is the fact that all this activity is carried on, as the Times editorial so aptly says, behind a smokescreen of pious pledges.

Despite the good intentions surrounding a desirable and long overdue start on finding agreement among nuclear supplier states, the recently concluded London Suppliers Conference leaves much to be desired. Among other things, it does not cover the export of plutonium reprocessing and uranium enrichment plants, chiefly because of reluctance to do so by France and West Germany.

From the perspective of pertinent and proper congressional interest and prerogatives, it is important to note that the guidelines agreed to at the London Suppliers Conference constitute neither an executive agreement nor treaty. Thus, the arrangement—despite its urgent importance—will not be reviewed or approved by Congress in any way.

In brief, the Conference agreed on four "principles" or guidelines intended to retard the spread of nuclear weapons. The "ratification" of this arrangement was accomplished by each of the seven nuclear supplier states making unilateral statements and then notifying each other that the principles had been accepted. Most important, there is no provision within the arrangement for enforcement, compliance, or penalty for violation. As the old saying goes, "it's a strange way to run a railroad."

Given the loose weave of such arrangements is it any wonder that France and West Germany feel free to move the world blindly and dangerously further down the road of nuclear proliferation?

The issue here, Mr. Speaker, is simple and direct: do we let the spread of nuclear power go on pellmell or, with statesmanlike responsibility on the part of all countries and individuals, do we attempt to seek reasonable controls? Time is running out on our opportunity to answer that question rationally.

[From the New York Times, Apr. 5, 1976]

THE PROLIFERATORS

For almost a year, arrangements to export, to Brazil and Pakistan respectively, West German and French technology for making nuclear explosives have been proceeding behind a smokescreen of pious pledges to nonproliferation. Public opinion, Parliaments and even the Cabinets of the two countries have been fed misleading information about the supposed "safeguards" imposed.

As this disastrous program has been pressed forward, creating dangers for the future of all humanity, West German Chancellor Helmut Schmidt has been able to escape serious questioning at home on Bonn's sale to Brazil of a complete nuclear fuel cycle, something no exporting country has ever done before. The French Government has escaped serious challenge at home on a succession of "authorized" denials that the projected sale of plutonium reprocessing plants to South Korea and Pakistan involved any dangers—a diversionary maneuver that was exposed when Paris backed off from the South Korean sale after vigorous American protests.

In testimony before the Senate Government Operations Committee, Secretary Kissinger recently acknowledged that French and West German refusal so far has blocked American proposals for a ban on export of plutonium reprocessing and uranium enrichment plants by the seven major nuclear supplier nations, including the Soviet Union, Britain, Canada and Japan. A new agreement reached by the seven undoubtedly will improve inspection by the Vienna-based International Atomic Energy Agency; but it is far from sufficient. Bonn and Paris have used the new agreement to support their pretense that the inspection arrangements now make it "safe" to export even such dangerous equipment as plutonium reprocessing plants.

The United States, Mr. Kissinger indicated, has pointed out to them that the so-called "safeguards" agreements providing for I.A.E.A. inspection could be unilaterally abrogated by Brazil and Pakistan. That is one reason why the United States for thirty years has refused—and still refuses—to export uranium enrichment and plutonium reprocessing equipment.

The break with this American policy in the West German-Brazil and France-Pakistan deals has led to inquiries by a half-dozen Congressional committees, which have refused to accept assertions that these contracts can no longer be reversed even if they violate the spirit of the Nuclear Nonproliferation Treaty, which Bonn and Paris have promised to uphold.

The spread of plutonium reprocessing facilities and technology could confront the world with a dozen or more nations capable of producing weapons-grade plutonium for 3,000 Hiroshima-size bombs *annually* by the 1990's. The United States, which invented the bomb, has a special responsibility for heading off this evolution by bringing other exporting nations to agreement not to use the degradation of effective safeguards as "sweeteners" in commercial competition for big power reactor orders.

PENNSYLVANIA'S SENIOR CONGRESSMAN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. MURTHA. Mr. Speaker, the 94th Congress will be remembered for many things. Unfortunately, one thing I believe it will be remembered for is the extraordinarily large numbers of veteran, talented, dedicated lawmakers who are retiring at the end of this year.

Certainly one of those men is my good friend and very respected colleague "Doc" MORGAN. I would like to insert into the CONGRESSIONAL RECORD the following article from the March 29 Philadelphia Evening Bulletin which well recounts how important Chairman MORGAN has been to the citizens and the Nation as a Member of Congress.

"DOC" MORGAN RETIRING, STATE'S SENIOR CONGRESSMAN

(By Robert E. Taylor)

WASHINGTON.—In a world where favors breed loyalty and votes for politicians, Rep. Thomas E. Morgan (D-Pa.) started his political career 32 years ago with an unbeatable favor—life.

"Doc" Morgan, as he is affectionately known in the House of Representatives, delivered 109 babies that year. And he got elected to the House.

Morgan started his general medical practice a decade earlier in the small towns and coal mines scattered around Fredericktown, in the southwest corner of Pennsylvania.

When the people of the area went to the polls, many had been treated by Morgan, watched him deliver their children, or had friends and relatives whom he had treated. The big, friendly man kept getting reelected by wider margins.

Even in 1946, when the Republicans temporarily swept out such political powers as William A. Barrett (D-Pa.) of Philadelphia and Daniel J. Flood (D-Pa.) of Wilkes Barre, Morgan held on to his job and built up his seniority.

In 1957, Morgan became acting chairman of the House Foreign Affairs Committee. Two years later he was chairman outright, and he has held that chairmanship to the present.

SERVED SEVEN PRESIDENTS

"I've been chairman of that committee longer than any man in history," he recalled in an interview. "I've served with seven Presidents and eight secretaries of State."

With his seniority, Morgan also has been dean and chairman of the Pennsylvania delegation since 1962. This gives him the responsibility to line up the delegation's 25 congressmen, and two senators behind legislation and agency decisions which are important to the state.

In January, Morgan, now 69, announced that he was concluding his career at the end of his term in January. For the state delegation, and for the committee, his retirement means the end of an era.

Morgan, by the accounts of those who worked with him, has been the model old-style politician. He did his work, but never pushed too hard. He seldom took a controversial position in opposition to the White House in foreign policy. He stayed close to his district, and his constituents rewarded him with fat election margins.

He is retiring at the request of his wife, "to spend more time with my family, and to share in the joy of watching our grandchildren grow and mature."

But he also is getting out because the pace of Congress has changed, and he doesn't like it as much as he once did. "There is a tremendous amount of legislative and investigative activity, but less and less time for reflection about where we are going and what we ought to be doing to leave a better world for our children," he said in announcing his retirement plans. "I am concerned about that."

CONTINUED PRACTICE

Morgan continued his medical practice along with his congressional duties through 1973, but stopped delivering babies in 1948. He would spend Monday through Thursday in Washington, then take a plane back to his district.

"Instead of getting drunk in Washington," he laughs, "I found it useful to go home and put on a white coat and take some blood pressures."

In Washington, he became the target of criticism once the Vietnam War heated up and members started questioning the Administration's policy. In the late years of Lyndon B. Johnson's Presidency, Sen. William J. Fulbright (D-Ark) turned the Senate Foreign Affairs Committee into a forum for criticism of the war effort. On the House side, Morgan's committee remained silent.

Morgan turned against the war in 1970, after the incursion into Cambodia and Kent State and Jackson State incidents. Slowly, he allowed his committee to become more aggressive in its investigations and criticism of Administration foreign policy.

Younger men on the committee pushed through increasingly controversial legislation since 1970 and turned the committee into a rival for the Senate body in influencing foreign policy. Morgan went along willingly.

So the same Thomas Morgan who, as committee chairman, helped push through the Gulf of Tonkin resolution in 1964, sponsored its repeal in 1972.

He recalls the War Powers Act—which limited the President's power to wage war without congressional approval—as the greatest achievement of the committee under his chairmanship.

A CONSENSUS BUILDER

Pennsylvania members say he ran the state delegation steering committee in much the same way as the foreign relations committee. "Never forceful, but competent," said one staff member. "He would push whatever the members wanted."

Colleagues describe Morgan as a consensus builder. He moves slowly on controversial legislation, they say, often preferring inaction to the risk of making the wrong move. Last year, Morgan sat on the Administration's additional Vietnam appropriation request rather than bring it to a vote. Finally, with the fall of Saigon the issue became moot.

If he is relected, Reps. William A. Barrett (D-Phila) is expected to take leadership of the delegation. Clement Zablocki (D-Wis), if reelected, expected to head the committee, now called the International Relations Committee. Both are cautious older politicians, like Morgan, who are likely to follow similar policies.

SENATE—*Wednesday, April 7, 1976*

The Senate met at 12 o'clock meridian and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, who has watched over this Nation in peace and in war, in prosperity and in adversity, be to us our Guide and Guard in this year of destiny. In the civil arena deliver us from meanness and vindictiveness, from self-deception, from oversimplifying moral issues, from insensitiveness to human needs, from the divisive spirit, and from reluctance to take responsibility.

Help us, O Lord, to use strength for moral ends, power for peace, wealth for the improvement of all men. Rekindle in us the fires of pure religion and high patriotism. May we ever walk in paths of righteousness for Thy name's sake.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 6, 1976, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE MEETINGS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services, the Committee on Banking, Housing and Urban Affairs, the Committee on Commerce, the Committee on the Judiciary, and the Select Committee To Study Government Operations With Respect to Intelligence Activities be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that all other committees be authorized to meet until 1 p.m., or the end of the morning business, whichever comes later.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar beginning with "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nomination of Charles W. Robinson, of California, to be Deputy Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

The second assistant legislative clerk read the nomination of Maurice J. Williams, of West Virginia, to be Minister.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The second assistant legislative clerk read the nominations of Dortch Oldham, of Tennessee, and Beryl B. Milburn, of Texas, to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

FEDERAL MEDIATION AND CONCILIATION SERVICE

The second assistant legislative clerk read the nomination of James F. Scearce, of Virginia, to be Federal Mediation and Conciliation Director.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

COMMUNITY SERVICES ADMINISTRATION

The second assistant legislative clerk read the nomination of Samuel R. Martinez, of Colorado, to be Director of the Community Services Administration.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed consideration of legislative business.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 703 and 704.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIRE ISLAND NATIONAL SEASHORE

The Senate proceeded to consider the bill (S. 867) to amend the act entitled "An Act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928), which had been reported from the Committee on Interior and Insular Affairs with amendments as follows:

On page 1, line 7, strike " "$26,000,000"." and insert " "$18,000,000".";

On page 1, line 8, strike the following:

(b) Section 7(c) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "In addition to any other statutory authority available to him under this Act or any other law, the Secretary, in carrying out his duties under this Act to administer, protect, and develop Fire Island National Seashore, is authorized to petition an appropriate United States district court for injunctive relief concerning any action covered by the provisions of this Act which the Secretary determines is inconsistent with the purposes of this Act, or which he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore, and the United States district courts shall have jurisdiction to receive, consider, and act upon any such petition.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928), is amended by deleting "$16,000,000" and inserting in lieu thereof "$18,000,000".

Mr. JAVITS. Mr. President, I am pleased that my bill, S. 867, to amend the Fire Island National Seashore Act has passed the Senate. The bill, as amended by the Senate Interior Committee, will authorize an additional $2 million for the national seashore. This money will be instrumental in providing the necessary protection to the seashore while the master plan is being finalized by the National Park Service.

Since the original Seashore Act was passed in 1964, no additional funds have been authorized and no master plan to govern development yet exists in final form. After many false starts, a finalized master plan is expected at the beginning of 1977. However, it is necessary in the interim period to protect the seashore from improper use and development. Since 1964, many zoning variances leading to improper uses of property within the seashore have been granted by surrounding townships. Unfortunately the National Park Service did not take appropriate action to use its condemnation authority provided in the act to protect the seashore against these improper uses. Hopefully this era of neglect has now ended.

My bill will provide interim money for two purposes. First, to make whatever acquisitions the Park Service deems appropriate in the interim period within the seashore. Second, it will provide needed money to be used in certain cases to condemn property that is being used in a manner inconsistent with the purposes of the seashore. This bill is a first step toward providing the protection the seashore deserves and must get and I am hopeful of early passage in the House of Representatives.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DESIGNATION OF CERTAIN LANDS AS WILDERNESS IN THE SHENANDOAH NATIONAL PARK, VA.

The Senate proceeded to consider the bill (S. 885) to designate certain lands in the Shenandoah National Park, Va., as wilderness,which had been reported from the Committee on Interior and Insular Affairs with amendments as follows:

On page 1, line 6, strike out "seventy-nine thousand six hundred and ninety-nine acres, designated 'Wilderness'"; and insert "seventy-nine thousand and nineteen acres";

On page 1, line 10, strike out "134029991 and dated May 1973" and insert "134-90,001 and dated June 1975";

On page 2, line 13, after "House of Representatives" insert "by the Secretary of the Interior";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890, 892; 16 U.S.C. 1132(c)), certain lands in the Shenandoah National Park, which comprise about seventy-nine thousand and nineteen acres, and which are depicted on the map entitled "Wilderness Plan, Shenandoah National Park, Virginia", numbered 134-90,001 and dated June 1975, are hereby designated wilderness. The lands which comprise about five hundred and sixty acres, designated on such map as "Potential Wilderness Addition", are, effective upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon prohibited by the Wilderness Act have ceased, hereby designated wilderness. The map and a description of the boundaries of such lands shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

SEC. 2. As soon as practicable after this Act takes effect, a map of the wilderness area and a definition of its boundaries shall be filed with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives by the Secretary of the Interior, and such map and definition shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and definition may be made.

SEC. 3. The wilderness area designated by this Act shall be known as the Shenandoah Wilderness and shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATE JOINT RESOLUTION 187—PROPOSING AN AMENDMENT TO THE CONSTITUTION PROVIDING 4-YEAR TERMS FOR MEMBERS OF THE HOUSE

(Referred to the Committee on the Judiciary.)

Mr. MANSFIELD. Mr. President, I send to the desk a joint resolution, proposing an amendment to the Constitution of the United States which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States within 7 years from the date of submission by Congress, and the resolution has two sections, as follows:

SECTION 1. The terms of Representatives shall be four years and shall commence at noon on the 3d day of January in the year the regular term of the President is to begin.

SEC. 2. This article shall take effect on January 3, 1981, if it is ratified prior to January 1, 1980; and otherwise shall take effect on January 3, 1985.

I ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

VICE PRESIDENT ROCKEFELLER WELCOMED HOME

Mr. HUGH SCOTT. Mr. President, we in the Senate welcome the return to the Senate, to this country of ours, the President of the Senate, the Vice President of the United States, Mr. ROCKEFELLER.

Vice President ROCKEFELLER has made an extensive goodwill tour to Tunisia, France, Iran, Indonesia, Malaysia, Singapore, Australia, and New Zealand.

The Vice President is peculiarly qualified, in view of the fact that he occupies this bridge position between the executive and legislative branches, to present to our friends in these countries an overview of the United States as it is today, to advance our foreign policy and our amicable relationships with other countries. He was received with great enthusiasm in each of these countries.

He has performed a great service for his country in this lengthy and arduous journey, and I am sure he has earned the congratulations of the American people as he expressed them in his own extremely skillful and amicable way to our friends in the nations he visited And we are glad to have him home.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. MANSFIELD. Mr. President, I join the distinguished Republican leader in welcoming home the Vice President of the United States, the Presiding Officer of this body, and I express my appreciation of the fact that he did take a long, arduous tour to eight nations and that he did give them the benefit of his views and counsel. I am especially pleased that he had the opportunity to go into the Southwest Pacific.

So I am glad this arduous voyage is over, that he is now back, and I expect to see him more often presiding over this Chamber than I have in recent weeks.

Mr. HUGH SCOTT. I thank the distinguished majority leader, and I am sure the Vice President will be here whenever duty calls.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order the Senator from Colorado (Mr. HASKELL) is recognized for not to exceed 15 minutes.

TAX REFORM ACT OF 1975—H.R. 10612

AMENDMENT NO. 1576

(Ordered to be printed and referred to the Committee on Finance.)

CONTINUING EROSION OF THE INCOME TAX BASE

Mr. HASKELL. Mr. President, today I continue what I have done for the 2 previous days in submitting amendments to the Internal Revenue Code in an attempt to reverse the erosion of the tax base that has occurred in our income tax laws.

The total revenue effect of the four amendments which I intend to submit, two of which I already have done so and one I will do so today, would be to raise $15 billion for the U.S. Treasury, and I point out, Mr. President, that this is $3 billion in excess of the general tax cut which we have passed and which will go basically to low- and middle-income taxpayers.

The amendment which I will submit today would repeal the investment tax credit which currently is set at a rate of 10 percent. What this particular provision does, in effect, is that anyone who purchases new equipment automatically gets a check from the U.S. Government in an amount equal to 10 percent of the purchase price. The credit is given whether or not the person buying the equipment intended to buy it anyway, whether or not the purchases exceeded the previous year's purchases. This is a tax subsidy, of course, to the very heavy equipment intensive industries and thereby discriminates against labor-intensive industries.

The most that one could say for the investment tax credit would be that it might induce a purchase today that one might otherwise defer until next year. In fact, it was increased last year supposedly to provide a quick stimulus to the slow economy. But in view of the fact that this provision is imbedded in law and has been imbedded for a number of years now, it even lacks this advantage—that is, the advantage of accelerating investments.

Furthermore, I would like to point out that the loss to the Treasury is $8.2 billion. This subsidy—and it is a subsidy; there is no question about it—by and large goes to the largest companies, those holding assets of more than $1 billion. They get 65 percent of this tax benefit. The small corporation which is labor intensive and buys used equipment, as opposed to new equipment, gets a mere 2.7 percent of the total tax benefit.

Mr. President, the question I pose to Members of the Senate is this: Would we, as a body, give directly $8.2 billion to certain selected large businesses? This, indirectly, is what we are doing through the investment tax credit. I suggest that this credit goes to the wrong people. It does not create jobs, as some of the proponents say.

The distinguished senior Senator from Maine has just entered the Chamber. If I recall correctly, in his campaign in 1972, the Senator suggested that we should give credits to people who buy washing machines, automobiles, and that type of item. If we are going to give money away out of the U.S. Treasury for equipment purchase, I would far prefer to do it the way the Senator from Maine suggested at one time.

So, Mr. President, I hope that we discontinue subsidizing big business in this manner. I point out that organized labor, which obviously is very much concerned about jobs, does not support the investment tax credit and has opposed it over the years.

Mr. President, I therefore submit my amendment which would repeal this particular advantage to big business.

The **PRESIDING OFFICER**. The amendment will be received and printed and appropriately referred.

Mr. **HASKELL**. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER**. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

I AM THE DECLARATION * * *

Mr. **HELMS**. Mr. President, for too long, this Nation has been fed a steady diet of bad news about our young people, with scarcely any recognition of the fact that the vast majority of young Americans are not at all like the minority receiving so much publicity.

Sure, most young people are questioning some of the things that have been going on in America. And why not? I think, Mr. President, that it boils down to an understandable and well-justified yearning that the leaders of this country level with the people, and stop all of this political posturing.

To be sure, thanks to some of the political and philosophical indoctrination occurring in the classrooms, there are some young people who misunderstand the meaning of the miracle of America. There are many well-intentioned people of all ages who would assign responsibilities to Government that were never intended by our Founding Fathers. As a result, many Americans have embraced the concept of socialism without realizing it.

I would be less than candid if I did not acknowledge my awareness that a great many young people, with the best intentions of idealism, have not yet grasped a full understanding of the free enterprise system. On the other hand, it is a regrettable fact of life that the free enterprise system has been most abused by some who piously proclaim their defense of it. I think, for example, of certain segments of the business community who declare their devotion to the free enterprise system, but nevertheless come to Washington with outstretched hands, demanding Federal subsidies and bureaucratic protection from competition, and other advantages that government cannot fairly and equitably bestow.

But, Mr. President, be that as it may, I want to call to the attention of my fellow Senators an essay written by a fine young lady in Cary, N.C. This essay was published in the March 3 edition of the Cary News.

It is significant, Mr. President—and Senators will see what I mean when they read the essay—that the author is a sixth-grade student. For that reason, I was especially impressed with the eloquence of Marie Holt. She is quite young, but she has deep convictions, and a unique ability to express them. Small wonder that she won a medal of excellence from the Caswell-Nash chapter of the DAR for her essay.

So, Mr. President, I commend Miss Marie Holt, and I commend the ladies of Caswell-Nash DAR for sponsoring the award to Miss Holt. I ask unanimous consent that Marie Holt's essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

"I AM THE DECLARATION . . ."

(By Marie Holt)

I am the Declaration of Independence. I will soon be two hundred years old. My parchment is yellow with age and my words are faded and smudged. I have been framed and hung on walls, stored away in safes and vaults, and have escaped being burned by fire. Still, I live. As long as men believe my words, are proud of me, and keep me in their hearts, I have no fear of dying. I am getting ahead of myself though. Let me tell you why I was written.

The first English settlers who came to America brought English laws with them and were loyal to the King of England. When King George III came to the throne in 1760, things began to change. He was stubborn and had no sympathy for the colonists. When England needed money, the colonists, who had no control over their laws were told to pay more taxes. The king even sent soldiers to make sure they obeyed. Things grew worse, and to protest King George's orders, the colonists rebelled against the Stamp Act and the "Townshend Acts." The Boston Tea Party is the best known of these rebellions.

I must say that from what I heard, the colonists tried hard to stay loyal to the king. They wrote a "Declaration of Rights" in September, 1774, hoping the king would give them the same rights as other British subjects. England would not do this, and the first battle of the Revolutionary War took place in April, 1775. Even after the Battle of Bunker Hill, Congress presented the "Olive Branch" petition which England ignored.

One year later, Thomas Jefferson wrote me. It took him only two weeks because he had heard so much talk about independence from everyone he met. He simply put the thoughts and feelings of the people into me. I outlined all the reasons that made it necessary for the colonists to break away from the country to which they had hoped to remain loyal. I said that any time an unjust government totally ignored the God given rights of people, it is the right of those people to do away with that government and replace it. I *state* man's basic belief in God and man's dependence on Him. The *people who wrote* me believed deeply in God and relied heavily on His guidance to help them in making this decision to become independent. Is it this reliance on God's laws instead of those of men that have given me meaning for all people everywhere. On July 4, 1776, after discussing me and making some changes, Congress adopted and named me the Declaration of Independence. Aferwards, when I was read to the people, they celebrated for days. People still celebrate my birthday on July 4.

Thousands of people visit me at the National Archives Building in Washington, D.C., every year. As I look at them, I see that they are proud of me. I symbolize the freedom that Americans have fought and died for during the past two hundred years. Families of the men who died believing that "all men are created equal" and have the right to "life, liberty, and the pursuit of happiness" still believe in my words. Those families gave sons, husbands, and fathers so that I can live.

I hope you will visit me too, and I hope you will remember that I stand for the very beginning of our nation. If I had not been written, these United States would not be a free nation, and you would not enjoy the privileges you now have. I hope you will let me serve as your symbol of freedom forever.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 12:55 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12:55 p.m.

There being no objection, the Senate, at 12:29 p.m., recessed until 12:55 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Stone).

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF POSITION, ON VOTES—NATIONAL FOOD STAMPS ACT OF 1976

Mr. DOLE. Mr. President, because of a misunderstanding with respect to a unanimous-consent time limitation request on Monday, I missed three rollcall votes on amendments of the Senator from Nebraska (Mr. Curtis) to S. 3136. I ask unanimous consent that the permanent Record be amended to reflect my positions on rollcall votes Nos. 114 through 116. Had I been present I would have voted "no" on the motion to table amendment No. 1532, rollcall vote numbered 114. I would have voted "no" on amendment No. 1529, rollcall vote No. 115, and I would have voted "no" on amendment No. 1530, rollcall vote No. 116.

The PRESIDING OFFICER. Without objection, the Record will so reflect.

MESSAGES FROM THE HOUSE

At 12:08 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 52) for the relief of Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1941) to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2411. An Act for the relief of Alinor Anvari Adams;

H.R. 5666. An Act for the relief of Won, Hyo-Yun;

H.R. 6687. An Act for the relief of Doo Hoon Park;

H.R. 7832. An Act for the relief of Mrs. Jeanette Flores Byrne;

H.R. 8119. An Act for the relief of Fernando Alves Macos;

H.R. 8557. An Act for the relief of Carmen Thomas; and

H.R. 8695. An Act for the relief of Eugene Homsy Phillips.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 719. An Act granting a renewal of patent numbered 92,187 relating to the badge of the Sons of the American Legion;

S. 720. An Act granting a renewal of patent numbered 54,296 relating to the badge of the American Legion;

S. 721. An Act granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary;

S. 804. An Act for the relief of Zoraida E. Lastimosa;

S. 832. An Act for the relief of Kristen Marisol Kneebone; and

S. 3108. An Act to amend Public Law 94-187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

The enrolled bills were subsequently signed by the Vice President.

At 4:35 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House has passed the following bills, with amendment, in which it requests the concurrence of the Senate:

S. 2444. An Act to provide for the orderly transition to the new October 1 to September 30 fiscal year"; and

S. 2445. An Act to provide permanent changes in laws necessary because of the October-September fiscal year.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 12453) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Teague, Mr. Downing of Virginia, Mr. Fuqua, Mr. Symington, Mr. Roe, Mr. Milford, Mr. Scheuer, Mr. Mosher, Mr. Wydler, and Mr. Winn were appointed managers of the conference on the part of the House.

The message further announced that the House has passed the H.R. 10793, an act for the relief of Mrs. Afaf Kanafani Yassine, Najila Yassine, Walid Yassine, Mona Yassine, and Maher Yassine, in which it requests the concurrence of the Senate.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 2411. An Act for the relief of Alinor Anvari Adams; to the Committee on the Judiciary.

H.R. 5666. An Act for the relief of Won, Hyo-Yun; to the Committee on the Judiciary.

H.R. 6687. An Act for the relief of Doo Hoon Park; to the Committee on the Judiciary.

H.R. 7832. An Act for the relief of Mrs. Jeanette Flores Byrne; to the Committee on the Judiciary.

H.R. 8119. An Act for the relief of Fernando Alves Macos; to the Committee on the Judiciary.

H.R. 8557. An Act for the relief of Carmen Thomas; to the Committee on the Judiciary.

H.R. 8695. An Act for the relief of Eugene Homsly Phillips; to the Committee on the Judiciary.

H.R. 10793. An Act for the relief of Mrs. Afaf Kanafani Yassine, Najila Yassine, Walid Yassine, Mona Yassine, and Maher Yassine; to the Committee on the Judiciary.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report of the Assistant Comptroller General

A letter from the Assistant Comptroller General of the United States reporting, pursuant to law, on the status of impounded budget authority amounting to $600 million authorized for the Department of Housing and Urban Development's State Housing Finance and Development Agencies, proposed for rescission in the President's eighth special message; referred jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, Budget, and Banking, Housing and Urban Affairs.

Report of the Office of Management and Budget

A letter from the Deputy Director of the Office of Management and Budget transmitting a report, pursuant to law, on certain appropriations apportioned on a basis indicating a necessity for supplemental appropriations for the fiscal year 1976 (with an accompanying report); to the Committee on Appropriations.

Report of the Secretary of Health, Education, and Welfare

A letter from the Under Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report regarding the administration of the Fair Packaging and Labeling Act during the fiscal year 1975 (with an accompanying report); to the Committee on Commerce.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Policy Changes and More Realistic Planning Can Reduce Size of New San Diego Naval Hospital" (with an accompanying report); to the Committee on Government Operations.

Orders of the Immigration and Naturalization Service

Two letters from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered by the Service with respect to certain aliens (with accompanying papers); to the Committee on the Judiciary.

Report of the Small Business Administration

A letter from the Administrator of Small Business transmitting, pursuant to law, the annual report of the Administration on the Freedom of Information Act for the year 1975 (with an accompanying report); to the Committee on the Judiciary.

Prospectus of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus proposing succeeding lease for space presently occupied at 500 North Capitol Street, Washington, D.C. (with accompanying papers); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Armed Services:

"Resolution Memorializing the Congress of the United States to Maintain Natural Disasters Within the Jurisdiction of the Department of Defense Civil Preparedness Agency

"Whereas, It has long been recognized that certain critical functions such as warning, communications and operational capability have basic validity for both nuclear and natural disaster situations; and

"Whereas, In the past these functions have been performed by the National Defense Civil Preparedness Agency; and

"Whereas, The proposed FY77 federal budget will reduce funding and limit the National Defense Civil Preparedness Agency to limited nuclear preparedness planning program; and

"Whereas, Individual communities and states will be asked to assume an overwhelming burden in terms of immediate medical and manpower assistance in dealing with natural disasters; and

"Whereas, Individual communities and states will be asked to assume an overwhelming burden in financing direct assistance and followup operations in dealing with natural disasters; and

"Whereas, Shifting these additional burdens to communities and states is indefensible in light of proposed cuts in federal funding combined with the limited financial resources of local and state governments; now therefore be it

"*Resolved*, That the Massachusetts Senate hereby memorializes the Congress of the United States to maintain natural disasters within the jurisdiction of the Department of Defense, Defense Civil Preparedness Agency; and be it further

"*Resolved*, That the Clerk of the Senate transmit a copy of this resolution forthwith to the presiding officer of each branch of the Congress and to each member thereof from the Commonwealth."

House Joint Memorial No. 11, adopted by the House of Representatives of the State of Idaho; to the Committee on Foreign Relations:

"House Joint Memorial No. 11

"A joint memorial to the Honorable Gerald R. Ford, President of the United States, the Honorable Earl Butz, Secretary of Agriculture, the Honorable President of the Senate and Speaker of the House of Representatives of the Congress of the United States, and to the Members of the Congressional delegation representing the State of Idaho in the Congress assembled

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-third Idaho Legislature, do hereby respectfully represent that:

"Whereas, the American farmer through consistent and diligent effort has increased the productivity of American agriculture; and

"Whereas, the products of the American farm are a significant factor in providing food to the population of the world; and

"Whereas, farmers are now facing restrictions on their right to engage in free trade in the international market place; and

"Whereas, the situation now developing gives a clear confrontation of the principles of free trade opposed to government regulations; and

"Whereas, involving agricultural products as tools of diplomacy in international relations can only result in hardships for American farmers with eventual repercussions throughout the entire American economy.

"Now, therefore, be it *resolved* by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and Senate concurring, that we respectfully urge that the President of the United States and officials of the Administration, and the Congress of the United States in their advisory role in the conduct of foreign relations, to refrain from treaties, agreements or other instruments which impose artificial limitations upon the conduct of free trade of agricultural products. We further urge that such instruments in effect, or proposed in the future, be given the closest scrutiny in light of their potential adverse effects upon American farmers, and that the continuation of the policy of unwarranted intervention in the free market place be abandoned.

"Be it further resolved that the Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the Honorable Gerald R. Ford, President of the United States, the Honorable Earl Butz, the Secretary of the Department of Agriculture, the President of the Senate and the Speaker of the House of Representatives in the Congress of the United States assembled, and the senators and representatives representing the State of Idaho in the Congress of the United States."

House Resolution No. 76-96, adopted by the Legislature of the State of Washington; to the Committee on Foreign Relations:

"House Floor Resolution No. 76-96

"Whereas, The seas of the world are an invaluable source of food and other resources;

"Whereas, The lack of universally recognized long range policies for the management and sharing of the seas and their resources have fostered competition among nations to harvest such resources for short term advantages without regard to the disastrous long range consequences of such practices;

Whereas, Delegates from the nations of the world are now attending a United Nations' conference on the law of the sea in an attempt to establish new international policies for the sharing of the seas;

"Now, therefore, be it *Resolved*, By the House of Representatives that we respectfully request that the delegates of the United States of America to the law of the sea conference be instructed and encouraged to direct all the energies and resources available to them to persuade the nations of the world to develop and adopt a universal agreement regulating the sharing of the seas and their resources.

"Be it further *Resolved*, That copies of this Resolution be immediately transmitted to the Honorable Gerald R. Ford, President of the United States, the Honorable Henry Kissinger, Secretary of State, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

House Joint Memorial No. 21, adopted by the House of Representatives of the State of Idaho; to the Committee on Interior and Insular Affairs:

"House Joint Memorial No. 21

"A joint memorial relating to the wild horse and burro herds in the States; to the honorable Senate and House of Representatives of the United States in Congress assembled and to the honorable congressional delegation representing the State of Idaho in the Congress of the United States

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-third Idaho Legislature, do hereby respectfully represent that:

"Whereas, the wild horse and burro herds in the states are of great concern to all citizens and these are not fast disappearing from the American scene as Legislators first thought, but are in fact increasing rapidly; and

"Whereas, the present federal laws have not provided a practical means of population and management control of such animals to maintain a thriving natural ecological balance and harmonious multiple-use relationship; and

"Whereas, such over-populations are competing for forage and habitat of the winter ranges of antelope, deer and elk causing damage to the habitat and causing starvation to the horse herds; and

"Whereas, if the percentage of increase is not immediately controlled, irreparable damage will be done to the natural resource and damage to the river drainage systems resulting in fish kills in the Salmon spawning grounds; and

"Whereas, the present control by federal agencies has brought confusion and frustration in management. The herd stock, not being truly wild, herd sires should be changed and replaced. The result now is incest breeding causing weakened physical conditions, parasite infestation and physical deformities that are detrimental to the horse herd. We therefore urge Congress to pass management on to the State.

"Now, therefore, be it *resolved* by the Second Regular Session of the Forty-third Idaho Legislature, the House of Representatives and Senate concurring, that we respectfully represent the whole State of Idaho and not any single special interest group. Now Therefore, we respectfully urge that a state of emergency exists and we urge that an immediate remedy be given this condition. We also urge:

"1. That the State be allowed to appoint a separate advisory board formed from appointees within the sphere of influence of each herd.

"2. That this board be represented by land managers, businessmen, ranchers and sportsmen who have a qualified knowledge of range and equine biology management.

"3. That this board be empowered to set the proper maximum numerical number of each herd to maintain a proper ecological balance.

"4. That where management plans for the wild horses are not completed, that the numbers be reduced immediately to the 1971 levels to prevent further damage to our resources.

"5. Present means of gathering has proven to be too costly, unproductive and inhumane; therefore, we recommend the use of helicopters and motorized vehicles with proper supervision as the only practical and humane way of gathering and managing such herds.

"6. We recommend that in disposing of animals to maintain the proper ecological balance that fee and complete title be given to groups and individuals acquiring ownership either by drawing or lots. Any animals branded and legally claimed may be retrieved and owners should receive waiver of trespass. Animals unwanted should be sold for monetary consideration which could then be used for management of the herd.

"Be it further *resolved* that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, and the honorable congressional delegation representing the State of Idaho in the Congress of the United States."

House Resolution No. 75, adopted by the House of Representatives of the State of Kentucky; to the Committee on the Judiciary:

"HOUSE RESOLUTION NO. 75

"A joint resolution ratifying the thirteenth, the fourteenth and the fifteenth amendments to the United States Constitution

"Whereas, the thirteenth, fourteenth and fifteenth amendments of the United States Constitution have been duly ratified and have been a part of the United States Constitution since 1865, 1868 and 1870 respectively; and

"Whereas, Kentucky rejected the fourteenth amendment on January 10, 1867 and has not ratified the thirteenth and fifteenth amendments; and

"Whereas, Kentucky rejected the fourishes slavery; the fourteenth amendment grants citizenship to all persons born or naturalized in the United States, guarantees due process of law and equal protection under the law to citizens of the United States; and the fifteenth amendment requires that no person be denied the right to vote on account of race or color; and

"Whereas, Kentucky is long overdue in ratifying these amendments so vital to our democracy, although, fortunately, the effectiveness of these amendments does not depend on Kentucky's ratification or lack of it; and

"Whereas, this Bicentennial Year is an appropriate time to erase this shadow on Kentucky's history;

"Now, therefore, *Be it resolved by the General Assembly of the Commonwealth of Kentucky:*

"SECTION 1. That the thirteenth amendment to the Constitution of the United States, which reads as follows, is hereby ratified:

"(1) Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

"(2) Congress shall have power to enforce this article by appropriate legislation.

"SEC. 2. That the fourteenth amendment to the Constitution of the United States, which reads as follows, is hereby ratified.

"(1) All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

"(2) Representatives shall be apportioned among the several states according to their respective numbers, counting the whole number of persons in each state, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice-President of the United States, representatives in congress, the executive and judicial officers of a state, or the members of the legislature thereof, is denied to any of the male inhabitants of such state, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such state.

"(3) No person shall be a senator or representative in congress, or elector of President and Vice-President, or hold any office, civil or military, under the United States, or under any state, who, having previously taken an oath, as a member of congress, or as an officer of the United States, or as a member of any state legislature, or as an executive or judicial officer of any state, to support the constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But congress may by a vote of two-thirds of each house, remove such disability.

"(4) The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned. But neither the United States nor any state shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations and claims shall be held illegal and void.

"(5) The congress shall have power to enforce, by appropriate legislation, the provisions of this article.

"Section 3. That the fifteenth amendment to the Constitution of the United States, which reads as follows, is hereby ratified:

"(1) The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any state on account of race, color, or previous condition of servitude.

"(2) The congress shall have power to enforce this article by appropriate legislation.

"SEC. 4. That the Secretary of State shall cause certified copies of this resolution to be sent to the President of the United States, the Administrator of General Services of the United States, the Secretary of State of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States."

Resolutions adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ALLOW GREATER IMMIGRATION TO THE PEOPLE OF IRELAND

"Whereas, Unfortunately, there seems to be a part of the new United States Immigration policy which is neither just nor equitable toward the Irish, and as a practical matter, the average Irish person who desires to come and settle here in the United States will no longer be allowed to do so; and

"Whereas, If the present United States Immigration Law had been on our statute books one hundred and fifty years ago, at least ninety per cent of the Irish in America would not have been allowed to enter the United States; and

"Whereas, It is recognized that the old immigration law was unjust and unfair to some other nationalities but that the nineteen hundred and sixty-five Immigration Act substituted a law which, now, is as unfair to Ireland as the old law was to these other nationalities; and

"Whereas, Irish nuns and brothers, have for many years, staffed schools, hospitals, orphanages and rest homes for the aged in our nation and these religious groups, who desire to come here to continue this work, must now wait their turns because of this new Immigration Act; and

"Whereas, In nineteen hundred and sixty-five, the Republic of Ireland ranked fifth among the nationals immigrating to the United States and since then, the Republic of Ireland no longer ranks fifth or even tenth. Irish immigration is at an all time low; and

"Whereas, In nineteen hundred and sixty-seven, two thousand six hundred and sixty-five Irish were admitted and since the enactment of the new law in July of nineteen hundred and sixty-eight, a total of one thousand seventy-six Irish persons have applied for visas and through November thirtieth, nineteen hundred and sixty-eight, only seventy-two were issued; therefore be it

"*Resolved,* That the General Court of Massachusetts respectfully urges the Congress of the United States to enact such legislation as may be necessary to allow greater immigration to the people of Ireland; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the Clerk of the House of Representatives to the President of the United States, to the presiding officer of each branch of the Congress and to each member thereof from the Commonwealth."

Resolutions adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"RESOLUTIONS REQUESTING THE CONGRESS OF THE UNITED STATES TO CALL A CONVENTION FOR THE PURPOSE OF AMENDING THE CONSTITUTION OF THE UNITED STATES TO PROHIBIT FORCED BUSING

"*Resolved,* That the General Court of the Commonwealh of Massachusetts pursuant to Article V of the Constitution of the United States hereby makes application to the Congress of the United States to call a convention for proposing the following amendment to the Constitution of the United States:

"No student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color or national origin; and be it further

"*Resolved,* That this application shall constitute a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article V. If Congress proposes an amendment to the Constitution identical with that contained in this resolution before January 1, 1976, this application for a state application shall no longer be of any force or effect; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of the Congress and to the members thereof from this Commonwealth."

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported to the Senate that today, April 7, 1976, he presented to the President of the United States the following enrolled bills:

S. 719. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion;

S. 720. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion;

S. 721. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary;

S. 804. An act for the relief of Zoraida E. Lastimosa;

S. 832. An act for the relief of Kristen Marisol Kneebone;

S. 2308. An act to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area; and

S. 3108. An act to amend Public Law 94–187 to increase the authorization for appropriation to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

H.R. 11598. An act to authorize appropriations for the U.S. Information Agency for fiscal year 1976 and for the period July 1, 1976, through September 30, 1976 (Rept. No. 94–740).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were received:

By Mr. DOLE, from the Committee on Agriculture and Forestry:

William Dale Nix, Sr., of Texas, to be a member of the Federal Farm Credit Board, Farm Credit Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGee (for himself, Mr. Hansen, Mr. Mansfield, Mr. Metcalf, and Mr. McClure):

S. 3263. A bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreages under Federal reclamation laws. Referred to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY:

S. 3264. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit and to allow a deduction with respect to expenditures for residential solar energy equipment. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 3265. A bill to amend certain laws affecting personnel of the Coast Guard, and for other purposes. Referred to the Committee on Commerce.

By Mr. BARTLETT (for himself, Mr. Laxalt, and Mr. Bellmon):

S. 3266. A bill to facilitate in a realistic manner the implementation by States of child day care services programs under title XX of the Social Security Act. Referred to the Committee on Finance.

By Mr. TUNNEY:

S. 3267. A bill to amend the Motor Vehicle Information and Cost Savings Act. Referred to the Committee on Commerce.

By Mr. MANSFIELD:

S.J. Res. 187. A joint resolution proposing an amendment to the Constitution of the United States to provide 4-year terms for Members of the House of Representatives. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGEE (for himself, Mr. Hansen, Mr. Mansfield, Mr. Metcalf, and Mr. McClure):

S. 3263. A bill to provide for consideration of the comparative productive potential of irrigable lands in determining nonexcess acreages under Federal reclamation laws. Referred to the Committee on Interior and Insular Affairs.

Mr. McGEE. Mr. President, today I am introducing, along with my distinguished colleague, Cliff Hansen, a bipartisan bill which has long been needed in the area of reclamation water law. I am also gratified that Senators Mansfield, Metcalf, and McClure as well have joined in sponsoring the bill I am introducing today.

In the arid States of the Far West, the Bureau of Reclamation has long fulfilled a vital function in providing water to ranchers and farmers who, in most cases, would not otherwise be able to live on the land. Since 1912, however, users of Bureau of Reclamation water in the West have been plagued by what is known to many as the excess land law or the 160-acre limitation. The law, simply stated, says that each landowner receiving water from a Federal reclamation project can only receive that water for use on land limited to 160 acres in size.

This limitation in the law has never been practical, reasonable, or workable in the West, where soil and crop characteristics, short growing seasons, geographical considerations, and other factors, have always made it very difficult, if not impossible, to eke out a living on 160 acres. One hundred and sixty acres of land in Hat Creek, Wyo., or Trinidad, Colo., is in no way comparable to 160 acres of land in Keokuk, Iowa.

The legislation I am proposing today would give the Secretary of the Interior discretion within parameters spelled out in the bill, to determine that in cases where land has a lesser productive potential, the applicability of the 160-acre limitation may be modified, depending upon the characterstics of the land in question.

This bill would provide a degree of flexibility which is absolutely essential in realistically administering the 160-acre limitation on a national basis. A mechanism such as this has long been needed to allow the Secretary of the Interior to take into account the different land characteristics in the various parts of the country and it is with that in mind that I now introduce this bill.

By Mr. TUNNEY:

S. 3264. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit and to allow a deduction with respect to expenditures for residential solar energy equipment. Referred to the Committee on Finance.

SOLAR ENERGY INCENTIVE ACT OF 1976

Mr. TUNNEY. Mr. President, today I am introducing legislation which will encourage homeowners throughout the United States to install available and proven solar energy systems in their homes. Solar energy is one of the most promising new energy sources for California and the Nation. Congress has acknowledged this great potential by increasing the Federal budget for solar energy research and development by 40-fold in 4 years. We must now go the next step and develop financial incentives, sufficient to promote the development of markets for home solar heating and cooling systems.

Until recently, other fuels have been so much cheaper that solar energy has not been practical for most homes. However, recent studies funded by the National Science Foundation indicate that solar heating now is competitive with electric heating when compared on the basis not only of installation but of total operating costs.

In addition to the emerging cost-effectiveness, there are other very important benefits which would accrue from a significant conversion to home solar heating and cooling. Perhaps the greatest positive effect on the Nation's energy system from increased use of solar energy is the permanent reduction in demand for nonrenewable forms of conventional energy. This would lead to reduced requirements for electricity-generating capacity and a greater availability of oil and natural gas for other uses. Furthermore, the use of solar energy involves no air pollution and no thermal pollution.

Mr. President, in light of the many attractions associated with residential retrofitting, I am concerned by artificial barriers which dissuade homeowners from installing individual solar energy systems in their homes. A recent study by the Rand Corp. concluded that the primary drawbacks from the substitution of solar energy systems are institutional in nature: Consumer resistance to an unfamiliar product; lack of an established widespread manufacturing and maintenance capability; and an inappropriate financing structure for the purchase of high-capital, low operating cost systems.

The expeditious and practicable development of domestic uses of solar energy depends upon the creation of governmental incentives that will foster the growth of a fledgling industry. The passage of favorable tax laws may be one key to the future success of the solar energy industry. The March 29, 1976, issue of U.S. News & World Report describes how State governments have acted to encourage their residents to harness the power of the Sun:

A South Dakota statute that took effect last year allows a property-tax credit of up to $2,000 to help defray the costs of building a solar-energy heating system. New Mexico allows an income-tax credit for a quarter of the costs. The limit on that credit is $1,000.

Illinois, approaching the matter in a different way, has decided to give a zero valuation on property-tax assessments for solar systems.

In 1974, the Florida legislature passed a law requiring builders to make all new homes adaptable to solar water heaters. At least a dozen other states will be considering such tax measures in the coming months.

State governments are helping in other ways too. California, for example, is spending nearly four million dollars on solar research. Part of the money will help pay for sun-powered heating units on 400 homes and businesses.

I believe that the time has come for the Federal Government to follow the lead taken by these States. We must define and articulate a Federal policy to complement existing State efforts to promote the residential use of solar energy. The bill which I am introducing today will accomplish this objective by creating sufficient incentives to motivate builders and consumers to install solar systems.

My bill combines four distinct provisions which make it uniquely appealing and far-reaching as a stimulus to domestic solar energy conversion. I believe that an adequate incentive can only be created if a direct tax credit, an extended income tax deduction and relief from increased property assessment are brought together in one legislative package. The specific elements of my bill are:

First. A Federal income tax credit of 25 percent of any original installation expenses—for original installation costs under $8,000;

Second. A Federal income tax deduction of 10 percent for the 2 years immediately following installation of solar energy equipment. The deduction can be applied against any original installation costs under $8,000;

Third. In the third year following installation of solar equipment, a Federal income tax deduction of 5 percent can be taken against the original installation expenditure. This deduction can be applied against any installation costs under $8 000;

Fourth. A Federal income tax credit will be allowed to offset any increase in local property-taxes resulting from an increased assessment due to the installation of solar energy hardware.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar Energy Incentive Act of 1976."

SEC. 20. TAX CREDIT FOR RESIDENTIAL SOLAR ENERGY EQUIPMENT.

GENERAL RULE.—Subpart A of chapter IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credit allowable) is amended by inserting after section 44 the following new section:

SEC. 44A. RESIDENTIAL SOLAR ENERGY EQUIPMENT.

"(a) GENERAL RULE.—In the case of an individual there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 25 percent of the qualified solar heating and cooling equipment expenditures paid or incurred by the taxpayer during the taxable year with respect to his principal residence (within the meaning of section 1034) to the extent that such expenditures do not exceed $8,000, and

"(2) that portion of the qualified State or local real property taxes paid or accrued for the taxable year.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 10 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for taxable income), and

"(G) section 44 (relating to purchase of new principal residence).

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If—

"(A) the taxpayer made qualified solar energy equipment expenditures with respect to any residence in any prior taxable year, or

"(B) any prior owner of such residence made qualified solar energy equipment expenditures with respect to such residence,

then subsection (a) shall be applied with respect to such residence for the taxable year by reducing (but not below zero) the dollar amount contained in paragraph (1) of such subsection by the aggregate of the expenditures described in subparagraphs (A) and (B).

"(3) OTHER CREDITS TAKEN INTO ACCOUNT.—If the taxpayer received for the taxable year a credit against tax imposed by any State or political subdivision thereof for qualified solar heating and cooling equipment expenditures, the amount of the credit allowed under subsection (a) shall be reduced by the amount of such credit received.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED SOLAR ENERGY EQUIPMENT EXPENDITURES.—The term 'qualified solar energy expenditures' means any amount paid or incurred by an individual for any installation which occurs after March 31, 1976, and before January 1, 1981, of solar energy equipment, in any dwelling unit which at the time of such installation is owned by the individual and used by him as his principal residence (within the meaning of section 1034).

"(2) SOLAR ENERGY EQUIPMENT.—The term 'solar energy equipment' means equipment—

"(A) which, when installed in or on, or when connected to, a building—

"(i) uses solar energy to heat or cool such building or provide hot water for use within such building; and

"(ii) meets the interim or definitive performance criteria prescribed by the Secretary of Housing and Urban Development under the Solar Heating and Cooling Demonstration Act of 1974;

"(B) the original use of which commences with the taxpayer; and

"(C) which has a useful life of at least 3 years.

"(3) QUALIFIED STATE OR LOCAL REAL PROPERTY TAXES.—The term 'qualified State or local real property taxes' means State or local real property taxes paid or accrued after March 31, 1976, and before January 1, 1981, with respect to any residence which are attributable to improvements directly related to qualified solar heating and cooling equipment expenditures.

"(4) JOINT OWNERSHIP.—In the case of any building which is jointly owned, and is used during any calendar year as a principal residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsections (b) (2) and (3) with respect to any qualified solar energy equipment expenditures or qualified State or local real property taxes paid or incurred during such calendar year by any of such individuals with respect to such building shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid or incurred by such individual during such calendar year for such expenditures and taxes bears to the aggregate of the amounts paid or incurred by all of such individuals during such calendar year for such expenditures and taxes.

"(5) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid or incurred his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified solar energy equipment expenditures or qualified States or local real property taxes paid by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified solar energy equipment expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(e) TERMINATION.—This section shall not apply to any amount paid after December 31, 1980.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting before the item relating to section 45 the following:

"Sec. 44A. Residential solar energy equipment."

(2) Section 56(a)(2) of such Code (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vi), by striking out "; and" at the end of clause (vii) and inserting in lieu thereof ", and", and by inserting after clause (vii) the following new clause:

"(viii) section 44A (relating to residential solar energy equipment); and".

(3) Section 56(c)(1) of such Code (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G) and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(H) section 44A (relating to residential solar energy equipment), exceed".

(4) Section 164(c) of such Code (relating

to deduction denied in case of certain taxes) is amended by—

(A) striking out "the following taxes:" and inserting in lieu thereof "the following:", and

(B) adding at the end of such subsection the following new paragraph:

"(3) That portion of any State or local real property tax taken into account for the taxable year as a credit against tax under section 44A (relating to residential solar energy equipment).".

(5) Subsection (a) of section 1016 of such Code (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (22) and inserting in lieu thereof a semicolon and by inserting after paragraph (22) the following new paragraph:

"(23) to the extent provided in section 44A (d), in the case of property with respect to which a credit has been allowed under section 44A."

(6) Section 6096(h) of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44" and inserting in lieu thereof "44, and 44A".

SEC. 3. DEDUCTION FOR RESIDENTIAL SOLAR ENERGY EQUIPMENT.

(a) GENERAL RULE.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by adding immediately after section 219 the following new section:

"SEC. 220. RESIDENTIAL SOLAR ENERGY EQUIPMENT.

"(a) IN GENERAL.—In the case of an individual there shall be allowed as a deduction a part (determined under subsection (b)) of the acquisition costs of any qualified solar heating and cooling equipment for any residence.

"(b) AMOUNT OF DEDUCTION.—The amount of the deduction allowed under subsection (a) is—

"(1) 10 percent of the acquisition costs of qualified solar heating and cooling equipment for the taxable year in which such costs were paid or incurred;

"(2) 10 percent of the acquisition costs of such equipment for the first taxable year following the taxable year in which such costs were paid or incurred; and

"(3) 5 percent of the acquisition costs of such equipment for the second taxable year following the taxable year in which such costs were paid or incurred.

"(c) LIMITATION ON AMOUNT.—

"(1) 10 PERCENT DEDUCTION.—The amount of the deduction computed under subsection (b) (1) and (2) shall not exceed $800 for any taxable year.

"(2) 5 PERCENT DEDUCTION.—The amount of the deduction computed under subsection (b) (3) shall not exceed $400 for any taxable year.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED SOLAR ENERGY EQUIPMENT ACQUISITION COSTS.—The term 'qualified solar energy equipment acquisition costs' means any amount paid or incurred by an individual after March 31, 1976, and before January 1, 1981, for the acquisition costs of solar energy equipment for any dwelling unit which at the time of such acquisition is owned by the individual and used by him as his principal residence (within the meaning of section 1034).

"(2) SOLAR ENERGY EQUIPMENT.—The term 'solar energy equipment' means equipment—

"(A) which, when installed in or on, or when connected to, a building—

"(i) uses solar energy to heat or cool such building or provide hot water for use within such building; and

"(ii) meets the interim or definitive performance criteria prescribed by the Secretary of Housing and Urban Development under the Solar Heating and Cooling Demonstration Act of 1974:

"(B) the original use of which commences with the taxpayer; and

"(C) which has a useful life of at least 3 years.

"(3) ACQUISITION COSTS.—The term 'acquisition costs' means any costs paid or incurred to acquire qualified solar energy equipment which would be taken into account in determining the basis of such property under section 1012. The taxable year in which such costs or any portion thereof are paid or incurred shall be the first year in which the taxpayer either obtains title to the property, or has the incidents of ownership such as possession, use, and risk, even though legal title for security purposes remains in the vendor or another. If the acquisition costs of an item of qualified solar energy equipment are paid or incurred in more than one taxable year, the amount of the deduction under subsection (b) shall be computed separately with respect to each portion of such costs which are paid or incurred in a different taxable year.

"(4) JOINT OWNERSHIP.—In the case of any building which is jointly owned, and is used during any calendar year as a principal residence, by two or more individuals—

"(A) the amount of the deduction allowable under subsection (a) (after applying subsection (b)) wtih respect to the acquisition costs of any qualified solar energy equipment paid or incurred during such calendar year by any of such individuals with respect to such building shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a deduction under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (c)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid or incurred by such individual during such calendar year for such costs bears to the aggregate of the amounts paid or incurred by all of such individuals during such calendar year for such costs.

"(5) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid or incurred his tenant-stockholder's proportionate share (as defined in section 216(b) (3)) of the acquisition costs of any qualified solar energy equipment paid by such corporation.

"(c) TERMINATION.—This section shall not apply to any amount paid or incurred after December 31, 1980.".

(b) TECHNICAL CHANGE.—The table of sections for such part VII is amended by striking out the item relating to section 220 and inserting in lieu thereof the following:

"Sec. 220. Residential solar energy equipment.

"Sec. 221. Cross-references.".

"SEC. 4. DEDUCTION FROM ADJUSTED GROSS INCOME.

Section 62 of such Code (relating to definition of adjusted gross income) is amended by redesignating the second paragraph (11) as paragraph (12), and by adding immediately after such paragraph the following new paragraph:

"(13) Residential solar energy equipment.—The deduction allowed by section 220(a).".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act apply to amounts paid or incurred after March 31, 1976, in taxable years ending after such date.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 3265. A bill to amend certain laws affecting personnel of the Coast Guard, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend certain laws affecting personnel of the Coast Guard and for other purposes and I ask unanimous consent that the comparative type showing changes in existing law be printed in the RECORD together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) In section 1 by striking in the second sentence the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation".

(2) In section 3 by striking in the first sentence—

(a) the word "executive" and inserting in lieu thereof the word "Executive"; and

(b) the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation".

(3) In section 81 by striking in clause (3) (c) the word "Agency" and inserting in lieu thereof "Administration".

(4) In section 82 by striking in the first sentence the word "Agency" in both places where it appears and inserting in lieu thereof the word "Administration".

(5) In item (section) 82, in the analysis of chapter 5 and in the catchline of the section by striking the word "Agency" and inserting in lieu thereof the word "Administration".

(6) Section 87 is repealed.

(7) Item (section) 87. in the analysis to chapter 5 and the catchline of the section are repealed.

(8) In section 90 by striking in subsection (b) the word "Agency" wherever it appears and inserting in lieu thereof the word "Administration".

(9) In section 93 by striking in subsection (n) the words "covered into" and inserting in lieu thereof the words "deposited in".

(10) In section 144—

(a) by striking in subsection (a) the words "of the Treasury"; and

(b) by striking in subsection (c) the words "Chief of Ordnance" and inserting in lieu thereof the words "Secretary of the Army".

(11) In section 145—

(a) by striking in subsection (a) the words "of the Treasury"; and

(b) by striking in subsection (c)—

(i) in the first sentence the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation"; and

(ii) in the second sentence the words "the Treasury" and inserting in lieu thereof the word "Transportation".

(12) In item (section) 146. in the analysis of chapter 7 and in the catchline of the sec-

tion by striking the words "Post Office Department" and inserting in lieu thereof the words "United States Postal Service".

(13) In section 147—

(a) by striking the words "Weather Bureau" between the words "the" and "of" and inserting in lieu thereof the words "National Oceanic and Atmospheric Administration"; and

(b) by striking the words "Chief of the Weather Bureau" wherever they appear and inserting in lieu thereof the words "Administrator, National Oceanic and Atmospheric Administration".

(14) In section 186 by striking in subsection (a) the third sentence in its entirety and inserting in lieu thereof the following "Leaves of absence and hours of work for civilian faculty members shall be governed by regulations promulgated by the Secretary, without regard to the provisions of title 5."

(15) In section 188 by striking in the last sentence the word "rank" between the words "the" and "in" and inserting in lieu thereof the word "grade".

(16) In section 193—

(a) by striking in the fourth sentence the word "Chairman" and inserting in lieu thereof the word "chairman"; and

(b) by striking the last sentence in its entirety and inserting in lieu thereof the following "Each member of the Committee shall be reimbursed from Coast Guard appropriations in conformity with the provisions of chapter 57 of title 5".

(17) By adding after section 256 the following new catchline and section:

"§ 256a. Promotion year; defined

"For the purposes of this chapter, 'promotion year' means the period which commences on July 1 of each year and ends on June 30 of the following year."

(18) By inserting in the analysis of chapter 11 following item (section) 256., the following new item (section):

"§ 256a. Promotion year; defined.".

(19) In section 257—

(a) by striking in subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion"; and

(b) in subsection (d)—

(i) by inserting the word "and" following the semicolon in clause (1);

(ii) by striking the word "; and" at the end of clause (2) and inserting in lieu thereof a period; and

(iii) by striking clause (3).

(20) In section 273 by striking in subsection (b) the figures "16" and inserting in lieu thereof the figures "3331".

(21) In section 282 by striking in clause (1) the word "fiscal" and inserting in lieu thereof the word "promotion".

(22) In section 283 by striking in clause (1) of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(23) In section 284 by striking in clause (1) of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(24) In section 285 by striking in clause (1) the word "fiscal" and inserting in lieu thereof the word "promotion".

(25) In section 288 by striking in the first sentence of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(26) In section 289—

(a) by striking in subsection (a) the word "fiscal" wherever it appears and inserting in lieu thereof the word "promotion"; and

(b) by striking in subsection (g) the word "fiscal" and inserting in lieu thereof the word "promotion".

(27) In section 290—

(a) by striking in the last sentence of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion";

(b) by striking in subsection (e) the word "fiscal" and inserting in lieu thereof the word "promotion";

(c) by striking in subsection (f) the word "fiscal" and inserting in lieu thereof the word "promotion"; and

(d) by striking in subsection (g) the word "fiscal" wherever it appears and inserting in lieu thereof the word "promotion".

(28) In section 373 by striking in subsection (a) the figures "6023(b)" and inserting in lieu thereof the figures "2003".

(29) In section 461 by striking the words "of the Treasury".

(30) In section 475—

(a) by striking in subsection (a) the phrase "of the Department in which the Coast Guard is operating" wherever it appears; and

(b) by striking in subsection (f) the phrase "of the Department in which the Coast Guard is operating", and the phrase commencing April 1, 1973,".

(31) In section 500 by striking in subsection (a) the words "of the Treasury".

(32) In section 511 by striking the phrase "head of the department in which the Coast Guard is operating" and inserting in lieu thereof the word "Secretary".

(33) In section 631—

(a) by striking the words "of the Treasury" wherever they appear; and

(b) by striking the phrase "of the Coast Guard" between the words "Commandant" and "any".

(34) In section 647—

(a) by striking preceding the first sentence the subsection designation "(a)";

(b) by striking the words "of the Treasury" wherever they appear;

(c) by striking in the third sentence the words "covered into" and inserting in lieu thereof the words "deposited in"; and

(d) by striking in the last sentence the word "title" and inserting in lieu thereof the word "section".

(35) In section 650 by striking in subsection (b) the words "Bureau of the Budget" and inserting in lieu thereof the words "Office of Management and Budget".

(36) In section 651 by striking the word "January" and inserting in lieu thereof the word "April".

(37) In section 655 by striking the words "United States".

(38) In section 829 by striking the word "Title" and inserting in lieu thereof the word "title".

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW MADE BY THE PROPOSED BILL

(Matter proposed to be omitted is enclosed in brackets; new matter is in italics.)

TITLE 14

§ 1. Establishment of Coast Guard

The Coast Guard as established January 28, 1915, shall be a military service and a branch of the armed forces of the United States at all times. The Coast Guard shall be a service in the [Treasury Department] *Department of Transportation,* except when operating as a service in the Navy.

§ 3. Relationship to Navy Department

Upon the declaration of war or when the President directs, the Coast Guard shall operate as a service in the Navy, and shall so continue until the President, by [executive] *Executive* order, transfers the Coast Guard back to the [Treasury Department] *Department of Transportation.* While operating as a service in the Navy, the Coast Guard shall be subject to the orders of the Secretary of the Navy who may order changes in Coast Guard operations to render them uniform, to the extent he deems advisable, with Navy operations.

§ 81. Aids to navigation authorized

In order to aid navigation and to prevent disasters, collisions, and wrecks of vessels and aircraft, the Coast Guard may establish, maintain, and operate:

(1) . . . .

(2) . . . .

(3) Electronic aids to navigation systems (a) . . . . ; or (b) . . . . ; or (c) required to serve the needs of the air commerce of the United States as requested by the Administrator of the Federal Aviation [Agency] *Administration.*

§ 82. Cooperation with Administrator of the Federal Aviation [Agency] Administration

The Coast Guard, in establishing, maintaining, or operating any aids to air navigation herein provided, shall solicit the cooperation of the Administrator of the Federal Aviation [Agency] *Administration* to the end that personnel and facilities of the Federal Aviation [Agency] *Administration* will be utilized to the fullest possible advantage. Before locating and operating any such aid on military or naval bases or regions, the consent of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, shall first be obtained. No such aid shall be located within the territorial jurisdiction of any foreign country without the consent of the government thereof. Nothing in this title shall be deemed to limit the authority granted by the Federal Aviation Act of 1958, as amended (ch. 20 of title 49), or by the provisions of sections 7392 and 7394 of title 10.

[*§ 87. Buoys; color and numbering; passing*

[All buoys along the coast, or in bays, harbors, sounds, or channels, shall be colored and numbered so that passing up the coast or sound, or entering the bay, harbor, or channel, red buoys with even numbers shall be passed on the starboard hand, black buoys with uneven numbers on the port hand, and buoys with red and black horizontal stripes on either hand. Buoys in channel ways shall be colored with alternate white and black vertical stripes.]

§ 90. Ocean stations

(a) . . . .

(b) The Coast Guard is authorized, subject to approval by the Administrator of the Federal Aviation [Agency] *Administration,* to operate, on floating ocean stations authorized herein, such air navigaton facilities as the Administrator may find necessary or desirable for the safe and efficient protection and control of air traffic. The Coast Guard, in establishing, maintaining, or operating such air navigation facilities shall request the cooperation of the Administrator of the Federal Aviation [Agency] *Administration* to the end that the personnel and facilities of the Federal Aviation [Agency] *Administration* will be utilized to the fullest possible advantage.

§ 93. Commandant; general powers

For the purpose of executing the duties and functions of the Coast Guard the Commandant may:

(a) . . . .

(b) . . . .

(c) . . . .

(d) . . . .

(e) . . . .

(f) . . . .

(g) . . . .

(h) . . . .

(i) . . . .

(j) . . . .

(k) . . . .

(l) . . . .

(m) . . . .

(n) rent or lease, under such terms and conditions as are deemed advisable, for a period not exceeding five years, such real property under the control of the Coast Guard as may not be required for immediate use by the Coast Guard, the monies received from any such rental or lease, less amount of expenses incurred (exclusive of governmental personal services), to be [covered into] *deposited in* the Treasury;

(o) . . . .

(p) . . . .

(q) . . . .

§ *144. Department of the Army and Department of the Air Force*

(a) The Secretary of the Army or the Secretary of the Air Force at the request of the Secretary [of the Treasury] may, with or without reimbursement for the cost thereof, as agreed, receive officers and enlisted men of the Coast Guard for instruction in any school, including any aviation school, maintained by the Army or the Air Force, and such officers and enlisted men shall be subject to the regulations governing such schools.

(b) . . . .

(c) Articles of ordnance property may be sold by the [Chief of Ordnance] *Secretary of the Army* to officers of the Coast Guard for their use in the public service in the same manner as these articles are sold to officers of the Army.

§ *145. Navy Department*

(a) The Secretary of the Navy, at the request of the Secretary [of the Treasury] may, with or without reimbursement for the cost thereof, as agreed:

(1) . . . .

(2) . . . .

(3) . . . .

(b) . . . .

(c) When the Coast Guard is operating in the [Treasury Department] *Department of Transportation*, the Secretary shall provide for such peacetime training and planning of reserve strength and facilities as is necessary to insure an organized, manned, and equipped Coast Guard when it is required for wartime operation in the Navy. To this end, the Secretary of the Navy for the Navy, and the Secretary of [the Treasury] *Transportation*, for the Coast Guard, may from time to time exchange such information, make available to each other such personnel, vessels, facilities, and equipment, and agree to undertake such assignments and functions for each other as they may agree are necessary and advisable.

§ *146. [Post Office Department]* United States Postal Service

§ *147. Department of Commerce*

In order to promote the safety of life and property on and over the high seas and waters over which the United States has jurisdiction, and to facilitate the preparation and dissemination by the [Weather Bureau] *National Oceanic and Atmospheric Administration* of the weather reports, forecasts, and warnings essential to the safe and efficient conduct of domestic and international commerce on and over such seas and waters, the Commandant may cooperate with the [Chief of the Weather Bureau] *Administrator, National Oceanic and Atmospheric Administration* by procuring, maintaining, and making available, facilities and assistance for observing, investigating, and communicating weather phenomena and for disseminating weather data, forecasts and warnings, the mutually satisfactory terms of such cooperation in weather service to be agreed upon and arranged between the Commandant and the [Chief of the Weather Bureau] *Administrator, National Oceanic and Atmospheric Administration.*

§ *186. Civilian teaching staff*

(a) The Secretary may appoint in the Coast Guard such number of civilian faculty members at the Academy as the needs of the Service may require. They shall have such titles and perform duties as prescribed by the Secretary. [Leaves of absence and hours of work for such personnel shall be governed by regulations issued by the Secretary of the Treasury, without regard to section 84, chapter 18, subchapter IV of chapter 21, sections 1112, 1113, and 1121–1125, and chapter 23, of title 5]. *Leaves of absence and hours of work for civilian faculty members shall be governed by regulations promulgated by the Secretary, without regard to the provisions of title 5.*

(b) . . . .

§ *188. Appointment of permanent commissioned teaching staff*

The President may appoint in the Coast Guard, by and with the advice and consent of the Senate, the professors, associate professors, assistant professors, and instructors who are to serve on the permanent commissioned teaching staff of the Academy. An original appointment to the permanent commissioned teaching staff, unless the appointee has served as a civilian member of the teaching staff, regular commissioned officer, temporary commissioned officer, or reserve commissioned officer in the Coast Guard, shall be a temporary appointment until the appointee has satisfactorily completed a probationary term of four years of service; thereafter he may be regularly appointed and his rank shall date from the date of his temporary appointment in the [rank] *grade* in which permanently appointed.

§ *193. Advisory Committee*

The Secretary may appoint an Advisory Committee to the Academy, consisting of not more than seven persons of distinction in education and other fields relating to the purposes of the Academy, who shall serve without pay. Members of the Advisory Committee shall be appointed for terms of not to exceed three years and may be reappointed. The Secretary shall, in June of each year, appoint one of the members to serve as chairman. The members so appointed shall visit the Academy at least once during the academic year on the call of the [Chairman] *chairman* and may convene once each year at Headquarters, at the call of the Commandant, for the purpose of examining the course of instruction and advising the Commandant relative thereto. [Each member of the Committeee shall be reimbursed from Coast Guard appropriations in conformity with section 73b–1 of title 5, or such actual expenses as permitted by section 73b–2 of title 5 shall be defrayed by the Coast Guard] *Each member of the Committee shall be reimbursed from Coast Guard appropriations in conformity with the provisions of chapter 57 of title 5.*

§ *256a. Promotion year; defined*

For purposes of this chapter, "promotion year" means the period which commences on July 1 of each year and ends on June 30 of the following year.

§ *257. Eligibility of officers for consideration for promotion*

(a) An officer on the active duty promotion list becomes eligible for consideration for promotion to the next higher grade at the beginning of the [fiscal] *promotion* year in which he completes the following amount of service computed from his date of rank in the grade in which he is serving:

(1) . . . .

(2) . . . .

(3) . . . .

(4) . . . .

(5) . . . .

(b) . . . .

(c) . . . .

(d) Except when his name is on a list of selectees, each officer who becomes eligible for consideration for promotion to the next higher grade remains eligible so long as he—

(1) continues on active duty; *and*

(2) is not promoted to that grade [; and].

[(3) if serving in a grade below captain, has not twice failed of selection for promotion to the next higher grade.]

§ *273. Promotions; acceptance; oath of office*

(a) . . . .

(b) An officer who has served continuously since he subscribed to the oath of office prescribed in section [16] *3331* of title 5 is not required to take a new oath upon his appointment in a higher grade.

§ *282. Regular lieutenants (junior grade); separation for failure of selection for promotion*

Each officer of the Regular Coast Guard appointed under section 211 of this title who is serving in the grade of lieutenant (junior grade) and who has failed of selection for promotion to the grade of lieutenant for the second time shall:

(1) be honorably discharged on June 30, of the [fiscal] *promotion* year in which his second failure of selection occurs; or

(2) . . . .

(3) . . . .

§ *283. Regular lieutenants; separation for failure of selection for promotion; continuation*

(a) Each officer of the Regular Coast Guard appointed under section 211 of this title who is serving in the grade of lieutenant and who has failed of selection for promotion to the grade of lieutenant commander for the second time shall:

(1) be honorably discharged on June 30 of the [fiscal] *promotion* year in which his second failure of selection occurs; or

(2) . . . .

(3) . . . .

(4) . . . .

(b) . . . .

(c) . . . .

§ *284. Regular Coast Guard; officers serving under temporary appointments*

(a) Each officer of the Regular Coast Guard appointed under section 214 of this title who is serving in the grade of lieutenant (junior grade) or lieutenant and who has failed of selection for promotion to the grade of lieutenant or lieutenant commander, respectively, for the second time shall:

(1) be honorably discharged on June 30 of the [fiscal] *promotion* year in which his second failure of selection occurs; or

(2) . . . .

(3) . . . .

(b) . . . .

§ *285. Regular lieutenant commanders and commanders; retirement for failure of selection for promotion*

Each officer of the Regular Coast Guard serving in the grade of lieutenant commander, who has failed of selection for promotion to the grade of commander or captain, respectively, for the second time shall:

(1) if he has completed at least 20 years of active service or is eligible for retirement under any law on June 30 of the [fiscal] *promotion* year in which his second failure of selection occurs, be retired on that date; or

(2) . . . .

§ *288. Regular captains; retirement*

(a) Each officer of the Regular Coast Guard serving in the grade of captain whose name is not carried on an approved list of officers selected for promotion to the grade of rear admiral shall, unless retired under some other provision of law, be retired on June 30 of the [fiscal] *promotion* year in which he, or any captain junior to him on the active duty promotion list who has not lost numbers of precedence, completes thirty years of active commissioned service in the Coast Guard. An officer advanced in precedence on the active duty promotion list because of his promotion resulting from selection for promotion from below the zone is not subject to involuntary retirement under this section earlier than if he had not been selected from below the zone.

(b) . . . .

§ 289. Captains; continuation on active duty; involuntary retirement

(a) The Secretary may, whenever the needs of the service require, but not more often than annualy, convene a board consisting of not less than six officers of the grade of rear admiral to recommend for continuation on active duty officers on the active duty promotion list serving in the grade of captain, who during the [fiscal] *promotion* year in which the board meets will complete at least three years service in that grade and who have not been selected for promotion to the grade of rear admiral. Officers who are subject to retirement under section 288 of this title during the [fiscal] *promotion* year in whch the board meets shall not be considered by this board.

(b) . . . .
(c) . . . .
(d) . . . .
(e) . . . .
(f) . . . .

(g) Each officer who is considered but not recommended for continuation on active duty under the provisions of this section shall, unless retired under some other provision of law, be retired on June 30 of the [fiscal] *promotion* year in which the report of the continuation board convened under this section is approved, or the last day of the month in which the completes twenty years of active service, whichever is later.

§ 290. Rear admirals; continuation on active duty; involuntary retirement

(a) The Secretary shall from time to time convene boards to recommend for continuation on active duty the most senior officers on the active duty promotion list serving in the grade of rear admiral who have not previously been considered for continuation in that grade. Officers serving for the time being or who have served in the grade of vice admiral are not subject to consideration for continuation under this subsection, and as to all other provisions of this section shall be considered as having been continued in the grade of rear admiral. A board shall consist of at least five officers serving in the grade of vice admiral or as rear admirals previously continued. Boards shall be convened frequently enough to assure that each officer serving in the grade of rear admiral is subject to consideration for continuation during a [fiscal] *promotion* year in which he completes not less than four or more than five years service in that grade.

(b) . . . .
(c) . . . .
(d) . . . .

(e) Each officer who is considered but not continued on active duty under the provisions of this section shall, unless retired under some other provision of law, be retired on June 30 of the [fiscal] *promotion* year in which the report of the continuation board convened under this section is approved.

(f) Each officer who is continued on active duty under the provisions of this section shall, unless retired under some other provision of law, be retired on June 30 of the [fiscal] *promotion* year in which he completes a total of thirty-six years of active commissioned service, including service creditable for retirement purposes under sections 432, 433, and 434 of this title.

(g) Nowithstanding subsection (f) of this section, the Commandant, with the approval of the Secretary, may by annual action retain on active duty from [fiscal] *promotion* year to [fiscal] *promotion* year any officer who would otherwise be retired under subsection (f). Any officer so retained, unless retired under some other provision of law, shall be retired on June 30 of that [fiscal] *promotion* year in which no action is taken to further retain him under this subsection.

§ 373. Aviation cadets; appointment as Reserve officers

(a) An aviation cadet who fulfills the eligibility requirements of section [6023(b)] *2003* of title 10 for designation as a naval aviator may be appointed an ensign in the Coast Guard Reserve and designated a Coast Guard aviator.

(b) . . . .

§ 461. Remission of indebtedness of enlisted members upon discharge

If he considers it in the best interest of the United States, the Secretary [of the Treasury] may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge.

§ 475. Leasing and hiring of quarters; rental of inadequate housing

(a) The Secretary [of the Department in which the Coast Guard is operating] is authorized to lease housing facilities at or near Coast Guard installations, wherever located, for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary, or his designee, that there is a lack of adequate housing facilities at or near such Coast Guard installations. Such public housing facilities may be leased on an individual or multiple-unit basis. Expenditures for the rental of such housing facilities may not exceed the average authorized for the Department of Defense in any year except where the Secretary [of the Department in which the Coast Guard is operating] finds that the average is so low as to prevent rental of necessary housing facilities in some areas, in which event he is authorized to reallocate existing funds to high-cost areas so that rental expenditures in such areas exceed the average authorized for the Department of Defense.

(b) . . . .
(c) . . . .
(d) . . . .
(e) . . . .

(f) The Secretary [of the Department in which the Coast Guard is operating] shall annually, not later than April 1, [commencing April 1, 1973,] file with the Speaker of the House of Representatives and the President of the Senate a complete report of the utilization of the authority granted in subsections (a), (b), (c), and (d) during the preceding calendar year.

§ 500. Life-saving medals

(a) The Secretary [of the Treasury] may, under regulations prescribed by him, award a life-saving medal of gold or silver to any person, including personnel of the Coast Guard, who rescues or endeavors to rescue any other person from drowning, shipwreck, or other peril of the water in accordance with the following provisions:

(1) . . . .
(2) . . . .
(b) . . . .
(c) . . . .

§ 511. Compensatory absence of military personnel at isolated aids to navigation

The [head of the department in which the Coast Guard is operating] *Secreary,* under regulations prescribed by him, may grant compensatory absence from duty to military personnel of the Coast Guard serving in lightships and at lighthouses and other isolated aids to navigation of the Coast Guard when conditions of duty result in confinement because of isolation or in long periods of continuous duty.

§ 631. Delegation of powers by the Secretary

The Secretary [of the Treasury] is authorized to confer or impose upon the Commandant [of the Coast Guard] any of the rights, privileges, powers, or duties, in respect to the administration of the Coast Guard, vested or imposed upon the Secretary [of the Treasury] by this title or other provisions of law.

§ 647. Claims for damage to property of the United States

[(a)] The Secretary [of the Treasury] may consider, ascertain, adjust, determine, compromise, or settle claims for damage cognizable in admiralty in a district court of the United States and all claims for damage caused by a vessel or floating object, to property of the United States under the judisdiction of the Coast Guard or property for which the Coast Guard may have assumed, by contract or otherwise, any obligation to respond to damage thereto. The Secretary [of the Treasury] is further authorized to receive in payment of any such claim the amount due the United States pursuant to determination, compromise, or settlement as herein authorized and, upon acceptance of such payment but not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. All such payments shall be [covered into] *deposited* in the Treasury of the United States as miscellaneous receipts. The Secretary [of the Treasury] is further authorized to execute on behalf of the United States and to deliver in exchange for such payment a full release of such claim. This section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise, or settlement of claims for damage to property hereinabove described. No settlement or compromise where there is involved a payment in the net amount of over $25,000 is authorized by this [title] *section.*

§ 650. Coast guard supply fund

(a) . . . .

(b) Obligations may, without regard to fiscal year limitations, be incurred against anticipated reimbursement to the Coast Guard Supply Fund in such amount and for such period, as the Secretary, with approval of the Director of the [Bureau of the Budget] *Office of Management and Budget,* may determine to be necessary to maintain stock levels consistently with planned operations for the next year.

§ 651. Annual report

In [January] *April* of each year, the Commandant, through the Secretary, shall report to Congress the operations and expenditures of the Coast Guard during the preceding fiscal year.

§ 655. Arms and ammunition; immunity for taxation

No tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the [United States] Coast Guard.

§ 829. Radio station deemed government station

Any radio station, while assigned to authorized Coast Guard duty shall be deemed to be a radio station of the Coast Guard and a "government station" within the meaning of chapter 55 of [Title] *title* 47.

By Mr. BARTLETT (for himself, Mr. LAXALT, and Mr. BELLMON):

S. 3266. A bill to facilitate in a realistic manner the implementation by States of

child day care services programs under title XX of the Social Security Act. Referred to the Committee on Finance.

Mr. BARTLETT. Mr. President, as of February 1, 1976, every day care center across the United States became subject to a number of standards under title XX of the Social Security Act. Its provisions were drawn with the intention of protecting the children who were enrolled in day care centers and of providing the best care possible. However, at the time these regulations were promulgated, HEW did not know what adequate standards were. HEW has admitted that their study of standards will not be completed until some time in 1977. This seems to me to be the way that the Government operates very frequently in getting the cart before the horse. We are going to study and find out what we should do, but before we reach the conclusion of that study and know the results, we are going to lay down the regulations and put them into effect, regulations which have very far-reaching implications for the citizens of my State and the other States.

I believe the point should be made that the States have long ago developed their own regulations which have adequately met the needs of the children within their boundaries. For example, in Oklahoma I have had very few inquiries from people that had concerns about the operations of particular and specific day care centers, and I have had no contact with any citizen of my State asking that the regulations be changed. I feel the citizens of my State can exercise discretion and can use their intelligence in deciding which day care center provides the kind of service they provide for their children. Certainly, they vary much in size, scope, and in ability to perform the proper services. But I do believe that we have in our State adequate regulations with no desire to make a change.

It has become apparent that one effect of the title XX regulations would be to close down many of the existing day care centers which are presently providing an approved and acceptable level of services. In other cases, parents would no longer be able to afford the rates that the remaining centers would have to charge to pay for capable staff.

This would place a parent in the situation of either quitting work and, as a result thereof, going on the welfare rolls; placing their child in a situation where adequate care was not available; or locking their child in the home while they were at work. This lockin situation is one that already exists and is not only detrimental to the development of the child but also highly hazardous to the child's health and welfare.

My bill resolves this situation and is a step in the direction of halting the encroachment of the Federal Government on what has been traditionally a State-controlled area. It also halts the encroachment of Federal Government into the lives of all individuals.

It is not that tradition should always prevail, but in the case where States have developed adequate standards over a period of years through direct experience, it is important to heed this experience and defer to their knowledge.

Mr. President, I am reminded of the difficulty the Founding Fathers had at our constitutional convention 200 years ago—or a little less than that—when they were working with the problem of how to accomplish the dual goals of having a nation strong enough militarily to survive, but also of a mind to protect the basic liberties of individual citizens.

The solution was achieved very successfully by the division of our Government into three parts, which to a very great extent was accomplished by the reserving of rights to the States.

I believe this measure invades that approach; and in invading that approach I think it tends to defeat the goals envisioned by the Founding Fathers to protect our basic rights, recognizing that local governments have a better knowledge than does the Federal Government of specific local priorities and needs. I think the State of Oklahoma knows more about the priority of day care centers in its State when placed alongside other priorities which the State has than do we in Washington, or than does HEW in Washington.

I think the people of Oklahoma also know that we have a budget which we have to balance in our State by constitutional requirement, and that oftentimes, in the so-called interest of helping the States protect the rights of children of the various States, we place a tremendous financial burden on the States at a time when we are talking about fiscal restraint in this body. We talk about how we will cut back, and yet we are willing to place further financial impositions on States which cannot print money as the Federal Government does.

The State of Oklahoma is not trying in anyway to ask or suggest that the other States follow its example, but I do think one of the great strengths of this Nation is that in the 50 States pursuing their own priorities and their own goals and pursuing problems in their own way, the States have taught each other. Certainly Oklahoma has profited greatly from the experience of sharing, having other States share with us their experiences and their approach. I think what is done in Oklahoma and the other 49 States, on an individual basis, can be of much more value toward achieving better day care centers than can this great knowledge of somehow running better day care centers from Washington.

I think in this body we tend to forget how important the division of sovereignty in this Nation is, making sure that we do have a divided sovereignty with the States, and reserving to the States those rights that are most sensibly theirs. Certainly in this area it is obvious that the State of Oklahoma and the other 49 States should establish their own regulations and standards. That is what this amendment would do.

I think it is most important that we give a higher status of responsibility to the 50 respective States of this Nation. Having served as Governor, I have great confidence in the ability of the legislatures and the Governors of the 50 States to recognize their mistakes, or if they do not, of the citizens of the respective States to do so, and to make changes. I think our system needs to be protected from this Chamber, and that our citizens'—including our youngest citizens'—basic rights be guaranteed. My bill goes a long way in that direction.

President Ford in his veto of H.R. 9803 on April 7, 1976, also indicated that the States should be allowed to continue their established procedures of adopting standards and criteria for both day care services and other social service programs. The President's support for this practice was based on the fact that the States had the most complete knowledge of the needs of their own people.

I wholeheartedly support the President in this position and feel that the last practice that we, as representatives of the people, need to foster is additional rigid controls. The President went on to indicate that such rigid controls could only lead to an increased and unnecessary cost to the taxpayer. The cost of an additional program is the furthest thing from the needs of the citizens of this country.

The President in vetoing H.R. 9803 has taken the right stand and has expressed the will of the Nation. Therefore, along with the President, I must stress the urgency of this matter. The cost of the title XX regulations are likely to drive many day care centers out of business or, at the minimum, out of the business of caring for children that are welfare recipients. It is necessary for this country to retain a broad based system of day care centers, including those operated by private owners, and without the relief provided by my bill, the day care system in most States will be a dismal failure.

Based on this need and the need to stop overregulation of the lives of the citizens of this country, I urge the rapid adoption of my proposed change to the staffing standards as set out under title XX of the Social Security Act.

By Mr. TUNNEY:

S. 3267. A bill to amend the Motor Vehicle Information and Cost Savings Act. Referred to the Committee on Commerce.

AUTOMOTIVE RESEARCH AND DEVELOPMENT ACT OF 1976

Mr. TUNNEY. Mr. President, I am introducing today the Automotive Transport Research and Development Act of 1976. This legislation mandates an accelerated Federal effort in the area of advanced automotive research and development. Its focus is the development of an advanced automobile that is energy efficient, safe, quiet, damage-resistant and environmentally sound.

This legislation is the outgrowth of 11 days of hearings in the last two Congresses. Similar legislation has already overwhelmngly passed the Senate as part of S. 2176 in the 93d Congress and as title II of S. 1883 in the 49th Congress.

A slightly modified version of title II of S. 1883 was also accepted by the House and Senate conferees on S. 622, the Energy Policy and Conservation Act, but unfortunately this provision was dropped on the House floor due to a jurisdictional dispute. Nevertheless, there are hopeful signs that the House Committee is now moving legislation. The Energy Research, Development, and Demonstration Subcommittee of the House Science and Technology Committee has been holding hearings on H.R. 9174, the provisions of which are virtually identical to title II of S. 1883, and I have been informed that the subcommittee may move this legislation shortly.

The need for the program contained in the Automotive Transport Research and Development Act is clear. It is essential that adequate funding be focused on advanced automotive technologies if this Nation hopes to fulfill its goal of improved energy efficiency and pollution control.

We unfortunately cannot afford to solely rely on the major automobile companies to fulfill these goals. As the Federal Energy Administration said in its November 6, 1974, report entitled "The Federal Government Role in Automotive Research and Development."

> . . . integration of the national objectives of energy efficiency, alternatives to petroleum, and minimum environmental impact into a coherent long-term program in R. & D. requires perspective and responsibilities well beyond those of the private automobile companies, whose objectives are routed in the marketplace.

In fact, our hearings revealed that domestic automobile company investments into alternative power plant R. & D. have been steadily decreasing since 1970. For example, Ford Motor Co. spent $32 million for this purpose in 1973, and only $19 million in 1975. The automobile companies themselves admit that there is a need for Federal funding in this area. Fred Secrest, executive vice president of Ford Motor Co., stated in our Commerce Committee hearings:

> We are spending all the money we can raise on R. & D. for alternative engines. I have no objection to a government research program . . . I would support it.

The level of funding proposed in this legislation to carry out this program is consistent with the findings of a number of independent studies. Dr. David Ragone, dean of the University of Michigan Engineering School, and head of the Advisory Committee to the Advanced Automotive Propulsion Systems program within the Federal Government, in a letter to Dr. Russell Peterson, Chairman of the Council on Environmental Quality, called for an immediate expansion of the Federal auto R. & D. budget to "$30 or $40 million or more if it can be effectively administered." Dr. Ragone further stated:

> The Committee believes that a program expanding to an annual level of $100 million is both desirable and possible within the next 3 or 4 years.

Dr. Dixy Lee Ray, past Chairman of the former Atomic Energy Commission in a report for President Nixon entitled "The Nation's Energy Future" enunciated similar views estimating that funding for advanced propulsion systems should be a total "$300 million for fiscal years 1975 through 1979."

FEA studies also have called for greatly expanded Federal expenditures in the area of automotive R. & D. A recent report stated:

> Some simple estimates suggest that in order to generate the necessary new (automotive) technology, a national R & D investment on the order of $150 million per year for the next 25 years or so will be required. Private industry is (prior to the current economic squeeze) investing on the order of one-third of this amount.

Finally, the Jet Propulsion Laboratory of the California Institute of Technology in a report entitled "Should We Have a New Engine" discussing the amount of funding necessary for the rapid development of just two engine types, the Brayton engine and the Stirling engine estimated that it would be necessary to have a funding rate of about "$150 million per year for a total cost of about $1 billion over the next 5 to 10 years."

Mr. President, this legislation will provide assurance that all reasonable automotive technologies will be explored and assure that the Congress will have available to it technical data necessary for developing long-term automotive regulatory policies. This legislation will introduce a more orderly approach to the development of advanced automotive technology replacing today's haphazard approach. I believe the need for this legislation is abundantly clear, and I hope the Congress can act quickly upon it so that it can shortly be enacted into law.

By Mr. MANSFIELD:

S.J. Res. 187. A joint resolution proposing an amendment to the Constitution of the United States to provide 4-year terms for Members of the House of Representatives. Referred to the Committee on the Judiciary.

(The remarks of Mr. MANSFIELD when he introduced the joint resolution appear earlier in today's RECORD.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2881

At the request of Mr. FANNIN, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 2881, a bill to amend the Education Amendments of 1972 to provide that Boys State, Boys Nation, Girls State, and Girls Nation conferences shall not be subject to title IX of such act.

S. 3094

At the request of Mr. PEARSON, the Senator from Alaska (Mr. STEVENS) and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 3094, a bill to provide financial assistance to encourage small business concerns to implement energy conservation measures.

S. 3205

At the request of Mr. TALMADGE, the Senator from Florida (Mr. STONE), the Senator from Rhode Island (Mr. PELL), and the Senator from Pennsylvania (Mr. HUGH SCOTT) were added as cosponsors of S. 3205, a bill to provide for the reform of the administrative and reimbursement procedures currently employed under the medicare and medicaid programs, and for other purposes.

SENATE CONCURRENT RESOLUTION 91

At the request of Mr. HUGH SCOTT, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Concurrent Resolution 91, a concurrent resolution providing for a presentation of "America, O America, the Beautiful" to a joint meeting of Congress.

SENATE RESOLUTION 424—SUBMISSION OF A RESOLUTION TO ESTABLISH RULES OF PROCEDURES AND PRACTICE IN THE SENATE FOR RESOLVING CONTESTED ELECTIONS FOR THE OFFICE OF U.S. SENATOR

(Referred to the Committee on Rules and Administration.)

Mr. ROTH (for himself, Mr. BELLMON, Mr. GRIFFIN, and Mr. HATFIELD) submitted the following resolution:

S. RES. 424

Resolved, That the Senate adopts the following rules of procedure and practice for resolving contested elections for the office of United States Senator:

(I) The Senate shall seat, subject to final action by vote of the Senate, the candidate holding the last certificate of election which is valid on its face and is signed and executed in accordance with the Senate rules.

(II) When an individual has been properly certified as elected, the returns are presumed to be correct, and the burden is upon those contesting an election for the office of United States Senator to prove that the State election returns are incorrect.

(III) In contesting the election to the United States Senate of an individual properly certified as elected, in accordance with the Rules of the Senate, the individuals contesting the election must allege with particularity the grounds for the contest and such allegations must justify the relief sought. The Senate shall dismiss an election contest case where the contesting party fails to satisfy the requirements of this Rule.

(IV) The Senate shall not declare an election for the office of United States Senator void on the grounds of fraud, irregularity, or mistake in the conduct of the election, unless the party contesting the election proves by clear and convincing evidence facts sufficient to render a determination of the outcome impossible.

(V) The Senate shall not seat the candidate who contested the election or on whose behalf the election is contested, unless the contesting party proves by clear and convincing evidence facts sufficient to change the results of the election in favor of such candidate.

(VI) In determining the matters in contest, the Senate shall apply the election law of the State of contest as embodied in the State constitution, State statutes, and the judicial decisions of the State, unless such election law conflicts with a provision of the United States Constitution or any Federal Statute, in which case the United States Constitution or the Federal statute shall apply.

Mr. ROTH. Mr. President, today I am submitting a resolution designed to establish basic guidelines to aid the Senate in performing its judicial responsibility in judging contested elections to the Senate. The source of Senate authority over contested elections in article I, section 5 of the U.S. Constitution which provides, in pertinent part, that,"Each house shall be the judge of the elections, returns, and qualification of its own members."

The role authorized by this provision is different in kind from that typically performed by this body. Usually, we act as legislators, and our function is legislative. When acting pursuant to our authority under article I, section 5, we are specifically to act as the "judge" rather than the legislator, and our function is judicial rather than legislative in nature. This distinction is of vital constitutional significance. When acting in a legislative capacity it is appropriate that we consider such questions as the effect a tax proposal will have on the economy, business, labor, those on fixed income and other groups in our society and whether, in view of these potential effects, a tax proposal should become national policy. Such behavoir is entirely consistent with the legislative role created by article, I, section 1 and largely defined by section 8 of article I, which says that Congerss shall have the power "to lay and collect taxes." Such decision on matters of national policy are political and are appropriately made within a political context. The political decisions as to whether an individual should, in the first instance, be elected to the Senate of the United States is not one the Senate is authorized to make by any section of article I of the Constitution. Power to make that ultimate political decision is explicitly committed to the electors of the separate States by the 17th amendment. As citizens and candidates, we may legally attempt to influence that political decisions, and as electors, we may participate in our respective States in the making of that political decision, but the Senate as an institution has no constitutional power to make that political choice, and we, as Members of the Senate, possess no more political power under the Constitution than any other citizen or elector in deciding that question. The power which we, as electors, exercise in our respective States by casting our ballots on election day should not be confused with our power, as Senators, to judge the elections and returns of Members of this body. In the first instance we are making a political decision as electors, deciding who should serve here, but in the latter role we are making a judicial decision as Senators, deciding who, if anyone, the electors of a State did in law and in fact elect.

While the Senate may expel a Member by a two-thirds vote on the grounds that he has engaged in such misconduct that he is unfit for service here, we may not, by majority vote, exclude a person who has been duly returned, duly elected, and possesses the qualifications prescribed by the Constitution, even though we may believe that the person involved has engaged in prior misconduct that renders him unfit for service. This view is clearly supported by the opinion of the Supreme Court in *Powell* v. *McCormack*, 395 U.S. 486 (1969) and the decision of the Senate in the Langer case during the 77th Congress. The Langer case is summarized in S. Doc. 92–7, Senate Election, Expulsion and Censure Cases from 1789 to 1972 and discussed at some length in the concurring opinion of Justice Douglas in Powell.

William Langer was elected as a Senator from North Dakota in 1940. A petition was filed with the Senate charging the Senator-elect with a number of illegal activities prior to his election to the Senate. The oath was administered without prejudice and the matter referred to the Committee on Privileges and Elections. After holding hearings the committee issued a report—Senate Report No. 1010, 77th Congress, 2d session—and offered a resolution—Senate Resolution 220, 77th Congress, 2d session—holding that Langer was not entitled to a seat. While the committee had voted 13 to 3 in favor of the report and resolution, the Senate rejected the committee's recommendation by a vote of 52 to 30. The major constitutional arguments against the proposed exclusion were advanced by Senator Murdock of Utah. Proponents of exclusion maintained that in judging the qualifications of its Members the Senate could refuse to seat an individual it judged unfit. Murdock believed expulsion was the appropriate constitutional avenue in such a case. It was his view that in judging the qualifications of its Members the Senate was limited to determining whether an individual met those qualifications specified in the Constitution. During the course of the debate Senator Murdock defined the Senate's power to judge saying:

> I construe the term "judge" to mean what it is held to mean in its common ordinary usage. My understanding of the definition of the word "judge" as a verb is this: When we judge of a thing it is supposed that the rules are laid out; the law is there for us to look at and to apply to the facts.
>
> But whoever heard the word "judge" used as meaning the power to add to what already is the law?

The resolution I introduce today is designed to emphasize the constitutional distinction between our customary legislative role and our role as judges in contested elections cases. The incorporation into the Senate Rules of certain generally recognized principles used in adjudicating elections contests will provide us with a statement of basic guidelines to aid us in assuming the role of judge. If the primary function of the Senate was adjudicatory, judging election contests would be easier. Since that is not the case, the proposed rules will force us to reflect on the judicial nature of our function in such cases and encourage us to act as judges rather than legislators. It should also be noted that the Senate has adopted rules governing trials in impeachment cases, but there are no rules governing contested elections though the Senate faces such cases more frequently. These reasons prompted the resolution I offer today.

Proposed rule I provides for the seating of those constitutionally qualified individuals presenting proper credentials, certifying their election to the Senate and consistent with official State returns. This approach has generally been followed by both the Senate and the House in contested elections cases. An examination of Senate Document 92–7, Senate Election, Expulsion and Censure Cases from 1793 to 1972, clearly supports this contention. This was the approach followed by the Senate in the cases of *O'Conor* v. *Markey*, 80th Cong.; *Sweeney* v. *Kilgore*, 80th Cong.; *Hook* v. *Ferguson*, 81st Cong., *Butler* and *Tydings*, 82d Cong.; and *Hurley* v. *Chavez*, 83d Cong. (S. Doc. 92–7, Case Nos. 153, 154, 155, 156 and 159).

This general rule and the reasons for it were discussed by George W. McCreary, a former chairman of the House Committee on Elections, in A Treatise on the American Law of Elections.

> § 204. Where two or more persons claim the same office, and where a judicial investigation is required to settle the contest upon the merits, it is often necessary to determine which of the claimants shall be permitted to qualify and to exercise the functions of the office, pending such investigation. If the office were to remain vacant pending the contest it might frequently happen that the greater part of the term would expire before it could be filled; and thus the interests of the people might suffer for the want of the services of a public officer. Besides, if the mere institution of a contest was to be deemed sufficient to prevent the swearing in of the person holding the usual credentials, it is easy to see that very great and serious injustice might be done. If this were the rule, it would only be necessary for an evil disposed person, to ocntest the right of his successful rival, and to protract the contest as long as possible, in order to deprive the latter of his office for at least a part of the term. And this might be done, by a contest having little or no merit on his side, for it would be impossible to discover, in advance of an investigation, the absence of merit. And again, if the party holding the ordinary credentials to an office, could be kept out of the office by the mere institution of a contest, the organization of a legislative body, such for example as the House of Representatives, of the United States, might be altogether prevented, by instituting contests against a majority of the members, or what is more to be apprehended, the relative strength of political parties in such a body might be changed, by instituting contests against members of one or the other of such parties. These considerations have made it necessary to adopt, and to adhere to, the rule, that the person holding the ordinary credentials shall be qualified, and allowed to act pending a contest and until a decision can be had on the merit.

That rule was followed by the House in five election contest cases which arose as a result of the 1974 elections. On December 19, 1975, the House adopted resolutions disposing of election contests from Illinois, Maine, California, Ohio, and Nebraska (pp. 41868–41869 of the CONGRESSIONAL RECORD). Those Members involved had taken the oath along with other Members at the general swearing in on January 14, 1975 (p. 19 of the CONGRESSIONAL RECORD).

Proposed rule II states that when a Senator-elect has been duly certified, it is presumed that the returns are correct and the burden of proof to the contrary rests upon those contesting the outcome. The proposal is essentially a restatement of the generally accepted rules on presumption and the burden of proof as found in the standard legal encyclopedias (26 Am Jur 2d, "Elections," §§ 342 and

343; 29 C.J.S., "Elections," § 274). The rule was cited and relied on the Senate committee report on *Bursom* v. *Bratton* in the 68th Congress—Senate Report No. 724, 68th Congress, 2d session. Precedents of the House of Representatives also recognize this rule (See, e.g., I Hinds' Precedents, sections 574, 578, 582, and II Hinds' Precedents, sections 855, 940, and 986). Surely the mere filing of a petition contesting an election does not justify an assumption of misconduct on the part of State officials charged by law with the responsibility of conducting such elections.

Proposed rules III, IV, and V concern pleading and proof in contested elections, providing guidelines which must be followed by those contesting an election if they wish to succeed. Proposed rule III would require those contesting an election to state with particularity the grounds for the contest. The rule would enable the Senate to sort out frivolous complaints and avoid the unnecessary expenditure of time, effort, and resources in investigating cases where the outcome would not be changed even if the allegations were true. Again the proposed rule is essentially a statement of the general rule applicable to pleadings in contested elections cases and consistent with precedents of the House and Senate.

Among the Senate election contests dismissed on this basis are those of *Hoidale* v. *Schall*, 71st and 72d Congresses; *Pritchard* v. *Bailey*, 71st and 72d Congresses; and *Willis* v. *Van Nuys* 76th Congress—Senate Document 92–7, Cases Nos. 139, 140, and 148. The proposed rule is similar to the provisions in the Federal Contested Elections Act governing contests in the House. That statute requires contestants to state the grounds of the contest with particularity (2 U.S.C. 382 (b)) and provides for a motion to dismiss where a contestant has not stated grounds sufficient to change the result of the election (2 U.S.C. 383). Proposed rule IV requires contestants to prove misconduct which would make a determination of the outcome impossible, if the contestants seek to have the Senate void an election. Under proposed rule V those contesting the right of a duly certified Senator-elect would be required to prove facts sufficient to change the results in the contestants' favor. To a large extent these proposals represent a statement of the combined effects of proposed rules II and III. Obviously, we cannot seat someone contesting the certified outcome of an election unless it can be proved that the apparent loser was in fact the legal winner. Equally clearly we should not void an election, cast aside the determination of State officials and the expressed desires of thousands of voters, absent clear and convincing proof of fraud, mistake, or irregularity of such a nature that it is absolutely impossible to determine for which candidate a plurality of legal votes were cast. This principle was thoroughly explored and applied in the recent House case of *Tunno* v. *Veysey*—House Report No. 92–626, 92d Congress, 1st session. In volume II of Hind's Precedents it is said, "Clear and satisfactory proof of fraud or mistake is required to remove the legal presumption in favor of the correctness of the acts of sworn election officers."

Proposed Rule VI would require the Senate to give primary consideration to the pertinent law of the State involved, including its interpretation and application by State courts, to the extent that those laws are consistent with the laws and Constitution of the United States. The judicial function involves the application of law to fact. The 17th amendment provides for the election of two Senators from each State by the people thereof. The statutes governing the election of Senators are with few exceptions, such as the Federal Election Campaign Act, State statutes. We cannot ignore that law without reason and claim to be judges, as the Constitution requires. Such a rule is strongly supported by House precedents (I Hinds' Precedents Sections 54, 521, 525, 574, 822; II Hinds' Precedents, Sections 1048, 1068, 1071). This rule was clearly recognized and applied in the report of the Senate Committee on Privileges and Elections in the contested election case of *Heflin* v. *Bankhead*, 71st Congress, third session—Senate Report No. 568—wherein it was said,

> This contest must be governed and determined in all its aspects by the Alabama statutes, and the decisions of the Alabama courts. (S. Doc. 147, 76th Cong., 3rd Session at 486).

This decision of the committee was accepted by a vote of 64 to 18.

The proposed rules I offer today are inclusive, not exclusive. As a statement of general principles they will be and have been involved in every such case, though they will not provide a precise answer to every issue. Most importantly, if adopted they would serve as a constant reminder of the judicial nature of our function in election contests and our duty to determine and apply the law objectively and impartially.

AMENDMENTS SUBMITTED FOR PRINTING

TAX REFORM ACT OF 1976—H.R. 10612

AMENDMENT NO. 1576

(Ordered to be printed and referred to the Committee on Finance.)

Mr. HASKELL submitted an amendment intended to be proposed by him to the bill (H.R. 10612) to amend the Internal Revenue Code of 1954 to repeal accelerated depreciation.

(The remarks of Mr. HASKELL when he submitted the amendment appear earlier in today's RECORD.)

CLEAN AIR ACT AMENDMENTS OF 1976—S. 3219

AMENDMENT NO. 1577

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD (for himself, Mr. BUMPERS, Mr. MCINTYRE, Mr. GARY HART, Mr. BROOKE, Mr. HATHAWAY, Mr. HATFIELD, Mr. ABOUREZK, and Mr. HOLLINGS) submitted an amendment intended to be proposed by them jointly to the bill (S. 3219) to amend the Clean Air Act, as amended.

Mr. PACKWOOD. Mr. President, I submit an amendment to ban the use of aerosol spray containers containing halocarbons which has the support of a number of my colleagues, and unanimous consumer and environmental support. Since I introduced the Ozone Preservation Act of 1975, I have sought an outright ban on a date specific for the use of aerosol spray containers containing halocarbons. Depletion of the ozone layer, which shields the Earth from carcinogenous ultraviolet radiation, is a very serious problem.

Although many people will dismiss claims of ozone depletion due to aerosol emissions as a sensationalist environmental cry, I submit that the problem is a very real and present danger. Within the United States alone, hundreds of thousands of tons of halocarbons are emitted annually from aerosol containers.

The amendment which I am introducing with my colleagues today is not the most radical action which could be taken. Many people have asked that aerosol spray containers be banned tomorrow and the remaining aerosols be collected and destroyed. While I recognize the problem as severe enough to warrant that approach, I believe that we need to seek a reasonable balance which will have the support of the Senate and the blessing of the President.

Therefore, the amendment which I am introducing today will ban aerosol spray containers using halocarbons as of January 1, 1978. Moreover, in the coming months before this ban goes into effect, I expect the aerosol container manufacturers nationwide will have sufficient time to develop the alternatives to the use of halocarbons in aerosol spray products.

As many people have often stated, the danger which is caused by the use of aerosol spray products is not worth the mere convenience which these products provide. Some people will view the issue as we vote on this aerosol ban as convenience versus human and environmental damage. If we were to vote on that argument alone, I am convinced that many of my colleagues would support this amendment.

But, the issue before us as to whether or not we should ban aerosol spray products goes much deeper. I believe there are three critical arguments which can be made to support this amendment, in addition to the growing absolute and thoroughly scientific record that halocarbons are, in fact, depleting the ozone layer.

First, halocarbons take over ten years to rise to the upper layers of the atmosphere, or the stratosphere, where they break down the ozone concentration into simple oxygen molecules. This means that aerosol sprays which were used in 1966, and perhaps earlier, are probably just beginning, and I stress beginning, to have their impact on the ozone layer. What were the levels of halocarbon production and use 10 years ago?

In 1966, according to the U.S. Tariff

Commission's report, the U.S. production of fluorocarbons 11 and 12 was 450 million pounds. Again, that was the level of production and use in 1966. In 1974, the same chemicals were produced in a volume exceeding 850 million pounds, or nearly twice the amount produced in 1966.

Considering the fact that the total production of halocarbons, and their emission into the atmosphere since 1966 has not yet had its full effect on the ozone layer, what is the amount of halocarbons in the atmosphere which will reach the ozone layer? Considering that 50 percent of all halocarbons produced in the United States are used in aerosol packaging, and that in the last 10 years nearly 7 billion pounds of halocarbons have been produced, there are nearly three and one-half billion pounds presently drifting upwards into the ozone layer. That is 3½ billion pounds that have already been emitted, which cannot be retrieved, and which will ultimately lead to a significant reduction of the shielding ability of the Earth's ultraviolet protective layer.

M. B. McElroy and his coworkers at Harvard University, using several ozone depletion models and refined data, concluded that if the use of fluorocarbon propellants continues to increase by the rate of 10 per annum, the decrease in atmospheric ozone could be 10 percent by the year 2000 and as much as 15 percent by 2010. Furthermore, the "Report of the Federal Task Force on Inadvertent Modification of the Stratosphere," June 1975—hereinafter "IMOS Report"—reported that current estimates indicate that even without further growth in halocarbon use above the 1972 level the eventual equilibrium reduction of ozone would be about 7 percent.

If the use of halocarbons continues to grow at the rate of which it grew during the 1960's, a reduction of 10 to 15 percent will occur. A 7 percent reduction in the ozone content of the stratosphere will cause an additional 42,000 to 140,000 cases of skin cancer each year in the United States, and an additional 126,000 to 420,000 cases worldwide, according to the IMOS Report.

Second, some would have us delay controls on the use of halocarbons in aerosol spray containers until the absolute scientific proof is available. Industry has asked for 3 years to conduct a thorough investigation of the problem. However, industry asked for a 3-year study period a year ago and is asking for the same 3 years today. Moreover, I do not know that we can wait until the "absolute" proof is in. Can we wait for increased cases of skin cancer? Can we wait for reductions in our crop harvest? Can we wait for physiological alterations in our biological world and uncertain climatic changes?

Gentlemen, can we wait for certain and undisputed proof when a preponderance of evidence is in. For the past year, the evidence has been growing in support of the ozone depletion theory, and growing in support for outright controls on aerosol containers. I believe we can wait no longer and that the January 1, 1978, date for a ban to commence certainly allows a reasonable time to cease the manufacture, production, and import to and export from the United States of these convenience sprays.

Third, and perhaps most importantly, for those of us in Congress who do not have the benefit of a technical, scientific background, is the fact that a ban on aerosols on January 1, 1978, will impose no undue or inequitable hardship on the public or on the aerosol industry. There is sufficient time to adapt alternatives to halocarbon aerosol propellants. On balance—and I emphasize on balance—in arguing for this amendment, we should recognize the great and significant risks we take by delaying restrictions on aerosol emissions. By waiting longer for further research results that may be years away, and by not realizing the alternatives to Freon propellants available now, we may be making a grievous error.

Voting for this amendment will not lock in a ban on aerosol products for two reasons. First, the stratospheric ozone research and protection provision of the clean air act amendments provides for studies on every aspect of the ozone issue, some of which are already underway, by the National Academy of Science, Department of Commerce, National Aeronautics and Space Administration, National Oceanic and Atmospheric Administration, National Science Foundation, and others. If on the basis of these studies, the Environmental Protection Agency Administrator determines that "no significant risk to the public health, safety, or welfare is, or may be posed by the discharge of halocarbons into the ambient air from aerosol containers," then the Administrator may modify or rescind the ban.

The second reason a ban on aerosol products will not be locked in by this amendment is that "essential uses" of aerosols will be permitted. Virtually all aerosol products are not essential and would be banned, but there are a very few exceptions amounting to a trace amount of the total halocarbon emission. Certain asthmatic aerosols and high speed electric computer circuiting sprays are probably the most essential uses.

However, the essential use section of this amendment is in no way a loophole. The essential use section specifically requires the EPA Administrator to determine that a "particular use of halocarbons in aerosol containers is essential for the public health or welfare and—for which an adequate substitute for halocarbons is not available." A brief review of the aerosol market composition further demonstrates the nonessential quality of most propellants.

I ask unanimous consent that a table prepared in this connection be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Products [1]	Million units [2]	Percentage of total aerosol halocarbon emissions [3]
Consumer products (e.g., room deodorants, cleaners, waxes, and polishers)	130	5.9
Kitchen pan spray	6	.6
Automotive	13	.7
Hair care	446	35.0
Antiperspirants and deodorants	548	40.4
Medicinal and pharmaceutical (not all are essential products)	59	3.8
Colognes and perfumes	137	1.5
Shave lathers	17	.2
Other personal products	56	3.1
All other products (e.g., insecticides, lubricants)	183	8.8
Total	1,595	100.0

[1] Arthur D. Little, Inc., "Preliminary Economic Impact Assessment of Possible Regulatory Action to Control Atmospheric Emissions of Selected Halocarbons," IV–7 (September 1975).

[2] A "unit" is defined as a can or bottle, regardless of size.

[3] Some products contain a higher percentage of halocarbon propellants than others; this accounts for the lack of exact correlation between the number of units consumed and the percentage of total halocarbon emissions.

Mr. PACKWOOD. Industry spokesmen will, no doubt, say that this amendment is unwise and uncalled for. They will say that we are not sure yet as to what impact halocarbons have on the ozone layer. They have said that since the issue was first raised by scientists over a year ago. What has happened to the positions held by interest groups, the industry itself, and Government agencies since the ozone depletion model was established by Prof. F. Sherwood Rowland, and Prof. Mario J. Molina?

To begin with, the environmental, consumer, and health public interest groups have rallied in firm support of a ban on halocarbon aerosol products. Second, industry has only maintained the position that the firm evidence is not yet in, they have not stated a scientific refutation of the ozone depletion model. And, lastly, Government officials testifying before the Senate Aeronautical and Space Sciences Ad Hoc Committee on the Upper Atmosphere, chaired by the distinguished Senator from Arkansas (Mr. BUMPERS), have not contested the ozone depletion model. What is the established scientific record supporting the ozone depletion model?

Increasing quantities of F–11 and F–12, the principal halocarbon compounds used in consumer aerosol products, have been released into the atmosphere, eventually rising to the ozone layer of the stratosphere. There are no known natural chemical or physical reactions by which these chemicals are removed from the lower atmosphere. Worldwide measurements have shown significant concentrations of them in the atmosphere. Atmospheric diffusion models predict that these compounds will reach the stratosphere and are photolyzed by the intense ultraviolet radiation present there. In turn, this produces free chlorine atoms. These chlorine atoms then react with the ozone layer in the stratosphere, depleting the ozone (O_3) by converting it to ordinary oxygen. Ozone depletion allows greater intensities of ultraviolet radiation to reach the earth's surface, causing a greater incidence of skin cancer and possible climatic, biological and plant physiological disruptions.

The halocarbon industry claims that there are probably natural atmospheric removal processes for halocarbons called "sinks." However, according to a number of scientists, there appear to be no natural sinks. These chemicals are chemically inert. They are relatively insoluble in water and thus, not removed from the lower atmosphere by rainwater. There are no known mechanisms by which they are biologically degraded.

Furthermore, there appear to be no significant potential sources of Cl atoms in the stratosphere other than F–11 and F–12. Possible natural sources of Cl atoms in the atmosphere which have been suggested are methyl chloride (CH_3Cl) and HCl from volcanic eruptions, sea salt aerosols, and meteors.

Approximately 20,000 to 100,000 metric tons per year of CH_3Cl are released into the atmosphere, probably all from natural sources. Being of natural origin, methyl chloride does not enter the picture when determining net losses of stratospheric ozone, since it already participates in the natural destruction of ozone molecules and determines its present steady-state concentration. Volcanic eruptions, sea salt sprays, and meteors appear to contribute negligible amounts to the atmosphere. These substances are effectively removed from the air by precipitation and impaction on vegetation and other obstacles.

Moreover, there is no evidence that their contributions of Cl atoms have any detrimental impact on stratospheric ozone. R. J. Cicerone, R. S. Stolarski, and S. Walter, "Stratospheric Ozone Destruction by Man-Made Chlorofluoromethanes," Science, 185, 1165 (1974); M. J. Molina and F. S. Rowland, "Stratospheric Sink for Chlorofluoromethanes: Chlorine Atom Catalysed Destruction of Ozone," Nature, 249, 810, (1974); F. S. Rowland and M. J. Molina, "Chlorofluoromethanes in the Environment, Atomic Energy Commission Report No. 1974–1," University of California, Irvine, September 5, 1974.

Atmospheric scientists have carried out halocarbon measurements in the troposphere during the last few years, basically as indicators and tracers of air movements and wind direction. English researchers detected levels of F–11 in the air mass over the Atlantic ranging from 40 parts per trillion to 80 parts per trillion between 60° south and 50° north latitude in 1971–72. These measurements are of the level that would be predicted from the cumulative world production of F–11 prior to 1971 of 2,700 million pounds.

Measurements of the concentrations of these chemicals in the stratosphere have been performed by the Statewide Air Pollution Research Center at the University of California, Riverside. At altitudes between 12 and 18 kilometers, researchers at the center have detected concentration levels of 57 to 75 parts per trillion for F–11 and 85 to 150 parts per trillion for F–12, again, the two principal aerosol propellants.

Similar concentration levels have been measured by J. E. Lovelock for altitudes just above the tropopause and further measurements, conducted by P. W. Krey of the Atomic Energy Commission's Health and Safety Laboratories in New York City, have demonstrated atmospheric concentration levels of F–11 decrease with altitude, with concentration levels ranging from 45 to 75 parts per trillion at lower stratospheric altitudes to 23 parts per trillion at 19 kilometers altitude at 50° north latitude. Each of these vertical concentration data profiles are well within experimental error and each confirms what has been predicted from atmospheric diffusion models and the photolysis of the fluorocarbon compounds in the stratosphere—that halocarbons are diffusing to the ozone layer, where the ozone is thereby depleted.

Moreover, clear evidence confirms that halocarbons are being photolyzed in the stratosphere by atmospheric scientists at the National Oceanic and Atmospheric Administration—NOAA—and the National Center for Atmospheric Reseach—NCAR. In June 1975, air samples collected by NOAA on a balloon flight over Laramie, Wyo.—42° north latitude—were analyzed for F–11 and F–12 concentrations and compared with atmospheric diffusion model calculations. The vertical concentration profiles of F–11 and F–12 between 16 and 26 kilometers are clearly consistent with the ozone depletion model predictions.

These results, summarized below, show a diminishing amount of halocarbons with increasing altitude in a region clearly above the tropopause. This evidence indicates that fluorocarbon compounds not only are found at these altitudes, but are being photolyzed as predicted, which thereby frees a chlorine atom to decompose ozone (°3).

I ask unanimous consent that a table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Altitude (kilometers)	Atmospheric halocarbon concentration principal aerosol propellants (parts per trillion) June 1975			
	F–11		F–12	
	Observed	Theoretical	Observed	Theoretical
16	80	85	210	180
12.5	25	43	140	120
26	(1)	15	75	75

(1) Less than 20.

Mr. PACKWOOD. Calculations by Molina and Rowland have been confirmed in the last year by several independent investigators. R. J. Cicerone and his associates at the University of Michigan's Space Physics Research Laboratory have estimated the loss of ozone expected from fluorocarbon penetration in the stratosphere, using projection models based on atmospheric mixing. Cicerone concluded that at projected levels of fluorocarbon production and usage, there will be an observable net loss of ozone within one or two decades.

A similar conclusion was reached by P. J. Crutzen of the National Center for Atmospheric Research in Boulder, Colo., who concluded that large reductions of ozone can result at altitudes above 30 kilometers from upward mixing of halocarbon gases. Using a somewhat different model, he has estimated an ozone loss of about 10 percent within the next 30 years, based on the conservative assumption that there will be no increase in use of these compounds after 1978.

Mr. President, too infrequently we discuss philosophy in this Chamber. I recognize the esoteric nature of the ozone depletion model to many people. How often have those of us in Congress been confronted with other scientific debates on the dangers of DDT, PVC's, mercury and lead poisoning? And how many times were we left at somewhat a loss as to what the specific environmental and human costs were in using those chemicals?

For those who are not persuaded by this scientific record, the calls for a ban on aerosols, or the three reasons I offered earlier, I submit—it would be far better to err on the side of caution by banning aerosols, than waiting for the adverse consequences of ozone depletion to allay our doubts.

The interest group support for this amendment is broad: The League of Women Voters of the United States, the Consumer Federation of America, Natural Resources Defense Council, Environmental Action, Center for Science in the Public Interest, Environmental Defense Fund, Sierra Club, Friends of the Earth, the Clean Air Coalition, the Health Research Group, and Concern, Inc. While they support the amendment I am proposing, many of these groups vigorously support more stringent and immediate controls on halocarbon emissions from aerosols. I deeply hope my amendment proves to be a reasonable solution which shall have the support of my colleagues.

I ask unanimous consent that the amendment to place a qualified ban on halocarbon aerosols as of January 1, 1978, be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1577

On page 58–59, strike section 153 and insert in lieu thereof the following:

"SEC. 153. (a) On and after January 1, 1978, except as provided in subsection (b), it shall be unlawful for any person to manufacture, produce, import or export from the United States, aerosol containers containing halocarbons.

"(b) The Administrator shall consider the available reports, consult with appropriate Federal agencies and scientific entities, and afford the opportunity for public hearings, and if he then

"(1) finds that no significant risk to the public health, safety, or welfare is, or may be posed by the discharge of halocarbons into the ambient air from aerosol containers, then he may, be rule, modify or rescind the prohibition in Sec. 153 (a) in whole or in part consistent with that finding or

"(2) determines that a particular use of halocarbons in aerosol containers is essential for the public health or welfare and an adequate substitute for halocarbons is not available he may grant specific exemptions from the prohibitions of this Section to allow the use of small quantities in such situations.

"(c) From time to time the Administrator may revise any of the regulations issued pursuant to this Section in the light of new evidence as to the need for such regulations.

"(d) Nothing in this section shall limit, restrict, or otherwise detract from the authority provided in Section 154 of this Act, or any authority under the Consumer Produce Safety Act.

Mr. HATFIELD. Mr. President, my colleagues in the Senate are familiar with my disdain for the idolatry of technology for the sake of consumer convenience. This disdain was one reason for my introduction, along with Senator PACKWOOD, of legislation to ban the use of nonreturnable beverage containers. With the growing concern over the effect on the ozone layer of the continued use of aerosol spray containers, we have a similar issue. It is time that we stop worshiping at the altar of technology, when the unquestioning acceptance of such technology may present a serious threat to the public health and welfare as well as the environment.

Therefore, I am pleased to join Senator PACKWOOD and several other of my colleagues in cosponsoring this amendment. Last year Senator PACKWOOD and I introduced a bill, S. 1982, to preserve the ozone in the stratosphere from dangerous emissions of halocarbons by banning the manufacture and sale of aerosol spray containers. This amendment to the Clear Air Act provides for the same thing, but allows the Administrator of the Environmental Protection Agency some discretion in administering the law—specifically to permit the use of small amounts of these halocarbons where such use is necessary and alternative propellants are not available.

Mr. President, it is my belief that, where there is justifiable suspicion that a certain substance may be hazardous to the general health or public welfare, that the burden of proof must be on the manufacturer to prove his product safe. This premise becomes even more significant when you realize that, in the case of the ozone layer, it takes many years for evidence of deterioration to become measurable. To wait until the damage has been done would not be responsible.

Many firms, including Johnson Wax Co., have already taken steps to review and alter their production policies in keeping with our concern over ozone depletion. The State of Oregon has also taken the initiative to ban the use of aerosols in the near future. It is time that we recognize the potentially dangerous implications of further indiscriminate use of aerosols, and begin to reorder both our production and consumption patterns. Therefore, I join my colleagues in cosponsoring this amendment, and urge Senate adoption of this measure as an addition to the Clean Air Act amendments legislation soon to be debated by this body.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, April 27, 1976, at 9:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Phil M. McNagny, Jr., of Indiana, to be U.S. district judge for the northern district of Indiana, vice George N. Beamer, deceased.

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee will consist of the Senator from Arkansas (Mr. McCLELLAN); the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ANNOUNCEMENT OF OVERSIGHT HEARINGS ON THE REHABILITATION ACT OF 1973

Mr. RANDOLPH. Mr. President, as chairman of the Senate Subcommittee on the Handicapped, I wish to announce that a hearing will be held on the implementation of the Rehabilitation Act of 1973. We have scheduled the hearing for Thusday, April 29, 1976, in room 4232, Dirksen Senate Office Building at 9:30 a.m. Our witnesses for that day will be the Department of Labor; the Office of Civil Rights from the Department of Health, Education, and Welfare; the Civil Service Commission; and the Interagency Committee mandated by section 501 of the Rehabilitation Act of 1973.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission and its Federal Administration Task Force No. 3 investigating the policies, practices and structure of the Bureau of Indian Affairs announces public hearings to be held May 8 and 9, 1976 at the Hilton Airport Inn, Interstate 70 and Peoria, Denver, Colo., beginning each day at 9 a.m.

Persons interested in submitting testimony should contact Kirke Kickingbird at 202-225-1284, or write to his attention at the American Indian Policy Review Commission, House Office Building, annex No. 2, room 3158, Washington, D.C. 20515.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, Task Force No. 6 on Indian Health, announces public hearings to be held April 20 and 21, 1976, at the Holiday Inn, 2247 E. Van Buren, Phoenix, Ariz.; and April 24 and 25, 1976, at the Bonneville Power Building, 1002 NE. Holiday, Portland, Oreg., both starting at 9 a.m.

Persons interested in submitting testimony should contact Al Cayous at 202-225-2235, 2979 or 2984 or write: American Indian Policy Review Commission, House Office Building, annex No. 2, Second and D Streets SW., Washington, D.C. 20515. Attention: Task force No. 6.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, task force No. 8 on the urban, rural, and nonreservation Indians, announces public hearings to be held April 19, 1976, at the Page Belcher Federal Building, fourth floor—Jury Assembly floor, Fourth and Denver, Tulsa, Okla.; and April 28, 1976, at the Post Office Building Auditorium, room 269, 1823 Stout Street, Denver, Colo., both starting at 9 a.m.

Persons interested in submitting testimony should contact Ernestine Lewis at 202-225-2235, 2979 or 2974, or write: American Indian Policy Review Commission, House Office Building, annex No. 2, Second and D Streets SW., Washington, D.C. 20515. Attention: Task force No. 8.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, task force No. 8 on the urban, rural, and nonreservation Indians, announces public hearings to be held on April 21, 1976, instead of April 28 as previously announced at the Post Office Building Auditorium, room 269, 1823 Stout Street, Denver, Colo., starting at 9 a.m.

Persons interested in submitting testimony should contact task force No. 8 at 202-225-2235, 2979, or 2984, or write: American Indian Policy Review Commission, House Office Building, annex No. 2, Second and D Streets SW., Washington, D.C. 20515. Attention: Task force No. 8.

ADDITIONAL STATEMENTS

MARYLAND ARBOR DAY

Mr. BEALL. Mr. President, today marks Maryland's observance of Arbor Day, a time set aside each year for the planting of trees. In keeping with this great tradition, the State of Maryland donated a sapling from the Wye Oak—Maryland's official State tree—for planting on U.S. Capitol grounds. In a ceremony held on Monday, it was my pleasure to officially present this sapling to the Architect of the Capitol on behalf of all the citizens of Maryland.

The citizens of Maryland take pride in the efforts our State has made to protect and restore our woodland resources. Most of this progress can be directly attributed to the efforts of the Maryland Forest Service which was established 70 years ago. During these seven decades, four talented and dedicated State Foresters have worked to build an effective forest service and the current Director Adna R. (Pete) Bond is embellishing a splendid tradition. Mr. President, in recognition of the service rendered by the Maryland Forest Service, I ask unanimous consent that a portion of the 1975 annual activities report of the Department of Natural Resources entitled "Maryland Forest Service" and a brief history entitled "Maryland Forest Service 1906–1976" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARYLAND FOREST SERVICE

(NOTE.—This glad region abounds with thousands and hundreds of thousands of the finest kinds of trees, comprising all descriptions of pine, both white and yellow, curled maple, wild cherry, curled white oak, and curled birch, and also black and white walnut, wild cucumber, and chestnut.)

Forest, streams, valleys, wetlands, parks, scenic, historic and recreation areas of the State are basic assets. Their proper use, development, and preservation are necessary to protect and promote the health, safety, economy and general welfare of the people of the State. It is the policy of the State to encourage the economic development and use of its natural resources for the improvement of its local economy, preservation of the natural beauty, and promotion of the recreational and leisure interest throughout the State.

A system of State Forests adequate in size, location, resources and amenities to meet the long term needs and desires of the people of Maryland is the goal of the Maryland Forest Service.

During Fiscal 75 the Service constructed 9 new recreational trails, 9 new scenic vistas. State Forests accommodated 60,000 visitors, mainly hunters, campers, hikers, birdwatchers.

Protection was provided from wildlife, insect and disease on 118,000 acres. Ten fires of sixteen total acres were controlled, 608 acres were treated against various forest pests and diseases.

Timber Culture—Improved timber on 800 acres. Timber sales were made on 1400 acres.

Wildlife—Habitat was improved on 1,850 acres through forest management practices.

Watershed—Forest hydrology on 118,000 acres was maintained and improved.

Maintenance—Some 300 miles of forest roads, trails, boundaries were built, improved or maintained.

Management—Completed forest inventory of Doncaster State Forest (1,485 acres), Cedarville State Forest (3,200 acres), Potomac and Swallow Falls State Forests (19,300 acres). Completed computerization of field data on Savage River State Forest (52,000 acres).

The Forest Service provided educational and work experience for 24 high school students in conservation projects on Green Ridge, Savage River, Potomac and Swallow Falls State Forests.

Provided year round employment for 5 full-time forest workers on State Forests, Garrett County through C.E.T.A. program.

Provided State Forest personnel as instructors for Forest Education Workshop Camp Greentop.

Cooperated with University of Maryland on State Forest visitation study (a 2-year program) to determine number and kind of forest users and carrying capacity of forests.

During 1975 a long-planned change in State Forest administration took place with the appointment of a Forester IV position for Savage River State Forest.

During 1975 recreational facility development on the State Forests received new and additional emphasis, while some former practices were curtailed.

STAFF

5 Professional Foresters M.S.*
4 Technical Foresters A.S.
3 Practical (Forest Superintendents)
1 Clerical
20 Skilled Labor

* All 5 professional foresters are registered Maryland Professional Foresters.

BUDGET

General Funds	$375,787.00
Federal Funds	20,000.00
Special Funds	122,165.23
Total	517,952.23

Timber harvests were down by almost 50% due to poor demand and prices resulting from generally poor economic conditions.

Land acquisition was negligible in 1975, only 20 acres were acquired.

ASSISTANCE TO PRIVATE FOREST LANDOWNERS

Approximately 46% or 2.8 million acres of Maryland's forest land area is in commercial forest land. The small private landowner controls 90% of the commercial forest area. The Maryland Forest Service assists these landowners. The main objective of this private land management section is to assist woodland owners to maintain and improve the economic social and cultural well-being of the State.

Project foresters assist citizens in planning the total environment in the development of resource management plans. Increased emphasis is being placed on not only timber production but on individual trees and groups of trees and how they fit into the urban community. Assistance is also given to developers and planners so that trees can continue to be beneficial.

Twenty-three project foresters also provide assistance in utilization and marketing to the forest industry. A watershed Specialist works closely with the project foresters throughout the state.

Requests for advice and services have been received from 6,114 individuals over the past year. Most of the activities of the private forest management section are incorporated in giving examinations, timber marking, timber stand improvement, watersheds (both 566 Small Watersheds and Potomac Flood Control projects), erosion, and sediment control, utilization and marketing, strip mine reclamation and nursery and reforestation projects.

Detailed examinations and resource management plans were made and furnished to 431 landowners on 32,344 acres. This is a decrease in number of ownerships but an increase of about 50% of acreage over the past year.

Approximately 5,000,000 board feet and 3.3 thousand cords were marked on 1,747 acres. This resulted in a stumpage value of $336,000 to the landowners of the State. If this is figured into the finished product the value can be increased approximately 80 times.

Foresters also assisted an additional 54 landowners in the sale of approximately 2,700,000 board feet and approximately 1,000 cords on 722 acres.

The Maryland Forest Service participates in two watershed programs in conjunction with the U.S. Forest Service and private landowners throughout the state. The PL 566 Small Watershed Program assists private landowners within the five active watersheds throughout the state in technical assists for private resource management plans, timber stand improvement, tree planting and timber inventories.

The Potomac Flood Control Program occupies the area from Conococheague Creek to the Western Boundary of Maryland. Technical assistance is provided much the same as it is for other private land assistance throughout the state. Concentration is, however, in the areas of flood and sediment control with more trails and roads being laid out. Strip mine revegetation also plays an important part in this area. There were some 414 acres planted in the strip mine revegetation program.

The State Forest Tree Nursery provides trees for roadside planting as well as conservation and wildlife plantings throughout the state. There were 1,095 private land plantings made of approximately 4,000 acres for conservation purposes. These trees have in past years been distributed to the citizens of the state of Maryland without any charge. For the Bicentennial year of 1976 the Maryland Forest Service intends to provide every school child in the state with one seedling. Approximately 1,250,000 trees are scheduled to be shipped to the schools during the 1976 planting season. The State Forest Nursery also provides roadside trees for planting along public rights-of-way with approximately 2,500 trees sold to the public over the past year. The Nursery has also produced materials for the packets distributed by the Wildlife Administration. These packets contain wildlife material and trees that will serve as food and cover for the wildlife of the State of Maryland.

Strip mining changes were made in the revegetation requirements; the bond was raised from $400 to $600 per acre and new methods were developed for determining when bond is to be released.

Several new developments worth noting in revegetating strip mine areas were the use of helicopters for fertilization and seeding, private contractors being used for revegetation and finally the coal operators are realizing that it is extremely important to save top soil to assure planting successful during the time of revegetation.

During the year 414 acres were planted to trees, 9 acres to shrubs and 330 acres to grasses. A mile and a half of coal haul roads were also stabilized to reduce sedimentation in the streams.

Utilizing and Marketing—The Forest Products Utilization Program continues to expand. The sawmill improvement program has shown considerable returns to the industry for a small input by the Forest Services Utilization Marketing Specialist. This section is involved in a total inventory of Maryland's forest resource. This is being done in cooperation with the U.S. Forest Service and we hope that by 1976 a preliminary report will be available.

Twelve training sessions were held for the public and for inhouse personnel in safety, cost accounting, log bucking, grading, and other items relative to utilization and marketing.

302 assists were given by the FPU Specialist with an extension of the resource of 25,000 cubic feet for a value of $70,000.

FOREST PROTECTION

The fire season was normal with only a few periods of extreme fire weather. There was a higher than average number of fires reported, however, due to better reporting procedures. In all we had a total a 986 fires which burned 2,132 acres. A fire analysis was begun which should help our prevention and suppression efforts. Over 3,000 children participated in the Smokey Bear Junior Forest Ranger program.

We have continued to cooperate with the U.S. Forest Service and have received much valuable equipment through the excess property program.

The detection network has reported minor insect and disease activity in fiscal year 1975. The presence of Gypsy Moth in the Northeast portion of the State is of great concern. In cooperation with the Maryland Department of Agriculture, the service conducted numerous egg mass surveys and a statewide trapping program to determine the Gypsy Moth population.

MARYLAND FOREST SERVICE 1906–76

(By Barbara N. Cole)

Besley. Kaylor. Buckingham. Bond. Four men with one purpose . . . the development of a forest service for the State of Maryland.

In 1906, State Senator McCulloch Brown of Garrett County introduced legislation to establish state policy toward the forests and parks. He recognized them as "basic assets" and called for "proper use and development . . ." With the support of General Joseph B. Seth, one of the Eastern Shore's leading citizens and President of the Senate, The Forest Act was passed and the Maryland State Board of Forestry became a reality.

The same year Robert and John Garrett offered to donate Swallow Falls on the Youghiogheny River and 1,967 acres of scenic mountain land if the state would make adequate provision for its care. The rest is history. The nearly 2,000 acres near Oakland in Garrett County became a forest demonstration area and determined individuals began the arduous task of identifying the forest resources and making wise use of them.

Fred Besley was the first State Forester. He was a one man forestry department, making his way across the State in a rented horse drawn buggy to establish the character and extent of the State's woodlands. It took him seven years to plot the areas and forestlands of every county, noting all woodlots above five acres. From 1906 until his retirement in 1942 great strides were made in the organization of the Forest Department. No longer were Maryland's forests abused and destroyed as they had been prior to the beginning of the legislated Maryland forestry practices.

Originally the State Board of Forestry, located in Baltimore, conducted all official forestry work through the state forester. Robert Garrett and W. McCulloch Brown, two of the originators of Maryland's Forestry Board served as appointed members. Maryland can be proud of its forestry beginnings. A forest service divorced from politics, it started with a 2,000 acre state forest, sound forestry legislation and an experienced technically trained state forester.

Other states have looked to Maryland as they developed their own forest services. The reasons why are easily understood.

Politics never entered into the practice of forestry in Maryland. Changes in political administration had little effect on forestry programs or personnel. Fred Besley served 36 years as state forester, through eight political administrations with programs and policies basically unchanged by political influences. In the seventy years of the Forest Service there have been only four state foresters. And, at one time all four worked on the forest service staff together. Adna R. (Pete) Bond, the present state forester, joined the Forest Service staff in 1939 after receiving a B.S. in Forestry from Penn State. The continuity of programs and ideals in the Maryland Forest Service can be attributed to the work and often uphill struggle of a close core group whose dedication to trees and people is immeasurable.

Forestry in Maryland has always been a local product. There are no federally owned Forest lands between the Potomac River and the Mason-Dixon line. The nine state forests and the one Natural Resources Management area are cared for with Marylanders in mind. There are four district regions in Maryland and each separate community is responsible for the enforcement of forestry laws and regulations. The love of the woods and trees has been evident in every forest related legislative act.

In 1912 authorization was given to the Forestry Board to purchase land for a forest nursery to produce seedlings for reforestation purposes. The first two acre nursery was in the Maryland Agriculture Experimental Station in College Park and was a forerunner to the present 130 acre Buckingham Tree Nursery in Harmans.

Roadside beauty was a concern even in 1914. The Roadside Tree law put all public trees under the protection of the Forestry Board. Authority was given to the Forestry Department with regard to the planting of trees and the making of rules and regulations governing trees on public roads and streets. In the same year, forest wardens were appointed by Governor Goldborough to enforce forest laws and counties were authorized to levy and appropriate money for forestry purposes. It should be noted that at that time, forest wardens received no salary.

The Forest Board was reassigned to the University of Maryland Board of Regents in 1923. However, a forest advisory board aided in decision making. In 1936 University President H. C. "Curley" Byrd tightened the budget and tried to bring the Forest Department under tight University control. Financially, 1935–41 were difficult years for the Forest Department.

Not to be discouraged, Besley, Karl Pfieffer, Kaylor, Buckingham and other loyal foresters took advantage of the manpower available from the Civilian Conservation Corps. With 55,000 acres of State forests and parks, Maryland qualified for 13 camps of 200 men each.

For three years, the men of the Forestry Department directed improvements in state forests, built roads, fire towers, telephone lines and other structures worth many thousands of dollars. The work was financed with federal funds with the understanding that the State would maintain the improvements. Fortunately, in 1941, the Board of Natural Resources was created and the Department of State Forests and Parks became an independent financially stable unit. Besley, at 70 retired from state service in 1942 but not from his dedication to trees.

Joseph Kaylor was the 2nd state forester. He will be remembered for the Forest Conservancy District Act of 1943. It was Kaylor who instigated the far reaching program still in effect today. Guidelines were set to aid and protect woodland owners and to license commercial forest products operators. In addition, it enabled interested lay people to help lead, motivate and assist forestry activities. The law was written to encourage economic management and scientific development of forests and woodlands and to maintain, conserve and improve the soil resources of the state to the end that an adequate source of forest products be preserved for the people. The Forest Conservancy Act of 1943 was upheld in court in 1947 by a ruling by Chief Judge Henderson of Maryland's Fourth Judicial Circuit.

H. C. Buckingham served as State Forester after Kaylor became the Director of Forests and Parks. Buckingham was State Forester during a time of economic expansion and industrializaton, trying to provide enough resources to satisfy all demands, yet seeking to conserve them for the future.

The Tree Farm Program was established in 1948 and in 1956 Maryland agreed to join in the Mid Atlantic Forest Fire Compact, whereby member states agreed to assist in fire emergencies.

Today, the Maryland Forest Service is an agency of the Maryland Department of Natural Resources. Adna R. (Pete) Bond serves as state forester, heading the agency with 161 employees and a budget of two million dollars.

There are four major programs in the Forest Service. The protection program includes prevention, preparedness and suppression of wildfires, harmful insects and diseases. The technical forestry and reforestation program is a private land management program which authorizes consultation and assistance to private woodland owners and technical asistance to wood using industries. Activities in the Roadside Tree Protection program include the administration of the Roadside Tree and Licensed Tree Expert Programs, advice and assistance to property owners and local government on planting and care of shade trees; catalog of Maryland Big Tree Champions and care of the State Capital ground trees. The fourth, State Forest Operations program provides for the management of the resources on approximately 130,000 acres of State owned land. The forests are operated on a multiple use basis for the benefit of people in the areas of outdoor recreation, wildlife habitat management, wildland and watershed protection, production of wood fiber and education, research and demonstration.

The major Forest Service goal is to improve and maintain the economic, aesthetic, recreational, environmental and social contributions of trees, forests and forests related resources to all citizens.

All people benefit from trees. The philosophy of the Forest Service has changed very little since it first began. One tree can be just as important as a forest of trees. The Maryland Forest Service is interested in all trees, big or little, private or publicly owned. Trees are a renewable resource but like all resources, trees require constant vigilance.

For seventy years, the Maryland Forest Service has cared about people by caring about trees.

NATIONAL FLU IMMUNIZATION PROGRAM

Mr. GARY HART. Mr. President, within the next few days I intend to propose legislation related to the national influenza immunization program recently announced by President Ford. More specifically, I hope the Senate will consider both expanding the influenza immunization program to insure children the opportunity for life-long protection against polio and measles, as well as providing immunization insurance benefits to individuals against the severe allergic reactions which may occur in conjunction with the influenza vaccination program. This statement provides my colleagues some background information concerning the immunization program and some of the opportunities and problems that are associated with it.

In this regard, a particularly interesting and thoughtful editorial appeared yesterday in the New York Times. The editorial concerned the merits of President Ford's influenza immunization proposal, and it raises a number of good questions concerning various aspects of the program. I commend the editorial to the attention of my colleagues, and for this reason ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

FLU VACCINE

A well known advantage of being President before a Presidential election is the ability to use the office and its power to build a positive image before the voters. President Ford may—or may not—have considered, at least for a fleeting moment, the political dividends of being seen as the savior of the American people's health when he decided to call for a $135 million rush program to vaccinate every person in this country against a new type of influenza virus.

But it would be unfortunate if Congress simply rubber-stamped Mr. Ford's proposal without consulting independent opinion and asking hard questions about it. Conceivably Mr. Ford is right; but if so that has not yet been demonstrated publicly. The House Appropriations Committee has already approved the President's request, and speedy Congressional passage is anticipated. But at least one Congressman, Representative Clarence D. Long (D.–Md) has wondered out loud: "Is it necessary?"

A systematic approach toward this issue must recognize that the President in effect made four assumptions in reaching his conclusion, and all are questionable. He assumed first that there is a real danger the nation will suffer a major epidemic later this year of a flu virus akin to that which caused the 1918–1919 world pandemic. The President ignored the fact that most influenza deaths are due to bacterial pneumonia and other similar infections that can be combated by antibiotics, which are available now but were not available in 1918. The specter of mass death ahead is perhaps less fearsome than anticipated.

Second, the President assumes that the pharmaceutical industry can produce this vast amount of vaccine in a few months, and that all Americans can be vaccinated in a short time. Doubts are legitimate on both points.

Third, the President assumes that the benefit of a vaccine will be greater than its costs—in terms of human distress as well as money. Every medication known has unexpected side effects and can adversely affect those who are allergic to its constituents. It is conceivable that if there is no flu epidemic and if over 200 million Americans are vaccinated with this new pharmaceutical, a not inconsiderable number of people might be adversely affected for little or no gain.

Finally, the President is assuming that the vaccine produced will be effective, an assumption that must be regarded as questionable at this time when medical scientists have not even determined yet how much of the vaccine should be administered to each person.

The President's medical advisers seem to have panicked and to have talked him into a decision based on the worst assumptions about the still poorly known virus and the best assumptions about the vaccine, its timetable for manufacture, its potential for harm and its efficacy.

A convincing case for the President's proposal has not yet been made, and it cannot be made until those who support it debate publicly with the medical and scientific skeptics who are already voicing their doubts.

Mr. GARY HART. Mr. President, as indicated in this editorial, President Ford has requested that Congress appropriate $135 million for a national influenza immunization program. Furthermore, the President has indicated that these funds must be made available without delay, in order to prevent what otherwise might be an influenza outbreak of epidemic proportions.

In an effort to comply with the urgency expressed by President Ford, hearings on the influenza immunization proposal have been held within the past week before subcommittees chaired by the distinguished Senators from Washington (Mr. Magnuson) and Massachusetts (Mr. Kennedy). In addition, I understand that hearings have also been held before the appropriate committees in the House of Representatives in an effort to define, consider and resolve some of the major questions and problems associated with the President's program.

However, time has been short, and most Members of Congress therefore have not had the opportunity to carefully examine the problem, personally consult with leading authorities, and independently evaluate the merits of the President's proposal. In short, the Congress has been told that this is an emergency situation, and that there is not time for careful analysis and thoughtful consideration.

As portrayed by the President, the gravity of the impending influenza epidemic demands that we err on the side of caution. Given this circumstance, the only prudent course for Members of Congress to follow at this moment is to approve President Ford's proposal.

However, I would hope that in the process, Congress will proceed to critically evaluate both the scientific basis of the alleged influenza crisis as well as the relative merits of President Ford's immunization program itself.

With respect to the potential benefits of the immunization program, Dr. C. Henry Kempe, professor of pediatrics and microbiology at the University of Colorado Medical Center, has offered an interesting and intriguing idea which was published this morning in a letter to the editor of the New York Times. Dr. Kempe is an internationally recognized authority in the field of pediatric immunology, and therefore is particularly well qualified to comment on this issue. In his letter, Dr. Kempe identifies an opportunity which deserves our most thoughtful consideration. For the benefit of my colleagues, I ask unanimous consent that the text of Dr. Kempe's letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Immunization: the Children's Chance

To the Editor:

The President has asked the Congress to appropriate $135 million for the production of a vaccine to protect against a possible swine influenza epidemic in the fall of this year. This recommendation deserves the wholehearted support of the health professions and of the public.

It would be a great opportunity to utilize this occasion, when there will be a unique access to millions of American families, to encourage them to bring their children at the same time to receive lifelong protection against polio and measles. About 30 percent of America's eighty million children are either unimmunized or insufficiently immunized at this time. Unfortunately the previous support for immunization programs from the U.S. Department of Health, Education and Welfare has been slashed from $12 million three years ago to $4.8 million per year.

Immunizations against many contagious diseases which are readily available to children who receive private care by pediatricians and family practitioners are much less likely to reach children living in poverty or whose families may not regard immunization as a high-priority item. With the chance of utilizing the influenza vaccination national program this fall, it would be tragic if we failed to use that opportunity to provide basic immunization for the unprotected child who may never be as accessible again. Combining childhood immunization, where needed, with this fall's influenza vaccination program plan has been declined by H.E.W. for a number of economic and tactical reasons even though there are no significant medical or scientific reasons why the two programs should not be carried out at the same time.

Regrettably, there is not currently in H.E.W. a strong voice for children. The slashing of basic immunization support to the states indicates that whatever their good will, those who speak for children in H.E.W. have not had sufficient influence to be effective.

Happily, the Congress could change all this by adding to the request for $135 million for influenza vaccination a specific, and quite modest, amount to direct the department to immunize inadequately protected children against at least polio and measles when families come to receive influenza vaccination.

I believe that the Congress can effectively help to order our national immunization priorities by seeing to it that children's needs are not forgotten. Regrettably, in a democracy children have committed the ultimate sin. They do not vote. It is therefore incumbent on the Congress to speak for those who cannot speak for themselves.

C. Henry Kempe, M.D.

Denver, April 2, 1976.

Mr. GARY HART. Mr. President, Dr. Kempe has addressed one of the major opportunities and potential benefits which may be derived from the national immunization program. I hope the Congress will pursue his suggestion.

However, there is another side to the coin. In addition to the potential benefits associated with vaccination, there are also very definite risks. Although, with a modern vaccine, these risks are much less than those associated with the disease itself, nevertheless the statistical probability of having a severe adverse reaction to the vaccine remains.

President Ford's proposal to vaccinate every consenting American citizen carries with it an overall risk that is more than 200,000,000 times greater than the risk to any individual. Yet no provision is made in the President's program to help those who might incur substantial medical bills as a result of a life-threatening adverse allergic response, not to mention the possibility of even death itself. Some form of immunization insurance is clearly needed. The absence of this kind of provision in the President's proposal is a major oversight which now must be corrected by the Congress.

With respect to the general need for immunization insurance, Dr. Richard Kougman from the University of Colorado Medical Center has offered an interesting suggestion. For my colleague's reference, I ask unanimous consent that an article written by Dr. Krugman be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Immunization "Dyspractice": The Need for "No Fault" Insurance

We are on a collision course in many areas of the United States. A number of states have passed compulsory immunization laws for school children, yet the majority of the vaccines required in fulfillment of these laws have a specific incidence of adverse reactions. These range from mild fever or irritability to encephalitis or paralysis. True, the incidence is small, but it is real. For live oral trivalent poliovirus vaccine, for example, the package insert cautions that "the possible low level of risk to the vaccinated subject or to close contacts [should] be considered at all times."

Yet what recourse does the one person in tens of thousands suffering an adverse reaction have? Is the paralyzed vaccinee the victim of medical malpractice by the physician or drug company? Rather than malpractice, the resulting adverse reaction would appear to be "dyspractice." As used in this context, dyspractice pertains to an undesirable, yet unavoidable, result of practice in contrast to malpractice which implies reprehensible ignorance, negligence, or criminal intent. It would be difficult to support a charge of malpractice against the physician in the package insert, especially if he is carrying out a legal mandate to immunize.

Is the drug company at fault? It would be unfair to judge it liable if the manufacturer has complied with the rules specified in the Code of Federal Regulations for the preparation of the product. If the federal government has approved the safety and efficacy of the vaccine and the state government has required its use, is it fair to have the manufacturer sued for the rare but expected adverse reactions?

Is the patient at fault? The government has required the immunization and sponsored programs to carry out its regulations. No shot, no school! Presently the only recourse the patient has is to sue the manufacturer, physician, or government. Should a patient who has been paralyzed, for example, suffer the trials of his misfortune for years while his case is tied up in the courts, or should he receive prompt settlement based on a fair schedule of compensation? And even if he wins a law suit, should he have to pay out a significant amount of the judgment for legal fees?

The answer to all of the questions posed above is "no." Of course, if malpractice has occurred (*e.g.*, improper manufacture, improper administration) then a suit may be justified. In the majority of cases, however, there is no one at fault, and dyspractice, not malpractice, has occurred.

If society is to benefit from immunization practice, as it obviously does—witness the dramatic decline in poliomyelitis, measles, diphtheria, and other diseases—then society, through its government, should logically be responsible for immunization dyspractice. Society—not the manufacturer, the physician, or the patient—should support those who suffer the adverse consequences of our laws. Other countries have done so. Denmark, Germany, and Japan have enacted legislation to reimburse those who are the victims of the immunization laws. The Danish law calls for "indemnification from the Treasury" to those who have had a "loss or reduction of economic capacity caused by disablement or for loss of supporter if the cause, with reasonable probability, can be ascribed to immunizations which presently are enforced or recommended by the Danish Health Authorities."[1]

The magnitude of the problem is not enormous but it is of great significance to those involved. Government agencies such as the Social Security Administration or Workman's Compensation Boards could serve as the means of initiating and carrying out a program of "no fault" insurance coverage for accepted routine immunization procedures. A one cent (or less) surcharge on each dose of all vaccines manufactured would probably be sufficient to create an adequate trust fund to carry out this program.

We should not wait for a series of expensive legal suits to be filed before acting. We immunize our children to prevent disease. We should do no less than to immunize ourselves with preventive legislation for "no fault" insurance against immunization dyspractice.

Richard D. Krugman, M.D.,
University of Colorado Medical Center.
4200 East Ninth Avenue,
Denver, Colo. 80220.

REFERENCE

1. International Symposium on Vaccination Against Communicable Diseases, Monaco, 1973: Symposia Series in Immunobiological Standardization. London: S. Karger, 1974, vol. 22, pp. 328 and 329.

Mr. GARY HART. Mr. President, in conclusion I would like to commend my colleagues in the Congress for their responsible consideration of President Ford's urgent request for support of a national influenza immunization program. At the same time however, I would hope that the Senate will take advantage of this opportunity to insure that the immunization program which is established reflects the best in health care for all our citizens that our Nation can provide.

NATIONAL SECURITY

Mr. FANNIN. Mr. President, governments exist to provide public services. The greatest public service that Government provides is national security. Without an effective Defense Establishment, all of our freedoms are in danger, and all other Government services mean very little.

Seldom do I speak in the Senate about national defense. Not because I am not concerned about it, but because my colleague from Arizona, Senator Goldwater, is one of the foremost authorities on the subject.

Recently I received a copy of a letter written to Senator Goldwater by five members of the National Association for Uniformed Services.

Mr. President, this letter raises some points which must be resolved in determining the future of our armed services. I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

March 15, 1976.

Hon. Barry Goldwater,
U.S. Senate, Member: Senate Armed Services Committee, Washington, D.C.

Dear Senator Goldwater: As an active member of NAUS—The National Association for Uniformed Services—and a retired U.S. Army Master Sergeant I commend you for your recent speech before the National Space Club. Your words were welcomed by all who share a common concern over the rising winds of contempt being blown in the direction of those who now or have served their country with distinction and dedication. Extracts of and verbatim transcripts of your remarks are being widely circulated within the military community—active and retired. The timing of your speech was most appropriate; especially at a time when maligning those who chose the profession of arms seems to be the "in" thing.

The signatorees of this letter representing more than 150 years of honorable service to the nation jointly express our thanks and appreciation and tender our endorsement of your remarks. What disturbs most of us is the fact that so much of the malicious tirades directed against the military and even the civil servant comes from those in high places. The theme song seems to be that of the military and the civil servant being totally responsible for the economic troubles of the times and that we're out to lift the last tax dollar from the taxpayer. We in the retired military community also share a common belief that those now on active duty seem to be engulfed by a state of euphoria that preconditions them to inaction on behalf of themselves. They seem to want to recognize that what is taking place today will affect them directly in retirement. This lack of individual participation in the democratic process on their own behalf will, we fear, spawn the ultimate seed of soldier unionization by those more militant.

As a counter-thrust to unionization many of us favor implementation of the service contract concept; that is to say that when the service man or woman signs his enlistment papers the government signs also guaranteeing certain conditions for the term of the enlistment. We are all too familiar with the changing rules once we affixed our signatures to the enlistment papers.

We in the retired military community are indeed cognizant of the fact that criticism of the military establishment is not totally unwarranted. Abuses of command authority; waste of financial resources, manpower resources and equipment resources, and excess of special privilege (past and present) need corrective action. We think however, that the military has been unfairly depicted as the sole arena in which such exists when in fact we find widespread waste and mismanagement in all tiers of governmental departments and agencies, the Congress not excluded as you so pointedly stated.

Of deep concern to us also is the fear by many of us that continued trends directed at diminution of the character and dignity of the time honored respected profession of arms will result; particularly when coupled with improved economic indicators in the private sector, in a turn-a-way of the educated youth of today and the future from the military as a career choice. The young active duty military man or woman now hears the older career active duty people and those of us in retirement discussing the issues of today and they are wondering what will be left if I decide to elect for a career aimed at retirement. We cannot answer their questions.

We hank you for your steadfast support of our military establishment. For those who look upon the military as just another drain on their pocketbooks. I would remind them that the armed services are a form of insurance. The premiums may seem high but they might consider the policy well worth them. They have given them more than 200 years of continuous democratic freedoms; a period in history unequaled by any continuous democratic freedoms; a period in history unequaled by any other governmental entity dating back before the birth of Christ.

We respectfully request the reading of this letter at the next meeting of the Senate Armed Services Committee.

Sincerely yours,

Robert A. Williams,
MSG–USA, Ret.
Alfred E. Bennett,
COL–USA, Ret.
Jackie J. Melton,
MSG–USA, Ret.
Julian G. Tucker,
CMSGT–USAF, Ret.
Thomas E. Peters,
COL–USA, Ret.

VOICE-A-GRAM: AN END TO LONELINESS FOR THE NURSING HOME PATIENT

Mr. TUNNEY. Mr. President, I would like to call to the attention of my colleagues a new program which will begin its nonprofit activity on a national basis in the very near future. Voice-a-gram, under the direction of Mr. Rex Taylor, can provide an immeasurable service to the elderly, handicapped, retarded, or homebound individual throughout the Nation. It can serve to benefit those residing in nursing homes or those elderly individuals living alone and far from family by bringing the family—if only through tape recordings—to them.

The program, which involves the recording of messages on tapes through the aid of a corps of volunteers, would begin to bridge an important gap in the lives of many disabled, bedridden or elderly citizens. It could dispel many of the feelings of loneliness which all too often pervade the lives of these individuals.

While the program is meant to operate throughout the year on a regular basis, the communications between family members is of particular importance during holiday seasons or birthdays. A volunteer with a tape recorder would be made available to the bedridden or nursing home patient for the recording of a message to family members. A similar service would be provided for the family. The exchange of conversation—and conversation which could be replayed at the individuals' convenience—is the end result. It helps create a vital link between patients on the inside and the people they love on the outside. A concomitant benefit of the program is the visit paid by the volunteer who helps provide the Voice-a-gram service. That person adds another element of sharing with the bedridden patient. The volunteer's visits are anticipated; he or she comes to be viewed as a friend and a companion.

This program has received the commendation of a number of health care associations as well as several organizations representing older citizens. Mr. Taylor himself is clearly committed to this program and others to benefit those of limited mobility. He is the communications consultant to the President's Committee for the Handicapped and the National Association for Retarded Children. His concern clearly runs deep.

I commend him for this innovative program, wish him well for the development of Voice-a-gram on a national basis, and commend this program to my colleagues' attention.

THE NEW CAMBODIA

Mr. GRIFFIN. Mr. President, a year ago this month, Communist forces marched victoriously into the Cambodian capital of Phnom Penh.

Recently, the French daily newspaper, Le Monde, published two detailed articles on developments in Cambodia under Communist rule. The articles, which appeared in French, have been translated into English by the Congressional Research Service of the Library of Congress.

I ask unanimous consent that the English translation of the two-part series entitled: "Cambodia Nine Months Later," written by Francois Ponchaud, which appeared in the February 17 and 18, 1976, issues of Le Monde, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Le Monde, Feb. 17, 1976]

CAMBODIA NINE MONTHS LATER

(By Francois Ponchaud)

Since the fall of Phnom-Penh, on April 17th, 1975, a wall of silence surrounds the new Cambodia, that no reporter, communist or other, is allowed to visit. With the exception of the diplomatic missions of China, North Korea, North and South Vietnam, Albania and Cuba, and of an official Laotian delegation as well as of the Yugoslav and Swedish diplomats, no foreigner has been authorized to enter the country.

Mr. Francois Ponchaud tries nevertheless, in a series of two articles, to analyse the situation in Cambodia. He relies on two sources of information; on a regular listening to Radio Phnom-Penh and on the testimonies of [Khmer] refugees who reached Thailand and Vietnam in tens of thousands. The radio discloses the objectives of the revolution, the refugees reveal how these objectives are put into effect. Their testimonies are based on facts.

Is it possible—by inferring from these specific, though numerous facts—to have an idea of what is happening in the country as a whole?

A GIGANTIC UNDERTAKING

"Here is Phnom-Penh, the voice of the Democratic Kampuchea. Brethren, fellow citizens and beloved comrades!"

Thus begin the three daily broadcasts that constitute the only contact with the outside world. These broadcasts are extremely simple: an editorial or a discussion on a given subject, followed by a song summarizing the subject matter discussed. Since the first of January, a background music is sometimes heard accompanying the spoken word. Every statement follows the same pattern: "In the past, in the days of Lon Nol, the arch-traitor, the over-corrupted, the highly harmful, and of his clique, the stooges of the Americans, you were poor and oppressed. You could never enjoy life because you suffered from poverty and hunger. Now, under the enlightened and intelligent leadership of the revolutionary Angkar, you live in happiness and prosperity. . ."

Every editorial and most of the songs repeat the revolutionary slogans: "Independence and sovereignity", "Be self-sufficient!", "Defend and build the new Kampuchea!". The Khmers must gradually become "masters of the nature", "masters in their country", "masters of the rice paddies and fields and take their destiny into their own hands in all circumstances and at all levels, without counting on heaven or nature. . . ."

To achieve this mastery over one's own destiny one needs rice. "In exchange for rice we can obtain everything: steel, factories, energy, tractors. . . hard currency". Consequently, it is necessary to push the rice cultivation to the utmost degree, without leaving the soil untilled, in providing water for irrigation at any season. According to an old proverb: "No rice paddy without water, no war without rice!" "We have Mékong, Tonlé-Sap and many other rivers; we have to use the water scientifically, bringing the floodings under control and building water reservoirs for the dry season. Thus, we will be able to get two or three harvests each year and assure our independence and sovereignty. To this end we must build dams and dig canals!"

Each village is organized into "solidarity groups", for canal digging and dam building or into "solidarity groups for production" or, since January, into "production cooperatives."

Every day, at least until December 1975, the radio broadcasts impressive reports about the new achievements, in such and such district. "We have changed the geography of such a locality which has a completely new appearance now".

"The goal is to criss-cross the entire country with dams and canals like a chessboard!"

Since December the harvest is on everybody's lips. "The rice is ripe, hurry to harvest it, don't tarry, be on time!" "Leave the less urgent chores aside and go into the fields, hurry up! So that we can return to canal digging and new dam building".

"Whole Cambodia became like a huge construction site, where nobody speaks about day or night, but where the work goes on without interruption with joy and pride, without fearing the fatigue".

"As we have fought for getting rid of the Americans, so we have to go on fighting in order to rebuild and defend the new Kampuchea".

All economic achievements, even discoveries of new drugs, are regarded as so many "victories" over the nature, the elements, the diseases. In this struggle nothing is left to chance, each category of citizens, men, women, children, old people, the crippled, received a precise assignment in accordance with its force, and its capacities.

"Kampuchea has been liberated. . . . Kampuchea must be rebuilt . . . the same struggle continues. . . . The Khmer people cannot be demobilized, because it has to work for a dazzling future, bursting with happiness and joy".

The refugees confirm the carrying out of this gigantic undertaking more impressive than anything known in the Angkor era. To achieve this goal, all the population is mobilized like an army during a military campaign. Each village is divided into groups of ten families called "krom'" with the chief of the group appointed by the Angkar (the party organization). Several of these "kroms" constitute a village called "phum", with a village chief and several "presidents": presidents of the young men, young women, senior citizens, children, all appointed by the Angkar.

Several villages are united into district "khum" headed by party officials ("kamaphilbal"), members of the army, having power of life and death over the population and entrusted with issuing work directives.

The work is carried daily in common from 7 to 11 in the morning and from 1 to 5 in the afternoon. Sometimes the break is taken in common at the working place. Several refugees told about the work during the night until 11 pm or even 1 am.

This army of workers moves from place to place, because the Angkar has the intention to utilize the human potential to the utmost limit of its physical endurance. As soon as a project is finished, the rice planted, the workers are transferred, sometimes even before the families had time to regroup. At the end of October tens of thousands of Phnom-Penhese, originally deported to Koh-Tom, south of the capital, were transferred by ships or trucks to Pursat (300 kilometers further north) for repairing a railway line and for carrying out a project of collective interest.

Numerous cases of mass transfers of population were reported in December in the region of Battambang, before and after the harvest. In many localities, those who harvest are not the same as those who have sown. According to the reports of the refugees who came to Thailand in January, the transfers of population were much more murderous than the massive deportations from the cities in April–May 1975, because by now the people were exhausted, undernourished, and living in disastrous sanitary conditions.

THE MOPPING UP

This economic revolution leads to a radical social revolution, in order to build a society "without the rich or the poor, without the exploiting and exploited classes. This leveling of the society aims particularly, with most radical methods, at the special classes "vannapises": as the former holders of power, the rich and the educated.

An impressive number of witnesses, from all the regions in Cambodia, corroborated these mopping up purges against all the military and administrative ranks of the former regime: massive executions or secret disappearings. It appears that a large number of the subordinate military personnel has also been eliminated.

For the last two months a campaign has been in progress against the "former rich" who are hiding among the people. Among the rich of the former society there was a good number of Chinese merchants, who had been living in Cambodia for many years. Inspired by the egalitarian ideology and by the intransigeant nationalism, the red Khmers have been extremely cruel to this minority. Several refugees stated that the Chinese residents were regrouped into special villages, in the depth of the jungle, in very harsh living conditions, leading to extermination. These refugees described the attitude of the revolutionaries towards the Chinese minority in 1972 in the region of Memot-Damber. The high ranking red Khmers justify these harsh measures by saying that "this land is not for them." It is without doubt for the nationalistic reasons that the red Khmers have initially allowed, then forced, the Vietnamese colony in Cambodia to go back to their native country.

PUTTING THE INTELLECTUALS TO WORK

Numerous refugees have reported that a great number of intellectuals, who earlier were in leading positions, have been executed since July 1975. Recent testimonies from

Vietnam and Thailand are unanimous about the existence of "villages for intellectuals" where professors or directors of schools with university education, are employed as manual laborers, because the "Red Khmers do not like intellectuals." Towards the middle of January 1976 twelve teachers and students escaped to Thailand. They were from a group of twenty individuals sentenced to death on their way to execution. They succeeded in loosening their ropes and escaped, but eight of their companions were not so lucky and were executed. On the same date, 35 refugees coming from Batambang affirmed that several engineers and drivers from the days of the former regime, disappeared after they had trained young red Khmer recruits. Once the students were trained, the teachers were of no use any more.

In this new "classless society" we can distinguish several "levels". First of all there is the army and the people. This is the usual classification as heard on the radio. The army comprises "male fighters, female fighters and their high ranking overseers". According to the refugee reports the high ranking communists are responsible for every military and administrative activity. The refugees call them by the name of "red Khmers". It is difficult to find out whether they receive orders from the government or they act on their own.

According to the radio, the people is composed of workers, peasants and poor peasants of the low class. The people divide them into the "former", that is, those coming from the region liberated before 1975 and the "new" liberated after April 17th, 1975. The latter are regarded as prisoners of war and have no rights whatsoever.

The economic and social relations between members of the new society are originally strange if compared with the past. The commerce has been replaced by barter, of which here is one example among many others. Between June and August 1975, in Prek-Sanker in the province of Kompong Cham, the conditions of barter were as follows:

A pig of 50 kg exchanged for 10 kg of salt or two meters of fabric;

Twenty-five kg of salt for a heifer or a transistor with four batteries;

One kg of salt for 3 kg of fish;

One tablet of aspirin or novaquaine for 1 kg of rice;

One ampule of vitamin B^{12} for 7 kg of rice;

One ampule of streptomycine for 15 kg of rice.

The exquisite politeness of the Khmers used to require titles and vocabulary according to the personal status of the individual, with whom one was speaking, or according to the respect that one was going to show him, or according to his place in the society. Now there is nothing but a drab uniformity. Whatever the degree of relationship between the individuals, or whatever the functions they exercise, all of them are "met" now, or comrades.

Older people are still called 'bang", but the term "junior" applied in earlier times to youngsters, has been expressly prohibited, because of its affective connotations. For puritanism, the terms currently used for "children", "men" and "girls" have been replaced by more ancient, rarer and dignified names. Without any doubt because of these changes in terminology, there were press reports on the wholesale change of names affecting every person. This information is not true. Only the Red Khmers of low-ranking status had their names changed, without knowing for what reason. Numerous city dwellers have voluntarily changed their names in order to dissimulate their identity, but the totality of the population have kept their first name, which in reality is the true name for a Khmer. According to the custom, the first name is reduced to the last syllable.

[From Le Monde, Feb. 18, 1976]

CAMBODIA NINE MONTHS LATER

(By Francois Ponchaud)

II. A. NEW TYPE OF MAN

An enormous undertaking is carried out in the Cambodian country-side where radical revolution is in progress. The authorities have begun with massive deportation of the population after getting rid of numerous high ranking officials of the former regime. (Le Monde of February 17, 1976)

The strong drive to achieve total equality among the individuals has directly affected the Buddhist religion, which had shaped the Khmer soul.

The new Constitution stipulates in a strange way:

"Every citizen has the right to profess any belief or religion and the right not to profess such belief or religion" (Art. 20)

Officially the radio never speaks about Buddhism or about bonzes. There was, however, one exception, when Prince Sihanouk returned to Phnom-Penh in September 1975 with the ashes of his mother: a religious ceremony was arranged then.

It is certain that some of the bonzes were killed but this happened only in isolated cases. More often the bonzes have been regrouped "to participate in activities of collective interest."

It has been reported that a camp exists west of Krakor with three hundred bonzes. Sometimes they are allowed to remain in the pagodas but they have to grow rice for the Angkar (i.e. the party) like everybody else. Thus, they have been deprived of their traditional social and religious functions which have consisted in gaining the indulgences for generous donors. Many of the bonzes have abandoned their robes.

The bonzes are subjected to moral pressure through widely circulating slogans among the population: "The people who wear the Saffron-colored robes are lazy bones". They are "the parasites who eat the rice of the people". "They belong to a special class (venna pises) like the prostitutes and the militarists". "There is no benefit in keeping them alive and no loss in making them disappear."

The pagodas which used to be the social and cultural centers of the villages are used for rice granaries and the surroundings of the pagodas, as pigsties. Many of the refugees are scandalized by the behavior of the soldiers who hang their shirts on the statues of Buddha. Many of these statues have been smashed. "These are the useless bricks, that litter places where people have to work".

Is the Buddhist religion condemned to annihilation if this attitude persists?

The same applies to the Islamic religion, practised by about one hundred fifty thousand Chams or Khmer muslims. There are reports attesting vexations against them, and the destructions of sacred books, obligation to raise pigs, and forcible abandonment of traditional ways of clothing. These vexations led to an uprising in the Krauchmar region, in October 1975, which was crushed in blood.

These frequent social and cultural changes are shaping a new type of man and nobody can predict at this time what it will be. The popular education must change inner convictions. "In addition to the visible enemies, it is necessary to vanquish the invisible enemies, that is, the imperialist tendencies of our hearts". This change of attitude is now achieved more through hard labor than through political indoctrination.

Of course, the indoctrination meetings, that most of the refugees spoke about, take place at night, but their frequency varies from region to region. The teaching is not well organized, due to the lack of competent doctrinaires without any doubt. No reports of radio listening in common have been received, the existing radio programs are for foreign consumption. Children go to school only in a few localities: if they go, they study only part-time, after manual work. The true ideological indoctrination is at work: the breaks during work are used for short exhortations. The behavior of each worker is carefully supervised and criticised. Anyone who does not scrupulously follow the directives given by the Angkar is sentenced to "construction" which is the same as deprivation of food, working in full sun, etc. If the worker does not mend his ways, he is taken to the communal disciplinary reeducation center. The third time he has to appear before higher party officials, the Angkar, whence nobody returned alive.

New economy, new society, new type of man, give plenty of difficulties to the radical revolution.

Before 1970 there was no food problem in Cambodia. Later, food supplies became a problem for the two camps at war with each other. The impossibility to provide Phnom-Penh with food was the cause of massive population deportation in April 1975. Since then all the food problems have been solved if one believes the official version. The refugees—even those who escaped lately—say that this is not true. They are unanimous in describing the food situation as more than Spartan: a dough made of rice, corn, manioca, potatoes, mixed with unripe bananas and various kinds of roots.

EIGHT HUNDRED THOUSAND DEAD

It was hoped that the difficulties will be over after the December harvest. The radio, confirmed also by the refugees, stated that the harvest was exceptionally good. In certain areas local authorities have, however, not been allowed to bring the harvest in. The rice left on stem spoiled. Elsewhere the rice was harvested. In some other localities the rice was harvested but the sheafs were taken away for thrashing. In some other places still the rice was thrashed on the spot, before being transported by train to Phnom-Penh. It was reported that three villagers died, when their bellies were slashed, because they picked some ears of rice for food.

Hunger, work without rest, lack of medicines other than the traditional folk medicines, allows one to infer that the loss of human life is very high. In addition to six hundred thousand victims of the war (figures given by the Americans as well as by Sihanouk) reliable sources add another eight hundred thousand victims since the liberation on April 17, 1975. On January 26, 1976, a red Khmer military leader issued a directive to the local authorities in Damban (a new name for the former administrative district of Mongkolborey):

"We have to build a new democratic Kampuchea entirely on new foundations. Everything that reminds of colonial and imperial culture must be eradicated not only on the land but also in each individual. One million inhabitants is enough for rebuilding the New Kampuchea. We don't need any more prisoners of war (population deported in 1975) which should be left at the complete mercy of the local chiefs".

This is a terrible statement that one would like to think to be exaggerated, but for anyone who follows the development of the resolution in detail, it is not, unfortunately, impossible!

The harsh conditions imposed on the Khmer people by an armed minority lead people to resist. The military of the Khmer Republic surrendered with the certitude that they would always be able to settle their differences with the Khmers. Most of them have paid for this error of judgment with their lives. Even among the red Khmers there is disappointment: they had been promised no end of wonders after the takeover. However, the Spartan regime did not come to an end. About 150 of them have deserted and went to Thailand during the last few months. Many of them oppose the new regime. In October, an eye witness went to Prea-Vihear-Souor east of Phnom-Penh. This region was in the hands of Sihanouk people, dressed in dark khakhis, who have killed the Red Khmer officials and installed a more humane rule. It appears that there exists an important underground movement in the region of Kirirom and the Elephant mountains. If the roads from Pampot-Phnom-Penh and Sihanoukville were reopened last August, they are no more at this time. The closure of these roads necessitated the importation of 20,000 tomnes of salt from Thailand.

Around the 10th of January, some very audacious sudden attacks were carried out in the region of Mongkiolborey: one at the confluence between Mongkiolborey and Stund Sangker rivers against an important encampment of the Red Khmers; another against three trucks carrying red Khmers near Kranlah. The refugees report that the red Khmers don't dare to penetrate the jungle nor to spend the night in the villages. At night they regroup in their camps.

The atmosphere of insecurity pushed the red Khmers to organize a slaughter of the civil population in Sisophon and Phnom-Srok and in the beginning of January among the personnel of the textile factory in Battambatand, where 27 workers have been executed the same day. Fifty of their colleagues were successful in escaping and crossed into Thailand.

At this time it is impossible to find out who commands in Phnom-Penh. Of course, Prince Sihanouk is in the capital since December 31st, but the authority is exercised by somebody else. It is said that there exists a strong opposition at present between Kieu Samphan and Ieng Sari, but this information has not yet been confirmed. If the presence of Vietnamese is insignificant, that of the Chinese is still less. It is reported that 167 Chinese constitute the real local power in the region of Battambang: 45 of them live at the University of Battambang, 15 in the former Taiwan consulate, and 20 at Mongkilborey. Their activities do not limit to economic assistance. In several other provinces the situation is the same.

The lotus, as a symbol of life, raises its white flower on the greenish water and takes its life from the slime of the pond. The new Kampuchea takes also its life from the slime made of sweat and blood, crushing the Khmers of every social origin in the same crucible in order to melt them into a new nation. Like the stalk of the lotus pointing its bud towards the sky, the new life is arising. Will this painful birth produce fruit to compensate the investment?

Is it going to modify the Khmer soul in depth, which has been so fundamentally formed by Buddhism that taught to detach oneself from this world and its deceiving pleasures?

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I have heard it said many times that the United States ought not ratify the Genocide Convention because we "gave too much away to the Russians" in debate over the wording of the treaty. Opponents say that various provisions in the convention are loosely drafted and potentially harmful to our interests. I want to address myself to several of those provisions today, and demonstrate why this argument against the convention is totally without foundation.

The "in whole or in part" clause of article II does not mean that the killing of a single individual becomes genocide. The negotiating history of the convention makes it clear that large numbers of victims must be involved, and the acts of murder must be accompanied by a common intent to destroy the group.

"Mental harm," also in article II, would not support propaganda charges of harassment of minority groups. Mental harm becomes an element of genocide only when it is done with an intent to destroy a group. The negotiating history of the convention shows that this clause was inserted only to prohibit the permanent damage of mental facilities, as from the involuntary application of narcotic drugs.

"Direct and public incitement to commit genocide," from article III, does not cover constitutionally protected speech. The convention and the Constitution as interpreted by the Supreme Court, outlaw only such speech which is directed to inciting or producing immediate lawless action and which is likely to produce such action.

Mr. President, there are no hidden traps in the wording of the convention. Let us cease our search for these nonexistent traps and ratify the Genocide Convention immediately.

WHAT WAS GOING ON IN ARIZONA IN 1776?

Mr. FANNIN. Mr. President, as it should be, the Bicentennial celebration has been focused on events which took place in the Thirteen Colonies some 200 years ago. Those from the Western United States have an added perspective. We share in the observance of the great events along the Atlantic seaboard in 1776, and we also mark the important events which were occurring in our areas at that time.

A column by Margaret Ayres in the March 25, 1976, Holbrook Tribune, points out what was happening in northern Arizona back in 1776.

Mr. President, I ask unanimous consent to have this very interesting column printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WHAT WAS GOING ON IN ARIZONA IN 1776?

(By Margaret Ayres)

What was going on in Northern Arizona, when the 13 colonies declared their independence from England?

According to Barton Wright, curator of the Museum of Northern Arizona in Flagstaff, the Indians at that time, who were at home in this area—and some of them had been for ages—had no competitors.

There were Indians-urban; Indians-gatherers; Indians-agriculturists, all conducting their own business, as they had for centuries.

In fact, Wright said, while we are observing our Bicentennial, the Spanish (who had visited our part of the world) might well be observing their quadricentennial; and the Hopis their millenium—give or take a few hundred years.

Up until the time that the Mormon pioneers appeared in the Northland, the Hopis had, more than any other people, left their mark on this part of the world. They had settled their cities, tended their fields. They were traders, Wright said, acquainted with the Spaniards, the Hualapais, the Havasuapais, the Zunis, the Utes.

Between the time of the Revolutionary War and the early 1800's, the American colonies were struggling for survival; Europe was at War; France had been in turmoil; Napoleon had ravaged the continent and invaded Russia; France, Spain and Holland had been battling the British. England, history tells us, was sick of war.

And in the Southwest, the Spanish had expanded their influence around Tubac and Santa Fe, N.M. From their far south corner of the (now) state of Arizona, an expedition was made into the northern area. Fr. Francisco Garces left Tubac for Yuma and continued his journeys, and landed in Oraibi on the Fourth of July, 1776. He received a chilly reception, Wright recounted. The Spanish explorers were asked to sleep in the streets.

The Garces trip itself was "perfectly astounding," Wright said. Although the travelers charted the country and compiled a running history of their adventures, described their guides, and the tribes they came in contact with—

Still, they left behind them only one small folk tale. An old man recalled, decades later, to a westerner, that when his grandfather was a boy, he recalled seeing "a man of similar color."

Fr. Garces and the members of his expedition were guided, fed, and cared for by native people. But, Wright noted, they left nothing of Spain.

Other wanderers that same year in these northlands were the Friars Dominguez-Escalante and a few followers who, Wright related, explored the land in New Mexico, Arizona, Utah and Colorado. They met with periods of severe deprivation and were forced to eat their mules while they wandered. In the Arizona Strip, miles from anywhere, they found themselves with no trail, no guides, no water. And, when Fr. Escalante was ill, a native medicine man administered to his needs.

They explored the Houserock Canyon area; the Vermillion Cliffs, Jacob's Pool. The expedition halted at this point, where they could overlook fully half of Arizona.

Every step of the journey was dutifully logged; they located and mapped another spring—and ate another mule. A notation was made, Wright observed, that, in the Lake Powell region, about where Warm Creek is located, the explorers ate a porcupine. The soldiers, at that point, would try anything.

They made their way to the location known as Lee's Ferry; in mid-November, there was ice everywhere; and, in attempting to pole a raft across the water, they were blown back three times; lost most of their clothing, and were nearly frozen before they made it across.

The Dominguez-Escalante expedition, according to Gordon Wallace, in an article published in Western Horseman Magazine, was unique in the history of the American West, that, on the entire 1700 mile trek, not a drop of blood was spilled during the five-months trail ride; either by the Spanish or by the Indians along the way.

The Garces and Dominguez-Escalante expeditions were of great importance to the Spanish, in that the trails were mapped, the Indian tribes identified, their homes located; goods were traded, and acquaintances made.

But, Wright said, what the Spanish left behind, was "Not a thing. They took back a little bit of information—it did not change a thing—there was no influence exchanged. The Spaniards simply passed through, and that is all."

For another hundred years, until the Mormons ventured with their families into Northern Arizona, things remained about the same as they had, for the past 800 years or so. Indians-urban; Indians-gatherers; Indians-agriculturists—all conducted their own business, as they had for centuries.

JAMES RISSER HONORED BY SIGMA DELTA CHI

Mr. **CLARK**. Mr. President, for months we have been reading about the unfolding story of scandal and corruption in the Nation's grain inspection system. Major investigations have been conducted by the Department of Justice, the General Accounting Office and the Senate Committee on Agriculture and Forestry. Next week, in fact, the committee is scheduled to mark up major legislation to reform the grain inspection system.

No one is more responsible for bringing the grain trade scandal to light than James Risser of the Des Moines Register. On May 4, 1975, Mr. Risser first broke the story of the Federal investigation of the grain inspection system in New Orleans. Since that time, he has reported widely on the scandal, at times breaking important new ground on a daily basis.

Yesterday, Sigma Delta Chi, the national society of professional journalists, honored Mr. Risser with its distinguished service award for Washington correspondence. No one could be more deserving.

Mr. President, I ask unanimous consent that an article in the Des Moines Register reporting on Mr. Risser's award be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Des Moines Register, Mar. 31, 1976]

Register's Risser Wins Award for Grain Stories

Chicago, Ill.—James Risser, a reporter in the Washington Bureau of The Des Moines Register, has won a major journalism award for his stories on corruption in the grain-exporting business.

The award is the Sigma Delta Chi (SDX) distinguished service award for Washington correspondence. Sigma Delta Chi is a national society of professional journalists, and its distinguished service honor is considered among the top three or four in journalism.

The naming of Risser marks the sixth time since 1953 that Register reporters in Washington have won the award.

PRINT AND BROADCAST

This year, the awards were made in 16 categories of print and broadcast journalism. There were 1,266 entries. Among other winners was the radio news team at WHBF in Rock Island, Ill., which won the radio news reporting award for its coverage of a plant explosion.

Risser's stories, which have spurred a wide spread federal investigation, have exposed the conflicts of interest in the grain inspection system and have documented bribery, short weighing, false grading and grain theft at the ports.

His first story appeared on May 4, 1975. To date, 62 individuals and companies have been indicted by grand juries on charges ranging from bribery to theft. Of these, more than 50 have been convicted or have pleaded guilty.

In addition, the director of the grain division of the Department of Agriculture has been replaced, and the entire top structure has been shaken up.

MORE INSPECTION

Congress has appropriated $5 million to hire more people to supervise the grain inspection system, and both houses of Congress are considering legislation aimed at correcting the wrongs Risser uncovered.

The Sigma Delta Chi judges cited Risser for his clear and well organized stories, and they said his reporting was "an outstanding example of a Washington correspondent acting as a watchdog for the public interest."

Risser, 37, joined The Register in 1964 after practicing law for two years in Lincoln, Neb. He was transferred to Washington in 1969. In 1973, he was named the outstanding professional journalist of the year by the University of Nebraska, from which he holds a bachelor's degree. He received his law degree at the University of San Francisco. In 1973–74, he was a Stanford University professional journalism fellow.

AMERICAN FLAG ESSAY

Mr. **PASTORE**. Mr. President, each year the Warwick Emblem Club No. 416 holds an essay contest in the secondary schools of the city of Warwick, R.I. The essay contest is part of the club's Americanism program, and each year students are asked to write on the meaning of the American flag.

This year the winner of the contest is Miss Catherine Harrington of Winman Junior High School. I have read her essay and thoroughly enjoyed its uplifting, patriotic tone. Miss Harrington's essay captures in beautifully written prose what the American flag should truly symbolize for all our citizens. I commend it to all of my colleagues in Congress and therefore I ask unanimous consent that it be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

What the American Flag Means to Me

(By Catherine Harrington)

"I pledge allegiance to the flag"—I wonder how many times a day these words are uttered in classrooms throughout this country. It is customary for students in most schools to begin their day with this familiar recitation along with an accompaniment of the National Anthem. In the field of sports, spectators usually rise and pay formal tribute to the flag before the particular event on hand gets under way. It may be said, after such observations have been recorded, that Americans have a patriotic consciousness of their flag. Certainly most of them, if asked to describe their flag, could come up with a pretty good physical description "Let's see—it has thirteen stripes, alternating red and white, and fifty white stars in the left hand corner which are placed in rows on a field of blue." They might even add proudly that it was Betsy Ross, commissioned by George Washington, who sewed the first flag.

All this information is fine and is certainly helpful to anyone who is not from our country—But it is not the brilliantly colored piece of material waving in the wind, raised proudly aloft on a flagpole, held tightly in the hands of the most attractive majorette on the football field, or draping majestically in the most conspicuous corner in a classroom that is important; it is the symbolic significance accumulated over years of history which should make Americans aware and proud of their flag.

This year Americans are celebrating the two hundredth birthday of the Declaration of Independence which signaled the start of a new nation. It was born from the dreams of a handful of struggling colonists who dreamed of being free and independent. Throughout the years, the flag has continued to symbolize the democratic form of government founded and established by these men. When Francis Scott Key first composed the National Anthem, he was gazing at a flag waving battered and torn but in triumph after a night of bloody battle. It was not the flag itself but the courage and endurance of the men who fought to maintain that flag, which inspired Key to write his famous lines.

Throughout the history of this country, men have seen fit to suffer and die for the principles of peace and freedom which the flag symbolizes. They have also seen fit to plant the symbol of their dignity wherever free men battle, not just for the glory of their own nation, but for the welfare of mankind. In the last quarter of a century alone, the American flag has traveled from the beachhead of Iwo Jima to the rocky surface of the moon.

There are those who deny the flag recognition because they say it no longer stands for what it symbolizes. Perhaps they should re-evaluate their opinion. It is the action of the people behind the flag, not the flag itself, that creates meaning. It is up to every American to contribute individually toward making his National Anthem and his allegiance to his flag a genuine exercise in pride and dignity.

FOOD STAMPS: ASKING THE WRONG QUESTION

Mr. **HOLLINGS**. Mr. President, as Congress attempts to come to grips with reforming the food stamp program, its first priority must be cutting through all the rhetoric and verbiage and focusing on the real questions that need to be asked.

The Charlotte Observer recently had an excellent editorial entitled "Food Stamps: Asking the Wrong Question." Briefly, but cogently, the Observer put the food stamp program in realistic perspective. In so doing, the column demonstrated how wide of the mark are many observations and criticisms of the present system.

We all know that the food stamp program as presently operated has serious deficiencies, and we all know that the enforcement concerning food stamp cheaters has been inadequate. Yet the central question is what can we do to address the central problem which still remains: How to provide a nutritionally adequate diet to those in our midst who are incapable of providing their own sustenance. As the Observer says:

> Until every American can afford a nutritionally adequate diet, the country will pay dearly in a variety of ways: infant death and illness, adult malnutrition and susceptibility to disease, needless and untimely death among the elderly.

Asking the right question is usually the beginning of wisdom. The Observer editorial asks the right questions, and so perceptively that it deserves the attention of all of us as we consider this important matter.

Mr. President, I ask unanimous consent that the text of this column, which appeared on March 30, 1976, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Food Stamps: Asking the Wrong Question

Congress is well into an election-year effort to "reform" the food stamp program. Unfortunately, the effort so far has proven only that if members of Congress ask the wrong questions, they will come up with the wrong answers.

The food stamp program is an improvement over the commodity food program, which it replaced, but it has fallen far short of eradicating hunger among the poor. Today, half the poor families in America do not benefit from food stamps.

Congress should be asking why that is true. Until every American can afford a nutritionally adequate diet, the country will pay dearly in a variety of ways: infant death and illness, adult malnutrition and susceptibility to disease, needless and untimely death among the elderly.

Instead, many in Congress ignore that question and ask what can be done to cut the cost of the program.

The food stamp program cannot be studied in a vacuum. Instead of asking why it costs so much, Congress would do well to ask why in the richest country in the world so many people need such a program. Part of the answer is obvious from the monthly unemployment statistics. People who want to work can't find jobs.

Yet while grumbling about undeserving people on food stamps, Congress fails to come up with a program to enable out-of-work Americans to find employment.

Capitol Hill is awash with complaints about graft in the food stamp program. There is some, to be sure. Chiselers should be prosecuted, and, increasingly, they are. But there are no statistics to indicate that food stamp recipients are less law-abiding than heads of giant corporations or members of Congress; in fact, a case could be made for the opposite.

The food stamp program badly needs reform. It needs to be simpler to administer. The purchase price should be eliminated. Doing away with that necessity for making a large, lump-sum payment would enable many more people to use food stamps. But that would increase the cost of the program, and Congress seems intent on cutting costs even if it means depriving poor people of help they need.

It makes us angry to hear of a senator's daughter receiving food stamps. But it also makes us angry to hear of a millionaire who paid no income taxes or a businessman who writes off lavish gifts, dinners and travel as business expenses. If low-income people have learned to take advantage of government regulations, they have not lacked high-income teachers.

Congress needs first to deal with these basic questions: Does this country want to insure that no family is denied an adequate diet? Will the country accomplish that goal by providing jobs for people who want to work and income subsidies for people who can't work?

So far, it appears that many—perhaps a majority—in Congress, cannot answer "yes" to those questions.

FINANCIAL STATEMENT OF SENATOR MONDALE

Mr. MONDALE. Mr. President, I ask unanimous consent that a statement of Mrs. Mondale's and my estimated net worth as of December 31, 1975, be printed in the RECORD.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

Financial statement of Senator and Mrs. Walter F. Mondale, December 31, 1975

Assets:	
Residence in Washington	$73,000
Automobile	875
Cash in deposits	3,009
Household and personal goods	6,000
Cash value of life insurance	7,958
Personal contribution to Federal Employees Retirement Fund	32,469
Total assets	123,311
Liabilities:	
Mortgage on residence in Washington	33,138
Miscellaneous personal bills	2,000
Bank loan	8,635
State and Federal income tax payable in 1976 with respect to 1975	2,177
Total liabilities	45,950
Estimated net worth:	77,361

FINANCIAL STATEMENT OF SENATOR TUNNEY

Mr. TUNNEY. Mr. President, having last released a report on my income and holdings in November 1975, I am again doing so because of my firm conviction that an officeholder should report fully on the money he makes, the property he owns and debts he owes. My financial statement follows:

FINANCIAL STATEMENT OF SENATOR JOHN V. TUNNEY

INCOME (GROSS—1975)

Salary from U.S. Senate	$43,025.00
Honoraria	11,000.00
Property rental	7,800.00
Royalty from book	6,750.00
Dividends	146.50
Interest	12.00

STOCKS AND BONDS (1975)

865 shares of Washington Groups, Inc.[1]
1,500 shares of Lord Simcoe Hotel, Ltd.

CAPITAL GAINS (1975)

$8,980.00 from sale of Washington Group, Inc. stock.

CURRENT REAL ESTATE INTERESTS (1975)

Residence:	*Property tax assessed market value*
Northwest, Washington, D.C.	$123,721.00
Los Angeles, Calif	71,200.00

Residence:	*Property taxes*
Northwest, Washington, D.C.	$2,261.61
Los Angeles, Calif	2,419.24

Two mortgages at Riggs National Bank; Washington, D.C.

OTHER ASSETS (1975)

Ancient coin collection, 1972 Pontiac Lemans, Household furniture, Books.

TAXES PAID IN 1975

Federal: $9,697.00.
California: $2,890.00.

LOANS (1975)[2]

Security Pacific National Bank	$15,000.00
Riggs National Bank; Washington, D.C	5,500.00
Senate Employees Federal Credit Union; Washington, D.C	4,905.93

[1] Blind Trust at White, Weld & Co., Inc.; c/o Mr. Thatcher M. Brown, Jr.; 55 Water Street; New York, New York dissolved April 15, 1975.

[2] Amounts owed as of December 31, 1975.

LASER COMBATS DIABETES-CAUSED BLINDNESS

Mr. McGEE. Mr. President, as Senators know, the Senate has on several occasions funded research programs into the various aspects of diabetes. The ultimate goal, of course, is to rid this country of the disease.

In previous comments, I have called for full support of diabetes research, noting as each is reported, the advances that are being made in detection and treatment as well as public awareness.

Not too long ago, we noted reports that special blood tests might show a person's potential or vulnerability to diabetes. This is just one step toward the goal of prevention which the National Diabetes Association and I have predicted will be realized with time.

Until that time, however, the effects of diabetes and its related diseases, have to be dealt with and overcome. One of those effects is blindness, and in that regard, I am happy to inform my colleagues of another medical advance as reported in the Washington Star on April 1.

I ask unanimous consent that an article by Robert Pear, "Laser Combats Diabetes-Caused Blindness," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LASER COMBATS DIABETES-CAUSED BLINDNESS

(By Robert Pear)

New evidence from a nationwide study shows that treatment with lasers and other powerful beams of light can substantially reduce the risk of blindness for some people with severe eye disease caused by diabetes, government doctors said today.

The finding, announced by Dr. Carl Kupfer, director of the National Eye Institute, one of the National Institutes of Health, has potential importance for more than 300,000 Americans whose sight is threatened by a disease known as diabetic retinopathy, a leading cause of blindness in the United States.

Diabetic retinopathy is a disorder of the blood vessels of the retina, the light-sensitive tissue at the back of the eye which transmits visual impulses to the brain.

The longer a diabetic patient lives, the more likely he or she is to develop the disorder, which Kupfer called the leading cause of new adult blindness in the United States.

To reduce the risk of blindness, scientists for the last two years have been testing a technique called photocoagulation. In this therapy, an intense beam of light—the argon laser or xenon arc light—is directed into the eye and focused on a small spot on the retina in an effort to destroy or weld together proliferating new blood vessels.

At a news conference today, Kupfer said there is now "conclusive evidence that this treatment is beneficial for certain patients with this eye disease in that it reduces the risk of blindness."

Clinical tests of the new technique, the most extensive such trials in the history of eye research, have been conducted on more than 1,720 patients at 16 medical centers.

Doctors reported that after two years of followup, the great majority of eyes in the study, whether treated or untreated, did not go blind. But the percentage which did go blind was significantly greater among untreated eyes (16 percent) than among treated eyes (6 percent).

In the more severe form of diabetic retinopathy, new blood vessels sprout from the existing ones, errupt through the surface of the retina and grow between the retina and the clear, jelly-like substance that fills the center of the eye, threatening vision.

Diabetes has become the nation's third-ranking cause of death and is increasing rapidly, a national commission reported to

Congress last December. There are some 10 million Americans with diabetes at present, and about half of them are said to be unaware that they have the disease, whose cause is unknown.

FRED A. WINTER, SPORTS FIGURE, DIES, RITES SET

Mr. CULVER. Mr. President, last week, Iowa lost one of its outstanding figures in sports and athletic administration. Fred A. Winter of Cedar Rapids died at the age of 78, after a richly varied and productive career. As one who grew up in Cedar Rapids and attended its public schools, I was one of the most fortunate of his many beneficiaries, and came to have the deepest appreciation for his qualities of leadership and friendship.

Fred Winter's personal and professional influence was felt throughout Iowa by the diversity of sports in which he officiated or which he announced. In addition, he was known throughout the midwest as one of the most accomplished officials in collegiate football, basketball, and track. Moreover, he was a fine teacher and physical educator. While a student at Grinnell, he earned nine varsity sports letters; happily, the college, in 1972, recognized his lifetime achievement by an honorary degree. Only 10 days before his death he was honored in absentia during the Iowa Boys Basketball Tournament.

All those who have know Fred Winter, his devoted wife of 54 years, Mildred, and his son Robert, mourn his passing, but take pride in having shared the friendship of a man of exceptional distinction and accomplishment.

Mr. President, I ask unanimous consent that an obituary of Mr. Winter which appeared in the Cedar Rapids Gazette be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

Fred A. Winter, Sports Figure, Dies, Rites Set

Fred A. Winter, 78, of 433 Dunreath drive NE, well-known in Iowa and the Midwest for sports participation and administration, died Monday.

Winter, a native of Hinton, coached at Eagle Grove and old Grant high school in Cedar Rapids before becoming athletic coordinator for Cedar Rapids public schools in 1935. He held the post until retirement in 1967.

He also served as an official for football, basketball and track, working both Big Ten and Big Eight conference games.

For many years Winter was the public address announcer at the University of Iowa's home football and basketball games, and also for state basketball tournaments.

Mr. Winter was graduated from Sioux City Central high school. He received a B.A. degree in 1921 from Grinnell college, where he earned nine sports letters. He obtained a master's degree from Stanford university in 1937, and an honorary degree from Grinnell in 1972.

He was married to the former Mildred Cavin, June 30, 1922, at Columbus Junction. He was a veteran of World War I and a member of the First Presbyterian church.

Winter was a member and one-time officer of many athletic and physical education organizations.

He also received a number of awards for his contribution to sports and physical education.

Ten days ago at the Iowa boy's basketball tournament, although unable to be present, he was honored by the Iowa High School Athletic Assn., for "service and support of interscholastic athletics."

PUSHING PETROLEUM

Mr. ABOUREZK. Mr. President, the Judiciary Committee will soon be considering a bill which would separate the major oil companies into their producing, pipelining, and refining components. One of the arguments being made against this divestiture bill is that it would weaken the oil industry's ability to bargain with the OPEC cartel. That is an interesting proposition, Mr. President, because I think the major companies as now structured have actually used their bargaining strength to limit oil supplies and thus to help maintain high prices.

We know that the international oil companies, as marketers for OPEC, have had primary responsibility for prorationing production among the several countries in order not to overproduce and risk a glut.

For years, the oil industry's control over prices rested in its ability to prevent the production of "distressed" oil. Distressed oil is the oil that exceeds the amount needed to meet demand—the amount that would increase supply over demand and drive the price down.

Yesterday's Wall Street Journal indicates that there will be a struggle in which this power will be challenged. The nationalized oil companies of OPEC want to sell oil—and the majors simply do not want to buy it. Now, the majors may succeed in holding up the price of oil if they all refuse to buy more than their pro-rated shares. But let us imagine that there are many independent refining companies, all interested in increasing their share of the market. They will be eager to take all the oil they can get, and the countries are eager to sell. Divestiture will not create small, weak companies. What it will create is a much greater number of oil buyers whose interest is the same as that of the consuming public.

The Journal articles helps correct some of the misconceptions about whose interest the big international oil companies have furthered. I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Apr. 6, 1976]

OPEC Nations Are Pressing Oil Firms To Take More Crude, and Paring Prices

(By Neil Ulman)

London.—International oil companies, which scrambled and begged a little over a year ago to assure their long-term oil supplies, are faced with an odd new problem: How to turn away oil that some producer nations are pressing them to buy.

And with it comes a corollary puzzler: Should they treat their new bargaining position as a fundamental shift in their favor? Or is it more likely just a fleeting anomaly in a long-term sellers' market?

For if companies squirm out of commitments to buy oil that the producer nations want them to take, they risk offending their suppliers and being left short when and if oil demand picks up. On the other hand, trying to "buy favor with someone by taking oil you can't sell is a sure way to bankruptcy," says an official of the big Royal Dutch-Shell Group here.

BEHIND THE DILEMMA

The dilemma results from the well-documented crude oil glut that followed the surge in oil prices since 1973, the recession in the industrialized world and a pair of mild winters in Europe and the U.S.

The subsequent price-sharing has been widely reported and not unexpected. Something else now is beginning to confront oil companies with several suppliers in the Organization of Petroleum Exporting Countries, the 13-nation cartel that has largely succeeded in setting oil prices unilaterally since October 1973. The companies are faced with competition among OPEC nations to get them to take more oil.

In the short term, that competition has resulted in only small price reductions, hardly enough to affect consumers. But for the longer term, it suggests that the companies are reentering the bargaining process from which they were abruptly shut out in 1973.

At least one analyst even thinks that the change presages a slow decline in oil prices, adjusted for inflation, over the next five years. "The producing countries are really in competition with one another now," says Colin Robinson, an economist at Britain's Surrey University. He thinks that by 1980 prices could slip to $9 to $10 a barrel (in current dollars), compared with $11.51 today for Saudi Arabian light crude, the "marker crude."

"When the oil companies were in control, sometimes there was competition and sometimes there wasn't. Now things have really changed," he argues. Although few observers join Mr. Robinson in predicting declining prices, they agree that the change in control over production plays a role in the companies' curious position of late.

EARLIER BARGAINING

As OPEC nations nationalized increasing shares of the concessions in their territory in the wake of the 1973 Arab oil embargo, horrified companies saw control of both prices and supplies slipping away from them in the midst of a shortage. In bargaining terms of nationalization, they traded pledges to invest, explore, train local personnel and transport oil, in return for promises of a chance to buy oil at rising prices. "People were running around telling producers, 'Here, have a refinery, have a pipeline, have anything you like. Just give us oil,'" recalls a supply expert for one London-based major. But now, he says, "both psychology and circumstance have changed."

Indeed, Iran, Kuwait, Saudi Arabia, Venezuela and other nations all have been emphasizing the selling of oil again. Now the companies are asking to take less than the producers want to sell. And in some cases the question has turned sticky.

In Kuwait, where prices were recently rolled back 10 cents a barrel in the face of slumping demand for heavy grades of crude oil, Gulf Oil Corp., British Petroleum Co., Royal Dutch-Shell Group and Exxon Corp. all have sought in recent months to cut back on the amount of crude oil they had previously proposed to take, sources at the Kuwait Oil Ministry say. Gulf's and BP's desire to scale down projected liftings over the next five years to 950,000 barrels a day from 1.3 million barrels a day partly caused the delay in the recent final agreement on Kuwait's take-over of their remaining 20% shares in Kuwait Oil Co., Kuwaiti sources say.

In Saudi Arabia, one of the sticking points on the final take-over of the Aramco properties concerns long-term supplies. Standard Oil Co. of California, Exxon, Texaco Inc. and Mobil Oil Corp., all want, and apparently have won, the right to scale down commitments to take oil if market demand shrinks in the future.

THREAT TO TRADE PACT

In Iran, the Shah has castigated the 14 companies forming Iranian Oil Participants Ltd. for failing to take as much oil last year and this as he says they had promised. In hopes the U.S. government would pressure American members to take more, the Shah even asserted that their reluctance threatens to scuttle the $12 billion Iranian-American trade agreement. The problem continues, despite a recent 9.5-cent-a-barrel reduction in the price of Iranian heavy crude, a cut that IOP says still doesn't go far enough.

In Venezuela, most oil companies signed up for "something less than the government offered" in crude oil volume in recently concluded supply agreements, the vice president of one company doing business there observes. He says that the Venezuelans weren't much perturbed, however, and that they asserted they could find other outlets for their oil—a picture confirmed by Venezuelan government sources.

Although few oil men were expecting two years ago to find themselves turning down oil today, the position isn't altogether unfamiliar. During the late 1960s, when crude oil was also in surplus, producer nations often badgered the companies to take more oil, executives recall. Moreover, one official says: "The situation isn't so different now as it looks. The companies still want long-term contracts and security of supply. The producers still want to sell their oil. It's just that same extra 5% that always used to cause us trouble storing or selling."

STRONGER POSITION

In some ways, paradoxically, the companies feel better able to stand up to the producer nations since the concessions have been nationalized.

"We used to be mesmerized by our equity position," says one oil man who handles relations with producer governments. "We were so scared by countries that held tens of millions of dollars worth of our assets. They had more leverage to make us take oil we didn't want, and we had more incentive to take it." Now, he says, the producer nations still need the companies to market their oil. But nationalization can't be used to threaten the companies any longer.

The trump that the producer countries continue to hold, however, is the long-term supply. Even within Iranian Oil Participants, as it tries to negotiate a new long-term agreement, there are differing views on tactics.

"It's true that we run a risk with Iran. There's no doubt that one problem (in coming to terms) is the Shah's annoyance that we aren't lifting his heavy crude," says an executive with one member of the consortium. Another members sees no use, however, in "taking the oil in tankers and putting them in Norwegian fjordes. You'll soon run out of tankers and fjords without any guarantee that you can sell the oil for more than it costs you to store it."

Nevertheless, an IOP spokesman says, some customers continue to buy Iranian oil just to maintain a good relationship, even though they could get oil more cheaply elsewhere.

MUCH UNCERTAINTY

One reason for so doing is pervasive uncertainty about how long the current oil glut will last. BP experts concede they were caught unprepared for the 7% decline in oil demand last year among the non-Communist industrial nations. Shell says it was looking for an upturn that would have wiped out excess stocks (currently 80 days worth) sometime around the end of last summer. But it is still looking. Shell refineries outside of North America ran at 67% of capacity last year, down from 75% in 1974, although they worked harder at year-end.

So long as this oversupply continues, companies see themselves gradually edging back into price-bargaining, "particularly when it comes to the price of one grade of crude against another," says one oil executive here.

On the other hand, most oil men regard the basic world supply situation as a political imponderable resting largely in the hands of Saudi Arabia. "It could all be changed overnight by a political move," says one vice-president whose company just had the last of its biggest Middle East concession nationalized.

SAUDI'S KEY ROLE

As OPEC's biggest producer, with capacity of over 11 million barrels a day, Saudi Arabia produced only seven million barrels a day last year and is currently pumping about eight million barrels a day. But the Saudi's annual revenues of over $21 billion vastly exceeded the needs of their estimated five million to eight million people. The port of Jeddah, for example, is choked with ships waiting up to 120 days to unload a vast flood of imports. And the Saudis already have cut back their development plan, which at its grandest was based on a need for oil production well below current levels.

So while the Saudis have pledged not to make any drastic production cutbacks, they haven't any economic need to keep world supplies plentiful. Conventional wisdom has it that the Saudis will continue producing around current levels to act as a stabilizing influence in world markets. Oil Minister Ahmed Zaki Yamani has said he doesn't see the need for another price increase in June when the OPEC's current price freeze ends. But despite the Saudis' overwhelming market power, their proclaimed positions have, in the past, been subject to change.

THE SALE OF CARGO PLANES TO EGYPT

Mr. DURKIN. Mr. President, I sent a letter yesterday to the chairman of the Foreign Relations Committee (Mr. Sparkman) asking that the question of selling cargo planes to Egypt be brought before the entire Senate during the next 2 weeks, while there is still time to do something about it.

I oppose the sale because I think it will only serve to heighten tensions in the Middle East, and pose greater threat to Israel, the only Middle East country with a legitimate need for defensive weapons.

And I oppose the sale because it appears to be just another step in a series of secret assurances and agreements worked out among Secretary of State Kissinger, leaders of foreign governments, and one or two senior Members of Congress.

I find myself repeating myself. I said the same things several months ago when the Sinai disengagement agreement was before the Senate. Although the agreements were ratified, a few of us voiced strong concern that we had not been told the entire story about U.S. commitments which led up to the accord.

Now we know that those suspicions were well grounded, and that the American public was not told the entire story. But any indignation over the secrecy seems to have been put aside after several key Senators reported that the administration has promised to ask for no more military sales to Egypt during this calendar year.

We skirted the real issue last fall, and I fear we will avoid it again this spring, Mr. President. I want again to go on record as opposing both the proposed sale to Egypt, and the way it was handled.

I ask unanimous consent that my letter to Senator Sparkman be printed in the Record.

Without objection, the letter was ordered to be printed in the Record.

U.S. Senate,
Washington, D.C., April 6, 1976.

Hon. John Sparkman,
Chairman, Committee on Foreign Relations, Dirksen Senate Office Building, Washington, D.C.

Dear Senator Sparkman: I am writing to express my concern over the proposed sale of six C–130 transport planes to the government of Egypt and the probability that the full Senate may not be afforded the opportunity to express its will under the current military assistance law.

When I came to the Senate last fall, one of my first votes was against the Sinai disengagement agreement worked out by Secretary Kissinger. The decision was not an easy one, nor one which was particularly popular. But I was concerned that much of the vital information concerning that agreement was being withheld from most members of the Senate, and the American public.

Recent news reports have confirmed original suspicion that there was more to the Sinai agreement than presented to the full Senate. The proposed sale of C–130 transport planes and the thinly veiled promise of more arms sales in the future would appear to be included in that package. The Congress, by steps akin to peeling an avocado, is being drawn toward the center of a potentially explosive international situation, without a clear perception of what lies at the heart of the matter.

I fully appreciate the amount of work and effort you, Senator Case and Senator Humphrey have put into this matter, and I want in no way to give the impression that I do not support your efforts or recognize your long-standing support for the state of Israel. But what disturbs me is the apparent trend in Middle Eastern affairs wherein important matters are resolved with the private discussions, promises and assurances among the Secretary of State, foreign leaders, and a few senior members of Congress. As with the Sinai agreement, the U.S. Constitution and our oaths to uphold it mandate that the Senate be let in on all the details, and given an opportunity to express our approval or disapproval.

If given the opportunity, I intend to vote against the sale of additional military equipment to Egypt. I agree that we have to demonstrate to all parties in the Middle East that we can work effectively with each of them. And I agree that, in light of President Sadat's expulsion of the Soviets, we are obliged to give him a special sign of our approval of his statesmanship.

But signs can be given in many ways, and at this point, it would be more appropriate giving our sign with tractors and like weapons of peace, rather than more military equipment and the hints of more destructive military weapons next year.

On the one hand, my own limited review tells me that economic assistance is what the Egyptian people need more than military cargo planes. If our peace efforts in the Middle East are dependent on the moderating influence of a Sadat in Egypt, it might also be said that Sadat's place in Egypt is dependent on this ability to turn the Egyptian economy around. The long run goal of peace and stability appears to be more achievable by economic incentives rather than military hardware.

It is the Israelis who are experiencing the military threat. They need military assistance, not the Arab countries. Three times in the last thirty years, it has been the Arab countries which have attacked the state of Israel with the intent of territorial conquest, and three times they were repulsed, losing some of their own territory in the process. Our commitment is to maintain Israel's defensive capacity should another Arab challenge arise.

This does not, however, imply that what we do for Israel we must do for the Arab states. We cannot be certain that military hardware we sell now to Egypt will not, in the future, be utilized in another attack on Israel's borders. While in the short run it may look like such a sale would help to stabilize the area by lulling the Egyptians into peace talks, I am convinced that in the long run such a sale would have a destabilizing effect.

I am overwhelmed with the obvious and simple maxim: you can't buy peace by selling guns.

Secretary Kissinger is enamoured with the idea that the United States can pry each side of a dispute into agreement with his bag full of carrots and sticks. But that approach has its shortcomings. Eventually, the United States has got to say what it really stands for in the realm of international relations by setting down its guiding principles based on an American sense of what is just and right and fair. We not only need a foreign policy with a strategic purpose, or one which places us in the role of arbiter, but we also need a foreign policy with a moral purpose. The Kissinger Realpolitik leaves no room for that.

In summary, I must ask that your committee, either favorably or unfavorably, report to the Senate a resolution to block the sale of C–130 transport planes to Egypt in order to give the entire Senate a chance to vote on the issue. As members of the Senate, it is our responsibility to reaffirm and guarantee the American people that their foreign policy will henceforth be made out in the open, after a full and frank debate on the floor of the U.S. Senate.

Sincerely,

JOHN A. DURKIN.

BUREAUCRATIC OVERKILL AT JUSTICE

Mr. BENTSEN. Mr. President, on last Friday the Department of Justice issued a letter of objection to a submission by the city of San Antonio under the Voting Rights Act for 13 annexations made by the city between November of 1972 and September of 1975. The decision made by the Civil Rights Division at Justice is a classic case of bureaucratic overkill, misusing congressional authority which was designed to end voter discrimination, not to give the Department of Justice a blank check to rewrite the election systems of our major cities by administrative fiat.

I supported extension of the Voting Rights Act because I believed then and still believe that it is worth walking that extra mile to protect the right to vote—our most precious right. But I am outraged at the construction put on the act by the bureaucrats who administer it and who have succumbed to the demands of a handful of activists purporting to represent the will of the Mexican-American community in the city of San Antonio.

The fact is, Mr. President, that the Anglo population of San Antonio is the minority in that city, with only 39 percent of the population.

The objection by the Department of Justice to the city's submission flies in the face of all logic and offends all that is fair.

The reason given by Justice for its ruling is that the Mexican-American vote would be diluted by the annexations and that in the context of an at-large election system this amounts to discrimination. The amount of the decrease in the Mexican-American population as a result of the annexation, however, is only 1.34 percent. If this is not an insignificant dilution, I do not know what is. It is absurd for the Justice Department to construe the Voting Rights Act in such a fashion that a city of three-quarters of a million people is unable to annex additional tax-paying areas on grounds that a particular minority group will drop by 1.34 percent in the total population of the city. It is even more absurd to exclude from consideration the other 9 percent of the population which is in fact also a traditional voting minority.

That is right, Mr. President, in issuing the San Antonio letter, the Department of Justice did not count as part of the affected minority the blacks and other minorities who make up 9 percent of the population.

The bureaucrats at Justice, however, have seen fit to ignore this fact and have juggled the figures to accomplish their own personal goals rather than the goals set by Congress.

What Justice is really concerned about, Mr. President, is not dilution of Mexican-American voting strength, but the lack of single member city council districts in San Antonio. Their arguments all relate to the lack of single member city council districts. It is obvious to even the most casual observer that the dilution is insignificant—even more so if the blacks and other minorities are taken into consideration. The real issue for the bureaucrats is whether San Antonio shall have single member districts. And rather than settle that issue in a judicial proceeding with judicial factfinding and cross-examination, the bureaucrats are seeking to do it by a shortcut uptilizing a distorted construction of the preclearance section of the Voting Rights Act. This is neither fair nor just. It would make the Civil Rights Division of the Department of Justice the arbiter on all election issues, not just those voting rights issues delegated by Congress under the act. Congress clearly intended to simplify the administration of the act by giving the Attorney General authority to approve changes in election laws. Section 5 of the act, however, was not intended to give the Attorney General authority to decide by administrative fiat whether a city such as San Antonio should adopt single member districts for council elections. If this is the goal of the Department of Justice, then let them file a lawsuit in the Federal district court and proceed under the normal course for such actions.

I am appalled, Mr. President, at this callous action by the deputies of the Attorney General, and I will do all within my power to reverse it.

PRELIMINARY NOTIFICATIONS OF PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the record in accordance with previous practice.

I wish to inform Members of the Senate that such notifications were received on April 2 and 5, 1975.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** The time for morning business having expired, morning business is closed.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The **PRESIDING OFFICER.** Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3136, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

The Senate proceeded to consider the bill.

ANIMAL WELFARE ACT AMENDMENTS OF 1976—CONFERENCE REPORT

Mr. WEICKER. Mr. President, I submit a report of the committee of conference on S. 1941 and ask for its immediate consideration.

The **PRESIDING OFFICER** (Mr. STONE). The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1941) to amend the Act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes, having met, after full and free conference, have

agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the Record of March 29, 1976, beginning at page 8453.)

Mr. **WEICKER**. Mr. President, I ask unanimous consent that Doug Cutler, Geoffrey Baker, Kathy Korpon, and Mike Erownlee be accorded the privilege of the floor during the consideration of the conference report on S. 1941.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WEICKER**. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second? There is not a sufficient second.

Mr. **WEICKER**. I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WEICKER**. Mr. President, I ask for the yeas and nays on the conference report.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **WEICKER**. I wish to ask the distinguished majority leader if I might ask unanimous consent that the vote on this legislation, the conference report on S. 1941, occur not later than 2 o'clock today.

Mr. **MANSFIELD**. Fine.

Mr. **WEICKER**. Mr. President, I ask unanimous consent that the vote on the conference report on S. 1941 take place no later than 2 o'clock.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

Mr. **MANSFIELD**. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **MANSFIELD**. As I understand the request of the distinguished Senator from Connecticut, who is manager of the conference report, it was that a vote would occur on the conference report not later than 2 o'clock.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **WEICKER**. I thank the distinguished Senator from Montana.

Mr. President, I am pleased today to present to my colleagues for their approval, the conference report on S. 1941, the Animal Welfare Act Amendments of 1976. This legislation is concerned with correcting abuses in two major problem areas—the inhumane treatment of animals in transportation and the widespread illegal activities associated with animal fighting ventures, particularly dogfighting.

The Senate passed this bill without an animal fighting provision by a unanimous voice vote in December. The House by a 335 to 34 margin approved a similar measure with an animal fighting prohibition in February. The conferees, after meeting March 18 to resolve differences in the two versions of the bill, reported what I believe is carefully deliberated legislation to assure the humane treatment of animals in transit and to stop the dehumanizing and outrageous sport of animal fighting. Yesterday the House passed the conference report on S. 1941 by a 332 to 31 vote.

Let me briefly list some of the major provisions of the conference report:

First. Interstate carriers, intermediate handlers, and terminal facilities are now covered under regulation of the Animal Welfare Act.

Second. Significantly, this legislation directs the Secretary of Agriculture to promulgate strict standards for the care of animals in transit, including standards for containers, feed, water, rest, ventilation, temperature, and handling.

Third. The bill requires that certain animals be accompanied by a veterinarian's health certificate before shipment in transit and authorizes the Secretary of Agriculture to determine the minimum age at which animals may be transported.

Fourth. The bill also adds a new section to the Animal Welfare Act making it a crime subject to a fine of up to $5,000 and/or imprisonment for 1 year to knowingly sponsor or exhibit an animal fighting venture in which animals are moved in interstate commerce or the mails are used to promote such a venture. For purposes of this new section of the act, the term "animal" would be defined to mean any live bird, or any live dog or other mammal, except man.

Mr. President, the issue of assuring the humane treatment of animals transported in commerce has been before the Congress for a number of years. Through passage of the Federal Laboratory Animal Welfare Act of 1966 and the 1970 amendments to this act, the Congress provided Federal statutory authority to insure the humane treatment of animals. However, the 1966 act and the 1970 amendments did not provide similar authority to regulate the treatment of animals shipped in commerce by common carriers and intermediate handlers.

Congressional action to close this loophole was prompted by documentation of the problems and tragedies involved in the transportation of animals as related by pet owners, humane societies, and medical research societies. Among the problems discussed were: flimsy and inadequate shipping crates, lack of adequate care at terminal facilities, and lack of cargo handling guidelines on the care of animals.

Mr. President, in this regard, it was my misfortune, I guess is the best way to categorize it, to see these abuses firsthand at the terminal facilities at National Airport here in Washington several years ago. Indeed, that was one of the reasons that prompted the legislation that we now have before us.

Initially, I had received a letter from a lady in Stamford, Conn., who had had some German shepherds shipped to her from the Midwest, which dogs arrived dead.

In order to find out firsthand what the nature of her complaint was, I went down to the facilities at National Airport, and I can assure my colleagues that the sight that met my eyes there was not very pleasant. Indeed, were it not for the volunteer efforts of many people in the Maryland-Virginia-Washington area, the situation would have been even worse.

Animals were put into crates that contained various protrusions, such as nails, et cetera. These protrusions were on the inside of the crate and during the course of passage the animals would tear themselves up. There were situations where a very small crate would be packed with a great number of animals, and indeed great numbers of them would be dead on arrival. There were also situations where either the animals were left out on the runway in extreme heat of 110 or 120 degrees or extreme cold. This inhumane situation certainly does not bring any great credit or distinction upon the most civilized nation in the world.

It was the viewing of these situations and the complaints that I have already referred to that precipitated the introduction of this legislation as far back as 1971–72. I state at this point that all during my efforts in this area I have had the complete and total support of our distinguished chairman of the Commerce Committee, the Senator from Washington (Mr. Magnuson). Indeed were it not for his putting his shoulder behind the wheel, this legislation would not be at the state it is in today. It has been overwhelmingly passed by the House of Representatives, hopefully, it will now be passed by the Senate and sent on to the President. I express at this juncture my deep appreciation to the distinguished Senator from Washington (Mr. Magnuson) for all of his efforts and encouragement over the years past.

The elimination of the dehumanizing practice of animal fighting ventures is an equally important problem that is addressed through the conference report. Most States outlaw this outrageous sport. However, the practice of animal fighting seems to be growing both on the local level and in interstate commerce. The need for Federal legislation to supplement the efforts of local law enforcement officials becomes apparent with the growth of the sport and its becoming an increasingly interstate problem.

The original House bill had prohibited fighting only between dogs and other mammals. A similar Senate bill dealing only with dogfighting was introduced by Senator Harrison Williams with 21 cosponsors. The House Agriculture Committee amended their bill to prohibit cockfighting and during floor consideration of the bill the House affirmed the committee's action by a 289 to 76 vote. The conference adopted the House animal fighting provision with an amendment that fighting ventures involving live birds will only be unlawful if the fight is in violation of the laws of a State in which the fight is to take place.

At this time again, Mr. President, I express my appreciation to all those in the House of Representatives and in the Senate who have taken a portion of their time to push for legislation that will not find any expression of appreciation at the polls from those that would benefit. But the fact is that we are today on the threshold of accomplishing what should have been done a long time ago in making sure that those creatures that have no ability to speak for themselves indeed have found representation in their cause.

I believe this bill has been carefully worked out to effectively meet the needs of ending the inhumane abuses involved with animal transportation and animal fighting ventures. I do not believe further elaboration of the tragedies related to the inhumane treatment of animals is necessary. The record is clear. This bill is a major step in the direction of ending animal abuses and I urge my colleagues to adopt the conference report on S. 1941.

Mr. FORD. Mr. President, I do not believe I need to articulate the many benefits of the legislation that is before us. I shall make a comment or two, however, about the individuals who have worked so hard to bring this conference report before us today.

As the presiding officer and Senators in this body know I have only been in this Chamber some 15 months. As one who is relatively new to this body, I wish the many people across this country who are concerned about the way that this institution works could have observed the distinguished Senator from Connecticut over the long years that he has worked to bring this legislation to where it is today.

He stated it very well that those that will benefit most from this legislation will be the individuals who will recognize this work at the polls on election day. I am hopeful that the compassion that is reflected in this legislation for these creatures and the interest of the many individuals involved in pursuing this course of compassion will receive the support of this body.

I served as a member of the conference committee on S. 1941. I know how hard the Senator from Connecticut worked. I was pleased to see his efforts and to receive his assistance in my efforts to make this a good bill.

In addition to complimenting the Senator from Connecticut, I would also like to thank the chairman of the Senate Commerce Committee, Mr. MAGNUSON, for his efforts in cosponsoring this bill.

I believe that we are on the right track with S. 1941. I will admit there are some items in the bill that I would have preferred to have taken out and there are some items that were taken out of this bill that others would have preferred to have left in. But on balance, I think we have a consensus, we are on the right track, and I hope our colleagues will support this conference report overwhelmingly.

Mr. WEICKER. Mr. President, I want to acknowledge that without the efforts of the distinguished Senator from Kentucky in the conference we could still well be in conference. There were some very sticky parts of the legislation as it was developed through the House of Representatives and through the Senate. There were many regionalized interests that were involved in this bill. To the great credit of the Senator from Kentucky, what he tried to do—and I think this was the principal contribution of anyone in that conference—was to bring the parties together and not lose sight of the final objective of this legislation which is the humane transportation of animals, and that is accomplished in the course of this legislation.

Again I am deeply appreciative of his efforts, and indeed the success of the venture to date is due in large measure to him.

Mr. President, I have very little else to say on this matter unless there are some of our colleagues who wish to speak, but I shall make one remark in anticipation of what happens should this bill clear the Senate. I have heard some rumblings of potential disagreements in the executive branch of Government. I hope that they are just that, rumblings.

I do not think anyone on the Commerce Committee or the Agriculture Committee on the House side portrayed or indeed I do not think we are trying to portray to anyone in this body that there is not a cost attached to this bill. Obviously there is. There is the cost of enforcement. Indeed anything that we pass has an enforcement aspect to it. And this is not an exception.

Otherwise the cost is entirely minimal; yes, obviously it is going to take some inspection and some monitoring to assure that standards are being met, so there is a slight cost attached.

But I certainly hope that they will not take what is a correct principle and throw it overboard. I hope that the President of the United States and those who advise him will carefully look upon this legislation and decide that it is long overdue and support it. I repeat, I have no indication whatsoever as to the specific attitudes of the President.

I just want to use this forum to plead to him to examine the proposed legislation carefully and not just listen to those who advise him and indicate that there is a cost attached to it. There is nothing worthwhile in this Nation that does not have a cost attached to it, this measure before us now included. I hope that the same spirit of compromise that brought the House and the Senate together will prevail and that the President will sign the bill.

Mr. MAGNUSON. Mr. President, I support the conference report on S. 1941, the Animal Welfare Act Amendments of 1976.

This measure is the culmination of 6 years of effort directed at improving the treatment of animals in transit. The first legislation of this kind was introduced in the House of Representatives in 1970. The sponsor of that bill, who was then a freshman Congressman, is now the distinguished Senator from the State of Connecticut, Senator LOWELL P. WEICKER, JR., with whom I was pleased to cosponsor S. 1941.

This legislation was reported by the Senate Commerce Committee and passed by the Senate in December of last year. In February the measure was approved by the House and on March 18 a Senate-House conference committee reached agreement on a conference report. That report was approved by the full House on April 6, 1976.

During Congressional hearings held on this subject over the last 6 years, witnesses have recounted numerous horror stories of the hazards faced by pets and laboratory animals during commerical shipment, particularly by air. We have learned that animals are often shipped in flimsy containers which are easily crushed under the weight of other cargo. Since few airport terminal facilities have the accommodations necessary to properly care for animals, overnight or longer delays in transporting these creatures to their final destinations can lead to death from starvation, dehydration or lack of proper medical attention. Other problems include lack of temperature, air pressure, and other environmental controls in cargo compartments of planes where animals are carried; improper handling of animal shipments by airline personnel; and shipment by puppy mills of animals too young, to too sickly to withstand the rigors of transportation.

The primary reason for this situation is that there are no uniform standards for the care and handling of animals in transit that can be followed by carriers and other intermediate handlers. While three Federal agencies, the Department of Transportation, the Federal Aviation Agency, and the Department of Agriculture, have tried to provide some guidance in this area, none of them has both the authority and the expertise to do the job. The Department of Agriculture does, however, presently set standards for the humane treatment of animals by research facilities and others pursuant to the Federal Laboratory Animal Welfare Act of 1966. It would seem logical, then, to simply close the regulatory gap in that law and to bring carriers and intermediate handlers under the Secretary's authority.

This is the approach taken by S. 1941. The legislation amends the 1966 act and directs the Secretary to promulgate standards for the care of animals in transit, including minimum requirements for containers, feed, water, ventilation, and veterinary care. It is expected that these standards will apply primarily to airlines since 90 percent of animal shipments are by air. To the extent that other carriers transport animals, however, they may be regulated by the Secretary as well. Before issuing any standards, however, the Secretary would be required to consult with DOT, which may disapprove proposed standards in the interest of flight safety.

In short, implementation of S. 1941 would give pet owners and others who ship animals better assurances that these creatures will arrive at their destinations safety.

S. 1941 also contains prohibitions against the inhumane practice of animal fighting, particularly fights involving dogs and game fowl. During these fights, which are conducted for purposes of sport and wagering, animals are pitted against each other in brutal matches fought to the death. Under S. 1941 it would be illegal to knowingly sponsor such a fight or to sell, deliver, buy, or transport an animal in interstate commerce for fighting purposes. The conferees did conclude that, with respect to cockfighting, these restrictions should apply only in States where the practice is illegal.

It should be noted that the Department of Agriculture is on record as opposing both the transportation and the animal fighting provisions of this bill. With respect to animal transportation, the Department prefers to rely on voluntary cooperation to achieve improvements. But the hearing record of the Senate Commerce Committee is clear that the voluntary approach has simply not worked. For the last 15 years the National Council on Animal Transportation, composed of representatives of the airlines, medical research societies, humane groups and others, have recommended some of the very same improvements in animal care that are provided for in S. 1941. It is obvious that NCAT has not been successful, otherwise we would not be considering this conference report today. Furthermore, during the committee's hearings witnesses from the Civil Aeronautics Board testified that the only way to achieve improvements in animal transportation is through enactment of legislation like S. 1941.

The Department also contends that enforcement of animal fighting prohibitions should be left to the States. If animal fights were purely intrastate activities, I would agree. But this is clearly not the case. Continuation of these barbaric activities depends upon the transportation of animals and equipment in interstate commerce. If fighting ventures are to be stopped these interstate shipments must be stopped. Thus, Federal action is both appropriate and needed.

Finally, on behalf of the Senate Commerce Committee let me express my appreciation to Senator Weicker for his active interest in and support of this legislation. His efforts have been invaluable in moving this measure along in the 94th Congress. I also thank the distinguished chairman of the House Agriculture Committee, and my colleague from the State of Washington, Representative THOMAS S. FOLEY, for his efforts in guiding the bill through the House.

S. 1941 may well be the most important piece of animal protection legislation that Congress acts upon this year. Thus, I urge my colleagues in the Senate to join the House in approving the conference report so that it may be sent to the President for his signature.

Mr. WEICKER. Mr. President, I yield back the remainder of my time.

Mr. BEALL. Mr. President, I would like to ask the Senator from Connecticut to clarify a point of interest to many of my constituents: Will hobby breeders be required to be licensed as dealers?

Mr. WEICKER. No; this legislation in no way affects the present status of hobby breeders with respect to the licensing requirements of the act. Section 3 of current law exempts from licensing requirements any person who derives less than a substantial portion of his income from the sale of dogs and cats bred and raised on his own premises. Legislative history on the floor of the House during deliberations on the 1966 act defined "substantial portion" as 25 percent or greater. S. 1941 does not alter this exemption. Any hobby breeder or other person who is not presently subject to the licensing requirements of the act would not be subject to these requirements under S. 1941.

Mr. BEALL. Mr. President, we have before us the conference report on the Animal Welfare Act Amendments of 1976. I have received many calls and letters from kennel clubs, commercial breeders, and private breeders, who are very concerned over the provisions of the legislation which define the term "dealer." These individuals have, at the same time, expressed support for the other provisions of the bill which will serve to insure the humane treatment of animals in transit. I have long supported this concept, and will support the passage of this conference report.

I appreciate the efforts of the Senator from Connecticut in clarifying this matter of concern to my constituents regarding the inclusion of hobby breeders with commercial dealers. The comments by Senator WEICKER, and the communications between my office and the managers of the bill, indicate that it is not the intent of Congress to regulate noncommerical dog breeders. This legislation in no way affects the present status of hobby breeders with respect to licensing requirements. Section 3 of the current law still stands, and this states that only those who derive more than a substantial portion of their income from the sale of dogs and cats bred and raised on their own premises need licenses. Legislative history in the past has defined "substantial portion" as 25 percent or greater. In addition, constituents have expressed a concern over the $500 limit for private breeders. I would like to clarify that this limit is not for those who breed, sell, or ship dogs, cats, or other wild animals. Thus, no additional requirements or restrictions are placed on the private or hobby breeder.

It is important for the Senate to clarify these provisions of the conference report to provide guidance to the Department of Agriculture as they implement the law. I thank the distinguished Senator for disspelling any misconceptions regarding the intent of Congress in this matter. I am hopeful that this bill will result in the more humane treatment of animals in transit, and commend the Commerce Committee for its work in this area.

Mr. DOLE. Mr. President, I am pleased to support today the conference report on S. 1941, the Animal Welfare Act Amendments of 1976.

This legislation should help reduce the number of abuses and mistreatment in the transportation and handling of pets and small animals. This bill will also prohibit dog fighting.

It is my understanding that most of the provisions of a bill I introduced earlier, S. 2070, were included in this conference report. I believe this bill will be a meaningful and reasonable improvement for animal lovers and pet producers alike.

This legislation is especially relevant and important to the State of Kansas. According to the most recent tabulations by the Department of Agriculture, there are 1,444 licensed pet dealers in the State. That gives Kansas the largest number of pet producers of any State in this country with over 28 percent of the total licensed pet dealers.

The vast majority of these pet dealers are vitally dependent upon the interstate shipment of dogs, cats and other pets, primarily by air. These producers depend on humane and careful treatment of their animals to get pets to the customers in other States that want and enjoy these animals as pets. As a group, these pet breeders are probably more concerned about the welfare of their animals than the vast majority of the public—both as a matter of respect for the animals they raise and also as a matter of their livelihood.

So I hope, as do the pet producers of Kansas and other States as well, that this legislation will provide for more careful and humane treatment of dogs, cats, and other small animals.

This legislation has arisen from the observation that while the great majority of pets and small animals shipped in interstate commerce are given adequate and humane treatment, there has continued to be some cases of unnecessary suffering for these animals. Consequently, this legislation was created to provide additional protection for these small animals.

During my tenure in the Senate Agriculture Committee and earlier in the House Agriculture Committee, I have sponsored and supported animal welfare legislation. I believe that we should protect all animals from any unnecessary suffering. For that reason, I introduced in the 93d Congress, S. 3559, a bill to prohibit the use of dogs in research and experiments which would result in needless or excessive suffering by the animals. This legislation was subsequently incorporated in the military procurement bill of 1974. In addition, I have cosponsored legislation to increase the protection for dogs, cats and other animals, including four such bills in the 93d Congress. Hopefully, this legislation will be another meaningful step in this area.

Mr. President, I believe this legislation is an important improvement in the pet industry. I urge its adoption.

Mr. WILLIAMS. Mr. President, I should like to commend the conferees for their excellent work on the Animal Welfare Act Amendments of 1976. These amendments extend the humane standards already required of research facilities and dealers to common carriers and intermediate handlers of animals. The tragic record of abuses in the transportation of pets and other animals has made this legislation essential. Congressional hearings have brought out evidence that animals in transit, particularly in air transportation, are treated much like regular freight. Inadequate shipping containers, careless handling and long delays have caused needless suffering and death to animals. The bill reported by the conferees is designed to give the U.S. Department of Agriculture adequate authority to halt such abuses and assure the humane transportation of animals.

I am particularly pleased that the Senate conferees decided to accept the House provisions to prohibit dog fighting and other animal fighting ventures. These provisions are similar to legislation I introduced in the 93d Congress and at the beginning of this Congress. As approved by the conferees, the bill would make it illegal to sponsor an animal fight or to transport in commerce any animal which is intended to be used in an animal fight. The bill would also prohibit the use of the mails or any other communication medium for the purpose of promoting animal fights. Any person who violated these provisions would be subject to a fine and/or imprisonment and would be required to forfeit any animals involved in the violation.

I fully support these provisions as the best means of bringing an end to the sadistic "sport" of dog fighting. I urge my colleagues to act promptly and favorably on S. 1941 as reported by the conferees.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the conference report.

On this question the yes and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Idaho (Mr. Church), the Senator from New Hampshire (Mr. Durkin), the Senator from Washington (Mr. Jackson), and the Senator from Arkansas (Mr. McClellan) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Philip Hart) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. Jackson) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Arizona (Mr. Goldwater), and the Senator from Maryland (Mr. Mathias) are necessarily absent.

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—91

Abourezk
Allen
Bartlett
Bayh
Beall
Bellmon
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—9

Baker
Bentsen
Church
Durkin
Goldwater
Hart, Philip A.
Jackson
Mathias
McClellan

So the conference report was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I ask unanimous consent that Herbert Jolovitz and Mary Sullivan of Senator Leahy's office be given the privilege of the floor during the discussion and vote on the food stamp legislation.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. What is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Kansas to S. 3136 is the pending business.

Mr. DOLE. Mr. President, S. 3136, the National Food Stamp Reform Act of 1976, limits participation in the food stamp program to households with net incomes below the official Government poverty level. The decision to place a poverty level maximum on participation in the program was not reached in haste. The Committee on Agriculture and Forestry debated the income limitation issue for several days and finally reached a majority conclusion that the poverty level should be established as the net income maximus. While I had originally favored a somewhat higher net income maximum to avoid work disincentives, I voted with the majority to report S. 3136 to the floor of the Senate. But, as I stated in individual views in the committee report, I am not satisfied with the bill as it presently stands.

I do not object to the committee bill because it eliminates some persons from the program. In fact, that has been one of the goals of every member of the committee—to remove those from the food stamp program who should not be participants. All along it was understood by every Member that some relatively "higher" income households would have their benefits terminated if we could find the loopholes as a result of food stamp program reform. However, I am concerned about the inability of many eligible low-income families to actually participate in the program. To alleviate this fear, on March 31 I introduced along with Senator McGovern and 11 other Members of the Senate, an amendment designed to insure that those impoverished families who remain eligible have a realistic opportunity to participate in the program. For as it is presently written, the committee bill enables our poorest citizens to qualify for assistance, but it does nothing to facilitate their actual receipt of food stamp aid.

The amendment we introduced would eliminate the food stamp purchase requirement. By doing so, many low-income families—especially the elderly poor living on fixed incomes—who cannot raise enough cash to buy their allotment of food stamps, would receive some nutritional assistance. In addition, administrative costs for the food stamp program would be sharply reduced, vendor fraud would be eliminated, black marketing activities would diminish, and the number of food stamps in circulation would be lowered.

Nevertheless, in the spirit of compromise and conciliation—which is a hallmark of the Agriculture Committee under the leadership of Senator Talmadge—I have decided not to press for a vote on eliminating the purchase requirement.

I am pleased that our amendment has received such broad support, and I am confident that if a rollcall vote was taken on the amendment it would have passed the Senate by a comfortable margin.

For those who indicated the cost could range from $1 billion to $2 billion to $3 billion I think many of us were prepared at the appropriate time to put a lid on the cost of purchase requirement.

Indeed, yesterday I submitted amendment No. 1571, an amendment we are now considering, in the nature of a substitute which has been agreed on by Chairman Talmadge, Senator McGovern, Senator Humphrey, Senator Hugh Scott, myself and others.

This is an eminently fair compromise which will avoid a divisive floor battle and, I believe, result in a more united Senate position in conference.

This compromise represents neither victory nor defeat for proponents or opponents of eliminating the purchase requirement. It is a sound compromise which recognizes the needs of low-income Americans. I am pleased that we have been able to reach this compromise and I urge the Senate to agree to it.

A table was placed in the Record yesterday, along with a copy of the substitute, and they are before Senators today. The table explains the difference in cost.

The PRESIDING OFFICER. Will the Senate please be in order. Will Senators please retire to the cloakrooms. The Senator is entitled to be heard.

The Senator may proceed.

Mr. DOLE. Before going into detail explaining to the Senate the difference between the compromise substitute and S. 3136, Mr. President, I move that section 401(B) of the Budget Act be suspended with regard to the Food Stamp Reform Act, S. 3136, and with regard to amendment No. 1571 and any amendments to the amendment number 1571.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield to the Senator from Nebraska.

Mr. CURTIS. Why is it necessary to waive these provisions of the Budget Act?

Mr. DOLE. The Budget Act provisions with regard to raising a point of order and waivers, as they apply to the Food Stamp Reform Act and amendment thereto, are as follows: Both the bill and amendment are subject to a point of order under section 401(b) of the Budget Reform Act. This is because the bill provides entitlement authority prior to the start of the fiscal year which begins October 1, 1977.

Mr. CURTIS. Are there any other reasons?

Mr. DOLE. I know of no other reasons. There is provision for waiver or suspension of the point of order. The Budget Committee is not a super authorizing committee or a super appropriations committee. In fact, it was under, partly due to the prodding of the Budget Committee last year, that we have the food stamp bill on the floor today.

I might say to my distinguished friend from Nebraska that this matter was argued at length on Monday. The Senator from Kansas was unavoidably absent. Section 303 was raised, and that point of order was not sustained.

Section 401(b) was discussed at length. I know the distinguished Senator from Alabama may want to say a word or two on section 401(b).

Mr. CURTIS. Does the substitute which, I understand, is a compromise—I do not know with whom it is a compromise—but whatever it is, does it cost more than the original committee bill reported from the committee?

Mr. DOLE. It is the understanding of the Senator from Kansas, based on the Congressional Budget Office estimates and USDA estimates, that it will be more costly, yes.

Mr. CURTIS. How much?

Mr. DOLE. About $390 million.

Mr. CURTIS. Is it not true that those cost estimates are based on costs in 1977?

Mr. DOLE. Correct.

Mr. CURTIS. Is it not also true that some of the liberalizations put in there do not go into effect until July 1, 1977?

Mr. DOLE. That is correct.

Mr. CURTIS. So the cost estimates projected here exclude some of the liberalization carried in the bill?

Mr. DOLE. That is correct.

Mr. CURTIS. I understood the distinguished Senator from Kansas to say that they were going to limit the food stamp program to the people who are at or below the poverty level; is that correct?

Mr. DOLE. Net income poverty level, yes.

Mr. CURTIS. I understand the poverty level for a family of four at the present time is $5,050, but it is going to be raised in May to $5,500.

Mr. DOLE. That is correct.

Mr. CURTIS. Will the Senator reconcile the statement of the distinguished chairman of the Agriculture Committee that the committee bill provided for food stamps for people, a family of four, having an income of over $7,800?

Mr. DOLE. That is if they are working and paying taxes.

Mr. CURTIS. Then it is not correct that it is confined to individuals who are at or below the poverty level; is it?

Mr. DOLE. The net income must be below the poverty level. They can have actual gross income higher than that; higher than the poverty level.

Mr. CURTIS. They can have actual income higher than that; can they not?

Mr. DOLE. Yes.

Mr. CURTIS. There are certain exclusions in determining income; are there not?

Mr. DOLE. Yes; that is correct.

Mr. CURTIS. Are those exclusions greater in the substitute bill than in the committee bill?

Mr. DOLE. I think they may be in a couple of instances.

Mr. CURTIS. What are the instances?

Mr. DOLE. Scholarships and grants and veterans' education benefits is treated like similar income from scholarships in the committee bill.

Mr. CURTIS. Any other?

Mr. DOLE. It must be paid directly from the Agency for payment of tuition. It is not given to the student for any other purpose.

Mr. CURTIS. Are there any other exclusions that were not in the committee bill?

Mr. DOLE. I am just checking.

Mr. CURTIS. How about housing?

Mr. DOLE. There are a number of——

Mr. CURTIS. How about housing provided by the employer; is that excluded in the Senator's amendment?

Mr. DOLE. Yes.

Mr. CURTIS. I do not believe that was excluded in the committee bill.

Mr. DOLE. This is a distinction between the committee bill and the substitute, and the substitute involves a socaled $25 in-kind housing benefit. Under the committee bill, any payments in kind that could not be proved and properly computed are excluded from income.

However, employer provided housing is to be counted up to a maximum of $25 a month provided by current law. The substitute strikes that provision requiring it be counted because it is difficult to compute the value of employer provided housing.

Deletion of the provision, I think, makes the program much simpler to administer. I think that is borne out by testimony of the USDA officials.

That is another change.

In fact, I might say to the distinguished Senator from Nebraska, the Department asked for this particular change and it is contained in the substitute.

Mr. CURTIS. The committee bill had a limit on tools used in the trade or business of $15,000 in the asset test.

What does the so-called compromise do about that?

Mr. DOLE. It eliminates it. The Senator from Nebraska might recall, we had a very wide ranging, lengthy discussion of the assets test in the committee. This is another difference between the committee bill and the substitute.

The committee bill is correctly stated by the Senator from Nebraska.

We would have the full $15,000 equity value of real or personal property excluded from accountable assets.

This is the only area in which the committee bill specified an asset standard.

The substitute does, as the Senator suggests, delete the $15,000 limitation with the understanding, and this was borne out in the committee deliberations, that the Secretary will have the authority to establish asset standards 60 days after he submits his asset study to the Congress.

There was fear among some Members that the $15,000 limitation would discriminate against small businessmen and small farmers who might have a disastrous crop year and might have a temporary reverse of some other kind and could not qualify for food stamps without selling off their means to make a living.

That change is incorporated in the substitute.

Mr. CURTIS. Under the so-called substitute, if a tenant farmer who does not own his land, or maybe he owns a house that is worth not to exceed $25,000, and he lost money, his income is zero or below, he could still have $100,000 in tractors and machines and equipment and at the present time he would be meeting the asset test for food stamps under the so-called compromise; is that right?

Mr. DOLE. I think he would under existing law and would under the substitute.

But I would again point out, many of us on the committee, including the Senator from Kansas, believe this is an area that should be tightened up. There are some horrible examples here. It has been abused.

We do not have the study. The study is not completed.

What we did not want to do—a majority on the committee—was to impose our judgment before the study was complete.

Mr. CURTIS. I understand. But the people who are making the study and are supposed to do it by regulation have had 10 years to do it.

The distinguished Senator from Kansas tells me that under the existing rule the individual with $100,000 personal property used in his trade or business is eligible for food stamps.

I cannot be very optimistic about a bureaucracy that has 10 years to write regulations leaving a loophole like that and then placing our faith in it.

But I would like to ask another question——

Mr. DOLE. Let me say that I know it excites a lot of people to say that if they have assets of that amount they can qualify for food stamps.

The Senator from Kansas does not know of a single case where that has happened. There have been a lot of abuses. Many have been due to mal- or poor administration by the USDA.

But let me also state that we are not going to wait for 10 years more. We mandate that the study be completed within 6 months. Congress then has 60 days to act, and if we do not act ourselves in 60 days after receiving the study, they can do anything they want by regulation.

I might say that the intent of the committee, at least as far as this Senator is concerned and my understanding of the discussion in the committee, was to make certain this is one area that is not abused. We want to make it tight. We want to make a judgment after the facts are in and not have a verdict before the trial.

Mr. CURTIS. As I understand that explanation, it means they have got a certain length of time to make the study, they send it to Congress, we do not do anything, it goes back to them, and they have the same power to deal with a project that they have had for 10 years.

What does it mean that we exclude from income, income specifically excluded by other Federal laws? Will the Senator enumerate that income?

Mr. DOLE. I might say to the Senator from Nebraska, I will discuss these changes in detail. With specific reference to that one, it is another difference between the so-called committee bill, which the Senator from Kansas voted for, and the substitute which was introduced yesterday. What we do is exclude from income programs specifically excluded by other Federal laws. The committee bill did not address this issue. Under the substitute, any income which is received by the household, which is excluded by some other statute, would be excluded from the computation of household income for food stamp purposes.

Mr. CURTIS. I will not take any more of the Senator's time so he can proceed to complete his explanation, but it is excluded from any kind of income for other purposes?

Mr. DOLE. That is right. I might say this is another request by the Department of Agriculture. It was requested by the Department of Agriculture. They are concerned about potential litigation arising from counting payments received under the Alaskan Native Claims Settlement Act, as one example.

Mr. CURTIS. It would include Government insurance. That is exempt from taxation. It is not regarded as income.

Mr. DOLE. I think there are special statutes which say they cannot be counted for income and those are the ones that this provision has reference to.

Mr. CURTIS. Regardless of what kind of income is being excluded?

Mr. DOLE. Yes, that is correct.

Mr. CURTIS. I thank the Senator.

Mr. JAVITS assumed the Chair at this point.

Mr. DOLE. Mr. President, I think the motion before the Senate is whether or not section 401(b) of the Budget Act should be suspended with regard to the National Food Stamp Reform Act, and section 401(b) in regard to amendment 1571 and any amendments with regard to amendment No. 1571.

Mr. ALLEN. Has the Senator yielded the floor?

Mr. DOLE. I am ready to vote.

Mr. ALLEN. I am just asking if the Senator has yielded the floor. If so, I would like to seek recognition.

Mr. DOLE. I would be happy to yield to the Senator.

Mr. ALLEN. I do not want the Senator to yield. When the Senator yields the floor, I ask the Chair to recognize me.

Mr. McGOVERN. Will the Senator yield to me at an appropriate point? Does the Senator want to make other remarks? Before he yields the floor, I would like to speak for a few moments.

Mr. DOLE. The Senator from Kansas would like to discuss particular changes because of the questions raised by the Senator from Nebraska. I think they are appropriate questions. Let me respond to those.

There are a number of changes between the so-called committee bill and the substitute introduced by a number of Senators yesterday. Perhaps the most important change between the committee bill and the substitute is a reduction in the purchase requirement from 27.5 percent of net monthly income to 25 percent of net monthly income. This 2½-percent reduction in the purchase price will make it easier for low-income households to participate in the program and will bring the purchase requirement more in line with the current average purchase price of around 24 percent. Lowering the purchase requirement will minimize the number of eligible households who would suffer a loss of benefits under the committee bill as compared to the existing law.

While lowering the purchase price will not be as effective as totally eliminating the purchase requirement in making the program more available to truly needy Americans, it will help. For example, a family with net income of $300 per month will have its purchase requirement reduced by $8, thus making it easier for that family to participate.

Let me stress again and again we are talking about those in need. We are not talking about those who were alluded to in the $16,000 advertisement which appeared in Parade magazine several months ago. We are talking about those truly in need who have a net income at the poverty level or below.

A second change incorporated in the substitute makes two important changes in deductions from income. The committee bill provides a fixed monthly standard deduction of $100 and an additional deduction of $25 for any household containing at least one individual age 60 or over.

The proposed substitute would amend the committee bill to provide that the month's standard deduction of $100 is to be adjusted semiannually, every January 1 and July 1, to reflect changes in the Consumer Price Index for the preceding 6 months. The first such adjustment would be made on July 1, 1977. In addition, the additional deduction of $25 for elderly households will also apply to any household which had at least $150 a month in earned income.

The rationale for these two changes is simple. Semiannual adjustments of the standard deduction will serve to keep the deduction in line with any increases in the cost of living. This is only fair since the standard deduction replaces the current itemized deductions which are constantly rising due to inflation.

The provision for an additional $25 deduction for the working poor will take into account the incidental expenses incurred in relation to employment. The present program, I might say, allows an itemized deduction of up to $30 for work related expenses, such as transportation and equipment costs, as well as a separate deduction for child care costs that are necessary to permit a household to work. The child care deduction allows as much as $60 per month for households claiming it.

Under the committee bill no provision is needed for these incidental expenses. Working households would thus be hurt relative to nonworking families with incomes from social security and supplemental security income, and welfare, since these households incur no work related expenses and are entitled to this same $100 deduction.

It was simply an effort to have some parity between the working households and the nonworking household.

The updating procedure and the extra $25 per month for working households will increase benefits, particularly for the working poor, and raise income eligibility standards over time. The $25 a month work expense deduction will result in a benefit increase to the working poor of $6 to $7 a month.

Another distinction between the committee bill and the substitute involves semiannual adjustments in the income poverty guidelines. Under the committee bill the income standards of eligibility are the income poverty guidelines prescribed by the Office of Management and Budget adjusted once a year pursuant to the Economic Opportunity Act of 1964. Under the substitute amendment the income standards in every State and territory, except Alaska and Hawaii, would be the OMB income poverty guidelines for the continental United States. The income guidelines for Alaska and Hawaii would be the income poverty guidelines specifically prescribed for those States.

I understand there may be an amendment offered by the distinguished Senator from Alaska with reference to that guideline.

The substitute requires that the income poverty guidelines would be adjusted semiannually, every January 1 and July 1, to reflect changes in the Consumer Price Index for the preceding 6 months. The updating of income poverty guidelines would have the effect of basing the guidelines on more current data which more accurately reflect the actual cost of living. As the bill stands, poverty guidelines would always be from 1 to 2 years out of date.

Another difference between the committee bill and the substitute deals with certification of recently unemployed persons. The committee bill requires the eligibility to be based on income for the previous 30 days, the so-called 30-day retrospective account concept. With this fundamental concept, I have no objection. However, a special system of expedited certification is provided for the recently unemployed so they may obtain benefits immediately after the expiration of 30 days. The substitute amendment would, for the recently unemployed, add a proviso that State agencies that use computerized systems must have authority to purchase cards, ATP cards, ready at the end of 30 days. If a household is eligible upon the verification of its income, the household would receive its ATP cards. If there was some difference in the amount of the bonus, the State agency would be required to recoup the difference in either subsequent coupon allotments or by requiring cash disbursements.

The purpose of this particular proviso is to insure that those States that take a long time to issue ATP cards because of the use of computerized systems would not force the recently unemployed to wait longer than 30 days.

Another distinction involves the assets regulations for the food stamp program. The committee bill requires the Secretary of Agriculture to set standards for the amount of assets which an eligible household may own, but leaves discretion to the Secretary as to what those standards should be. Under the compromise proposal, the Secretary retains the authority to set assets eligibility standards, but the substitute stipulates that existing assets standards may not be changed until 60 days *after* the Secretary has submitted to Congress the report on asset holdings of food stamp participants which is required by another section of the committee bill. The purpose of this alteration is to insure that no hasty steps are taken with respect to assets until the currently inadequate data on assets of food stamp households is updated.

Another major difference follows directly from the fifth. The committee bill stipulates that only the first $15,000 equity value of real or personal property used in a trade or business be excluded from accountable assets. This is the only area in which the committee bill specifies an asset standard. The substitute deletes the $15,000 limitation with the understanding that the Secretary will have the authority to establish asset standards 60 days after he submits his assets study to the Congress.

There was also a fear that the $15,000 limitation discriminates against small farmers and shopowners who might suffer a temporary reverse in circumstances. To qualify for food stamps under the limitation, farmers and shopowners would have had to sell off their means of making a living in order to receive nutritional assistance.

Another distinction between the committee bill and the substitute involves the computation of income tax refunds and tax credits. Under the committee bill, tax refunds and credits—along with other similar "lump sum" payments—are to be counted as income for eligibility and benefit purposes. The substitute amendment would exclude tax refunds and credits—along with retroactive Social Security Act payments—from countable income. However, it stipulates that these payments would be counted as assets—as required under existing regulations.

Counting income tax refund credits as income would result in an "on again, off again" situation where households would be dropped from the program for 1 month only to come back on in the next month. Counting refunds, credits, and the like as assets would be preferable in that it would eliminate eligibility only in cases where the payment was substantial enough to raise the household liquid resources above the $1,500 limit. Food stamp administrators doubt that any money could be saved by counting these refunds credits as income since the administrative expense of decertifying and recertifying households would probably be greater than the savings attributable to a 1-month lay-off from the program.

Another distinction between the committee bill and the substitute, which has been discussed with the distinguished Senator from Nebraska, involves exclusion from income of education expenses. The committee bill excludes from household income all loans and scholarships to the extent they are used for tuition and mandatory fees at an institution of higher education or school for the handicapped. The substitute would add to these exclusions fellowships, grants, and veterans educational benefits. As in the committee bill, these exclusions will be limited to the extent they are used for tuition and mandatory school fees at an institution of higher learning or a school for the handicapped. Under the present regulations, scholarships, educational grants—including loans in which repayment is deferred until completion of the recipient's education—fellowships, and veterans educational benefits are all excluded as income to the extent used for tuition or mandatory school fees.

It would, therefore, be consistent to extend the exclusion in the reform bill to fellowships, grants, and veterans educational benefits. There seems to be no rationale for excluding some forms of financial assistance for education from income while including others as income.

There are other differences, as discussed by the Senator from Nebraska, where income is excluded under other Federal laws, and I think that requires no further discussion.

Another distinction between the committee bill and the substitute involves the so-called $25 in-kind housing benefit. Under the committee bill, any payments in-kind that cannot be reasonably and properly computed are excluded from income. However, employer-provided housing is to be counted as income up to a maximum of $25 per month, as provided by current law. The substitute would strike the provision requiring that employer-provided housing be counted, because it is difficult to compute the value of employer-provided housing. Deleting the provision of the committee bill would make the program much simpler to administer.

Another provision of the substitute excludes income which is specifically excluded by other Federal laws. The committee bill does not address this issue.

Under the substitute, any income received by the household which is specifically excluded by other Federal laws would be excluded from the computation of household income for food stamp purposes. This is a provision that the Department of Agriculture requested be included in the bill since it would remove the potential for litigation arising from counting payments received under the Alaskan Native Claims Settlement Act.

Another distinction between the committee bill and the substitute involved the so-called run-away child provisions. Under the committee bill, a minor is prohibited from being considered a member of a household if no other member of the household is under a legal duty to support the minor, unless: First, it can be established that the person responsible cannot be located or is financially unable to provide such support; or second, there is no person with such responsibility. The proposed substitute would delete this provision. Many State food stamp administrators contend that the committee provision would have harmful effects among the poor in those cases where a parent is either unable or unwilling to care for a child. It is not infrequent that children are cared for by a relative or a neighbor and the provision in the committee bill would not allow these households to claim the child as a household member for food stamp purposes. The substitute corrects this inequity.

Another distinction between the committee bill and the substitute involves the disqualification of households for fraudulent participation. Under the committee bill, any household found to have fraudulently obtained food stamps may be disqualified from participation but that disqualification may be for a period of no longer than 1 year. The substitute specifies that before a household is disqualified from participation, it must have been found to have fraudulently obtained food stamps in court or by a State agency—with appropriate notice and hearing safeguards. The 1-year limit on disqualification is retained.

By requiring that a household be found to have fraudulently obtained food stamps in court or through an appropriate hearing procedure, the compromise proposal makes clear the protections available to a household before it is disqualified. These protections are implicit in the bill's language when coupled with other language in the act calling for "fair hearings" and appeal to a court.

Another provision of the substitute deals with the authority for pilot projects. The committee bill provides broad, general authority for the Secretary of Agriculture to carry out pilot or experimental projects to increase the program's efficiency and improve the delivery of benefits.

I might add, at least as I envision this matter, it entails some reduction of costs in the program. The substitute restricts the authority of the Secretary slightly by prohibiting implementation of a project which would have the effect of reducing or terminating benefits to eligible households.

Another distinction between the committee bill and the substitute deals with a pilot project on eliminating the purchase requirement. The committee bill provides the general authority for experimental projects but mandates no specific project. The substitute mandates a pilot project on eliminating the purchase requirement. This would be a very detailed study in not fewer than 10 statistically significant project areas and would require a progress report to Congress not later than March 1 of next year. The information obtained in the report would include data on participation rates, changes in food consumption patterns, impact on benefit costs, administrative costs, and other observations and recommendations that the Secretary deems appropriate. The purpose of the pilot project would be to obtain information on the effect of eliminating the purchase requirement on program costs and food expenditures by recipients.

Another major element of the compromise substitute deals with the level of the standard deduction for Puerto Rico, the Virgin Islands, and Guam. Under the committee bill, citizens of these three territories would be entitled to the full $100 deduction provided for the 50 States. The substitute would reduce the standard deduction in these three territories from $100 to $60 per month. This adjustment will reduce individual household benefits slightly but is justified in light of the fact that citizens of these territories now claim average deductions much lower than the continental United States. No change would be made in the income eligibility guidelines for Puerto Rico, the Virgin Islands, or Guam and the OMB poverty guidelines would, therefore, apply.

A final major feature of the substitute deletes the monthly income reporting provision of the committee bill and instead codifies existing regulations which require households to report significant changes in income.

Every household upon being certified would receive a short "change of income" form on which to report changes in income or other circumstances which would effect their eligibility. This form would state clearly and in simple language exactly what changes would have to be reported and when these changes would be required. Then, when a change in income or other circumstances did occur, the household would be required to return the completed form to the food stamp office.

The method or reporting changes in household income or other circumstances has several advantages. It insures that households are informed of their duty to report changes and gives them a convenient way to do so. It provides a written figure for changes in household circumstances to the food stamp office for their records. In short, it would reduce error at a cost far less than the requirement that every household report every month.

These are the essential elements of the substitute amendment. It is a sound reform package which recognizes the needs of poor people while responding to the legitimate public outcry over abuse of the food stamp program. If the Senate agreed to this substitute, no longer will we see inflammatory newspaper advertisements of families making $16,000 a year receiving food stamps. The program will be truly a low-income nutritional supplement. Administratively, operation of the program will be greatly enhanced. It is a compromise which every Senator can and should support.

There are other minor differences in the bill. One will be discussed, I am sure, by the Senator from Alabama with reference to Puerto Rico, and another with reference to monthly income reporting. I think basically that covers the major differences between the so-called committee bill and the pending substitute.

Mr. President, I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I appreciate the Senator yielding to me for a few additional observations.

I want, first of all, to associate myself with the summary which Senator Dole has given us of the substitute measure.

Mr. ALLEN. Mr. President, will the Senator yield for a moment?

Mr. McGOVERN. I yield.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Who has the floor?

The PRESIDING OFFICER. According to the understanding of the Chair, the Senator from Kansas has the floor, and he yielded momentarily to the Senator from South Dakota.

Mr. ALLEN. I call for the regular order. Either the Senator from Kansas has the floor or the Senator from South Dakota, one or the other. If the Senator from Kansas has it, let the Senator from Kansas pursue it. I do not want anyone to yield to anyone else. The Chair has the right to parcel out the time.

The PRESIDING OFFICER. The Chair rules that the call for the regular order is in order, and the Senator may yield only for a question. Does the Senator yield for a question?

Mr. McGOVERN. I ask the Senator to yield to me for a question.

Mr. DOLE. I yield to the Senator from South Dakota for a question.

Mr. McGOVERN. I wish to just outline my understanding of the issues before us, and then ask the Senator from Kansas if he agrees that that is a proper interpretation of the issues that he is trying to present here today.

First of all, Mr. President, I would like to make the point that we ought to be very thankful in this country that we have a food stamp program. I know all about the criticisms of that program, and some of them are justified. But basically every thoughtful person who cares about his fellow citizens ought to be grateful that some years ago the Congress of the United States, in cooperation with the executive branch, worked out a program under which we could assist those people in this country who are too poor to provide an adequate diet, or who have lost their jobs and are standing in unemployment lines, unable to secure work.

There are some people participating in these food stamp programs who have worked all their lives and have worked very hard, but, because of economic circumstances that are beyond their control, they cannot now find work or they cannot find jobs that pay them enough to feed their families. We have enough food in this country to feed everyone, and what is needed is a workable plan to assist those who do not have the income to provide an adequate diet.

I would like to say that even from a dollars and cents standpoint we ought to be grateful for this program, because to permit people to suffer from malnutrition, and especially little children, is to invite further problems which would be vastly more costly to this country in the form of warped bodies and minds that would be with us for years to come. This is an investment in the future health and well-being of the American people.

Beyond that, I would say that at a time when approximately 18 million of the 210 million people who live in this country are receiving some kind of food stamp assistance, most of them paying for part of those stamps, if we did not have that we would have a social revolution in the United States. What would be the situation in areas like Detroit and other areas of high temporary unemployment if it were not for the fact that people at least can feed their families, thanks to this program?

So that is the first thing that needs to be said: that it is a commonsense, humanitarian, sound investment that Congress and the Government can be proud of.

The second thing that has to be said about this program is that it needs improvement. It has been abused. There are some people who are cheating. There has been some fraud. It is to get at that problem that the Committee on Agriculture and Forestry has been working for months to receive testimony from informed people of all kinds as to what we can do to improve this program.

One of the most serious abuses was the fact that there were perhaps a million people who were participating in the program who had incomes that were higher than they should be in order to justify food stamp assistance.

The substitute proposal that Senator Dole is offering, on behalf of himself, Senator Talmadge, Senator Humphrey, Senator Hugh Scott, and myself, deals with that problem. It says that no family with a gross income, even before deductions and taxes, above $8,000 is going to get food stamps. They are disqualified. There is a cap on the program.

And we will not have to look at these ads in the Sunday press any more telling people that if they talk to the right experts they can get food stamps, even though they earn $16,000 a year. That is ended if this compromise proposal is accepted. No family with an income above $8,000 is going to qualify.

Second, we have eliminated upper middle-class students, and others, who have been in effect exploiting this program by going away to college, even though they come from families that are perfectly capable of providing them with adequate food, and once they are away from home claiming food stamps. That is illegal under the substitute amendment that Senator DOLE presents here today.

Third, we have a problem that I think has understandably brought some criticism of the program, and that is people taking food stamps who refuse to take jobs. Under the provisions of the substitute amendment a person has to register for available work and take an acceptable job before he can qualify for food stamp assistance, and that is a needed improvement. I do not think the American people resent the fact that poor people who cannot find work are getting food stamps. What they resent are those who have refused to work, who are taking advantage of the program, or those who are on high incomes who have stockpiled their deductions in various ways so that they qualify. And this substitute eliminates those people.

I estimate that at least a million people are going to be eliminated from the program under this substitute provision. As Senator DOLE has said, it establishes the guidelines at the poverty base; it provides a standard deduction above that; and it also deals with the difficulties developed in Puerto Rico by providing a different standard deduction level there.

Mr. President, there are a couple other general observations I wish to make, and I shall ask Senator DOLE to comment on these at the appropriate point.

This is a compromise proposal. I think it represents the legislative process at its best. When we have a measure that involves the cosponsorship of the Senator from Kansas, the Senator from South Dakota, the distinguished chairman of our committee (Mr. TALMADGE), Senator HUMPHREY, the minority leader (Mr. HUGH SCOTT), obviously that is a group of Senators who represent the whole range of ideological convictions in this Senate, from conservative to liberal.

Therefore, this is obviously a compromise proposal. It frankly does not provide the flexibility that I would like to see in the program. I agree with the Senator from Kansas that we should have eliminated the purchase requirement for food stamps and simply issued the stamps to which people are entitled. It is a hardship on a poor family. For example, let us say they are qualified for $100 in food stamps. The way the law now reads, in order to receive that $100 in food stamps, they have to shell out $166 in purchasing the entire grocery allotment for a month in advance.

Under the purchase requirement repealer, Senator DOLE and I would have liked to have seen the family simply mailed or distributed the $66 in food stamps to which they are entitled. It would have eliminated a lot of the redtape and a lot of the possible vendor fraud. But we have yielded on that provision. We have said let us leave it like it is and continue to require a cash purchase for those who are receiving their food stamps.

We have also agreed, if other liberalizing amendments are offered here in the chamber, and they will be, that those of us who might be inclined to support those amendments will, nevertheless, oppose them here in the Chamber and vote against them in order to keep faith with those who have worked out this compromise agreement. I know that the chairman of this committee had the inclination to support some of the more restrictive amendments that he opposed yesterday, and he did that in keeping good faith with the effort to arrive at a compromise proposal here that not only could win the support of a majority of Congress but would avoid a Presidential veto. We have to operate within a framework of give and take, and that is what we are proposing to do here today.

I ask the Senator from Kansas, who has offered a motion to waive section 401(b) of the Budget Act, if he is not, in effect, operating within the authority of the Budget Act. Is not section 401(b) itself a part of the Budget Act and a legal procedure that was worked out to do precisely what the Senator is proposing and that is to act within the Budget Act authority to temporarily set it aside so that we can get at the substance of the issue before us rather than being caught in a legal technicality?

Mr. DOLE. The Senator is correct. In fact, there is specific authority. Section 904(b) says that any provision of the act may be waived or suspended by the Senate by a majority vote of Members voting, and that is precisely what the Senator intends to do. It seems to me that there has been an urgent request for food stamp reform by every Member of this Senate. That is what we hope to do with consideration of this substitute or with anything, for that matter, because a point of order will lie against the substitute; it will lie against the committee bill.

Second, the second budget resolution for 1976 urged some reforms in the food stamp program, with all manner of different figures used as to how much it might save, but it is one of the high priority programs that President Ford and others have talked about. So I say yes, we have the specific authority, and the Senator from Kansas is attempting to invoke that authority.

Mr. McGOVERN. So that far from trying to bypass the Budget Act, the Senator is, in effect, using the Budget Act and the authority under 401(b) of that act to do what the authors of the Budget Act intended, and that is to provide some opportunity for it to be set aside when it would prevent the Senate from otherwise making a judgment on the substance of this matter.

Mr. DOLE. The Senator is correct.

I might add that the Senator from Kansas is a member of the Budget Committee. We had discussions on the food stamp reform just last week on how much we might save. A number of motions were offered. I think we reached some figure of $700 million for various programs within function 600. I inquired of the chairman at that time as to whether that will have any binding effect on the Senate, and the answer, of course, was obviously no. We are not an authorizing committee. The Budget Committee does not play that role. We are not a super-Appropriations Committee, and I think we are acting very properly within the scope of the Budget Act and not trying to end run it.

Mr. McGOVERN. Let me also ask the Senator an additional question. I was not here in the Chamber on Monday because of other obligations. But is it not a fact that the chairman of the Budget Committee (Mr. MUSKIE) was here in a colloquy in which he said he would support an effort to waive the legalities of the Budget Act in order to permit the Senate to make a judgment on the substance of this issue rather than to be caught up in an artificial budget recommendation.

Mr. DOLE. The Senator is correct. My understanding on Monday is that a point of order was raised under section 303 and also under section 401(b). The Senator from Maine, the distinguished chairman of our committee, discussed the Budget Act and its ramifications at length and said precisely what the Senator from South Dakota has indicated.

Mr. McGOVERN. Mr. President, I have one additional question. Is it not true that at the time when the population of the country is growing and when the cost of most programs is increasing to reflect that growth of the country, and to reflect the inflationary spiral in which we are caught, the substitute patterns that the Senator is now proposing actually would reduce the present cost of the food stamp program by almost a quarter of a billion dollars? More specifically, it is estimated that $241 million would be saved, as opposed to what this program otherwise would cost if we do not move in the direction that the Senator has recommended.

Mr. DOLE. The Senator is correct. These are the best estimates we have, based on those made by the Congressional Budget Office, the USDA, and the Library of Congress.

At least, we can hope that with a tightened-up budget, which we have in the substitute, it may even increase that saving by tighter administration of the program.

Mr. McGOVERN. I thank the Senator for responding to my questions.

Mr. DOLE. I thank the distinguished Senator from South Dakota.

Mr. President, so that the Senator from Nebraska and others who may read the RECORD will know, the Senator from Nebraska asked precisely if we would be adding to the cost of the program with the substitute—or, he might have asked whether we would be reducing the saving. The Senator was correct.

On yesterday, the Senator from Kansas placed in the RECORD a chart showing the differences between the committee and the proposed substitute, and in that chart was included the additional cost over the committee bill.

In some cases, there was no cost, or the cost was minimal. So that the Senator from Nebraska will have at least the information we have, based on estimates from the Library of Congress and the Congressional Budget Office, there would be a saving in the substitute of $52 million by lowering the standard deduction for Puerto Rico, the Virgin Islands, and Guam. That would save some $52 million.

There would be an increase in cost by adding the $25 a month deduction for households with earned income over $150 a month. That adds $78 million.

When we delete the $50,000 limit on income-producing property and tools in trade or business, that is estimated to add some $15 million.

When we delete the authority for monthly income reporting system and put into law current rules on reporting, the substitute amendment would actually save at least $2 million.

Then, of course, there is the large deduction when we lower the purchase price to 25 percent of net income, which adds a $330 million cost.

Finally, when we mandate a pilot project on elimination of the purchase requirement, at a cost of no more than $20 million, we estimate the cost to be $20 million.

Mr. President, before yielding the floor, I encourage my colleagues to allow a full consideration of this compromise amendment.

Nothing has transpired which should preclude the consideration of this compromise proposal. There are some who may assert that the budget resolution reported by the Budget Committee does not "allow" for such a compromise—in terms of its likely effect on the fiscal year 1977 budget. This assertion is entirely erroneous and without foundation.

The process by which the Budget Committee arrives at its target recommendations for functional categories is subject to some misunderstanding. The discussion of programs contained within a function—with regard to purposes, effectiveness, and costs—is an essential aid to committee members in determining what total budget commitment to that function is appropriate in light of the priorities they wish to reflect. However, the specifics of those program discussions are in no way binding on committee members or on the Senate. Subsequent to adoption of the Budget Resolution, it will at times be appropriate for members to point out that in light of the established target for the relevant budget functions, approval of legislation being considered would require either offsetting cost reductions in subsequent legislation or exceeding those targets. It is not appropriate, however, to maintain that the target recommended by the Budget Committee and subsequently adopted or amended by Congress, together with the attendant discussion and debate, mandates or requires a specific limit on funding for that individual legislation. This assertion carries the erroneous suggestion that the actions of the Budget Committee preempt the legislative prerogative of the Senate. It is my firm conviction that the Budget Committee was not intended to be and is not a super-authorizing or super-appropriating committee. Rather, it is the function of the Budget Committee to provide recommendations and guidance as to the total cost of all legislative actions in functional areas of the budget.

The report accompanying the committee's recommendations makes no specific recommendations with regard to food stamps reform legislation. It states only that legislative savings totaling $0.7 billion in budget authority and $1.1 billion in outlays were assumed in "certain programs, including social security, AFDC, food stamps, public housing, and Federal employee retirement programs."

The shopping list presented in the report—which does not preclude other possibilities—totals $2.2 billion in outlays and $1.4 billion in budget authority. Each Member of this body is free to make his own assessment of where the requested savings should originate.

I would conclude by pointing out that if the rules are not suspended with regard to consideration of this amendment, a point of order can be raised against the committee bill itself.

Mr. President, to make certain there is no misunderstanding, the motion of the Senator from Kansas is that section 401(B) of the Budget Act be suspended with regard to the Food Stamp Reform Act, S. 3136, and with regard to amendment No. 1561 and any amendments to amendment 1571.

Mr. President, I yield the floor.

Mr. ALLEN. Mr. President, is the motion in writing?

The PRESIDING OFFICER (Mr. BROOKE). The motion has not been submitted in writing.

Mr. ALLEN. Mr. President, I request that the motion be submitted in writing and presented at the desk, in accordance with the rules. Pending the arrival of the motion at the desk, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator is within his rights.

Mr. DOLE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Will the Senator withhold his suggestion with respect to the absence of a quorum?

Mr. ALLEN. Yes.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. ALLEN. I withhold my request for a quorum call.

Mr. DOLE. The motion is at the desk in writing.

The PRESIDING OFFICER. The motion will be stated.

The legislative clerk read as follows:

> I move that section 401(b) of the Budget Act be suspended with regard to the Food Stamp Reform Act S. 3136 and with regard to amendment No. 1571 and any amendments to the amendment No. 1571.

Mr. ALLEN. Mr. President, I am ready to vote at any time on the committee bill. I believe it is a bill that would stand some chance of being signed by the President. I feel that the substitute offered by the distinguished Senator from Kansas and others would have no chance of being signed by the President.

It is important that we have a true food stamp reform act. It is important for two reasons, at least, the first being that the Food Stamp Act is in great need of reform in order to correct some of the abuses that exist under the present program.

Second, a bill is needed that would prevent the going into effect of the rules and regulations promulgated by the Department of Agriculture under provision of law.

The President's regulations, and I use that term advisedly because I believe that it is the President's plan, would reduce expenditures under the program down to some $4.8 billion. In the judgment of the Senator from Alabama, that is too low. So it is necessary to pass some legislation here, in the Senate, and have it agreed to in the House and at the conference, to prevent the going into effect of a program that is much stricter than the committee bill.

Mr. President, I was a little bit amused at the colloquy that went on a few moments ago between the Senator from Kansas (Mr. DOLE) and the Senator from South Dakota (Mr. McGOVERN) that prolonged their holding of the floor with regard to this motion, because it is debatable and, at long last, others will have an opportunity to discuss the motion.

Mr. President, I am glad that the issue is presented to the Senate on the issue of this budget-busting motion made by the distinguished Senator from Kansas. I think that is entirely appropriate, that we go to bat on the issue of busting the budget. It puts the picture in very clear and broad outlines, because that is what is involved here, Mr. President: Are we going to bust the budget? Are we going to waive the requirements of the budget law?

Well, we take great pride in the budget law. We have said that Congress, for all the years of its existence, has not had the research facilities, the expertise, the knowledge to compete with the executive departments, the Office of Management and Budget, and the ability of the President, the executive department to, more or less, preempt the budgetary field and present to Congress the executive department's idea of the expenditures that should be made by the National Government. So we very properly, very prudently, very wisely passed a congressional budget law. But the first time, Mr. President, that the budget law pinches the shoe of the Senator from Kansas (Mr. DOLE), causes his toes to have a little discomfort, he wants to waive the provisions of the budget law; he wants to bust the budget.

Mr. President, if that is what Congress wants to do, the Senator from Alabama is not going to stand in the way. He is not going to discuss this matter, this budget-busting motion, an undue length of time. He feels that it might be appropriate to agree on a time for a vote on this motion.

Mr. TALMADGE. Will the Senator yield at that point?

Mr. ALLEN. Yes, I shall yield without losing my right to the floor. I yield for a question.

Mr. TALMADGE. Will the Senator suggest a time certain that we can vote on it?

Mr. ALLEN. Yes, I suggest 2 o'clock tomorrow afternoon.

Mr. TALMADGE. The Senator is not prepared to vote today?

Mr. ALLEN. The Senator is prepared to vote today, but I feel that the public is entitled to be advised of what is pending before the Senate, and I think the best way for the public to be advised is to allow the matter to lie over until tomorrow. I should be willing to set a time, assuming it is agreeable with the leadership. The Senator from Alabama always likes to respect the wishes of the leadership. If it is all right with the leadership, it will be all right with the Senator from Alabama to set the hour of 2 o'clock tomorrow for a vote on the budget-busting motion.

Mr. DOLE. Will the Senator yield for a question?

Mr. ALLEN. I shall yield for a question.

Mr. DOLE. Would the Senator from Alabama be willing to enter into some agreement on the entire substitute, to vote on the substitute, at 3 o'clock tomorrow, in the event the motion to suspend is——

Mr. ALLEN. No, the Senator from Alabama does not believe that the cosponsors of this resolution, erudite as they are and skilled as they are, are the repositories of all wisdom on this subject. He would not be willing to rule out the opportunity of Members of the Senate to offer amendments to the substitute. These amendments in the substitute, by and large, have already been considered by the Committee on Agriculture and been rejected. This is a bunch of reject amendments that have been tied together and presented here on the floor as a substitute.

So, no, the Senator from Alabama is not going to agree to cut off the right of other Senators to offer amendments. The Senator from Alabama has an amendment he wants to offer later on, an amendment that would cut some $250 million off the cost of the program. So I would feel that the hour of 2 o'clock tomorrow afternoon would be a good time to vote on the budget busters. Then we shall consider the other amendments as we come to them.

Mr. President, I wish at this time to commend the distinguished chairman of the Committee on Agriculture and Forestry, my longtime close personal friend (Mr. TALMADGE), for the dedication that he has given toward a study of the food stamp program, his insistence that the program be reined in, that it be reformed, that the abuses be eliminated, that we shave the cost of the program, that it be made to operate in an efficient fashion and to work for the public interest. The Senator from Alabama applauds the work and the leadership that the distinguished Senator from Georgia furnished in this area.

He has been one of the pioneers in the effort to bring the food stamp program under control, to see to it that those who are in need of the benefits of the program receive those benefits, and those who are not entitled to the benefits of the program do not receive the benefits of the program. It has been the policy of the Senator from Alabama, where he could, on matters pending before the Committee on Agriculture, to follow the leadership of the distinguished Senator from Georgia in the areas of the jurisdiction of that committee. However, the Senator from Alabama must, on this occasion, depart from the leadership of the distinguished Senator from Georgia in this area, because he believes that the substitute that has been offered would result in reform in reverse.

Everyone stands up on the Senate floor and very piously says, we have to reform the food stamp program, we have to eliminate the abuses. And I submit that the committee bill did and does eliminate many of the abuses of the program.

It cuts hundreds of thousands—the estimates vary—certainly considerably over a million affluent citizens who are not entitled to the benefits of the program, it cuts them off from the program.

It also, in the opinion of the Senator from Alabama, adds at the lower end of the scale possibly half a half million persons or families who are not now under the program, allows them to be added to the program and to get the benefits of the program.

So it cuts off those at the top of the scale and adds those at the bottom of the scale, and that is very commendable, in the opinion of the Senator from Alabama. That is what we were supposed to do, and that is the reason I think so well of the Agriculture Committee bill.

Now, in order that a package could be assembled and one vote presented to the Senate, the distinguished sponsors of this amendment have gathered up these amendments off the floor of the Agriculture Committee hearing room, where they had been discarded after having been defeated in committee, it picks up these discarded amendments, and locks them into a substitute and presents the substitute, defeating the many weeks of dedicated effort by members of the committee in arriving at an equitable bill, a bill that will stand some chance of being approved by the President.

The substitute, in the view of the Senator from Alabama, would stand no chance of being enacted into law because it is heading for a certain veto. Where would it be then? Where would it be under the President's plan, under the plan of the Department of Agriculture? So why press the matter to the limit when it is well-known that the amendment, the substitute, if that is the final version of the bill, cannot stand. It is not entitled to stand.

A whole lot has been said about the savings under the Senate bill. Senators can see on the chart over here that the Senate bill saved $630 million. Well, that was the snap judgment of the people there in the Agriculture Committee hearing room, the people from the Department of Agriculture. It is embodied in the report of the Senate Committee on Agriculture.

I have a letter dated today, in response to my request for information, from Dr. Richard L. Feltner, Assistant Secretary of the Department of Agriculture, who has charge of the food stamp program. It has some very interesting information. I have had some 50 copies of this letter Xeroxed and have asked that they be placed on Senators' desks where Senators are present. We did not exhaust the 50 copies of the letter that we prepared, I might say, but reading this letter——

Mr. DOLE. Mr. President, will the Senator yield?

Mr. ALLEN. I yield for a question, yes.

Mr. DOLE. Is a copy of that letter available?

Mr. ALLEN. Yes. I made 50 copies, and the pages were instructed to give a copy to every Senator present. If the Senator does not have a copy, I can sure get him one.

The Senator now has a copy, so I feel free to read from the letter:

> Hon. JAMES B. ALLEN,
> *U.S. Senate.*
>
> DEAR SENATOR ALLEN: As you requested, we have prepared a cost estimate for the substitute proposal for reform of the Food Stamp Program. The details of the estimate are enclosed.
>
> It is estimated that the substitute would cost $368.7 million more than S. 3136.

I do not believe that is at great variance with the figures of the distinguished Senator from Kansas. I believe their data showed it would cost some $387 million more.

Here is the fly in the ointment:

> Our estimate of the savings of S. 3136 compared with the current program is $359 million.

Wham, there goes the $630 million savings shown on the board, and that drops down then to $359 million savings under the committee bill.

Then reading from the letter rather than interpolating:

> Therefore, the substitute proposal will increase the cost of the Food Stamp Program by about $9.7 million over current program costs.

That is the program now, not the committee bill.

Well, that is bad enough, but let us read on. That knocks in a cocked hat the statements made there in the colloquy a moment ago between the Senator from Kansas and the Senator from South Dakota about this quarter of a billion-dollar savings. There is nothing to it as shown by the letter I received within the hour from the Department of Agriculture.

Now, here is the caveat:

> I would like to point out, however, that the $9.7 million cost increase estimate is based on the same estimating procedures we have used for the Committee bill as well as the other bills. We will, in the future, be revising the data base and all our cost estimates. When the revised cost data are available our figures for the basic bills and this substitute will change, and we estimate that the direction of the change will be to increase the cost of the bills, thus reducing any estimated savings. As a result, the $9.7 mil-

lion estimated cost increase for the proposed substitute may be appreciably higher.

So there is your answer to the statements that the substitute is going to save a quarter of a billion dollars.

Let us examine the record just a little bit.

Mr. President, I ask unanimous consent that the letter from Mr. Feltner that I have been reading from be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 7, 1976.
Hon. JAMES B. ALLEN,
U.S. Senate.

DEAR SENATOR ALLEN: As you requested, we have prepared a cost estimate for the substitute proposal for reform of the Food Stamp Program. The details of the estimate are enclosed.

It is estimated that the substitute would cost $368.7 million more than S. 3136. Our estimate of the savings of S. 3136 compared with the current program is $359 million. Therefore, the substitute proposal will increase the cost of the Food Stamp Program by about $9.7 million over current program costs.

I would like to point out, however, that the $9.7 million cost increase estimate is based on the same estimating procedures we have used for the Committee bill as well as the other bills. We will, in the future, be revising the data base and all our cost estimates. When the revised cost data are available our figures for the basic bills and this substitute will change, and we estimate that the direction of the change will be to increase the cost of the bills, thus reducing any estimated savings. As a result, the $9.7 million estimated cost increase for the proposed substitute may be appreciably higher.

Sincerely,
RICHARD L. FELTNER,
Assistant Secretary.

Mr. DOLE. Will the Senator yield?

Mr. ALLEN. No, I would rather not. Let me complete my discussion and then I will be glad to yield for all the questions of the Senator.

Let me go on, while I am right at this point, pointing out some discrepancies in the committee report.

Mr. President, I have another letter from Dr. Feltner that explains some of the errors in computation in addition to the ones that bring the cost of the Dole-McGovern substitute up to where it would be more expensive than the present program we are trying to reform.

In addition to those errors that were found, there is another tremendous error that makes the estimate of the Department in error by approximately $500 million.

How does that come about?

At the hearings and in the computations on the Dole-McGovern bill and the committee bill, the Department was using as the average overall deduction that is claimed by the present food stamp recipient family, $114 a month.

Some might have claimed $500 in deductions.

For the record, let me say, Mr. President, that the food stamp bill is not based on gross income. It is based on net income after allowing a tremendous range of deductions.

As I say, we had one illustration before the committee where a person with a salary of $43,000 a year, by reason of the tremendous number of deductions that he had, was able to prove eligibility for food stamps. But, overall, that fellow must have claimed over $30,000 in deductions—well, more than that—to get down to food stamp eligibility.

But the overall average that the Department was figuring in giving the committee its ideas of the cost of these bills was $114 per family per month.

With all due respect, Mr. President, if the Department of Agriculture had bothered to look at a table which appears on page 5 of the committe report, the report numbered 94–697, if they bothered to look at this table that they had in their possession, they would have found that the average, for all participating households, of deductions was only $77 a month.

So the Department, thinking in terms of there being $114 a month as the average, said that if we would put in $100 standard deduction, as is provided in the committee bill, they thought they would be cutting down on the cost of the program.

But far from it. They were raising the cost of the program by approximately half a billion, and that has not yet been figured into their computation, saying that the Dole-McGovern bill will result in an added cost of $9.7 million over and above the present program.

If this mistake should be rectified and ground into their figures, we would end up with the Dole-McGovern bill actually raising the costs of the present program we are supposed to reform, raising the cost of the present program by half a billion, building on the Agriculture Committee letter of today.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 7, 1976.
Hon. JAMES B. ALLEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ALLEN: In further reference to your inquiry today, you may state that USDA used the figure of $114.00 as an average standard deduction in computing the costs of S. 3136 and the Dole-McGovern substitute.

Please don't hesitate to let me know if I can be of further assistance.

Sincerely,
RICHARD L. FELTNER,
Assistant Secretary.

(At this point Mr. BEALL assumed the Chair.)

Mr. ALLEN. Mr. President, having received this letter within the last few minutes, dated today, addressed to me, I wish to read it:

DEAR SENATOR ALLEN: In further reference to your inquiry today, you may state that USDA used the figure of $114.00 as an average standard deduction in computing the costs of S. 3136 and the Dole-McGovern substitute.

Please don't hesitate to let me know if I can be of further assistance.

Sincerely,
RICHARD L. FELTNER,
Assistant Secretary.

Mr. President, they figured that since the average deductions were $114 a month, that they were saving money by allowing $100 a month. But actually, the standard deductions, the present deductions were averaged overall according to their own tables.

Mr. President, I ask unanimous consent that both tables on page 5 of the committee report be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE—FOOD STAMP PROGRAM: CERTIFIED ELIGIBLE HOUSEHOLDS (WEIGHTED)

AVERAGE FOR ALL PARTICIPATING HOUSEHOLDS CLAIMING DEDUCTIONS

[All deductions by household size and gross income, September 1975 [1]]

Monthly household gross income	Size of household (average dollar amount)								
	1	2	3	4	5	6	7	8 plus	Total
None	90	124	123	147	167	113	87	151	115
$0.01 to $99.99	50	48	61	67	76	48	168	116	56
$100 to $214.99	52	64	71	70	64	76	78	47	58
$215 to $284.99	94	72	75	80	107	85	88	68	79
$285 to $359.99	140	93	83	78	70	90	72	81	86
$360 to $419.99	209	155	113	100	85	105	94	98	108
$420 to $489.99	339	199	148	113	96	94	100	68	120
$490 to $559.99	301	193	193	160	126	108	74	86	136
$560 to $624.99	488	223	223	195	141	141	127	116	167
$625 to $694.99	0	223	247	225	161	154	127	133	179
$695 to $849.99	0	379	318	293	224	152	176	133	207
$850 to $999.99	0	64	341	329	312	228	242	167	249
$1,000 to $1,249.99	0	486	282	507	412	315	308	279	330
$1,250 and up	331	0	0	97	0	1,493	216	327	388
Total	63	88	102	111	110	118	113	114	93
Total No. HH	1,045,760	905,453	780,859	631,708	401,004	244,459	151,601	164,883	4,325,728

U.S. DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE—FOOD STAMP PROGRAM: CERTIFIED ELIGIBLE HOUSEHOLDS (WEIGHTED)—Continued

AVERAGE FOR ALL PARTICIPATING HOUSEHOLDS

[All deductions by household size and gross income, September 1975[1]]

Monthly household gross income	Size of household (average dollar amount)								
	1	2	3	4	5	6	7	8 plus	Total
None	43	54	63	80	73	50	55	68	56
$0.01 to $99.99	43	42	50	53	66	34	168	116	48
$100 to $214.99	41	52	60	57	51	55	69	33	47
$215 to $284.99	89	57	64	63	90	61	57	42	65
$285 to $359.99	134	83	74	64	52	64	52	62	73
$360 to $419.99	209	148	105	85	68	86	69	77	93
$420 to $489.99	339	196	145	108	81	69	64	59	104
$490 to $559.99	301	184	188	154	117	90	60	55	120
$560 to $624.99	488	223	220	190	132	127	116	72	148
$625 to $694.99	0	223	247	221	161	139	116	82	160
$695 to $849.99	0	379	318	286	224	152	173	113	198
$850 to $999.99	0	64	341	319	312	228	242	167	249
$1,000 to $1,249.99	0	486	282	507	412	315	308	279	330
$1,250 and up	331	0	0	97	0	1, 493	216	327	388
Total	51	73	89	95	92	93	90	85	77
Total No. HH	1, 290, 753	1, 091, 500	891, 401	742, 021	481, 493	308, 473	190, 525	220, 604	5, 216, 769

[1] Totals may not add due to rounding.

Source: Preliminary statistics from USDA Survey of Household Characteristics for September 1975.

Mr. ALLEN. As will be found by looking at the figures on page 91 of the report—and this is an amazing figure—each difference of $1 in the allowed deduction, costs the taxpayer $21.5 million. It is set out on page 91 of the report.

So all we have got to do is multiply the error between the $77 which is the average now and the $100 that the bill allows, which is $23, multiply it by 21.5, and we end up with some $497 million.

That is the added cost of these bills, both of them, over and above what is shown here on the chart.

I have already got the cost of the Dole-McGovern established at $9.7 million over the present program, without figuring in this approximately half a billion added cost.

So what kind of reform is that, Mr. President, if we are trying to reform a $6 billion program and the administration reforms it to its regulation down to $4.8 billion? What kind of program is the Senate putting in that would raise costs by half a billion?

Mr. President, everybody says we need to reform the program. I believe the sponsors of this amendment say we have to reform the program. But their ideas of reform and my ideas of reform are somewhat different. Their idea of reform would push the cost of the program up and my idea of reform would push the cost of the program down.

I am not in agreement with the administration's $4.8 billion. I think that is somewhat low. But I do believe a figure somewhere in between the administration regulations which have been promulgated and which go into effect July 1 and the committee bill is somewhere that we ought to end.

I noted yesterday that there was no disposition on the part of the Senate to tighten up on the committee bill. That has been decided. I think one little amendment squeaked by that saved about $2 billion, the sponsor estimated, I believe, the distinguished Senator from Maryland (Mr. BEALL) now presiding over the Senate being the author of that amendment. It was the only cost-cutting amendment which has been adopted in some 2½ days which this bill has been before the Senate.

Mr. President, the issue that is before the Senate is the budget-busting motion of the distinguished Senator from Kansas (Mr. DOLE), I might say in view of the fact that both Senators are now in the Chamber and I would not want to attribute to the other Senator from Kansas the budget-busting motion.

The Senator from Kansas (Mr. DOLE) is offering this motion, and he put it in writing at the request of the Senator from Alabama.

So that is what we have for discussion. I would say that on tomorrow at around 2 p.m. we will have a vote on that motion. I think it is important for the American people to know that the Senate supposedly firmly committed to reforming the food stamp program, finds it necessary to give consideration to busting the budget and increasing the cost of the present program, as I have outlined, by some $1.5 billion under the Dole-McGovern plan.

So here is the first test of the budget law, the first serious test that we have had in the Chamber. The request is made under this motion, "Let us waive these provisions. Let us waive these provisions which allow us to go forward with this bill, which would increase the cost of the food stamp program, when the people of the country are demanding that it be reformed; that some of the wasteful practices under the program be eliminated." And the Senate, like the mountain, labors and comes forth with a mouse.

But, Mr. President, this is a whole lot more than a mouse that the Senate is going to come up with if it first busts the budget and then passes the Dole-McGovern substitute.

Mr. President, escalator factors are built into this bill that would cause a continual and continuous rise in the cost of the program.

Let us analyze for a moment the differences between the committee bill and the proposed substitute.

The proposed substitute, one, provides for semiannual adjustment of the standard deduction according to changes in the Consumer Price Index. The first adjustment would take place on July 1, 1977, based on Consumer Price Index changes over the 6 months ending March 1977.

If we go out to the explanation and the estimate of the cost, do Senators know how much that is going to cost? Look at the memorandum the distinguished Senator from Kansas has prepared or had furnished to him, as the case might be. Do Senators know how much it costs? It says no cost. It does not cost anything. It does not cost anything, Mr. President, to put in that semiannual adjustment of the standard deduction. That does not cost anything, according to the chart.

What did they put it in there for if it is not going to add to the cost and make more taxpayer funds available?

Number 2 provides for semiannual adjustments of the poverty level according to changes in the Consumer Price Index. Every 6 months they would figure eligibility based on the poverty level and increase it by the amount of the Consumer Price Index.

Mr. President, there is a fallacy built in right there because the Consumer Price Index would go up more rapidly than the overall cost of living. But be that as it may, do Senators know how much it is going to cost, according to the proponents of the substitute? Out here in the righthand corner, it says "minimal cost." That is going to cost a minimal amount.

In Federal bureaucracy jargon, a minimal cost could be anywhere from $10 million to $25 million or $30 million, I would assume, but that cost is going to be minimal, it says right here.

Now let us see what No. 3 does. Do you know how they are going to save $52 million? I am not saying this is an unreasonable provision, because I have an amendment later based on somewhat the same premise; but do you know how they are going to save $52 million under the Dole-McGovern proposal? Why, they are going to take it out of the hides of residents of Puerto Rico, the Virgin Islands, and Guam. They are going to limit the $100 a month that is allowed in the 50 States, and in those areas they are going to cut that down to $60 a month.

I am not saying that that is an unreasonable figure, but I am pointing out how this substitute supposedly reduces the added cost of the substitute. They crank in a reduction of $52 million by limiting the standard deduction that is received in Guam, the Virgin Islands, and Puerto Rico down to $60.

It just shows, Mr. President, the accuracy of the figures that I mentioned a moment ago, when I said that the overall cost of an increase of $100 in the amount of the standard deduction will be $21.5 million. By the reduction of this standard deduction in just these three commonwealths or dependencies, or what have you, from $100 down to $50, involving less than 4 million people, they say they would save $52 million. So we can see the tremendous added cost, Mr. President, under both these bills, when they set the standard deduction at $100 instead of the $77 which is the average at present. That would result in an additional cost of half a billion dollars that has not yet been cranked into the Agriculture Department estimate as to the two bills.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. ALLEN. For a question, yes.

Mr. CURTIS. Is the Senator aware that in arriving at the additional cost of this so-called compromise bill, they have fixed a cost for fiscal 1977, and that some parts of their liberalization do not go into effect until July 1, 1977, so that their cost estimates fail to inform Congress and the public how they intend to increase costs? Is the Senator aware of that?

Mr. ALLEN. I appreciate the distinguished Senator's asking the question. I am aware of that, and have pointed it out. The escalation features of the bill have a delayed action effect, and will come into being in subsequent fiscal years. Yes, I am aware of that information, but I appreciate the distinguished Senator's calling it to my attention.

Mr. President, going on, then, with the computation of the cost of the McGovern-Dole bill, as I say, this substitute is made up of a handful of rejected amendments in effect scraped off the floor of the Agriculture Committee after they had been rejected by the committee, and then put in one package for consideration by the Senate, thereby nullifying and holding for naught the weeks and weeks of work of the Agriculture Committee, aided by the Department of Agriculture, the Congressional Budget Agency, and the Library of Congress, and the best bill that the committee, with that aid and assistance, could come up with.

Mr. President, the recent statement of the Department of Agriculture explodes the claim that the committee bill is going to save $630 million. The Department of Agriculture says that the savings of the committee bill are only $359 million. Bear in mind, the Department of Agriculture says that their further studies, they feel, will increase that cost.

I have pointed out one instance where their further studies showed that they made a half billion dollar error in computation by the manner of treatment and the research that was done on the cost of the standard deduction. That standard deduction, under both bills, is going to cost a half billion dollars, whereas the Department of Agriculture is quoted, on page 91 of the committee report as saying:

> USDA estimates that a $100 standard deduction would not alter USDA's current program costs.

That is based on their understanding, as shown by a letter that I introduced a moment ago; a letter dated today from Dr. Feltner of the Agriculture Department, who is in charge of the food stamp program, that they thought that the average deduction was $114. That is what they say in their letter. So naturally they would say, as shown here on page 91, that $100 is not going to increase the cost. Of course it would not increase the cost if they were correct in assuming that the average deduction being claimed throughout the country was $114. But, as I pointed out, if they will look on page 5 of the report, their own table shows that the average deduction now being claimed—this was as of September 1975, and that is a pretty good date, except that the information I have furnished as to the cost of the program is right up to today—according to this table of the Department of Agriculture, the average deduction is $77.

So, Mr. President, with this fact, plus the letter of Dr. Feltner saying that the committee bill would save only $359 million instead of $630 million shown on the chart in the back of the Chamber, those figures put together show that actually the committee bill is not going to save anything, according to these figures. Senators can study them if they wish. There they are.

So, Mr. President, without figuring this error in the standard deduction as against the present deduction, the Dole-McGovern amendment substitute calls for an increase over the present program. I hope the sponsors of the substitute here in the Chamber, who are supporting the substitute thinking that, as has been claimed here in the Chamber this morning, the substitute will result in savings around $241 million, that is their position in view of what the Department of Agriculture says to date on reassessing their figures, that the Dole-McGovern amendment is going to cost $9.7 million and they believe on further checking their figures that the cost is going to go up.

Reading from the letter:

> When the revised cost data are available our figures for the basic bills and this substitute will change, and we estimate that the direction of the change will be to increase the cost of the bills thus reducing any estimated savings. As a result, the $9.7 million estimated cost increase for the proposed substitute may be appreciably higher.

As I pointed out, if they will study their error, miscalculation, misassumption, or missupposition, on the amount of the average deduction now being claimed, they will see that that one item alone changes their figures by a half billion dollars.

So, far from having a bill that is going to cut costs, if we adopt the Dole substitute, it seems quite evident to the Senator from Alabama that the increase in the program without these built-in escalators is a half billion dollars a year.

Do we suppose the American people are going to be satisfied with that result of our deliberations? I submit that they are not. That is the reason I want this budget-busting motion to lie over until tomorrow to be voted on. If the Senate wants to bust the budget I am not going to stand up here and try to prevent it from doing so, because I want to act on this bill. I hope the bill we act on will not be a budget buster. I hope it will be a bill that will reduce expenditures, but I am absolutely sure, based on the figures furnished by the Department of Agriculture and based on my own calculations based on figures furnished by the Department of Agriculture, the Dole-McGovern bill is going to add to the present program about a half billion dollars in additional cost plus built-in escalators that will add hundreds of millions of dollars in subsequent years. That is the escalator or the standard deduction and the escalator on the poverty level.

Both of those escalators will simply do what the name implies—greatly escalate the cost of the program.

Mr. President, I would not be surprised, if this bill passed, instead of having some $4.8 billion as provided by the present regulations, we would have a program certainly in the next fiscal year that will run over $7 billion if this bill could ever become law, but, Mr. President, it does not stand any more chance of becoming law than any other budget-busting proposal.

It is certain of a veto. If the President feels that $4.8 billion is the proper level on which to operate this program, does anyone think he is going to approve a bill after he has called on Congress for reform of this program? Does anyone think he is going to be satisfied with a bill that is going to spend from $6.5 to $7 billion a year? And it has built-in escalators that will carry the program above that. Every Member of the Senate knows it would not stand a chance of being signed. So why are we spinning our wheels?

Do we want to put the President in the position of vetoing a food stamp program? I am not interested in that. I am interested in seeing some meaningful legislation adopted, some legislation of which we can be proud, legislation that does remove from the food stamp program many who are not entitled to the benefits of the program while at the same time increase the benefits to those at the lowest scale of the economic ladder. And that is what I believe the committee bill does.

I am not too proud of the bill based on the most recent data furnished by the Agriculture Department. I have lost a lot of my pride in the bill.

That is the reason I supported some of Senator CURTIS' amendments yesterday that would have tightened up still further on the program.

But I believe that the committee bill is the best bill we could hope to get here in the Senate, if we will have the courage not to cave in and allow the passage of the Dole-McGovern substitute, if we hold the line, defeat this budget-busting motion, and fall back on the bill reported out by the committee.

The Senate has already indicated they are not interested in cutting the level of the program below what the committee did. All right. Let us accept that assumption. We cannot get it any lower than what the committee did.

I do not know whether the President will sign that. Of course, I have not inquired and no not intend to inquire. I think it is the duty of the Senate to come up with the best possible bill, a bill that might have some chance of being signed. But if the President's past actions are any indication of his future actions, the Dole-McGovern substitute would not have a chance of ever being signed into law.

Then what do we get? We get the President's $4.8 billion regulation. If that is what the Senate wants, that is what the Senate is going to get. The President calls for reform of the food stamp program. Congress does not act as rapidly as he would like.

I must say that I did not particularly approve of the timing of the Department of Agriculture when they came out with their regulations while the Committee on Agriculture and Forestry was considering this bill. But the regulations were promulgated to go into effect, I believe, on July 1. If I am mistaken as to that, someone will correct me. So that has given the Senate and the House plenty of opportunity to come up with a reform bill.

What is a reform bill? Is any change a reform? What does it take to be a reform bill? A bill that changes the cost upward—is that a reform bill? It reforms it to the extent of changing it. Almost everybody, I feel, would believe that a reform bill is a bill that improves on the present program, that would result in a saving to the taxpayer and not one that would provide for an escalation in the cost of the program.

Mr. President, if we continue with this trend of adding to the cost of every Federal program, and if we do not have the ability to rein in a program such as the food stamp program, what will result? We start out to reform it, to eliminate some of the abuses. One of the abuses is the people in the program who are not supposed to be there, costing the taxpayers additional funds. Eliminating that would be a reform bill. But I do not believe we can consider that any bill that adds to the cost of this program is a reform bill, in fact.

Mr. President, with respect to these cost figures, seeking to justify the Dole-McGovern substitute, I pointed out that one way they save money is to take $52 million out of the hides of the citizens of Puerto Rico, the Virgin Islands, and Guam. They say that $60 a household is enough to allow the standard deduction in those three places. I am not saying that that is wrong. There has been a ripoff of taxpayers' funds in Puerto Rico.

Mr. President, in this $6 million program, one-tenth of this $6 million goes to Puerto Rico. Three million people receive one-sixth of the entire cost of this program. So I am not being critical of the distinguished Senators for seeking to take $52 million away from the citizens of Puerto Rico and the other areas. I do not know what the figures are with respect to the Virgin Islands and Guam.

To make the bill look good, to cut down on the increase that their substitute brings to the cost of the program, they say, "OK, we got about a $450 million increase. Let's take $52 million away from Puerto Rico and Guam and the Virgin Islands, and that will make our substitute look that much better."

That is here, in fine print. It is not too fine. It is the same as the other print, but it is in this lengthy analysis of the bill.

It mandates that ATP cards be issued 30 days after the application for the recently unemployed. It also provides for recoupment of any overissued benefits due to this mandate. But the sponsors of the substitute hasten to say that that would be a minimal cost.

As I pointed out at the beginning of my remarks, "minimal cost," in Federal bureaucracy jargon, could be anywhere from $10 million to $25 million on up.

I am surprised that they could put in here so many good provisions that do not cost anything. I am wondering whether the Senator from Kansas and the Senator from South Dakota even would be interested in provisions if they did not cost. That is the only reason why they put them in there—to provide greater benefits.

Provision 6: Freezes existing assets eligibility standard until 60 days after a report on asset holdings and recommendations for legislation have been submitted to Congress. So they freeze the existing assets eligibility standard, depriving the Secretary of his present discretion to set asset standards. But, to my amazement, that will not cost the taxpayers anything, either, this summary says. We can rest assured that it would not be there unless it would cost millions of dollars.

Provision 8: Excludes from income VA education benefits and educational grants and fellowships to the extent used for tuition and mandatory fees in addition to the bill's exclusion. These are exclusions from income to make people with greater income eligible. You do not have to count these benefits as income. But the sponsors hasten to assure us that the cost of that would be minimal. There, again, we wonder just what "minimal" means in the context of these substitute provisions.

Now, No. 9 counts income tax refunds and tax credits as assets instead of income. The sponsors hasten to assure us that that cost will be minimal. Let us analyze that just a moment, Mr. President. What is that talking about, "counts income tax refunds and tax credits as assets" That is, rather than as income as provided by the committee bill. The way that operates is this: A man will go in, he might have a large family, and go into IRS and not claim the exemptions to which he is entitled. Therefore, he would pay a larger tax for the larger deduction on a tax bill. But when he would actually file his income tax return, he would claim all of his exemptions and he would have a large overpayment of his taxes, which would come back to him in the form of a refund.

The committee says that since the taxes have already been taken off of income in computing eligibility, then when he gets that refund, it would be counted as income. But the substitute says, no, do not count it as income, count it as an asset, where it will get lost, of course, and not be charged against the recipient.

I mention all that to point out how unreasonable it is to say that the cost of that would be minimal. Why was it put in unless it would be of some monetary benefit to somebody at the expense of the American taxpayer?

Now, provision 10 mandates that the poverty levels of Puerto Rico, the Virgin Islands, and Guam be the same as those for the continental United States. I would not feel that it would cost as much to live in those outlying areas as it would here in the city of Washington or the city of New York, or anywhere in the United States, for that matter. But they are going to have the same poverty level as we have here, in the United States.

But at what cost? The sponsors say it will not cost anything—no cost. None.

No. 11 excludes from income employer-provided housing as type of noncash income. I read in the paper several months ago that some employees of some public service body had a number of houses inside a park, as I recall. They were renting houses that would command a rent of $300 or $400 or $500 a month; they were renting them for $25 a month.

The substitute bill excludes from income employer-provided housing. In other words, as part of a man's employment, he might be furnished with a $400-a-month house, and I think it is well known that $400 should not be unreasonable—it would be unreasonable, but it is certainly in line with the rental of houses in this area. It would be a modest amount, $400 a month. But if an employer furnishes an employee a house, that does not count as income under the Dole-McGovern bill.

How ridiculous can you get? They say that would be minimal cost, would cost a minimal amount. Talk about loopholes—well, that is one. But the cost of employer-furnished housing to an employee shall not be considered as income. That would cost the taxpayer a minimal amount.

No. 12 excludes from income the incomes specifically excluded by other Federal law. Well, Mr. President, if you find any Federal law that excludes anything from income, find it wherever you want to, that is excluded from income for food stamp applicants. How much would that cost? The sponsors say minimal cost. Well, now, let us recapitulate on these various provisions.

The Department of Agriculture says that this bill would cost $368 million more than S. 3136—I believe their own figures show that it would cost $389 million more than the committee bill. I guess they concede that the Department of Agriculture is right. So, since the Department of Agriculture says that S. 3136, the committee bill, would save $359 million instead of $630 million that the committee is claiming here—and the committee has a right to make that claim, because that is what the Department of Agriculture originally said would be saved under the committee bill, but they are saying now they talked too quickly, that they were wrong.

So what are we going to operate under, Mr. President? Are we going to operate under computations by the Department of Agriculture that they say were hastily drawn, hastily arrived at, or are we going to consider their considered revision of their estimates that has been made since this bill hit the Senate floor?

Let us see how long the bill has been before the Senate. It was reported to the Senate March 13, 1976, but, of course, its conclusions had been reached some 10 days or 2 weeks prior to that time, and the estimates of the Department of Agriculture had been given 10 days to 2 weeks prior to that time.

So, in the more than 1 month intervening since the Department of Agriculture gave the figures on which the committee issued its report and on which these charts in the back of the Chamber were prepared, they say under the letter dated today that their recomputation, their more carefully considered estimates, call for a revision in their cost figure.

So, taking the $359 million saved under the committee bill, instead of the $630 million, and then the estimated cost of the substitute over the committee bill of $368.7 million would end up this great reform effort of the Senate to reform the food stamp program, cutting down on the costs, eliminating the abuses, and what do we end up with under the Dole-McGovern substitute?

Dr. Feltner, in his letter of today, says it would be $9.7 million estimated cost increase for the proposed substitute over the present program. He says, "Wait a minute now before you use that figure. We are studying our data some more and we believe that the costs are going to go up higher than that."

Well, I have pointed out here on the floor an error of a mere $1½ billion in their computation; and I pointed out how it came about, and I would imagine that those are some of the data they are going to study when they warn that this $9.7 million figure additional cost over the present program of the Dole-McGovern substitute, I imagine that is one of the things they have in mind when they say, "Don't count on this $9.7 million. We believe it is going to be more than that all right; it rather looks like it is going to be half a billion more than that."

So, Mr. President, I have been talking for some time about this budget-busting motion of the distinguished Senator from Kansas. I think it is appropriate that the first real vote we have had—we have had amendments offered by the distinguished Senator from Nebraska (Mr. CURTIS), and his amendments were all turned down. I think he offered 12, 14, 15 to tighten up on the program, but the Senate did not want to do that. Some Senators want to increase the cost of the present program. That is not much of a reform bill, and if we cannot cut the cost of a much-abused program like the food stamp program, how are we going to cut down on the cost of Government, Mr. President?

Here is a program that the public demands be reformed. The public is tired of the abuses under the food stamp program. They are looking for Congress to do something about it.

The President, acting in what he thinks is the national interest, and partly, I feel sure, in response to the public demand for reform in the food stamp program, has acted. He got tired of waiting on the Congress to act, and he, acting through the Department of Agriculture, has promulgated regulations, as he has the right to do under the food stamp law, that would go into effect on July 1, I believe, and it would be a program at the $4.8 billion level.

Mr. President, I just have to say that, in my judgment, restrictive as it is, as tight as it is, the present program will come nearer meeting the demands of public opinion than will the Dole-McGovern substitute, which is no reform at all.

Mr. President, I ask unanimous consent that I may put in a call for a quorum and that I not lose my right to the floor and that the resumption of my remarks not be treated as a second speech.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Under the order the Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I ask unanimous consent that I may yield to the distinguished majority leader without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana is recognized.

ORDER FOR VOTE ON DOLE MOTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that beginning at the hour of 1 o'clock tomorrow afternoon, there be debate for 1 hour to be divided between the Senator from Kansas (Mr. DOLE) and the Senator from Alabama (Mr. ALLEN) and that at the hour of 2 o'clock a vote occur on the Dole motion.

Mr. ALLEN. That is the motion to waive the provisions of the budget law?

Mr. MANSFIELD. That is correct.

Mr. DOLE. 401(b), yes.

The PRESIDING OFFICER. The Chair understands that there will be an hour of debate, evenly divided, and at 2 o'clock a vote under the motion to suspend.

Mr. DOLE. Yes, the motion to suspend section 401(b).

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, there will be no further voting today, so Members are on notice that they can proceed to their offices, if they wish, and do some other kind of work.

If the Senator will yield further without losing his right to the floor, I would like to suggest the absence of a quorum, although I wish to assure the Senator, if he desires to, he can leave the floor now.

Mr. ALLEN. No; after about 2 or 3 minutes, after I do get the floor again.

Mr. MANSFIELD. Fine.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. With the understanding that the Senator from Alabama will be recognized following the quorum call, the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that I may yield for 3 minutes to the distinguished Senator from North Dakota for the purpose of calling up a resolution, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from North Dakota is recognized under those circumstances.

Mr. BURDICK. I thank the Senator.

NATIONAL FAMILY WEEK

Mr. BURDICK. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 101.

The PRESIDING OFFICER (Mr. GRIFFIN) laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 101) to authorize the President to issue a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week," as follows:

> Strike out all after the resolving clause, and insert:
>
> That the President is hereby authorized and requested to issue a proclamation designating the week beginning on November 21, 1976, as "National Family Week" and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. BURDICK. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightenng accountability, and for other purposes.

Mr. ALLEN. Mr. President, I appreciate the distinguished majority leader and the distinguished Senator from Kansas (Mr. DOLE) agreeing to a 2 o'clock vote on tomorrow on the motion of the Senator from Kansas (Mr. DOLE) to suspend the provisions of section 401 of the Congressional Budget Act.

That is all that the Senator from Alabama has sought to achieve today, to allow this motion to lie over for 1 day in order that the public might be advised, as a result of the debate that has taken place here on the floor, of just what the issue is before the Senate.

Of course, the Senator from Alabama has characterized this motion as the budget busting motion. I think it is only appropriate that this be the first real vote on the food stamp issue.

I have presented figures showing that, far from reducing expenditures under the present program, the Dole-McGovern substitute would, in fact, increase expenditures under the program and, of course, increase the expenditures provided by the committee bill some $389 million.

So I think it is entirely appropriate that Members of the Senate consider this matter overnight and that there be a short, time-limited period for debate on tomorrow. Hopefully, we will have a large attendance because this will be the crucial vote on the issue.

I might say, the Senator from Alabama is in no sense seeking to hold up the final action on a bill. He hopes that it will be the committee bill that we can act upon. That is sorry enough, I will say, and I voted for it in the committee. But with the later figures from the Department of Agriculture indicating there is really no savings at all under the committee bill.

Mr. DOLE. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. DOLE. Using USDA figures, of course, on the committee bill, their estimate was $359 million savings. Of course, we have been using Congressional Budget Office figures as being more accurate. That is how we get the $241 million savings in the substitute.

Mr. ALLEN. Yes; but the Senator must realize that the Congressional Budget Office must get their figures from the Department of Agriculture and the Department of Agriculture says that the cost of the Dole-McGovern bill would be $9.7 million over the present program and say, "Well, watch out now, really, it is going to be more than this because we has not re-examined all the data."

I pointed out in the committee report a very obvious error they had made in supposition. That is, the amount of the average deduction now being claimed, and that as compared with the standard deduction of $100 a month has resulted in an additional error of approximately a half billion dollars, and that error applied to the figures on both bills.

That is the reason the Senator from Alabama says, really, the committee bill does not save anything, and that same figure being filed into the Dole-McGovern bill, I believe it will become manifest in time that the Dole-McGovern bill will result in an increased cost of possibly a half billion dollars.

That is the reason I say that I think this vote on tomorrow is going to be the critical vote.

The Senator from Alabama is willing to vote on amendments to the substitute of the Senator from Kansas and the Senator from South Dakota.

While he does not plan to agree on any time limit on these amendments, he has had nothing to say on any amendments up to now and does not anticipate he will have a great deal to say on subsequent amendments.

I think the Senate ought to be allowed to express its will on this issue, but I submit that if the Senate opts for the Dole-McGovern package, the bill is headed for a veto. Instead of having a bill that does have possibly pretty close to the present level of expenditures, somewhere in the neighborhood of $6 billion, we are going to end up with the regulations of the executive department. I believe that is computed at around $4.8 billion.

I want to see Congress solve this matter and come up with a true reform bill. But I submit that the substitute of the distinguished Senator from Kansas and the distinguished Senator from South Dakota is reform in reverse. I hope that the Senate will so express itself when the motion to bust the budget will come up for a vote tomorrow at 2 p.m.

Mr. DOLE. Will the Senator yield?

Mr. ALLEN. I yield.

Mr. DOLE. I have listened attentively to most of the discussions of the distinguished Senator from Alabama, and I do not quarrel with much of what has been said. But there have been efforts throughout the food stamp program to hold down the cost. I remember President Ford suggested that we raise the purchase requirement to 30 percent and the vote on that was 76 to 8, and I think the Senator from Alabama voted with the Senator from Kansas against the President's recommendation. That was probably a budget busting effort on the part of 76 Senators. I am not certain.

As far as this Senator is concerned, we are cutting the cost of the program. It is being tightened up and we hope that in our half-hour allotted time tomorrow we can properly refute the good arguments made by the distinguished Senator from Alabama.

Mr. ALLEN. I would be interested in the Senator's efforts to do so.

Mr. TALMADGE. Mr. President, I share some of the concerns of my good friend, the eminent Senator from Alabama. I am deeply grateful for the generous personal references that he had to make about me and my efforts to reform the food stamp bill to save some money.

The Senator knows, of course, that his views and mine are not the majority views of the U.S. Senate. We deal in a world of reality when we come to think of the votes in this body. I am trying to work the best possible alternative I can to save the most money I can and make the program the most effective I can in the real world of the U.S. Senate in which we live.

Let us look at what the American people think about food stamps.

The folks at home—those folks do not see the stories and articles about the program in terms of a $6.3 billion or a $5.8 billion program.

You have all seen the mail. You have all heard their comments, there has hardly been an occasion in the past year, when meeting with my fellow Georgians, that the subject of food stamps has not come up.

The American people are the most generous people the world has ever seen. We are eager to help those who are down and out, those who cannot help themselves, and those who just need a helping hand to get back on their feet. With all the talk about food stamps, this attitude remains unchanged.

The questions the American public are asking about food stamps get to the real heart of the matter:

How can Bill and Betty afford a big new, luxury car and still get food stamps?

How can the Jones' son in college get food stamps?

How come families who earn more money that we do, get food stamps?

Why does the Government allow people who do not work to live better than those who do work?

How can food stamp vendors use Government money interest free, and we have to pay 9, 10, or 12 percent interest?

These are the people's concerns. Everybody is talking about food stamps and now, through the proposed substitute, we can finally do something about the food stamp mess.

We have heard a lot of debate in the last couple of days about the Congressional Budget and Impoundment Control Act of 1974. I am a staunch advocate of fiscal responsibility and control. It seems very strange to me that the Budget Act should be used to stall the first attempt at meaningful reform of a program that is out of control.

The proposed substitute is completely within the spirit of the Budget Act. It seeks, for the first time, to bring the food stamp program under control by limiting program eligibility to the truly needy. Program costs would be brought under control for the first time.

Now, at the 11th hour, the revelation presents itself that new cost estimates are in the works. So what? Is there a single Senator who can honestly say that the intent of the Budget Act is to keep the Senate twiddling its thumbs while new cost estimates are drawn?

This is not the first time that the executive branch has tried to tie our hands by promising new, more reliable cost estimates. We can all remember the last time the farm bill was on the floor.

We have a responsibility to act. We can only act on the best available information. The Committee on Agriculture and Forestry has relied extensively on the Congressional Budget Office, the Senate Budget Committee, and the analysts from the Department of Agriculture. They presented us with the best available evidence. The decisions that were made were based on a sound reasoning with a definite eye to cost impact.

In the Senate falls into the trap of waiting for new cost estimates every time controversial legislation comes to the floor, we will never get anything done. Remember, this is the floor of the Senate and not the floor of the New York Stock Exchange with its continuous ticker tape of quotations.

Do not be caught up in the smokescreen that the opponents of reform are lowering in the Chamber. The cry to wait for new estimates will be continuously raised, until the chance for legislative food stamp reform is dead.

The Congressional Budget Office has informed both the Senate Budget Committee and the Committee on Agriculture and Forestry that there is no basis at the present time for altering their original cost estimates on S. 3136. The material that has became available since the markup sessions in the Committee on Agriculture and Forestry is not yet complete and must be examined and analyzed. There is no expectation that this material will be readily available in the near future, much less in the next few days.

I urge the Senate to vote in favor of suspending the provisions of section 401 of the Congressional Budget Act in relation to this substitute bill.

Mr. President, at this point I ask unanimous consent that there be printed in the RECORD copies of, first, my letter to the Director of the Congressional Budget Office asking whether there is any basis for altering the cost estimates that that Office furnished the committee with respect to S. 3136; second, the Director's reply to my letter; and third, the original cost estimate sent to us by the Congressional Office of the Budget.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D.C., April 7, 1976.
Dr. ALICE M. RIVLIN,
Director, Congressional Budget Office, Congress of the United States, Washington, D.C.

DEAR DR. RIVLIN: It has come to my attention that new information on deductions claimed under the existing Food Stamp Program has come to light in the last few weeks.

My understanding is that this might affect the cost estimates which your office has supplied to this Committee regarding its food stamp reform bill.

Could you supply me with information on what this new data is, its impact on your cost estimates, your analysis of its usefulness and accuracy, and what propects there are of your office coming out with new cost estimates on the Committee's food stamp bill.

With every good wish, I am
Sincerely,
HERMAN E. TALMADGE,
Chairman.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., April 7, 1976.
Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request of April 7, 1976, the Congressional Budget Office is aware of the partial results from the "USDA Survey of Household Characteristics for September 1975," as published on March 13, 1976 in Senate Report No. 94-697. This new data has not been available to CBO as a basis for the cost estimates we have provided for S. 3136. Specifically this data relates to the average level of itemized deductions now claimed for all food stamp households.

If this new data is valid and there are no offsetting administrative adjustments which could be used, the current CBO cost saving estimate for S. 3136 could be changed. We have not yet had an opportunity to examine the new data nor to make careful calculations based upon it. We have formally requested USDA to provide CBO with this information. Until the data is available and there has been an opportunity to fully analyze it, reliable adjustments in the current cost estimates cannot be made.

In analyzing the new data, the following areas of uncertainty must be carefully considered:

(1) the month in which the survey was conducted and whether it could be considered a representative month,

(2) the inflation factors to be considered in making the data appropriate to fiscal 1977,

(3) the statistical sampling technique, the selected sample and the estimated sampling and variability errors normally associated with any survey sample,

(4) the comparability of the data to previous surveys,

(5) the consideration given to the impact of Puerto Rico's entrance into the food stamp program at the time of the survey, and

(6) the overall interaction of the data with other policy variables and administrative discretion now existing in S. 3136.

Once the new information has been made available to us we will advise you as to any need for adjustments to the current estimates.

Sincerely yours,
ALICE M. RIVLIN,
Director.

COST ESTIMATE

CONGRESS OF THE UNITED STATES,
Washington, D.C., March 11, 1976.
Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for the National Food Stamp Reform Bill of 1976.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,
ALICE M. RIVLIN,
Director.

Attachment.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill Title: National Food Stamp Reform Bill of 1976.

2. Purpose of Bill: The bill is designed to tighten program accountability and improve and simplify eligibility standards in the Federal Food Stamp Program (FSP) by amending the Food Stamp Act of 1964. Authorization for the FSP remains unchanged and is continued through September 30, 1977. This bill is an authorization and does not directly provide budget authority. Actual funding is subject to appropriations action.

The bill establishes a national uniform food coupon benefit reduction rate equivalent to 27.5 percent of a household's net income. The bill eliminates the current practice of allowing special deductions from income and substitutes a $100 standard deduction, a $125 deduction if a household contains an elderly individual, and an allowance for Federal, State and local taxes. The bill eliminates categorical eligibility in the FSP as a result of households' simultaneous participation in other public assistance programs. The bill further establishes a net income eligibility standard at the official poverty line. The Committee bill establishes a 30-day retrospective accounting system and counts as gross income all money payments resulting from lump-sum Federal, State or local tax refunds, and Federal income tax credits. The bill is designed to strengthen work incentives among recipients and authorizes the transfer of up to $100 million from the Department of Agriculture to the Department of Labor for the purposes of increasing work registration requirements. The bill, if enacted, would establish criminal penalties for food stamp vendors who fraudulently mishandle receipts of federal funds and would expand present regulatory requirements for filing of vendor reports and deposits.

3. Cost Estimates: It was assumed that the bill would not be implemented until the beginning of fiscal 1977 (October 1976). CBO estimates that the bill would reduce program outlays from current policy levels in fiscal 1977 by approximately $630 million. Because the bill does not continue program authorization beyond fiscal 1977, no estimates have been made beyond that date.

[In billions of dollars]

	Fiscal year 1976	Transition quarter	Fiscal year 1977
Current policy level[1]	$5.766	$1.492	$6.325
Cost impact	0	0	(.630)
Total program cost	5.766	1.492	5.694

[1] Current policy level does not reflect any cost savings due to regulatory reform.

4. Basis for Estimate: Cost savings under the proposed act were based first on estimated current policy levels under CBO's most current economic assumptions of March 1, 1976. Under current policy, federal outlays in the FSP are projected to increase to $6.3 billion in fiscal 1977, up from $5.8 billion in fiscal 1976.

To determine the impact of the bill (relative to this current policy level), the proposed income eligibility standards (the applicable gross income standards as if they were effective in July 1975) were applied to the Current Population Survey conducted by the Bureau of the Census in August 1975. Based on this survey, along with corrections for underreporting of income and asset holdings, it was estimated that approximately 33.3 million persons within the 50 states and District of Columbia would qualify for food coupons in July 1975. This level of eligibility was assumed also for July 1976.

Participation rates overall were assumed to remain relatively unchanged from current fiscal 1976 levels due to decreased outreach requirements, increased recipient reporting requirements, increased work registration requirements and retention of recipient purchase requirements.

The impact of the major program policy variables (e.g. benefit reduction rates, income eligibility standards, standard deductions) were estimated to reduce fiscal 1977 FSP costs by approximately $450 million.

Program provisions related to administrative, work requirement procedures and definitional changes in filing unit status were individually computed for specific provisions. It was estimated that these administrative adjustments would result in decreased costs of approximately $168 million in fiscal 1977. Total reduction in FSP participation was estimated at 1.4 million persons from a fiscal 1977 current policy level of approximately 18.9 million. Estimates include cost and participation impacts for outlying territories and possessions.

5. Estimate Comparison: The Department of Agriculture has supplied the Senate Agriculture Committee with an official estimate of its bill. The official transmittal supplied a cost savings of $360 million from fiscal year 1976 current policy outlays CBO, however, has estimated savings from fiscal year 1977 outlays. The Department also did not supply the Committee with specific economic assumptions or a detailed explanation of methodology. For these reasons, CBO has not been able at this point to perform a comparison of the overall estimates of the bill.

6. Previous CBO Estimate: Not applicable.

7. Estimate Prepared by: G. William Hoagland, Richard C. Michel (225-4972).

8. Estimate Approved by:

James L. Blum,
Assistant Director for Budget Analysis.

Cost Estimate of the National Food Stamp Reform Bill of 1976—Senate Action February 23 and 24, 1976[1]

I. DESCRIPTION OF LEGISLATION

The National Food Stamp Reform Bill of 1976 is designed to reduce program abuse and tighten eligibility standards in the Federal Food Stamp Program (FSP). Major provisions of the bill which will have present and future cost implications relate specifically to: (1) a uniform 27.5 percent benefit reduction rate based on a household's net monthly income, or conversely a 27.5 percent purchase requirement on net monthly income, (2) elimination of the current practice of allowing a number of itemized deductions from gross income and replacing them with a flat $100 standard deduction for every household with at least one member over 60, (3) allowing, in addition to the $100 standard deduction, deductions for Federal, State and local taxes and (4) limiting eligibility to households with *net* incomes at or below the official Federal poverty line.

The official poverty line is that as defined by the Office of Management and Budget and as revised at annual intervals (or less as deemed desirable) under Section 625 of the Economic Opportunity Act of 1964.

Other provisions of the bill which if fully enacted would have significant cost-related implications are:

(1) Including in the definition of gross income all Federal, State, or local income tax refunds, Federal income tax credits and payments made pursuant to the Domestic Volunteer Services Act of 1973 (VISTA volunteers). Under current regulations retroactive lump-sum income tax refunds and income received by volunteers for services performed in the VISTA program are excluded from countable income. While in-kind payments are to be included in gross countable income, *excluded* in-kind payments render this provision essentially unchanged from present regulations and therefore have little cost impact;

(2) Directing the Department of Agriculture (hereafter USDA) to conduct a survey to determine an appropriate asset test, and retain authority for the Secretary of Agriculture to prescribe maximum allowable assets but with the proviso that only the first $15,000 in equity value of property used in a trade or business for self-support be excluded from countable assets;

(3) Requiring that eligibility in the program and benefit levels be based on income received in the 30 days prior to filing for food coupons. This in contrast to the present "prospective" accounting system, which in some instances may reach three months or more. A further related provision allows households that have suffered an immediate loss of income to apply for food coupons immediately and assuming no change in lost income, to receive authority to purchase coupons at the end of the thirty day period after the loss of income;

(4) Eliminating automatic food coupon eligibility for persons who are recipients of benefits from other welfare programs, e.g., AFDC, SSI, and General Assistance Programs. Such persons would be required to meet income and asset eligibility standards as applicable to all households;

(5) Establishing present regulatory requirements and an extension of fiscal 1976 Appropriation language which exclude from eligibility college students who are legally claimed as tax exemptions by families which are themselves not eligible for food coupons. The provision includes a slight modification from present Appropriation Act and regulatory language. The modification states that if a college student *can* be legally claimed by a family which itself is ineligible for food coupons, then they also would be excluded from program eligibility;

(6) Excluding from eligibility those persons who terminate employment voluntarily, unless previously eligible and strengthening work registration requirements to conform with the Work Incentive (WIN) Program. The bill also reduces the age requirement for work registration from 65 to 60. The bill authorizes the transfer up to $100 million from USDA to the Department of Labor to carry out a work incentive program specific to the employability of food coupon recipients. It is assumed such program would include registration, callup for appraisal and employability planning, counseling and development, direct placement, follow-up of all employment participants, the provision of support services including child care and adjudication of work tests;

(7) Redefining an eligible household as one in which members *share common living quarters* and purchase food in common. Previous filing unit definition was based on the concept of an "economic unit," in which persons living within a household but not purchasing or storing food in common and for whom common living costs were not being met from the income or resources of the other members of the group, could qualify as an "economic unit" and receive food coupons. In other words, a separate household within a household could qualify for food stamps whereas the entire household might not qualify;

(8) Establishing the requirement that income and the status of the household be reported monthly. Present regulations require discretionary reporting by household only when income or deductible expenses change by over $25, or at any time when the household's size or composition changes;

(9) The bill establishes criminal penalties for food coupon vendors who fraudulently mishandle receipts, and establishes the timely reporting and verification of receipts and deposits by vendors;

(10) Authorization is given to the USDA to pay 75 percent of the direct costs of prosecutions and related activities for non-assistance households;

(11) The bill directs the USDA to study the feasibility of a National Earnings Clearance System in the FSP, grants the Department authority to undertake various pilot experimental projects, and authorizes the transfer of appropriated funds under the bill to the Department's Cooperative Extension Service to extend its nutrition education program to as many food coupon recipients as possible.

A number of other provisions are included in the bill; a number of these provisions would not alter program outlays from the present current policy levels of funding or would have only minimal cost impact and therefore are not explicitly listed here. The provisions discussed above are considered to have the most significant cost-impact and are in most instances capable of being quantified.

II. FOOD STAMPS PROGRAM CURRENT POLICY LEVELS

The Congressional Budget Office (CBO) has developed independent estimates of the costs of the FSP in the absence of changes in current law or regulations. These estimates are based on CBO's most recent set of economic projects for the remainder of fiscal year 1976, for the Transition Quarter, and for fiscal year 1977. Table 1 below summarizes the results of the CBO forecasting model and the economic assumptions.

TABLE 1.—CURRENT POLICY ESTIMATES FOR THE FOOD STAMP PROGRAM[1]

Units	Fiscal year 1976	Transition quarter	Fiscal year 1977
Recipient levels (average monthly, millions)	18.8	18.3	18.9
Guarantee (average monthly, family of 4)	$164.00	$172.00	$176.00
Average bonus (average monthly per recipient)	23.80	25.40	26.10
Total bonus cost (billions)	$5.366	$1.394	$5.911
Other program costs (billions)	.400	.098	.414
Total program costs	5.766	1.492	6.325
Economic assumptions:			
Unemployment rate (percent)	8.1	7.4	6.9
CPI for food	182.0	186.8	193.3
Disposable personal income (per capita, thousands per year)	5,263	5,588	5,835

[1] These current policy estimates differ from CBO's previously published 5-yr projections primarily due to the development of a more sophisticated statistical forcasting model which explicitly incorporates the most recent CBO economic assumptions.

The CBO estimates reflect a projection of a rapidly improving economic situation. CBO economic assumptions show a 1.2 percentage point decline in the unemployment rate by fiscal year 1977, with an 11 percent increase in disposable personal per capita income and a 6.2 percent rise in food prices over the same period.

The CBO model which forecasts food coupon recipient levels is an explanatory statistical regression model which incorporates four major variables:

(1) The *unemployment rate* is the major economic variable. The FSP has traditionally responded dramatically to shifts in the level of unemployment. The results of CBO's model confirms the sensitivity of recipient levels to unemployment rates;

(2) The *ratio of food price levels to disposable personal per capita income*. One of the major causes of the rapid rise in food coupon recipient levels throughout 1974 and early 1975 was the fact that food prices were rising at a faster rate than per capita income. This not only provided an incentive for non-participating eligibles to move onto the FSP, it also increased income eligibility levels in the FSP since net income eligibility standards are tied directly to the level of the

---

[1] All dates herein are considered fiscal years unless otherwise noted.

food coupon guarantee which was related to the level of food price increases. The CBO model results tend to confirm the hypothesis that as the ratio of food prices to per capita income increases, FSP participation increases. The ratio, for example, was relatively stable in the early 1970's but rose rapidly in 1974 and 1975 when recipient levels increased from 14 million to nearly 19 million. CBO projections show that the price-income ratio will remain high during fiscal year 1976 but will return to its historically lower level by the Transition Quarter and remain there throughout fiscal year 1977;

(3) The *United States population* has been a major factor in the recipient level of the FSP. Both quantitatively and statistically, the size of the population is the most significant variable in the SBO model;

(4) A *dummy variable for Public Law 91–671*, which was implemented in 1971. This law represented a major change in the Food Stamp program and, among other things, provided for free coupons to low-income households and placed a ceiling of 30 percent on the portion of a family's net income which could be spent on food.

The recipient model with these four variables yielded the following forecasting equation:

$$\begin{gathered}\text{FSR} = -135{,}816 + \underset{(t=6.37)}{940.965\ \text{UNEMP}} + \underset{(t=2.99)}{269{,}817\ \text{FOODPI}} + \\ \underset{(t=14.37)}{626.063\ \text{POPU}} + \underset{(t=6.03)}{2647.80\ \text{DUM}}\end{gathered}$$

where

FSR = Food Stamp average monthly recipient levels in *thousands*
UNEMP = National unemployment rate
FOODPI = The ratio of the Consumer Price Index for food to personal disposable per capita income
POPU = The United States population in *millions*
DUM = A dummy variable for Public Law 91–671, which is equal to one from 1971 and thereafter and is equal to zero in all prior years.

The adjusted R^3 for this model was .9967. Data from 1964 through 1975 were employed to yield the coefficients. CBO projections of unemployment rates, food price levels, and per capita income were used for forecasting. Census Bureau Series I population projections were used for the U.S. population forecast since Series I appears to be tracking better than other series.

CBO has estimated average monthly bonuses by relating them to increase in the Thrifty Food Plan allotment for a family of four.

The food stamp allotment is adjusted semiannually in January and July based on the cost of the Thrifty Food Plan in the previous August and February. The allotment is correlated quite highly with the Consumer Price Index for food away from home. CBO has therefore used the following equation to estimate the allotment level.

$$\text{FSTAMP} = -3.796 + \underset{(t=12.13)}{.963\ \text{CPIFH}}$$

where

FSTAMP = The Food Stamp allotment for a family of four based on the value of the Thrifty Food Plan
CPIFH = The Consumer Price Index for food away from home

The R^2 for his model was .997. CBO projections for the level of the Consumer Price Index for food away from home were used for forecasting.

Historically, it has been shown that for every $1.00 increase per person in the allotment for a family of four, the average monthly bonus per person will increase approximately $0.60.[2] CBO has thus estimated the average bonus on the basis of its own projections of allotments for a family of four (shown in Table 1) and this increased ratio of 60 percent.

Federal administrative costs are projected to be 7.4 percent of bonus costs in fiscal year 1976 and 7.0 percent for the Transition Quarter and fiscal year 1977.

III. COST IMPACT OF REFORM BILL

The development of the total cost estimate for the reform bill proceeded in two basic steps: (1) estimates were developed for the impact of the major provisions of the bill as applied to Census Bureau tabulations of population by gross monthly income in July 1975 and (2) estimates were developed individually for the impact of provisions not directly related to the major provisions examined in Step 1. While the data base used in developing these estimates is not as extensive as that used by the USDA, it is appropriately suited for estimating the cost of this bill—the data is of recent vintage and contains a 30 day retrospective profile.

Major cost provisions

Provisions which must be analyzed collectively and which normally account for the largest budgetary outlays in any in-kind or income transfer programs are: (1) benefit reduction rates, (2) countable income, (3) deductions from income, (4) the program's benefit levels and (5) net income eligibility levels.

Participation estimates for these major provisions were developed as they would have applied to the national population in July 1975. The Current Population Survey (CPS) of August 1975 conducted by the Census Bureau of the Department of Commerce asked a representative sample of households questions specific to their monthly income in July 1975. Tabulations from this survey by household size, monthly gross income (in intervals of $100) and the presence of an elderly household head were provided to CBO.

Gross income eligibility levels under the provision of the bill were determined for varying household sizes, households with an elderly person, working and non-working households. These gross income eligibility levels represent what a household could have had in income and still have qualified for food coupons with allowable deductions in July 1975. Table 2 presents the gross income eligibility levels for non-elderly households with taxable income in July 1975, and projected levels for July 1976 and July 1977. The latter figures represent gross income levels that would be operative with the transition quarter and mid-way through fiscal 1977. Similar gross monthly income eligiblity levels were developed for elderly households and households with no taxable earnings. Since Census tabulations for July 1975 do not present households specific as to whether or not income is taxable or non-taxable, a weighted average of income eligibility standards for non-elderly households with taxable income and those with non-taxable income was used to develop an estimated gross income eligibility standard for all non-elderly households. It was assumed that all non-elderly households received non-taxable income.

TABLE 2.—GROSS MONTHLY AND ANNUAL INCOME ELIGIBILITY STANDARDS (IN PARENTHESIS) UNDER REFORM BILL, IN 48 STATES AND DISTRICT OF COLUMBIA, NON-ELDERLY HOUSEHOLD WITH TAXABLE INCOME [1] [2]

Household size	July 1975 (May 1975–April 1976)		July 1976 (May 1976–April 1977)		July 1977 (May 1977–April 1978)	
1	347	(4, 164)	378	(4, 538)	404	(4, 848)
2	429	(5, 148)	467	(5, 611)	500	(6, 000)
3	508	(6, 096)	553	(6, 644)	592	(7, 104)
4	589	(7, 068)	642	(7, 703)	687	(8, 144)
5	674	(8, 088)	734	(8, 815)	785	(9, 420)
6	776	(9, 312)	845	(10, 150)	904	(10, 848)
7 plus (weighted)	911	(10, 932)	993	(11, 915)	1, 603	(12, 756)

[1] Official poverty guidelines are established irregularly by the Office of Management and Budget, it was assumed annual adjustments would take place in April 1976 and April 1977. These adjustments were based on a 9 percent increase in CPI between 1974 and 1975, and a 7 percent increase in CPI between 1975 and 1976.

[2] Estimated Federal tax burden as a percent of adjusted gross income, by level of adjusted gross income was based on individual tax returns for 1973. Adjustments were also made for social security tax withholdings. These tax levels represent effective tax rates and may or may not represent what a taxpayer actually has withheld from his paycheck. Use of an effective tax rate by definition results in no over or under withholdings. Total effective tax rates for 4 person household with maximum gross income was approximately 13.4 percent.

Applying these gross income eligibility standards to the CPS tabulations, CBO developed estimates of the number of households and persons who would be eligible under the provisions of the bill in July 1975. It was further assumed that the number of persons eligible by gross monthly income in July 1975, would essentially remain constant and be applicable as a base for estimates in July 1976, and October 1976—the beginning of fiscal 1977. (Given the most current CBO economic projections, it is recognized that the eligible population in July 1975 as a proxy for the eligible population in July and October 1976 will be biased slightly upward; however, it is also recognized that the adjustment to the poverty standard in April 1976 will offset this bias, if the adjustment to the poverty level is greater than or equal to the increased income of the eligible population in July 1976).

Finally, the estimated number of households and persons qualifying on the basis of income was reduced by 37 percent and 34.1 percent respectively, reflecting the fact that not all households and persons qualifying on the basis of monthly income would be eligible on the basis of asset holdings.[3] (Final cost estimates were further adjusted to account for a redefinition of the asset test which would exclude only the first $15,000 in value of property used for trade or business.)

Based on these procedures, the estimated number of persons and households qualifying for the FSP under the bill's provisions in July 1976 and October 1976 would be as shown in Table 3. It is estimated that approximately 33.3 million people in the 50 States and District of Columbia would be eligible for food coupons under the provisions of this bill. This represents a reduction of approximately 4 million persons from the number estimated to be eligible under current provisions.[4]

---

[2] This exact relationship did not hold in January 1976, when the USDA implemented the new thrifty food plan with adjusted economies of scale factors for larger size households. This readjustment to the thrifty food plan has been included in the CBO projection of average monthly bonus coupon levels.

[3] The Impact of the Resources Test and Survey Income Underreporting on Food Stamp Eligibility Estimates. Beebout, Lemat, and Kendall, Jan. 23, 1976.

TABLE 3.—ESTIMATED NUMBER OF HOUSEHOLDS AND PERSONS ELIGIBLE UNDER PROVISIONS OF REFORM BILL IN JULY 1976–OCTOBER 1976—Continued

	In thousands	
	Households	Persons
50 States and District of Columbia:[1]		
Elderly	6,309	10,101
Nonelderly	11,737	40,400
Total eligible gross income	18,047	50,501
Corrected for assets/underreporting	11,370	33,330
Puerto Rico and outlying territories:[2] Total eligible (no correction for assets)	521	2,150
Grand total	11,891	35,480

[1] Based on Current Population Survey, August 1975, assumed applicable to July 1976. Census Bureau, Department of Commerce.

[2] Based on report: "The Food Distribution System and Food Stamp Program in Puerto Rico", USDA-FNS and Commonwealth of Puerto Rico.

A derived overall participation rate of 50 percent was applied to the eligible population to determine the average number of participants in July 1976. It should be noted that this rate of participation does not significantly change from estimates of the present levels of overall participation (approximately 47 percent in 50 States and District of Columbia) but due to a smaller base of eligible recipients, the absolute number of recipients would decline by approximately 1.2 million from the CBO current policy estimated participation levels in 1977.

The USDA's thirfty food plan would be established as a basis for the cost of a nutritionally adequate diet, and consequently it would establish the basic monthly coupon guarantee. Table 4 presents estimated cost levels (coupon allotments) of the thrifty food plan by family size from the period through fiscal 1977. These allotments levels were used as a basis for establishing average benefit levels under the provisions of this bill.

It was assumed that offsetting factors of increased benefit for some recipients with itemized deductions substantially less than $100), and decreased benefits for other (with itemized deductions substantially less income accounting period reduce benefit per recipient of approximately $26.10 per month.[5] Given these general assumptions, federal bonus costs would reach $5.556 billion in fiscal 1977, a reduction of approximately $456 million dollars from the CBO current services estimated bonus outlay of $5.911 billion in fiscal 1977.

It should be noted that this figure includes (by construction) Federal, State and local income tax refunds, since the determination of gross income eligibility standards was based on effective tax rates. An effective tax rate represents a taxpayer's actual tax burden and therefore would result in neither an overpayment nor underpayment of taxes during the year. It is therefore assumed that allowances for lump-sum Federal, State and local tax refunds is explicitly accounted for in the $456 million savings figures.

TABLE 4.—FEDERAL FOOD STAMP PROGRAM PROJECTIONS, VALUE OF THE THRIFTY FOOD PLAN (48 STATES AND DISTRICT OF COLUMBIA)

Family size	Actual January 1976	July 1976	January 1977	July 1977
1	50	52	52	54
2	92	94	96	100
3	130	136	138	144
4	166	172	176	182
5	198	204	210	216
6	236	246	250	260
7	262	270	278	286
8	298	310	316	328
9	336	348	356	368
10	374	388	396	410
11	410	426	436	450
12	448	464	476	492

Other cost provisions

In addition to the major program variables discussed above the bill proposes a number of administrative and procedural changes which will have participation and cost-impact in fiscal 1977 and beyond. These provisions are discussed briefly with individual estimated cost impacts. It is recognized that the interaction and interrelatedness of these variables with the previous discussion results in a potential for offsetting cost impacts. It is further recognized that these cost impacts will have both administrative and benefit level impacts. Avoiding completely offsetting and overlapping cost provisions is difficult given the present state of knowledge for the entire FSP, it should only be recognized that in some instances the individual cost provisions will not be completely additive and therefore will potentially bias upward the final cost savings.

Income accounting period

The bill would require that eligibility in the FSP be based on actual income received 30 days prior to filing for food coupons. By the procedures used to develop the present cost estimates, determination of eligibility was based on actual FSP reported income. Therefore, an ideal responsive environment is presumed in developing the cost estimates—actual income is known for the month in which estimates are made. However, within the current services projection—because of its dependence on past historical trends—there exists a possibility of overpayments and underpayments of benefits due to the programs past and present prospective accounting system.

Data from USDA's 1975 Quality Control report indicates that the percent of bonus food coupons issued to *eligible households*, but over-issued because of recipient error was approximately 5.4 percent. Bonus coupons underissued because of recipient error was approximately 1.4 percent (net over-issued bonus coupons then of 4.0 percent). Since approximately 75 percent of all bonus dollar errors (associated with eligible households) could be attributed to errors in income (as opposed to deduction and administratively classified errors), it is assumed a 3 percent net over-issuance of bonus dollars in the present FSP.

It is further assumed that most of the over-issuance is due to the prospective accounting system; the imposition of a retrospective accounting system would result in reduced bonus costs and therefore reduced recipient benefits. It is assumed that this reduction would be no more than the present systems 3 percent over-issuance rate. A retrospective accounting system, as proposed would not eliminate completely the possibility of over-issued bonus food coupons. It is assumed therefore that approximately half of the present over-issuance will be corrected as a result of the one-month retrospective accounting system. Given a current services estimated bonus outlay of $5.911 billion in fiscal 1977, a one-month retrospective accounting system would result in a reduction of approximately $89 million bonus coupons. The provision is not on the average expected to result in decreased participation.

Exclusion of first $15,000 allowable assets

USDA estimates that this provision will result in a reduction of approximately $15 million dollars in bonus outlays. A similar cost reduction is assumed by CBO. Approximately 50,000 recipients would be affected by this provision, assuming such recipients qualify for average benefits. To the extent that persons with equity value of assets over $15 million have higher than average incomes, the reduction of 50,000 recipients is biased upward by the assumption of average benefit levels.

Exclusion of college students

The bill essentially implements current regulatory practices and the language of the current fiscal 1976 Appropriation Bill (7 U.S.C. 2011–2025: Agriculture and Related Agencies Appropriations Act, 1976), which excludes from program eligibility college students who are legally claimed as tax exemptions by families which are themselves not eligible for food coupons. (The addition of the proviso that such students "could be claimed" is not assumed to alter current cost levels.) CBO therefore assumes that a similar provision in the committee bill results in no additional cost savings to what might already be assumed under current practices.

Work registration requirements

Estimates from the Department of Agriculture and the Department of Labor have been used to determine the cost impact of this provision. Presently the FSP allocates approximately $28 million to the Department of Labor for the purposes of work registration. The bill would increase the authorized transfer level to $100 million; the additional cost, then, of this provision is $72 million. Offsetting this increased cost outlay, however, would be a reduction in benefit outlays. It has been estimated by USDA that through increased employment, job referral and reduced benefit levels that an annual cost savings of approximately $124 million will be realized. A net cost reduction then of approximately $52 million is anticipated under this provision. It has been estimated by USDA that approximately 1,200,000 persons would be required to register in addition to present registrants, given an employment placement rate of approximately 9.5 percent, participation would decline by about 100,000 recipients.

Definition of filing unit

The bill would define an eligible household as one in which members share common living quarters and purchase food in common. The exact impact of this provision is difficult to ascertain. It is recognized, however, that redefining the filing unit from an "economic unit" to one in which all members of household share common living quarters will result in a decrease in eligible persons, a decrease in participation, and a reduction in benefits. The bill's definition of a filing unit approximates the Census Bureau's official definition of a household. However, tabulations from the July 1974 CPS interview, discovered that approximately 15 percent of the households where at least one member of the *census* household was receiving food coupons, other members of the households were not participating in the ESP. If it is assumed that these individual one-person economic units within a larger household would be ineligible for food coupons (if pooled with the full households) then the impact of this provision would be to reduce participation and costs. For purposes of this provision, it is assumed that approximately 100,000 persons qualify for an average monthly benefit of $26.00 would be affected by the redefinition and would have benefits terminated. The 15 percent figure found in the July 1974 CPS interview represented nearly 539,000 households, and it is assumed therefore represented approximately 539,000 persons. The CPS figure, however, is overstated due to timing differences in the survey which was conducted in August asking household composition for August and food stamp status for July. Further problems apparently exist due to misrepresentation and the normal nonreporting of survey data. The redefinition of the FSP filing unit is estimated would result in approximately $30 million reduction in FSP costs in fiscal 1977.

---

[4] USDA-FNS, unpublished computer results from TRIM, Feb. 6, 1976.

[5] Further adjustments for a retrospective income accounting period reduce benefit levels and average benefits per recipient even further; adjustments are discussed in later sections of this report.

Monthly reporting

The addition of a monthly reporting system would increase administrative expenses to be shared by both federal and state sources. It is assumed that a monthly official notification would be required, as opposed to the present system whereby the recipient notifies appropriate sources discretionarily when household status changes. Given one official mailing monthly and government provided reply cards, the federal share of costs would be an additional $2–3 million.

Prosecutions

The bill would increase the federal share of costs to 75 percent for investigations, prosecutions, collections of claims and other activities related to violations committed by non-assistance households. In fiscal 1976, federal outlays of $6 million were expended for purposes of carrying out prosecutions for both public assistance and non-public assistance households. Assuming this represented between 50 and 55 percent of total expenditures (both State and Federal), assuming further that prosecution activities are equally shared between public assistance and non-public assistance households, and finally assuming a similar real level of activity in fiscal 1977, the results of this provision would be to increase federal outlays by approximately $1 million.

Studies and surveys

The bill grants broad authority to the Secretary of Agriculture to carry out pilot experimental studies and mandates a feasibility study of a National Earnings Clearance System. The estimated fiscal 1977 costs of these various provisions is approximately $5 million.

Nutrition education-outreach-commodity distribution counties

The committee bill would authorize the Secretary of Agriculture to allocate to the Department's Cooperative Extension Service monies necessary to implement a program of nutrition education for food coupon recipients. CBO assumed that approximately $12 million would be so authorized, and further that this would be in addition to funds specifically appropriated to the Department's Expanded Food and Nutrition Education Program.

Offsetting this increase in funding would be a reduction in FSP outreach activities. The USDA has estimated that the bill's language which allows for a "reasonable level of outreach," would result in decreased outreach activity from current policy levels of approximately $2 million. Reduced outreach activities further supports the CBO assumption of no appreciable increase in overall rates of participation from current policy levels.

The net impact then of increased nutrition education funding and reduced outreach activities, results in a $10 million increase in outlays in fiscal 1977 over current policy levels.

Needy persons in four counties in the State of Washington (King, Pierce, Yakima and Snohomish), presently have the choice of receiving federally donated commodities under USDA's Food Distribution Program to needy families of food coupons. In January 1976, approximately 11,700 persons received commodities in these counties, at an annual cost to the Federal government of approximately $1 million. The Committee bill would no longer permit these counties to receive commodities. The impact, assuming only about half of those now receiving commodities would actually participate in the FSP, would be to decrease the Food Distribution Program costs by approximately $1 million, but increase FSP costs by approximately an equivalent amount. The overall cost impact, then, of this provision would be negligible.

SUMMARY

Assuming the impact of the various cost estimates are additive, Table 5 summarizes the overall cost and participation impact of the Committee bill. The bill, it is estimated, would reduce FSP outlays in fiscal 1977 by approximately $630 million and participation would decline by between 1.4 and 1.5 million persons from current policy levels. When compared to fiscal 1976, FSP costs would decline by approximately $100 million.

TABLE 5.—NATIONAL FOOD STAMP REFORM BILL, SENATE ACTION OF FEB. 23–24, 1976, SUMMARY OF COST IMPACTS

Fiscal 1977	Amount (billions)	Reduction (billions)	Average recipients (millions)	Reduction
Current policy level	$6.325		18.872	
Provisions:				
(1) Program policy variables		−$0.456		−1,132,000
(a) 27.5 benefit reduction rate		(1)		(1)
(b) Net income-poverty level		(1)		(1)
(c) Thrifty food plan		(1)		(1)
(d) $100 standard deduction		(1)		(1)
(2) Administrative/procedural variables:				
(a) 30-day retrospective accounting period		−.090		0
(b) Assets requirement		−.015		−50,000
(c) College students		−.0		0
(d) Work registration		−.052		−100,000
(e) Filing unit definition		−.030		−100,000
(f) Monthly reporting		+.002		0
(g) Prosecutions		+.001		0
(h) Studies/surveys		+.005		0
(i) Nutrition education		+.010		0
Net total cost		−.629		
Net participation				−1,373,000

[1] Included.

Note: Total program cost, fiscal year 1977, $5.694. Average monthly participation, fiscal year 1977, 17.4

Mr. TALMADGE. Mr. President, this information shows conclusively that neither the committee bill nor the substitute would go as far as I would like. It went as far as the Senate Committee on Agriculture and Forestry was prepared to go.

I point out to the Senate that we had pending a proposal in the Senate committee to issue these stamps free, at no cost whatever. The vote was 7 to 7 in that committee. It failed on a tie vote. That measure, if approved by this body, would cost between $2 billion and $3 billion annually.

That is what I say when I am dealing in the world of reality, in the world of possibility. Those who propose that amendment—it would add a cost of $2 billion or $3 billion a year to this bill—are now content to join forces on a substitute that would cost an additional $400 million a year, over the committee bill.

I think it is good business if we can trade an additional cost of $400 million a year for what would have been a cost of $2 billion to $3 billion a year. And in doing that, according to the Congressional Budget Office, we would save $240 million from what has been projected for the next fiscal year on the food stamp program.

Mr. President, I yield the floor.

(Mr. HELMS assumed the chair as Presiding Officer at this point.)

EXTENSION OF TIME TO FILE REPORT ON H.R. 7108

Mr. MANSFIELD. Mr. President, I ask unanimous consent that H.R. 7108, an act to authorize appropriations for environmental research, development, and demonstration, be referred to the Committee on Labor and Public Welfare with instructions to report back no later than midnight Friday, April 9, 1976.

The reason for that is that the committee was instructed to report this measure by today and they have not completed their deliberations.

I understand this has been cleared on both sides, hence I make this particular request at this time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to take up a nomination reported earlier in the day from the Committee on Agriculture and Forestry, which I understand has been cleared all the way around.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM CREDIT ADMINISTRATION

The assistant legislative clerk read the nomination William Dale Nix, Sr., of Texas, to be a member of the Federal Farm Credit Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS FANNIN, HANSEN, AND STEVENS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the two leaders have been recognized tomorrow, the Senator from Arizona (Mr. FANNIN), the Senator from Wyoming (Mr. HANSEN), and the Senator from Alaska (Mr. STEVENS) be recognized for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I would like to announce the schedule for the rest of this week and next.

First, may I say that the Senate is certain to be in session this coming Friday and very likely will be in session on Saturday. The reason is that we have allowed legislation to pile up, and as Senators are aware, we take off 5 or 6 days at the conclusion of business on Wednesday next before we return on the 26th or the 27th, I believe. We will have to face up to Friday sessions and possibly Saturday sessions from now on.

It is the leadership's hope that the pending business will be disposed of tomorrow, and indications seem to point in that direction.

After the disposition of the pending business, the Senate will then turn, I believe, unless something unforeseen intervenes, to S. 2853, a bill to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors, which I understand is to become a part of the bill now under discussion.

Following that, if my interpretation of the mood is correct, we will turn to the consideration of Senate Concurrent Resolution 109, a concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal year 1977 and revising the congressional budget for the transitional quarter beginning July 1, 1976.

As the Senate is aware, under the rule there is an allowance of 50 hours on this budget resolution. It is my understanding a good portion of that time may be taken up because of the effect the resolution will have on various committees of the Senate.

Following the disposal of S. Con. Res. 109, it is then the intention of the leadership to turn to the consideration of S. 3201, the so-called Public Works and Economic Development Act. That will pretty much conclude the major legislation to be considered before we recess next week, but it is hoped that it will be possible to get a bill having to do with grain procedures, grain thefts, and the like, which I understand will be reported out of the Committee on Agriculture and Forestry today, and I think the need for action is great because of what is happening in grain shipments in New Orleans and elsewhere, and we hope to get that finished before we go out at the conclusion of business on Monday next.

Mr. GRIFFIN. Mr. President, will the Senator yield for an inquiry?

Mr. MANSFIELD. Yes, indeed.

Mr. GRIFFIN. As the majority leader knows, because he was present this morning at a meeting of the joint leadership, the President is very anxious to get action on legislation to authorize and appropriate money for flu vaccination for the entire country. That legislation has passed the House of Representatives and now awaits action by the Senate. It is going to be very important, as I understand it, that that program get underway quickly if it is to be effective. I wonder if the majority leader has any thoughts on that possibility.

Mr. MANSFIELD. Yes, indeed; I am aware, as the distinguished acting Republican leader is, of the sense of urgency which the President has expressed about the $135 million authorization and appropriation for swine flu vaccine. The acting chairman of the Committee on Appropriations, the distinguished Senator from Washington (Mr. MAGNUSON) has informed the committee that his subcommittee has reported out that amount this afternoon, and that it is his intention to call a meeting of the full committee tomorrow for the purpose of reporting that appropriation to the floor. It is the desire of the joint leadership to get this proposal out as quickly as possible. I appreciate the acting Republican leader's reminding me of it. That is another reason why we might be in session this Saturday.

Mr. GRIFFIN. So there is some possibility we might be able to act on that before the recess?

Mr. MANSFIELD. Yes; I think we should make every effort to do so.

As far as the rest of the schedule is concerned, if something can be worked out—I ask the general counsel of the policy committee to pick up his calendar and follow me on this—we would like to dispose of Calendar No. 684, S. 532—that is a bill out of the Agriculture Committee; Calendar 700, S. 75, a bill to study certain lands in the Sierra National Forest, and so on; Calendar No. 706, H.R. 1465, for the division of assets between the Twentynine Palms Band and the Cabazon Band of Mission Indians in California, and so forth; and also Calendar No. 707, S. 1624, a bill to promote the free flow of commerce among the several States, and for other purposes.

It is anticipated, barring something unforeseen, that Calendar No. 685, S. 3219, a bill to amend the Clean Air Act as amended, will be laid before the Senate before it goes out on Wednesday night next, and if that is accomplished, it will be the pending business when the Senate returns later in the month.

It is also anticipated that Calendar No. 72, S. 625, the first item on the calendar on page 7, will be considered sometime after the recess. It has been ready for some months now, but because of the need for an agreement with another committee it has been held up.

After the recess also, it is hoped that we may be able to take up Calendar No. 645, Senate Resolution 104, a resolution relative to the Select Committee on Small Business.

That, to the best of my knowledge, is the schedule for legislation before the recess and after the recess, and it is a clear indication of why it will be necessary for us to be in session on Fridays from now on, and Saturdays as well.

May I say we have not met on 4 out of the last 5 Fridays because there was no business that could be taken up on those days, and the justification was quite proper.

Mr. GRIFFIN. Mr. President, I shall take a moment of time of the Senate. The majority leader referred to Calendar Order No. 707 as a bill that is to be taken up. Reading the description of the bill in the calendar was not illuminating to the Senator from Michigan. "A bill to promote free flow of commerce among the several States, and for other purposes."

Mr. MANSFIELD. Mr. President, will the acting Republican leader yield?

Mr. GRIFFIN. I yield.

Mr. MANSFIELD. As I understand, it is a bill to permit the free flow of wine among these several States.

Mr. GRIFFIN. The Senator from Montana is absolutely right. I asked the pages to provide me with a copy of the bill, because this certainly gives no indication whatsoever and only points up something about which I do not know if we will do anything. It seems to me we ought to require that the titles of bills give some idea of what the bills are about. From time to time we see bills entitled this way, and it is too bad. It seems to me we ought to do something about it.

Mr. MANSFIELD. The Senator has a point. I agree with him. I did not know what it was. I was only putting it on the list. But that measure will not come up until sometime after the recess.

Mr. GRIFFIN. It is a bill about the taxation of wines among the States.

I thank the majority leader.

Mr. MANSFIELD. The title is "to promote the free flow of commerce."

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to; and at 4:40 p.m., the Senate adjourned until tomorrow, Thursday, April 8, 1976, at 12 meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 7, 1976:

Department of State

Charles W. Robinson, of California, to be Deputy Secretary of State.

Organization for Economic Cooperation and Development

Maurice J. Williams, of West Virginia, Chairman of the Development Assistance Committee of the Organization for Economic Cooperation and Development at Paris, France, for the rank of Minister, while so serving.

U.S. Advisory Commission on International Educational and Cultural Affairs

The following-named persons to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs for terms expiring May 11, 1978:

Dortch Oldham, of Tennessee.

Beryl B. Milburn, of Texas.

Federal Mediation and Conciliation Service

James F. Scearce, of Virginia, to be Federal Mediation and Conciliation Director.

Community Services Administration

Samuel R. Martinez, of Colorado, to be Director of the Community Services Administration.

Farm Credit Administration

William Dale Nix, Sr., of Texas, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1982.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, April 7, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

This is the day which the Lord hath made; we will rejoice and be glad in it.—Psalms 118: 24.

O Thou who art the source of wisdom, power, and love, help us with increasing faith to draw near to Thee for light to guide us, for strength to sustain us, and for good will to dwell in our hearts. Hold us close that our thoughts may be Thy thoughts, our ways Thy ways, and our will Thy will. In all our endeavors help us to think clearly, to speak wisely, to do justly, and to walk humbly with Thee.

Move through every Member of this House that with high ideals and lofty purposes they may give the best that is in them to and for our beloved country.

In the spirit of the Master, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 64. An act to provide for the addition of the names of the States of Alaska and Hawaii to the list of the 48 States inscribed upon the walls of the Lincoln National Memorial; and

S. 2945. An act to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act.

HON. RON PAUL

Mr. RHODES. Mr. Speaker, I ask unanimous consent that the gentleman from Texas (Mr. Ron Paul) be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. PAUL presented himself at the bar of the House and took the oath of office.

TAXPAYERS FOOTED BILL FOR NORTHROP PARTIES

(Mr. CARR asked and was given permission to extend his remarks at this point in the Record.)

Mr. CARR. Mr. Speaker, the much-abused American taxpayer has been stung again—this time for hundreds of thousands of tax dollars worth of lavish parties thrown by the Northrop Corp. in an effort to sell its F–5 jet fighters here and abroad.

The hostess at these swank, private affairs was Washington socialite Anna Chennault, widow of famed Flying Tiger Gen. Claire Chennault.

An investigation by the Defense Contract Audit Agency has revealed that from late 1969 to 1974, Northrop paid Madame Chennault $160,000 to put on the parties—and then turned around and billed the Pentagon for her "consultant fees."

The Pentagon routinely reimbursed Northrop for these expenses—without checking to see what it was our tax money was paying for.

Up to 200 guests attended each of these parties in Madame Chennault's expensive two-story apartment in the Watergate complex in Washington, D.C.

They ranged from aerospace bigwigs to White House aides, Cabinet members, Congressmen, top Pentagon brass and powerful foreign government officials.

According to a Washington society columnist who attended several of the parties, the fare at the parties, like the decor, is lavish. The apartment houses a handsome collection of jade. Signed photos of U.S. Presidents and members of the Joint Chiefs of Staff are sprinkled throughout.

Just think of it—top military brass, powerful U.S. and foreign officials and Senators and Congressmen drinking expensive liquor and munching on imported caviar paid for by you—the taxpayer—while Northrop executives make sales pitches for their airplanes. That is sheer gall.

The Pentagon is now trying to get Northrop to return the $160,000. It had better try very hard. It is against the law for firms dealing with the Government to bill for entertainment expenses.

Mr. Speaker, I would also like to welcome our new Member, the gentleman from Texas (Mr. Paul).

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT AND THE ATMOSPHERE OF COMMITTEE ON SCIENCE AND ASTRONAUTICS TO SIT DURING 5-MINUTE RULE ON CERTAIN DATES DURING APRIL 1976

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment and the Atmosphere of the Committee on Science and Astronautics be permitted to sit during the afternoon for the following dates: April 7, 8, 9, 12, 13, and 14, 1976, despite the fact that the House may be proceeding under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Reserving the right to object, Mr. Speaker, will these be primarily hearings, or will the committee be marking up bills?

Mr. BROWN of California. They will be primarily hearings.

Mr. ROUSSELOT. There will be no markup of any bill during this time?

Mr. BROWN of California. One of the sessions at the conclusion is for the purpose of determining whether or not a markup should take place, but I will be glad to commit myself that no such markup will occur.

Mr. ROUSSELOT. No markup will occur; they will be just hearings?

Mr. BROWN of California. Yes.

Mr. ROUSSELOT. I thank the gentleman for his commitment to hearings only.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

ORPHANS OF THE EXODUS

(Mr. **KREBS** asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **KREBS**. Mr. Speaker, all of the nations which signed the Helsinki pact, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of the families which remain separated.

A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem. At this time I would like to bring to the Members' attention the situation of the Bronfman family.

Shmuel Bronfman is a metallurgical engineer. He is married and has two daughters. In 1970, his parents, two sisters and three brothers were allowed to emigrate to Israel. In 1971, Mr. Bronfman, the oldest son, applied for exit visas and was immediately refused on the basis of "security" though he had never signed any security or secret documents. Since that time, after a long investigation by the authorities, Mr. Bronfman was relieved from his job in the factory where he worked as an engineer and has had to work at all kinds of odd jobs to support his family. He has been indefinitely detained in the Soviet Union.

Needless to say, Mr. Speaker, while this case history happens to be of a person of Jewish faith, this has been a longstanding history of the Soviet Union, ever since the creation of the Soviet Union.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS DAY-CARE VETO IS POUND FOOLISH

(Mr. **O'NEILL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **O'NEILL**. Mr. Speaker, for lack of concern, lack of leadership and lack of consistency, it was hard to beat the administration yesterday.

President Ford vetoed the day-care bill which would have helped a lot of working mothers keep their jobs. This is a pound-foolish veto that is going to cost the Government more in the long run. Without day-care centers, many working women will have to give up their jobs to take care of their children. That means they go from payrolls to welfare rolls, exactly the reverse of what it should be.

The administration still takes this Alice-in-Wonderland approach to jobs and the economy. Yesterday an official testified that the administration favors full employment, but that it does not favor legislation that would actually create jobs.

That is like saying the administration is willing to do a rain dance for jobs and hope they'll fall out of the sky. But when it comes to passing laws that would provide jobs—oh, no—that would be interfering with nature.

This is the kind of callousness and unconcern that the voters are going to put an end to this fall. They are going to put a Democrat in the White House. For the first time in 8 years, we're going to have a Democratic President and a Democratic Congress working together for the people.

CONSIDERATION OF H.R. 12048, CONGRESSIONAL REVIEW OF PROPOSED EXECUTIVE RULES AND REGULATIONS

(Mr. **MADDEN** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **MADDEN**. Mr. Speaker, the Committee on Rules has scheduled a meeting tomorrow, Thursday, April 8, 1976, at 10:30 a.m., to begin consideration of the bill H.R. 12048, a bill providing for congressional review of proposed executive rules and regulations.

H.R. 12048, which was jointly referred to the Committee on Rules and the Committee on the Judiciary, has been reported by the Committee on the Judiciary. That bill and bills of a similar nature have been cosponsored by several Members of this body and I simply wish to take this opportunity to inform those cosponsors and all other interested Members that this measure has been scheduled for consideration by the Committee on Rules.

DISCHARGE PETITION FOR SURFACE MINING CONTROL AND RECLAMATION ACT

(Mr. **BEDELL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BEDELL**. Mr. Speaker, I rise to join with my distinguished colleagues in signing the discharge petition to bring consideration of the Surface Mining Control and Reclamation Act to the House floor.

I believe that it is imperative that Congress address itself to this vital legislation at this time. For the past 5 years, the will of the Congress has been thwarted in its many attempts to take the initiative in developing a national coal development policy which will protect the values we hold dear in our society and in our environment while at the same time providing for the mining of our greatest natural resource. We have witnessed almost every delaying tactic there is on the part of the administration—including two vetoes. Clearly the question should not be dropped by this Congress when we are so close to fulfilling the need for national policy in this area.

It was just three votes which separated similar legislation from enactment last year. Several significant changes have been made in the bill, specifically to meet objections raised by the President in his veto message. Changes include a stretched out time frame for enactment of the bill's many far-reaching proposals, and clarification of the provision on alluvial valley floors. It also removes administration objections that ongoing coal mines would be shut down.

While Congress has brought forth a detailed and specific proposal for developing our national coal resources in a responsible and sound manner, we have seen no such companion effort by the administration. It is time that we proceed on this issue. It is in the overriding national interest that we persevere.

Let us act now, once and for all, and resist any further attempts to thwart the popular will.

PROVIDING FOR CONSIDERATION OF H.R. 12438, MILITARY PROCUREMENT AUTHORIZATION ACT, 1977

Mr. **MATSUNAGA**, from the Committee on Rules, reported a privileged resolution, House Resolution 1134 (Rept. No. 94-1015), which was referred to the House Calendar and ordered to be printed.

CALL OF THE HOUSE

Mr. **SYMMS**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **McFALL**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 175]

Addabbo
Andrews, N.C.
Barrett
Bell
Brademas
Burke, Mass.
Cederberg
Chappell
Conyers
Coughlin
Crane
Diggs
Dingell
Drinan
Esch
Eshleman
Flynt
Goldwater
Green
Harsha
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Johnson, Pa.
Jones, Ala.
Krueger
LaFalce
Landrum
McCloskey
McCormack
McKinney
Macdonald
Mann
Mathis
Mills
Moakley
Nix
Obey
Pepper
Peyser
Pike
Rees
Riegle
Roberts
Roncalio
Rose
Sarbanes
Satterfield
Skubitz
Spence
Stanton, James V.
Steed
Steiger, Ariz.
Stephens
Talcott
Teague
Thompson
Udall
Vigorito
White
Wiggins
Wilson, Tex.

The **SPEAKER**. On this rollcall 369 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 10686, AVAILABILITY OF CENSUS RECORDS

Mr. **MATSUNAGA**. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1131 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1131

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10686) to amend title 13, United States Code, to require that population census records be transferred to the National Archives within fifty years after a census and that such records be made available after seventy-five years to persons conducting research for genealogical or other proper purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommend by the Committee on Post Office and Civil Service now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with any such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Hawaii (Mr. Matsunaga) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. Lott) for the minority side, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1131 provides for the consideration of H.R. 10686, a bill reported by the House Post Office and Civil Service Committee, which would strengthen the existing policies of the side, pending which I yield myself such Census Bureau and the National Archives with respect to the protection and use of confidential census data.

House Resolution 1131 provides an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Post Office and Civil Service Committee. When general debate has been completed, the bill will be considered for amendment under the 5-minute rule. House Resolution 1131 makes in order the consideration, and amendment, of the committee amendment in the nature of a substitute which is printed in the bill as an original bill.

At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with any amendments adopted by the Committee of the Whole. Any Member may request a separate vote in the House on any of the amendments adopted in the Committee to the bill or to the amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, as a strong believer in the protection of individual privacy, I fully support H.R. 10686. The bill would clarify and strengthen the existing regulations of the Census Bureau and the National Archives with respect to the release of raw census data.

Census information is published in an aggregate, statistical form without identifying the individual citizens and organizations who respond to census questionnaires. The raw data collected by the Census Bureau is stored by the Archives for a period of 72 years, after which the National Archivist may make it available to historians, scientists and other researchers. This longstanding policy of the Census Bureau is based upon a 1950 law, the Federal Records Act, which established a minimum 50-year period before access to such personal records maintained by the Federal Government could be permitted. Under this policy, which has worked relatively well, data from the 1880, 1890, and 1900 decennial censuses have been released.

Recently, the existing policy was questioned by the Census Bureau, which maintained that census information should be protected forever. Upon reviewing the matter, the Department of Justice found that release of the data is legal under the Federal Records Act of 1950.

The questions raised by the Census Bureau are, nevertheless, good ones and merit the consideration of the Congress. Because of its nature, census information probably should be handled in a manner different from the data collected routinely by other agencies. At the same time, commonsense tells us that release of the data after more than 70 years probably will not be detrimental to individual citizens who participate in the census and may be helpful to legitimate historians and scientists. The bill drafted by the Committee on Post Office and Civil Service strikes a balance between these competing needs. It would allow medical researchers to have access to census data after a period of 50 years and provides that the information may be made available to historians and genealogical researchers after 75 years.

By making census information available to medical scientists after 50 years, we would be helping them to find a cure for cancer and other diseases which are believed to be caused by environmental or hereditary factors.

In addition, H.R. 10686 would require the National Archivist to insure that census data is released only to bona fide medical researchers, historians and genealogists, and that it is not used in a manner which would be detrimental to the individual citizen. No one else would have access to the data.

Because I believe that the proposed new law would considerably improve the handling of confidential census information, I urge that House Resolution 1131 be adopted so that the bill can be considered.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule makes it in order for the House to resolve itself into the Committee of the Whole for the consideration of H.R. 10686, legislation requiring the transfer of population census records to the National Archives to be made available to certain persons after a period of time. The bill may be debated for 1 hour, and it is open to all germane amendments. Under the rule it will be in order to consider the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service now printed in the bill as an original bill for purposes of amendment. Any Member may demand a separate vote in the House on any amendment in the nature of a substitute. A motion to recommit with or without instructions will be in order prior to final passage of the legislation.

The purpose of H.R. 10686 is four-fold:

First, it provides for the transfer of decennial census population records from the Bureau of the Census to the National Archives no later than 50 years after the census date;

Second, it directs the Archivist to make these records available after 75 years to qualified genealogical researchers;

Third, it allows access to records for medical research 50 years after the census date, rather than the 75-year period applicable to historical and genealogical research; and

Fourth, it increases protection against potential misuse of census records.

I am aware of the concern that many Members have with respect to the confidentiality of census records. In view of the arguments advanced by the Bureau of the Census that release of census records may constitute a breach of a Federal pledge of confidentiality into perpetuity with census respondents and that such release would have an adverse effect on future census answers, I trust that sufficient discussion will be had here on the floor to allay these concerns.

Mr. Speaker, I know of no objections to the passage of the rule itself.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 10686, AVAILABILITY OF CENSUS RECORDS

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1132 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1132

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11337) to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER.** The gentleman from Hawaii (Mr. Matsunaga) is recognized for 1 hour.

Mr. **MATSUNAGA.** Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1132 provides for the consideration of H.R. 11337, a bill reported by the House Committee on Post Office and Civil Service, which would permit the U.S. Government to conduct a mid-decade census. The resolution provides an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Post Office and Civil Service Committee. Upon conclusion of general debate, the bill shall be read for amendment under the 5-minute rule. After the bill has been considered for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. Speaker, the U.S. Government currently conducts a census of population once every 10 years, at the beginning of each new decade. Under the provisions of the pending legislation, a second census would be conducted in the middle of each decade, starting in 1985.

As one who has sponsored legislation calling for a mid-decade census in previous Congresses, I am particularly happy that the proposal is being considered by the House, and I commend the gentlewoman from Colorado (Mrs. Schroeder) who chairs the Subcommittee on Census and Population for bringing the bill to the floor.

The need for a mid-decade census is quite obvious in my own State of Hawaii, where this proposal has strong support. The system presently used to estimate population between each decennial census has two serious flaws. First, the estimates do not provide the degree of detail required for sound planning, and, second, the estimates are subject to serious error. In Hawaii, in the mid-1960's, for example, estimates of the State's total civilian population ranged from 684,000 to 736,616. During Hawaii's first decade of statehood, the wide variation in the population estimates created serious problems for State legislators and executive branch officials trying to apportion taxes, transfer payments, and social services. In addition, State planners were reluctant to make projections based on the widely varying figures. Not until the early 1970's, when information from the 1970 census became available, was the State able to plan realistically for programs it intended to carry out in the decade of the 1970's. Enactment of H.R. 11337 would help assure State and local governments of reliable, accurate census data at all times.

H.R. 11337 has other attractive features. It would, for example, strengthen existing laws designated to protect the confidentiality of raw census data. In addition, it would repeal obsolete provisions of existing law which penalize people for not responding to census questions, and it would speed up the census by permitting the use of modern sampling techniques in some cases, rather than complete data collection.

Mr. Speaker, I strongly support H.R. 11337 and urge that House Resolution 1132 be adopted so that we can consider that essential measure.

Mr. **LOTT.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as explained, this rule would provide for the House to resolve itself into the Committee of the Whole for consideration of H.R. 11337, legislation authorizing a mid-decade census of population. Under the rule the bill will be open to all germane amendments after 1 hour of general debate.

The legislation to be before us proposes to authorize a mid-decade census of population of the United States beginning in 1985 and every 10 years thereafter. The Secretary of Commerce would be directed to use sampling methods rather than complete enumeration whenever feasible, and the law providing prison sentences for failing to respond to census questions would be repealed. Finally, congressional participation in the preparation of census questions would be allowed. While no cost projection is given in the committee report, it is my understanding that the cost estimate of a mid-decade census in 1975 was $350,000,000.

During the course of consideration by the Rules Committee of the rule request, it was mentioned that an amendment to H.R. 11337 would be offered by the gentleman from Illinois (Mr. Derwinski) and myself. Our amendment proposes to revise section 5 of the bill so as to clearly deny the use of mid-decade census statistics for either congressional apportionment or districting. Since the purpose of this legislation is to provide timely statistical information to assist the Federal Government in administering the allocation of funds to States and local governments and to assist business and the general public, it would follow that any other issue, such as congressional apportionment or districting, is extraneous and should be deleted. Therefore, I take this opportunity to solicit support for the adoption of our amendment to accomplishment this purpose when the bill is considered.

Mr. Speaker, I also favor the rule; and I urge its passage at this time.

Mr. **HUNGATE.** Mr. Speaker, will the gentleman yield?

Mr. **MATSUNAGA.** I yield to the gentleman from Missouri.

Mr. **HUNGATE.** Mr. Speaker, I ask the gentleman from Hawaii, or anyone else handling the bill, this question. The only other correspondence or contacts I have had on this measure seem to indicate simply that they are hiring from one political party only, which did not happen to be the political party to which I belong. Does the gentleman know if that is a practice or a regulation? Can he explain why they would not divide that evenly?

Mr. **MATSUNAGA.** I know of no such practice, but I think if there is any such practice, appropriate measures should be taken to stop it.

I yield to the gentlewoman from Colorado.

Mrs. **SCHROEDER.** Mr. Speaker, I do believe there were several Congressmen from this body who made inquiries as to how the enumerators were hired in prior censuses and the Congressmen were told that the census enumerators were selected among the precinct workers in a certain party. That practice is going to stop, I can assure the gentleman. It happened in the past and it will not happen again.

Mr. **HUNGATE.** I thank the gentlewoman.

Mr. **ROUSSELOT.** Mr. Speaker, will the gentleman yield?

Mr. **MATSUNAGA.** I yield to the gentleman from California.

Mr. **ROUSSELOT.** Mr. Speaker, we have been assured that in the Chicago area the Democratic Party prevailed substantially, so in that area they came from the Democratic Party.

Mr. **MATSUNAGA.** I am sure that regardless of their party affiliation the censustakers will do their jobs properly and adequately after the pending legislation is passed.

Mr. Speaker, I move the previous question on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AVAILABILITY OF CENSUS RECORDS

Mrs. **SCHROEDER.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10686) to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes.

The **SPEAKER.** The question is on the motion offered by the gentlewoman from Colorado.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10686, with Mrs. Boggs in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentlewoman from Colorado (Ms. Schroeder) will be recognized for 30 minutes, and the gentleman from California (Mr. Rousselot) will be recognized for 30 minutes.

The Chair now recognizes the gentlewoman from Colorado.

Mrs. **SCHROEDER.** Madam Chairman, because there has been some misunderstanding surrounding the effects of this legislation, I would like to emphasize that H.R. 10686 does not open up access to census records. Instead, this legislation essentially elevates to statute the current interagency between the Bureau of the Census and the National Archives providing for access to census records for certain research purposes after the records are 72 years old.

Specifically, H.R. 10686 provides for the transfer of census records from the Bureau of the Census to the National Archives no later than 50 years after the census date. The Archivist then would make these records available for historical or genealogical research purposes 75 years after the census date. In the case of medical research, these records will be available after a period of 50 years.

It is important to note that this bill also strengthens the safeguards of individual privacy in three ways. First, access to census records is specifically limited persons who will utilize such material solely for genealogical, historical, or medical research purposes. Second, H.R. 10686 places an affirmative duty on the Archivist to insure that persons having access to census records are "bona fide" researchers. Third, the bill provides that in no case shall information be used to the detriment of the person to whom such information relates.

Madam Chairman, in order to understand fully this legislation, it is necessary to provide a bit of background information.

As part of its general overhaul of the recordkeeping procedures of the Government, the Federal Records Act of 1950 imposed a 50-year limit on restricting access to records of executive agencies unless the Archivist determined that they should remain in force for a longer period. This law applies to census records.

In recognition of this fact, in 1952, the Director of the Bureau of the Census proposed that access to census records be delayed until 72 years after the census date. That agreement has remained in force since 1952, and the 1880, 1890, and 1900 census records have been made available for research purposes under its provisions.

Recently, however, the Bureau of the Census has attempted to rescind the agreement on the contention that it conflicts with certain provisions of Presidential proclamations assuring confidentiality, and because the eventual release of census information, however old, might adversely effect the response rate of future censuses. The committee rejects the contention of the Bureau of the Census and the Justice Department in 1973 issued a legal opinion supporting the view that release of these records was mandated by the Federal Records Act.

But let us take a closer look at the Bureau of the Census' objections.

First, the Bureau claims that if the 1910 census records are eventually released, this will constitute a "breach of contract" because since 1910 there has been a Presidential proclamation assuring census respondents that their answers will be held in confidence. The Bureau of the Census contends that the Presidential pledge was intended to be a contract for confidentiality into perpetuity.

Under this interpretation, the Presidential proclamation assuring confidentiality which have been issued since 1950 would be in direct conflict with the Federal Records Act which specifically allows for the release of census records at the discretion of the Archivist. If a President issues a pledge of confidentiality at a time when it is known that census records, which were compiled under similar pledges of confidentiality, will be released after 72 years, then obviously the pledge of confidentiality is not perpetual. Instead, the pledge of confidentiality is meant to assure the American people that the information provided will not be used by other branches of the Government for "purposes of taxation, investigation, or regulation." The Bureau of the Census is not required to break a promise of confidentiality.

Second, the Bureau of the Census is concerned that a respondent's knowledge that census information might eventually be made available for research purposes will adversely affect the response rate for future censuses. Although this contention is purely speculative, the committee has given its assurance that, if the Bureau of the Census can document this assertion, the committee will evaluate the problem. Finally, it is important to remember that even without the enactment of H.R. 10686, census records will continue to be released for research purposes at 10-year intervals under the existing executive agreement. In regard to this issue of an adverse effect on future response rates, then, the passage of H.R. 10686 will have no effect.

Madam Chairman, this bill would incur no additional costs to the Government and was reported unanimously by the Post Office and Civil Service Committee.

I believe that there is no reason to delay a final resolution of this matter in a manner which will guarantee that the unique and invaluable documentation of our past contained in census records will be made available to responsible and qualified researchers at an appropriate time in the future.

Madam Chairman, I yield such time as he may consume to one of the coauthors of this bill, the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Madam Chairman, I shall be very brief. This bill came out of the subcommittee unanimously, came out of our committee unanimously. I was pleased to testify in its behalf, together with our colleague, the gentleman from California (Mr. Rousselot) on the other side of the aisle yesterday before the Committee on Rules.

Madam Chairman, I simply want to reiterate what the gentlewoman from Colorado (Ms. Schroeder) has said. The present practice is that census records are available to geneologists and others after 72 years. This codifies that, tightens it up, makes it 75 years, instead of 72 years.

I might add, it is under the administration of the archivist. In all the years since 1880, since census records have been available, so far as we know, there has never been one single complaint about any abuse of census records, because the archivist has handled this very responsibly.

The second thing it does, it modifies the census records availability for medical records, makes them available for medical research purposes after 50 years. The American Cancer Society is particularly interested in that. They have reached some tentative conclusions that approximately 85 percent of the cancer in the United States today is environmentally caused. They want more refined research in this area.

Madam Chairman, I think it is a sound bill. I would be happy to answer any questions that anyone might have. I hope it will receive the support of this body.

Mr. ROUSSELOT. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, when H.R. 10686 was initially introduced by Messrs. Simon and McKay, I was very concerned that this legislation might endanger the confidentiality of census records and thus diminish the capability of the Bureau of the Census to collect statistical data in the future. It was my understanding that an unqualified promise of strict confidentiality was mandated by Presidential proclamation. Subsequent research into the legislative and executive history proved that the confidentiality proclamations were qualified. I would like to share with my colleagues the benefit of my studies.

From 1830 to 1870 census returns had been made public by depositing a duplicate copy in courthouses which was supplied from State governments. Enumerators for the 1880 census were required to take an oath to reveal returns only to their superior officers. Upon request, individual data could nevertheless be supplied to State governments. The 12th Census Act of 1899 (30 Stat. 1014, 1019–20), which authorized the 12th and subsequent censuses, provided as follows:

> That any . . . employee who having taken and subscribes the oath of office required by this Act, shall . . . without the authority of the Director of the Census, communicate to any person not authorized to receive the same, information gained by him in the performance of his duties, shall be guilty of a misdemeanor.

The historical background to this section was to prevent enumerators from revealing personal information to neighbors. The 1909 act (36 Stat. 1) authorizing the 13th and subsequent censuses contained similar provisions, but with more severe penalties. However, it should be made clear that the legislative records do not indicate any pledge of future permanent confidentiality relating to the 1900 or 1910 censuses. On the contrary, in 1910 President Taft assured the American people that the census would not be used for taxation, with Army or jury service, compulsory school attendance, the regulation of immigration, or with the enforcement of laws. These specific prohibitions were followed by the more general assurance that census information would not be used at the participant's damage, detriment, or disadvantage. It is clear that President Taft would have added that the confidentiality was to be permanent if he had so intended.

Although the 15th Census Act of June

18, 1929 (13 U.S.C. 9), forbade access to individual reports to anyone other than sworn employees of the Census Bureau, this act only formalized into statute the previous promise made by President Taft. Thus, the legislative intent for the 1930 and subsequent census acts was that census information was confidential for the purposes of induction, selection of juries, and so forth, but not for research purposes which is the purpose of the legislation under consideration in this Chamber today. This interpretation is supported by the legislative history of the Federal Records Act.

In 1934, Congress enacted the National Archives Act (48 Stat. 1122) and in 1944, prior to transferring census records to the National Archives, requested the opinion of the Attorney General as to whether the Archivist would be bound to accord the records the same confidential treatment as was required of the Census Bureau. The Attorney General replied in the affirmative (400p.A.G. 326 (1944)).

The Attorney General observed in the 1944 opinion that—

> It would require very clear language in a general statute relating to the custody of records to justify attributing to Congress an intention to depart from that policy, and there is no such clear intention in the Archives Act.

In 1949 the original schedules of the 1900 and 1920 censuses were transferred from Department of Commerce to the National Archives. The transfer document recited that legal custody of the reports was being officially transferred to Archives subject to a restriction on public access. The records could not be examined or copied, without permission of the Director of the Census.

On September 6, 1950, the Congress enacted the Federal Records Act of 1950 (84 Stat. 570, 583, 590) which provided for a new system of governmental records management and repealed the 1934 National Archives Act. The Federal Records Act imposed a 50-year limit on restricting access to records of executive agencies unless the Archivist determined that they should remain in force for a longer period.

Testimony on the proposed Federal Records Act by the Archivist, Dr. Wayne C. Groover, explained that the purpose of the 50-year limitation on restrictions on disclosure was to make records available for scholarly research after a suitable period of time. He cited the population census schedules as an example of records which were then subject to indefinite restrictions on disclosures, but would be covered by the 50-year limit in the bill. The Bureau of Budget requested comments from Commerce Department, and the reply was "no comment".

In 1952 there was an exchange of letters between Census and Archives covering the subject of periodical transfers of census reports to the National Archives and Records Service. At the suggestion of the Director of the Bureau of the Census, an agreement was reached whereby "seventy-two years from the enumeration date of a decennial census, the National Archives and Records Service may disclose information contained in these records for use in legitimate historical, genealogical or other worth-while research." Subsequently all decennial censuses up to and including 1950 were transferred to the Archivist.

On June 28, 1972, at the request of the Department of Commerce, the Archivist announced that the 1900 Census records would not be opened to public access pending resolution of conflicting questions on confidentiality of individual census records and public access to this information. The Department of Commerce made the argument 20 years after the agreement was reached, that the Director of the Bureau of Census in 1952 had no authority to transfer census records to the Archivist, since the applicable census laws require that census records continue to be subject to a confidentiality requirement indefinitely, and could not, therefore, be so transferred that they become subject to the Federal Records Act.

On June 14, 1973, the Department of Justice, Office of Legal Counsel rendered an opinion on the dispute stating—

> It is our view that, as a matter of law, the transfer of the census records to the National Archives and Record Service was authorized, and the records are now subject to the provision of the Federal Records Act removing the statutory restriction on confidentiality after fifty years.

An argument which has been made by the Bureau of the Census is that by opening the census schedules there is an invasion of an individual's privacy. I would like to quote from a letter from Acting Archivist of the United States, James E. O'Neill, dated September 8, 1975, which responds to that hypothesis—

> The best judge of whether the release of information constitutes an invasion of privacy is the citizen himself, or possibly his heirs. After years of intensive use of the 1880 census schedules there have been no complaints about invasion of privacy, although approximately 40,000 requests for the records are received each year and microfilm copies of the schedules have been sold to many historical societies and universities and have been distributed to our 11 regional archives branches. It should also be noted that not one complaint concerning the opening of the 1900 census has been received, although we have received numerous complaints concerning the restrictions placed on their use. Our experience suggests that release of the records after a reasonable period of time does not invade privacy nor does it appear that the opening of the schedules affects the willingness of people to cooperate and furnish information. This point was addressed in the April 1973 hearings before the Census and Statistics Subcommittee of the Post Office and Civil Service Committee. When asked if they felt that future release of data would affect the willingness of people to furnish the information requested, representatives of the Department of Commerce and Bureau of the Census stated that they felt it had little impact, and, in any case, the impact would be difficult to measure.

H.R. 10686 also strengthens the safeguards of individual privacy in three ways. First, access to census records is specifically limited to persons who will utilize such material solely for genealogical, historical, or medical research purposes. This language eliminates the discretion of the Archivist to allow anyone who he deems qualified to have access to census records. Second, an affirmative duty is placed on the Archivist to insure that researchers in these three categories are both qualified and bona fide. Third, the bill provides that in no case shall information furnished be used to the detriment of the person to whom such information relates. It was only after the adoption of these protective provisions that I agreed to support this legislation and would urge my colleagues to adopt H.R. 10686.

Mr. BAUCUS. Madam Chairman, I support H.R. 10686, a bill dealing with the availability of census records. This bill would enact into law the current interagency agreement between the Bureau of the Census and the National Archives regarding access to census records for certain research purposes 75 years after the enumeration date. Recently, the Bureau of the Census attempted to rescind the agreement because it allegedly conflicts with census laws requiring perpetual confidentiality.

This bill would strengthen privacy protection by limiting census records to genealogical, historical and medical research purposes. It also directs the Archivist to insure that persons having access to census records are "bona fide" researchers; and prohibits the use of census data to the detriment of the person about whom the information relates.

Census data is a valuable research tool. I believe that this material should be made available. H.R. 10686 will make certain that this tool is accessible to serious researchers and simultaneously guards the individual's right to privacy.

Mr. HOWE. Madam Chairman, by adopting the Constitution, the United States became the first country in the world to provide for a regular enumeration of its citizens. Since the number of each State's Representatives to the House of Representatives was apportioned according to the number of its inhabitants, the Constitution mandated an "actual enumeration" of the populace. Thus the citizens of the United States of America "instituted the statistics of their country on the very day when they founded their Government, and . . . regulated by the same instrument the census of inhabitants, their civil and political rights, and the destinies of the Nation."—Moreau de Jonnes, French statistician.

The original project of counting all the people in the United States was a difficult task. Secretary of State Thomas Jefferson, appointed to direct the first census, delegated the responsibility to the 17 U.S. marshals who in turn hired assistants for the work. These early census takers faced many obstacles: they were directed to contact a population that was 95 percent rural, mostly living on isolated farms or in widely scattered settlements which could be reached only over primitive roads; they were required to travel long distances, often through areas inhabited by unfriendly Indians; they confronted suspicious citizens who refused to answer their questions; and they were not furnished with questionnaires and therefore had to provide their own paper for the endeavor, at considerable personal expense. When the project was finally completed after 18 months, it was determined that this was a nation of almost 4 million people.

James Madison, recognizing that the census enumeration could be more than a mere head count, recommended that other important questions be included in the data acquired, such as the total of males and females in each household, the number of males age 16 and older, and the names of the heads of households. As more information was obtained in subsequent census enumerations, the census became a vital historical tool, providing significant background on the citizens of this country. It is this historical worth of the census records that I would like to emphasize today.

In this Bicentennial Year we are brought to ponder about who we are, individually and collectively, and how we have become both the people and the Nation we are today. Our thoughts naturally turn to history—to the great leaders who have shaped our country's destiny and to our own ancestors and the part they played in the story of America. As Dr. James B. Rhoads, Archivist of the United States, recently said:

> We cannot understand the breadth and scope of this Nation's contributions to the development of modern society by understanding the lives of only such exemplary men as Washington, Jefferson and Lincoln. The American heritage stems from the great and the small; the national and the local figure; the statesman, political leader, merchant and poet.

In our search for a deeper, more complete understanding of historical events in our country, we must look farther than the actions of the leaders. We must examine the records of all the people which will provide, directly or indirectly, reasons for much of our national behavior, as well as insight into our own individual families and the influence our heritage has had on our personal development. Along with the census materials, these voluminous records include wills, deeds, titles, and armed service and vital records.

Unfortunately, the value of these old historical records has not been fully recognized, and through vandalism, floods, fires, theft and neglect, many have been lost. Even those still in existence are often deteriorating because they are stored in damp, filthy basements, rat-infested attics, leaky warehouses, or other similar locations. The records in many instances cannot be used because they are not organized, cataloged, or indexed, so finding specific information from them is almost impossible. While steps are being taken to alter these conditions by the National Historical Publications and Records Commission, State archivists, and genealogical and historical societies, too often the records are already lost and no amount of care or concern can restore them.

Even the census records have suffered some loss. In 1921 a fire destroyed most of the schedules and indices of the 1890 census. Since that time, however, an agreement between the Bureau of the Census and the National Archives has been in effect to provide excellent care and preservation of the records, which are microfilmed and indexed for use by researchers and are available from the Archivist of the United States. The contrast between the excellent condition of these records when compared with other historical data records emphasizes their importance as a primary historical source.

The Members of the House of Representatives will have the opportunity today to assert their support for the preservation of the census records and to affirm to the Nation that they do recognize and encourage their use for historical, genealogical, medical, and sociological research by supporting H.R. 10686, introduced by Congressman PAUL SIMON and my fellow colleague from the State of Utah, Congressman GUNN MCKAY. This bill will require that population census records be transferred to the National Archives within 50 years after a census enumeration, and that such records be made available after 75 years to persons conducting genealogical and other proper research, thus giving the force of law and permanence to the agreement between the National Archives and the Bureau of the Census. I fully support this measure because I feel that these census records are important enough to warrant all the protection we can provide for them and are a basic, vital historical tool in the preservation of our national heritage. I urge my colleagues to join with me in voting in favor of this proposal.

Mrs. **BURKE** of California. Madam Chairman, I rise in opposition to H.R. 10686, which would permit the opening of census records after 75 years for historical or genealogical research, and after 50 years for medical research. This legislation, if passed, would codify an existing informal 1952 agreement between the Census Bureau and the National Archives which itself is questionable. The existence of this agreement, which opens census records at the discretion of the National Archivist after 72 years, violates existing law which provides for the confidentiality of census records.

Madam Chairman, this informal agreement was made in spite of laws protecting individual rights of privacy at a time when this Government's concern with those rights was much weaker than it is today. Despite this, however, each decennial census beginning with that of 1910 was preceded by a Presidential proclamation declaring that census records would be kept confidential.

Each of these assurances has stated that the information obtained would be used solely for statistical purposes, that no disclosures would be made concerning any specific individual, and that no individual would be harmed in any way by providing the information. Now we propose to violate that promise—made to individuals and families since 1910—without so much as a qualm.

Madam Chairman, I submit that such an act is not only violative of law and ethics but will also severely undermine the very purpose of the census. According to Director Vincent P. Barabba of the Census Bureau, the estimated rate of undercount in the 1970 census was 2.5 percent or 5.3 million people. If only one out of every 100 people counted had refused to cooperate in the census because they believe the reports were not confidential as promised, the undercount would have been approximately 7.3 million persons, a 38 percent increase. Furthermore, among the black population alone the undercount was 7.7 percent.

In view of the critical need for an accurate census—since the population count has a direct effect on funding for revenue sharing, housing, health, and education programs—any potential weakening of public cooperation could seriously diminish the usefulness of the census. In considering a proposal that would affect so many people, we, as Members of Congress, should seek maximum public exposure of the issue before we vote. This has not been done. In fact, my office has not received a single letter on the issue, and I am certain that such an important bill would elicit constituent response if it had been fairly publicized.

Madam Chairman, I submit that action on this issue has been hasty and that the legislation itself is ill-advised and would severely undermine the purposes of the census. I intend to vote against the bill and respectfully urge my colleagues to do the same.

Mrs. **SCHROEDER**. Madam Chairman, I have no further requests for time.

Mr. **ROUSSELOT**. Madam Chairman, I have no further requests for time.

The **CHAIRMAN**. There being no further requests for time, pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter I of chapter 1 of title 13, United States Code, relating to general provisions for census administration, is amended by inserting immediately after section 9 the following new section:

"§ 10. Transfer to Archives; availability for genealogical, historical, and medical research purposes.".

"(a) Not later than 50 years after the census date of any census conducted under the authority of subchapter II of chapter 5 of this title, the Secretary shall transfer to the Administrator of General Services for deposit with the National Archives of the United States all schedules and related indices pertaining to such census which have been determined by the Archivist of the United States to have sufficient historical or other value to warrant their continued preservation. The Administrator shall provide for the preservation of all census material which is deposited with the National Archives.

"(b) All schedules and related indices deposited in the National Archives which pertain to a census conducted under the authority of subchapter II of chapter 5 (or similar provisions of prior law) shall be made available—

"(1) beginning as soon as is practicable after deposit (but in no event before the end of the 50-year period beginning on the census date) to persons whom the Archivist of the United States determines will utilize access to such material solely for medical research purposes, and

"(2) except as provided in paragraph (1), beginning 75 years after the census date to persons whom the Archivist determines will utilize access to such material solely for geological or historical purposes.

The Archivist shall insure that such persons are bone fide researchers engaged in legitimate scholarly, genealogical, or scientific pursuits. In no case shall information furnished under the authority of this section be used to the detriment of the persons to whom such information relates.

"(e) Any copy of a schedule or a related index deposited in the National Archives of the United States may be transferred by the Archivist of the United States only upon the condition that access to and use of information contained in such a schedule or index be subject to limitations approved by the Archivist. The Archivist may not approve limitations under the preceding sentence which are less restrictive than those under which such information is made available by him.".

SEC. 2. The table of sections of chapter 1 of title 13, United States Code, is amended by striking out the item relating to section 10 and inserting in lieu thereof the following:

"10. Transfer to Archives; availability for genealogical, historical, and medical research purposes.".

Mrs. SCHROEDER (during the reading). Madam Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The CHAIRMAN. Are there any amendments to be offered to the committee amendment in the nature of a substitute? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the Committee rose; and the Speaker having assumed the Chair, Mrs. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10686) to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes, pursuant to House Resolution 1131, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken and the Speaker announced that the ayes appear to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 376, nays 4, not voting 53, as follows:

[Roll No. 176]

YEAS—376

Abdnor
Abzug
Adams
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Lundine
McClory
McCollister
McDade
McEwen
McFall
McHugh
McKay
Madden
Madigan
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Robinson
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steelman
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—4

Burke, Calif.
Clay
Conyers
Litton

NOT VOTING—53

Addabbo
Ambro
Andrews, N.C.
Bafalis
Barrett
Bell
Bingham
Burke, Mass.
Cederberg
Chappell
Dingell
Eshleman
Flynt
Gonzalez
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Howard
Hughes
Johnson, Pa.
Jones, Ala.
LaFalce
McCloskey
McCormack
McDonald
McKinney
Macdonald
Maguire
Mann
Melcher
Mineta
Mollohan
Nix
Obey
Pepper
Rees
Riegle
Roberts
Rodino
Rogers
Sarbanes
Spence
Stanton, James V.
Steed
Steiger, Ariz.
Stephens
Stuckey
Talcott
Udall
White
Wilson, Tex.

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Riegle.

Mr. Addabbo with Mr. Barrett.

Mr. Hébert with Mr. Bafalis.

Mr. White with Mr. Johnson of Pennsylvania.

Mr. Nix with Mr. Jones of Alabama.

Mr. Chappell with Mr. Rees.

Mr. Pepper with Mr. McCloskey.

Mr. Howard with Mr. Heinz.

Mr. Rodino with Mr. Gonzalez.

Mr. Rogers with Mr. Cederberg.

Mr. Obey with Mr. Bell.

Mr. Dingell with Mr. Jones of North Carolina.

Mr. Bingham with Mr. McKinney.

Mr. Ambro with Mr. Eshleman.

Mr. LaFalce with Mr. Talcott.

Mr. Macdonald of Massachusetts with Mr. Steiger of Arizona.

Mr. Mann with Mr. Spence.

Mr. Hayes of Indiana with Mr. Melcher.

Mr. Henderson with Mr. McDonald of Georgia.

Mr. Flynt with Mr. Mineta.

Mr. Mollohan with Mr. Udall.

Mr. Steed with Mr. Sarbanes.

Mr. James V. Stanton with Mr. Charles Wilson of Texas.

Mr. Hughes with Mr. Stuckey.

Mr. Maguire with Mr. Stephens.

So the bill was passed.

The title was amended so as to read: "A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical, historical, or medical purposes."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill (H.R. 10686).

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 12453, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION ACT OF 1977

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12453) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. TEAGUE, DOWNING of Virginia, FUQUA, SYMINGTON, ROE, MILFORD, SCHEUER, MOSHER, WYDLER, and WINN.

RECOMMITTAL OF H.R. 12704, THE ENVIRONMENTAL PROTECTION AGENCY RESEARCH AND DEVELOPMENT AUTHORIZATION ACT, 1977

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the bill H.R. 12704, the Environmental Protection Agency Research and Development Authorization Act, 1977, be recommitted to the Committee on Science and Technology.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MID-DECADE CENSUS

Mrs. SCHROEDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11337) to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11337, with Mrs. BOGGS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the primary purpose of this legislation is to provide for a mid-decade census of population in 1985 and every 10 years thereafter. However, the bill also strengthens current confidentiality provisions pertaining to census records; directs the Secretary of Commerce to use sampling methods rather than 100 percent questionnaires whenever feasible; repeals never-used penal sanctions for failing to respond to questionnaires; and provides for congressional review and involvement in the preparation and selection of questions for the decennial census.

Extensive hearings have been held over the past decade on legislation to authorize a comprehensive mid-decade statistical program, and support for this concept has come from virtually every sector of American society.

Census data is the primary source of basic information concerning our Nation and its people and it is widely used and relied upon by both the public and private sectors. However, in a nation as mobile and as changing as the United States, census information starts to lose its relevance and desirability soon after it is gathered. By the second half of the decade, our society is forced to make decisions on the basis of totally inadequate information. This bill is designed to remedy this situation.

Moreover, as Federal formula grant programs have increased during the past 15 years, an inequitable situation has developed wherein some allocation formulas are forced to use population statistics which are up to 11 years old.

We believe that H.R. 11337 greatly improves this situation. Some in Congress have suggested that this problem would be solved if we simply pass legislation to mandate the use of updated population estimates in allocation formulas. Such legislation has passed the Senate, but our committee believes that this approach would compound certain inequities in other areas.

This is because estimates do not update certain "target population" factors such as the persons living below certain income levels, the aged, the disadvantaged, and the ill-housed. While some of our cities, for example, may in fact be losing total population, their "target populations" for certain programs may, in fact, be increasing. Therefore, to update only pure population statistics without reference to its characteristics, would unduly adversely affect certain areas of the country. A mid-decade census would update these "target populations" and therefore would maximize equality in distribution of Federal formulas under the present allocation formulas. As a result of the even handedness of this approach, this bill has the support of not only fast growth States and localities, but also areas like New York City.

Although the committee has rejected the idea of simply using updated population estimates or even a 25 percent across-the-board sample survey because it would not produce the kind or scope of data needed, we do not intend, through this bill, to fix the exact process for a mid-decade census 9 years in advance. Therefore, the bill does not mandate that the mid-decade census be an exact duplicate of the decennial census, and it encourages the use of sampling, so long as our basic objectives are met—updates of all target populations for allocation formulas and other Federal programs, as well as to provide data for planning purposes at all levels of government and for the private sector.

Thus the bill calls for a mid-decade census, and leaves some flexibility as to the precise process, scope, and content, so that contemporary data needs can be taken into account as the time approaches for making detailed decisions.

Finally, I want to clarify one further issue over which there has been considerable confusion in the past.

This bill will not have any effect either on the apportionment of the House of Representatives, or on redistricting. The bill presently contains a specific prohibition against the use of mid-decade statistics for purposes of apportionment or for the use in challenging any existing districting plan. The ranking minority member of the committee, Congressman DERWINSKI, will offer an amendment which will prohibit the use of mid-decade census statistics for purposes of redistricting. There is no objection to this amendment, as far as I know.

What will be the net cost to the Government for the bill? Very little, if anything. Because the present system is so inadequate, the Federal Government—not to mention State and local jurisdictions and the private sector—has increasingly turned toward commissioning special purpose surveys to update information between census.

Many of these surveys would not be necessary if there was a mid-decade census. It is estimated that over the course of a decade, offsets from cutbacks in surveys would approximate the cost of a mid-decade census.

Madam Chairman, it is unfortunate that a mid-decade census was not in place for 1975. Our country now 6 years into this decade is suffering the consequences.

H.R. 11337 is an important legislation which was ordered reported by the Committee on Post Office and Civil Service by a unanimous vote. It is a good bill and it deserves broad bipartisan support.

Mr. HAYS of Ohio. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Madam Chairman, I will ask the gentlewoman, does her subcommittee have oversight of the Census Bureau?

Mrs. SCHROEDER. Yes, we have oversight responsibilities.

Mr. HAYS of Ohio. Well, is the subcommittee doing its job? I ask that question because I think, if it were, the gentlewoman would not really be up here making any speeches praising the Census Bureau. I think it is the worst bureaucratic, mossbound, inoperative outfit in Washington.

If the gentlewoman will yield further, just let me give one example. I find in my district that they have a highly paid woman who runs around looking at unoccupied houses. She was at my house five times with five sets of forms wanting to know why it was unoccupied.

I asked those people, "What makes you think it is unoccupied?"

They *said*, "Well, this woman went and looked in the door, knocked on the door, walked around outside and looked in the windows, and could not find anybody."

I happen to be here in Washington during the week, but I occupy the house every Friday, Saturday, and Sunday.

Madam Chairman, I wonder if we have got nothing better to do with the taxpayers' money than to have that kind of goings on over the country, and I just think that the gentlewoman has a lot of nerve coming in here and asking us to do this type of thing every 5 years instead of once every 10 years.

Mrs. SCHROEDER. Madam Chairman, I appreciate the comments of the gentleman from Ohio.

I do not think the Census Bureau is supposed to be doing that sort of thing during the mid-decade census or during any other period of time. If the gentleman has any specific allegations like that, we would be more than happy to look into such details.

In essence, what the mid-decade census would do is this: it would provide for the taking the census in the same manner they take the normal census, and I believe 90 percent of it or more will be done by mail. These enumerators are not supposed to be out harassing the people.

The gentleman from Ohio made the statement that there was a woman out there knocking on the door and peeking in windows, and then she was making the statement she was from the Census Bureau. This may not be true in all instances; she might be from somewhere else and trying to look into the gentleman's window for some other purpose.

Mr. KAZEN. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Texas.

Mr. KAZEN. Madam Chairman, does this bill contemplate that the only thing they would do in the mid-decade census is to ask for a population census, a population count, or are they going to try to find out a million things about everybody and everything in the United States?

Mrs. SCHROEDER. It will be a census of more than just population. There will be updates of many different kinds of vital information.

Mr. KAZEN. Madam Chairman, I just point this out to the gentlewoman: that on the last census the Census Bureau did a mighty poor job. They did not accurately count the people in this country.

Mrs. SCHROEDER. I agree.

Mr. KAZEN. The enumerators, in the first place, did not do the job. There are a lot of people who just do not want to talk to these enumerators that come in because they start asking them all kinds of questions.

If we are going to have a population count, let us limit it to that and make it a very simple question: "How many people live here, period?"

Otherwise we are not going to get an accurate count especially if, 6 months after the census was taken, we found that it was inaccurate and that the figures were away off and that there could not possibly be that much difference in births and deaths in 6 months.

Mrs. SCHROEDER. I think what the gentleman will find is that the committee has been working very, very hard to correct a lot of things which transpired in 1970. It is the committee's opinion that in 1940 we probably had one of the best censuses that was ever taken. The problem is that they repeated that over and over again. They have not kept up with it the way they should have.

We really have been working on that, so that I think we will find in 1980 the situation is going to be much better.

Mr. KAZEN. If the gentlewoman will yield further, let me ask another question which I just overheard in conversation in the back of the room. We were talking about it.

Does this taking of a mid-decade census automatically carry with it a reapportionment of the U.S. Congress?

Mrs. SCHROEDER. No. There is a strict prohibition against use of mid-decade census statutes for purpose of congressional apportionment. We can do that legally. There have been many decisions on that. The Constitution requires apportionment only every 10 years.

The language of the bill so indicates. I would be happy to show the bill to the gentleman to show that that is so.

Mr. HAYS of Ohio. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Referring to what I said before, I just want to say that I do not know what the woman was looking for when she looked in the window, but she did belong to the Census Bureau, because I got letters from them. I had to go back to them to find out who she was and to get it stopped. She has not been there since, so she is just one more useless employee. We have I do not know how many thousands of them now.

With this bill we are going to double them and do it twice during every 10 years instead of just once.

I am going to vote no on this.

Mrs. SCHROEDER. We will not be using enumerators for the most part—90 percent of the questionnaires will be sent by mail.

Mr. HAYS of Ohio. Maybe you will not be using enumerators, but you will be using tabulators and people to open the envelopes and God knows what. There are going to be thousands of them out there, thousands more than we have right now. Believe me, I have seen these people multiply. Rabbits are not in the same league with them.

Mr. KRUEGER. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Texas.

Mr. KRUEGER. If this bill is passed and the mid-decade census were to be taken, would the census figures be used for other purposes, such as with respect to revenue-sharing funds, and would these figures be used for other Federal programs in which certain amounts can be received by the States, depending upon the population of those States?

Mrs. SCHROEDER. Yes, they would; and that is why this is so very, very important.

We are now currently doing some population updates for those programs, as it is; but they are not nearly so accurate as the total census population is. Whenever one tries to guess as to what type of population transitions have occurred by doing anything less than a 100-percent survey, one is in real trouble. In that event, one is going to make very severe mistakes.

That is why after studying the other alternatives for the mid-decade approach, we wanted to pick up population shifts as fast as possible.

As the gentleman from Texas knows, the one thing we do in this country so well is shift population around every few years. Anything less than a fairly complete population survey picks up somewhat less than it should, and as I said, it will also save money because the other surveys can be deleted.

Mr. KRUEGER. If the gentlewoman would yield further, it would be her judgment, then, that those States which have the benefit of increases in population would probably find it to their parochial interest to support this bill; is that correct?

Mrs. SCHROEDER. I think they would. I think that where increases in target population have occurred, they would certainly find it to their benefit, so I think for that reason, too, this bill is very important.

Mr. FASCELL. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Florida.

Mr. FASCELL. Madam Chairman, I appreciate the gentlewoman's yielding right at this point.

I come from a growth State, and with respect to the mid-decade census, that is just part of the problem. I think it is really parochial to regard this bill in that light.

Basically the problem is that we are distributing hundreds of millions and even billions of dollars of Federal money on inadequate data and the only way we can get adequate data is to get that adequate data through a full census. That is the purpose of the mid-decade census, as I see it. While it may help my State of Florida as a growth State, the fact is it makes more inequitable the distribution, is that not correct? So that that is the main purpose of the bill?

Mrs. SCHROEDER. The gentleman from Florida is correct in his statement. We should have to emphasize, however, that it is not only hundreds of millions of dollars but it is literally billions of dollars which are being allocated in this way.

What is happening is the fact that the one census we have, the 1970 census, is no longer entirely accurate so that we are doing all kinds of rough guessing and the agencies are conducting little censuses or little surveys, and they are not accurate and they are in many ways inaccurate.

Mr. FASCELL. I appreciate what we are trying to do but, even worse than that, we find ourselves not only putting the burden of our statistical needs based on estimates through the census bureau or whatever agency is authorized or required to administer it and as a result they are coming up with statistical models to fill whatever need is required in order to update the 1970 census in order to make adequate distribution. The fact is that we in the Congress have absolutely no control over those statistical models and as a result we have handed to the administration the greatest flexibility and discretion to distribute the congressional funds in any way they want to. That is what it boils down to. In order to stop this is it not true that some of our legislative committees have directed that special studies be conducted, and aren't we also getting involved in some of this?

Mrs. SCHROEDER. That is very true, these sort of studies are becoming very customary, and we just seem to be chasing our tail, and it goes on and on and on. I believe that most everyone will agree—in fact, I am sure that everybody would, but I want to put a qualifier on that—that the people who get most hurt through the statistical models and studies are people in the cities of under 25,000 population who do not get picked up in any of these studies.

Mr. FASCELL. That is correct, they do not. So, it is very important that we do pass this bill. We have this current problem now in the case of revenue sharing. The legislative committees are of course realizing that they cannot depend on the reliability or the availability of the data required in the legislation formula in order to make a correct distribution, so that what they have done, as a matter of necessity, is to take the basic census data of the 1970 census and try to develop their own statistical model which would allow them to distribute the funds from what they call an update in order to get other factors into the formula. For example, in trying to set up the number of people who are below the poverty line, and we need to get the correct information or it is not adequate. The question then arises as to whether or not it is correctly updated, and that of course leads necessarily to the next question, and that is what treatment is made either in the legislation or the report with respect to the interim updates?

Mrs. SCHROEDER. The interim updates were not drawn up in any specific language. At this time we are saying there will be a mid-decade census, and what we are doing is getting some leadtime. We have got 9 years before the first mid-decade census will be taken, that will not come about or into fruition until 1985. So we want to have some leadtime to figure out what kind of statistical models would have to be put together so that we can utilize the mid-decade census in the most efficient way, so that we will not have to have updates, or if we do have updates they will be done more efficiently.

Mr. FASCELL. Madam Chairman, if the gentlewoman will yield still further, I would inquire what agency would have the responsibility for developing the criteria for the annual updates, or the interim updates? I did not mean to use the word annual.

Mrs. SCHROEDER. My understanding is that the Bureau of Census in conjunction with the Office of Management and Budget. The two of them are working out that problem together. The Bureau of the Census would have much more oversight into what they will put into the mid-decade census but certainly OMB would have a lot of input into what kind of statistical models would be used because they have the authority for coordinating the statistical program of all executive departments and agencies.

Mr. FASCELL. Between the agencies. We are not going to be stuck with the problem in the response, are we, that there is not money allocated anywhere for them to do this? It would be a shame, in other words, to go to the mid-decade census, get all of this material, and then have the administration come back and say, "Well, that is very nice, but we cannot use that good information adequately in between times because we do not have the money to do it."

Mrs. SCHROEDER. I think the gentleman will find that there is someone on OMB who is working on that. They do have some money, and if they need more staff, I would certainly hope that the President would go along with that.

Mr. FASCELL. I thank the gentlewoman for yielding, and I want to compliment her and the committee for bringing the bill out.

Mr. ROUSSELOT. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentlewoman's yielding.

I would like to respond to a point the gentleman was making. In addition to the oversight by the Census Bureau and the input from OMB, the Congress will have input. In this law we say that the Census Bureau is required to receive input from both the House and Senate 3 years prior to the designing of the questionnaire.

Mr. FASCELL. If the gentlewoman will yield, that is a very important point, and I think it is a tremendous improvement. I am delighted to know that there is that kind of feeling on the subcommittee to require the congressional input into the actual census document itself, and also with respect to the availability and the use of the updated data so that it can be applied to the programs that the Congress enacts, and that we can do what we think we are doing with the money.

Mr. STAGGERS. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I thank the gentlewoman for yielding.

I will not take but just a minute. I rise in support of the proposition that the gentlewoman has brought to the floor. I might say to her that when I was chairman of the Census Subcommittee years ago, I introduced this same legislation because I thought it was important to America in our times of shifting population to know where this population is going so we could keep track of it and make plans in the land accordingly.

But I agree also with the gentleman from Ohio that perhaps we have too much prying into our private lives. I think that the committee ought to really put a curb on this in the census taking. But I am really wholeheartedly in support of the mid-decade survey. I think we need to know it in our modern times that we have now and the way our population is moving.

There has been said something about cost. I believe that if we do this every mid-decade, it will substitute for a lot of the surveys that are being made individually now and will cut our costs. It probably could be done without any additional moneys whatsoever. I believe the gentlewoman will agree with me on that, that it could work out that way and that it could be done, because several of these agencies are spending up to $50 million making surveys—different groups—and this would over a 10-year period pay for what we intend to do in the mid-decade.

I support it wholeheartedly, but I do hope that the gentlewoman will see to it that there is not too much prying into the private lives of Americans. I think we are getting too far afield in that area.

Mr. BURKE of Florida. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Florida.

Mr. BURKE of Florida. I thank the gentlewoman for yielding.

I would like to ask a question referring to the question of the gentleman from Texas (Mr. KAZEN) to the gentlewoman regarding reapportionment. The gentlewoman said that this bill would in no way result in any reapportionment with respect to the Congress except every 10 years under the Constitution. But is it not a fact that if there is a census taken in a mid-decade that this could be used in court under the one-man, one-vote rule to reapportion a county?

Mrs. SCHROEDER. No. In fact, the one-man, one-vote rule does not have anything to do with how long it is between measurements, when we measure population.

Mr. BURKE of Florida. No, but it has something to do with the population. I was redistricted four times under the one-man, one-vote rule.

Mrs. SCHROEDER. But that has to do with redistricting within the States;

it does not have to do with reapportionment among the States, and we are talking about reapportionment.

Mr. BURKE of Florida. I understand that, but it would cause an increase every 10 years, and there is a redetermination with regard to the number of Congressmen who are entitled to serve in the State of Florida. We have continually increased by way of population growth, and it was done each time based upon the one-man, one-vote rule where lawsuits were filed in the court to reapportion and by that way give us more Congressmen.

Mrs. SCHROEDER. But that is redistricting, and the gentleman from Illinois is going to offer an amendment to that, which I think we will take up at that time.

I also wanted to yield some time to the gentleman from Florida (Mr. FUQUA), who has been waiting patiently.

Mr. FUQUA. Madam Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Florida.

Mr. FUQUA. I thank the gentlewoman for yielding.

Madam Chairman, I want to commend the gentlewoman from Colorado and her subcommittee and the committee for presenting this bill to the House. I have been interested in a mid-decade census since coming to Congress and have repeatedly—I think just about in every Congress—reintroduced a bill asking for the mid-decade census.

This bill is long overdue not only for those States that are growing, as my colleague, the gentleman from Florida (Mr. FASCELL), pointed out, but also the Federal programs we have that are based on population figures, such as in the education and revenue sharing and many others. This would more truly reflect the actual population for the areas to receive these programs. This information is necessary for business and industry that rely on population figures so much for their projections they need for planning, and in many cases they must go out and obtain their own surveys to try to determine this information.

So I commend the gentlewoman for this legislation.

Mr. DERWINSKI. Madam Chairman, I yield myself such time as I may consume.

Mr. DERWINSKI. Madam Chairman, this legislation is probably one of the most discussed and studied issues in the Congress. In fact, for the past 14 years it has been under almost continuous consideration.

Throughout the years, there has been general agreement from many quarters on the need to update the decennial population statistics by establishing a mid-decade census. In the 90th Congress, legislation passed the House but failed to be considered in the Senate.

It is now time to enact into law a program whereby our Nation's statistical needs on population will be met.

It is well to remember at this point that the population census is the only census which is not conducted on a 5-year basis. Federal economic, mining, manufacturing, and agricultural censuses are now taken every 5 years.

Decisionmakers at every level of government and business use census population statistics to develop their programs. For example, 103 Federal grant-in-aid programs now use "target population" as a factor in their allocation formulas. This figure can probably be multiplied many times over when you consider that each State and local government, as well as private foundations also must use similar statistics to allocate moneys. These population figures are usually based on available statistics which admittedly are out of date soon after the decennial census, or from limited surveys.

At the present time, statistical users—government and private—use other statistical "surveys" to facilitate their need for current population figures rather than rely on out of date decennial statistics.

In 1971, John L. Gentile, Deputy Director, Department of Finance, State of Illinois, responded to a letter from the General Accounting Office on the need for a mid-decade census. He wrote:

> We in Illinois State Government feel that a mid-decade census is essential and preferable to sample surveys. . . . The cost of conducting a mid-decade census would be very low compared to the total costs of the alternative of many piece-meal local censuses and non-uniformly conducted surveys. In addition to overall cost reduction, the benefits of a mid-decade census would also be measurable in dollars—dollars saved because of the availability of sufficient data to make correct decisions for hospital locations, for types of medical and health services needed for a given target population, for types and sizes of schools and special education facilities, location of merchandising outlets, etc. etc. The mid-decade census should be a relatively inexpensive tool from the consumer's viewpoint, even after he pays his proportionate share of the cost.

Federal Government agencies alone spend a considerable amount of money to the Census Bureau to conduct population surveys.

The mid-decade census will eliminate to a large extent the need for these surveys. Because of this, it is estimated this legislation will result in little, if any, new outlay.

Madam Chairman, as long as the Congress and other governmental units, determine that resources should be allocated on the basis of population, it is important to have current and reliable statistics. This bill meets that need.

I would like to sum up the bill at this point, Madam Chairman. The gentlewoman from Colorado has done a very excellent job of presenting the measure. I would like to touch just one or two high spots.

First we must keep in mind that from a cost standpoint the passage of this measure will involve very additional little cost. As has been indicated, there are so many special censuses being taken and since this would have the effect of providing data across the country, the value of the census would more than make up for the cost involved.

On the issue raised by my good friend, the gentleman from Florida (Mr. BURKE), that is one we have been concerned with. As a matter of fact it is an issue which has prevented this bill from receiving support—that is, the fear that we in this body would be subject to redistricting every 5 years instead of every 10.

We believe that the bill specifically prohibits the use of this mid-decade data for that purpose, but to tighten up the legislation I will offer an amendment which I hope will be accepted later, which will ease the fears. The amendment basically will provide that information contained in this mid-decade census shall not be used in prescribing congressional districts. We are going to try to make that clear in the debate, try to make clear the intent of the Congress on this point so that the courts cannot come along later and misinterpret the matter.

Last but not least I would like to call to the attention of the Members the fact that we are providing a new subsection that directs the Secretary of Commerce to submit to the Congress not later than 3 years before the census date the subjects which are proposed to be included in the census and not later than 2 years before the census date the actual questions to be used. This means we in the Congress would have the opportunity to screen out those questions which we would consider an invasion of privacy and those kinds of questions that occasionally provoked controversy in the past.

Madam Chairman, at this point I yield 5 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Madam Chairman, I rise to urge my colleagues to support an important amendment which will be offered by my good friend and ranking minority member on the Committee on Post Office and Civil Service, Mr. DERWINSKI. In essence, the amendment will prohibit States from using mid-decade census data for the purpose of Federal redistricting.

A recent legal brief issued by the American Law Division of the Library of Congress, provides the legal justification for the amendment. The amendment would enable States to redistrict once every 10 years based upon the decennial census. This would satisfy the constitutional requirements for reapportionment and redistricting. The following is an exerpt from that brief:

> The matter (of reapportionment and redistricting) was discussed in *Reynolds v. Sims* which was a legislative apportionment case, to be sure, but there would seem to be no reason why the principles set out there would be inapplicable to congressional districting, especially in light of the fact that congressional apportionment is mandated every ten years each decennial census by the Constitution itself. In *Reynolds*, the Court noted that the States were free to adopt some reasonable plan for periodic revision of their apportionment schemes. It then continued: "Decennial reapportionment appears to be a rational approach to adjustment of legislative representation in order to take into account population shifts and

growth . . . Limitations on the frequency of reapportionment are justified by the need for stability and continuity in the organization of the legislative system . . ."

Congress, under the powers of article I, section 4, clause 1, appears to have the authority to preempt the States' discretion to redistricting more than once every 10 years. This amendment will allow the public to avoid the confusion of constantly shifting congressional districts. I have been assured by the chairman of the Population and Census Subcommittee, Mrs. SCHROEDER, that this amendment is acceptable. I would urge my colleagues to vote for the amendment and the bill which I understand will result in a substantial savings in the funding for annual and monthly statistical surveys conducted for Federal agencies. This reduction will more than offset the costs of this legislation.

In addition, the quality of the data will be significantly improved, which, in effect, means that Federal, State, and local governments can make more accurate estimates for the current and future needs of the people they represent.

Mrs. SCHROEDER. Madam Chairman, I yield such time as he may consume to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Madam Chairman, I thank the gentlewoman from Colorado for yielding. I would like to ask the gentlewoman a few questions which were raised in the Committee on Rules for the purpose of establishing some record here.

In Hawaii, Alaska, New York, California, and a few other States, there is the real problem of identifying certain ethnic groups. In Hawaii, for example, when the census data is tabulated on the basis of white, black, and others, we find that there are 39 percent white, less than 1 percent black, and the rest, over 60 percent, are "others," which makes the third category meaningless.

We in Hawaii find that we are at quite a disadvantage in trying to implement social programs and in obtaining Federal funds, for example.

Now, I would like the gentlewoman from Colorado (Mrs. SCHROEDER) to give me some indication as to whether the gentlewoman, or her committee, would be acceptable to considering a bill which I intend to introduce. I had originally intended to offer an amendment to the pending bill, but on the suggestion of the gentlewoman I have agreed instead to take the matter to the gentlewoman's subcommittee separately. When this happens, will the gentlewoman, as chairman of the subcommittee be willing to consider legislation to amend the existing law to make not merely procedural, but substantive changes in the act to permit taking a census on the basis of ethnic groups other than "black, white, and others?" And would the gentlewoman favor breaking "others" into ethnic groups such as Mexicans, Japanese, Chinese, Koreans, Filipinos, Hawaiians, and other Pacific Island groups?

Mrs. SCHROEDER. I appreciate the gentleman's remarks and he knows that the subcommittee has tried very hard to deal with the undercount issue in the black and Spanish speaking areas. If you can show us other undercount problems, we would be more than happy to have any suggestions to work them out.

Mr. MATSUNAGA. Madam Chairman, I thank the gentlewoman for her response.

Mrs. SCHROEDER. Madam Chairman, I have no further requests for time.

Mr. DERWINSKI. Madam Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. ASHBROOK), one of the most intellectual Members of this House.

Mr. ASHBROOK. Madam Chairman, I would like to direct my attention to one particular section of this bill. I am pleased that the committee has moved to repeal that part of the law providing prison sentences for failing to respond to census questions.

Last year I introduced two bills with a similar purpose. My bills, however, went even further than the one before us today. They eliminated not only prison penalties for failing to answer census questions but fines as well.

My first bill—H.R. 3754—dealt specifically with the agricultural census. It removed all criminal penalties for failing to answer questions on or provide information for the agricultural census.

Although the agricultural census originally was a very limited undertaking, the Federal Government has rapidly increased the size and complexity of that census. I do not believe that the Government should be able to compel farmers to answer the questions under penalty of law. Consequently, my bill made the answering of the agricultural census questions a voluntary matter.

My second bill—H.R. 4484—was more general. It removed all criminal penalties for failing to answer questions submitted in connection with a census or survey conducted under title 13 of the United States Code. Once again, I believe that answering these questions should be a voluntary matter. There should be some limit on the right of the Federal Government to pry into the lives of its citizens.

While the bill before us today is a start in the right direction, I would hope that in the future Congress would repeal the monetary as well as the prison penalties for failing to answer census questions. This would be an important step in protecting the individual rights of Americans.

Mr. BENNETT. Madam Chairman, I rise in support of this mid-decade census bill. This legislation is an important first step toward guaranteeing that each State will receive its fair share of Federal funds every year.

The current funding formula, which relies on decennial population figures for distribution of Federal funds, penalizes States like Florida which register enormous population growth over a decade. Florida's population has increased 25 percent since 1970, yet my State still receives Federal funds based on 1970 census figures. Gov. Reubin Askew has estimated that Florida is losing $100 million per year due to this situation.

I believe that an annual update of census figures is the best way to insure equitable distribution of Federal funds to the States, and I am cosponsoring Mr. CHAPPELL's bill to provide for this. However, I think the mid-decade census bill is an important step in the right direction and I urge my colleagues to support this legislation.

Mr. BADILLO. Madame Chairman, I rise in support of H.R. 11337, the mid-decade census legislation. I strongly urge my colleagues to support this vital and important legislation which was reported out of the Post Office and Civil Service Committee by unanimous voice vote.

The lack of current census information is a constant problem affecting the U.S. Congress and other legislative bodies throughout the country. Additionally, municipal social and economic planning organizations need current data to make effective decisions that will influence the quality of life for many of our citizens for the many years to come. Currently, because we have a census every 10 years, the information and statistics become outdated as early as the third year in areas of rapid change.

The whole problem of the lack of current data came up again recently in New York City. I requested the New York regional office of the Department of Labor, Bureau of Labor Statistics to conduct a socioeconomic profile of Puerto Ricans in New York City. The study was done by Herbert Bienstock and was completed in July 1975. The study is important because it brings together into one document the census information available on New York City Puerto Ricans. But, the data is based on 1970 census information. The profile painted a grim economic picture of the living conditions of the city's Puerto Rican population. One can only assume that the economic condition of New York's Puerto Rican citizens has become even worse because since 1970 we have had double digit inflation, a skyrocketing unemployment rate, the worse economic recession since 1929, and a municipal fiscal crisis. But, when we legislate, and when the city makes planning decisions, the latest accurate census data is 6 years old. And we will not have new accurate information again until after 1980. The situation for New York City Puerto Ricans may be further complicated by the fact that it may take a Federal agency an additional 5 years to compile the data available on their economic status.

We may not all agree on how to solve our social and economic problems, but we should all agree that we need the facts in order to make intelligent decisions on legislation and appropriations. The legislative history and the congressional intent clearly require that the mid-decade census will include data on population characteristics, economic and language information that will be invaluable to our decisionmaking process and allocation of Federal funds.

I would also like to encourage the Bureau of the Census to continue to utilize the services supplied by the Spanish-speaking and black advisory committees. They provide important input from community leaders about information needed and possible problems in data collection in the minority communities. They are an important asset to the Bureau that hopefully will contribute to the elimination of errors and undercounts of our urban and rural minorities.

I would like to congratulate my colleague, the Honorable PATRICIA SCHROEDER, and the other Members of the Post Office and Civil Service Committee for reporting out this important legislation that will assist us in our deliberations and decisionmaking.

Mr. WIRTH. Madam Chairman, I rise in support of this bill authorizing a mid-decade census. The bill has many good features, notably those that strengthen the guarantees of confidentiality, but there is one point in particular that I want to single out.

As the gentlelady from Colorado well knows, central cities undergoing a rapid population shift are especially ill-served by a census taken only once every 10 years. The outdating of urban census data means misallocation of Federal funds targeted for specific urban population situations. In our own city of Denver, both black and Chicano populations seem to be making up a larger percentage of the population with each passing year, but this fact is lost to Federal planners until after 1980.

It is, of course, a little hard to know exactly what the numbers really are with respect to the Chicano population. The chief problem has been undercounting. The method employed for counting Chicanos in the 1970 census was defective in several ways. The Census Bureau has as much as admitted this by adopting new and more careful means of identifying Chicanos in its current population survey series. As its methods become more sophisticated, the Bureau becomes better able to report accurate figures on Chicano population, which, in, turn, means that members of this community will receive a fairer share of the Federal benefits that are based on census data.

Given the fact that the Bureau's 1975 methods are much improved over 1970, it is a pity that we do not already have a mid-decade census. If we had, Chicanos in Denver and elsewhere would at this moment be participating more fully in Federal programs. Let us make it possible to take advantage of methodological improvements more quickly. Let us make it possible to adjust more rapidly to demographic changes. I urge the House today to close this data loophole.

Mr. DERWINSKI. Madam Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 1 of title 13, United States Code, relating to definitions is amended to read as follows:

"§ 1. Definitions

"(a) As used in this title, unless the context requires another meaning or unless it is otherwise provided—

"(1) 'Bureau' means the Bureau of the Census; and

"(2) 'Secretary' means the Secretary of Commerce.

"(b) As used in this subchapter, 'respondent' includes a corporation, company, association, firm, partnership, proprietorship, society, joint stock company, an individual, or other organization or entity which reported information or on behalf of which information was reported, in response to a questionnaire, inquiry, or other request of the Bureau.".

SEC. 2. (a) Section 5 of title 13, United States Code, relating to scheduling and inquiries is amended—

(1) in the section heading, by striking out "Schedules" and inserting in lieu thereof "Questionnaires"; and

(2) in the text thereof, by striking out "schedules" and inserting in lieu thereof "questionnaires".

(b) The table of sections of chapter 1 of title 13, United States Code, is amended by striking out—

"5. Schedules; number, form, and scope of inquiries."

and inserting in lieu thereof—

"5. Questionnaires; number, form, and scope of inquiries.".

SEC. 3. (a) Section 6 of title 13, United States Code, relating to requests for information, is amended to read as follows:

"§ 6. Information from other Federal departments and agencies; acquisition of reports from other governmental and private sources

"(a) The Secretary, whenever he considers it advisable, may call upon any other department, agency, or establishment of the Federal Government, or of the government of the District of Columbia, for information pertinent to the work provided for in this title.

"(b) The Secretary may acquire, by purchase or otherwise, from States, counties, cities, or other units of government, or their instrumentalities, or from private persons and agencies, such copies of records, reports, and other material as may be required for the efficient and economical conduct of the censuses and surveys provided for in this title.

"(c) To the maximum extent possible and consistent with the kind, timeliness, quality, and scope of the statistics required, the Secretary shall acquire and use information available from any source referred to in subsection (a) or (b) of this section instead of conducting direct inquiries.".

(b) The table of sections of chapter 1 of title 13, United States Code, is amended by striking out—

"6. Requests to other departments and offices for information, acquisition of reports from governmental and other sources."

and inserting in lieu thereof—

"6. Information from other Federal departments and agencies; acquisition of reports from other governmental and private sources.".

SEC. 4. (a) So much of section 8 of title 13, United States Code, as precedes subsection (d) thereof is amended to read as follows:

"§ 8. Authenticated transcripts or copies of certain returns; other data; restriction on use; disposition of fees received

"(a) The Secretary may, upon written request, furnish to any respondent, or to the heir, successor, or authorized agent of such respondent, authenticated transcripts or copies of reports (or portions thereof) containing information furnished by, or on behalf of, such respondent in connection with the surveys and censuses provided for in this title, upon payment of the actual or estimated cost of searching the records and furnishing such transcripts or copies.

"(b) Subject to the limitations contained in sections 6(c) and 9 of this title, the Secretary may furnish copies of tabulations and other statistical materials which do not disclose the information reported by, or on behalf of, any respondent, and may make special statistical compilations and surveys, for departments, agencies, and establishments of the Federal Government, the government of the District of Columbia, the government of any possession or area (including political subdivisions thereof) referred to in section 191(a) of this title, State or local agencies, or private persons and agencies, upon the payment of the actual or estimated cost of such work. In the case of nonprofit agencies or organizations, the Secretary may engage in joint statistical projects, the purposes of which are otherwise authorized by law, but only if the costs of such projects are shared equitably, as determined by the Secretary.

"(c) In no case shall information furnished under this section be used to the detriment of any respondent person to whom such information relates.".

(b) The table of sections or chapter 1 of title 13, United States Code, is amended by striking out—

"8. Certified copies of certain returns; other data; restriction on use; disposition of fees received."

and inserting in lieu thereof—

"8. Authenticated transcripts or copies of certain returns; other data; restriction on use; disposition of fees received.".

SEC. 5. (a) Section 141 of title 13, United States Code, relating to censuses of population and so forth, is amended to read as follows:

"§ 141. Population and other census information

"(a) The Secretary shall, in the year 1980 and every ten years thereafter, take a decennial census of population as of the first day of April, which date shall be known as the census date, in such form and content as he may determine, including the use of sampling procedures and special surveys. In connection with any such census, the Secretary is authorized to obtain such other census information as necessary.

"(b) The tabulation of total population by States under subsection (a) of this section as required for the apportionment of Representatives in Congress among the several States shall be completed within eight months after the census date and reported by the Secretary to the President of the United States.

"(c) Without regard to subsections (a) and (b) of this section, the Secretary, in the year 1985 and every ten years thereafter, shall conduct a mid-decade census of population in such form and content as he may determine, taking into account the extent to which current information is available. The census shall be taken as of the first day of April, which date shall be known as the mid-decade census date.

"(d) Information obtained in any mid-decade census shall not be used for apportionment of Representatives in Congress among the several States, nor may such information be admitted as evidence or used for any purpose, except as otherwise provided in this subsection, in any action, suit, or other judicial proceeding in which the constitutionality of a State's congressional redistricting plan is at issue. If a State creates a congressional redistricting plan which is based upon any mid-decade census, this subsection shall not apply to prohibit the omission as evidence, or other use, of such information in any judicial proceeding in which the validity of such plan is at issue.

"(e) With respect to each decennial census and mid-decade census conducted under subsection (a) or (c) of this section, the

Secretary shall submit to the committees of Congress having legislative jurisdiction over the census—

"(1) not later than three years before the appropriate census date, a report containing the Secretary's determination of the subjects proposed to be included, and the types of information to be compiled, in such census;

"(2) not later than two years before the appropriate census date, a report containing the Secretary's determination of the questions proposed to be included in such census; and

"(3) after submission of a report under paragraph (1) or (2) of this subsection and before the appropriate census date, if the Secretary finds new circumstances exist which necessitate that the subjects, types of information, or questions contained in reports so submitted be modified, a report containing the Secretary's determination of the subjects, types of information, or questions as proposed to be modified.

"(f) As used in this section, 'census of population' means a census of population, housing, and related matters.".

(b) The table of sections of chapter 5 of title 13, United States Code, is amended by striking out—

"141. Population, unemployment, and housing."

and inserting in lieu thereof—

"141. Population and other census information.".

Sec. 6. (a) Section 191 of title 13, United States Code, relating to geographic scope of censuses, is amended to read as follows:

"§ 191. Geographic scope of censuses; mid-decade censuses of population

"(a) Each of the censuses authorized by this chapter shall include each State, the District of Columbia, the Virgin Islands, Guam, and the Commonwealth of Puerto Rico, and as may be determined by the Secretary, such other possessions and areas over which the United States exercises jurisdiction, control, or sovereignty. Inclusion of other areas over which the United States exercises jurisdiction or control shall be subject to the concurrence of the Secretary of State.

"(b) For censuses taken in the Virgin Islands, Guam, or any possession or area not specifically designated in subsection (a) of this section, the Secretary may use census information collected by the Governor or highest ranking Federal official, when such information was obtained in accordance with plans prescribed or approved by the Secretary.

"(c) If, pursuant to a determination by the Secretary under subsection (a) of this section, any census is not taken in a possession or area over which the United States exercises jurisdiction, control, or sovereignty, the Secretary may include data obtained from other Federal agencies or government sources in the census report. Any data obtained from foreign governments shall be obtained through the Secretary of State.".

(b) The table of sections of chapter 5 of title 13, United States Code, is amended by striking out—

"191. Geographic scope of censuses."

and inserting in lieu thereof—

"191. Geographic scope of censuses; mid-decade censuses of population.".

Sec. 7. Section 195 of title 13, United States Code, relating to use of sampling, is amended to read as follows:

"§ 195. Use of sampling

"Except for the determination of population for purposes of apportionment of Representatives in Congress among the several States, the Secretary shall, if he considers it feasible, authorize the use of the statistical method known as 'sampling' in carrying out the provisions of this title.".

Sec. 8. (a) Subchapter V of chapter 5 of title 13, United States Code, is amended by adding at the end thereof the following new section:

"§ 197. Special censuses

"The Secretary may conduct special censuses for the government of any State, or of any county, city, or other political subdivision within a State, for the government of the District of Columbia, and for the government of any possession or area (including political subdivisions thereof) referred to in section 191(a) of this title, on subjects covered by the censuses provided for in this title, upon payment to the Secretary of the actual or estimated cost of each such special census. The Secretary shall certify the results of each such special census as 'Official Census Statistics'. These statistics may be used in the manner provided by applicable law.".

(b) The table of sections of subchapter V of chapter 5 of title 13, United States Code, is amended by adding at the end thereof—

"197. Special censuses."

Sec. 9. Section 214 of title 13, United States Code, relating to wrongful disclosure of information, is amended to read as follows:

"§ 214. Wrongful disclosure of information

"(a) Whoever, being an employee referred to in subchapter II of chapter 1 of this title, having taken and subscribed the oath of office, or having sworn to observe the limitations imposed by section 9 of this title, publishes or communicates any information, the disclosure of which is prohibited under the provisions of section 9 of this title, and which comes into his possession by reason of his employment under the provisions of this title, shall be fined not more than $5,000 or imprisoned not more than five years, or both.".

"(b) Whoever, being an officer or employee of the Federal Government (other than an employee to whom subsection (a) of this section applies), publishes or communicates any information, the disclosure of which is prohibited under the provisions of section 9 of this title, and which comes into his possession by reason of his employment or office, shall be fined not more than $5,000 or imprisoned not more than five years, or both.".

Sec. 10. Section 221 of title 13, United States Code, relating to refusal or neglect to answer questions and to willful false answers, is amended—

(1) by inserting "or questionnaire" immediately after "schedule" in subsection (a) thereof;

(2) by striking out "or imprisoned not more than sixty days, or both" in subsection (a) thereof;

(3) by striking out "or imprisoned not more than one year, or both" in subsection (b) thereof; and

(4) by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this title, no person shall be compelled to disclose information relative to his religious beliefs or to membership in a religious body.".

Sec. 11. Section 224 of title 13, United States Code, relating to failure to answer questions affecting companies, businesses, religious bodies, and other organizations and to willful false answers, is amended—

(1) by striking out "whether such request be made by registered mail, by certified mail, by telegraph, by visiting representative, or by one or more of these methods,";

(2) by striking out "schedule" and inserting in lieu thereof "schedule or questionnaire";

(3) by striking out "or imprisoned not more than sixty days, or both"; and

(4) by striking out "$10,000 or imprisoned not more than one year, or both" and inserting in lieu thereof "$1,000".

Sec. 12. (a) Section 225 of title 13, United States Code, relating to applicability of penal provisions in certain cases, is amended—

(1) by inserting "and questionnaires" immediately after "schedules" in subsection (a) (1) thereof; and

(2) by striking out subsection (b) thereof and by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(b) Section 241 of title 13, United States Code, relating to evidence, is amended by striking out "as authorized by section 224 of this title".

Sec. 13. If a provision enacted by this Act is held invalid, all valid provisions that are severable from the invalid provision remain in effect. If a provision of this Act is held invalid in one or more of its applications, the provision remains in effect in all valid applications that are severable from the invalid application or applications.

Mrs. **SCHROEDER** (during the reading). Madam Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

COMMITTEE AMENDMENTS

The **CHAIRMAN**. The Clerk will report the first committee amendment.

The Clerk proceeded to read the first committee amendment.

Mrs. **SCHROEDER** (during the reading). Madam Chairman, I ask unanimous consent that except for the committee amendments to page 6 after line 16; to page 11 after line 16; and to page 13 after line 12, the other amendments, which are technical in nature, be considered en bloc and further they be considered as read and printed in the Record.

The **CHAIRMAN**. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The committee amendments are as follows:

Committee amendments: Page 2, line 11, strike the word "is" at the beginning of the line.

Page 5, line 9, insert "or other" after "respondent".

Page 6, line 6, strike out "eight" and insert "nine".

Page 6, line 17, strike out "(d)" and insert "(2)".

Page 10, line 19, after "Sec. 9." insert "(a)".

Page 10, line 23, strike out "(a)"; and after "employee" insert "or staff member".

Page 11, line 8, insert a closing quotation mark and a period after "both.".

Page 11, strike out line 9 and all that follows down through line 16.

The committee amendments were agreed to.

The **CHAIRMAN**. The Clerk will report the next committee amendment.

Committee amendment: Page 6, immediately after line 16, insert the following: (d) (1) If—

"(A) in the administration of any program established by or under Federal law which provides benefits to State or local governments or to other recipients, eligibility for or the amount of such benefits would (without regard to this paragraph) be determined by

> taking into account data obtained in the most recent decennial census, and
>
> "(B) comparable data is obtained in a mid-decade census conducted after such decennial census, the data obtained in such mid-decade census shall be used in the determination of such eligibility or amount of benefits rather than data obtained in the decennial census.

The committee amendment was agreed to.

The **CHAIRMAN**. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Committee amendment:
>
> Page 11, after line 16, insert the following:
>
> (b) Section 23 of title 13, United States Code, is amended by adding at the end thereof the following new subsection:
>
> "(c) The Secretary may utilize temporary staff, including employees of Federal, State, or local agencies or instrumentalities and employees of private organizations, to assist the Bureau in performing the work authorized by this title, if such temporary staff is sworn to observe the limitations imposed by section 9 of this title."

The committee amendment was agreed to.

The **CHAIRMAN**. The Clerk will report the last committee amendment.

The Clerk read as follows:

> Committee amendment:
>
> Page 13, immediately after line 12, insert the following:
>
> SEC. 14. The amendments made by this Act shall take effect on October 1, 1976, or on the date of the enactment of this Act, whichever date is later.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. **DERWINSKI**. Madam Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DERWINSKI: Page 7, beginning on line 2, strike out "nor may such information be admitted as evidence" and all that follows down through line 11 on page 7, and insert in lieu thereof "nor shall such information be used in prescribing congressional districts.".

Mr. **DERWINSKI**. Madam Chairman, I rise in support of my amendment, which I believe will remove one of the stumbling blocks that previously lay in the path of bills of this nature.

The amendment I propose would deny the use of mid-decade statistics for either congressional apportionment or redistricting. The bill as it comes from the committee effectively prohibits the use of such statistics for reapportionment, but fails to fully resolve the issue of redistricting.

My amendment modifies paragraph (d)(2) of section 141 on page 6 of the bill to read as follows:

> Information obtained in any mid-decade shall not be used for apportionment of Representatives in Congress among the several States, nor shall such information be used in prescribing congressional districts.

Madam Chairman, I have the assurance of the floor manager of the bill, the gentlelady from Colorado (Mrs. SCHROEDER) who chairs the Subcommittee on Census and Population, that she has no objection to and will support my amendment. Therefore, I hope we can proceed with its prompt adoption.

The amendment is both practical and legislatively sound.

In the first place, the purpose of this legislation is to provide timely staistical information to assist the Federal Government in administering the allocation of funds under its various programs, assist States and local government in planning, and to assist the business community and the general public.

The need and desirability of mid-decade population statistics is widely supported by all levels of government, and is a proper role of the Federal Government to provide this service.

Therefore, it is important that any issue that is extraneous to the theme of the legislation be removed.

In 1971, the American Law Section of the Library of Congress prepared a paper on mid-decade census and districting for congressional use. The following is an excerpt from that paper:

> The matter (of reapportionment and redistricting) was discussed in Reynolds v. Sims which was a legislative apportionment case, to be sure, but there would seem to be no reason why the principles set out there would be inapplicable to congressional districting, especially in light of the fact that congressional apportionment is mandated every ten years each decennial census by the Constitution itself. In Reynolds, the Court noted that the States were free to adopt some reasonable plan for periodic revision of their apportionment schemes.

It then continued:

> Decennial reapportionment appears to be a rational approach to adjustment of legislative representation in order to take into account population shifts and growth. . . . Limitations on the frequency of reapportionment are justified by the need for stability and continuity in the organization of the legislative system. . . .

What this passage appears reasonably to mean is that 10-year apportionments and districting satisfy the constitutional requirements but that discretionary actions in redrawing lines more frequently are permissible if the States should choose. It would therefore appear to be constitutionally permissible for Congress, under its article I, section 4, clause 1 powers, to remove that discretion with regard to congressional districting.

Therefore, there appears to be a sound basis for the legislative action proposed in our amendment, but it also has the practical effect of avoiding the confusion to the public of having constantly changing representative districts. It is bad politics, resulting in bad government, to promote the continual shifting and drifting of congressional district lines. I urge the adoption of the amendment and, with that adoption, the passage of this mid-decade census legislation.

Madam Chairman, this is the subject that has been discussed earlier in general debate, and it has been one of the issues which in the past has been the stumbling block to the passage of this legislation.

My amendment is carefully drawn and the intent is this: It provides that in this mid-decade census, the population figures would not be used for reapportionment or redistricting of congressional districts. That is the intent.

We feel—and I think all the Members of the House will share this view—that where we would have redistricting more than once every 10 years, we create political complications for the citizenry, we produce tugs-of-war that are not conducive to good government, and we produce an instability in the House of Representatives. We want to make it as clear as congressional intent could be that this mid-decade census under no conditions is to be used for reapportionment or redistricting.

Mr. **LEVITAS**. Madam Chairman, will the gentleman yield?

Mr. **DERWINSKI**. I yield to the gentleman from Georgia.

Mr. **LEVITAS**. Madam Chairman, I thank the gentleman for yielding.

I commend the gentleman from Illinois (Mr. DERWINSKI) on the amendment he has offered and for the purpose he has stated. However, I raise this question, and I wonder if the committee has addressed itself to it as well.

While we specifically prohibit the use of this data for the purpose of congressional redistricting, we are silent about State legislative redistricting, city council redistricting, and school board redistricting. By expressly prohibiting its use for congressional redistricting, are we not opening up and inviting the same type of challenge to these other forms of representative government that would be just as disruptive as those the gentleman has pointed out?

Perhaps it would be well to extend the thrust of this language the gentleman has suggested to cover other reapportionment or redistricting activities, including State legislative, school board, and county commissioner redistrictings.

Mr. **DERWINSKI**. The reason we have not pointed the amendment in that fashion is that I have been advised that in most States, either by State constitution or by acts of the legislature, they do provide for the procedures under which there shall be redistricting of either State legislative districts or of county board districts. For example, in Illinois, with which I am most familiar, the State constitution provides the procedures for redistricting of the State legislative districts; it also provides under a home-rule clause for those communities over 25,000 that they have the right to redistrict for their aldermen boards or their trustees, and so on.

Since we are dealing here with a Federal census and we were concerned with the application of this to a reapportionment of the Federal legislative body, there was no intent to disregard the problem the gentleman raises. However, it is our understanding that this basic jurisdiction would really lie with the States or in some cases with the individual communities or county entities where they are required by State law to apportion their representation according to whatever factors and conditions of population the situation might require.

Mr. **LEVITAS**. Madam Chairman, will the gentleman yield further?

Mr. DERWINSKI. I yield to the gentleman from Georgia.

Mr. LEVITAS. Madam Chairman, I thank the gentleman for yielding and for his answer.

What concerns me is that after having observed a number of reapportionment and redistricting cases in State legislative bodies and other subdistricts of State government, I find the data that is frequently relied upon is census data. Therefore, I must believe that if a midterm census is provided and this data is made available, it will be seized upon, and perhaps properly so, by potential plaintiffs seeking to redistrict State legislatures or subdistricts within a State.

For that reason I think that the arguments which the gentleman offered in support of the amendment to begin with would be equally applicable, because I am concerned that we would have a host of redistricting cases brought basically upon the midterm census.

Mr. DERWINSKI. Madam Chairman, if I may direct myself to the gentleman's concern, there would be a question in my mind as to whether a legislature would really have jurisdiction to prohibit the use of this census data for the purposes of State and local redistricting.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. DERWINSKI) has expired.

(By unanimous consent, Mr. DERWINSKI was allowed to proceed for 2 additional minutes.)

Mr. DERWINSKI. Madam Chairman, to continue with my thought, if we look back at the effects of the one-man one-vote rule, I think we found that for better or for worse, the corrections have been made and the abuses that resulted from the failure to act and that brought about that decision have largely been effected, and it would be my judgment that any court would sustain the challenge to what would have been a reasonable local redistricting within a 10-year period.

That certainly is the intent because the issue is the same. When we have too frequent adjustment of district lines of any government, we confuse the voters. We bring in artificial factors. We create unnecessary local, State, or other governmental problems.

I think it is obvious that a good, clean redistricting ought to at least be able to stand for the normal period, which is a 10-year period.

I do not think we can address that in this bill. I think we have gone as far as we could in correcting the problem or concern that we have, but I think the intent would be clear. Let us refer to politically motivated lawsuits, for example. I would hope they would be rejected by the courts wherever they would be brought.

Mrs. SCHROEDER. Madam Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Madam Chairman, I think what the gentleman is saying is correct.

I think that if the gentleman from Georgia (Mr. LEVITAS) would look at Reynolds against Sims, that was a case on State legislative reapportionment. There the Supreme Court held that in a State legislative reapportionment case it was proper to rely on a 10-year reapportionment. That the 10-year requirement was set out in the Constitution. That was notable. They called the 10-year period presumptively rational.

Therefore, I think the Supreme Court would concur with the amendment that redistricting occur only once every 10 years.

Mr. LEVITAS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, if the gentlewoman from Colorado (Mrs. SCHROEDER), the chairman of the subcommittee, would respond to this, the problem that I am concerned about, I think, is raised by the Reynolds against Sims decision, which I am familiar with. It was a State reapportionment case.

It said that the 10-year census data would be sufficient for State legislative redistricting. That is the same position taken on congressional redistricting.

My concern is that in this legislation where we have addressed ourselves to immunizing congressional redistricting from the midterm census, we have not similarly immunized State legislative redistricting from the midterm census. I am concerned that if we do not do that, the very situation that the gentlewoman from Colorado is concerned about may eventuate.

Madam Chairman, I am not suggesting or offering an amendment at this point, but I would simply suggest that perhaps the other body, in its consideration of this legislation, should focus on this particular point because I am afraid that we may be wreaking havoc for our State legislative bodies and State districts which are apportioned on the basis of population.

Mrs. SCHROEDER. Madam Chairman, if the gentleman will yield, maybe we are both reading Reynolds against Sims a little differently, and maybe we have our dicta and holdings mixed up.

I think that Reynolds against Sims, from the way I would read it, is saying that 10 years is adequate time and that we do not have to go to 5 years.

I would have some question as to whether or not we have jurisdiction to tell city councils and State legislatures when they can and when they cannot redistrict anyway. They have been able to do it without a census. But, I would want to emphasize that in omitting State and local jurisdictions from our provision prohibiting use of these mid-decade statistics for purposes of redistricting, we do not intend to imply that we are urging redistricting at local levels. The contrary is our intent.

But I think we will find that in most States their own State constitution is probably 10 years, so it would be very similar to ours.

In the few States where it is not, I would think that maybe Reynolds against Sims is saying every 10 years would be presumptively all that is constitutionally required.

Obviously, they could do it every 6 months, but we want to do something else besides reapportion and redistrict.

Therefore, I think that is probably where that is going. I do not think that in this bill we can overrule State legislatures or State constitutions or local authorities.

Mr. LEVITAS. My concern is not with trying to prohibit State legislatures or city councils from redistricting themselves. What I am concerned about is the use of this midterm data for judicial challenges against redistricting plans for the same reason that this provision indicates.

Mrs. SCHROEDER. If the gentleman will yield further, the court is saying that every 10 years it is presumptively rational. They are not going to be likely to challenge it every 2 years or every 5 years. That is why I think Reynolds against Sims is some insurance against that.

Mr. LEVITAS. I will not belabor the point. What I am saying is that the same argument that is made for the 10 years or 5 years which applies to the congressional districts likewise applies to the State legislative districts.

But in this legislation we have said that the mid-term data cannot be used for reapportionment of congressional districts but have left the question unanswered insofar as State legislative districts are concerned.

Mrs. SCHROEDER. That is because we do not have jurisdiction over that. Also I think, as I have said before, that the Supreme Court has been willing to say that it is presumptively rational to let it be done every 10 years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. DERWINSKI).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 12, lines 9 through 12, delete the language found in points (1) and (2) and substitute the following:

(1) by striking in the title of section 221 "Refusal or neglect to answer questions;"

(2) by striking subsection (a) in its entirety and renumbering the other sections accordingly.

Mr. ASHBROOK. Madam Chairman, I will only need a minute to explain the amendment. It is just a simple amendment. It would remove the penalties, monetary as well as prison penalties for refusing to answer a census question. It is just that simple.

The Federal Government has increasingly tried to go far beyond the original intentions of the census. We see the same inevitable burden of bureaucracy in this small area as we witness across the board in virtually every aspect of government.

There are many people who honestly doubt—including civil libertarians—the validity of asking for certain kinds of information in the census under penalty by law. I am one of those. I believe the census pries into the lives of American citizens.

I am particularly concerned in my area with the agricultural census, which was used for relatively minor things in the beginning but which has now blossomed out into a situation where many, many farmers complain of the many, many hours that are spent in preparing for and answering the questions and on the size and complexity of the census. Also, they are intimidated and they are harassed and threatened with jail terms.

I do not believe the Federal Government ought to be able to force individuals to answer census questions under penalty of the law. It should be a matter of individual choice. My amendment would clearly do this by removing all penalties.

I urge all of the Members to adopt my amendment.

Mr. GRASSLEY. Madam Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Madam Chairman, I want to compliment the gentleman from Ohio (Mr. Ashbrook) for introducing his amendment. I further want to say that I will support his amendment, but I also want to say that I am supporting it because I had to fill out one of those agricultural census questionnaires that the gentleman is talking about and I was utterly astounded at how difficult a Federal bureaucracy could make what ought to be a simple questionnaire. It was very complicated.

I really feel sorry for the farm person that had to fill out the report under threat of being put in jail or heavily fined, or whatever the penalty is, regardless of the sincerity or willingness to do the job but lacking the capability of completing the forms.

I would say that in my district, and in our State—and I have even heard of a higher percentage from the State of Minnesota—that the farmers who did not want to fill the questionnaire out have been threatened with jail and are being harassed by people with the Federal Government. I hope this amendment will take care of those kind of threats.

Mr. ASHBROOK. Madam Chairman, I thank the gentleman from Iowa for his contribution.

Mrs. SCHROEDER. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, I will take but a moment. If the Members will look in the bill, they will find that we have stricken the prison penalty requirements. The only thing left are the fines. If we were to go along with this amendment, we would also be striking out the fines.

The Members should keep in mind that one of the things that is very important is that this is not to be a Gallup poll, but that we must have an accurate census because so very many important things rely on this. I can think of only one occasion where a fine has been assessed.

But if someone goes to a person and asks them to fill out the form and that person says, "Is this truly important?" And the information seeker says that there is absolutely no penalty if you do not fill it out, I believe that that is going far overboard.

I feel very strongly that we should at least keep the fines in whereas this amendment would remove them.

I would hope that the Members would vote against this amendment.

Mr. DERWINSKI. Madam Chairman, I move to strike the requisite number of words.

Let me say to my friend from Ohio I find it difficult to oppose him because the point he is making is valid, and the point our colleague from Iowa (Mr. Grassley) made is valid; namely, the frustration of people dealing with bureaucratically developed forms. But the reality of the problem is this. There must be some penalty to insure the kind of cooperation that the census requires. If my colleagues will note, on page 4 of the committee report we go into the history of the application of penalties. The first census law back in March of 1790 provided a penalty. Since 1929 imprisonment has been authorized as a penalty. It has never been used, and that is being repealed in this act.

What we have done by eliminating the jail and prison penalties and reducing the maximum fines from $10,000 to $1,000 is we have gone a long, long way to meet what we think were excessive penalties in the law.

But I hope the gentleman will keep in mind that in most of our major cities there have been complaints in the past years that the census count was not accurate and, therefore, the cities were being shortchanged. One of the problems, frankly, was to obtain the cooperation of the populace. I think that the retention of this minimum penalty, keeping in mind that it has not been abused and it has been used sparingly by the courts and by the Census Bureau, is necessary to insure cooperation and reliable answers. When I say that, I fully recognize the good intent of the points made by the gentleman.

Mr. ASHBROOK. Madame Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

Yes, I certainly understand my colleague's position. I think it is a very reasonable one. The only thing I would point out to the chairwoman, the gentlewoman from Colorado, and to the ranking member from Illinois is there are many things in this country we consider important but we do not force people to do them. Voting, for example, is one of the most important functions of an American, but we are not going to fine or imprison Americans for not voting.

I think we have been too swept up over the years with the idea of a government forcing people to do things. I agree with the gentleman 100 percent when he says it is a matter of attitude, but law and order is a matter of attitude. It is 99 percent attitude and 1 percent force.

I do not think we ought to have this club over the average American on a census form which has become cumbersome at best, prying at worst.

First, we are talking about here, even though it is a minimum fine, putting people who might not submit to every question in a census for a variety of reasons into the position of being common criminals. Even though they are not put in jail, they can be prosecuted. I think this is a very good chance to strike a blow for the average American, for the taxpayer, for the average person against a large Government that in many ways forces the citizen to do things which he necessarily would disagree with. I would respectfully point out in response to my friend and colleague, the gentleman from Illinois, that Government already compels too many things under penalty of law. Let us draw the line here and now in this one area.

Mr. DERWINSKI. I do not argue with the gentleman from Ohio that we have too large a Government, and that the average citizen is from time to time harassed by Federal agencies. But I think if we look at the other side, the problem here is that there has been consistent criticism of census data. There have been many complaints, for example, the great mayor of Chicago, Richard J. Daley, complained about what he said was inaccurate census data. All of the evidence accumulated before our committee for the last 15 years—because we have looked at this measure in every session—shows that the retention of some penalty is necessary to insure the reliability of response. Keep in mind that we are reducing the penalty and that the penalties have not been frequently used. The penalties in the census law have not been abused.

Mr. ASHBROOK. If the gentleman will yield further, I do not think this is a rural area versus a city area controversy. But I would say in response to what the gentleman said that those of us who are not from metropolitan areas are always amazed that in Chicago they always seem to find more people than there are to vote at election time, and then when the census comes around, these same people complain there are fewer people who get on the official rolls than they say there are. This is an anomaly that many of us do not quite understand.

Second, it goes without saying that the penalty is not going to require many of the people we are concerned about in the cities to respond to census questions. Harassment is normally directed at people in our areas. You do not harass the poor blacks in a ghetto of the country, in the smaller towns and the rural areas. I do not think any penalty is going to make some people in New York or Chicago respond for the census who would not otherwise so respond but it is a tool to be used against our businessmen, our farmers, and the rest of our citizens.

The **CHAIRMAN.** The time of the gentleman has expired.

Mrs. FENWICK. Madam Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I rise in opposition although I deeply sympathize with the purpose. However, we are not being swept away by any modern craze for paperwork and information. We have been swept in this direction, I think, since 1790 when the first penalty for not answering a census question was imposed. But I do think $1,000 is a lot of money.

I would like to ask the gentlewoman from Colorado and the ranking minority member if they would entertain an amendment to reduce that $1,000 to $100. I think $1,000 is for some families I know a terrible penalty. I would like to suggest an amendment to reduce that to $100.

Mrs. **SCHROEDER**. Madam Chairman, if the gentlewoman will yield, I think that the main thing to keep in mind when one reads the bill is that $1,000 is a maximum penalty. For individuals the maximum penalty is only $100 already. It is not a mandatory penalty. The penalty is rarely imposed but certain people always ask if they have to answer. Without the penalty the answer is no.

Mrs. **FENWICK**. I think they fined Captain Rickenbacker $100. I think if one has aroused antagonism it may be that the $1,000 will be imposed and that is a lot of money.

Mr. **DERWINSKI**. Madam Chairman, if the gentlewoman will yield, may I clarifiy a point. We have provided that for an individual the fine shall not be more than $100. The $1,000 that the gentlewoman refers to is for the owners or officers or agents or persons of a company or business.

Mrs. **FENWICK**. I apologize for taking the time of the House. I was speaking to the bill as presented before us today—the basic statute was not before me.

Mr. **DERWINSKI**. If the gentlewoman will yield further, let me clarify one other thing because it gives me a chance to sum it up. The gentlewoman is one of the great historians in our body and we have had, as she noted, provisions for a penalty since 1790. The fine was then $20, and if we took that amount in 1790 and added the inflationary costs of today it would be a very substantial amount. I think we have met the objections of the gentlewoman.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Ohio (Mr. Ashbrook).

The question was taken; and on a division (demanded by Mr. Ashbrook) there were—ayes 15, noes 28.

RECORDED VOTE

Mr. **ASHBROOK**. Madam Chairman, I demand a recorded vote and pending that I make a point of order that a quorum is not present.

The **CHAIRMAN**. Evidently a quorum is not present.

The Chair announces that she will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The **CHAIRMAN**. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The **CHAIRMAN**. The pending business is the demand of the gentleman from Ohio (Mr. Ashbrook) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 248, noes 140, not voting 45, as follows:

[Roll No. 177]

AYES—248

Abdnor
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Blouin
Boland
Bowen
Breaux
Brinkley
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carney
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Derrick
Devine
Dickinson
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Tenn.
du Pont
Eckhardt
Edwards, Ala.
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Fary
Fish
Fithian
Flood
Florio
Flowers
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harsha
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Lujan
McCollister
McDade
McDonald
McEwen
Mahon
Martin
Mathis
Mazzoli
Melcher
Mezvinsky
Michel
Milford
Miller, Calif.
Mink
Mitchell, N.Y.
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Morgan
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nichols
Nolan
Nowak
Obey
O'Hara
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Randall
Rangel
Regula
Rhodes
Rinaldo
Risenhoover
Robinson
Rooney
Rose
Rostenkowski
Roush
Rousselot
Ruppe
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Staggers
Stanton, J. William
Steelman
Steiger, Wis.
Stuckey
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Waggonner
Walsh
Wampler
Weaver
Whitehurst
Wiggins
Winn
Wolff
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOES—140

Abzug
Adams
Allen
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Bingham
Blanchard
Boggs
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carr
Chisholm
Clay
Conyers
Corman
Cornell
Cotter
Daniels, N.J.
Danielson
Dellums
Dent
Derwinski
Diggs
Dingell
Drinan
Duncan, Oreg.
Early
Edgar
Edwards, Calif.
Eilberg
Fascell
Fenwick
Findley
Fisher
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fraser
Giaimo
Gonzalez
Green
Gude
Hamilton
Hanley
Harris
Heckler, Mass.
Helstoski
Hicks
Howard
Howe
Hughes
Hungate
Jacobs
Jordan
Kastenmeier
Keys
Koch
Lehman
Levitas
Long, La.
Long, Md.
Lundine
McClory
McCormack
McFall
McKay
Madden
Maguire
Matsunaga
Meeds
Metcalfe
Mikva
Miller, Ohio
Mills
Mineta
Minish
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Mottl
Murphy, Ill.
Myers, Pa.
Nedzi
Oberstar
O'Brien
O'Neill
Ottinger
Price
Rees
Reuss
Richmond
Rodino
Rogers
Rosenthal
Roybal
Runnels
Ryan
St Germain
Scheuer
Schroeder
Seiberling
Sikes
Simon
Sisk
Solarz
Spellman
Stark
Steed
Stokes
Stratton
Studds
Thornton
Ullman
Vander Veen
Vanik
Vigorito
Waxman
Whalen
Wilson, Bob
Wirth
Yates
Young, Ga.

NOT VOTING—45

Addabbo
Barrett
Bell
Burke, Mass.
Carter
Cederberg
Chappell
D'Amours
Eshleman
Evins, Tenn.
Flynt
Hayes, Ind.
Heinz
Henderson
Hinshaw
Johnson, Pa.
Jones, Ala.
LaFalce
Lott
McCloskey
McHugh
McKinney
Macdonald
Madigan
Mann
Meyner
Nix
Pepper
Railsback
Riegle
Roberts
Roe
Roncalio
Sarbanes
Spence
Stanton, James V.
Steiger, Ariz.
Stephens
Sullivan
Talcott
Udall
White
Whitten
Wilson, C. H.
Wilson, Tex.

The Clerk announced the following pairs:

Messrs. **BOLAND**, **MOLLOHAN**, **PATTISON** of New York, **MOFFETT**, **BERGLAND**, **BEDELL**, and **MILLER** of California, changed their vote from "no" to "aye."

Mr. **SIMON** and Mr. **MOSS** changed their vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mrs. Boggs, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11337) to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes, pursuant to House Resolution 1132, she reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER.** Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

The **SPEAKER.** The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. **SCHROEDER.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill H.R. 11337 just passed.

The **SPEAKER.** Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

NATIONAL HEALTH PROMOTION AND DISEASE PREVENTION ACT OF 1976

Mr. **SISK.** Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1133 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1133

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12678) to amend the Public Health Service Act to provide authority for health information and health promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for veneral disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act, to revise and extend that Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 12678 the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1466; and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 12678 as passed by the House.

The **SPEAKER.** The gentleman from California is recognized for 1 hour.

Mr. **SISK.** Mr. Speaker, House Resolution 1133 provides for consideration of H.R. 12678, the National Health Promotion and Disease Prevention Act.

This is an open rule providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce. The bill is to be read for amendment under the 5-minute rule by title rather than by section.

The rule further provides that upon passage of H.R. 12678 the Committee on Interstate and Foreign Commerce shall be discharged from further consideration of S. 1466. It then shall be in order to strike all after the enacting clause of S. 1466 and to insert in lieu thereof the provisions contained in H.R. 12678 as passed by the House.

H.R. 12678 authorizes a total of $314.8 million for health information and disease prevention control programs. Title I of the bill provides new legislative authority for programs in health information and health promotion and authorizes $70 million during fiscal years 1977 through 1979 for these programs. Title II provides revisions and extensions of existing legislative authorities for programs of disease prevention and control including programs for the control of communicable diseases, diseases borne by rodents, veneral diseases and lead-based paint poisoning. A total of $244.8 million is authorized for these programs for the fiscal years 1976 through 1978.

Mr. Speaker, I urge adoption of House Resolution 1133 so that we may proceed to the consideration of H.R. 12678.

Mr. **LATTA.** Mr. Speaker, I agree with the statements made by the gentleman from California (Mr. SISK).

There is no objection to this rule.

Mr. Speaker, this rule provides for 1 hour of general debate on H.R. 12678, the National Health Promotion and Disease Prevention Act of 1976. The bill shall be read for amendment by titles instead of by sections and is open to all germane amendments. In order to facilitate going to conference, the rule makes it in order to insert the House-passed language in the Senate bill.

Mr. Speaker, this rule has no waivers of points of order.

The purpose of this bill is to provide authority for health information and health promotion programs; revise and extend the authority for disease prevention and control programs; revise and extend the authority for venereal disease programs; and to amend the Lead-Based Paint Poisoning Prevention Act to revise and extend the act.

The cost of this legislation is $314,800,000.

The administration is opposed to enactment of this bill. It would extend authorizations for narrow categorical health programs which the administration has proposed be consolidated into a comprehensive health block grant program. The administration also objects to the bill's health education activities which duplicate existing programs, and to its excessive authorization levels.

Mr. Speaker, I have no further request for time and yield back the balance of my time.

Mr. **SISK.** Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid upon the table.

Mr. **ROGERS.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12678) to amend the Public Health Service Act to provide authority for health information and health promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act to revise and extend that act.

The **SPEAKER.** The question is on the motion offered by the gentleman from Florida (Mr. ROGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12678) with Mr. VANDER VEEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Florida (Mr. ROGERS) will be recognized for 30 minutes, and the gentleman from North Carolina (Mr. BROYHILL) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Florida.

Mr. **ROGERS.** Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the legislation before us, H.R. 12678, contains two principal titles. The first provides legislative authority and authorizations of appropriations for research and community and information programs in health information and promotion, preventive health services, and education in the appropriate use of health care during the next 3 fiscal years with a total authorization of $70 million. The second provides a 3-year revision and extension of existing authorities for prevention and control of communicable and other controllable diseases, venereal diseases, diseases borne by rodents, and lead poisoning prevention programs, with a total authorization of appropriations for these 3 fiscal years of $244.8 million. The total authorization for both titles for the full 4 years which the legislation speaks to is $314.8 million which the Members will recognize compares reasonably with the 1975 appropriation of $56.3 and the 1977 committee budget for these programs of $83.3 million.

The first title of this legislation provides an initial congressional initiative in an area which we have all begun to realize is vitally important to the health of our Nation. Since treatable and even preventable diseases have been controlled, our country's major illnesses have become the chronic illnesses such as heart disease, diabetes, high blood pressure, and cancer. These can be helped by modern medicine but usually cannot be either prevented or cured. That can be done, if at all, only by personal effort on the part of each of our citizens. Thus, it has been established that regular meals, regular sleep, avoiding smoking, and controlling one's weight and drinking can add as many as 11 years to the life of a 45-year-old man if he is willing to make the effort. However, as is obvious to all of us, people are not making the effort and will not do so unless ways can be found to demonstrate the need to do so and to begin to motivate them to do it. The administration has already responded to this need first by appointing a Presidential Committee on Health Education which recommended the establishment of programs similar to those recommended by this legislation, and then by the creation in HEW of a Bureau of Health Education which has begun to implement those recommendations.

Based on this effort, the committee has drafted an initial congressional initiative in the area which provides legislative authority primarily for research and demonstration efforts in health information and health promotion. These programs would be designed to do several kinds of research and demonstration. They would develop and demonstrate better ways of providing to our people information about their own health and how to maintain it and how to use the medical care system effectively. They would develop and demonstrate improved programs of preventive health services and would establish which preventive health services are actually cost effective and, therefore, should be used and covered in health insurance.

They would develop and demonstrate improved programs for promoting health maintaining behavior on the part of our citizenry. Further, the legislative authority would authorize the creation in the private sector of a new national center for health promotion to promote and coordinate private efforts in these same areas.

The legislative proposal builds on a pioneer legislative effort by our ranking minority member, the gentleman from Kentucky (Mr. CARTER) and we are proud to have had his cooperation in preparing this important new effort. The proposal is supported by such substantial private groups as the National Health Council and the American Public Health Association. The administration opposition is difficult to understand since they argue that the legislation is unnecessary because they are already doing most of the things contemplated by the legislation. This argument seems reminiscent of one which we have heard frequently in connection with such programs as the HMO and emergency medical services programs that they would like to take new initiatives but do not want to have to do so under congressional direction.

In addition to creating the new initiative in health information and health promotion, the proposed legislation revises and extends several existing programs for disease prevention and control. The most important of these is the existing authority for the control of communicable diseases, the authority which should properly be used for the President's new swine flu immunization program and which we amended on Monday to include such authority. The proposed legislation makes a variety of minor technical changes in these communicable disease control authorities.

The most important of these is the authorization during the new 3 fiscal years of $5 million in each year for a campaign to eradicate measles and rubella. These two diseases, for which vaccines became available in the 1960's, could be eliminated from the United States if an adequate effort to do so was ever made. Despite this fact and despite the fact that thousands of children die or suffer unneeded mental retardation from measles each year, there has never been an adequate effort made by the present administration to eradicate them. The committee has heard testimony that the proposed $15 million, 3-year effort could eliminate both diseases and has, therefore, authorized the appropriation of these funds. It is ironic that on Monday we were willing to authorize and appropriate $135 million for an epidemic which has not occurred of influenza while we are at the same time resisting vigorous administration opposition to a $15 million effort against a disease which is chronically present in this country.

The proposed legislation also continues with modest increases in the authorizations of appropriations, our national effort to control venereal diseases. These diseases have continued to present a severe, albeit controllable, threat to public health, particularly through the steady increase in cases of gonorrhea.

These have now reached almost a million cases a year, or 1 for every 200 Americans. I should emphasize that genorrhea is not a benign disease. Many of those who suffer it, particularly the women, are rendered sterile or susceptible to abnormal pregnancies.

Finally, the proposed legislation would continue for 3 years the Lead-Based Paint Poisoning Prevention Act. This act has set standards for allowable levels of lead in paint and on toys, cooking utensils, and other things to which children may be exposed and has funded programs in communities in which there are substantial numbers of dwellings with lead-based paint for the identification of children who have been poisoned with lead and correction of the hazard presented by the paint. As with the other programs included in this legislation, the committee remains convinced of the need for the effort. Some 6 million children are at risk for lead poisoning by HEW's own figures and as many as 6,000 of these can be expected each year to suffer entirely unnecessary mental retardation from lead poisoning. In fact, 600 children apparently die each year of lead poisoning, again unnecessarily. Also, as with the other programs, the committee is dismayed to discover that the President's budget would propose to cut the programs to levels even lower than the presently barely adequate levels. In the face of this the committee has, therefore, proposed an extension of the legislative authority, a reexamination of the safe level of lead in paint by the Consumer Product Safety Commission, and modest increases in the authorization of appropriations to at least offset the effects of inflation and allow some modest growth in the program.

Mr. Chairman, this is carefully drawn and reasonable legislation for which I urge your support and that of our colleagues.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. I thank the gentleman for yielding.

Mr. Chairman, I strongly support the legislation before us today, and I commend the chairman for the outstanding job he has done in reconciling the need in the United States for improved health education within the limitations of our present fiscal situation. The committee bill is responsible, productive legislation and deserves the approval of the House.

Aristotle is credited with saying:

> If we believe men have any personal rights at all as human beings, they have an absolute right to such a measure of good health as society, and society alone, is able to give them.

Certainly, a measure of health is essential in the "pursuit of happiness" promised American citizens in the Declaration of Independence.

We, in America, have made a substantial investment toward maintaining our health. Health care costs rose about 14 percent last year, from $105 billion in fiscal 1974 to over $118 billion in fiscal 1975. The Federal Government's contribution to personal health care has risen more than 600 percent, from $3.3 billion to $20.1 billion, since the beginning of the medicare program a decade ago.

Despite this vast increase in health care expenditures, the rates of illness, disability, and death have shown little sign of improvement. More importantly, what improvement we have achieved has not kept pace with that of the other western industrialized nations. When we look at the latest United Nations statistics on such social indicators as infant mortality and death rates, the United States fell from 10th to 15th place and 7th to 8th place, respectively.

The fault is not with our growing medical sophistication, but rather the tragedy lies in the fact that a great many individuals are unaware of their own role in the prevention and relief of ills and accidents, and lack the knowledge required to utilize the health care industry itself. To illustrate, the results of one study to determine factors leading to preventable hospital admissions indicated that 17 percent of the sample had an illness classified as preventable and an additional 54 percent were classified as probably preventable. In short, the leading causes of disability and death in this country today are chronic or behavioral conditions, such as heart and respiratory disease, cancer, obesity, alcoholics, accidents, and suicide. Effective control of these conditions is impossible without the active cooperation of an informed population.

If we are to control our newer epidemics, we must set forth a new strategy, one which helps us understand the nature and causes of self-imposed risks, adds to our knowledge of illness, educates patients and consumers about health maintenance and prevention, and improves the physical and social environment. It appears that whenever we attempt to improve the general condition of health or health care of a population along these lines, the need for improved health education appears high on the list. Yet, we as a society are not willing to come to grips with health education because it is difficult—difficult to define, difficult to deliver, and difficult to measure in effectiveness. Rene Dubos alludes to this problem in his book, "The Mirage of Health":

> To ward off disease or recover health, men as a rule find it easier to depend on healers than to attempt the more difficult task of living wisely.

In my own State, statistics suggest that Maine's rural poverty, its scattered and overworked health care personnel and facilities, and the absence of preventive medicine combine to produce a significantly higher death rate than the rest of New England. While Maine ranked third best in 1940 among the New England States in terms of death rate, by 1970 Maine had the highest death rate of all New England States—19 percent higher than the national average. At the heart of these statistics is the relative absence of preventive care. In a typical rural county, more than 65 percent of the men and women did not have regular medical checkups. One-fifth had never had a chest X-ray. Nearly half the women never had a pap smear.

I believe that the public is expressing a growing impatience with the overemphasis on the technology of medicine and the neglect of the patient as a responsible agent in the treatment of illness which can be remedied through an effective program of health education. Our goal, after all, is health, not a health care system.

There is evidence of a shifting emphasis from costly crisis care to promotion of positive health and prevention of disability. In the last 1½ years we have witnessed the adoption by medicaid and Blue Cross of policies and guidelines to pay for patient education services, establishment of the Bureau of Health Education within HEW, initiation by the National Health Council of a project to develop detailed plans for a private National Center for Health Education, definition by the American Hospital Association of the health education roles and responsibilities of health care institutions, and incorporation of health education in Federal laws on health organizations, emergency medical services systems, diabetes control programs, and drug abuse education. The most noteworthy achievement in this area has in my opinion been the enactment of health planning legislation, Public Law 93-641, which makes health education one of the nine priorities of national health policy.

Despite these many preventive health services, health education in general has been limited in the past by its lack of centralized direction. We have reached the point where we need a national policy which builds upon our present initiatives by implementing the two major recommendations of the President's Committee on Health Education. In my opinion, this entails upgrading the Health Education Bureau currently within HEW to a level where it can formulate national goals and a strategy to achieve these goals, and legally recognizing the National Center for Health Education which has responsibility for advocating health education to the public on a national basis.

Toward this end, more funds must be made available for the alternative approaches to health-care delivery encouraged by health education which are effective both in human terms and in terms of cost. We literally cannot afford to sacrifice cooperation for competition over financial resources. In view of the insignificant Federal contribution to health education to date—approaching four-tenths of 1 percent of the Federal health care dollar—I believe the sums authorized under this bill are achievable.

We must act to change the daily living habits of our overfed, overtired, overmedicated—in short, overindulgent—society. As economist Victor J. Fuch concluded in his book, "Who Shall Live?":

> The greatest current potential for improving the health of the American people is to be found in what they do or don't do to and for themselves.

In my opinion, this statement is the essence of the case for health education.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Chairman, I have read rather carefully line for line title I of this legislation and, despite the assurance of the gentleman from Florida (Mr. ROGERS) that it only creates another office in HEW, as well as a semiprivate corporation to promote health care, it appears to me that the description of the functions of the so-called Center for Health Promotion offers the distinct possibility that this will become a major national lobbying arm of HEW in favor of socialized medicine. All of the elements are there, including the taxpayers' funding of this operation. It calls for the involvement of labor and business and other entities. The language, although rather loosely drawn, offers the distinct possibility of creating the kind of lobbying operation we already have laws to prevent, that is, Government intervention in the legislative process. HEW should be providing nothing more than information that we request.

Mr. ROGERS. Mr. Chairman, I would say to the gentleman that if this were the case, the committee would never have permitted it.

I think if the gentleman will refer to pages 20 and 21 of the proposal, he will see the requirement that the center be nonprofit and nonpolitical in nature, as the gentleman will also notice on line 23, on page 20.

So it must be nonpolitical and it must be nonprofit, and it is in the private sector.

We do provide some supporting funds in a rather small measure, but they may not constitute more than one-quarter of the amount of this nonprofit, nonpolitical private effort. So we are trying to involve the private sector in doing more to help us encourage the American people to take care of themselves.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, the entire debate over health care in this country over the last 20 years has centered around how much involvement the Federal Government should have in health care. It appears to me that title I creates the kind of entity that will automatically take a position in favor of socialized medicine, of Government control, and that this will determine the method by which the taxpayers will be forced to fund propaganda and lobbying activities toward that end.

Title I does specifically provide for HEW to formulate health policy recommendations to the Congress and to provide all sorts of coordinating activities to promote such policies among private groups and the public. That to me smacks of lobbying. I do not think we ought to be putting HEW in that business.

Mr. ROGERS. Mr. Chairman, I think the gentleman will see that this is simply to promote information concerning how a person can take care of his own health; it does not make a policymaking effort. It simply provides information, without establishing any policy, to each of us on how we may care for ourselves and follow practices which will produce better health care, and that will prevent the Federal Government from coming in and doing everything for us.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, I would like to emphasize the point the chairman of the subcommittee just made.

The gentleman is quite right in saying that we have in the last 10 or 20 years been concentrating overwhelmingly on tertiary hospital beds and sickness care. What we should concentrate on now is preventive medicine and health care to prevent sickness. That will take the Government out of it to a large extent, and vastly reduce both the Government role—and Government outlays on sickness care.

There is absolutely no question that the main determinate of health in this country is not how many doctors we have, not how many tertiary hospital beds we have, and not how many scanners we have; the main determinant is how well our citizens learn how to organize their own lives. It is how they discipline themselves in terms of the use of alcohol, tobacco, or drugs, and, of course, how they diet and exercise.

Mr. Chairman, I will say to the gentleman from Maryland (Mr. BAUMAN) that what we plan to do is to degovernmentalize the business of health to the extent possible and make it far more an individual responsibility. That is where the real health payoff comes. That is the only route by which we will be able vastly to increase our standards of national health, while at the same time we can strive to get a handle on our escalating costs of sickness care. That is the thrust of this bill, and it is long overdue.

Mr. Chairman, this year Americans will spend over $118 billion on health, more than 8 percent of our gross national product. Our tremendous financial investment in more and better health care has unfortunately not resulted in concomitant gains in the health status of our Nation. Advanced medical technology does little to alleviate our current major health problems: heart disease, cancer, accidents, alcoholism, and emotional illness.

These health problems have a large behavioral component and are primarily a function of life style. H.R. 12678 emphasizes the prevention of disease. It is designed to encourage the application and use of health information by the general public. It sets up demonstration, research, and training programs which will evaluate how best to organize and stimulate continuing national health information programs. H.R. 12678 gives every citizen better access to health information, including information about the quality and cost of health care. Furthermore, the bill provides for the development of methods for the publication of health insurance information which is readable and understandable to the average consumer.

I take special pride in the emphasis this bill puts on the use of paraprofessionals as a keystone in any health prevention program and the increased support H.R. 12678 gives to self-help groups such as Weight Watchers, Smokenders, and Alcoholics Anonymous. I believe these groups have shown us the preventive care can go a long way in alleviating suffering and deliberating illness.

Title II, disease prevention and control, places a greater emphasis on eradicating such communicable diseases as measles and rubella. It also increases funding for venereal disease, which is at epidemic proportions in our society. We now spend $360 million annually to care for persons infected with VD. Over $300 million could be saved through early detection and prevention of venereal disease.

We have added funding for prevention of lead poisoning. An estimated half-million U.S. children living in our urban ghettoes suffer from this preventable disease.

H.R. 12678 is a first step in continuing national effort to support and encourage sickness prevention and health information. I strongly believe that preventive health knowledge and preventive health care are indispensable to insuring mens sana in corpore sano—a sound mind in a healthy body—for every American citizen.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield further?

Mr. ROGERS. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I appreciate the good intentions of the gentleman from New York (Mr. SCHEUER), but all of the history of government flies in the face of his suggestion that government will be able to accomplish the goals he describes.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Chairman, I notice here on page 28 of the bill the definition of "disease prevention and control program," and it defines it as "a program which is designed and conducted so as to contribute to national protection against diseases of national significance which are amenable to reduction, including * * *" and then it mentions a number of specific illnesses, both communicable and noncommunicable.

I would like to ask the chairman of the subcommittee this question: Am I to understand that list is not all-inclusive? Do I understand that other ailments such as blood clotting defects or other conditions of that nature would also be included? I assume from the language that they are.

Mr. ROGERS. Mr. Chairman, I am sure the gentleman is correct, without question, because if he will notice the language, it says, "against diseases of national significance * * * including * * *"—and then several diseases are mentioned. So by that language it is not exclusive.

Mr. O'HARA. Mr. Chairman, I thank the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, I reserve the balance of my time.

Mr. BROYHILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wish to speak for just a few moments about my concern over title I. During consideration of the rule, there were expressed concerns about title II, which does extend certain existing authorities over a number of disease prevention and control programs.

The administration has concerns over the way these programs are contained in title II. Their argument is that we are authorizing narrow categorical health programs, whereas the administration has proposed these programs be consolidated into a comprehensive health bloc grant program. There is substantial opposition to the provisions and the objectives of title I, which is the National Health Information and Health Promotion Act of 1976.

No one can argue against the efforts that should be made by the Federal Government to provide information that could improve the health of the American people. What we are concerned about is how we properly organize and administer such a health information program.

The Department of Health, Education, and Welfare has already taken several initiative in the field of health education, which are contained in title I. Therefore, I maintain that the authorities that are contained in title I tend to duplicate those actions that are already being taken, and to that extent, tend to confuse the efforts that are already under way. For example, HEW has already contracted in the private sector with the National Center for Health Education for the purpose of disseminating information concerning health education and information. In addition, the Department of Health, Education, and Welfare, has established an Intradepartment Panel on Health Education, which is chaired by the Assistant Secretary of Health, for the purpose of coordinating and consolidating the many health education programs in the Department.

Mr. Chairman, I would point out that there are a number of health education projects that are presently underway in the Department. Each health program has a clear mandate for health education for its constituency, the people that that particular program serves. For example, in programs of maternal and child health, or migrant health, community health centers, HMO's and many others, all of them, of course, of necessity, must perform health education in carrying out their mission.

Therefore, Mr. Chairman, I maintain that title I is duplicating efforts that are already underway in HEW. In fact, in the Department, it is estimated that approximately $85 million per year is being expended by the Department for health education. Thus, this authorization level of some $70 million is excessive and is not necessary.

Mr. McCOLLISTER. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Nebraska.

Mr. McCOLLISTER. Mr. Chairman, with reference to title I of the bill, I note in the committee report, on page 4, the following statement:

> The last 15 years have seen an enormous increase in our nation's medical care effort. Annual expenditures have increased from $26 billion in 1960 to approximately $118 billion in 1975.

It goes on to refer to public expenditures, private insurance benefits, and then this statement is made:

> And yet despite this huge increase there is growing evidence that people are not in fact substantially healthier than they were.

Earlier, Mr. Chairman, the gentleman from New York (Mr. SCHEUER) pointed out that what we need to do, all these programs having evidently failed, to produce better health is to have the private citizen organize his own life to be better able to deal with questions of diet, liquor, tobacco, drugs, and so forth.

In the face of this statement in the report that the Government programs that we have had in the past have not substantially increased the life of citizens, now we propose still another Government program to do that disciplining, that organization of the citizen's private life.

Mr. Chairman, I think there is a considerable contradiction in title I, title II, and in the statement made in the committee report.

Mr. ROGERS. Mr. Chairman, will the gentleman yield in order for me to reply?

Mr. BROYHILL. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding.

Of course, I would suggest that the gentleman from Nebraska (Mr. McCollister) begin by reading the paragraph in the report which begins on the bottom of page 4. He will see that Government programs as well as the private health sector stress curative medicine, and virtually ignore preventive medicine.

As it says on top of page 5, we are now trying to do more to bring about proper behavior to prevent disease. The more we can do that, the better off we are. For instance, if we would exercise more and not eat too much, we would be much healthier. There are a lot of good habits that would help. The thrust of this bill is to reduce the incidence of illness.

Mr. BROYHILL. Mr. Chairman, I do not think the gentleman from Florida has addressed himself to the issue that I was talking about and that is how to properly organize such an effort.

My concern is that what the bill is doing is duplicative of the efforts that are already underway in the department to achieve the ends that the gentleman talks about.

As the gentleman knows, no one is arguing over the need to disseminate information that can help improve the health of the American people. We are concerned about the proper administration of such authority.

Mr. ROGERS. Mr. Chairman, if the gentleman will yield further. The Department of Health, Education, and Welfare has initiated a minor program, but what we are doing is authorizing what they claim they have a right to do but which we never specifically authorized the Department to do. This bill is authorizing such programs under guidelines that the Congress wants and with the mandate of the Congress to pull divergent programs together. It is like the HMO program. The Members will recall that HEW initiated that program before the Congress authorized them to do so. We had to pass legislation to pull them in the direction we wanted them to go. That is what this legislation does, it specifies the intention of the Congress with respect to the direction HEW is to take.

We had some things in our testimony earlier in which the Administration claimed they were using $54 million for health education and they were claiming $20 million came from the regional medical program. Well, we have repealed that program, it stops in July. Moreover, these programs are not geared toward the general health needs of the public. They are geared toward specific diseases. This bill is designed to improve the general health of the public.

Mr. KRUEGER. Will the gentleman yield?

Mr. BROYHILL. Mr. Chairman, let me get back to the purpose of the legislation and then I will yield to the gentleman from Texas.

Mr. Chairman, there is very grave concern over other sections of this bill, and I am referring specifically to the new section 1702 of the new authority, which not only authorizes, but mandates that the Secretary comment on and be involved in the legislative affairs here in the Congress.

I now yield to the gentleman from Texas.

Mr. KRUEGER. Mr. Chairman, I thank the gentleman for yielding to me.

I think that this bill is a good example of good intentions that do not necessarily make good legislation.

If we look at page 5, section 1702, the new responsibilities of the Secretary of HEW, the Secretary is instructed that if he determines that legislation being considered by the Congress should include provisions respecting health information, health promotion, preventive health services, or education in the appropriate use of health care, then he should make recommendations for the inclusion of such provisions in such legislation.

If we stop and reflect on this, this means that virtually any bill that might in any way affect the health of the American people, which is considered by any committee in ths Congress should, before it is considered, have comments from the Secretary of HEW.

If we look at item 3 of that same section, it is the Secretary's new responsibility to identify Federal programs and actions that are not in the interest of public health. I can think of a lot of things that in my judgment, and perhaps in the Secretary's judgment, might not be in the interest of public health, but I can think about them and then forget them.

The Secretary of HEW is now to make recommendations to the persons responsible for appropriate legislative administrative enforcement changes.

I have just had a lot of mice in my office in the Cannon Building, and they have distressed me greatly; but I do not think I would have needed the Secretary of HEW necessarily to comment on the wickedness of those mice and their being in my office.

I can think of a lot of things in this Congress that do not require the Secretary of HEW to comment on them, including most of the bills that we consider. I do not think we should expect the Secretary of HEW to comment on any potential health aspects of any legislation we have, and as I read this, that is precisely what we are instructing him to do.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield just briefly to the gentleman from Florida. I do not have much time.

Mr. ROGERS. I thank the gentleman for yielding.

May I say in response to the gentleman that all this provision requires is that the Secretary give the Congress recommendations. Congress does not have to accept the recommendations. I do not know of any committee of Congress who does not want every bit of information it can get. Do we want to say we do not want to know about health implications of legislation?

As far as rats go, there is a program in this bill for rodent control, and if the rats in the gentleman's office were in someone's home biting children, maybe he would support it.

Mr. KRUEGER. If the gentleman will yield further, these are not rats but mice.

But it is one thing to request information of the Secretary on specific legislation; it is another thing to instruct him on some 12,000 bills that we might well consider. To instruct him to comment on any of the public health aspects of them or on any aspects that might in any way affect public health is really an extraordinarily broad mandate, and I think an unnecessary one. I should be happy to have the Secretary have the freedom of choice. We are not leaving him that freedom of choice. We are instructing him to tell us what to do on any item of legislation that might come before us that in his judgment, not in ours, affects public health. I therefore think that that is an excessive bit of responsibility and authority to give to the executive branch. I should rather keep more control in the Congress and I, therefore, would support the amendment which would delete this section.

Mr. BROYHILL. Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. Preyer), a Member of the subcommittee who made a significant contribution to this legislation.

Mr. PREYER. Mr. Chairman, one of the sobering things we are learning about our system of health care is that we cannot spend our way to better health. And we are realizing that our health is determined not so much by our medical system as by our social system—by our biological, political, and physical world and the way we choose or are forced to live.

Over the last 10 years, health-related costs have rose a staggering 50 percent faster than other goods and services. Yet our health levels are below those of many nations. Most of us assume that expensive medical care translates automatically into good health. This is not so. In fact, it was not until well into the 20th century that the average patient could count on better than a 50–50 chance of being helped by the average physician. Even today, once basic needs have been met, additional income does not affect life expectancy.

As the medical economist, Victor Fuchs, puts it, health, not medical care determines "who shall live," and health is dependent on individual genetics, education, life-style and socio-economic environment.

For example, as the Carnegie Endowment points out, violence—accidents, suicides, and homicides—account for three out of four deaths among males aged 15 to 24, making the American death rate for this age group 62-percent higher than the Swedish rate. For males 35 to 44 heart disease—which is related to diet, smoking, exercise, and stress—is three times as likely to occur in the United States as in Sweden.

Even greatly increased spending on medical care would not make a noticeable difference in our mortality rate. Reducing the speed limit to 55 miles per hour has been a more important factor in reducing mortality in recent years than increased medical spending, at least statistically.

In short, medicine is being asked too often to cure us of what we do to ourselves. The remedy is for the medical world to induce us to start taking care of ourselves. This is what the new initiative embodied in title I attempts to do.

We do not know exactly how to educate and motivate people to take care of themselves so that they will not burden the medical system. Title I explores ways to do this through research and demonstration programs. A successful outcome will result in major cuts in the cost of health care and major improvements in the health of our people.

Mr. ROGERS. Mr. Chairman, I reserve the balance of my time.

Mr. BROYHILL. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, I support the National Health Education Promotion and Disease Prevention Act of 1976.

I believe it represents a comprehensive proposal to improve the Nation's health. In addition to authorizing the extension of several existing programs—venereal disease—immunization—and so on—this legislation proposes an important initiative in the area of health information and promotion.

Although there is strong support for this legislation among subcommittee and full committee members—I am aware that there is concern about title I—health education—on the minority side.

I certainly regret this difference of opinion and I respect my distinguished colleagues' point of view.

I realize that the administration does not favor title I because they feel that the objectives of the bill are already being addressed under existing authority.

However—based on testimony at the hearings—and my own knowledge of existing health education initiatives—I must disagree.

Witness after witness testified in favor of increased support for health education.

Many witnesses lamented the lack of visibility and limited resources of the present Bureau of Health Education which is located in the Center for Disease Control in Georgia.

They recommended that the focus for these activities be relocated within the Department where it will be given the necessary authority to carry out its responsibilities.

Put simply—according to one statement in the hearing—"though the mandate is clear—no coordinated public health education program has come forth."

Mr. Chairman, I am convinced that there is currently a lack of focus and initiative at the Federal level in the area of health information and health promotion activities.

An identifiable, responsible focus is sorely needed if we are to implement—effectively—a comprehensive program in the area of health education.

It is for that reason I support this legislation.

As the Congress is aware, HEW has included "prevention" as one of its major themes for the next 5 years.

If we are truly to carry out this plan—as I believe we should—there must be appropriate resources available.

Title I of the bill authorizes $70 million for 3 years.

Of this amount $60 million is authorized for the Federal Government's activities—and $10 million is authorized for the nonprofit center for health promotion.

I would like to point out that the subcommittee gave this legislation lengthy review and careful scrutiny. It is worth noting that these authorizations have been substantially reduced from the original proposal of $150 million for 3 years.

I believe the current amount authorized is necessary to carry out these important health education initiatives.

Increased support for health education activities is even more imperative—in light of the President's proposal to carry out a comprehensive nationwide influenza campaign.

Without doubt—the success of this program will depend on a range of health education activities—at the Federal, State, and local levels.

It will be essential that widespread dissemination of the potential danger, as well as the appropriate preventive action, occurs throughout the country.

This undertaking should prove to be a prime example of the crucial role health education can play in protecting the health and well-being of the Nation's citizens.

In addition, I believe we should take advantage of the expertise of the private sector in the area of health education. This bill does just that.

It authorizes the Secretary to provide start-up funding for a private, nonprofit, nonpartisan center for health promotion, in the private sector.

Thus, by combining public and private sectors in a dual approach, I believe this legislation establishes the mechanisms for a needed, comprehensive, and complementary initiative in the area of health education.

Mr. Chairman, every day we continue to hear about the important role individuals can play in improving their health.

Based on knowledge about proper diet, regular exercise, and other health-promoting life styles, we know that life expectancy can be extended, and that the quality of human life can also be improved.

Although great progress has been made in the field of medicine through advances in technology, there is a growing recognition of the limitations of medical care to significantly influence the major causes of illness, disability, and death.

I submit that it is time to give appropriate recognition to the important role that preventive medicine and health education can play in improving the health of our citizens.

In the long run, we may well find that the preventive approach can actually reduce the cost of health services through early treatment of expensive diseases.

I am confident that this legislation provides the authority to begin to address these problems whose solutions are so important to the health and well-being of our citizens.

Mr. BROYHILL. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, I would like to address a question to the gentleman from Florida (Mr. ROGERS) regarding the language on pages 4 and 5 of the bill. At the bottom of the page it says:

> Contracts may be entered into under this title without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

What existing provisions of law is this waiving and what is the reason for that?

Mr. ROGERS. Mr. Chairman, this is a waiver of one of several provisions of existing law preventing obligation of funds prior to appropriations.

Mr. BAUMAN. This would allow funds to be expended prior to the appropriations having been passed?

Mr. ROGERS. No. There is reference to the provision of law that does permit that, but it simply allows the contracts to be discussed and talked about, but no payment of money until the appropriation.

Mr. BAUMAN. But it allows the Secretary to enter into contracts prior to any money being appropriated to carry them out?

Mr. ROGERS. No, because section 665 (A), United States Code, title 31, would prevent that.

Mr. BAUMAN. Well, I do not have the Code before me.

Mr. ROGERS. Also, if the gentleman will permit, on page 4, lines 13 through 18, there are specific authorizations so that they could not proceed until funds are appropriated under the authorization.

Mr. BAUMAN. I thank the gentleman for that answer, which was not terribly clear; but I am going to read the Code before we get to that point. It just underscores the apprehension which confronts this one Member.

Title I has some very unusual provisions, including creating nonprofit private corporations the officers of which will be paid at rates set by the Board of Directors and compensated by the Federal Government. I know of no comparable corporations, unless they would be Telstar or Amtrak. I question whether health education and promotion is of the same importance as major corporations of that nature.

I also notice that the bill contains a provision that prevents the Office of Management and Budget in any way interfering with a report on health care that is to be filed in 2 years by the Secretary of HEW, which again seems to be a departure from past traditions.

The entire import of title I, as I see it, is a very long step toward Government promotion of socialized medicine. I hope, therefore, that the efforts of those who want to strike title I are fruitful.

Ms. ABZUG. Mr. Chairman, I rise in support of H.R. 12678, the National Health Promotion and Disease Prevention Act of 1976. I think it fills a large gap in our health programs by providing for community programs and research to make health information available to professionals charged with decisionmaking and to consumers who are usually unable to participate in these vital decisions because of the lack of information. This bill will provide funds for such demonstration programs and materials so that effective methods of informing the public on health matters can be developed. Preventive health services and education are essential to the improvement of the health of the American people. Although expenditures for health care have increased drastically, many people continue to suffer from diseases which could have been treated or prevented if detected at an earlier stage. Further, many people do not use available health services because they are unaware of the range of possibilities, or they seek the wrong care in the wrong setting, because the lack the requisite knowledge of where appropriate services can be obtained.

I commend Chairman ROGERS and his Subcommittee on Health and the Environment for addressing this important issue. Too frequently consumers choose institutions and other forms of costly care because they are not aware of the alternatives. This bill would permit collection and publication of such information relating to the cost of and quality of health care and information relating to health insurance policies. I plan to introduce an amendment which will also provide information and programs which will assist our 21.8 million senior citizens with decisons regarding placement in long term care facilities.

Title II of this bill provides much needed funds for disease prevention and control programs. The Federal effort in this area has not only been inadequate, but has declined in recent years. I am particularly concerned that childhood lead-based poisoning has not been eliminated. HEW estimates that 6 million children face this risk. Of these, some 600,000 will have high blood levels of lead and 6,000 will suffer unnecessary mental retardation. Another 200 will die annually from lead poisoning. The President's proposed budget of $3.5 million is clearly inadequate. The committee's action in setting higher authorization levels in this legislation is essential if we are to treat this devastating disease effectively.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 12678, the National Health Education and Disease Prevention Act of 1976. As a cosponsor of H.R. 5839, the National Health Education and Promotion Act of 1975, one of the original bills from which title I of H.R. 12678 was formulated, I support, in particular, title I of this vitally needed, landmark piece of health legislation.

Title I provides legislative authority and authorizations of appropriations for research and community and information programs in health information and promotion, preventive health services, and education in the appropriate use of health care during fiscal years 1977–79 with a total authorization of $70 million.

Title I specifically provides review authority by the Secretary of Health, Education, and Welfare of proposed and existing Federal programs and activities to ascertain and make recommendations with respect to their effect on public health, health information, and health promotion. Title I also provides for the development of a research plan, and support of research and statistical activities on health information and promotion, preventive health services, and education in the appropriate use of health care.

Grant support is provided by title I for community demonstration and training programs in health information and promotion. The development of models for publication of medical care and health insurance information and the support of programs to make health information more readily available to the public is also authorized.

Mr. Chairman, the need for implementing this type of health legislation is evidenced by a dramatic rise in the incidence of many types of chronic diseases such as heart disease, cancer, and stroke in the last 20 years. Until recently, the treatment of these types of conditions was predominantly curative and clinical in nature which resulted in the development of costly medical procedures and facilities to treat these conditions. However, it has been increasingly recognized that the fiscal and physical limitations of our medical care system to properly treat these conditions are rapidly being approached. Furthermore, many of these chronic conditions have been recognized as being preventable if they had been recognized in their early stages of development.

Statistics recently compiled by Dr. Lester Breslow, former director, California Department of Health, now dean, School of Public Health, University of California at Los Angeles, have highlighted the critical importance of basic health habits to the life expectancy of individuals. However, it is recognized that many Americans are not now effectively and efficiently utilizing the existing capability of the health and medical care systems in this country to obtain maximum health benefits. Title I of H.R. 12678 would provide new, factual information with respect to the improvement of the health of individuals and would also provide the necessary information needed to make effective use of the existing capabilities of the health and medical care systems of this country to improve and maintain a high standard of individual health.

Mr. Chairman, health promotion is concerned with every facet of consumer behavior, attitudes, and beliefs which contribute to the maintenance or destruction of individual health, and the individual and societal benefits of good individual health are irrefutable. However, serious problems exist in the formulation and dissemination of health information and in the promotion of good general health in individuals. I believe that title I of H.R. 12678 would establish a mechanism to correct these problems. Other provisions in the bill together with title I make H.R. 12678 worthy of our support, and I urge its passage.

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 12678, a bill reported by the Interstate and Foreign Commerce Committee to authorize Federal support for health information and health promotion programs.

Title I of the pending legislation provides for research and community information programs in health promotion and preventive health services. The sum of $70 million is authorized for fiscal year 1977 to 1979 for various programs under this title.

Title II calls for an expenditure of up to $244.8 million over the next 3 fiscal years for the prevention and control of communicable diseases and such noncommunicable diseases as high blood pressure and diabetes.

The title specifically authorizes a 3-year national campaign to eradicate measles and continues the present programs aimed at combating rodent-borne diseases, venereal diseases, and lead paint poisoning.

Mr. Chairman, this legislation is vitally important to the health and well-being of our Nation and I urge its overwhelming approval by the House.

Mr. BROYHILL. Mr. Chairman, I have no further requests for time.

Mr. ROGERS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the bill by titles.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Health Promotion and Disease Prevention Act of 1976".

TITLE I—HEALTH INFORMATION AND HEALTH PROMOTION

SHORT TITLE

SEC. 101. This title may be cited as the "National Health Information and Health Promotion Act of 1976".

AMENDMENT TO PUBLIC HEALTH SERVICE ACT

SEC. 102. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XVII—HEALTH INFORMATION AND HEALTH PROMOTION

"PART A—PROGRAM AUTHORITY AND DUTIES

"GENERAL AUTHORITY

"SEC. 1701. (a) The Secretary shall—

"(1) formulate national goals, and a strategy to achieve such goals, with respect to health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(2) analyze the necessary and available resources for implementing the goals and strategy formulated pursuant to paragraph (1), and recommend appropriate educational and quality assurance policies for the needed manpower resources identified by such analysis;

"(3) undertake and support necessary activities and programs to—

"(A) incorporate appropriate health education components into our society, especially into all aspects of education and health care,

"(B) increase the application and use of health knowledge, skills, and practices by the general population in its patterns of daily living, and

"(C) establish systematic processes for the exploration, development, demonstration, and evaluation of innovative health promotion concepts;

"(4) undertake and support research and demonstrations respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(5) undertake and support appropriate training in, and undertake and support appropriate training in the operation of programs concerned with, health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(6) undertake and support, through improved planning and implementation of tested models and evaluation of results, effective and efficient programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(7) foster the exchange of information respecting, and foster cooperation in the conduct of, research, demonstration, and training programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care; and

"(8) provide technical assistance in the programs referred to in paragraph (7).

The Secretary shall administer this title in a manner consistent with the national health priorities set forth in section 1502 and with health planning and resource development activities undertaken under titles XV and XVI.

"(b) For payments under grants and contracts under this title there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1977, $23,000,000 for the fiscal year ending September 30, 1978, and $25,000,000 for the fiscal year ending September 30, 1979.

"(c) No grant may be made or contract entered into under this title unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may prescribe. Contracts may be entered into under this title without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"FEDERAL PROGRAMS

"SEC. 1702. The Secretary shall—

"(1) if he determines that legislation being considered by the Congress should include provisions respecting health information, health promotion, preventive health services, or education in the appropriate use of health care, make recommendations to the Congress for the inclusion of such provisions in such legislation;

"(2) identify Federal legislative proposals which are not in the interest of the public health, make recommendations for appropriate changes in such proposals which would, if enacted, make the proposals consistent with the public health, and make public and transmit to appropriate committees of Congress such recommendations; and

"(3) identify Federal programs and actions which are not in the interest of the public health, make recommendations to the persons responsible for such programs and actions for appropriate legislative, administrative, and enforcement changes in them which would, if implemented, make them consistent with the public health, and make public and transmit to appropriate committees of Congress such recommendations.

"RESEARCH PROGRAMS

"SEC. 1703. (a) The Secretary shall conduct (in accordance with the plan developed under paragraph (1)) and support by grant or contract (and encourage others to support) research in health information and health promotion, preventive health services, and education in the appropriate use of health care if the research is to be conducted in accordance with such plan. The Secretary shall also—

"(1) develop and publish a plan, consistent with the goals and strategy formulated under section 1701(a)(1), for such research and in connection with the development of such plan—

"(A) determine the scope and nature of such research which is currently being conducted.

"(B) determine the scope and nature of such research that could and should be conducted, and

"(C) establish priorities for such research;

"(2) provide consultation and technical assistance to persons who need help in preparing research proposals or in actually conducting research;

"(3) determine the best methods of disseminating information concerning personal health behavior, preventive health services and the appropriate use of health care and of affecting behavior so that such information is applied to maintain and improve health, and prevent disease, reduce its risk, or modify its course or severity;

"(4) determine and study environmental, occupational, social, and behavioral factors which affect and determine health and ascertain those programs and areas for which educational and preventive measures could be implemented to improve health as it is affected by such factors;

"(5) within the two-year period beginning on the date of the enactment of this title, develop (A) methods by which the cost and effectiveness of activities respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, can be measured, including methods for evaluating the effectiveness of various settings for such activities and the various types of persons engaged in such activities, (B) methods for reimbursement or payment for such activities, and (C) models and standards for the conduct of such activities, including models and standards for the education, by providers of institutional health services, or individuals receiving such services respecting the nature of the institutional health services provided the individuals and the symptoms, signs, or diagnoses which led to provision of such services;

"(6) within the two-year period beginning on the date of the enactment of this title, develop a method for assessing the cost and effectiveness of specific medical services and procedures under various conditions of use, including the assessment of the sensitivity and specificity of screening and diagnostic procedures; and

"(7) enumerate and assess, using methods developed under paragraph (6), preventive health measures and services with respect to their cost and effectiveness under various conditions of use.

Each application submitted for a grant or contract under this subsection shall be submitted by the Secretary for review for scientific merit to a panel of experts appointed by him from persons who are not officers or employees of the United States and who possess qualifications relevant to the project for which the application was made. A panel to which an application is submitted shall report its findings and recommendations respecting the application to the Secretary in such form and manner as the Secretary shall by regulation prescribe.

"(b) The Secretary, acting through the National Center for Health Statistics (established under section 306), shall make a continuing survey of the needs, interest, attitudes, knowledge, and behavior of the American public regarding health and health care. The Secretary shall use the findings of such surveys and the findings of similar surveys conducted by national and community health education organizations, and other organizations and agencies as a basis for formulating policy respecting health information and health promotion, preventive health services, and education in the appropriate use of health care.

"COMMUNITY PROGRAMS

"SEC. 1704. (a) The Secretary shall conduct and support by grant or contract (and encourage others to support) new and innovative programs in health information and health promotion, preventive health services, and education in the appropriate use of health care, and shall specifically—

"(1) support demonstration and training programs in such matters which programs (A) are in hospitals, ambulatory care settings, home care settings, schools, day care programs for children, and other appropriate settings representative of broad cross sections of the population, and include public education activities of voluntary health agencies, professional medical societies, and other private nonprofit health organizations, (B) focus on objectives that are measurable, and (C) emphasize the prevention or moderation of illness or accidents that appear controllable through individual knowledge and behavior;

"(2) provide consultation and technical assistance to organizations that request help in planning, operating, or evaluating programs in such matters;

"(3) develop health information and health promotion materials and teaching programs including (A) model curriculums for the training of health professionals and paraprofessionals in health education by medical, dental, and nursing schools, schools of public health, and other institutions engaged in training health professionals, (B) model curriculums to be used in elementary and secondary schools and institutions of higher learning, (C) materials and programs for the continuing education of health professionals and paraprofessionals in the health education of their patients, (D) materials for public service use by the printed and broadcast media, and (E) materials and programs to assist providers of health care in providing health education to their patients; and

"(4) support demonstration and evaluation programs for individual and group self-help programs designed to assist the participant in using his individual capacities to deal with health problems, including programs concerned with obesity, hypertension, and diabetes.

"(b) The Secretary may make grants to States and other public and nonprofit private entities to assist them in meeting the costs of demonstrating and evaluating programs which provide information respecting the costs and quality of health care or information respecting health insurance policies and prepaid health plans, or information respecting both. After the development of models pursuant to sections 1705(4) and 1705(5) for such information, no grant may be made under this subsection for a program unless the information to be provided under the program is provided in accordance with one of such models applicable to the information.

"INFORMATION PROGRAMS

"Sec. 1705. The Secretary shall conduct and support by grant or contract (and encourage others to support) such activities as may be required to make information respecting health information and health promotion, preventive health services, and education in the appropriate use of health care available to the consumers of medical care, providers of such care, schools, and others who are or should be informed respecting such matters. Such activities shall include at least the following:

"(1) The publication of information, pamphlets, and other reports which are specially suited to interest and instruct the health consumer, which information, pamphlets, and other reports shall be updated annually, shall pertain to the individual's ability to improve and safeguard his own health; shall include material, accompanied by suitable illustrations, on child care, family life and human development, disease prevention (particularly prevention of pulmonary disease, cardiovascular disease, and cancer), physical fitness, dental health, environmental health, nutrition, safety and accident prevention, drug abuse and alcoholism, mental health, management of chronic diseases (including diabetes and arthritis), and venereal diseases; and shall be designed to reach populations of different languages and of different social and economic backgrounds.

"(2) Securing the cooperation of the communications media, providers of health care, schools, and others in activities designed to promote and encourage the use of health maintaining information and behavior.

"(3) A continuing review of health information and health promotion in advertising to evaluate its content and impact. If the health information or health promotion aspect of any advertising is determined by the Secretary to be false or misleading—

"(A) the Secretary shall notify the Federal Trade Commission of the determination,

"(B) the Secretary shall make the determination available to the general public, and

"(C) the Secretary shall give the communications media which presented such advertising information, for transmittal to the public, served by such media, which is responsive to the false or misleading part of such advertising.

"(4) Within the two-year period beginning on the date of the enactment of this title, the development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others (except individual health practitioners) of information for use by the public respecting the cost and quality of health care, including information to enable the public to make comparisons of the cost and quality of health care.

"(5) Within the two-year period beginning on the date of the enactment of this title, the development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others of information for use by the public respecting health insurance policies and prepaid health plans, including information on the benefits provided by the various types of such policies and plans, the premium charges for such policies and plans, exclusions from coverage or eligibility for coverage, cost sharing requirements, and the ratio of the amounts paid as benefits to the amounts received as premiums and information to enable the public to make relevant comparisons of the costs and benefits of such policies and plans.

"(6) Assess, with respect to the effectiveness, safety, cost, and required training for and conditions of use, of new aspects of health care, and new activities, programs, and services designed to improve human health and publish in readily understandable language for public and professional use such assessments and, in the case of controversial aspects of health care, activities, programs, or services, publish differing views or opinions respecting the effectiveness, safety, cost, and required training for and conditions of use, of such aspects of health care, activities, programs, or services.

"REPORT AND STUDY

"Sec. 1706. (a) The Secretary shall, not later than two years after the date of the enactment of this title and annually thereafter, submit a report to the Congress on the status of health information and health promotion, preventive health services, and education in the appropriate use of health care. Each such report shall include—

"(1) a statement of the activities carried out under this title since the last report and the extent to which each such activity achieves the purposes of this title;

"(2) an assessment of the manpower resources needed to carry out programs relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, and a statement describing the activities currently being carried out under this title designed to prepare teachers and other manpower for such programs;

"(3) the goals and strategy formulated pursuant to section 1701(a)(1), the research plan developed pursuant to section 1703(a), the models and standards required to be developed under this title, and the results of the study required by subsection (c) of this section; and

"(4) such recommendations as the Secretary considers appropriate for legislation respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, including recommendations for revisions to and extension of this title.

"(b) The Office of Management and Budget may review the Secretary's report under subsection (a) before its submission to the Congress, but the Office may not revise, or require revision of, the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

"(c) The Secretary shall conduct a study of health education services and preventive health services to determine the coverage of such services under public and private health insurance programs, including the extent and nature of such coverage and the cost sharing requirements required by such programs for coverage of such services.

"INTERDEPARTMENTAL COMMITTEE

"Sec. 1707. There is established a committee to provide for the communication and exchange of information necessary to promote and maintain the coordination and effectiveness of Federal programs and activities which relate to health information and health promotion, preventive health services, and education in the appropriate use of health care. The Secretary (or his designee) shall be the chairman of the committee and the President shall appoint as members of the committee representatives of Federal departments and agencies engaged in such activities and programs, including representatives of the Consumer Product Safety Commission, the Department of Agriculture, the Environmental Protection Agency, the Veterans' Administration, the Federal Trade Commission, the Federal Communications Commission, the Office of Management and Budget, and the Department of Defense.

"OFFICE OF HEALTH INFORMATION AND HEALTH PROMOTION

"Sec. 1708. The Secretary shall establish within the Department of Health, Education, and Welfare an Office of Health Information and Health Promotion which shall (1) under direction of the Secretary, administer this title, and in the administration of this title establish a national information clearinghouse to facilitate the exchange of information concerning matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, to facilitate access to such information, and to assist in the analysis of issues and problems relating to such matters, (2) be responsible for the coordination of all activities within the Department which relate to health information and health promotion, preventive health services, and education in the appropriate use of health care, and (3) coordinate its activities with the Center for Health Promotion established under part B.

"PART B—CENTER FOR HEALTH PROMOTION

"ESTABLISHMENT OF CENTER

"Sec. 1721. There is authorized to be established a nonprofit corporation to be known as the 'Center for Health Promotion' (hereafter in this part referred to as the 'Center') which will not be an agency or establishment of the United States Government. The Center shall be subject to the provisions of this part and, to the extent consistent with this part, to the District of Columbia Nonprofit Corporation Act.

"BOARD OF DIRECTORS

"Sec. 1722. (a) The Center shall have a Board of Directors (hereafter in this part referred to as the 'Board'), consisting of fifteen members appointed by the Secretary.

"(b) The members of the Board (1) shall (A) be selected from among citizens of the United States who are not regular full-time employees of the United States and who are eminent in such fields as, and who represent, health education, health care services delivery, nutrition, general education, consumer representation and advocacy, communications, labor and business, planning and organizational management, and public and private finance, and (B) shall include one ex officio member from the Office of Health Information and Health Promotion, and (2) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country and of various kinds of skills and experiences appropriate to the functions and responsibilities of the Center.

"(c) The members of the initial Board shall serve as incorporators and shall take whatever actions are necessary to establish the Center under the District of Columbia Nonprofit Corporation Act.

"(d) The term of office of each member of the Board shall be four years; except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; (2) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of one year, five at the end of two years, and five at the end of four years; and (3) a member whose term has expired may serve until his successor has qualified. No member shall be eligible to serve in excess of two consecutive terms of four years each.

"(e) Any vacancy in the Board shall not affect its power and shall be filled in the manner in which the original appointments were made.

"(f) The Secretary shall designate one of the members first appointed to the Board as Chairperson; thereafter the members of the Board shall annually elect one of their number as Chairperson. The members of the Board shall also elect one or more of them as a Vice Chairperson or Vice Chairpersons.

"(g) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board, be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day, including traveltime, during which they are engaged in the actual performance of duties vested in the Board; and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

"OFFICERS AND EMPLOYEES

"Sec. 1723. (a) The Center shall have a president, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. All officers shall serve at the pleasure of the Board.

"(b) No political test or qualifications shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Center.

"NONPROFIT AND NONPOLITICAL NATURE OF THE CENTER

"Sec. 1724. (a) The Center shall have no power to issue any shares of stock or to declare or pay any dividends.

"(b) No part of the income or assets of the Center shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

"(c) The Center may not contribute to or otherwise support any political party or candidate for elective public office.

"FUNCTIONS

"Sec. 1725. (a) The Center shall be responsible for advancing and promoting the development throughout the country of programs of health information and health promotion, preventive health services, and education in the appropriate use of health care, and in carrying out this responsibility the Center shall carry out the following functions:

"(1) The Center shall establish connections with, and serve as a forum for the involvement of, entities involved in health care and education, labor and business entities, social and civic entities, consumer organizations, and communication entities.

"(2) The Center shall coordinate, stimulate, and support projects involving other entities to increase the appropriateness, acceptability, and effectiveness of health information and health promotion, preventive health services, and education in the appropriate use of health care on a nationwide basis.

"(3) The Center shall develop, implement, and assess communications programs using a full range of media available to reach diversified groups in health information and health promotion, preventive health services, and education and in the appropriate use of health care.

"(4) The Center shall assist in accelerating the incorporation of proven methods of health information and health promotion, preventive health services, and education in the appropriate use of health care into practice by establishing a system of technical assistance, training, and consultation.

"(5) The Center shall coordinate, stimulate, and support the development and use of research and evaluation methods for programs of health information and health promotion, preventive health services, and education in the appropriate use of health care.

"REPORT TO CONGRESS

"Sec. 1726. The Center shall, through the Secretary, submit an annual report to the Congress. The report shall include a comprehensive and detailed report of the Center's operations, activities, financial condition, and accomplishments under this part and may include such recommendations as the Center deems appropriate.

"FINANCING

"Sec. 1727. (a) Subject to subsection (b), there are authorized to be appropriated for the expenses of the Center, $2,000,000 for the fiscal year ending September 30, 1977, $3,000,000 for the fiscal year ending September 30, 1978, and $5,000,000 for the fiscal year ending September 30, 1979. Amounts appropriated under this subsection shall remain available until expended.

"(b) The amount appropriated for the fiscal year ending September 30, 1978, and the succeeding fiscal year for the expenses of the Center may not exceed 25 per centum of the expenses of the Center for the fiscal year for which the amount is appropriated.

"RECORDS AND AUDITS

"Sec. 1728. (a) The accounts of the Center shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Center normally are kept.

"(b) The report of each such independent audit shall be included in the annual report required by section 1726. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Center's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Center's income and expenses during the year and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

"(c) The Comptroller General of the United States or any duly authorized representative of the Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Center which in the opinion of the Comptroller General relate to sums appropriated to the Center under section 1727.".

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. BROYHILL

Mr. BROYHILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Broyhill: Page 2, strike out line 1 and all that follows down through and including line 16 on page 24.

Redesignate the succeeding titles and sections accordingly.

Mr. BROYHILL. Mr. Chairman, my amendment would strike title I. It does not affect title II of the bill. The only purpose of this amendment is to strike the language which is in title I, the National Health Information and Health Promotion Act.

Mr. Chairman, I offer this amendment for two or three reasons. One, of course, is that one of the new initiatives that is being taken in this title, the setting up of a National Center for Health Education, is already being undertaken in the private sector.

A national center which has been set up by private interests is presently funded is already in existence with the purpose of serving to coordinate the private initiatives while also providing a liaison with governmental activity.

Second, there is already action being taken by the Departmentof Health, Education, and Welfare to do the very same things that are provided for in this bill.

For example, HEW has already created and established an intradepartmental panel on health education, which is chaired by the Assistant Secretary for Health, in order to coordinate and consolidate all of the various health education programs which are found in the department.

Next of course, is that within the Department there are a number of health education projects which are already underway.

For example, the Bureau of Health Education, which is found in the Center for Disease Control, has some 30 active projects to stimulate new approaches and methods in health education.

So I maintain that if this title is enacted, it will be a duplication of effort that is already underway in this area of health education and health information.

I maintain that there will not only be duplication, but we will be spending an additional $70 million which is not in the budget and is over and above some $80 million that the Department claims that it is spending in this area.

Mr. Chairman, I am not arguing that there is no need for programs of health education and information for the public. I am arguing that this is not the way to set up a new administration, that it will tend to confuse, that it will tend to duplicate, that we will not only be continuing those efforts that are already underway, but this will be grafting a new bureau or new agency on top of what we are already doing, it will tend to be confusing, result in duplication, and we will not get the job done properly.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Chairman, do I understand the gentleman Mr. Broyhill correctly—I know he is a member of this committee and has looked into this extensively—that HEW has already undertaken many of these functions?

Mr. BROYHILL. That is right.

Mr. ROUSSELOT. This is just duplication, money out of the window, totally unnecessary; is that correct?

Mr. BROYHILL. That is the argument that I am making, that the Department has efforts like this underway, and all we are doing is grafting a new office on top of what we are doing at the present time.

Mr. Chairman, I do not think that this new office melds in all of the activities that are already underway.

Mr. ROUSSELOT. If the gentleman

will yield further, why in heaven's name would we want to create a duplicate Bureau? What is the purpose of duplicating something that already exists?

Mr. BROYHILL. The gentleman will have to address his question to the gentleman from Florida.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield for a question?

Mr. BROYHILL. I yield to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. I thank the gentleman for yielding.

May I address the Chairman for just a moment?

I am reading from page 5 of the report:

> . . . studies by Breslow and Belloc have shown that life expectancy and health are significantly related to such basic health habits as:
>
> (1) Eating three meals a day at regular times including breakfast and without snacking;
>
> (2) Getting moderate exercise at least three times a week;
>
> (3) Having regular adequate sleep (seven or eight hours) each night;
>
> (4) Not smoking;
>
> (5) Maintaining one's weight at normal levels; and
>
> (6) Drinking alcohol only in moderation, if at all.
>
> A 45 year old man who practices fewer than half of these habits has a remaining life expectancy of 21.6 years . . .

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has expired.

Mr. ROGERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from California.

Mr. DEL CLAWSON. Mr. Chairman, I thank the gentleman for yielding.

I just wish to continue with this quotation from the report:

> A 45-year-old man who practices fewer than half of these habits has a remaining life expectancy of 21.6 years while one with all or nearly all of these habits has a life expectancy of 33.1 years. In other words, eleven years can be added to life expectancy by change in life style.

Mr. Chairman, all of us in Congress know this. All this information has been available to us; it has been disseminated. But how many of us practice all of these things, even after we know about them?

That is the point I wanted to make, and this is the question I want to ask the gentleman: Even after we give the public this information, how many will practice it?

Mr. ROGERS. Of course, Mr. Chairman, this is one of the things we are trying to find out from the research and demonstration programs, how to deliver this information effectively. We want to find out how best to get the public to recognize basic health practices and give them information so they perhaps could begin to do something about it.

For instance, what health education is given to you by your doctor when you go in to see him? What does he really stress? What about the clinics and the hospitals you go to? What information do our young people in the country have?

Everyone says, even including the gentleman from North Carolina (Mr. BROYHILL), who wants to strike this language, "Oh, that is great. We are doing it, or if we are not, we ought to be doing it."

But apparently some of us do not want the Congress to make policy and set the limits and the parameters. They do not want to set a limitation; they would just let the bureacracy do anything it wants. That was the problem we got into with HMO's, as the gentleman will recall.

Mr. DEL CLAWSON. Mr. Chairman, if the gentleman will yield further, the problem is that we are already getting the information. We have the information here, but we still do not follow right practices even after we know what is right.

How are we going to motivate people when we do not even do these things ourselves?

Mr. ROGERS. That is one of the problems. The gentleman has put his hand exactly on it. One of the problems is how in an ethical and appropriate way we are going to motivate people to do the things that are good for them, the things that will contribute to good health and reduce their doctor bills, and prevent illnesses, rather than just letting them go on their merry way so that they will end up being put into hospitals, with all the rising costs. That is the point of this.

Mr. DEL CLAWSON. But having this information does not accomplish that purpose.

Mr. ROGERS. That is right, but there are also education and research and demonstration programs to make more information available, and these are things we want to find out about.

Mr. DEL CLAWSON. We as Members of Congress already know this, and I suggest over half the Members of this House do not follow the points enumerated, including the Member who is speaking.

Mr. ROGERS. I am sure I agree, and I share that same problem. It is a significant problem.

However, I think that we can do some work in this field, and we can at least have a better impact than we have had. That is the point.

HEW says that they are beginning to do some of this, but they do not want to have legislative intent of Congress to direct the program.

Furthermore, they make claims here which are not so as to the significant amount of work they are doing.

For instance, they say this is being done in the regional medical program. This Congress has abolished the regional medical program, and that program goes out of business in July. They claim $20 million is spent by it.

The committee has looked into this, and what we are trying to say is, "let us do it in the proper way." Let us see that the Congress authorizes it, and not simply let the bureaucracy do what it wants to do.

I am surprised to hear the argument that some Members do not want to let the Congress state what the intent should be but that we should let the bureaucracy do what it wants to do and the heck with putting any limitations or directions into the law. I am amazed to hear that. I really do not think the people want that.

The gentleman from Kentucky, Dr. CARTER, who is a physician, supports this concept. Mainly this idea was advanced by the gentleman from Kentucky, Dr. CARTER, who is the distinguished ranking member on that side of the committee. And it makes sense, because the gentleman from Kentucky knows about this and he has dealt in this field.

I may say that this nonprofit, nonpartisan group wants to try to involve the private sector and not have it all done by Government. So I am surprised to hear some of the arguments, because apparently they do not want to involve the private sector and they do not want to let the Congress put a limitation on it; they just want to let the bureaucracy go wild.

I do not think that this Congress wants that. I think they want us to make an intelligent judgment which would lead us to proceed to improve the health of the American people.

Mr. ROUSSELOT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 100 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2 of rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. CARTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, just a few minutes ago I heard one of the distinguished gentleman say there was nothing in the budget for this bill. I would like to remind that gentleman, Mr. Chairman, that $12 million is included in the committee budget for health education and that he was in error when that statement was made.

Furthermore, at the end of the second section authorization is given to the Comptroller General to examine this agency at any time. On page 24, paragraph (c) the bill says that the Comptroller General or any duly authorized representative of the Comptroller General shall have access for the purpose of audit and examination.

I trust that answers the second misapprehension which we have heard.

The subcommittee spent many sessions reworking and redrafting this legislation. No opposition was voiced during the subcommittee hearings. The bill reflects the consensus of the subcommittee members who participated in the sessions.

The Senate bill authorizes a more extensive education title. The House bill provides for a more limited demonstration approach. Thus it is important for the House to have a bargaining position in the conference rather than no proposal at all.

This is not a new bureaucracy. First, the department of HEW already has a program of health education in the Center for Disease Control. They certainly recognize the value of health education. This title merely gives more emphasis to this program and provides for more coordination of their activities.

Title one states that the Secretary shall establish an Office of Health Education and Promotion within HEW. Thus it could even be established in the National Center for Disease Control, if the Secretary chooses to do so.

Mr. Chairman, I certainly oppose the amendment offered by the distinguished gentleman from North Carolina.

Furthermore, I would like to read from the hearings from the testimony of the distinguished gentleman from Maine, Mr. Bill Cohen, who said:

> First, I would urge that we relocate the present Federal Bureau of Health Education within the Office of the Secretary of Health, Education, and Welfare. Its subordinate location in the Center for Disease Control in Atlanta, Georgia, and the lack of visibility and resources contradicts its broad mandate.

Also in the hearings on page 254 I read the statement of Mr. Frank J. Weaver, of Baylor College of Medicine who says:

> Though the mandate is clear, no coordinated public health education program has come forth . . .

Further he says:

> As you know, there is limited financial support. There are no clearly defined health education priorities which cut across the categorical approach to health care delivery. There is no mechanism to provide a shared experience for the various local efforts in health education. There is no clearinghouse which could provide a setting for the integration of research and demonstration in this area. And there is no vehicle through which we can catalyze and coordinate the efforts underway within the public and private sectors.

Mr. Chairman, it is clear to me that it is very necessary for us to have more health education in this country taught in our schools and imparted to all our citizens throughout the country.

I think this is good legislation and I oppose the amendment.

Mr. McCOLLISTER. Mr. Chairman, I move to strike the necessary number of words and I rise in support of the amendment.

Mr. Chairman, this proposal in the bill in title I which the amendment seeks to strike is duplicative, unnecessary, and grafts a new bureaucracy on top of one that is there. It costs $70 million.

For all those good reasons the amendment should be supported.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my understanding is that the Bureau of Health Education, which was established in 1974, supervises and coordinates the expenditure of roughly $85 million a year—for what? Health education. So here we go again, creating another bureaucracy for $70 million, when we already have another bureau that spends $85 million doing the same basic thing. There are a few refinements, we are told, to be added by this new huge unnecessary bureaucracy, but the National Center for Health Promotion will be doing the same thing.

I would like to direct a question to my colleague from the committee, the gentleman from North Carolina (Mr. Broyhill), who has offered this amendment to strike title I.

Is it not true that the Bureau of Health Education, which coordinates the expenditure of $85 million, already is performing most of the functions that the gentleman seeks to strike from this bill?

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I am glad to yield to the gentleman from North Carolina.

Mr. BROYHILL. Mr. Chairman, the Secretary has told the committee that the Bureau of Health Education already has some 30 active projects that are for the purpose of stimulating more information in the field of health information and education.

Mr. ROUSSELOT. The existing Bureau of Health Education?

Mr. BROYHILL. The Bureau does not, but the Department has reported a total to us that they are spending in the last year—some $85 million in the area of health education. That is the total effort. That is the Bureau of Health Education, as well as the other agencies that are spending money in this area.

Mr. ROUSSELOT. So this further proves the necessity for the support of the gentleman's amendment, because we will be striking a provision in this bill that merely adds substantial duplication to what the Bureau of Health Education already is doing.

Mr. BROYHILL. That is my concern about the title as written, is the duplication effort, and the administration of health education will stand to get more confused than it is even at present.

Mr. ROUSSELOT. I compliment my colleague for offering this amendment, because the American people have said to us over and over again, "Why do you in Congress keep creating more bureaucracies, piling more bureaucracies and bureaus on top of each other, spending more and more money for the same thing?"

I compliment my colleague, the gentleman from North Carolina, a member of the committee, who is familiar with this bill, explaining so correctly, why we do not need this title of the bill.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I am delighted to yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding.

If the gentleman is really concerned about no duplication, about more efficiency in the bureaucracy, about doing more in the private sector, the gentleman will vote against the motion to strike.

Mr. ROUSSELOT. I will vote to strike.

Mr. ROGERS. I understand that.

Mr. ROUSSELOT. Because it is a duplication.

Mr. ROGERS. The gentleman does not understand; if the gentleman would let me describe why this is not duplication.

Mr. ROUSSELOT. Let me interject; my colleague, the gentleman from North Carolina, a member of the same committee (Mr. Broyhill) says it is a duplication. As far as I am concerned Mr. Broyhill's case is better substantiated by facts.

Mr. ROGERS. And the gentleman from Kentucky (Mr. Carter) who is a ranking member of the committee, who was there at every hearing and in the markup, says it is not, and so do I.

Mr. ROUSSELOT. Mr. Chairman, I will now direct my question to the gentleman from Kentucky (Mr. Carter).

My colleague, the gentleman from North Carolina, has said that this title provides gross duplication. Mr. Broyhill states that the Bureau of Health Education does, in fact, coordinate about $85 million a year in expenditures for these same functions. Why would my distinguished colleague from the committee want to create that kind of duplication?

Mr. CARTER. Mr. Chairman, if the gentleman will yield, I do not want to create such duplication.

Today he has changed around and is opposed to it.

I want to say further that what this bill is for is to focus all of the agencies into one and to help health education, which we are not doing at the present time.

Mr. CARNEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we saw an example yesterday where this body, almost by unanimous vote—only one or two votes against it—voted $136 million very quickly, one of the fastest bills I have ever seen passed here.

Mr. Chairman, some experts came and told us there was prospective danger of a swine influenza epidemic this year. That is $136 million on one possible infection.

This bill is an attempt to educate the people of this country for better health care. I think a country as large and as rich as ours can very well do that.

Mr. Chairman, I would say to my distinguished colleagues that this is the best type of money we can possibly spend on medical education to prevent sicknesses in advance.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the distinguished subcommittee chairman, the gentleman from Florida (Mr. Rogers).

Mr. ROGERS. I thank the gentleman for yielding.

Mr. Chairman, may I say this, in conclusion:

Actually, what we are trying to do here is to institute programs which will help to bring down costs of medical care in the Nation.

This is one of the most significant things we can do to get people to help take care of themselves. It is the cheapest way, the easiest way.

When they talk about $70 million, this $70 million is not for 1 year; this $70 million is for 3 years.

What this bill does is put the congressional intent into guidelines and direction, to begin to tell the people what we want them to do, rather than having HEW say, "We will tell them what we want them to do, and the heck with what Congress wants."

I am surprised that Members will support that kind of approach. It is not duplicating. It brings them together. It will bring more efficiency. It will bring the results we want, and it will give congressional intent.

So I would urge strongly the defeat of this amendment, simply because the bureaucracy has said to someone, "Get on the floor and look at this program and say that the bureaucracy does not want the Congress to interfere."

This time the Congress interferes and gives some direction. That is what we are doing in this legislation.

Mr. McCOLLISTER. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman from Nebraska (Mr. McCollister).

Mr. McCOLLISTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the chairman of the subcommittee if this $70 million is in either the congressional budget or in the President's budget.

Mr. ROGERS. If the gentleman will yield, it was included in our recommendations for the congressional budget.

Mr. McCOLLISTER. But it has not yet come in?

Mr. ROGERS. It has been recommended. So it is in the proper process.

And I might say something about the figure someone is quoting of around $84 million. If the Members will look at the hearings, when we asked them to justify what they are spending, it is not $85 million. It is $54 million. And, furthermore, $20 million of that is in the regional medical programs which have been abolished by the Congress. And so the figures which are being bandied about simply are not there. The committee has looked at this carefully. I would urge that the committee's recommendation be adhered to and that the gentleman's motion to strike be defeated.

Mr. CARNEY. Mr. Chairman, once again I wish to say that I take a commonsense approach on this matter. I would say that any Member with any commonsense and any decency will vote to defeat this amendment.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I realize that we are only a few years away from 1984, but if I have ever heard Orwellian newspeak, I have heard it on the floor in the last few minutes. The gentleman from Florida (Mr. Rogers) has repeatedly got his needle stuck in the groove that in some way the language in title I contains a limitation on the HEW bureaucracy and a reassertion of the rights of Congress. I do not know what bill he thinks he has brought out, but I have read the bill before us and it is the antithesis of what the gentleman describes.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I will yield when I am through, Mr. Chairman.

Mr. Chairman, this bill is the antithesis in every respect of what the gentleman described. It turns over to the Secretary of HEW the authority to institute new programs and bureaus with a 2-year period to create new health policies, with no congressional participation. Then the HEW Secretary will tell us what we should do.

The bill gives the Secretary unlimited contract authority to do what we ought to be doing, and it sets up yet another new office in HEW to do what is already being done.

Mr. Chairman, I served for 3 years on the Federal Hospital Council of HEW, and I discovered that if there was ever a screwed-up department of the Federal Government, it is HEW. HEW has boards and bureaus and bureaucrats piled on top of one another, all of whom are very friendly with the gentleman from Florida (Mr. Rogers). I know he commands a great deal of respect among them, and today we can see why that is so, because he is allied with them. He wants to turn over to them completely what we in Congress should have the right to do, formulate national health policy.

This bill creates a nonprofit, semiprivate corporation, something that is almost unprecedented, with highly paid officers, over whom Congress will exercise little control. I have little doubt that they will engage in a national campaign of lobbying for several years to convince us of something. To convince us of what? To convince us of what we have over the years been told repeatedly by the same Members who wrote this bill, that the people in this country do not have sense enough to allocate their own resources to take care of their own health problems, and that they are too dumb to prevent their own illnesses. We are told that some bureaucrat or some doctor who cannot go out to practice on his own and has to join the bureaucracy in order to get a salary is going to tell the people how to take care of themselves.

All of these good words we have heard come right out of Newspeak, and I do not see how we are going to change the content of this bill. I just regret that we changed the procedures to prevent full quorum calls in the committee so we could bring in the Members and force them to face the true meaning of legislation. When it comes time to vote and the Members come through the door, the word will go out that this is for health, and, unfortunately, in that circumstance probably the amendment will be defeated.

However, I would hope that this bill will be vetoed by the President. It should be vetoed. This is not the President's budget, it is not in the congressional budget, and it is not in anybody's budget, except this imaginary bottomless money pit that the gentleman from Florida (Mr. Rogers) continues to draw on year after year, soaking the taxpayers and providing them not good health, but the worst kind of ill health for our economy and for their personal liberties. It is this kind of legislation that means more inflation, more spending, more waste, and more bureaucracy.

Mr. ROGERS. Mr. Chairman, will the gentleman yield now?

Mr. BAUMAN. Mr. Chairman, I am delighted to yield to my good friend, the gentleman from Florida (Mr. Rogers), whose father served here for so many years with great distinction, just as the gentleman has with that same great distinction.

Mr. ROGERS. Mr. Chairman, the gentleman is more than kind.

May I say this: I believe the gentleman has completely misinterpreted the intent of the legislation. He is saying we should not give guidelines in law to the bureaucracy, as we are doing here, and in some way we are not letting the Congress have its way.

Mr. BAUMAN. Mr. Chairman, I suggest that the gentleman puts so much earth-shaking health legislation through this body that he forgets what he has done.

Mr. ROGERS. Mr. Chairman, I have not forgotten, if the gentleman will simply let me explain.

Mr. BAUMAN. Mr. Chairman, I would like to cite to the gentleman this: that in 1974 we created the Bureau of Health Education with legislative authority to do exactly what this bill is also attempting to do today.

Mr. ROGERS. But is that done with congressional approval? I did not think the gentleman approved of that type of authority by bureaucracy, and that is why we are now setting the guidelines and putting in the intent of Congress.

I have never known the gentleman from Maryland to uphold the bureaucracy over and above the Congress. That is why I am surprised when I hear that he does not want to have guidelines and would let the bureaucracy do just whatever it wants.

The gentleman from North Carolina (Mr. Broyhill) has said that we are doing all these things now and we do not want the Congress to interfere. That is not consistent with what the gentleman from Maryland has said.

Mr. BAUMAN. Mr. Chairman, when Cornwallis surrendered at Yorktown, the band played a march, and its title was "The World Has Turned Upside Down." That ought to be the theme of the gentleman from Florida because he has completely reversed the true meaning of this bill.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's yielding.

Let me say to my colleague the gentleman from Florida (Mr. Rogers) who is now criticizing the bureau he voted to create, the Bureau of Health Education, at HEW. He supported the formation of this bureau in 1974. Now the gentleman wants to create a duplicate bureaucracy at tremendous expense of an additional $70 million.

Mr. ROGERS. No, that is not true. They did it themselves.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Maryland (Mr. Bauman) referred to a "bottomless pit."

Mr. Chairman, if there is one bottomless pit around in the field of sickness, it is the bottomless pit of the $125 billion that we are spending now on health care, 8.5 percent of our GNP, the highest percentage of GNP by far that any country in the world spends on health care and for the price tag represented by that large and rapidly growing slice of the national income pie. We are enjoying health benefits nowhere nearly equal to many other nations in terms of infant mortality, morbidity, and the like.

Mr. Chairman, we have a long way to go before we can claim even a start in getting a handle on our cost of sickness care. The best way we can control our sickness costs, reduce the Government role in sickness and health care, and get a handle on the incredibly escalating costs of medicaid and medicare that we have been reading about in our daily press, is to promote a consciousness on the part of our people that health care is an individual, personal responsibility.

Mr. Chairman, if my colleagues on the other side of the aisle do not understand the importance of inducing each American child and adult to take personal responsibility, individual responsibility, for their own personal health care, then that lack of comprehension truly boggles my mind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. BROYHILL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BROYHILL. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. A recorded vote is requested. Those in favor of taking this vote by a recorded vote will rise and remain standing until counted.

An insufficient number have arisen.

Mr. BAUMAN. Mr. Chairman, I counted 22 Members standing.

The CHAIRMAN. The Chair counted 18 Members standing, an insufficient number.

A recorded vote is not ordered.

Mr. BROYHILL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. In the opinion of the Chair, a quorum of the Committee of the Whole is present. The Chair will count, however.

The Chair counts 104 Members present.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Chairman, is it the position of the Chair that we are being denied a recorded vote? Is that the case?

The CHAIRMAN. The Chair will state that a recorded vote has been refused.

Mr. BAUMAN. Then, Mr. Chairman, I demand a division.

The CHAIRMAN. A division is requested.

Those in favor of the amendment offered by the gentleman from North Carolina (Mr. BROYHILL) will rise and remain standing until counted.

The ayes will be seated, and the noes will rise.

The noes will be seated.

On this vote, by division, the ayes are 27 and the noes are 58.

So the amendment was rejected.

Mr. BROYHILL. Mr. Chairman, I demanded a recorded vote.

The CHAIRMAN. The Chair will state that a recorded vote has been denied.

Are there further amendments to title I?

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 9, insert "nursing homes and other long-term care settings," before "ambulatory" in line 15.

Page 10, strike out "and (E)" in line 16 and insert in lieu thereof "(E)", and in line 18, insert before the semicolon the following: ", and (F) materials and programs to assist health professionals and their patients in selecting and making appropriate use of institutions (including nursing homes and other long-term care facilities) and alternatives to institutions in the provision of long-term care".

Page 11, insert "senior citizen centers," after "schools," in line 19.

Page 12, insert "care for the elderly," after "development," in line 4.

Page 12, insert "senior citizen centers," after "schools," in line 14.

Ms. ABZUG (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. ABZUG. Mr. Chairman, the purpose of my amendment is to provide for programs and materials to assist patients and health professionals in the important decision regarding long-term care for the elderly. Despite the vital importance of this decision, it is often made with very little understanding or awareness of the alternatives to institutionalization in the community, this frequently results in the placement of the patient in a nursing home or other long-term care facility. The cost of unnecessary institutionalization for our elderly citizens is enormous in dollars and cents, but it is even more devastating to the dignity and mental well-being of the elderly confined to these institutions. We must make information available so that those charged with placing individuals from a hospital or their home, will consider a whole range of options from home care to a nursing home. Moreover, if such information were also available to the public, then relatives and friends could also explore alternatives to institutionalization.

Even when a nursing home is appropriate, medical personnel and the patients still have a wide choice in selection of a particular institution. However, at this time very little information is available comparing institutions, detailing what services they provide or the quality of these services. Without this very basic information it is difficult for our elderly citizens or even our health professionals to select the best setting for the individual.

In my own State of New York, investigations of our nursing homes have revealed patient neglect and fraud by the providers. Another equally serious problem discovered by the investigators was the paltry amount of information available to all parties involved in the long-term care decision. Hospital personnel were unable to define the differences between the levels of care provided in nursing homes, intermediate care facilities and other residential facilities for the elderly. Visits to these institutions were not made and no objective report on the services or quality of care provided by the individual facilities was available. Patients and their families had no information upon which to choose a facility and therefore had to rely on the hospital.

The amendment which I have proposed will permit the Secretary to support programs which will focus on this particular problem so that our elderly citizens, many of whom may require some sort of long term care, can choose the highest quality and most appropriate type of care available.

My amendment also adds senior citizen centers and care for the elderly in appropriate parts of this title to insure that the funds authorized by this legislation will include programs concerned with the health information needs of our senior citizens.

Mr. ROGERS. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. Certainly I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, we have looked at the amendment offered by the gentlewoman from New York (Ms. ABZUG) and on this side, and I think also on the other side, we have no objection to the amendment. I think it is a good amendment. I think it is appropriate.

Ms. ABZUG. I thank the gentleman.

Mr. CARTER. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I concur in the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II—DISEASE PREVENTION AND CONTROL

SHORT TITLE

SEC. 201. This title may be cited as the "Disease Prevention and Control Amendments of 1976".

AMENDMENTS TO SECTIONS 311 AND 317

SEC. 202. (a) Effective with respect to grants under section 317 of the Public Health Service Act made from appropriations under such section for fiscal years beginning after June 30, 1975, section 317 of such Act is amended to read as follows:

"DISEASE PREVENTION AND CONTROL PROGRAMS

"SEC. 317. (a) The Secretary may make grants to States and, in consultation with State health authorities, to public and nonprofit private entities to assist them in meeting the costs of disease prevention and control programs.

"(b) (1) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain such information as the Secretary shall by regulation prescribe and shall meet the requirements of paragraph (2).

"(2) An application for a grant under subsection (a) shall—

"(A) set forth with particularity the objectives (and their priorities, as determined in accordance with such regulations the Secretary may prescribe) of the applicant for each of the disease prevention and control programs it proposes to conduct with assistance from a grant under subsection (a);

"(B) contain assurances satisfactory to the Secretary that, in the year during which the grant applied for would be available, the applicant will conduct such programs as may be necessary (i) to develop an awareness in those persons in the area served by the applicant who are most susceptible to the diseases referred to in subsection (f) of appropriate preventive behavior and measures (including immunizations) and diagnostic procedures for such diseases, and (ii) to facilitate their access to such measures and procedures; and

"(C) provide for the reporting to the Secretary of such information as he may require concerning (i) the problems, in the area served by the applicant, which relate to any disease referred to in subsection (f), and (ii) the disease prevention and control programs of the applicant for which a grant is applied for.

In considering such an application the Secretary shall take into account the relative extent, in the area served by the applicant, of the problems which relate to one or more of the diseases referred to in subsection (f) and the extent to which the applicant's programs are designed to eliminate or reduce such problems. The Secretary shall give special consideration to applications for programs which will increase the immunization rates of any population identified as not having received, or as having failed to secure, the generally recognized disease immunizations. The Secretary shall give priority to applications submitted for disease prevention and control programs for communicable diseases.

"(c) (1) Each grant under subsection (a) shall be made for disease prevention and control program costs in the one-year period beginning on the first day of the first month beginning after the month in which the grant is made.

"(2) Payments under grants under subsection (a) may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of this section.

"(3) The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(A) the fair market value of any supplies (including vaccines and other preventive agents) or equipment furnished the grant recipient, and

"(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the recipient and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such recipient and for the purpose of carrying out a program with respect to which the recipient's grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based.

"(d) (1) The Secretary may conduct, and may make grants to and enter into contracts with public and nonprofit private entities for the conduct of—

"(A) training for the administration and operation of disease prevention and control programs, and

"(B) demonstrations and evaluations of such programs.

"(2) No grant may be made or contract entered into under paragraph (1) unless an application therefor is submitted to and approved by the Secretary. Such application shall be in such form, be submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(e) The Secretary shall coordinate activities under this section respecting disease prevention and control programs with activities under other sections of this Act respecting such programs.

"(f) For purposes of this section, the term 'disease prevention and control program' means a program which is designed and conducted so as to contribute to national protection against diseases of national significance which are amenable to reduction, including tuberculosis, rubella, measles, poliomyelitis, diphtheria, tetanus, whooping cough, and other communicable diseases (other than venereal diseases), and arthritis, diabetes, diseases borne by rodents, hypertension, pulmonary diseases, cardiovascular diseases, and Rh disease. Such term also includes vaccination programs, laboratory services, studies to determine the disease prevention and control needs of the States and the means of best meeting such needs, the provision of information and education services respecting disease prevention and control, and programs to encourage behavior which will prevent disease and encourage the use of preventive measures and diagnostic procedures. Such term also includes any program or project for rodent control for which a grant was made under section 314(e) for the fiscal year ending June 30, 1975.

"(g) (1) (A) For the purpose of grants under subsection (a) for disease prevention and control programs for measles and rubella, there are authorized to be appropriated $9,000,000 for fiscal year 1976, $9,000,000 for fiscal year 1977, and $9,000,000 for fiscal year 1978.

"(B) For the purpose of grants under subsection (a) for diseases prevention and control programs for diseases borne by rodents there are authorized to be appropriated $13,100,000 for fiscal year 1976, $13,100,000 for fiscal year 1977, and $13,100,000 for fiscal year 1978.

"(C) For the purpose of grants under subsection (a) for disease prevention and control programs, other than subparagraph (A) or (B), and the purpose of grants and contracts under subsection (d), there are authorized to be appropriated $5,000,000 for fiscal year 1976, $5,000,000 for fiscal year 1977, and $5,000,000 for fiscal year 1978.

"(D) Not to exceed 15 per centum of the amount appropriated for any fiscal year under any of the preceding subparagraphs of this paragraph may be used by the Secretary for grants and contracts for such fiscal year for programs for which appropriations are authorized under any one or more of the other subparagraphs of this paragraph if the Secretary determines that such use will better carry out the purpose of this section, and reports to the appropriate committees of Congress at least thirty days before making such use of such amount his determination and the reasons therefor.

"(2) Except as provided in section 318, no funds appropriated under any provision of this Act other than paragraph (1) of this subsection may be used to make grants in any fiscal year for disease prevention and control programs if (A) grants for such programs are authorized by subsection (a), and (B) all the funds authorized to be appropriated under this subsection for that fiscal year have not been appropriated for that fiscal year and obligated in that fiscal year.

"(h) The Secretary shall submit to the President for submission to the Congress on January 1 of each year (1) a report (A) on the effectiveness of all Federal and other public and private activities in preventing and controlling the diseases referred to in subsection (f), (B) on the extent of the problems presented by such diseases, (C) on the effectiveness of the activities, assisted under grants and contracts under this section, in preventing and controlling such diseases, and (D) setting forth a plan for the coming year for the prevention and control of such diseases; and (2) a report (A) on the immune status of the population of the United States, and (B) identifying, by area, population group, and other categories, deficiencies in the immune status of such population.

"(i) (1) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to an agency or a political subdivision of a State under provisions of Federal law (other than this Act) and which are available for the conduct of disease prevention and control programs from being used in connection with programs assisted through grants under subsection (a).

"(2) Nothing in this section shall be construed to require any State or any agency or political subdivision of a State to have a disease prevention and control program which would require any person, who objects to any treatment provided under such a program, to be treated or to have any child or ward treated under such a program.".

(b) Section 311(c) of the Public Health Service Act is amended to read as follows:

"(c) (1) The Secretary shall develop (and may take such action as may be necessary to implement) a plan under which personnel, equipment, medical supplies, and other resources of the Service and other agencies under the jurisdiction of the Secretary may be effectively used to control epidemics of any disease referred to in section 317(f) and to meet other health emergencies or problems involving or resulting from disasters or any such disease. The Secretary may enter into agreements providing for the cooperative planning between the Service and public and private community health programs and agencies to cope with health problems (including epidemics and health emergencies) resulting from disasters or any disease referred to in section 317(f).

"(2) The Secretary may, at the request of the appropriate State or local authority, extend temporary (not in excess of forty-five days) assistance to States or localities in meeting health emergencies of such a nature as to warrant Federal assistance. The Secretary may require such reimbursement of the United States for assistance provided under this paragraph as he may determine to be reasonable under the circumstances. Any reimbursement so paid shall be credited to the applicable appropriation for the Service for the year in which such reimbursement is received.".

(c) Section 311(b) of such Act is amended by inserting at the end thereof the following new sentence: "The Secretary may charge private entities (other than nonprofit private entities) reasonable fees for the training of their personnel under the preceding sentence.".

AMENDMENTS RESPECTING VENEREAL DISEASES

SEC. 202. (a) (1) Subsection (b) (2) of section 318 of the Public Health Service Act is amended by striking out "two" and inserting in lieu thereof "five".

(2) Subsection (d) (2) of such section is amended to read as follows:

"(2) For the purpose of carrying out this section, there is authorized to be appropriated $35,000,000 for fiscal year 1976, $35,000,000 for fiscal year 1977, and $35,000,000 for fiscal year 1978.".

(b) Subsection (a) of such section is amended by striking out "public authorities and" and inserting in lieu thereof "public and nonprofit private entities and to".

(c) Subsection (d)(1)(B) of such section is amended by inserting before the semicolon at the end the following: "and routine testing, including laboratory tests and followup systems".

(d) Subsection (d)(1)(E) of such section is amended by striking out "control" and inserting in lieu thereof "prevention and control strategies and activities".

(e)(1) Subsection (c) is repealed.

(2) Subsection (e)(1) of such section is amended by striking out "or (d)" and inserting in lieu thereof "or (c)".

(3) The last sentence of subsection (e)(4) of such section is amended by striking out the semicolon and all that follows through "such recipient".

(4) Subsection (e)(5) of the first sentence of such section is amended by inserting before the period the following: "or as may be required by a law of a State or political subdivision of a State".

(5) Subsection (g) of such section is amended by striking out ", (c), and (d)" and inserting in lieu thereof "and (c)".

(6) Subsections (d), (e), (f), (g), and (h) of such section are redesignated as subsections (c), (d), (e), (f), and (g), respectively.

(f) Subsection (e) of such section (as so redesignated) is amended by striking out "317(d)(4)" and inserting in lieu thereof "317(g)(2)".

(g) Such section is amended by adding at the end thereof the following new subsection:

"(h) For purposes of this section and section 317, the term 'venereal disease' means gonorrhea, syphilis, or any other disease which can be sexually transmitted and which the Secretary determines is or may be amenable to control with assistance provided under this section and is of national significance.".

(h) Section 318(b)(1) is amended by inserting "education," before "and training".

EXTENSION AND REVISION OF LEAD-BASED PAINT POISONING PREVENTION ACT

Sec. 203. (a)(1) Section 101(c) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801(c)) is amended by inserting after and below paragraph (4) the following:

"Follow-up programs described in paragraph (3) shall include programs to eliminate lead-based paint hazards from surfaces in and around residential dwelling units or houses, including programs to provide for such purpose financial assistance to the owners of such units or houses who are financially unable to eliminate such hazards from their units or houses. In administering programs for the elimination of such hazards, priority shall be given to the elimination of such hazards in residential dwelling units or houses in which reside children with diagnosed lead-based paint poisoning.".

(2)(A) Section 101(c) of such Act is amended by striking out "should include" and inserting in lieu thereof "shall include".

(B) Section 101(f) of such Act is amended by (i) striking out "and (B)" and inserting in lieu thereof "(B)", and (ii) by inserting before the period at the end the following ", and (C) the services to be provided will be provided under local programs which meet the requirements of subsections (c) and (d) of this section".

(b) Section 401 of such Act (42 U.S.C. 4831) is amended to read as follows:

"PROHIBITION AGAINST USE OF LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND THE MANUFACTURE OF CERTAIN TOYS AND UTENSILS

"Sec. 401. (a) The Secretary of Health, Education, and Welfare shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment of this Act.

"(b) The Secretary of Housing and Urban Development shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the use of lead-based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form after the date of enactment of this Act.

"(c) The Consumer Product Safety Commission shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any toy or furniture article.".

(c)(1) Section 503(3) of such Act (42 U.S.C. 4841 (3)) is amended to read as follows:

"(3)(A) Except as provided in subparagraph (B), the term 'lead-based paint' means any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total non-volatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.

"(B)(i) The Consumer Product Safety Commission shall, during the six-month period beginning on the date of the enactment of the National Health Promotion and Disease Prevention Act of 1976, determine, on the basis of available data and information and after providing opportunity for an oral hearing and considering recommendations of the Center for Disease Control and the National Academy of Sciences, whether or not a level of lead in paint which is greater than six one-hundredths of 1 per centum is safe. If the Commission determines, in accordance with the preceding sentence, that another level of lead is safe, the term 'lead-based paint' means, with respect to paint which is manufactured after the expiration of the six-month period beginning on the date of the Commission's determination, paint containing by weight (calculated as lead metal) in the total nonvolatile content of the paint more than the level of lead determined by the Commission to be safe or the equivalent measure of lead in the dried film of paint already applied, or both.

"(1) Unless the definition of the term "lead-based paint' has been established by a determination of the Consumer Product Safety Commission pursuant to clause (i) of this subparagraph, the term 'lead-based paint' means, with respect to paint which is manufactured after the expiration of the twelve-month period beginning on such date of enactment, paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.".

(2) Section 501 of such Act is amended (1) by striking out "the term" in paragraphs (1) and (2) and inserting in lieu thereof "The term", (2) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period, and (3) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

(d) Section 502 of such Act (42 U.S.C. 4842 is amended by striking out "In carrying out the authority of this Act, the Secretary of Health, Education, and Welfare shall" and inserting in lieu thereof "In carrying out their respective authorities under this Act, the Secretary of Housing and Urban Development and the Secretary of Health, Education, and Welfare shall each".

(e)(1) Section 503 of such Act (42 U.S.C. 4843) is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"(a) There are authorized to be appropriated to carry out this Act $10,000,000 for the fiscal year 1976, $12,000,000 for the fiscal year 1977, and $14,000,000 for the fiscal year 1978."

(2) Subsection (d) of such section is redesignated as subsection (b).

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, considered as read, printed in the Record, and open to amendment at any point. These amendments are simply technical amendments, in nature.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The committee amendments are as follows:

Committee amendments: Page 34, line 16, insert "paid to" before "such".

Page 34, line 17, strike out "Subsection (e) (5) of the first sentence" and insert in lieu thereof "The first sentence of subsection (e) (5)".

Page 39, line 10, strike out "of" and insert in lieu thereof "under".

The committee amendments were agreed to.

The CHAIRMAN. Are there further amendments to title II? If not, the Clerk will read title III.

The Clerk read as follows:

TITLE III—MISCELLANEOUS AMENDMENT

Sec. 301. (a) Section 2(f) of the Public Health Service Act is amended to read as follows:

"(f) Except as provided in sections 314(g) (4)(B), 317(h)(2), 318(c)(1), 330(a)(2), 355(5), 361(d), 1002(c), 1201(2), 1410 (13), 1531(1), and 1633(1), the term 'State' includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.".

(b)(1) Section 361(d) is amended by adding at the end thereof the following: "For purposes of this subsection, the term 'State' includes, in addition to the several States, only the District of Columbia.".

(2) Section 1410 is amended by adding after paragraph (12) the following new paragraph:

"(13) The term 'State' includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.".

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, considered as read, printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to

the request of the gentleman from Florida?

There was no objection.

The committee amendments are as follows:

Committee amendments: Page 40, line 5, strike out "317(h)(2), 318(c)(1), 330(a)(2),".

Page 40, strike out "1410" in lines 6 and 14 and insert in lieu thereof "1401".

The committee amendments were agreed to.

The CHAIRMAN. Are there further amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McFALL) having assumed the Chair, Mr. VANDER VEEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H.R. 12678) to amend the Public Health Service Act to provide authority for health information and health promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act to revise and extend that act, pursuant to House Resolution 1133, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BROYHILL

Mr. BROYHILL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BROYHILL. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROYHILL moves that the bill be recommitted to the Committee on Interstate and Foreign Commerce with the following instructions that the bill be reported forthwith with the following amendment: Page 2, strike out line 1 and all that follows down through and including line 16 on page 24.

Redesignate the succeeding titles and sections accordingly.

Mr. BROYHILL. Mr. Speaker, I have offered this motion to recommit in order to get a vote on the amendment that I offered in committee to strike title I from the bill.

CALL OF THE HOUSE

Mr. MOORE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 178]

Addabbo
Andrews, N.C.
Archer
Ashley
Barrett
Bell
Brown, Calif.
Burke, Mass.
Burton, John
Cederberg
Chisholm
Clausen, Don H.
Cochran
Conlan
Conyers
Corman
de la Garza
Derwinski
Dingell
Drinan
Esch
Eshleman
Evins, Tenn.
Flynt
Foley
Fraser
Harsha
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Jarman
Johnson, Pa.
Jones, Ala.
LaFalce
Landrum
Lundine
McCloskey
McKinney
Macdonald
Madden
Mann
Melcher
Meyner
Nix
Pepper
Quillen
Rangel
Rees
Riegle
Risenhoover
Roberts
Rodino
Sarbanes
Shuster
Sikes
Spence
Stanton, James V.
Steiger, Ariz.
Stephens
Stuckey
Sullivan
Talcott
Teague
Udall
Vigorito
White
Wilson, Tex.

The SPEAKER. On this rollcall 363 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL HEALTH PROMOTION AND DISEASE PREVENTION ACT OF 1976

The SPEAKER. The Chair recognizes the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Speaker, I will take only a few minutes.

We have a motion to recommit that has been made that will strike title I from this bill, a motion to recommit with instructions that the bill be reported back forthwith, with instructions that title I be stricken.

There is opposition to title I because of our contention that title I is unnecessary and duplicates efforts that are already being made in this area by the Department of Health, Education, and Welfare. No one opposes efforts to disseminate information about health, but we are concerned about creating a new bureaucracy that tends to confuse the administration and duplicates programs that are already underway in this area.

The Department of Health, Education, and Welfare has already undertaken new health information initiatives that are similar to title I. For example, on page 17 of the bill we see that this bill is setting up a Center for Health Promotion. There is already in existence a national center. It is a reality. It is being privately funded. It is serving the purpose of coordinating the private initiatives and also providing a liaison with governmental activity.

This bill also on page 17 sets up an Office of Health Information. There is also in existence an intradepartmental effort in this area.

Mr. Speaker, the Intradepartmental Panel on Health Information coordinates numerous HEW programs in the area of health information.

In addition, the Bureau of Health, Education, and Welfare has some 30 active projects stimulating approaches in health education.

The language in this title does in no way meld together the present authorities and the present programs with these new authorities. In other words, this title is written as new law, and it is setting up new authorities as if there were nothing whatsoever going on at the present time.

I maintain that by grafting these new authorities on top of what is already underway in the Department, it is going to result in confusion and duplication. It is unnecessary, and I urge my colleagues to vote with me to strike title I.

The SPEAKER. The Chair recognizes the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, the committee brought to the House this bill which handles communicable diseases and which in title I gives some congressional intent. It puts into law what we want the Department to do.

Now, it is a strange argument that we have just heard. They say, "Oh, we are doing everything that we want to see done in title I, but we want to strike title I." In other words, the argument is to let the bureaucracy under a broad, general authority have the responsibility for improving the health of the people. They say we should let the Department do whatever it wants to do in any way it wants to do it, without any congressional direction. They do not want any limitations on the programs, and they do not want them set forth as the Congress desires them to be set forth.

The gentleman from North Carolina (Mr. BROYHILL) said that this center for health promotion which is in the private sector is already in being. It is just starting. They came to us and testified for this section. They appeared before the committee. I think the House would like to know that they are now getting Federal funds without any congressional direction or intent. So there is no limitation on what could happen.

This bill would give a certain amount of funds, but no more than one-quarter, to this particular center which is in the private sector.

Mr. Speaker, what this bill really does is to say that we want to tie this together under congressional authority, proper authority, so that they will come and report to us, so that we will know what they are doing, and so that they will have to abide by the guidelines here to bring out health information in order for all of us, the people in this country, to improve personal health, health education, and health information.

Hopefully, they are trying to cut down some of these heavy bills. We have had some research and some projects showing the reason for this and its real impact.

Therefore, Mr. Speaker, I would urge that this motion be soundly defeated if we want to improve the health of the American people.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I thank the distinguished chairman for yielding.

Certainly I oppose this motion, Mr.

Speaker. It is very difficult for me to see how anyone would be against informing people as to how to avoid bad health or ill health. It is also difficult for me to see how one would be against promoting good health. It is very difficult.

At the present time, Mr. Speaker, as we well know, the efforts of HEW are scattered. They are not focused, and the effort of this legislation is to focus efforts against disease and toward prevention of sickness and toward promotion of health.

Mr. Speaker, I strongly oppose the motion.

Mr. ROGERS. Mr. Speaker, I join the gentleman from Kentucky (Mr. CARTER) in strongly opposing the motion to recommit; and I would urge the House to soundly vote down this motion.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I wonder whether the gentleman can tell me what the position of the California Medical Association is on this bill? Does he have any idea?

Mr. ROGERS. I am sorry. I do not know offhand, but HEW says that they are doing it now. We are just giving them some congressional guidelines and intent.

I would think, in any event, that this is a program which most people would support.

Mr. CHARLES H. WILSON of California. I was just interested in the position of the California Medical Association.

Mr. ROGERS. I am sorry. I do not know what its position is.

Again, Mr. Speaker, I would urge a no vote.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. BROYHILL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 185, nays 207, not voting 41, as follows:

[Roll No. 179]

YEAS—185

Abdnor
Adams
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Blanchard
Bonker
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Cotter
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
Dent
Derrick
Derwinski
Devine
Dickinson
Dodd
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Findley
Fish
Flowers
Forsythe
Fountain
Frenzel
Frey
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hannaford
Hansen
Hays, Ohio
Heckler, Mass.
Hicks
Hightower
Hillis
Holt
Howe
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Tenn.
Long, La.
Lott
Lujan
McCollister
McDonald
McEwen
McKay
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
Neal
Nichols
O'Brien
Passman
Paul
Pettis
Pickle
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Robinson
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Stanton, J. William
Steelman
Steiger, Wis.
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Traxler
Treen
Vander Jagt
Waggonner
Wampler
Weaver
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NAYS—207

Abzug
Alexander
Allen
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blouin
Boggs
Boland
Bolling
Brademas
Breckinridge
Brodhead
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Diggs
Dingell
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gude
Hall
Hamilton
Hanley
Harkin
Harrington
Harris
Harsha
Hechler, W. Va.
Hefner
Helstoski
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Jacobs
Johnson, Calif.
Johnson, Colo.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Long, Md.
Lundine
McClory
McCormack
McDade
McFall
McHugh
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Preyer
Price
Randall
Rees
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Skubitz
Solarz
Spellman
Staggers
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Whalen
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—41

Addabbo
Barrett
Bell
Burke, Mass.
Cederberg
Conlan
de la Garza
Esch
Eshleman
Evins, Tenn.
Flynt
Green
Hawkins
Hayes, Ind.
Hébert
Heinz
Henderson
Hinshaw
Holland
Johnson, Pa.
Jones, Ala.
McCloskey
McKinney
Macdonald
Mann
Meyner
Nix
Pepper
Rangel
Riegle
Roberts
Sarbanes
Sikes
Spence
Stanton, James V.
Steiger, Ariz.
Stephens
Talcott
Udall
White
Wilson, Tex.

The Clerk announced the following pairs on this vote:

Mr. Hébert for, with Mr. Addabbo against.

Mr. Flynt for, with Mr. White against.

Mr. Stephens for, with Mrs. Meyner against.

Mr. Henderson for, with Mr. Hawkins against.

Mr. Sikes for, with Mr. Rangel against.

Mr. Cederberg for, with Mr. Burke of Massachusetts against.

Mr. Eshleman for, with Mr. Nix against.

Mr. Spence for, with Mr. Pepper against.

Mr. Talcott for, with Mr. James V. Stanton against.

Until further notice:

Mr. Barrett with Mr. Riegle.

Mr. de la Garza with Mr. Sarbanes.

Mr. Holland with Mr. Udall.

Mr. Macdonald of Massachusetts with Mr. Mann.

Mr. Jones of Alabama with Mr. Bell.

Mr. Charles Wilson of Texas with Mr. Heinz.

Mr. Roberts with Mr. Steiger of Arizona.

Mr. Evins of Tennessee with Mr. Johnson of Pennsylvania.

Mr. Green with Mr. Conlan.

Mr. Hayes of Indiana with Mr. Esch.

Mr. McCloskey with Mr. McKinney.

Mr. COTTER changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of H. Res. 1133 the committee on Interstate and Foreign Commerce is discharged from the further consideration of the bill (S. 1466) to amend the Public Health Service Act to extend and revise the program of assistance for the control and prevention of communicable diseases, and to provide for the establishment of the Office of Consumer Health Education and Promotion and the Center for Health Education and Promotion to advance the national health, to reduce preventable illness, disability, and death; to moderate self-imposed risks; to promote progress and scholarship in consumer health education and promotion and school health education; and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Rogers moves to strike all after the enacting clause of the Senate bill (S. 1466) and to insert in lieu thereof the provisions of the bill (H.R. 12678), as passed, as follows:

SHORT TITLE

Section 1. This Act may be cited as the "National Health Promotion and Disease Prevention Act of 1976".

TITLE I—HEALTH INFORMATION AND HEALTH PROMOTION

SHORT TITLE

Sec. 101. This title may be cited as the "National Health Information and Health Promotion Act of 1976".

AMENDMENT TO PUBLIC HEALTH SERVICE ACT

Sec. 102. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XVII—HEALTH INFORMATION AND HEALTH PROMOTION

"Part A—Program Authority and Duties

"GENERAL AUTHORITY

"Sec. 1701. (a) The Secretary shall—

"(1) formulate national goals, and a strategy to achieve such goals, with respect to health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(2) analyze the necessary and available resources for implementing the goals and strategy formulated pursuant to paragraph (1), and recommend appropriate educational and quality assurance policies for the needed manpower resources identified by such analysis;

"(3) undertake and support necessary activities and programs to—

"(A) incorporate appropriate health education components into our society, especially into all aspects of education and health care,

"(B) increase the application and use of health knowledge, skills, and practices by the general population in its patterns of daily living, and

"(C) establish systematic processes for the exploration, development, demonstration, and evaluation of innovative health promotion concepts;

"(4) undertake and support research and demonstrations respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(5) undertake and support appropriate training in, and undertake and support appropriate training in the operation of programs concerned with, health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(6) undertake and support, through improved planning and implementation of tested models and evaluation of results, effective and efficient programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(7) foster the exchange of information respecting, and foster cooperation in the conduct of, research, demonstration, and training programs respecting health information and health promotion, prevention health services, and education in the appropriate use of health care; and

"(8) provide technical assistance in the programs referred to in paragraph (7).

The Secretary shall administer this title in a manner consistent with the national health priorities set forth in section 1502 and with health planning and resource development activities undertaken under titles XV and XVI.

"(b) For payments under grants and contracts under this title there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1977, $23,000,000 for the fiscal year ending September 30, 1978, and $25,000,000 for the fiscal year ending September 30, 1979.

"(c) No grant may be made or contract entered into under this title unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may prescribe. Contracts may be entered into under this title without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"FEDERAL PROGRAMS

"Sec. 1702. The Secretary shall—

"(1) if he determines that legislation being considered by the Congress should include provisions respecting health information, health promotion, preventive health services, or education in the appropriate use of health care, make recommendations to the Congress for the inclusion of such provisions in such legislation;

"(2) identify Federal legislative proposals which are not in the interest of the public health, make recommendations for appropriate changes in such proposals which would, if enacted, make the proposals consistent with the public health, and make public and transmit to appropriate committees of Congress such recommendations; and

"(3) identify Federal programs and actions which are not in the interest of the public health, make recommendations to the persons responsible for such programs and actions for appropriate legislative, administrative, and enforcement changes in them which would, if implemented, make them consistent with the public health, and make public and transmit to appropriate committees of Congress such recommendations.

"RESEARCH PROGRAMS

"Sec. 1703. (a) The Secretary shall conduct (in accordance with the plan developed under paragraph (1)) and support by grant or contract (and encourage others to support) research in health information and health promotion, preventive health services, and education in the appropriate use of health care if the research is to be conducted in accordance with such plan. The Secretary shall also—

"(1) develop and publish a plan, consistent with the goals and strategy formulated under section 1701(a)(1), for such research and in connection with the development of such plan—

"(A) determine the scope and nature of such research which is currently being conducted,

"(B) determine the scope and nature of such research that could and should be conducted, and

"(C) establish priorities for such research;

"(2) provide consultation and technical assistance to persons who need help in preparing research proposals or in actually conducting research;

"(3) determine the best methods of disseminating information concerning personal health behavior, preventive health services and the appropriate use of health care and of affecting behavior so that such information is applied to maintain and improve health, and prevent disease, reduce its risk, or modify its course or severity;

"(4) determine and study environmental, occupational, social, and behavioral factors which affect and determine health and ascertain those programs and areas for which educational and preventive measures could be implemented to improve health as it is affected by such factors;

"(5) within the two-year period beginning on the date of the enactment of this title, develop (A) methods by which the cost and effectiveness of activities respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, can be measured including methods for evaluating the effectiveness of various settings for such activities and the various types of persons engaged in such activities, (B) methods for reimbursement or payment for such activities, and (C) models and standards for the conduct of such activties, including models and standards for the education, by providers of institutional health services, of individuals receiving such services respecting the nature of the institutional health services provided the individuals and the symptoms, signs, or diagnoses which led to provision of such services;

"(6) within the two-year period beginning on the date of the enactment of this title, develop a method for assessing the cost and effectiveness of specific medical services and procedures under various conditions of use, including the assessment of the sensitivity and specificity of screening and diagnostic procedures; and

"(7) enumerate and assess, using methods developed under paragraph (6), preventive health measures and services with respect to their cost and effectiveness under various conditions of use.

Each application submitted for a grant or contract under this subsection shall be submitted by the Secretary for review for scientific merit to a panel of experts appointed by him from persons who are not officers or employees of the United States and who possess qualifications relevant to the project for which the application was made. A panel to which an application is submitted shall report its findings and recommendations respecting the application to the Secretary in such form and manner as the Secretary shall by regulation prescribe.

"(b) The Secretary, acting through the National Center for Health Statistics (established under section 306), shall make a continuing survey of the needs, interest, attitudes, knowledge, and behavior of the American public regarding health and health care. The Secretary shall use the findings of such surveys and the findings of similar surveys conducted by national and community health education organizations, and other organizations and agencies as a basis for formulating policy respecting health information and health promotion, preventive health services, and education in the appropriate use of health care.

"COMMUNITY PROGRAMS

"Sec. 1704. (a) The Secretary shall conduct and support by grant or contract (and encourage others to support) new and innovative programs in health information and health promotion, preventive health services and education in the appropriate use of health care, and shall specifically—

"(1) support demonstration and training programs in such matters which programs (A) are in hospitals, nursing homes and other long-term care settings, ambulatory care settings, home care settings, schools, day care programs for children, and other appropriate settings representative of broad cross sections of the population, and include public education activities of voluntary health agencies, professional medical societies, and other private nonprofit health organizations, (B) focus on objectives that are measurable, and (C) emphasize the prevention or moderation of illness or accidents that appear controllable through individual knowledge and behavior;

"(2) provide consultation and technical assistance to organizations that request help in planning, operating, or evaluating programs in such matters;

"(3) develop health information and health promotion materials and teaching programs including (A) model curriculums for the training of health professionals and paraprofessionals in health education by medical, dental, and nursing schools, schools of public health, and other institutions engaged in training health professionals, (B) model curriculums to be used in elementary and secondary schools and institutions of higher learning, (C) materials and programs for the continuing education of health professionals and paraprofessionals in the health education of their patients, (D) materials for public service use by the printed and broadcast media, (E) materials and programs to assist providers of health care in providing health education to their patients, and (F) materials and programs to assist health professionals and their patients in selecting and making appropriate use of institutions (including nursing homes and other long-term care facilities) and alternatives to institutions in the provision of long-term care; and

"(4) support demonstration and evaluation programs for individual and group self-help programs designed to assist the participant in using his individual capacities to deal with health problems, including programs concerned with obesity, hypertension, and diabetes.

"(b) The Secretary may make grants to States and other public and nonprofit private entities to assist them in meeting the costs of demonstrating and evaluating programs which provide information respecting the costs and quality of health care or information respecting health insurance policies and prepaid health plans, or information respecting both. After the development of models pursuant to sections 1705(4) and 1705(5) for such information, no grant may be made under this subsection for a program unless the information to be provided under the program is provided in accordance with one of such models applicable to the information.

"INFORMATION PROGRAMS

"Sec. 1705. The Secretary shall conduct and support by grant or contract (and encourage others to support) such activities as may be required to make information respecting health information and health promotion, preventive health services, and education in the appropriate use of health care available to the consumers of medical care, providers of such care, schools, senior citizens centers, and others who are or should be informed respecting such matters. Such activities shall include at least the following:

"(1) The publication of information, pamphlets, and other reports which are specially suited to interest and instruct the health consumer, which information, pamphlets, and other reports shall be updated annually, shall pertain to the individual's ability to improve and safeguard his own health; shall include material, accompanied by suitable illustrations, on child care, family life and human development, care for the elderly, disease prevention (particularly prevention of pulmonary disease, cardiovascular disease, and cancer), physical fitness, dental health, environmental health, nutrition, safety and accident prevention, drug abuse and alcoholism, mental health, management of chronic diseases (including diabetes and arthritis), and venereal diseases; and shall be designed to reach populations of different languages and of different social and economic backgrounds.

"(2) Securing the cooperation of the communications media, providers of health care, schools, senior citizen centers, and others in activities designed to promote and encourage the use of health maintaining information and behavior.

"(3) A continuing review of health information and health promotion in advertising to evaluate its content and impact. If the health information or health promotion aspect of any advertising is determined by the Secretary to be false or misleading—

"(A) the Secretary shall notify the Federal Trade Commission of the determination,

"(B) the Secretary shall make the determination available to the general public, and

"(C) the Secretary shall give the communications media which presented such advertising information, for transmittal to the public, served by such media, which is responsive to the false or misleading part of such advertising.

"(4) Within the two-year period beginning on the date of the enactment of this title, the development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others (except individual health practitioners) of information for use by the public respecting the cost and quality of health care, including information to enable the public to make comparisons of the cost and quality of health care.

"(5) Within the two-year period beginning on the date of the enactment of this title, the development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others of information for use by the public respecting health insurance policies and prepaid health plans, including information on the benefits provided by the various types of such policies and plans, the premium charges for such policies and plans, exclusions from coverage or eligibility for coverage, cost sharing requirements, and the ratio of the amounts paid as benefits to the amounts received as premiums and information to enable the public to make relevant comparisons of the costs and benefits of such policies and plans.

"(6) Assess, with respect to the effectiveness, safety, cost, and required training for and conditions of use, of new aspects of health care, and new activities, programs, and services designed to improve human health and publish in readily understandable language for public and professional use such assessments and, in the case of controversial aspects of health care, activities, programs, or services, publish differing views or opinions respecting the effectiveness, safety, cost, and required training for and conditions of use, of such aspects of health care, activities, programs, or services.

"REPORT AND STUDY

"Sec. 1706. (a) The Secretary shall, not later than two years after the date of the enactment of this title and annually thereafter, submit a report to the Congress on the status of health information and health promotion, preventive health services, and education in the appropriate use of health care. Each such report shall include—

"(1) a statement of the activities carried out under this title since the last report and the extent to which each such activity achieves the purposes of this title;

"(2) an assessment of the manpower resources needed to carry out programs relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, and a statement describing the activities currently being carried out under this title designed to prepare teachers and other manpower for such programs;

"(3) the goals and strategy formulated pursuant to section 1701(a)(1), the research plan developed pursuant to section 1703(a), the models and standards required to be developed under this title, and the results of the study required by subsection (c) of this section; and

"(4) such recommendations as the Secretary considers appropriate for legislation respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, including recommendations for revisions to and extension of this title.

"(b) The Office of Management and Budget may review the Secretary's report under subsection (a) before its submission to the Congress, but the Office may not revise, or require revision of, the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

"(c) The Secretary shall conduct a study of health education services and preventive health services to determine the coverage of such services under public and private health insurance programs, including the extent and nature of such coverage and the cost sharing requirements required by such programs for coverage of such services.

"INTERDEPARTMENTAL COMMITTEE

"Sec. 1707. There is established a committee to provide for the communication and exchange of information necessary to promote and maintain the coordination and effectiveness of Federal programs and activities which relate to health information and health promotion, preventive health services, and education in the appropriate use of health care. The Secretary (or his designee) shall be the chairman of the committee and the President shall appoint as members of the committee representatives of Federal departments and agencies engaged in such activities and programs, including representatives of the Consumer Product Safety Commission, the Department of Agriculture, the Environmental Protection Agency, the Veterans' Administration, the Federal Trade Commission, the Federal Communications Commission, the Office of Management and Budget, and the Department of Defense.

"OFFICE OF HEALTH INFORMATION AND HEALTH PROMOTION

"Sec. 1708. The Secretry shall establish within the Department of Health, Education, and Welfare an Office of Health Information and Health Promotion which shall (1) under direction of the Secretary, administer this title, and in the administration of this title establish a national information clearinghouse to facilitate the exchange of information concerning matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, to facilitate access to such information, and to assist in the analysis of issues and problems relating to such matters, (2) be responsible for the coordination of all activities within the Department which relate to health information and health promotion, preventive health services, and education in the appropriate use of health care, and (3) coordinate its activities with the Center for Health Promotion established under part B.

"PART B—CENTER FOR HEALTH PROMOTION

"ESTABLISHMENT OF CENTER

"Sec. 1721. There is authorized to be established a nonprofit corporation to be known as the 'Center for Health Promotion' (hereafter in this part referred to as the 'Center') which will not be a agency or establishment of the United States Government. The Center shall be subject to the provisions of this part and, to the extent consistent with this part, to the District of Columbia Nonprofit Corporation Act.

"BOARD OF DIRECTORS

"Sec. 1722. (a) The Center shall have a Board of Directors (hereafter in this part referred to as the 'Board'), consisting of fifteen members appointed by the Secretary.

"(b) The members of the Board (1) shall (A) be selected from among citizens of the United States who are not regular full-time employees of the United States and who are eminent in such fields as, and who represent, health education, health care services delivery, nutrition, general education, consumer representation and advocacy, communications, labor and business, planning and organizational management, and public and private finance, and (B) shall include one ex officio member from the Office of Health Information and Health Promotion, and (2) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country and of various kinds of skills and experiences appropriate to the functions and responsibilities of the Center.

"(c) The members of the initial Board shall serve as incorporators and shall take whatever actions are necessary to establish the Center under the District of Columbia Nonprofit Corporation Act.

"(d) The term of office of each member of the Board shall be four years; except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; (2) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of one year, five at the end of two years, and five at the end of four years; and (3) a member whose term has expired may serve until his successor has qualified. No member shall be eligible to serve in excess of two consecutive terms of four years each.

"(e) Any vacancy in the Board shall not affect its power and shall be filled in the manner in which the original appointments were made.

"(f) The Secretary shall designate one of the members first appointed to the Board as Chairperson; thereafter the members of the Board shall annually elect one of their number as Chairperson. The members of the Board shall also elect one or more of them as a Vice Chairperson or Vice Chairpersons.

"(g) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board, be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day, including traveltime, during which they are engaged in the actual performance of duties vested in the Board; and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

"OFFICERS AND EMPLOYEES

"SEC. 1723. (a) The Center shall have a president, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. All officers shall serve at the pleasure of the Board.

"(b) No political test or qualifications shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Center.

"NONPROFIT AND NONPOLITICAL NATURE OF THE CENTER

"SEC. 1724. (a) The Center shall have no power to issue any shares of stock or to declare or pay any dividends.

"(b) No part of the income or assets of the Center shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

"(c) The Center may not contribute to or otherwise support any political party or candidate for elective public office.

"FUNCTIONS

"SEC. 1725. (a) The Center shall be responsible for advancing and promoting the development throughout the country of programs of health information and health promotion, preventive health services, and education in the appropriate use of health care, and in carrying out this responsibility the Center shall carry out the following functions:

"(1) The Center shall establish connections with, and serve as a forum for the involvement of, entities involved in health care and education, labor and business entities, social and civic entities, consumer organizations, and communication entities.

"(2) The Center shall coordinate, stimulate, and support projects involving other entities to increase the appropriateness, acceptability, and effectiveness of health information and health promotion, preventive health services, and education in the appropriate use of health care on a nationwide basis.

"(3) The Center shall develop, implement, and assess communications programs using a full range of media available to reach diversified groups in health information and health promotion, preventive health services, and education in the appropriate use of health care.

"(4) The Center shall assist in accelerating the incorporation of proven methods of health information and health promotion, preventive health services, and education in the appropriate use of health care into practice by establishing a system of technical assistance, training, and consultation.

"(5) The Center shall coordinate, stimulate, and support the development and use of research and evaluation methods for programs of health information and health promotion, preventive health services, and education in the appropriate use of health care.

"REPORT TO CONGRESS

"SEC. 1726. The Center shall, through the Secretary, submit an annual report to the Congress. The report shall include a comprehensive and detailed report of the Center's operations, activities, financial condition, and accomplishments under this part and may include such recommendations as the Center deems appropriate.

"FINANCING

"SEC. 1727. (a) Subject to subsection (b), there are authorized to be appropriated for the expenses of the Center, $2,000,000 for the fiscal year ending September 30, 1977, $3,000,000 for the fiscal year ending September 30, 1978, and $5,000,000 for the fiscal year ending September 30, 1979. Amounts appropriated under this subsection shall remain available until expended.

"(b) The amount appropriated for the fiscal year ending September 30, 1978, and the succeeding fiscal year for the expenses of the Center may not exceed 25 per centum of the expenses of the Center for the fiscal year for which the amount is appropriated.

"RECORDS AND AUDITS

"SEC. 1728. (a) The accounts of the Center shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Center normally are kept.

"(b) The report of each such independent audit shall be included in the annual report required by section 1726. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Center's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Center's income and expenses during the year and a statement of the sources and application of funds, together with the independent auditors's opinion of those statements.

"(c) The Comptroller General of the United States or any duly authorized representative of the Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Center which in the opinion of the Comptroller General relate to sums appropriated to the Center under section 1727.".

TITLE II—DISEASE PREVENTION AND CONTROL

SHORT TITLE

SEC. 201. This title may be cited as the "Disease Prevention and Control Amendments of 1976".

AMENDMENTS TO SECTIONS 311 AND 317

SEC. 202. (a) Effective with respect to grants under section 317 of the Public Health Service Act made from appropriations under such section for fiscal years beginning after June 30, 1975, section 317 of such Act is amended to read as follows:

"DISEASE PREVENTION AND CONTROL PROGRAMS

"SEC. 317. (a) The Secretary may make grants to States and, in consultation with State health authorities, to public and nonprofit private entities to assist them in meeting the costs of disease prevention and control programs.

"(b)(1) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain such information as the Secretary shall by regulation prescribe and shall meet the requirements of paragraph (2).

"(2) An application for a grant under subsection (a) shall—

"(A) set forth with particularity the objectives (and their priorities, as determined in accordance with such regulations as the Secretary may prescribe) of the applicant for each of the disease prevention and control programs it proposes to conduct with assistance from a grant under subsection (a);

"(B) contain assurances satisfactory to the Secretary that, in the year during which the grant applied for would be available, the applicant will conduct such programs as may be necessary (i) to develop an awareness in those persons in the area served by the applicant who are most susceptible to the diseases referred to in subsection (f) of appropriate preventive behavior and measures (including immunizations) and diagnostic procedures for such diseases, and (ii) to facilitate their access to such measures and procedures; and

"(C) provide for the reporting to the Secretary of such information as he may require concerning (i) the problems, in the area served by the applicant, which relate to any disease referred to in subsection (f), and (ii) the disease prevention and control programs of the applicant for which a grant is applied for.

In considering such an application the Secretary shall take into account the relative extent, in the area served by the applicant, of the problems which relate to one or more of the diseases referred to in subsection (f) and the extent to which the applicant's programs are designed to eliminate or reduce such problems. The Secretary shall give special consideration to applications for programs which will increase the immunization rates of any population identified as not having received, or as having failed to secure, the generally recognized disease immunizations. The Secretary shall give priority to applications submitted for disease prevention and control programs for communicable diseases.

"(c)(1) Each grant under subsection (a) shall be made for disease prevention and control program costs in the one-year period beginning on the first day of the first month beginning after the month in which the grant is made.

"(2) Payments under grants under subsection (a) may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of this section.

"(3) The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(A) the fair market value of any supplies (including vaccines and other preventive agents) or equipment furnished the grant recipient, and

"(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the recipient and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such recipient and for the purpose of carrying out a program with respect to which the recipient's grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based.

"(d) (1) The Secretary may conduct, and may make grants to and enter into contracts with public and nonprofit private entities for the conduct of—

"(A) training for the administration and operation of disease prevention and control programs, and

"(B) demonstrations and evaluations of such programs.

"(2) No grant may be made or contract entered into under paragraph (1) unless an application therefor is submitted to and approved by the Secretary. Such application shall be in such form, be submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(e) The Secretary shall coordinate activities under this section respecting disease prevention and control programs with activities under other sections of this Act respecting such programs.

"(f) For purposes of this section, the term 'disease prevention and control program' means a program which is designed and conducted so as to contribute to national protection against diseases of national significance which are amenable to reduction, including tuberculosis, rubella, measles, poliomyelitis, diphtheria, tetanus, whooping cough, and other communicable diseases (other than venereal diseases), and arthritis, diabetes, diseases borne by rodents, hypertension, pulmonary diseases, cardiovascular diseases, and Rh disease. Such term also includes vaccination programs, laboratory services, studies to determine the disease prevention and control needs of the States and the means of best meeting such needs, the provision of information and education services respecting disease prevention and control, and programs to encourage behavior which will prevent disease and encourage the use of preventive measures and diagnostic procedures. Such term also includes any program or project for rodent control for which a grant was made under section 314(e) for the fiscal year ending Jun 30, 1975.

"(g) (1) (A) For the purpose of grants under subsection (a) for disease prevention and control programs for measles and rubella, there are authorized to be appropriated $9,000,000 for fiscal year 1976, $9,000,000 for fiscal year 1977, and $9,000,000 for fiscal year 1978.

"(B) For the purpose of grants under subsection (a) for disease prevention and control programs for diseases borne by rodents there are authorized to be appropriated $13,100,000 for fiscal year 1976, $13,100,000 for fiscal year 1977, and $13,100,000 for fiscal year 1978.

"(C) For the purpose of grants under subsection (a) for disease prevention and control programs, other than programs for which appropriations are authorized under subparagraph (A) or (B), and for the purpose of grants and contracts under subsection (d), there are authorized to be appropriated $5,000,000 for fiscal year 1976, $5,000,000 for fiscal year 1977, and $5,000,000 for fiscal year 1978.

"(D) Not to exceed 15 per centum of the amount appropriated for any fiscal year under any of the preceding subparagraphs of this paragraph may be used by the Secretary for grants and contracts for such fiscal year for programs for which appropriations are authorized under any one or more of the subparagraphs of this paragraph if the Secretary determines that such use will better carry out the purpose of this section, and reports to the appropriate committees of Congress at least thirty days before making such use of such amount his determination and the reasons therefor.

"(2) Except as provided in section 318, no funds appropriated under any provision of this Act other than paragraph (1) of this subsection may be used to make grants in any fiscal year for disease prevention and control programs if (A) grants for such programs are authorized by subsection (a), and (B) all the funds authorized to be appropriated under this subsection for that fiscal year have not been appropriated for that fiscal year and obligated in that fiscal year.

"(h) The Secretary shall submit to the President for submission to the Congress on January 1 of each year (1) a report (A) on the effectiveness of all Federal and other public and private activities in preventing and controlling the diseases referred to in subsection (f), (B) on the extent of the problems presented by such diseases, (C) on the effectiveness of the activities assisted under grants and contracts under this section, in preventing and controlling such diseases, and (D) setting forth a plan for the coming year for the prevention and control of such diseases; and (2) a report (A) on the immune status of the population of the United States, and (B) identifying, by area, population group, and other categories, deficiencies in the immune status of such population.

"(i) (1) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to an agency or a political subdivision of a State under provisions of Federal law (other than this Act) and which are available for the conduct of disease prevention and control programs from being used in connection with programs assisted through grants under subsection (a).

"(2) Nothing in this section shall be construed to require any State or any agency or political subdivision of a State to have a disease prevention and control program which would require any person, who objects to any treatment provided under such a program, to be treated or to have any child or ward treated under such a program.".

(b) Section 311(c) of the Public Health Service Act is amended to read as follows:

"(c) (1) The Secretary shall develop (and may take such action as may be necessary to implement) a plan under which personnel, equipment, medical supplies, and other resources of the Service and other agencies under the jurisdiction of the Secretary may be effectively used to control epidemics of any disease referred to in section 317(f) and to meet other health emergencies or problems involving or resulting from disasters or any such disease. The Secretary may enter into agreements providing for the cooperative planning between the Service and public and private community health programs and agencies to cope with health problems (including epidemics and health emergencies) resulting from disasters or any disease referred to in section 317(f).

"(2) The Secretary may, at the request of the appropriate State or local authority, extend temporary (not in excess of forty-five days) assistance to States or localities in meeting health emergencies of such a nature as to warrant Federal assistance. The Secretary may require such reimbursement of the United States for assistance provided under this paragraph as he may determine to be reasonable under the circumstances. Any reimbursement so paid shall be credited to the applicable appropriation for the Service for the year in which such reimbursement is received.".

(c) Section 311(b) of such Act is amended by inserting at the end thereof the following new sentence: "The Secretary may charge private entities (other than nonprofit private entities) reasonable fees for the training of their personnel under the preceding sentence.".

AMENDMENTS RESPECTING VENEREAL DISEASES

SEC. 202. (a) (1) Subsection (b) (2) of section 318 of the Public Health Service Act is amended by striking out "two" and inserting in lieu thereof "five".

(2) Subsection (d) (2) of such section is amended to read as follows:

"(2) For the purpose of carrying out this section, there is authorized to be appropriated $35,000,000 for fiscal year 1976, $35,000,000 for fiscal year 1977, and $35,000,000 for fiscal year 1978.".

(b) Subsection (a) of such section is amended by striking out "public authorities and" and inserting in lieu thereof "public and nonprofit private entities and to".

(c) Subsection (d) (1) (B) of such section is amended by inserting before the semicolon at the end the following: "and routine testing, including laboratory test and followup systems".

(d) Subsection (d) (1) (E) of such section is amended by striking out "control" and inserting in lieu thereof "prevention and control strategies and activities".

(e) (1) Subsection (c) is repealed.

(2) Subsection (e) (1) of such section is amended by striking out "or (d)" and inserting in lieu thereof "or (c)".

(3) The last sentence of subsection (e) (4) of such section is amended by striking out the semicolon and all that follows through "paid to such recipient".

(4) The first sentence of subsection (e) (5) of such section is amended by inserting before the period the following: "or as may be required by a law of a State or political subdivision of a State".

(5) Subsection (g) of such section is amended by striking out ", (c), and (d)" and inserting in lieu thereof "and (c)".

(6) Subsections (d), (e), (f), (g), and (h) of such section are redesignated as subsections (c), (d), (e), (f), and (g), respectively.

(f) Subsection (e) of such section (as so redesignated) is amended by striking out "317(d) (4)" and inserting in lieu thereof "317(g) (2)".

(g) Such section is amended by adding at the end thereof the following new subsection:

"(h) For purposes of this section and section 317, the term 'venereal disease' means gonorrhea, syphilis, or any other disease which can be sexually transmitted and which the Secretary determines is or may be amenable to control with assistance provided under this section and is of national significance.".

(h) Section 318(b) (1) is amended by inserting "education," before "and training".

EXTENSION AND REVISION OF LEAD-BASED PAINT POISONING PREVENTION ACT

SEC. 203. (a) (1) Section 101(c) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801(c)) is amended by inserting after and below paragraph (4) the following:

"Follow-up programs described in paragraph (3) shall include programs to eliminate lead-based paint hazards from surfaces in and around residential dwelling units or houses, including programs to provide for such purpose financial assistance to the owners of such units or houses who are financially unable to eliminate such hazards from their units or houses. In administering programs for the elimination of such hazards, priority shall be given to the elimination of such hazards in residential dwelling units or houses in which reside children with diagnosed lead-based paint poisoning.".

(2)(A) Section 101(c) of such Act is amended by striking out "should include" and inserting in lieu thereof "shall include".

(B) Section 101(f) of such Act is amended by (i) striking out "and (B)" and inserting in lieu thereof "(B)", and (ii) by inserting before the period at the end the following ", and (C) the services to be provided will be provided under local programs which meet the requirements of subsections (c) and (d) of this section".

(b) Section 401 of such Act (42 U.S.C. 4831) is amended to read as follows:

"PROHIBITION AGAINST USE OF LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND THE MANUFACTURE OF CERTAIN TOYS AND UTENSILS

"Sec. 401. (a) The Secretary of Health, Education, and Welfare shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment of this Act.

"(b) The Secretary of Housing and Urban Development shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the use of lead-based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form after the date of enactment of this Act.

"(c) The Consumer Product Safety Commission shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any toy or furniture article.".

(c)(1) Section 501(3) of such Act (42 U.S.C. 4841(3)) is amended to read as follows:

"(3)(A) Except as provided in subparagraph (B), the term 'lead-based paint' means any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.

"(B)(i) The Consumer Product Safety Commission shall, during the six-month period beginning on the date of the enactment of the National Health Promotion and Disease Prevention Act of 1976, determine, on the basis of available data and information and after providing opportunity for an oral hearing and considering recommendations of the Center for Disease Control and the National Academy of Sciences, whether or not a level of lead in paint which is greater than six one-hundredths of 1 per centum but not in excess of five-tenths of 1 per centum is safe. If the Commission determines, in accordance with the preceding sentence, that another level of lead is safe, the term 'lead-based paint' means, with respect to paint which is manufactured after the expiration of the six-month period beginning on the date of the Commission's determination, paint containing by weight (calculated as lead metal) in the total nonvolatile content of the paint more than the level of lead determined by the Commission to be safe or the equivalent measure of lead in the dried film of paint already applied, or both.

"(1) Unless the definition of the term lead-based paint' has been established by a determination of the Consumer Product Safety Commission pursuant to clause (i) of this subparagraph, the term 'lead-based paint' means, with respect to paint which is manufactured after the expiration of the twelve-month period beginning on such date of enactment, paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.".

(2) Section 501 of such Act is amended (1) by striking out "the term" in paragraphs (1) and (2) and inserting in lieu thereof "The term", (2) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period, and (3) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

(d) Section 502 of such Act (42 U.S.C. 4842) is amended by striking out "In carrying out the authority under this Act, the Secretary of Health, Education, and Welfare shall" and inserting in lieu thereof "In carrying out their respective authorities under this Act, the Secretary of Housing and Urban Development and the Secretary of Health, Education, and Welfare shall each".

(e)(1) Section 503 of such Act (42 U.S.C. 4843) is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"(a) There are authorized to be appropriated to carry out this Act $10,000,000 for the fiscal year 1976, $12,000,000 for the fiscal year 1977, and $14,000,000 for the fiscal year 1978."

(2) Subsection (d) of such section is redesignated as subsection (b).

TITLE III—MISCELLANEOUS AMENDMENT

Sec. 301. (a) Section 2(f) of the Public Health Service Act is amended to read as follows:

"(f) Except as provided in sections 314(g)(4)(B), 355(5), 361(d), 1002(c), 1201(2), 1401(13), 1531(1), and 1633(1), the term 'State' includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.".

(b)(1) Section 361(d) is amended by adding at the end thereof the following: "For purposes of this subsection, the term 'State' includes, in addition to the several States, only the District of Columbia.".

(2) Section 1401 is amended by adding after paragraph (12) the following new paragraph:

"(13) The term 'State' includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, American Somoa, and the Trust Territory of the Pacific Islands.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "to amend the Public Health Service Act to provide authority for health information and programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs, and to amend the Lead-Based Paint Poisoning Prevention Act to revise and extend that act."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 12678) was laid on the table.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 12678) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE A REPORT ON H.R. 8235, FEDERAL-AID HIGHWAY ACT OF 1976

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file a report on the bill (H.R. 8235), the Federal-Aid Highway Act of 1976.

The SPEAKER pro tempore (Mr. Murtha). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CONGRESS MUST PASS A STRIP MINING BILL

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MELCHER. Mr. Speaker, six times in the past 4 years the House has overwhelmingly voted for a national strip mining reclamation bill. The last time was last summer with the vote occurring on the motion to override the President's veto. The House failed by three votes to override the veto. But the issue is too big, and it will not go away until a national strip mining reclamation bill is passed.

A revised bill with modifications made in it to suit some of the complaints raised by the administration and coal companies, was reported out of the House Commitee on Interior and Insular Affairs earlier this year by a vote of 28 to 11.

However, the Committee on Rules has so far turned down a rule for that bill. Fourteen of us have joined in signing a Dear Colleague letter stipulating to the Members of the House the need for passing such legislation in this Congress. Fourteen House Members representing all parts of the country and representing both parties are joining together in urging the House Members to sign a discharge petition to get the bill before the Members of the House.

A sound strip mining bill is essential to prudent coal development in the United States. I urge my colleagues in the House to sign the discharge petition and bring the bill to the House floor for prompt consideration and passage.

I am including for the Record the letter along with the proposed modifications to the bill:

H.R. 9725.—Six Major Changes From the Vetoed Strip Mine Bill

The revised strip mine bill (H.R. 9725), as reported out of the House Interior Committee (28–11), contains six substantive amendments which distinguish it from the bill vetoed by President Ford in May 1975. These six changes are as follows:

1) *New Mines:*

H.R. 25.—required compliance with interim standards immediately upon the date of enactment.

H.R. 9725—allows six months to comply with interim standards.

2) *Existing Mines:*

H.R. 25—required compliance with interim standards 135 days after enactment.

H.R. 9725—allows 12 months (one year) to meet interim standards. This major concession to the coal industry would allow the industry more time to come into compliance, particularly small operators.

3) *Initial Payment into Abandoned Mine Fund:*

H.R. 25—required initial payment into Fund 4 months after enactment.

H.R. 9725—does *not* require initial payment into Fund until the *end of April, 1977*, with companies being assessed the fee for coal mined *only after January 1, 1977*.

4) *Duration of Abandoned Mine Reclamation Fund:*

H.R. 25—10 year program.

H.R. 9725—15 year program.

5) *Reclamation of Privately-Owned Abandoned and Adversely Affected Lands:*

H.R. 25—not including Section 404, Title IV required public acquisition of privately-owned lands prior to eligibility for reclamation under the Abandoned Mine Reclamation program.

H.R. 9725—allows and encourages reclamation of privately-owned lands (in addition to Section 404) by placing a lien on the enhanced property value (*not* the total value), and if the land is then sold after reclamation, the amount of the lien would be returned to the Fund. This enables lands to remain in private ownership, while protecting against any possible "windfall profits."

6) *Alluvial Valley Floors.*—These environmentally sensitive and highly productive lands essential to agriculture in the West which border many streams and rivers are in some cases underlain by strippable coal. USGS reports that in three counties in southeastern Montana, which are typical of the Powder River Basin as a whole, no more than 2.7% of the strippable coal overlaps with the alluvial valley floors. (See USGS Open-File Report No. 76–162, February, 1976) Yet, these fragile and agriculturally vital areas are under intense pressure from the energy companies to be stripped.

H.R. 25: placed off-limits alluvial valley floors where the regulatory authority determined that the proposed mining would have a "substantial adverse effect" on those valley floors where farming could be practiced, and where such valley floors "are significant to the practice of farming and ranching operations." The language, however, was opposed by environmental and agricultural groups, the Administration, and the coal industry, primarily due to its lack of specificity with all sides fearful of extensive litigation.

H.R. 9725: Sec. 510(b)(5)(A) places off-limits to strip mining those alluvial valley floors where the proposed mining would "interrupt, discontinue, or prevent farming" and where the valley floors are "irrigated or naturally subirrigated," excluding undeveloped range lands which are not significant to agriculture. The new language also grandfathers in those existing strip mines producing coal in commercial quantities in or adjacent to alluvial valley floors in the year preceding the date of enactment of the Act and where those mining operations have approved permits to continue mining in these alluvial valley floors. (USGS reports that only 5 of 30 currently coal-producing mines which have been reviewed could be construed to be located within or adjacent to alluvial valley floors.)

Sec. 510(b)(5)(B) is a new clause, not contained in the vetoed strip mine bill, which protects against mining operations which would "adversely affect the quality or quantity of water in surface or underground water systems that supply these valley floors" identified in Sec. 510(b)(5)(A). It is, in essence, a conforming amendment with the purposes of Sec. 510(b)(5)(A).

STRIPMINING DISCHARGE PETITION

APRIL 6, 1976.

DEAR COLLEAGUE: On Wednesday, April 7, we would like you to join us in signing the discharge petition (H. Res. 1107) to discharge the Rules Committee of the revised surface coal mining legislation (H.R. 9725) and enable it to come to the floor for House consideration.

We realize that bringing legislation to the floor under a discharge petition is an unusual procedure. We feel, however, that this procedure is called for in this instance, particularly in light of the unusual legislative history of the strip mine bill.

The House of Representatves has voted overwhelmingly six times, during the 92nd, 93rd and 94th Congresses, in support of a meaningful federal surface coal mining bill:

October 1972—Adopted Committee bill under Suspension Calendar (265–75).

July 1974—Adopted Committee bill with amendments (291–81).

December 1974—Approved Conference Report (voice vote).

March 1975—Adopted Committee bill with amendments (333–86).

May 1975—Approved Conference Report (293–115).

June 1975—Majority supported override (278–143, three votes short of ⅔).

This year, in this Second Session of the 94th Congress, the House Interior Committee reported out a revised strip mine bill (H.R. 9725), by a vote of 28–11. The new strip mine bill (H.R. 9725) contains six substantive amendments which distinguish it from the bill voted in the First Session last year (H.R. 25). Furthermore, Congressman John Melcher placed in the *Record* on March 22 fourteen additional amendments which would be acceptable on the floor and which would ease the administrative burdens on small operators without compromising the integrity of the mining and reclamation standards. (See attachments (A) Six major amendments contained in H.R. 9725 and (B) Proposed floor amendments placed in *Record* by Congressman Melcher.)

Although the Committee did not feel that the criticisms on which the President based last year's veto were valid, the amendments represent a good faith effort to meet them without compromising the essential integrity of the bill.

Nevertheless, on March 23, the Rules Committee, with several members absent, after a brief discussion and without a record vote moved to table the Interior Committee's request for an open rule for H.R. 9725. The Committee declined even to hear testimony from five House Interior Committee members who were present and seeking to testify.

Every week that passes adds over 4,000 new acres to those already stripped by the coal operators. Most of these acres are stripped under reclamation rules that are weak or nonexistent. Without national standards the states are almost powerless to enforce effective state reclamation laws. H.R. 9725 will enable them to do so. Failure of the House to act on this legislation this year will only prolong the uncertainty that already serves as a major impediment to increased capital investment in the coal industry.

We hope you join us in signing the discharge petition on Wednesday, April 7.

John F. Seiberling, John Melcher, Alan Steelman, Charles Whalen, Jr., Jonathan Bingham, Bob Eckhardt, Richard Ottinger, Teno Roncalio, Philip Burton, Gilbert Gude, Waye L. Hays, Patsy Mink, Paul Tsongas, Charles Wilson.

H.R. 9725—STRIP MINE BILL

Mr. MELCHER. Mr. Speaker, the strip mine bill, H.R. 9725, will soon be coming to the floor for consideration by the House.

In an effort to assure that enactment of the bill will not result in hardship to operators, I have written a number of amendments that I plan to offer on the floor. These amendments are the result of discussions with operators themselves, as well as State regulatory authorities and other interested persons.

I hope that my colleagues will review these amendments prior to consideration on the floor.

The amendment follows:

REGULATORY AUTHORITY ASSUMPTION OF WATER AND CORE SAMPLING ANALYSIS RESPONSIBILITY

Title IV: Page 26, line 18: strike the period after the word "section" and insert the following: "*Provided,* That an amount not to exceed twenty per centum of such reclamation fees collected for any calendar quarter shall be reserved beginning in the first calendar in which the fee is imposed and continuing for the remainder of that fiscal year and for the period in which such fee is imposed by law, for the purpose of Section 507(c), subject to appropriation pursuant to authorization under Section 712(b).

Title V, section 507: Page 65, after line 20: insert new subsection (c) and reletter subsequent subsections accordingly:

"If the regulatory authority finds that the probable annual production of any coal surface mining operators will not exceed 250,000 tons, the determination of hydrologic consequences required by subsection (b)(11) and the statement of the result of test borings or core samplings required by subsection (b)(15) of this section shall be performed by the regulatory authority, or such qualified public or private laboratory designated by the regulatory authority and the cost of the preparation of such determination and statement shall be assumed by the regulatory authority."

AUTHORIZATION—CONFORMING AMENDMENT

Section 712: Page 166, after line 10: insert the following new subsection and reletter subsequent subsections accordingly:

"(b) commencing in the fiscal year ending September 30, 1977, and for each fiscal year for a period of fifteen fiscal years thereafter, for the implementation and funding of Section 507(c) there are authorized to be appropriated sums reserved by Section 401(b)(3) for the purposes of Section 507(c) and such additional sums are authorized to be appropriated as may be necessary to provide an amount not to exceed $40 million to carry out the purposes of Section 507(c)."

EXTENSION OF APPLICATION DEADLINE

Section 502: Page 45, lines 21 to 22; strike out the phrase "Not later than twenty months from the date of enactment of this Act," and insert in lieu thereof the following:

"Not later than two months following the approval of a State program pursuant to Section 503 or the implementation of a Federal program pursuant to Section 504 with the regulatory authority, such application to cover those lands to be mined eight months after the date of approval of the State program or implementation of the Federal program. The regulatory authority shall process such applications and grant or deny a permit within eight months after the date of approval of the State program or implementation of the Federal program, but in no case later than thirty-six months from the date of enactment of this Act."

APPLICATION REQUIREMENTS

Section 507(b)(F): Page 60, line 21 through 24: Strike subsection (F).

Explanation: This is basically redundant with Section 507(B)(4) on Page 61.

APPLICATION REQUIREMENTS

Section 507(b)(3): Page 61, lines 1 and 2: Strike after the word "areas" on line 1 through the words "feet of" on line 2 the following: "within five hundred feet of" and insert in lieu thereof the following: "adjacent to."

Explanation: This streamlines the application requirements for the operator and retains the basic legislative intent that all adjacent property owners be notified. It is consistent with the Pennsylvania requirements.

APPLICATION REQUIREMENTS

Section 507(b)(5): Page 61, line 20: Strike the words "subsequent to 1960" and insert in lieu thereof the following: "in the five year period prior to the date of the submission of the application".

Explanation: This reduces the amount of information required of the operator in the application consistent with the amendment to Section 507(b)(3).

APPLICATION REQUIREMENTS

Section 507(b)(3): Page 61, line 5: Insert after the word "identification" on line 5 the following: "in the five year period preceding the date of submission of the application."

Explanation: This streamlines and reduces the amount of information required of the operator in the application without violating the intent of the paragraph which is to provide the regulatory authority with some background information on the coal operator.

APPLICATION REQUIREMENTS

Section 507(a): Page 60, lines 6 through 7: Strike after the word "based" on line 6 the following: "shall be based as nearly as possible upon" and insert in lieu thereof the following: "may be less than but shall not exceed".

Explanation: This reduces substantially the amount of the fee that may be required of small operators, by allowing flexibility for the regulatory authority to base the application fee "in part" on the costs to review, administer, and enforce the permit, rather than "as nearly as possible," while not losing the legislative intent that these three areas be considered in the establishing of application fees.

APPLICATION REQUIREMENTS

Section 507(b)(14): Page 64, lines 12 and 13: Strike the following: "the nature of the stratum immediately beneath the coal seam to be mined;".

Explanation: This greatly reduces the burden on the operator to provide additional information with the application which may not, in every case, be necessary for the regulatory authority to have prior to making a determination on the application. This gives the regulatory authority more flexibility without eliminating the legislative intent of the provision.

CORE SAMPLING

Page 65, line 11: insert before the word "a" the following: "except that the provisions of this paragraph 15 may be waived by the regulatory authority by a written determination that such requirements are unnecessary with respect to a specific application.".

Explanation: This amendment would allow the regulatory authority to determine when core sampling must be taken.

RECLAMATION PLAN REQUIREMENTS

Section 508(a)(7): Page 68, line 17, strike paragraph (7).

Explanation: This paragraph is redundant and other provisions in Sections 507 and 508 require this information.

RECLAMATION PLAN REQUIREMENTS

Section 508(a)(10): Page 69, line 6, strike "programs;" insert in lieu thereof the following: "zoning requirements;".

Explanation: This clarifies the type of information required of the operator in the reclamation plan.

BONDING—ALTERNATIVES

Section 509: Page 72, after line 8: Insert new paragraph (f) as follows:

"(f) In lieu of the establishment of a bonding program, as herein set forth in this section, the Secretary may approve as part of a State or Federal program an alternative system that will achieve the objectives and purposes of the bonding program pursuant to this section."

Explanation: This amendment would allow the State to implement an alternative system to bonding (e.g. an insurance system) provided that it contains provisions to assure that the objectives and purposes of the bonding section are met.

CLARIFICATION AND LIMITATION OF BURDEN OF PROOF

Section 510(a): Page 72, line 17; after the period insert the following sentence: "The applicant for a permit, or revision or renewal of a permit, shall have the burden of establishing that his application is in compliance with all the requirements of the applicable State or Federal program."

Page 72, line 24; strike out the word "affirmatively".

Conforming Amendment—Section 513: Page 82, line one; strike out the phrase "applicable State and Federal laws" and insert in lieu thereof the following: "all the requirements of the applicable State or Federal program under this Act."

Explanation: It is the intention of H.R. 9725 to place the burden on the applicant to demonstrate that the application is in compliance with the Act. Use of the language "affirmatively demonstrate" however might possibly be construed to impose a more stringent test than merely placing the burden on the operator. This amendment, therefore, strikes that language. The conforming amendment clarifies that it is not the intention of this Act to shift the burden imposed by other State or Federal laws.

LIMITING COAL EXPLORATION PERMITS

Section 512: Page 77, line 16 through page 80, line 5, strike out Section 512 and insert in lieu thereof the following new section:

SEC. 512. (a) Each State or Federal program for a State shall include a requirement that coal exploration operations which substantially disturb the natural land surface be conducted in accordance with exploration regulations issued by the regulatory authority. Such regulations shall include, at a minimum, (1) the requirement that prior to conducting any exploration under this section, any person must file with the regulatory authority notice of intention to explore and such notice shall include a description of the exploration area and the period of supposed exploration and (2) provisions for reclamation of all lands disturbed in exploration, including excavations, roads, drill holes, and the removal of necessary facilities and equipment.

(b) Information submitted to the regulatory authority pursuant to this subsection as confidential concerning trade secrets or privileged commercial or financial information which relates to the competitive rights of the person or entity intended to explore the described area shall not be available for public examination.

(c) Any person who conducts any coal exploration activities which substantially disturb the natural land surface in violation of this section or regulations issued pursuant thereto shall be subject to the provisions of Section 518.

EXPLORATION PERMITS—FEDERAL LANDS

Section 523: Page 134, after line 14: Insert the following new subsection and reletter subsequent subsections accordingly:

"(c)(1) The Federal lands program shall include a requirement that coal exploration operations which substantially disturb the natural land surface be conducted under a permit issued by the Secretary.

(2) Each application for a coal exploration permit pursuant to the Federal lands program shall be accompanied by a fee established by the Secretary. Such fee shall be based, as nearly as possible, upon the actual or anticipated cost of reviewing, administering, and enforcing such permit issued. The application and supporting technical data shall be submitted in a manner satisfactory to the Secretary and shall include a description of the purpose of the proposed exploration project. The supporting technical data shall include, among other things—

(A) a general description of the existing environment;

(B) the location of the area of exploration by either metes and bounds, lot, tract, range, or section, whichever is most applicable, including a copy of the pertinent United States Geological Survey topographical map or maps with the area to be explored delineated thereon;

(C) a description of existing roads, railroads, utilities, and rights-of-way, if not shown on the topographical map;

(D) the location of all surface bodies of water, if not shown on the topographical map;

(E) the planned approximate location of any access roads, cuts, drill holes, and necessary facilities of exploration, all of which shall be platted on the topographical map;

(F) the estimated time of exploration;

(G) the ownership of the surface land to be explored;

(H) a statement describing the right by which the applicant intends to pursue his exploration activities and a certification that notice of intention to pursue such activities has been given to the surface owner;

(I) provisions for reclamation of all land disturbed in exploration, including excavations, roads, drill holes, and the removal of necessary facilities and equipment; and

(J) such other information as the regulatory authorities may require.

(c) Specifically identified information submitted by the applicant in the application and supporting technical data as confidential concerning trade secrets or privileged commercial or financial information which relates to the competitive rights of the applicant shall not be available for public examination.

(d) If an applicant is denied a coal exploration permit under this Act, or if the regulatory authority fails to act within a reasonable time, then the applicant may seek relief under the appropriate administrative procedures.

(e) Any person who conducts any coal exploration activities in connection with surface coal mining operations under this Act without first having obtained a permit to explore from the appropriate regulatory authority or shall fail to conduct such exploration activities in a manner consistent with his approved coal exploration permit, shall be subject to the provisions of Section 518 of this Act.

Explanation: These amendments retain the requirement for an exploration permit on Federal lands but eliminates such a requirement for lands within the jurisdiction of a State or lands under regulation of a Federal program for that State. In the latter two cases, notice to the regulatory authority is required prior to exploration and penalties are applicable for violations of exploration regulations.

Limiting Notice on Bond Release

Section 519(a): Page 115, line 21: after the word "owners" insert "and the appropriate" and after the word "bodies," strike out everything through the word "companies" on line 29.

Explanation: This amendment limits the scope of the notice requirement on bond release.

Bond Release

Section 519: Page 118, after line 16: Insert the following new subsection and reletter subsequent subsections accordingly:

"(g) Without precluding the rights of the objectors or the responsibilities of the regulatory authority pursuant to this paragraph, the regulatory authority may establish an informal conference procedure to resolve such written objections in lieu of holding a formal transcribed hearing."

Explanation: This language allows such procedure to continue, without precluding or diminishing the rights of the objectors—if the informal conference is not satisfactory, a formal hearing may still be conducted. Currently many bond releases objections are handled in this manner in Pennsylvania.

Clarification of Approximate Original Contour Definition

Section 701(23): Page 152, strike lines 17 and 18 and insert in lieu thereof the following: "surrounding terrain, with all highwalls and spoil pile eliminated; water impoundments".

Explanation: Clarifying language. The word "depressions" is held over from a very early draft of the bill, but causes some confusion. What is crucial is the elimination of (1) highwalls, and (2) spoil piles *in all cases, with no exceptions*. Obviously, however, there will be depressions left where thick seams of coal have been removed or in some forms of contouring where the operator is required to complement the drainage pattern of surrounding terrain. After the word "depressions" was put in the bill, the special provisions for "water impoundments" were added, thereby, making this reference to "depressions" unnecessary and possibly confusing.

RETIREMENT OF CONGRESSMAN TORBERT MACDONALD

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, it is with a deep regret that I inform my colleagues of the retirement at the completion of this term of Torbert Macdonald from the House of Representatives. Congressman Macdonald announced his retirement plans in a personal statement released in Washington and Boston.

It has been my privilege to have served with Torby in the Congress for the past 22 years. I will miss him, not only because the House is losing such an outstanding legislator, and Massachusetts is losing one of its finest public servants, but because I am losing the companionship, the counsel, the advice and the support of a close personal colleague.

I have known Torby since high school days when he was an all-star, four sports athlete. I remember him as the star halfback on the Harvard football team and as a great pitcher on the Harvard baseball team. I knew him as a young attorney practicing law in the greater Boston area. We became close friends when he came to Congress in 1954, and I knew then that he was destined to become one of America's great national leaders.

There have been many people in Massachusetts and throughout the Nation who were close to the late President John F. Kennedy. But I would have to say none was as close as his college roommate, Torby Macdonald, who served as a personal adviser during Kennedy's Presidential years.

Torby took great pride in representing the Seventh District of Massachusetts, serving his constituents with vigorous leadership and strong personal commitment.

To enumerate his great legislative achievements does not pay him the credit he deserves. He is recognized as the father of public broadcasting, the author of the Emergency Petroleum Allocation Act, and the author of the sports antiblackout law.

Throughout his legislative career, Torby has fought against higher energy prices and has been an influential spokesman for the consumer, the unemployed and the elderly. As the ranking member of the Commerce Committee he has been the driving force behind the most important legislation in our Nation's history that directly affects the health, safety and well-being of the American people.

Torby Macdonald has never been more effective as a Congressman than he has been in the last two Congresses. He was not only a strong force in Congress, but his leadership on the House Commerce Committee has meant a great deal to the country, to the people of New England, and to his constituents in Massachusetts.

He will be sadly missed by his constituents, his colleagues and his friends.

I wish him good health and years of enjoyment and happiness with his family and friends.

I include the following:

Statement of the Honorable Torbert H. Macdonald

Today I am announcing my retirement as a Member of Congress at the completion of this—my eleventh—term in office. This has been no easy decision for me—to give up the job which has been so much a part of my life for the past 22 years.

My roots in my district go very deep. I was born and raised among the people whom I represent. I have always had a special feeling towards my district and have taken great pride in representing their needs and interests in the Congress of the United States. I have dedicated myself to being an active and effective spokesman on behalf of the people I was elected to serve. In addition, I have tried to provide leadership in doing what I believed in for my country and for the Commonwealth of Massachusetts.

Now, I find I can no longer come up to the standards which I have set for myself. After consultation with my doctors and after undergoing a thorough physical examination, I realize that I can regain my good health if I am able to remove as many pressures as possible. I cannot, therefore, in good conscience, continue to serve the people of the Seventh District. They are entitled to the same vigorous representation I have always tried to provide.

I am making this announcement at this time in order to allow responsible persons to enter the race to succeed me.

Let me add one final thought of a personal nature. This has truly been the hardest decision of my life. I love my district, and I feel great sadness in closing this chapter of my life. But in every ending there is a new beginning, and as I look back on the things I have accomplished, I can also look ahead with abundant hope for the future.

Congressman Macdonald Announces Retirement

Washington, D.C.—Congressman Torbert H. Macdonald (D.-Mass.) today announced that he plans to retire at the end of the 94th Congress. Macdonald has represented what is now the Seventh District of Massachusetts for the past 22 years. His retirement plans were announced in a personal statement which was released today in Washington and in Boston.

Congressman Macdonald has worked hard to attain several key positions in the House of Representatives. He is Chairman of the House Subcommittee on Communications and the ranking Democratic member on the Interstate and Foreign Commerce Committee. In his capacity as Subcommittee Chairman, Macdonald's influence extends over the various forms of telecommunications, including television, radio, cable television, and satellites. Macdonald has also had a major role in shaping legislation dealing with energy, railroad revitalization, and consumer protection as a senior member of the Commerce Committee.

In addition, Congressman Macdonald serves as a ranking member of two Government Operations Subcommittees—Conservation, Energy and Natural Resources and Government Information and Individual Rights, and served for 20 years as Assistant Majority Leader for New England.

During his eleven consecutive terms in office, Macdonald has achieved a record of distinction in a number of important legislative fields:

He is recognized as the "father" of Public Broadcasting, having introduced key legislation in 1967 and guided the growth of educational television and radio throughout the country. His leadership produced the long-range funding legislation for Public Broadcasting which was hailed by President Ford as a "legislative milestone" when he signed it into law last year. Commenting on Mr. Macdonald's efforts on behalf of public broadcasting, Henry Loomis, President of the Corporation for Public Broadcasting, said: "All of us appreciate your help, your guidance, your wisdom, but above all your guts. You stood alone and led the fight."

As Chairman of the House Subcommittee on Power, Macdonald authored the Emergency Petroleum Allocation Act which assured all regions of the country, especially New England, an equitable supply of home heating oil and gasoline during the recent oil embargo. For his work on behalf of New England, the New England Fuel Institute praised Macdonald's leadership and said that "the entire New England oil heating industry, as well as more than 2 million oil heating consumers of the region owe Congressman Macdonald a vote of thanks."

Congressman Macdonald also authored a law which forced professional sports teams to allow local telecasts of sold-out home games. The Sports Antiblackout Law, which bears his name, is about to be made permanent by the Congress. It gives sports fans who cannot afford or do not have the opportunity to buy tickets a chance to see their home team on television.

Mr. Macdonald was applauded for his work recently on comprehensive legislation to reorganize and revitalize financially-troubled Northeast railroads. He has utilized his position of influence on the Commerce Committee to seek a balanced transportation system for the country and for New England.

In the 94th Congress, Congressman Macdonald, as Chairman of the House Communications Subcommittee, has taken an active role to support competition in domestic common carrier policy and better coordination for government planning and policy development in telecommunications. He sponsored a major Congressional re-examination of cable television and worked for reform and reorganization of federal regulatory agencies. He has renewed his criticism of violence on television and has pushed for important new research of the problem.

Throughout his career, Mr. Macdonald has led the fight against higher energy prices and has been an influential spokesman for the consumer. In his first year in Congress, Macdonald took on the powerful natural gas lobby and won the praise of nationally respected columnist Drew Pearson, who wrote: "He is one of the outstanding newcomers and did a hard fighting job for the consumer during the debate on the Natural Gas Bill." Macdonald continued his strong opposition to Natural Gas deregulation. After a recent vote on the issue, the Consumer Federation of America hailed Macdonald saying, "Your support and those who followed your lead made the difference between victory and defeat."

Macdonald has frequently confronted electric utility companies blocking unnecessary rate hikes, and he has helped to win a series of rebates to consumers. In a recent pamphlet returning a collected rate increase to its customers, the Wakefield Municipal Light Department said: "We extend our gratitude to Congressman Macdonald for his constant great help in this case and in every emergency we have had over the years." The utility industry was so concerned with Macdonald's fight for fair electricity rates that they funded a candidate who unsuccessfully challenged him in 1968.

Over the years, Mr. Macdonald has been involved in a number of other important issues. He has been a long-time and recognized advocate of better children's television and was responsible for implementing a children's television office within the FCC; he helped push campaign reform legislation through the Congress to limit the amounts which candidates could spend on television for so-called "media blitzes"; he authored the Natural Gas Pipeline Safety law; and he was a key supporter of the Hill-Burton Act which provided federal funds for hospital construction.

Congressman Macdonald has a record unmatched in Congress in support of the nation and people of Israel. During his tenure, he has worked diligently for an honorable and lasting peace in the Middle East. He has also been recognized by numerous groups for his efforts on behalf of Social Security recipients, older Americans, and those living on fixed incomes.

Throughout his career, Macdonald has been deeply committed to the unemployed. Recently he has worked in the face of Presidential opposition to establish public service and summer youth jobs programs. Last year Congressman Macdonald joined with Senator Edward Kennedy to block plans by General Electric to close an aircraft facility in Everett, Massachusetts—a move that would have meant a loss of nearly 2,000 jobs in his Seventh District. In addition, Macdonald has championed the cause of the rank and file worker, supporting legislation to improve working conditions and provide employment security.

First elected to Congress in 1954, Mr. Macdonald was chosen by Speaker of the House Sam Rayburn as "one of the five most outstanding new Members of Congress." Speaker Rayburn said: "Torby Macdonald will be an outstanding national leader before he is through."

Rayburn's assessment was supported this year by Congressman Thomas P. O'Neill, the Majority Leader of the House, who said of Mr. Macdonald: "He has never been more effective as a Congressman than he has been in the last two or three years. He is a strong force in Congress and his leadership on the Commerce Committee has meant a great deal to the country and to the people of New England."

Congressman Macdonald is a graduate of both Harvard College and Harvard Law School and was an outstanding athlete. He captained the Harvard football team, was an all-East halfback, and, in 1973, was inducted into the Harvard Football Hall of Fame.

A PT-Boat commander in World War II, Macdonald won the Silver Star for heroism in New Guinea, as well as the Purple Heart. Prior to winning election to Congress in 1954, Congressman Macdonald practiced law in Boston, and served as Counsel to the New England office of the National Labor Relation Board.

Mr. Macdonald was born in Malden and attended Malden and Medford public schools and Phillips Andover Academy. He is the father of four children and the grandfather of three.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, I served with the gentleman from Massachusetts (Mr. Macdonald) on the Communications and Power Subcommittee, as it was then. I had the privilege of serving some 7 years with the gentleman in the House of Representatives and I can attest to the fact we will all miss the gentleman.

Mr. VAN DEERLIN. Mr. Speaker, today's announcement by the gentleman from Massachusetts (Mr. Macdonald), that he will not seek reelection portends a loss for many of us. It means that one more touch of "Camelot" will be missing when the next Congress convenes.

Torbert Macdonald long ago became a living legend to the people of his district, and to a good part of New England. Graced with good looks and talent, a member of Harvard's football hall of fame, campus hero, highly decorated naval officer in wartime, friend and confidante of a President—he has been all these things.

My own acquaintance with him stems from the time of my assignment to the Interstate and Foreign Commerce Committee 13 years ago—more especially from my joining Torby's Subcommittee on Communications, where I was his ranking majority member through several Congresses.

Both personally and professionally, this was a rich experience. Having myself emerged from employment in the broadcast industry, I never ceased being impressed by Torby's considerable grasp of the subject matter within our subcommittee's jurisdiction.

Moreover his skills as a lawyer, particularly as displayed in the examination of witnesses, are ever a joy to behold—unless, I suppose, one happened to be an object of his occasional scorn. Though one to show patience and consideration for persons genuinely trying to be helpful, Torby could muster barbed comment for those who would mislead or obfuscate.

His decision to step down could not have been an easy one. Let us hope that Torby's early recovery of good health will demonstrate that it was the correct one.

Because this man's public life has been so marked with achievement, I am grateful to his Washington staff for having put the facts together in a comprehensive way to accompany the announcement of his retirement.

By unanimous consent, Mr. Speaker, I offer this compendium for the Record:

CONGRESSMAN MACDONALD ANNOUNCES RETIREMENT

Congressman Torbert H. Macdonald (D. of Mass.) today announced that he plans to retire at the end of the 94th Congress. Macdonald has represented what is now the Seventh District of Massachusetts for the past 22 years. His retirement plans were announced in a personal statement which was released today in Washington and in Boston.

Congressman Macdonald has worked hard to attain several key positions in the House of Representatives. He is Chairman of the House Subcommittee on Communications and the ranking Democratic member on the Interstate and Foreign Commerce Committee. In his capacity as Subcommittee Chairman, Macdonald's influence extends over the various forms of telecommunications, including television, radio, cable television, and satellites. Macdonald has also had a major role in shaping legislation dealing with energy, railroad revitalization, and consumer protection as a senior member of the Commerce Committee.

In addition, Congressman Macdonald serves as a ranking member of two Government Operations Subcommittees—Conservation, Energy and Natural Resources and Government Information and Individual Rights, and served for 20 years as Assistant Majority Leader for New England.

During his eleven consecutive terms in office, Macdonald has achieved a record of distinction in a number of important legislative fields:

He is recognized as the "father" of Public Broadcasting, having introduced key legislation in 1967 and guided the growth of educational television and radio throughout the country. His leadership produced the long-range funding legislation for Public Broadcasting which was hailed by President Ford as a "legislative milestone" when he signed it into law last year. Commenting on Mr. Macdonald's efforts on behalf of public broadcasting, Henry Loomis, President of the Corporation for Public Broadcasting, said: "All of us appreciate your help, your guidance, your wisdom, but above all your guts. You stood alone and led the fight."

As Chairman of the House Subcommittee on Power, Macdonald authorized the Emergency Petroleum Allocation Act which assured all regions of the country, especially New England, an equitable supply of home heating oil and gasoline during the recent oil embargo. For his work on behalf of New England, the New England Fuel Institute praised Macdonald's leadership and said that "the entire New England oil heating industry, as well as more than 2 million oil heating consumers of the region owe Congressman Macdonald a vote of thanks."

Congressman Macdonald also authorized a law which forced professional sports teams to allow local telecasts of sold-out home games. The Sports Antiblackout Law, which bears his name, is about to be made permanent by the Congress. It gives sports fans who cannot afford or do not have the opportunity to buy tickets a chance to see their home team on television.

Mr. Macdonald was applauded for his work recently on comprehensive legislation to reorganize and revitalize financially-troubled Northeast railroads. He has utilized his position of influence on the Commerce Committee to seek a balanced transportation system for the country and for New England.

In the 94th Congress, Congressman Macdonald, as Chairman of the House Communications Subcommittee, has taken an active role to support competition in domestic common carrier policy and better coordination for government planning and policy development in telecommunications. He sponsored a major Congressional re-examination of cable television and worked for reform and reorganization of federal regulation agencies. He has renewed his criticism of violence on television and has pushed for important new research of the problem.

Throughout his career, Mr. Macdonald has led the fight against higher energy prices and has been an influential spokesman for the consumer. In his first year in Congress, Macdonald took on the powerful natural gas lobby and won the praise of nationally respected columnist Drew Pearson, who wrote: "He is one of the outstanding newcomers and did a hard fighting job for the consumer during the debate on the Natural Gas Bill." Macdonald continued his strong opposition to Natural Gas deregulation. After a recent vote on the issues, the Consumer Federation of America hailed Macdonald saying, "Your support and those who followed your lead made the difference between victory and defeat."

Macdonald has frequently confronted electric utility companies blocking unnecessary rate hikes, and he has helped to win a series of rate rebates to consumers. In a recent pamphlet returning a collected rate increase to its customers, the Wakefield Municipal Light Department said: "We extend our gratitude to Congressman Macdonald for his constant great help in this case and in every emergency we have had over the years." The utility industry was so concerned with Macdonald's fight for fair electricity rates that they funded a candidate who unsuccessfully challenged him in 1968.

Over the years, Mc. Macdonald has been involved in a number of other important issues. He has been a long-time and recognized advocate of better children's television and was responsible for implementing a children's television office within the FCC; he helped push campaign reform legislation through the Congress to limit the amounts which candidates could spend on television for so-called "media blitzes"; he authored the Natural Gas Pipeline Safety law; and he was a key supporter of the Hill-Burton Act which provided federal funds for hospital construction.

Congressman Macdonald has a record unmatched in Congress in support of the nation and people of Israel. During his tenure, he has worked diligently for an honorable and lasting peace in the Middle East. He has also been recognized by numerous groups for his efforts on behalf of Social Security recipients, older Americans, and those living on fixed incomes.

Throughout his career, Macdonald has been deeply committed to the unemployed. Recently he has worked in the face of Presidential opposition to establish public service and summer youth jobs programs. Last year Congressman Macdonald joined with Senator Edward Kennedy to block plans by General Electric to close an aircraft facility in Everett, Massachusetts—a move that would have meant a loss of nearly 2,000 jobs in his Seventh District. In addition, Macdonald has championed the cause of the rank and file worker, supporting legislation to improve working conditions and provide employment security.

First elected to Congress in 1954, Mr. Macdonald was chosen by Speaker of the House Sam Rayburn as "one of the five most outstanding new Members of Congress." Speaker Rayburn said: "Torby Macdonald will be an outstanding national leader before he is through."

Rayburn's assessment was supported this year by Congressman Thomas P. O'Neill, the Majority Leader of the House, who said of Mr. Macdonald: "He has never been more effective as a Congressman than he has been in the last two or three years. He is a strong force in Congress and his leadership on the Commerce Committee has meant a great deal to the country and to the people of New England."

Congressman Macdonald is a graduate of both Harvard College and Harvard Law School and was an outstanding athlete. He captained the Harvard football team, was an all-East halfback, and, in 1973, was inducted into the Harvard Football Hall of Fame.

A PT-Boat commander in World War II, Macdonald won the Silver Star for heroism in New Guinea, as well as the Purple Heart. Prior to winning election to Congress in 1954, Congressman Macdonald practiced law in Boston, and served as Counsel to the New England office of the National Labor Relations Board.

Mr. Macdonald was born in Malden and attended Malden and Medford public schools and Phillips Andover Academy. He is the father of four children and the grandfather of three.

GENERAL LEAVE

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the retirement of the gentleman from Massachusetts (Mr. MACDONALD).

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from New York?

There was no objection.

THE SALES REPRESENTATIVE PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. MCCOLLISTER) is recognized for 30 minutes.

Mr. McCOLLISTER. Mr. Speaker, Arthur Miller's classic play, "Death of a Salesman," should be required reading for every Congressman. The central character, Willy Loman, poignantly captures the plight of the independent salesman today. And, there are hundreds of thousands of Willy Lomans across America today.

The gnawing discontent with the performance of government today is conditioned by two basic factors. First, government is so big and has grown so fast that it appears to be stumbling, bumbling, and uncoordinated. Its grandiose promises have strewn dashed hopes and frustration in its wake. And, second, society and government seem to be increasingly responsive to institutionalized power and neglectful of the individual. Whether it be big business, big labor, striking public workers, or organized welfare recipients, government seems to reward those who either have money and power today or who are the most militant and loud in their demands that they get their share.

These factors have spawned a frustration in the average citizen and have contributed heavily to the tremendously adverse odds facing small businessmen and independent breadwinners in all kinds of work. Traveling, wholesale salesmen find themselves in the same position.

The salesmen of America perform an indispensable, vital, and unrecognized role in our economy. Without the efforts of salesmen our factories would stand idle, retailers' shelves would be empty, double-digit unemployment would be unavoidable. Smart businessmen well recognize that marketing is the key to success. And salesmen are the essence of a successful marketing operation. Foremost among all salesmen are the independent, traveling-type sales representatives who service the vast needs of manufacturers and merchants across our land.

Since they occupy such a key position in our economic system, it is all the more disturbing that salesmen have been abused by some of their principals and neglected wholesale by their government.

Being independent operators, sales representatives fall between the chairs. The National Labor Relations Board denies them the benefits of organized labor. And yet they lack the status and security of management. They live in limbo, forgotten by all branches of government. They are covered by neither workmen's compensation nor unemployment insurance. It took a special amendment to bring them under coverage of social security and they still must pay their entire FICA contribution with no help from their principals.

These men and women invest their own money in developing business for the firms they represent; yet they have no equity in that business. Working on a commission, sales representatives customarily pay their own expenses and completely subsidize their own sales. The sales representative pays for his own food, lodging, car expenses, and business entertainment for prospective customers.

But the sales representative's fate is in the hands of his principal. Most reps are not protected by a written contract. The principal also may deduct from the sales representative's commissions any trade discounts granted to retailers by the principal, losses for credit extended by the principal to retailers, cooperative advertising allowances, charges for shipping sample merchandise as well as the cost of the samples themselves, rent for showrooms maintained year round in large cities, and losses on goods returned by retailers to the principal.

Further, the principal retains the option to refuse to fill the orders sales representatives sell, can cut the territory that they have invested in to develop, and can preempt their larger accounts by converting them into house accounts serviced directly from the manufacturer's home office.

The exposed and vulnerable position of the sales representative is unfortunate. His entire livelihood is maintained at considerable risk to himself and his family. Worse, some principals have seized on the defenseless position of the representative and have systematically exploited him.

If there is a single pattern in the hundreds of cases that have come to my attention, it is that sales representatives are being victimized some principals for being too successful. Surely, if there is anything on which everyone in this country can agree it is that successful performance should be rewarded, not penalized.

That premise underlies the Sales Representative Protection Act. The bill is designed to insure that a productive sales representative who is unfairly discharged or victimized by his principal will be able to recover some measure of the investment that he has made in building the successful account that will directly benefit his principal. In so doing, the bill will also provide a new sense of security and a new stimulus to a sales representative to make investments in developing business that will directly benefit both himself and his principal.

The bill will protect only productive, honest sales representatives. To gain eligibility under the terms of the bill, the sales representative must open a new account or service an existing account for at least 18 months, increase the sales volume by at least 50 percent, and be terminated without good cause. "Good cause" is defined to include fraud, dishonesty, criminal activity, material breach of contract, failure to put forth a good faith effort, or gross negligence in performing the terms of the agreement between the rep and the principal.

It should be emphasized that nothing in the bill interferes in any way with the right and ability of a principal to discharge a sales representative handling his merchandise. The terms of the bill come into play only after termination—or a substantial reduction in the sales representative's territory or commission rate—and eligibility is denied those who are terminated with good cause. Thus the benefits of the bill will accrue only to those productive sales representatives whose efforts can be expected to produce continuing benefits for the principal.

There are legitimate reasons why any principal may want to convert his sales force from sales representatives to employee salesmen, or to carve out a comfortable territory for the boss's new son-in-law. All this bill requires is that the sales representative who is performing his proper function and producing sales for his principal not be left high and dry after sinking a lot of his time and money into building up the account. If his investment has made the account valuable for the principal, he should be entitled to some compensation when he is forced to do without his commissions from that account because of some arbitrary action of the principal.

It is important to remember, as well, that the residual compensation is determined account by account. Unless he opens a particular account or services it for 18 months, and until the dollar sales volume in that particular account reaches a level 50 percent greater than it was when he took over the account, he has no vested interest in that account. And if the principal discontinues selling to an account, and for that reason terminates a sales representative, then the sales representative has no entitlement either. Entitlement is a factor only when the sales representative's efforts produce continuing benefit to the principal.

The level of residual compensation under the Sales Representative Protection Act is not burdensome. It is designed to protect the terminated sales representative who is ineligible to receive unemployment compensation or, if injured, workmen's compensation. Even in the case of a long-term rep, the indemnity cannot exceed 1 year's commissions.

Marketers use sales representatives to sell their products because it makes good economic sense. Small or beginning companies cannot afford to use huge chunks of scarce capital to hire employee salespersons, pay company benefits for them, and pay their travel and entertainment expenses. Payout under the terms of the bill would not be so great as to affect the same basic economic relationship that now exists. Special provision is made in the bill to protect the situation of capital-short small businesses. If it is advantageous to employ sales representatives now, it will continue to be advantageous.

This version of the Sales Representative Protection Act being introduced today is the successor to H.R. 11 introduced at the outset of this Congress. In the past 15 months I have benefited greatly from the input of many concerned parties including the National Association of Women's and Children's Apparel Salesmen, the International Home Furnishings Representatives Association, the National Council of Salesmen's Organization, the Electronic Representatives Association, and many others. Their many contributions have vastly strengthened the bill.

The text of the bill follows:

H.R. 13111

A bill to provide for payments to certain sales representatives terminated from their principals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Sales Representatives Protection Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress makes the following findings:

(1) Many individuals who work as sales representatives for business firms are independent contractors who are compensated primarily by commission.

(2) Such sales representatives generate sales without which the economy of the United States would not produce needed goods and services.

(3) Such sales representatives operate most effectively and productively when assured that they will be compensated for their efforts in accordance with the terms of their contracts with their principals.

(4) Such sales representatives do not generally have the benefits of workmen's compensation, unemployment compensation, or company-sponsored retirement or pension plans and are not eligible to bargain collectively.

(5) Such sales representatives invest their own time and resources in the development of their territories and markets.

(6) Many sales representatives are subjected to wrongful termination from their accounts, reduction in the size of their sales territories, conversion of their accounts to house accounts serviced directly by their principals, and other abuses which deny such sales representatives the full benefits of their labor.

(7) It is in the public interest to provide a means by which sales representatives who are wrongfully terminated may be reasonably compensated for such termination.

(b) The purpose of this Act is to provide a reasonable and equitable system under which sales representatives may be indemnified for commissions denied them because of wrongful terminations.

SEC. 3. For the purposes of this Act:

(1) The term "principal" means any person who—

(A) is engaged in the business of manufacturing, producing, assembling, importing, or distributing merchandise for sale in commerce to a customer who purchases such merchandise for resale or for use in business;

(B) utilizes sales representatives to solicit orders for such merchandise; and

(C) compensates such sales representatives, in whole or in part, by commission.

(2) The term "sales representative" means any person (other than an agent-driver or commission-driver) who is an independent contractor engaged in the business of soliciting on behalf of principal orders for the purchase of such principal's merchandise.

(3) The term "good cause" means conduct on the part of a sales representative with respect to a principal of such sales representative which constitutes—

(A) dishonesty or fraud or other criminal activity;

(B) a material breach of the contract between such sales representative and such principal;

(C) failure to put forth a good faith effort to obtain orders for the merchandise of such principal; or

(D) gross negligence in the performance of the duties of such sales representative.

(4) The term "commerce" means trade, traffic, transmission, communication, or transportation—

(A) between a place in a State and any place outside thereof; or

(B) which affects trade, traffic, transmission, communication, or transportation described in subparagraph (A).

(5) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and the Canal Zone.

TITLE I—INDEMNIFICATION

INDEMNIFICATION BY PRINCIPAL OF UNJUSTLY TERMINATED SALES REPRESENTATIVE

SEC. 101. (a)(1) Except as provided in paragraph (3), any principal who, without good cause, terminates any sales representative from an assignment to solicit orders on behalf of such principal from an account of such sales representative described in paragraph (2) shall indemnify such sales representative in accordance with section 102(a).

(2) An account referred to in paragraph (1) is a customer of a principal—

(A) which purchases merchandise of such principal through a sales representative of such principal for resale or for use in business;

(B) the business of which with such principal—

(i) was initially solicited by such sales representative; or

(ii) was not less than 50 per centum greater in dollar volume in any 12-month period during which such sales representative was a party to a contract or contracts with such principal under which such sales representative solicited orders from such customer than in the 12-month period ending with the month preceding the month in which such a contract was first entered into; and

(C) to which such sales representative was assigned to solicit orders on behalf of such principal for a period of not less than 18 months immediately preceding the termination by such principal referred to in paragraph (1).

(3) This subsection shall not apply to any principal who, for a period of two years after a termination referred to in paragraph (1), neither solicits, directly or through sales representatives, nor accepts orders from the account involved in such termination.

(b)(1) Any principal who, without good cause and for the primary purpose of preventing a sales representative from becoming entitled to an indemnification under subsection (a)(1), terminates such sales representative from an assignment to solicit orders on behalf of such principal from an account of such sales representative described in paragraph (2) shall be liable to such sales representative in the amount described in section 102(a)(2)(A).

(2) An account referred to in paragraph (1) is a customer of a principal—

(A) which purchases merchandise of such principal through a sales representative of such principal for resale or for use in business; and

(B) to which such sales representative was assigned to solicit orders on behalf of such principal for a period of not less than 12 months immediately preceding the termination by such principal referred to in paragraph (1).

(c)(1)(A) Any principal who reduces the size of the geographic territory, if any, which such principal has assigned to a sales representative with respect to an account of such sales representatives described in paragraph (4) shall, if such reduction results in a reduction of not less than 25 per centum in the dollar amount of commissions paid by such principal to such sales representative for orders accepted from such account in the 12-month period immediately following such reduction in geographic territory compared with the dollar amount of commissions paid by such principal to such sales representative for orders accepted from such account in the immediately preceding 12-month period, indemnify such sales representative in accordance with paragraph (3).

(B) In any determination under subparagraph (A), any reduction in the dollar amount of commissions paid by such principal to such sales representative because such principal failed to fill orders submitted by such account due to an Act of God, an act of war or insurrection, a strike, or an act of an agency of government shall be disregarded.

(2) Any principal who reduces the rate of commission paid to a sales representative of such principal for orders accepted by such principal from an account of such sales representative described in paragraph (4) shall, if the total effect of such reductions in any 12-month period is a reduction in rate of commission of not less than 25 per centum, indemnify such sales representative in accordance with paragraph (3).

(3) Upon a reduction in amount of commissions described in paragraph (1) or a reduction in rate of commission described in paragraph (2), the principal causing such reduction shall—

(A) if the sales representative involved elects to terminate his relationship with such principal with respect to the account involved, indemnify such sales representative for such reduction in accordance with section 102(a); or

(B) indemnify such sales representative for such reduction in accordance with section 102(b).

(4) An account referred to in paragraphs (1) and (2) is an account described in subsection (a)(2), except that the reference in subparagraph (C) of such subsection to a termination by a principal is, for the purposes of this paragraph, a reference to a reduction by such principal described in paragraph (1) or (2).

COMPUTATION OF INDEMNITY

SEC. 102. (a)(1) Subject to paragraph (2), any principal required under section 101(a) or 101(c)(3)(A) to indemnify a sales representative in an amount computed by multiplying—

(A) the amount which is the greater of—

(i) one-twelfth the sum of the commissions paid or to be paid such sales representative for order accepted by such principal from the account from which such sales representative has been terminated in the 12-month period preceding the date of such termination; or

(ii) the sum of the commissions paid or to be paid such sales representative for orders accepted by such principal from such account in the shorter of—

(I) the 36-month period preceding the date of such termination; or

(II) the period in which such sales representative was a party to a contract or contracts with such principal under which such sales representative solicited orders from such account;

divided by the number of months in such period;

(B) the number of months in which such sales representative was a party to a contract or contracts with such principal under which such sales representative solicited orders from such account; and

(C) 10 per centum.

(2)(A) In no event shall the amount of any liability of a principal to a sales representative computed under paragraph (1) exceed the greater of—

(i) the sum of the commissions paid or to be paid such sales representative for orders accepted by such principal from the account from which such sales representative has been terminated in the 12-month period preceding the date of such termination; or

(i) the sum of the commissions paid or to be paid such sales representative for orders accepted by such principal from such account in the shorter of—

(I) the 3-year period preceding the date of such termination; or

(II) the period in which such sales representative was a party to a contract or contracts with such principal under which such sales representative solicited orders from account;

divided by the number of years (stated to the nearest twelfth part of a year) in such period.

(B) The amount of any liability of a principal to a sales representative computed under paragraph (1) with respect to an account of such sales representative shall be reduced by the amount of any indemnification computed under subsection (b) which was paid by such principal to such sales representative with respect to such account.

(3) For the purpose of computing the amount of any liability under paragraph (1), any sales representative whose amount of commissions have been reduced as described in section 101(c)(1) or whose rate of commission has been reduced as described in section 101(c)(2) may treat the date of such reduction as the date of termination referred to in such paragraph.

(b) Upon election by a sales representative under section 101(c)(3) not to terminate his relationship with a principal with respect to an account after such principal has caused a reduction in amount of commissions described in section 101(c)(1) or rate of commission described in section 101(c)(2), such principal shall be liable to such sales representative in an amount computed by determining the amount to which such sales representative would be entitled under subsection (a) if such reduction were a termination under section 101(a) and multiplying such amount by the percentage of such reduction.

PAYMENT OF INDEMNITY RESULTING FROM SETTLEMENT

SEC. 103. (a) Following the making of a binding agreement to settle a claim by a sales representative against a principal for an indemnity under this title, the principal involved shall pay the amount of such settlement to such sales representative—

(1) not later than 30 days after the date of such agreement; or

(2) if the amount of such settlement is greater than $3,000, in the manner described in subsection (b); whichever such principal elects.

(b) A principal electing under subsection (a) to pay the amount of a settlement in excess of $3,000 under this subsection—

(1) shall pay not less than 40 per centum of such amount to the sales representative referred to in subsection (a) not later than 30 days after the date of the agreement to make such settlement; and

(2) shall, at the time of the payment referred to in paragraph (1), give such sales representative 2 negotiable notes, each for one-half of the balance of such amount, one of which shall be due not later than 12 months after the date of such agreement and shall bear interest at twice the highest rate of interest paid by the United States on notes issued by it during any 3-day period including such date to be due in 12 months and the other of which shall be due not later than 24 months after the date of such agreement and shall bear interest at twice the highest rate of interest paid by the United States on notes issued by it during any 3-day period including such date to be due in 24 months.

TITLE II—CONTRACTS BETWEEN SALES REPRESENTATIVES AND PRINCIPALS

CONTRACT TERMS

SEC. 201. Any contract between a sales representative and a principal under which such sales representative shall solicit orders for the merchandise of such principal shall include a provision with respect to each of the following items:

(1) The rate of commission to be paid by such principal to such sales representative for orders accepted by such principal from an account of such sales representative, and a statement of any other form of compensation to be paid by such principal to such sales representative.

(2) The amount and method of payment of any advance on the future compensation of such sales representative to be given by such principal to such sales representative, and the terms under which such principal will recover such advance.

(3) The amount of notice, if any, such principal shall give such sales representative

before terminating such sales representative from an account, and the manner in which any such notice shall be given.

(4) A description of the sales territory, if any, assigned to such sales representative and a statement of whether such territory will be an exclusive territory of such sales representative with respect to the merchandise, or a line of merchandise, of such principal.

(5) The terms, if any, under which disputes between such principal and such sales representative shall be submitted to arbitration, including, if such disputes shall be submitted to arbitration, the method to be used in selecting the arbitrator.

(6) The ownership of any samples furnished by such principal to such sales representative for use in business.

(7) The number of days after an order for the merchandise of such principal is transmitted by such sales representative to such principal within which such principal must notify such sales representative whether such order has been accepted or rejected.

(8) The terms, if any, under which such sales representative will be paid a commission for an order which was transmitted by such sales representative to such principal before the termination of such sales representative from the account from which such order was transmitted, but which was accepted by such principal after such termination.

(9) The terms, if any, under which such sales representative will receive copies of shipping documents which relate to merchandise shipped by such principal to an account of such sales representative.

(10) The terms, if any, under which such sales representative will be allowed to solicit orders for the merchandise of other principals.

DUTIES OF PRINCIPAL

Sec. 202. Any principal who enters into a contract with a sales representative under which such sales representative shall solicit orders for the merchandise of such principal shall—

(1) inform such sales representative, within a reasonable time to be specified in such contract, of such principal's receipt of each order from an account of such sales representative;

(2) furnish such sales representative, within a reasonable time to be specified in such contract, copies of all invoices and credit memorandums issued with respect to sales in the assigned geographic territory, if any, of such sales representative;

(3) furnish such sales representative monthly statements of commissions due such sales representative; and

(4) provide such sales representative, upon the request of such sales representative—

(A) an accounting showing each sale made by such principal in the preceding 12 months in the assigned geographic territory, if any, of such sales representative;

(B) information with respect to any matter which is related to any claim by such sales representative against such principal for a commission; and

(C) access to the records of such principal for the purpose of verifying information supplied under subparagraphs (A) and (B).

TITLE III—MISCELLANEOUS

PROCEDURE

Sec. 301. (a) An action to enforce any rights of liabilities created by this Act may be brought in a district court of the United States without regard to the amount in controversy or in any other court of competent jurisdiction.

(b) In the case of an action arising under this Act which is brought in a district court of the United States, such action may be brought in the judicial district where all the plaintiffs reside in addition to any other judicial district provided by law.

(c) No action may be brought under this Act later than 5 years after the right to such action first arises.

(d) In any action brought by any sales representative against any principal under this Act, the burden of proof on the issue of whether such principal acted without good cause shall rest on such principal.

(e) In any successful action brought by a sales representative under this Act, the court may award reasonable attorneys' fees and the cost of the action to such sales representative.

WAIVER PROHIBITED

Sec. 302. Any provision in any contract between any sales representative and any principal requiring such sales representative to waive any of the provisions of this Act shall be void.

EFFECT ON STATE LAW

Sec. 303. Nothing in this Act shall invalidate or restrict any right or remedy of any sales representative under the law of any State.

EFFECTIVE DATE

Sec. 304. Sections 101, 201, and 202 of this Act shall take effect at the end of the 90-day period beginning with the date of enactment of this Act.

AMENDING THE TRADE ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Dent) is recognized for 5 minutes.

Mr. DENT. Mr. Speaker, I am today introducing a bill to amend the Trade Act of 1974 to reimburse the State for the amount of State unemployment insurance benefits paid to workers eligible to receive trade readjustment allowances.

As you know, I was very vocal in expressing my opposition to the Trade Act of 1974, the practical application of which has not served to mitigate my reservations. In fact, as always, the practical application of the act has served to bring new problems to the surface, one of which should interest every Member of the House who has workers and industries certified for trade adjustment assistance—hereinafter referred to as TAA—benefits, and every Member of the House who is concerned about the high costs of Government spending.

The issue at hand deals with the provisions in the Trade Act of 1974 that shift the financial responsibility for unemployment caused by international trade agreements from the Federal Treasury, where it legitimately belongs, to State unemployment compensation funds, resulting in a hidden cost to the States that will ultimately total hundreds of millions of dollars.

Let me explain. Under the Trade Act of 1962, States that paid workers determined to be unemployed as a consequence of increased imports were reimbursed by the Federal Government for the unemployment compensation benefits paid to these workers. This was, and is, an appropriate approach inasmuch as these workers were unemployed as a consequence of national policy decisions in an international forum, and for no other reason. Such dislocation and unemployment was inherently recognized and expected in the Trade Act of 1962 and in other subsequent trade arrangements, such as the Canadian-American Automotive Agreement.

It surfaced as an even greater issue in prepassage deliberations of the Trade Act of 1974, primarily because of the inordinate number of industries affected by industry, and because of complaints that TAA qualifying guidelines were far too stringent. In dealing with this aspect of the law, the guidelines were liberalized, but the burden for supporting the cost of these TAA benefits was shifted to the States, who have absolutely nothing to say about our trade policy. I pursued this matter in my own State of Pennsylvania and found the following, staggering information:

Under the Trade Act of 1962, 1,040 Pennsylvania workers received a total of $1,066,600 of TAA benefits from the State of Pennsylvania, reimbursed by the Federal Treasury, from 1962 through April 3, 1975.

Under the Trade Act of 1974, 7,732 Pennsylvania workers qualified for TAA received a total of $12,980,782 in TAA benefits. Of that, $2,666,824 came from the Federal Treasury; the remainder, $10,313,958 came out of Pennsylvania's unemployment compensation fund. I am sure this is the case in virtually every State in the country.

This raises two very important issues for me:

First. The cost this Nation bears as a consequence of its trade policies is vastly understated, and, in fact, hidden. In addition to the revenues lost to communities and State as a consequence of unemployment due to imports, we also pay out enormous amounts of money for these trade policies at both State and Federal levels. Now, if you call the TAA office of the Department of Labor and ask them what the cost of the TAA program is, they will tell you that under the new act from April to December 1975, 23,800 workers received benefits totaling $22,767,974. Of that amount, Pennsylvania received $2,666,824. They are right. That is the Federal cost. What they do not tell you is that the real cost to this Nation is approximately four times that because the States pay these same workers unemployment compensation. In the case of Pennsylvania, the State paid $10,313,958, for which they should not be responsible, and for which it will not be reimbursed. And that is only for 10 months in 1975. Petitions to the Department of Labor are increasing on a daily basis, and believe me, we have yet to see what unrestricted imports cost this Nation. I suggest that the total payments of TAA, by both State and Federal Treasuries will easily approach several hundreds of millions of dollars by the end of this year.

Second. The upshot of this shifting of costs is that it lends itself to easy misrepresentation of a program to which many look as part and parcel of the rationale to continue our present trade policies. It is easy to say that the damage of imports is minimal because we have only paid out of the Federal Treasury a small amount of dollars, ignoring that the major burden of the cost is State borne, and also ignoring that more than half the claims for TAA are denied. Moreover, some of the highest unemployment rates are evidenced in those areas where the most workers have applied for and received TAA benefits.

Standard industrial classification	Number of certified workers	Unemployment rate (percent)
37 Transportation and equipment	17,410	18.2
23 Apparel and other textile products	15,753	17.6
36 Electrical and electronic machinery	12,974	12.9
31 Leather and leather products	9,576	

Thus far the Department of Labor, as of February 29, 1976, has certified 221 petitions for a total of 66,947 workers. They have denied 164 petitions totaling 66,708 workers. Currently in process are 257 petitions representing 210,874 workers.

I am not for a moment suggesting the dissolution of the TAA program. For many workers, it represents the difference between bread on the table and nothing. I am suggesting that the TAA program was never meant to be a supplemental welfare system, or an excuse for categorically relinquishing more of this country's production jobs in the name of free trade.

Moreover, it is grossly inequitable at a time when States are experiencing serious financial difficulties, to expect States to pay for national trade decisions. This bill will put the financed burden where it belongs—back on the Federal Treasury—and if that high cost is able to be seen for what it is, then perhaps, those who make the trade decisions will pay closer attention to what their decisions are costing this country, and those of us who are committed to fiscal responsibility will realize the direct impact that trade policies have on unemployment and its concurrent problems.

LEGISLATION TO PROVIDE MEDICARE COVERAGE FOR BREAST CANCER DETECTION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 10 minutes.

Ms. HOLTZMAN. Mr. Speaker, every 15 minutes an American woman dies of breast cancer. The incidence of this disease has reached staggering proportions. Breast cancer is expected to strike about 1 in every 15 American women, and half of these women will die of the disease. A number of these deaths could be prevented by early detection of the cancer.

Today I am introducing a bill to provide medicare coverage for breast cancer detection. This will insure that every elderly woman, regardless of financial means, will be able to help protect herself against this disease.

Medicare coverage is not now available for examination to detect breast cancer, even though the risk of breast cancer increases dramatically with age. Women between the ages of 60 and 70 are 10 times more likely to develop breast cancer than women of 30 and twice as likely as women of 40.

Without medicare coverage, many elderly women may not be able to afford examinations. Sixty percent of our elderly women live below the poverty level. For them, as well as others, medicare coverage for breast cancer detection may mean the difference between life and death.

Lives can be lengthened if breast cancer is detected early enough. Mammography and xeromammography are new tests that have proved effective in the early detection of breast cancer. Physical examination by a physician is still one of the most useful diagnostic methods.

The bill I am introducing today would provide medicare coverage for one mammography and xeromammography per person and one physician's examination every 6 months.

I urge enactment of this bill. The text follows:

H.R. 13083

A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1862(a)(7) of the Social Security Act is amended by inserting "(subject to the last sentence of this subsection)" after "routine physical checkups".

(b) Section 1862(a) of such Act is further amended by adding at the end thereof (after and below paragraph (13)) the following new sentence:

"Paragraph (7) shall not be applicable to expenses incurred for (i) a mammography or xeroradiomammography (given for the purpose of detecting breast cancer) if the individual receiving it has not undergone a similar procedure on a routine basis during the preceding twelve months, or (ii) a physical examination of the breast by a physician (given for such purpose) if the individual receiving it has not had such an examination on a routine basis during the preceding six months."

Sec. 2. The amendments made by the first section of this Act shall apply with respect to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

PANAMA CANAL NEGOTIATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Fascell) is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, as is well evident we are witnessing within our country the beginnings of a debate on whether we should have a new treaty with Panama that would modernize our relations with respect to the operation and defense of the Panama Canal. The problem is obvious; namely, Panamanian consent to the continuation of the 1903 treaty has almost reached the zero level. The solution is also obvious; namely, working with the Panamanians, as the State Department and Department of Defense are doing, to reach a new treaty, as we have promised them since 1964. The question for the Congress and the American people will be whether what will have been negotiated is the best way in which our interests in the canal we built can be protected. It is obviously too early for us to address that question.

But meanwhile, there is much that both the Congress and the American people must do in the way of self-education about the problem. As a partial contribution toward this effort, I would like to insert in the Record two articles that recently were published in the winter edition 1976 of the Florida Commentary, a magazine devoted to international business matters. The first article is by Prof. Ricardo Arias of Florida International University; and the second article is by Albert E. May, vice president of the American Institute of Merchant Shipping, remarks he made before the 49th Propeller Club Convention and Merchant Marine Conference held recently in Ft. Lauderdale, Fla.

The articles follow:

PANAMA: A TIME FOR CONCERN

(By Dr. Ricardo Arias)

Since the tragic incidents of January 1964 in which twenty Panamanians lost their lives, Panama has been engaged in negotiations with the United States over the Canal. Depending on the results of this process, Panama may experience profoundly different futures. And the quality of the interaction between the United States and Latin America may vary in very significant ways.

From the Panamanian point of view, four issues will determine the success or failure of the negotiations:

The political issue—will Panama's full sovereignty and effective jurisdiction be respected over all its territory, so that the so-called Canal Zone will cease to exist?

The economic issue—will Panama's right to exercise control over, and be the principal beneficiary of its fundamental natural resource, namely its geographical position, be guaranteed?

The military issue—will the protection and defense of the Canal be assured in a manner which safeguards the neutrality of the same as a service to the international community?

The time issue—will the contractual stipulations be limited to a period of time which considers both national expectations and possible technological obsolescence?

In summary, Panamanians will want to know whether the new status for the Canal effectively expresses the fulfillment of their independence, even if it provides for stages of transition, or on the contrary, represents a reformed version of the prevailing colonial situation, even if attenuated and rendered more tolerable. Consequently the success or failure of the negotiations will also depend on the extent to which a judgment of the Panamanian people is formulated through a process of free, public discussion.

HOPE FOR SUCCESS

It is possible to imagine and hope for a successful conclusion of the negotiations. This eventuality would signal to Latin America as a whole that the "new dialogue" proposed by Secretary of State Henry Kissinger is not stillborn, that the U.S. accepts mutual respect between states as a prerequisite to the recognition of their respective interests and of their joint responsibilities.

This message would be particularly significant for the three Latin American nations which continue to embody pluralistic ideals and democratic procedures, namely Costa Rica, Colombia and Venezuela, since they have most recently lent their joint support to Panama's case at a meeting of the respective heads of government. Their geopolitical closeness to Panama would be strengthened. Together with Panama, which physically joins them at the very waist of the continent, they might provide for the circum-Caribbean area a base and pattern of independent development, in mature interaction with the United States.

In the short run, such a conclusion to the negotiations would reinforce Panama's military regime. Nevertheless, the solution of the overarching question of the Canal would foster a sense of national fulfillment, at the same time as it would solidify Panama's economic growth as a major financial and commercial center of Latin America. And such conditions can be expected to lead to an evolution of the regime itself or even to a more decisive change in response to popular demands in areas such as those of governmental morality, political rights and standards of living.

POSSIBILITY OF FAILURE

Another possibility cannot be excluded. The United States might very well make its stand on positions which no Panamanian government can accept. Neither President Ford nor Secretary Kissinger have made any sustained efforts to foster "a public awareness of the actual issues involved," as recommended last year by the Linowitz report. Thus, very conservative members of Congress could manage to block the passage of a new treaty or, by threatening to do so, could obstruct the final stages of the negotiations.

The significance of this event would not go unnoticed in Latin America. There is presently an increasing disengagement on the part of Latin American countries with regards to their ties with the United States and to the interamerican context of these ties. The failure of the negotiations would convey to many a clear message: the disengagement calls for systematic confrontation, of the type which generates a regimented way of life—a garrison mentality—particularly in the less powerful of the two parties involved. Under such circumstances the patterns of development of Cuba and Peru, which in diverse manners and in different degrees respond to such perspectives, would acquire renewed influence in nations which might remain in important aspects quite unlike them.

The denial of the most fundamental of Panama's national aspirations, coupled with the resulting destabilization of its economy as a financial and commercial center, would unloose both within and without the regime quite contradictory tendencies, both out of an explosive combination of uncertainty and wrath. Conditions could become favorable for various forms of violence. And perhaps the regime, which harbors divergent elements and projects, might be tempted to redirect its energies towards class struggle and economic radicalism through mobilization of certain segments of the population.

BETWEEN SUCCESS AND FAILURE

Given the imbalance between the respective potentials for pressure of the two parties to the negotiations, it is not impossible that a resulting agreement be very ambivalent from a Panamanian point of view. Already the joint Statement of Eight Principles signed by the Minister of Foreign Affairs of Panama and the Secretary of State in February of 1974 suggests some general lines in this respect. Such an agreement, for example, might clearly recognize Panama's sovereignty, but remain very cautious with regards to the transfer of jurisdiction. It might be innovative in so far as the economic benefits accruing to Panama from its principal natural resource and yet quite traditional in the provisions regarding its control.

It might foresee Panama's participation as an associate in the tasks of protection and defense of the Canal and thereby leave Panama enmeshed in an elaborate U.S. military establishment with ill-defined and potentially pervasive functions. It might set acceptable limits of time for the stipulations affecting the existing Canal, while including a bilateral commitment to "new works" in the Canal which represents an automatic continuity factor beyond such limits.

The greater the ambivalence of the resulting agreement, the greater will be the temptation for Panama's regime to reduce the effective possibilities of authentic discussion on its significance and value. The plebiscite which has been announced would thus become formal rhetoric instead of real expression of national consensus. To assure compliance with an agreement approved in this manner, as well as to maintain such circumstances the cohesion of its own divergent elements, the regime would probably reinforce its own military character. In this eventuality, Panama would likely suffer continued demeaning forms of dependency with regards to the United States, particularly in the economic and military fields, and at the same time experience internal populist measures as compensation for external constraints.

In terms of Latin America, this development would represent, above all, an additional contribution to its militarization. It would tend to reassure those governments which have maintained a client relationship to the U.S. and more importantly a regime such as that of Brazil, which has begun to foster its own clientele in a manner not unlike the one employed heretofore by the United States.

MAKING A CHOICE

The success or failure of the negotiations from the Panamanian point of view will determine which future Panama is more likely to experience. For the United States, as the other party in the dispute, it is important to realize that the specific future chosen will contribute significantly to the quality of its interaction with Latin America. To maintain substantially the status quo with regards to the Panama Canal is to compound the inequities of the original agreement with the additional inequity of anachronism. Such a future, fixed to the past, will be interpreted as a provocation to systematic confrontation between the United States and Latin American nationalism. On the other hand, to accept changes in the prevailing relationship with Panama, while insisting on certain demeaning forms of dependency, is to restrict the very meaning and effectiveness of what is being undertaken. Such a future, obstructed by the present, will be taken as an attempt to impose arbitrary limits on Latin America's national development with the connivance of regimes willing and capable of policing such limits. Another alternative is, however, possible: to recognize effectively that a new relationship with Panama qualitatively different as a whole from the previous colonial relationship must be established and that whatever stages may be foreseen in this transformation must not deviate from this objective or detain from its accomplishment. Such a future, creatively conceived, can represent a call for mutual responsibilities between Latin America and the United States on the basis of mutual respect.

THE PANAMA CANAL: A MERCHANT SHIPPER'S VIEWPOINT

(Remarks of Albert E. May, vice president, American Institute of Merchant Shipping, before the 49th Propeller Club Convention and Merchant Marine Conference held recently in Ft. Lauderdale, Fla.)

The topic today is "The Panama Canal—Will a new treaty jeopardize its free use?" This topic could equally well be restated as "The Panama Canal—Will the failure to negotiate a new treaty jeopardize its free use?"

The answer to both questions is "Yes—but not necessarily." Thus, the governments of the United States and Panama and world shipowners, are faced with a delicate and complex problem, whose resolution will require considerable statesmanship and common sense.

There have been a number of public opinion surveys, often self-serving, designed to uncover the position of the American public with regard to the Canal. In one such survey, individuals stated that "it had been closed up for years since the Israelis conquered it"; "Since Castro closed it to American shipping, we have not much missed it"; "The Arabs have just opened the Canal." Most significantly, one poll indicated that 90% of Americans believed that we should not give up one iota of sovereignty—although in this same poll, 40% did not know until informed, that the U.S. still had a connection with the Canal.

The emotional and often ill-informed debate over the Canal leaves the casual observer with the impression that there are only two schools of thought. The first contends that the Canal is essential for the survival of our Republic and we should send in more marines. The second argues that since the Canal is economically and militarily obsolete, we should give it back to the Panamanians. In fact, almost no one who has studied the problem supports either of these extremes. However, there is equally little agreement on an acceptable middle ground.

There are five primary groups with an interest in the Canal. These are:

First, Panama.—Here national pride and economic gain are involved. More than one-fifth of Panama's gross national product is directly or indirectly attributed to the presence of the Canal. The Canal has increased both the wealth of Panamanian citizens and their expectations. The Government of that country has virtually pledged its future on obtaining increased sovereignty and economic rewards from the waterway.

Second, the United States.—Our defense and economic security are predicated in considerable part upon swift and unimpeded movement between the Atlantic and Pacific oceans. The problem for our Government is most complex, however, since many nations, particularly in the less developed world, are insisting that our continued presence in Panama is an outrageous and archaic vestige of colonialism.

Third, international ships and shippers.—The ships of some 54 nations transited the Canal during 1973. In an average year, roughly 20% of the ships of over 1,000 DWT in the world's merchant fleet transited the Canal one or more times. In 1974, these ships carried almost 150 million long tons of cargo. Obviously, disruption of service, or a dramatic increase in tolls could have a depressing effect on world trade and indeed, the domestic economies of countries most dependent upon the Canal.

Fourth, U.S. ships and shippers.—I have listed these as a separate group, because while they have the same interest in the Canal as other trading nations, we are even more dependent than most countries upon the Canal. In 1973, 40% of the tonnage of all U.S. exports passed through the Canal as did 28% of all our imports. The percentage of all U.S. waterborne trade using the Canal has increased from 10 to 17% in the past 14 years and is still rising.

A stand by the Maritime Administration in 1974 showed that disruption of the Canal would have the following impact upon U.S. flag shipping:

A 71% increase in the average annual consumption of fuel by carriers in the U.S. foreign trade who normally use the Canal.

A 30-day increase in average shipping time for these same carriers.

A $932 million increase in the yearly total delivered price of all U.S. exports.

A $583 million increase in the yearly total delivered price of all U.S. imports, including $78 million for intercoastal deliveries.

Fifth, the U.S.S.R.—In the Congressional Record of October 7, 1975, one senator stated that ". . . the real struggle on the isthmus is not between Panama and the United States, but between our strategic need of the canal and possible Soviet intervention. The drive to wrest control of the Panama Canal is strongly supported by the U.S.S.R. as part of its drive for domination of strategic waterways around the world."

These conflicting interests and aspirations make the negotiations of a new treaty as essential as it is difficult.

The historical and legal background of how we arrived at where we are may add some perspective.

The treaty of 1903 between Panama and the United States granted to the latter, "in perpetuity, the use, occupation, and control of a zone of land and land under water, 10 miles wide, for construction, maintenance, operation sanitation and protection of a Canal as well as the rights, power and authority within the zone," which the United States would "possess if it were the sovereign." The area incidentally, includes about 527 sq. miles of land and just over 600 sq. miles of land under water.

The terms of the 1903 treaty have been revised twice to provide Panama with a greater share of the economic benefits of the Canal. However, these have increased from only about $250,000 a year to about $2 million a year. Treaty revisions have also eliminated the right of the United States to interfere in Panama's internal affairs. However, the basic concept of U.S. Governmental jurisdiction in perpetuity has not been changed and this has been the source of Panama's basic dissatisfaction with the treaty.

There are those who argue that the United States has the same right and title to the Panama Canal zone as it did to Alaska prior to statehood. They confirm this by reference to a U.S. Supreme Court decision in 1907. The legal niceties of this dispute could involve all of the lawyers in the room well beyond the end of this conference—and I am sure put most of the non-lawyers to sleep within about 5 minutes. The question is largely one of sovereignty and I believe the best objective legal opinion is that the words "possess if it were the sovereign" clearly indicate that whatever other right the U.S. has, it is not sovereign. In any case, the U.S. has publicly disavowed titular sovereignty and it would be hard to re-assert such a right in this last quarter of the 20th Century. However, it is even more clear that we do have "rights, power and authority"—which amount to Governmental jurisdiction in the zone.

While the United States has certainly lived up to its treaty obligations to efficiently operate the Canal for the free and unimpeded movement of all peaceful shipping, realism requires recognition of legitimate aspirations of the Panamanians for greater political and economic control of this, their principal national resource.

The United States is viewed in Panama as a colonial power and the presence of the U.S. military and a U.S. Governor in the zone has not helped, particularly among radical elements. These groups instigated destructive anti-U.S. riots along the Canal Zone border in 1958 and 1964. Following the 1964 upheaval, the U.S. came under increasing international criticism with regard to its policy in Panama. As a result, we pledged to negotiate a new treaty which would meet reasonable aspirations of the Panamanians, while retaining U.S. rights necessary for operation and protection of the Canal, including administration of land areas needed for these purposes. This agreement led to extensive negotiations, none of which were ratified.

At the beginning of this decade, the U.S., at Panama's request, agreed to renew negotiations on a new treaty. The Government of Panama, in 1973, put the United States in a difficult bargaining position by its adroit timing in scheduling the subject of a new Canal treaty for the Agenda of a U.N. security council session in Panama. The U.S. at that meeting apparently made a sincere effort to offer reasonable resolutions regarding Panama's sovereignty over the Panama zone.

These were rejected at the last moment by the Panamanians, and our then U.N. Ambassador concluded, "I can only decide in my own mind . . . that when we came that close there has been a decision not to compromise, but indeed to solicit a veto from the U.S." The result was that the United States was forced to exercise its veto with no support from any other participating nation. The negotiations have continued with Panama's hand strengthened by world sympathy. Our new ambassador at large, Ellsworth Bunker, is responsible for negotiating a treaty within the framework of a February 1974 Statement of Principles between Panamanian Foreign Minister Juan Antonio Tack and Secretary of State Henry Kissinger, which calls for an end to the concept of perpetuity and provides for increasing participation in Canal matters by Panama for the duration of the new treaty.

If negotiations continue beyond 1977, and they probably will, the Panamanians may press for certain interim agreements, including greater ownership of piers and docks at the Canal entrances. At the present time, they own approximately 25% of these facilities and the remainder are owned and operated by the Panama Canal Company. A serious question exists as to how swiftly and efficiently the Panamanians can take over these operations if the commercial attractiveness of the Canal to shipowners is not to be impaired.

The prospects for the eventual negotiation of a treaty which recognizes the legitimate economic and political aspirations of all parties are not as bleak as I may have painted them. The politics within the United Nations and the Organization of American States are extraordinarily complex and it's quite popular today to accuse the U.S. of colonialism. However, I have spoken to several officials of South American governments and steamship companies, who privately advise that their countries do not want any disruption in service, or dramatic increases in the tolls of the Panama Canal. The reasons for this are simple. Those most dependent upon the Canal are South American nations. For instance, the percentage of the total trade of Nicaragua which moves through the Canal is 77%, of El Salvador 66%, of Peru 41%, of Chile 34%, of Guatemala 31%, and significantly, of Panama, 29%—the figure for the United States is 17%. It is not in their basic interest to permit demagoguery to disrupt this vital waterway.

The United States has been a good international servant in its operation and maintenance of the Canal. However, times are changing and in new treaty negotiations we must recognize the legitimate interests of the Panamanians, particularly with regard to * * * increased employment, particularly at the higher executive levels, and ultimately to take over the operation and perhaps defense of the Canal after the year 2000.

There are those who believe that any concession by the United States in this complex confrontation will lead to ever escalating demands and disruption of the Canal. This is a valid concern that could occur. The risk of disruption of the Canal appears much greater if treaty negotiations collapse, and the Panamanians again find their expectations shattered. Whether a treaty that protects the basic interests of the United States shipowners can be negotiated will not be certain until we see signed documents. However, I believe that given good faith on both sides, it can be. Certainly the effort is worthwhile.

THE FOLLY OF AMERICAN ARMS SALES TO EGYPT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, I would like to express my strong opposition to the administration's proposal to sell six C–130 aircraft to Egypt. According to statements by high officials in the United States and Egypt, this sale represents the first step in a long-range plan to provide the Egyptian Army with the most sophisticated weapons in our arsenal. President Sadat has already requested HAWK antiaircraft missiles, F–5E jet fighter planes, wire-guided TOW antitank missiles, and sophisticated radar and communications equipment. President Ford stated that the United States has "an implied commitment" to supply arms to Egypt. It is impossible to believe that such a commitment includes only six transport planes.

Unfortunately, it now appears unlikely that Congress will exercise its authority to disapprove this first step toward massive American military sales to Egypt. While we may be unable to prevent this first step, we will in the future have the opportunity to disapprove all other sales currently under consideration. I hope that at that time, when the danger is more clear, Congress will act to halt this unwise policy, which threatens to destabilize the balance of power in the Middle East.

EGYPT DOES NOT NEED AMERICAN ARMS

The administration has attempted to justify this dangerous policy by citing the deterioration of the Egyptian Armed Forces as a result of a halt in Soviet supplies. This is simply not true. The March 24, 1976, foreign report of the highly-respected Economist of London labeled the Egyptian Army "the biggest army in the region," and stated that it "has been subjected to an ambitious programme of reorganisation and absorbing new types of weapons." The article also noted that "reliable military intelligence sources" have reported that "supplies from the Soviet bloc have definitely not dried up, as Egypt has been claiming for months * * * [D]uring 1975 and the first few months of this year Egypt received arms worth $1.5 billion from the Russians."

The International Institute for Strategic Studies, in its authoritative analysis, "The Military Balance: 1975–76," also concluded that Egypt's Army is the largest in the Middle East, outnumbering Israel in almost every military department. The study estimated that Egypt's defense expenditures for 1975–76 will total $6.103 billion, far exceeding Israel's expenditure of $3.503 billion for the same period.

These and all other estimates of Egypt's growing military strength are seriously understated. In the event of another conflict, Saudi Arabia has assured Egypt and the other "confrontation states" that they will have access to the Saudis' massive arsenal of sophisticated American arms.

In the past 3 years alone, Saudi Arabia has purchased or ordered an astonishing $6 billion worth of the most advanced American equipment. The Saudis have also purchased considerable quantities of French arms. It is staggering to contemplate the advantage which these arms could give to the Egyptians, and the accompanying inducement to military aggression which they constitute. In order to defuse this very dangerous situation, I have introduced H.R. 4133, which would suspend arms sales to Saudi Arabia and other Persian Gulf States until such time as the President submits and the Congress approves a statement of policy regarding such sales.

EGYPT'S EUROPEAN PURCHASES AND THE MYTH OF "LEVERAGE"

The massive supply of modern Soviet arms and access to the Saudi Arabian arsenal are not the only contradictions of the argument that Egypt is in serious need of American weapons. With a promise from the oil-rich Arab nations to underwrite all arms purchases made in the West, Egypt has turned to France, West Germany, and Britain for still further major additions to its arsenal. Since 1973, Egypt has purchased 150 Mirage jets from France, 300 British Jaguar fighter-bombers, 200 British Hawk jet fighters, and several hundred tanks, helicopters, missiles, and other equipment. Just last week, President Sadat returned from his latest shopping trip to Europe with an agreement to buy 120 advanced Alpha jet fighters from France and Germany. While Israel can obtain its military equipment only from the United States, Egypt, bankrolled by the oil-rich nations of the Persian Gulf, enjoys access to all the world's arms merchants.

The continuing availability of military equipment from Europe, plus the ever-present willingness of the Soviet Union to resume arms sales, removes any possible "leverage" which the United States could exert over Egyptian policy by supplying that nation with arms. According to the leverage theory, once we establish ourselves as the principal arms supplier of a nation, we can influence that nation's actions in times of crisis by threatening to terminate further sales or halt the provision of needed spare parts. Our experience with Greece and Turkey in the Cyprus situation, however, casts serious doubt on the practical effects of the leverage theory.

It seems foolish to believe that we will be able to exert any greater degree of leverage over Egypt, which has a massive foundation of Soviet weapons, access to an enormous supply of arms in Saudi Arabia, and a virtually unlimited capability to purchase weapons from Europe, than we did over Greece and Turkey, which receive their arms exclusively from the United States. It is time to acknowledge that Secretary of State Kissinger's notion that we can influence the policies of other nations by selling them arms is a bankrupt policy which only increases the likelihood of war.

DETERRING WAR: THE CENTRAL ISSUE

In the continuing Middle East debate over various levels of military strength, leverage, petroleum, "evenhandedness," and so much else, we too often lose sight of the central nature of the Arab-Israeli conflict: The Arab States, including Egypt, refuse to recognize the legitimate presence of Israel in the Middle East and remain committed to the eventual extermination of Israel. In light of this underlying fact, Israel must remain strong militarily in order to deter Arab aggression and to repel an attack should such aggression occur. It is only through the support provided by the United States that Israel has been able to keep pace with the burgeoning arsenals of the Arab States. Once we start supplying Israel's enemies with weapons in a misguided attempt at "evenhandedness," we threaten to upset the precarious balance of power in the Middle East which has maintained the peace since 1973 and resulted in the important Sinai Agreement in 1975.

I fervently hope that President Sadat's recent willingness to negotiate with Israel and his growing independence from Soviet influence will result in a lessening of tensions and hostility throughout the region. I am not, however, convinced of Egypt's good intentions toward Israel to the extent that the sale of weapons should warrant. Consequently, I intend to support House Concurrent Resolution 603 to disapprove the sale of six C–130 aircraft to Egypt, should it reach the floor for action. While it appears likely that Congress will refrain from rejecting this sale, I hope that future transactions which pertain more directly to the destructive capacity of the Egyptian military will meet with stern and successful opposition.

NATION'S CHILDREN VICTIMS OF 47TH FORD VETO

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 15 minutes.

Ms. ABZUG. Mr. Speaker, President Ford has struck again. The White House's announcement yesterday evening that President Ford vetoed vital legislation which would insure the ability of States to upgrade the quality of federally aided day care for children should come as no surprise to anyone who is familiar with the administration's brand of leadership. In bringing his veto total to 47, President Ford has again demonstrated his disregard for the real needs of the people of this country.

In his veto message, the President cited "burdensome Federal restrictions" that would be imposed upon the States under this legislation.

Mr. Speaker, throughout the debate on the title XX day care standards opponents of the standards have sought to create the impression that the Congress has brought forth some new and ill-conceived program. Let me set the record straight. These standards are not new. They were ordered by Congress in 1967 and have been in effect since 1968. They have always applied to day care funded under title IV–A, which title XX superseded. The standards under title XX are less restrictive than those the Federal Government has previously required. Congress has already authorized HEW to undertake a comprehensive study to determine whether further changes in the standards should be made, and in fact that study is already underway.

The Federal interagency day care requirements—FIDCR—were originally promulgated pursuant to a congressional mandate in section 522(d) of the Economic Opportunity Act of 1964 as amended by Public Law 90–222 in 1967. The FIDCR specifically stated that "acceptance of Federal funds is an agreement to abide by the requirements," and "noncompliance may be grounds for suspension or termination of Federal funds." The standards applied to all day care programs initially funded and to those refunded after July 1968, with a 1-year grace period "provided there is evidence of progress and good intent to comply."

Since the standards were promulgated in 1968, Congress has reaffirmed them on at least three occasions—in the Economic Opportunity Act of 1972—Public Law 92–424—in Head Start, Economic Opportunity, and Community Partnership Act of 1974—Public Law 93–644—and most recently in title XX. In its latest affirmation of FIDCR, the Congress relaxed the child staff ratios for children of school age and infants, eliminated the requirement for an education component in title XX day care programs, and ordered HEW to undertake an "appropriateness study" to review the requirements.

Mr. Speaker, these standards represent a minimal level of protection of children and must not be weakened or abandoned, but this is just what the President has accomplished with this veto.

His alternative to these requirements is his proposal, H.R. 12175, which had been cited as a bloc grant approach to community services. The bill does not require any State contribution to social services, thus creating the possibility of a 25-percent reduction in social service outlays, it fails specifically to exempt senior citizens from an income eligibility determination, and it repeals the essential Federal day care requirements.

Mr. Speaker, two particular aspects of title XX have particularly vexed this Congress: The means test and the day care standards. The administration's answer to both of these questions has been to ignore the responsibility of the Federal Government to develop a focused social services program. Mr. Speaker, I intend to repudiate this answer to the problem of the means test and senior citizens and I intend to repudiate this answer to the needs of our Nation's children. It is not enough to store them safely in warehouses with keepers.

I urge my colleagues to override this most recent Presidential veto.

LEGISLATION TO END DISCRIMINATION AGAINST TENANTS IN OUR TAX LAWS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH) is recognized for 5 minutes.

Mr. MINISH. Mr. Speaker, I am today introducing legislation to end a glaring example of discrimination against tenants in our tax laws. My bill would permit individuals who rent their principal residence to deduct for Federal income tax purposes the share of local property taxes included in their rent.

For too long, tenants have been treated as second class citizens under the Federal tax code. Presently, owners of homes and condominiums are able to deduct the amount of local property taxes, while renters cannot take advantage of this benefit.

Nationwide, 36 percent of all Americans live in rental dwellings. In urban areas, this figure is 50 percent. Clearly, this is a substantial portion of our population which is entitled to fairer treatment at income tax time.

Enactment of this legislation will not cause any loss of income or higher taxes to apartment owners. Landlords will see their taxable income reduced and they would continue to be entitled to claim a deduction for depreciation, mortgage interest payments and other business expenses.

This legislation will promote tax equity and I urge its consideration by the Ways and Means Committee.

FINANCIAL REFORM ACT OF 1976

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, today Congressman ST GERMAIN, Chairman of the Financial Institutions Supervision, Regulation, and Insurance Subcommittee, of the House Committee on Banking, Currency and Housing and I introduced H.R. 13077, the Financial Reform Act of 1976. What follows is an explanation of the contents of this legislation:

FINANCIAL REFORM ACT OF 1976

TITLE I—CREDIT UNIONS

Federal credit unions are granted an expansion of their powers in a number of areas. Their lending powers are expanded so that they can make 30-year mortgage loans on non-luxury residences, 15-year loans on mobile homes and for home improvement, and they are also permitted to establish lines of credit and to offer regular loans in greater amounts and with longer maturities to their members.

In order to attract funds, federal credit unions are permitted to offer share certificates and long-term certificates of deposits at varying rates and with varying maturities. They are granted authority to offer third party payment accounts to their members in those states which permit state-chartered credit unions to offer such accounts. Interest can be paid on these accounts under regulations and interest rate ceilings established by the Deposit Interest Rate Control Committee. They are also permitted to sell travelers checks and money orders to their members and to develop electronic funds transfer systems under regulation of the National Credit Union Administration. The structure of credit unions is strengthened by liberalizing previous restrictions on the management, officers, directors, and credit committees of credit unions.

The National Credit Union Administration is restructured to provide for a three member Board rather than a single Administrator and is placed on an appropriated funds basis. A National Credit Union Administration Discount Fund is established to meet temporary liquidity needs of federal and state credit unions.

TITLE II—BANKS AND SAVINGS AND LOAN ASSOCIATIONS

Savings and loan associations

Federally-chartered savings and loan associations are permitted broadened lending power including the power to make consumer loans of all kinds provided 80 per cent of their investments remain in housing and housing-related loans and investments. They are also permitted to offer third party payment accounts under the same conditions as a state-chartered association is permitted in the state in which they are located.

Mutual savings banks

State-chartered mutual savings banks are permitted to obtain federal charters and would be permitted to continue all activities they engaged in under a state charter on December 31, 1975. In those states which do not presently charter mutual savings banks, a thrift association could obtain a federal charter as either a mutual savings bank or a savings and loan association and would be permitted to issue the same types of accounts and engage in the same type of lending and investment activities as federally-chartered savings and loan associations.

(The payment of interest on third party payment accounts is covered in Title III below.)

Countercyclical Housing Financing

A home mortgage lending program is authorized through the Federal Home Loan Bank Board to make funds available to financial institutions for residential mortgage lending during periods of tight money. Funds for this program would be borrowed from the Treasury, or through the Federal Financing Bank, to the extent provided in appropriation acts, upon a finding by the FHLBB that credit is not readily available for residential real property loans. In the event the Secretary of the Treasury disagrees with a request from the FHLBB to raise funds for housing, the matter shall then be decided by the President.

Advances under the program could only be used to make a mortgage loan for a home selling for not more than 150 per cent of the median home sales price in its geographic area, and for construction and mortgage loans on rental units which do not rent for more than 150 per cent of the median rental price in the area. The interest rate charged on mortgage loans under this program could not exceed a rate set by the FHLBB at a level to cover the lender's costs and a reasonable profit. The FHLBB is also required to allocate a reasonable portion of these funds to construction loans and to issue regulations to provide that the lower borrowing rates be passed through to renters. Among the institutions which could participate in the program are banks, savings and loan associations, credit unions, savings banks, insurance companies, and pension funds.

Advances under the program would have to be repaid by the financial institution as the mortgage loan is amortized; and if the loan is sold in the secondary mortgage market, the financial institution would be required to repay the advance in full at that time.

Insider and affiliated transactions

The federal banking agencies will be required to establish regulat'ons which will require all insured banks to periodically report all material transactions, including loans and other extensions of credit, between any insured bank and any of its subsidiaries or affiliates, any entities primarily advised by the bank or any of its subsidiaries or affiliates, or any director, officer or major stockholder of any of these institutions.

Trust power conflicts of interest

Each insured bank which exercises trust powers is required to publicly disclose its practices, procedures, and policies intended to prevent abuses in connection with conflicts of interest in areas including use of inside information; use of voting power; allocation of commissions and fees; allocation of information, securities, and the timing of executions among trust and similar accounts; and related matters. The Federal Deposit Insurance Corporation is directed to establish regulations to assure the adequacy of these policies and to assure their compliance.

Supervision of financial institutions

The federal banking agencies are granted increased authority, including powers to issue cease and desist orders and the ability to impose civil penalties, to deal with unsafe or unsound banking practices by a bank or bank holding company.

The agencies are also granted additional power to insure that the legal lending limits for a bank not evaded by the pratice of making separate loans to borrowers which are technically separate entities but in reality closely related.

Acquisition of failing banks

The Federal Reserve Board is granted increased authority to act quickly in the case of a failing bank by permitting its acquisition by a holding company in the same state without regard to the usual statutory waiting periods for approval of holding company acquisitions.

Legislative veto of new holding company activities

Any regulation proposed by the Federal Reserve Board after March 31, 1977 which determines that any given activity is so "closely related to banking" that it can be conducted by a bank holding company, would not take effect until ninety days after the regulation is filed with the Congress. The proposed regulation would not take effect if either House of Congress passed a resolution within the ninety day period disapproving the proposed activity.

Holding company names

After January 1, 1978, the name and corporate symbol of a holding company bank is required to be separate from the name and identification of the holding company and any subsidiary thereof unless the bank established to the satisfaction of the Federal Reserve Board that it has employed sufficient safeguards to minimize any public confusion of its identity with the holding company or any of its nonbank subsidiaries.

Further bank holding company acquisitions of savings and loans prohibited

A bank holding company is prohibited from acquiring ownership or control of any building and loan, savings and loan, or cooperative bank after the effective date of the Act.

Outside directors of bank holding companies

Each bank holding company and each financial institution subsidiary thereof is required to appoint a reasonable number of persons as directors and members of executive committees who are not affiliated in any way with the holding company or any of its subsidiaries. The holding company or financial institution could be exempted from this requirement upon a showing to the Federal Reserve that they are of such small asset size or located in such a community as to make compliance unfeasible.

Disclosure of competitive rates

The Federal Reserve Board is required to promulgate disclosure regulations, including public quarterly reports, for all depository institutions which will permit consumers to make comparisons on rates charged on loans, and interest paid on deposits, by the different types of institution.

TITLE III—DEPOSIT INTEREST RATE

A Deposit Interest Rate Control Committee is established which is composed of the Secretary of the Treasury and the Chairmen of the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board. The Committee is charged with establishing regulations limiting the payment of interest and dividends on any accounts or deposits held in banks and savings and loan associations.

Permanent law now maintains the one quarter of one per cent differential on the amount of interest and dividends which can be paid by savings and loan associations and mutual savings banks. The ceiling (including the one quarter of one per cent differential) is extended for five and one-half years, but the differential would be tied to asset composition to support housing finance; savings and loan associations which retain eighty per cent of their assets in housing and housing-related investments, and mutual savings banks which retain the same percentage of assets in housing and housing-related investments as they maintained on December 13, 1975, would lose their permanent differential if they diminish their housing emphasis below those standards.

Six months before this extension is scheduled to expire, the Committee must submit a report to Congress detailing its estimate of the probable effects such expiration will have in the economic climate then prevailing.

Except for NOW accounts in the six New England states, no financial institution would be permitted to pay interest on a third party account prior to January 1, 1978. (As set forth in Titles I and II, federal credit unions, savings and loan associations, and mutual savings banks may offer third party payment accounts only to the extent that their state permits a similar institution to offer such accounts.) After January 1, 1978, the Deposit Interest Rate Control Committee would fix the maximum rate of interest which could be paid on such accounts, taking into consideration general economic conditions, the interests of the consumer, and the impact any changes in the interest rate would have on the financial institutions involved. The Committee is further directed to set interest rates on all accounts in a manner which will provide a reasonable rate of return to the small saver, protect depository institutions from disintermediation, and avoid undue competitive advantages among competing types of depository institutions.

The Committee is directed to submit an annual report to the Congress which shall describe its actions, objectives and results attained during the previous year. The report shall also contain information on the extent to which the assets of financial institutions are invested in housing, and an analysis of the potential for such housing investment by these institutions.

TITLE IV—REGULATORY AGENCIES

Federal Home Loan Bank Board

The size of the Federal Home Loan Bank Board is increased from three to five members, and its expenses are placed on an appropriated funds basis.

Federal Deposit Insurance Corporation and Comptroller of the Currency

An independent FDIC is established consisting of three members appointed by the President, with the advice and consent of the Senate. This amends existing law, under which the Comptroller of the Currency is automatically a member of the FDIC. The FDIC is given the authority to independently pass upon the application of a financial institution to obtain deposit insurance. The expenses of the FDIC and the Comptroller of the Currency are placed on an appropriated funds basis.

B-1 AMENDMENT TO DOD AUTHORIZATION BILL

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, tomorrow I plan to offer an amendment to H.R. 12483, the Department of Defense authorization bill, that will defer expenditure of the money—$960,500,000—for procurement of the first three production models of the B-1 aircraft until the Air Force and the prime contractor can complete the minimum flight testing program originally agreed to by the Air Force and recommended by the GAO. A summary of the GAO's report published in Aviation Week and Space Technology follows these remarks.

The Armed Services Committee's bill already contains a precedent for this action. The bill would defer expenditure of the money—$474 million—authorized for six E-3A airborne warning and control system—AWACS—aircraft "until a favorable decision is made by the North Atlantic Treaty Organization allies for procurement of the system."

My amendment would defer expenditure of the funds authorized for B-1 production models until, one, the President of the United States certifies to the Congress, subsequent to February 1, 1977, that he has reviewed the results of the B-1 test and evaluation program, and regards such expenditure as being in the national interest, and two, thereafter the Congress, by concurrent resolution, approves such expenditure. A copy of the amendment follows these remarks.

In August 1974, the Air Force agreed with the Office of Defense Research and Engineering that the B-1 program should meet the following conditions prior to a production commitment:

> (a) 250 to 300 flight test hours on three aircraft;
>
> (b) 74 hours of offensive avionics flight test;
>
> (c) Completion of a few realistic test missions;
>
> (d) Flight tests to validate the design structural limits of the aircraft;
>
> (e) Essential completion of the engine qualification test program;
>
> (f) Completion of static testing of major components; and
>
> (g) Completion of two lifetimes of fatigue testing of major components.

This commitment is in keeping with the Armed Services Committee's "Fly-Before-Buy" policy. The commitment is far from being met and is not likely to be met until sometime next year.

The GAO report states that—

> Although required by Department of Defense instructions, minimum performance thresholds have not been established for the B-1 weapons system. The same may be said about the cost and schedule thresholds which are also required by the DOD instructions.

Furthermore, the test program is behind schedule. Plans call for 345 flight test hours on the first three B-1 aircraft before the production decision. As of today, the first B-1 had only flown 134 hours. Aircraft No. 2 has not yet flown a single mission. Aircraft No. 3 has flown a single test flight of 4 hours and 54 minutes. As of October 1975, the prime contractor estimated they were 9 weeks behind schedule in accomplishing flight test objectives for the first aircraft. Aircraft No. 2 is not scheduled to even begin flight testing until June 5, 1976, and, according to GAO, is already 4 weeks behind schedule. As of September 1975, aircraft No. 3 was 5 weeks behind schedule.

Finally, the tests themselves have already revealed major structural problems, which will require expensive design changes or future downgrading of the B-1 performance specifications. The GAO report states that, due to a failure of the wing carry-through structure assembly, redesign of the wing structure is required before static testing can be completed. Static testing of an assembled airframe to 150 percent of design load limit is normally required by the Air Force, but is not even planned for the B-1.

The GAO report further states that—

> Engine performance will not meet initial contract specifications for fuel consumption, weight and bird ingestion capability . . . the estimated engine turbine life was considered marginal . . . problems that may affect avionics performance include excessive aircraft vibrations, low reliability of the doppler radar, and inability of some equipment to meet requirements for EMP (Electromagnetic Pulse) resistance . . . development of the RFS/ECMS (radio frequency surveillance/electronic counter-measures subsystem), is the early stages. Analysis indicate, however that system weight, electrical power, and cooling requirements will *exceed* specifications.

Secretary of Defense Donald Rumsfeld has testified that the B–52 fleet will remain operational until the 1990's. This being the case, there is obviously no compeling need for Congress to give final authorization to the production phase of the B–1 before the Air Force has even completed the basic testing and evaluation. The GAO report includes among the key issues for consideration in evaluating the B–1:

> Testing to be completed before the production decision . . . to result in a demonstration of the system's capability to perform its mission. Consequently, the Congress should require the Air Force to submit to Congress the results of flight and ground tests.

The Armed Services Committee in its report attempts to dispose of the GAO findings with the comment that the committee "is convinced that there is a high probability that the Department of Defense in November of this year will have all the data necessary to make a decision on procurement of the aircraft." In other words, the committee concedes the possibility that the DOD will not have the data to make a procurement decision even in November. Clearly, the Congress does not now have the data to make a procurement decision. For Congress to make this decision in such circumstances would appear to be irresponsible and could well produce another Air Force debacle like the notorious C–5A transport plane.

The amendment I plan to offer will assure time for a completed flight test program, as recommended by GAO and originally agreed to by the Air Force, and a prudent decision by Congress based on adequate test results.

AMENDMENT TO H.R. 12438 OFFERED BY MR. SEIBERLING

Page 2, line 13, after "the system." insert the following new sentence:

None of the $960,500,000 authorized for procurement of three B–1 aircraft and initial spares shall be expended until (1) the President, subsequent to February 1, 1977, certifies to the Congress that he, having reviewed the results as of such date of the B–1 aircraft test and evaluation program, regards such expenditure as being in the national interest, and (2) the Congress, by a concurrent resolution adopted subsequent to such certification, approves such expenditure.

NUCLEAR BLAST RESISTANCE TESTS SCHEDULED FOR B–1

WASHINGTON.—USAF/Rockwell International B–1 bomber will be tested for electromagnetic pulse resistance on a full-scale trestle assembly now being constructed at Kirtland AFB, N. M., to determine its ability to withstand nuclear blast radiation.

The facility is scheduled to be completed in 1980, after a production decision on the B–1 will have been made.

The lack of such testing to date is one point raised by the General Accounting Office in a report to Congress on the B–1 made public last week.

In the report, the GAO made these observations:

Aircraft has completed static testing based on a 360,000-lb. gross weight. Because of the failure of the wing carry-through structure out board of the wing pivot point, a redesign of a portion of the wing structure will have to be completed before static testing on components for a 395,000-lb. aircraft can be completed.

Static testing of an assembled airframe to 150% of design limit load, normally required, is not planned and "is not considered necessary by the Air Force."

General Electric F101 engine will not meet initial contract specifications for specific fuel consumption, weight and bird ingestion capability. But the report indicated the deficiencies were marginal and that Air Force and General Electric officials said the necessary research and development work to correct them "were not justified because possible improvements would not outweigh probable tradeoffs in cost, schedule and performance."

Avionics performance is likely to be affected by excessive aircraft in-flight vibration, by reliability problems with the originally selected Doppler radar and by the inability of some components to meet requirements for electromagnetic pulse resistance. The aircraft has been tested in scale model form for EMP resistance, pending completion of the full-scale trestle at Kirtland.

Failure in the wing carry-through structure assembly occurred at 141% of the design limit load for the 395,000-lb. gross weight during a deliberate test to failure. Since it occurred outside the wing pivot point, it did not affect the landing gear attached structure. According to the Air Force, the wing already had completed static testing to 150% of design limit load for the 360,000-lb. gross weight version of the aircraft.

A second failure, a crack in the leading edge skin of the wing slat, occurred after the wing was tested to 3.15 times its expected life. According to the Air Force, the crack was repaired, the structure modified and a test to four lifetimes now is in progress.

Auxiliary power unit in the B–1, the same basic design as in the Lockheed C–5, also has been unable in tests to provide sufficient power to start all four of the aircraft's engines "consistently and simultaneously," the GAO report said. External starter switch is used, so that the engines can be starting while the crew is boarding the aircraft. The APU also has been reported to have had starting problems at temperatures of —40F and lower.

GAO said that among the possible solutions being considered were a change in gear boxes, a redesigned or new APU, changes to the engines to permit quicker starts with the power presently available or changes in operating procedures. The Air Force said space in the aircraft was available for a larger APU should one be decided upon.

Higher-than-anticipated in-flight vibration levels have been encountered, the GAO report said, and in some cases have exceeded the levels that the offensive avionics equipment is designed to withstand.

The Air Force said that flight-test work now under way is designed first to locate the exact source of the vibrations and to evaluate the effectiveness of several possible modifications to eliminate the vibrations or prevent them from causing damage. Included in these potential modifications are addition of aerodynamic vanes to disrupt air flow patterns, relocation of the avionics gear or changing the avionics shock mounts.

Engine specific fuel consumption of the B–1 will be about 3.5% worse than anticipated, the GAO report said, and the engine itself is about 2.5% overweight, or about 100 lb. These two factors combine, the GAO said, to reduce the basic mission range of the aircraft by approximately 158 naut. mil.

The GAO also noted that some turbine blades had cracked after internal cooling air passages were blocked by foreign matter, but said that GE had identified the source of the matter and "took steps to prevent recurrence of the problem."

The B–1 also has had non-recurring problems with flap retention and one instance of an engine access door separating from the aircraft in flight.

GAO also noted in its report that performance cost and schedule thresholds had not been established for the B–1 weapon system, as required by Defense Dept. regulations. Because of this failure, the impact of program changes is unclear, the report said. The GAO recommended that such thresholds be established in the B–1 Decision Coordinating Paper.

FLOOR PRIVILEGES EXTENDED TO DEMOCRATIC MEMBERS OF CONGRESS

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HANLEY. Mr. Speaker, I would like to call to the attention of my Democratic colleagues in the Congress that we now have floor privileges at the 1976 Democratic National Convention.

The Arrangements Committee of the Democratic National Committee voted at their last meeting to extend these privileges to all Democratic Members of Congress who were not going to be attending the convention as delegates. Floor access will enable those attending to be more directly involved in the activities of the convention and I hope that the extension of these privileges will encourage my Democratic colleagues to take an active part in the convention.

The Arrangements Committee decision was in response to a petition signed by over 200 Democratic Members of Congress. This effort was primarily the work of the United Democrats of Congress and their chairman, Congressman GILLIS LONG. On behalf of the Democratic Members of Congress who sought the extension of the floor access privilege I would like to commend that organization and its chairman.

Last Monday, Congressman LONG, accompanied by Congressman B. F. SISK, Congressman ROBERT GIAIMO, and Congressman GUNN MCKAY, appeared before the Arrangements Committee and urged the extension of floor privileges to all Democratic Members of Congress. The vote by the committee was overwhelmingly favorable.

In his remarks to the committee, Congressman LONG said:

> As the time for the National Convention draws closer, the possibility of a deadlocked convention seems more and more likely. That prospect of repeated balloting and delegate shifting only heightens the need to have these privileges extended. No one has a greater interest than we do in nominating a candidate in July who is going to win in November. It is the Democratic Membership of the Congress that must run with the Democratic Nominee next November. It is only logical that we should have the opportunity to participate in the Convention where that nominee is selected.

I hope that the Democratic membership of the Congress will take note of this privilege and that you will make plans to attend the convention so that we can take full advantage of this opportunity to have a substantial impact on the work of that convention. I congratulate the United Democrats of Congress for their foresight and leadership in securing these floor privileges. I particularly commend Congressman FRANK ANNUNZIO as the originator of this idea and

Congressman Gillis Long for the tenacity and perseverance that led to the achievement of this important objective.

PAUL TABER RETIRES

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record.)

Mr. HANLEY. Mr. Speaker, Paul Taber has retired from Agway. To thousands of farm families throughout the United States who know Paul, that would seem to mean that a brilliant and selfless career of service to American agriculture has come to a close. I say "seem" because after 43 years of service with one of this country's largest farm coops and to the communities in which Paul has lived and worked, it is unlikely that retirement will "take the farm out of the boy." To a man of Paul Taber's physical and spiritual determination, retirement will mean nothing more than a change of schedule.

Paul Taber was born in Barnesville, Ohio. He attended Ohio State University and holds a bachelor's degree in agriculture from that school. In 1933, he joined Agway as assistant manager of the Cortland, N.Y. store. Later that year he was named manager of the store in Homer, N.Y.

In 1936, he was named member relations assistant and served in advertising and promotion, membership, and training, until being named agricultural advertising and research manager in 1941. He then served in governmental and agricultural relations capacities.

Paul was granted a leave of absence to serve as assistant to the master of the National Grange, Washington, D.C., from 1950 to 1952. Upon returning to Agway, he worked in agricultural relations.

He was named assistant director of public relations in 1955, was chosen director of public relations in 1967, and was elected a vice president of Agway in 1973.

A director and former vice president of the Metropolitan Development Association of Syracuse and Onondaga County, Paul is secretary-treasurer of the New York State Council of Agricultural Organizations, a director of the New York State Council of Farmer Cooperatives, and a member of the New York State Agricultural Resources Commission.

He is a trustee and executive committee member of the American Institute of Cooperation and a director of the Empire State Chamber of Commerce.

He is also a member of the Public Relations Society of America, Public Affairs Council, Syracuse Press Club, Syracuse Citizens Foundation, and is a 32d degree mason.

Paul Taber has served his community and his neighbors through scores of volunteer organizations in New York, Pennsylvania, and nationally. He is a 50-year member of the Grange, a member of the Academy of Political Science and of the National Advisory Board of the American Security Council. He holds the U.S. Treasury Award for Patriotic Service, War Finance, the Boy Scouts of America Silver Beaver Award, the National Future Farmers of America Honorary American Farmer Award, and a Special Service Award from the New York State Council of Farmer Co-ops, among others.

We wish Paul and his lovely wife, Vrina, good health and many happy, busy years to enjoy their new life and their eight grandchildren.

DELAYING THE INEVITABLE

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, many of us were deeply disappointed by the refusal of the Rules Committee to advance legislation that would allow television coverage of House floor proceedings.

Members of both political parties think Congress should have "equal time" with the White House in presenting our views and achievements to the Nation. Yet we continue to deny broadcasters the means to accomplish equitable coverage.

The rather self-defeating quality of the House inaction is discussed in an editorial published yesterday in the San Diego Evening Tribune, a newspaper serving my congressional district.

The editorial quotes our colleague, Mr. Sisk, to the effect that broadcast coverage is "a step whose time has come." Mr. Sisk is correct, and so is the Evening Tribune, in its conclusion that those responsible for bottling up this legislation have succeeded only in "delaying the inevitable."

The editorial follows:

Camera-Shy Lawmakers

Television coverage of congressional proceedings is an unlikely candidate for high rank in the audience rating system.

But the three national networks and the Public Broadcasting System are willing to contract with Congress to provide full taping of all sessions for history and broadcast of such segments that editors deem newsworthy.

And most of the legislators are willing to expose themselves to public scrutiny through the eyes of TV cameras. They are aware of the opportunity television provides to improve the congressional image as demonstrated during hearings before the House Judiciary Committee on the impeachment issue in 1974.

But nervousness among the House leadership has won out again. Members of the House Rules Committee, envisioning broadcast shots of empty chambers or dozing representatives, voted to recommit legislation authorizing TV exposure.

California Democratic Rep. B. F. Sisk, however, has correctly termed broadcast coverage as "a step whose time has come."

The House leaders merely have delayed the inevitable.

LAETRILE CAUGHT IN MEDICAL TUG-OF-WAR

(Mr. BOB WILSON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BOB WILSON. Mr. Speaker, a cure for cancer—the most terrifying of all diseases—has been sought for many years, and there are hundreds of theories, treatments, and reported cures for this mysterious killer.

Many researchers are turning to nutrition or lack of it as the possible culprit that makes cancer cells go wild. The fact that Americans, with our notoriously poor diet, have the highest incidence of cancer points to the possibility that lack of some minute element or combination of minerals or vitamins is the real cause of cancer in the United States.

Recently much attention has focused on vitamin B17 or Laetrile, as it is known. It is a derivative of apricot pits, and is acknowledged by most experts to be harmless but is challenged by the FDA as to whether it has any beneficial effects on cancer patients.

As one who believes strongly that the FDA has no right to deny any citizen in the United States the opportunity to consume any nutritional product, whether it is efficacious or not, I am planning to introduce legislation to permit the sale of Laetrile or other nutritional products of its kind without undue interference from FDA or the Justice Department.

I include the attached article from the San Diego Union of March 18, 1976, as a portion of my remarks:

Cancer Aid or Useless Drug—Laetrile Caught in Medical Tug-of-War

(By Lew Scarr)

(Editor's Note.—If Laetrile is ineffective against cancer, the thousands who continue to go to Mexico for it, so full of hope, inevitably will die anyway. But if Laetrile somehow has managed to confound the investigators' tests and really is of some help, then the millions who have cancer or will have it, are being denied Laetrile and are dying by default. As it stands now, the victims of the conflict over Laetrile are the cancer patients themselves, who are losing no matter who is right.

(At the center of this medical tug-of-way is the drug itself, Laetrile—formally, mandelonitrile-beta-gentiobioside. Because of the location of clinics in Tijuana which offer Laetrile, this area has become a center of its use in the continuing dispute concerning its use. Here is a status report.)

The man who produces most of the Laetrile used in this part of the world is making plans for the imminent legalization of the controversial cancer drug in the United States.

Andrew R. L. McNaughton is building his second Laetrile plant in Tijuana, this one a modern facility designed to meet specifications of the United States Food and Drug Administration (FDA).

In an interview with The San Diego Union, McNaughton also disclosed that:

He will open a Laetrile "bulk" plant in San Ysidro.

He will open a Laetrile clinic in Nevada modeled after one he opened six months ago in Tijuana.

He is negotiating with a major U.S. pharmaceutical company for Laetrile production in this country.

He is perfecting a method of synthesizing Laetrile because, if and when it is legalized, he believes the demand will be such that the natural supply (California apricots) will be quickly exhausted.

But despite all of this, the FDA steadfastly maintains that it is no nearer to approving Laetrile than it was two to five years ago. For that matter, the FDA says approval is no nearer than it was in 1963 when it declared that Laetrile was not effective against cancer or anything else.

The crux of the Laetrile dispute lies in the belief by many of Laetrile's proponents that Laetrile is a vitamin programmed by nature to kill cancer cells. On the opposite side of the issue are the American Cancer Society, the FDA and the American Medical Association insisting that there is no objective evidence that it has any value in the treatment of cancer.

Still, there are signs that approval of Laetrile is in the wind.

Major newspapers—The New York Times and, locally, the Evening Tribune, among them—are editorially suggesting it. Major columnists (James J. Kilpatrick, for one) are urging it.

Patients, unofficially, are more often than not permitted to bring their personal supplies across the international border.

And perhaps most important of all, the federal court, in what Laetrile proponents already are calling a landmark decision, has allowed a Kansas cancer patient to bring the drug into the United States for his own use without interference from federal authorities.

Since then, U.S. District Judge Luther Bohanon in Oklahoma City, has permitted two more patients to use the drug without interference.

An FDA official, in a telephone interview, called the Bohanon decision an aberration, running contrary to three other federal court decisions.

The Justice Department has filed an appeal.

Herbert B. Hoffman, an assistant U.S. attorney here, who has prosecuted most of the Laetrile smuggling cases in this district, was more specific.

"With all due respect, what that judge has done is totally erroneous," Hoffman said. "He did not interpret the Food, Drug and Cosmetic Act properly.

"He has said it is encumbent upon FDA to make its own inquiry into the value of Laetrile. And there is nothing in the Food and Drug Act or in the cases that have interpreted the act or in the congressional history that ever imposed such a duty upon the FDA.

"In fact, it is explicit that the FDA should keep its hands off. That the government is not in the business of making its own evaluation.

"It is up to those who plan to benefit by the promotion of the drug who must apply for evaluation studies."

And Hoffman has been busily after those he thinks are benefiting greatly in the illegal trafficking of the drug.

He has assembled evidence for a federal grand jury here alleging an international conspiracy to smuggle the drug into the United States.

Although Hoffman said he cannot discuss the grand jury investigation except to say that it is progressing, it is known that evidence implicates persons on both sides of the border and overseas.

Included are Mexican and American "mules"—many of them women—who do the actual smuggling, principally through the gates of the Tijuana-San Ysidro border crossing.

REPORT CITED

A Customs Service report implicates 35 persons, among them Andrew McNaughton, the Laetrile manufacturer, and Dr. Ernesto Rodriquez Contreras, operator of the largest of the Tijuana Laetrile clinics.

Contreras is a 1939 graduate of the Escuela Medulco Militar in Mexico City. He has been trained as a general practitioner and pathologist. He is a lay Methodist minister who writes organ music for his church.

McNaughton, a Canadian, is the son of the late A.G.L. McNaughton, commander of the Canadian Armed Forces in World War II and a former president of the United Nations Security Council.

He studied with the Jesuits in Montreal and was the Royal Canadian Air Force's chief test pilot at one time. Reporter Mike Culbert has written in his book, "The Fight for Laetrile," that there is a shadier side.

Culbert, for example, identifies McNaughton as a gunrunner to Cuba and Israel and an adventurer who accepted Mafia-connected gifts to his McNaughton Foundation.

True Magazine in turn reports that McNaughton was sued for securities fraud both by the Canadian government and the United States. McNaughton shrugs off the latter as "just part of the battle of the American establishment against Laetrile."

SUPPORTS DRIVE

And McNaughton has done battle since he first met Dr. Ernest Krebs Jr., a San Francisco biochemist, about 20 years ago. Krebs is credited with popularizing the modern use of Laetrile as a cancer reagent.

McNaughton has been foremost among producers of Laetrile around the world and leading sponsor of effort to legalize it through his McNaughton Foundation in the United States.

In the main, these efforts have been futile. But lately, McNaughton is encouraged. He said in an interview that the situation is changing fast.

He is buoyed most by the Oklahoma court decisions.

"Originally these orders would prohibit the FDA and the Customs agents from interfering with the patient from coming here (to Tijuana Laetrile clinics) and taking back the material," McNaughton says.

"But recently the orders have begun to change subtly, and they permit the patient to take back material, and if they can't come here they permit him to order it by mail and even prohibit the medical associations from interfering with the doctor who would like to administer it either in his own office or in a hospital."

McNaughton, a founder of the Contreras clinic and long a consultant (he insists he is not a partner), last year opened his own clinic and soon will build a 30-bed hospital.

It is called Clinica Cydel, only a few blocks from CytoPharma de Mexico, named in the Customs report as manufacturing the Laetrile being smuggled into the United States.

Both are owned by Mexican businessmen McNaughton identifies as the Del Rio brothers. There are eight Del Rio brothers but the principal ones in management of the clinics and pharmaceutical concern are George, Gustavo and Marco.

HOLISTIC APPROACH

McNaughton believes as thoroughly as Contreras in the efficacy of Laetrile. However, where Contreras treats the very sick, McNaughton's clinic will treat the well person to prevent cancer using the holistic approach to therapy also emphasizing nutrition, vitamin megadoses and even transcendental meditation.

"Perhaps our people (Laetrile proponents) are becoming more reasonable," he said. "In any new movement, one is surrounded by a lunatic fringe, people who attach themselves, and the Laetrile movement is no exception.

"Sometimes the confrontation has been emotional and not rational. What we are trying to do here in Mexico is demonstrate to the authorities in the United States that these clinics here are only filling a need which should never exist."

McNaughton said he has never been able to make his point that the basic purpose of Laetrile is not the control or cure of cancer.

"We feel perhaps even more strongly than our opponents that Laetrile is being grossly misused by everybody. Yes, it is helpful in the control and palliation of cancer, but that is not its real area of importance."

McNaughton says he believes it should be taken routinely to ward off the ravages of cancer. He said he takes it every morning himself.

STIRS CONTROVERSY

But the controversy which rages around Laetrile generally has been confined to its effectiveness in treating patients who have cancer.

Krebs, Contreras, McNaughton and some American physicians, most of them in California, have said that it can do various things. Some say cure, some say control or stabilize or palliate or relieve or help or just plain make people feel better.

The trouble is, no one has ever been able to convince the agencies which count, namely the FDA or, in California, the Food and Drug section of the state Department of Health.

It is not enough to prove that the drug is harmless, even though it appears to be when taken in prescribed doses. The Kefauver-Harris amendment to the Food and Drug Act also requires that it also be proved effective.

Contreras and others have, literally, thousands of cases in which they say they have achieved cures or control or stabilization or help or whatever.

But that is the problem, in the view of FDA, they only SAY it. The evidence is anecdotal and not backed by controlled clinical trials of humans, supported by controlled studies of animals.

SEEKS DATA

Paul Sage, an FDA inspector and generally considered that bureau's most knowledgeable person about efforts to legalize the drug, was asked in a telephone interview, about Contreras and the McNaughton Foundation's efforts to legalize Laetrile.

"We asked Dr. Contreras to send us the clinical data, for him to select the cases that demonstrate the utility of Laetrile," Sage said. "He did send us a number of such cases and we investigated them.

"We went to the individuals or the next of kin and got medical releases for the whole course of their treatment and took these findings and our investigations and sent them to the National Cancer Institute (NCI) and asked for an independent evaluation."

The NCI found the application wanting.

Grant S. Leake, California's chief enforcement officer in the Food and Drug Section, verified this.

"Some very serious omissions were discovered," Leake said in a telephone interview," and the application was rescinded.

"The FDA asked the McNaughton Foundation to fill in the gaps in the application and they didn't. We are still asking the proponents to come forward with this hard clinical evidence, these thousands of cases that have been cured down in Tijuana and follow the protocol which is required of everybody and is for everyone's protection."

POSES QUESTION

Well, if not outright wholesale approval, why not make Laetrile available to some clinicians as they do in Mexico?

Although Laetrile is legal in Mexico (where it is more often called by its chemical name, amygdalin), it is a qualified kind of legalization. That is, not just any physician may prescribe it.

Amygdalin may be obtained only at certain clinics such as those operated by Contreras and McNaughton and two other smaller ones in Tijuana, which are being forced to close because of charges brought by McNaughton and Contreras that there are unspecified "clinical abuses" taking place.

But the FDA is firm in its policy that no drug shall be made available for human use until it has been proved effective in animal studies.

The National Cancer Institute has been testing Laetrile in animals without success since 1957.

TESTS MADE

Last year, according to NCI reports, amygdalin was tested alone and in combination with beta-glucosidase, an enzyme some Laetrile practitioner say make Laetrile more effective, against three transplanted mouse tumors: Lymphoid leukemia P388, Lewis lung carcinoma and Ridgway osteogenic sarcoma.

In these tests, amygdalin displayed no anti-tumor activity, the reports say.

The NCI is conducting additional tests of amygdalin against a metastatic mouse tumor and the Lewis lung carcinoma. The current tests are directed toward assessing the effect of amygdalin on development of metastases (spreading) from the tumor.

Previous tests showed conclusively, according to NCI, that amygdalin did not inhibit growth of the primary tumor, nor did it reproducibly increase the lifespan of the mice.

Because NCI has found no basis for predicting that amygdalin might act against cancer in humans, it does not intend to test it in cancer patients.

Laetrile proponents took great hope last year when they learned that Dr. Kanematsu Sugiura, senior scientist at the respected Sloan-Kettering Institute for Cancer Research, reported positive results with Laetrile against tumors in mice.

Although Sugiura still insists those tests were legitimate and that he showed that Laetrile does have some effect, neither he nor other Sloan-Kettering scientists have been able to duplicate the positive results.

Sloan-Kettering has dismissed Sugiura's findings as a lucky, unconfirmable fluke.

HIRES PHYSICIAN

However, tests with amygdalin are continuing there on spontaneous, naturally occurring breast tumors in two strains of mice, and on leukemia in mice.

None of this ruffles McNaughton. He has hired a physician as medical director at his Cydel Clinic he insists is the world's leading Laetrile doctor, but a man who stubbornly insists he is not a Laetrile doctor.

Dr. Mario A. Soto is an oncologist (tumor specialist) and chemotherapist who claims credit for the investigations into Laetrile leading to its legalization by the Mexican government.

But Soto also uses conventional therapy, often combining drugs used in chemotherapy in the United States with Laetrile. For that reason he is sensitive about being labeled as a Laetrilist.

INCREASED DOSAGE

And for this reason, McNaughton has expressed doubt about Soto in a confidential memo to an associate. Nevertheless, Soto still is at Cydel and was willing to be interviewed.

He said he was the first to increase the daily dosage of Laetrile from 500 milligrams to a minimum dosage of 3 grams (3,000 milligrams).

"There was no toxicity at all," Soto said. "Now since I have been here I have been using higher doses."

Soto said he is using as much as 9 and 12 grams of amygdalin.

"For brain tumors I am using 12 (grams) because I don't know how much of the material is passing the brain barrier. There are no side effects.

"But I am not an amygdalin doctor. I use all of the drugs. I usually start with Laetrile. If I get a good response with Laetrile I stick with it. If I don't, then I combine. It is the only way to evaluate the drug.

"I wouldn't have come here if I wasn't going to do good medicine. I am not a Laetrile man, and this is not a Laetrile clinic. We are doing good modern medicine."

Contreras was interviewed at his clinic located in one of Tijuna's most pleasant neighborhoods at the beach across from the seaside bullring.

He, too, insists he is doing good modern medicine.

Contreras said he and his 10 staff physicians are seeing about 120 patients a day. He was asked if he ever sends a patient away because he can't help him.

"Very seldom," he said, "but we do sometimes, when they are beyond any possible help."

DISPUTES CLAIM

Doctors in this country say that Laetrile may harm a patient by preventing him from getting conventional treatment.

"That is absolutely false," Contreras said. "Eighty-five to 90 per cent of the patients who come here have already had all of the other treatments, so they have nothing to lose when they come here.

"And, also, the early cases when they come here are handled in the proper way and they are not losing any treatments at all. We use radiation and chemotherapy and surgery in crisis situations where they are indicated.

"Of course, we have our own ideas. We are conservative in all respects. We don't use very radical surgeries and we don't use massive doses of radiation. We do use massive doses of conventional chemotherapy.

"To use exclusively one drug would be unethical."

Some critics have said that Mexican clinics 'bleed" patients of their life-savings.

McNaughton's clinic charges $130 for a complete, initial workup, costs varying after that from patient to patient.

CITES COST

A Canadian woman whose husband is being treated at Contreras' clinic for rectal cancer, said it cost $249 for a three-week treatment including physicians' fees and all drugs. She said a private apartment on the beach for that time cost them $195.

Contreras was asked if patients with no money at all can be treated in his clinic.

"Of course," he said, "No one has ever been turned away because of financial problems. Nor have they been sent away because they ran out of funds during the course of the treatment."

Paul Sage, the FDA Laetrile investigator, said in an interview that Laetrile is not as harmless as its promoters claim.

One of the effects of enzymes in apricot pits is to release cyanide, which proponents say attack the cancer cells.

"We have seen a few reports of non-fatal poisoning among people who would grab a handful of apricot pits and put them in a blender and make a milkshake and they turn up with fullblown symptoms of cynanide poisoning," Sage said.

He said that if people are experiencing non-fatal symptoms, "there is a very distinct possibility that other people eating these kernels actually are being killed by them."

But Contreras said, "There is no possibility of danger at all. If a person swallows 100 Laetrile pills it would be poisonous, no? But it is the same with a lot of drugs, aspirin."

McNaughton said Laetrile is far less toxic than tomato ketchup.

Contreras was asked whether he really believes he is helping cancer patients.

"We certainly are helping many, many patients. First in what we call palliation—relieving pain. Pain is reduced in more than 60 percent of the cases. And there is a feeling of well-being. They just feel better."

Both Contreras and McNaughton avoid the use of the word "cure."

"We don't use the word cure for philosophical reasons," McNaughton said. "We don't feel that knocking out symptoms or tumors is any cure for the underlying disease.

"We try to get the patient so they live the rest of their lives as symptom-free as possible, but we don't consider they are cured."

Contreras likened it to treatment of diabetes or epilepsy. "If a person is controlled," he said, "then they can live a normal life for many years.

"A word I like is stabilization. There is some kind of equilibrium between the tumor and the host, the patient, and they learn to live with it, even big tumors."

Contreras was asked if legalization of Laetrile in the United States would hurt his program in Tijuana.

"I don't think so," he said. "We have the years of experience here. Also treatments here are far less expensive than they would be in the United States."

Once a week McNaughton conducts a question and answer session for patients preparing to leave the clinics, coaching them on how to act when they cross the border with their illegal two-months supply of Laetrile, which cost them 60 cents for each 500-milligram tablet and $6 for each 3-gram injectible vial.

"I tell them that when they get to the border and they are asked if they acquired any thing in Mexico, they are to say, "We were in Mexico to see my doctor for medical treatment and I am bringing back prescription items for continuance of my treatment at home.

"Ninety-eight times out of 100 they will get through," McNaughton said.

He said patients are taking personal supplies of Laetrile across the border without interference with Customs, although Herb Fink, district director for Customs here, denied it.

McNaughton said relations between Laetrile proponents and federal officials are improving, warming their way to legilization of the drug, he thinks.

"The problems with the FDA come at a much lower level," he said. "There is no problem with Customs (at the border) unless an FDA agent happens to be standing by.

"Perhaps the word hasn't got down that far that there is a more relaxed atmosphere. But if the agent at the border sees a patient who obviously has a non-commercial supply, if he has a prescription, he just looks the other way."

Assistant U.S. Attorney Herbert Hoffman said:

"We do not prosecute any patients. We never have. We are interested in major distributors and smugglers who are profiting in exorbitant amounts.

"We have nothing but sympathy for the patients."

But Hoffman said that there have been more Laetrile arrests and seizures in the last eight months than there were in the previous two or three years combined.

McNaughton was asked if Laetrile can be purchased in San Diego.

READILY AVAILABLE

"You are really asking me about smuggling, aren't you?" he said. "The answer of course, is that anyone living in the United States can get Laetrile without any undue difficulty these days.

"It is coming in from everywhere, but you have to pay the cost of the losses in transporting it. They lose a car (by confiscation) or the material and have to pay for legal defense and that gets passed on.

McNaughton thinks the high cost of Laetrile in the United States is ridiculous, "because Laetrile would cost very much less if it were made in the country of its origin (the apricots are California-grown)."

He plans to take care of that inequity.

"I have plans made and arrangements made to start a clinic in Nevada as soon as it is possible which will be modeled after this one (his Cydel Clinic in Tijuana)."

The new Laetrile plant, which he is building near the beach is not far from Contreras' clinic and one which he permitted a reporter to tour, will help meet what McNaughton expects will be an increased demand if and when Laetrile is approved in the United States.

But it is not being rushed to completion only for that market, although McNaughton is careful to see that it meets all FDA specifications.

"This is the natural place for a plant to serve all of Central and South America, too," he said.

"And we are expanding because I have arranged for the Del Rio brothers (owners of his clinic and the old Laetrile plant) to set up a CytoPharma de USA, and we have incorporated for them a company and I am going to set up for them a tiny little plant in San Ysidro, which will be for them the initial step."

The San Ysidro plant will be a bulk operation, intended at first to help trim costs of manufacturing Laetrile in Mexico. Apricot kernels used in Laetrile production are brought into the Mexican free trade zone, but when apricot oil, a byproduct for the lucrative cosmetics market in the United States, is brought back across the border, it is subject to duty.

"So it will be logical to take out the oil in the United States and then export the mash into the free zone in Mexico and process it into Laetrile without having to pay duty on the oil," McNaughton said.

"Also it will give them (CytoPharma) a beachhead in the United States so they can compete with pharmaceutical companies there and eventually manufacture Laetrile."

Grant Leake, state Food and Drug agent, said as long as the material is being processed for export from the United States, "I am not certain we can do anything about it."

Laetrile is in the public domain, although some of McNaughton's processing techniques may not be.

SIMPLE SOLVENT

It is made from a simple solvent extraction process, most often from apricot seeds because they are easy to get, but it also is found in 1,200 other plants.

But McNaughton said that if everyone in California on a given day after legalization took one dose of Laetrile, they would exhaust the entire apricot crop in the United States for that year.

"So you can see we are approaching the day when we will have to produce Laetrile synthetically, and a lot of work is going on under our direction in that regard," he said.

He said it is not a difficult process since mandelonitrile, the basic chemical, can be purchased by the carload.

"And all you have to do is add two sugars and you have amygdalin," he said.

McNaughton said several large American pharmaceutical companies are interested in the production of Laetrile.

He said he is talking with representatives of a major company which he declined to identify "because they have asked me not to use their name. They don't want to be harassed by the FDA."

LITTLE CHANCE

Still the FDA sees little chance of Laetrile being approved in the near future.

"We have exhausted just about every possibility of finding any cause to think it merits a test license," said Ed Nida in a telephone interview from FDA headquarters in Rockville, Md.

Paul Sage, FDA's top Laetrile investigator: "I think the prospects of any study demonstrating it to have any value are awfully slim."

THE NEED TO ELIMINATE JUNIOR RESERVE OFFICERS' TRAINING CORPS (JROTC)

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DELLUMS. Mr. Speaker, on Friday I intend to introduce an amendment to the defense authorization bill to eliminate the authorization under title 10 of the United States Code for the Junior Reserve Officers' Training Corps program.

As the bill now stands, we would witness an increase in the size of the program from the present authorized level of 1,200 units to 2,000. Not only would the adoption of this section as it now stands increase dramatically the required funding—which now stands at $24 million—but it is opposed by the Department of Defense and is, most fundamentally, a step in the wrong direction, as I shall argue.

For over 60 years, the military services have been authorized to enter our high schools for the purpose of promoting, training, and indoctrinating our children in the accepted practices of the military. For fiscal year 1977, the military projects that it will have JROTC programs in approximately 1,200 high schools, enroll 192,000 students, and spend over $25 million. Please see attached JROTC fact and cost sheets.

The Department of Defense claims several objectives in establishing JROTC units. These include:

First. Development of informed and responsible citizens;

Second. Strengthening of character;

Third. Promotion of understanding of the basic elements and requirements of national security;

Fourth. Formation of habits of self-discipline;

Fifth. Development of respect and an understanding of the need for constituted authority in a democratic state; and

Sixth. Development of an interest in the military service as a possible career.

Before examining the value of these objectives and the role that the military should properly play in achieving them, it is necessary to discuss some of the many serious objections that have been raised against the JROTC program. One such objection is the lack of control over these units by local boards of education.

Participating schools are required to pay part of JROTC instructors' salaries, furnish space for drilling, storage and classes, provide an armory and firing range for .22 caliber rifle practice, maintain government property to the extent of posting bond and pay for the staff—both clerical and maintenance—required to keep track of this property. The total annual bill for even a small JROTC unit costs the school itself approximately $20,000. The curriculum, textbooks and instructors are chosen by the secretaries of the participating military services, not by State or local boards of education.

The program instructors, virtually all of whom have had no prior teaching credentials, even though they are supervising a program for which students receive academic credit. Since the instructors of military science must be retired officers or enlisted men, it appears that JROTC is more of an advantage to those groups than to our high schools. Why should we waive the qualifications which all other teachers, counselors and administrators are required to obtain simply in order to provide employment for these men? Further, I remain unconvinced that military-trained personnel are the only ones who can impart notions of self-discipline, patriotism and responsibility. The qualified educators in our schools have proven time and again that they are willing and able to provide the skill and knowledge necessary to accomplish JROTC's first five stated objectives.

Here, as in so many other areas, the most effective intrusion of Federal control into local affairs is being accomplished by the military. And even though the local educational system has voluntarily abdicated control, the schools must still assume at least some of the Defense Department's recruitment and propaganda functions.

To return to the first five objectives of the JROTC program, it is hard to find fault with the good intentions of those who want our schools to offer leadership training and courses in civics. What I do object to is the transmission of those values through the medium of America's uniformed services. The concepts of military training are diametrically opposed to the concepts of an open education—one where there is a free exchange of ideas between student and teacher. It is the nature of the military establishment that it be based on the presumption of unquestioning obedience to authority.

JROTC instructors, who are either active duty or reserve personnel, are, in fact, cautioned to refrain from discussion of controversial subjects, even while they continue to treat some hotly debated issues as merely "factual" while simply ignoring others which might raise doubts in the minds of the program's 13- to 17-year-old participants. Also very disturbing is the way in which military subjects are discussed in JROTC texts.

A second-year Army JROTC textbook, entitled "Intermediate Leadership Development," used to offer this advice:

> You may want to take silent weapons in killing, stunning or capturing individuals. The trench knife and bayonet are excellent weapons . . . The blunt end of a hand ax can be used to stun an enemy; the cutting edge is employed to kill. A machete can also be used for cutting and stabbing . . . Clubs, black jacks, sticks and pistol butts are used chiefly to stun; however, a hard blow on the temple or base of the neck may kill. A blackjack is improvised by filling a sock with wet sand. If a club or stick is used as a silent weapon, be certain it is short and solid. Another effective weapon, the garrote, may be made by fastening a wood handle to each end of an 18-inch length of wire. (Diagrams are provided.)

I seriously doubt that this is the way we want our children to be taught to think and act. In fact, the military teaches them not to think, but to accept what is told them without question. This may be seen in the proper response to a multiple choice question on "an objective of Leadership Training I is for each cadet to become * * *" The answer is: "A good follower."

With respect to the last objective—the development of an interest in the military as a career—I contend that this is not a legitimate one for our schools. No group, not even one connected with the

State, should have access to the schools in order to push its objectives and recruit personnel. The military has enough opportunity outside of the classroom to encourage recruitment. And if a purpose of JROTC is recruitment, there are certainly far more efficient means than funneling 2,737 active and retired service personnel to 1,200 high schools throughout the country. But to link military recruitment even remotely to the general dissemination of knowledge is reckless, dangerous and frightening in its implications for the preservation of our civil liberties.

Given the counterproductive nature of JROTC as an educational institution, the huge cost becomes all the more ridiculous. This program will cost all taxpayers over $25 million in 1977 and will divert at least $24 million of public and private secondary school budgets away from other, more vital programs.

Under these circumstances, I believe it is our responsibility to terminate the program. It is more important that Johnny learn to write than that he get his gun. I ask for your support of this amendment.

Following are facts and costs of the program as it is presently constituted. Should H.R. 12438 pass with the present section 707 intact, these costs would probably escalate by almost an additional two-thirds, bringing DOD's annual program costs to almost $40 million.

JUNIOR RESERVE OFFICERS' TRAINING CORPS FACT SHEET

[Participating services—Army, Navy, Air Force, Marine Corps]

	Number	Amount
DOD administrative personnel: [1]		
Army	25	$496,000
Air Force	32	400,000
Navy	20	320,000
Marine Corps	10	166,328
Total	87	1,382,328

	Active duty	Retired	Total
Service personnel assigned to high schools: [1]			
Army:			
Officer instructors	88	416	504
Enlisted instructors	63	1,034	1,097
Total	151	1,450	1,601
Air Force:			
Officer instructors	0	292	292
Enlisted instructors	0	283	283
Total	0	575	575
Navy:			
Officer instructors	0	226	226
Enlisted instructors	0	228	228
Total	0	454	454
Marine Corps:			
Officer instructors	3	43	46
Enlisted instructors	0	61	61
Total	3	104	107
Grand total	154	2,583	2,737

Projected fiscal year 1977 enrollment	191,918
Projected fiscal year 1977 DOD cost (million)	$25
Participating schools: [1]	
Army	650
Air Force	275
Navy	223
Marine Corps	52
Total	1,210
Estimated fiscal year 1977 cost to participating schools ($20,000×1,200)(in millions)	$24
Total projected fiscal year 1977 cost per student to DOD and participating schools (per year)	$255

Fiscal year 1976 DOD estimates.

JUNIOR ROTC COSTS [1]

[In millions of dollars]

	Army	Navy	Air Force	Marine Corps
Educational material [2]	[3] 0.7	0.3	0.1	.007
Salaries of teachers	6.6	2.5	2.9	.54
Uniforms [4]	4.0	2.2	1.5	.65
Equipment [5]	[6] 0	.6	.1	.03
Other grants of money, etc., to the school system	0	[7] .3	0	[8] .35
Total	11.3	5.9	4.6	1.577

[1] Fiscal year 1976 DOD estimates.

[2] This material includes only educational software, i.e., texts, vugraphs, lesson planning data, etc.

[3] Army includes travel money and miscellaneous expenses in this breakout.

[4] This includes the cost of maintenance of uniforms.

[5] Includes educational material hardware, i.e., projectors, film screens, etc.

[6] Army uses excess rifles, training aids, desks, etc., from active force which would be otherwise stored.

[7] Includes transportation, telephone, miscellaneous expenses.

[8] The Marine Corps includes travel, special programs (textbook development, brochures), tailoring and shoe repair, and maintenance and supplies under this breakout.

Finally, I wish to bring to the attention of all Members a letter from the general counsel for the Defense Department, Mr. Richard Wiley, sent in response to H.R. 8937, a bill introduced by Mr. YOUNG of Florida which would have substantially the same effect upon the JROTC program as would the provision presently in H.R. 12438.

I introduced this letter to indicate that even the Department of Defense, whose responsibility it is to administer this high school-level program, is vigorously opposed to any expansion of this program.

GENERAL COUNCIL OF
THE DEPARTMENT OF DEFENSE,
Washington, D.C., January 29, 1976.

Hon. MELVIN PRICE,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Department of Defense on H.R. 8937, 94th Congress, a bill "To amend title 10, of the United States Code in order to remove the limitation on the number of Junior Reserve Officers' Training Corps units which may be established and other limitations regarding such units."

10 USC 2031(a) provides, inter alia, that Junior Reserve Officer Training Corps units may not exceed 1200 and that the President shall provide for the fair and equitable distribution of such units throughout the nation. H.R. 8937 would eliminate these provisions.

The Department of Defense is opposed to the enactment of H.R. 8937 for the following reasons:

a. The removal of the limitation on the number of Junior Reserve Officers' Training Corps (JROTC) units would result in escalation of units to a number which would drastically increase the funding requirement for the program. Such a program is inconsistent with the current and anticipated climate of fiscal constraint.

b. The proposed bill eliminates a provision of the current law which provides for the fair and equitable distribution of such units throughout the nation. This fact could lead to unequal distribution of units in the nation, thus being detrimental to the national flavor and basic objectives of the JROTC program.

c. Competition associated with obtaining and maintaining a viable unit is an important quality factor in this program. Removal of the unit limitations would remove an essential quality control mechanism from the program.

d. Due to fiscal restraints any additional JROTC manpower costs would probably come at the expense of another training or education program. From a Department of Defense standpoint, JROTC must be a low priority program.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

RICHARD A. WILEY.

SOLIDARITY MONTH FOR SOVIET JEWS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, on Sunday, April 4, several thousand people gathered on the Ellipse in heavy rain to mark "Solidarity Month for Soviet Jews." They chose the Ellipse as the site of their demonstration because of its proximity to the White House. They feel the administration has not expended enough energy on behalf of the many Jews in the Soviet Union who wish to emigrate. They called on the administration to be forceful in its dealings with Soviet officials on behalf of Soviet Jews. Spokesmen from the Roman Catholic and Protestant churches joined with their Jewish brothers to express their deep concern for human rights and human justice—and the Soviet Union's apparent lack of concern in these areas.

At the end of the rally the group read and adopted a declaration of "Solidarity with Soviet Jewry" affirming a similar statement adopted at the World Conference on Soviet Jewry in Brussels. I quote from a portion of the declaration:

> We join you in your struggle; we share your faith; we honor your courage; you are not alone . . . We salute those from every sector of the society, every race and religion—in government, parliament, science, law, education, the arts, labor, commerce and industry—who have joined us in the cause of the Jews of the U.S.S.R. We call on all men of conscience, on all governments' humanitarian ideals to speak out on behalf of Jews of the U.S.S.R.

I strongly support the efforts of the people who met on the Ellipse on Sunday and would like to share with my colleagues my message to them.

STATEMENT OF THE HONORABLE GILBERT GUDE

DEAR MR. SISLEN: Greetings to you and your many friends who will gather at the ellipse to observe the beginning of 'Solidarity Month for Soviet Jews.' I commend your dedication and join with you in calling attention to the plight of our Jewish friends in the Soviet Union.

It is with hesitation that I am compelled to admit that we have not progressed very far since the signing of the Final Act of the Conference on Security and Cooperation in Europe last August. Soviet Jews remain in the U.S.S.R. unable to emigrate to the country of their choice. We continue to receive accounts of horror stories which detail their forced oppression within the Soviet Union. Emigration petitions are denied again and again with no cause; no reasonable explanation.

The Helsinki accord is not working!

We, in Congress, recognize this sad fact and want to do something about it. I have joined with 77 of my colleagues in co-sponsoring a proposal which would establish a commission to inquire into compliance by all signatories to all provisions of the Helsinki accord. I have been informed that hearings will hopefully be scheduled sometime this month.

It is no secret that our efforts in this regard will focus on the actions of the Soviet Union in respect to our particular part of the agreement; that section which discusses freedom of movement.

We, in Congress, need help in our efforts. We need the assistance of the Administration. We need them to communicate our concerns for the humane treatment of Soviet Jews more effectively to Soviet authorities. If we work together toward this end, I believe we can successfully alleviate the suffering of our friends in the Soviet Union.

I appreciate having the opportunity to express my thoughts to you.

Shalom.

GILBERT GUDE.

CONFERENCE REPORT ON H.R. 8235

Mr. JONES of Alabama submitted the following conference report and statement on the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–1017)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Federal-Aid Highway Act of 1976".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. (a) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1978, and the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1979.", and by inserting in lieu thereof the following: "the additional sum of $3,250,000,000 for the fiscal year ending September 30, 1978, the additional sum of $3,250,000,000 for the fiscal year ending September 30, 1979, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1980, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1981, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1982, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1983, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1984, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1985, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1986, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1987, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1988, the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1989, and the additional sum of $3,625,000,000 for the fiscal year ending September 30, 1990.".

(b)(1) At least 30 per centum of the apportionment made to each State for each of the fiscal years ending September 30, 1978, and September 30, 1979, of the sums authorized in subsection (a) of this section shall be expended by such State for projects for the construction of intercity portions (including beltways) which will close essential gaps in the Interstate System and provide a continuous System.

(2) The Secretary of Transportation shall report to Congress before October 1, 1976, on those intercity portions of the Interstate System the construction of which would be needed to close essential gaps in the System.

(3) A State which does not have sufficient projects to meet the 30 per centum requirement of paragraph (1) of this subsection may, upon approval of the Secretary of Transportation, be exempt from the requirements of such paragraph to the extent of such inability.

(c) No part of the funds authorized by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for the Interstate System, shall be obligated for any project for resurfacing, restoring, or rehabilitating any portion of the Interstate System.

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1978, the sums authorized to be appropriated for such periods by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditures on the National System of Interstate and Defense Highways using the apportionment factors contained in revised table 5 of Committee Print 94–38 of the Committee on Public Works and Transportation of the House of Representatives.

TRANSITION QUARTER AUTHORIZATION

SEC. 104. (a) There is hereby authorized to be appropriated, out of the Highway Trust Fund, $1,637,390,000 for the transition quarter ending September 30, 1976, for those projects authorized by title 23 of the United States Code, the approval of which creates a contractual obligation of the United States for payment out of the Highway Trust Fund of the Federal share of such projects except those authorized by section 142 of such title, and those on the Interstate System (other than as permitted in subsection (b)). Such sums shall be apportioned or allocated on the date of enactment of this Act among the States, as follows:

(1) 60 per centum according to the formula established under section 104(b)(1) of title 23, United States Code, as such section is in effect on the day preceding the date of enactment of this Act.

(2) 40 per centum in the ratio which the population of each State bears to the total population of all the States shown by the latest available Federal census.

(b) Any State which received less than one-half of 1 per centum of the apportionment made under section 104(b)(5) of title 23, United States Code, for the Interstate System for fiscal year 1977 may expend all or any part of its apportionment under this section for projects on the Interstate System in such State.

(c) There is hereby authorized to be appropriated out of the Highway Trust Fund, for the transition quarter ending September 30, 1976, $8,250,000 for forest highways, and $4,000,000 for public lands highways. Such sums shall be apportioned or allocated on the date of enactment of this Act in accordance with section 202 of title 23, United States Code.

(d) There is authorized to be appropriated, out of the Highway Trust Fund, for the transition quarter ending September 30, 1976, $120,000 to the Virgin Islands, $120,000 to Guam, and $120,000 to American Samoa, for projects and programs under sections 152, 153, and 402 of title 23, United States Code, such sums shall be apportioned on the date of enactment of this Act in accordance with section 402(c) of title 23, United States Code.

HIGHWAY AUTHORIZATIONS

SEC. 105. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system in rural areas, including the extensions of the Federal-aid primary system in urban areas, and the priority primary routes, out of the Highway Trust Fund, $1,350,000,000 for the fiscal year ending September 30, 1977, and $1,350,000,000 for the fiscal year ending September 30, 1978. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $400,000,000 for the fiscal year ending September 30, 1977, and $400,000,000 for the fiscal year ending September 30, 1978.

(2) For the Federal-aid urban system, out of the Highway Trust Fund, $800,000,000 for the fiscal year ending September 30, 1977, and $800,000,000 for the fiscal year ending September 30, 1978.

(3) For forest highways, out of the Highway Trust Fund, $33,000,000 for the fiscal year ending September 30, 1977, and $33,000,000 for the fiscal year ending September 30, 1978.

(4) For public lands highways, out of the Highway Trust Fund, $16,000,000 for the fiscal year ending September 30, 1977, and $16,000,000 for the fiscal year ending September 30, 1978.

(5) For forest development roads and trails, $35,000,000 for the three-month period ending September 30, 1976, $140,000,000 for the fiscal year ending September 30, 1977, and $140,000,000 for the fiscal year ending September 30, 1978.

(6) For public lands development roads and trails, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978.

(7) For park roads and trails, $7,500,000 for the three-month period ending September 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, and $30,000,000 for the fiscal year ending September 30, 1978.

(8) For parkways, $11,250,000 for the three-month period ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $45,000,000 for the fiscal year ending September 30, 1978, except that the entire cost of any parkway project on any Federal-aid system paid under the authorization contained in this paragraph shall be paid from the Highway Trust Fund.

(9) For Indian reservation roads and bridges, $20,750,000 for the three-month period ending September 30, 1976. $83,000,000 for the fiscal year ending September 30, 1977, and $83,000,000 for the fiscal year ending September 30, 1978.

(10) For economic growth center development highways under section 143 of title 23, United States Code, out of the Highway Trust Fund, $50,000,000 for the fiscal year ending September 30, 1977, and $50,000,000 for the fiscal year ending September 30, 1978.

(11) For necessary administrative expenses in carrying out section 131 and section 136 of title 23, United States Code, $375,000 for the three-month period ending September 30, 1976, $1,500,000 for the fiscal year ending September 30, 1977, and $1,500,000 for the fiscal year ending September 30, 1978.

(12) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $1,250,000 for the three-month period ending September 30, 1976, not to exceed $5,000,000 for the fiscal year ending September 30, 1977, and not to exceed $5,000,000 for the fiscal year ending September 30, 1978.

(B) for Guam, not to exceed $1,250,000 for the three-month period ending September 30, 1976, not to exceed $5,000,000 for the fiscal year ending September 30, 1977, and not to exceed $5,000,000 for the fiscal year ending September 30, 1978.

(C) for American Samoa, not to exceed $250,000 for the three-month period ending September 30, 1976, not to exceed $1,000,000 for the fiscal year ending September 30, 1977, and not to exceed $1,000,000 for the fiscal year ending September 30, 1978. Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(13) For authorized landscaping, including, but not limited to, the planting of flowers and shrubs indigenous to the area, and for litter removal an additional $25,000,000 for the fiscal eyar ending September 30, 1977 and $25,000,000 for the fiscal year ending September 30, 1978.

(14) For the Great River Road, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978, for construction or reconstruction of roads not on a Federal-aid highway system; and out of the Highway Trust Fund, $6,250,000 for the three-month period ending September 30, 1976, $25,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending September 30, 1978, for construction or reconstruction of roads on a Federal-aid highway system.

(15) For control of outdoor advertising under section 131 of title 23, United States Code, $25,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending September 30, 1978.

(16) For control of junkyards under section 136 of title 23, United States Code, $15,000,000 for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978.

(17) For safer off-system roads under section 219 of title 23, United States Code, $200,000,000 for the fiscal year ending September 30, 1977, and $200,000,000 for the fiscal year ending September 30, 1978.

(18) For access highways under section 155 of title 23, United States Code, $3,750,000 for the three-month period ending September 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978.

(19) Nothing in the first ten paragraphs or in paragraph (12), (13), (14), (17), or (18) of this section shall be construed to authorize the appropriation of any sums to carry out sections 131, 136, or chapter 4 of title 23, United States Code.

(b)(1) For each of the fiscal years 1978 and 1979, no State, including the State of Alaska, shall receive less than one-half of 1 per centum of the total apportionment for the Interstate System under section 104(b)(5) of title 23, United States Code. Whenever amounts made available under this subsection for the Interstate System in any State exceed the estimated cost of completing that State's portion of the Interstate System, and exceed the estimated cost of necessary resurfacing, restoration, and rehabilitation of the Interstate System within such State, the excess amount shall be transferred to and added to the amounts last apportioned to such State under paragraphs (1), (2) and (6) of section 104(b) in the ratio which these respective amounts bear to each other in that State, and shall thereafter be available for expenditure in the same manner and to the same extent as the amounts to which they are added. In order to carry out this subsection, there are authorized to be appropriated, out of the Highway Trust Fund, not to exceed $91,000,000 for the fiscal year ending September 30, 1978, and $125,000,000 for the fiscal year ending September 30, 1979.

(2) In addition to funds otherwise authorized, $65,000,000 for the fiscal year ending September 30, 1977, and $65,000,000 for the fiscal year ending September 30, 1978, out of the Highway Trust Fund, are hereby authorized for the purpose of completing projects approved under the urban high density traffic program prior to the enactment of this paragraph. Such sums shall be in addition to sums previously authorized.

(c)(1) In the case of priority primary routes, $50,000,000 of the sum authorized for fiscal year ending September 30, 1977, by the amendment made by subsection (a)(1) of this section, shall not be apportioned. Such $50,000,000 shall be available for obligation on July 1, 1976, in the same manner and to the same extent as sums apportioned for fiscal year 1977 except that such $50,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for projects of usually high cost which require long periods of time for their construction. Any part of such $50,000,000 not obligated by such Secretary before October 1, 1977, shall be immediately apportioned in the same manner as funds apportioned on October 1, 1977, for priority primary routes and available for obligation for the same period as such apportionment.

(2) In the case of priority primary routes, $50,000,000 of the sum authorized for the fiscal year ending September 30, 1978, by the amendment made by subsection (a)(1) of this section, shall not be apportioned. Such $50,000,000 of such authorized sum shall be available for obligation on the date of such apportionment, in the same manner and to the same extent as the sums apportioned on such date, except that such $50,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for projects of unusually high cost which require long periods of time for their construction. Any part of such $50,000,000 not obligated by such Secretary before October 1, 1978, shall be immediately apportioned in the same manner as funds apportioned on October 1, 1978, for such routes, and available for obligation for the same period as such apportionment.

INTERSTATE SYSTEM RESURFACING

SEC. 106. (a) In addition to any other funds authorized for the Interstate System, there is authorized to be appropriated out of the Highway Trust Fund not to exceed $175,000,000 for the fiscal year ending September 30, 1978, and $175,000,000 for the fiscal year ending September 30, 1979. Such sums shall be obligated only for projects for resurfacing, restoring, and rehabilitating those lanes on the Interstate System which have been in use for more than five years and which are not on toll roads.

(b) Paragraph (5) of subsection (b) of section 104 of title 23, United States Code, is amended by inserting "(A) Except as provided in subparagraph (B)—" immediately after "(5)" and by adding at the end of such paragraph the following:

"(B) For resurfacing, restoring, and rehabilitating the Interstate System:

"In the ratio which the lane miles on the Interstate System which have been in use for more than five years (other than those for more than five years (other than those on toll roads) in each State bears to the total of the lane miles on the Interstate System which have been in use for more than five years (other than those on toll roads) in all States.".

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 107. (a) The second sentence of the second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "twenty-three years" and inserting in lieu thereof "thirty-four years" and by striking out "June 30, 1979", and inserting in lieu thereof "September 30, 1990".

(b)(1) The introductory phrase and the second and third sentences of section 104(b)(5) of title 23, United States Code, are amended by striking out "1979" each place it appears and inserting in lieu thereof at each such place "1990".

(2) The last four sentences of such section 104(b)(5) are amended to read as follows: "Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making the apportionment for the fiscal year ending September 30, 1977. The Secretary shall make the apportionment for the fiscal year ending September 30, 1978, in accordance with section 103 of the Federal-Aid Highway Act of 1976. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1977. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1979, and September 30, 1980. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1979. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1981, and September 30, 1982. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1981. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1983, and September 30, 1984. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1983. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1985, and September 30, 1986. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1985. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years

ending September 30, 1987, and September 30, 1988. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1987. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1989, and September 30, 1990. Whenever the Secretary, pursuant to this subsection, requests and receives estimates of cost from the State highway departments, he shall furnish copies of such estimates at the same time to the Senate and the House of Representatives.".

DEFINITIONS

SEC. 108. (a) Subsection (a) of section 101 of title 23, United States Code, is amended as follows:

(1) The definition of the term "construction" is amended by inserting immediately after "Commerce)", the following "resurfacing, restoration, and rehabilitation,".

(2) The definition of the term "urban area" is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except in the case of cities in the State of Maine and in the State of New Hampshire.".

(b) Section 101(a) of title 23, United States Code, is amended by adding the following definition after "public lands highways":

"The term 'public road' means any road or street under the jurisdiction of and maintained by a public authority and open to public travel.".

ELIGIBILITY FOR WITHDRAWAL

SEC. 109. (a) The second sentence of paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended by striking out "prior to the enactment of this paragraph".

(b) Section 103(e) of title 23, United States Code, is amended by adding the following new paragraph at the end thereof:

"(5) Interstate mileage authorized for any State and withdrawn and transferred under the provisions of paragraph (2) of this subsection after the date of enactment of the Federal-Aid Highway Act of 1976, must be constructed by the State receiving such mileage as part of its Interstate System. Any State receiving such transfer of mileage may not, with respect to that transfer, avail itself of the optional use of Interstate funds under the second sentence of paragraph (4) of this subsection.".

INTERSTATE SYSTEM

SEC. 110. (a) Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System which is within an urbanized area or which passes through and connects urbanized areas within a State and which was selected and approved in accordance with this title, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof. When the Secretary withdraws his approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of enactment of the Federal-Aid Highway Act of 1976 or the date of approval of each substitute project under this paragraph, whichever is later, and in accordance with the design of the route or portion thereof that is the basis of the latest cost estimate, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or projects authorized under any highway assistance program under section 103 of this title; or both, which will serve the urbanized area and the connecting non-urbanized area corridor from which the Interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area or area to be served, and which are submitted by the Governor of the State in which the withdrawn route was located. Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of the substitute projects shall be determined in accordance with the provisions of section 120 of this title applicable to the highway program of which the substitute project is a part, except that in the case of mass transit projects, the Federal share shall be that specified in section 4 of the Urban Mass Transportation Act of 1964, as amended. The sums available for obligation shall remain available until obligated. The sums obligated for mass transit projects shall become part of, and be administered through, the Urban Mass Transportation Fund. There are authorized to be appropriated for liquidation of the obligations incurred under this paragraph such sums as may be necessary out of the general fund of the Treasury. Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all Interstate routes in that State as reflected in the latest cost estimate approved by the Congress. In any State where the withdrawal of an Interstate route or portion thereof has been approved under section 103(e)(4) of this title prior to the date of enactment of the Federal-Aid Highway Act of 1976, the unobligated apportionments for the Interstate System in that State on the date of enactment of the Federal-Aid Highway Act of 1976 shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown on the latest cost estimate approved by Congress prior to such approval of withdrawal, bears to the Federal share of the cost of all Interstate routes in that State, as shown on such cost estimate, except that the amount of such proportional reduction shall be credited with the amount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph prior to enactment of such Federal-Aid Highway Act. Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of this paragraph as amended by the Federal-Aid Highway Act of 1976, shall be effective as of August 13, 1973.".

(b) Section 103(e)(4) of title 23, United States Code, is further amended by adding the following sentence at the end thereof:

"In the event a withdrawal of approval is accepted pursuant to this section, the State shall not be required to refund to the Highway Trust Fund any sums previously paid to the State for the withdrawn route or portion of the Interstate System as long as said sums were applied to a transportation project permissible under this title.".

ROUTE WITHDRAWALS

SEC. 111. (a) The existing fourth sentence of paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended by striking out "increased or decreased," and all that follows down through and including the period at the end thereof and inserting in lieu thereof the following: "or if the cost of any such withdrawn route was not included in such 1972 Interstate System cost estimate, the cost of such withdrawn route as set forth in the last Interstate System cost estimate before such 1972 cost estimate which was approved by Congress and which included the cost of such withdrawn route, increased or decreased, as the case may be, as determined by the Secretary based on changes in constructed costs of such route or portion thereof, which, (i) in the case of a withdrawn route the cost of which was not included in the 1972 cost estimate but in an earlier cost estimate, have occurred between such earlier cost estimate and the date of enactment of the Federal Aid Highway Act of 1976, and (ii) in the case of a withdrawn route the cost of which was included in the 1972, cost estimate, have occurred between the 1972 cost estimate and the date of enactment of the Federal-Aid Highway Act of 1976, or the date of withdrawal of approval, whichever date is later, and in each case costs shall be based on that design of such route or portion thereof which is the basis of the applicable cost estimate.".

(b) The amendment made by subsection (a) of this section shall be applicable to each route in the Interstate System approval of which was withdrawn or is hereafter withdrawn by the Secretary of Transportation in accordance with the provisions of section 103(e)(2) of title 23, United States Code, including any route on the Interstate System approval of which was withdrawn by the Secretary of Transportation in accordance with the provisions of title 23, United States Code, on August 30, 1965, for the purpose of designating an alternative route.

APPORTIONMENTS

SEC. 112. (a) Section 104(b) of title 23, United States Code, is amended by striking "On or before January 1 next preceding the commencement of each fiscal year, except as provided in paragraphs (4) and (5) of this subsection," and inserting in lieu thereof "On October 1 of each fiscal year except as provided in paragraphs (4) and (5) of this subsection.".

(b) Section 104(b)(1) of title 23, United States Code, is amended to read as follows:

"(1) For the Federal-aid primary system (including extensions in urban areas and priority primary routes)—

"Two-thirds according to the following formula: one-third in the ratio which the area of each State bears to the total area of all the States, one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census, and one-third in the ratio which the mileage of rural delivery routes and intercity mail routes where service is performed by motor vehicles in each State bear to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, as shown by a certificate of the Postmaster General, which he is directed to make and furnish annually to the Secretary; and one-third as follows: in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census. No State (other than the District of Columbia) shall receive less than one-half of 1 per centum of each year's apportionment.".

(c) Section 104(b)(3) of title 23, United States Code, is repealed.

(d) Section 104(e) of title 23, United States Code, is amended to read as follows:

"(e) On October 1 of each fiscal year the Secretary shall certify to each of the State highway departments the sums which he has apportioned hereunder (other than under subsection (b)(5) of this section) to each State for such fiscal year, and also the sums which he has deducted for administration and research pursuant to subsection (a) of this section. On October 1 of the year preceding the fiscal year for which authorized, the Secretary shall certify to each of the State highway departments the sums which he has apportioned under subsection (b)(5) of this section to each State for such fiscal year, and also the sums which he has deducted for administration and research pursuant to subsection (a) of this section. To permit the States to develop adequate plans for the utilization of apportioned sums, the Secretary shall advise each State of the amount that will be apportioned each year under this section not later than ninety days before the beginning of the fiscal year for which the sums to be apportioned are authorized, except that in the case of the Interstate System the Secretary shall advise each State ninety days prior to the apportionment of such funds.".

(e) Section 104(f)(1) of title 23, United States Code, is amended by striking out "On or before January 1 next preceding the commencement" and inserting in lieu thereof "On October 1". Section 104(f)(1) is further amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except that in the case of funds authorized for apportionment on the Interstate System, the Secretary shall set aside that portion of such funds (subject to the overall limitation of one-half of 1 per centum) on October 1 of the year next preceding the fiscal year for which such funds are authorized for such System.".

(f) Section 104(f)(3) of title 23, United States Code, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof ", except that States receiving the minimum apportionment under paragraph (2) may, in addition, subject to the approval of the Secretary, use the funds apportioned to finance transportation planning outside of urbanized areas.".

(g) Section 104(b)(5) of title 23, United States Code, is amended by striking out "a date as far in advance of the beginning of the fiscal year for which authorized as practicable but in no case more than eighteen months prior to the beginning of the fiscal year for which authorized." and inserting in lieu thereof the following: "October 1 of the year preceding the fiscal year for which authorized.".

(h) Notwithstanding any other provision of this Act, including any amendments made by this Act, funds authorized by this Act (other than for the Interstate System) for the transition quarter ending September 30, 1976, and for the fiscal year ending September 30, 1977, shall be apportioned on July 1, 1976, except as otherwise provided in section 104.

TRANSFERABILITY

SEC. 113. (a) Subsections (c) and (d) of section 104 of title 23, United States Code, are amended to read as follows:

"(c)(1) Subject to subsection (d), the amount apportioned in any fiscal year, commencing with the apportionment of funds authorized to be appropriated under subsection (a) of section 102 of the Federal-Aid Highway Act of 1956 (70 Stat. 374), to each State in accordance with paragraph (1) or (2) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such a transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest.

"(2) Subject to subsection (d), the amount apportioned in any fiscal year to each State in accordance with paragraph (1) or (6) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (6) of subsection (b) of this section shall not be transferred from their allocation to any urbanized area of two hundred thousand population or more under section 150 of this title, without the approval of the local officials of such urbanized area.

"(d) Each transfer of apportionments under subsection (c) of this section shall be subject to the following conditions:

"(1) In the case of transfers under paragraph (1), the total of all transfers during any fiscal year to any apportionment shall not increase the original amount of such apportionment for such fiscal year by more than 40 per centum. Not more than 40 per centum of the original amount of an apportionment for any fiscal year shall be transferred to other apportionments.

"(2) In the case of transfers under paragraph (2), the total of all transfers during any fiscal year to any apportionment shall not increase the original amount of such apportionment for such fiscal year by more than 20 per centum. Not more than 20 per centum of the original amount of an apportionment for any fiscal year shall be transferred to other apportionments.

"(3) No transfer shall be made from an apportionment during any fiscal year if during such fiscal year a transfer has been made to such apportionment.

"(4) No transfer shall be made to an apportionment during any fiscal year if during such fiscal year a transfer has been made from such apportionment.".

(b) The amendment made by subsection (a) of this section shall take effect on July 1, 1976, and shall be applicable with respect to funds authorized for the fiscal year ending September 30, 1977, and for subsequent fiscal years. With respect to the fiscal year 1976 and earlier fiscal years, the provisions of subsections (c) and (d) of section 104 of title 23, United States Code, as in effect on June 30, 1976, shall remain applicable to funds authorized for such years.

CONSTRUCTION ESTIMATES

SEC. 114. Section 106(c) of title 23, United States Code, is amended to read as follows:

"(c) Items included in any such estimate for construction engineering shall not exceed 10 per centum of the total estimated cost of a project financed with Federal-aid highway funds, after excluding from such total estimated cost, the estimated costs of rights-of-way, preliminary engineering, and construction engineering. However, this limitation shall be 15 per centum in any State with respect to which the Secretary finds such higher limitation to be necessary.".

ADVANCE ACQUISITION OF RIGHTS-OF-WAY

SEC. 115. (a) Paragraph (2) of subsection (c) of section 108 of title 23, United States Code, is amended by striking out "made pursuant to section 133 or chapter 5 of this title".

(b) Section 108(a) of title 23, United States Code, is amended by inserting after "request is made" the words "unless a longer period is determined to be reasonable by the Secretary" in the last sentence.

(c) Section 108(c)(3) of title 23, United States Code, is amended by inserting "or later" following "earlier" in the first sentence.

CERTIFICATION ACCEPTANCE

SEC. 116. (a) Subsection (a) of section 117 of title 23, United States Code, is amended by striking out "establishing requirements at least equivalent to those contained in, or issued pursuant to, this title," and inserting in lieu thereof "which will accomplish the policies and objectives contained in or issued pursuant to this title.".

(b) Section 117 of title 23 of the United States Code is amended by adding at the end thereof the following new subsection:

"(f)(1) In the case of the Federal-aid secondary system, in lieu of discharging his responsibilities in accordance with subsections (a) through (d) of this section, the Secretary may, upon the request of any State highway department, discharge his responsibility relative to the plans, specifications, estimates, surveys, contract awards, design, inspection, and construction of all projects on the Federal-aid secondary system by his receiving and approving a certified statement by the State highway department setting forth that the plans, design, and construction for each such project are in accord with those standards and procedures which (A) were adopted by such State highway department, (B) were applicable to projects in this category, and (C) were approved by him.

"(2) The Secretary shall not approve such standards and procedures unless they are in accordance with the provisions of subsection (b) of section 105, subsection (b) of section 106, and subsection (c) of section 100, of this title.

"(3) Paragraphs (1) and (2) of this subsection shall not be construed to relieve the Secretary of his obligation to make a final inspection of each project after construction and to require an adequate showing of the estimated cost of construction and the actual cost of construction.".

AVAILABILITY

SEC. 117. (a) Subsection (b) of section 118 of title 23, United States Code, is amended to read as follows:

"(b) Sums apportioned to each Federal-aid system (other than the Interstate System) shall continue available for expenditure in that State for the appropriate Federal-aid system or part thereof (other than the Interstate System) for a period of three years after the close of the fiscal year for which such sums are authorized and any amounts so apportioned remaining unexpended at the end of such period shall lapse. Sums apportioned to the Interstate System shall continue available for expenditure in that State for the Interstate System for a period of two years after the close of the fiscal year for which such sums are authorized. Any amount apportioned to the States for the Interstate System under subsection (b)(5)(A) of section 104 of this title remaining unexpended at the end of the period during which it is available under this section shall lapse and shall immediately be reapportioned among the other States in accordance with the provisions of subsection (b)(5)(A) of section 104 of this title. Any amount apportioned to the States for the Interstate System under subsection (b)(5)(B) of section 104 of this title remaining unexpended at the end of the period of its availability shall lapse. Sums apportioned to a Federal-aid system for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State for such fiscal year and previous fiscal years is obligated. Any Federal-aid highway funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the same class of funds, primary, secondary, urban, or interstate, previously apportioned to the State and be immediately available for expenditure.".

(b)(1) The first sentence of section 203 of title 23, United States Code, is amended by striking out "or a date not earlier than one year preceding the beginning" and inserting in lieu thereof "or on October 1,".

(2) The second sentence of such section 203 is amended by striking out "two years" and inserting in lieu thereof "three years".

(c) The funds authorized by section 104 of this Act and all funds authorized by titles I and II of this Act for the transition quarter ending September 30, 1976, shall, for the purposes of the application of section 118 and 203 of title 23, United States Code, remain available for expenditure for the same period as funds authorized by this Act for the fiscal year ending September 30, 1977.

PAYMENT TO STATES FOR CONSTRUCTION

Sec. 118. (a) Section 121(d) of title 23, United States Code, is amended to read as follows:

"(d) In making payments pursuant to this section, the Secretary shall be bound by the limitations with respect to the permissible amounts of such payments contained in sections 120 and 130 of this title. Payments for construction engineering on any project financed with Federal-aid highway funds shall not exceed 10 per centum of the Federal share of the cost of construction of such project after excluding from the cost of construction the costs of rights-of-way, preliminary engineering, and construction engineering. However, this limitation shall be 15 per centum in any State with respect to which the Secretary finds such higher limitation to be necessary.".

EMERGENCY RELIEF

Sec. 119. (a) Section 125(a) of title 23, United States Code, is amended—

(1) by striking out "June 30, 1972," and inserting in lieu thereof "June 30, 1972, and ending before June 1, 1976,";

(2) by striking out "June 30, 1973," and inserting in lieu thereof "June 30, 1973, to carry out the provisions of this section, and not more than $25,000,000 for the three-month period beginning July 1, 1976, and ending September 30, 1976, is authorized to be expended to carry out the provisions of this section, and not more than $100,000,000 is authorized to be expended in any one fiscal year commencing after September 30, 1976,"; and

(3) by adding before the last sentence the following new sentence: "For the purposes of this section the period beginning July 1, 1976, and ending September 30, 1976, shall be deemed to be a part of the fiscal year ending September 30, 1977.".

(b) The second sentence of section 125(b) of such title is amended by striking out the period and inserting in lieu thereof the following: ", except that if the President has declared such emergency to be a major disaster for the purposes of the Disaster Relief Act of 1974 (Public Law 93-288) concurrence of the Secretary is not required.".

BUS WIDTHS

Sec. 120. Section 127 of title 23, United States Code is amended by adding at the end thereof the following new sentence: "Notwithstanding any limitation relating to vehicle widths contained in this section, a State may permit any bus having a width of 102 inches or less to operate on any lane of 12 feet or more in width on the Interstate System.".

FERRY OPERATORS

Sec. 121. The first sentence of paragraph (5) of subsection (g) of section 129 of title 23, United States Code, is amended by inserting after "Hawaii" the following: "and the islands which comprise the "Commonwealth of Puerto Rico". The second sentence of such paragraph (5) is amended by inserting after "Hawaii" the following: "and operations between the islands which comprise the Commonwealth of Puerto Rico".

CONTROL OF OUTDOOR ADVERTISING

Sec. 122. (a) Subsection (f) of section 131 of title 23, United States Code, is amended by inserting the following after the first sentence: "The Secretary may also, in consultation with the States, provide within the rights-of-way of the primary system for areas in which signs, displays, and devices giving specific information in the interest of the traveling public may be erected and maintained".

(b) Section 131 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(o) The Secretary may approve the request of a State to permit retention in specific areas defined by such State of directional signs, displays, and devices lawfully erected under State law in force at the time of their erection which do not conform to the requirements of subsection (c), where such signs, displays, and devices are in existence on the date of enactment of this subsection and where the State demonstrates that such signs, displays, and devices (1) provide directional information about goods and services in the interest of the traveling public, and (2) are such that removal would work a substantial economic hardship in such defined area.

"(p) In the case of any sign, display, or device required to be removed under this section prior to the date of enactment of the Federal-Aid Highway Act of 1974, which sign, display, or device was after its removal lawfully relocated and which as a result of the amendments made to this section by such Act is required to be removed, the United States shall pay 100 per centum of the just compensation for such removal (including all relocation costs).

"(q)(1) During the implementation of State laws enacted to comply with this section, the Secretary shall encourage and assist the States to develop sign controls and programs which will assure that necessary directional information about facilities providing goods and services in the interest of the traveling public will continue to be available to motorists. To this end the Secretary shall restudy and revise as appropriate existing standards for directional signs authorized under subsections 131(c)(1) and 131(f) to develop signs which are functional and esthetically compatible with their surroundings. He shall employ the resources of other Federal departments and agencies, including the National Endowment for the Arts, and employ maximum participation of private industry in the development of standards and systems of signs developed for those purposes.

"(2) Among other things the Secretary shall encourage States to adopt programs to assure that removal of signs providing necessary directional information, which also were providing directional information on June 1, 1972, about facilities in the interest of the traveling public, be deferred until all nonconforming signs are removed.".

(c) Section 131(i) of title 23, United States Code, is amended to read as follows:

"(i) In order to provide information in the specific interest of the traveling public, the State highway departments are authorized to maintain maps and to permit information directories and advertising pamphlets to be made available at safety rest areas. Subject to the approval of the Secretary, a State may also establish information centers at safety rest areas and other travel information systems within the rights-of-way for the purpose of informing the public of places of interest within the State and providing such other information as a State may consider desirable. The Federal share of the cost of establishing such an information center or travel information system shall be that which is provided in section 120 for a highway project on that Federal-aid system to be served by such center or system.".

TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

Sec. 123. (a) Section 135 of title 23, United States Code, is amended to read as follows:

"§ 135. Traffic Operations Improvement Programs.

"(a) The Congress hereby finds and declares it to be in the national interest that each State shall have a continuing program designed to reduce traffic congestion and facilitate the flow of traffic.

"(b) The Secretary may approve under this section any project for improvements on any public road which project will directly facilitate and control traffic flow on any of the Federal-aid systems.".

(b) The analysis of chapter 1 is amended by striking out:

"135. Urban area traffic operations improvement programs."

and inserting in lieu thereof:

"135. Traffic operations improvement programs.".

PRESERVATION OF PARKLANDS

Sec. 124. Section 138 of title 23, United States Code, is amended by adding a new sentence at the end thereof to read as follows: "In carrying out the national policy declared in this section the Secretary, in cooperation with the Secretary of the Interior and appropriate State and local officials, is authorized to conduct studies as to the most feasible Federal-aid routes for the movement of motor vehicular traffic through or around national parks so as to best serve the needs of the traveling public while preserving the natural beauty of these areas.".

ADDITIONS TO INTERSTATE SYSTEM

Sec. 125. Section 139(b) of title 23, United States Code, is amended by striking "(d)" the two places it appears and inserting in lieu thereof "(e)".

EQUAL EMPLOYMENT OPPORTUNITY

Sec. 126. The second sentence of subsection (b) of section 140, title 23, United States Code, is amended to read as follows: "Whenever apportionments are made under section 104(b) of this title, the Secretary shall deduct such sums as he may deem necessary, not to exceed $2,500,000 for the transition quarter ending September 30, 1976, and not to exceed $10,000,000 per fiscal year, for the administration of this subsection.".

PUBLIC TRANSPORTATION

Sec. 127. (a) Section 142(a)(1) of title 23, United States Code, is amended by adding at the end thereof the following new sentence: "If fees are charged for the use of any parking facility constructed under this section, the rate thereof shall not be in excess of that required for maintenance and operation of the facility (including compensation to any person for operating the facility).".

(b) Section 142(e)(3) of title 23, United States Code, is amended by striking out "section." and inserting in lieu thereof "title.".

SPECIAL URBAN HIGH DENSITY

Sec. 128. (a) Section 146 of title 23, United States Code, is repealed.

(b) The analysis of chapter 1 of title 23, United States Code, is amended by striking out:

"146. Special urban high density traffic programs."

and inserting in lieu thereof:

"146. Repealed.".

RURAL BUS DEMONSTRATION

Sec. 129. Section 147(a) of the Federal-Aid Highway Act of 1973, as amended, is amended by adding after the first sentence a new sentence as follows: "Such sums shall remain available for a period of two years after the close of the fiscal year for which such sums are authorized.".

PRIORITY PRIMARY

SEC. 130. Section 147(b) of title 23, United States Code, is amended to read as follows:

"(b) The Federal share of any project on a priority primary route shall be that provided in section 120(a) of this title. All provisions of this title applicable to the Federal-aid primary system shall be applicable to the priority primary routes selected under this section.".

DEFINING STATE

SEC. 131. Section 152 and section 153 of title 23, United States Code, are amended by adding at the end of each such section the following new subsection:

"(f) For the purposes of this section the term 'State' shall have the meaning given it in section 401 of this title.".

HIGHWAYS CROSSING FEDERAL PROJECTS

SEC. 132. (a) Chapter I of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 156. Highways crossing Federal projects

"(a) The Secretary is authorized to construct and to reconstruct any public highway or highway bridge across any Federal public works project, notwithstanding any other provision of law, where there has been a substantial change in the requirements and costs of such highway or bridge since the public works project was authorized, and where such increased costs would work an undue hardship upon any one State. No such highway or bridge shall be constructed or reconstructed under authority of this section until the State shall agree that upon completion of such construction or reconstruction it will accept ownership to such highway or bridge and will thereafter operate and maintain such highway or bridge.

"(b) There is hereby authorized to be appropriated not to exceed $100,000,000 to carry out this section. Amounts authorized by this subsection shall be available for the fiscal year in which appropriated and for two succeeding fiscal years.".

(b) The analysis of chapter I of title 23 of the United States Code is amended by adding at the end thereof the following:

"156. Highways crossing Federal projects.".

APPORTIONMENTS OR ALLOCATIONS

SEC. 133. Section 202(a) of title 23, United States Code, is amended by striking "On or before January 1 next preceding the commencement" and inserting in lieu thereof "On October 1".

BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS

SEC. 134. Section 217(e) of title 23, United States Code, is amended by striking out "$40,000,000" and inserting in lieu thereof "$45,000,000, and by striking out "$2,000,000" and inserting in lieu thereof "$2,500,000".

SAFER OFF-SYSTEM ROADS

SEC. 135. (a) Section 219 of title 23 of the United States Code, is amended to read as follows:

"§ 219. Safer off-system roads.

"(a) The Secretary is authorized to make grants to States for projects for the construction, reconstruction, and improvement of any off-system road, including, but not limited to, the correction of safety hazards, the replacement of bridges, the elimination of high-hazard locations and roadside obstacles.

"(b) On October 1 of each fiscal year the Secretary shall apportion the sums authorized to be appropriated to carry out this section among the several States as follows:

"(1) Two-thirds according to the following formula—

"(A) one-third in the ratio which the area of each State bears to the total area of all States;

"(B) one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States; and

"(C) one-third in the ratio in which the off-system road mileage of each State bears to the total off-system road mileage of all the States. Off-system road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary.

"(2) One-third in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census.

"(c) Sums apportioned to a State under this section shall be made available for obligation throughout such State on a fair and equitable basis.

"(d) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(e) Sums apportioned under this section and programs and projects under this section shall be subject to all of the provisions of chapter 1 of this title applicable to highways on the Federal-aid secondary system except the formula for apportionment, the requirement that these roads be on the Federal-aid system, and those other provisions determined by the Secretary to be inconsistent with this section. The Secretary is not authorized to determine as inconsistent with this section any provision relating to the obligation and availability of funds.

"(f) As used in this section, the term 'off-system road' means any toll-free road (including bridges), which road is not on any Federal-aid system and which is under the jurisdiction of and maintained by a public authority and open to public travel.".

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by striking out

"219. Off-system roads."

and inserting in lieu thereof the following:

"219. Safer off-system roads.".

(c) Section 405 of title 23 of the United States Code is hereby repealed.

(d) The analysis of chapter 4 of title 23 of the United States Code is amended by striking out

"405. Federal-aid safer roads demonstration program."

and inserting in lieu thereof the following:

"405. Repealed."

LANDSCAPING AND SCENIC ENHANCEMENT

SEC. 136. (a) Section 319 of title 23, United States Code, is amended to read as follows:

"§ 319. Landscaping and scenic enhancement.

"The Secretary may approve as a part of the construction of Federal-aid highways the costs of landscape and roadside development, including acquisition and development of publicly owned and controlled rest and recreation areas and sanitary and other facilities reasonably necessary to accommodate the traveling public, and for acquisition of interests in and improvement of strips of land necessary for the restoration, preservation, and enhancement of scenic beauty adjacent to such highways."

(b) All sums authorized to be appropriated to carry out section 319(b) of title 23, United States Code, as in effect immediately before the date of enactment of this section shall continue to be available for appropriation, obligation, and expenditure in accordance with such section 319(b), notwithstanding the amendment made by the subsection (a) of this section.

BRIDGES ON FEDERAL DAMS

SEC. 137. (a) Section 320(d) of title 23, United States Code, is amended by striking out "$27,761,000" and inserting in lieu thereof "$50,000,000".

(b) Sums appropriated or expended under authority of the increased authorization established by the amendment made by subsection (a) of this section shall be appropriated out of the Highway Trust Fund for the fiscal year ending September 30, 1977, and for subsequent fiscal years.

OVERSEAS HIGHWAY

SEC. 138. Subsection (b) of section 118 of the Federal Aid Highway Amendments of 1974 (Public Law 93-643) is amended—

(1) by striking out "1975, and" and inserting in lieu thereof "1975,"; and

(2) by striking out "can be obligated." and inserting in lieu thereof "$8,750,000 for the three-month period ending September 30, 1976, $35,000,000 for the fiscal year ending September 30, 1977, and $35,000,000 for the fiscal year ending September 30, 1978, can be obligated.".

TECHNICAL AMENDMENTS

SEC. 139. (a) The analysis of chapter I of title 23, United States Code, is amended by striking out

"111. Use of and access to rights-of-way—Interstate System."

and inserting in lieu thereof the following:

"111. Agreements relating to use of and access to rights-of-way—Interstate System.".

(b) The analysis of chapter I of title 23, United States Code, is amended by striking out

"119. Administration of Federal-aid for highways in Alaska."

and inserting in lieu thereof the following.

"119. Repealed.".

(c) The analysis of chapter I of title 23, United States Code, is amended by striking out

"133. Relocation assistance."

and inserting in lieu thereof the following:

"133. Repealed.".

DEMONSTRATION PROJECTS—RAILROAD HIGHWAY CROSSINGS

SEC. 140. (a) Section 163 of the Federal-Aid Highway Act of 1973 (Public Law 93-87) is amended by inserting immediately after subsection (h) the following new subsections:

"(i) The Secretary of Transportation shall carry out a demonstration project in Metairie, Jefferson Parish, Louisiana, for the relocation or grade separation of rail lines whichever he deems most feasible in order to eliminate certain grade level railroad highway crossings.

"(j) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Augusta, Georgia, for the relocation of railroad lines and for the purpose of eliminating highway railroad grade crossings.

"(k) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Pine Bluff, Arkansas, for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings.

"(l) The Secretary of Transportation shall carry out a demonstration project in Sherman, Texas, for the relocation of rail lines in order to eliminate the ground level railroad crossing at the crossing of the Southern

Pacific and Frisco Railroads with Grand Avenue-Roberts Road.".

(b) Existing subsections (i), (j), (k), and (l) of section 163 of the Federal-Aid Highway Act of 1973 are relettered as (m), (n), (o), and (p), respectively, including any references to such subsections.

(c) Subsection (m) (as relettered by subsection (b) of this section) of section 163 of the Federal-Aid Highway Act of 1973 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except that in the case of projects authorized by subsections (i), (j), (k), and (l), the Federal share payable on account of such projects shall not exceed 70 per centum and the remaining costs of such projects shall be paid by the State or local governments.".

(d) Subsection (o) (as relettered by subsection (b) of this section) of section 163 of the Federal-Aid Highway Act of 1973 is amended by striking out "1976, except that" and inserting in lieu thereof the following: "1976, $6,250,000, for the period beginning July 1, 1976, and ending September 30, 1976, $26,400,000 for the fiscal year ending September 30, 1977, and $51,400,000 for the fiscal year ending September 30, 1978, except that not more than".

(e) Paragraph (2) of subsection (a) of section 163 of the Federal-Aid Highway Act of 1973 is amended by striking out "an engineering and feasibility study for".

(f) Section 302 of the National Mass Transportation Assistance Act of 1974 (Public Law 93-503) is amended by striking out "$14,000,000, except that" and inserting in lieu thereof "$14,000,000, except that not more than".

ACCELERATION OF PROJECTS

SEC. 141. The Secretary of Transportation shall carry out a project to demonstrate the feasibility of reducing the time required from the time of request for project approval through the completion of construction of highway projects in areas that, as a result of recent or imminent change, including but not limited to change in population or traffic flow resulting from the construction of Federal projects, show a need to construct such projects to relieve such areas from the impact of such change. There is authorized to be appropriated out of the Highway Trust Fund to carry out such project not to exceed $25,000,000.

MULTIMODAL CONCEPT

SEC. 142. Section 134 of the Federal-aid Highway Act of 1973 is amending by inserting "(a)" immediately following "SEC. 143." and by adding the following new subsection at the end thereof:

"(b) The Secretary of Transportation is authorized and directed to study the feasibility of developing a multimodal concept along the route described in paragraph (1) of subsection (a) of this section, which study shall include an analysis of the environmental impact of such multimodal concept. The Secretary shall report to Congress the results of such a study not later than July 1, 1977.".

CARPOOL DEMONSTRATION PROJECTS

SEC. 143. Section 3 of the Emergency Highway Energy Conservation Act, as amended (87 Stat. 1047, 88 Stat. 2289), is amended as follows:

(1) Subsection (a) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'carpool' includes a vanpool.".

(2) Subsection (c) is amended by inserting after "such measures as" the words "providing carpooling opportunities to the elderly and the handicapped," and by inserting after "opportunities," the words "acquiring vehicles appropriate for carpool use,".

(3) Subsection (d) is amended by striking out "(3) and (6)" from the first sentence, and inserting in lieu thereof "(1) and (6)" and by striking out the second sentence.

USE OF TOLL RECEIPTS FOR HIGHWAY AND RAIL CROSSINGS

SEC. 144. Section 2 of the Act entitled "An Act granting the consent of Congress to the State of California to construct, maintain, and operate a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland", approved February 20, 1931, is amended as follows:

(1) Subsection (a) is amended by striking out "heretofore enacted." and inserting in lieu thereof a period.

(2) The first sentence in subsection (b) is amended by striking out "of not to exceed two additional highway crossings and one rail transit crossing across the Bay of San Francisco and their approaches," and inserting in lieu thereof "(1) not to exceed two additional highway crossings and one rail transit crossing across the Bay of San Francisco and their approaches, and (2) any public transportation system in the vicinity of any toll bridge in the San Francisco Bay Area. Such tolls may also be used to pay the cost of constructing new approaches to the Richmond-San Rafael Bridge in the San Francisco Bay Area.".

(3) The existing third sentence in subsection (b) which begins "After" is repealed.

EXTENSION OF REPAYMENT

SEC. 145. The first sentence of section 2 of Public Law 94-30 is amended by striking out "before January 1, 1977." and inserting in lieu thereof "January 1, 1979, at a rate of 20 per centum by January 1, 1977, 30 per centum by January 1, 1978, and 50 per centum by January 1, 1979. If a State fails to make any repayment in accordance with the preceding sentence, the entire unpaid balance shall immediately become due and payable.".

TRAFFIC CONTROL SIGNALIZATION DEMONSTRATION PROJECTS

SEC. 146. (a) The Secretary of Transportation is authorized to carry out traffic control signalization demonstration projects designed to demonstrate through the use of technology not now in general use the increased capacity of existing highways, the conservation of fuel, the decrease in traffic congestion, the improvement in air and noise quality, and the furtherance of highway safety, giving priority to those projects providing coordinated signalization of two or more intersections. Such projects can be carried out on any highway whether on or off a Federal-aid system.

(b) There is authorized to be appropriated to carry out this section of the Highway Trust Fund, not to exceed $40,000,000 for the fiscal year ending September 30, 1977, and $40,000,000 for the fiscal year ending September 30, 1978.

(c) Each participating State shall report to the Secretary of Transportation not later than September 30, 1977, and not later than September 30 of each year thereafter, on the progress being made in implementing this section and the effectiveness of the improvements made under it. Each report shall include an analysis and evaluation of the benefits resulting from such projects comparing an adequate time period before and after treatment in order to properly assess the benefits occurring from such traffic control signalization. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1978, on the progress being made in implementing this section and an evaluation of the benefits resulting therefrom.

ACCESS RAMPS TO PUBLIC BOAT LAUNCHING AREAS

SEC. 147. Funds apportioned to States under subsections (b)(1), (b)(2), and (b)(6) of section 104 of title 23, United States Code, may be used upon the application of the State and the approval of the Secretary of Transportation for construction of access ramps from bridges under construction or which are being reconstructed, replaced, repaired, or otherwise altered on the Federal-aid primary, secondary, or urban system to public boat launching areas adjacent to such bridges. Approval of the Secretary shall be in accordance with guidelines developed jointly by the Secretary of Transportation and the Secretary of the Interior.

DEMONSTRATION PROJECT

SEC. 148. The Secretary of Transportation, acting pursuant to his authority under section 6 of the Urban Mass Transportation Act of 1964, shall conduct a demonstration project in urban mass transportation for design, improvement, and modification, and urban deployment of the Automated Guideway Transit system now in operation at the Dallas/Fort Worth Regional Airport. There is authorized to be appropriated to carry out this section $7,000,000 for the fiscal year ending September 30, 1977.

URBAN SYSTEM STUDY

SEC. 149. The Secretary of Transportation is authorized and directed to conduct a study of the various factors involved in the planning, selection, programing, and implementation of Federal-aid urban system routes which shall include but not be limited to the following:

(1) An analysis of the various types of organizations now in being which carry out the planning process required by section 134 of title 23, United States Code. Such analysis shall include but not be limited to the degree of representation of various governmental units within the urbanized area, the organizational structure, size and calibre of staff, authority provided to the organization under State and local law, and relation to State governmental entities.

(2) The status of jurisdiction over roads on the Federal-aid urban system (State, county, city, or other local body having control).

(3) Programing responsibilities under local and State laws with respect to the Federal-aid urban system.

(4) The authority for and capability of local units of government to carry out the necessary steps to process a highway project through and including the plan, specification, and estimate requirement of section 106 of title 23, United States Code, and final construction.

Such study shall be carried out in cooperation with State, county, city, and other local organizations which the Secretary deems appropriate. The study shall be submitted to the Congress within six months of enactment of this section.

INTERSTATE FUNDING STUDY

SEC. 150. (a) The Secretary of Transportation is hereby directed to undertake a complete study of the financing of completion of the Interstate Highway System. Such study should identify and analyze optional financing methods including State bonding authority under which the Secretary contracts to reimburse the States for up to 90 per centum of the principal and interest on such bonds. The Secretary shall report to the Congress not later than nine months after the date of enactment of this Act the results of the study.

(b) Within one year of the date of enactment of this Act, the Secretary shall submit to the Congress his recommendations regarding the need to provide Federal financial assistance for resurfacing, restoration, and rehabilitation of routes on the Interstate System. In arriving at his recommendations, he shall conduct a full and complete study in cooperation and in consultation with the States of alternative means of assuring that the high level of transportation service provided by the Interstate System is maintained.

The results of the study shall accompany the Secretary's recommendations. The study shall include an estimate of the cost of implementing any recommended programs as well as an analysis of alternative methods of apportioning such Federal assistance among the States.

ALASKAN ROADS STUDY

SEC. 151. (a) The Secretary of Transportation is authorized to undertake an investigation and study to determine the cost of, and the responsibility for, repairing the damage to Alaska highways that has been or will be caused by heavy truck traffic during construction of the trans-Alaska pipeline and to restore them to proper standards when construction is complete. The Secretary of Transportation shall report his initial findings to the Congress on or before September 30, 1976, and his final conclusions on rebuilding costs no later than three months after completion of pipeline construction.

(b) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of $200,000 for the purpose of making the study authorized by subsection (a) of this section.

GLENWOOD CANYON HIGHWAY CONSTRUCTION

SEC. 152. Notwithstanding section 109(b) of title 23 of the United States Code, the Secretary of Transportation is authorized upon application of the Governor of the State, to approve construction of that section or portions thereof of Interstate Route 70 from a point three miles east of Dotsero, Colorado, westerly to No-Name Interchange, approximately 2.3 miles east of Glenwood Springs, Colorado, approximately 17.5 miles in length, to provide for variations from the number of lanes and other requirements of said section 109(b) in accordance with geometric and construction standards whether or not in conformance with said section 109 (b) which the Secretary determines are necessary for the safety of the traveling public, for the protection of the environment, and for preservation of the scenic and historic values of the Glenwood Canyon. The Secretary shall not approve any project for construction under this section unless he shall first have determined that such variations will not result in creation of safety hazards and that there is no reasonable alternative to such project.

STUDY OF HIGHWAY NEEDS TO SOLVE ENERGY PROBLEMS

SEC. 153. (a) The Secretary of Transportation shall make an investigation and study for the purpose of determining the need for special Federal assistance in the construction or reconstruction of highways on the Federal-aid system necessary for the transportation of coal or other uses in order to promote the solution of the Nation's energy problems. Such study shall include appropriate consultations with the Secretary of the Interior, the Administrator of the Federal Energy Administration, and other appropriate Federal and State officials.

(b) The Secretary shall report the results of such investigation and study together with his recommendations, to the Congress not later than one year after the date of enactment of this Act.

(c) In order to carry out the study, the Secretary is authorized to use such funds as are available to him for such purposes under section 104(a) of title 23, United States Code.

ESTABLISHMENT OF COMMISSION

SEC. 154. (a)(1) There is hereby established a Commission to be known as the National Transportation Policy Study Commission, hereinafter referred to as the "Commission".

(2) The Commission shall make a full and complete investigation and study of the transportation needs and of the resources, requirements, and policies of the United States to meet such expected needs. It shall take into consideration all reports on National Transportation Policy which have been submitted to the Congress including but not limited to the National Transportation Reports of 1972 and 1974. It shall evaluate the relative merits of all modes of transportation in meeting our transportation needs. Based on such study, it shall recommend those policies which are most likely to insure that adequate transportation systems are in place which will meet the needs for safe and efficient movement of goods and people.

(b) Such Commission shall be comprised of 19 members as follows:

(A) Six members appointed by the President of the Senate from the membership of the Committee on Public Works, Committee on Commerce, and Committee on Banking, Housing and Urban Affairs of the United States Senate;

(B) five members appointed by the Speaker of the House of Representatives from the membership of the Committee on Public Works and Transportation and one member appointed by the Speaker from the membership of the Committee on Interstate and Foreign Commerce; and

(C) seven members of the public appointed by the President.

(c) The Commission shall not later than December 31, 1978 submit to the President and the Congress its final report including its findings and recommendations. The Commission shall cease to exist six months after submission of such report. All records and papers of the Commission shall thereupon be delivered to the Administrator of General Services for deposit in the Archives of the United States.

(d) Such report shall include the Commission's findings and recommendations with respect to—

(A) the Nation's transportation needs, both national and regional, through the year 2000;

(B) the ability of our current transportation systems to meet the projected needs;

(C) the proper mix of highway, rail, waterway, pipeline, and air transportation systems to meet anticipated needs;

(D) the energy requirements and availability of energy to meet anticipated needs;

(E) the existing policies and programs of the Federal government which affect the development of our national transportation systems; and

(F) the new policies required to develop balanced national transportation systems which meet projected need.

(e)(1) The Chairman of the Commission, who shall be elected by the Commission from among its members, shall request the head of each Federal department or agency which has an interest in or a responsibility with respect to a national transportation policy to appoint, and the head of such department or agency shall appoint, a liaison officer who shall work closely with the Commission and its staff in matters pertaining to this section. Such departments and agencies shall include, but not be limited to, the Department of Transportation, the Federal Highway Administration, the Federal Railroad Administration, the Urban Mass Transportation Administration, the Federal Aviation Administration, the Interstate Commerce Commission, the Civil Aeronautics Board, and the U.S. Army Corps of Engineers.

(2) In carrying out its duties the Commission shall seek the advice of various groups interested in national transportation policy including, but not limited to, State and local governments, public and private organizations working in the fields of transportation and safety, industry, education, and labor.

(f)(1) The Commission or, on authorization of the Commission, any Committee of two or more members may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places as the Commission or such authorized committee may deem advisable.

(2) The Commission is authorized to secure from any department, agency, or individual instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this section and each department, agency, and instrumentality is authorized and directed to furnish such information to the Commission upon request made by the Chairman.

(g)(1) Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel. per diem in accordance with the Rules of the House of Representatives or subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(2) Member of the Commission, except Members of Congress, shall each receive compensation at a rate not in excess of the maximum rate of pay for GS–18, as provided in the General Schedule under section 5332 of title 5, United States Code, and shall be entitled to reimbursement for travel expenses, per diem in accordance with the Rules of the House of Representatives or subsistence and other necessary expenses incurred for them in performance of duties while serving as a Commission member.

(h)(1) The Commission is authorized to appoint and fix the compensation of a staff director, and such additional personnel as may be necessary to enable it to carry out its functions. The Director and personnel may be appointed without regard to the provisions of title 5, United States Code, covering appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employees subject to the civil service laws and regulations who may be employed by the Commission shall retain civil status without interruption or loss of status or privilege. In no event shall any employee other than the staff director receive as compensation an amount in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code. In addition, the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5, United States Code.

(2) The staff director shall be compensated at a Level 2 of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

(i) The Commission is authorized to enter into contracts or agreements for studies and surveys with public and private organizations and, if necessary, to transfer funds to Federal agencies from sums appropriated pursuant to this section to carry out such of its duties as the Commission determines can best be carried out in that manner.

(j) Any vacancy which may occur on the Commission shall not affect its powers or functions but shall be filled in the same manner in which the original appointment was made.

(k) There are hereby authorized to be appropriated not to exceed $15,000,000 to carry out this section. Funds appropriated under this section shall be available to the Commission until expended.

LIMITATIONS

Sec. 155. To the extent that any section of this Act provides new or increased authority to enter into contracts under which outlays will be made from funds other than the Highway Trust Fund, such new or increased authority shall be effective for any fiscal year only in such amounts as are provided in appropriations Acts.

TITLE II

SHORT TITLE

Sec. 201. This title may be cited as the "Highway Safety Act of 1976".

HIGHWAY SAFETY

Sec. 202. The following sums are hereby authorized to be appropriated:

(1) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $122,000,000 for the fiscal year ending September 30, 1977, and $137,000,000 for the fiscal year ending September 30, 1978.

(2) For carrying out section 403 of title 23, United States Code (relating to highway safety research and development), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $10,000,000 for the three-month period ending September 30, 1976, $40,000,000 for the fiscal year ending September 30, 1977, and $50,000,000 for the fiscal year ending September 30, 1978.

(3) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration, out of the Highway Trust Fund, $25,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending September 30, 1978.

(4) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978.

(5) For bridge reconstruction and replacement under section 144 of title 23, United States Code, out of the Highway Trust Fund, $180,000,000 for the fiscal year ending September 30, 1977, and $180,000,000 for the fiscal year ending September 30, 1978.

(6) For carrying out section 151 of title 23, United States Code (relating to pavement marking), out of the Highway Trust Fund, $50,000,000 for the fiscal year ending September 30, 1977, and $50,000,000 for the fiscal year ending September 30, 1978.

(7) For projects for high-hazard locations under section 152 of title 23, United States Code, and for the elimination of roadside obstacles under section 153 of title 23, United States Code, out of the Highway Trust Fund, $125,000,000 for the fiscal year ending September 30, 1977, and $125,000,000 for the fiscal year ending September 30, 1978.

(8) For carrying out subsection (j) (2) of section 402 of title 23, United States Code (relating to incentives for the reduction of the rate of traffic fatalities), out of the Highway Trust Fund, $1,875,000 for the three-month period ending September 30, 1976, $7,500,000 for the fiscal year ending September 30, 1977, and $7,500,000 for the fiscal year ending September 30, 1978.

(9) For carrying out subsection (j) (3) of section 402 of title 23, United States Code (relating for incentives for reduction of actual traffic fatalities), out of the Highway Trust Fund, $1,875,000 for the three-month period ending September 30, 1976, $7,500,000 for the fiscal year ending September 30, 1977, and $7,500,000 for the fiscal year ending September 30, 1978.

RAIL-HIGHWAY CROSSINGS

Sec. 203. (a) Subsections (b) and (c) of section 203 of the Highway Safety Act of 1973 (Public Law 93-87) are hereby amended to read as follows:

"(b) (1) In addition to funds which may be otherwise available to carry out section 130 of title 23, United States Code, there is authorized to be appropriated out of the Highway Trust Fund for projects for the elimination of hazards of railway-highway crossings, $25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, $125,000,000 for the fiscal year ending September 30, 1977, and $125,000,000 for the fiscal year ending September 30, 1978. At least half of the funds authorized and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Sums authorized to be appropriated by this subsection shall be available for obligation in the same manner as funds apportioned under chapter 1 of title 23, United States Code.

"(2) Funds authorized by this subsection shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System).

"(c) There is authorized to be appropriated for projects for the elimination of hazards of railway-highway crossings on roads other than those on any Federal-aid system $18,750,000 for the three-month period ending September 30, 1976, $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978. Sums apportioned under this section for projects under this subsection shall be subject to all of the provisions of chapter 1 of title 23, United States Code, applicable to highways on the Federal-aid system, except the formula for apportionment, the requirement that these roads be on the Federal-aid system, and those other provisions determined by the Secretary to be inconsistent with this section.".

(b) Subsection (d) of section 203 of the Highway Safety Act of 1973 is amended by adding immediately before the first sentence thereof the following new sentence: "50 per centum of the funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a) (1) of section 104 of the Federal-aid Highway Act of 1973 and 50 per centum of the funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a) (2) of section 104 of the Federal-aid Highway Act of 1973.".

INCENTIVE SAFETY GRANTS

Sec. 204. Subsection (j) (3) of section 402 of title 23, United States Code, is hereby amended to read as follows:

"(3) In addition to other grants authorized by this section, the Secretary may make additional incentive grants to those States which have significantly reduced the actual number of traffic fatalities during the calendar year immediately preceding the fiscal year for which such incentive funds are authorized compared to the average of the actual numbers of traffic fatalities for the four calendar year period preceding such calendar year. Such incentive grants shall be made in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section.

(4) No State shall receive from funds authorized for any fiscal year or period by this subsection incentive grants under paragraph (1) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period. No State shall receive from funds authorized for any fiscal year or period by this subsection incentive awards under paragraph (2) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period. No State shall receive from funds authorized for any fiscal year or period by this subsection incentive awards under paragraph (3) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period.

"(5) Notwithstanding subsection (c) of this section, no part of the sums authorized by this subsection shall be apportioned as provided in such subsection. Sums authorized by this subsection shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under subsection (c) of this section.".

SCHOOL BUS DRIVER TRAINING

Sec. 205. The second subsection (b) of section 406 of title 23, United States Code (relating to authorizations), is relettered as subsection (c), including all references thereto, and the second sentence of such relettered subsection (c) is amended to read as follows: "Not less than $7,000,000 of the sums authorized to carry out section 402 of this title for each of the fiscal years 1977 and 1978 shall be obligated to carry out this section. All sums authorized to carry out this section shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title, and shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under such subsection (c).".

TRANSFERABILITY

Sec. 206. (a) The first sentence of subsection (g) of section 104 of title 23, United States Code, is amended by striking out "30 per centum" and inserting in lieu thereof "40 per centum".

(b) The second sentence of such subsection (g) is amended to read as follows: "The Secretary may approve the transfer of 100 per centum of the apportionment under one such section to the apportionment under any other of such sections if such transfer is requested by the State highway department, and is approved by the Secretary as being in the public interest, if he has received satisfactory assurances from such State highway department that the purposes of the program from which such funds are to be transferred have been met.".

(c) Subsection (g) of section 104 of title 23, United States Code, is further amended by adding at the end thereof the following new sentences: "All or any part of the funds apportioned in any fiscal year to a State in accordance with section 203 (d) of the Highway Safety Act of 1973 from funds authorized in section 203(c) of such Act, may be transferred from that apportionment to the apportionment made under section 219 of this title if such transfer is requested by the State highway department and is approved by the Secretary after he has received satisfactory assurances from such department that the purposes of such section 203 have been met. Nothing in this subsection authorizes the transfer of any amount apportioned from the Highway Trust Fund to any apportionment the funds for which were not from the Highway Trust Fund, and nothing in this subsection authorizes the transfer of any amount apportioned from funds not from the Highway Trust Fund to any apportionment the funds for which were from the Highway Trust Fund.".

PAVEMENT MARKING PROGRAM

Sec. 207. (a) Subsection (c) of section 151 of title 23, United States Code, is amended by striking out "and which are" and all that follows down through and including "Federal-aid system".

(b) Subsection (g) of such section 151 is amended by adding at the end thereof the following: "No State shall submit any such report to the Secretary for any year after the second year following completion of the pavement marking program in that State, and the Secretary shall not submit any such report to Congress after the first year following the completion of the pavement marking program in all States.".

HIGHWAY SAFETY PROGRAMS

Sec. 208. (a) The last three sentences of subsection (c) or section 402 of title 23, United States Code, are amended to read as follows: "For the purpose of the seventh sentence of this subsection, a highway safety program approved by the Secretary shall not include any requirement that a State implement such a program by adopting or enforcing any law, rule, or regulation based on a standard promulgated by the Secretary under this section requiring any motorcycle operator eighteen years of age or older or passenger eighteen years of age of older to wear a safety helmet when operating or riding a motorcycle on the streets and highways of that State. Implementation of a highway safety program under this section shall not be construed to require the Secretary to require compliance with every uniform standard, or with every element of every uniform standards in every State.".

(b) The Secretary of Transportation shall, in cooperation with the States, conduct an evaluation of the adequacy and appropriateness of all uniform safety standards established under section 402 of title 23 of the United States Code which are in effect on the date of enactment of this Act. The Secretary shall report his findings, together with his recommendations, including but not limited to, the need for revision or consolidation of existing standards and the establishment of new standards, to Congress on or before July 1, 1977. Until such report is submitted, the Secretary shall not, pursuant to subsection (c) of section 402 of title 23, United States Code, withhold any apportionment or any funds apportioned to any State because such State is failing to implement a highway safety program approved by the Secretary in accordance with such section 402.

NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

Sec. 209. Section 404(a)(1) of title 23, United States Code, is amended by deleting "who shall be Chairman," from the first sentence thereof, and by adding immediately after such first sentence the following: "The Secretary shall select the Chairman of the Committee from among the Committee members.".

STEERING AKLE STUDY

Sec. 210. The Secretary of Transportation is directed to conduct an investigation into the relationship between the gross load on front steering axles of truck tractors and the safety of operation of vehicle combinations of which such truck tractors are a part. Such investigation shall be conducted in cooperation with representatives of (A) manufacturers of truck tractors and related equipment, (B) labor, and (C) users of such equipment. The Secretary shall report the results of such study to the Congress not later than July 1, 1977.

SAFETY PROGRAM APPORTIONMENT

Sec. 211. The sixth sentence of section 402 (c) of title 23, United States Code, is amended by deleting the period at the end and adding the following: ", except that the apportionments to the Virgin Islands, Guam, and American Samoa shall not be less than one-third of 1 per centum of the total apportionment.".

PENALTY

Sec. 212. Section 402(c) of title 23, United States Code, is amended by adding at the end thereof the following: "Funds apportioned under this section to any State, that does not have a highway safety program approved by the Secretary or that is not implementing an approved program, shall be reduced by amounts equal to not less than 50 per centum of the amounts that would otherwise be apportioned to the State under this section, until such time as the Secretary approves such program or determines that the State is implementing an approved program, as appropriate. The Secretary shall consider the gravity of the State's failure to have or implement an approved program in determining the amount of the reduction. The Secretary shall promptly apportion to the State the funds withheld from its apportionment if he approves the State's highway safety program or determines that the State has begun implementing an approved program, as appropriate, prior to the end of the fiscal year for which the funds were withheld. If the Secretary determines that the State did not correct its failure within such period, the Secretary shall reapportion the withheld funds to the other States in accordance with the formula specified in this subsection not later than 30 days after such determination.".

LIMITATIONS

Sec. 213. To the extent that any section of this title provides new or increased authority to enter into contracts under which outlays will be made from funds other than the Highway Trust Fund, such new or increased authority shall be effective for any fiscal year only in such amounts as are provided in appropriations Acts.

And the Senate agree to the same.

Robert E. Jones,
Jim Wright,
Harold T. Johnson,
James J. Howard,
Mike McCormack,
James V. Stanton,
John Breaux,
William H. Harsha,
James C. Cleveland,
Bud Shuster,
Managers on the Part of the House.

Lloyd Bentsen,
Jennings Randolph,
Mike Gravel,
Edmund S. Muskie,
Quentin Burdick,
John Culver,
Robert T. Stafford,
Howard Baker,
James Buckley,
Pete V. Domenici,
Jim McClure,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate amendment to the text of the bill struck out all of titles I and II of the House bill and inserted a substitute text for these titles.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees in minor drafting and clarifying changes.

TITLE I

Short title

House Bill

Provides that title I of the bill may be cited as the "Federal-Aid Highway Act of 1975."

Senate Amendment

Same as the House bill.

Conference Substitute

Except for the necessary date changes, this is the same as the House bill and the Senate amendment.

Interstate System authorizations and apportionments

House Bill

Provides new authorizations of $36.09 billion for completion of the Interstate System. The present law contains authorizations only through the fiscal year 1979. Section 102(a) extends authorizations from fiscal year 1979 through fiscal year 1988. This section increases the annual authorization for the Interstate System from $3.25 billion in existing law for each of the fiscal years 1977, 1978 and 1979, to $4 billion annually. The additional sum of $1 billion is authorized for the three-month period ending September 30, 1976, providing for transition to the new fiscal year.

This section provides for $4 billion in annual authorizations to carry the Interstate program through to completition in fiscal year 1988, except for the final year.

Paragraph (b) of section 102 provides for apportionment of $3.25 billion in Interstate System authorization for fiscal year 1977 to be available for obligation on or before January 1, 1976. The remaining $750 million authorized for fiscal year 1977, will become available for obligation on July 1, 1976. This amount will be available for obligation at the discretion of the Secretary: (1) $500 million for projects necessary to eliminate gaps and accelerate completion of continuous, connecting segments of the Interstate System, and (2) $250 million available for projects characterized by unusually high costs and protracted construction period, without regard to the question of connecting segments.

This provision also requires that discretionary funds not obligated during the fiscal year for which authorized be removed from the Secretary's discretion and apportioned in the same manner as the remainder of the $4 billion.

Any project assisted under this provision would become ineligible for withdrawal for transfer of Interstate mileage or substitution.

These discretionary provisions apply to Interstate authorizations for 1977 and 1978. The limitation on advanced obligation of apportionments, however, applies only to a portion of the transitional quarter apportionment of $1 billion and a portion of the fiscal year 1977 authorization. Thus, the total $4 billion authorized for fiscal year 1978 would be available for obligation on or before January 1, 1977.

The bill provides that the remaining three-month transitional period authorization for the Interstate System shall be available for obligation on July 1, 1976.

Senate Amendment

No comparable provision.

Conference Substitute

The Federal-Aid Highway Act of 1973 authorizes $3.25 billion for the Interstate System for the fiscal years 1978 and 1979 and this provision authorizes $3.625 billion for each of the fiscal years thereafter through and including fiscal year 1990. The extension of the Interstate program through 1990 does not address the question of source funds for construction during that period. The conferees expect that during the next Congress methods of financing highway construction will be considered.

At least 30 percent of the apportionments made for 1978 and 1979 is to be expended for projects for construction of the intercity portions (including beltways) which will close essential gaps in the System. The States shall make the initial recommendation with respect to projects involving such 30 percent.

The Secretary of Transportation is to report to Congress before October 1, 1976, on these intercity portions of the Interstate System. In reporting to Congress on portions of the Interstate System needed to close essential gaps, the Secretary should consider the connectivity of the Interstate System with other major transportation networks, including port facilities.

A State not having sufficient projects to meet this 30 percent requirement may, on approval of the Secretary of Transportation, be exempt to the extent of its inability.

Funds authorized by section 108(b) of the Federal-Aid Highway Act of 1956 are prohibited from being obligated for resurfacing, restoring, or rehabilitating any portion of the Interstate System. The costs of these projects are not to be included in the cost estimates submitted for completion of the Interstate System.

Funds provided under section 108(b) of the Federal Aid Highway Act of 1956 for the Interstate System are intended to provide for completion of initial construction of an adequately designed, safe network of limited interstate mileage. Section 102(c) is not to be interpreted to restrict existing administrative policies governing use of such funds to accomplish that purpose.

Cost estimate for apportionment

House Bill

Approves the use of apportionment factors contained in table 5 of the 1975 Interstate System Cost Estimate (House Public Works and Transportation Committee Print No. 94-14 as revised in House Report Numbered 94-716) for the apportionment of Interstate funds authorized to be appropriated for the transitional period ending September 30, 1976, and for fiscal year 1977.

Senate Amendment

Approves the use of apportionment factors contained in table 5 of the 1975 Cost Estimate (House Committee Print 94-14) for the apportionment of Interstate funds authorized to be appropriated for fiscal years 1977 and 1978.

Conference Substitute

Approves the use of the apportionment factors contained in revised table 5 of committee print 94-38 of the House Committee on Public Works and Transportation for fiscal year 1978 apportionment. Funds for the fiscal year 1977 were apportioned in accordance with S. Con. Res. 62 of this Congress.

Highway authorizations

House Bill

Provides authorizations out of the Highway Trust Fund for the 3-month transitional quarter and each of the fiscal years 1977 and 1978 for the Federal-aid rural primary system, rural secondary system, urban system, and primary extensions of the urban system (ABCD systems), plus other authorizations for various types of highway programs financed either from the Highway Trust Fund or the general funds of the Treasury. Authorizations for fiscal years 1977 and 1978 for each category are generally identical, with funds provided during the transition quarter of one-fourth of a full fiscal year's authorization.

The basic urban categories (urban system and primary extensions in urban areas) and rural categories (rural primary system and rural secondary system) would receive an annual authorization level of $1.2 billion each.

Other trust funded programs would receive authorizations at the same level as in FY 1976. The $300 million authorized for priority primary routes in fiscal years 1977 and 1978 would be distributed as follows: $250 million would be apportioned to the States by formula; the remaining $50 million would not be apportioned but would be made available for obligation to the States at the discretion of the Secretary for use on priority primary route projects of unusually high cost which require long periods of time for their construction. Any part of the $50 million not used by the end of the fiscal year for which it was authorized would then be apportioned to the States by formula.

The general funded programs in this section would also receive authorizations at about the same level as in FY 1976, except that there is a decrease in authorizations for parkways from $75 million to $45 million, and an increase in the authorizations for Guam's highway program from $2 to $5 million.

In addition, each State would receive a minimum of one-half of 1 percent of the total Interstate apportionment for the transition period and fiscal years 1977 and 1978, subject to the restriction that the apportionment of the one-half of 1 percent cannot exceed the total cost to complete the Interstate System in that State.

Senate Amendment

Authorizes $1,550,000,000 for the Federal-Aid primary, community service, Interstate and safer roads systems for the transition quarter ending September 30, 1976. The funds are to be apportioned on January 1, 1976 or the enactment of this Act whichever is later, in the following ratio:

50 percent according to the primary system apportionment formula;

30 percent according to the secondary system apportionment formula; and

20 percent according to the urban extension system apportionment formula.

The formulas referred to are those in existence prior to the enactment of Federal-Aid Highway Act of 1975.

This section also authorizes $16,250,000 for the transition quarter and $65,000,000 for each of the fiscal years 1977 and 1978 for control of outdoor advertising and control of junkyards; $375,000 for the transition quarter and $1,500,000 for each of the fiscal years 1977 and 1978 for the administrative expenses of the beautification program.

The section authorizes $50,000,000 for each of the fiscal years 1977 and 1978 for economic growth center development highways; $2,500,000 for the transition quarter and $10,000,000 for each of the fiscal years 1977 and 1978 for Great River Road construction or econstruction of roads not on a Federal-aid system, $6,250,000 for the transition quarter and $25,000,000 for each of the fiscal years 1977 and 1978 for Great River Road construction and reconstruction of roads on a Federal-aid system; and continues the territorial highway program established in the 1970 act with authorizations to the territories.

For fiscal years 1977 and 1978 each State, including Alaska, will receive at least ½ of 1 percent of total apportionments for the Interstate System. Whenever such amount exceeds the cost of completing the system in any State, the excess amount will be added to primary and community service system apportionments for such State in the ratio which the respective amounts bear to each other. Alaska will receive the ½ of 1 percent Interstate money in lieu of the special Alaska Assistance category with the funds to be available for obligation on any Federal-aid system within the State. For this purpose, an additional $75,000,000 for the fiscal year 1977 and an additional $125,000,000 for the fiscal year 1978 are authorized.

The sum of $65,000,000 for each of the fiscal years 1977 and 1978 is authorized to complete projects previously approved under the urban high density traffic program.

The Senate amendment also authorizes funds for the Federal-Aid highway and Federal-aid domain road programs for the fiscal years 1977 and 1978.

For the Federal-aid primary and priority primary systems, $1,350,000,000; for the Federal-aid community service system, $1,225,000,000 of which $475,000,000 to be available for the nonurbanized system and $750,000,000 to be available for the urbanized system; for the Federal-aid safer roads program, $425,000,000.

It also authorizes appropriations from the Trust Fund for parkways and Indian reservation roads and bridges. Funds for forest highways and public lands highways are available from the Trust Fund in accordance with the practice established in the Federal-Aid Highway Act of 1970.

Conference Substitute

Authorizes $1,637,750,000 for the transition quarter ending September 30, 1976, with $360,000, of this amount to be distributed equally among the territories of the Virgin Islands, Guam, and American Samoa, and the remainder to be apportioned among the States for use at the States' discretion on projects authorized by title 23, United States Code, approval of which creates a contractual obligation of the United States for payment out of the Highway Trust Fund. Funds will be apportioned to the States on a formula giving 60 percent weight to the existing formula for apportioning primary system funds and 40 percent weight to population in each State as compared to population in all the States. Funds apportioned under this section may not be used for urban public transportation projects authorized under section 142 of title 23, or for projects on the Interstate System except that States which received less than one-half of one percent of the 1977 Interstate apportionment may use these transition funds for Interstate projects.

The remainder of the conference substitute is the same as the House provision except as hereafter noted:

(1) The authorization for the primary system is also to include extensions of that system in urban areas and priority primary routes, and separate authorizations for urban extensions and priority primary routes are deleted. The specific transition quarter authorization is deleted, and the amount is increased to $1,350,000,000 per year for fiscal 1977 and 1978.

(2) The specific transition quarter authorization is deleted for the secondary system.

(3) The specific transition quarter authorization is deleted for the urban system.

(4) The transition quarter authorization for economic growth center development highways is deleted and the authorization for fiscal years 1977 and 1978 is $50,000,000 per year.

(5) An additional $25,000,000 per year for fiscal years 1977 and 1978 is authorized for landscaping and litter removal.

(6) The transition quarter authorization for the control of outdoor advertising is deleted and the authorization for fiscal years 1977 and 1978 is $25,000,000 per year.

(7) The transition quarter authorization is deleted for control of junk yards.

(8) Transition quarter authorization is deleted for off-system roads.

(9) The transition quarter authorization for access highways is $3,750,000 and $15,000,000 per fiscal year is authorized for fiscal years 1977 and 1978.

(10) The provision requiring each State to receive at least one-half of 1 percent of total

apportionments for the Interstate System is the same as provided in the Senate amendment for fiscal year 1979 and $91 million is authorized for fiscal year 1978, except that whenever amounts available under this provision for the Interstate System in a State exceed the estimated cost of completing that State's portion of the Interstate System and exceed the estimated cost of necessary resurfacing, restoration, and rehabilitation of the Interstate System within such State, the excess amount shall then be transferred to and added to the amounts last apportioned to such State for the primary, secondary, and urban systems and shall thereafter be available for expenditure in the same manner and to the same extent as the amounts to which they were added.

(11) Funds are also authorized in the same manner provided in the Senate amendment for completion of projects approved under the urban high density traffic program before the date of enactment of this provision.

(12) $50,000,000 of the amounts authorized for the consolidated primary system for each of the fiscal years 1977 and 1978 is not to be apportioned and is available for obligation at the discretion of the Secretary of Transportation only for projects on priority primary routes of unusually high cost which require long periods of time for construction. Any moneys not obligated before the beginning of the next fiscal year are to be reapportioned at the beginning of such fiscal year for priority primary routes and available for obligation for the same period of time as the apportionment being made on that date for such routes.

In addition to other sums authorized for the Interstate System, the conference substitute authorizes out of the Highway Trust Fund not to exceed $175,000,000 for fiscal 1978 and $175,000,000 for fiscal 1979 for obligation only for projects for resurfacing, restoring, and rehabilitating portions of the Interstate System which have been in use for more than 5 years and which are not toll roads. These sums are to be apportioned in the ratio which lane miles of the Interstate System which have been in use for more than 5 years (other than toll roads) in each State bear to the total of all lane miles of the Interstate System which have been in use for more than 5 years (other than toll roads) in all States.

Extension of time for completion of interstate system

House Bill

Makes the necessary technical changes in title 23 of the United States Code necessary to carry the Interstate program through to completion in 1988, including the submission of necessary cost estimates.

Senate Amendment

Revises the method of apportionment of interstate funds for 1978, 1979 and 1980 to provide apportionment of three fourths on the total cost to complete the System in each State and one fourth on the cost to complete routes of national significance as determined by the Secretary, in consultation with the States.

It also provides for submission by January 15, 1979, of cost estimates to complete the Interstate System.

Conference Substitute

This is essentially the same as the House provision except for amendments necessary to take the program through 1990 and to provide for a new cost estimate to be submitted every 2 years beginning with January 2, 1977, through January 2, 1987.

Definitions

House Bill

The definition of the term "construction" in section 101(a) of Title 23 would be amended to include the "resurfacing" of existing roadways. It would clarify current policy to permit maximum flexibility in the use of Federal funds.

The definition of the term "urban area" is amended to exclude cities in Maine and New Hampshire from the requirement that the boundaries of an urban area encompass the entire urban place designated by the Bureau of the Census.

Senate Amendment

This section amends subsection (a) of section 101 of title 23 U.S. Code to include rehabilitation and restoration under the definition of "construction."

The definition of "rural areas" is modified to include all areas of State not in urban or small areas.

A new definition is added to subsection (a) which defines "small urban area" as an urban place over 5,000 population not within any urbanized area.

A definition of "public road" is added to subsection (a) which defines "public road" to any road maintained by public authority and open to public travel.

Conference Substitute

The conference substitute contains the definition of "urban areas" from the House bill and "public road" from the Senate amendment and amends the definition of "construction" to authorize resurfacing, restoration, and rehabilitation.

The addition of the word "resurfacing" will make clear that Federal-aid funds may be used to restore existing roadway pavements to a smooth, safe, usable condition even though further reconstruction is not feasible. "Resurfacing" may be expected to include strengthening or reconditioning of deteriorated or weakened sections of existing pavement, replacement of malfunctioning joints, pavement undersealing, and similar operations necessary to assure adequate structural support for the new surface course.

The definition as amended, coupled with the Secretary's existing authority on standards, would permit Federal funding of such projects as: resurfacing or widening and resurfacing, of existing rural and urban pavements with or without revision of horizontal or vertical alinement or other geometric features.

This change confirms policy established by the Federal Highway Administration, and evidences no intent to fund normal periodic maintenance activities which remain a State responsibility:

The Conferees understand that the Secretary is in position very shortly to issue the criteria for the location, construction, and reconstruction of the Great River Road as required by the 1973 Federal-Aid Highway Act. They agree that the new definition of construction contained in this Act, which will include resurfacing, restoration, and rehabilitation, will enable funds to be used more extensively for improving and upgrading miles on the existing roadbed. The Great River Road is not meant to be a major roadway along the entire length of both sides of the Mississippi River. It is to be one road that crisscrosses the River several times. The Conferees want to reaffirm that existing roadbed along the Mississippi River should be used where feasible, except where there are significant breaks in the continuity of the Great River Road. Emphasis should be given to using funds for the acquisition of areas of archeological, scientific, or historical importance, necessary easements for scenic purposes, and the construction or reconstruction of roadside rest areas and other appropriate facilities.

Eligibility for withdrawal

House Bill

Amends references to the date of enactment of the Interstate mileage transfer provision in existing law (Howard-Cramer transfer). Existing law provides for withdrawal of any Interstate route or portion thereof selected and approved "prior to the enactment of this paragraph." The House amendment would make a Howard-Cramer substitution available to any route on the Interstate System.

Senate Amendment

Amends existing law to provide that any State receiving turnback Interstate mileage for redesignation on the System must construct it on the System and may not request a transfer of this mileage to a transit or non-Interstate highway project.

Conference Substitute

This contains both the provisions of the House bill and the Senate amendment.

Interstate system

House Bill

Amends the Interstate transfer provision to allow funding of highway projects on the Federal-aid primary, secondary or urban systems in lieu of a non-essential Interstate link. Provides for the unobligated portions of a State's apportionment to be reduced in the proportion that the cost to complete the withdrawn segment bears to the cost to complete all Interstate routes within the State as reflected in the latest approved cost estimate. This reduction would occur at the time of the Secretary's approval of the withdrawal action. The bill further provides that a State shall not be required to repay Federal monies previously expended on withdrawn Interstate segments as long as the sums were applied when so expended, to a transportation project permissible under title 23, U.S.C.

The bill also provides that the updating-of-cost provision may be applied retroactively. The updating-of-cost may be applied at the time of approval of the substitute project or the date of enactment of this bill, whichever is later.

Finally, the bill makes provision for the retroactive application of the various changes discussed herein to withdrawals approved prior to the enactment of the bill.

Senate Amendment

The Senate amendment is the same as the House bill except that Senate amendment limits Interstate routes eligible for transfer to substitute mass transit or road projects to those designated prior to August 13, 1973, and makes eligible for such transfer portions of Interstate routes which pass through and connect urbanized areas within a State.

Conference Substitute

This is the same as the House bill except that a route or portion thereof on the Interstate System which passes through and connects urbanized areas within a State may be withdrawn as well as those which are within an urbanized area.

The Secretary, before approving any new Interstate designation, must be satisfied that a State does intend to construct an Interstate route and not later request a transfer to a transit project.

Route withdrawals

House Bill

Amends the Interstate transfer provision, 23 USC 103(e)(2), by providing that the nationwide aggregate of costs of substitute projects shall not exceed the nationwide aggregate of costs of withdrawn routes, with the costs of those routes withdrawn after the 1972 estimate computed on the basis of costs appearing in the 1972 cost estimate adjusted to the date of enactment of this Act or the date of withdrawal, whichever is later, and, in the case of routes withdrawn prior to the 1972 estimate, computed on the basis of the latest cost estimate in which the withdrawn route appears adjusted to the date of enactment of this Act. This amendment is intended to apply to all previous and future withdrawals and also to the withdrawals approved in California on August 30, 1965.

Senate Amendment

No comparable provision.

Conference Substitute

This is the same as the House bill.

Minimum apportionment

House Bill

Provides that each State receive no less than one-half of one percent of each year's apportionment for Federal-aid primary system extensions in urban areas.

Senate Amendment

No comparable provision.

Conference Substitute

No comparable provision but the minimum of ½ of 1 percent is incorporated in the provision dealing with consolidated funding for the primary system.

Transferability

House Bill

Provides for increased transferability of funds between categories.

Under existing law, it is possible to transfer up to 40 percent from rural primary to rural secondary and from rural secondary to rural primary. It is also permissible to transfer up to 40 percent back and forth between the two urban categories, urban extensions and the urban system.

This legislation would continue the flexibility in existing law, while permitting additional transfers as follows:

Between rural primary and primary extensions in urban areas, allowing urban-rural or rural-urban transfer within the primary system.

Between rural primary and priority primary (priority primary being both rural and urban in nature).

Between priority primary and urban extensions.

To prevent excessive reduction of funds in any individual category, or the use of any category to simply recycle funds, certain restrictions are provided: (1) no category affected by transfer may be increased or decreased by more than 40 percent in any fiscal year, and (2) no category increased by a transfer from another category may then be reduced by a transfer to another category in any fiscal year.

Senate Amendment

Provide that not more than 30 percent of funds authorized for the primary and non-urbanized systems may be transferred between the two systems.

Conference Substitute

This is similar to the House provision except that transfers between the consolidated primary system and the secondary system remain subject to the 40 per centum limitation while transfers between the consolidated primary and the urban systems are subject to a 20 percent limitation.

Advance acquisition of rights-of-way

House Bill

Makes a technical amendment to section 108(c)(2) of title 23, U.S. Code to eliminate erroneous cross-references.

Senate Amendment

Permits the Secretary to allow acquisition of right-of-way more than 10 years in advance of actual construction if reasonable.

Conference Substitute

This is essentially the same as the provisions of the House bill and the Senate amendment.

Certification acceptance

House Bill

Amends the provision in existing law which has limited the States' ability to make maximum use of authority delegated to them to certify compliance with a number of requirements in existing legislation with respect to non-Interstate projects on Federal-aid systems. The bill would require only that the States have the ability to accomplish the policies and objectives contained in Title 23 and administrative regulations based on Title 23.

Another change, limited to the Federal-aid secondary system, would reinstate an earlier provision of law known as the Secondary Road Plan, permitting the Secretary to accept certification by a State that all requirements had been met under standards and procedures for such projects, if such standards and procedures had been approved by the Secretary.

Senate Amendment

Allows a State to be certified to carry on day-to-day activities of highway program, other than Interstate, if State law and administrative procedures will accomplish policies and objectives of title 23.

Conference Substitute

This is the same as the House bill.

Emergency relief

House Bill

Amends the program of emergency relief whereby funds are authorized for the repair of roads, highways and bridges damaged by natural disasters and other catastrophies. The period of authorization of up to $100 million a year is extended to July 1, 1976. An additional $37.5 million is authorized for the transitional quarter and $150 million is authorized for subsequent fiscal years. The transition quarter for purposes of section 125 is to be deemed a part of fiscal year 1977.

Subsection (b) would waive requirements for concurrence by the Secretary in cases in which the President had declared an emergency to be a major disaster under the Disaster Relief Act of 1974.

Senate Amendment

Amends the emergency relief provision to include the list of disasters set forth in the Disaster Relief Amendments of 1974 and increase the funds available to the revolving fund to $150,000,000 from $100,000,000. This amendment also allows funds to be expended if the President declares a disaster without a concurrent Secretarial determination.

Conference Substitute

This is the same as the House provision except that the authorization for the transition quarter is set at $25,000,000 and not more than $100,000,000 is authorized to be expended in any one fiscal year beginning with fiscal year 1977.

Bus widths

House Bill

Permits the States to increase the maximum permissible width of buses traveling on lanes 12 feet wide or wider on the Interstate System from 96 inches to 102 inches.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Ferry operations

House Bill

Extends to the Commonwealth of Puerto Rico the provision of existing law with respect to Hawaii making ferryboats eligible for Federal assistance including ferries which traverse international waters.

Senate Amendment

Permits use of Federal-aid funds on certain ferryboat routes in Puerto Rico.

Conference Substitute

Same as the House bill.

Control of outdoor advertising

House Bill

The definition of "effective control" in subsection (c) of section 131 would be amended to make explicit the types of directional signs to be permitted along Interstate and primary highways. Such signs would include, but not be limited to signs and notices pertaining to rest stops, camping grounds, food services, gas and automotive services, and lodging, natively produced handicraft goods, and would include signs pertaining to natural wonders and scenic and historical attractions.

The bill would establish an upper limit of three on the number of directional signs facing the same direction per mile on the Interstate or primary system. Another amendment would eliminate the distance criterion from section 131(d) to conform to 1974 amendments extending control beyond 660 feet.

The bill would establish a five-year deadline for the removal of any sign prescribed by a State implementing statute, except as determined by the Secretary.

Currently, section 131(f) of title 23 directs the Secretary to provide areas within Interstate rights-of-way on which informational signs may be erected. The bill would, in addition, permit the Secretary to provide such areas within primary system rights-of-way. However, such signs would be prohibited in suburban or urban areas or as a substitute for those permitted in industrial and commercial areas.

At the end of section 131, the bill would add three new subsections. Subsection (o) would provide that any sign providing the public with specific information in the public interest, which was in existence on June 1, 1972, shall not be required to be removed until the end of 1975 or until the State certifies that there are other means of obtaining the information whichever first occurs. States are directed to give preference in removal to signs voluntarily offered by their owners.

The new subsection (p) would provide for full Federal just compensation for the latest taking to the owner of any sign which, prior to the enactment of this bill, was removed and lawfully relocated, but by virtue of enactment had to be again removed and relocated.

Under the proposed subsection (q)(1), the Secretary is directed to assist States in assuring the motorist adequate directional information concerning available goods and services. He is further directed to consider functional and esthetic factors in developing the national standards for highway signs authorized by section 131 (c) and (f). Paragraph (2) of subsection (q) would list those signs which could be considered to provide directional information about available goods and services. Paragraph (3) would direct the Secretary to encourage the States to defer removing necessary directional information signs of this type which were in place on June 1, 1972, until all other nonconforming signs were removed. Finally, paragraph (4) would permit any facility providing the motorist with goods and services in the interest of the traveling public to continue using one nonconforming sign in each direction on any highway subject to a State statute implementing section 131, provided the sign renders directional information about the facility, it had been in place on June 1, 1972, and it is within 75 miles of the facility or such distance as the State shall establish. A qualifying sign is to remain until the Secretary is satisfied that the information is being provided by one of the enumerated alternatives, or such other alternative as the State deems adequate.

Senate Amendment

Amends section 131(1) of title 23, U.S. Code to authorize a State, subject to the approval of the Secretary to establish travel information systems within the highway right-of-way. The Federal share of the cost of establishing information centers and the newly authorized travel information systems shall be 75 percent.

Conference Substitute

The conference substitute contains the following provisions of the House bill:

(1) Section 131(f) is amended to permit the Secretary to provide areas within the primary system rights-of-way on which informational signs may be erected.

(2) The Secretary may approve the request of a State to permit retention in specific areas defined by the State of directional signs, displays, and devices lawfully erected under State law in force at the time of their erection which do not conform to the requirements of section 131(c) if these signs, displays, and devices are in existence on the date of enactment of this provision and where the State demonstrates that these signs, displays, and devices provide directional information about goods and services in the interest of the traveling public and are such that removal would work substantial economic hardship in the defined area.

The conferees emphasize that the State will make the determination of economic hardship throughout the defined area. Neither the States nor the Secretary are to rely on individual claims of economic hardship. The conferees also call attention to the second sentence of section 131(d) of title 23 and fully expect the Federal administrators to abide by that clear mandate.

(3) The United States would be required to pay 100 per centum of the just compensation for the removal the second time of a sign, display, or device lawfully relocated prior to the Federal-Aid Highway Act of 1974 which, as the result of the amendments made by that Act, was thereafter required to be removed.

(4) The proposed subsection (q) in the House bill is contained in the conference substitute except for paragraph (2) which has been deleted.

(5) Section 131(i) of title 23 of the United States Code is revised in accordance with the amendment contained in the Senate amendment to authorize the State to maintain maps and to permit information directories and advertising pamphlets to be made available at safety rest areas and subject to the approval of the Secretary to permit the State to establish information centers and other travel information systems for the purpose of informing the public of places of interest within the State and providing such other information as the State may deem desirable. The Federal share of the cost of establishing an information center or travel information system shall be the percentage provided in section 120 of title 23, United States Code, for a highway project on the Federal-aid system to be served by that center or system.

Preservation of parklands

House Bill

Grants authority to the Secretary of Transportation in cooperation with the Secretary of the Interior and appropriate State and local officials to conduct studies as to the most feasible Federal-aid routes to move motor vehicles through or around national parks so as to best serve the needs of the traveling public, but still take into account the national policy of making a special effort to preserve the natural beauty of the areas being traversed.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill. This section is not intended in any way to affect the implementation of section 4(f) of the Department of Transportation Act (49 U.S.C. 1653).

Training programs

House Bill

Amends existing law to extend the equal opportunity training programs of 23 U.S.C. 140 through the transition quarter and fiscal years 1977 and 1978, to continue authority of the Secretary to deduct from apportionments up to $10,000,000 to provide $2.5 million for the transition quarter. A revision is made to provide that the deduction shall be made from the total of such apportionments rather than from each apportionment made.

Senate Amendment

Makes permanent the authority of the Secretary to deduct up to $10,000,000 a year for equal opportunity training programs.

Conference Substitute

Same as the Senate amendment except for a provision of $2,500,000 for the transition quarter.

Public transportation

House Bill

Requires that fees charged for parking in a facility built to serve public transportation be held to those required to maintain and operate that facility.

Senate Amendment

Mandates that fees at a parking facility constructed with funds authorized under section 142 will not exceed that required for maintenance and operations.

Conference Substitute

Same as the House bill.

Special bridge replacement program

House Bill

Changes the Federal share payable on account of bridge replacement from 75 percent to 90 percent.

Senate Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Defining State

House Bill

Amends sections 152 and 153 of title 23, U.S. Code to add a definition of the term "State" to each section defining the term to have the same meaning as it has in section 401 of title 23. This is a clarification of the law.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Highways crossing Federal projects

House Bill

Authorizes the Secretary of Transportation to construct or reconstruct any public highway or highway bridge across any Federal Public works project when there has been a substantial change in the requirements and cost of such highway or bridge since the public works project was authorized and when such increased costs would work an undue hardship upon local interests. Not to exceed $100,000,000 is authorized to carry out the section, and this amount is to be available for fiscal year 1976 and the succeeding two fiscal years.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill but the conferees intend that not more than $50,000,000 of the funds authorized by this section shall be appropriated in each of the fiscal years 1977 and 1978.

Bicycle transportation and pedestrian walkways

House Bill

Increases, for projects for bicycle and pedestrian ways, the annual limitation on total obligations from $40,000,000 to $45,000,000 and the limitations for any State from $2,000,000 to $2,500,000.

Senate Amendment

Makes the technical changes required by the proposed establishment of a community service system.

Conference Substitute

Same as the House bill.

Landscaping and scenic enhancement

House Bill

Eliminates the separate funding category of landscaping and scenic enhancement and allows expenditures for this purpose out of normal construction funds.

Senate Amendment

Deletes the separate authorization of money for landscaping and scenic enhancement and makes regular Federal-aid funds eligible for such projects.

Conference Substitute

Same as the House bill.

Bridges on Federal dams

House Bill

Increases the authorization for emergency expenditures for bridges on Federal dams under 23 USC 320 from $27,761,000 to $50,000,000 from the Highway Trust Fund.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill with the provision that funds appropriated to carry out section 320(d) of title 23, United States Code, shall be appropriated from the Highway Trust Fund for fiscal year 1977 and thereafter.

Overseas highway

House Bill

Amends the Federal-Aid Highway Amendments of 1974, which authorized a total of $109.2 million for reconstruction of a series of bridges linking the Florida Keys to the Florida mainland. That Act also limited obligation to $25 million. The amendment would permit obligation of the funds at a level of $35 million annually for Fiscal 1977 and Fiscal 1978, and $8.75 million for the transition quarter.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Demonstration projects—railroad highway crossings

House Bill

Authorizes four projects involving relocation of railroad lines from central city areas (Metairie, Jefferson Parish, Louisiana, Augusta, Georgia, Pine Bluff, Arkansas, Sherman, Texas), in addition to projects authorized in the 1973 Highway Act to eliminate ground level highway crossings. This section authorizes $6.25 million for the transitional quarter, $26.4 million for fiscal year 1977, and $51.4 million for fiscal year 1978 for continuation of work on the existing projects, and initiation of the new ones listed above.

Subsection (d) amends section 302 of the National Mass Transportation Assistance Act of 1974 which authorizes a demonstration project for relocation of railroad lines to provide that not more than two-thirds of the funds expended for the projects in any fiscal year be out of the Highway Trust Fund.

Senate Amendment

Modifies the railroad-highway grade crossing demonstration program by making the authorized funds available until expended.

Conference Substitute

Same as the House bill and the Senate amendment except that the projects authorized in this bill shall have a Federal share not to exceed 70 per centum with the remainder paid by State and local governments and an amendment is made to section 163(a)

(2) of the Federal-Aid Highway Act of 1973 to eliminate "an engineering and feasibility study for".

Acceleration of projects

House Bill

Requires the Secretary to carry out a project to demonstrate the feasibility of reducing the time required to complete a highway project in areas severely impacted as a result of recent or imminent change in population or traffic flow resulting from the construction of federal projects.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Multimodal concept

House Bill

The Secretary of Transportation is directed to study the feasibility and environmental impact of a multimodal concept in constructing a route between Brunswick, Georgia, to Kansas City, Missouri, and report to Congress by July 1, 1977.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

It is the intent of the conferees that in carrying out the feasibility study, the Secretary should solicit views from officials of States which would be affected by development of such a corridor and from representatives of regional commissions in the affected area.

Ridesharing programs

House Bill

Authorizes $75 million out of the Highway Trust Fund for the purpose of conducting ridesharing programs involving motor vehicles with a seating capacity of at least eight and no more than 15 individuals to transport groups of individuals on a regularly scheduled basis. Under this program, funds are to be apportioned by specified formula to States and shall provide for ridesharing for workers, senior citizens, and handicapped persons, and developmental projects to encourage ridesharing in rural and in urban areas.

The Federal share of any project shall not exceed 80 per centum of the cost of the project and the Federal share for operating expenses not recoverable in revenues is not to exceed 50 per centum.

Senate Amendment

No comparable provision.

Conference Substitute

No comparable provision in view of the conference substitute provisions on carpooling.

Car pools

House Bill

Amends the Emergency Highway Energy Act, which established Federal assistance for carpool program as a temporary measure, by removing its termination date, thereby making the program permanent.

Senate Amendment

Expands the carpool program to make it permanent and to include van pools and the purchase of vehicles within the program.

Conference Substitute

Same as the Senate amendment expanded to include carpooling opportunities for the elderly and handicapped and to provide that funds for these programs may come from the consolidated primary as well as the urban system apportionments.

Effective date

House Bill

Provides that the adjustment on updating of cost procedures for determining amounts available for substitute projects under sections 103(e)(2) and 103(e)(4) of title 23 shall be effective on August 13, 1973, that date of enactment of the 1973 Highway Act.

Senate Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Use of toll receipts for highway and rail crossings

House Bill

Would permit the combination, for toll purposes, of existing crossings of San Francisco Bay with any public transportation system in the vicinity of Bay Area toll bridges, and allow the continuation of tolls past the scheduled amortization of the crossings to permit the repayment of financing costs from that source.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill with an additional authority to use the tolls to pay the costs of constructing new approaches to the Richmond-San Rafael Bridge.

Extension of repayment

House Bill

Amends section 2 of Public Law 94-30 relating to repayment of increases in the Federal share of project costs made during the period February 12, 1975, to September 30, 1975. This repayment must be made before January 1, 1977. The bill extends that date until January 1, 1979. It requires that 20 percent of the repayment must be paid by January 1, 1977, and an additional 30 percent must be paid by January 1, 1978, and the remaining 50 percent must be paid by January 1, 1979.

Senate Amendment

No comparable provision.

Conference Substitute

Same as House bill.

Traffic control signalization demonstration program

House Bill

Authorizes the Secretary of Transportation to carry out traffic control signalization demonstration projects to demonstrate increasing the capacity of existing roads, conserving fuel, decreasing traffic congestion, improving air and noise quality, with priority to projects providing coordinated signalization. Progress reports are required and $75,000,000 per year for fiscal years 1977 and 1978 is authorized.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill except that these demonstration projects must be designed to demonstrate the value of traffic control signalization through the use of technology not now in general use and the authorization is set at $40,000,000 each fiscal year.

Access ramps

House Bill

Declares it the intent of Congress that if a bridge is to be constructed, reconstructed, replaced, repaired or otherwise altered, the project should provide for reasonable access to the water traversed by such bridge.

Senate Amendment

Provides that highway funds may be used for construction of ramps to public boat launching areas from bridges under construction on the Federal-aid systems. The approval of the Secretary shall be made in accordance with guidelines established by the Secretary of Transportation and the Secretary of Interior.

Conference Substitute

Essentially the same as the House bill and Senate amendment.

Demonstration project—automated guideway transit system

House Bill

Requires the Secretary of Transportation, pursuant to his authority under section 6 of the Urban Mass Transportation Act of 1964, to conduct a demonstration project in urban mass transportation for design, improvement, modification, and urban deployment of the Automated Guideway Transit system now in operation at the Dallas/Fort Worth Regional Airport.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill except the authorization is at $7,000,000 for fiscal year 1977.

The conferees intend that this is a research and development program to be achieved by DOT contract with the original prime contractor of the AIRTRANS system, and it is not be construed as any part of a DOT "grant" to the Dallas/Fort Worth Regional Airport.

Urban system study

House Bill

Requires the study of key factors leading to the implementation of urban system projects. The study must include, as a minimum, an analysis of the various types of organizations now in being which carry out the planning process required by section 134 of title 23, United States Code. Such analysis shall include but not be limited to the degree of representation of various governmental units within the urbanized area, the organizational structure, size and calibre of staff, authority provided to the organization under State and local law, and relation to state governmental entities.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Limitations

House Bill

This section is required to conform to requirements of the Concurrent Resolution on the Budget for fiscal year 1976. Limitations on advance authority under this Act are as follows:

1. For projects on the Interstate System, $583 million for the three month period ending September 30, 1976, and $3,300,000 for the fiscal year ending September 30, 1977.
2. All other sums (other than for the Interstate System) which are authorized out of the Highway Trust Fund for the three month period ending September 30, 1976.

In addition, other sections of this title providing new budget authority under which outlays are made from the general fund shall be effective only in such amounts as are provided in appropriations acts.

Senate Amendment

Provides that outlays which are to be made from the general funds in the Treasury (not the Highway Trust Fund) shall be effective for any fiscal year only in such amounts as are provided in annual appropriation Acts.

Conference Substitute

Same as the Senate amendment.

Federal-aid systems

House Bill

No comparable provision.

Senate Amendment

Establishes a new Federal-Aid community service system which includes the urbanized (formerly the urban system) and the nonurbanized system (formerly secondary system). The nonurbanized system would consist of collector routes and any other routes of local importance after June 30, 1976. This system can include what were formerly off-system roads if they are of local significance.

The urbanized system, after June 30, 1976, shall consist of arterial and collector routes. This system is to be designated by local officials with concurrence of the State Highway Department if it provides 50 percent or more of the required local matching funds.

Conference Substitute

No comparable provision.

Apportionments

House Bill

No comparable provision.

Senate Amendment

Changes the apportionment for the primary system to a formula which is weighted two/thirds to the existing primary formula and one/third to the ratio of population in all urban areas. This reflects the change in the Federal-aid primary system to include urban extensions. The apportionment date for primary funds is changed to October 1 of each year to conform to the new fiscal year.

The apportionment formula for the non-urbanized system includes the existing secondary system formula and a change reflects the addition of small urban area population to the population ratio portion of the formula. The urbanized system apportionment formula would be based solely on the ratio of population in urbanized areas of each State to total urbanized area population. The apportionment of funds for the community service system is also to be made on October 1 of each year.

Conference Substitute

Same as the Senate provision with respect to the consolidated primary system. The apportionment date for all apportionments (other than for the Interstate System) is changed to October 1 of the fiscal year for which authorized. For the Interstate System the apportionment date is to be October 1 of the year preceding the fiscal year for which the funds are authorized. The Secretary is to advise each State at least 90 days before the beginning of the fiscal year of the amount that will be apportioned under this section, except that in the case of the Interstate System, such notification will be 90 days before the apportionment. Conforming amendments are made to sections 104(f) (1) and (3).

The Conference substitute also provides that, except for the Interstate System, funds authorized for the transition quarter and for fiscal year 1977 are to be apportioned on July 1, 1976, except as otherwise provided in section 104.

Programs

House Bill

No comparable provision.

Senate Amendment

Modifies the selection of urbanized system projects to require the concurrence of State officials only if they provide 50 percent of the required local matching funds.

Conference Substitute

No comparable provision.

Construction estimates

House Bill

No comparable provision.

Senate Amendment

Changes the allowance for construction engineering from 10 percent to 15 percent of Interstate project costs.

Conference Substitute

Same as the Senate amendment.

Availability of sums apportioned

House Bill

No comparable provision.

Senate amendment

Makes a conforming amendment to section 118 of title 23, U.S. Code for the new Interstate apportionment formula made effective in fiscal year 1978.

Conference substitute

The conference substitute amends section 118(b) of title 23, United States Code, to provide that sums apportioned to each Federal aid system (other than the Interstate System) are to be available for expenditure for 3 years after the close of the fiscal year for which such sums are authorized. Thereafter they lapse. Sums apportioned to the Interstate System remain available for 2 years after the close of the fiscal year for which authorized. Sums remaining unexpended thereafter lapse and are reapportioned among the other States except for funds apportioned for resurfacing, restoration and rehabilitation which lapse and are not reapportioned.

Conforming amendments are made to section 203 of title 23 and funds authorized by section 104, and by titles I and II for the transition quarter are to be treated for periods of availability as funds authorized for fiscal year 1977.

Federal share payable

House Bill

No comparable provision.

Senate Amendment

Makes technical changes relative to proposed establishment of the new community service system.

Conference Substitute

No comparable provision.

Payment to States for construction

House Bill

No comparable provision.

Senate Amendment

Amends section 121(d) of title 23, U.S. Code necessary because of the new allowance of 15 percent for construction engineering.

Conference Substitute

Same as the Senate amendment.

Transportation planning in certain areas

House Bill

No comparable provision.

Senate Amendment

Requires an annual public hearing to review the planning process, plans and programs for transportation in urbanized areas as carried out by the section 134 of title 23, U.S. Code planning organizations.

Conference Substitute

No comparable provision.

Traffic operations improvement programs

House Bill

No comparable provision.

Senate Amendment

Provides that traffic operation improvement programs may be carried out on any Federal-aid system, not just in urban areas.

Conference Substitute

Same as the Senate amendment.

Special urban high density

House Bill

No comparable provision.

Senate Amendment

Repeals the authorization of the special urban high density program.

Conference Substitute

Same as the Senate amendment.

Priority primary

House Bill

No comparable provision.

Senate Amendment

Conforms the priority primary program to its inclusion in the primary system for apportionment of funds.

Conference Substitute

Same as the Senate amendment.

Federal-aid safer roads system

House Bill

No comparable provision.

Senate Amendment

States would be required to have a program to improve safety features of highways and their surroundings. These programs would be in accordance with standards promulgated by the Secretary.

Each State would be required to conduct surveys and identify potential safety hazards on public roads in the State and to begin to correct identified deficiencies in a systematic manner. Whenever a State is without legal authority to construct or maintain a project pursuant to this section, it would be required to enter into a formal agreement with local officials to carry out such functions.

Sums authorized for the program created by this section would be apportioned 75 percent on the basis of each State's total population and 25 percent on the basis of public road mileage in each State. The Federal share for projects on the safer roads system would be 90 percent. Before sums authorized for this program are apportioned, 3¾ percent would be deducted to finance highway safety research.

Whenever the Secretary determined that a State is not making reasonable progress in carrying out the requirements of this section, he would cease approving highway construction projects in the State. The Secretary would have to make his determination on the record and after notice to the State and opportunity for a hearing. If the State failed to come into compliance before the beginning of the next fiscal year, it would lose 10 percent of the construction funds apportioned under section 104, title 23, United States Code, unless the Secretary determines that application of the penalty was not in the public interest. Funds withheld from apportionment to a State would be reapportioned to the other States.

Sections 152, 153, and 405 of title 23, United States Code, pertaining to specific highway safety construction programs, and section 203 of the Federal-Aid Highway Act of 1973, pertaining to hazards at railroad-highway grade crossings, would be repealed.

Conference Substitute

The conference substitute revises section 219 of title 23 of the United States Code to combine the provisions of that section as it presently exists with those of section 405 of such title and repeals such section 405. Funds for the Safer-Off System Roads program are to be apportioned October 1 of each fiscal year in the following manner: two-thirds according to the existing off system formula and one-third in the ratio which the population in urban areas in each State bears to the total population in urban areas of all States.

Funds authorized for Safer Off-System Roads are to be used essentially to improve the safety and capacity of existing roads. Because funds are limited, projects financed under this program, where feasible, should be low-cost improvements and whenever possible, provide significant safety benefits.

Apportionments of allocations

House Bill

No comparable provision.

Senate Amendment

Amends the authorization of the Forest highways program to provide that the apportionment of funds be made on October 1 of each year.

Conference Substitute

Same as the Senate amendment.

Research and planning

House Bill

No comparable provision.

Senate Amendment

Expands and clarifies research and planning activities. With respect to State use of planning funds, the provision expands use to include planning for all forms of transportation planning, not just highways.

Conference Substitute

No comparable provision.

Rural bus demonstration

House Bill

No comparable provision.

Senate Amendment

Makes the sums currently authorized for the rural bus demonstration program available for two years after the year for which authorized.

Conference Substitute

Same as the Senate amendment.

Interstate funding study

House Bill

No comparable provision.

Senate Amendment

Directs the Secretary of Transportation to study methods available for completing the Interstate System and to report to the Congress within nine months of enactment of this Act.

Conference Substitute

Same as the Senate amendment with an additional requirement of a study and report on resurfacing, restoration, and rehabilitation of the Interstate System.

Alaskan roads study

House Bill

No comparable provision.

Senate Amendment

Authorizes the Secretary of Transportation to study the cost of repairing roads in Alaska damaged because of pipeline construction. $200,000 is authorized to carry out the study which must be concluded within three months after completion of the pipeline.

Conference Substitute

Same as the Senate amendment except that the study must also determine the responsibility for repairing the damage to these highways.

Glenwood Canyon highway construction

House Bill

No comparable provision.

Senate Amendment

Authorizes the Secretary of Transportation, upon application of the Governor of Colorado, to approve construction of a portion of Interstate Route 70 with variations from certain requirements for Interstate construction approximately 17.5 miles in length between Dotsero and Glenwood Springs, Colorado.

Conference Substitute

Same as the Senate amendment except that the Secretary is not to approve any variation unless he shall first have determined that such variation will not create any safety hazard and there is no reasonable alternative.

Study of highway needs to solve energy problems

House Bill

No comparable provision.

Senate Amendment

Require a study by the Secretary of Transportation of need for special Federal aid in constructing or reconstructing highways needed for transporting coal or other uses in order to promote solution of Nation's energy problems.

Conference Substitute

Same as the Senate amendment.

National Transportation Policy Study Commission

House Bill

No comparable provision.

Senate Amendment

Establishes a 25-member National Transportation Policy Study Commission to study and evaluate the transportation demand and needs and the merits of various modes of transportation in meeting these demands and needs. The Commission is to recommend programs and policies that will meet the transportation needs and demands of the Nation. This is to be reported within 2 years after enactment. The Commission is given the necessary authority and staff to carry out its functions.

Conference Substitute

Conference substitute establishes a National Transportation Policy Study Commission. There are 19 members and the Commission is to make a study of transportation needs and of the resources, requirements, and policies of the United States to meet these needs. Based upon this study, it is to recommend policies most likely to insure that adequate transportation systems are in place which will meet the needs or safe and efficient improvement of goods and people.

TITLE II

Short title

House Bill

Provides that title II may be cited as the "Highway Safety Act of 1975."

Senate Amendment

Provides that title II may be cited as "The Highway Safety Amendments of 1975".

Conference Substitute

Except for the necessary date change, this is the same as the House provision.

Highway safety

House Bill

Authorizes $150,000,000 for fiscal years 1977 and 1978 to carry out section 402 of title 23 of the National Traffic Highway Safety Administration. Authorizes $65,000,000 per fiscal year for those fiscal years for carrying out section 403 of title 23 for that Administration. Authorizes $35,000,000 per fiscal year for those fiscal years for carrying out section 402 of title 23 by the Federal Highway Administration and $10,000,000 per fiscal year for those fiscal years for carrying out sections 307(a) and 403 of title 23 by that Administration. In each instance an authorization is made for the three-month period ending September 30, 1976, which is one-quarter of the amount authorized for the ensuing fiscal year.

Senate Amendment

Authorizes $105,000,000 for fiscal year 1977 and $115,000,000 for fiscal year 1978 to carry out section 402, title 23, United States Code. Authorizes $6,500,000 for the transition period and $35,000,000 for the fiscal year 1977 and $40,000,000 for the fiscal year 1978 to carry out section 403 of title 23.

Conference Substitute

Authorizes $122,000,000 for fiscal year 1977 and $137,000,000 for fiscal year 1978 to carry out section 402 of title 23 of the United States Code by the National Traffic Highway Safety Administration. Authorizes $10,000,000 for the interim quarter and $40,000,000 for fiscal year 1977 and $50,000,000 for fiscal year 1978 to carry out section 403 of such title by such Administration. Authorizes $25,000,000 per fiscal year for fiscal years 1977 and 1978 for carrying out section 402 of such title by the Federal Highway Administration. Authorizes $2,500,000 for the interim quarter and $10,000,000 per fiscal year for fiscal years 1977 and 1978 for carrying out sections 307(a) and 403 of such title by such Administration.

Further safety authorizations

House Bill

Authorizes $75,000,000 per fiscal year for the fiscal years 1977 and 1978 for pavement marking projects, and the same amount for projects for high-hazard locations and for the elimination of roadside obstacles. $18,750,000 is also provided for the interim period for each of the latter two categories. $7,500,000 per fiscal year is authorized for the fiscal years 1977 and 1978 and $1,875,000 for the interim period is authorized for incentive grants for the reduction of the rate of traffic fatalities and a like amount for the reduction of actual traffic fatalities. $7,500,000 is authorized for the fiscal years 1977 and 1978 and $1,875,000 for the interim period for school bus driver training.

Senate Amendment

No comparable provision.

Conference Substitute

Authorizes $50,000,000 per fiscal year for fiscal years 1977 and 1978 for pavement markings under section 151 of title 23 of the United States Code. Authorizes $125,000,000 per fiscal year for such fiscal years for projects for highway hazard locations and elimination of roadside obstacles under sections 152 and 153 of title 23 of the United States Code. Authorizes $1,875,000 for the interim period and $7,500,000 per fiscal year for the fiscal years 1977 and 1978 to carry out incentive grant programs under section 402(j) (2) of section 402 of title 23 of the United States Code and the same amount for the same fiscal years for such programs under section 402(j) (3) of such title.

Bridge reconstruction and replacement

House Bill

Authorizes $250,000,000 per fiscal year for the fiscal years 1977 and 1978 and $62,500,000 for the interim period for bridge reconstruction and replacement under section 144 of title 23, United States Code.

Senate Amendment

Authorizes $31,250,000 for the transition quarter and $125,000,000 for each of the fiscal years 1977 and 1978 for replacing hazardous bridges.

Conference Substitute

Authorizes $180,000,000 per fiscal year for the fiscal years 1977 and 1978 for bridge reconstruction and replacement under section 144 of title 23 of the United States Code.

Rail-highway crossings

House Bill

Authorizes the appropriation out of the Highway Trust Fund of $37,500,000 for the three-month period ending September 30, 1976, and $150 million for each of fiscal years 1977 and 1978 for projects for the elimination of hazards of railway-highway crossings on any Federal-aid system (other than the Interstate System) under section 203 of the Highway Safety Act of 1973.

This section would also amend section 203 of the Highway Safety Act of 1973 to authorize the appropriation out of the General Fund of $18,750,000 for the three-month period ending September 30, 1976, and $75 million for each of fiscal years 1977 and 1978 for projects for elimination of hazards of railway-highway crossings on roads other than those on any Federal-aid system. Funds authorized for off-system railway-highway crossings shall be apportioned in the same manner as funds authorized for crossings on a Federal-aid system.

Senate Amendment

No comparable provision.

Conference Substitute

This is the same as the House bill except for the elimination of the authorization for the interim quarter and the authorization of $125,000,000 per fiscal year for the fiscal years 1977 and 1978 for the elimination of hazards of railway-highway crossings on any Federal-aid system (other than the Interstate System).

Incentive safety grants

House Bill

Amends subsection (j) of section 402 of title 23 to authorize additional incentive grants of up to 25 percent of a State's apportionment under section 402 for a fiscal year or period to those States which have significantly reduced the actual number of traffic fatalities during the calendar year.

It also amends subsection (j) to make it clear that the funding limitation of 25 percent of each State's apportionment is to be applied individually to each of the three types of grants authorized by section 402(j); that Federal funds are obligated upon award of such funds to a State; that contract authority is provided with respect to such funds; that the funds are not apportioned among the States; and that no project or program approval is required for the sums awarded.

Senate Amendment

No comparable provision.

Conference Substitute

The same as the House bill.

School bus driver training

House Bill

Amends section 406 of title 23, U.S. Code to make technical and clarifying amendments.

Senate Amendment

The period of time for obligation of funds provided by the Federal-Aid Highway Act of 1973 to train persons to drive school buses would be extended until September 30, 1978.

Conference Substitute

This is the same as the House bill except that the funds for this program of not less than $7,000,000 per fiscal year are to come from those authorized to carry out section 402 of title 23 of the United States Code.

Transferability

House Bill

Amends subsection (g) of section 104 of title 23 to authorize the transfer of up to 40 percent (instead of the existing 30 percent) of the funds apportioned in any fiscal year to a State in accordance with sections 144, 152, and 153 of title 23, and section 203 of the Highway Safety Act of 1973 to the apportionment of any other such section if requested by the State highway department and approved by the Secretary as being in the public interest.

This section would also authorize the Secretary to approve the transfer to up to 100 percent of the apportionment under one such section to the apportionment of any other such sections if, in addition to the transfer being requested by the State highway department and approved by the Secretary as being in the public interest, the Secretary has received satisfactory assurances from the State that the purposes of the programs from which such funds are to be transferred have been met. Such assurances would no longer be necessary in order to approve transfers of up to 40 percent of any such apportionment.

Senate Amendment

No comparable provision.

Conference Substitute

Essentially the same as the House bill.

In addition, section 104(g) is amended to provide that Highway Trust Fund money may not be transferred to any program for which general fund money is available and vice versa. Also funds apportioned under section 203(d) of the Highway Safety Act of 1973 to carry out projects for which funds are authorized in section 203(c) of such Act which cannot be used for such projects may be transferred for use pursuant to section 219 of title 23, United States Code.

Pavement marking program

House Bill

Amends section 151 of title 23, U.S. Code to eliminate the requirement that priority for pavement marking projects be given to those on the Federal-aid secondary system and those which are not on any system. It also clarifies the reporting requirements.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Highway safety programs

House Bill

Amends section 402 of title 23 by prohibiting the Secretary from requiring that a State adopt or enforce a motorcycle law requiring motorcycle operators or passengers 18 years of age or older to wear a safety helmet when operating or riding a motorcycle.

Eliminates the penalty contained in section 402(c) providing for the withholding of 10 percent of the section 104 Federal-aid highway construction apportionments, which is imposed on a State for failure to implement a highway safety program approved by the Secretary.

Amends section 402 to make it clear that section 402 confers broad discretionary authority upon the Secretary with respect to approval of State highway safety programs, and that the Secretary is not compelled to require every State to comply with every uniform standard, or with every element of the uniform standard.

It also would require the Secretary to conduct in cooperation with the States, an evaluation of the adequacy and approriateness of all existing highway safety program standards, and report his findings and recommendations to the Congress on or before December 31, 1976. Until such report is submitted, the Secretary would be prohibited from withholding funds apportioned to any State because such State is failing to implement a highway safety program approved by the Secretary in accordance with section 402.

Senate Amendment

No comparable provision.

Conference Substitute

Similar to the House bill except the report is required on or before July 1, 1977.

National Highway Safety Advisory Committee

House Bill

Amends section 402(a)(1) of title 23 to delete the requirement that the Secretary or a departmental officer appointed by him serve as chairman of the National Highway Safety Advisory Committee.

Senate Amendment

Same as the House bill.

Conference Substitute

Same as the House bill and the Senate amendment.

Limitation on obligation

House Bill

Prohibits any funds authorized by any provision of this title for fiscal year 1977 from being obligated prior to July 1, 1976.

Senate Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Steering axle study

House Bill

Requires the Secretary to conduct an investigation into the relationship between the gross load on front steering axles of truck tractors and the safety of operation of vehicle combinations of which such truck tractors are a part. The investigation shall be conducted in cooperation with representatives of manufacturers of truck tractors and related equipment, labor, and users of such equipment. The Secretary would be required to report the results of such study to the Congress not later than July 1, 1977.

Senate Amendment

No comparable provision.

Conference Substitute

Same as the House bill.

Limitations

House Bill

Provides that to the extent that any section of this title provides new or increased contract authority under which outlays will be made from the general fund, such new or increased authority shall be effective only in such amounts as are provided in appropriations acts. All authorizations out of the Trust Fund for the interim period ending September 30, 1976, shall be apportioned as if such apportionments were for fiscal 1977.

Senate Amendment

Provides that to the extent that any section of this title provides new or increased contract authority under which outlay will be made from the general fund, such new or increased authority shall be effective only in such amounts as are provided in appropriation acts.

Conference Substitute

Same as the Senate amendment.

Uniform standards

House Bill

No comparable provision.

Senate Amendment

Section 402(a) of title 23, United States Code, is amended to remove the provision for uniform standards pertaining to highway-related safety measures from the State safety grant program.

Section 402(a) is further amended by requiring that the Secretary, upon the request of a State, waive application of a uniform standard or portion thereof in order to permit the State to undertake an alternative safety measure. If the Secretary determined that the State's alternative measure did not have a potential for reducing deaths, injuries and property damage equal to or better than that resulting from implementation of the standard, he could deny the State's request. The Secretary is not required to waive any standard or portion thereof which pertains to alcohol in relation to highway safety or to the generation or collection of data useful in the highway safety program. Disposition of a State's request must be made on the record after notice to the State and opportunity for a hearing.

Conference Substitute

No comparable provision.

Reduction of apportionment

House Bill

No comparable provision.

Senate Amendment

Apportionments to the Virgin Islands, Guam, and American Samoa for the State safety grant program would be reduced from one-half of one percent of the total amount apportioned to one-third of one percent.

Conference Substitute

Same as the Senate amendment.

Penalty

House Bill

No comparable provision.

Senate Amendment

The penalty for failure to implement an acceptable State safety grant program would be reduction of from 50 to 100 percent of a State's apportionment for the grant program, the amount of the reduction depending upon the gravity of the State's failure as determined by the Secretary. Funds withheld would be reapportioned to the other States if the noncomplying State failed to correct its deficiencies prior to the end of the fiscal year for which funds were withheld.

The Secretary is not to require a State safety program to require the wearing of a safety helmet by motorcycle operators or passengers 18 years of age or older.

Conference Substitute

Same as the Senate amendment except that the provision relating to motorcycle operator helmets is contained in an earlier provision.

Amendment of standards

House Bill

No comparable provision.

Senate Amendment

The Secretary would be authorized to amend the Federal uniform standards, consistent with other requirements of the Highway Safety Act, so long as he followed the procedures of the Administrative Procedures Act and provided an opportunity for oral presentation and written submissions.

Conference Substitute

No comparable provision.

Tocks Island Lake, Pennsylvania, New Jersey, New York

The Public Works Appropriation Act for fiscal year 1976 included $2.5 million for the Tocks Island Lake project and $2,100,000 for the transition quarter. The Statement of Managers in the Conference Report on this legislation (House Report No. 94–711) contained the provision that not to exceed $500 thousand is to be used for the continued planning and design of the relocation of Pennsylvania Route 209, and the use of the remaining funds is subject to action by the authorizing committees. The floor debate on the Conference Report indicated that what was contemplated was not legislative action, but some assurance from the House Public Works and Transportation Committee and the Senate Public Works Committee that the remaining funds should be used. The Conferees, accordingly, wish to state on behalf of their respective committees that it is their desire that the remaining funds be expended on the continued design and initiation of construction on the relocation of Pennsylvania Route 209. If at any subsequent time the Tocks Island project is deauthorized it would automatically follow that these funds would no longer be available.

Robert E. Jones,
Jim Wright,
Harold T. Johnson,
James J. Howard,
Mike McCormack,
James V. Stanton,
John Breaux,
William H. Harsha,
James C. Cleveland,
Bud Shuster,
Managers on the Part of the House.
Lloyd Bentsen,
Jennings Randolph,
Mike Gravel,
Edmund S. Muskie,
Quentin Burdick,
John Culver,
Robert T. Stafford,
Howard Baker,
James Buckley,
Pete V. Domenici,
Jim McClure,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McKinney (at the request of Mr. Rhodes), for today, on account of illness.

Mr. Flynt (at the request of Mr. O'Neill), for April 6 and 7, on account of official business.

Mr. Holland, for April 8 through April 12, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Moore) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 30 minutes, today.

Mr. McCollister, for 30 minutes, today.

(The following Members (at the request of Mr. Blanchard) to revise and extend their remarks and include extraneous material:)

Mr. Dent, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Fascell, for 10 minutes, today.

Mr. Drinan, for 5 minutes, today.

Ms. Abzug, for 15 minutes, today.

Mr. O'Neill, for 15 minutes, today.

Mr. Minish, for 5 minutes, today.

Mr. Baucus, for 10 minutes, today.

Mr. Reuss, for 30 minutes, today.

Mr. Bingham, for 10 minutes, today.

Mr. Reuss, for 15 minutes, April 8, 1976.

Mr. Mikva, for 5 minutes, April 8, 1976.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bob Wilson, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $715.

(The following Members (at the request of Mr. Moore) and to include extraneous matter:)

Mr. Martin in two instances.

Mr. Ketchum.

Mr. Rhodes.

Mr. Conable.

Mr. Walsh.

Mr. Steelman.

Mr. Esch.

Mr. Ashbrook in three instances.

(The following Members (at the request of Mr. Blanchard) and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Mazzoli.

Mr. Solarz.

Mr. Downey of New York in two instances.

Mr. Harris.

Mr. Ullman in five instances.

Mr. Lloyd of California.

Mr. Wolff.

Mr. Roybal.

Mr. Milford.

Mr. Breckinridge.

Mr. Harrington.

Mr. Teague.

Mr. Carney in three instances.

Mr. Badillo.

Mr. Dominick V. Daniels.

Mr. Pattison of New York.

Mr. Howe.

Mr. Fraser.

Mr. Van Deerlin.

Mr. Phillip Burton in two instances.

Mr. Charles H. Wilson of California.

Mr. Moorhead of Pennsylvania.

Ms. Abzug.

Mr. Mineta.

Mr. Ambro.

Mr. Rosenthal.

Mr. de le Garza.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 64. An act to provide for the addition of the names of the States of Alaska and Hawaii to the list of the forty-eight States inscribed upon the walls of the Lincoln National Memorial; to the Committee on the Interior and Insular Affairs.

S. 2945. An act to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act to the Committee on House Administration.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 719. An act granting a renewal of patent numbered 92,187 relating to the badge of the Sons of the American Legion;

S. 720. An act granting a renewal of patent numbered 54,296 relating to the badge of the American Legion;

S. 721. An act granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary;

S. 804. An act for the relief of Zoraida E. Lastimosa.

S. 832. An act for the relief of Kristen Marisol Kneebone; and

S. 3108. An act to amend Public Law 94–187 to increase the authorization for appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on April 6, 1976 present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 670. Joint resolution to designate April 13, 1976, as "Thomas Jefferson Day."

ADJOURNMENT

Mr. BLANCHARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Thursday, April 8, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2978. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1-97, "To provide immunity to Council members with regard to conduct during the course of legislative duties and other purposes," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2979. A letter from the Chairman, National Advisory Council on the Education of Disadvantaged Children, transmitting the 1976 annual report of the Council, pursuant to section 134(c) of the Elementary and Secondary Education Act of 1965, as amended (84 Stat. 125; 20 U.S.C. 2411(c)); to the Committee on Education and Labor.

2980. A letter from the Assistant Secretary of Commerce for Administration, transmitting notice of a proposed new system of records for the Department's Foreign Service officer evaluations, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

2981. A letter from the Under Secretary of Health, Education, and Welfare, transmitting the annual report for fiscal year 1975 on the Food and Drug Administration's activities under the Fair Packaging and Labeling Act, pursuant to section 8 of the act (Public Law 89-755); to the Committee on Interstate and Foreign Commerce.

2982. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of February 29, 1976, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

2983. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182 (a)(28)(I)(ii)(b)]; to the Committee on the Judiciary.

2984. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182 (d)(6)]; to the Committee on the Judiciary.

2985. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13 (b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255 b(c)]; to the Committee on the Judiciary.

2986. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 500 North Capitol Street, Washington, D.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2987. A letter from the President, National Railroad Passenger Corporation, transmitting requests for supplemental appropriations for fiscal year 1976 and the transition quarter, and a budget amendment for fiscal year 1977, to meet the financial requirements of agreements reached between Amtrak and ConRail for Amtrak purchase of the Northeast Corridor and certain off-corridor rail properties, pursuant to section 601(b)(1) of the Rail Passenger Service Act of 1970, as amended; jointly, to the Committees on Interstate and Foreign Commerce, and Appropriations.

RECEIVED FROM THE COMPTROLLER GENERAL

2988. A letter from the Assistant Comptroller General of the United States, transmitting a report on the status of impounded budget authority for the Department of Housing and Urban Development's State Housing Finance and Development Agencies, the rescission of which was proposed by the President (R76-26) and not agreed to by the Congress within the prescribed 45-day time period ended February 23, 1976; to the Committee on Appropriations.

2989. A letter from the Comptroller General of the United States, transmitting a report on policy and procedure changes that can reduce the size of the planned new San Diego Naval Hospital; jointly, to the Committees on Government Operations, Appropriations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 1134. Resolution providing for the consideration of H.R. 12438. A bill to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, tests, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes; (Rept. No. 94-1015). Referred to the House Calendar.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12774. A bill to amend the Internal Revenue Code of 1954 to provide an election under which State and local governments may issue taxable obligations and receive a Federal subsidy of 35 percent of the interest yield on such obligations; with amendment (Rept. No. 94-1016). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee of conference. Conference report on H.R. 8235 (Rept. No. 94-1017). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XX, public bills and resolutions were introduced and severally referred as follows:

By Mr. ST GERMAIN (for himself and Mr. Reuss):

H.R. 13077. A bill to expand competition, provide for the flow of funds for mortgage credit, provide improved financial services, and strengthen financial institutions and regulatory agencies, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. D'AMOURS:

H.R. 13078. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. DINGELL (for himself, Mr. Aspin, Mrs. Spellman, and Mr. Helstoski):

H.R. 13079. A bill to reform electric utility rate regulation, to strengthen State electric utility regulatory agencies, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 13080. A bill to provide for the reform of the administrative and reimbursement procedures currently employed under the medicare and medicaid programs, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. HALEY (by request):

H.R. 13081. A bill to authorize the Secretary of the Interior to convey certain phosphate interests of the United States to the owner or owners of record of certain lands in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI:

H.R. 13082. A bill to authorize the construction and maintenance of the General Draja Mikhailovich Monument in Washington, District of Columbia, in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

By Ms. HOLTZMAN:

H.R. 13083. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; to the Committee on Ways and Means.

By Mr. HOWE (for himself, Mr. Hechler of West Virginia, Mr. de Lugo, Mr. Devine, Mr. Whitehurst, Mr. Obey, Mr. Roe, Mr. Roush, Mr. Edgar, Mr. Mann, Mr. Harrington, Mr. McCormack, Mr. Pressler, Mr. Evins of Tennessee, Mr. Hughes, Mr. Bedell, Mr. Fauntroy, Mr. Charles Wilson of Texas, Mr. Neal, Mr. Baucus, Mr. Won Pat, Mr. Gilman, Mr. Duncan of Oregon, and Mr. Fithian):

H.R. 13084. A bill to establish a Federal Regulatory Agency Review Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. KETCHUM:

H.R. 13085. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. Ford of Michigan):

H.R. 13086. A bill to amend the Tariff Schedules of the United States in order to require proof of liability insurance for automobiles entered into the United States for personal use by nonresidents and foreign government personnel, and for other purposes; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 13087. A bill to amend the Federal Water Pollution Control Act to require the

United States to pay for certain lateral sewer connections for low-income elderly persons; to the Committee on Public Works and Transportation.

By Mr. MOAKLEY (for himself and Mr. Howard):

H.R. 13088. A bill to establish energy conservation research, development, and demonstration institutes, to create a cooperative energy extension service, to promote a more adequate national program of research, development, and demonstration in technologies related to energy conservation, and for other purposes; to the Committee on Science and Technology.

By Mr. ROONEY:

H.R. 13089. A bill to amend the Uniform Time Act of 1966 to change the period of observance of daylight savings time; to the Committee on Interstate and Foreign Commerce.

H.R. 13090. A bill to amend the Uniform Time Act of 1966 to change the period of observance of daylight savings time; to the Committee on Interstate and Foreign Commerce.

By Mr. SHIPLEY:

H.R. 13091. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WAMPLER:

H.R. 13092. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 13093. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California:

H.R. 13094. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. PHILLIP BURTON:

H.R. 13095. A bill to amend the act of January 2, 1951, which prohibits the transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT:

H.R. 13096. A bill to amend the Trade Act of 1974 to reimburse the States for the amount of State unemployment insurance benefits paid to workers eligible to receive trade readjustment allowances; to the Committee on Ways and Means.

By Mr. EVANS of Colorado:

H.R. 13097. A bill to authorize engineering investigation, stabilization and rehabilitation of the Leadville Mine Drainage Tunnel and the construction of facilities for the treatment of the drainage effluent; to the Committee on Interior and Insular Affairs.

By Mrs. FENWICK (for herself, Ms. Abzug, Mr. Badillo, Mr. Rosenthal, Mr. Dominick V. Daniels, Mr. Hechler of West Virginia, Mr. Forsythe, Mr. Koch, Mr. Ottinger, Mr. Rangel, and Mr. Scheuer):

H.R. 13098. A bill to terminate the authorization for the Tocks Island Reservoir project as part of the Delaware River Basin project, and for other purposes; jointly, to the Committees on Public Works and Transportation, and Interior and Insular Affairs.

Mr. FOLEY (for himself, Mr. Abdnor, Mr. Andrews of North Dakota, Mr. Bergland, Mr. Breckinridge, Mrs. Heckler of Massachusetts, Mr. Hightower, Mr. Johnson of Colorado, Mr. Jones of North Carolina, Mr. Jones of Tennessee, Mr. Kelly, Mr. Mathis, Mr. McCormack, Mr. Poage, Mr. Sebelius, Mr. Shriver, Mr. Thone, Mr. Ullman, Mr. Wampler, and Mr. Winn):

H.R. 13099. A bill to enable wheat producers, processors, end product manufacturers, and consumers of wheat foods to work together to establish, finance on an equitable basis, and administer a coordinated program of research and education to promote and improve human nutrition through the use of wheat and wheat products as human foods within the United States; to the Committee on Agriculture.

By Mr. FORD of Michigan (for himself, Mr. O'Hara, and Mr. Rangel):

H.R. 13100. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

Mr. JOHNSON of California (for himself, Mr. Lujan, Mr. Melcher, Mr. Roncalio, Mr. Symms, Mr. Runnels, Mr. Hansen, Mr. McKay, Mr. Baucus, Mr. Howe, Mr. Andrews of North Dakota, Mr. Abdnor, Mr. Santini, Mr. Sebelius, Mr. Johnson of Colorado, Mr. Weaver, Mr. Ullman, Mr. Don H. Clausen, Mr. Evans of Colorado, and Mr. McCormack):

H.R. 13101. A bill to provide for the consideration of the comparative productive potential of irrigable lands in determining nonexcess acreage under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Alabama (for himself, Mr. AuCoin, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Bergland, Mr. Bevill, Mr. Blanchard, Ms. Boggs, Mr. Boland, Mr. Bolling, Mr. Carney, Mr. Conte, Mr. Conyers, Mr. Cotter, Mr. de Lugo, Mr. Eilberg, Mr. Fascell, Mr. Ford of Tennessee, Mr. Hall, Mr. Hannaford, Mr. Harrington, Ms. Holtzman, Mr. Leggett, Mr. Lehman, and Mr. Mazzoli):

H.R. 13102. A bill to authorize a local public works capital development and investment program; to the Committee on Public Works and Transportation.

By Mr. JONES of Oklahoma:

H.R. 13103. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the identity of the manufacturer of a prescription drug appear on the label of the package from which the drug is to be dispensed; to the Committee on Interstate and Foreign Commerce.

By Mr. MINISH:

H.R. 13104. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. Rodino, Mr. Thompson, Mr. Dominick V. Daniels, Mr. Minish, Mr. Patten, Mr. Helstoski, Mr. Howard, Mr. Forsythe, Mr. Rinaldo, Ms. Fenwick, Mr. Florio, Mr. Hughes, Mr. Maguire, and Ms. Meyner):

H.R. 13105. A bill to authorize a local public works capital development and investment program; to the Committee *on Public* Works and Transportation.

By Mr. RUPPE (for himself, Mr. Bergland, Mr. Beard of Rhode Island, Mr. Johnson of Pennsylvania, Mr. Leggett, Mr. Martin, Mr. Michel, and Mr. J. William Stanton):

H.R. 13106. A bill to authorize the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes; Jointly, to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Public Works and Transpotration.

By Mrs. SPELLMAN (for herself, Ms. Abzug, Mr. Annunzio, Mr. Badillo, Mr. Baldus, Mr. Bedell, Mr. Blanchard, Mr. Broyhill, Mr. John L. Burton, Mr. Phillip Burton, Mr. Carney, Mrs. Chisholm, Mr. Cornell, Mr. Derrick, Mr. Dodd, Mr. Downey of New York, Mr. Drinan, Mr. Edgar, Mr. Edwards of California, Mr. Eilberg, Mr. Fascell, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Giaimo, and Mr. Gilman):

H.R. 13107. A bill to amend title 38 of the United States Code in order to extend specially adapted housing benefits to certain disabled veterans; to the Committee on Veterans' Affairs.

By Mrs. SPELLMAN (for herself, Mr. Hall, Mr. Harris, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Ms. Holtzman, Mr. Howard, Mr. Hughes, Mr. Jenrette, Mr. Koch, Mr. Krebs, Mr. LaFalce, Mr. Lehman, Mr. Litton, Mr. Long of Maryland, Mr. Mann, Mr. Matsunaga, Mr. Mineta, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moffett, Mr. Ottinger, Mr. Patten, Mr. Patterson of California, and Mr. Perkins):

H.R. 13108. A bill to amend title 38 of the United States Code in order to extend specially adapted housing benefits to certain disabled veterans; to the Committee on Veterans' Affairs.

By Mrs. SPELLMAN (for herself, Mr. Price, Mr. Richmond, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Ryan, Mr. Sarbanes, Mr. Stark, Mr. Steelman, Mr. Stokes, Mr. Studds, Mr. Taylor of North Carolina, Mr. Teague, Mr. Waxman, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Wolff, and Mr. Zeferetti):

H.R. 13109. A bill to amend title 38 of the United States Code in order to extend specially adapted housing benefits to certain disabled veterans; to the Committee on Vetterans' Affairs.

By Mr. SYMINGTON:

H.R. 13110. A bill to extend and modify provisions relating to Federal expenditures to correct or compensate for structural defects present in homes purchased with federally insured mortgages; to the Committee on Banking, Currency and Housing.

By Mr. McCOLLISTER:

H.R. 13111. A bill to provide for payments to certain sales representatives terminated from their accounts without justification, to provide for the scope of contracts between sales representatives and their principals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WALSH (for himself, and Mr. PEYSER):

H.R. 13112. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 476) and the act of June 4, 1897 (30 Stat. 35); to the Committee on Agriculture.

By Mr. YOUNG of Florida:

H.R. 13113. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mr. RAILSBACK (for himself and Mr. ANDREWS of North Dakota):

H.J. Res. 914. Joint resolution designating the week beginning April 4, 1976, as National Drafting Week; to the Committee on Post Office and Civil Service.

By Mr. HOWE:

H.J. Res. 915. Joint resolution to authorize the placement of the bell known as the American Legion's Freedom Bell in the District of Columbia on land of the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. SMITH of Nebraska (for herself, Mr. O'HARA, Mrs. HECKLER of Massachusetts, Mr. DUNCAN of Tennessee, and Mr. D'AMOURS):

H. Con. Res. 607. Concurrent resolution with respect to post office closings; to the Committee on Post Office and Civil Service.

By Mr. ECKHARDT:

H. Res. 1135. Resolution to disapprove the proposed exemption of residual oil fuel from the mandatory petroleum allocation and price regulations (Energy Action No. 1); to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

350. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to retaining certain natural disaster functions within the jurisdiction of the Defense Civil Preparedness Agency; to the Committee on Armed Services.

351. Also, memorial of the Legislature of the Commonwealth of Kentucky, ratifying the 13th, 14th, and 15th amendments to the Constitution of the United States; to the Committee on the Judiciary.

352. Also, memorial of the Legislature of the State of Idaho, relative to the right of the people to keep and bear arms; to the Committee on the Judiciary.

353. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to veterans' educational benefits; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Florida introduced a bill (H.R. 13114) for the relief of Suzanne Lee Goldblatt, which was referred to the Committee on the Judiciary.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of April 6, 1976, page 9605.

HOUSE BILLS

H.R. 12616. March 18, 1976. Education and Labor. Authorizes appropriations to assist State vocational education programs, under the Vocational Education Act of 1963, to overcome sex discrimination and stereotyping.

Requires the President and the State Governors to assure that the National Advisory Council of Vocational Education and the State Advisory Councils, respectively, have balanced representation by race, color, sex, and national origin, and include persons familiar with sex stereotyping in education.

Requires each State, in order to be eligible for vocational education grants, to assure equal access to such programs by men and women.

Directs the Commissioner of Vocational Education and State boards to give funding priority to programs to reduce sex stereotyping.

H.R. 12617. March 18, 1976. Banking, Currency and Housing. Amends the Housing Act of 1959 to authorize the Secretary of Housing and Urban Development to issue notes or other obligations to the Secretary of the Treasury for the housing for the elderly and the handicapped program.

H.R. 12618. March 18, 1976. Rules. Establishes a Joint Committee on Intelligence Operations to conduct continuing oversight of, and to exercise exclusive legislative jurisdiction over, the foreign intelligence activities of the United States.

H.R. 12619. March 18, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on (1) articles assembled abroad with components produced in the United States, and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 12620. March 18, 1976. Education and Labor. Authorizes Federal financial assistance to the States for programs of career education in elementary and secondary State schools. Sets forth the requirements of State career education plans necessary to qualify for Federal aid.

H.R. 12621. March 18, 1976. Small Business; Interstate and Foreign Commerce. Amends the Small Business Act to authorize loans by the Small Business Administration to certain small businesses in the petroleum and petrochemical industries.

Prohibits certain large petroleum refining companies from acquiring or controlling an interest in the marketing of petroleum or petroleum products.

H.R. 12622. March 18, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations for their development and revision.

Revises provisions relating to the sale of timber found on National Forest Service lands.

H.R. 12623. March 18, 1976. International Relations. Requires express Congressional approval prior to any (1) sale of defense articles or services to Egypt under the Foreign Military Sales Act, (2) extension of any credit or guarantee to Egypt under such Act, and (3) issuance of an export license for arms, ammunition, or implements of war to Egypt under the Mutual Security Act of 1954.

H.R. 12624. March 18, 1976. Interstate and Foreign Commerce. Prohibits the inspection, acquisition, or requisition by officers, employees, agents or departments of the United States of the medical or dental records of patients not receiving assistance from the Federal Government.

H.R. 12625. March 18, 1976. Banking, Currency and Housing. Extends the period during which homeowners may apply for assistance in cases of structural defects in specified mortgaged homes under the National Housing Act.

H.R. 12626. March 18, 1976. Post Office and Civil Service. Repeals the Postal Reorganization Act. Reenacts provisions relating to postal service which were in effect immediately prior to the enactment of such Act.

H.R. 12627. March 18, 1976. Banking, Currency and Housing Authorizes the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings into community centers, senior citizen centers and specified educational, medical or social service centers.

Directs the Secretary to serve as a national clearinghouse to local agencies by providing information on possible alternative uses for closed school buildings.

H.R. 12628. March 18, 1976. Ways and Means. Entitles taxpayers, under the Internal Revenue Code, to elect to take a deduction with respect to the amortization of any qualified school or hospital property, which was purchased from a tax-exempt organization, based on a period of 180 months.

H.R. 12629. March 18, 1976. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1964 to provide supplementary community development block grant assistance to communities with high unemployment. Provides for the allocation of such funds.

H.R. 12630. March 18, 1976. Government Operations; Rules. Abolishes within three years of the enactment of this Act, or three years after they have been established, all Federal regulatory agencies unless the President and Congress determine that such agencies should continue to exist.

H.R. 12631. March 18, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland, or scenic open space.

H.R. 12632. March 18, 1976. Interstate and Foreign Commerce. Prohibits refiners of petroleum products from canceling franchises without prior notice. Prohibits distributors and refiners from canceling petroleum franchises without cause.

Prohibits the acquisition of retail outlets or distributorships by major market shareholders in the petroleum producing and refining industry.

H.R. 12633. March 18, 1976. Ways and Means. Amends the Social Security Act to maintain the inpatient hospital deductible under the medicare program at the level which was applicable during calendar year 1975.

H.R. 12634. March 18, 1976. Interstate and Foreign Commerce. Amends the medicaid program of the Social Security Act to authorize the States to include in their plans for medical assistance arrangements for the purchase of laboratory and x-ray services.

H.R. 12635.—March 18, 1976. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress.

H.R. 12636.—March 18, 1976. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress.

H.R. 12637.—March 18, 1976. Agriculture. Amends the Agricultural Marketing Act of 1946 to repeal the revisions of the Official United States Standards with respect to the grading of carcass beef and slaughter cattle. Authorizes and directs the Secretary of Agriculture to promulgate regulations to establish a different and nondeceptive grade designation and specification for beef.

H.R. 12638.—March 18, 1976. Education and Labor. Adds to the Elementary and Secondary Education Act of 1965 "Title X—Emergency Education Revenue Act", to authorize the Secretary of Health, Education, and Welfare to make grants to a local education agency which demonstrates that: (1) for bona fide budgetary reasons it has been forced to reduce the expenditure of funds for essential elementary and secondary education services, making it impossible to maintain such services at a quality level; and (2) that it or the local government unit responsible for providing its revenues has made bona fide efforts to raise the revenue necessary to support essential elementary and secondary educational services and maintain quality education.

H.R. 12639.—March 18, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Diabetes Advisory Board to insure the implementation of a long range plan to combat diabetes. Authorizes the Secretary to make grants to scientists who have shown productivity in diabetes research for the purpose of continuing such research. Authorizes, under the Public Health Service Act, the appropriation of specified sums for the purposes of making grants to centers for research and training in diabetic related disorders.

H.R. 12640.—March 18, 1976. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction in an amount not to exceed $1,000 for amounts paid by the taxpayer to an eligible educational institution for tuition for the attendance of the taxpayer or another individual or individuals at such institution.

H.R. 12641. March 18, 1976. Merchant Marine and Fisheries. Provides for the temporary deferment of payment of the Treasury on the net direct investment of the Government in the Panama Canal Company.

H.R. 12642. March 18, 1976. House Administration. Provides a uniform date for the holding of all Presidential primary elections.

H.R. 12643. March 18, 1976. Interstate and Foreign Commerce. Amends the Medicaid program of the Social Security Act to authorize the States to include in their plans for medical assistance arrangements for the purchase of laboratory and x-ray services.

H.R. 12644. March 18, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the Medicare program for specified services performed by chiropractors, including x-rays, and physical examination, and related routine laboratory tests.

H.R. 12645. March 18, 1976. Interior and Insular Affairs. Terminates the existence of the Indian Claims Commission on September 30, 1978. Transfer jurisdiction of their pending cases to the Court of Claims.

H.R. 12646. March 18, 1976. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to prohibit the Secretary of the department in which the National Oceanic and Atmospheric Administration is operating from issuing permits for the taking of the killer whales during the moratorium on the taking of such species. Exempts taking for specified scientific purposes from such prohibition.

H.R. 12647. March 18, 1976. Ways and Means. Amends the estate tax provisions of the Internal Revenue Code to exclude from the gross estate that portion of the amount receivable by any beneficiary as insurance under any policy on the life of the decedent which bears the same ratio to the amount so receivable by the beneficiary as the amount of the premiums paid on such policy by the beneficiary bears to the total amount of the premiums paid on such policy.

H.R. 12648. March 18, 1976. Ways and Means. Stipulates that a canceled check shall be treated as prima facie evidence of any expenditure allowable as a tax deduction under the Internal Revenue Code.

EXTENSIONS OF REMARKS

AN INALIENABLE RIGHT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. RHODES. Mr. Speaker, the environmental movement in America is a critically important movement, for it seeks to protect the great natural resources which we have in this country. It is essential that the movement continue its efforts, so long as they remain consistent with the equally critical economic and energy needs of the American people.

I am well aware of the fact that many environmentally concerned citizens sometimes feel that their efforts are in vain, that their voices are drowned out by the sounds of mass technology. That being so, I am inserting into the Record an editorial which appeared recently in the Scottsdale, Ariz., Daily Progress. I hope that it will be read by all those who share my concern for the environment. I also hope that its insertion into the Record may lead some of those who identify with its message to realize that their voices are heard in Washington to a degree greater than they may have thought previously:

AN INALIENABLE RIGHT

This writer is a member of an endangered species—it is called the human race.

He also is a member of a querulous, selfish and threatening minority. Its members are called environmentalists, conservationists or sometimes ecology freaks. A few people even think of us as virtually subversive.

The trouble is that we hold what we feel are self-evident truths: that all human beings are endowed by their creator with certain inalienable rights; among these are life, liberty and the pursuit of happiness, and the right to a livable environment.

We hold the truth to be self-evident that all persons have the right to breathe clean air, drink clean water and eat food which has not been polluted or radiated.

We believe in our beautiful and bountiful America, and in its system of free government, and we believe that it is our duty to speak out. It is our duty as patriots to spread the alarm because we believe that our country is in danger.

Our country is in danger because the level of air pollution is increasing every year; fewer lakes and streams can support life forms; our best land is being taken for industry, roads and housing; our underground water is being tapped recklessly; we are using energy more rapidly than we can harness it; we are exhausting our land and natural resources; we are spreading lethal radioactivity which will inhabit the earth for thousands of years, and we are destroying the scenic beauty of our land.

We are selfish because we love our country, and we want to see it survive and remain healthy.

We are a threat to the established order because we are willing to make sacrifices to save our land. We are willing to use less energy, to face inconveniences, to aspire to fewer material possessions, and even to pay higher taxes if by so doing we can help to preserve the inalienable right to a livable environment.

We realize that our cause is not a popular one, and we are willing to be ridiculed as dreamers or criticized as unrealistic. For we believe that our cause is a fair and reasonable one, and it just might involve the survival of the human race.

This is what it means today to be an environmentalist, a conservationist or an ecology freak. We are members of a minority, and we take heart from looking back 200 years and remembering what another minority of idealists, dreamers and patriots accomplished when they questioned the established order of their time.

TRIBUTE TO EMIL (JACK) FROST

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. KETCHUM. Mr. Speaker, today I would like to pay tribute to a man who is not only my friend and constituent, but who is also an outstanding figure in the world of journalism. He is Emil (Jack) Frost, publisher of the Buttonwillow Times and the Shafter Press in California. After over 50 years as a newspaperman, Jack has decided to retire from his profession.

With the exception of 7 years with the U.S. Department of Agriculture, including 4 years as North Dakota's State Director for the Office of Food Distribution in the War Food Administration, Jack Frost has spent his entire business career in journalism. He began as a newsboy with the Huron, N. Dak., Huronite, and advanced through various capacities with that publication, finally attaining the position of managing editor, which he held for 4 years.

In 1947, Frost moved to California, and continued to pursue his chosen profession as manager of the Moorpark Enterprise. He also obtained an interest in the Tri-Valley Newspapers. Upon their sale, he purchased the Shafter Press along with two partners in 1962. Seven years later, he became the sole owner of that press, and has been operating both the Shafter Press and the Buttonwillow Times under the name of Jack Frost Publications.

Citizens of these communities can readily attest to the outstanding job

Jack has done in perpetuating newspapers which truly serve the areas involved. They are community minded, informative, and present excellent quality journalism.

As I have told Jack Frost, the news of his upcoming retirement produced very mixed reactions for me—I am pleased for him, as his many years of dedicated effort have surely earned him this well-deserved retirement. However, I am also aware that all those who have been served by the publications will certainly miss him. Fortunately, they will still have the privilege of Jack's vote, for he plans to continue his column, "Cooling Off." Equally fortunately, both newspapers have been sold to another long-time newspaper family, which has more than gained the respect of the 18th district residents already privileged to have access to its existing publications. The purchasers are Wally and Don Reed, father and son, good friends of mine, also. I know that they will continue to keep both papers as vital to the interests of the communities as they have been in the past few years.

I am sure that my colleagues will join with me today in wishing Jack and his wife, Laura, all the very best as they begin their retirement. May they have many, many years of peace, contentment, and happiness, and may they be secure in the knowledge that the contributions they have made for so many years are most appreciated, and will not be forgotten.

THE RESPONSIBILITIES OF CITIZENSHIP

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. **FRASER**. Mr. Speaker, I recently received from a constituent a letter that is a very fine essay on the responsibilities of citizenship.

The constituent who wrote the letter, Ida Blair, also happens to be a new citizen, a naturalized citizen.

My father was a naturalized citizen. He was born in Canada, and it always seemed to me that the naturalization process, the conscious seeking of citizenship rather than the automatic conferral that most of us benefit from, somehow makes citizenship more meaningful.

Clearly, Ida Blair has thought a lot about her new status. Her letter to me evidences that and I would like to share it with the readers of our RECORD:

> DEAR MR. FRASER: Thank you very much for your letter of March 9, 1976. I realize that each new citizen receives a letter from you, however, the letter was very personal to me since it arrived the same day I was to receive my certificate. When asked by Mrs. Stoynoff of the Council of Americanization if I would care to give a speech at the presentation, the honor was all mine. My thoughts never quite jelled as to what I should say, until some hours before, and after reading your letter.
>
> The thought occurred to me, that like each family is a unit, helping each other out, why not consider the United States of America a big family. Help each other out. We seem to help everyone else, so why not ourselves. The first thing we have to do though is get involved. We most certainly would not run down one of our family members, so, why do we run down some politicians. Ignorance is not being informed, not caring, not wanting to become involved. To eliminate our own ignorance we should become informed, care about how our country is run by the people we select, and get involved by knowing the people we vote for. Yes, our most powerful weapon as citizens is our vote. Through ignorance our vote becomes a gun without a bullet in the front line of war. Or to put it somewhat different, if a gardener does not know the difference between a flower and a weed he most likely will pull out the flower and let the weeds flourish. So, go out, learn all you can about the individual you are going to vote for, then vote. After voting, let the one you voted for know whether you approve or disapprove of the steps he or she has taken in your name.
>
> Naturally, it did not go as smooth as I wanted the speech to be. However, these are my sentiments and I fully will be making use of my new status as a citizen of this great country. It most certainly has given me a sense of belonging, the freedom of speech has hit home. Now I can voice my ideas, give suggestions, even if they are turned down because I do not know a small but very important fact about something. Still, as a citizen I have that right. Thank God for the men who wrote the Constitution and Amendments. But mostly the ones who wrote the Declaration of Independence, without whom there would not have been a Constitution, no United States of America.
>
> Thank you for letting me be a part of this great country. The knowledge of my freedom has brought on quite a large responsibility, which I hope and pray to always fulfill.
>
> Thank you again.
>
> Very truly,
>
> IDA BLAIR.

DISTINGUISHED EDUCATORS OF TORRANCE, CALIF.

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. CHARLES H. WILSON of California. Mr. Speaker, it is appropriate today to pause in the business of the Nation to reflect on the importance of educating our Nation's most important resource, its people. And to pay homage to those who have devoted their lives to opening the minds of our children to knowledge.

I would like to quote from Aristotle, the first great philosopher, who said:

> They who educate children well are more to be honoured than they who produce them.

Those who have reared their children, as I have, fully recognize the exteremely important role an educator plays in this complicated process.

A great deal is expected of our educators. They must combine their skills with those of parents to insure the best possible results for the interest of the student. They must imbue a curiosity into constant learning which will go with the student throughout his life. They must be sympathetic, understanding, fair, and dedicated. They must spend long hours at their profession and devote even more to further their own mastery of constantly increasing knowledge available. They are looked to for inspiration, guidance, gentleness, and fair play. They must discipline young minds while encouraging them to forever seek more knowledge. They often hold in their hands the success or failure of future adults.

Few other professions are this demanding or carry such important responsibility. As such they should be revered and appreciated for all the good they do.

On the occasion of those retiring from the Torrance Unified School District in my State of California, we honor those who have served well in this outstanding place of learning: Wilbur E. Beckett, Donald D. Christenson, William F. Hauser, Hubert Holler, Irene M. Lanham, Kathryn S. McCusker, Beckie Perez, Robert E. Peterson, Barry Pizzolongo, Leland E. Steinhoff, Lola Roberts, Edward Boyer, Harold Woodman, Fern M. Bailey, Norman R. Homane, Allen D. Youngkin, Rolbert R. Dexter, Katherine E. Mason, Elaine C. King, Marion M. Saunders, Arvo M. Korpi, Frank H. Bentwood, Eloise M. Shields, Louise F. Wood, Alice W. Bradford, D. Boone Kirks, Caroline Orman, Anna Lee D. Bone, Mildred L. Singleton, Jennings R. Davidson, G. June Knighten, Joseph F. Reinhardt and Evalend M. Thomas.

It is my hope they will now go forth with great satisfaction in having completed a monumental journey and having contributed to the minds and well-being of many citizens of America.

LIMITING A TAXABLE BOND OPTION

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. **MARTIN**. Mr. Speaker, by a narrow margin, the Ways and Means Committee has reported favorably a bill H.R. 12774 to authorize a Federal subsidy for taxable bonds as an option for State and local governments. Although there are some attractive aspects to this, this bill is too open ended in its subsidy and should not be enacted, unless and until some form of "cap" can be placed on the backdoor spending implicit in it.

In committee, I offered an amendment which would have limited the proposed 35-percent subsidy to the first 10 percent of interest—that is, an annual limit to the subsidy of no more than 3.5 percent of the principal. This—or something like it—is essential. Unfortunately, the amendment failed. By a vote of 16 to 15, the committee has requested a closed rule.

I personally have come to favor offering to States and local governments the option of issuing taxable bonds, thus adding to their traditional market others presently not in need of tax free income. The option would increase the appeal of a State or city's bonds to its own civic-minded citizens, especially those in lower tax brackets. What this bill does, however, is create a situation in which we have no idea what this option will cost the Federal taxpayers. The bill grants to issuers of bonds a subsidy of 35 percent of all the interest on the taxable bonds they issue, without limitation.

In times gone by, tax exempts sold at 4 percent. Some are still going at prices close to that. Some purportedly solvent jurisdictions are paying 9 percent or more on tax exempts. If those latter jurisdictions sold taxables, that 9-percent figure could easily become 13 or 15 percent. Who knows what tight money would do? The rates would go even higher and this subsidy would add to the pressure.

If we were to limit the subsidy with a "cap" we would accomplish two purposes. First, we would put some limit on Federal backdoor spending; we would know that on a $10,000 bond, the most the subsidy could be would be 35 percent of interest to a maximum of 10 percent, or $350 a year instead of $525 if rates should rise to 15 percent or $700 if they should hit 20 percent. Second, we would put a damper on the issuance of bonds in times of excessively tight money and of excessively high interest rates, while limiting the upward pressure on interest rates from this subsidy.

I urge we not adopt this legislation, or any such legislation, without some form of cap or other limitation on the subsidy.

THE NORTH SHORE HEBREW ACADEMY HONORS MAC AND BILLIE MENDER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. WOLFF. Mr. Speaker, American society is a many-hued mosaic which is at its best when each part of the whole is allowed to thrive, preserving its own special qualities. Contributing to the healthy survival of one of the groups that make up this country, is a school in Greak Neck—the North Shore Hebrew Academy. The academy upholds a deep commitment to educating the young, not only academically, but spiritually in the ancient and living faith of the Jews. Two of the Jewish community's and the academy's most dedicated supporters, Mac and Billie Mender, were honored by the North Shore Hebrew Academy on March 28, 1976.

I was delighted to join Mac and Billie Mender, and their wonderful family: Candice, Susan, Kerry, Judy, and Stacy on this special occasion. I found the message included in the program a most suitable tribute and worthy of repeating here:

MAC MENDER

"The world is based on three things: the Torah, Serving G-d and active loving kindness."—Ethics of the Fathers.

Mac and Billie Mender have spent their lifetimes living up to the injunction in Ethics of the Fathers. Mac Mender has been a leader in United Jewish Appeal, has just completed his eighth year as Great Neck Israel Bond Chairman and is involved in B'nai B'rith and Knights of Pythias. Billie has been a participant in Hadassah, Mizrachi, True Sisters, B'nai B'rith and Brandeis Women.

A sought-after leader in community campaigns, Mac Mender is Chairman of the Board of Trustees of the Great Neck Synagogue and headed the Special Gifts Committee for the last expansion program.

Mac has always been deeply concerned with Jewish education, the foundation of Jewish life. For over ten years, Mac has served on the Board of Trustees of the North Shore Hebrew Academy. A leader of the Great Neck Friends of Yeshivah University, he has been commended by Max J. Etra, Chairman of Trustees, Yeshiva University who wrote, "Through your leadership, you are participating in the University's vital achievements in the fields of education, research and community services."

The modest yet abiding leadership of the Menders is manifest everywhere in the community. In Israel or in Great Neck, in organizations national and local, meeting needs educational and humanitarian, the Menders are there.

I can only add my appreciation of the Menders' contribution and my pleasure at seeing them so honored.

FIRE ISLAND NATIONAL SEASHORE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. DOWNEY of New York. Mr. Speaker, at the present moment, the Fire Island National Seashore is operating under a severe financial handicap. The seashore has exhausted all of the land and water conservation funds made available to it for condemnation purposes, and is presently powerless to restrain adverse commercial development on privately held lands located within the park.

There are presently no funds available to the Park Service for halting advserse development within the Fire Island National Seashore in part because the seashore has not been permitted to spend the entire amount of its original appropriation. In fact, only $15,730,383 of the original $16,000,000 originally authorized and appropriated for land acquisition and protection of the seashore has been made available to Fire Island. This shortfall stems from a reprograming action carried out in 1973 which emptied the Fire Island account of the $269,617 in then-remaining condemnation funds and allocated that amount to the Golden Gate and Delaware Water Gap Recreational areas.

This reprograming has caused a very serious problem for the seashore. Development pressure on those portions of the Island where private landowners have been permitted to retain their land holdings has grown enormously in recent years. The pace of development has been further hastened as potential developers have become aware of legislation pending in the Interior Committee—H.R. 3994—which would increase the park's present authorization ceiling.

The replacement of the $269,617 removed from the seashore's account in 1973 is vital if the Island is to withstand the "land rush" which has occurred and will continue to occur as the Congress considers an additional authorization for the seashore.

A. THE UNUSUAL ADMINISTRATIVE STRUCTURE OF THE SEASHORE

Under the act creating the seashore, private landholders in 20 identified communities were permitted to retain their landholdings while the property around them was acquired by the national seashore for public use. The act thus created an enclave of private "in-holdings" inside the boundaries of the land held by the national park. The act specified that land within these "exempted communities" are not to be acquired by the seashore unless their development is found to be in violation of the guidelines prescribed in the 1964 act.

The seashore desperately needs land acquisition funds at the present time to halt illegal development within these communities if it is to fulfill the mandate of the act and protect this fragile resource.

B. THE PARK SUPERINTENDENT HAS IDENTIFIED PARCELS OF LAND WHICH IN HIS OPINION REQUIRE IMMEDIATE ATTENTION

Superintendent Richard Marks has already identified more than two dozen parcels of land on which there is presently or will shortly be development which endangers the seashore and which is inconsistant with the guidelines established in the 1964 act.

In response to a request made by Nathaniel Reed, the Assistant Secretary of the Interior for Fish, Wildlife and Parks, Superintendent Marks has assembled a list of "priority land acquisitions"—areas which in his view demand prompt attention by the seashore. The list was submitted as an attachment to a memorandum to Assistant Reed dated December 2, 1975.

The total estimated cost of the proposed acquisitions outlined by Superintendent Marks amounts to more than $1.6 million. The $269,617 which we could provide now is vitally necessary if we are to help Superintendent Marks hold the line on development until the Congress can take action on proposed legislation to raise the seashore's authorization ceiling.

Even this small amount of condemnation funds can be used effectively to restrain adverse development. In many instances the threat of condemnation is a sufficient deterrent to developers. However, the Park Service may not even serve notice of condemnation when its land acquisition account is totally empty. We must give the seashore this small amount of money now, so that it may take vitally needed action before it is too late.

C. THE PARK SERVICE BUDGET UNDERESTIMATES FIRE ISLAND'S PRESENT OPERATING EXPENSES

In the 12 years since the Congress created the Fire Island National Seashore, the National Park Service has repeatedly failed to provide the kind of administrative commitment needed to effectively protect and maintain this natural resource. The Park Service has taken the position that the Fire Island National Seashore is a low-priority park, notwithstanding the seashore's present vulnerability. Last year the Park Service proposed to lop off the western end of the national park—a move which would have cut the size of the seashore nearly in half.

But last summer, after a careful reexamination of the situation at Fire Island, the Park Service reversed its position. In fact, Assistant Secretary Reed went so far as to suggest that the Park Service should not only hold the line on the present boundaries but should actually expand the seashore by acquiring new areas adjacent to the present site.

Unfortunately, this new attitude is not reflected in the seashore's current operating budget. Rather, that budget was prepared under the assumption that the Park Service's presence on Fire Island would be diminished.

Fire Island's operating budget must be revised to meet these new priorities. Superintendent Marks has supplied the Park Service with an estimate of the additional moneys which he needs prior to October 1 if he is to fulfill the mandate of the 1964 act.

Superintendent Marks projects a need for $140,500 in one-time expenses for certain maintenance and repair operations which are presently required. He has also requested $27,400 for additional personnel and $15,000 in recurring maintenance costs. When the Park Service's standard 10 percent administrative cost is added, his budget needs total $201,190. It should be stressed that 75 percent of this amount consists of nonrecurring expenditures.

I hope that we can supply Superintendent Marks with the resources which he needs to preserve this island park.

U.S.S.R. AUTHORIZED TERRORISM IS SHAMEFUL

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. KOCH. Mr. Speaker, I believe that terrorist acts against innocent civilians are reprehensible, must be condemned, and the perpetrators should be severely punished. First, let me make it clear that I believe those individuals who call themselves the Jewish Armed Resistance are engaging in criminal behavior when they plant bombs. Firing upon the 67th Street residence of the Soviet delegation in New York City is a vile, criminal act. I hope that the culprits are apprehended, convicted, and punished.

At the same time, I see an enormous distinction between the acts of individuals, reprehensible as they are, and the acts of terrorism initiated in the Soviet Union by the Soviet Government, intending to retaliate against U.S. diplomats and Embassy personnel and using its citizens for that purpose. There is a report in today's New York Times that—

> A senior American diplomat was surrounded tonight [in Moscow] by six or seven Russian men who grabbed his jacket and threatened him with retaliation for the harassment of Soviet diplomats by demonstrators in New York.

The Soviet Union prides itself in the fact that people can walk the streets of the U.S.S.R. without being assaulted. Thus nothing of this kind could occur without the approval, tacit or express, of the Soviet Government itself. I repeat, I condemn both terrorism committed by individuals and terrorism committed by governments, but, when a government acts to deprive people of their rights, the results are far more pervasive and perfidious than when an individual acts. The government has a duty to arrest an individual violating the law, but who can arrest the government?

GEORGE MEANY'S DOUBLE STANDARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. ASHBROOK. Mr. Speaker, never let it be said that George Meany looks out from his ivory tower with an objective appraisal of the wrongs and the needs of society. He is down the line, 100 percent union all the way. Business is bad, unions are good. Liberal, socialistic policies which bloat the public sector and destroy the private enterprise system translate into pro-union votes here in Congress. Those which limit deficits, restrain Government growth, and resist Government controls end up being antiunion votes even though the rank and file prefers the latter. Forced busing is resisted by the rank and file member but Meany orders the Massachusetts union leaders to fall in line for forced busing. Rank and file members oppose gun control legislation but their leaders petition us to line up behind the anti-gun lobby. Then, in political campaigns these arrogant leaders simply parade a number in front of the rank and file saying I voted against labor 16 times and for them once. The Meanys hope the rank and file member-voters are too dumb to perceive who is voting in their interest and will merely follow their leaders' advice.

Meany knows more about agriculture than the farmers. He simply sets national policy by saying grain will not be shipped and his legions of members fall in line, regardless.

Last year, he insisted the Congress adopt at least $100 billion in deficit spending while most of the country wanted to restrain runaway Government. However, in no area is his double standard more apparent than in ethics and morality. Business spending in politics is bad and corrupting. Unbridled union spending in elections, however, is proper and not corrupting.

Picket line violence, dynamiting construction jobs, arson, the list could go on and on. Overlook those but talk about white collar business crime. Washington Post pressmen can burn up or destroy the company presses when they leave the job to strike but that is untouchable to the ivory tower chief, who sees everything with a set of union-made blinders.

My good friend John Lofton recently wrote a column which adequately and succinctly pierced this lofty double standard and I include it at this point in the RECORD:

[From the Denver (Colo.) Rocky Mountain News]

MEANY'S UNION-MADE MORALITY WAS NEVER MEANT FOR BIG LABOR

(By John D. Lofton, Jr.)

When it comes to corporate crime and corruption and mismanaged government programs, AFL-CIO President George Meany is a real hard-liner. He's Mr. Law and Order.

In one of the many press conferences he held last month in Bal Harbour, Fla., at his organization's executive council meeting, Meany addressed himself to charges that the federal food stamp program is overrun by chiselers and shot through with fraud. To investigate the chiselers, he said, would be "unconscionable." Instead, he declared:

"I feel that it would be well for Congress to look into this and find out just where the real culprits are. And I think they will find them over in the Agriculture Department."

The same goes for allegations of corporate bribery abroad, said the crusty old cigar-chomping Meany.

"I think Congress should take a look at it," he observed, noting:

"This nation was founded by people who believed in certain moral standards. And I think the American people as a whole are opposed to bribery and corruption. The record of America's large corporations, the record of corporate morality that has been exposed in the last few years, is very, very discouraging. I think that American corporations that go abroad and take the position that the only way to do business is by bribing officials of government in other countries, that this certainly does not square with the American moral standards."

Fine. But then Mr. Meany was asked the $64,000 question: Speaking of morality, sir, would you favor a McClellan-type committee to investigate the Teamsters Union and allegations that this union has misused its pension funds in shady financial dealings with the underworld? Well, now, this is something else altogether. Taking off his badge, Sheriff Meany suddenly puts on the dunce cap.

"That's up to Congress," he hedges. "There's a lot of smoke. There's a lot of talk about the way the pension funds are handled. That's up to Congress. It's not up to me to decide what they investigate."

And Meany's absolutely correct. There is "a lot of smoke" concerning the use of the Teamsters Union's pension funds. In the past few years, numerous articles on this subject have appeared in the Reader's Digest, North American Newspaper Alliance, the New York Post, the Wall Street Journal, Scripps-Howard Newspapers, Newsweek magazine, the Christian Science Monitor and the Washington Star.

But Meany doesn't know much about these stories. When a reporter presses him, noting that he had just called for a congressional probe of the food stamp program, he replies:

"Yes. That's right. That's right; and I don't recommend that they investigate the Teamsters—that's up to Congress. The knowledge about this is widespread, but I don't have the details of it. As I said, there's a great deal of smoke; constant stories coming out about misuse of pension money. And that's entirely up to Congress to do what they want to do."

Asked if he would oppose a congressional investigation of the Teamsters, Meany answers: "I wouldn't take a position one way or the other."

George Meany's pious moralizing about the ethics of Big Business would be much more convincing if he were willing to apply the same standards to organized labor that he does to corporations. But he doesn't.

Thus, it is difficult to conclude anything other than the obvious: Meany's sermonizing about corporate morality is nothing more than a lot of business-baiting hot air.

THE UNEMPLOYMENT ISSUE

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. CONABLE. Mr. Speaker, we are getting a large dose of political rhetoric these days about unemployment and what is needed to improve conditions. What is needed to deal intelligently with this problem, as with others, is sound and reliable information. Peter Drucker, a highly regarded expert on the economy and its functioning, has today contributed an enlightening analysis of "The Unemployment Issue," in the Wall Street Journal. He examines the outlook for the job market, special problems of blacks, elder workers, and teenagers, job placement committees, womanpower and the impact of current minimum wage standards. Mr. Drucker's article adds substantially to understanding the nature of the unemployment problem and I am submitting it for the information of all who are concerned with this:

[From the Wall Street Journal, April 7, 1976]

THE UNEMPLOYMENT ISSUE

(By Peter F Drucker)

As the election campaign heats up, it is increasingly becoming a battle of countervailing employment statistics. The Democrats, especially the "labor candidates" among them, attack the administration for failing to do anything about unemployment and paint a harrowing picture of depression-type breadlines ahead. They tell us that we will need 100 million jobs by 1980—we have a little over 86 million now—so that new jobs will be needed for 3 million people each year, against a present job creation rate of 1.5 million a year.

The administration, on the other hand, tends to minimize the unemployment issue. Indeed, it warns of the possibility of wage-push inflation as early as next year as a result of labor shortages.

But what are the facts?

The first fact is that the adult labor force will grow in the next five years, but much less than one might think (and the teenage labor force will actually shrink). The adult work force now numbers slightly more than 84 million (out of a total labor force of 93 million to 94 million, of which 9 million are teenagers).

Current adult unemployment is about 7% for both men and women combined. This is three percentage points above the "full employment rate" of 4% below which, as we have experienced a good many times, there is an acute labor shortage and inflationary pressure. Translated, the ddifference between a 7% rate and a 4% rate indicates an available unemployed adult labor pool of about 2.5 million people.

During the next five years, 21 million teenagers will become young adults. Teenagers have a labor force participation rate of only 45%, mostly, of course, in part-time jobs. As adults, their participation rate goes up to around 65%, so that about 14 million young workers will become available for full-time jobs. These two "pools", the available unemployed and young adults entering the full-time labor force add up to some 16.5 million. This is what union spokesmen probably have in mind when they talk of the "need to find jobs for 16 million additional people."

But during the same five-year period some 5 million adults now in the labor force will pass into retirement age. Another 5 million will die or become disabled. This leaves 6.5 million additional adults in the labor force, or about 6 million on a "full employment basis " The new jobs that have to be found for the adult work force in these next five years will therefore average around 1.25 million a year, which is actually below the rate at which we are now generating jobs.

JOBLESS BLACKS

Other problems, however, remain. Unemployment for black adults, men and women combined, runs between 11% and 12% of the black adult labor force. This is considerably higher than the white adult unem-earlier boom periods. Still it is a disgrace, ployment rate—below 6½%—although the gap is smaller than it has been in any earlier recession and smaller indeed than in most even though the villain is increasingly union seniority layoff rules, rather than discrimination.

But even if the black adult unemployment rate were brought down to the 4% "full employment" rate, it would mean fewer than a million additional jobs as the black adult labor force is only around 12 million.

A serious trouble spot, of course, is the unemployed black teenager. In numbers this is a very small problem despite its high visibility and impact. Black teenage participation in the labor force is a good deal higher than that of white teenagers, for a substantially lower proportion of black teenagers stays in school. Still, there are only about 1.8 million black teenagers of both sexes in the labor force out of a total of 2.8 million. Of those, nearly two-thirds have jobs. But 600,000—a shocking 35% rate—are unemployed.

This is an "economic" problem, in that it is precisely these young people who need an income the most and to whom unemployment therefore presents the greatest economic hardship. But it is not an "economic" problem, in that it is susceptible to attack by policies aimed at creating jobs in the overall economy. It is, instead, a social and individual problem. And it is not going to become better by itself. For while the number of white teenagers is already going down—from almost 18 million in 1976 to 14 million in 1985—the number of black teenagers will not decrease until 1990 or so.

The second major employment problem is the older worker who loses his job because his company or his industry go downhill. Numerically, this is again a very small problem. But it is going to become an increasing problem, since the major "growth industry" of the '60s—state and local government—is likely to be a "declining industry" in the '70s and '80s.

The older worker who has lost his job is a major social problem and suffers great economic hardship. He also becomes a threat to political stability and to economic policy, generating pressure to subsidize yesterday, whether through taxes, restrictive labor practices or tariff protection. In Britain, this offers an explanation for the inability of the National Coal Board to close worked-out pits or to raise money to develop productive new mines.

Yet the problems of the black teenager and the displaced older worker are not intractable, although they cannot be solved solely by spending money. In the case of the black teenager, it is simply not true that he or she is not "employable." Five or six years later, when they have become young adults, most of them do find jobs and prove capable of holding them. The villain is the minimum wage.

Unlike the white teenager, and unlike the two-thirds of black teenagers who do have jobs, most unemployed young blacks (and Puerto Ricans and Chicanos as well) need full-time jobs. But the minimum wage law is a tremendous obstacle to their being hired. In fact, the minimum wage law is the most serious discrimination against racial minorities still on our statute books.

The central fact about the older worker who loses his job because he is employed in a declining industry is that new jobs in the economy are rarely in the same industry and very often not even in the same location. Almost 30 years ago, a Swedish trade unionist, Gosta Rehn (now with OECD in Paris), found a solution. He organized tripartite councils of employers, union leaders and government representatives, whose job it was to anticipate redundancies in employment and to prepare employes and to relocate them in new jobs.

This not only is a main "secret" of Sweden's ability to move in 20 years from a largely pre-industrial and raw material exporting country into a high technology economy without serious social dislocation. It also explains the low Swedish unemployment rate. But what works in a country of 8 million people, most of whom live in a fairly small area south of Stockholm, would not work for the continental United States. What we need are regional placement bodies of employers, union and local governments, such as the one that tackled a similar job in the Toledo area some 20 years ago. For market forces by themselves cannot do the job; they only work where there is both adequate information and mobility.

What of the other problems of employment—"hidden unemployment," say, of which we hear so much? This supposed large pool of dropouts from the labor force simply doesn't exist. To be sure, there are such people, but if their number were significant, there would have been a sharp dip in labor force participation—that is, the proportion of adults who are looking for or have work. And no such dip has occurred.

The male adult participation rate went down from 84% to just below 80% in the lush years of the '60s—the result primarily of early retirement provisions. It has remained at that level during the recession. As for adult women, their labor force participation has actually increased, even during the depression.

AN UNTAPPED POOL

In fact, the largest unused pool of trained manpower in this country is clearly womanpower. They are women who worked before their marriages and who now, in early middle age, are eager to return to work on a part-time basis. Work force participation by women has gone up some eight percentage points in the last 15 years, from 38% to 46.4%. Perhaps another 10% of adult married women would be available for work if the nation's employers would display more flexibility and ingenuity in devising part-time work schedules, which would allow them time for necessary family chores.

Looking at all its parts, the basic tendency of the American economy for the next five to 10 years is not toward a labor surplus. Within a year or two, in fact, there are likely to be labor shortages in some crucial areas. These will be aggravated by the educational structure of the young people entering the labor force. About half of the teenagers turning into young adults have sat in school so long they are not available for the jobs the retiring people will vacate. Some 14 out of every 20 retiring people are blue collar workers. But at most nine out of every 20 workers entering the labor force will be looking for blue collar work.

Nevertheless, unemployment is a "gut issue," and one must expect politicians to exploit it, especially in areas such as Boston, Detroit and Milwaukee, with their heavy concentration of older workers in mature or declining industries. And it may even be good politics to call for 100 million full-time jobs next year, as the Democratic platform probably will.

But some 92 million jobs, including some 10 or 15 million part-time jobs and jobs for teenagers, are all we could fill for the next four or five years. And even by 1985 the work force will be barely enough to fill the 95 million jobs which the Bureau of Labor Statistics projects for that year, and which President Ford set as the full employment target for the next decade in his Labor Day speech last September.

At the same time it is folly to pretend that there are no unemployment problems. Both teenage unemployment among racial minorities and the older worker who loses his job because of structural changes in the economy are real and serious problems—but we know, by and large, how to tackle both.

RADIO STATION WGSM MARKS 25TH ANNIVERSARY

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. AMBRO. Mr. Speaker, I would like to bring to the attention of my colleagues the sterling record of public service compiled by a small, independent Long Island, N.Y. radio station, WGSM, which broadcasts from Huntington in Suffolk County.

About to celebrate its 25th anniversary in broadcasting, WGSM has been providing the residents of Suffolk and neighboring Nassau County with some of the best locally produced entertainment and news programing on the air.

The station transmits from sunrise to sunset at 5,000 watts on frequency 74 AM to a potential audience of 3 million people. Twelve of the station's 50 employees gather, digest, and broadcast news of local and national significance.

WGSM's expert, closeup coverage of town and county affairs has helped make Nassau and Suffolk residents among the best informed and most involved citizens anywhere.

The station has cooperated splendidly with Long Island's Congressmen in explaining to their constituents through the able efforts of its outstanding general manager Richard Scholem what national events mean to the people of Nassau and Suffolk Counties. The station has also been a major factor in keeping the Congressmen accountable to the people who sent them to Washington.

During a period when the major radio and television networks are exercising greater and greater influence over the flow of information to the American people, it is refreshing that an independent radio station should compile such an enviable record of news programing. A multitude of competing outlets reflecting diverse political and social views is at the heart of the first amendment's free press guarantees.

WGSM radio represents the embodiment of that first amendment principle.

THE 35TH DISTRICT OF CALIFORNIA QUESTIONNAIRE

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. LLOYD of California. Mr. Speaker, I would like to share with my colleagues the results of a questionnaire sent to every resident of the 35th District in California. I believe these results provide valuable insight into some of the tough issues we face as Americans.

On the first question, a majority of 56 percent felt that pollution controls on automobiles and industry should be continued without delay, although a sizable minority of 44 percent indicated that they were willing to hold off on pollution controls in order to save energy.

One of the more surprising outcomes occurred in the second question on gun control, with a majority favorable to gun registration.

In question 3, 68 percent said they favored the President and Congress exercising tighter control over the FBI and CIA, while 32 percent took the opposing viewpoint.

The effectiveness of medicare, medicaid, and other Federal health programs received a vote of confidence in question 4, with 62 percent indicating they thought the programs were effective, and 38 percent in disagreement.

One of my major points of emphasis is two-way communication between Washington and the 35th District, and newsletters have traditionally been instruments for keeping in touch with constituents. In question 5, I asked if the newsletter was worth the cost of its production, and an overwhelming 88 percent said "yes," with 12 percent saying "no." Many of the persons who responded attached separate letters with additional comments, and I feel that the newsletter approach, as indicated by the favorable response, is a worthwhile method of communication.

Question 6 referred to the involvement of the Federal Government in private industry: 13 percent felt this involvement should be eliminated, 34 percent felt it should be maintained at present levels, 19 percent felt it should be increased, 33 percent felt should be reduced but not eliminated, and 1 percent had no opinion.

Energy is certainly one of the major issues before us, and this was the subject of question 7. To achieve energy independence, nuclear development was favored by 30 percent, offshore oil drilling was favored by 7 percent, energy-efficient cars and appliances were favored by 17 percent, and 46 percent wanted to see a Moonshot type of effort devoted to development of alternate sources of energy, such as geothermal, solar, and tidal.

Question 8 dealt with how people felt issues affected them and their families: 60 percent felt the cost of living most affected their lives, 11 percent felt crime was the major influence, unemployment was checked by 5 percent, energy rated 3 percent, pollution was cited by 10 percent, 9 percent noted that tax reform most affected them and 2 percent wrote in other issues including unionism, welfare, and confidence in government.

The questionnaire results will form a major guidepost for me on the particular issues that were covered. And, I hope that all who answered will continue to let me know their thinking on the issues we all face together.

In the difficult days ahead the tough issues wil not disappear, and through this method of communication we can seek reasonable and effective solutions to these issues.

In order to represent the people of the 35th Congressional District, I need to know how the people in the east San Gabriel and Pomona Valleys feel on the issues. Every individual counts and he or she can make a difference; that is what our Government is all about.

The questionnaire follows:

QUESTIONNAIRE

[In percent]

1. Would you favor delaying pollution controls on cars and industry in order to conserve fuel?

Yes	44
No	56

2. Would you favor gun registration as a way of controlling guns without prohibiting law-abiding citizens from owning firearms?

Yes	70
No	30

3. Should Congress and the President exercises tighter control over the CIA and FBI?

Yes	68
No	32

4. Do you believe federal health programs, such as Medicare and Medicaid, have been effective?

Yes	62
No	38

5. This newsletter cost $2,100 to produce, and it was sent to every household in the 35th District. Do you think it is worth the cost?

Yes	88
No	12

6. Do you feel that government in private industry, such as price controls, safety and health requirements, environmental standards, minimum wages and consumer protection, should be: (mark one only please)

a. eliminated	
Yes	13
b. maintained	
Yes	34
c. increased	
Yes	19
d. reduced but not eliminated	
Yes	33
e. no opinion	
Yes	1

7. The next five years could well determine if the U.S. can turn the corner on energy independence. To achieve this goal, do you most favor: (please mark only one answer)

a. nuclear development

yes ---------------------------------- 30

b. off-shore oil drilling

yes ---------------------------------- 7

c. energy efficient cars and appliances

yes ---------------------------------- 17

d. crash development of alternative energy sources as solar, tidal and geothermal

yes ---------------------------------- 46

8. Which issue personally affects you and your family the most? (please mark only one answer)

a. The cost of living

yes ---------------------------------- 60

b. Crime

yes ---------------------------------- 11

c. Unemployment

yes ---------------------------------- 5

d. Energy

yes ---------------------------------- 3

e. Pollution

yes ---------------------------------- 10

f. Tax Reform

yes ---------------------------------- 9

g. Other

yes ---------------------------------- 2

MR. JOSEPH FERRARO RETIRES AFTER 44 YEARS OF DEDICATED SERVICE TO THE CITY OF YOUNGSTOWN, OHIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. CARNEY. Mr. Speaker, I would like to call the attention of my colleagues to Mr. Joseph Ferraro, a constituent of mine who has performed 44 years of dedicated service for the city of Youngstown, Ohio. Mr. Ferraro will retire on May 7, 1976, from his present position as a sewer gang leader at the waste water treatment plant in Youngstown.

Joe was hired on September 16, 1932, by the city of Youngstown as a laborer in the street department at the rate of 50 cents per hour. Over the past 44 years, he has maintained work and attendance records which are a tribute to his dedication to the residents of Youngstown.

In addition, Mr. Ferraro is noted for his unequalled knowledge of the city of Youngstown's sanitary sewer system. Fellow employees have been amazed at his memory of this system and his ability to detect and correct sewer problems expediently.

In recognition of his many years of dedicated service to the city of Youngstown, a retirement party will be held for Mr. Ferraro on May 6, 1976, at the St. Anthony Church hall.

It is conscientious people like Mr. Ferraro who make our local governments work. I salute him for a job well done and wish him the best of luck and good health in his retirement.

DR. WILLIAM H. PICKERING, SPACE OFFICIAL, RETIRES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. TEAGUE. Mr. Speaker, Dr. William H. Pickering, a man for whom I have great respect and one of the founding fathers of our space program, has recently retired from his position as Director of the NASA—Caltech Jet Propulsion Laboratory. Dr. Pickering led the engineering teams that gave the Nation its first satellite, Explorer I; the unique Surveyor spacecraft that explored the moon; and the Mariner spacecraft that photographed Mars, Venus, and the Mercury close up for the first time. I have had the opportunity to personally witness many significant contributions of Dr. Pickering since the beginning of the space program. His unyielding dedication to the goals and success of our space program is exemplary of the leadership which will be necessary to sustain our Nation's technological position.

I want to include in the RECORD an interview with Dr. Pickering recently published in the Los Angeles Times at this point.

[From the Los Angeles Times, Mar. 31, 1976]

THE UPS AND DOWNS OF A JPL CHIEF—RETIRING PICKERING RECALLS HIS PRESSURE-COOKER CAREER

(By Marvin Miles)

For eight seemingly interminable minutes in 1958, space scientist William H. Pickering sweated out the most exciting triumph of his career.

And six years later, almost to the day, the man who helped open the door to the stars suffered stoically through 15 minutes of despair that led to his greatest disappointment.

Director of the NASA-Caltech Jet Propulsion Laboratory in Pasadena, Pickering led the engineering team that gave the nation its first satellite and the unique spacecraft that explored the moon and photographed Mars, Venus and Mercury close up for the first time.

On Thursday, the New Zealand-born professor who entered Caltech as a sophomore in 1929, will retire, ending a career that plucked him out of the classroom and thrust him into the pressure cooker of space exploration.

To Pickering, Explorer I was "perhaps the most rewarding single achievement of the laboratory, probably because it was our first space achievement."

He referred to the first successful U.S. satellite, a pencil-shaped, 31-pound spacecraft orbited Jan. 31, 1958, eight weeks after Vanguard, America's initial satellite hope, exploded on the launch pad.

"The laboratory was working for the Army at that time" he said, "and we were given the Explorer I assignment in November, shortly after Russia orbited her second Sputnik, so the heat was on.

"With the Soviet spacecraft flying and the world watching us—particularly after the Vanguard failure—we managed to produce a payload, the upper stages of a launch rocket and a worldwide tracking net in less than three months.

"When I reflect about the red tape that exists these days, I find it absolutely incredible that we were able to do it."

Pickering was working closely with Dr. Wernher von Braun, rocket pioneer then with the Army, and Dr. James Van Allen, University of Iowa scientist, whose instruments aboard Explorer I discovered the radiation belts that gird the earth.

They were at the Pentagon in Washington with a group of scientists, congressmen and defense officials when Explorer was lofted from Cape Canaveral in what appeared to be a perfect night launch.

"We couldn't announce an orbit, of course, until our tracking station near Borrego Springs picked up the satellite's signal on its way around the earth, but we knew when that should occur," Pickering said.

"I got on the phone to the laboratory, which was in touch with the tracking station, but when the calculated time came around there was no signal—nothing but silence.

"The minutes ticked on with everyone glaring at me, and still no contact. It was a rough show and it seemed forever. Surely the spacecraft was in orbit, but why no signal? Had the U.S. failed again?

"Then eight minutes late, the tracking system reported signal acquisition. We were in!"

The launch had given Explorer more velocity than planned and rammed it higher than anticipated into an orbit that required more time to circle the earth.

On the other end of the spectrum was the crushing experience that Pickering and the JPL team endured early in February, 1964, with Ranger 6.

The Ranger program was designed to return the first closeup pictures of the moon, using an impact spacecraft developed at JPL in support of America's Apollo project to land astronauts on the moon by 1970.

The program was haunted by failure from its beginning in August, 1961. Rangers 1 and 2, flown as test missions, failed to reach deep space orbits, as planned, because of rocket booster problems.

Ranger 3 missed the moon by 22,862 miles. Ranger 4 hit the lunar backside, but a timing system failed and its experiments were inoperative. Ranger 5 missed the moon by 450 miles in October, 1962.

Now the National Aeronautics and Space Administration was concerned (JPL had transferred from the Army to NASA late in 1958), Congress was increasingly critical and the public was wondering what had happened to the U.S. space program.

"It was a time of much soul searching," Pickering said. "There were changes made and the program was held up for more than a year while we tried to resolve our difficulties."

"Then, on Jan. 30, 1964, we launched Ranger 6 with high hopes, and the mission was perfect—until the last 15 minutes when the cameras were scheduled to turn on for sequence TV pictures all the way to impact on the lunar surface.

Again the laboratory director was sweating out a tense countdown. But on this occasion the minutes raced by as time ran out, with no indication of a video signal before Ranger's radio voice stopped abruptly as the spacecraft smashed into the moon.

"That was the low point," Pickering said. "We had been criticized. We had taken a year to solve the problems. Still the mission was a failure."

In the ensuing weeks, however, the JPL team made up for the failure.

"We flew Ranger 7 six months later and it was beautiful, a bull's-eye that returned 4,308 pictures," Pickering said.

"The tension was tremendous throughout the Ranger 7 flight," Pickering added, "because I think we all realized that if the shot failed, the laboratory could well be out of the space business—or even out of business altogether."

There were two more lunar photo missions in the Ranger program, both unqualified successes, before the Jet Lab took the next step in exploring the moon for the Apollo project.

This was Surveyor, a soft-lander designed to touch down gently on the moon, test its surface strength and scoop up small samples of lunar soil for study under the camera's eye.

"Surveyor caused us some headaches," Pickering said, "because we entered into a contract with the Hughes Corp. (to develop the spacecraft) when neither we, nor NASA nor the Hughes people quite knew what we were getting into."

Surveyor was a highly successful program, however, scoring five soft landings on the moon out of seven launches—a better ratio than had been expected—and proving that Apollo spacecraft could land safely without being engulfed in moon dust.

Pickering is particularly proud of another spacecraft, the laboratory's Mariner series, the first probes to photograph Mars, Venus and Mercury closeup and advance man's knowledge of the solar system enormously.

Under Pickering, the laboratory also developed the orbiter vehicles for project Viking that will circle Mars later this year while two soft landers descend to the Martian surface to search for living microorganisms.

The Jet Lab, which recently was confirmed by NASA to direct the unmanned exploration of space, also undertook development of a sophisticated Jupiter-Saturn mission under Pickering.

Pickering had finished his freshman year at the University of New Zealand when an uncle suggested he complete his undergraduate studies at Caltech.

I had to ask him "What's Caltech?" the scientist recalled.

He took all his degrees, one in engineering and two in physics, including his Ph.D. at the Pasadena school, joined its faculty in 1936 and became a naturalized U.S. citizen in 1941.

During World War II he worked with the Army Air Forces investigating the Japanese incendiary balloons which drifted across the Pacific to land in the Western United States.

Pickering joined the staff at Caltech's Jet Propulsion Laboratory—a facility that started as a graduate student rocket project—in 1944, working in electronics, telemetry and test instrumentation. Five years later he was heavily involved in missile development.

"In 1954 when I was appointed director of the laboratory I still thought of myself as a college professor who would be going back to the classroom," he said.

When he joined the laboratory staff there were only a few hundred employes. When he became the director, the total had climbed to about 1,000. Today there are roughly 4,000.

The JPL director disclosed that the laboratory could have been closed back around 1950. The Caltech trustees at that time were not sure they wanted to keep the facility when it was doing missile work for the military.

But the space program saved the day. The laboratory became a contract center for NASA, and Pickering influenced the decision to take up the challenge of deep space, rather than compete in the manned program and the near-earth arena.

"As for photography, we decided quite early that it would be important to us. If we had tried to fly planetary missions with low-grade photography or no photos at all, we would have satisfied a few scientists, but we wouldn't have gotten the support we enjoyed."

Is there still a space race with Russia?

"Not in the sense of the moon race of the 1960s, but the Soviets still have a very extensive planetary program. Their landings on Venus show that. But we have demonstrated more capability in manned space and in the space science area, particularly scientific instrumentation."

Pickering expressed concern about the space shuttle program now being developed to reduce mission costs with reusable spacecraft designed to launch or retrieve payloads in orbit and return to land like aircraft.

He is concerned not with the shuttle concept itself, he explained, but that financial pressures may make it impossible for NASA to come up with the number and variety of payloads required to make the new space transportation system pay off.

A DISTURBING PRECEDENT IN THE WORKS: CITIES TAXING THE SUBURBS

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. HARRIS. Mr. Speaker, the House District of Columbia Subcommittee on Fiscal Affairs is currently holding hearings on H.R. 11579, a bill to impose a tax on the incomes of Virginia and Maryland residents who work in the District of Columbia—the commuter tax. This bill is wrong for many reasons, but particularly disturbing to me is the principle underlying the bill: Congress is empowered to impose a tax on Virginia and Maryland residents to go into the District of Columbia coffers. Congress has no more justification for legislating a tax on Virginians and Marylanders who work in the city than it has for taxing the incomes of Oakland residents who work in San Francisco or Newark citizens who work in New York City.

Two editorials from the Gazette, a daily newspaper published in Alexandria, make several other good points in opposition to the commuter tax bill. I am pleased to share these with my colleagues:

Vigilant Opposition to Commuter Tax

The next few weeks likely will be crucial to Northern Virginia and Maryland residents who commute to the District of Columbia to work. The reason is that old demon, the commuter tax, is making its way through the Congress. Rep. Stewart B. McKinney, R-Conn., plans to introduce a bill Thursday which would tax payrolls of suburbanites working in the District of Columbia by 1½ percent. Sources say the bill would apply to all persons earning more than $6,500 per year.

Northern Virginia Congressmen Herbert E. Harris and Joseph Fisher both are opposing the measure. Harris says it would be illegal under the Home Rule Act and Fisher cites statistics that suburban residents already are paying more than the cost of services they receive from the District of Columbia. Suburban residents should let the congressmen know of their feelings on the proposed commuter tax.

One reason Northern Virginia residents should continue to press their opposition to the commuter tax is the apparent change in attitude by Sterling Tucker, D.C. city council chairman. Tucker has been an avid supporter of the commuter tax, but sources say Tucker in recent days has told other council members the city should start searching for alternatives to a commuter tax. Mayor Washington apparently was unhappy with Tucker's call for alternatives, saying that when alternatives are mentioned, it weakens the chances of passing a commuter tax.

We agree with Tucker that D.C. should think about alternatives and quit thinking about a commuter tax. And the more Northern Virginia officials and residents oppose the tax, the less likely it will pass. District officials probably won't ever give up trying to get it through, but vigilant opposition can keep them from being successful.

Commuter Tax Brings Problems to Region

With so many problems to solve, it seems like a waste of time for Virginia officials to have to keep battling with the District of Columbia over a commuter tax. But as sure as spring returns, a commuter tax bill pops up in Congress, and Virginia congressmen and Alexandria, Fairfax County and other area government officials from Virginia and Maryland have to go to a hearing to oppose it.

The Bicentennial round of hearings on the commuter tax began today before the District of Columbia committee of the House of Representatives. District officials presented their arguments for the tax today, Maryland officials get their day Wednesday, and Virginia officials will air their views Thursday.

The measure proposed by Rep. Stewart R. McKinney, R-Conn., would allow Congress to impose a 1½ per cent income tax on the paychecks of all persons who work in the District who earn in excess of $6,500 a year.

We feel the House won't approve a commuter tax on Maryland and Virginia residents who work in the District. The Congress shouldn't do such a thing because it's unfair. Most Virginia commuters receive few of the services which drain off the District of Columbia tax dollars and shouldn't be required to pay for those services.

And should such a tax pass, Virginia and Maryland jurisdictions would be tempted to retaliate with some kind of measure affecting District of Columbia residents who work in the suburbs, or some other such legislation. Regional cooperation, so necessary for the metropolitan area's well-being, could be the loser in the long run if District officials and their supporters in Congress insist upon pushing the commuter tax.

NEW YORK TIMES ENDORSES TOXIC SUBSTANCES LEGISLATION

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's New York Times contained an editorial endorsing Congressman ECKHARDT's toxic substances control legislation, H.R. 10318, and I commend the editorial to the attention of my colleagues.

In the last year alone, this Nation has been beset with a plague of environmental and public health disasters caused by toxic substances.

The Hudson River and the Great Lakes have been poisoned by PCB's—polychlorinated biphenyls; farmers in Michigan have incurred devastating livestock losses as a result of feed contamination by PBB's—polybrominated biphenyls; Americans are dying by the hundreds of thousands each year from environmentally linked cancer—with toxic substances a primary culprit; 100,000 American workers are dying each year from occupational diseases caused by toxic substances.

And to add to this chronicle of horrors, we have now discovered that unborn generations of American babies are being imperiled when their mothers and fathers are exposed to toxic substances on the job. These innocent child victims will be born with birth defects caused by the mutagenic and teratogenic properties of the toxic chemicals to which their parents have been exposed.

Many of these babies will never be born, because exposure to certain toxic chemicals causes spontaneous abortion and miscarriages among pregnant working women.

Mr. Speaker, the time has come to demand that the American chemical industry prove the safety of products they intend to market.

The American people, our national environment, and unborn generations of Americans should not have to be the guinea pigs to test the effects of chemical substances.

It is nothing less than a national disgrace that we have so long ignored the need for toxic substances control. The United States and Germany are the only two countries of the industrialized world that do not take steps to protect their people and their environment from the destructive effects of toxic chemical contamination.

There is no excuse for further delay on our part. The Senate has already passed a comprehensive toxic substances control bill. I hope that this House will be firm in its resolve to follow suit, and pass effective toxic substances control legislation that will require premarket testing of potentially hazardous substances.

Mr. Speaker, I commend my colleagues on the Interstate and Foreign Commerce Committee for the efforts they are devoting to the toxic substances control bill. I hope that they will not be misled by the distorted claims of the American chemical industry that an effective bill with premarket testing provisions will cripple the industry.

I remind my colleagues that the American chemical industry had sales in excess of $72 billion last year. Of that amount, over $5 billion was pure profit.

The General Accounting Office has estimated that the costs to the industry of complying with effective toxic substances control legislation will range between $100 and $200 million per year.

I certainly believe that the industry can afford this modest cost. Further, I believe that the safety and the health of the American people and the protection of our environment should take precedence over the industry's quest for bigger and bigger profits.

Mr. Speaker, I hope our priorities are in the right order. Toxic substances control legislation will not cripple the industry, nor will it stifle innovation.

Let us remember that an industry that has grown and thrived in American society owes a responsibility to us. We are not asking the chemical industry to do the impossible. We are simply asking them to recognize their social responsibilities, which include a corporate concern about the damage their products can potentially inflict upon human beings and the envirnoment.

Mr. Speaker, I hope my colleagues will join with me in supporting Congressman ECKHARDT's toxic substances control bill when it reaches the House floor. In the interim, I commend to their attention the editorial on toxic substances control from the New York Times, which is included at this point in my remarks:

ANTITOXIC ACTION

Legislation to control the marketing of toxic substances has now been given a third life by the United States Senate after having died at birth in both the 92d and 93d Congresses. The new bill, stronger than either of its Senate predecessors, has a fair chance of emerging from this Congress intact; the House bill closest to it—introduced by Representative Eckhardt of Texas—has already been approved by an Interstate and Foreign Commerce subcommittee.

Both bills would require manufacturers to notify the Environmental Protection Agency of a new product in time for its administrator to order tests if he feels they are necessary before the product is put on the market. Thanks to Senator Nelson of Wisconson, the Senate measure also carries a provision to ban PCBs (polychlorinated biphenyls) except where the E.P.A. finds no unreasonable risk in their use. The Nelson amendment was clearly the consequence of the damage that the non-biodegradable PCBs have been found to be doing to the fish of the Hudson River, the Great Lakes and indeed of all the country's drainage systems—and, inevitably, to animals higher up in the food chain.

As in years past, a strong measure to control toxic substances must expect the determined opposition of the chemical industry. No doubt pre-market testing is a nuisance to the manufacturers and in some degree an expensive one. But the cost to them is incomparably less than the cost to the public just as the nuisance is more bearable than the poisoning of rivers and lakes by the dumping of PCBs into the waters of America.

KAIPAROWITS POWERPLANT, UTAH

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. HOWE. Mr. Speaker, it has come to my attention that some of my colleagues in the Congress have been urged to sign a letter to Secretary of the Interior Thomas Kleppe urging a delay in his decision on the Kaiparowits powerplant in southern Utah. While I do not question the sincerity behind the request for this support, I do question the advisability and wisdom of this approach.

In the letter to the Secretary, postponement of his decision is requested until "a better evaluation has been made of the need for the plant and Congress has had a reasonable opportunity to formulate a national policy of the significant deterioration of air quality."

Planning for the project, which began in the 1960's, has produced extensive data on the effects, alternatives, and need for the plant. I cannot see how additional study at this late date could provide any further significant information; it appears that any further study would only serve as a delaying mechanism.

The document which best illustrates the level of study undertaken is the six-volume final environmental impact statement prepared by the Bureau of Land Management. A review of the EIS, or even its summary text, clearly shows that all significant environmental and sociological concerns are properly and thoroughly treated. Any further data on the impact of this project would only serve, in my opinion, to duplicate existing studies. With the assistance of supporting documents now in his possession, the EIS definitely provides the Secretary with the kind of information he needs to make an informed decision on the merits of the project.

It is true that a study of the impact of all the proposed power projects for the four corners region—Utah, Colorado, New Mexico, and Arizona—would be desirable and I have advocated that such a study be made. However, I do not believe that we can justify further holding up the development of Kaiparowits until a comprehensive study is made, particularly when we have sufficient data to assess the impact of the plant. Furthermore, many of the other plants are only in the preliminary planning state, do not have firm building commitments from their sponsors, and may eventually be altered or shelved.

The actual need for power from the plant is, I believe, its strongest justification. Although 6.8 percent compound rate of growth for power consumption in the Kaiparowits market area has been subjected to criticism, I have been assured by sponsors of the project that utility company interest in available power is well in excess of plant generating capacity. As our Nation makes the effort to convert from dependence on foreign oil supplies and dwindling domestic natural gas reserves to coal and alternative sources of energy, it is imperative that we make the high Btu—British thermal unit—low sulfur Kaiparowits coal available.

I am also vitally concerned over the environmental and sociological impact of coal-fired powerplants and I would never support a proposal that did not adequately protect the environment.

During the time I was director of the Four Corners Regional Commission, I was exposed to the adverse effects of Arizona Public Service's plant at Farmington, N. Mex. and through Commission efforts helped bring about high air standards in New Mexico and increased public concern over the construction of other powerplants. I have, therefore, approached the study of the Kaiparowits plant cautiously.

In terms of air quality, the predicted values for Kaiparowits would be below the allowable increases defined in the Environmental Protection Agency's prevention of significant deterioration regulations for class II area—present designation. Conformity to the law would be achieved by utilization of maximum pollution control technology and the planned control of 99.5 percent of particulate emissions, 90 percent control of sulfur dioxide, and control of nitrogen oxides to meet Federal emission standards. Plume opacity—measurement of plume visability—would be 11 percent and under conditions of neutral meteorological factors, no significant decrease in visibility would occur when looking across the plume.

There is some concern that the plant would possibly violate a class I quality designation for national parks proposed in amendments to the Clean Air Act. However, it is not possible to make an accurate assessment at this time because the final provisions of any bill have not been determined, the plant would be located 30 miles from the nearest national park, and winds prevail in a direction away from the park.

Finally, I have visited the area in question, discussed key issues with local citizens, and found that a vast majority favor the project. In fact, polls show that 80 percent of the State and over 90 percent of southern Utahans support the project. My constituents would prefer to see their children remain at home and seek employment rather than having to leave the area by necessity, even if some impact on the environment is involved. New employment opportunities for the area would be generated leading to thousands of new jobs, both directly and indirectly.

State support is further evidenced by recent legislation passed in the Utah State Legislature that liberalizes municipal bonding laws to provide front end planning revenues for energy-impacted communities. It is my hope that efforts to provide Federal assistance for energy-impacted communities, such as the provision in H.R. 6721, amendments to the Federal Coal Leasing Act, which increases the States' share of mineral leasing revenues, will also be successful. Ten years into the project, the tax base in Kane County will have increased from $915,400 to $24,863,480, a level clearly sufficient for the provision of public services.

In view of the effort that has been made to balance economical and environmental concerns, I have concluded that the proposal is both justified and prepared for the Secretary's immediate perusal. It has been my future hope that other concerned Members of Congress, after carefully reviewing the issues involved, would join with me and adopt a similar position.

STATEMENT ON OSHA SURVEY

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. PATTISON of New York. Mr. Speaker, in 1970 when Congress passed the Occupational Safety and Health Act, the bill was hailed as landmark legislation that would lead to ensuring the health and safety of America's labor force. Since that time, OSHA, the agency set up to enforce the act, has aroused the resentment of the business community and there is virtually no evidence that OSHA has succeeded in making America's workplaces safer or healthier.

I believe that the Government does have a responsibility to protect the health and safety of America's workers, but it has become evident that substantial changes must be made by OSHA if the agency is to work effectively toward achieving its goals. Like most others in Congress, I have received a number of complaints about OSHA from my constituents. In an effort to get a sample of the opinions of employers in my congressional district, I sent a questionnaire on OSHA to some 2,000 employers from the 29th District of New York. The 17 percent response rate demonstrates the high degree of interest that employers have in OSHA. Many respondents included lengthy comments on their experiences with OSHA, and I received many constructive suggestions for improving OSHA's effectiveness. The results of the survey have been compiled and I think that they are both interesting and significant. Therefore, I am inserting those resutls in the RECORD at this time for the information and consideration of the Congress and the Occupational Safety and Health Administration:

Results of Opinion Survey of Selected Employers in the 29th New York Congressional District

(Group A—Employers who have been inspected by OSHA; Group B—Employers who have not been inspected by OSHA)

I. GENERAL QUESTIONS

1. Are OSHA regulations clearly defined and understandable?

Group A: Yes—40%; No—60%.
Group B: Yes—5%; No—89%.
No response—6%.

2. Does imposition of OSHA standards serve the purpose of protecting the safety of workers?

Group A: Yes—78%; No—22%.
Group B: Yes—45%; No—50%
No response—5%.

3. In your view, does compliance with the standards place an undue economic hardship on individual firms?

Group A: Yes—82%; No—18%.
Group B: Yes—94%; No—5%.
No response—1%.

4. Should inspectors, after giving a citation to an employer, be compelled to outline procedures for correcting the violation?

Group A: Yes—83%; No—17%.
Group B: Yes—94%; No—5%.
No response—1%.

5. If offsite or onsite consultations between OSHA experts and employers could be conducted without fear of employers' receiving citations, would this be a constructive change in OSHA procedures?

Group A: Yes—91%; No—9%.
Group B: Yes—97%; No—2%.
No response—1%.

6. Should OSHA be compelled to develop an economic impact statement for its standards?

Group A: Yes—80%; No—12%.
Group B: Yes—84%; No—8%.
No response—8%.
No response—8%.

7. Should grants or loans be made available to small businessmen and farmers to enable them to comply with OSHA regulations?

Group A: Yes—79% No—21%.
Group B: Yes—79% No—18%.
No response—3%.

8. Do you believe that it is the responsibility of the Government to protect the safety and health of workers though regulation of business?

Group A: Yes—51%; No—49%.
Group B: Yes—40%; No—57%.
No response—3%.

II. THE INSPECTION PROCESS—ANSWERED BY GROUP A EMPLOYERS ONLY

1. How many times has your establishment been inspected?

Most had been inspected only once, but the range was from one to four inspections.

2. Did the inspector give you advance notice of his intention to inspect your establishment before he arrived?

Yes—1%; No—99%.

3. Did the inspector display his credentials?

Yes—99%; No—1%.

4. Did the inspector ask to meet the appropriate official of your company?

Yes—98%; No—2%.

5. Did you ask to see any document authorizing the inspection?

Yes—33%; No—67%.

6. Did you protest in any way against the inspection?

Yes—4%; No—96%.

7. Did you ask for a delay of the inspection?

Yes—2%; No—98%.

8. Before leaving, did the inspector tell you whether or not he found apparent violations?

Yes—96%; No—4%.

9. As a result of the inspection, did you receive citations or proposed penalties?

Yes—83%; No—17%.

10. Did you receive the citations or proposed penalties within a reasonable time after the inspection?

Yes—84%; No—16%.

11. Were you allowed a reasonable period of time in which to abate the violation?

Yes—85%; No—15%.

12. Did you appeal?

Yes—6%; No—94%.

SUMMARY

In reading the results of this poll and the comments made by employers, several major points of contention against OSHA become clear. Those points are, first, the unsatisfactory quality of the standards; second, the "capricious" and inconsistent enforcement of the standards; third, employer liability for employee neglect; fourth, the expense of compliance; and fifth, a general feeling that OSHA is "out to hurt" and not to help businessmen.

OSHA's most basic problem is inherent in the regulations that the agency has promulgated. Employers frequently commented that the standards are too complex, too technical, and too numerous to be understood even by OSHA compliance officers, much less to be helpful to employers. A West Sand Lake employer reported:

> I met with officials of OSHA, and it was my impression through the questioning of these officials that there was a great deal of misunderstanding or differing interpretations of the regulations on their part. Unless the laws are spelled out in a simpler form and are completely understood by the OSHA officials and businessmen, I can't see where it is anything but an additional and unconstructive burden on the taxpayer.

Ideally, the regulations should serve as a guide for alerting employers to safety hazards, but, as anyone knows who has tried to read the regulations, they are anything but instructive. Such material as the 80-word definition of a "means of egress"; that is, an exit, defies commonsense and taxes any employer's patience. OSHA's regulations are replete with conflicting, highly technical standards written in a jargon that most of us just do not understand.

Some employers indicated that their problem was in attempting to find out which regulations applied to their workplaces. They will probably never manage to find out. OSHA has tried to merely index the standards by industry but gave up when they came up with 2 inch and 3 inch thick computer printout for single industries.

In addition to the number and complexity of the standards, some employers cited regulations with which they could not comply because they were in conflict with New York State law. One example given was that OSHA regulations specify that metal mesh gloves must be worn in meat department cutting rooms. New York State health laws stipulate that the gloves cannot be worn, because bacteria lives in the gloves. The employer who told me about this had asked for an OSHA ruling on it, but received no clarification.

Perhaps the harshest criticism of the regulations was that many of them have little to do with worker safety and health. They are a nuisance and nothing else. Employers claimed they have spent considerable sums of money to rearrange or add bathrooms, make floor weight studies on floors containing no heavy equipment, post signs stating the obvious, add fire exits when there already were enough, and so on. These employers, in many cases with justification, are frustrated and angry at being forced to make expenditures that seem to have no impact whatsoever on the safety of their employees.

In a recent attempt to select certain industries for its national emphasis program, OSHA rated the relative enforceability of its standards for 25 high accident rate industries. For 15 of these industries, OSHA found either its health or safety standards to be fair, poor, or nonexistent. There is evidence that the agency is aware of the problems that exist with the standards. Dr. Morton Corn, Assistant Secretary of Labor for Occupational Safety and Health, has stated that—

> The obligations that the law places upon the Nation's employers carry a commensurate responsibility for OSHA to provide understandable and available statements of the standards.

OSHA has been revising the standards to get rid of "nuisance" regulations and obsolete regulations. This effort must be stepped up. If OSHA is to be successful, the regulations must be updated, clear, and they must truly relate to worker safety.

In addition, a more practical approach should be used in developing regulations and in deciding what should be stressed. It would seem consistent with commonsense that in formulating the most useful standards, those elements of the workplace that have been known to be sources of real injuries—not bumps on the head from bathroom hooks—should be isolated and regulations should be designed to eliminate these known hazards. In looking at the standards, it appears that OSHA's criterion for formulating regulations was based on the mere possibility that an injury could occur in a certain circumstance, without regard to how remote the possibility of accident is.

Another OSHA problem comes as almost a direct result of the inadequacies of the regulations. This is the problem of inconsistent enforcement of the standards. In asking for employers to comment on the inspection process and on the citations that they have received, I found such glaring inconsistencies as is evident in the treatment of the two employers in the following example. A plant in Green Island, N.Y., was fined $100 for failure to sign a report properly. An employer in Mechanicsville, N.Y., however, after being informed by an OSHA inspector that he was subject to thousands of dollars in fines for serious violations, threatened to close his plant before he would pay. The OSHA inspector simply asked him to make the needed corrections, and never came back to check the plant again. Other employers who had been inspected several times claimed that different inspectors found different problems each time, despite the fact that conditions had not changed. The feeling among employers is that the standards are so vague, and some of them are so unreasonable, that being held in compliance or noncompliance is dependent on the personality of the inspector.

Many employers state that more responsibility should be placed on the employees for compliance with safety standards. One respondent said:

> We find it difficult to receive the cooperation of the employees in complying with the regulations. Most of our problems involve safety equipment. We feel that our responsibility is to provide safe working conditions and supervise the entire program, but it is impossible to supervise each employee every minute of every day.

Several OSHA compliance officers replied to this charge, saying that in recent years OSHA has reversed its stand that total responsibility falls on the employer. An employer's sincere attempts to encourage employees to comply with safety regulations is now taken into account, and the fines are often lowered or dropped in these cases.

Most employers felt that compliance with OSHA's standards placed quite a heavy financial burden on them. In comments I received on this rather sensitive issue, however, employers were quick to state that they did not resent this expense except in cases where they sincerely felt that the benefit to employee safety was negligible. Typical of these complaints was this one from a Rensselaer, N.Y., businessman:

> I have found our local OSHA people to be very courteous and professional in the manner they conduct themselves. My only concern is that I had to spend $6,000 for floor load studies and I question their practical value. It is one of those situations where you do it because the law says so. The signs are meaningless to employees, but the whole procedure cost me a lot.

Another employer had just had a plant constructed for his business. Before construction began, he had contacted his regional OSHA office to ask for approval of the plans. The office was evidently overloaded with other work, and construction began on the plant. Shortly after he had moved his business into the plant, the man received an OSHA inspection and was told that he needed an additional fire exit, despite the fact that there seemed to be a sufficient number of such exits.

Finally, what is most troublesome in OSHA's relationship with the employers it regulates is the feeling on the part of businessmen that OSHA is not effective in helping them or even their employees. Some employers were completely against OSHA, but many others felt that the goals of the agency were valid but they were "going about it the wrong way." One employer asked, "Why should you be guilty until found innocent? It would be better in my opinion if the first time in they came to help you, not convict you. Most employers would be willing to do what is right if they know where they are wrong." Another said:

> Perhaps the original concept was good, but now OSHA is looked upon as a powerful government agency that is forcing small businesses and farmers out of business.

Congress and the Occupational Safety and Health Administration can and must take action to regain the faith of employers and to make OSHA an effective agency. The House has already taken a step in the right direction in approving H.R. 8618, a bill to provide for a national onsite consultation program for employers. Such a program was widely endorsed by those employers I contacted, and it is supported by OSHA. One employer from New Lebanon Center, N.Y., remarked that—

> This would be the most sensible change OSHA could make. If this had been done

from the start, the whole program would have gone more smoothly, and people would feel differently about OSHA.

One OSHA representative said he saw a nationwide consultation program as "the only way that OSHA can begin to redeem itself in the eyes of the Nation's employers." I hope that the Senate will join the House in approving this constructive measure.

The time has come for OSHA to rethink its goals and to consider how best to allocate the limited resources of the agency. While safety in the workplace is a major goal, we have been warned by health officials that in the coming years occupational diseases will increase and the problem may become severe. At present, OSHA has only slightly above 100 health inspectors for the entire Nation, and its facilities for measuring toxic substances in the air in workplaces, and for developing standards for regulating such substances are painfully inadequate. Greater emphasis must be placed on health hazards. The safety standards must be revised so as to be clear and effective guides for employers and OSHA inspectors and consultants. I am hopeful that, if the needed changes are made, OSHA can become a constructive agency, and can achieve the goals of safeguarding the health and safety of American workers.

ANIMAL WELFARE ACT AMENDMENTS OF 1976

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1976

Mr. O'BRIEN. Mr. Speaker, I am delighted that the Animal Welfare Act amendments have been approved. At last we have the Federal legislation needed to crack down on the barbaric practice of dogfighting. As a sponsor of antidogfight legislation for the past 2 years, I am glad to see that the stiff penalties for violating this act have remained intact.

Despite State laws banning this so-called sport, dogfighting is a popular underground pastime from coast to coast. In fact, my own State, Illinois, is considered to be a major center for the fights. Obviously State bans have not been sufficient to eliminate the practice. The animal welfare amendments would help end these abuses by strengthening the Government's authority to enforce humane standards for treatment of animals. I hope we will soon see the act signed into law.

THE SILENT PARTNER OF HOWARD HUGHES—PART XVI

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. HARRINGTON. Mr. Speaker, as you know, I have been inserting in the RECORD on an installment basis the Philadelphia Inquirer's recent expose of Howard Hughes' privileged relationship with sectors of the U.S. Government. The reclusive Mr. Hughes, of course, may now have the major mystery surrounding his career, proving he was alive by dying.

At any rate, somebody died aboard a private jet en route to Houston from Acapulco on Monday. Those who rode along insist it was Hughes. Government investigators are now trying to establish the veracity of that claim. As Reporters Donald L. Barlett and James B. Steele demonstrate in the following segment, their job will not be an easy one:

SECRECY ETHIC GOES THROUGH ORGANIZATION

(By Donald L. Barlett and James B. Steele)

The day is Sept. 4, 1973.

The man giving sworn testimony is Richard G. Danner, the general manager of the Sands Hotel and Casino, one of the plush Las Vegas gambling retreats owned by billionaire Howard Robard Hughes.

Mr. Danner is having a hard time remembering just who signs his paycheck.

"At one time I believe my checks were issued by Hotel Properties Inc.," said Danner, who was an FBI agent and car dealer before becoming the Sands' $70,000-a-year general manager.

"At another time my payroll checks came from the Sands, as I recall.

"And now I'm fairly certain they're coming from Summa Corp. (Howard Hughes' wholly owned holding company)."

If Danner was able to shed little light on the source of his paycheck, he was no more helpful in his sworn answers to other seemingly routine questions about the operations of the Hughes empire.

"Do you know who elected you to the board of directors of Sands Inc.?" an attorney asked him.

"I do not know of my own knowledge," Danner answered.

"Do you know who holds one hundred percent of the issued and outstanding stock of Sands Inc.?" he was asked.

"No," Danner answered.

"Do you know who holds one hundred percent of the issued and outstanding stock of Summa Corp.?"

"No," Danner answered.

"Do you know whether Howard R. Hughes is a stockholder of Sands Inc.?"

"I do not know that," Danner answered.

If Howard Hughes' much-publicized passion for secrecy applied only to his eccentric personal life, it would be his own business.

But Hughes has succeeded in extending the secrecy blanket to cover also his private business operations, many of which are heavily financed or subsidized by the American taxpayer.

In the process, Hughes has instilled a secrecy ethic throughout his organization. Like Hughes himself, many of his top aides avoid court appearances, refuse to answer their mail and as in Danner's case, give vague answers about the Hughes empire to questions posed under oath.

During The Inquirer's eight-month investigation of Hughes and his relationship to the federal government, the newspaper collected a variety of examples of Hughes' penchant for secrecy, as well as examples of the extent to which the federal government and the courts have gone to help him preserve it.

OFTEN EXEMPTED

Item.—Federal agencies that routinely require applicants for certain regulatory permits to make personal appearances or to provide detailed written proposals outlining their business plans have usually exempted Howard Hughes from those requirements.

Example.—In 1968, the Federal Communications Commission (FCC) issued a license to the Hughes organization to operate KLAS-TV in Las Vegas even though Hughes, who was actually acquiring the station, made no appearance before the regulatory agency.

The license approval was secured after a Hughes attorney, according to one of Hughes' former aides, worked out a compromise with FCC officials permitting the television station's license to be issued in the name of a close Hughes aide rather than in Howard Hughes' name.

Item.—Federal agencies have overruled efforts by Hughes' opponents during regulatory proceedings to seek testimony from the secretive industrialist.

Example.—During a 1969 Civil Aeronautics Board hearing to determine if Hughes should be allowed to gain control of a West Coast airline, a CAB official quashed a subpoena for Hughes issued by Western Airlines, which was opposing the Hughes takeover attempt. The CAB ultimately approved the Hughes acquisition.

Item.—The federal government has taken legal action in an effort to shield the relationship between Hughes and the government from public view.

Example—In August of this year, the Justice Department filed a lawsuit in Los Angeles to block the county assessor from collecting $7 million in taxes owed by the Hughes Glomar Explorer, the spy ship supposedly financed by the Central Intelligence Agency to raise a sunken Russian submarine.

The government contended that the ship is U.S. property and is exempt from local taxes. To shield details of the government's relationship with Hughes, including financial data that might show how much Hughes has profited from the secret deal, the Justice Department has filed motions to seal the evidence and have testimony in the case taken in closed chambers.

Both the government and Hughes executives have contended that the cost of the Glomar project must be kept secret as a matter of national security.

Item—Hughes organizes or finances front groups in an effort to influence public opinion or sway federal policy in a direction compatible with its own position.

Example—In 1968, when Hughes opposed underground nuclear testing in Nevada, because he supposedly feared such tests would somehow set off an earthquake or contaminate the water supply, the billionaire secretly channeled funds to liberal organizations to demonstrate against the nuclear testing.

The Hughes aide directly responsible for helping to coordinate the test opponents was placed on the payroll of a private public relations firm, rather than Hughes' own payroll, in an effort to insulate Hughes, a national defense contractor, from being "identified" with the liberal groups.

Item—Hughes goes to great lengths to suppress news stories and films about himself.

Example—In the 1960s, Four Star International, a Hollywood film production company, produced a documentary on Howard Hughes.

When Hughes heard of the film, he dispatched Robert Maheu, then a top aide, and Greg Bautzer, a Hollywood attorney who had long done legal work for him, to work together "in an attempt to scuttle" the film, as Maheu later testified.

Ultimately, Maheu said, Hughes acquired the film for $50,000 to $80,000.

Nothing better illustrates Hughes' belief that he is not subject to the same laws as other Americans than the way he ignores court orders and procedures to make sure the slightest details of his life remain secret, and gets away with it.

Indeed, Hughes' involvement with the courts over the years is the story of a man with an almost casual disregard for legal procedures that other Americans must honor.

It is the story of a man who decides which court orders to obey and which ones not to obey, which court-directed questions to answer and which ones not to answer, which court procedures to honor and which ones to ignore.

Always, it is Howard Hughes, not a judge, who decides what Howard Hughes will or will not do in a court action in which he is a central figure.

No one has made this policy any clearer than Hughes himself. In a 1974 letter to his attorney after lawsuits were filed against him regarding his acquisition of Air West, a regional West Coast airline, Hughes wrote that he would "answer appropriate questions under oath" only "if, after hearing and final determination of said motions for summary judgment, it is found that there are any genuine issues of material fact as to which I have any relevant knowledge . . ."

TYPICAL DISREGARD

So far, Hughes has refused to answer any questions in that lawsuit, and has even defied court orders.

But Hughes' disregard for court orders is typical of the way he operates. In the Trans World Airlines case, one of the largest civil damage lawsuits ever launched, Hughes dedicated his efforts toward avoiding service of court papers from TWA and in refusing to comply with court orders.

That led the U.S. Circuit Court of Appeals, in affirming a judgment against Hughes, to note in 1964:

". . . Where one party has acted in willful and deliberate disregard of reasonable and necessary court orders and the efficient administration of justice, the application of even so stringent a sanction is fully justified and should not be disturbed.

"Indeed, Hughes and Toolco seemed to look upon the entire discovery proceedings as some sort of a game, rather than as a means of securing the just and expeditious settlement of the important matters in dispute.

"Hughes' conduct is particularly intolerable in a large and complex litigation such as this one."

The Inquirer's eight-month investigation turned up other examples of where Hughes' evasive tactics have frustrated the legal process. For example:

On Jan. 27, 1974, Hughes, in court papers filed in Nevada, stated that his U.S. address was 2500 Exxon Building, Houston.

However, when government officials tried to serve papers informing Hughes of a legal action against him, a law firm which has long performed legal work for Hughes and which occupies the 25th floor refused to accept service of the documents.

On March 21, 1974, the Summa Corp., wholly-owned by Howard Hughes, filed papers in a California court that listed "the last complete address of Howard Robard Hughes known to Summa" as the 24th floor of the same Exxon Building in Houston.

But when postal officials and a U.S. marshal tried to serve court papers on that floor informing Hughes of a court action against him, employes of Hughes' Summa Corp., which has offices on that floor, refused to accept the documents and said they had no idea where Howard Hughes could be found.

In 1972 the sheriff of Vancouver, British Columbia, was unable to serve papers on Hughes regarding a California lawsuit filed against the billionaire because of an inability to penetrate Hughes security system.

In civil lawsuits pending against Hughes in San Francisco growing out of his acquisition of Air West, Hughes has refused to answer written questions, he refused to appear for court-ordered depositions and has refused to provide documents relating to the case.

In the latter action Hughes has refused to answer such seemingly inocuous questions as one that asked him to state, for example, his business address.

The most recent examples of Hughes' refusal to comply with routine judicial procedures—procedures which virtually any other American is routinely required to comply with or face severe legal sanctions—are found in court records in San Francisco.

The case involves lawsuits by former Air West stockholders and a Securities and Exchange Commission (SEC) complaint against Hughes charging him and his aides with violating securities laws in acquiring the airline.

Among other things, the complaints charge Hughes promised to pay stockholders $22 a share for their Air West stock, which was then traded publicly, if he were allowed to acquire the airline. But, the lawsuit says, Hughes eventually paid only $8.75 per share to stockholders after they voted to sell the airline to him.

Since this litigation was begun in 1973, Hughes has succeeded in complicating normally routine procedures.

Typical of how a simple task becomes a major project when Howard Hughes is part of the litigation is the story of the SEC's attempt earlier this year to serve a copy of the complaint the agency had filed against Hughes in federal court in San Francisco.

In federal civil cases such as the SEC's, federal law requires that a copy of the complaint and a summons to court be served on the defendant.

CERTIFIED PACKAGE

On March 31, 1975, a postman delivered a certified package containing the SEC complaint to Summa offices on the 24th floor of the Exxon Building in Houston. That was the address Summa had listed the previous year as Hughes' last known address.

Peggy Davis, who described herself as a Summa employe responsible for receiving the corporation's mail, signed a certified mail receipt for the package, which was addressed to Howard R. Hughes.

But that same day, Ms. Davis mailed the package unopened back to the SEC office in San Francisco. She wrote:

"The above receipts were signed in error. I was not the addressee described on the envelope. I am not an agent for the addressee, and I have no power of attorney or other authority whatever to receive mail or act in any other capacity for the addressee in question, Howard R. Hughes."

U.S. Marshals tried unsuccessfully to serve the complaint on the 24th floor as well. And federal officials also tried to complete service of the papers by serving them on a San Francisco attorney who also represented Hughes. But he too refused to accept them.

The SEC did not give up.

Two other official documents—a court record filed in a Nevada case in 1974 and a 1972 U.S. Customs declaration bearing Howard R. Hughes' name—listed 2500 Exxon Building in Houston as Hughes U.S. address.

That office was one floor above Hughes' address as reported by Summa. The SEC then tried to deliver the Hughes complaint on the 25th floor, occupied by the law firm of Andrews, Kurth, Campbell & Jones, which has long represented Hughes on many matters.

Robert D. Axelrod, an SEC staff attorney in Houston, who was accompanied by a fellow SEC employee, arrived at the 25th floor on April 23, 1975, and personally served the complaint on James Baker, a partner in the law firm.

"After reviewing the documents, Mr. Baker informed me that he was not Mr. Hughes' authorized agent for service and that he was refusing to accept service of the summons and complaint," Axelrod said.

Ultimately, Baker "attempted to hand the documents back to me," Axelrod said, "but I refused to accept them . . . The summons and complaint were on Mr. Baker's desk when we left."

This sequence of events finally led to an unusual court order on April 30, 1975, by U.S. District Judge Alfonso J. Zirpoli of San Francisco, who was presiding over various Air West cases in which Hughes was a defendant.

COPY ORDERED

The judge ordered that one copy of the SEC complaint and summons be delivered to the 25th floor of the Exxon Building and left with any individual over 18 years of age, that another copy be deposited on the 24th floor with any Summa employe . . . and that another copy be sent by registered mail to Hughes in the Bahamas.

The judge ruled that 10 days after the copies were delivered or mailed, service on the elusive Mr. Hughes would be deemed to have been achieved.

Just a footnote to this episode. It is worth noting that Hughes does not refuse all mail sent to him in care of the 25th floor of Houston's Exxon Building.

On March 6, 1970, Chester C. Davis, an attorney for the Hughes Tool Co., wrote Hughes at that address regarding Civil Aeronautics Board (CAB) requirements that Hughes would have to meet after he acquired Air West later that month.

Davis spelled out the CAB provisions and asked Hughes to acknowledge receipt of the latter for the benefit of the CAB.

The letter was duly signed by one Howard R. Hughes and remains on file today with the CAB in Washington.

PRIVACY: THE COURT PLACES THE ISSUE IN OUR COURT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. RANGEL. Mr. Speaker, last week the Supreme Court rendered a decision in which it upheld the sodomy statute of Virginia. I normally do not comment on the decisions which the Supreme Court issues. I believe that the doctrine of three separate but coequal branches of Government has served us well and therefore should be maintained. However, as an attorney and Member of Congress, I am quite disturbed by two aspects of that opinion and would like to briefly share my feelings with my colleagues.

The first aspect of that opinion which raises my concern is the manner in which the Court dealt with this significant issue. It would seem to me as an attorney that if, as the Court's opinion implies, we are going to rule that consenting adults are not protected by the fourth amendment's bar against an invasion of their privacy, then we must know on what judicial basis the Court is reaching this end. The fact that one may agree or disagree with the holding is at this point irrelevant. On such an important issue, the Court, as the dissent stated, should have heard the case and rendered an opinion so that all America would have been able to see the judicial logic behind the opinion. As it stands now, we are denied this, which at once raises the question of whether or not the Court reached their decision based on their own moral beliefs or judicial reasoning.

The second aspect of this decision which bothers me is that the Court seems to be stating that if the right to privacy needs further clarification, then the legislatures must be the place where the people seek relief. Given the political philosophy of this Court, I would agree.

Privacy is a very important concept in our society. Our Constitution has been read by previous Courts as having extended this right to all individuals and not just to those who the Court believes are acting in a morally correct manner. For this reason I believe it is now time for Congress to study the entire question of privacy as it affects all aspects of an individual's life. If the words in the Constitution are to be exemplary of our fundamental beliefs, then we as the legislative body must see that they are implemented.

I would like to include in the Record at this time an editorial that appeared in Tuesday's Washington Post on the implications of the Court's decision. I would urge my colleagues to reflect upon this editorial and begin to seriously consider legislative initiatives that would protect the private lives of individuals and thus meet the challenge raised by the Court. The editorial follows:

The Court and Privacy

Last week the Supreme Court summarily affirmed a lower court decision upholding Virginia's sodomy statute. It hardly came as a surprise. The Court, as it is now constituted, had already made clear its intention to interpret quite narrowly the constitutional right to privacy. And given that predilection, no useful purpose would have been served by having a full dress argument on this case which asserted such a right on behalf of homosexuals; on the contrary, it may be just as well that this Court did *not* hear the case, because what are called "summary affirmances" are generally regarded as having less value as precedents than full blown opinions. The real message the Justices have given is simply that those who believe—as we do—that individuals are entitled to greater protection in their private lives than they now have should seek it from the legislatures, not the courts.

It seems to us, however, that there are some very serious flaws in the Court's developing approach to the privacy question. It is prepared, for example, to give a broader scope to the right of privacy when it is asserted by a married person or a parent than when it is asserted by unmarried persons. That was the thrust of the distinction drawn by the lower court in the Virginia case. It was careful to delineate between the privacy rights of married couples and those of homosexuals. And its view finds concrete support in what the Supreme Court said a few days ago in rejecting a claim that a right of privacy could be asserted against the dissemination of arrest records. The Court said then that the existence of a right of privacy beyond that created by the Fourth Amendment's bar against searches is limited to those personal rights which are "fundamental" or "implicit in the concept of ordered liberty." The activities it detailed as having already won such constitutional protection were "matters relating to marriage, procreation, contraception, family relationships, and child rearing and education."

A narrow view of the right to privacy does have substantial underpinnings; it is worth remembering that Hugo L. Black disputed the existence of any constitutional right of privacy when the Court used that right to strike down an anti-contraception statute and that Oliver Wendell Holmes dissented when the Court struck down a Nebraska education statute in the first of what are now regarded as privacy cases. But the particular way in which this Court is restricting that right does present its own problem. The rationale for its distinction between the rights of married persons and unmarried ones rests on a belief that marriage, family relationships and child rearing are a fundamental part of human life and that other relationships are not. We would leave that question to the moral philosophers, noting only that it is a peculiar distinction for jurists to draw from a phrase in the Constitution that talks about the life, liberty and property of "any person."

This leaves statutes like the one in the Virginia case in a rather odd position. Not only is it reasonably clear that they cannot be enforced against married persons, it is also clear that they can rarely be enforced against other consenting adults without interfering with the Fourth Amendment's zone of privacy that extends to dwellings. Generally speaking, laws that attempt to control conduct but are unenforceable are worse than no laws at all. Now that the Court has pointed to the legislatures as the place for citizens to seek protection in their private lives, it is time for those legislatures to take the whole matter of privacy seriously—not only as it affects sexual conduct but also as it affects other aspects of personal existence, from the way you take care of your house to the records the government keeps about your affairs.

THE CHILD AND FAMILY SERVICES BILL

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. MAZZOLI. Mr. Speaker, in the last few months a good deal of misinformation has been circulating about the "Child and Family Services Act of 1975."

In order to put the bill into better perspective, I am inserting the following statement concerning the proposal which has been endorsed by a wide range of religious organizations.

Interreligious Statement on the Child and Family Services Bill

In December of 1971 both the House and the Senate passed the Comprehensive Child Development Act of 1971. Supported by a coalition of poverty and civil rights groups, labor unions, women's groups, churches, educators, and community and citizens organizations, the bill would have amended Title V of the Economic Opportunity Act "to provide every child (through age 14) with a fair and full opportunity to reach his full potential by establishing and expanding comprehensive child development programs." This bill was vetoed by President Nixon.

In February of 1975, Sen. Mondale (D-Minn.) introduced a very similar bill, S. 626, The Child and Family Services Act of 1975. Rep. Brademas (D-Ind.) introduced a companion bill (H.R. 2966) in the House. This bill would establish programs of part-day and full-day child care, prenatal care, special services for minority group children, food and nutrition programs, aid for handicapped children, and various types of assistance to families with special needs.

The Child and Family Services Act is now under attack by groups and individuals charging that it would give government undue authority over family life. In fact, some groups have charged that the proposed legislation would make the "government responsible for . . . the religious interests of your child," give "children the right to protection from any excessive claims made on them by their parents," and make preschool education "compulsory" for all children beginning at age three.

These charges are totally inaccurate. There is nothing in this legislation that relates to religious preferences or religious instruction; nothing that relates to or alters the existing legal relationship between parents and their children; and nothing that provides for compulsory preschool education, or for compulsory service of any kind.

What it seeks to do, instead, is to strengthen and support families in their efforts to provide their children—on a totally voluntary basis—with the basic health, education and other services they want for them but too often cannot afford. Thus, it authorizes funding for a variety of child and family services including prenatal health care, medical treatment to detect and remedy handicapping conditions, and day care services for children of working parents.

Most importantly, any and all of these programs are totally voluntary, and limited to children whose parents request the services. Parent control is further assured by requirements that all programs would be selected, established and controlled by parents whose children participate in them.

A careful reading of the bill reveals that it will support families, not weaken them. The bill states, for example, that the "family is the primary and most fundamental influence on children" and that "child and family service programs must build upon and strengthen the role of the family."

The need for legislation of this kind is clear. The infant mortality rate in the United States is higher than that of thirteen other nations. Each year an estimated 200,000 children are struck by handicaps which could have been prevented if their mothers had received early health care. Forty percent of the young children of this country are not fully immunized against childhood diseases. Sixty-five percent of all handicapped preschool children are not receiving special services. There are only one million spaces in licensed day care homes and centers to serve the six million preschool children whose parents are working.

Debate over legislative proposals such as this Child and Family Services Act should be based on the facts, and decided on the merits. To do otherwise—to misrepresent the purpose and provisions of the legislation under discussion—is a disservice to all Americans concerned about families and children.

American Jewish Committee, Ms. Anne Wolfe, Director, Social Welfare.

Christian Church (Disciples of Christ), Disciples Peace Fellowship.

Christian Church (Disciples of Christ), Department of Church in Society, Division of Homeland Ministries.

Church of the Brethren, Washington Office.

Friends Committee on National Legislation, Lutheran Family and Childrens Services, St. Louis, Missouri.

Lutheran Welfare Services of Illinois.

Lutheran Social Service of Minnesota.

National Council of Churches.

National Conference of Catholic Churches.

National Council of Jewish Women, Mrs. Esther R. Landa, National President.

Network.

Synagogue Council of America.

Tressler-Lutheran Service Associates, Camp Hill, Pa.

United Church of Christ, Center for Social Action.

United Methodist Church, Women's Division, Board of Global Ministries.

United Presbyterian Church, USA, Washington Office.

LATE-BLOOMING WEST GERMANY SEES PERIL, BUT OPTS FOR ATOMS

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. ULLMAN. Mr. Speaker, the article which follows is from the Portland Oregonian of February 18, 1976. It is the fifth in a series concerning problems and alternative solutions to them that confront every one of us. I hope Members will find it as useful and informative as I do.

Late-Blooming West Germany Sees Peril, But Opts for Atoms

(By Forrest E. and John W. Rieke)

Post-war economic renaissance of West Germany is a well known miracle, achieved, in part, by technological genius, hard work and help from the United States.

Less obvious is the fact that the Federal Republic of Germany was in a state of suspension for several years, awaiting a decision on unification and, with it, an opportunity to advance as a late entry into the nuclear age.

As a conquered nation, West Germany was severely restricted in its industrial and energy options. But in 1955, national sovereignty was granted and a Federal Ministry for Atomic Affairs established.

Growth and accomplishments in the intervening 20 years have been miraculous, indeed. The technological gap with the United States and other nations was closed in less than 15 years and today West Germany has become a design and research leader in nuclear technology.

Faced with scanty fuel resources, the nation expanded strip mining of the Rhine basin lignite and invested billions of Deutsche marks into major research centers to develop a nuclear technology.

Several Laender (state) governments joined with interested industries to create these scientific and technological research establishments. Major nuclear centers were built, with federal support, at Karlsruhe, Julich, Geesthacht, Munich and elsewhere.

Research tasks were parceled out; Karlsruhe focused on fast breeder reactors, nuclear safety, transuranium elements, fuel reprocessing, data processing and enrichment processes; Julich zeroed in on high temperature gas cooled reactors, gas turbines, process heat, fusion, and life sciences; Geesthacht research featured nuclear ship propulsion, desalination and other marine applications; research centers at Munich and Neuherberg assumed responsibility for studies on the effects of radiation on the environment, on health and biologic systems and on radioactive waste disposal methods; finally the Hahn-Meitner Institute in Berlin launched studies of nuclear and radiation chemistry and related physics and electronics.

From 1955 to 1972—the years in which West Germany caught up to the nuclear technological advances of other nuclear nations—the federal and Laender governments spent more $3 billion on nuclear research and development, an impressive sum in terms of 1950s–60s dollars.

In 1972, a newly elected government in West Germany decided to group all research activities in one major department—a Federal Ministry for Research and Technology. The new ministry took steps to clarify its multilateral involvement in various international ventures. It re-examined energy options and intensified research on utilization and conservation of fuel.

For the present, the German government has made it clear that West Germany is committed to nuclear development, regardless of the state of nuclear power in other parts of the world. Yet, the threat of the OPEC-inspired oil embargo is not the predominant motivating factor it was in France and Switzerland.

Germany, we were told, suffered less than other Western European nations from the oil crisis of 1973, primarily because a large and favorable balance of trade eased the shock of skyrocketing oil prices. The relatively abundant supplies of lignite coal near Aechen provided a second buffer against hardship

On the other hand, a member of the Bundestag in Bonn explained that indigenous fuel sources are limited to low grade coal, that hydro-electric generation supplies only two per cent of the country's energy needs and that North Sea oil and gas must be purchased at high prices. In heavily industrialized West Germany, economic stability requires an unfailing flow of energy. In Bonn, the Bundestag and the ministries are agreed that if the Federal Republic is to sustain its industrial growth, it must depend heavily on nuclear power.

The Ministry of Research and Technology has certified its continuing commitment to reactor-generated electric power by joining Belgium and the Netherlands in development of the sodium-cooled fast breeder reactor (SNR–300) at Kalkar, Germany.

The ministry is apparently planning to focus research efforts on fast flux reactors similar to the Westinghouse project at Richland, Wash. Nuclear expansion of this type requires larger productive capacity for fuels and new types of fuel. It will yield increasing volumes of radioactive spent fuel. As reported, Germany has joined with France and the United Kingdom to undertake necessary fuel reprocessing.

It was reported that the government is entertaining the principle of grouping nuclear power stations, fuel manufacturing facilities, reprocessing plants and waste solidification repositories in one location.

In preparation for nuclear expansion, Germany is participating financially in URENCO, a gas ultracentrifuge enrichment facility for uranium enrichment at Almelo, Netherlands. Germany has also assumed a partner relationship in a fuel reprocessing venture with France and England, and in supporting research in fusion technology at Munich and Julich.

By pooling resources in this fashion, West Germany and its European neighbors have created apparent self-sufficiency in the nuclear fuel cycle.

This technological sharing between nations yields a political by-product of incalculable value. As nuclear technology is jointly developed by participating nations, it is under constant international observation and review, disparate scientific views are accommodated, and the participating nations gain practice in peaceful cooperation with one another.

Successes arising from pooled research and financing of future generations of high converter and breeder reactors have placed the small cooperating nations—West Germany, Belgium and the Netherlands—near the head of the nuclear sales parade. They can thus compete with the United States, Great Britain, France and Russia.

Germany's first major multi-billion dollar sale to Brazil assures work for highly-skilled production crews and opens new potential sources for uranium and other fuels. It also raises difficult questions about the spread of nuclear technology and explosives throughout the world.

Germans share the concerns of other nations about nuclear weapon proliferation. Their need for export business, however, has caused them to submerge most of these concerns.

West German officials do suggest that binational and multinational exchange at the sophisticated nuclear level opens the door to communication; they consider that cooperation in solving technical problems creates a climate for peace.

When asked about its massive sale of reactor technology to Brazil, officials claimed that written agreements which prohibit diversion of materials for nonpeaceful uses are adequate safeguards.

These commercial "agreements" fall short, however, of treaty-like assurances, especially in Brazil, an ambitious country with indigenous supplies of uranium.

In extenuation, German officials reminded us that U.S. companies had eagerly sought Brazil's nuclear business. They also pointed to sales to recent and future combatants by the U.S. and other vendor nations.

It is true that nuclear technology is no longer confined to a few nations and the burden of national self-restraint has shifted to many nations, small and large. It seemed to the Germans that the most likely guarantee of international security resides in open international communication and wide sharing of nuclear and other energy resources.

There is little visible opposition to nuclear power in Germany as the citizenry is blanketed by a widely held conviction that nuclear power generation is essential to the national economic survival.

These economic arguments by nuclear advocates are not original in Germany, but are heard throughout Western Europe. Here and elsewhere, protagonists for nuclear power spoke of the environmental movement as an "undesired U.S. export."

The only example of environmental concern, according to editors of the General-Anzeiger, the largest newspaper in the Bonn area where a number of nuclear reactors are operating, was voiced by vineyard operators at public hearings in Mainz. They insisted that fogging conditions associated with cooling towers must be avoided in grape growing districts along the Rhine.

The public in West Germany is greatly concerned over creation of a reliable energy base for industry, a concern that far outweighs any latent objection to increasing the use of nuclear power, according to newspaper editors.

The General-Anzeiger editors indicated that a nation on the long trip back from an economic graveyard must forego some of the amenities and environmental niceties.

As a result of this philosophy, the Federal Republic and its resurgent industries have been accused of ignoring air and water pollution in the Rhine basin, building power stations without due regard for neighbors, and ignoring urban and human welfare.

Nonetheless, within recently published documents, there is evidence of intent by West Germany to identify and overcome these problems. The Ministry of Research and Technology has pledged to join with the Ministry of Labor and Social Affairs in research aimed at conservation of resources and improvement of the quality of working life.

Intermixed are expressed concerns for maintaining competitive German industries, improved morale of workers and greater job safety and security.

There is an assertion that future technical projects will be increasingly judged by the contribution they make to improving man's living conditions; they are to be scrutinized for their social, economic and cultural prerequisites and impact.

These concerns bear some resemblance to the present goals for urban planning, environmental protection, occupational safety and health, worker motivation and national sickness insurance in the United States.

As the era of rebuilding comes to a close in Germany, the nation seems ready and willing to turn its attentions to humane considerations and social action that were a prominent part of its history a century ago.

WASHINGTON REPORT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. HAMILTON. Mr. Speaker, I include my Washington Report entitled "Full Employment":

FULL EMPLOYMENT

Most Americans are finally getting back to work. For the fifth consecutive month the unemployment rate has fallen.

Viewed against the backdrop of what many now call the Great Recession of 1974–75, this news is obviously encouraging. Since the recession peak in May 1975, the unemployment rate has fallen from 8.9% to 7.5%. Encouraging as such news is, however, recent improvements in the performance of the economy must be seen in light of a still unacceptable jobless level and the disturbing prospect of relatively high unemployment for the rest of the decade.

Obscured by the recent decline in the jobless rate are the seven million Americans who want jobs and cannot find them. And if discouraged or underemployed workers are counted, the figure exceeds 10 million. Furthermore, the average duration of unemployment has risen sharply during the last year—an alarming indication that unless something is done soon the loss of motivation and skills of those presently out of work will add greatly to the size of the already existing pool of hard core, chronically unemployed within the country.

Also disturbing is that thirty years after the enactment of the Employment Act of 1946, which sought to promote maximum employment, full employment, which has historically been defined as an unemployment rate of 4%, is still an elusive goal. During the 1950's, the unemployment rate averaged 4.5%. During the 1960's, it was 4.8%. During the first half of the 1970's, it was 5.9%. Last year it was 8.5%. And today it is 7.5%.

Many of us neither understand nor appreciate the devastation which unemployment brings. Socially it creates dangerous divisions among us. Economically it causes a tremendous waste of human resources. From a budgetary viewpoint it causes huge deficits and a gross misallocation of resources. But beyond the unemployment statistics lie individual tragedies in human lives. Direct and startling relationships are thoroughly documented between unemployment and increased mental illness, cardiovascular disease and prenatal deaths. Moreover, a nation that accepts the notion that it cannot use the labor of its people loses a sense of its own national purpose.

The question, then, is: why can't we do better? Why do we have higher unemployment than any other industrialized country in the world? Why are we farther from the goals of the 1946 Act than in any other time in the past thirty years? These questions deserve more attention than they are now getting.

The response to unemployment must deal with two major types of unemployment: cyclical and structural. Cyclical unemployment refers to a loss of jobs because of a general economic recession. Structural unemployment refers to a situation in which certain workers cannot compete successfully in the labor market because of a deficiency of skills or education, a depressed regional economy, or discrimination in hiring.

We usually deal with cyclical unemployment by creating a higher level of demand for goods and services. Such a demand can be created, but the art, which we have not mastered, is to do it without causing an outburst of inflation. We have learned in recent years, however, that high demand will not bring full employment by itself. It is unlikely today that monetary and fiscal policies, which are the principal tools available to government to create higher demand, can by themselves bring unemployment substantially below the current 7.5% unemployment rate without making inflation worse.

I have come to the view that we must strive for the goal of full employment more rapidly and surely than we are now doing. We cannot, however, achieve full employment by enacting a law, as some contend, or get to full employment quickly, but we should not dismiss joblessness callously as a minor problem. We should not try to explain it away by noting the sudden influx of new people into the labor force, many of whom are blacks, women and teenagers, or by redefining what constitutes full employment. And we should reject the view of those who insist that we must tolerate high levels of unemployment for some persons to avoid a ruinous inflation for all persons.

The Congress must revise the President's budget to increase jobs without a significant increase in inflation. We must aim for steady growth in the economy—somewhere around 6% each year. But even that is not enough. Supplementary programs to help people who now find it hard to get jobs are required. Such programs include tough enforcement of anti-discrimination laws, specially targeted job training programs, programs designed to help students with career planning and schools with the formulation of curriculums designed to better prepare students for the jobs which are available, and the creation of an adequate job bank to list employment opportunities.

We must also be willing to experiment with all kinds of job programs, and we must provide aid to state and local governments designed to allow them to maintain services and employment during periods of high unemployment. Furthermore, we must investigate the feasibility of using employment tax credits and wage subsidies aimed at increasing jobs in the private sector.

We can all be encouraged by the recent improvement in the economy, but it is my guess that we have a long way to go to reach full employment.

THE BICENTENNIAL: WHAT IT MEANS TO ME

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. DE LA GARZA. Mr. Speaker, among the three best entries in the essay contest I sponsored recently for students in the schools of the 15th District of Texas on the subject "The Bicentennial: What It Means to Me" was one written by Miss Lori Parrish, a student in Myra Green Junior High in Raymondville, Tex.

Wishing to share Miss Parrish's patriotic expression with my colleagues, I include her essay here as part of my remarks:

THE BICENTENNIAL: WHAT IT MEANS TO ME

Our Bicentennial represents 200 years of planning, hard work, and good leadership. The brave people before us have founded something well worth their time. The Americans of today have a country to be proud of. We should celebrate with pride. Ambition for a better America should be present in everyone.

RALPH SEAGER DAY

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. WALSH. Mr. Speaker, Tuesday, April 20, will be Ralph Seager Day in the village of Penn Yan, and that evening the residents of Penn Yan are planning a dinner in recognition of Dr. Seager's many achievements as a poet of the Finger Lakes region and for his many contributions to the college and community. He will be retiring after 16 years as a faculty member at Keuka College.

Dr. Seager is a most interesting personality and as his community honors him on his retirement, I would like to share with my colleagues some of the contributions he has made to the literature and the life of the Finger Lakes area.

His close friend and associate, Prof. Charles Wallis, also of Keuka College, wrote the following story on this wonderful man:

POET'S WORK CATCHES THE ESSENTIAL GOODNESS OF MANKIND

(By Charles L. Wallis, as reported in Penn Yan Chronicle Express)

Twenty-four or so years ago a Penn Yan postal employee thought that stalks of corn standing in a field looked like tepees. He wanted to preserve what his imagination had seen. So he wrote a poem and called it "Indian Summer." That was his first pome.

Last week and hundreds of poems later, Ralph W. Seager, 311 Keuka Street, saw the publication of his seventh book and his poems are read, studied and enjoyed by a world-wide audience. More than 600 of his verses have appeared in American and overseas periodicals, he has taught poetry workshops in many states and in September he will begin his sixteenth year teaching verse writing at Keuka College where he is an assistant professor of English and poet in residence.

Seager's newest volume, "Wheatfields and Vineyards," is a collection of old and new poems. It is the first book to be published by the new Christian Herald Press, will have an initial printing of 20,000 copies and is a current selection of the Family Bookshelf book club.

The 72 poems in the new book are a mirror of the man, his mind and the Yates County geography he has known since childhood. A photograph in color on the book's cover shows vineyards, wheat fields and Lake Keuka as seen from the Bluff through the camera of Donald Pinckney of Bluff Point.

Yates County's poet laureate, whose writings have, like the local boats, buckwheat flour and wines, given Penn Yan a widely-heralded identification, was raised in Guyanoga village. He was graduated from Penn Yan Academy, acquired a reputation of sorts as a trombonist in area orchestras and married a local girl, Ruth M. Lovejoy. Between the two of them their local relatives are almost beyond reckoning.

Although the Seagers had three small sons, Ralph was drafted during World War II and served with the navy in the South Pacific where on Tuesdays for a time he met a courier pilot, Tyrone Power, the actor, and relieved him each week of a locked dispatch box.

After the war Seager returned to Penn Yan and his position in the post office, an association he held until the completion in 1968 of 30 years of service.

In the meantime he enrolled under the G.I. Bill in a University of California correspondence course on verse writing. He later co-authored a correspondence course of his own for the Christian Author's Guild.

A turning point in Seager's writing career came during a visit to Keuka College by Pulitzer poet Robert P. T. Coffin in the early 1950's. Seager attended Coffin's lectures, introduced himself to the New England poet, won his encouragement and friendship and engaged in a long correspondence. These letters and Seager's various papers are now in the manuscript archives at Syracuse University.

In 1956 Seager's first book, "Songs from A Willow Whistle," was published. The book was dedicated with appreciation to Coffin, who died two days before a copy reached his home in Brunswick, Maine.

Other books followed. The award-winning "Beyond the Green Gate" came out in 1958, "Christmas Chimes in Rhyme" in 1962, "Cut, Flagon and Fountain" in 1965 and "A Choice of Dreams" five years later.

He also wrote one book of prose, "The Sound of an Echo," containing reminiscences of the people, places and activities of his Guyanoga childhood.

Seager was invited to offer a course in verse writing at Keuka College in 1960. The course had a large and enthusiastic enrollment and Seager was asked to return the following year. In subsequent years his assignments also included courses in poetry appreciation and freshman English. The College was later to award him the degree of doctor of letters, an honor which was doubly significant because colleges rarely so honor members on their own faculties.

After a poet achieves a reputation, so many demands are made on his time and energies that there are few opportunities left in which to write. Seager has been able to keep writing and other activities in balance. During the past year he has written and placed a score of poems.

He has spoken before innumerable poetry, school and popular audiences. During the past 18 years he has conducted 27 poetry workshops at summer conferences in Pennsylvania, Wisconsin, Illinois, Ohio and Vermont and traveled as far as California to give lectures. He has a shelf of 36 books by persons who have studied under him.

What is Seager's appeal to readers in a day when books of poetry are seldom candidates for the best-seller lists? His craftsmanship is primary. He writes in various poetic forms including the demanding Shakespearian sonnet and has devised a number of poetic patters of his own.

In a time when poets have a reputation for being esoteric and "way out" beyond the understanding of the common reader, Seager communicates in a vocabulary and idiom that readers appreciate.

HOW TO LOOK AT THE SOVIET-AMERICAN BALANCE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. SOLARZ. Mr. Speaker, the Defense Department authorization bill for fiscal 1977 is scheduled to be considered on the House floor shortly. The debate on budget figures and specific weapons programs has this year been overshadowed by a strong and persistent case presented by the Pentagon and others over the extent, nature, and purpose of what appears to be a large-scale buildup by the Soviet Union of its armed forces.

There is little doubt that in the past decade the Soviets have indeed made extensive improvements in the levels and capacity of their armies. Indeed, the Pentagon has prepared a panoply of charts and graphs to prove this is the case. Yet many questions remain concerning exactly how much of the Soviet buildup should be considered threatening to the United States, the exact nature of the comparison between Soviet and American forces, what response, if any, is required by the United States and, perhaps most important, what are the intentions of the Soviet leaders.

Our distinguished colleague, LES ASPIN, wrote an excellent analysis of the Soviet-American balance of forces in the spring 1976 issue of Foreign Policy. Among other things, he casts doubt on the new math designed to show that Soviet spending is much higher than previously thought. The Pentagon estimates the Soviet military budget by finding what similar forces in this country would cost. LES ASPIN pointed out the absurdity of this method means that—

> If the United States were to shave its military pay scales, Soviet defense "spending" would fall.

LES ASPIN also gives alternate explanations for the rise in Soviet military spending. Mr. Speaker, I recommend a careful reading of this useful analysis that follows:

HOW TO LOOK AT THE SOVIET-AMERICAN BALANCE

(By Les Aspin)

The Soviet Union, we hear these days from the Pentagon, is now outspending the United States on defense. Yesterday's missile gap is today's dollar gap.

It is legitimate to ask two questions about the figures being bandied about. First, do the statistics fairly reflect reality? As Disraeli remarked, "There are three kinds of lies: lies, damned lies, and statistics." Second, if there has been an increase in the Soviet defense budget, is it really something we have to worry about? After all, the U.S. military could add a billion dollars to its subsidies for commissaries or its budget for uniforms without generating any worries in the Soviet equivalent of the Pentagon.

When James Schlesinger was defense secretary, he said, "If one strips away pensions and other such considerations, the Soviets may at this point, in terms of the American dollar, be outspending us by 50 per cent. They are outspending us, even including pensions, by approximately 30 per cent." This has been echoed by others, inside and outside Defense.

The key phrase is "in terms of the American dollar." The Soviets, of course, do not spend dollars. But somehow, Soviet expenditures must be translated into figures comparable to American expenditures. The Pentagon does this by putting both defense budgets into dollars. Starting from observed Soviet defense activity (manpower, equipment, construction, and operations), analysts calculate the cost of procuring a similar force in this country. They ask, "What would it cost to buy the Soviet defense establishment in the United States at U.S. prices?" Based on preliminary figures, this calculation shows that last year the Soviets spent $107 billion on defense while the United States spent $79 billion, both in 1974 dollars.

A TRAP DOOR

This method of calculation seems fair on the surface. But there's a trap door. Soviet wages are generally much lower than American wages. But by computing Soviet manpower costs at U.S. rates, one discovers a huge Soviet defense manpower "budget" of over $50 billion that exists only in American documents.

Using this methodology, the largest single reason that Soviet defense spending exceeds our own has been the American decision to switch to an all-volunteer Army and to pay its servicemen civilian-level wages. The absurdity of this calculation then becomes clear: If the United States were to shave its military pay scales, Soviet defense "spending" would fall.

To be sure, calculating the cost of Soviet defenses in American dollars is one way of getting a perspective on the size of their effort. But it is not the only way. An alternative is to compute U.S. and Soviet defense expenditures in roubles.

This method is admittedly much more difficult. For example, we have no good way to estimate what it would cost the Soviets to produce the whole range of American equipment. We cannot turn a new tank over to a Soviet manufacturer and ask him what it would cost to produce it.

Nevertheless, a meaningful rouble comparison can still be made. The result is the reverse of the dollar comparison. Whereas the dollar comparison is weighted by the fact that it prices the manpower-intensive Soviet forces in terms of high U.S. personnel costs, the rouble comparison is weighted by the fact that it prices the technology-intensive U.S. forces in terms of the high costs of Soviet technology. When the calculations are done with roubles, the United States is the bigger spender.[1]

Actually, the rouble comparison understates the American lead in spending. Many of the more sophisticated items in the U.S. arsenal are beyond Soviet production capabilities; computers and other advanced electronics are prime examples. The standard estimate counts the cost in roubles of the closest item the Soviets can actually make. Since we alone have a TV homing, steerable bomb, for example, in roubles it would be priced as an ordinary bomb.

So the answer to the question, "who is spending more on defense," depends on the price system used.

A QUESTION OF TRENDS

Beyond the absolute levels of defense spending, there is the question of trends. It is impossible to ascertain with any relevant measure if the Soviets are outspending the United States in any given year, but the trends in spending over several years are not so ambiguous.[2]

According to the best estimates available, real Soviet defense spending has increased an average of 2.7 per cent a year over the

---

Footnotes at end of article.

decade 1964 to 1974.[3] U.S. defense spending, on the other hand, increased from 1964 to 1968, because of Vietnam, but has declined in real (not inflated dollar) terms since. The curve results in an annual net decline of 1 per cent per year.

Former Defense Secretary Melvin R. Laird believes the Soviet increase is evidence that "the Soviet Union has engaged in a relentless effort to attain military supremacy."[4] For him and others, détente is a smoke screen behind which the Soviets are hiding while still trying to surpass the United States in all dimensions of military power.

But there are two other possible explanations for Soviet behavior—explanations that are not so cataclysmic. The first is the timing of budget decisions. Right now the driving force behind rising Soviet expenditures is the new generation of intercontinental ballistic missiles (ICBMs). These systems have a long gestation period, and were being developed before the 1972 SALT agreements ushered in the era of détente.

This means that we cannot automatically assume that recent budget growth is a reflection of the current attitudes of the Soviet leaders. If the attitudes have changed, we may see a change in defense expenditures in late 1976 or 1977 when the current ICBM deployment nears completion.

The second possibility is that the growth in Soviet defense expenditures is a function of internal, bureaucratic/political factors in the Kremlin. Brezhnev, trying to keep a majority for detente in the politburo, cannot afford to alienate the armed forces. Using increased defense expenditures to keep the military on board for political purposes is not unknown in this country and may also be an accepted ploy in the Soviet Union.

But whatever the reason, the trends are there. To quote Schlesinger again: "By most of the available measures, American power is declining and Soviet power is rising. No one can say precisely where the peril points lie as this process unfolds. But if real expenditures by the United States remain constant or continue to fall, while real Soviet outlays continue to rise, the peril points will occur in the relatively near future."[5]

However, the crucial issue is what the Soviets are spending their extra roubles on. If the increases are in forces that threaten the United States and its NATO allies, that is one thing. If the increases are for more troops on the Chinese border, that is something else. The accompanying table, based on previously unavailable data, shows what proportions of the total growth in Soviet defense spending have been devoted to each military mission.

IDENTIFYING THE INCREASES

Not all increases directly threaten U.S. interests. These include higher spending on four missions that comprise 36 percent of the increase in Soviet spending in the 1964–1974 decade:

1. Since the Sino-Soviet split, the Soviet Union has boosted the number of troops and amount of equipment stationed along the Chinese border. (This accounts for 16 percent of the budget increase.)

2. In response to the 1968 uprising in Czechoslovakia, the Soviets stationed five divisions there in order to restore control. They remain there. (This accounts for 5 percent of the increase.)

3. In the 1964–1974 period, the Soviet Union significantly augmented the border troops of the KGB (Committee of State Security) and the security troops of the MVD (Ministry of Internal Affairs). These forces are "essentially paramilitary formations whose principal functions are to police Soviet borders [and] cannot credibly be included in the Soviet land order of battle."[6] (This accounts for 8 percent of the increase.)

4. The Soviet Union has traditionally been extremely sensitive about its vulnerability to attack and has made enormous investments in surface-to-air missiles and fighter-interceptor aircraft, even as the limited effectiveness of air defense led the Pentagon to trim outlays in that area drastically. (This accounts for 7 per cent of the increase.)

Other increases in Soviet defense spending directly threaten U.S. interests, at least in part.

Intercontinental-range offensive forces, composed of ICBMs, submarine-launched ballistic missiles (SLBMs), and long-range bombers, are generally considered the most threatening and account for 26 per cent of the increase. However, this increase was offset somewhat by a decline in spending for shorter-range strategic forces, such as medium- and intermediate-range missiles, which can threaten NATO.

Many of the Soviet allocations for research and development (R&D) can pose a potential threat to the United States and its allies. Spending for military R&D accounted for 18 per cent of the total growth in Moscow's defense budgets, although the proportion that went for programs affecting U.S. interests is uncertain. Furthermore, Soviet R&D efforts are less efficient. One estimate suggests that Soviet R&D outlays are only 40 per cent as productive as U.S. R&D outlays.

An estimated 100,000 additional Soviet troops were moved into the Eastern European satellites, excluding Czechoslovakia, during the decade. (This accounts for 10 per cent of the increase.) It should be noted, however, that the Soviets weren't the only ones to expand their force in the area; West Germany increased its army by 80,000 men in the 1964–1974 period and, as Schlesinger told Congress, ". . . the capacity of our [NATO] allies has improved substantially in the last decade."[7]

A moderate amount of the increase, 5 per cent, has gone into the navy (excluding ballistic missile submarines) and the tactical air forces—a portion of which went for squadrons assigned to the Far East for possible use against China.

In sum, about 36 per cent of the expansion in Soviet defense spending falls into categories that are not directly threatening and 51 per cent into areas that might threaten us. The 51 per cent, however, should be reduced somewhat because, as we have seen, it contains some built-in exaggerations of the threat to the United States.

There is a danger here of drawing this argument too finely and getting too absorbed in the statistics. It is impossible to neatly categorize every defense dollar (or rouble) as nonthreatening or threatening. Forces can be shifted from a nonthreatening front to a threatening one. Still, in the event of a European war, it is unlikely that the Soviets would uncover their Chinese flank by removing forces from the Far East. With regard to Czechoslovakia, the Soviet occupation forces there would have to contend with the possibility of an uprising in the event of general war in Europe. With these qualifications in mind, we can say that only about half of the Soviet growth in military spending of 2.7 per cent per year is threatening to America.

A LOOK AT THROW-WEIGHT

Three specific areas of Soviet spending are often pointed to with alarm—the Soviet strategic forces, navy, and ground forces.

In the strategic weapons area, the Soviets have indeed expanded rapidly, especially considering the fact that much of the R&D increase is for strategic weapons. About a third of the additional spending has gone here. As a result, the Soviets have moved from inferiority to rough parity in the missile area—a shift the Nixon administration publicly accepted on taking office. But still, some people fear that the Soviets have spent themselves into superiority. For them, "throw-weight" is now in vogue.[8]

Paul Nitze, for example, recently tried to show a Soviet advantage in throw-weight.[9] But the simple fact is that the United States has a commanding lead of 27 million pounds to 12 million pounds when total missile throw-weight and maximum bomber payload are combined.

Nitze appears to worry most that if the Soviets strike first and hit U.S. missile silos, they could, by his calculations, improve their throw-weight advantage, hold American cities hostage, and therefore "win" a nuclear war. He neglects one point: The superpower with the postattack advantage is the superpower that strikes first. If Washington were to launch a first strike against Soviet missile fields, we would end up with an absolutely enormous throw-weight advantage because much more Soviet throw-weight is carried on their vulnerable land-based missiles.

So it looks as if both superpowers face a throw-weight gap. But does it matter? Even if the Soviets successfully carried out a devastating attack on our forces,[10] the United States would still have about 3,100 surviving warheads—and that is 10 per cent more than the Soviet arsenal has now, before an attack. Even if the Soviets attacked first, the United States would still have enough surviving warheads to drop 13 on every Soviet city of more than 100,000 people. Is the politburo really going to sniff at the possibility of warheads raining down on the Kremlin by arguing, "We have more throw-weight than the Americans"? If they are really that irrational, then they aren't smart enough to understand the concept of throw-weight advantage in the first place. In the last analysis, both countries enjoy a surfeit of missilery. In light of that, the significance of any throw-weight advantage is nil.

In the other two areas—the navy and ground forces—the spending growth, as shown in the table above, was modest for those missions and locales that threaten the United States and its NATO allies.

Only 3 per cent of the growth in Soviet defense spending went to navy conventional forces (excluding strategic missile submarines that are covered in the strategic forces category). The Soviet navy has grown, but it has been able to do this within relatively level budgets because few ships were retired during the decade and it enjoyed a large budget growth prior to the base year 1964, used in the table. The Soviets have built more ships than the United States, but every year we produce more tons of ships; U.S. Navy warships are larger, more capable, and have greater firepower. The Soviet navy has grown, but according to many specialists, it is still largely designed for defensive purposes.[11]

The latest rage among those who view the Soviet military budget with alarm is the spending on ground forces. The numbers being published about Soviet production of tanks, trucks, cannon, and other equipment as well as figures on Soviet military manpower are impressive.

But is the equipment and manpower being sent where it is threatening to U.S. interests? And what kind of quality are they buying with their roubles?

Roughly one-third of Soviet ground forces and equipment are deployed to the Far East, another third faces NATO, while the remaining third is elsewhere. Thus, a sizable fraction does not endanger U.S. security interests. Moreover, as the table indicates, most of the increased spending on Soviet ground forces has gone for men and arms along the Chinese border and in Czechoslovakia, not Eastern Europe.

Tanks, artillery, and other equipment are ground out in quantity but don't measure up to the quality of American weaponry. For

---

Footnotes at end of article.

example, Soviet tanks have a lower rate of fire, are less accurate at long range, and do not have as much armor protection. The crew space is also cramped, making it difficult for Soviet tankers to work as effectively as their American counterparts.

The issue of quality also applies to manpower. The Soviets have added one million men in the last decade and now have twice as many in uniform as the United States. But Soviet troops are employed in agricultural and construction projects, and large numbers of Soviet officers are really party functionaries. Furthermore, the Soviet enlisted man is not as experienced as the American volunteer who serves longer tours in the U.S. Army. As Lieutenant General Daniel Graham, then director of the Defense Intelligence Agency, testified, "Every six months they replace a quarter of their draftees, and the Soviet army's enlisted strength is almost all draftee."[12] Because of this turnover, many of the men assigned to combat units are still undergoing training.

This is not to say that superior numbers are irrelevant. But part of the reason the United States trails in quantities of equipment is that the U.S. armed forces have decided they want their armories filled with high-quality and sophisticated items. If the services feel that quantity should now be the primary concern, then they can tell their designers to take that into account.

Numerical comparisons are important in any assessment of the military balance. But this does not mean that any simple statistic showing the Soviets ahead of the United States is cause for hand wringing.

I do not mean to suggest that Soviet defense spending should be ignored. Some of the increase in spending is certainly threatening. Additional spending in threatening areas can mount up over the years and this warrants our close attention. But a lot of statistics are abused when we talk of the Soviet military. We must put those numbers in perspective and not jump to the conclusion that the Soviet bear is 10 feet tall.

Distribution of changes in Soviet defense spending, 1964–74

[As a percentage of the total increase]

Mission:	*Percent Change*
Research and development	+18
Intercontinental range offense	+26
Intermediate range offense	− 8
Strategic defense	+ 7
Navy, general purpose forces	+ 3
Tactical air forces	+ 2
Chinese border	+16
Eastern Europe (minus Czechoslovakia)	+10
Czechoslovakia	+ 5
Internal security	+ 8
Other changes (unidentifiable by mission)	+13
Total	+100

(NOTE.—All changes in the missions listed in the table are cumulative (cumulative change equals the sum of the differences between spending in 1964 and in each of the succeeding years) and are expressed as percentages of the cumulative increase in total spending for the 1964–1974 period. Outlays for command and general support were allocated to various mission categories based primarily on those categories' proportions of the total budget in any given year. Research and development costs are not included in any mission categories apart from that entitled "research and development.")

Source: Estimates provided in the table were derived from the following sources: The Military Balance, various years, published by the International Institute for Strategic Studies: U.S., Congress, Joint Economic Committee, Subcommittee on Priorities and Economy in Government, Allocation of Resources in the Soviet Union and China. 1974 and 1975; and the best available intelligence community estimates as of January 1976.

FOOTNOTES

[1] The results differ because the relative costs of manpower and equipment in the countries differ. Where relative costs vary, using a single monetary unit from either one of the two countries to make the comparison produces a bias—what economists call the "index number" problem.

[2] Trend calculations were worked from the dollar costs of Soviet spending. Although dollar figures give a misleading view of the absolute level of Soviet outlays, if applied consistently, they are valid in describing changes and trends.

[3] Former Secretary Schlesinger has put the long-term Soviet growth at between 3 and 5 per cent per year. Deputy Defense Secretary William Clements has claimed that the Soviet military budget "in real terms is increasing about 5 percent a year . . ." (Defense Space Business Daily, May 31, 1975). Actually, the rate of growth has fluctuated between 1 and 5 per cent annually. And, in the 1964–1974 period, the annual rate of growth averaged 2.7 per cent, which corresponds to a 3 per cent slope in the long-term trend line.

[4] Melvin R. Laird. "*Is This Detente?*" Reader's Digest, July 1975, p. 57.

[5] Letter to Senator John L. McClellan, chairman of the Senate Appropriations Defense Subcommittee, October 23, 1975, p. 5.

[6] Jeffrey Record. Sizing Up the Soviet Army (Washington, D.C.: The Brookings Institution, 1975).

[7] U.S., Congress, House, Committee on Appropriations. Subcommittee on The Department of Defense. Department of Defense Appropriations for Fiscal Year 1976. Hearings, 94th Cong., 1st sess., 1975. Part I, p. 27.

[8] Throw-weight is the maximum useful weight that can be carried to a target by a missile.

[9] Paul H. Nitze. "Assuring Strategic Stability in an Era of Detente." Foreign Affairs, January 1976.

[10] One that eliminated 50 per cent of our SLBMs. 90 per cent of our ICBMs, and 80 per cent of our B–52s.

[11] See Michael T. Klare. "Superpower Rivalry at Sea." Foreign Policy 21.

[12] In testimony before the U.S. Congress, Joint Economic Committee, Subcommittee on Priorities and Economy in Government. Allocation of Resources in the Soviet Union and China. 1975, p. 125.

THE HIDDEN KILLER—CHILDHOOD CANCER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. BIAGGI. Mr. Speaker, this past Sunday a very startling article appeared in the Washington Post discussing the rising incidences of cancer among children. The article indicates that more than 15,000 children in the Nation have some form of cancer with more than 7,000 new cases being detected annually.

One of the essential problems pointed out in the article is both a lack of early detection of cancer as well as improper diagnosis by doctors. The Federal commitment to curbing childhood cancer has been fragmented and inadequate. In one important area, grants to students and institutions for childhood cancer research have dropped in the past several years.

It is obvious that more attention must be focused on this problem and I intend to explore some new legislative possibilities in this area. I hope my colleagues will take the time to read this comprehensive article written by Robert A. Becker, whose article depicting his own young daughter's tragedy with leukemia won him a national award.

Mr. Becker's article entitled "Children's Cancer Outlook Is Cloudy" follows:

CHILDREN'S CANCER: OUTLOOK IS CLOUDY

(By Robert A. Becker)

The cancer specialist's report:

History. This 21-month-old child was in apparent good health until about three weeks ago when the mother noted the onset of listlessness, anexoria, irritability and weakness. The child was seen by her pediatrician who felt she had a (sore throat) and treated her with penicillin. She was . . . given a prescription for oral iron to be taken following completion of her course of penicillin.

The surgeon's report:

Hospital course: The patient is a 21-month-old white female infant with a left flank mass of undetermined duration . . . Abdominal exploration was done and we found an enormous unresectable, firm . . . mass extending from one kidney to the other. Biopsies were taken and no further procedure done . . . The pathologist reported the tumor to be a neuroblastoma.

Prognosis: Poor.

Despite dramatic advances in the combined use of drugs, radiation and surgical techniques, advances that have added precious months, sometimes years to their lives, the outlook for cancer-afflicted children in the United States today, while promising for some, is still cloudy for many.

For some of the 15,000 or so youngsters, the problem centers on the inadequacies of medical science to deal effectively with some types of pediatric cancer, most notably neuroblastoma, brain tumors and some forms of leukemia.

For others, the prognosis may hinge on where that child lives. Those unfortunate enough not to live near one of a handful of major cancer centers in the country with a strong pediatric oncology (cancer) program, may never receive the most advanced treatment and therefore are likely to die sooner.

As a result of progress in chemotherapy, radiation therapy and surgery—what researchers like to call "combined modality"—the prognosis has greately improved for such diseases as acute lymphocytic leukemia, once unalterably fatal after an average of 4 to 5 months, Wilm's tumor, a common childhood solid tumor of the kidney, and, more recently, osteogenic sarcoma, or bone cancer.

But for too many of the 7,150 new cases detected each year, the problem begins with what some doctors admit and many parents claim is improper or late diagnosis by physicians who are unfamiliar with many of the symptoms of childhood cancer, a circumstance prompted in part by the fact that the average pediatrician might see only five to 10 such cases in the course of his career.

"Doctors just don't know very much about children's cancer. I don't think they recognize it when they see it. It could be they don't want to see it. I think they tend to shy away from getting involved with a child in a real serious condition, so maybe they shy away from suspecting the worst."—Mother of a young son under treatment for acute leukemia.

Candlelighters, a Washington, D.C.-based lobby group of parents of cancer-afflicted children, recently polled members on problems of diagnosis. The results, drawn from 54 case histories, showed that 61 per cent of the cases, involving 13 types of cancer, were accurately diagnosed within 16 days. But diagnoses for the remaining 39 percent took anywhere from 16 days to a year.

The chairman of the American Academy of Pediatrics' Neoplastic Disease Committee, Dr. Frederic Silverman, confirms that "any given pediatrician in the course of his 30 to 35 years of practice is only going to see a few cases of actual cancer. Consequently, he's not in a position to deal with it unless he can get some real help and get to the experts in the field."

The need for prompt, expert attention by cancer specialists is illustrated by a leading pediatric cancer clinician who tells the story of a baby taken to a community hospital and found to have a lump in the stomach.

"The pediatrician feels the lump and decides to call a surgeon and get some X-rays. The surgeon comes in—he probably operates on one childhood cancer case a year—and goes in thinking it's probably something else and may not do a first-rate definitive operation. It's discovered to be cancer. The child's closed up and sent to us at the cancer center. Well, we're at a disadvantage already. Obviously, the first crack at the thing is the best. And sometimes, the sample is not adequate for specific diagnosis. Maybe the extent of the tumor is not well defined by the operative report—if we get an operative report."

"Then when they do find it, there's this feeling, 'Oh my God, it's too late.' You think if the doctor had found it at the start, we could have cured it. I suppose in a lot of cases that's not really true. But you still think that. I mean you can't help thinking that all the time. You always feel guilty. "Why didn't we find it earlier?"—Father of a 2½-year-old child now deceased from neuroblastoma.

The problems of diagnosis are often later compounded by the fact that not all children afflicted with cancer ever receive expert attention. In fact, at House appropriations subcommittee hearings on the National Cancer Institute's budget recently, NCI Director Dr. Frank J. Rauscher Jr., estimated that only about half the children diagnosed with leukemia ever have access to the newest treatment methods.

Meanwhile, in an attempt to deliver the most modern treatment available to all cancer patients, NCI has set up 17 comprehensive cancer centers in clinics and hospitals across the country to encompass clinical and basic research activities and to develop improved diagnosis and treatment methods.

But not all these centers have programs specifically oriented to childhood cancer. At the same time, according to one parent whose child was treated at a major center, "there are some comprehensive cancer centers that have pediatric cancer programs that are abysmal." She cites one center in the southern United States that operates a pediatric oncology service for 120 patients with only two senior oncologists.

But it is at the point that the child begins treatment that the advances and the inadequacies of medicine are clearly juxtaposed. On the one hand, the child's life is being extended through the use of sophisticated drugs administered in precise doses. On the other, these same drugs seriously affect the quality of that child's life and that of his family. The toxicity of these life-sustaining drugs produces a variety of miserably unpleasant side effects, among them loss of hair, vomiting, nausea, mouth ulcers, bone marrow depression and accompanying susceptibility to infections and pneumonia. Some patients experience severe neurological disorders such as nerve damage, paraplegia, muscle pain and atrophy.

"For the longevity of life, we paid dearly. He lived for a long time (7 years) but the results of his living with this disease caused extensive damage to his lungs and cataracts in his eyes. The children are living longer, but the drugs are still as toxic as ever. It becomes a serious question of the deterioration in the quality of life."—Annandale, Va., mother of a 10-year-old son recently deceased from acute leukemia.

The problems created by having a child stricken with cancer are also great for the family—problems that some physicians choose to ignore while others are only beginning to recognize and deal with.

The often explosive impact of discovering their child has cancer is devastating in many families. Divorce and separation are not uncommon occurrences prompted by the inability of one or both parents to cope with the situation. More than half the families who undergo this experience require psychiatric help which more often than not is unavailable.

Yet, despite the severity of these shock waves, some physicians are either ill-prepared or reluctant to incorporate the needs of the family in their treatment plan. Some even resent sharing information about the child's treatment with the parents.

"Medical people are sometimes very resistant to this. They think they can't tell us too much or we'll interfere with treatment or we'll be critical. They don't realize parents can understand and that they (doctors) can explain to parents why certain procedures are necessary. Parents have a need and a right to know what is happening to their child; the right to question what is happening and even the right to play a part in making decisions with the doctors on what should happen to the child. And doctors who cut parents off from resources because of their own insecurities are retarding the treatment process of the child and throwing a wedge in the healthy development of that family."—Grace Ann Monaco, Candlelighter and mother of a child who died of leukemia.

Basic to that resistance is the frequent inability of medical staffs to cope with the inherent problems of caring for the terminally ill child. Three years ago, psychiatrist Stephen Hersh was called in as a mental health consultant to the medical staff attending young cancer patients at the NCI Clinical Center in Bethesda, Md., because "there have been a number of the staff who engaged in self-destructive behavior which was in response to working with children with cancer." Dr. Hersh explains how constant exposure to the stresses of caring for cancer-stricken children exacts a heavy emotional toll from doctors and nurses.

"For any one family, it's one child and one death they live through no matter how long it takes. But for the medical staff, there are hundreds of deaths to live through. And they mourn. They learn how to be tough and defend themselves against it. But they cry. They get depressed."

Efforts to train doctors and nurses how to help themselves and their patients cope with the prospect of death have been slow in coming. It wasn't until the late 1960s that some medical schools began offering any formal training in how one deals with the terminally ill. Most medical schools still prefer that the new doctor gain such insights on his own during his career.

Dr. R. Wayne Rundles, professor of medicine, hematology division of Duke University Medical Center, contends that such training "would not be very effective. It's kind of like teaching mother love to high school girls. They're not interested at that time. You just have to live a while to be interested in some areas. In medical schools, we've given up the idea you can teach everything. In medicine, you teach the fundamentals on which you build later."

"In many instances, clinicians are terribly ignorant when it comes to psychology of human beings and understanding why some parents react one way and some another. Most med schools do not require extensive psychological training. No training in medical ethics. There's no med school in the nation that teaches how to do clinical research. There's this big void. They're very involved in the technical aspects of projects and protocol."—Ft. Lauderdale, Fla., mother of young leukemia patient.

Opinion is not as divided, however, on what physicians and parents see as serious deficiencies in the training of new cancer researchers, those who will challenge existing patterns of scientific thought and hopefully carry forward the momentum of recent advances. Plagued by a series of political maneuverings, impoundment of federal training funds and across-the-board cuts in training programs, the effort to fill the pipeline with new cancer specialists has suffered greatly in recent years, according to most researchers.

"The whole effort needs people, good people," argues Dr. Lucius F. Sinks, chief of pediatrics at Roswell-Park Memorial Institute in Buffalo. "If you discourage them with too much bureaucracy and too much 'up and down' funding, all the young people get turned off and stay away from the reasearch field. And that's what's happening right now."

NCI, since 1938, has offered postdoctoral training fellowships to young Ph.D.s and M.D.s interested in cancer research. In 1956, that program was broadened with the availability of institutional grants to hospitals and universities enabling them to select and award their own young investigators in cancer related research.

Both programs were scrapped in January, 1973, when some $60 million in training grants were impounded by the Office of Management and Budget during President Nixon's administration. The effects of this move in medical circles were predictable.

"There was a great outcry from the scientific community," recalls one high-level NCI official who administers the institute's training grants programs. "The concern was that, if we didn't train people who were coming along, we wouldn't have any senior investigators. The impoundment of those funds did wreck our training programs."

Ten months later, then Secretary of HEW Caspar Weinberger hurriedly introduced measures to establish an interim program of funding for individual fellowships and training grants for institutions.

"He originated what we called the Weinberger program," says the grants administrator. "It was right out of a clear blue sky. Nobody at NIH had any advance knowledge about it. He just made a speech somewhere and said we were going to start having fellowships and training grants."

The administration of cancer research grants changed gears again in July, 1974, when Congress passed the National Research Service Act which placed fellowships and institutional grants under that authority but subject to annual review by the National Academy of Sciences instead of NIH. Meanwhile, under terms of the National Cancer Act of 1971, NCI retains control over clinical cancer education grants, designed to help hospitals, medical schools and specialized cancer institutions upgrade their training programs in the care and management of patients.

Funding for fellowship grants dropped drastically from $6 million for 405 grants in fiscal 1974 to $2 million to 127 applicants one year later. These amounts were boosted only slightly by the new act to 247 wards for a total of $2.7 million in fiscal 1975.

Institutional grants have suffered too, dropping from $17.5 million in fiscal 1974 to $9.6 million in fiscal 1975. The new National Research Service Act reduces this to $8 million.

But it is at the laboratory and bedside level that the inadequacies of cancer training efforts come into sharper focus. Stipends for a typical 3-year fellowship in pediatric cancer research, for which only qualified Ph.D.s and M.D.s are eligible, begin at $10,000 and rise to a maximum of $14,000 at the end of that period. The crippling effects of this situation are being felt at childhood cancer clinics around the country, including:

The NCI Clinical Center, where an "outstanding scientist," with a wife and two children, was deeply in debt and had to quit after one year of research in virology in the pediatric oncology branch.

Rosewell-Park Memorial Institute, where a "well trained pediatric oncologist" has had to leave because he couldn't afford to live on $10,000 a year.

St. Jude's Children's Research Hospital in Memphis, where pediatric oncology fellows already have a great deal of training behind them, some from the military, others with years of private practice as pediatricians. "It's just not realistic," says Dr. Joseph V. Simone, chief of hematology. "They've got families and they suffer. Some good people have felt they couln't afford to go on in this subspecialty training."

"One gripe of mine about childhood cancer involves two types of comments; both counterproductive. One is that it's hopeless, so why spend a lot of money if you're not going to get anywhere. The other comment goes the other way, that the disease has been solved. You see stories, for instance, that leukemia is curable. In both instances, these comments tend to make the public think there's no point in doing any more work. That's always been the attitude toward cancer, and childhood cancer in particular. I'm saying the truth is somewhere in the middle and we ought to spend money to find the answers."—Father of a leukemia patient in remission for the past 7 years.

THE BALANCE(S) OF POWER: II(i)—A PANORAMIC PERSPECTIVE

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. BRECKINRIDGE. Mr. Speaker, before continuing with the outlined articles in this series on particular problems, I wish to focus further on the larger question of balance(s) of power.

An article by Sir Robert Thompson that appeared in the Reader's Digest in November 1974, is as relevant to the situation today as at the time it was published. Sir Robert, the major architect of the plan by which the British defeated the Communist guerrilla movement in Malaya between 1948 and 1960, offers valuable insights into the changed nature of the conflict between the United States and Soviet Russia.

A major extract from Sir Robert's article, "Are We Now Engaged in World War III?" which was condensed from his book "Peace Is Not at Hand," follows:

ARE WE NOW ENGAGED IN WORLD WAR III?

(Sir Robert Thompson)

When World War III is discussed, most people think of it in terms of a nuclear exchange between Soviet Russia and the United States. But such a war would be lunacy, for it would result in the obliteration of the world. The Russians know this, as does everyone else.

My thesis is that we have been in World War III for the past 25 years, and that the long-range Soviet goal is to win it *without* a nuclear exchange. This requires that eventually the Russians should force a strategic surrender by the United States by undermining American will and purpose, or by maneuvering the United States into an untenable global situation—or by some of both.

Since World War II, American grand strategy has been defensive—in protection of its own national interests and those of its allies, and of what has come to be known as "the free world in general." Soviet grand strategy, on the other hand, has been offensive, motivated by an expansionist communist ideology.

The first stage of the Soviet push forward was the Cold War. This, from the Russian point of view, proved to be a mistake. It led to mutual-defense alliances—NATO, CENTO and SEATO—and to the containment of the U.S.S.R., which found that any direct confrontation automatically united the West behind the United States.

After the death of Stalin in 1953, Russia evolved a new policy—"coexistence"—as the most likely means of achieving Soviet goals. This policy continues today, with "detente" as the new catchword. That peaceful coexistence means an end to the struggle between the two systems was categorically denied by Soviet leader Leonid Brezhnev at a dinner for Cuba's Fidel Castro in 1972: "While pressing for peaceful co-existence, we realize that successes in no way signify the possibility of weakening the ideological struggle. On the contrary, we should be prepared for an intensification of this struggle between the two social systems."

FRIGHTENING SUPERIORITY

The U.S.S.R. learned valuable lessons from the failures and successes of this period, too: from Suez in 1956, when the Russian advisers fled from Egypt; from the Cuban missile crisis of 1962; from the Vietnam war; from the Middle East Six Day War of 1967. Soviet leaders found that positive action in all these crises required taking risks beyond their powers at the time.

So, the Soviet Union hastened to increase those powers. Today, the conventional-equipment superiority of Warsaw Pact forces over NATO forces on the key northern and central fronts is frightening. . . . For defensive purposes, this superiority is quite unnecessary, because at no time since World War II has there been any Western military threat to Russia.

These conventional forces did not make Russia a global power, but throughout this period of co-existence, she has also been building up her strategic military power. . . . While it was thought at the time of the first Strategic Arms Limitation Talks that the United States still had a technical superiority in the number of separable warheads (MIRVs), Russia has since achieved a breakthrough in the field. She has, in addition, superiority in her anti-ballistic-missile defense system. It can be assumed that the U.S.S.R. will soon have a nuclear capability equal to, if not superior to, that of the United States, in addition to her overwhelmingly superior conventional capability.

THE INVISIBLE MAN

How has the United States faced up to the Soviet push? Immediately after World War II, there was a tendency on the part of the United States to believe that world peace had been restored, and therefore to pull back from overseas commitments. But the Soviet attempt to take over Azerbaijan in Iran contrary to agreements reached at the Teheran conference, Soviet pressure on Turkey to permit the stationing of Russian troops on the Bosporus, and the civil war in Greece soon brought the United States back into the world. The outstanding statement of that time was made by President Harry Truman, when he told Congress in 1947: "It must be the policy of the United States to support free peoples who are resisting subjugation by armed minorities or outside pressures."

This "Truman Doctrine," the cornerstone of Western defense for 20 years, was destroyed by the trauma of the Vietnam war. It was replaced by the "Nixon Doctrine," which repeated the Truman Doctrine but added a limitation which had not been there before: the United States would aid and assist only those nations that would be primarily responsible for providing manpower for their own defense.

Our opponents, on the other hand, adopted a reverse policy. The Russians played a major part in preparing and running the air defenses of Egypt and Syria in 1973. Even North Koreans were flying Syrian MIGS, and North Vietnamese were manning SAM sites. China, too, is becoming directly involved with revolutionary movements in Africa. The American GI, on the other hand, has become an invisible man.

That is a recipe for failure. Involvement can lead to either success or failure; noninvolvement leads only to failure. The answer is to keep the options open.

ONE-WAY GROUND RULES

Today we are supposed to have moved into an "era of negotiation." There has been a flurry of dramatic summit meetings and desert-hopping exchanges. Unfortunately, the Western nations have not yet mastered the art of negotiating with the Soviet Union, primarily because their approach to such negotiations is based on two false attitudes.

The first is that any agreement, even a bad one, is better than no agreement at all, and that a willingness to compromise will solve a conflict. This, in the face of all the evidence, is simply not true. For to communists the ending of conflict is not necessarily a desirable goal. Negotiating, to them, is part of the conflict, and is designed to consolidate gains, to increase pressure on the opposition, or to obtain a respite.

The second false attitude is that peace can be preserved by allowing a tolerable level of violence to continue. It is certainly not tolerable to those who suffer from it. At some point, the violence will spread and the tolerance level will be breached, thereby endangering peace.

Given these attitudes, it is not surprising that recent negotiations to end wars have not always proved successful. The point to understand is that in Indochina, the Middle East and Europe, Russia has managed to establish for herself a "can't lose" situation based on ground rules advantageous to her alone.

The first of these rules is that communist countries are off-limits, while the rest of the world is free-for-all. Eastern Europe, North Korea, Cuba and North Vietnam have all established that point. Second, in a free-for-all situation, a Communist Party has to win but once. Brezhnev himself stated the doctrine: "Experience shows us that, in the present conditions, the victory of the socialist system in this or that country can be regarded as final, and the restoration of capitalism can be regarded as precluded." In other words, neither the ballot box nor revolt can ever throw the communists out.

Third, revolutionary parties know that they will be supported—by Russia, China or both—whereas the threatened governments of non-communist countries do not know whether they will be supported by the United States or not.

CRUCIAL TEST

In continued pursuit of the final goal of winning World War III without a nuclear exchange, the Soviet's aim over the next few years must be to remove the United States' presence and influence entirely from the European, Asian and African land mass. This is by no means a preposterous step.

In an article on the "competitive relationship" between the United States and the Soviet Union since World War II, Prof. Zbigniew Brzezinski, of Columbia University, has drawn attention to its cyclical pattern, with first one side being assertive and then the other. He attributes this swing in assertiveness to four major factors: the relative international standing, relative military power, relative economic power and relative strength of the domestic policy base of the two countries. The United States, of course, has always had the advantage in economic power. In the other three factors, the advantage has varied at different periods since 1945.

The United States has tended to become assertive only when all or most of these factors have been favorable, whereas the Soviet Union has been prepared to be assertive with only one factor, or at the most two, in its favor—as in the period 1969 to 1972. During this recent period of Soviet assertiveness, Brzezinski has rated the international standing of the two powers as roughly equal, the military power as a questionably marginal U.S. advantage, economic power as still a U.S. advantage, and the domestic policy base as a Soviet advantage.

But since 1972, when the article was written, the factor of international standing has definitely moved in favor of the Soviet Union, particularly as a reliable ally; and military power is also clearly moving to the advantage of the U.S.S.R. This emphasizes one of Brzezinski's major points: "Until now, the stability of the relationship has not been tested by an assertive Soviet policy conducted in the context of a clear Soviet military superiority."

The Cost and the Risk. . . .

Today, the credibility of the United States has waned. It is becoming doubtful whether any solid structure of peace can be created, and whether any Presidents in the next decade will be able to restore that credibility, or create such a structure, unless they are very strong men indeed.

The materials for that structure are all at hand and are contained in the four factors already mentioned: military power, sufficient in both the nuclear and conventional fields to maintain the deterrence; economic power, with all that it entails in the form of foreign aid; international standing, which requires a clear appreciation of vital interests, enforcement of agreements, and absolute faith with allies; and a supporting domestic policy base, for which nerve, will and stamina are the main ingredients.

In the end, however, the question of whether the United States will remain a great power, capable of holding the West together and of safeguarding Western civilization, will depend less on the military, economic and political factors and more on the psychological factor which affects men's minds in every corner of the world. Unless the people of the United States understand that their credibility is at stake, and learn that the greater their credibility the less is the cost and the less the risk, it is going to be very dark indeed at the end of the tunnel.

JEFFERSON WOULD HAVE ARGUED FOR SCHORR

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Ms. ABZUG. Mr. Speaker, several Members of Congress who have urged the release of the report of the House Select Committee on Intelligence have contended that the benefits to be derived from publication far outweigh any harm which may be done to the national security. In fact, the report has been available and it appears that the life of the Nation is unchanged. This was the case in the matter of the Pentagon Papers, is the case in the Pike report situation and is likely to be the case whenever an attempt is made to suppress a report which is a retrospective review of improvident Government policies

Mr. Speaker, these points, and an excellent analysis of the legal questions involved in the publication of the Pike report by CBS correspondent Daniel Schorr, are contained in an article by Nathan Lewin which appeared in the New York Times of April 4, 1976. The article argues that because no harm has resulted from the publication of the Pike report in the Village Voice, "the responses of the House of Representatives and of the Department of Justice must be tempered by what has actually happened." I agree, and once again urge my colleagues to act to have the report of the Select Committee on Intelligence published as a House document.

Mr. Speaker, the article by Mr. Lewin is included in my remarks at this point:

JEFFERSON WOULD HAVE ARGUED FOR SCHORR

(By Nathan Lewin)

When The Village Voice reprinted portions of the Pike Committee's secret report on the Central Intelligence Agency in a special supplement in mid-February, it introduced the section to its readers with an opening disclaimed. "These are not the Pentagon Papers," it said, "but there are points of similarity." The ensuing public turmoil over the origin of the copy reproduced in The Voice, reports of Justice Department concern over the disclosure of possibly classified documents, and the recent announcement that the House Committee on Standards of Official Conduct will be investigating Daniel Schorr, the CBS reporter who is the proclaimed source, bring to mind the extensive constitutional battles that preceded and followed the 1971 publication of the Defense Department's Vietnam study.

Today's situation—like that of 1971—concerns a conflict between a governmental claim that its operations and records require secrecy and an assertion by the press that the public has a need and a right to be informed. Former Central Intelligence Director William E. Colby captured the seeming irreconcilability of this clash with his recent paradoxical observation that Mr. Schorr's disclosures had done harm to the nation by convincing the world "that Americans cannot keep a secret," but that Mr. Schorr ought not to be punished because he had "carried out his obligation to the First Amendment to the Constitution." It was comparable reasoning that led United States Supreme Court Justices Potter Stewart and Byron White to cast their decisive votes in the Pentagon Papers case. They ruled in favor of publication, even though they were then "confident" that disclosure of some of the Vietnam policy documents "will do substantial damage to public interests." Looking back on the Pentagon Papers controversy and on the media's role in the last years of the Nixon Presidency, Justice Stewart observed in a speech in the fall of 1974 that the "adversary" relationship that had developed between the press and the executive branch of government was consistent with the philosophy of the First Amendment. The constitutional language, which instructs Congress to "make no law . . . abridging the freedom of speech, or of the press," is obviously not self-defining. Interpreted in light of its history, it means, according to Justice Stewart, that "the press is free to do battle against secrecy and deception in government," that its constitutional function is to "publish what it knows, and . . . seek to learn what it can." He warned, however, that the Constitution "establishes the contest, not its resolution."

A PERENNIAL TUG-OF-WAR

The constitutional right of the press—or, more accurately, the right of the people to receive information about how they are being governed through the institution of the press—is not one of unlimited access. Government officials have no constitutional obligation to reveal information, just as the journalists have no duty to suppress what they find out. The result is a continuous tug-of-war, with the press straining to cover as much ground as it can, government officials scrambling to protect what they, in their judgment, believe warrants protection, and the courts applying the rules—often developed on the spot—as situations arise.

In one respect that is significant from a constitutional and historical standpoint, the case of the Pike report is similar to that of the Pentagon Papers; in another respect the two are quite different. The similarity is that both concern retrospective studies, done by Government agencies, of improvident Government policies. Public scrutiny of the mistakes of Government and criticism of officials is, according to the best historical evidence, what the free press guarantee of the First Amendment was all about when it was added to the Constitution.

In today's world, free press issues arise in contexts that were totally unforeseen in 1791. The Supreme Court has already decided this term one case concerning the immunity of the press from private defamation suits brought by individuals who have attracted public attention, and it will soon hear and decide whether the press has a constitutional privilege to publish information that may prejudice an imminent criminal trial. In the recent past, the Court has considered claims that reporters are constitutionally privileged to refuse to give grand juries information obtained in gathering news and that they are constitutionally entitled to have access to prisoners for face-to-face interviews. Most of these arguments would have sounded strange to Thomas Jefferson and James Madison, the principal architects of the First Amendment.

Neither Jefferson nor Madison would have been surprised, however, by the contention that freedom of the press covered the subjects of the Pike report or the Pentagon Papers. In pre-Revolutionary days, newspapers and pamphlets were fomenters of resistance and rebellion—first against the arbitrary acts of royal governors and then against King George himself. The hated Stamp Act of 1765—although quickly repealed—taxed newspapers at a confiscatory rate, leading the colonists to believe that it was an effort to suppress their published expressions of dissatisfaction with the Crown's policies.

Actual censorship under a system whereby nothing could be printed until it had received an official license was abandoned in England in 1694, but the Stamp Act proved that similar results could be achieved by the imposition of heavy taxes. The 1776 Virginia Declaration of Rights asserted that freedom of the press was "one of the great bulwarks of liberty," which only "despotic governments" would seek to restrain, and Jefferson's contemporaneous draft of a constitution for Virginia declared that "printing presses shall be free." The Pennsylvania constitution, remodelled on Virginia's, elaborated on this directive: "The printing presses shall be free to every person who undertakes to examine the proceedings of the legislature, or any part of government."

Freedom from taxation and censorship did not, however, mean total exemption from the consequences of publication. The pre- and post-Revolutionary discussion of freedom of the press indicates that the founding fathers agreed substantially with the categorical definition given by William Blackstone in his "Commentaries on the Law of Engand," first published in the same year as the Stamp Act. Blackstone said that "liberty of the press . . . consists in laying no previous restraint upon publications, and not in freedom from censure for criminal matter when published." He distinguished between an individual's "undoubted right to lay what sentiments he pleases before the public," and the punishment of "any dangerous or offensive writings, which, when published, shall . . . be adjudged of a pernicious tendency."

The Pentagon Papers case turned on precisely this distinction. The Supreme Court rejected the Justice Department's request for an injunction against publication because a court order enjoining the press would have been a "prior restraint." Several opinions in the case left open the question of whether the newspapers could be prosecuted criminally after publication had taken place. That question remained unresolved when the trial of Daniel Ellsberg ended abruptly, but it is presented in even more compelling form by the situation of Mr. Schorr, who, unlike Mr. Ellsberg, is a full-time, professional journalist squarely covered by whatever protections the Constitution gives to the press.

THE SEDITION ACT OF 1798

Some years after the First Amendment was adopted, Madison expressed substantial disagreement with Blackstone's distinction between orders prohibiting and punishments following the act of publication. He was put to the test by the infamous Sedition Act of 1798, which made it a Federal crime to print "false, scandalous and malicious writings" that would bring Federal officials "into contempt or disrepute" or excite against them "the hatred of the good people of the United States." The Sedition Act imposed no prior restraint; those who violated it were prosecuted and sentenced after their words were printed and disseminated. Yet Madison, arguing vigorously that the act was unconstitutional, said, "It would seem a mockery to say that no laws shall be passed preventing publications from being made, but the laws might be passed for punishing them in case they should be made."

The proposition that Madison characterized as a "mockery" still is constitutional doctrine under the First Amendment. As a matter of strict logic, it is hard to justify. A "prior restraint" such as a court order is ordinarily enforceable only by punishing a violation of the order as a contempt of court. How, then, does the after-the-fact restraint of a criminal law differ from the prior restraint of a court order?

The case of the Pike report may suggest one practical difference: if the law requires prosecutors to wait until after material is published before they may institute a legal proceeding, they may see from actual experience that the fears anticipated before publication have not materialized. The Pentagon Papers were published, and the country does not seem the worse for it. Portions of the Pike report have been publicly distributed, and no calamity has overtaken us. The responses of the House of Representatives and of the Department of Justice must be tempered by what has actually happened.

The Supreme Court's relatively recent disposition of a historical controversy over the Sedition Act may be helpful to Mr. Schorr's cause if the matter ever reaches the litigation stage. In 1964, it was decided that in the "court of history" the act had been found unconstitutional. Press criticism of public officials was held in that famous case, New York Times v. Sullivan, to be constitutionally protected activity, and immune, in the absence of malice, from civil liability in defamation suits. The Court quoted and approved the protest against the Sedition Act adopted by the General Assembly of Virginia, which attacked the law because it restricted "the right of freely examining public characters and measures, and of free communication among the people thereon," which the legislators believed to be "the only effectual guardian of every other right."

By analogy to the rule applied in libel actions, which are after-the-fact remedies, a court could conclude that any press conduct directed toward "examining public characters and measures" must be given full constitutional immunity both before and after publication. The case of Mr. Schorr would be different, of course, from those that have come before, because it does not concern seditious libel or private defamation, but possible allegations that security classifications have been breached and that the Federal Espionage Act was, accordingly, violated. The constitutional principle should apply, however, irrespective of the statute involved, when the subject being disclosed is an appraisal of past Government activity, and particularly when the document has been composed to permit evaluation by outsiders. In comparing the Ellsberg and Schorr cases, one is driven to the conclusion that both Books of Daniel deserve unfettered constitutional protection.

MRS. LADY BIRD JOHNSON, PRESIDENT FORD DEDICATE L.B.J. GROVE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. PICKLE. Mr. Speaker, the eloquent words of our former First Lady, Mrs. Lady Bird Johnson and President Gerald Ford, highlighted the dedication ceremonies April 6 of the Lyndon Baines Johnson Memorial Grove.

For the many of us there who knew and loved the late President, it was a moment heavy with nostalgia. But our spirits and our heads remained high because we all knew that this was exactly the kind of memorial he would have wanted—a living one.

I insert an article from today's Washington Post detailing the ceremonies. At a later date, I will place in the RECORD some of the comments by those participating in the dedication.

The article follows:

A BUDDING GROVE

(By J. Y. Smith)

Lady Bird Johnson stood with her family on a gravel path of the Lyndon Baines Johnson Memorial Grove yesterday and greeted people who had come to honor her late husband, the 36th President of the United States.

There were almost as many hugs and kisses as handshakes, and those of high and low estate were welcome more or less as just plain folks, which seemed to be in keeping with the purpose of the grove: a living monument for the enjoyment and serenity of the people.

Ambassador Ardeshir Zahedi of Iran shook hands and Charles Robb, husband of Lynda Johnson, said, "He (Zahedi) loves beautiful women." Sure enough, the ambassador bent down and kissed Robb's two daughters, Lucinda and Cathy, who were wearing red-white-and-blue "Stars and Stripes Forever" Bicentennial dresses.

Then President Ford and Vice President Rockefeller arrived with heavy contingents of Secret Service agents and the informal gathering on the pathway gave way to the dignity and solemnity of the presidency on a formal occasion.

Said President Ford of President Johnson:

"It's entirely appropriate in this city of stone and marble that we should honor him with this grove of pines.

"As much as Lyndon Johnson loved his native state of Texas and his ranch along the Pedernales, I think part of his heart and a lot of his indomitable spirit never left Washington. Now it has a home, in this beautiful setting overlooking Washington across the Potomac."

Mr. Ford spoke from a speaker's platform set up in front of a 45-ton chunk of granite taken from the Marble Falls quarry near the LBJ Ranch in Johnson City, Tex. President Johnson's father had arranged for granite from the same quarry to be used in constructing the Texas State Capitol in Austin.

The granite is not the memorial to Mr. Johnson. It is merely the focal point of the 15 acres of land—themselves part of Lady Bird Johnson Park—that commemorate him. The site is near the Pentagon and commands a panoramic view of Washington, from the spires of the Washington Cathedral in the north to the dome of the Capitol and the Lincoln and Jefferson Memorials.

Beside the winding paths are planted white pines, flowering dogwood, American holly, willow oak, abelia, azalea, sweetpepper bush, cherry laurel, rhododendron, hydrangea and English ivy.

Meade Palmer, the landscape architect who laid out the grove, told a visitor he had wanted to put in some loblolly pine, but Mrs. Johnson had objected.

"The loblolly is a magnificent tree when it's fully grown," said Palmer, "but Mrs. Johnson said that where she comes from in East Texas, they're just used for pulp wood, and she didn't want any. So I put in white pine. The only thing is that the white pine doesn't do very well in polluted air and I'm a little worried about how they will do."

The heavily traveled George Washington Memorial Parkway runs between the memorial grove and the Potomac, and the noise of jet planes using National Airport interrupted several speakers, including Mrs. Johnson.

The speakers who were interrupted merely paused until the roar of the jets faded. The U.S. Navy band and chorus were also all but drowned out by a jet during a rendition of "The Battle Hymn of the Republic," but they just kept playing and singing.

Vice President Rockefeller said Mr. Johnson was "a great President, a great patriot, a great American, and a man we loved and admired."

Laurence S. Rockefeller, the Vice President's brother and a noted conservationist who helped organize the grove, said he thought Mr. Johnson would have approved "this sixth major presidential memorial in our nation's capital" because of "its simplicity, its openness, and, above all, its matchless setting of natural beauty."

Secretary of the Interior Thomas Kleppe said the memorial was "a people place in honor of a man who was above all a President of the people."

The grove was financed entirely by private contributions. Kleppe accepted a check for $300,000 from Nash Castro, a former Johnson aide who has helped lead the effort to create the park, to help in the upkeep of the park, which will be the responsibility of the National Park Service. Castro said an additional $200,000 would also be donated.

Mrs. Johnson responded to all these tributes, and, in a way, she had the last word twice.

"Lyndon always liked to recall the story of the astronaut who, after he came back to earth, and looked up at the moon, wondered if he had really been there," she said.

"Whenever I come back to this national capital and visit this grove—and I hope when you do . . . we will walk among the pines . . . and know that he was here and that in those 37 years he gave it all that was in him."

That ended the formal ceremony. Just as people were beginning to leave their places, Mrs. Johnson went to the microphone and had her second last word.

"I hope that those of you who can will linger and stroll among the pines and enjoy a glass of lemonade," she said.

And with that she led President Ford to a lemonade stand operated by members of the Texas State Society, and had a glass of lemonade, thus ending the occasion with the informal charm with which she greeted her well-wishers at the beginning.

SYNTHETIC FUELS NOW

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, energy has always been a critical factor throughout history, and any nation's growing dependence upon foreign supplies has often been viewed as a turning point—away from growth and development and toward decline. It is not necessary to review Gibbon's Rome to recall that the Romans eventually had to import iron, once they lost access to fuel for their smelters, nor is it necessary to reread Macauley's England to know the basic reason behind the continued decline of the British pound. To paraphrase a wise man, "Those who do not profit from the lessons of history are destined to repeat its errors."

Mr. Speaker, the fact that our tomorrows may be little more than the combined total of all our yesterdays is a far too grim prospect. To put this equation another way: "Should the United States use 1 billion tons of new coal supplies per year to keep warm when the oil and gas run out? Or should it change some of its heating methods?" Given the hard facts, I think the American people would choose the latter, but they are not going to be given the facts, and they are not going to have that choice unless this Congress decides to do something about it.

Right now, we have on-the-shelf technology for coal gasification, for methanol production, for a number of other proven commercial-type energy systems. Why not use them? The answer seems to rest solely on our lack of determination to use low-key technology, already available, already adaptable to our needs, and surprisingly cheap to install.

In the April 1976 issue of Professional Engineer, Henrik Harboe describes one such opportunity we are letting slip away from us. At this point, I would like to insert his comments into the Record for I am sure that my colleagues will find his observations informative, if not a bit disquieting. If they do, I hope that they will join with me in demanding that action, such as is proposed through H.R. 11494, be given the highest priority this session. We need a synthetic fuels and feedstocks industrial effort, and we need it now. Our state-of-the-art technology is advanced. Unless we face these facts, we too may find that Gibbon was correct.

The article follows:

FLUIDIZED BED APPROACH UNDER DEVELOPMENT FOR COAL COMBUSTION

For the production of both electrical power and heat in a combined operation, a low-key technology such as fluidized bed coal combustion will do a better job than its flamboyant high technology competitors. If designed at appropriate scale, this technology will mesh better with other energy approaches that rely on renewable energy flows.

Should the U.S. use 1 billion tons of new coal supplies per year to keep warm when the oil and gas run out? Or should it change some of its heating methods? The U.S. could get the same amount of useful heat from only 400 million tons of coal per year—at half the capital expenditure—with great social and environmental benefits in the bargain.

The U.S. today uses the equivalent of 600 million tons of coal per year, mainly in the form of oil and gas, to provide residential, commercial, and industrial space heating and hot tap water, But oil and gas reserves are dwindling, so we must consider how to replace their heating functions.

Today the most commonly discussed alternative is to retain the present gas distribution and conversion systems and replace natural gas with substitute natural gas (SNG) made from coal. It will require 1 billion tons of coal per year to pursue this alternative to its full extent, building hundreds of mammoth SNG plants at $1 billion each.

There is a cheaper and simpler possibility. Eight coal-fired industrial gas turbines situated near load centers could do the job of one 250 million cu. ft. per day SNG plant at half the cost. The gas turbines would produce hot water for heating in towns, plus electricity which should mainly be used to drive heat pumps in houses in the outer suburbs and in rural districts. Eight such units and all the associated district heating piping would cost only $500 million to install, or half as much as an SNG plant meeting the same end-use needs. Together they would use only 7,000 tons of coal per day, contrasted to the 17,000 tons required to feed one SNG plant.

An entirely new combustion technique is now ready to go on the market: the burning of coal in a fluidized bed. Already 32,000 hours of operation in pilot plants have proved the feasibility and simplicity of such systems. A fluidized bed in its simplest form can be described as a box with a perforated bottom—the distributor plate. The box is half filled with an inert granular material; air is blown through the distributor plate at a suitable velocity to creat a highly turbulent and rapid mixing of the particles. Such a fluidized bed is an ideal environment for completely burning crushed coal of any quality. At any one time there is only one burning coal particle for each 200 inert particles whirling around it. Boiler tubes or other forms of cooling surface can be submerged in the bed to carry away excess heat very efficiently so that the temperature in the bed can be held at about 1500°F.

Coal ash does not melt at this low temperature, and the formation of nitrogen oxides (NO_x) is greatly reduced. Furthermore the bed material can partly be made up of limestone or dolomite, which will react with and retain SO_2 and thus eliminate the need for stack gas scrubbing. An interesting possibility with fluidized bed combustion is its ability to operate at elevated pressure. This reduces the size of the combustor and offers an exciting new possibility—burning coal in gas turbines. Over 1,000 hours of pilot plant work has demonstrated that this is possible.

Proposals have been drawn up to use coal-fired fluidized bed combustors in large industrial gas turbines. Such units should find particularly rewarding applications where both the power output and exhaust heat can be employed.

Heating requirements today are mainly satisfied by burning oil and gas in individual premises, but in towns this could be done more effectively by piping hot water from a power station—as is common today in Scandinavia and in other European countries. In outer suburbs and in rural districts the long-term objective must be to use electricity.

An off-the-shelf industrial gas turbine combined with fluidized bed combustors could, after allowing for transmission losses, supply 60mw(e). If this electricity is used mainly in heat pumps with a coefficient of performance (COP) of 2 it will yield 120 mw of useful heat. The exhaust from the gas turbine could, again after allowing for losses, supply a further 105 mw of heat. In total this represents 225 mw, or 1800 mw from eight units. Each gas turbine would cost $40 million including interest during construction. The hot water distribution system for each unit would cost $20-25 million.

A 250 million cu. ft. per day SNG plant has a gas power output equivalent to 3000 mw. After transmission and conversion in small appliances it is at most three-fifths of this, or 1800 mw, which is actually being supplied as heat in people's homes. The overall efficiency of converting coal into delivered heat is about 36 percent for the SNG system and about 88 percent for the coal-fired turbine system described above.

Fluidized bed combustion of coal in smaller atmospheric boilers will find a multitude of applications in industry where the steam raised can drive back-pressure turbines which in turn supply process steam. This is another area with a lot of untapped potential for cheap and efficient power production. A 300,000 lb/hr. boiler suitable for this will soon start up in Riversville, West Virginia. A 23,0000 lb/hr. boiler is already operating in the U.K. and has shown that even coal with 60 percent ash will burn satisfactorily in a fluidized bed.

Burning coal in a fluidized bed to generate steam or drive a gas turbine does not promise exotic efficiency if electricity is the only product required from the plant. Efficiencies in this sense would be similar to those of conventional coal-fired power stations. But we must more and more consider the final form in which energy is being used and the importance of capital-saving replacements for our oil- and gas-fired heating systems. It then becomes apparent that decentralized production of both power and heat is cheaper in fuel and in capital than is generation of electricity alone, and that smaller energy facilities where they are needed will be preferred by the communities they serve.

For such a combined function, low key technology such as fluidized bed combustion will do a better job than its flamboyant high technology competitors, and will in time, if designed at appropriate scale, mesh much better with energy technologies that rely on renewable energy flows. For a potential saving of billions of dollars and of 600 million tons of coal per year—roughly the present total U.S. coal production—we can afford to think harder.

CONGRESS CHASTISED OVER ENERGY

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. MILFORD. Mr. Speaker, I would like to bring to my colleagues' attention an editorial written and published by the Dallas Morning News in my district.

Now before everyone says, "Oh, that rightwing paper," let us look a moment at what it says.

Principally, it criticizes our efforts—or lack thereof—of energy encouraging legislation.

Now this newspaper is a major publication. Not just in Texas, but in the United States. No doubt its editorial policy is conservative.

But on occasions, even the conservatives have a viewpoint worth sharing with all political persuasions. This is one.

This editorial cites the rising protest of American people over rising prices of utilities. As most of us know, that protest is a loud roar in our office mails.

This editorial points out that rising utility costs are brought about by decreasing energy supplies—essential oil and gas, and not yet enough coal conversion.

This editorial also points out—and I believe that we rightfully have to plead guilty to charges of "footdragging" and "inefficiency" in dealing with the energy problem.

As in the editorial, I believe, and hope you will, that it is time to start fighting the cause of high-cost light and gas bills and start passing legislation to encourage increased oil and gas production, coal conversion, and alternate energy sources. It is also time to stop passing legislation which cripples the free, private enterprises producing these valuable resources.

I urge you to read and consider this editorial from the Dallas Morning News, and bear in mind that sometimes those on the "right" are not always "wrong":

ENERGY: A TIME FOR ANGER

Most Americans are bored by dull reports and columns of figures. We ignore them as long as we can. But along comes a set of figures, such as those on recent utility bills, and our interest is perked and our passions aroused to white heat.

While we may fret and fume over the costs of natural gas, electricity and gasoline these days, most of us are totally turned off by figures of oil and gas reserves.

But a recent set of such figures deserve our attention and concern. They show that, despite increased drilling, the U.S. petroleum industry found less oil and gas than it pumped out of the ground last year. Our natural gas reserves declined by 8.9 trillion cubic feet to the lowest level in 21 years. Our oil reserves dropped 1.6 billion barrels to the lowest level since 1970.

The figures may be dull and boring. But they are dramatically ominous. They show that America's grip on its own destiny has slipped a little more.

They portend grave trouble for the country if they are examined in the light of these two other developments:

A few days ago the U.S. imported more foreign oil than its own wells produced for the first time in its history.

Experts of the Organization of Petroleum Exporting Countries (OPEC) began meeting in Vienna to discuss whether they should hike the price of oil again next June.

Thus, we have the picture of what is happening to us: Our own oil and gas reserves are dwindling; our dependency on OPEC countries is growing; those countries plan to cash in on their advantage by charging us more for oil. That's the picture, except for one scene that needs to be added: In Congress, a subcommittee is in session to take up the energy problem. What is it doing? Encouraging the discovery of more domestic oil and gas? Making Eastern consumers pay reasonable prices for the gas they buy? Conserving fuels?

No, none of these. It meets to plot a bust-up of major American oil companies.

The absurdity is that these and too many other congressmen fritter away time on measures that add nothing to fuel reserves; but actually contribute to their decline.

Why do they do this? Because congressmen are motivated by politics. They are running for reelection. They know most Americans are bored by dull reports and figures telling of declining oil and gas reserves. They also know those people are stirred to high anger by rising utility bills.

These lawmakers ignore the dull figures that really tell the reason for those high bills. Instead, they direct their punitive work at the easy targets—the big companies.

The public has a right to be mad over sharply rising fuel costs. But its anger would be constructive if it were to be directed at the root of the problem—government policies that have discouraged the discovery of more oil and gas at home.

If Congress continues to fail in changing the course of federal energy policies, those dull, boring figures about declining oil and gas supplies and rising foreign oil imports will get bigger and bigger.

And those figures on our utility bills will make us madder and madder.

FOREST SERVICE REPORTS—A BIBLIOGRAPHY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. BROWN of California. Mr. Speaker, realizing that there are many points regarding the practice of silviculture in our national forests which are obscure and confusing, I thought it might be helpful to insert into the CONGRESSIONAL RECORD a bibliography of U.S. Forest Service reports on the various management methods used in our national forests. These reports can be obtained from the Forest Service upon request. I urge my colleagues to glance through this list and order those reports which might clarify some issues of particular interest.

A BIBLIOGRAPHY OF STUDIES AND REPORTS DEALING WITH THE U.S. FOREST SERVICE'S MANAGEMENT OF TIMBER RESOURCE IN THE NATIONAL FORESTS

Determination of allowable annual timber cut on forty-two western national forests; board of review, Kenneth P. Davis, Chairman; September 1962; Forest Service, U.S.D.A. Prepared in two weeks of consultation with representatives of timber industry and federal agencies in Portland, but not circulated among concerned professionals for review. Recommended increased allowable cuts substantiated by combining working circles, shortening rotations, and anticipating higher utilization than practiced. Acknowledged that forest timber inventories were exaggerated and that "a considerable act of faith is embodied in (1962) allowable cuts on the National Forests." The acts of faith are that timber inventories will turn out to be actually available, that satisfactory regeneration will be achieved on schedule, and utilization envisaged will be commercially achieved, etc. Allowable cuts on the 42 western National Forests had already been advanced to 7.1 billion board feet per year from 4.3 in 1952, and have since been increased to 7.9.

Douglas-Fir Supply Study; Anonymous; 1969; Pacific Northwest Forest Experiment Station, Portland, Oregon. Analyzed rates of cutting under various "intensities" of forest management in the National Forests of the Douglas-fir region. Revealed that the Forest Service is currently selling 161 percent of the estimated sustained yield, and that even-flow sustained yield (their avowed policy) was not even considered as an alternative.

Management Practices on the Bitterroot National Forest; Anonymous; April 15, 1970; Forest Service, U.S.D.A. Acknowledges mistakes in timber management activities, especially harvest programs, but fails to come to grips with the principle issues: multiple use and sustained yield.

A University View of the Forest Service; Arnold F. Bolle, et al.; November 18, 1970; University of Montana, Missoula. Reported that multiple use management, in fact, does not exist as the governing principle on the Bitterroot National Forest. "A clear distinction must be made between timber management and timber mining."

Report of the West Virginia Forest Management Practices Commission; 1970. Showed that the Forest Service had adopted clearcutting and even-aged management as standard practice in most of the Monongahela National Forest; that this is detrimental to the economy of the region, and incompatible with multiple use management.

The Rocky Mountain Timber Situation; 1970; Alan W. Green, et al.; November 1974; Intermountain Forest and Range Experiment Station, Ogden, 84401. Candidly states "There simply aren't enough large trees (on the National Forests) to sustain the current sawtimber cut over the Rocky Mountain Section far into the future." Deals with 1970 to 2020; avoids forecasts beyond 2020.

Forest Management in Wyoming: Anonymous; 1971; Forest Service, U.S.D.A. acknowledges that timber was being sold in excessive quantities; that multiple use planning was lacking.

Stratification of Forest Land . . . On the Western National Forests; J. H. Wikstrom and S. Blair Hutchison; October 1971; Intermountain Forest and Range Experiment Station, Forest Service U.S.D.A., Ogden. Establishes that the amount of commercial forest land in the western National Forests is exaggerated through errors in classification. Reports error as high as 22 percent.

Effects of Various Harvesting Methods of Forest Regeneration; Jerry F. Franklin and Dean S. DeBell; March 1973; Proceedings of a Symposium held August 1, 1972 on Even-Age management, Oregon State University, Corvallis. Reports there is broad latitude in choice of silvicultural methods to meet biotic or ecologic needs for regeneration of most types or species of trees on most sites. Few situations require either extreme of individual tree selection or large clear cuttings, specially including Douglas-fir.

Implications for Wildlife in the 1968 Juneau Unit Timber Sale; A. Starker Leopold and Reginald H. Barrett; November 1972; University of California, Berkeley. The 50-year timber sale contract to Champion International on the Tongass National Forest, in order to protect wildlife habitat it will be necessary either to reduce the volume of available commercial timber to be logged by 23 percent, or to spread the sale over a period of 100 years and reduce the volume of timber to be logged by 10 percent.

Timber—The Resource and its Harvest—An Evaluation of Quality in Timber Management; Southwestern Region Timber Harvesting Procedures Task Force; 1972; U.S. Forest Service, Southwestern Region, Albuquerque, New Mexico. Supervisors and Rangers are under severe pressure from the top to sell timber to meet quotas, and are forced to sacrifice quality for quantity. Many line officers in the Region believe they cannot continue indefinitely to meet the current established allowable cut.

The Silviculture of Loblolly Pine; Ernst Brender; March 1973, Georgia Forest Research Council, Southern Forest Experiment Station, Forest Service, U.S.D.A. Shows that uneven-aged management provides security against fire, renders sustained yield of high quality timber and highest monetary yields, and at all times satisfies aesthetic demands.

Report to the Congress: Additional Actions Needed to Minimize Adverse Environmental Impacts of Timber Harvesting and Road Construction on (National) Forest Land; Comptroller General of the United States, March 20, 1972; G.A.O. Procedures and practices by the Forest Service and Bureau of Land Management in planning timber sale and road construction did not insure that the expertise of resource specialists was obtained and used to the extent practicable to help minimize avoidable damage to forest resources. In many instances in which timber harvesting and road construction caused serious damage to forest resources and the environment, project planners either had not obtained or had not followed the advice of resource specialists.

NATIONAL FOOD DAY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. ROSENTHAL. Mr. Speaker, tomorrow is the second National Food Day, a day of education and action on food problems. The purpose of Food Day is to mobilize public concern for food policies that will promote better quality, halt skyrocketing prices, break up monopolistic control of the food industry, and provide greater assistance for the hungry, both at home and throughout the world.

A myriad of activities is planned for National Food Day. Colleges and universities are organizing special Food Day teach-ins. Special nutrition programs are planned for elementary schools. Poverty groups have organized campaigns to publicize food stamps. Debates and dialogs between business and consumer groups are scheduled. A National Food Day "Dial-ogue" is being sponsored to answer questions called in by consumers from every part of the country. The phone number in Washington is 347-5074 or 347-5075. Twenty-eight university and government scientists from throughout the country will be taking calls from every part of the Nation on a toll-free phone network.

Food Day also provides an opportunity for us to begin reshaping our food policy to overcome the problems of hunger and malnutrition. The food stamp program is one of a number of governmental efforts providing more food for the poor, but its administration desperately needs reform and its meager allotments should be increased.

From a global perspective, while Americans comprise only 5 percent of the world's population, we consume 30 percent of the world's resources. To correct this gross maldistribution, Americans must break traditional eating habits, the United States should provide greater assistance to needy countries to improve their own food production, and we should help establish a world food security system. However, while the needs of poorer nations have increased recently, American food assistance to the neediest nations has declined sharply.

Reforming traditional eating habits and scaling down our proportion of world food consumption would not only contribute to a more equitable distribution of world food resources, but would also result in better health and nutrition for Americans.

Much medical research has linked the high-cholesterol, high-fat American diet to obesity, heart disease, constipation, diabetes, and numerous other health problems. A more nutritious, less junk-filled diet is essential to better health for all Americans.

Another massive problem worthy of consideration on Food Day is the lack of a strong and effective government policy to break up monopolistic control of the food industry. Lack of meaningful competition in this industry has resulted in skyrocketing prices for consumers.

Although there are over 30,000 food manufacturers in this country, a mere 50 account for more than half of all assets and profits. Market monopoly has brought—and bought—these "food giants" powerful political influence and exorbitant profits. More unfortunately, it has resulted in a loss of independence and income for farmers and inflated prices for the consumer.

Food co-ops and food buying clubs are being formed across the country as a solution to the high cost of living. Groups of consumers, buying in bulk from wholesalers or producers, can eliminate the middleman and save up to 50 percent on food costs.

Other Food Day activities include supermarket comparison price studies and consumers educating themselves and their neighbors avout oligopolistic control of the food industry and its effects on diet and budget. Nutritional education is being pushed in elementary, secondary, college and medical school curricula. Land grant agricultural colleges are being encouraged to research farming practices which are not capital, energy, or chemical intensive. Work is being done for legislative protection of family farms in the States. And most importantly, people are educating themselves and their local, State, and Federal representatives about all aspects of the world food situation.

Food Day offers many exciting educational projects and opportunities. Thousands of individuals and organizations across the Nation are initiating and participating in special Food Day programs.

Mr. Speaker, it is my hope that the activities and concerns of these thousands of participants, to say nothing of the hundreds of millions of needy and undernourished all over the world, will be matched by congressional action. The need for a responsible and meaningful national food policy is long overdue.

HUNTINGTON, N.Y., RESOLUTION

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. DOWNEY of New York. Mr. Speaker, there is little question that the overwhelming majority of local officials are strongly in support of the general revenue sharing program, and want to see it extended before its legislative authority expires.

These officials, and the local governmental entities they represent, have found general revenue sharing, with all its faults, to be essential to the operation of local government.

Last week, I had the pleasure of hosting the Honorable Thomas Fallon, supervisor of the town of Babylon, N.Y., who was visiting Washington to urge prompt action on the revenue sharing legislation. We had a productive visit with L. H. FOUNTAIN, chairman of the Subcommittee on Intergovernmental Relations and Human Resources of the Government Operations Committee, and communicated the strong feeling of Babylon Town.

Today I received the following resolution from the town board of Huntington, N.Y., a part of which also lies in my district. Once again a local unit of government has spoken out unanimously in favor of extension of this vital program.

I hope that the Government Operations Committee will heed the request of these and the thousands of other local governments that are seeking evidence of renewed Federal commitment to the level of government that is closest and most responsive to all of our citizens.

The Huntington resolution follows:

RESOLUTION

Requesting Subcommittee on Intergovernmental Relations and Human Resources of the House of Representatives Committee on Government Operations approve and Members of Congress enact legislation continuing Federal general revenue sharing in 1977

Resolution for Town Board Meeting Dated, March 23, 1976.

Whereas, legislative authority for federal general revenue sharing pursuant to the State and Local Assistance Act of 1972 will expire December 31, 1976, and

Whereas, funds provided in the form of federal general revenue sharing from 1972 through 1976 have assisted the Town of Huntington and other units of local government throughout the State and nation in providing necessary and appropriate services to the citizens of their respective jurisdictions, and

Whereas, the Town of Huntington and other units of local government will face extreme financial difficulty in continuing to provide necessary and appropriate public services without the continued assistance of federal general assistance sharing, and

Whereas, the Subcommittee on Intergovernmental Relations and Human Resources of the House of Representatives' Committee on Government Operations is now considering legislation to renew federal general revenue sharing,

Now therefore, be it resolved: that The Town Board of the Town of Huntington hereby requests that members of the Subcommittee on Intergovernmental Relations and Human Resources of the House of Representatives' Committee on Government Operations draft and approve, and members of the Congress of the United States, enact, legislation continuing federal general revenue sharing in 1977, providing:

1. Multiple year appropriations at least at the level of assistance now provided to participating units of local government under the State and Local Assistance Act of 1972.

2. Regular increases in the level of assistance corresponding to increases caused by inflation in the cost of providing government services.

3. Maximum flexibility in the use of federal general revenue sharing by units of local government, and

Be it resolved, that the Town Board requests that members of said Committee approve and Congress enact this legislation promptly to permit adequate time for units of local government to plan and budget for expenditures during the year commencing January 1, 1977.

WHERE ARE CONSUMER ADVOCATES WHEN IT COMES TO UNION FEATHERBEDDING?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 7, 1976

Mr. ASHBROOK. Mr. Speaker, I never cease to be amazed by the double standard of my liberal friends in this body, particularly those who call themselves consumer advocates. According to their thesis, the public is dumb and needs protection but that cloak of protection only extends to alleged bad business practices Big government and government controls are desired and shortcomings are only found in the free enterprise system, particularly in business. The most arrogant unions escape their scrutiny and the Nader disciples look for practices which adversely affect the consumer everywhere else, never labor.

Americans in increasing numbers are coming to understand that an attitude of intransigence and "the public be damned" on the part of many of our unions adversely affects the economy and represents an important part of the inflationary spiral in which we seem to be locked. The example of Great Britain presents a specter of what socialization, the end result of what the trade unions in England steadfastly sought, is doing in destroying that once proud nation. We see many similar attitudes in this country. The postal unions take the position that no sound management decision can affect their jobs. Cut everywhere else, they say, but you cannot lay off one single postal employee. San Francisco municipal unions are adamant in their public-be-damned attitude. They tell city officials to cut elsewhere but touch not a hair on their heads. Everywhere, it seems to be the same thing. No matter what the situation is, union leaders demand more, regardless. In education, radical unionists claim they have the student's interests at heart but their demands are for more pay and less work.

Thousands of examples can be given of these practices which increase the cost for the consumer who must ultimately pay the bill. More and more union members are recognizing this and, indeed, there is within the rank and file of the union an increasing awareness that demands should be reasonable. However, like politics the union leaders find that you have to overpromise, overcommit, overdemand to be elected or keep the movement going.

Let me point out one significant illustration of this intransigent attitude which makes every consumer pay. In the official U.S. Department of Transportation, Federal Highway Administration, and New York State Department of Transportation Draft Environmental Impact Statement, and section 4(f) statement for the west side highway, Interstate Route 478, the following passage is neatly tucked away:

> The only significant investment in West Side shipping facilities since World War II has been the extensive remodeling of four finger piers at 23rd Street alongside Chelsea, and the construction of the three-berth boxlike Pier 40 at Houston Street alongside the West Village. Both of these occurred more than ten years ago, and these facilities have only very limited container capability. The remodeled Chelsea Piers have not serviced a ship since 1968, and present cargo operations at Pier 40 are small. However, it should be noted that while the Chelsea piers have been classified as inactive since 1968, and prospects of revival for ocean traffic are remote, these piers continue to serve as a source of income for a large number of men. Collective bargaining agreements between the international Longshoremen's Association (ILA) and the New York Shipping Association provide a "Guaranteed Annual Income" (GAI) for all qualified union members in the Port, whether or not work exists for them. The GAI is paid from a special fund endowed by assessments on various shipping lines according to a formula based upon tonnages and man-hours. An eligible Longshoreman can collect his full annual wage in the form of GAI by merely signing in each working day at the appropriate waterfront hiring center. About 450 Longshoremen in the Chelsea area are estimated to be eligible for GAI, reporting each working day to find that there is no work, for there are no ships calling at the Chelsea piers. Thus, these Longshoremen and the Chelsea ILA Local (No. 791) have a continuing interest in these particular piers despite the present absence of cargo operations.

Read that statement over and over. It tells what is wrong in this country. Think of that, 450 longshoremen with the power to be paid for a full year's work without ever lifting a finger since 1968. Cut everywhere else; Mr. Small Businessman, Mr. Farmer, Mrs. Housewife, Mr. and Mrs. Retired Citizen, but do not touch a penny of our high wages. Then we wonder why American shipping lines are going out of business, must be subsidized or are on their last leg. Note the part of the Government statement which indicates:

> The GAI is paid from a special fund endowed by assessments on various shipping lines according to a formula based upon tonnages and man hours.

This means, in effect, the consumer pays. Where are the phony consumer advocates when it comes to these thousands of hidden costs we could document in everything you buy, use or touch?

The featherbedding list could go on and on. When will the public wake up? Certainly not with this Congress which bows and scrapes every time labor leaders wiggle a finger. Certainly not with the Naders and their antibusiness crusaders. It is fitting to note that the labor leaders were able to convince—what a joke, convince—the liberal Democrats in Congress to exempt labor from their so-called Consumer Protection Agency which would put its bureaucratic clutches on everyone else.

HOUSE OF REPRESENTATIVES—*Thursday, April 8, 1976*

The House met at 12 o'clock noon.

Rev. Gary M. Bradley, minister, Landmark Church of Christ, Montgomery, Ala., offered the following prayer:

Our Father, we acknowledge that You are all that is fair and good and just, and that the affairs of men are under Your watchful direction.

We are so grateful for Your guidance during the 200 years of our Nation's existence, and we pray that we shall face the future remembering that Your righteousness exalts any nation.

We pray now for Your blessings to be upon every Member of this legislative body as decisions are made today which shall affect so many. May each Representative realize that You are aware of every motive and intent of the hearts of men and face his responsibilities of today knowing that You are in control and that we are all dependent upon Your direction. In the name of Jesus the Christ.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1941) entitled "An Act to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S.J. Res. 101. Joint resolution to authorize the President to issue a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 867. An act to amend the act entitled "An Act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928); and

S. 885. An act to designate certain lands in the Shenandoah National Park, Va., as wilderness.

REV. GARY M. BRADLEY

(Mrs. LLOYD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD of Tennessee. Mr. Speaker, it is a great personal honor for me today to introduce a longtime friend and a great Christian, Gary M. Bradley, who just offered our inspiring prayer.

Gary Bradley is presently serving as minister of the Landmark Church of Christ in Montgomery, Ala. He is also vice president, in charge of public relations, of the Alabama Christian School of Religion in Montgomery, and is chaplain of the Alabama State Troopers, Montgomery district.

Prior to his move to Montgomery in 1974, Mr. Bradley served as minister of the Brainerd Church of Christ in Chattanooga, Tenn., of which I am a member. He has been a great source of spiritual strength to my family and me.

Gary Bradley has preached in many areas of our country and the world, including the Caribbean and Israel. He is a man of great ability.

Mr. Bradley's wife, Bobbie, and his three children, Gary, Jr., Philip, and Cindy are also with us today.

My thanks to Gary Bradley for being with us and providing us with words of inspiration as we undertake our responsibilities as Members of Congress.

SECRETARY KISSINGER IS OFF BASE ON THE HOUSE INVESTIGATION OF DANIEL SCHORR

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, it is not hard to understand why the Secretary of State has problems on Capitol Hill. He does not just blast his opponents; he even blasts his friends if he thinks it will give him another favorable press notice.

The press this morning reported that Dr. Kissinger had had an exchange with Daniel Schorr at the gridiron dinner last Saturday in the presence of his attorney, Mr. Califano, and they had both authorized the release of the remark that Dr. Kissinger thinks that Daniel Schorr got a "bum rap" and that the Congress is investigating the wrong man.

Well, the Secretary is way off base. The facts are that Daniel Schorr, whom Mr. Kissinger is now defending, got the Pike report at a time when the committee expected that it was going to be released within a few days. Schorr used it on his own show. This is an old Washington PR trick and nobody faults Daniel Schorr for it.

But then the House of Representatives, surprisingly, overrode both the Pike committee and its own leadership and voted 2 to 1 not to release the Pike report until all classified material it contained—which Kissinger himself had loudly deplored—had been removed.

At this point Schorr—who had gotten the original material under very different circumstances—took it on himself to defy Congress and peddle the material for permanent printing in cold type where every detailed, damaging item becomes twice as damaging as on TV.

This is the issue which the House had four times voted, by increasingly greater majorities, to look into. I find it hard to believe the Secretary of State cannot grasp this simple distinction. Or is his comment perhaps part of some new administration campaign to woo the press, regardless of what happens to our classified information?

RESIGNATIONS AS MEMBERS OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, COMMITTEE ON AGRICULTURE, AND COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER laid before the House the following resignations from the Committee on Interstate and Foreign Commerce, the Committee on Agriculture, and the Committee on the District of Columbia:

WASHINGTON, D.C.,
April 7, 1976.

Hon. CARL ALBERT,
Speaker of the House of Representatives, U.S. Capitol Building, Washington, D.C.

SIR: I hereby tender my resignation from the Committee on Interstate and Foreign Commerce effective April 8, 1976.

Very truly yours,

BILL HEFNER,
Member of Congress.

WASHINGTON, D.C.,
April 7, 1976.

Hon. CARL ALBERT,
Speaker of the U.S. House of Representatives, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation from the Committee on Agriculture effective April 7, 1976.

Sincerely,

NORMAN D'AMOURS,
Member of Congress.

WASHINGTON, D.C.,
April 7, 1976.

Hon. CARL ALBERT,
Speaker of the House, Democratic Steering and Policy Committee, Longworth House Office Building, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation from the Committee on the District of Columbia effective April 8, 1976.

With best wishes,

JAMES J. FLORIO,
Member of Congress.

The SPEAKER. Without objection, the resignations are accepted.

There was no objection.

ELECTION AS MEMBERS OF COMMITTEE ON BANKING, CURRENCY AND HOUSING, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, AND COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 1136) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1136

Resolved, That Norman E. D'Amours of New Hampshire and Stanley N. Lundine of New York be, and they are hereby, elected members of the Committee on Banking, Currency and Housing; and,

That James J. Florio of New Jersey be, and is hereby, elected a member of the Committee on Interior and Insular Affairs; and

That W. G. (Bill) Hefner of North Carolina be, and is hereby, elected a member of the Committee on Public Works and Transportation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HAGEDORN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 180]

Anderson, Ill.
Andrews, N.C.
AuCoin
Badillo
Barrett
Bell
Biaggi
Burke, Mass.
Byron
Cederberg
Chappell
Chisholm
Clay
Conlan
Conyers
Daniels, N.J.
de la Garza
Dellums
Diggs
Downing, Va.
Esch
Eshleman
Flynt
Fraser
Gibbons
Gilman
Gude
Harsha
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Holland
Jenrette
Johnson, Pa.
Jones, Ala.
Karth
Litton
McCloskey
Macdonald
Mann
Mathis
Metcalfe
Mollohan
Moss
Nix
O'Hara
Pattison, N.Y.
Pepper
Quillen
Rees
Richmond
Riegle
Roberts
Rodino
Roe
Rooney
Rousselot
Sarbanes
Scheuer
Shuster
Smith, Nebr.
Spellman
Stanton, James V.
Steiger, Ariz.
Stephens
Talcott
Teague
Udall
Ullman
Vigorito
White
Wilson, Tex.
Winn
Young, Tex.

The SPEAKER. On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON THE BUDGET TO HAVE UNTIL MIDNIGHT, FRIDAY, APRIL 9, 1976, TO FILE PRIVILEGED REPORT ON FIRST CONCURRENT RESOLUTION ON BUDGET FOR 1977

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that the Committee on the Budget may have until midnight, Friday, April 9, 1976, to file a privileged report on the first concurrent resolution on the budget for fiscal year 1977.

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

There was no objection.

DEFENSE AUTHORIZATION

Mr. **BOLLING.** Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1134 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1134

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12438) to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER.** The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. **BOLLING.** Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a very straightforward rule, providing for 4 hours of general debate, reading the bill by titles. The bill is entirely open to amendment. I know of no controversy whatsoever on the rule. I assume that there will be the usual controversy on the bill, or at least some controversy.

Mr. Speaker, I reserve the balance of my time.

Mr. **DEL CLAWSON.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1134 provides for 4 hours of general debate on H.R. 12438, authorizing appropriations during fiscal year 1977 for military procurement; research and development; strengths for active-duty military components, reserve forces and civilian personnel of the Defense Establishment; military training student loads; and for other purposes. There are no waivers of points of order.

H.R. 12438 authorizes $23,066,500,000 for major weapons procurement and $10,359,843,000 for research and development, test and evaluation by the Department of Defense.

An increase is authorized for the total active-duty military strength amounting to 2,101,904. In addition, the reserve strength and civilian personnel strength of the Department of Defense are increased 898,200 and 1,040,981, respectively.

The Committee on Armed Services extensively restructured the shipbuilding program of the U.S. Navy. A net increase of four ships is authorized. This is the result of deleting five ships requested by the administration and adding nine ships not requested.

H.R. 12438 will cost a total of $33,426,343,000 for fiscal year 1977.

Mr. Speaker, the administration supports passage of this bill in a prompt fashion. However, objection has been raised regarding multibillion-dollar changes made by the Committee on Armed Services. These include alterations in the Presidential recommendations for ship construction pending the completion of a major study of future naval requirements now underway.

Another objection is the failure to include Presidential discretion in section 702 allowing for inflation or lack of it in the Presidential Department of Defense budget request.

Finally, the committee has extended, without administration approval, unjustifiable subsidies for commissary employees.

Mr. Speaker, although H.R. 12438 may contain some controversial points, the rule is unencumbered with waivers and should be adopted so we can debate the bill during the allotted time.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. **BOLLING.** Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. **PRICE.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12438) to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The **SPEAKER.** The question is on the motion offered by the gentleman from Illinois (Mr. Price).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12438, with Mr. Rostenkowski in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Illinois (Mr. Price) will be recognized for 2 hours, and the gentleman from California (Mr. Bob Wilson) will be recognized for 2 hours.

The Chair recognizes the gentleman from Illinois (Mr. Price).

Mr. **PRICE.** Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, on behalf of the Committee on Armed Services, I bring to the floor of the House today H.R. 12438, the defense authorization bill for fiscal year 1977. This bill provides $33.4 billion for the authorization of the procurement of major weapons systems, plus all military research, development, test and evaluation in the year that begins next October 1. The bill also authorizes the Active and Reserve personnel strength of the military services, as well as the civilian strength of the Department of Defense. It also authorizes the level of student training for the Active and Reserve components for fiscal year 1977. Finally, in its general provisions, the bill carries a number of important requirements and limitations governing the operation of the Department of Defense.

There are two aspects of this bill, which I believe, at the outset, are worthy of special note:

The fact that for the first time in many years the bill is higher than the amount requested by the administration. We have added $698.6 million.

The committee approved the bill by a vote of 34 to 1. This is the closest to unanimity that we have been in many years.

Understandably, there are some additional views. Some members object to a number of programs authorized, and one member objects that the bill is not large enough and leaves serious defense deficiencies. Some such disagreements would appear to be inevitable in a bill as large and varied as this, which provides over $33 billion for thousands of procurement and research and development programs. In our wide-ranging hearings we had opinions varying from witnesses who suggested cutting many billions out of defense spending to Yale Law School Prof. Eugene V. Rostow, former Under Secretary of State for Political Affairs, who, speaking for the Coalition for a Democratic Majority, recommended increasing defense spending by $20 billion. But in the final analysis, only one member voted against the bill in committee.

Mr. Chairman, the committee report on the legislation is available to all Members of the House (H. Rept. 94-967). It is 169 pages long and is, I believe, the most comprehensive report ever issued by the committee. I will not, therefore, take extensive time today to discuss all of the many actions which the committee has taken in the legislation. Let me just highlight some major differences between the committee bill, H.R. 12438, and the proposal submitted by the administration in the three principal areas of procurement, R.D.T. & E., and personnel.

Procurement: We added $2.2 billion in some areas of ship construction and reduced $1.1 billion in other areas, for a net increase of $1,088 million in shipbuilding. In so doing, we have recommended a restructuring of the Navy program, adding nine ships and removing five for a net increase of four ships. We have also added two conversions. What the committee is saying to the Congress is that the course followed by the administration was not adequate to provide us a Navy of the size and capability necessary to carry out our foreign policy in the decade of the 1980's and beyond. We have tried to reorient the program to do so.

The ship construction portion of the bill will be discussed in more detail by the distinguished gentleman from Florida (Mr. BENNETT).

Research, development, test and evaluation: We made reductions totaling $547.2 million but provided a $49 million emergency fund for key needs of the research and development program, for a net reduction of $498.2 million. In the emergency fund we have specifically directed expenditures to develop a replacement for the Sparrow missile, a better engine for the F-14 aircraft, conversion of the U.S.S. *Long Beach* into a platform for the Aegis and the refurbishing of the U.S.S. *Belknap*. As you will see in our report, we have also taken numerous steps to improve the results of our military research and development effort.

Personnel: We rejected a proposed reduction of 50,000 in the Naval Reserve, authorizing a Selected Naval Reserve strength of 102,000, roughly the same as in fiscal year 1976. We added 5,000 to the civilian strength to allow adequate personnel for key maintenance functions of the Air Force. We added 181 civilians and 904 active duty personnel to the Navy to provide necessary support for the higher Naval Reserve strength authorized.

With the changes made by the committee, the authorized strength of the Department of Defense would be as follows: Active duty personnel, 2,102,000; Reserve personnel, 898,200; and civilian personnel, 1,040,181. The active duty strength authorized incorporates a 12,000 increase in the Navy and a 16,000 reduction in the Air Force, as compared with fiscal year 1976. The civilian strength authorized, even after the additions made by the committee, is still approximately 20,000 less than the civilian strength of the Department in fiscal year 1976.

Committee actions concerning personnel programs will be discussed in more detail by the distinguished gentleman from Michigan (Mr. NEDZI), the chairman of the Personnel Subcommittee.

COMMITTEE PROCEDURE

This year the committee has conducted unusually thorough hearings into the overall defense program despite the requirements for early completion of our work in line with the new House budgetary procedures. In order to comply with the requirements of the Budget Committee in the Budget and Impoundment Control Act of 1974, and to meet the request of the Budget Committee for recommendations on the overall defense program by March 15, the committee commenced its hearings in December of last year. At that time we conducted an intensive review on "Overall National Security Programs and Related Budget Requirement." This hearing is available as House Armed Services Document No. 94-32, and covers 586 pages.

On the 27th of January, immediately after the submission of the President's budget, the committee commenced detailed hearings on the legislation and all related defense requirements. In all, there were 13 days of full committee hearings and 33 days of hearings by the Subcommittees on Research and Development, Seapower, and Personnel.

In addition to completing action on the authorization bill, the committee filed a report with the Budget Committee on March 15, which carried recommendations covering the full range of programs making up the national defense function category of the budget resolution.

EXTENSION OF AUTHORIZATION REQUIREMENT

As I indicated, I believe the committee review this year was more effective than in the past and I believe we can thank the new budgetary procedures of the House for bringing about this more intensive study.

Members should understand that the bill, in line with present law, provides authorization for appropriations only for research and development, and for the portion of procurement which covers major weapons systems—aircraft, missiles, tanks, ships, torpedoes, and other weapons. While the bill authorizes the strength limitations for the military departments, it does not authorize specific dollar amounts for personnel. Likewise, the appropriations categories of operation and maintenance, which govern the day-to-day running of the Defense Establishment, retired pay, and a wide range of procurements totaling more than $7 billion, are not presently subject to authorization.

The committee has amended the bill to provide the requirement for annual authorization for all military functions administered by the DOD. By extending the requirement to those areas which have not had the benefit of full authorization review, the committee believes that it is working in tune with the new budgetary procedures of the House. Extending authorization to all phases of the defense program will allow for more effective recommendations to the Budget Committee each year, and at the same time, will allow uniform procedures governing both the authorization and the appropriations bills for the Defense Department.

COMMISSARIES

The committee has added a general provision to the bill, section 708, which would express the sense of Congress that no changes be made in financial support for military commissary stores, and that any move to eliminate this financial support is considered neither justified, nor desirable.

This committee proposal is consistent with the action of the Congress last year, which rejected by a substantial margin the plan to reduce commissary support. However, the administration has not gotten the message, and again this year has proposed a gradual elimination of the subsidy for the commissaries. The administration proposal, as approved, would reduce by $94 million the appropriation required for operation and maintenance. Our committee has recommended, in its report to the Budget Committee, that this $94 million be made available for the commissary stores.

RESERVE CENTERS

The committee has also added a provision under section 711, which would express the sense of Congress that the Secretary of the Navy take no action to close Naval Reserve training centers until the authorization and appropriations bills establishing the strength of the civilian reserve have been enacted into law. Since the committee has rejected the proposed reduction of 50,000 in the Naval Reserve, the committee believes that moves to close Reserve training centers, as recently initiated by the Navy Department, are inappropriate until such time as the Congress has made the decision on the strength of the Naval Reserves.

CHALLENGE TO THE CONGRESS

For years we have been hearing criticism that the Congress should not be a rubberstamp for the Department of Defense, that it should take its rightful part in the determination of national policy. The bill we bring before you today challenges the Congress to do that. Our changes are far more significant than the difference in dollar totals would indicate.

The committee recommendations on ships' construction, for example, offers a fundamental challenge to the premise on which the administration's program is based. The Congress, if it follows the committee recommendation, will be saying to the administration, and to the world, that we are going to have a larger and more capable Navy in the future than we have now, or than the administration envisions. I venture to say that this one recommendation, the restructuring of our naval program, if adopted, will have far more effect on our foreign policy in the remaining years of the twentieth century than any other action taken in this body this year.

If people challenge this program on the basis that the administration did not ask for it, remember that the same people have often criticized the Congress for not showing enough initiative in dealing with administration programs.

BASIS FOR DETERMINING DEFENSE REQUIREMENTS

Mr. Chairman, we have heard recently a good deal of discussion about comparative expenditures on military budgets between the United States and the Soviet Union. I want you to understand that the committee did not make its decision on the basis of any dollar comparisons with the Soviets. The level of our defense requirements is not dictated by dollar comparisons.

It is not dictated by the desire to create jobs.

It is not dictated by a comparison with

the level of spending on domestic programs.

It is not dictated by what we think would be nice to have.

And, lastly, it is not dictated by what anyone presumes are the intentions of the Soviets.

It is dictated by the actual military capability the Soviets have, regardless of how much it costs them. It is dictated by the size and kind of forces that we might have to defend against in a crisis. It is dictated by conditions in the world over which we do not often have control.

It was only a few years ago that we had Members standing on the floor of the House telling us that if we cut our defense spending dramatically, the Sovits would cut theirs. I notice we don't hear much of that sort of rhetoric anymore.

It was only a few years ago that we frequently heard speeches on the floor of the House that we had to refrain from developing new missile or aircraft systems as they might endanger a SALT agreement.

It was not so long ago we heard people telling us we should avoid developing follow-on weapons systems as they might endanger détente.

Well, we have a SALT agreement. But it has not stopped the Soviets from developing new and more powerful follow-on strategic systems.

And I notice that the word "détente" is not even used anymore in some quarters.

Our committee has considered carefully the tremendous Soviet advances in strategic systems and in naval power, as well as modernization of conventional air and ground forces.

We have considered the analysis of non-Department of Defense experts who tell us the military balance is shifting steadily in favor of the Soviet Union.

We have considered the statements by both administration and congressional budgetary experts that personnel costs have taken a disproportionate share of the defense budget. In our report to the Budget Committee we have concurred in some stringent limitations on personnel expenditures.

We have considered that the world, by any measure, is a less safe place today than it was even a year ago.

Taking into account all of these considerations, our committee is recommending a bill which we think is necessary to provide deterrence today—but even more importantly, to provide a capability for deterrence in the decades ahead.

I urge the Members of the House to support the bill.

Mr. BOB WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my colleague from Illinois, the chairman, has already reviewed the highlights of this year's defense authorization bill; and since the chairmen and ranking minority members of the various subcommittees will go into considerable depth on specific aspects of it, I see little purpose in plowing the same ground. Therefore, I am going to devote my time to an overview of how this bill fits into the total picture of national defense.

Obviously, if there is to be a meaningful debate on this bill, it cannot be discussed as though it had been spawned in a vacuum. It is an integral part of the total defense package, and it can be understood only in terms of its relationship to the whole. As a result of the recent markup sessions by the budget committees, it now appears that the defense function budget for fiscal year 1977 will be in the neighborhood of $112 to $113 billion. That is a mind-boggling figure even by the inflated standards of today. But the first step toward a balanced perspective is to recognize the difference between a "Defense Function budget" and a "defense budget." The functional budget is an accounting device rather than a measure of the cost of defense. It includes, for example, almost $9.5 billion to fund the retirement and foreign military assistance programs. And whatever you may think about these two programs, the fact is that they buy not $1 worth of defense.

To talk realistically about the cost of defense then, we must look not at the functional budget which was designed for the convenience of accountants, but rather at that portion of it which actually pays for defense. In ballpark figures, the true cost of defense this year will be in the neighborhood of $103 billion, not $113 billion.

The bill you are considering today would provide budget authority in the amount of $33.4 billion, or slightly less than a third of the defense budget. The balance of the total—nearly $70 billion—goes primarily to buy manpower and the goods and services that are necessary to feed, clothe, house, and maintain it. That figure alone is staggering to the imagination. But we must bear in mind that its size was largely influenced by our conscious decision to abandon the draft in favor of a more costly all-volunteer force. Furthermore, the inflationary spiral of recent years has left its mark on defense as surely as it has on our individual pocketbooks. On the subject of manpower costs, it should be noted that the administration has made some very hard choices this year in an attempt to bring them under control, choices which warrant careful consideration on our part regardless of their political implications.

But after all is said and done, what does that other $70 billion-plus buy? The answer is simple. It buys people. Not tools, but people. And a brief glance backward at the wars which have been fought in the 20th century leads to one inescapable conclusion: What has separated America's fighting forces from those of the rest of the world—what has made them better than any adversary on the battlefield—is the quality of the tools we have given them. The superiority of American weaponry has been our shield.

And that—very simply—is what this bill is all about. This $33.4 billion is the portion of the budget which goes to buy the tools of the trade. And if we fail to provide the proper tools then everything else we appropriate for defense will be wasted. What we will have purchased for that other $70 billion will be a well-paid, well-fed cavalry force to fight a space-age war. Make no mistake about that.

Just as Marshal Pilsudski's splendid cavalry was no match for Hitler's tanks on the battlefields of Poland in 1939, the magnificent weapons systems which served us so well in the 1950's and 1960's will not be a match in the 1980's for the sophisticated weaponry now beginning to come into the Soviet arsenal.

Unfortunately, this fundamental point is going to be difficult to keep in sight after the debate begins. The water is going to be muddied by a host of arguments that will attempt, variously, to depict this bill as a basket of goodies for greedy defense contractors *who have* corrupted the Defense Establishment; as a heartless alternative that will condemn millions of Americans to continued unemployment; as the forerunner of a new cold war; or as the product of a well-orchestrated scare campaign by sinister forces within the Pentagon.

The truth of the matter is that no one is trying to panic this House into approval of a needlessly high defense package by conjuring up images of a Soviet bogeyman. None of the sponsors of this bill subscribes to the theory that defense should be allotted some arbitrary percentage of the gross national product. Nor was anyone on the Armed Services Committee seduced by the complex, but one-sided argument that Russia is outspending us in terms of dollars on defense. We recognize that manpower is relatively cheaper and technology relatively more expensive in the Soviet system, and that in terms of rubles we may well be outspending them.

But we also recognize that this is 1976, not 1946. The old stereotype of Russia as a technologically backward giant no longer holds water. The technological capability of the Soviet Union today is every bit as good as ours in many critical areas and they are fast learning the secret of how to apply it. In the years ahead we are going to be confronted by both quantity and quality.

This is not to suggest that the Russians are coming or that this bill represents America's last chance to avoid following Britain down the road to second-class power status. What our committee does suggest, however, is that any reasoned response to the threat faced by this country should take account of some hard realities. From the overwhelming superiority of yesterday, America has been reduced to something called "rough equivalence" today. This means that while we have now fallen behind in some areas, we still retain enough of a margin of superiority in others to leave us in a position of approximate military parity with the Soviet Union. But if the trend of recent years is allowed to continue, the parity of today will inevitably deteriorate into inferiority tomorrow.

It is not my purpose to debate whether or not our past decisions about priorities were wise. Monday morning quarterbacking is a waste of time because what is done is done. What I want to focus on is the question of what we are going to do now. Are we going to continue the trend of deterioration in the face of a massive expansion in Soviet military capacity? That is the real issue before us, not how many dollars or rubles each side is spending.

As we address this issue, I hope we can manage to do so without allowing the discussion to deteriorate into a sophisticated war game in which everybody makes his own independent judgment about the nature of the threat and starts moving divisions around the board. It is not the function of this House to speculate about what the Russians intend to do with the forces at their command. Our job is simply to determine how we are going to respond to what they are doing. And what are they doing? They are expanding their forces on land, at sea, and in the air. That expansion is far out of proportion to what is required to compensate for the threat posed by China along their Asian frontier. It cannot be dismissed that easily. The simple fact we must recognize here today is that the major thrust of the Soviet military buildup is oriented toward the West.

Let me stress that point again. It is our job to determine how America is going to respond to external threats. The administration recommends, but the final decision rests with the Congress. And thus, the ultimate responsibility for what happens lies upon us. I submit, then, that the practice we have fallen into in recent years of merely scrubbing the defense budget is no substitute for congressional leadership. We cannot discharge our responsibility to the people in so negative a fashion. If the administration proposals err on the side of "too little" or if they err in specific applications, then we must forge ahead and provide the proper direction. And that is the key to understanding this bill. Particularly in the critical area of ship construction, this bill is a reflection of the renewed willingness of the Congress to provide that kind of direction.

For 25 years, Congress has been committed to the principle that the Navy of the future should be nuclear powered. And for nearly all of those 25 years, a succession of administrations has been seeking ways to circumvent the will of this body on that issue. Why? Not because of the views of the Navy. Our adversary has been the czars of OMB who have had the final say in those administrations. Over the opposition of naval experts, they have decreed that initial cost rather than capability or life-cycle cost is to be the determining factor in ship propulsion systems.

That should not come as any surprise. OMB does not have to fight in the ships that are funded, they have only to account for them. And they have approached the issue with an accountant's mentality—looking at it not in terms of defense, but rather as a budgeting exercise.

Let me just summarize a few of the highlights of this 25-year battle. From the very beginning, Congress has had to fight these tunnel-visioned cost accountants every inch of the way. We literally had to force the construction of the first nuclear-powered carrier, the *Enterprise.* We had to force construction of the Polaris-class nuclear ballistic missile submarines. We had to force construction of the new class of nuclear attack submarines. Finally, Congress tried to put an end to the debate with the passage of Public Law 93-365 which mandated nuclear power for Naval strike forces unless the President determined that such action was not in the national interest. Our mistake was in leaving that loophole. Today we are still hearing the same tired old argument out of OMB that we should be buying more conventionally powered ships because of their cheaper initial cost. In the world of the accountant, apparently, initial cost is everything. According to their reasoning, if you can buy four oil-fired ships for the price of three nukes, then the answer is to opt for quantity regardless of any difference in offensive capability or life-cycle cost.

Frankly, I will never cease to be amazed by this kind of mental myopia. I could understand it if we were playing monopoly and the issue was whether to buy Boardwalk or St. Charles Avenue. But the future of American seapower is not a game of monopoly. In fact, it is not a game at all. If sheer numbers of ships were the issue, we could resolve it tomorrow without going to the expense of building new oil-fired ships. All we have to do is direct the Navy to recommission 40 or 50 of the World War II vintage ships we have mothballed down on the James River.

If, however, we resist the invitation to engage in a numbers game by debating the cheapest means of maintaining a 400 or 500 or 600 ship navy, this House must inevitably reaffirm its long-standing commitment to nuclear propulsion for our strike forces.

By any standard other than initial cost, nuclear power is clearly superior to oil. If we add the cost of 11 million barrels of oil that are replaced by a nuclear reactor, we find even the initial cost differential between nuclear and conventional carriers to be rather minimal. And the difference in their life cycle costs is negligible.

If we look at offensive capability, there just is not any meaningful comparison. Nuclear ships with 15 years of fuel in their cores can go wherever they want at whatever speed may be required. They do not have to worry about running out of fuel before a lumbering tanker catches up with them. Submarines can remain submerged indefinitely instead of having to surface to recharge their batteries. Nor do we have to worry about a navy that can be held hostage to its oil supply. Oil embargoes such as we encountered a few years ago that would bring a conventionally powered fleet to a standstill would have no effect on a nuclear navy. Our own dwindling oil supplies would not influence its ability to perform its mission. In short, the reaffirmation of our commitment to a nuclear navy does much more than expand its capability. In the long run, it insures its survival.

H.R. 12438, in my judgment, represents the determination of the 94th Congress, in the broadest sense, to reassert its leadership in a positive fashion. To those who will say that we cannot afford such ambitious new programs at this time, I can only say that, as the euphoria surrounding détente continues to evaporate, it is increasingly clear that we must do what is necessary, not what is comfortable or easy.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Chairman, it is very disconcerting to look about and see so few Members here on this matter that is so crucial to the defense of this country. I have been deluged as have most of the Members, if not all of the Members, within the past week by people who are opposed to this weapons system or opposed to that weapons system, and really when the committee gets to the floor and we look around and we find that outside the committee members themselves there are not more than 10 people who are not connected with the committee who are present here, it really is disconcerting because this is a matter of utmost importance, of really life and death to our country.

The fiscal year 1977 authorization for research and development, testing and evaluation proposed by this bill, which amounts to $10,359,000,000 represents in actual dollars the highest amount approved by the committee. While this $10.4 billion is nearly $1 billion more than fiscal year 1976, out of this $1 billion, three-quarters of a billion is going to be eaten up by inflation which takes away from the real purchasing power.

In terms of buying power, the fiscal year 1977 R.D.T. & E. budget request is with the exception of the last 2 years the only increase in the last 10 years. Escalation does not play favorites nor limit its reach to milk, bread, eggs, and other everyday essentials. Quite the contrary: Escalation or inflation eats at the very vitals of our defense establishment also.

I, as well as other Members of the committee, were and remain concerned over this level of expenditure.

The primary question, Mr. Chairman, is not whether we can afford a $10.4 billion budget for research and development. The question is, can we afford not to spend this amount? By every index, by all the indices that we are familiar with or can be made familiar with, which we are told by our intelligence communities, or whatever, the Russians are spending a great deal more than this every year on their R. & D. efforts. In the area of research and development, we have an area that is unique, because it is the long lag time or lead time to build up to the capability that is important. It is not something that we can start or stop readily. It is not something we can turn a tap and say we will do it now and end it here, because we have to get teams of experts together. We have to get teams of educated people. We have to build an expertise. We have to build a backlog of educated, competent, technical people. We cannot say, "Well, I will start now and then I will do it for 5 years," and automatically we are up to 100 percent and go for 5 years and quit all of a sudden.

So for this reason, when we say that we are, and we have been given any number of graphs to show what our technological development is and how it is proceeding compared to the Soviets, we find that we are going down, while they are going up. Regardless of whether we are comparing rubles or dollars, the total effort of the two countries indicates that we are falling far behind. If we do not do something about it in the next few years, like in the next 2 years, it is possible that we will fall irrevocably behind.

Now, one of the things that we have heard about, and we have gotten a big influx of mail about in the last 2 weeks, has to do with the B–1 bomber. Now, I have never been in the corner of the B–1 bomber per se. I recognize the fact that we need a manned bomber. I recognize the fact that the B–52, the average age of which is over 20 years, that they have been modified, they have been up-dated.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BOB WILSON. Mr. Chairman, I yield the gentleman an additional 5 minutes.

Mr. DICKINSON. Mr. Chairman, I recognize that the B–52 in the G and H versions, have added new engines, added new capabilities, but still there is a very finite limit which we can identify in the life of the B–52 bomber. It will not be a viable defense weapon into the 1980's and 1990's and the year 2000.

We have to make a conscious decision, are we going to have a follow-on bomber or are we not?

At some point we must make a decision. First, do we need a follow-on bomber. Second, what is the follow-on bomber to be?

I think at this point we have reached the stage where we have to make a decision. In talking to the Air Force, they have reached a decision. They have tried every possible scenario from a stretch of the F–111, to any number of alternatives, and they have concluded that in numbers of weapons carried, in range of weapons, in numbers of refueling aircraft to accommodate the fleet, that this is the way to go. So if we decide that the B–1 bomber is the alternative, if there is to be a follow-on bomber, then we have to make a decision whether we will have a follow-on bomber.

Mr. Chairman, in this procurement bill we will make a conscious decision whether we will have a bomber and whether it will be the B–1. I think this is the gut issue, the conclusive issue, as far as this B–1 is concerned, because once we make that decision, then we should go forward and say, "Yes, we have made the decision. Now we must build it in the most economical way and at a rate that will save money."

Mr. Chairman, last year in conference we asked for $77 million in long leadtime items. We were told by the OMB, by the Department of Defense, by the Air Force, that if they did not get the $77 million in long leadtime items, that if we ever made the procurement decision, the failure to appropriate the $77 million in long leadtime items would cost approximately $800 million in a stretch-out program. This is the same as just throwing money out the window. We do not buy anything for it; we do not get anything for it. All we get is a reduced capability.

So, we have got to reach a point at some phase in our deliberations—and it just happens to be now—we have got to decide, yes, we will have one; or no, we will not have one. Yes, this is the weapons system; or no, it is not the weapons system, but it is a go or no go decision. Once we make the decision, as we are asked to do now, then we should let the Department of Defense and those who are concerned with these matters decide what is the most economical way of procuring them. If by cutting down on the rate, cutting down on the amount of procurement, cutting down on the numbers per year, we just stretch out the program, then we are costing unnecessary billions of dollars of taxpayers' money and getting absolutely nothing for it.

So, we are asking in this bill that the Members approve a procurement of this weapons system along with other weapons systems, and I would hope very sincerely, Mr. Chairman and members of the Committee, that we recognize what we are doing here and that we make a conscious decision that is a go or no go decision.

If we decide to go, then we will not throttle back and choke the program down to the point of unnecessary cost. This is true of the Trident; this is true of the XM; this is true of the B–1 and this is true of the A–10. I hope we will make a conscious decision to work for it and produce it at the most economical rate of whatever we decide to procure.

Mr. Chairman, the fiscal year 1977 authorization for R.D.T. & E. proposed in this bill, $10,359,843 represents, in actual dollars, the highest amount approved by the committee.

While this $10.4 billion is nearly $1 billion more than the fiscal year 1976 appropriation, out of this $1 billion increase, nearly three quarters of a billion will be consumed by inflation alone.

In terms of buying the fiscal year 1977 R.D.T. & E. request is, with the exception of fiscal years 1975 and 1976, lower than that of any year during the past decade. Escalation, my friends, doesn't play favorites or limit its reach to milk, bread, eggs and other everyday essentials. Quite to the contrary, inflation is very democratic and extends into defense procurement and research and development.

I, as well as other members of the committee, were and remain concerned over this level of expenditure. However, the primary question, Mr. Chairman, is not whether we can afford a $10.4 billion budget for R.D.T. & E. but whether at this time we can afford not to have this budget.

This year the committee devoted a great deal of time looking at the Soviet threat from both the military and technology points of view. The committee's conclusion is that the current state of affairs is no good. From the technological viewpoint, it is clear that the Soviets now have a decisive advantage over us in high-pressure physics, welding, titanium fabrication, high frequency radio wave propagation, among many other areas of R. & D. The situation is even more critical when we consider that they are translating their technology into operational deployable products in much less time than the United States. As an example, we are all waiting to get the Harpoon missile into the fleet. There is little question about the fact that the Harpoon is a good missile and will enhance our Navy's capability. But, stop and think for a moment. It flies slower than the Soviet Styx missile—delivers half the warhead that the Styx carries—and, the Styx missile has been in the Soviet inventory for well over 10 years.

There are other technological trends that show the momentum is in favor of the Soviet Union. For example:

United States R. & D. in 1961 accounted for nearly three-quarters of the free world R. & D. Eight years later it was down to two-thirds. While I do not have the exact figure for 1976, I know it is down from two-thirds.

Between 1970 and 1974 Soviet engineers engaged in R. & D. increased by 25 percent while the U.S. R. & D. force decreased by 5 percent. They have over 200,000 more engineers engaged in R. & D. than we do.

From the military point of view, it should be obvious to all of us that something is radically wrong. Let us look at our naval force and our naval capacity. Ten years ago we were unquestionably the strongest naval power in existence. We were not worried about keeping the sealanes open. If it became necessary to do so, it was just a matter of deploying some ships to accomplish the mission. This year, however, the CNO came before the committee and stated his belief "that the U.S. Navy will be able to control any ocean or major connecting sea unless directly opposed by the Soviet Navy."

In the face of these facts—and I do mean that these are verifiable facts—I keep hearing from the press about different Members of Congress who state that we lead the Soviets in every conceivable aspect of military defense. I am at a loss as to where they are getting the data that supports this allegation. Just take a trip over to the Mediterranean, for example, and look at our Navy and the Soviet Navy. You will find that they outnumber us in terms of surface combatant ships—that practically every fighting ship they have is equipped with cruise missile capability while not a single ship in our fleet has this capability—and, that their overall fleet is far more dynamic and much younger than ours. Now, how anyone could derive U.S. superiority out of this particular situation is well beyond my comprehension.

Mr. Chairman, it is clear to me and clear to the Armed Services Committee that something is wrong about our defense posture and that the Congress must intervene and reverse these dangerous and alarming trends. We have got to reassess the entire R. & D. program to insure that we are developing the right technology while exploring methods to get this technology to our operational forces as quickly as possible.

Our bill, if approved, will allow the Department of Defense an authorization of nearly $10.4 billion. This amount will not be enough to reverse the trend that shows the Soviets clearly moving ahead of us in terms of technology and military capability.

You might ask: Why did the committee reduce the Department's request for R.D.T. & E. by nearly one-half billion?

The answer is rather straightforward—just spending money for defense does not guarantee a strong defensive posture. The money must be properly directed toward programs that will strengthen our national security. The committee simply did not believe that many of the programs in the fiscal year 1977 request satisfy this criterion. We examined several thousand programs. We terminated some 20 programs because we did not feel that they were worth the investment in terms of what they would deliver. Many of the programs terminated required only $1 or $2 million for fiscal year 1977. Many, however, represented the start of programs that would require investments of several hundred million dollars over the next 3 or 4 years.

It should be rather clear, Mr. Chairman, that the committee did not panic over the deficiencies in our military posture and proceed to rubberstamp the Department's request. This year we strongly reasserted our right to review and legislate.

In a few areas the committee was able to identify specific needs and funds. We established an emergency fund and directed the Department of Defense to get on with certain programs that we feel are essential. We directed them to call it quits on the Sparrow missile—a missile that has not performed as required for the past 25 years. We told the Department to get on with putting Aegis on the *Long Beach*. Aegis is the Navy's newest antiair warfare weapon system for ships. During the past year the Department has not been enthusiastic about the committee's direction to proceed with this program. But this ship as it stands today has an antiquated command and control system, a one-of-a-kind Terrier missile system, old and out-of-production surveillance radars. It does, however, have nuclear propulsion. It is just criminal to have this platform sailing the oceans with limited firepower and a lack of capability. The Department wants to defer putting Aegis on the *Long Beach* for at least 8 more years. The committee believes that it should be done now. We also provided funds for the development required to rebuild the *Belknap* and reengine the F–14.

Mr. Chairman, I pointed out there are some programs that the committee believes this Nation does not need. I must emphasize my strong support of the programs included in the bill. I know there will be a number of amendments offered to delete the funds requested for many of the Department's programs. I urge you and my colleagues here today to consider the facts in assessing the amendments offered. We spent nearly 3 months reviewing and discussing the fiscal year 1977 program with representatives from the Department of Defense, nonprofit independent organizations, the academic community and other interested groups. Their arguments ranged from cutting the defense budget by $35 billion to increasing our military expenditures by $20 billion. Somewhere between these extremes the committee established what it believes is the necessary and sufficient program to get our Nation's defense back on track.

I submit that the committee has done its homework. As an example, the committee spent 2½ days this year reviewing every conceivable aspect of our strategic R. & D. programs. We reviewed the requirements, the Soviet threat, where we stand today vis-a-vis the Soviet Union, the strategic weapons we are developing, the concept of Triad, the alternatives that are available to us—we looked at it all. After two and one-half days of intensive review it is clear that:

Improved accuracy is not, let me repeat, is not being pursued simply to give us a first-strike capability.

We are not developing maneuvering reentry vehicles or MARV to give us a first-strike capability.

Since the SALT agreement the Soviets have advanced their technology and capability more than we have.

This year's strategic budget of a little over $2 billion will do little more than maintain the existing gaps between the Soviet-United States strategic capabilities.

The strategic programs, as presented by the Department, must be continued and are essential to our national security.

I ask you to give these facts strong consideration, if or when an amendment to delete our counterforce programs is offered.

Before closing, I would like to spend a minute or two discussing the B–1 program. There are a number of misconceptions that should be cleared up before we launch into the general discussion on whether or not we should go ahead with the B–1.

Recently there has been a great deal of discussion about the supposedly more practical alternatives to the B–1. I would like to point out that we spent a great deal of time during the past three months looking at some of these so-called practical alternatives. I will be very direct about it—there are none. The Brookings Institution, as many of you know, recently published a study relating to the need for the B–1 bomber. Several of my distinguished colleagues here today have done quite an extensive analysis of this study and conclude that it grossly misleads the American public. With all due respect to the authors, they overestimate the cost of the B–1 and severely underestimate the cost of their cruise missile alternatives. It is a bit puzzling to me that people are taken in by the results of this study. I would like to point out that the Brookings cruise missile alternative would cost as much as the B–1 unit flyaway cost and provide nowhere near the capability of the B–1. Let me add just one final point on the subject.

One Senator in a recent issue of the CONGRESSIONAL RECORD raises his "fundamental question" of "whether we want to divert so many arms dollars into a system which has such a minimal military role." My fundamental question is, does he really believe—do you people here today really believe—that the B–1 has a minimal military role? Ponder that question after I tell you that over half of our throw-weight today is carried by our strategic bombers.

Mr. Chairman, the R. & D. Subcommittee of the House Armed Services Committee started its review of this year's defense bill back in December 1975. As I stated earlier, we took testimony from just about everybody who expressed a concern over defense spending and could be scheduled to appear before our Committee. Some came in with pretty good arguments, others came in with arguments that were just down-right naive. The latter group told us, for example, how U.S. defense spending should not be gaged on what the Soviets are doing. This is extremely difficult for me to comprehend since I always thought that the Soviets are the major threat. I am sure that many of the arguments that were presented by these people will form a basis for some of the amendments offered here today. I urge you to consider any amendment in the face of the facts and not just a series of rhetorical statements.

I will ask you to ask yourself in every instance whether the proposed amendment, if adopted, will compromise in any way our ability to deter or to ensure our national security. Consider for example, whether it is wise to call a halt to our offensive strategic programs when it is a well-known fact that the Soviets are advancing virtually every conceivable aspect of their offensive strategic capabilities.

Mr. Chairman, I know that there are many demands being placed upon our economy and that a $10.4 billion expenditure for defense R. & D. is of grave concern, but I ask you to share with me today that awareness that defense R. & D. is one area where second best will not suffice. We no longer have the ability to concurrently wage a war and develop technology as we did during World War II. We must keep pace and that is why I ask your support for the R. & D. portion of this bill.

Mr. PRICE. Mr. Chairman, I yield 10 minutes to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, sometimes in the activities of Government things have to be stated very bluntly, otherwise the country may suffer a severe danger or an unhealable wound. This is the circumstance of America today with regard to its national defense structure and particularly with regard to Navy ships.

There is an unquestioned need for more and better Navy ships if our country is to be adequately defended.

The Seapower Subcommittee, of which I am chairman, concluded hearings late in December of 1974 on the situation in the U.S. Navy. In them, the official statement of the Deputy Secretary of Defense, Hon. William P. Clements, is to be found at page 8 of the December 31, 1974, report, No. 93–831, HASC. The Deputy Secretary of Defense at that time outlined a program requesting 38 new major ships for the Navy in fiscal year 1977 and he said (page 10 of the report):

> We are not adequately planning or providing for the level of U.S. seapower that may be essential to this nation's security.

Adm. James Holloway, then and still CNO, said during those hearings that we should have at least 35 new ships a year if we were going to do what we should with regard to the national security of our country (page 12 of the report).

The Department of Defense came to Congress this year with a request not for 38, not for 35 new ships, but for only 16 new ships, and some of them rather insignificant new ships.

Faced with this situation, the Seapower Subcommittee, and the full House Armed Services Committee, brought forth an improved program, hopefully for your approval, which adds $2.241 billion in new ships over the Department of Defense official request. This sum is reduced by $1.153 billion for a net increase of $1.088 billion by reductions in funding that need not be done this year. They do not represent a subtraction from the actual add-on of $2.241 billion dollars of new ships.

For the House Armed Services Committee's proposal is that instead of just 16 new ships, there will be 22 new ships, including 20 brandnew ships and 2 conversions of a major nature. The House Armed Services Committee measure provides two Trident submarines as against one; four nuclear attack submarines as against three; three strike cruisers, londlead items, as against one; one nuclear carrier, long lead items, as against starting this next year.

In addition, the House Armed Services Committee proposal provides for four destroyers (DD 963's); one oiler; one submarine tender; one destroyer tender; a conversion of the cruiser *Long Beach* to put the Aegis system on it, a new anti-air warfare system with far more protection for the fleet than now exists; and finally, a rebuilding of the cruiser *Belknap*, which was seriously injured in an accident, which restructuring will give it far more capability than it ever had before.

For the Trident submarine, the attack submarine, the strike cruiser and the aircraft carrier, the committee has stayed with nuclear power. This was a deliberate choice. There were many reasons.

First. With the cores which come with the ships now lasting about 15 years, the obvious advantage is that the ships do not need any fuel oil logistics. They can go where they are needed, get the job done and return without having to worry about whether there is enough fuel left in reserve. When needed, they can steam at flank speed without having to slow down to conserve fuel or to wait for any accompanying oiler.

Second. With the unlimited endurance, the nuclear powered ships can be called upon for unexpected duties without having to stop to get refueled first. These duties can be humanitarian, as when the *Enterprise* went to help the island of Malagasy after it had been devastated by a heavy storm. The duties can be military, enabling the ships to respond to a new crisis without waiting for fuel or oilers. During operations, the nuclear powered ships can sail around a bad storm without concern about using too much fuel. They can continue pursuit of a nuclear powered submarine without having to break the trail and go to an oiler for refueling.

Third. The nuclear powered ships are dependable. Because of the care with which they are designed, built, and operated, and because of the extra attention which is paid to the recruiting, selection, training and supervision of crews for these ships, they have a record of dependability far beyond anything else in the fleet. To date not one nuclear powered ship has had to abort its mission because of the failure of its nuclear propulsion.

Fourth. The nuclear-powered ships are clean. Since these ships do not burn any fuel, there are no stack gases. Stack gases, particularly those heavy in sulfur, when combined with salt water can become extremely corrosive. This can affect the ship, but more importantly it can affect the airplanes on the ship. Corrosion control is exercised with great care on the carriers powered by fuel oil. It is a time consuming, tedious chore, which is not as necessary on a nuclear-powered carrier.

Fifth. Nuclear-powered ships are more effective. During the studies made to determine the proper number of escorts for carriers, it was found that the usual six ship escort when conventionally powered could be replaced by four nuclear-powered ships, and achieve better protection. In part, this is due to the fact that the nuclear-powered ships have more extensive armament on them. In part, again, there is no need for nuclear-powered escorts to go off the screen to get fuel—and they can perform unexpected responsibilities, such as going out to find a plane which has been lost at sea, without having to stop to be refueled first.

Sixth. The United States imports over 40 percent of its crude oil now—and that rate is rising by 4 to 5 percent a year. We are already heavily dependent upon other countries for our oil. This dependence is unacceptable for our military ships. During the Middle East crisis our oil from foreign nations was suddenly cut off, leaving our fighting ships in far waters in precarious conditions. We cannot have our strike forces in our Navy ever caught in that situation again. Nuclear fuel is plentiful here and in nearby friendly countries. Cores can be fabricated in advance and stored until needed. If, as many believe our own oil will run out by the year 2000, we must have a Navy we can still rely on. Nuclear power is the only alternative.

Seventh. Nuclear power saves lives. Without the necessity of slowing down to accommodate an oiler, there is less occasion for a nuclear-powered ship to become a target for submarine attack. Without the need for refueling, that very dangerous practice can be minimized. It is not easy to steam alongside an oiler and manage the oil lines. That hazardous activity can be minimized. Nuclear power enhances the ability of the Navy to get to trouble, handle it successfully and leave, and that is what the Navy is all about. We often hear that nuclear power is too expensive, but that is just not so. The President has just proposed a mixed program of eight conventionally powered ships plus two nuclear-powered ships, with an alternative for seven nuclear-powered ships.

The committee looked at the pricing of the first nuclear and first non-nuclear-powered ships. When the non-nuclear ships were given the same military characteristics as the nuclear ship, and when the price of buying, storing and delivering 3,000,000 barrels of oil—equivalent energy of the 15-year-life cores purchased in the price of the nuclear ships—were considered the nuclear ship was only $122 million more expensive, out of a total cost of $1.4 billion.

The Navy has just figured the price a different way. On the basis of the life time cycle costs of a task force, the all nuclear task force with equal capability but fewer ships, costs 2 percent less than the non-nuclear task force. This is the first time this has been shown. If the nuclear task force is enlarged to include more equal numbers of ships, the over all cost only rises to 4 percent of the lifetime costs. These differences lead us to want the nuclear-powered Navy.

All of these reasons led the Seapower Subcommittee and the Armed Services Committee to continue its reliance on nuclear power—and it found its reasons even more important today than in the past. By these actions, the committee believes that the Navy now will have the capability for "prompt and sustained combat."

To emphasize the situation, the President had requested a $32.7 billion procurement bill, and the committee authorized a $33.4 billion procurement bill, nearly a $700 million increase. This is the first time in years that the committee has recommended more than the President's request. This action reflects the committee's deep conviction about Soviet strategic and naval weapons building and the necessity for our country to do something about it. The House Seapower Subcommittee unanimously approved the increases in the ship-building budget and then the full Armed Services Committee endorsed the recommendation by an overwhelming margin.

Unfortunately, many of the committee's recommendations for our national defense would face a rough road if Congress were not willing to look at the actual facts, listen to this debate and act from the best interests of the country, regardless of any pressures to the contrary.

There are reasons given by people in the public for not adequately defending our country. Some people simply do not believe that the Russians are overtaking us and endangering our freedom. Any detailed study, and there have been many made lately, should convince the doubters that we are in fact falling behind. Secretary of Defense Rumsfeld said on March 29, 1976:

> Over the past 10 to 15 years, the United States has moved from (a military position of) superiority to one of rough equivalency. If the trend continues, we could move out of this position of rough equivalency. We're not No. 1 if you look at basic military capacity.

Then there are some that say that more defense dollars should be shifted to social programs. The trouble with this attitude is that social improvements cannot be achieved or maintained when the country is endangered militarily.

Some say that they want to protest waste in the Pentagon and think the best way to do this is to lop off funds at random from defense programs. While I favor cutting every ounce of fat out of the Pentagon's budget, I do not favor unduly severe cuts in the vital defense programs. At present, defense programs are carefully scrutinized by both the Congress and a number of executive agencies. I wish I could be assured that social and welfare programs receive the same sort of scrutiny.

The public also includes a few unilateral disarmament "freaks," too. Anyone who takes this point of view should be questioned both as to his sanity and as to his realism. There are certainly not very many people in the United States who feel that unilaterally drawing down our arms or unilaterally retaining the status quo in our arms situation is a wise procedure. Today, despotic nations, dedicated to the overthrow of free governments throughout the world, are arming to the teeth. Unilateral disarmament by us would be suicidal. Mutual disarmament is another matter indeed and I am proud that I had a substantial part to play in bringing about the creation of the Arms Control Agency, which is active in research and presentations in that field. Unilateral disarmament, on the other hand, is utter idiocy.

Not only did the extensive hearings of the Seapower Committee bring information to the Congress and to the country that we need to rebuild our Navy at the rate of about 35 ships a year, but new information has come in since that time which underlines this necessity. In bringing forth a new book entitled, "The Soviet Navy Today," Capt. John Moore, a former Deputy Chief of British Naval Intelligence and editor of the authoritative Janes Fighting Ships said this year:

> The Soviet Navy is the most potent in fire power of any fleet that ever existed. American seamanship is almost certainly better but Russia can menace all sea lanes of the world and can do so all the more easily if she were to gain bases in Angola.

So the Chief of Naval Operations this year brought to our committee his personal judgment in a program of a classified amount, a larger sum than the House Armed Services Committee subcommittee allowed. This was after he testified to the full Armed Services Committee that—

> In the broadest sense, for the foreseeable future, we believe that the U.S. Navy will be able to control any ocean or major connecting sea *unless directly opposed by the Soviet Navy*. (Emphasis added.)

All of this is in the face of an official request by the Department of Defense for only 16 ships, many of them very inadequate ships. To the contrary, your House Armed Services Committee is offering you a program of 22 ships, not the 35 that was suggested earlier, but much more than the 16 requested this year. These ships that the House Armed Services Committee is asking you to provide are better ships than the ships in the request officially made. They are ships which the Department of Defense and the Navy desire to build, but just put in an earlier timeframe. We urge that under the present circumstances, we should go forward with a program that will be understood both here and abroad, to bring the U.S. Navy back to the position of being able to maintain the security of our country in a credible manner.

I know that it will be urged that the Department of Defense has recommended as a minimum prudent risk, a shipbuilding program of only 16 ships for the year. This in the face of speeches made by people high in the administration, including the President, to the effect that they are not satisfied, and that this need for a new ship program depends on prompt action. That is one of the reasons why the Seapower Subcommittee came to grips with this matter in such deep detail and has brought to you the program which we have before you today. We should not, we cannot, wait for bureaucratic reports and we have the sincere and factual testimony from the highest level within the Defense Department which we feel requires what we are recommending in this bill. Your enthusiastic support is solicited.

I have not spoken of the total number of ships that the Navy should have. In 1970. Adm. Thomas Moorer, then Chief of Naval Operations, told the Seapower Subcommittee that there should be about 800 ships in the fleet at 1980. After that, Adm. Elmo Zumwalt, when he was Chief of Naval Operations, said that there should be about 770 ships in the fleet about 1980. Deputy Secretary of Defense Clements recall these testimonies in his statement to our subcommittee in December of 1974 when he added that the then current Joint Chiefs of Staff estimate called for an 800-ship Navy to support our current national defense strategy. The President, Secretary of Defense Donald Rumsfeld, Secretary of the Navy William Middendorf, and the Chief of Naval Operations James Holloway, have all recently indicated that we are heading for too small a fleet.

The ships that the Seapower Subcommittee has advanced to the fiscal year 1977 budget are primarily the powerful heavy hitting ships. We believe, as Admiral Moorer testified in 1971:

> I have always felt it is better in peacetime to build the more complex combat systems. . . . Therefore, it would be better in peacetime to build those systems which require the most time to build.

This is especially why we increased the long leadtime items for two more nuclear-powered strike cruisers which will be the most powerful surface combat ship in any navy except for the carrier. This is why we advanced the long leadtime items for the next *Nimitz* class aircraft carrier. This is why we restored the Trident construction schedule to its former schedule. This is why we added a fourth nuclear-powered attack submarine.

We wanted to be sure that these ships, our most powerful ones, which would remain in the fleet well into the next century would not be dependent upon oil for their operation—especially since there are already forecasts that the United States will run out of crude oil of its own by the year 2,000. We cannot forget the lesson of the Middle East crisis when our overseas fuel oil supplies were denied to our fleet. This position is especially important when it is remembered that our Navy has a "forward strategy" requiring it to operate off of other continents—whereas the Soviet Navy merely has to operate around close by land areas—although it has in fact enlarged its operations worldwide.

We have included in our program some of the cheaper ships. We have kept in four patrol frigates—FFG-7's, until we can study their situation further for a year. We have included four DD 963's, in the program since they are more redundant and capable than the FFG's. There is considerable sentiment among the subcommittee members that the United States should concentrate on building the larger, more expensive ships, while our allies should build the ships for antisubmarine warfare and convoy duty. This position makes a lot of sense.

The important point to remember is that our Navy has been allowed to slip to a precarious state. If we are to remain a free nation celebrating yet more than our 200th year of freedom, we must have a Navy second to none. No one has denied that it will cost money. The Navy is badly in need of new ships. Let us get on with the business of rebuilding the Navy immediately, and take the expense out of other domestic programs or assess the necessary taxes to provide for our security as well as our domestic desires.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.).

Mr. ROBERT W. DANIEL, JR. I thank the gentleman for yielding.

Mr. Chairman, I serve on the subcommittee chaired by the gentleman from Florida (Mr. BENNETT). I think our work this year in revising upward the building aims of the Navy was good work. I would like to express publicly my admiration for my chairman for his leadership in this undertaking.

Mr. BENNETT. Mr. Chairman, I thank the gentleman very much for his remarks.

I want to thank him and all of the members of my subcommittee for their hard work on this legislation. Never since I have been in Congress have we had the constant attention that we have had this year on the Subcommittee on Seapower. In fact, no member ever missed very many sessions. That is very unlike what we have had in previous years. There were times in previous years when I was sitting there alone. But this year all of the members did an excellent job in attending and took part in writing up the bill, particularly the gentleman from Virginia.

I want now to pay a compliment to the gentleman from Georgia (Mr. McDONALD), who will also make some remarks following mine.

Mr. McDONALD of Georgia. Mr. Chairman, it is essential that all Members of Congress fully understand the significance to the future of the U.S.

Navy of action concerning the shipbuilding program recommended by the Armed Services Committee in the bill now before us. I fully support the entire shipbuilding program recommended by the committee, but I want to stress one particular aspect. This bill marks a turning point in the changeover from oil-fired propulsion to nuclear propulsion for our new construction major surface warships.

The 1975 Department of Defense Appropriation Authorization Act, Public Law 93-365, established by law:

> The policy of the United States of America to modernize the strike forces of the United States Navy by the construction of nuclear powered major combatant vessels. . . .

That is the policy we need and the Armed Services Committee recommendations on the fiscal year 1977 program are consistent with that policy. The increasing dependence of the United States on foreign sources of oil, and the rapidly expanding Soviet naval threat, make it obvious that our first line naval strike forces must be given nuclear propulsion in order to free them from complete dependence on a highly vulnerable oil supply line.

The major issue this year is whether the ships to be provided the Navy's new Aegis fleet air defense system will be nuclear powered. The Department of Defense proposes that over the next 5 years we build eight non-nuclear ships and only two nuclear ships with Aegis. This is ridiculous.

The Aegis air defense system is being built for use in the areas of highest air threat. Now I ask you: How in the world can we expect tankers and oilers to survive in the areas of highest threat? And if they do not, what good will the conventional Aegis ships be? We are building nuclear-powered aircraft carriers in order to free them from the propulsion fuel umbilical cord in areas of high threat. What sense would it make to build conventional Aegis ships to provide for their air defense?

The Office of Management and Budget pontificates that we should build only two nuclear strike cruisers because they cost more than the conventional ships. They say that on the average the nuclear strike cruisers will cost twice as much as the conventional ships, and that on a life cycle basis the nuclear strike cruisers will cost two-thirds more per ship. But they fail to point out that the antisurface missile systems on the nuclear strike cruiser can cover 25 times the area covered by the antisurface missiles on the conventional ship, and that the 8-inch gun on the nuclear-strike cruiser can cover about 9 times the area covered by the 5-inch guns on the conventional ship. They fail to point out that the nuclear-strike cruiser is far less vulnerable, since it has over 1,000 tons of fragmentation armor and other improved passive defense features designed into the ship that are not included in the conventional ship. The nuclear-strike cruiser is not only nuclear powered, with reactor cores which will provide for 15 years of operation, but it has far superior military characteristics other than nuclear propulsion.

After very careful consideration of all the facts, the committee concluded that all the Aegis ships built for the strike forces should be nuclear powered. I concur with that conclusion. It is time that the analysts in the Department of Defense and Office of Management and Budget faced up to reality as to the need for nuclear-powered warships for our first line naval strike forces.

The committee recognizes the urgent need to get the Aegis fleet air defense system into the fleet as soon as possible, and therefore has recommended that the present nuclear cruiser *Long Beach* be converted into an Aegis-equipped nuclear strike cruiser as soon as possible; $371 million is included in the committee's recommendations for this year in order to get started on this.

In order to get started on a continuing program of nuclear-strike cruisers, the committee increased the advance procurement funds authorized for this class of ships from the $170 million requested to the $302 million identified in the President's alternative all-nuclear Aegis ship program.

I strongly endorse these proposed actions on Aegis ships.

The Department of Defense proposes to build two nuclear-powered aircraft carriers over the next 5 years. However, they have deferred advance procurement funds for the first carrier, the CVN-71, from fiscal year 1977 to fiscal year 1978. The committee learned that this delay would increase the cost of the ship a minimum of $178 million, delay the ship at least a year, and possibly jeopardize the industrial base for building the ship and its major components. If we are going to build additional *Nimitz* class aircraft carriers, and I personally think we must, then it would be absurd to force the taxpayers to absorb the unnecessary increase in cost that would be caused by delay. Therefore, I strongly endorse the committee's recommendation that $350 million be provided in fiscal year 1977 for advance procurement of the nuclear propulsion plant components to keep the carrier on its original schedule. Even with this funding, there will be a 4-year gap between the delivery of the *Carl Vinson*, CVN-70, now under construction, and the next nuclear carrier, CVN-71.

I believe that anyone who studies the committee's hearing record will come to the same conclusion on these matters the committee has. The only argument the Defense Department makes against nuclear power for surface warships is that they are "too expensive." The argument can be made that all new weapons are too expensive when the costs are compared to the obsolete weapons they replace. Apparently when the Department of Defense decides it wants something, expense is not the criterion. When Congress wants it, it becomes too expensive.

Aside from the statements about expense, no other reasoned or technical judgment has ever been given by the Department of Defense to justify its stand against nuclear surface warships. They simply fail to address the issue of the vulnerability of our propulsion fuel supply lines upon which the nonnuclear ships are totally dependent. Those who do recommend nuclear powered ships give reasoned arguments—arguments which have never been specifically rebutted. In this regard I would like to call the attention of every Member of this House to Admiral Rickover's statement concerning nuclear warships which Senator PASTORE introduced in the CONGRESSIONAL RECORD on April 5, 1976, starting on page 9351. That statement summarizes the entire issue and presents the facts.

The impression given to the public is that the Defense Department has reached its conclusion against nuclear warships based on scientific analysis. Despite the many specific requests to the Department made by the committee, they have not presented to the Congress a scientific analysis supporting their position. We must therefore conclude that their position will not stand the test of objective scrutiny.

Based on detailed study and appraisal of the military effectiveness and the cost of nuclear powered and conventional warships, and careful consideration of experience of naval forces in combat, a former Chief of Naval Operations, Adm. David L. McDonald—a fellow Georgian and, I am proud to say, a distant relative—stated:

> The endurance, tactical flexibility, and greater freedom from logistic support of nuclear warships will give the United States an unequaled naval striking force. Our new warships, which the Navy will be operating into the 21st Century, should be provided with the most modern propulsion plants available. To do less is to degrade effectiveness with grave implications for national security.

The determination of overall force levels and the precise number of ships to be built in the next several years will no doubt be the subject of continuing debate. However, with the problem of declining size of the U.S. Navy, and the rapidly expanding Soviet naval threat staring us in the face; and the exemplary performance of the two nuclear carriers and the five nuclear cruisers now in the fleet; and the increasing dependence of our Nation on a tenuous supply of foreign oil—it is clear that construction of the nuclear ships for which funds are provided in this bill is a minimum requirement. We should proceed forthwith without delay. Under no circumstances should we hold up while more studies are made.

The determination by Congress to insist that nuclear propulsion be provided for major combatants built for our naval strike forces will go far toward determining the strength and flexibility of U.S. seapower for decades to come. I urge all my colleagues to support it. Our survival may ultimately depend on it.

Mr. BOB WILSON. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Chairman, as a member of the Armed Services Committee, I have long held a special interest in, and concern for, the security of our Nation. As ranking member of the Seapower Subcommittee, a good portion of my interest and concern is directed to the status of our fleet.

In these committee capacities, I have had the occasion to participate in one of the most thorough examinations of our Navy that has been attempted in Congress for many years. Under the able chairmanship of the gentleman from Florida (Mr. BENNETT) we conducted 5 days of hearings on naval readiness, and the general conditions of the fleet. Twelve more days of hearings were organized to study the fiscal year 1977 shipbuilding program.

In addition to the subcommittee hearings, the full Armed Services Committee under the leadership of chairman PRICE studied the Navy very carefully. The full committee schedule included 10 days of hearings on overall defense programs, and a few additional days were taken to concentrate on the posture of the Navy.

What we learned in the course of this extensive study caused us great concern, Mr. Chairman, and it is our purpose today to convey this concern to our colleagues.

If the people of the United States were to discover that their representatives in Congress were unilaterally disarming this Nation in the face of growing enemy power, I believe that they would revolt—if not in the streets, certainly at the polls this fall. Yet, so far as our naval forces are concerned at least, that is exactly what Congress has allowed to happen since 1968. Everything that we heard in committee indicates this dangerous trend, and a recent Library of Congress study confirms it.

For example, consider the following statistics:

In 1968, we had 975 ships in the active fleet.

At the end of fiscal year 1974, there were 511 ships.

At the end of fiscal year 1975, 496 ships.

By the end of this fiscal year, our fleet will be comprised of only 487 ships of all types.

If this trend continues, we will clearly be down to less than 400 ships by 1985; meanwhile, our enemies are putting great emphasis on their own naval strength, undergoing a building program of unprecedented proportions.

The committee report details further disturbing facts and figures. For example, my colleagues should especially note the lack of sufficient numbers of modern surface combatants capable of standing off the Soviet fleet in areas where our interests are greatest.

It is not my purpose to convince you that our Navy is a hopeless "basket case." It is not. But our Navy is seriously ailing when compared with that of the Soviet Union, and it is badly in need of a transfusion. It is the opinion of your committee that the shipbuilding program which we are recommending for fiscal year 1977 will provide this new blood—the vital first step needed to rebuild our Navy.

Since the process of deterioration has taken place over a number of years, we obviously cannot reverse that process in a single year. For this reason, our program is not the final answer. It is not a "get well" program. At the same time, we want to emphasize that it is much better than the proposal which was first presented to the committee. It represents our best judgment, after many days of study and consideration, of what the Congress should adopt this year.

Generally, the committee program is aimed at increasing the number of ships, which we must do, while assuring that the Navy of the future will have greatly improved offensive and defensive capabilities. It is important to note, however, that the bill before us now would not improve the Navy's readiness until the 1980's. For example, even the two Fleet Oilers which we are seeking will not be delivered to the Navy until 1981; and it will be 1984 before the replacement carrier will join the fleet.

Also, I want to point out that the ships which we recommend this year represent a long-term investment. They will be on the oceans of the world, defending our country's interests, for 35 to 40 years after they are delivered—long after the last tank and aircraft authorized by this bill will have been cut up for scrap.

So, what we do today affects not only the security of our constituents and their children, but also that of their children's children. For this reason especially, Mr. Chairman, I am dismayed by the shallowness of the arguments being made with respect to the future of our Navy.

Some of the proposals, which amount to unilateral disarmament in relative terms, are made by those who have no access to the facts which are available to Members of Congress. These can be excused as being naive. The dangerous arguments, however, are those which are made by individuals who are in a position to know better—often for some imagined political gain.

For example, there is the theory which holds that the Navy can handle its global responsibilities with greater numbers of smaller, cheaper craft. These people argue that carriers, air defense vessels, and other capital ships are only "targets" anyway, and have no value in our Navy. They would build enough "small cheap ships" that we could lose many of them in a confrontation with the Soviet Union, and still have some left. I call this the "disposable Navy theory."

Another approach is to build no new ships at all—that we just repair the ships that we now have. This can be appropriately referred to as the "vanishing Navy theory."

As my knowledgeable colleagues know well, these simplistic arguments ignore the basic and critical missions of the U.S. Navy. These are:

The ability to operate successfully against potential enemies while far from home waters, and to do so without land bases if necessary.

The ability of the ships of the fleet to reinforce, support, and protect each other, while together they accomplish the goal assigned to the entire force.

They also ignore the realities of the Soviet threat, as it now exists, and will exist in the future. Without balanced countering forces, Soviet submarine, surface, and naval air forces will be able to convert the Atlantic and Pacific into high threat areas where small unsophisticated ships cannot survive.

Furthermore, the adoption of a long-range naval policy dependent upon small, incapable ships,would compel the adoption of a "Fortress America" policy. In such a case, our commerce with other nations over the sea lanes would be at the sufferance of the Soviets.

In short, capitulation to either of these theories would be, over the long run, a sure route to naval suicide.

I do not believe that the people of this country want a Navy which is second only to the Russians. I do not believe that the people want a Navy which has achieved rough parity with the Russians. I believe that our constituents want nothing less than unquestioned American superiority the next time that our Navy must confront the Russians at sea.

Mr. Chairman, as I suggested earlier, the fiscal year1977 shipbuilding program recommended by our committee is not the program submitted in the President's budget. We were dissatisfied with the adequacy of the program as submitted. I understand the administration has doubts, also. It was therefore incumbent upon us to present an authorization which fulfills our constitutional responsibilities.

The Constitution of the United States assigns to the Congress alone, the author and responsibility for the status of our Navy. In article I, section 8, we are clearly mandated "to provide and maintain a Navy." We interpret that responsibility to mean the maintenance of a Navy which can effectively support our foreign policy, protect our commerce, and maintain open sea lanes. It is our responsibility and ours alone. It is a grave responsibility, and one for which the price of failure is the loss of all we hold dear.

Thus, our bill adds $2.2 billion in real shipbuilding program value, which represents an increase of $1.1 billion in the amount requested. As our report explains, the advancement of ships from later in the DOD 5-year shipbuilding plan, will result in cost reductions totaling $547 million by avoiding future inflation. Also, we recommend 4 new ships and 2 ship conversions in addition to the 16-ship program presented to us.

Most importantly, the committee did not merely acquiesce in the types of ships requested. Instead, we have restructured the program with the result that more ships with greater firepower, range, and antisubmarine warfare capability will be provided.

So, Mr. Chairman, in arriving at the fiscal 1977 shipbuilding program, your committee was very mindful of its duty under this Constitution. In altering the President's proposal, we are properly exercising one of the key powers granted us by those who framed our form of government. Under our system, the President is Commander in Chief of the military, but only Congress can raise and maintain armed forces. The President can seek war, but only Congress can declare it. It is a carefully crafted system which prevents unchecked military power from being joined in one person.

> The Congesss shall have the power . . . to provide and maintain a Navy.

Mr. Chairman, the power is ours alone, and the duty is ours alone. Only we can provide a strong national defense. We cannot shift the responsibility—or the blame.

So let this be the year when we send a message to the Kremlin, and to those we represent back home. The Congress of the United States recognizes a dangerous trend, but we will turn it around. We will build and maintain a Navy which is representative of America; second to none in the world. Let that message begin here, in the people's House, with an overwhelming vote for this bill.

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Chairman, titles III through VI of H.R. 12438 respectively deal with active duty, reserve, and civilian personnel strengths in the Department of Defense, as well as the military student training loads for fiscal year 1977.

Although there are some minor adjustments in the other titles, the major changes recommended by the committee to the Department of Defense's request appear in title IV affecting the average strength of the Naval Reserve, and in title V in the authorized end strength for civilian personnel.

In title III, the committee recommends end strengths for active forces as follows:

Army	790,000
Navy	544,904
Marine Corps	196,000
Air Force	571,000

The total of 2,102,000 active duty personnel is approximately 4,000 less than were authorized last year.

With the exception of the Navy, these strengths are those requested by the Department of Defense. The committee's recommendation for the Navy is 904 higher than the requested figure. This minor increase results directly from the committee's recommendation to increase the Naval Reserve. This number represents necessary active duty personnel utilized in support of Naval Reserve training who were not included in the request because of the proposed major reductions in Naval Reserve strength.

Within these totals are a variety of program actions which will provide a leaner, more capable military force in fiscal year 1977.

In the overall composition of the force, the number of officers as compared to enlisted personnel will decrease. A more obscure—but nonetheless important—improvement will occur as the number of personnel who are in a student, transient, patient, or prisoner status are decreased. Personnel of this character are a necessary fact of life in any organization of this size; however, by their very nature these individuals are in an unproductive capacity. In fiscal year 1977, through a series of management actions, the number of personnel in these categories at any one time will be reduced by more than 13,000.

The Army will complete its 16-division force in 1977 as two active brigades are activated. The Army has converted 16,000 personnel assigned to support functions for use with the new brigades and to improve the manning of existing combat structure. With these adjustments, the Army's combat-to-support ratio in fiscal year 1977 will be 54/46 as compared to a ratio of 41/59 in 1972.

Another action of importance for fiscal year 1977 will be the deployment of an adidtional combat brigade to Europe. Two years ago, in the defense authorization bill, the Congress told the Department of Defense to provide more combat capability for our forces in Europe, and accomplish it by removing excess support personnel. The deployment of this brigade is one response to that guidance and will be accomplished with no increase in our troop strength overseas.

The Navy will increase in authorized strength by 12,000 in fiscal year 1977. This increase results from a net increase of nine ships in commission and an increased manning in current ships. Although there is an aggregate increase in personnel, there were also actions taken reducing the number of personnel in support positions.

The Air Force active duty strength shrinks by approximately 16,000 in fiscal year 1977. The majority of these reductions result from support efficiencies. At the same time, the Air Force will activate an F-5F fighter training squadron and increase the crew ratios in fighter squadrons.

Title IV authorizes average strength floors for the Selected Reserve of each of the Reserve components. The committee recommendations are:

Army National Guard	390,000
Army Reserve	215,700
Naval Reserve	102,000
Marine Corps Reserve	33,500
Air National Guard	93,300
Air Force Reserve	52,000
Coast Guard Reserve	11,700

With one exception, these are the strengths requested by the Department of Defense in fiscal year 1977 by the administration.

The strength requested for the Naval Reserve in fiscal year 1977 by the administration was 52,000. That compares to the 106,000 strength authorized and the 102,000 strength funded last year. The committee examined the basis for this request in some detail and found it unconvincing at best. The Navy has recently completed a comprehensive study of its Selected Reserve which, for the first time I can remember, begins to make sense in terms of actual requirements. This study indicates a requirement for a Selected Reserve strength of 102,000 and our testimony indicates that the officials responsible for manpower requirements in the Department of Defense support the validity of this study.

Title V establishes an end strength for civilian personnel in the Department of Defense. The strength recommended by the committee—1,040,981—is a ceiling for the Department of Defense as a whole and allows the Secretary of Defense to allocate these numbers among the services. The administration request was for an authorization of 1,035,800 which was 28,600 lower than was authorized last year. The committee's recommendation increases the request by 5,181 in two separate actions. One hundred and eighty-one of this increase results from the action with respect to the Naval Reserve and is attributable to civilian positions necessary for the training of reservists restored by the committee recommendation. The remaining 5,000 of this increase is recommended specifically for the Air Force. The Air Force has borne the brunt for the Department of Defense of personnel reductions in recent years. The committee was concerned that these reductions have adversely affected aircraft maintenance and supply activities. The increase is an attempt to offset these potential deficiencies.

As a matter of note, the committee was presented with substantial evidence of a serious amount of grade creep among civilian personnel in the Department of Defense. We will watch this carefully and have put the Department on notice that a solution to this problem must be forthcoming.

Title VI establishes the military training student loads for fiscal year 1977. These loads, which are in the bill before you, are as follows:

Army	81,429
Navy	66,914
Marine Corps	25,501
Air Force	49,610
Army National Guard	12,804
Army Reserve	7,023
Naval Reserve	1,257
Marine Corps	3,562
Air National Guard	2,232
Air Force Reserve	1,107

Mr. Chairman, the committee spent a great deal of time examining in detail the manpower program for the Department of Defense in fiscal year 1977. While I have made some attempt to outline some of the highlights, which the committee report amplifies, I think it might be beneficial to give you my personal impression of the program. For more than 13 years, I have been subjected to each of the DOD presentations on manpower requirements. They are not the stuff of which novels are written. However, for the first time, in the last few years, it now appears that management has a firm control of the system and is making sense of the entire structure. I will not suggest that this proposal represents optimal productivity within the structure, but an effective effort is being made and, under the circumstances, I believe it is in the Nation's best interest to support this program and the efficiencies it promises for the future.

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. CHARLES H. WILSON).

(Mr. CHARLES H. WILSON of California asked and was given permission to revise and extend his remarks.)

Mr. CHARLES H. WILSON of California. Mr. Chairman, fiscal year 1977 is the year for the decision of the B-1 manned strategic bomber. We will be making a decision within the next day or two that will have a tremendous effect on our national security throughout the remainder of this 20th century.

I would be naive if I did not think that there is opposition to this program. I would be even more naive if I did not know that a great deal of the opposition to the B-1 is based on misconceptions and misinformation. I believe that all of us here today are entitled to have the facts about the B–1.

Let us set aside the question of the B–1 for a moment and address the continued need for a strategic bomber. There are, as you know, three legs to our Triad. The ICBM and submarine legs have both their advantages and inherent deficiencies. The Soviet improved accuracy programs, for example, will make our ICBM silos vulnerable during the early 1980 time frame.

The strategic bomber complements the other two legs of the Triad and provides this country with the flexible response that is required to insure our national security. Today over half our megatonnage is carried by our strategic bomber force. For those of you who question the need for a strategic bomber, I ask you not to lose sight of the fact that during the past decade, the Soviets have forged ahead with the development and deployment of their Backfire bomber.

The need for a manned strategic bomber should be readily apparent to each and every one of us today. Even the most vociferous critics of the B–1 recognize the need for a strategic bomber. The highly publicized Brookings Institute study opposes the B–1, yet, recognizes and acknowledges the importance of the strategic bomber in the first sentence, of the first chapter, of the publication.

The point of departure relates to which bomber we carry into the 1980 and 1990 time frame. Some people advocate the continued use or modernization of the B–52. Others contend that a stretched version of the FB–111 would satisfy our bomber needs throughout the course of this century.

To me the need for the B–1 is as readily apparent as the need for a strategic bomber. The B–1 is the most effective weapon system from both the cost and performance points of view based on the known 1980 threat and scenario.

I am not alone in this contention. The GAO—perhaps the biggest critic of the Department of Defense—concluded in their B–1 study of last year that this aircraft is the most cost effective weapon system to meet the threat postulated by the intelligence community and the Department of Defense.

I would like to summarize here today the reasons why this is the case. Let me take the alternatives one by one.

First, the B–52 as it is currently configured. This strategic bomber has served us in an exemplary manner. It has been a very capable weapon system that became the conventional workhorse of the Vietnamese conflict. By 1980, most of our B-52's will be 20 or more years old. They have all the characteristics of 20-year-old technology. They cannot fly as low or as fast as the B–1. They do not have the electronic countermeasures (ECM) capability of the B–1. Their radar cross-sectional area is much larger than the B–1—all of which make the B–52 easier for the Soviet air defense radars to detect and neutralize.

Now, it goes without saying that we can modify the B–52's to enhance their operational effectiveness. You can re-engine them—you can add more capable ECM equipment—you can re-wing them—all of which would cost about $45 million a copy. With this investment, you would still have a 20-year-old bomber that would be difficult to hide from the Soviet air defense radars and would not have penetration capability of the B–1.

Let me turn next to the FB–111. Yes, it is true that a stretched variant of the FB–111 would cost only about one-third as much as the B–1. But considering equivalent performance—

You would need three FB–111's to do the job of one B–1;

The range of these FB–111's would enable us to hit only 10 percent of the target objectives if refueled in Newfoundland; none, if unrefueled. By comparison, the B–1 could hit 50 percent of our target objectives unrefueled and naturally, 100 percent of them if they are refueled;

The tanker fleet to support the 600 to 700 FB–111's would have to be doubled and that means increasing the whole support facility and the pilot training program; and

The FB–111 force would require about 2,000 crewmembers—and an additional 1,000 crewmembers for the extra tankers.

Finally, while the FB–111 would cost only one-third of the unit cost of the B–1, the operational and support costs would be significantly higher for much less capability.

Earlier I referred to the Brookings Institute study that opposes the procurement of the B–1. I will not go into extensive detail on this study since you will be hearing more about it from some of my colleagues here today and tomorrow. The authors of the Brookings study propose the use of cruise missiles in lieu of the B–1.

Simply stated, cruise missiles cannot do the job of the strategic bomber. Cruise missiles have inherent deficiencies that we have been aware of since their inception. They do not have much in the way of either maneuvering or ECM capability. They fly slowly and do not have the range necessary to attack and penetrate many of our target objectives. Cruise missiles have their place in the U.S. inventory. Their place is to complement—rather than compete—with the B–1.

The authors of the Brookings study pass off lightly the fact that it would be quite expensive to develop and deploy a capable cruise missile system. They propose, for example, the Boeing 747 commercial aircraft as a cruise missile platform. Today's price of a 747 exceeds $35 million per aircraft. Excluded from this price are military specification hardware, avionics, launching systems, among other subsystems. When all of these factors are added together, the cost of a proposed cruise missile carrier would easily exceed $65 million per system.

In comparison to the present estimate of $72 million for the B–1—in escalated dollars—the cruise missile becomes a very unattractive alternative.

I think there are many misconceptions about how much the B–1 really costs. The unit flyaway cost of the B–1, in escalated dollars, is $72.9 million.

The projected program acquisition cost—that is, the cost of the hardware plus all of the R.D.T. & E. amortized over the buy of 244 aircraft—is $87.6 million per copy in escalated dollars. Sure, the price is high but it is, nevertheless, the price that has to be paid for the kind of capability that the B–1 provides.

Comparatively speaking, the Concorde supersonic jet transport costs over $50 million per copy and this is not a fighting aircraft.

While I am on the subject of cost, I would like to clear up any misconceptions that there are concerning the B–1's track record. The program, at its inception, was estimated to cost $9.9 billion. This was for a 244 aircraft buy plus the R.D.T. & E.

The projected total cost of the B–1 program is $11.1 billion.

The $22 billion program cost that the critics advertise is the $11.1 billion B–1 cost plus nearly $11 billion for inflation.

If the Congress wishes to accelerate procurement of the B–1, it can save as much as a half billion dollars per year. This can be accomplished by directing the Defense Department to produce five aircraft per month rather than the currently planned three aircraft per month during the 1980 and later production period.

I was reading in a recent issue of the Congressional Record that some Members of the Congress are laboring under the thought that the B–1 represents a $92 billion commitment on the part of the American taxpayer during the next 10-year period. This is pure nonsense. This $92 billion estimate attributes the cost of a completely new tanker force to the B–1 program. The fact is, this country needs and will build a new tanker force with or without the B–1.

Next, let me turn to the current status of the B–1 program. I have seen a number of press releases recently that point out the technical problems that the program is having. Can anyone tell me about a research and development program that has not had technical problems during the course of its development? There are no technical reasons that are known today that will preclude the successful deployment of the B–1 aircraft on schedule.

The B–1 has had more testing to date than any other aircraft at a comparable point in its development. The B–1 test program is demonstrating its readiness for production in its aircraft structural tests, its flying quality tests, its engine development tests, and every other test that has been delineated in the previously developed test plan. At this time, I am confident—the Air Force is confident—and many of the critics of the program are confident, that the B–1 can and will do the job that it was intended to carry out.

I know that some of you here today came prepared to vote against the B–1 because you thought there were more practical alternatives that could do the job. I hope that I have convinced you that this is not the case. The alternatives that cost less than the B–1 provide an unacceptable level of capability. The alternatives that the critics allege will provide equivalent performance do not, in fact provide equivalent performance but do, in fact, cost more than the B–1. In addition, the stretchout which would be the result of a funding deferral is not only completely unnecessary, but would cost American taxpayers in excess of $500 million.

I hope that all of you recognize the continued need for a strategic bomber force, the importance of this bomber force to our military posture, and the need to select the B–1 as the bomber that will help insure our Nation's security into the 21st century.

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Chairman, I rise in strong support of this legislation with particular emphasis on the points made by my colleague, the gentleman from California (Mr. CHARLES H. WILSON) and I agree with the gentleman when he said that the most important social service any government can do for its people is to keep them alive and free.

Mr. Chairman, I join with my distinguished colleagues here today who recognize the importance of the B–1 to our military posture, and want to take this opportunity to express my support for the program.

The role the strategic bomber plays in our Nation's defense needs has been demonstrated time and time again. The Soviets apparently have no problem in recognizing the significance of the strategic bomber. They have developed and deployed their Backfire bomber—an aircraft that significantly enhances their existing complement of ICBM's and submarine forces.

Much of the opposition to the B–1 emanates from a misunderstanding and lack of appreciation of the importance of our strategic forces.

If we examine the facts, the need for the B–1 is obvious. First, the B–1 is not intended to—and cannot—replace either the submarine or ICBM elements of our Triad. Our ICBM and submarine forces cannot meet all our requirements. The B–1 compliments these forces, and combined with them provides this country with the strategic power to insure deterrence.

Second, there are those who admit that the strategic bomber is necessary, but feel that the B–52 will be adequate throughout this century.

Mr. Chairman, the B–52 will be 30 years old in the early 1980's. It represents 1950 technology. Based on the current threat, the penetration capability of the B–52 is acceptable. Time will not stand still for us, though.

The B–1, coupled with the B–52, will insure the bomber element of our Triad into the 21st century.

Third, the environmentalists are fearful that the B–1 will seriously affect our environment. I am concerned for our environment, as are many here today. But the B–1 will have nowhere near the adverse environmental impact that the critics are proclaiming. It will not endanger the ozone layer of the atmosphere, for the simple reason that it will not operate in the ozone layer except on infrequent occasions. And finally, no one has proved conclusively that damage to the ozone layer is caused by air flight.

Next there is the question of cost: The critics allege that the B–1 will be the most expensive aircraft ever built. By the same token, your 1976 automobile will be the most expensive ever built. The 1976 loaf of bread is perhaps the most expensive loaf of bread ever baked. In 1976, we will be compelled to pay 1976 prices for our commodities. In the case of the B–1 the present cost estimates include escalation through 1986. Discounting inflation, the B–1 program has experienced only a 12-percent cost growth since 1970. And finally, this should be said.

Since I have been a member of the Armed Services Committee, I cannot recall an aircraft that has been tested so extensively during its research and development phase as the B–1. And I have never known of a weapon system development program which did not experience problems during its research and development phase. The fact of the matter is, the B–1 is flying—will continue to fly—is meeting the mission expectations defined by the Air Force back in 1970—and if the current trend continues, it will be deployed on time.

The decision that confronts us today on this program is indeed serious. It could spell the difference between a continued period of deterrence and our engagement in a war.

Remember, our primary mission is to avoid a war and in order to do this, we must have this strategic weapon of peace.

I hope that the decision we make will be based on facts, rather than on misleading rhetoric.

A recent colleague letter proposes to defer the funds for the B–1 stating that the Armed Services Committee "is convinced that there is a high possibility that the Department of Defense in November of this year will have all the data necessary to make a decision on procurement of the aircraft." The letter goes on to state:

> Unfortunately, that same Committee has been convinced in the past that the results of marginal aircraft testing programs had all the data necessary to make a decision on procurement and the Congress has wound up authorizing such notable white elephants as the C–5A.

I believe that this criticism of the Armed Services Committee is unwarranted. While it is true that the C–5A has not met its design goal with regard to its wing life, it proved to be far more than a white elephant during the Mideast conflict. The C–5A carried a total tonnage of 10,763 tons on 145 missions for an average of 74.2 tons per mission. More importantly, it carried outsize cargo like the M–60 tank, the M–48 tank, fuselage and wings for the A–4E, the CH–53 helicopter, and many other items that could not be carried by the C–141 or other aircraft.

Let me suggest, if you seek a simile from the animal kingdom, that the Israeli troops whose survival depended upon them would more likely describe the C–5A as a valued beast of burden.

I did not read a single thing in this colleague letter that reflected the many things that have been proposed by the Armed Services Committee and authorized by the Congress that enable us to deter war and that have made it possible for all of us to be here today talking about the B–1.

I put my faith in the good judgment of this body.

I believe you will separate the facts from the myths and in doing so, join me in supporting this vital B–1 weapon system.

Mr. BOB WILSON. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Chairman, I rise in support of H.R. 12438.

I have the honor of being the ranking minority member of the Military Personnel Subcommitee which has jurisdiction for the manpower portion of the bill—titles III through VI.

The Military Personnel Subcommittee conducted a series of 11 hearings over the course of 2½ weeks in its review of the Department of Defense's request for manpower. Further, the full committee had a series of hearings in December and again in February—lasting several weeks each—in which many diverse viewpoints on the defense budget in general, and the manpower strengths in particular, could be aired. We heard from representatives of SANE, the Brookings Institution, and many, many others. The coverage of these hearings was very broad, but it did provide an opportunity for the Members to have access to all relevant viewpoints and to then, in turn, present their concerns to Department of Defense witnesses.

This effort was made by the committee so that we would be in a position to conduct a careful and detailed review of the fiscal year 1977 defense budget and its underlying assumptions. We have done just that.

It is clear from our examination of these proposals that, in the manpower area, the present force is the minimum size consistent with our national security interests. The reductions from the Vietnam experience are complete. Barring a change of major proportions in our international relationships or a basic reassessment of our foreign policy commitments from within, the foreseeable future will demand a force structure of essentially the size as exists today.

I will not stand before you and suggest that the manpower figures the committee is recommending are absolutes. The 2,102,000 figure for the active force can vary a few thousand either way as management improvements occur; however, what is important is that the United States maintain a conventional force that is militarily credible. That is the basis on which this number is established. This force will provide 16 Army divisions, 3 Marine divisions, a naval fleet of 489 ships, and an Air Force of 26 tactical fighter wings and 20 strategic bomber wings.

These elements represent a force structure which our best analytical efforts delineate as the minimum force necessary for conventional credibility. The cost of maintaining a military structure of this size is significant, and this is the aspect on which we all too often focus. However, it is more important that we recognize the real advantages which accrue to this Nation from the existence of this conventional force.

History has clearly shown that nations will seek to take advantage of perceived weaknesses on the part of their neighbors. It is also clear though that such adventurism is deterred by evident military capability on the part of a potential adversary. What we are buying in the first instance then is a visible military capability which preempts the notion that inexpensive gains are possible. An analogy to a police force is not inappropriate for this military role as it is clear that the real value to society is maintaining a police force is not as much for the criminal activity it apprehends and punishes, but rather the incipient criminal activity which it discourages through its mere existence.

Credible conventional forces provide a safety margin to this nation at a second and very real point in a military conflict. If deterrence fails and armed conflict breaks out, it is vitally necessary that escalation to nuclear warfare not occur. Our conventional forces are capable of engaging in a conflict of almost any proportion with effectiveness. Thus, a period of time for rationality and diplomacy to stabilize the atmosphere is created and, hopefully, to thwart the inclination to resort to nuclear weaponry.

The existence of these two elements are fundamental to the Nation's existence. Their nature is such that they must be purchased by advance planning and investment in conventional forces—after-the-fact commitments are too late and too costly.

Mr. Chairman, having said all of this about the necessity of maintaining the existing force structure, it is also important to state that within this force structure efficiencies in terms of the utility of the structure and the productivity of personnel can be expected. We have been active in assuring that every effort is being made to maximize the utility of this force. At present, it appears that the impact of inflation and the increases in the cost of manpower are providing incentives for Department of Defense managers to scour the structure for efficiencies. We will insure this process continues.

The defense program as presented in the committee bill before you is a good blend of what is necessary for our national security, and insurance against unnecessary and inefficient functions.

I urge your support of H.R. 12438 and the defense program it represents.

Mr. BOB WILSON. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. Whitehurst).

Mr. WHITEHURST. Mr. Chairman, about 40 years ago Winston Churchill stood in a parliamentary setting much like this one and in an effort to get the attention of his colleagues, he said, "Listen." And they fell silent. He said, "I think I hear something." He said, "Yes, it's quite clear now." And they strained as if they heard the sound that Churchill heard. He said, "It is the sound of marching men, the boots of 2 million Germans and 1 million Italians splashing through rain-soaked fields, crunching the gravel of parade grounds in Central Europe."

This is somewhat less of a dramatic moment here this afternoon but the clear and apparent danger to this Republic is no less than it was to England 40 years ago.

There is some growth in this defense budget—not as much as some of us would like, but I stand here warning the Members that if we cut this budget, we are going to be in the same position England stood in 40 years ago.

The committee's judgment on the need for real growth was not arrived at lightly. Criticisms of past management practices in the development and procurement of major weapons systems are not without substance; there is—and will continue to be—significant room for improvement in the efficient utilization of defense moneys. But, even under ideal circumstances, certain basic realities must be acknowledged.

First, the level of defense appropriations cannot be influenced by wishful thinking about the underlying motives of Soviet military expansion. They must be determined, pragmatically, by an evaluation of what is necessary to maintain adequate deterrence against the threat.

Second, it must be recognized that there is an ultimate limit to the benefits to be derived by efficiencies. The real cost of defense like the real cost of everything else in our society, is going up. This results from two interrelated factors. The labor content of purchases from industry is increasing in real terms because the standard of living, as expressed in real wages, rises steadily in an expanding society. And this real growth in labor content is only partially offset by increases in productivity because of the growing cost of implementing governmental mandates on environmental and industrial safety.

The real cost of defense purchases in the specific area of modern weaponry also reflects another fundamental reality: the sophisticated weapons of the future simply do not equate in real cost terms with predecessor systems. Put in simplest terms, a modern F–16 fighter cannot be purchased for the same real cost that procured a counterpart system suitable to our needs in World War II or the Korean war. To conclude otherwise is to conclude that the cost of technology is free. The vast improvement in fighting power of modern systems must be paid for.

If, then, we are to maintain a deterrent force suitably modernized and ready to meet the threat which exists, the question which confronts the Congress is not whether there should be real growth in the defense budget, but rather, what constitutes an adequate level of real growth to maintain the requisite deterrent.

The balance of evidence considered by the committee indicates that the level of purchases from industry must grow by at least 4 percent per year in real terms in order to maintain a constant level of deterrent. The Department of Defense believes that because of efficiencies in the personnel area, this purchase growth can be sustained within an overall real growth rate of 2 percent per year for the total defense function.

It will be pointed out that the real growth in purchases from industry proposed in the fiscal year 1977 budget is 16 percent. This is correct. The question arises, therefore, why do we need 16 percent in the fiscal year 1977 budget, rather than the 4 percent endorsed by this committee as essential. The answer is that the 16-percent figure must be viewed in its proper context, rather than in a vacuum. It is essential to recognize that the 16-percent growth in purchases from industry results from a net real growth of only 7 percent in the total defense budget—which presumes efficiencies in budget areas other than purchases from industry. It assumes, for example, some severe constraints in areas of personnel spending—some of which the Congress has already indicated it does wish to support.

Furthermore, the real growth in purchases proposed by the Department of Defense this year constitutes a 4-year bill which is coming due. Between 1973 and 1976, modernization was continuously deferred as funds were reallocated to domestic priorities deemed more pressing. The vital areas of R.D.T. & E. and procurement—the areas of the defense budget which reflect the cost of weapons acquisition—remained at a static level for a period of 3 years. And as the committee has noted, non-growth in these areas translates into deterioration rather than maintenance of a status quo.

Viewed, then, in the 4-year context, a 16-percent growth in fiscal year 1977 purchases from industry translates into 4 percent for the current year and 12 percent in accumulated growth deferrals for the 3 preceding years, the minimum growth rate necessary to maintain a modern deterrent capability.

It is reasonable to ask whether, with a host of other national priorities, some portion of this year's program might safely be spread out over a number of years instead of trying to make up a 4-year deficiency in 1 year.

The answer is that, 4 years after the end of our involvement in Vietnam, the materiel shortages that arose from the natural course of fighting that war have yet to be made up. In fact, those deficiencies have been compounded by a series of budget deferrals in the post-war years. And many of the major weapons systems in our depleted inventory are nearing the end of their useful life.

Far from being a panacea that will cure all the ills of our deterrent force, the fiscal year 1977 budget should be accepted for what it is—a reasonable step in the right direction at a point in time when we still have such an option. The budget, however, in the judgment of the committee, requires modification and adjustment as it reflected in the committee's recommendation in this report.

Mr. BOB WILSON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. Robert W. Daniel, Jr.)

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, every Member of this House remembers the Cuban missile crisis in 1962 in which the United States confronted the Soviets with our naval power in order to force the removal of Soviet strategic nuclear missiles from Cuba. Faced with the overwhelming superiority of the U.S. Navy and the clear nuclear weapons superiority we had at that time, the Soviets had no choice but to back down. The Soviets learned this bitter lesson well. Ever since, they have been embarked on a naval expansion and modernization program never before experienced in the annals of peacetime history.

The United States is essentially an island whose industrial survival depends on a flow of materials across the seas. Within the past year, we passed for the first time the point where we imported more oil to sustain our energy needs than we produced within our borders. Our allies lie across the oceans. To sustain ourselves and to carry out our mutual defense treaties, the U.S. Navy must be capable of maintaining the sea lines of communication.

The Soviets, on the other hand, are a land power. The nations they depend to share in their defense can be reached overland. In war, the mission of the Soviet Navy is much simpler than that of our Navy. Their task is simply to prevent our Navy from insuring the free flow of materials across the seas.

In recent years, our Navy has been shrinking as we laid up without replacement overage ships built in World War II. Meanwhile, the Soviet Navy has been revamped from a coastal defense force to a blue water Navy whose ships are now seen throughout the world. Whereas in 1962 we forced the Soviets to withdraw their strategic nuclear missiles from Cuba, today their nuclear submarines can reach targets throughout the United States from patrol stations off our coasts. With their new long-range missiles they can even reach us from waters close to their homeland.

They now have 20 diesel-powered ballistic missile submarines and 55 nuclear-powered ballistic missile submarines in operation. We have a total of 41 ballistic missile submarines, 31 of which are being converted from Polaris to Poseidon capability. Their total includes 34 Yankee class nuclear submarines which are equivalent to our ballistic missile submarines, except their are newer. They also have at sea 11 of their new Delta class submarines which carry a 4,200-mile missile which can reach any point in the United States from their operating areas in the Barents Sea and northern waters. The Delta class submarine is the Soviet equivalent of our Trident submarines. They are building them at a rate of about six a year compared to our Trident rate of three every 2 years.

It is clear that when the total balance of land-based and sea-based strategic nuclear capability is taken into account, the United States can no longer defend its objectives through the threat of nuclear war, without risking our own annihilation.

When it comes to lesser levels of conflict than all-out nuclear war, let us examine whether we could expect their Navy to be able to prevent our Navy from sustaining the sea lines of communication essential for the defense of ourselves and our maritime allies. Here we see a radical shift in recent years in the balance of naval power.

Beyond the range of their land-based air power, the principal threat of their Navy against ours is their fleet of attack and cruise missile submarines. They now have 80 nuclear-powered submarines designed to attack our fleet, 40 of which are armed with cruise missiles in addition to torpedoes. They have 175 additional diesel-powered submarines, 25 of which have cruise missiles in addition to torpedoes.

Our best antisubmarine weapons system is our nuclear attack submarine. We have only 65 nuclear-powered attack submarines. They are all armed with torpedoes; none of ours have cruise missiles.

The Soviets have the largest and most modern submarine building yards in the world. They are able to build 20 nuclear submarines a year on a single shift basis if they use the full capacity of their nuclear submarine building yards. Last year the Soviets actually put to sea 10 submarines; we put to sea 2. As recently as 1966, the Russians had only two shipyards building nuclear submarines; today, they have four with this capability and they are currently expanding such facilities.

The maximum U.S. capacity to build nuclear submarines is less than half that of the Soviets while our remaining Poseidon conversions are being completed. After the conversions are completed in 1977, the U.S. capacity will still be far below the Soviet building capacity.

Even more chilling than total numbers is the fact that since 1968, the Soviets have introduced over nine new submarine designs, or major modifications in design, besides converting older submarines to improve their capabilities. The Soviets have put to sea improved versions of their attack, cruise missile and ballistic missile nuclear submarines. In the last 8 years, they have put to sea more new design submarines than have ever been put to sea during a comparable period in all of naval history. The United States on the other hand, has produced only two new design submarines during this period. This fact is not surprising since the United States spends less than 20 percent of it naval budget on submarines while the Soviets spend approximately 40 percent.

The buildup of the Soviet surface navy is also of concern. The Soviets have more major surface combatants than the U.S. Navy and many of their ships carry surface-to-surface missiles while U.S. ships do not yet have them. The Soviets have 229 major comabtants compared to our 172 and about 1,770 minor combatants compared to our 189. Since 1968, the number of Soviet major surface combatants increased from 200 to 229, of which 33 are equipped with antiship cruise missiles. The number of U.S. major surface combatants fell from 350 to 172, none of which have cruise missiles. The deployment of our Harpoon cruise missile will not begin until 1977. While their numbers of surface combatants continue to increase, ours continue to decline.

In addition to the torpedo and cruise missile threat posed by Soviet submarines and the missile threat of their surface combatants, Soviet naval aircraft are capable of covering millions of square miles of ocean and are now equipped with antiship missiles of several different ranges. As the older aircraft are replaced with the longer range supersonic Backfire bombers, the Soviet naval air threat will extend farther and farther into open ocean areas. Soviet BEAR D aircraft operate from Guinea, Somalia on the Indian Ocean, and from Cuba as well as from the homeland. Used as reconnaissance aircraft and to target long-range antiship missiles, these aircraft can cover most of the Atlantic, Indian, and Northern Pacific Oceans.

The only category of ships in which the U.S. Navy has numerical superiority is the aircraft carrier. The Soviets are now operating their first carrier which is about the size of one of our Essex class carriers. Theirs is designed to handle vertical take off and landing aircraft and does not have catapult and arresting gear as do our carriers. Even in this category, the U.S. fleet has been continually shrinking. Whereas 10 years ago there were 23 carriers in our fleet, by this summer we will be down to 13. The carrier is the principal offensive striking arm of the Navy in nonnuclear war. It is the only means we have of projecting tactical air power beyond the range of provisioned and defended land bases. In areas of high enemy air threat, without the tactical air power of carriers our other surface ships would be extremely vulnerable to air attack.

As recorded on page 24 of our committee report, Admiral Holloway, Chief of Naval Operations, testified:

> In the broadest sense, for the foreseeable future, we believe that the U.S. Navy will be able to control any ocean or major connecting sea, *unless directly opposed by the Soviet Navy*. (Emphasis added)

He testified that Soviet naval construction has progressed at a rate four times that of the United States and that the growing Soviet fleet has been increasingly making its presence felt in areas more distant from the Soviet Union. He stressed that the sea-denial role of the Soviet Navy requires a much smaller investment than the sea-control capability our Navy requies. In describing the Soviet worldwide naval exercise conducted last year he said:

> For the first time, we observed the Soviet Navy exercising interdiction of sea lines of communication—combined submarine, ship and aircraft operations against convoys—and operational employment of the new and highly capable Backfire aircraft. The growing maturity of the Soviet naval threat and the confidence of the Soviet hierarchy in employing maritime power must give us pause. We face a serious threat to our free use of the seas for the first time in more than 30 years.

These facts substantiate the clear and urgent need to revitalize our Navy. It is clear that the United States will not build enough ships to match the Soviets in numbers, nor need we if we build superior ships that can penetrate and counter their naval threat. It is clear that the direction we must go for our major combatants is to build ships with the best weapon systems our technology can devise. We must provide them with nuclear propulsion so that they are freed from dependence upon oil supply lines which are extremely vulnerable to the type of naval forces the Soviets have and are building.

Comparison of United States and Soviet submarines, February 1976

Submarine type:	Soviets	U.S.
Ballistic missile		
Nuclear	[1]55	41
Non-nuclear	20	0
Attack:		
Nuclear	40	65
Non-nuclear	150	10
Cruise missile:		
Nuclear	40	0
Non-nuclear	25	0
Total:		
Nuclear	135	106
Non-nuclear	195	10
Grand Total	330	116

[1] Includes 34 Yankee and 11 Delta class modern ballistic missile submarines.

Comparison of United States and Soviet active surface ships (February 1976)

	Soviets	*U.S.*
Major combatants:		
Aircraft carriers	1	[1]13
ASW helicopter carriers	2	0
Cruisers	32	26
Destroyers	87	[2]69
Frigates	107	64
Subtotal	229	172
Minor combatants:		
Missile patrol craft	135	0
Other patrol craft	540	8
Amphibious ships	80	61
Mine warfare ships	260	3
Auxiliaries	755	117
Subtotal	1770	189
Total	1999	361

[1] This total does not include the *Oriskany*, an *Essex* class carrier scheduled to be taken out of service at the end of fiscal year 1976.

[2] With the exception of two *Spruance* class destroyers, all of these destroyers are 15 to 31 years old.

Mr. PRICE. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, in the fiscal year 1976 budget request, the House Armed Services Committee added $14.3 million to provide long-lead items for a fiscal year 1977 buy of A-6E aircraft for the Navy and Marine Corps. In the conference report on the authorization bill for fiscal years 1976 and 197T, the House and Senate Armed Service Committees concurred that the A-6E line should remain open. There were a number of cogent reasons for this action. First, the Navy and Marine Corps force levels were considered to be the minimum required to meet the best estimates of threat probabilities. There is further evidence that there will be an unacceptable shortage of jet attack aircraft with day/night all-weather capability in the early 1980's.

Second, the A-6E is the only aircraft in production in the free world which provides a unique, capable, and highly reliable, all-weather operational jet attack system.

Further, the appropriations bill for the current year, fiscal 1976, as signed into law, contained the funds authorized for the A-6E.

Subsequently, however, the office of the Secretary of Defense disapproved the Navy's request to spend this $14.3 million for continued A-6E procurement in a budget decision dated December 5, 1975. So, therefore, in the bill before you today the Armed Services Committee after careful consideration, concluded the Defense Department had made a serious mistake to terminate all A-6E production and added $125 million for procurement of enough A-6E's for the Navy to keep the all-weather aircraft line open.

Termination of procurement of A-6E aircraft will unacceptably aggravate the Department of the Navy's ability to meet its own A-6's inventory objectives. In addition, a severe shortfall would occur in the 1980's.

Moreover, to end procurement now would require an immediate new research and development effort to produce a replacement all-weather aircraft. Even with the beginning of a research and development effort today, a grave shortfall would still occur before a replacement for the A-6 would be available.

The A-6 is the only all-weather attack aircraft in the Department of the Navy. It represents approximately one-half the Department of Defense's all-weather attack capability and three-fourths of the all-weather moving target detection—MTI—capabilities of the Department of Defense.

Critics of A-6E procurement argue that sufficient assets would exist if the Navy and Marine Corps mutually shared the A-6 assets as they are depleted. The Navy does not agree that the assets could be mutually shared. The Navy and Marine Corps' position is that existing force levels represent the strength in depth which each service requires in the area in which it operates, that is, war at sea for the Navy, amphibious operation for the Marine Corps. There are no all-weather attack capabilities at all in the Naval Reserve and there are no A-6's in storage. Therefore in a major crisis, there will be no source of all-weather aircraft to replace any attrition.

The A-6E is the most advanced strike aircraft in the Department of Defense. In addition to its all-weather attack capabilities, it allows the crew to identify and attack a target, at night or in poor weather, on the first pass. In addition, it provides the capability to maintain, passively, positive contact with high value surface vessels at night and in poor weather.

Procurement of these few A-6E's in fiscal year 1977 will help maintain the Navy's all-weather attack forces at their present force levels into the early 1980's and will allow a more orderly R.D.T. & E. program and transition for development of a new follow-on, all-weather attack aircraft.

The Armed Services Committee in its report strongly recommended that the Secretary of Defense reconsider the action taken in last Decembers program budget decision. The Department of Defense should free fiscal year 1976 funds to keep open the production line on this vital aircraft. By its action on the present bill the committee has provided additional funding authorization for fiscal year 1977 and signaled its clear intention that production of the A. & E. should continue.

Mr. BOB WILSON. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, the Department of Defense budget for fiscal year 1977, for the first time in years, shows some real growth. This is a step in the right direction which will help to get us out of the rut we are in. The Defense budget has, over the years, been steadily declining in terms of real purchasing power; and now we have finally been able to breathe some life into it. Nonetheless, we're still playing catchup ball in a risky game. It is estimated that a net of $7.3 billion in real growth is provided in this bill.

Much of the real growth in the fiscal year 1977 budget can be tied directly to initial procurement of a number of new major weapons systems whose time has come.

For the past 6 to 10 years a number of important weapons systems have been in the research-and-development stage. They have undergone a rigorous scrubbing year after year by the Congress. In some cases the production start has been delayed several years by congressional or administration stretchout of the program. Several of these just happen to be coming into production for the first time this year.

The procurement buys which are coming on the line this year total about $4.7 billion. That pretty much gobbles up a good part of the $6 billion in real growth in this year's procurement account.

Here is a breakdown of the procurement cost of new major weapons systems entering the defense arsenal for the first time:

Air Force B-1 bomber—$1.5 billion.

Navy Trident I missile, 80 weapons—$1.1 billion.

Air Force F-16 fighter—$620 million.

Army UTTAS helicopter—$213 million.

Navy carrier-on-board-delivery (COD) transport—$171 million.

Navy CH-53E helicopter—$116 million.

Army nonnuclear Lance missile, 360 weapons—$76 million.

Army Stinger missile, 445 weapons—$48 million.

Air Force Laser Maverick, 100 missiles—$58 million.

Nuclear-powered strike cruiser—$302 million.

With the start of production on these systems, incidentally, there is expected to be created an additional 120,000 defense-related jobs. But I hasten to assure you that our committee never makes a judgment on that basis. Our sole consideration is the needs of the Armed Forces.

The total in procurement dollars for these new items alone is $3.5 billion, equivalent to more than half of the estimated real growth of the procurement. It is interesting to note, however, that the B-1 has been delayed repeatedly by either the Defense Department or the Congress and that if its history had followed the normal weapons-procurement course, it would have gone into production several years ago. Likewise the Trident I missile, which has been slowed down by the Congress in the past, would normally have reached production earlier.

As another example, the UTTAS helicopter has been subject to questioning and delay for many years before finally starting production.

The nonnuclear Lance would have been produced several years ago if the recommendations of our committee had been followed. However, it was delayed by congressional action.

It will be seen, therefore, that the increased amount provided for procurement in this bill is due in part to the beginning of production of systems which normally would have gone into production several years ago. I think this is clear evidence that the growth in procurement is related to past delays and deficiencies.

There is one more point worth noting—that delay often increases cost. Congressional foot dragging will result in some of these systems costing more than they would otherwise. Every time we put off a buy for a few years the initial cost goes up when we do start procurement.

So I hope we will not waste a lot of time arguing about what is an adequate amount of real growth in arbitrary economic terms but think in terms of the systems we need for an adequate defense. The bill is coming due on delays of the past. What our committee is providing today is a bill to begin development of the minimum-quality force we need for the future. I urge your support.

Mr. BOB WILSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. O'BRIEN).

Mr. O'BRIEN. Mr. Chairman, for some strange reason the systems analysts in the Department of Defense and the Office of Management and Budget have never been able to understand the importance of nuclear propulsion for major combatants built for our naval strike forces.

A quarter of a century ago the analysts said we should not build nuclear submarines because they cost more than conventional submarines. Congress had to intervene and mandate their construction. Today our nuclear-powered ballistic missile submarines are our best deterrent to an all-out nuclear war, and our nuclear-powered attack submarines are our best anti-submarine weapon system.

The systems analysts have a long record of causing delays or cancellation of naval nuclear propulsion projects that Congress considered vital to our defense. They staunchly:

Opposed building the first nuclear powered carrier *Enterprise;*

Opposed nuclear propulsion for the carrier *John F. Kennedy*—CVA 67;

Opposed the nuclear cruiser authorized by Congress in fiscal year 1966 which the Department of Defense refused to build;

Opposed the nuclear cruiser authorized by Congress in fiscal year 1967 for which the Department of Defense held up the release of funds for 18 months;

Opposed the two nuclear cruisers authorized by Congress in fiscal year 1968 for which the Department of Defense held up the release of funds for one for 22 months and refused to build the other;

Opposed continuation of the nuclear powered attack submarine building program beyond a force level of 69;

Proposed sinking 10 of our 41 ballistic missile submarines as a cost-saving measure;

Opposed the electric drive submarine authorized by Congress in fiscal year 1968 for which the Department of Defense held up the release of funds for 5 months;

Opposed the high speed nuclear powered attack submarine which Congress authorized starting in fiscal year 1969 over the objections of the Department of Defense;

Opposed over a period of years building the nuclear powered carriers, *Nimitz, Dwight D. Eisenhower,* and *Carl Vinson;*

Opposed building the four nuclear cruisers of the *Virginia* Class currently under construction.

In each and every case, Congress has had to take the initiative. If the decisions had been left to the systems analysts, we would not have any nuclear powered ships in our Navy today.

However, despite the efforts of Congress to provide nuclear powered warships, progress in the application of nuclear propulsion to surface warships has been slow. Design of the first nuclear powered carrier was started in 1950—over a quarter of a century ago. In 1953, the entire program leading toward the first nuclear carrier was cancelled by the Department of Defense. In 1954, the large ship reactor project was reinstated. This project ultimately led to inclusion of the nuclear powered cruiser *Long Beach* in the fiscal year 1957 shipbuilding program and the nuclear powered carrier *Enterprise* in the fiscal year 1958 program. These were followed by the nuclear powered cruiser *Bainbridge* in the fiscal year 1959 program. These three ships have now steamed a total of 2,000,000 miles. In 1964, they demonstrated to the world the outstanding capabilities of nuclear powered warships during a 30,000 mile cruise around the world without logistic support—a feat well beyond the capabilities of conventional warships.

In the 4 years subsequent to authorization of these three nuclear powered surface warships—fiscal year 1960 to fiscal year 1963—the Department of Defense obtained authorization for two new aircraft carriers and 10 new cruisers, all of which could have been nuclear powered. But, of these 12 major warships, only one has nuclear power. This nuclear ship, the cruiser *Truxtun,* has now been in operation for 9 years and has steamed over 300,000 miles. The *Truxtun* is nuclear powered only because of the initiative taken by Congress, following the recommendation of the House Armed Services Committee, to authorize and appropriate the extra funds to change the *Truxtun* from oil fired to nuclear powered in the fiscal year 1962 shipbuilding program.

The only additional nuclear surface warships completed in the past nine years are the carrier *Nimitz* and the cruisers *California* and *South Carolina.* Thus, we now have only two nuclear carriers and five nuclear cruisers in the Fleet.

If the two conventional aircraft carriers and the nine conventional cruisers authorized since 1960 had been provided nuclear propulsion, the United States would now have in being four nuclear powered carrier task groups instead of the two incomplete nuclear carrier task groups we now have. These nuclear powered task groups would have given the United States a much stronger Navy with which to face the rapidly expanding Soviet Naval threat.

But the analysts have never been willing to appraise properly the increased military effectiveness of nuclear power. They have opposed virtually every nuclear powered ship on the basis that it costs more, and therefore we must not build them because we could build more conventional ships with the same money.

On the other hand, the *record* is replete with reports from the fleet that nuclear powered warships have vastly superior military capabilities and are well worth their extra cost. As far back as the 1962 Cuban Missile Crisis, the Carrier Division Commander responsible for the nuclear carrier *Enterprise* and the conventional carrier *Independence* during the naval blockade reported to the Secretary of the Navy his personal evaluations of the value of nuclear propulsion based on his first-hand experience. I want to read to you excerpts from that report because it summarizes very well the tremendous value of nuclear propulsion in surface warships. He said:

> My experience in *Enterprise* to date has convinced me more than ever that the military advantages of nuclear propulsion in surface combatant ships more than outweigh their extra cost. . . .
>
> I wish that others who so easily dismiss the admitted advantages of nuclear power as not being worth the cost could have shared our experience during the past 2 months on the Cuban blockade. It is now even more obvious to me that the CVA-67 should have nuclear propulsion. *Enterprise* outperforms every carrier in the fleet. No other carrier has made over 10,000 landings in her first year of operation. Her planes are easier and cheaper to maintain and are combat ready more of the time because they are not subject to the corrosive attack of stack gases. They can fly more missions because much of the space normally used for fuel oil tankage is available for ammunition and jet fuel. The rugged reliability designed and built into her propulsion plant gives her a sustained high speed and ever-ready maneuvering rate that greatly enhance air operations. The absence of boiler uptakes has allowed the arrangement of communication and radar systems superior to those on any other carrier. In Washington these often cited advantages of nuclear propulsion seem to get lost in a shuffle of paper—off Cuba they were real.
>
> I think the Cuban crisis made all of us do a lot more thinking about how we will fare in war. On blockade duty our conventional escorts were usually refueled every other day. Protecting that oil supply train under air and submarine attack would have been tough enough right here in our own backyard—in an advanced area the problem will be magnified manyfold. I am certain that the naval commanders facing the problem of large numbers of Soviet nuclear submarines and the missiles and the aircraft of the 1967-87 era—the period when CVA-67 and her successors will be at sea—will consider that the added cost of nuclear propulsion in combatant ships is a cheap price to help solve the problems facing them. . . .
>
> My experience tells me that nuclear propulsion offers the Navy tremendous military advantages that will be sorely needed in the years ahead. To maintain fleets at sea against

> the hostile forces that are sure to oppose us will require every technical advantage we can possibly muster. Frankly, Mr. Korth, I am deeply disturbed that we are not exploiting to the fullest the technological advantage we hold in nuclear propulsion that has been gained through such great effort. I do not believe you can weigh victory or defeat on a scale of dollars and cents—yet the margin between victory and defeat future naval engagements may well depend on the availability of nuclear-powered ships to the fleet commander of the future.

The record compiled by our nuclear-powered warships has led many of our senior naval officers to conclude that the all-nuclear carrier task group has greater capabilities to penetrate and counter the projected Soviet naval threat than any other naval force we know how to build. A former Chief of Naval Operations has stated:

> By being far less dependent on logistic support than conventional forces, and by having the capability to retire at high speed for replenishment in low threat areas, the all-nuclear carrier task group has a capability to continue sustained operations in a high threat area which cannot be matched by any other currently foreseeable naval force. These capabilities are well worth the added cost involved.
>
> Each time a nuclear ship is substituted for a convenional ship in a task group the military capability of the whole force is increased, with the greatest increase realized when the all-nuclear group is achieved. For example, a nuclear carrier with four conventional escorts has twice the range of a conventional carrier with the same four conventional escorts. If two of the escorts are made nuclear range of the task group is again doubled. When all of the ships are nuclear the group as a whole has essentially unlimited high speed endurance. Past studies have shown that in terms of overall cost, including reduced logistic support requirements, each time a nuclear escort is substituted for a conventional ship with the same weapons the lifetime cost of a task group is increased only about one percent. I consider this trade-off of high capability for slight relative cost to be essential in the context of reduced forces rather than the opposite. Past studies have also shown that it takes fewer nuclear ships to do the same job as conventional ships.

Another former Chief of Naval Operations testified to our committee that:

> Generally I would expect less loss of life with an all-nuclear group because of its reduced vulnerability and lesser dependence on the supply operations.

He added further that this reduction in the loss of life is not considered in the systems analysts studies. He summed up the situation by saying:

> Nuclear power makes possible the greatest advance in propulsion since we went from sail to steam.

Faced with the continued opposition of the systems analysts to nuclear propulsion for major combatant ships, the Congress in 1974 included in the Department of Defense Appropriation Authorization Act, 1975, a new title VIII—Nuclear Powered Navy, which made it "the policy of the United States of America to modernize the strike forces of the combatant vessels. . . ." But the ink was not even dry on the President's signature on August 5, 1974, on Public Law 93-365, when the systems analysts decided to challenge this policy.

The Navy had for several years been developing the AEGIS fleet air defense weapons systems to be installed on a new class of major combatants for naval strike forces intended to operate in the areas of highest threat. The Navy, in consonance with the new law, proposed that the AEGIS strike force ships all be nuclear powered. But the Department of Defense and Office of Management and Budget analysts had their way and the Navy was persuaded to change their recommendation to a mix of 8 conventional ships and 2 nuclear powered to be built over the next 5 years.

Secretary of Defense Schlesinger informed Chairman Price last May that he was considering proposing that a new class of nonnuclear AEGIS ships be built. Chairman Price immediately wrote to the Secretary of Defense and to the President reminding them of the specific requirements of section 804 of title VIII that:

> All requests for authorizations or appropriations from Congress for major combatant vessels for the strike forces of the United States Navy shall be for construction of nuclear powered major combatant vessels for such forces unless and until the President has fully advised the Congress that construction of nuclear powered vessels for such purpose is not in the national interest. Such report of the President to the Congress shall include for consideration by Congress an alternate program of nuclear powered ships with appropriate design, cost, and schedule information.

This was followed by a series of letters between senior members of the Armed Services Committee and the Department of Defense, the Office of Management and Budget, and the President. In this correspondence, the committee set forth the basis on which the committee had concluded that major combatants built for the strike forces should have nuclear propulsion and the specific areas of concern that must be addressed by the Defense Department if they were going to request conventional ships for this purpose. The responses all relied on one argument; namely, that since nuclear ships cost more we should buy conventional ships. None of the replies addressed the fundamental issue of how the U.S. Navy will assure a constant flow of propulsion fuel to conventionally powered strike force ships in the areas of highest threat.

I have studied every word in this correspondence and I can assure you it is extremely frustrating. Those of us who favor providing nuclear propulsion for our strike force major combatants have spelled out the issues in detail. Those who oppose it refuse to discuss the issues and merely cite the fact that nuclear ships cost more money.

Despite the explicit notification of the Secretary of Defense by Chairman Price in May of last year that the law requires that no request can be made for a major combatant vessel for the strike forces "until the President has fully advised the Congress the construction of nuclear powered vessels for such purpose is not in the national interest;" the President's determination concerning the conventional AEGIS ship requested by the Department of Defense in fiscal year 1977 was not forwarded to the Congress until almost a month after the budget request was submitted to the Congress and only 4 weeks before the committee had to complete its markup and report to the Budget Committee. Further, as is discussed in detail in the committee hearing record, the President's letter did not "fully advise" the Congress in that it contained incorrect cost information, did not properly compare the capabilities of the nuclear and nonnuclear ships, and did not address many of the fundamental issues involved—issues that Chairman Price had specifically informed the executive branch in writing in advance must be addressed in any such determination.

Whether you are in favor of or against providing nuclear propulsion for Aegis ships, every Member of Congress should be deeply concerned over the cavalier manner in which the Department of Defense is treating the provisions of the law included in title VIII. This matter is fully documented in the committee's hearing record. Whether you are for or against the nuclear strike cruisers the committee recommends be authorized, I urge every Member of this Congress to oppose authorization of nonnuclear major combatant vessels for the strike forces until such time as the executive branch has fully complied with the requirements of title VIII.

The argument over whether the Aegis ships should be nuclear powered clearly demonstrates the need for title VIII. If we in the Congress are to be asked to provide funds for nonnuclear major combatants, we certainly should expect the President to "fully advise" us as to why. It is obvious from the record thus far that the analysts have not even fully advised the President as to the full and correct facts in the matter. They would like to have their way without having to justify their position with facts and without facing up to the basic military issues involved.

No matter how many cost analyses are done, they cannot change the fact that major combatants built for our naval strike forces need nuclear propulsion to free them from a tenuous and extremely vulnerable oil supply line. Before he left his job as Chairman of the Joint Chiefs of Staff, Adm. Thomas H. Moorer urged that the Department of Defense adopt the policy of title VIII. He said:

> The experience of our Navy during the 1973 October War is providential warning—which appears already to have been forgotten—that the Navy strike forces must not continue to be dependent on oil for propulsion in an actual war situation.

That is the position of the House Armed Services Committee and that is the policy of the Congress established by law. I urge every Member of Congress to support it.

Mr. PRICE. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. Mr. Chairman, I rise in support of H.R. 12438. H.R. 12438 is an expensive bill, some 700 million dollars over the budget but I would remind my colleagues that defense expenditures are much like insurance expenditures. Both are greatly expensive until they are actually needed. We can not perform our constitutionally mandated responsibilities of saving, maintaining and supporting armies for the defense of the Nation without great expense particularly when we are compelled to spend as much as 54 percent of the military budget to deploy manpower costs in order to function with a voluntary military.

The actions of the committee and the report of the committee recognize that we have labored too long under the delusions of détente; that we have been following policies of high folly and at high risk; that we cannot afford to think in terms of how we would like the world to be but must think in terms of how it is.

Ever since President Ford's interview of March 1 in which he told a reporter: "'Détente' is only a word that was coined—I do not think it is applicable any more," a debate has raged over the meaning of the official banishment of "détente" from the administration's vocabulary. Eager to please State Department officials have strenuously assured the Kremlin that despite the change in vocabulary, the policies of "détente" have not changed. On March 22, the Senate spent lengthy debate trying to assure whoever was listening that the Senate still believes in the importance of sound U.S. relations with the Soviet Union.

These learned men have missed the point. Clearly our goal to lessen tensions with the Soviet Union has not been abandoned, nor should it, and the Kremlin has absolutely no need of assurances. What was abandoned was the delusion that détente somehow meant that the Soviet Union would temper its behavior and withdraw from its clearly stated intentions of supporting wars of liberation and attaining world hegemony.

From the beginning of so-called "détente," the word meant something different to the Soviets than it did to us. Détente required restraint and compromise on both sides. But where was Soviet restraint during the October 1973 Middle East War and the oil embargo? Where was Soviet restraint in Mozambique, Portugal, and more recently in Angola? Détente means nothing if it is not reciprocity. But where was our reciprocal advantage for our grain sales, for our capital, and for our technology? And what advantage was there in ratifying Soviet conquests in Eastern Europe when the Kremlin in turn continues to jam the broadcasts of Radio Free Europe and Radio Liberty and even succeeded in banning RFE from the Winter Olympic Games. Détente may require compromise. But as we have reduced our military manpower to 2.1 million men, the Soviets have increased their men in arms to 4.4 million.

As pointed out by Secretary of Defense Rumsfeld, the Soviet Union in the last decade has increased its army divisions from 141 to 168. It has added tanks, artillery and armored personnel carriers, 2,000 tactical aircraft have been added. It has increased its international ballistic missiles from 242 to 1,600; SLBM's from 450 to 2,500, and they are rapidly closing the gap in our technological lead.

This measure will help to revise the foolish policies we have been pursuing in past years. It recognizes that détente is not dead but the delusions of détente are. It is high time.

Mr. BOB WILSON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. Schulze).

Mr. SCHULZE. Mr. Chairman, I have asked for this time to express my deep concern over the latest stretchout of the Trident submarine program proposed by the Department of Defense. The proposed program for fiscal year 1977 would provide construction funding for only one Trident submarine instead of two as planned last year. Construction of these important ships has already been delayed too much. The original Trident program planned by the Department of Defense called for construction of three submarines per year. This program was subsequently reduced to two per year, and then to three every 2 years or an average of one and one-half per year. Each program stretchout has greatly increased the costs.

The committee report points out on page 28 that DOD changes in the program have already added $1.05 billion to its cost. In January the Navy reported the stretchout proposed this year will increase the cost of the first 10 Trident submarines by $225 million.

Of great concern to me is our position vis-a-vis the Soviets. Détente is no longer used to characterize the situation. In the vital area of submarine-based ballistic missiles, the Soviets have already deployed their version of our Trident-class submarine. The Soviets have 11 Delta-class submarines operational which can launch 4,200-mile missiles. With these missiles, Soviet submarines do not have to move outside the Barents Sea to fire at targets in the United States. By comparison our submarine force will not possess a similar capability until the Trident system comes into service in 1979. Meanwhile the Soviets are continuing with series production of their new missile-firing submarines. The Soviet capabilities increase the threat to our land-based strategic forces and the reliance we must place on our sea-based strategic forces.

The Trident submarines will enable the United States to maintain a secure and viable strategic deterrent in the face of the increasing Soviet threat. The longer range of the Trident missiles will permit basing our ballistic missile submarines in the United States—no foreign basing will be required. This will eliminate the vulnerability of our ballistic missile submarine force to international political action that could deny us the use of foreign bases. This is extremely important because we are always in danger of losing our foreign bases. For example, the treaty recently negotiated with Spain calls for removal of our ballistic missile submarines from the base in Rota, Spain in 3 years.

The Trident submarines will increase survivability because they are being built with all the latest technology. They will be more difficult to detect than our existing Polaris and Poseidon submarines because the Trident submarines will be quieter and the longer range missiles will give the submarines vastly more ocean area to hide in. Our existing Polaris and Poseidon submarines are noisy compared to current standards. They were all built with the technology of the 1950's. Quieter submarines are necessary to decrease the probability of detection and insure the survivability of our seaborne strategic deterrent.

The importance of our ballistic missile submarine force as a deterrent to a nuclear holocaust is well known. No sudden strike or irrational act by a potential adversary could wipe out the ability of these hidden, vigilant ships to deliver a destructive retribution.

We must plan now for an orderly program to replace our aging Polaris and Poseidon fleet. It would be folly to postpone the Trident program again. All of the Trident programs presented to Congress by the Department of Defense during the past 3 years have had at least 10 submarines. We should build these ships as economically as possible. I strongly support the action recommended in the committee's report which would restore the Trident program to two submarines in fiscal year 1977 as planned last year. In the face of the current threat we must show our national resolve and not vacillate on a program which is vital to our survival.

Mr. PRICE. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Leggett).

Mr. LEGGETT. Mr. Chairman, I rise in substantial support of H.R. 12438 and specifically section 710 pertaining to the civil defense program. In January I was appointed by the gentleman from Louisiana (Mr. Hébert), the chairman of the Investigations Subcommittee, as a kind of sub-subcommittee chairman to review this overall situation along with my colleagues, the gentleman from Michigan (Mr. Carr) and the gentleman from New York (Mr. Mitchell). We very extensively went into the overall civil defense posture of the United States and the Soviet Union and we determined after 11 days of hearings and 23 witnesses that to reduce our overall budget from the $85 million level to the $64 million level in 1 year and to restrict the expenditure of funds at the Federal level for civil defense only to nuclear defense would tie the hands of local agencies with respect to dual use for both manmade and God-made disasters and was not really a wise limitation on Federal expenditures.

The President of the United States a number of times, including the existing President, as late as last year thought the dual-use concept was excellent. In the budget this year we had found the concept had changed and there was an effort to restrict the funds or limit the use. As a result, our sub-subcommittee and the subcommittee did recommend unanimously to the full committee with the resulting unanimous recommendation of the full committee, we have determined we wanted to recommend to the Budget Committee that we expend, not the sum of $64 million this year for civil defense, not the sum of $85 million, which we had last year, not the sum of $130 million requested by the Federal Civil Defense or Civil Preparedness Agency, but an alternative reasonable amount of $110 million, which is not subject to authorization in this existing bill.

We do, however, believe that civil defense is important in the overall strategic poker game, that if the Soviets can protect their people from attack, certainly the United States ought to have a reasonable capacity to do the same. If the Soviets spend $1 billion for their defense, we cannot spend that much, but we have to spend something, and the something is more than $64 million. As a result, we have determined to review this matter on an annual basis. Members can find on page 13 of the bill under section 710 a provision under section (b) which bootstraps this program for future years such that we will annually be authorizing a reasonable amount by the House Committee on Armed Services, the so-called Public Law 412 bill, for civil defense.

In section (a) of section 710, again on page 13, we provide there, that lest there be any doubt:

> "Without in any way modifying the provisions of this Act which require that assistance provided under this Act be furnished basically for civil defense purposes, as herein defined, it is the intent of Congress that the needs of the States and their political subdivisions in preparing for other than enemy-caused disasters be taken into account in providing the Federal assistance herein authorized".

So there we make indelibly clear that it is the intent of the Congress to provide funds for dealing with hurricanes, tornadoes, forest fires and so on, and also for nuclear attacks.

As a collateral matter, we also considered the question of the problem of a radioactive cloud which might result if a domestic nuclear reactor suffered a loss of coolant and melt down. We learned from reasonably good authority, I believe from the Oak Ridge people, that considering the fact that we are siting our nuclear reactors outside of central cities and considering the fact that we are developing a reasonably sufficient civil defense program, that there need be no casualties associated with a meltdown.

The CHAIRMAN. The time of the gentleman from California (Mr. LEGGETT) has expired.

Mr. PRICE. Mr. Chairman, I yield the gentleman from California an additional 30 seconds.

Mr. LEGGETT. Mr. Chairman, if all these improbable melt-down things occurred and we did get a so-called nuclear radioactive cloud, if we took reasonable precautions there should be no casualties resulting from that catastrophe; so I believe this gives us an added reason to have a reasonable civil defense program.

Mr. Chairman, I would add, on January 22, Mr. HÉBERT, chairman of the Investigations Subcommittee of the Committee on Armed Services, requested me to chair a Special Panel on Civil Defense. Other members of the panel were Mr. MITCHELL of New York and Mr. CARR of Michigan. We were directed to review the role of civil defense in our strategic posture and the impact of the administration's substantial cut in the civil defense budget and its directive to preclude the use of Federal grant funds in State and local disaster preparedness activities.

The panel held 11 days of hearings at which 23 witnesses appeared. We sought advice and information from the appropriate Federal agencies, State and local civil defense officials who are experts in emergency planning and operations, and from strategic defense analysts and strategists in and out of government. The hearings disclosed several issues of paramount interest, however, the one having the most drastic impact on the overall civil defense program in the United States was the dual-use concept.

The OMB, in behalf of the administration, not only cut back the DCPA budget request but directed that Federal matching funds to the States be confined to nuclear disaster preparedness activities. This proposed restriction compounded the concern about the budgetary impact, because State and local authorities no longer would be permitted to use such funds jointly for nuclear and natural disaster preparedness.

The witnesses before the panel bore down heavily on the adverse consequences of such a restrictive approach. They pointed out that emergencies and disasters, whether natural or man made, whether in wartime or peacetime, demand a unified response and use of all available resources by State and local authorities. They simply cannot afford to maintain separate organizations for different kinds of disasters.

The Federal Civil Defense Act, as the organic legislation for civil defense, does not specifically authorize the use of Federal grant funds for natural disaster work. However, State and local civil defense personnel and resources have been used interchangeably, in the past few years, for both nuclear and natural disaster planning and operations. As a matter of State law, these organizations are responsible for disaster-relief activities as well as preparedness against nuclear attack.

The Secretary of Defense, in affirmation of this dual role, directed the DCPA, upon its formal establishment in May, 1972—transferring civil defense functions from the Army, to be responsible for providing assistance to State and local governments in the development of natural disaster as well as civil defense—nuclear attack—preparedness plans and programs. In August 1972, Presidential guidance gave increased emphasis to dual use plans, procedures, and preparedness within the limitations of existing authority. The latest affirmation, emphasizing dual use, was in a letter to the National Civil Defense Council from President Ford dated March 18, 1975 in which he praised the dual-use concept.

In view of the administration's latest about-face on its dual position, the committee, to allay any doubts about the propriety of dual use of Federal matching grants from DCPA for both nuclear attack and natural disaster preparedness at the State and local levels, approved legislative language, recommended by the civil defense panel, clarifying the congressional intent. Section 710(a) of this bill would amend section 2 of the Federal Civil Defense Act of 1950, as amended, which is a statement of congressional policy. In amending Section 2 the committee eliminates any doubt that such continued use of DCPA funds is proper. At the same time, the amendatory language makes clear that the basic purposes of the FCDA remain unimpaired.

Civil defense is the primary mission. National disaster and other peacetime emergency services are a secondary mission, predicated upon the facts that, first, there are common, mutually benefiting elements in natural disaster and attack oriented functions; and second, it is impracticable or uneconomic for State and local organizations to separate these functions administratively.

Furthermore, the committee firmly believes that the civil defense program of the United States does not get enough attention from Congress. Therefore, in the interests of developing program adequacy and insuring effective administration, the civil defense program should be subject to annual authorization. This periodic review will give the committee an opportunity for annual oversight examination and we will be better assured of a worthwhile program. Approval of this provision by the Congress, as far as civil defense is concerned, means that the Committee on Armed Services and the Appropriations Subcommittee, having responsibility for civil defense, will both review the program yearly and make their recommendations accordingly. By working together, I believe we can develop a truly effective civil defense program. Therefore, the amendatory language provided in section 710 (b), (c), (d), and (e) of the bill serves to put DCPA programs on an annual authorization basis in keeping with the general requirement in section 709.

I urge the members to approve this bill with proper amendments.

Mr. BOB WILSON. Mr. Chairman, I yield such time as he may consume, for the purpose of inquiry to the chairman of the committee, to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Chairman, I would like to direct a few questions to the Chairman of the Committee.

Mr. Chairman, on page 3 of the bill I notice under the section titled "Other Weapons" that for the Army there is an item of some $63,600,000. Could I inquire as to whether or not that amount of money includes machinegun contracts?

Mr. PRICE. It would, yes.

Mr. COHEN. Could I ask whether or not roughly $15 million out of the $63,600,000 involves a very controversial award, a machinegun contract to Belgium rather than to a competing American company by the name of Maremont Corp.?

Mr. PRICE. I think that is the situation. At the time the committee took this action, however, we were not aware that the award had been made.

Mr. COHEN. I understand that, Mr. Chairman. Since that time I have requested an investigation by the subcommittee of which the gentleman from Tennessee (Mr. BEARD) is the ranking minority member, and he has indicated that he is in agreement of the need to conduct this investigation of the contract award. They have not yet made the award, but the pending award is, in my opinion, in violation of the Buy American Act, and in violation of the public interest of this country.

My understanding is that the subcommittee is going to investigate this, and that a similar request has been filed in the other body. The reason for my inquiry at this time, in view of the subcommittee's interest in investigating the award, is to determine whether or not this action might not be deferred on this particular section of the bill.

Mr. PRICE. We are at a staff level at the present time, looking into this matter in detail. We certainly do not want to take any action on behalf of the committee that will interfere with any procurement matters, but we are seeking all the obtainable facts in connection with this project.

Mr. COHEN. Mr. Chairman, at some point along the way, would it be possible actually to defer the appropriation of the money for this contract if the subcommittee's investigation reveals that the Army did, in fact, violate the Buy American Act? Could that be done before this gets too far down the line?

Mr. PRICE. The gentleman, I think, could do that better with the Appropriations Committee. I do not know whether or not they have reached that item yet, but it is entirely possible that they have not. It would be the better part of wisdom for the gentleman to make contact with the Appropriations Committee.

Mr. COHEN. If the chairman's committee or subcommittee determines that there is, in fact, a violation of the Buy American Act, in which the U.S. Army induced the Belgians to purchase the F-16 airplane by sweetening the proposal by agreeing to buy the Belgian weapon, which I believe is a violation of our law, would the chairman be prepared to submit to the Appropriations Committee testimony to defeat any appropriation for that item?

Mr. PRICE. If it were a violation of law, I think certainly, but we do not know that to be the fact.

Mr. COHEN. But the committee is now investigating as to whether that is the fact?

Mr. PRICE. We are looking at the problem.

Mr. COHEN. I thank the chairman.

Mr. BOB WILSON. Mr. Chairman, I have no further requests for time.

Mr. PRICE. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Chairman, I rise in support of H.R. 12438. I would like to comment specifically on section 708 in the general provisions of this bill. This section contains language very familiar to all of us. It is the same language contained in section I of House Concurrent Resolution 198, which expresses opposition of the Congress to any change in the present method of providing financial support for military commissaries.

As you may recall, the President's budget for fiscal year 1976 proposed a change in the method of financing the cost of personnel and overseas utilities. This proposal, after its full implementation, would have required customers to reimburse the Government for all these costs. As a result of that proposal, various bills and resolutions opposing the plan were introduced with more than 50 sponsors and cosponsors. After an extensive series of hearings by the Investigations Subcommittee of the House Armed Services Committee, House Concurrent Resolution 198 was reported out and referred to the House for appropriate action. On July 31, 1975, by a rollcall vote of 364 to 53, this resolution was overwhelmingly approved by the House.

Subsequent to this vote, the House Appropriations Defense Subcommittee, after detailed hearings on the administration's proposal, concluded that commissary operations should be fully supported with appropriated funds and added $109 million dollars to the fiscal year 1976 budget. To put it very bluntly, the House resoundingly rejected the administration's proposal. I interpreted this vote as a loud and clear signal that this issue was settled. The Department of Defense thought differently. In fact, less than a year later, the Department, completely ignoring this congressional mandate, has recommended again the same proposal. Must we go through another long series of hearings, which are time consuming for the members, as well as for the witnesses. With this thought in mind, I recommended that section 708 be included in the general provisions of the bill which was approved by the full committee.

Mr. Chairman, this section is very important to our military personnel throughout the world. It is particularly important to the retired community. Ample evidence and testimony was presented to our committee last year as proof that commissary privileges are considered an excellent incentive in the military services recruiting programs. These privileges, with the accompanying savings, are even more important in retaining those enlisted persons and young officers who are considering the military as a career, particularly those who marry after they enter the service and have families to support.

I believe, very strongly, that the Department's proposal would have a very significant adverse impact on those military personnel who are most in need of assistance, namely, the young enlisted member and the noncommissioned officers and field grade officers with families, all of whom comprise more than 90 percent of our total military force. We have made commitments to these people and a change or diversion from this commitment is, in my opinion, a serious breach of promise. In my judgment, there is no way you can equate the hazards, the absences from home, the separations from family, the deprivations that a man in the military is subjected to versus his civilian counterpart.

People in the military are beginning to question the integrity of their Government. Can they rely on the promises of the Government in the future? I say yes, they can.

Mr. Chairman, in summary we must remember that the possibility exists that if the additional surcharge greatly increases the prices to the customer to a level comparable to commercial prices, patronage will decline. The result of such a decline in sales volume and related surcharge revenues would probably make commissaries unable to continue to operate. Should this occur, more than 1,700,000 families who shop in commissaries could be deprived of this very important benefit. I do not wish to see this happen and I hope the Members of this House agree with me.

I urge you to approve this bill with section 708.

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Chairman, I rise in support of H.R. 12438. My participation in the hearings of the Armed Services Committee left me with serious concern about the level of defense strength proposed in the President's budget, and some of my worries have been met by improvements made by the committee.

I cite one of these, the civilian personnel authorization contained in table V of the bill. As the chairman of the subcommittee pointed out, the committee recommendation is 5,000 higher than the number requested by the administration. Even with this increase recommended by the committee, the civilian personnel authorization will still be 23,500 less than was authorized by the Congress last year. In other words, a sizable reduction in civilian personnel was proposed by the Department of Defense, but the committee believes the cuts were too large.

When the Secretaries of the services and the Chiefs of Staff appeared before us, I asked every one of them the same question: Are you asking for what you believe we need for an adequate defense? Every time I asked the question, the same answer came back: "Given the financial restraints, I believe we can do the job."

I did not have to ask the meaning of that qualifying phrase. I knew the President and the Office of Management and Budget had told Defense how much money it could have. I knew that James Schlesinger thought the budget was not adequate—and we know what happened to him. The Secretaries, the generals and the admirals know, too.

My own military service was as an Air Force pilot. I know how essential it is that aircraft be combat-ready when they are needed in battle. I have been proud that part of my congressional district includes important elements of the Air Force logistics command, which has aircraft maintenance as one of its missions. I knew what last year's civilian personnel cuts did to the work forces, so I used the opportunity of our hearings to ask questions about aircraft availability.

Gen. David Jones, Air Force Chief of Staff, was as forthright as ever when I asked him how many planes were out of service because of maintenance needs. His answer was 25 percent. I know planes need to be checked frequently. Engines need to be repaired or replaced. But one out of every four? The reason: the Air Force has had to take the heavy brunt of civilian manpower cuts in recent years, and it simply lacks people.

I have been concerned for the people who are laid off, too. They are men and women of special competence and skill, who cannot take their abilities down the street to another job. The state of the economy is an obvious factor here, too.

But purely on the question of maintaining our defense strength at a reasonable level, I would urge strongly that Members recognize the committee proposal to increase the Department of Defense request for civilian personnel is a responsible action, and an important element of this budget.

Mr. Chairman, as we examine this defense authorization bill, let there be no mistake on one essential fact: this is not a "get well" budget, but only a start toward what we need. The able chairman of our Armed Services Committee reached that conclusion after long and thorough hearings in our subcommittees and our full committee, and we heard top civilian and uniformed officers of the Defense Department tell us that it is not a "get well budget."

I respectfully suggest that Members of this House may understand that conclusion better if I point out some of the information received in our hearings. By way of introduction, let me say that I sat through those hearings with growing concern. It is my belief that our Nation must have a defense second to none in the world, but I came to the sobering conclusion that we may not have it now, and that we are not moving at a pace that will maintain that level.

Let me offer some specifics out of the testimony we heard. Martin Hoffman, the Secretary of the Army, testified how that service was seeking to build 16 divisions, opposed to the 14½ we have had, without any increase in manpower. But he also said that we have only 39 percent of the tanks we need, 78 percent of the artillery, 71 percent of the attack helicopters, and 51 percent of the armored personnel carriers.

He said the material requests prepared by the Army would meet only 4 percent of its needs. Four percent. Certainly that one figure shows that this not a get well budget. In fact, as I listened to the Secretary of the Army, I thought of the doctor who told a patient "I can't cure you but take some aspirin and you won't hurt as much." I certainly hope we are not prescribing aspirin for defense pains.

I do not propose to stress comparisons with the Soviets in my statement today, but some figures burned into my memory. Our Army is hoping to get 350 new tanks a year—and the Soviets are getting 2,600. In armored personnel carriers, we are getting 1,410 a year—and they are getting 3,700. In artillery, the gap is even greater: 156 weapons for us, 1,400 for them.

But it is not just equipment that worries me. Gen. David Jones, the able Chief of Staff of the Air Force, testified that some crewmembers flying our big bombers will get less air training time in their careers than he got in his first 2½ years in the Air Force.

He said the copilot on a B–52 bomber makes one practice landing every 10 days. He gets one takeoff, handling the controls himself, every 20 days and 2 hours' flying time, as the pilot, every 20 days.

When Secretary Middendorf led the Navy witnesses before our committee, I asked about their flight training time. Navy pilots have greater problems than the Air Force fliers, because to be combat ready they must know all the problems of takeoffs and landings from a carrier deck. I wanted to know whether those Navy pilots were getting enough sea training. Secretary Middendorf thought they fell about 10 percent short. I asked what it would take, in dollars, to give them that training. Adm. James Holloway gave the answer: $30 million.

This is $30 million which was not requested and which is not in the budget.

Secretary Rumsfeld and Gen. George Brown, Chairman of the Joint Chiefs, told us that we lack the long-range airlift essential to move our conventional forces overseas, and I can still hear General Jones' comment on mobility. He told us:

> Our ability to get our ground forces where they are needed with what they need to fight, in time to influence the outcome of a crisis, becomes a matter of utmost strategic necessity. Our highly capable Army and Marine divisions cannot protect American interests from Fort Bragg or Camp Pendleton.

And I remember the testimony of Gen. Fred C. Weyand, Army Chief of Staff, who told us:

> My overall assessment is that the Army is ready but with severe limitations. The combat forces of the army are ready to meet the needs of a national emergency. Active support army units are less ready and will be able to meet their requirements only with difficulty, because they will be overtaxed for extended operations. Of the Reserve component forces, only half are currently meeting their assigned readiness roles.

Each of us has reservists in his district, men and women who use weekends and summer camp to maintain a measure of military readiness. Yet the Army Chief of Staff tells us—perhaps even accuses us—of tolerating halfway preparedness.

I also remember testimony about the drawdown of our military equipment when shipments of tanks, personnel carriers, weapons, and ammunition went to Israel in the last Middle East war. Our inventory was the major source of Israel supply, and to date we have not restored that inventory to previous levels.

The Navy's active ship force level in January of this year dropped to 477 ships. This is less than half the 1968 force level and the lowest fleet size since before World War II, we were told by Secretary Middendorf.

I believe I have explained my worry that if we do not suport this bill, we may not have a defense capability second to none.

My participation in the Armed Services Committee hearings, buttressed by my own inquiries into our defense needs, convince me that the traditional cry of some elements, "Cut back on defense," is wrong, reckless, and irresponsible. I say we are mortgaging our future, asking our children and their children to face risks from which such actions would not protect them.

"Détente" may no longer be in the vocabulary of some people. I have intentionally left to others the whole question of how strong our rivals may be. I believe it is simplistic to doubt the intelligence assessment of other world powers' intentions or their ability to carry out those intentions. I think of the wisdom of the old phrase "There are none so blind as those that will not see."

In this Bicentennial Year, our Nation celebrates 200 years of freedom. Let us not desecrate this heritage, but rather let us protect our liberty, and insure its protection for future generations. The truth before us, as we consider this legislation, is that if we are to remain the land of the free, we must be the home of the brave.

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I rise in strong support of H.R. 12438, the Defense authorization bill, and urge my colleagues to support its provisions as reported from committee.

I would like to direct my comments to those sections of the legislation dealing with the Reserve components and the reasons why the committee felt it important to continue those beneficial programs necessary to preserve a strong and viable National Guard and Reserve. I would like to express appreciation to Chairman PRICE, and especially Chairman NEDZI and members of the Personnel Subcommittee, for their actions in regard to the Reserve components.

To give my colleagues a little background information, I would point out that the Department of Defense proposed several changes for the Reserve components of the Armed Forces, which we considered ill conceived and potentially harmful. My purpose today will be to establish a legislative record of why the committee rejected these attempts to seriously impair the ability of the Guard and Reserve to function as an integral part of the total forces concept.

Three of the changes were offered by the administration as legislative proposals, since they cannot be launched without a change in present law. A fourth was expressed as an administrative decision. All four were conceived for the laudable purpose of reducing personnel costs in the National Guard and Reserves. However, they would cause such damage to Reserve components recruiting, retention, training and flying safety programs that their ultimate cost most likely would be greater than the small savings that might be achieved.

The most disastrous of the proposals would have cut the number of additional training assemblies in half and double their length from 4 to 8 hours. This would include those utilized to maintain acceptable proficiency in such hazardous duty activities as flight training for aircraft crews and parachute jump training. Participants would be paid for a single 8-hour day rather than for two drills. On the surface, that appears to offer the same number of training hours at lower cost. In reality, the cost of one 8-hour day is at least 75 percent of that of two 4-hour drills, and this proposal therefore would have produced only minimal savings. Even worse, the change would lead very likely to a much higher accident rate. Only two or three additional accidents would completely wipe out any savings. That is not economy, it is simply the appearance of the economy and for this reason this proposal was rejected by the committee.

Another of the proposals would have eliminated what has been unfairly labeled as "dual pay" for Federal employees who are reservists. There are at least 150,000 Federal employees among the 900,000 members of the Selected Reserve. They take their annual 2 weeks of full-time training in a military leave status. This means that they draw their civilian pay during that leave and also are paid for their military service. Under the DOD proposal they henceforth would be paid an amount no greater than the larger of the two pay scales. Most States pay full civilian pay to State employees for military leave, and have been encouraged to do so by the Federal Government, as have private employers. If we enacted this change, we would be abandoning a policy we have for many years encouraged others to adopt. Therefore, the committee felt it wise and prudent to also reject this proposal.

A third proposal the committee was asked to consider would have increased the number of reservists, and units, performing only 24 drills rather than the customary 48. In addition it called on Congress to repeal the statutory requirement that all National Guard units perform 48 drills, and to place thousands of guardsmen on 24-drill status. The rationale given for this proposal was that many reservists and guardsmen do not require 48 drills a year to maintain their individual proficiency. As far as individual skills are concerned, that rationale may be true in some cases, but the requirement for 48 drills, particularly for the National Guard, goes much deeper than individual proficiency. It is based on the requirement that Guard units be able to muster in mere hours and launch operations that require a high degree of teamwork, in either a State emergency or national defense mission.

Mr. Chairman, the capability for a rapid and effective response cannot be developed, in my opinion, in fewer than 48 training assemblies a year.

There is another very important reason the committee voted to retain the 48-drill requirement. Many of the units which might be considered candidates for fewer than 48 drills of numerous high priority units frequently are linked with the availability of support from units with less complex readiness requirements. The committee is very firm in its determination that the 48-drill requirement shall remain intact.

The fourth DOD proposal rejected by the committee would have eliminated administrative pay for unit commanders. Far from producing a real savings, this would do little more than alienate several thousand key leaders for no good reason.

For all Reserve components, the savings would only amount to $2.2 million. Administrative pay is little more than symbolic compensation for the long hours every commander must spend at times other than paid drills to manage the affairs of his unit. For a captain, company commander, it amounts to $5 per month. The maximum set by law for even a senior commander is $240 per year, or $20 a month. It probably amounts to less than 25 cents an hour when one considers the frequent evenings and weekends that are required to properly administer a unit. Loss of the few dollars involved would not induce many commanders to leave the Guard or Reserve, but indignation and bitterness probably would.

Mr. Chairman, to comment further on these four proposals which were rejected by the Armed Services Committee, it should be noted that the Reserve components are struggling to maintain their prescribed strengths through voluntary enlistments. As the economy improves, the job recruiting and retaining qualified members becomes increasingly more difficult. They are laboring, in addition to produce the highest readiness levels that is demanded by the more urgent missions we have laid on them. Yet the Department of Defense suggested that Congress, in the name of cost cutting, take actions that would hamper recruiting, induce losses of trained personnel, inhibit training and increase aircraft accidents.

I am convinced on the basis of long personal experience in the Reserves that adoption of these proposals would have lead to serious harm. I am likewise convinced that we would eventually pay a price considerably greater than any minor savings to be achieved.

A fifth and final proposal concerning the Reserves that was discussed at length in the committee's report falls into a different category. This was the proposal to cut 50,000 selected reservists from the Naval Reserve. The committee took strong exception to the proposal. When you examine the proposal in detail, it quickly becomes clear that the need for a selected Naval Reserve of at least 102,000 has not diminished. Rather, the active Navy has been shockingly deficient in not identifying and assigning relevant missions to its Reserve. The need exists for every billet that currently exists. There is an even greater need for the Navy to utilize those billets far more effectively than they have to this point.

Mr. Chairman, I have long maintained that the National Guard and Reserve are the best buy this Nation can get for its defense dollar. I am pleased that the actions of the committee also reflect this belief.

We want there to be absolutely no doubt as to where the House Armed Services Committee stands on the question of a strong and viable Reserve component. The committee considered and rejected each of the harmful proposals made by the administration concerning the Reserves and National Guard. We want it clearly understood that we fully expect the Department of Defense to abide by the committee's decisions and fully implement those programs for which we have provided authorization.

Mr. Chairman, I would also like to call my colleagues' attention to section 706 of title VII which requires notification to the Congress in a timely manner before major training programs or training missions of a service or defense activity are terminated, altered, modified or consolidated in a substantial manner.

It should be clearly understood that the intent of this provision is to insure that actions of major significance affecting the training establishment are brought to the attention of the Congress prior to their implementation. Actions of this sort can have a major impact on force readiness and ultimately national security. For this reason, Congress should be apprised of any changes in the training program at an early stage and given an opportunity to voice their approval or disapproval.

Mr. PRICE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I would certainly like to commend both the chairman of the full committee, the gentleman from Illinois (Mr. PRICE), and the chairman of my subcommittee, the gentleman from Florida (Mr. BENNETT), for having worked very, very hard to meet this incredibly grueling schedule to report out a very large bill.

Mr. Chairman, I rise in substantial support of most of what is in the bill.

Mr. Chairman, I would like to clarify the action taken by the Armed Services Committee regarding the $474.7 million authorized for procurement of six airborne warning and control system—AWACS—planes.

The committee action on AWACS procurement is included in title I of the bill now before us under aircraft procurement. The section is found on page 2 of H.R. 12438 as printed in the final copy provided to all Members.

It was the decision of the Armed Services Committee to approve the administration's request for $474.7 million for procurement of six AWACS planes. However, it was also the committee's decision that none of the $474.7 million authorized for procurement of these planes should be expended until the NATO members had decided to purchase the AWACS planes to be used for NATO defense.

The committee's action was not prompted by our disapproval of the AWACS program. Instead, it was prompted by our understanding that—from this point on in the production of the AWACS planes—all future AWACS planes would be used to defend NATO.

Although the Air Force had originally proposed 34 AWACS E-3A planes for production, the U.S. requirement for the planes has only been identified as 10. The 10 aircraft—which have been procured already in the last 3 years—will be used for defense of the continental United States, CONUS. Twenty of the original planes proposed have been slated for NATO defense. Since we have already, as of today, appropriated money for the procurement of 13 AWACS planes, the planes included in the fiscal year 1977 budget would clearly be used for NATO defense.

For its part, NATO is currently conducting an independent study of its requirements for an airborne early warning system. The study is expected to be completed later this spring. However, the decision of NATO to purchase the planes is not expected until later this year.

It was the position of the members of the Armed Services Committee that the United States should not be in the business of building planes for NATO defense that our NATO allies are not yet sure that they will be purchasing. For this reason, it was the judgment of the committee that the funding should be authorized but not made available until it becomes clear that there will be buyers for these planes. Since estimates of the cost of the AWACS planes have ranged from $104 million apiece upward to $180 million apiece, it should be very clear that the planes are necessary before we start sending along money to build more of them.

The utility and performance of AWACS planes have been the subject of heated controversy over the past few years. The record on this is long. However, regardless of whether or not one agrees that the AWACS planes are useful and cost effective, one fact is clear: The cost of AWACS to be used for NATO defense should obviously be shared by the NATO members. With a NATO decision on whether to buy the planes expected later this year, it would be very premature for Congress to make immediately available $474.7 million to buy 6 more of the planes.

Mr. Chairman, as a committee member who actively participated in the thoughtful debate which led up to our action on the AWACS procurement funding, I think that this description accurately explains why we took this action. However, I think that our action may have confused many. For this reason I wanted the record to be clear on why the Armed Services Committee decided to make our authorization of $474.7 million for AWACS procurement this year contingent on the upcoming NATO decision to buy the planes.

I am also including for the Record at this time some further information to explain the circumstances and debate surrounding the NATO buy of AWACS:

[Excerpt from House Committee on Armed Services report on H.R. 6674, authorizing appropriations, fiscal year 1976 and the period beginning July 1, 1976, and ending September 30, 1976, for military procurement; research and development, p. 18]

AWACS (E–3A)

The Department of Defense for FY 1976 and the transition period requested a total of $520.5 million in the procurement account for AWACS. This program was discussed at length during the R&D hearings as well as during the full committee procurement markup. The testing program was criticized and questions were raised as to the sufficiency of the R&D effort insofar as the testing program goes.

As a result of the discussion and expressed dissatisfaction of the test program to date, the Committee voted to reduce the procurement account by fifty percent and conditionally authorizes $260.25 million for three additional AWACS systems. These funds may not be expended until the Air Force continues comprehensive tests to allay the concerns of the Committee. These concerns, which relate to AWACS performance, are classified and are delineated in a letter to the Secretary of Defense dated March 26, 1975. Further, these tests must demonstrate the ability of the AWACS system against formidable jamming systems such as the EA–6B's in a realistic free play environment. *The Committee requires that the Secretary of Defense provide written certification that these tests are viable and have been accomplished as directed herein.*

Committee action on this program was further complicated by the revelation of a proposal which is being considered within the Department of Defense to sell to our NATO Allies the AWACS aircraft for approximately 50 percent of the cost to the United States Air Force. After a thorough airing of this proposal, the committee directs that the Department of Defense take no action toward the consummation of any agreement with any foreign government relative to the sale of AWACS until the expiration of 30 days after a full report of the terms and conditions proposed for such sale have been reported to the Committees on Armed Services of the Senate and House of Representatives.

[Excerpt from House Appropriations Committee report on H.R. 9861, Department of Defense appropriations bill, 1976, pp. 245–246]

E–3A AIRBORNE WARNING AND CONTROL SYSTEM AIRCRAFT

The budget includes $415,500,000 for six additional E–3A Airborne Warning and Control System (AWACS) aircraft, plus $15,000,000 in advance procurement funding for another six aircraft to be budgeted in fiscal year 1977. This aircraft is not only the most expensive aircraft bought by the Air Force, but one of the most controversial. There also have been differing opinions on the results of AWACS performance during the most recent tests involving Navy EA–6B electronic warfare aircraft in a "free play" environment. The speculation on whether or not NATO will buy this aricraft continues, and there are various opinions as to the optimum number of AWACS required for our own forces.

Congress has previously funded a total of three research and development aircraft and in fiscal year 1975 six production aircraft were funded. The current total program cost is $3,800,000,000, of which $1,500,000,000 represents research and development effort. The total program would fund 34 aircraft, including the three research and development vehicles to be modified later as operational aircraft. NATO is scheduled to make a long leadtime funding decision by December 1975, with a production decision scheduled for about July 1976.

During fiscal year 1973 budget hearings, AWACS was justified as a strategic system for the continental air defense role. The total program then was 42 aircraft, of which 10 aircraft were justified for support of tactical forces when they deploy. During fiscal year 1974 budget hearings, the Committee was told that AWACS was moved from the strategic to the general purposes forces category, but that the move would have no impact on the program one way or the other. The total program remained at 42 aircraft. During fiscal year 1975 budget hearings, Air Force officials advised that the total program was reduced to 34 aircraft as an economy measure; nevertheless it was the judgment of the Joint Chiefs of Staff that a minimum of 41 unit equipped AWACS are required either for the tactical or the strategic defense mission. At that time the Committee learned of the NATO interest in AWACS and the encouragement to NATO to buy the aircraft. However, the Air Force planned to buy 34 aircraft first, which would be followed by a NATO production. During fiscal year 1976 budget hearings, the Committee was told that even if NATO purchased a significant quantity of AWACS aircraft, the U.S. requirement would remain at 34 aircraft.

It would appear from the foregoing that the Air Force is determined to buy 34 AWACS aircraft, regardless of the fact that the missions' priority had been changed and that NATO may buy aircraft to support the NATO requirement. This attitude seems to express a wanton disregard for economy. It is apparent that if the current primary mission of AWACS is to support tactical forces, then the requirement can be reduced. It is also apparent that if most of the 34 aircraft are justified to support the NATO mission and NATO is willing to buy aircraft to support that requirement, then the number of aircraft purchased by the U.S. can be reduced accordingly. It is far more economical for this Government to pay 25 to 30 percent of the cost of AWACS aircraft for NATO, than 100 percent of the cost of 34 aircraft programmed by the Air Force.

The Senate Armed Services Committee, in its report on the fiscal year 1976 Defense authorization bill, questioned the number of AWACS aircraft programmed. It was that Committee's opinion that a total of 21 to 24 planes should provide the Air Force with an acceptable quantity of aircraft to operate with United States forces in their potential areas of direct conflict. The Secretary of Defense testified this year that the Air Force requires 15 AWACS aircraft to satisfy non-NATO requirements.

It is the considered judgment of the Committee that since the primary role of AWACS now is to support the tactical mission, originally described by Air Force officials as requiring 10 aircraft, and since NATO is seriously considering buying a meaningful quantity of aircraft to support the NATO requirement, then no more than about 10 aircraft can be justified for the United States non-NATO mission. NATO should be encouraged to buy AWACS in order to assume their fair share in the defense of NATO forces in Europe.

The Committee recommends, therefore, $260,000,000 for two AWACS aircraft for fiscal year 1976 as a buy-out of the United States requirement. These aircraft should be added to the six aircraft funded in fiscal year 1976. The two aircraft this year, plus the six funded last year and the three research and development aircraft that will be modified for operational use, will provide a total of 11 AWACS to support our own deployed forces.

The above recommendation will provide time for a NATO long leadtime funding decision in December 1975 and a production decision next year. The Committee recommended will result in a reduction of $155,500,000 and 4 aircraft plus $15,000,000 in advance procurement funding that will no longer be required, for a total reduction of $170,500,000.

[From Defense and Foreign Affairs, November 1975]

Electronic Environments

One of the currently intriguing problems in the world of applied electronics is the question of the future of the US Air Force/Boeing E–3A AWACS (Airborne Warning and Control System). The project is currently at a highly critical stage, with USAF being allowed just enough rope to keep the project alive. In Europe a high-level team is sitting down to examine every aspect of it in fine detail, with a view to a possible buy for operations in that theater. To complicate the issue further, one procurement decision depends on the other. The stumbling block appears to be cost.

Or is it? Without doubt, the figures involved are large, probably enough on their showing alone to justify putting the AWACS on the back burner of R&D to await more opulent days. But military experience has always shown that where a genuinely advanced weapons system can be built—one that is unique, and therefore which commands a clear lead over an opponent—the funding will be found. Aircraft carriers and nuclear submarines are, in the US, good examples.

The question is whether, on current evidence and taking into account the alternatives, AWACS actually represents such a strategic watershed. The story has a number of intertwined threads, not all of which are consistent with the final pattern its protagonists wish to weave.

But to start with costs is important, if only because the debate has been run solely on these terms. In 1975 (January) dollars, the cost of the full 34 aircraft which USAF eventually wants to buy was estimated at $4,000-million or $118.8-million per aircraft. The chances of such an extensive buy are, however, slim.

According to the existing laws of aircraft procurement, as the final buy comes down, so does the unit cost go up. If a recent Senate Armed Services Committee estimate of a final need for 21 to 24 AWACS is anything to go by, each fully equipped aircraft *could* roll off the production line at an average program unit cost of between $137- and $147-million per aircraft.

If the US wants to commit that sort of sum for its own aerial reconnaissance and control function, that is a matter between the Pentagon and Congress. But where the debate becomes infinitely more complex is in the effort being made to persuade NATO nations to buy the system, and therefore contribute to a longer production run.

To be fair, there is evidence that the NATO team has only recently come to see the costs in this light. At earlier stages in the planning process, US figures supplied to NATO were considerably lower, and they have since run foul of both inflation and program cutbacks.

Nevertheless, two important factors about the NATO requirement need to be borne in mind. One is that their indication of interest in AWACS is only a *potential* one, and that any decision to buy cannot be taken until at least June 1976, or possibly later. The second factor, and one which emerges as extremely important, is that NATO commanders appear to be holding to an operational philosophy different to the one inherent in AWACS.

AWACS, as it stands, seeks to combine a number of important strategic capabilities. Aside from the technological ones, as the USAF envisages it, the E–3A will provide a command post for local battlefield commanders. It will, in effect, be a unique vantage point in the sky from which the tactical decisions implicit in the ebb and flow of aerial battle can be made. In hardware terms this means that there must be room for people, for the commanders and their staffs, and hence the aircraft must be of airliner size, which AWACS is (being based on a Boeing 707–320C).

But, as the operational requirement comes nearer to being written, it is increasingly likely that the core of NATO commanders are going to reject this "command post in the sky" aspect. Their airborne warning aircraft, they state, would be required only to pass track and target information to the ground environment—and that is where senior decision-makers will operate the NATO combat aircraft.

If these two aspects—an uncertainty about role definition, and a reluctance to go along with the central philosophy—are taken together, one wonders why NATO should ultimately be interested at all in AWACS. Into this picture there then comes the issue of the "two-way street" and the fact that few, if any, of the NATO nations have much to spend on procurement of new equipment. It is an open secret that some countries are still cutting their levels of defense spending.

It is important to stress that there is indeed a role for much that is implied in the system. The technology of radar and sensor development has provided the martial arts with a comprehensive and far-seeing potential. This, in effect, is the ability to extend the horizon of threat perception as well as the prediction which makes dealing with it more effective. A 250 mile radar range, high invulnerability to ECM, the capacity for handling "dense" environments (ie: up to 600 targets a time), and the ability to increase the effectiveness of existing combat forces, are essential in the missile and aircraft-intensive battlefield of today.

However, the obvious question is now one of cost-effectiveness. There are considerable grounds for suggesting that NATO should be turning its attentions to alternative AEW systems. Those initially considered by NATO along with the E–3 system were a new version of the Grumman E–2 (the C variant) and the UK's Hawker Siddeley *Nimrod*. Of the latter, the E–2C *Hawkeye* is the non-jet version, and because of this, its small crew carrying capacity and earlier limitations on its radar, it was ruled out.

Hawkeye, though, would appear to demonstrate in two clear areas an advantage: it is much cheaper, and it is uniquely suited to the AEW role, having been under active development with the US Navy. It demonstrates, as one observer put it, that high performance aircraft are not necessarily needed to carry the latest state of the electronics art aloft.

In its early days it lacked an overland capability, but in its early days AWACS was inferior in the over-water capability needed in NATO However, the pace of technological development being what it is, the present *Hawkeye* radar system, the APS 120, and its successor, the APS 125 (the latter with an improved target memory capability) will have an ability to follow up to 300 tracks at once, with more than 30 intercepts being engaged and monitored at one time. In other areas, such as ECM, ECCM, data link, communications and the all-important one of IFF, it appears, on what evidence is available, that its 250 mile target range capability puts it into a very similar slot to AWACS, if the AEW function is strictly defined.

There are, of course, differences, but do they amount to a strong case for AWACS? Take this set of performance figures, for example: Endurance (unrefueled): AWACS—from 11.5 hours to 6 hours, depending on mission requirements; E–2C (with a proposed extended range capability)—up to 7.2 hours. Operational cruise speed: AWACS—360–365 kt at orbit altitude; E–2C—270 kt (with an max transit speed of 322 kt); Radar handling capability: AWACS—600 tracks at once (it is unknown how many of these can be tactically "managed" at one time); E–2C—300 targets at once, of which 30 will be fully interpreted.

And, of course, in the coast area, the differences are firmly on the side of E-2C, for obvious reasons. Nevertheless, NATO commanders could hardly fail to notice a quoted "flyaway" cost for the E-2C of $16.8-million (in FY 1972 dollars) or an average program unit cost of $20.4-million. These figures will have risen, but nothing like those for the unproven AWACS.

Because of the realities of the competing systems, the myth of AWACS' omnipotent abilities must be examined extremely critically. It is hardly a technological watershed, more a cadillac version of something which already exists. Even so, the U.S., urged on by the Pentagon (which has by no means a blemish-free record in the fables of U.S. aircraft procurement), persists in selling the concept to the utmost.

This has, in the recent past, extended as far as refusing to allow an interested potential customer (the Shah of Iran) to observe a fly-off between AWACS and *Hawkeye*. The Defense Department case seems to rest on AWACS greater computer capacity, despite customer interest from such quarters as Israel, which wants *Hawkeye* to provide data in what must be one of the more sensitive of early warning environments, and Japan.

In the Pentagon's eyes, the Navy's system is small and not beautiful. But a reality of the world (at any rate outside the U.S.) is that much of it cannot afford to indulge in technological overreach. If there were no low cost, high effective airborne warning system in the world it would be necessary to invent one. At the moment there are some real questions about the need to force AWACS on NATO, and some good reasons for considering the alternatives: the *Nimrod* and *Hawkeye*.

After all, it's still the U.S. industry which stands to gain, even in the *Nimrod* variant which would employ extensive U.S. electronics. Grumman and Hawker Siddeley have held long talks on that subject. The signal is clear as to what constitutes Washington's and NATO's interests. But then, as Horatio Nelson said: "I see no signal."

Mr. PRICE. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, I rise, I guess you could term it in support of part of the bill, but more importantly to compliment the chairman of the full committee, the gentleman from Illinois (Mr. PRICE), who I have always found to be a pleasure to deal with, who is very fair, and the chairman of my subcommittee, the gentleman from Michigan (Mr. NEDZI), who I found one of the easiest gentlemen to work with in the Congress, certainly one of the most compassionate and among the fairest.

Mr. PRICE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LLOYD).

Mr. LLOYD of California. Mr. Chairman, I would like to join with my colleague, the gentleman from New York (Mr. DOWNEY), and all of the others who have indicated to our chairman what a very fine job he has done and what long, hard hours have gone into this bill.

Mr. Chairman, there are some areas of the bill I do not happen to agree with and, of course, we will address ourselves to that later. There are other areas, the major portion of the bill, I support.

Mr. Chairman, I would like to point out very briefly to my colleagues that it is a very difficult decision, in a land where we have people who are not properly educated, who are not properly housed, who are not properly cared for from a medical point of view, to say that it is essential that we spend billions—and I admit very freely I do not have the ability to understand even a billion dollars. Then, on the other hand to say to them that it is essential in the interest of the defense of our country and in the interest of some nebulous, not clearly definable menace that we spend these kinds of dollars.

It challenges the imagination and it does, indeed, boggle the mind.

Mr. Chairman, on the other hand, I feel at the present moment that, indeed, this menace does exist and that we have to address ourselves to that menace with the best available tools that we have.

As a person who has spent a good deal of his life in a military organization, I have to admit that I do not want young men of this country to go into any kind of a serious contention situation, a potential conflict, with less than the very finest of equipment. And that is why I rise in general support of this bill.

I would like to add that we will have some serious doubts cast upon the B-1.

Mr. WIRTH. Mr. Chairman, we have before us today the Department of Defense Appropriation Authorization Act of 1977. This bill provides for an active duty military manpower level set at 2.1 million persons and a reserve force of almost 900,000. It authorizes $33.4 billion for procurement and weapons deployment—an amount almost $700 million more than the administration requested. Acceptance of this request will provide for a real increase in weapons procurement of more than 22 percent and will serve to reverse a pattern of more modest growth in recent years.

This year as in previous years, the basic questions remain: What must we accomplish with these dollars? What are our defense goals and objectives? To whom do we have military commitments and what interests do we seek to defend? Are our forces adequate to meet these needs and objectives? Where can we do better?

In the last few weeks my office, and I presume that of other Members, has been bombarded with facts and figures showing that the Russians have either more military manpower, or less firepower than we do; we have been told that their Navy is either bigger, or less capable than ours. We have received charts and graphs which demonstrate both that the Soviets outspend us militarily and that the United States and her allies overwhelm the Warsaw Pact in terms of overall military clout.

My own analysis of these contending accounts and of the proposal before us does lead me to be concerned both about the intentions of potential adversaries and our future capacity to respond. I am concerned with the fact that by almost any criteria, potential adversaries like the Soviet Union and China have been increasing their military capabilities rapidly. Some of these increases come in areas such as sea control where we have become accustomed to rather unchallenged dominance. Others have come in categories like ground forces where we are already giving away a significant edge. This continuing buildup by some of our potential adversaries suggests the importance which their leadership attaches to military power. As defense analyst Barry Blechman of the Brookings Institution recently noted:

> One need not support any of the more extreme interpretations of the Soviet military build-up which abound these days, to recognize the need for careful evaluation of the potential implications of the trend in military spending.

I am, therefore, even more concerned by the fact that while both our allies and potential adversaries seem to be changing with the times, U.S. defense planners appear unable to break their habits of old. Our strategies for naval deployment and troop deployment are left over from the 1950's. Our Air Force appears hellbent on building a multibillion-dollar bomber even at the obvious expense of future force levels and effectiveness. For example, one recent analysis suggests that the $1.5 billion requested for the B-1 bomber this year alone would suffice to provide the Air Force with an additional 108 F-15's. Alternatively with those same dollars, the Defense Department could build an entire Trident submarine armed with 24 missiles and 200 warheads, or pay for 10 destroyers, or the annual recurring costs of 5 Army armored divisions.

This pattern is recurrent throughout our procurement budget: we are goldplating our way toward smaller and smaller force structures composed of ever more expensive weapons.

In short, as I review this defense budget I am struck not so much by its magnitude, though it is considerable, as I am by the poor use we are making of the dollars requested. Uncertain investments in the B-1 bomber come at the expense of clear needs for additional armored vehicles and antitank weapons in Europe. Continued purchase of ships about which our own Armed Services Committee has doubts come at the expense of needed airlift and sealift capacity which would render our conventional forces more capable and more credible.

In the same category of unwise use of funds must come our system of military bases—a system left over from the days of Indian fighting and the antiaircraft battery. Here the Congress itself is chiefly to blame. We continue to ignore the pleas of our own military to allow a more modernized and streamlined basing system. To protect our parochial district interests we sacrifice opportunities to improve the overall effectiveness of our Armed Forces.

Mr. Chairman, in voting on the proposals before the House I shall be supporting many of the increases recommended. I believe in a strong national defense and am willing to spend the money necessary to maintain it. I will, however, also urge my colleagues to join with me in support of amendments which will move us back toward a lean capable fighting force which matches our defense priorities. In the last analysis the success of our defense policy will be determined not only by how much money we are willing to spend, but also by how wisely we spend it.

Mr. GONZALEZ. Mr. Chairman, the Congressional Budget Office tells us, in its first annual report on budget options, that if we measure defense spending in constant dollars, such expenditures have been declining steadily since the Vietnam war, and in fact "are lower now than before the Vietnam buildup." Twenty years ago, military spending absorbed half the Federal budget. Today, defense spending accounts for barely a quarter of Federal spending. No one disputes these facts; they are plain to everyone.

The distinguished committee, in its report on the defense authorization bill, offers clear and somber warnings about the steady decline in our military superiority, and the need to reverse our defense spending decline, so that we can continue to maintain an edge over the Soviet Union. No serious thinker, not even my colleagues who criticize the size of the defense budget, seem to think that there is no need to maintain a superior military strength.

The Congressional Budget Office, again in its statement on options, says bluntly that "the role of the Defense Establishment is to support the foreign policies of the United States." Again, no one questions this.

There may be Members of this body who question our foreign policy in one respect or another; but I know of none who question the fundamental commitments that we have.

Yet there are those who argue for enormous reductions in our defense spending, failing to see that the size of our Defense Establishment is dictated by our commitments, and by the realities of today's military technology—not by wishful thinking, nor by naive assumptions about the nature of Soviet and other Communist political and military thinking.

It is true that we could reduce military spending at any time. We could reduce it by 10 or 20 or 100 percent—if we also reduced our commitments, and if we reduced our determination to guide our own national destiny. But if we wish to maintain our commitments, and if we wish to remain masters of our own national destiny, we have no choice but to arrest the decline in our military forces and begin building new and greater strength.

Too many of my colleagues naively assume that the Defense Department can be cut again and again, with no real effect on its ability to respond to military crisis. Those same persons would no doubt be the first to cry for an investigation if we should one day be unable to meet some commitment overseas.

To those, I say that it is the commitment that gives rise to the need for defense spending—not the other way around. If they want to reduce our strength, they should also talk about reducing our commitments—to Europe, to the Pacific, and to the Middle East.

If there are questions about the need for a large capability for an airlift, those questions ought to be based on the realities of foreign policy and the political climate of the world, and our national commitments. To those who question the need for a nonstop air carrier that can reach as far as the Middle East from bases here in the United States, I can only ask, what overseas base could we rely on in case of a new outbreak of war in the Middle East? If there are questions about the number of Army divisions we need, where are those who question our commitment to a defense of Europe? If there are questions about the need for a B-1 bomber, where are those who argue for less than strategic superiority? For it is the mission that gives rise to the system, not the other way around. If we have no commitment, if we have no mission, we need no force. But we do have a national mission, and a national commitment, which no one argues. Those who cry for less military force say nothing of this; yet their calls for reduced military spending, and their attacks on this or that marginal question never mention our mission and commitment.

We are talking about money in this bill, but that is not the real issue. The issue is, what kind of defense establishment do we want to have? What commitments are we prepared to support? That is the issue.

We know, from every responsible source—our own budget office, the Defense Department, the Library of Congress, and others as well, that Soviet military spending has been increasing, even as our own has declined. Each year, each month, each day, their power has grown while our own has declined. The meaning of this is clear; it is naive and dangerous to assume that the Soviet Union is willing to see its forces decline, if we do so. The opposite is the case; as our complacency grew, their vigilance increased. As our Navy declined, theirs grew; as our Army declined, theirs improved; as we debated over bombers, they built bombers.

As our strength declined, and Soviet strength grew, our relations changed. We became less able to respond to or discourage Soviet foreign adventures; they became more able to engage in such adventures. We became more willing, even anxious, to pursue arms limitations; they became less willing and less anxious. We became confused and muddled in our policy; they focused clearly on their objectives and exploited every opening; and their failures were less due to our skill and determination than to their own blunders. But we cannot count always on Soviet mistakes; Angola is a clear warning of that. Egypt has been a lost opportunity for the Soviets; do we have the wit, the skill, the determination, to capitalize on that?

We cannot count on Soviet mistakes; neither can we count on their being timid. Ominous signs have multiplied in the last 2 years; as our generosity increased, our power decreased, our will decreased, our policy became jumbled and muddy—as all these happened, Soviet timidity disappeared, to be replaced by a new aggressiveness.

Neither can we count on a Soviet conversion to peaceful ways. Their ideology is no different today than it was at the beginning. Communism cannot coexist with dissent; it cannot tolerate anything other than total domination. Our Communist opponents welcome free governments about as much as they do legitimate dissent—and that is, not at all. The doctrine of revolution was not restricted to China, or the Soviet Union, or China; it is meant to reach all countries, wherever opportunity presents itself. And our declining superiority in recent years has presented new opportunities to the Soviets, and their allies.

If we intend to remain free as a people, we have to determine whether we can do this alone, in isolation, or if this requires something more. I know of no one who believes that this country can survive if it elects to defend only our own national territory. Our needs are too great to permit it; we could not survive alone, any more than Great Britain could have survived unaided the Nazi conquest of Europe.

If we intend to protect allies, to join with them against a hostile and aggressive Communist power or powers, to whom should we be committed, and to what extent? What power do we need to accomplish this mission? That is what is at issue today.

Our power is marginal; it is only barely sufficient to meet our commitments. We are warned by our own budget office that we have yet to replace all the war stocks depleted in Vietnam; we have yet to replace and modernize obsolete and obsolescent weapons of many kinds. Our naval strength, the committee tells us at great length, is periously low: we must elect whether to let it continue to decline, or begin rebuilding the fleet. The strategic bombing arm of our Air Force must be replaced or discarded altogether.

These are among the decisions we will make this year; they amount in sum to a decision to have a force adequate to support our commitments, or one that is clearly inadequate.

I believe that if our margin of military power continues to decline, we will have no alternative but to reduce our foreign policy objectives. If we have not the force to support our policy, that policy must be reduced. It is worse to be overcommitted than anything else; for a nation that cannot meet its commitments cannot honor them, and only presents growing temptations to the ruthless and hostile powers that are arrayed against us.

It may be damaging in some ways to have a military budget that is too big; but it is fatal to have one that is chronically too little. We should have learned this in 1916; we assuredly should have learned it by 1939; but the lesson seems lost on too many of us here today. If there is anything that we cannot afford, it is a military budget that is too small to guarantee our independence.

We live in an uncertain and dangerous time. We are not able to foresee events, and we cannot be certain that any policy we adopt will insure our security and survival. But in an otherwise uncertain world, we ought to know that there is one sure thing, which is that we are faced with a hostile and implacable power in the Soviet Union and its allies, and if there is any sure way to extinguish our liberty, it is to become weaker than we are today. It is time to become stronger, not weaker. If we would guide our own destiny, we must be willing to have the strength to do that. In our own individual lives, we know that we must guide our own lives, or let another do it for us; we either exercise our own will, or become subject to the power of others who are stronger. So it is with nations: nations either govern their own destiny, or others do it for them. The decision we face is, which will it be?

I want my life to be free; I want to make my own decisions. I want my country to be free, and to make its own decisions. That means a commitment to greater defense spending, and I will make that commitment. The committee has given us a bill that is adequate; in some respects it is deficient, and I will support amendments that will add strength to the bill, and the forces it is designed to support. I will oppose amendments that in any way weaken our military forces, for we live in a world that does not tolerate weakness.

Mr. EDGAR. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

Mr. Chairman, the amendment we are considering today is not the same amendment we considered last year. It is not an attempt to sound the death knell for the B–1. What it is is a well-constructed, fair compromise between two factions of my colleagues who are very concerned that making the decision to build this airplane in November is not in our best interests. One group of us, and I include myself in that category, is strongly opposed to the entire program of the B–1 and we support a closer look at more economical options which would not limit the strength of our defense posture. Another group of us see this authorization for procurement as a virtual green light for a positive production decision. This group is concerned that the plane has not been adequately tested, and that if a new administration took over next January, its policies would be handcuffed by this production decision planned on the eve of a national election.

Mr. Chairman, if there was evidence to suggest that a delay of 5 years, or even 10 years in implementaing the B–1 program would in any way compromise our ability to deter an attack or respond to one, I would have to oppose this amentment. It takes 42 months before a B–1 rolls off the assembly line and can be made operational. But as our MIRV's are deployed, our ultrasophisticated Trident submarines come on line, and the remainder of our strategic force is modernized, I can sympathize with the view of many of my colleagues that the manned, penetrating bomber is becoming obsolete. At the most, it adds only marginal value to our strategic deterrent of a first strike. And it will force a reaction from the Soviet Union to build countermeasures to it, creating another spiral in the arms race.

Historically, procurement of technologically advanced weapons of death have not added to our security. They act only as an impetus for our potential adversaries to develop counterweapons to neutralize ours, and produce their own doomsday weapons, which we spend billions of dollars in research and development to neutralize. It is clear to me that our security will only be enhanced by devising procedures at the negotiating table which will assure to all parties that the other side is negotiating in good faith. Such procedures need aggressive and creative leadership and some measure of trust.

Mr. Chairman, could we imagine the savings we could realize and the decrease in the instability in the world if we invested this $960,500,000 in exploring strategies for minimizing the arms race instead of fueling it? We are entering a new phase of the history of our civilization when both superpowers will soon have the capability to destroy the other with limited damage to itself. The failure of negotiations in the last decade failed to prevent the deployment of MIRV's. The present talks may fail to prevent the testing of new ultimate weapons which are impossible to monitor such as the

MARV and long range cruise missiles. If these talks are unsuccessful, the result will be another irrevocable notch in the arms race, and the building of weapons which increase the precariousness which characterize our relationship with our foreign competitors.

Mr. Chairman, there have been arguments advanced today which suggest that dismantling the B–1 pipeline, delaying advanced procurement for the 240 planes, and the fourth prototype, would increase the cost of the program. I agree with this evaluation. However, because of our present economic difficulties, we are running a high budget deficit. If options are available which will accomplish the B–1's mission at a lower cost, or if production of the B–1 can be delayed until we can afford to pay for it, this should be actively pursued. Both could be done without damaging our deterrent capabilities. And both could be done without impairing our ability to react massively or selectively should the need arise.

Our present force of B–52's is more than adequate to fulfill the mission it was created for. These planes can remain operational into the 1990's with modifications, according to the Defense Department. In fact DOD plans to keep part of the B–52 strategic force as a complement to the B–1 should the plane be built. Our fleet of B–52G/H's are undergoing $350 million worth of modernization to their electronic countermeasures systems. These planes could be modified to carry air-launched cruise missiles.

Mr. Chairman, the final decision to produce these planes is expected to be made in November if the procurement funds are authorized. Approval of these moneys will severely prejudice the decision in favor of construction. Already, over $2 billion has been spent developing the B–1, and it appears that regardless of its ability to meet its specifications, or complete its testing cycle, the momentum will be in favor of construction unless this amendment is approved.

The embarrassment this Congress has had over its role in producing a C–5A which performed half of its anticipated capabilities at twice the price should not be repeated. I strongly endorse the Air Force's "fly before you buy" policy. However, these procurement funds will be a virtual green light for production of the B–1 despite the fact that the planned testing of these aircraft is behind schedule. The planes were supposed to be tested at least 345 hours of flight time in a variety of modes. So far, I understand that the first plane has logged only 134 hours, the second only 4 hours in the air, and the third has not left the ground. I do not see the possibility that the B–1 will complete the testing necessary to comply with the standards of the Air Force for purchasing it when, and if, the decision is made in November.

Mr. Chairman, I mentioned earlier that I included myself in the group that was opposed to building the B–1 at any time. I would have supported an amendment which would have indefinitely deferred procurement funding.

During the past several weeks, I have had discussions with high level staff of both the Defense Department and the Air Force concerning the need for this plane. Much of the justification I have heard relates directly to preserving the integrity of the triad of strategic bombers, ICBM's and SLBM's which we have heard so much about during today's debate. The deification of this triad concept has contributed to much of the nearsightedness which comes out of the Pentagon, supported by its multimillion-dollar public relations arm.

I do not feel that we should blindly accept this triad concept. It advances three redundant systems when two redundant systems may be all that is necessary. The other two systems are invincible now and technologically advanced modifications are being added now.

Certainly, the increased emphasis on this one part of the triad, the strategic bomber force, will make necessary delays in the improvement of our tactical forces. In the next few years, the budget allocated for the strategic bomber will double, if the B–1 is built. Such sacrifices may have far-reaching and unfortunate consequences to our ability to respond to emergencies other than full-scale nuclear war.

Mr. Chairman, there is little doubt in my mind that the B–1, if it meets its specifications, will improve our ability to penetrate enemy defenses with strategic weapons under many scenarios. It is flexible, resistant to nuclear attack, can utilize relatively short runways, and can deliver its armaments faster than our existing strategic force. But in considering its purchase, there is a need to compare its procurement cost, its operations and maintenance cost, and the need for a tanker fleet, with the alternatives available which can accomplish the same mission. We must consider its ability to escape detection and confuse defenses, its ability to survive a nuclear blast, and its payload. We must take into account the number of planes needed to accomplish its mission.

There have been a number of analyses I have seen which question the validity of the arguments advanced by the Air Force in support of this plane. The most often quoted is the study done by Quanbeck and Wood of the Brookings Institution which I have reviewed. I know many of my colleagues have also studied it. After reading this study, I can see the advantages of a B–52 fleet, equipped with accurate cruise missiles. It would not have to penetrate a sophisticated air defense system at relatively crawling speeds as would be the case with the B–1. It would not have as large an infrared signature as the B–1, although its radar shadow would be larger. It could fire short range attack missiles 100 miles from enemy targets which would rocket at 2.5 times the speed of sound with a nuclear warhead each 10 times the yield of the Hiroshima bomb.

The air-launched cruise missile—ALCM—currently being developed by the Air Force, would extend the capability of the B–52 as a credible deterrent. It would have a range of 1,500 miles, with a projected accuracy of allowing half of the missiles fired to strike within 600 feet the air target. If B–52's were modified to launch them, they could be fired from outside the boundaries of Soviet Union, and still reach its major population centers. The missiles would fly as low as 100 feet and have a very low radar cross section. The Department of Defense has testified that it would cost the Soviet Union billions of dollars to mount a defense against them, in addition to the billions of dollars it would cost to develop such a system. This would place a severe handicap on the resources of the Soviet Union to mount a defense against our existing ICBM and SLBM force.

The projected cost of the B–1 has increased each year, Mr. Chairman. Currently, latest estimates are $84 million per copy. Modifications to the B–52 to launch cruise missiles and modernize the plane with changes in its wings, engines, and other parts, would cost no more than $50 million, and possibly significantly less. I believe that the capability of the air-launched cruise missile makes the B–1 bomber obsolete. In fact, the Brookings study documents the reluctance of the Air Force to totally develop the full strategic potential of the cruise missile for fear that it would endanger the B–1 program. The SCAD program, a forerunner of the ALCM program, was canceled by the Air Force in 1973, according to the Senate Arms Services Committee (S. Rept. 93–385, p. 28) because the application of its use as a strategic weapon was promising. It would "jeopardize the B–1 program, because it would not be necessary to have a bomber penetration if a standoff missile was available as a cheaper and more viable alternative," according to the report.

It is my understanding that the Air Force plans to deploy the air-launched cruise missile in the 1980's for use both by the B–1, if it is built, and for the B–52. This is further evidence that the marriage of the B–52 and the ALCM is an effective one.

Mr. Chairman, if the B–52–ALCM team will work, I see no need to invest billions of dollars unnecessarily, particularly during a time of recession and high unemployment. When I return to my district, I want to explain to my constituents that I supported the most cost-effective strategic program, not the least cost-effective public works project in our history.

Mr. **DAN DANIEL**. Mr. Chairman, I also rise in support of H.R. 12438.

I would like to address myself to a specific issue which I have been interested in for a long period—the quality of personnel in the military force.

Since the inception of the All Volunteer Force, I have inserted in the Record periodically statistical data representing both the number of accessions and their quality. This material was intended to be used as a scorecard of the progress of this concept since many Members of Congress have expressed skepticism at the possibility of maintaining a military force of the quality required. I have shared this concern to a degree and thus have attempted to stay current on the situation, as well as to make this relevant information available to other Members of Congress.

Just now the indicators have shown

that the All Volunteer Force is attracting highly educated recruits. There have been problems and the impact of our recent economic downturn can hardly be ignored, and while there have been problems by and large the fears have been unrealized. The personnel managers in the Department of Defense should receive credit for this accomplishment.

I have not taken the floor today though to laud the past. There is a problem appearing which the Members should be attentive to.

During the hearings of the Military Personnel Subcommittee on the fiscal year 1977 defense program, there were indications that there is developing some falloff in the quality of new recruits. The Army witnesses reported that the Army will fall short of its quality objectives during this fiscal year. In terms of high school graduates, the Army forecasts it will be 10 percent short of its goal of 65 percent high school graduates for enlistees, and even more of a deficit will occur in its goal for obtaining enlistees in the average and above mental categories. As the economic picture brightens, as we all hope it will, this situation will be aggravated.

In the Marine Corps, a different type of problem exists, but with the same result.

As the Members recall, the Marine Corps issued a report at the beginning of the year on manpower quality in the Corps. The report indicated some serious problems resulting from a decision to overemphasize the maintenance of personnel strength levels 3 years ago. This policy caused a decline in quality and led to increases in unauthorized absences and desertions. This problem was compounded by the restricting of the commanders' authority to rid themselves of poor quality personnel to maintain strength. Fortunately, the new Commandant and his staff are turning the situation around. The Marine Corps is making a strong effort to emphasize its personnel quality.

For fiscal year 1977, the ability of these two services to recruit quality personnel is one of significance. Unfortunately, the recruiting effort is being damaged by reductions in the services' recruiting budgets and continuing pressure to reduce these expenditures.

I want to state that I am not happy with the situation where the Nation's young men and women must be convinced by salesmanship to serve their country in the military. This is an unfortunate situation for the country. However, if this is what is needed to function in an all-volunteer environment, it is not reasonable to restrict their capability by preventing them from reaching potential enlistees. If the All-Volunteer Force fails, it should not be because the services were unable to attract our best young people due to an inability to reach them.

We may need to look at some alternatives.

The defense budget should provide enough funds to meet these quality problems. It is important that the Members of the House are aware of the emerging problems so that this program can be supported.

Mr. FRENZEL. Mr. Chairman, in past years I have rather consistently voted against the annual Defense Authorization bill. This position reflected in part my concern for our deteriorating economic condition. I also felt that there was a great deal of fat in our defense budgets which could be eliminated without damaging our essential military capability. Last year I voted for it because I believed we made most of the changes that were required, and that it was as passed, a responsible bill.

I am pleased that we have made good progress toward reducing nonessential defense spending. When I first came to Congress in 1971, defense spending totaled 36 percent of the Federal budget whereas proposed defense spending for the coming year amounts to only 25 percent of the total budget. While it is true that dollar amounts for defense are up, when inflation is taken into account there is about 20 percent less purchasing power in the fiscal year 1977 defense budget than was true in 1971. And given the disproportionate rise in military personnel costs since going to an All-Volunteer Army the falloff in purchasing power for weapons systems is even more dramatic. In trying to strike a better balance between defense and nondefense spending we may have gone a little too far.

While there are still areas of the defense budget that could yield additional savings, it is clear that the days of large cuts in defense spending are behind us. Furthermore, our principal adversary, the Soviet Union has not shared our enthusiasm for reduced defense expenditures in recent years. Recent studies conducted by the CIA and the Congressional Research Service, while subject to varying interpretations, seem to indicate that the Soviet Union is currently outspending us on defense by a wide margin.

We cannot afford to ignore these findings. But, our response needs to be carefully measured in terms of our own special requirements. The Soviets have not sought to duplicate our force structure, Instead they have chosen to emphasize those areas that are appropriate to their unique circumstances. We should do likewise.

The committee this year has done a reasonably good job of adjusting our defense spending priorities to reflect these changing circumstances. In fact, six committees of Congress have voted for about the same level of spending as recommended here today. While I intend to support some amendments which would defer or reduce spending in certain areas, on balance this bill deserves our support, no matter what happens to the amendments.

I will support an amendment to defer $1 billion in production funds for the B–1 bomber. This amendment will not affect the $482 million authorized for continued R. & D. work. We will probably need to begin production of a successor to the aging B–52 bomber at some point but the decision can and probably should be deferred in the light of our current distressing economic situation.

I also intend to support an amendment which would mandate a modest 47,000 reduction in our troops currently deployed overseas. At the present time we have 434,000 American troops stationed on foreign soil at a cost of between $14,000 and $15,000 per person per year. This amendment would save us several hundred million dollars and the absense of these troops would hardly be noticed. My choice is that the reductions be made in ground forces in Europe, but the option would be with the defense experts in DOD. We could probably afford to make much more substantial cuts in overseas personnel in the future, but this is a responsible first step which needs to be taken.

I am pleased that the administration naval construction budget request was up 63 percent over what was appropriated for the current year. The size of our active naval fleet has declined substantially in recent years and increased spending is needed to forestall further reductions. The committee, however, has recommended that we add an additional $1.1 billion for ship construction over and above the already large increase recommended by the administration. In view of the fact that the National Security Council is currently in the midst of a major study of future naval requirements, I would prefer not to force additional ships on the Navy until this review has been completed and we have an opportunity to evaluate the recommendations.

As I stated at the outset, Mr. Chairman, this is a good bill and I urge its adoption.

Mr. MEZVINSKY. Mr. Chairman, the "fiscally responsible" President of the United States is asking this Congress to put up a $960 million downpayment on 244 B–1 bombers which will eventually cost us $90 billion. He insists that we must do that before all the test results are in, before final evaluations have been made, before any semblance of a convincing case has been made that this Nation must have those bombers to guarantee our national security. The granting of that request would amount to one of the most blatant cases of "reckless spending" ever recorded in Congress.

The gentleman from Ohio has offered us a responsible alternative. If we support his amendment, we will not be deciding to kill the bomber program, we will be deciding to wait until all the information we need to make an intelligent determination is available to us.

We know right now that the B–1 would be the single most costly weapons system ever produced. We know that military experts of sound judgment and long experience are convinced that the bomber will add nothing to our security. We know that we already have enough H-bombs in stock to wipe out every city in the Soviet Union 39 times over. We know that the B–1 is a noisy, air polluting, sonic booming, ozone depleting, ecological aberration. We know that the President wants to pour 90 billion tax dollars into hardware we cannot eat, cannot wear, cannot live in, and cannot travel in. Surely we can put that money to better use instead of squandering it on a grand fiasco before we even have the facts.

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment that will be offered by the gentleman from Ohio (Mr. Seiberling).

Once we start production, we will never be able to stop short of the programed 244 planes. Since each one will cost $88 million by present estimates—by normal standards this means more than $100 million before we finish—the fleet will cost more than $20 billion.

But this is only for the plane. By the time we add the weapons it will carry, the tankers needed to refuel it and the trained crews required to operate and maintain it, the American taxpayers will end up paying out nearly $100 billion.

It would be irresponsible to authorize the first $1 billion in this long chain without first having more certainty that the investment will yield a real return for our defense, our welfare, and our foreign policy. Responsible research organizations such as Brookings Institution question the effectiveness of the B–1. The GAO has questioned standards and cost schedules.

This amendment would give us the time we need to make an informed decision about what could become the most expensive weapons system ever produced.

But the questions go beyond cost-effectiveness. Environmental groups have testified that the B–1 would cause damage to the earth's ozone layer. It would generate unacceptable noise levels. We should not proceed until we are certain.

I am concerned that our economy can no longer afford to waste precious resources on expensive weapons systems. Over the 15-year lifespan of the B–1 program, New York State citizens will be paying out $500,000,000 more in taxes for the B–1 than they will receive back through contracts. So it is a myth that programs like the B–1 automatically bring prosperity.

Finally, the continued militarization of our foreign policy disurbs all of us who wish to see a world at peace. We have more than enough missiles and bombers to defend our country. Let us not act hastily to add another expensive, questionable weapon to our already overstocked arsenal.

The amendment when it is offered should be adopted.

Mr. MIKVA. Mr. Chairman, the decisions reached by the Congress during this debate of H.R. 12438, the military procurement and research and development authorization bill, not only determine the basic tools essential to our security, but also the scope and goals of American foreign and domestic policy for generations to come. The commitment of our resources to the research, development, and procurement of various weapons systems inevitably decreases the resources remaining for all our vital domestic programs—from education to health to the environment. For example, Congress will soon have to decide whether we can afford $125 million for day care centers, notwithstanding the President's veto. This sum, which affects 5,000 children in my State of Illinois alone, is less than four-tenths of 1 percent of H.R. 12438.

For these reasons, it is imperative that Congress refrain from simply equating the quality of our national defense position with the amount of money spent on military development. As the distinguished gentleman from Wisconsin (Mr. Aspin) has demonstrated in his comprehensive analysis; there are many factors at play in balancing our military position with the Soviet Unions which make comparisons on a pure dollars and cents basis irrelevant. This, of course, does not mean that we should ignore the Soviet investment in defense. But, it does mean that we should not be stampeded into matching the Soviet Union's decision to dedicate 10 to 15 percent of their gross national product to defense spending. Challenges to the interests of the United States exist now, and will continue to exist in the future. In particular, the Soviet Union has been and will continue aggressively to pursue policies which directly affect our interests. However, the basic question for the United States remains: What is necessary for the security of this country?

The B–1 bomber is not necessary for the security of this country. The manned bomber is the least effective element of our triad defense system. This fact will be true whether we continue with the B–52 or convert to the B–1. Neither can match the capabilities of the cruise missile as a nuclear strike force. Nor does the cost of the B–1 justify its implementation as a conventional weapons system. Strategic bombers are useful only in one type of war—the Vietnam situation in which the military targets are largely undefended. I fervently hope that the Defense Department is not advocating deployment of the B–1, because it plans any more Vietnam-type wars.

The construction of another *Nimitz*-class carrier is not necessary for the security of this country. The $2 billion-plus cost of the carrier will divert a substantial amount of money for the development of more mobile and utilitarian ships. Moreover, it is extremely likely that Soviet technology has advanced to the point where detection and destruction of these high value targets is well within Soviet capabilities. The long-term harmful impact of building another *Nimitz*-class carrier is shockingly demonstrated in the additional views to the committee report to H.R. 12438 of the distinguished gentleman from Washington (Mr. Hicks). Congressman Hicks pointed out that the Soviets can build a nuclear attack submarine every 5 weeks during the 7 years which it will take us to build another *Nimitz*. Therefore, it must be clearly understood that construction of another *Nimitz* will be at the expense of a vastly greater number of other strategically important ships.

The US–3A COD cargo aircraft is not necessary for the security of this country. It is extraordinarily expensive for the duties it is designed to perform—so expensive, in fact, that neither Secretary Rumsfeld nor the Chairman of the Joint Chiefs of Staff, General Brown, could justify the cost. Other aircraft exist which can efficiently perform the service of shuttling high priority passengers and cargo between the shore and aircraft carriers.

Conversely, there are provisions in the committee report which are necessary for the security of this country. The committee's decision to provide funds for construction of four SSN–688 nuclear attack submarines is a sound one. These submarines are superior to all others in either our fleet or the Soviet Union's. Moreover, the 688's serve an undeniable strategic need. The committee has also decided to continue the Naval Reserves at present strength and to maintain the junior ROTC program. I support both these decisions as important to the security of this Nation. However, I also feel that both programs are in need of genuine reforms, and the mere authorization of Federal funds will not be sufficient to improve the programs.

These examples demonstrate the need for a careful examination of all weapons systems and programs sought by the Pentagon and authorized by the committee. There are elements in the committee report which are absolutely necessary for our security, but there are many other elements which are wasteful and unnecessary. I do not see the merit of matching stride for stride the misdirected and misshapen priorities of the Soviet Union. Let them choose to spend 15 percent of their GNP on defense. Their weaponry remains technologically inferior and the loyalty of their Warsaw Pact allies, not to mention their own people, is highly questionable.

H.R. 12438 is a reflection of the priorities which the Department of Defense places on national programs. But, the setting of national priorities is not the function of the DOD, it is the function of Congress. The technological superiority of American defense systems, coupled with our vastly superior production of agricultural, manufacturing, and consumer goods reflects our ability to do more with less and contributes mightily to our security in the world.

The people of the United States are looking to Congress to set priorities for the expenditure of funds on health, education, employment assistance, and mass transit. The President has indicated that he considers these matters to be of secondary importance to a bloated and inefficient military. Mr. Ford's proposed cuts in health, education, housing, employment assistance, child nutrition, mass transit, and veterans' programs from projected fiscal 1977 outlays equal $8 billion—equivalent to the cost of constructing four *Nimitz*-class carriers. It is incumbent upon Congress to demonstrate that we do not share this set of priorities. The massive sums which we provide for military research and development, for construction and for procurement deprive the Nation of civilian technology and the increased number of jobs which civilian production provides. Equally important, military spending is highly inflationary. Salaries are paid for producing goods which do not enter the marketplace, thus demand increases and supply stays the same.

This bill was an opportunity for Congress to demonstrate that there are limits to military power. We should no longer tolerate mindless and unnecessary expansion of our overkill capabilities at the cost of sacrificing a sound domestic economy. The security of this Nation can be assured by devoting ourselves to developing weapons systems serving direct and observable security interests, and by promoting an economy which is second to none. Unfortunately, this bill, on final passage, does not represent the restraint and concern that the dollars involved should dictate. We are going to come up short in meeting our vital domestic needs by spending too long on supposed military needs, and I cannot support the bill before us.

Mr. MAGUIRE. Mr. Chairman, we all agree that the military procurement bill deals with matters of vital importance to our national security. I am sure we would also agree that, given the price tag of $33.4 billion, it is a bill we need to examine closely to make certain we are getting the security we need, that we are not undermining our security, and that we are getting the security we are paying for.

I am an advocate of a strong national defense capability, and I am most concerned that we get the greatest possible measure of defense security from every defense dollar we spend. Defense and defense-related items account for about one quarter of the total Federal budget. The authorization now under consideration constitutes an increase of 31 percent over that of the last year, more than four times the 7-percent inflation factor. If such an increase were essential for our national security it should of course be incurred, but in this case it is not essential and the increases cannot be justified. Money spent for inadequate systems and for marginal improvements in existing capabilities are not in the best interest of the taxpayer. Nor are programs such as MARV, which actually reduce our security. What we are doing is ignoring efficiency, cost-effectiveness, and quality in favor of symbolism and posturing. We should be examining this budget much more closely than we are.

There are several items in this budget which deal with redundant or nonessential weapons systems. Included in this list are the B-1 supersonic bomber—$88 million per plane, the Trident submarine—$1.4 billion per equipped ship, and AWACS, the airborne warning and control system—approximately $104 million per plane. These systems are not being developed as a result of thorough evaluations of our military needs. Rather they are being developed because we have the technology to produce them.

It has also become more and more apparent that we are absorbing some of these immense costs simply because of interservice rivalries, leading to needless duplication of effort in research, development, and deployment. For example, both the Army and the Marines proposed their own versions of the versatile A-10. Each branch argues that it alone is capable of understanding its own needs; each claims a need for its own version of each weapon to provide its own support. The Army has the advance attack helicopter, used in antitank warfare. The Marines developed the Harrier AV-16 so they, too, would have their own aircraft. But the Harrier's endurance is less that the A-10 and can carry only two-thirds the weapons. Why cannot these services integrate their air support into single tactical units? Why must we continue to pour needless funds into different kinds of equipment for the sake of each service's individual personality? Dollars spent on marginally effective weapons systems and duplicative systems are dollars denied to real defense needs.

There is also a lot of fat in the manpower area. We now require more backup support than ever before for each man, ship and aircraft. We have over 1.5 million civilians on the Defense Department's payroll, a manpower ratio of approximately one civilian for every two persons on active duty. Manpower consumes the largest portion of the defense budget—51 percent and $52 billion of this year's total authorization request. The manpower figure is expected to increase to 55 percent and $70.9 billion by 1980.

We need to reduce unnecessary manpower and its costs. There are still many areas in need of personnel reductions. For example, we should look carefully at the 1-percent retirement kicker, dual compensation of Federal employees who receive active duty pay for Reserve and National Guard duty, the present level of reenlistment bonuses, abuses in the CHAMPUS program and military travel policies.

The housing allowance and commissary operations are other areas in need of review. The Department of Defense has recommended studies in all of these areas, which would in the long run reduce unnecessary costs by over $800 million. We must also act to modernize the entire military retirement system—a system which currently allows many persons to retire between the ages of 40 and 50, and then enter other careers while continuing to receive full retirement benefits. I remain hopeful that the subcommittees dealing with these issues will come forward with their proposals before this Congress comes to a close.

One of my principal concerns is that we are not coordinating our defense posture with our foreign policy. We do not see this coordination in the committee process nor in the administrative process. The adequacy of our weapons systems cannot be determined in the abstract. We need to know what specific role or mission a particular weapons system serves in the context of a specific geographical or strategic purpose. If we fail to procure the weapons we need in terms of our foreign policy objectives, we are likely to find that it is our military procurement policy that dictates major aspects of our foreign policy, our economic policy, and our social policy; the appropriate relationship should be the reverse.

The United States and the Soviet Union account for some 60 percent of the worlds' military outlays and 75 percent of the world's arms trade. The tens of billions spent annually in weapons procurements makes munitions one of the largest industries in the world. The cost of existing stockpiled weapons alone is twice the value of the capital stock of all manufacturing industries in the United States. These costly outlays contribute to inflation, retard our economic and social development, and misdirect resources urgently needed for human well-being and reduction of the root causes of international conflict and tension. There are governments in developing countries which expend as much for military preparedness as for health care and education combined. The result is that the number of their people unable to read or write or attend school, the number unable to see a doctor or enjoy a minimally adequate diet, continues to grow larger. Concerning the human costs of the arms race, I want to call attention to the very excellent and eloquent statement by my colleague from Ohio (Mr. MOSHER) printed on page 10192 of the CONGRESSIONAL RECORD on April 8, 1976.

Mr. Chairman, I am deeply troubled that this Congress is once again failing to address itself even to the known abuses, duplications, and marginal features of these weapons. I believe in an effective national security program which will advance with technology, support our commitments, enhance rather than undermine the strategic principles upon which our security is based, and be responsive to any possible worsening of the international climate. But our security also requires that we must be cost vigilant. During a period when America is suffering from severe economic problems, no branch of Government should be exempt from rational cost controls. Many specialists in defense technology are concerned about the incremental cost-effectiveness of some of our current and proposed weapons systems, when contrasted with a combination or modification of presently operational systems. While there is an essential threshold of national security which we must achieve and maintain, persistent clamorings for more and more money to produce excessively costly, limited-utility weapons systems do not address either our real domestic or military needs and, in fact, will detract from meeting them.

Mr. Chairman, the military procurement bill—which includes billions of dollars for weapons systems not even requested by the Department of Defense—leads us still further into the quagmire of spending more in exchange for less. It is for this reason that I have decided against supporting it.

Mr. PRICE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the bill by title.

Mr. LEGGETT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the

Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the Untied States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1977 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, $555,500,000; for the Navy and the Marine Corps, $3,157,500,000 of which $125,000,000 shall be used only for the proceurement of the A–6E aircraft; for the Air Force, $6,344,800,000 of which the $474,700,000 authorized for procurement of six E–3A Airborne Warning and Control System (AWACS) aircraft shall not be expended until a favorable decision is made by the North Atlantic Treaty Organization allies for procurement of the system.

MISSILES

For missiles: for the Army, $552,400,000; for the Navy, $1,897,900,000; for the Marine Corps, $71,900,000; for the Air Force, $1,599,400,000.

NAVAL VESSELS

For Naval vessels: for the Navy, $7,378,300,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, $1,084,300,000 of which $65,200,000 shall be authorized for appropriation for plant facilities expansion and modernization for future XM–1 tank production: *Provided,* That none of the funds authorized to be appropriated may be obligated on a specific production site until such time as competitive testing between possible United States XM–1 tank contenders has been completed and a winning contractor designated; for the Marine Corps, $29,700,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, $251,800,000.

OTHER WEAPONS

For other weapons: for the Army, $63,600,000; for the Navy, $73,000,000; for the Marine Corps, $3,500,000; for the Air Force, $2,900,000.

Mr. PRICE (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Seiberling: Page 2, line 13, after "the system." insert the following new sentence: "None of the $960,500,000 authorized for procurement of three B–1 aircraft and initial spares shall be expended until (1) the President, subsequent to February 1, 1977, certifies to the Congress that he, having reviewed the results as of such date of the B–1 aircraft test and evaluation program, regards such expenditure as being in the national interest, and (2) the Congress, by a concurrent resolution adopted subsequent to such certification, approves such expenditure."

Mr. SEIBERLING. Mr. Chairman, I would like to join in the recent round of accolades to the chairman of the Committee on Armed Services for his fairness, his courtesy, and his competence, which, as we all know, is practically without equal in the House.

I do respect very much the gentleman's viewpoints and the contributions the gentleman has made to national defense and to the work of the Congress. However, Mr. Chairman, I think we have another obligation besides recognizing the contributions of our distinguished colleague, and that is our obligation to the people of the country not only to provide a sound defense but to provide one at the minimum cost.

I would like to read a quotation from one whom we all recognize as one of the greatest Americans of this century who said:

> Every gun that is made, every warship that is launched, every rocket that is fired signifies in the final sense a theft from those who are hungry and are not fed, those who are cold and who are not clothed. This is not a way of life, it is humanity hanging from a cross of iron.

Those words are the words of our late, great President, Dwight David Eisenhower.

Mr. Chairman, this amendment does not cut any money from the bill, all it does is defer the expenditure of that portion of the money allocated to the B–1 bomber, nearly $960,500,000 for procurement of the first three production models of the B–1 until the Air Force and the prime contractor can complete the minimum flying test program originally agreed to by the Air Force and recommended by the GAO.

A copy of the amendment, along with a summary of the GAO report published in Aviation Week and Space Technology, is printed in today's Congressional Record on page 9840

The bill of the Committee on Armed Services already contains a precedent for this action. The bill would defer expenditure of the money, $474 million, authorized for six AWACS aircraft "until a favorable decision is made by the North Atlantic Treaty Organization allies for procurement of the system."

Our amendment would defer expenditure of the funds authorized for the B–1 production models until the President of the United States certifies to the Congress, subsequent to February 1, 1977, that he has reviewed the results of the B–1 test and evaluation program, and regards such expenditure as being in the national interests, and thereafter the Congress, by concurrent resolution, approves such expenditure. And I have no doubt but that if the President makes that finding that the Congress will so approve.

In August 1974, Mr. Chairman, the Air Force agreed with the Office of Defense Research and Egineering that the B–1 program should meet certain conditions prior to a production commitment.

Mr. Chairman, I am not going to go into those conditions since they have been already printed in my statement that appears in the Congressional Record on page 9840

This commitment is in keeping with the Armed Services Committee's "fly-before-buy" policy. The commitment, however, is far from being met and is not likely to be met, according to the GAO, until some time next year.

The GAO report further states that:

> Although required by Department of Defense instructions, minimum performance thresholds have not been established for the B–1 weapons system.
>
> The same may be said about the cost and schedule thresholds which are also required by the DOD instructions.

In fact, the test program is behind schedule. Plans call for 345 flight test hours on the first three B–1 aircraft before the production decision, those aircraft having been made already for research and development puposes. As of yesterday, the first B–1 had only flown 134 hours. Aircraft No. 2 had not flown at all and aircraft No. 3 has flown 4-plus hours. So we have a little more than 138 hours flown out of 345 hours required to complete the flight testing program.

Furthermore, the tests already have indicated major structural problems which will require expensive design changes or future downgrading of the B–1 performance specifications. And I might add that the specifications have already been downgraded very substantially as a result of the testing that has already been done.

The GAO report states that due to a failure of the wing carry-through structure assembly, redesign of the wing structure is required before static testing can be completed.

Static testing of an assembled airframe, which is normally required by the Air Force, is not even planned for the B–1 because of cost considerations.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Seiberling was allowed to proceed for 3 additional minutes.)

Mr. SEIBERLING. The distinguished chairman of the committee has said to me, in response to these points, "but if we defer putting this money in so that it can be expended without further decision by the President or the Congress, we will upset the production schedule and dismantle the team."

Let me point out that on page 10 of the GAO report it states that a slower delivery of the early production aircraft was decided on by the Air Force "because the delayed start of the fourth aircraft" which is now being made "reduced contractor manpower to such a low level that new personnel could not be introduced in the production operation fast enough to meet the existing schedule." So there is no team that is going to be dismantled if this amendment passes.

Furthermore, Secretary of Defense Rumsfeld and his predecessor, Secretary

Schlesinger, have both testified that the B–52 fleet will remain operational until the end of the 1990's. This being the case, there is no compelling need for the Congress to give final authorization to the production phase of the B–1 before the Air Force has even completed the basic testing and evaluation.

The GAO report includes, among the key issues, evaluating the B–1:

> Testing to be completed before the production decision.

and:

> To result in a demonstration of the system's capability to perform its mission. Consequently, the Congress should require the Air Force to submit to Congress the results of flight and ground tests.

The Committee on Armed Services says that there is a high probability that the Department of Defense by November of this year will have all the data necessary to make a procurement decision on the B–1. In other words, the committee concedes the possibility that DOD will not have the data by November. Clearly, however, the Congress does not now have the data to make the procurement decision, and neither does the President. For Congress to make this decision in such circumstances would appear to me to be irresponsible and lay us open to another possible debacle like the one involving the notorious C–5A transport plane.

Our amendment will assure time for a completed flight test program as recommended by the GAO and agreed to by the Air Force, and a prudent decision by the next President, whoever he may be, and by the Congress, based on adequate test results.

Mr. Chairman, I yield back the remainder of my time.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I rise to express my strong opposition to the inclusion of development funds for the Navy's Project Seafarer—funds which have been included in the fiscal year 1977 defense authorization bill before us today.

The Navy has indicated on several occasions their strong desire to locate the ELF system in the upper peninsula in a geological area known as the Laurentian Shield. The Navy has argued that not only is the Michigan site geologically advantageous, but also that it is less costly than other possible site areas in Nevada and New Mexico.

The proposed Michigan site area is in my congressional district and I have therefore taken an extremely active interest in the project. The site survey area, comprising roughly 10,000 square miles in seven counties, has become a focal point of debate and controversy in recent months.

The Navy has requested $29.8 million to fund the project for fiscal year 1977; $4.65 million of the request would, if granted, be used to construct a pilot project in one of the site selection areas. The pilot project would consist of two 50–60 mile-long buried cables, a transmitter, and a communications control center.

I am opposed to the $4.65 million requested for deployment funds because I believe it is premature. It comes before the completion of a number of important studies associated with the controversial system. For example, the National Academy of Sciences is presently conducting a review of the literature concerning the biological and ecological effects of ELF radiation which, by the most optimistic timetable, will not be completed until the end of this calendar year. In addition, the final environmental impact statement on the site areas will not be completed until early summer, 1977.

The granting of deployment funds to build even a pilot project is simply not justified prior to the completion of these important research efforts. Too many serious questions have been raised in the past concerning the ELF system to warrant deployment prior to the time concrete scientific data finally becomes available.

In my view, the $4.65 million request is also outside the scope of past congressional policy and intent. Since 1959, the Congress has authorized and appropriated funds exclusively for research, development, and testing of the ELF system. In fact, on various occasions, the Congress has removed funds requested for deployment and inserted language in committee reports indicating that no such funds were to be appropriated until the nagging questions surrounding the project are answered.

This is as it should be. In my judgment, Project Seafarer has so many ramifications for the Nation's national defense policy that Congress should fully examine, debate, and understand the implications of the controversial system before funding its construction. Again, this can only be done after all the facts are in and the information is available to the Congress.

I am also disturbed over the impact the appropriation of deployment funding might have on the people's role in the site selection decisionmaking process. My own position in this regard has been very straightforward. I have stated publicly on occasions over the years that the very magnitude of the system and the controversy that surrounds it dictates that only the people can decide if it should be located in northern Michigan.

The Navy recognized this principle in both Wisconsin and Texas and has continued to demonstrate a lack of interest in siting the system in either of those States due to negative public opinion concerning the project. In addition, only recently in response to a request for a specific interpretation, Deputy Secretary of Defense William Clements has assured Governor Milliken that he would not recommend Michigan as the final candidate site without the Governor's approval. Such a commitment by the Navy once again clearly publicized a Navy intent to abide by the wishes of a jurisdiction other than the Federal Government in selecting a final site for the ELF system.

I should also point out that the Congress on at least two prior occasions made provision for active local citizen input into the final site selection process. I refer to the committee reports which accompanied the Department of Defense's appropriation bills in fiscal year 1975 and fiscal year 1976, which state very emphatically the role of State and local government in the site selection process:

> None of the funds provided should be used for full scale development of the Sanquine system. Furthermore, the committee will not consider funding full development of Sanquine until a site has been selected, and State and local government agencies concerned concur in the deployment plan.—from House Appropriations Committee Report on DOD appropriations for FY75;
>
> The reductions delete the funds for full scale development, pending selection of a construction site for the system. The site selection process should include participation by state and local authorities—from House Appropriations Committee Report on DOD appropriations for FY 76.

The approval of deployment money could, however, negate all of this. In my view, the pilot project in reality amounts to a Navy effort to secure approval of full-scale development of the system. The "test bed" would comprise a considerable area of the final site and would, in fact, amount to a de facto site selection.

It is difficult to imagine that once $4.65 million has been poured into an area to begin construction of the system, it will be easy to stop construction of the entire project. Thus, the approval of the $4.65 million could well eliminate the possibility for final congressional review and approval as well as completely remove any possibility of serious State or local government involvement in the site selection process.

Finally, I should point out to my colleagues in the House that removal of the deployment funding will not do serious harm to the timetable for eventual construction of the system. Using the Navy's own timetable, it is quite clear that the delay caused by removing the development funds would be about 2 months. Instead of having the money to begin construction in July or August 1977, the Navy would have to wait until a similar request was approved effective October 1977.

The delay is minimal and will cause no irreparable harm to the program. I believe, however, that I have demonstrated that the risks and pitfalls in not delaying construction of the system are many, and they are serious.

I deeply regret, therefore, that the House Committee on Armed Services in its deliberations has chosen to retain the $4.65 million in deployment funding for Project Seafarer in the fiscal year 1977 defense authorization bill. However, it is my understanding that Senators GRIFFIN and HART of Michigan and Senator NELSON of Wisconsin are working to have these deployment moneys removed in the Senate Armed Services Committee's consideration of the defense authorization bill. Should their efforts be successful—and I am hopeful that they will be—I will urge that the House conferees reconsider the House Armed Services Committee's position and delete the deployment moneys for Project Seafarer from the fiscal year 1977 budget.

Mr. ADAMS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, to a very great extent what occurs in the debate on this bill will serve as a basis for targeting with regard to the budget resolution that will appear on the House floor the 26th of April. One of the great concerns that all of us have with regard to this Bill is that it will tend to lock in, as stated by the gentleman who appeared in the well before me, certain production runs. In the procurement area that will in effect set policy of production for the next 4 to 5 years. In this particular case, and with respect to certain other procurement items, we have been arguing about what size or percentage of increase should occur in Defense spending. If no amendments are adopted to the bill as presented by the Committee, the total amount will be above the President's budget by between one-half billion dollars and $1 billion. The result of this will be that we will have to raise the deficit figure when we bring before the House the budget resolution or target lower in the hope the appropriation committee will not appropriate the full amount being authorized.

The Budget Committee in its total allocation for Defense is very close to the President's figure. In fact, we are less than $1 billion apart in budget authority and approximately $500 million apart in outlays. But I would hope that the amendment of the gentleman might be adopted because it is a moderate amendment, and it is a responsible amendment and will help us hold Defense increases to a reasonable amount. We should at least see whether it actually will work before we go into the production of it. The amendment does not reject the concept.

It is saying that we should be very careful as we proceed with these procurement programs. I am going to appear in the well of the House, and I accept this responsibility, on a great many other programs that are asking for additional money. I respect each of the committees of the House and particularly the chairman and the problems they have and the difficulties they have with the particular responsibilities and the groups that appear before their committees.

This is not true only of the Defense Department. Not at all. The same thing is true of the other programs which I have discussed with the chairmen of the standing committees. They have problems with the veterans' spending and problems with revenue sharing and problems with food stamps. This will repeat itself again and again throughout the year.

What I am asking the House to do is to exercise some restraint. One of the ways in which to exercise some restraint is to support this amendment and also not to add on additional amounts to the bill.

Finally I want to comment on the military pay problem. The Budget Committee voted in support of the President's pay package for defense and nondefense Federal personnel. One of the reasons why I am appearing on this authorization bill—ordinarily we do not because spending comes from the appropriation bill when it is finally passed, but because the pattern of what occurs in the authorization bill here and the authorization committee action on pay will bind the Appropriations Committee's in certain definite ways on total defense spending. Therefore I think it is necessary and important that those of us who are trying to wrestle with all these various spending demands should present them to the Members in a coherent fashion and indicate the dangers of going along with more and more mandatory spending programs.

I would hope the amendment offered by the gentleman would be adopted. I think it is a responsible amendment and I think it is one the House will find will not in any way injure the security of the United States. I hope the amendment will be adopted.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, could the gentleman tell the House upon what basis the Budget Committee decided there was no need for procurement of the B-1 bomber?

Mr. ADAMS. We did not try to interfere with the jurisdiction of the authorizing committee but took instead percentages devoted to production and development of procurement items. We divided those into the percentage increase requested by the President, which was about 23 percent, 7 percent for inflation and between 15 percent and 16 percent for other amendments which provided for an increase. Then we said we would recommend a smaller percentage than that recommended by the President.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. KEMP, and by unanimous consent, Mr. ADAMS was allowed to proceed for 2 additional minutes.)

Mr. ADAMS. Mr. Chairman, I recommended 15 percent and it was rejected. The final amount that was agreed upon by the Budget Committee was on an amendment offered by the gentleman from Florida (Mr. GIBBONS) which recommends about a 20 to 21 percent increase in procurement.

Mr. KEMP. Was thought given in the Budget Committee to the basis for consideration of the B-1 Bomber program, vis-a-vis the Soviet threat to our land based missile system?

Mr. ADAMS. The committee agreed we must maintain our strategic deterrent and we would leave it to this committee to determine which of the particular items to produce in which amount. In other words a package of money was made available and my comment to the Members is we will advocate restraint for all.

Mr. KEMP. As one who also advocates fiscal restraint, I might say that I think this program is a very important part, an essential part of our Triad system for deterring war and it is the most flexible. I wonder what thought the committee gave to this.

Mr. ADAMS. A great deal of thought was given to the total strategy of deterrent. The debate whether to build 80 additional antiballistic missiles for the Trident or to build the B-1 now or go with the cruise missile coupled with a standoff bomber was considered but not debated at length because we felt an ample amount of money was available in the resolution to allow the House to select and decide which one was most important to start at this time. A number of us who are familiar with those programs also are aware we have until the 1980's to determine what type of new strategic approach should be made.

The CHAIRMAN. The time of the gentleman from Washington (Mr. ADAMS) has expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. ADAMS was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, about 6 weeks ago, former Secretary Schlesinger attended a seminar that a group of us organized here. We had a very lively discussion about this subject. He said he personally was not convinced that the B-1 was the best alternative for the follow-on to the B-52 as a part of the Triad. When we get right down to it, the only argument for the manned bomber phase of the Triad that has ever made any sense to me is that it immensely complicates any effort by the Soviet Union to launch a first strike. That effort will be just as much complicated with the B-52 throughout this next decade and the FB-111 which is supersonic and which, unlike the B-1, can fly supersonic at low altitude, as it will by the B-1, because if only a fraction of the force gets through, there is still the possibility of enormous destruction in the Soviet Union; so that part of the Triad will remain operational for at least the next decade, whether or not we go to the B-1 or other alternatives such as air launch missiles.

The CHAIRMAN. The time of the gentleman from Washington (Mr. ADAMS) has again expired.

(At the request of Mr. McDONALD of Georgia, and by unanimous consent, Mr. ADAMS was allowed to proceed for 1 additional minute.)

Mr. McDONALD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. Mr. Chairman, I would like to point out, the Triad leap is not an independent item, but rather is a synergistic approach. We cannot isolate one section of the Triad by itself.

The gentleman from Idaho brings up an interesting point about what consideration the Budget Committee gave in determining the adequacy of our defense. In other words, did the Budget Committee take into account the number of current Soviet Backfire bombers now deployed in striking position?

Mr. ADAMS. The Budget Committee did not debate the individual weapons systems, but the total amount of money applicable to the defense function and other programs. In the resolution we are holding the domestic functions at about a 5-percent increase or below. This defense function in procurement had a 23-percent increase and we were dealing with that problem.

Now, I can debate with the gentleman the merits of the various weapons systems as an individual because I happen to have some familiarity with aircraft systems, the Triad, the Russian aircraft. I have talked with Secretarys Schlesinger and Rumsfeld and we have differences of opinion on many items. We all have agreed on the Triad approach, however. In my opinion, we are the No. 1 power in the world at the present time. I think we are very capable of handling the Soviet threat.

I also think we should continue to develop our strategic force, but not try to buy everything this year.

If the gentleman wants to debate the merits of it, I would be happy to discuss that; but I am stating precisely what the Budget Committee debate was, which was to exercise some restraint in the growth here, not cut it back, not inhibit it, but just not let it have all the money that the proponents want.

The CHAIRMAN. The time of the gentleman from Washington (Mr. Adams) has again expired.

(At the request of Mr. Randall, and by unanimous consent, Mr. Adams was allowed to proceed for 1 additional minute.)

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, I came on the floor and when I arrived on the floor I heard the gentleman from Washington say that the Budget Committee was not involving itself in the weapons process at all.

Mr. ADAMS. That is correct.

Mr. RANDALL. In the debating process?

Mr. ADAMS. That is correct.

Mr. RANDALL. Is the gentleman appearing or offering the amendment against the B-1 on behalf of the committee or is the gentleman appearing as an individual Member of Congress, or in what capacity?

Mr. ADAMS. I did not offer the amendment.

Mr. RANDALL. I understand that.

Mr. ADAMS. I am supporting the amendment as an individual Member of Congress, certainly.

I might state to the gentleman that that is all this Member ever does in the well.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I think it is very important to stress that the Budget Committee has not taken a position for or against the B-1 bomber.

Mr. ADAMS. That is correct.

Mr. GIAIMO. I think it is important to stress that our Budget Committee felt because of the restraints and constraints in the other portions of the budget, there ought to be reasonable constraints and restraints in the Defense Department budget.

The CHAIRMAN. The time of the genman from Washington (Mr. Adams) has again expired.

(At the request of Mr. Giaimo, and by unanimous consent, Mr. Adams was allowed to proceed for 1 additional minute.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield further?

Mr. ADAMS. I yield to the gentleman from Connecticut.

Mr. GIAIMO. We felt that the Defense Department should seek to restrain its spending and its procurement; but we in the Budget Committee did not speak in favor or against the B-1, for or against the Trident, for or against additional missiles, and so forth.

But, there should be efforts to restrain the budget, and a 15- or 16- or 21-percent increase in a budget is unconscionable in this year of necessary restraints.

Mr. ADAMS. The gentleman is correct, and I might state that the same thing has occurred and will occur in the foreign aid authorization and many of the other functions. When the Members see the budget resolution, they will, I am sure, feel that it is very difficult to still have a deficit, as we do, and that we must have restraint in all of the various areas of the budget. This area happens to be one that has less restraint than any other.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(On request of Mr. Charles H. Wilson of California and by unanimous consent Mr. Adams was allowed to proceed for 2 additional minutes.)

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. What does the gentleman think of deferring the AWACS program in order to help the budget process?

Mr. ADAMS. I have not addressed that issue yet. It has not been presented on the floor, so I do not know what the various merits of the proposal are going to be.

Mr. CHARLES H. WILSON of California. We are talking about programs that might help the budget process, and the gentleman has taken it upon himself to come down and support the Seiberling amendment. There must be other programs that might be less important to the country than the B-1 bomber is.

Mr. ADAMS. There may well be, but we must address each amendment on its merits. In the ship area there are great nuclear ship increases which should be controlled. All I am saying is that in all of these procurement areas we are allocating a huge new amount. We are going to spend by a tremendous amount, and I think we should exercise restraint because when the various appropriations come from the Appropriations Committee they must have divided the money that is going to be spent in each functional category. I did not want to appear at that later point with all these programs locked in and not having said something on this floor about the total budgetary problems we are going to face in trying to lower the budget deficit by about a third.

Mr. CHARLES H. WILSON of California. I think the gentleman makes a mistake, as chairman of the Budget Committee, to come down and participate in debate involving individual programs of this type. He is hurting the budget proposal act, and I think he is inviting further opposition to the whole budget control system by so doing.

Mr. ADAMS. I understand the gentleman's position.

Mr. ALEXANDER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, members of the committee, I rise in opposition to this amendment. We have delayed proceeding to production of the B-1 bomber long enough. The Air Force has been studying the requirement for a follow-on manned bomber for 15 years, and in the course of that study the performance specifications of speed, of altitude, of range, of weapon capacity, of electronic countermeasures, of bomb navigation systems, and all other parts that make up this system have all been defined, specifically defined.

The B-1 bomber meets the specifications. The B-1 has been under development for the last 6 years. During that time, the Air Force and its contractors have been demonstrating in the laboratory, in the factory, and finally in the air that the B-1 bomber will do the job that is demanded of it. In the areas that really count for an aircraft, the aircraft structural integrity, the engine performance, the B-1 has lived up to every expectation.

From this standpoint, there is no doubt that the aircraft is ready in this Bicentennial year for production. From the cost standpoint, the B-1 is also ready. The Air Force has achieved its goal of all program managers in the cost area. Further, a delay in the program at this time, a start, stop, start, stop delay, will only increase the cost.

Engineers from my district advise me me that a delay that would be precipitated by the adoption of this amendment would cost an additional $1.2 billion in cost that would be incurred by delayed construction.

From the standpoint of need, the production of the B-1 is required at this time. Our current heavy bomber, the B-52, we all know is 20 years old. We all know that the B-52 was produced from technology that was developed in the 1940's and the 1950's. The B–52 is slow. It is easily seen by enemy targets. The time it requires to launch it is relatively long. It has limited low-altitude, terrain-following maneuverability. In today's environment, with current capability of potential adversaries, the B–52 is adequate. But for the environment projected for the 1980's the B–1 is needed, and the need is increasing daily with the development of missile weaponry.

The advancing Soviet capability dictates that the B–1 must be produced now. The substantial Soviet submarine-launched ballistic missile capability must be taken into account in planning the launch of a bomber force. Where we were dealing in minutes with the B–52's, we are now dealing in seconds when we are planning a launch against a missile capability.

The Soviet homeland defense is already dense and is becoming more sophisticated and more capable all the time. This trend is expected to continue and is not a subject of discussion in current arms limitation talks.

The B–1 will be able to defeat these defenses projected for the 1980's and beyond.

The target structures in the Soviet Union are growing and being made increasingly resistant to all but most accurate weapons. The B–1 will be able to deliver weapons with the accuracy required to meet these targets and to defeat and to destroy these targets.

In summary, Mr. Chairman, the B–1 meets the stringent requirement for a new manned bomber. A decision is required now. The B–52 is growing old and the Soviet defensive capability is increasing. Without the B–1, our ability to deter nuclear war will be in question. With it, we have the best deterrent capability available.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Wisconsin (Mr. ASPIN).

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

(On request of Mr. ASPIN and by unanimous consent, Mr. ALEXANDER was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman in the well (Mr. ALEXANDER) this question:

The gentleman knows that the production decision has not yet been made, but the gentleman sounds as if it has already been made or he sounds as if the Congress should be making it here and now.

The administration has said and the Defense Department has said they are not going to make the decision before November 1976. We have this budget on the floor here in April 1976. The gentleman in the well says that we should proceed and go ahead and make the production decision now. But the administration is saying they have not got the information, at least they are telling the Congress they have not got the information to proceed with the decision now. Why should the Congress make the decision now, rather than wait for the information and do it at the same time the administration does?

Mr. ALEXANDER. It is commonly alleged that the Department of Defense is asking Congress to make a production decision at this time. But this is not true. The Department has made an explicit commitment to acquire the B–1 and has transmitted that decision to the Congress

Funds for the production program are included in the fiscal 1977 and out year budgets, and by its context the decision to produce the B–1 bomber has been made. It has now been made, but we must affirm it in the Congress.

Mr. ASPIN. Mr. Chairman, the amendment offered by the gentleman from Ohio (Mr. SEIBERLING) does not, of course, cut out the money for the B–1 bomber, which is, I think, the good thing about the amendment that the gentleman has offered.

All the gentleman from Ohio is saying is that no money in the budget that we agree to, starting next year in October, shall be expended until the President certifies to Congress that the plane is needed and Congress has a chance to look at it and certifies that the B–1 bomber is needed as our new plane.

Mr. DAN DANIEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I know that a good deal of the opposition to the B–1 is based on the belief that there are more practicable, less costly alternatives to it. Recently, the Brookings Institution published a report entitled "Modernizing the Strategic Bomber Force" that proposes to phase out the only combat-tested leg of the Triad—the strategic bomber.

Brookings recommends instead to augment our land-based and sea-based ballistic missile forces with wide body transport airplanes used to launch standoff cruise missiles.

At first glance, this report appears to tell a pretty good story. At second glance, the story begins to crumble, and the third glance shows the report to be shallow, inaccurate, and downright misleading.

Perhaps the only thing right about this report is that the authors open with the recognition that the strategic bomber force is an important part of our military capability, and close by agreeing that there is a need to modernize the U.S. bomber force. The method of modernizing the force and the manner in which they arrived at their conclusion is where I take issue.

The report is full of simple assumptions compounded by incorrect and inconsistent analysis. The authors theorized alternative bomber or cruise missile forces structured just to attack the 50 largest cities in the Soviet Union which they said contained about one-third the population and three-fourths the industry. They failed to point out that over the years the Soviets have been locating their major industrial complexes away from the big cities.

Fact: One must destroy over 370 cities—not 50—to accomplish their goals.

Fact: Eleven of the 50 presumed target cities could not be reached by the 1,500-nautical-mile cruise missiles that they postulated, if the wide body transports launched their loads outside of defenses taking care not to penetrate countries like Red China or Syria after launch.

Fact: The intense Soviet civil defense effort—$1 billion per year, and 50,000 CD professionals—is designed to empty their cities of people. The Soviets, however, cannot hide their industrial complexes, their armies, and air bases and many of their political and economic centers that make far better targets.

The Brookings people relegate bombers to a backup role in the event ballistic missiles fail, but they turn around and say ballistic missiles must not fail so that they can be used to suppress the surface-to-air missile sites. If those SAM sites were not suppressed, their cruise missile approach would fail. But, the authors do not state this.

They say there is no threat to the B–52 forces, but when threats appear they propose to replace penetrating B–52's with the alternative shown to be most vulnerable to both launch and penetration threats—the standoff cruise missile force.

The mathematical model used to prove their points automatically credits forces of many cruise missiles with a better chance to penetrate than smaller bomber forces. Thus, they knew what the outcome would be before they did the calculations.

Further, one of the authors appeared before the Armed Services Committee on April 17, 1975, and presented a cruise missile alternative to the B–1 long before the study was completed. I wonder if he did not start with the conclusions and tailor the analysis to support these conclusions.

They made the cruise missile seem much better than our current technology permits in speed and range. A first look at the authors' missile shows it would weigh about twice as much as they said, to reach a range of 1,500 nautical miles and would fly about 30 percent slower than they estimated.

Although they admit it is cheaper to keep aircraft on ground alert, they arbitrarily increased crew reaction times well beyond those which the Strategic Air Command has tested and proven can be sustained. With the authors' long reaction times, they were forced to place the B–1 force on a high state of ground alert at many more bases than the B–1 will actually need. One of the cruise missile forces even had to be placed into more costly airborne alert for survival—just because they assumed incorrect crew reaction times.

They drew no distinction between an unmanned 18-foot cruise missile or a 150-foot airplane with four men aboard. Penetrator characteristics were not important—all penetrators were assumed to look identical to the Soviet air defenses, even though a B–52 radar signature is about 20 times larger than a B–1.

They allowed high performance interceptors to shoot down numerous penetrating bombers, but failed to even consider what mobile anticraft missiles might do to their cruise missiles.

Although this country has proven the value of electronic countermeasures in two conventional conflicts, the Brookings authors totally ignore ECM on bombers—yet allowed armed decoys to have effective ECM.

If they had used the short-range attack missile—SRAM—for suppression of SAM sites, the B–1 force would have been more effective than the standoff cruise missile force in nearly every scenario one could consider. Ladies and gentlemen, the reason this country bought the SRAM missile was to attack SAM sites and their defended targets. Yet the authors failed to understand or acknowledge that well-known fact.

The authors said the B–1 force would need a new tanker, yet the KC–135—our current tanker—is having its wings modified to extend its lifetime. This tanker will still be effective for our bomber force well beyond the year 2000—and the B–1 test aircraft is refueling from one nearly every time it flies.

They also charged the B–1 with $2 billion worth of SRAM and SCAD the DOD does not plan to procure, and about 60 more air bases than the B–1 force will operate from. The total cost of these unnecessary charges exceeds 8 billion in 1976 dollars.

The authors assumed their preferred force of wide body transports would go into airborne alert during a crisis situation with over one-half the airplanes continuously airborne. But they failed to provide adequate maintenance and aircrew manpower to do that. Just in personnel costs alone they undercosted this airborne alert force by nearly $2 billion—for a 10-year period. Further compounding the exorbitant costs charged to bombers, they included a cost equal to the strategic control and surveillance function and charged the total amount to bomber forces. Even if there were no bombers, we would still have to command our other strategic forces and provide them with reconnaissance information. Thus it was patently unfair to charge these costs to bombers.

In conclusion, I remind my colleagues that the Department of Defense has performed an in-depth study of alternatives to the B–1—a study which took some 40 man-years and over 6,000 hours of computer time—which unequivocally supports the B–1 as the most cost effective alternative. The GAO has performed an in-depth review of the DOD study and has provided support for the conclusion that the B–1 is the best alternative we have. B–52 modifications as extensive as $40 million per airplane have been assessed; stretched FB–111's that cannot even reach the penetration point without refueling have been examined. And might I remind my colleagues that these alternatives are paper airplanes, not in flight test like the B–1's. Even using their preliminary estimates which our experience tells us is always better than final performance, none of the alternatives compare to the B–1 in cost-effectiveness and flexibility.

Standoff cruise missiles also have been examined and found wanting. They can not even penetrate the lowest cost defense the Soviets could mount—surface-to-air missiles similar to the defense the Soviets have widely deployed today.

The Brookings study proposed penetrating bombers or cruise missiles, but the best strategy is clearly a mix of cruise missiles and penetrating bombers. Carried by B–52's, cruise missiles can attack many undefended targets, reduce the requirement for aerial refueling for their carriers, and improve bomber survival. The B–1 force can then be used to attack the more heavily defended areas with the short-range attack missile.

I believe that the B–1 is essential to our security in view of the massive Soviet strategic buildup taking place today. I believe the DOD has proven that it is the most cost effective alternative with the greatest flexibility. Combined with our current force of bombers, it will contribute well over half of our striking power, it provides a hedge against failure of any single leg of the Triad, and it provides the necessary compliment to our ballistic missiles to deter nuclear war.

For 8 years we have studied and restudied the B–1. This has been done on the basis of information provided by the Department of Defense, and it is not unprecedented that information provided by a sponsoring agency could be tainted by self-interest.

We are now at the point where it is "go" or "no-go" and we have the added advantage of analysis by two non-Defense related studies.

I believe we have established that the Brookings Institute study is based on preconceived ideas, on false assumptions, and on outdated, incorrect and incomplete data.

Now comes the General Accounting Office, an organization which has never, to my knowledge, been accused of phonying the facts. Their findings are based on performance and cost, and are not colored by considerations of philosophy. The GAO is Congress' own independent auditing agency, and in its assessment it supports the findings of DOD.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. DAN DANIEL) has expired.

(On request of Mr. STRATTON and by unanimous consent, Mr. DAN DANIEL was allowed to proceed for 3 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just want to commend the gentleman for his presentation on this issue and particularly for the rather dramatic way in which he has presented the facts.

I think he has pointed out the key to the error contained in the Brookings study.

Is it not true that the Brookings study was only able to show a smaller cost for the cruise missile system as compared to the B–1 by providing actually for fewer weapons; and that in terms of the total number of weapons, the B–1 is a far more cost-effective solution? So, if we do not want to have as many weapons available for the target, then, of course, we can always save money. But the individual cost per weapon of the cruise missile approach is greater than the per weapon cost of the B–1 approach. Is that not the fact?

Mr. DAN DANIEL. I think the gentleman is absolutely correct. There are so many deficiencies in this study that I would hesitate to single out any one.

Mr. STRATTON. If the gentleman will yield further, the Brookings name, of course, carries a lot of prestige; but when it is pointed out, as the gentleman from Virginia has done, that there is a serious loophole in the Brookings argument, then it loses a great deal of its effectiveness.

Mr. DAN DANIEL. Mr. Chairman, I thank the gentleman.

Let me suggest that if we seek something similar or analogous in the animal kingdom, the Israeli troops, whose survival depended upon them, would more likely describe the C–5A as a valued beast of burden.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I do not know where the gentleman got his copy of the preliminary draft of the "Dear Colleague" letter which he read from, but that was not the letter that was actually sent out. The actual letter does not contain some of the language read by the gentleman.

Let me just say that the amendment I have offered is not based on the Brookings study. The Brookings study estimated that alternatives to the B–1 would save about $10 billion, as I recall. But the issue raised by our amendment is not whether we should or should not have a B–1.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. DAN DANIEL) has again expired.

(On request of Mr. SEIBERLING and by unanimous consent, Mr. DAN DANIEL was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield further?

Mr. DAN DANIEL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Our amendment is based on the GAO study which just came out last month and which, in essence, simply says that we should follow the policy of fly-before-you-buy and that the necessary flight testing and static testing and other tests, which the Air Force itself agreed to make before a production decision, have not been completed.

Mr. DAN DANIEL. The GAO likewise determined that the B–1 was the most cost-effective system, and that is what we are really talking about.

Mr. SEIBERLING. I do not think that the GAO study passed on that one way or the other.

The one to which I am referring merely said that Congress cannot make a production decision now based on the results of testing because the testing has not been completed.

Mr. DAN DANIEL. Mr. Chairman, in conclusion, my daddy used to say that if one wanted to know whether something is good for you look at who is against it.

Our colleague, the gentleman from Oklahoma (Mr. RISENHOOVER) says that Mr. Brezhnev is against the B-1.

Mr. WHITEHURST. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

Mr. Chairman, I just want to bring some points to the attention of my colleagues with reference to the GAO report.

First of all, the GAO has cited some problems with the B-1 test program. It is true that they have uncovered some problems, but they are not of such a nature that would preclude the effective employment of the B-1 on schedule.

This aircraft has been under design and test for 6 years. There has been more preproduction planning and testing for this aircraft than on any other aircraft, military or civilian, that has ever been developed. The test program has been carefully defined and is presently being carried out.

Now, Mr. Chairman, let us go to the issues.

The GAO contends that the B-1 is experiencing buffeting and vibration problems. The Air Force has delineated corrective action for these problems and plans to solve them with simple corrective actions such as shock mounting equipment and changing locations to eliminate detrimental effects.

The GAO identified a problem related to the loss of an engine compartment door and this has been corrected by stiffening the door. The corrective action has been proven on repeated flights.

The GAO contends that the engine fuel consumption and weight requirements will not be met. The specific fuel consumption is higher than specified by about 5 percent and the weight is about 2½ percent over specifications. The combined effect will not interfere with mission accomplishment.

As I stated earlier, the B-1 testing to date has been far more extensive than for any other aircraft development program at a comparable point in time. Structural element testing, both static and fatigue, have been accomplished for the 6,204 structural elements. Eight major structural components have been subjected to static loading to 150 percent of the loads expected in flight.

Wind tunnel testing on the B-1 spans over 5 years in 17 tunnels for a total of 22,000 hours.

The engine preliminary flight readiness test was completed in March 1974. There have been over 8,500 hours of engine operation, 7,000 development test hours and over 1,500 prototype engine hours.

The flight test accomplishments to date indicate the B-1 is meeting or exceeding its flight test goals. There have been multi-refuelings with the KC-135, the aircraft has flown over 5 hours of supersonic time at altitudes up to 50,000 feet and speeds up to 1.9 mach.

In conclusion, Mr. Chairman, the B-1 is experiencing normal, technical development problems. The problems have been identified and can be resolved. The B-1 is meeting or exceeding its flight test requirements. The funds requested for procurement are for fiscal year 1977. Between now and that date even more flight tests will be conducted.

The B-1 will satisfy all of the mission requirements delineated in 1970.

Finally, Mr. Chairman, deferral of the B-1 program adds approximately $1 billion per year to its cost and therefore to delay the development of the program is not a fiscally sound move.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, the gentleman made the statement that delay of the program will cost $1 billion per year. Certainly, the high cost of delay is one sound reason for defeating this amendment. An equally important reason for defeating the amendment is the fact that we need this program to meet our national security requirements in the next decade. If we do not begin procurement of the B-1 bomber now, we will enter the 1980's increasingly vulnerable to a Soviet threat that will, according to every reputable study including that done by the Library of Congress, be maximized by 1981, 1982, and 1983. If we keep delaying the M-1 program, which is the purpose of this amendment, we will seriously jeopardize a leg of our Triad for that critical time period.

Mr. WHITEHURST. The gentleman is correct; 1983 is the date.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. WHITEHURST was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Is the gentleman aware that in 1961 the new administration scrapped the B-58 program after it was started because the new administration took a different view as to what our defense needs were? Is the gentleman also aware that the XB-70 was scrapped after the test program and the expenditure of $1 billion because it became clear that it would have been a sitting duck? Should we not give the next administration at least the option of looking at the test results, which have not been completed yet, and making a decision based upon them?

Mr. WHITEHURST. I will say to the gentleman, first of all, the plane was operational at that time.

I am also aware of the fact that Mr. McNamara, who was the Secretary of Defense, had no faith in the manned bomber. Despite the outcome of the events in Southeast Asia, I believe the B-52 proved to be a very potent weapon in that war, and I happen to believe also that in the closing phase of that war, it was decisive in bringing about that phase as the closing phase.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. JOHNSON of Colorado, and by unanimous consent, Mr. WHITEHURST was allowed to proceed for 1 additional minute.)

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

There has been a figure tossed around here that it will cost an additional $1 billion if this $1 billion is delayed in our commitment here. That figure has not been substantiated, as far as I am concerned. I do not understand why, if we delay approximately $1 billion for a year, it is going to cost us an additional $1 billion.

The gentleman says this is going to mean a doubling of the cost. I think that should be verified.

Mr. WHITEHURST. That is true, because when the program is slowed down, people are laid off, and then they have got to rehire people. If they do this, it is going to escalate the cost of the aircraft.

Mr. JOHNSON of Colorado. So that the gentleman says to build those three airplanes is going to cost $2 billion next year rather than $1 billion now? That is what we are talking about—three aircraft—is it not?

Mr. WHITEHURST. I am saying we are adding $1 billion to the total cost of the program.

Mr. JOHNSON of Colorado. The gentleman means for three aircraft?

Mr. WHITEHURST. That is what is involved.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. LLOYD of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we have heard and will continue to hear in this and other areas of national defense opposition to certain specific programs.

I firmly believe that the B-1 is a necessary component of our defense dollars in the area of strategic weapons delivery. I believe that because I think it is a quantum jump over the current weapons system, which is the B-52 in conjunction with the submarines and the missiles. I think we cannot effectively use one without the other for the simple reason that that is the way the system is designed. Of course, we can design a system with only two systems in mutual support. That is perfectly all right, and we can do it with four; but the fact remains that our military institution has recommended that it be three. We are established with that.

To make a change now would be very debilitating, if for no other reason than the moneys which would have to go into these new systems. Beyond that, the B–1 is way beyond the decision point.

I know that I, too, have argued and said it does not make any difference if a weapons system has already gone this far, if it is no good, let us eliminate it. The Members have heard me say that right on this floor, and if I firmly believe that that weapons system is going to fail fundamentally as an aircraft, fundamentally as a weapons delivery system, fundamentally as an integral function of the Triad, then indeed I would say to the Members with no hesitation let us knock it off; let us back off. We are taking too many dollars already from other programs which I personally consider very essential—and I have already mentioned those such as food, health, shelter, education, and things of that nature. But I feel, as many others do, and perhaps for different reasons, that this is an essential weapons system.

We have talked about the weapons system and have said it has not been performing according to standards set. Let me assure the Members, as a person who has done test flying, there is no aviator ever who has said that an airframe is going to perform the way they designed it and to lock it in and to go from there. I defy anyone to show me any weapons system that has gone that way. With any aircraft we are going to have problems developing the basic plane.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I respect my colleague's opinions very much but I am concerned because I think we are being asked in April to make a decision to approve $960 billion for a buy of the B–1 when the Air Force itself says it will not finish testing or make its decision for production until November of this year. I am concerned. If they cannot make their decision until November, we should not make our decision now.

Mr. LLOYD of California. Would the gentleman tell me the Air Force is not in any way committed to the buy of the B–1?

Mr. EVANS of Colorado. I would have to defer to the gentleman from Ohio on that.

Mr. LLOYD of California. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, the Air Force has yet to make a decision as to what the plane is going to be. The General Accounting Office report says there are some very serious structural deficiencies.

Mr. LLOYD of California. Does the gentleman believe our Air Force has not made its decision as to what the Air Force is going to buy?

Mr. SEIBERLING. How do they know what the design is going to be?

Mr. LLOYD of California. I know what the design is going to be because I have gone to Edwards and I sat in the cockpit and there is no question there will be modifications, but they will represent less than one-half of 1 percent. The gentleman knows it and I know it.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I have given very serious study to this question and I respect the opinions of my colleague, the gentleman from California. After reviewing the Brookings study and speaking to representatives of the Air Force I am convinced the B–1 is an essential part of our Triad defense and I support the concept, but my concern is the same as that of the gentleman from Colorado.

Why should we make a procurement decision now rather than waiting until this period of complete testing has been done? I would not be in favor of eliminating the program but would it not be fiscally responsible to wait until the tests are in before we go ahead on procurement?

Mr. LLOYD of California. No. The reason for the amendment fundamentally is so we can stretch it out far enough—and with this maybe my colleague may not agree—but the reason that the amendment was introduced was to stretch it out far enough so we could get a good shot at it to take it out. If we take this out, my point is we have to question the whole Triad system because we have the question arise then on the missiles and so forth. We have the test vehicles, we have had three of them, two of them are flying and one of them is being used to establish static test results.

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. Aspin and by unanimous consent, Mr. Lloyd of California was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the gentleman said that the Air Force has decided and I am sure the predominance of opinion in the Air Force is they want the B–1 and they have no question they want it, and they have wanted it ever since they began, but the question is: Does the Defense Department want to go ahead with the B–1? And I think we ought to give them the benefit of the doubt when they say they are going to make their decision in November.

Mr. LLOYD of California. I am glad my colleague brought that up because I spoke to a gentleman from the Defense Department who has been in the news lately and Dr. Currie told me that they do indeed want the B–1 program.

Mr. ASPIN. If the gentleman will yield further, the point about all of these decision points in the Pentagon was that we were going to try to start a system of "fly before you buy." Under the "fly before you buy" concept which was begun some time ago the thought was we would fully test the plane as a prototype before the decision was made to go ahead and buy it. Here we are being asked to buy this plane and we are being asked to do this in April when the thing will not be fully tested until later.

The amendment offered by the gentleman from Ohio does not take out the money. All it says is: "Let us not make the production decision until we go ahead and test it completely."

That is the purpose of "fly before you buy," because the full concept of the thing was to prevent procurement disasters when they went ahead into procurement right after R. & D. before they had any chance of disaster.

Mr. LLOYD of California. I understand what the gentleman is saying. It so happens that I agree wholeheartedly; however, it turns out the economics of development of the weapons system change in the planning area and everywhere along the line.

The CHAIRMAN. The time of the gentleman from California has again expired.

(At the request of Mr. Bedell, and by unanimous consent, Mr. Lloyd of California was allowed to proceed for 1 additional minute.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I have some trouble with my colleague's position. The question I have, first of all, the gentleman said, indeed, if it was found that this airplane was not something we should have that the gentleman would be the first to vote against it. Do I understand correctly or do I understand incorrectly that it has not been completely tested yet and the tests are not all completed?

Mr. LLOYD of California. The tests have not been completed.

Mr. BEDELL. If they have not been completed, is it not true there is some possibility as they continue those tests we might find something wrong with this airplane which would cause the gentleman to believe it should not be continued and the gentleman would agree that we should not go ahead with it; am I correct?

Mr. LLOYD of California. The gentleman is incorrect, because they have not found any major discrepancy. It was alluded that there was a similarity in our "Dear Colleague" letter between this and the C–5. That was, frankly, very misleading and, frankly, very false, because the C–5 is not a corollary to the B–1.

The CHAIRMAN. The time of the gentleman from California (Mr. Lloyd) has again expired.

(At the request of Mr. Hillis, and by unanimous consent, Mr. Lloyd of California was allowed to proceed for an additional 2 minutes.)

Mr. LLOYD of California. Mr. Chairman, if I may just continue my thought, the C–5 in no way is a corollary to the B–1. The B–1 in its test has met every test and exceeded it, just as the A–10 did. We have a little thing regarding the A–10. They say it is no good, that it was a Mickey Mouse, but it more than exceeded its expectations in the tests. Personally, even when I was antagonistic, I never said anything about the A–10, because that was a faulty issue.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I thank the gentleman for yielding. Is it not a fact that the GAO information brought out that was based on information that was compiled last fall?

Mr. LLOYD of California. That is absolutely right.

Mr. HILLIS. Is it not a fact that the gentleman knows that the points have been corrected or proved to be erroneous in further testing that has taken place?

Mr. LLOYD of California. Yes. All the variables carried the indication they can make those small changes that are necessary. There are conceptions. It is a compromise, an airplane is a total compromise between speed, weight-carrying capacity; every time they add a pound, they have to add another pound just merely for the structural members which they carry. They have two pounds and take up another two pounds to support the structural members. It is a compromise.

Mr. HILLIS. Has not the performance been excellent to this point?

Mr. LLOYD of California. Not only excellent, but they exceeded the test requirements.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Virginia.

Mr. WHITEHURST. When was testing supposed to be completed, October or November?

Mr. LLOYD of California. October or November this year.

Mr. WHITEHURST. The authorization we are talking about today really does not begin until that time?

Mr. LLOYD of California. That is correct.

Mr. WHITEHURST. So what is all the worry about the money being spent ahead of time? If they develop some kind of flaw, which none of us anticipate, then the money is not going to be spent.

The CHAIRMAN. The time of the gentleman from California (Mr. LLOYD) has again expired.

(At the request of Mr. ROBERT W. DANIEL, Jr., and by unanimous consent, Mr. LLOYD of California was allowed to proceed for an additional 2 minutes.)

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to my colleague, the gentleman from Virginia.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I will say, the gentleman from California (Mr. LLOYD) brings to this whole discussion the same expertise and great knowledge of military matters as a former military and test pilot that he has brought to our committee, experience that has been most valuable to us.

Could the gentleman draw on this expertise to clarify something that dumbfounds me, part of what is offered as an alternative to the B–1: this would be the wide body jet equipped with cruise missiles which would be launched off the periphery of the Soviet Union, which is heavily defended against such cruise missiles.

Mr. LLOYD of California. That is correct, they are. Let me add, I believe they were considering the 747. I do not know what was; but just to take that off the shelf, that aircraft would cost roughly $40 million.

Then, to militarize that airplane which cost originally, say, $50 million, and we have not even yet put the cruise missiles in it, then we have a system which is a subsonic system which suffers from the same problems the B–52 does. In that context, frankly, I would rather start and build more B–52's.

Mr. ROBERT W. DANIEL, JR. That is an excellent point. Let us go further than that and say that, if these target areas are so heavily defended with surface-to-air missiles, then ICBM strikes would be required to suppress these missiles and assure the penetration of the cruise missiles. The reason we are going to need the manned bomber system is that it is a fallback in case our ICBM's are destroyed in a first strike. How can something that may have been destroyed suppress defense so as to permit the entry of cruise missiles into the target area?

Mr. LLOYD of California. The point is well taken. It once again demonstrates that this is an integration of two other systems.

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, the gentleman from California has said that the B–1 has met every specification. Let me just read something:

> As a result of the first 119 hours of tests—

And remember, 345 hours are scheduled on all three planes—

> the following degradation of the Air Force specifications for the B–1 has occured:
>
> (a) Supersonic speed is reduced from mach 2.2 to mach 1.6, a 37 percent reduction. The B–1 is supersonic only at high altitude and subsonic at low altitude.
>
> (b) A marked reduction in both subsonic and supersonic range—

The exact figures are classified, but they are substantial:

> (c) An 11 percent increase in takeoff gross weight.
>
> (d) A 15 percent increase in takeoff distance.

I could go on at great length about some of the problems later tests have shown. It is not the same plane at all.

Mr. LLOYD of California. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from California.

Mr. LLOYD of California. I thank the gentleman for yielding to me. I would respond to my colleague from Ohio by saying that I believe I did make a misstatement when I said "element." I was referring to the accomplishment of a machine, a weapon system.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Iowa.

Mr. BEDELL. Mr. Chairman, I rise in support of the amendment to H.R. 12483 offered by the gentleman from Ohio (Mr. SEIBERLING) which would defer expenditure of the money authorized by this bill for procurement of the first three production models of the B–1 bomber until the Air Force and the prime contractor can complete minimum flight testing of the aircraft. At that time, the President could study the final test results and make a determination as to the wisdom of proceeding with the B–1 program. Under the Seiberling amendment, no funds could be spent for B–1 production models until the President certifies to the Congress that he has reviewed the results of the B–1 testing program and regards such expenditure to be in the national interest and until the Congress, after receipt of the President's report, approves such expenditure through passage of a concurrent resolution.

In the past, I have expressed strong reservations about the wisdom and utility of the B–1 program. My concerns on that score remain unchanged. I believe that the B–1 project is excessively costly and of dubious military value. The estimated price tag for the B–1 system is tremendous—over $85 million per plane; over $21 billion for the 244 unit fleet; and over $92 billion during the 30-year life of the program. And its strategic utility stands in question. There is considerable evidence to suggest that there are less expensive and equally effective alternatives to the B–1. The current U.S. bomber force is adequate now, and, according to Defense Secretary Rumsfeld, will remain so into the 1990's. And, in addition, a bomber force carrying standoff missiles would appear to have clear advantages over a penetrating bomber like the B–1 in the modern age.

I believe in spending what is necessary to protect our country from possible attack. However, I am opposed to committing billions of dollars to weapons systems which are of unproven effectiveness and which do not contribute to increasing our national security. We should not discount the fact that our resources are limited, and that a multibillion dollar commitment to the B–1 will necessitate corresponding sacrifices in other vital defense areas and in efforts to meet pressing domestic needs. The American people deserve a meaningful return on such a massive investment.

I realize that many of my colleagues may not share my skepticism about the efficacy of the B–1 bomber. I would only point out to them that the Seiberling amendment does not scrap the B–1 program. It simply delays the production phase to allow the Air Force to complete its testing of the aircraft, currently anticipated by December 1976, and to allow Congress to make an informed judgment on the value of this weapons system. This is particularly important in light of the fact that the B–1 has suffered significant real cost increases with resulting performance decreases over the years and that previous testing has revealed serious engine and structural defects in the aircraft. Also, to proceed with production of the B–1 at this time would make it extremely difficult to make an objective evaluation of the system in the future after the final test results are available for examination.

Mr. Chairman, I hope that my colleagues will give serious thought to the implications and potential ramifications of precipitous action on the production aspect of the B–1, and vote for the Seiberling amendment.

Mr. DOWNEY of New York. Mr. Chairman, I want to rise and talk about the merits of the airplane for a moment, because we have just been discussing whether or not we should delay it. The question in my mind is not whether or not we should delay it, but further we should build it at all. There is really very little question that the B–1 does fly faster than the B–52. How much faster is a matter that is classified, but I challenge anyone to go in and look at that information. You will be startled by how little faster it goes than the B–52.

How long does the B–1 fly? It flies very low, at treetop level. The B–52 flies low; if not quite at treetop level, it flies a little higher, but it flies low. It is reasonably fast and is capable, as Mr. Rumsfeld pointed out in his posture statement, it—the B–52—is capable of penetrating the Soviet Union and performing its mission.

As to high threat environments, the B–52 does not fly over them and drop gravity bombs. It shoots a SRAM missile.

What has not been mentioned is the fact that in the 1990's the Soviets will have a thing called AWACS, air warning and control system. We have it now, and it is deployed in the Continental United States. The AWACS aircraft is designed to fly around and look down with its radar and vector fighters against enemy aircraft. It is reasonable to assume, certainly, that by the late 1980's and surely by the 1990's the Soviet Union will have an AWACS system similar to our own.

And so what will they do? They will vector Mig–23's against the B–1. The B–1 will be as vulnerable to fighter interceptors as is the B–52. And then what will happen? In 1990, someone will say, "You know, we are going to have to put cruise missiles on the B–1, because it seems as though the Soviet AWACS can pick out our aircraft.

The B–I has the latest electronic countermeasures. ECM, what does the ECM do? ECM confuses the radar machines, the ground radar and AWACS radar.

What is so sacrosanct about the B–1's EMC? Nothing. It can be put on the B–52. But more importantly, whether it is put on the B–52 or whether it is put on the B–1, it is the crucial test as to whether or not a bomber penetrates the Soviet Union.

The **CHAIRMAN**. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. Downey of New York was allowed to proceed for 3 additional minutes.)

Mr. DOWNEY of New York. Mr. Chairman, the question then resolves itself around the very, very touchy question of whether or not electronic countermeasures allow the bomber to penetrate the Soviet air space.

Rather than rely on that very questionable scientific phenomenon, there has been suggested not only in the Brookings study, but by others—and the Brookings study is fraught with problems—that we develop a standoff bomber with cruise missiles which can saturate the Soviet Union if need be, and that the cruise missiles could have, as the B–1 has, a SRAM final stage to penetrate the high threat area. This is reasonable and more importantly, possible.

The question of its cost effectiveness has not been appropriately addressed, in my opinion.

I urge that the committee support the gentleman's amendment, because at this point it is the only alternative for those people who believe very fundamentally that the B–1 is not only not in the Nation's interest but is far too expensive for what we propose to do.

Mr. LLOYD of California. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from California (Mr. Lloyd).

Mr. LLOYD of California. Mr. Chairman, the cross-section of the B–52 is 20 times larger.

Mr. DOWNEY of New York. And the B–1 can also take off faster.

Mr. LLOYD of California. It gets off the ground in one-third the distance of the B–52.

Mr. DOWNEY of New York. The gentleman is an old pilot. Would the gentleman like to rely as his only penetrating device and electronic countermeasure, when he is not sure the Soviet Union can counter?

Mr. LLOYD of California. I have done precisely that with equipment that was a whale of a lot less effective.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of California. I yield to the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. I thank the gentleman for yielding.

Mr. Chairman, I was intrigued with the argument the gentleman made about the possible effectiveness of the Soviet AWAC system against the B–1. If this is such a good system, and if my memory serves me correctly, why did the gentleman from New York vote to defer our own AWAC system in the committee?

Mr. DOWNEY of New York. What I did was, I deferred the money so we would not be giving it away to our European allies.

My fervent feeling, with respect to AWACS, both in Europe and possibly in the Soviet Union, is that the AWACS would be vulnerable.

Mr. ICHORD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think it might throw great light on our discussion here if I read this latest news excerpt that has just been received over the wire. This is from the United Press, and it is datelined, Edwards Air Force Base, Calif. It reads as follows:

> The prototype of the B–1, which the Air Force hopes will be the manned bomber of the future, reached almost twice the speed of sound on a test flight Wednesday, the fastest speed achieved to date.
>
> The bomber hit Mach L.9, or 1,255 miles per hour, on a run paralleling the Pacific coast, beginning off the Oregon shoreline and ending off Southern California.
>
> The previous fastest speed, in several months of tests, was 1,070 m.p.h.
>
> The bomber was in the air for seven hours and 31 minutes.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in opposition to the gentleman's amendment to delay production of the B–1 manned strategic bomber, and to express my strong support for H.R. 12348 as reported by the Armed Services Committee. May I first say, I firmly believe that in our actions here today, this body must assure the continuation of a military defense system for the United States that is second to none.

Of particular importance in that regard, is the committee's recommendation to proceed on schedule, without unnecessary and costly delays, in further development and procurement of the B–1 supersonic strategic bomber. Postponement of the decision concerning the B–1 will add significant—and clearly avoidable—extra costs to this vital defense system. The B–1 is absolutely necessary to balance our nuclear deterrent force in the future for the 1980's, and beyond. I urge my colleagues to support full funding authorization for the B–I program, and to vote down this amendment.

I want to commend the committee, and its able and dedicated chairman, on the responsible procurement and R. & D. spending recommendations that are embodied in this bill. As a former member of the Armed Services Committee, I know all too well the hundreds of hours of hearings and legislative markup sessions that have produced the bill we have before us today. I believe it is a sound, well-balanced authorization for fiscal year 1977 defense programs, and I urge my colleagues' support of the committee's funding recommendations, as reported to the floor.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the chairman of the committee.

Mr. PRICE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The **CHAIRMAN**. The Chair will state that the time will be allocated and he will recognize Members pursuant to the unanimous-consent request at the conclusion of the remarks of the gentleman from Missouri (Mr. Ichord).

The Chair recognizes the gentleman from Missouri (Mr. Ichord).

Mr. ICHORD. Mr. Chairman, the gentleman from Indiana (Mr. HILLIS) has made one of the points that I intended to make.

Mr. Chairman, I rise in opposition to the Sieberling amendment that would defer expenditure of funds for the B–1 until after February 1977. I do so as one who opposed the B–1 several years ago because I thought we were getting ahead of the estate of the art. But the state of the art is here today. I hope that all of you today recognize that this amendment is just a ploy to ultimately kill the B–1 program.

The author of this amendment, as well as others opposed to the B–1, are now proposing to stretch out this program which will inevitably add dollars to its cost. In the past they have been critical of the program, because of its high cost.

The authors allege that deferral of the funds until after February is in consonance with the Armed Services Committee's "fly-before-buy" policy. May I remind all of you here that the B–1 has been flying for over 1 year now. The B–1 flew yesterday, as the gentleman from Indiana said, its 28th flight during the past year. Yesterday it reached a speed of 1,300 miles per hour or 1.9 mach. This was achieved over the Pacific ocean along the flight path which originated off the coast of Oregon and extended to the southern tip of California. System tests were conducted at altitudes up to 45,000 feet and the supersonic speeds were maintained for 38 minutes during the mission. The other significant test events during the 7½-hour flight included cruise and penetration performance evaluation, acceleration and deceleration performance tests, three aerial refuelings from a KC–135—not an advanced tanker that the critics of the B–1 program allege DOD will build because of the B–1.

Including yesterday's flight test, the two existing B–1 aircraft have completed 147 hours of successful flight testing, 5¾ hours of that time have been at supersonic speeds.

So, Mr. Chairman, the B–1 is flying and, in fact, we are not now at this time buying.

The funds that we propose to authorize for B–1 production are fiscal year 1977 funds. The probability of the B–1 completing its successful test program is extremely high. It is high enough for the Armed Services Committee to want to authorize the funds requested for fiscal year 1977.

The authors of the amendment go on to point out how engine performance, according to the GAO, will not meet initial contract specifications for fuel consumption and weight.

To the average person this sounds like a serious problem, but to those of us who have investigated the real situation, we have found that the fuel consumption exceeds the original specification by 5 percent and the weight increase is some 2½ percent. The authors do not point out that these two insignificant increases have no adverse impact whatsoever on the B–1 mission accomplishment.

The authors of this amendment go on to state how Secretary of Defense Rumsfeld has testified that the B–52 fleet will remain operational until the 1990's. They failed to state, however, that while the B–52 will be operational in 1990, it will be some 30 or more years old and not capable of meeting the threat of that area on its own. The authors do not state how the Department of Defense plans to use the B–52 in conjunction with the B–1 during the 1980 and 1990 timeframe to meet the threat that will confront this country.

Finally the authors go on to criticize the Armed Services Committee for its part in the production of what the authors call "an Air Force debacle like the notorious C–5A transport plane." Nowhere in their "Dear Colleague" letter do they mention the critically important role that the C–5A performed during the Mideast conflict. I wonder if the Israeli's would support the authors' allegation that the C–5A is a debacle. Without question, the C–5A requires a modification to extend its wing life, but without question it has been an aircraft that has proven its worth time and time again.

Mr. Chairman, a vote for this amendment is a vote to add a minimum of $1 billion to the taxpayers obligation during the course of the next few years. Its immediate impact will cause a personnel reduction at the contractors plant, will introduce inefficiencies into the production program, and will extend the gap between the development and production program.

All of the above will then provide my distinguished colleague and other critics of the program with another argument to use next year in their attempt to kill the B–1. They will say that the program costs have risen significantly, but how soon they will forget that they, themselves, caused the increase.

Mr. Chairman, I certainly hope that we recognize this amendment for what it really is—a ploy to kill the B–1—and will soundly defeat this amendment here today.

The CHAIRMAN. Members who were standing at the time the unanimous-consent request to limit debate was agreed to will be recognized for 30 seconds each.

The Chair recognizes the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I am going to support the Seiberling amendment because I want a good, strong defense.

I think the time of the B–1 bomber has expired. It is an obsolete concept. All of those who have studied the matter know that it is almost impossible, by the time this plane is produced and in service, for it to be able to penetrate the kind of hostile airspace it must go through. It would be far better to try another technique.

Mr. Chairman, the cruise missile looks like a promising system that could penetrate hostile airspace.

I think the next President should be given the opportunity to make that decision.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr LEGGETT).

Mr. LEGGETT. Mr. Chairman, I support the amendment.

The amendment does not kill the B–1 program, but it does insure that the next President of the United States, which might be the existing President, on January 1 next year will have the option to determine whether or not he wants to proceed with this program and Congress will have the option to look at the R. & D. performance.

As has been indicated, the contractors have not met all the tests parameters to date. Maybe they can meet them or maybe they cannot, but let us not make the decision at this time. Let us not make the same error on the B–1 that we did on the F–14. The F–14 was only introduced to the fleet last year and this bill already has multimillion dollars to put a new engine in the airplane.

(By unanimous consent, Mr. BINGHAM yielded his time to Mr. SEIBERLING).

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, the gentleman from Missouri (Mr. ICHORD) indicated that I was an opponent of the B–1 in the past.

Let me say that my testimony before the Committee on the Budget makes it quite clear that I support the Triad concept. The question still remains whether the B–1 is the most effective way to do it. At this point I do not know whether it is, and neither does anyone else in the Congress.

Second, I do not know where the gentleman from Missouri (Mr. ICHORD) got the figure of $1 billion in additional costs if we pass this amendment.

The GAO report says that the contractor has had to slow up the production of the fourth bomber, because they do not have enough manpower to produce it. The gentleman's statement makes me wonder whether the Air Force intends to proceed with the production of the next three B–1's in November even if it does not have all the test data. If, as the GAO report indicates, there is little likelihood that the data will be available until after November then the Air Force can not go ahead with this production and still comply with its original agreement in 1974, even if this amendment is not adopted.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, I am somewhat parochial about this matter.

The B–1 bomber is being built and tested in the district which I have the honor to represent.

I have listened to all of these arguments with great interest. There is only one purpose which this amendment has, one and only one, to prolong the argument on the B–1 bomber and to delay it as long as anyone possibly can and then kill it.

Mr. Chairman, I would suggest very strongly to the Members present in this body that we are going to affect employment all over the districts which you have the honor to represent.

Mr. Chairman, I would like to take this opportunity to commend my colleagues on the Armed Services Committee for the fine job they have done on the defense authorization bill for fiscal year 1977.

The committee has authorized a total of $33.4 billion for weapons procurement and research, development, test and evaluation. This represents a 2.13 percent increase over the administration's request, the first time in 8 years that the defense procurement bill has not been subjected to overall cuts from the President's budget request. I am pleased that the committee has authorized end year strength for the Naval Reserve at a level of 102,000 instead of approving the 50,000-man cut requested by the administration. Certainly such a drastic reduction could not serve the best interests of our national defense. The legislation also states in no uncertain terms congressional opposition to phasing out appropriations to support commissaries. It seems almost incredible to me that only 1 year after Congress overwhelmingly disapproved the Department of Defense's plan to phase out funding for the commissaries, the same plan should be proposed anew. This proposal would be grossly unfair to both active duty personnel and retirees. Commissary privileges constitute a traditional part of military compensation and our military personnel had every reason to believe they would enjoy them when they entered the service of our country. It would be a very sad situation if the United States were to go back on its word.

I am most pleased that the full request of $1.5 billion for procurement, research and development of the B-1 bomber has been met. The need, effectiveness and cost of the B-1 has been a matter of some controversy. In February, the Brookings Institution released a report calling for the end of the B-1 bomber program and suggesting that we rely on our aging B-52 fleet to provide our Nation's air defense. I could not imagine a more absurd analysis of this vital issue and I am happy that it received the consideration it deserved.

The development of the B-1 is crucial to the maintenance of our defense capabilities. Our present defense strategy is based on a Triad composed of land-based missiles, sea-launched missiles and manned bombers. The B-1 is intended to modernize the strategic bomber force by replacing the B-52's, some of which are nearly 20 years old. The B-1 is designed to penetrate Soviet airspace below the defensive radar detection threshold and deliver strategic nuclear weapons on selected targets with a high degree of reliability, accuracy and a minimum of collateral damage. In conjunction with sea and land-based delivery systems, it is designed to deter a Soviet first strike.

The B-1, only two-thirds the size of the B-52, is to carry nearly twice the B-52's payload. Its variable geometry wing will enable it to fly at a speed of mach 2.2—2.2 times the speed of sound—at high altitudes, to climb above 50,000 feet, to cruise at mach 0.85 at near treetop level, and permit faster takeoff from shorter runways than those required by the B-52. Its rapid acceleration, short runway requirement, subsystem design and increased resistance to nuclear blast will allow it to reach a safe escape distance from its home base much quicker than the B-52. The shorter runway requirement will enable the B-1 to use 150 more existing runways than are available to the B-52. Furthermore, its ability to attain higher speeds at lower altitudes combined with its small radar cross section and advance electronic countermeasure will give the B-1 far greater ability to penetrate an enemy's defense than existing aircraft.

The cost of the B-1 is high, but what are the alternatives? In May of 1974, the Senate Armed Services Committee requested the Department of Defense to conduct a comprehensive cost-effectiveness study of the B-1 and all other alternatives. The report, submitted to the appropriate congressional committees on December 23, 1974 by Dr. Malcolm Currie, Director of Defense Research and Engineering, examined various options, including refurbished B-52's, stretched FB-111's and wide body transports as standoff cruise missile carriers.

To overhaul the B-52's would cost about $27 million per plane and would not be as cost effective as the B-1. The B-52's would still be, in essence, 20-year-old planes. A stretched FB-111 would mean the development of that aircraft with an extended range. Yet it would only be able to carry about one-half of the B-1 weapons load and would still be range limited. This alternative is only about one-fourth cost effective as the B-1.

The use of a wide-bodied transport to carry standoff air-launched cruise missiles presents a host of problems. It would be less effective than the B-1 in both launch and penetration capabilities, yet the cost, estimated at $50 million a plane, would be comparable to the B-1.

I believe that the Department of Defense and the members of the Armed Services Committee have carefully reviewed and considered the various alternatives to the B-1 and concluded that it is the most cost-effective method of modernizing our strategic bomber force, a conclusion I heartily support.

In addressing the Lancaster, Calif., Chamber of Commerce, Secretary of the Air Force Thomas Reed recently remarked:

> Since the current Soviet leadership took power a decade ago, that nation has embarked on a steady, determined, unchanging drive for military superiority.
>
> Not since the German rearmament in the 1930's has the world seen such a rapid expansion of military capabilities. In the last decade, the Soviets have increased the size of their military establishment by a million men. Their force of intercontinental ballistic missiles has increased more than sevenfold. The number of sea-launched ballistic missiles has grown from only a few to well over 700. The number of Soviet strategic warheads and bombs has jumped 450 per cent.

The Soviet Union, over the past 10 years, has steadily increased its defense spending to the point where that country now spends twice as high a percentage of their GNP on defense as the United States does. Over the same time period our defense budget has been steadily decreasing in constant dollars and as a percentage of the total Federal budget and as a total of our GNP.

The Soviet Union now has more than twice the military manpower we do, nearly four times as many tanks, and their armored personnel carriers outnumber ours two to one. A recent study by the CIA has revealed that Soviet defense spending was 40 percent greater than ours in 1975.

The Soviet threat is real. Moreover, the American people know it. A recent Gallup poll indicated that only 36 percent of those polled felt that defense spending was too high was compared with 44 percent in 1974 while the percentage of those who felt defense spending was too low rose from 12 to 22 percent.

There is good cause for the American people and their elected representatives in Congress to be suspicious of Soviet military buildup. We have the opportunity, with the defense authorization bill for fiscal year 1977, to proceed with a number of sorely needed weapons systems that will put a stop to the trend toward military decline. We must never lose sight of the fact that freedom is the most cherished liberty our democratic form of government bestows on its citizens and it is our Military Establishment which guards that freedom. A defense posture second to none is the only way to guarantee the continuance of those traditions which have made our Nation great for 200 years.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. CLANCY).

Mr. CLANCY. Mr. Chairman, I rise in opposition to the amendment to defer funds for the B-1 bomber. Passage of the intact defense procurement authorization for fiscal year 1977, H.R. 12438, is vital for the continued security of the United States in maintaining an adequate defense position to assure the safety and peace of its citizens. I support full authorization in the amount of $1,482,700,000 for the B-1 bomber of which approximately $1 billion is for production of the aircraft and the remainder for continued engineering development and testing.

Many of my colleagues point to the great social needs here in the United States, and say that money for the B-1 bomber can be better spent in these areas. The principles on which this Nation was founded encourage the development of each individual to his fullest potential and the fostering of a high standard of living for every American. Our Government has spent much time and money assuring the improvement of life in this country. There has been much progress made in this area, and yet much remains to be done. However, unless the United States of America continues to exist on the principles on which it was founded, all this effort will be lost. To protect these principles means standing for them before the other nations of the world with the strength to back them up. The B–1 bomber is a symbol of our strength, our devotion to our American principles, and if necessary our willingness to fight to protect these ideals.

Working for peaceful purposes through peaceful means is a goal to which I subscribe wholeheartedly, as I am sure do my colleagues here in Congress. We must approach this goal realistically, without the saber rattling that has often preceded major confrontations or conflicts. Being realistic demands a practical assessment of the strength of the other powers with which we hope to achieve understanding. Should the Soviet Union, or any other nation, parley with the United States from a position of greater strength, then dealing with this country at all becomes a concession on the part of the greater nation rather than an effort to gain understanding.

A sound parallel can be drawn between the Nation's need for maintaining strong defense resources and the individual's need for holding insurance. In neither instance does one want to draw upon the security for which it is intended. The homeowner paying premiums for fire and theft insurance will do everything within his power to prevent fire or theft to his home. In like fashion, a nation maintaining a strong defense posture will go to great lengths to avoid the use of its powerful weapons. However, the very holding of insurance by the individual or defense strength by a great nation is a responsible act designed to protect oneself against unanticipated misfortune. To do otherwise is to risk the destruction of security, well-being, and way of life.

Earlier, I referred to the B–1 bomber as a symbol before the world of America's willingness to protect her ideals. Many of you may argue that America cannot afford the luxury of symbols. You have been asked to authorize $1,482,700,000 for the B–1 bomber. For this amount, substantial reasons are in order to justify the spending. I have already stated the need for this Nation to negotiate with foreign nations from a strong position. In addition, the demonstrated capabilities of the B–1 bomber show its superiority in both responsiveness and durability. The cost involved is much more easily justified than modifying existing bombers, since greater results will be achieved in matching the evolving Soviet capabilities. Along with the cruise missile, the B–1 bomber enhances the strategic position of the United States in relation to the Soviet Union, since compliance with the Vladivostok agreement binds the United States to a lesser number of strategic missiles than the U.S.S.R., while allowing a larger bomber force. I do not feel we can afford to overlook these considerations.

ECM encompasses all actions taken to nullify the effective operation of enemy electromagnetic systems and includes both jamming and deception techniques. The goal of ECM is to deny an enemy useful information from his defensive systems to detect, identify, track, and destroy the penetrator.

B–1 defense is based upon the combined effort of its advanced flight characteristics—speed, radar cross section, range, et cetera—and the radio frequency surveillance/electronic countermeasures system—RFS/ECMS.

The B–1 RFS/ECMS is a fully power managed system that will detect, identify, prioritize and jam enemy systems, thus permitting the B–1 to successfully accomplish its intended mission.

The ability of the British in World War II to confuse and degrade German radar nets aroused U.S. interest. Lessons learned in World War II, Korea, and as late as the Vietnam conflict, coupled with the advent of sophisticated weaponry, stressed increased reliance on successful operation of electronic equipment.

B–1 was designed to combat a forecast threat of many years in the future and realistically contained many unknowns.

To insure that when deployed the B–1 would be the most capable and flexible system, the start of defensive avionics equipment was delayed to January 1974: First, to have a better definition of the future threat; second, to minimize any possible changes resulting from the dynamic nature of electronic countermeasures; and third, to decrease associated risk.

B–1 countermeasures equipment will be flight tested on aircraft No. 4 following extensive ground test and integration. Consequently, the complete system would not be installed in the first B–1's. The first B–1's off the production line are used for further testing and crew training, absence of defensive avionics does not pose an operational problem. All aircraft will have defensive equipment at the initial operational capability.

The system is flexible to change with the ever changing enemy threat. This is being accomplished by characteristics in the system that can address changes in the threat by software changes, not hardware changes; and growth potential.

Based on years of experience in upgrading strategic and tactical aircraft, the B–1 defensive avionics development approach represents a careful blend of superior technology, operational needs, cost constraints, and support considerations. The B–1 defensive system is a system designed with the future in mind—aimed at minimizing changes in the future resulting from the dynamic nature of electronic countermeasures.

I urge defeat of this amendment and support of the requested amount for the B–1 bomber.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CLANCY. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, many of my colleagues have been targeted as "swing votes" by a pressure group "umbrella organization" known as the National Campaign to Stop the B–1 Bomber. This group is a collection of various individuals and organizations whose immediate goal it is to completely kill the B–1 strategic bomber program and to achieve an overall reduction in the strategic defense posture of the United States using distortions and half-truths.

The composition and approach of the organization is such that there is something for everyone. They raise environmental concerns about the B–1 to those who are proenvironmentalist; they raise cost concerns to those who are fiscal conservatives; they raise military and arms race concerns to those who are prodisarmament.

In the last couple of months or so, arguments against the B–1 bomber have been adapted to follow the line of the recent Brookings Institution study entitled "Modernizing the Strategic Bomber Force" which was financed by the Ford Foundation. This study asserts that a system composed of Boeing 747-type aircraft loaded with air-launched cruise missiles—ALCM—would be more effective and less costly than the B–1. There are several points that I would like to discuss about this:

Mr. Chairman, it is important to understand that both the B–1 and the cruise missile are new strategic developments intended to provide strategic capabilities to the United States in the 1980's time frame. They are both being developed within the numerical constraints of the Vladivostok Agreement wherein the United States agreed to a lower number of strategic missiles than the U.S.S.R., but compensated by a larger U.S. bomber force with commensurate weapon delivery capability of the Soviet Union as exemplified by their development and test of new ICBM's, SLBM's, cruise missiles, and the Backfire strategic bomber.

Actually, the air-launched cruise missile—ALCM—has been designed to be carried primarily by the B–52 and later the B–1 as an aid in penetrating enemy defenses and to strike selected lightly defended targets. As such, it will provide continued B–52 effectiveness into the early 1980's. To ascribe more capability to the ALCM is to ignore the realities of its physical design and development capabilities.

Specifically, the ALCM is designed to fly a preplanned—programed—flight profile at about 200 feet above the terrain. Its basic range is about 650 nautical miles cruising at subsonic speed. Once released from its carrier, the ALCM flies a preplanned flight profile; its survival is predicated on the assumption that all known surface-to-air missiles—SAM—locations have been accounted for in its programing so that it can hide at 200 feet in valleys and natural terrain from enemy radars. It has no electronic countermeasure—ECM—capability to degrade enemy defensive systems, no flexibility to adjust to unknowns after launch, and accordingly, would be vulnerable to mobile SAM's such as the Soviet SA–6. Because of the number that could be carried aboard a penetrating bomber, however, it will be able to overwhelm the capability of Soviet interceptors.

The role of the B–1 is for penetration and destruction of deep inland targets that are both heavily defended and hardened to withstand all but extremely accurate weapon placement. It has been designed for rapid escape from an airfield under attack. Its reaction time is half that of the B–52 and the aircraft itself is "hardened" against the effects of nuclear explosions. The B–1 will carry the most advanced ECM and other penetration aids to enable it to survive in a hostile environment. Its payload will be almost twice that of the B–52. Also, because it is manned the B–1 can react to unanticipated events, both from a threat situation as well as bomb damage assessment. These are features that cannot be achieved by a cruise missile.

Finally, under current SALT II consideration is the concept that ALCM's will be allowed with the restriction that they be carried only in bombers, and that if 10 or more are carried, the vehicle is to be counted as a MIRVed vehicle.

Now Mr. Chairman, I would like to comment on the Brookings study. The study does not question the importance of an aircraft component in our strategic forces; rather, it quarrels with the composition of the bomber force and the required pace of modernization. The study acknowledges that few alternatives to the bomber are available with which to maintain essential equivalence in numbers of strategic vehicles, and useful payload or throw weight.

One very important aspect of the study is that the authors reject the principle of essential equivalence as a criterion for evaluating our strategic force needs and bomber force needs in particular. They propose, to the contrary, that U.S. strategic nuclear forces should be based on a minimum assured destruction retaliatory mission. They seem to reject any kind of counterforce or damage limiting capability on the part of the United States. Further, bombers are viewed in the Triad context only as a backup to ballistic missiles, so that the least expensive insurance is all that is required. Thus, the narrow view of the Brookings study appears to understate the requirements for effective deterrence and misinterprets the Triad concept.

Concerning the cruise missile alternative to the B–1 bomber, the authors of the Brookings study are overly optimistic about cruise missile performance and they propose the most inappropriate targeting for the ALCM; that is, against high value, terminally defended economic/population centers.

The conclusions of the study are not supported by the body of the study:

A hard, fast aircraft—their label for the B–1—is acknowledged as clearly superior in surviving a surprise attack. But the study tries to dismiss this fact by labeling as "implausible" the response postures that SAC has already demonstrated.

Cruise missiles are acknowledged to be ineffective against terminal SAM's without prior suppression. Further, the study admits that such suppression cannot be assured if SAM's are mobile, and the Soviets have mobile low altitude-capable SAM's.

Ballistic missiles are suggested for the suppression role even though the cruise missile is presented as insurance against failure of ballistic missiles. Furthermore, air-launched ballistic missiles are mentioned for the suppression role even though the 600-kilometer limit on such missiles in the Vladivostok accord is admitted by the study to virtually preclude the use of these missiles for defense suppression.

On a cost per unit basis, the wide-body aircraft/cruise missile carrier preferred by the authors of the study is a more costly alternative than the B–1.

Some areas of factual disagreement with the joint strategic bomber study are:

To exaggerate the cost of the B–1, the study burdens the B–1 with a new tanker fleet on the basis that present KC–135's are being given to our reserve forces. This transfer of KC–135's does not make them unavailable to support bombers nor does the Air Force see a need for new tankers for the B–1.

While a Boeing 747—or similar wide-body plane preferred by the Brookings study—might carry twice the weapon load of a B–1, it also consumes fuel at twice the rate and requires twice the air refueling onload at about the same time in the mission. Thus, a wide-body aircraft is not more efficient in the airborne alert mode as claimed in the study. Finally, such a plane really would require additional tankers for support.

Performance characteristics attributed to the cruise missile are not supported in the DOD testimony referenced by the study and are optimistic.

The penetration analysis model used in this study, contrary to claims by the authors, is known to bias results in favor of cruise missiles. For example, it ignores system characteristics such as speed, altitude, radar cross-section, ECM, and threat handling capacity. It also ignores the dynamic interaction of offensive and defensive forces such as attack timing, defense command and control, and geographical location. When all of this is taken into account, as in the DOD joint strategic bomber study, a system like the B–1 appears to be the most cost-effective.

The study's overall tone tries to have it both ways by suggesting that there is no threat to penetrating bombers in the near future and yet, if there is one, it will be more readily accommodated by relying on an alternate system of standoff ALCM's.

Furthermore, these 747 aircraft loaded with cruise missiles would be a prize target for long-range interceptors, which the Soviets possess, as they would have to come very close to the Soviet border before launching the cruise missiles. The survivability of the 747-type aircraft under these conditions would be highly questionable.

I would also like to make the point that it strikes me interesting that just a few months—or even weeks ago—many of the same people who are advocating this cruise missile/747 system were saying that cruise missiles were destabilizing, would aggravate the arms race, and would disrupt the SALT negotiations because they are unverifiable. So this is an interesting turnaround. The cruise missile was once bad, but, if it can be promoted as an alternative to the B–1, then it is suddenly good—for the time being.

Finally, I want to emphasize that the B–1 bomber along with the air-launched cruise missile compose a system which provides the penetration capability to offset some of the Soviet advantages that were institutionalized in the SALT I agreement. I would also like to make the point that, if we are to have any chance at all of avoiding a period of great strategic instability favoring the Soviet Union in the 1980–84 time period, then we must get the B–1 into production this year and get it into SAC as soon as possible thereafter.

Mr. Chairman, again I would like to emphasize that the GAO study concluded that the B–1 system was the most cost effective approach to keeping a manned aircraft component in the strategic force, and I would also point out that our own Library of Congress study of the shifting military balance stated that the B–1 bomber was the one system under development today that enables the United States to substantially improve its position.

Considering the above facts, it is impossible for me to understand why the B–1 is singled out as the prime target for elimination or delay in this year's defense authorization. The Seiberling amendment is not really an amendment to just hold off on production for a short time; it is really a device to kill the program, especially in the hopes of some that a new President will be elected this year who will terminate the B–1 when he takes office. So I strongly oppose any of these amendments to delay production of the B–1 bomber.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. McDONALD).

Mr. McDONALD of Georgia. Mr. Chairman, I submit to you that the Soviet strategists are most concerned about the United States of America's strategic manned bomber force—a force that is currently over 20 years old—the same force that was launched to enforce our national will and commitment over 14 years ago during the Cuban crisis—a force that is severely in need of modernizing.

Today, we are being asked to approve the modernizing of our strategic bomber force through the approval of production authorization of the B–1 bomber. I ask you now to join with me in the consideration of a scenario which could be taking place at this very moment in the Kremlin.

The Soviet strategists are gathered awaiting the returns of this very House of Representatives which is considering the vote to approve production authorization of the B–1 bomber. If we stop the B–1 bomber, it will happen possibly this very afternoon on this beautiful day in April. The big digital computer in the House of Representatives inches up over he 200-vote mark to 201, 202, and on to 210, and on to 218. At that very moment there will be a big cheer in the Kremlin. The talk throughout Moscow will be that we have won—the B–1 has been defeated. The big digital computer in the House of Representatives of the United States of America will read: U.S.S.R., 218; U.S.A., 217.

The impact of this vote will be felt by not only ourselves, but our children and grandchildren. The covert efforts of the national campaign to stop the B–1 bomber—the CDFP and the CNFP have struck their fatal blow against the freedom of the people of our Nation.

I ask my colleagues in the House of Representatives to join me in striking a blow for freedom and assist me in bringing about a resounding defeat to Mr. SEIBERLING's amendment to delay the B–1 bomber production authorization which would be playing into the hands and the wills of our adversaries in the Soviet Union.

Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. PRICE).

(By unanimous consent, Mr. PRICE yielded his time to Mr. WAGGONNER).

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, in 1962 when we were faced with the challenge of the Soviet missile crisis in Cuba, the United States was in a superior military posture and the Soviets backed down.

We Americans have since that time abandoned that philosophy of needing to remain superior, and now we have a defense posture which requires parity. That in itself is a mistake. I say to you that there is only one other possibility as far as military posture is concerned, and that is one of inferiority.

Mr. Chairman, if we do not build this advanced bomber, the B–1, then we will consign this country to a military posture which is inferior to that of the Soviets. The B–1's mission capability makes more sense than its critics' arguments. In one breath they say that the B–1 should not be developed because it cannot penetrate the air defenses of the USSR. In the next breath they say that the B–1 should not be developed because the B–52's can be patched up to last into the 1990's and penetrate those same defenses. After protesting that the B–1 will cost too much to perform its mission, they recommend that a new air-launched cruise missile be developed, along with a new aircraft to launch it to do a lesser job than that which the B–1 is designed to do. These conflicting statements are not logical. Build the B–1. It can carry both the cruise missile and the SRAM. The B–1 will be able to penetrate for 25 years because of its higher speed, lower penetration altitude, smaller radar image, defensive jamming equipment, and stronger airframe structure.

The gentleman from New York stood here a few minutes ago and told us what a great AWACS system the Soviet Union was going to have in 1990 and how it would render the B–1 obsolete. But the same people who propose delaying now the B–1 with the hope of later killing the B–1 program, advocate not doing anything about the AWACS system here in this country. It is good for the Russians but bad for us. How foolish can we be.

My friends, we cannot delay the B–1 unless we want to consign our military posture to one of inferiority. I will never, never, do that. Our security demands the B–1. Let us build it and do it now.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. JENRETTE).

Mr. JENRETTE. Mr. Chairman and distinguished colleagues, there is little doubt that the decision to proceed with production of the B–1 is a momentus one; in fact, perhaps the most important vote that we will face this session of Congress. I believe that we should debate the issues thoroughly before we make that decision. But we should make the decision—there is no reason to defer to another Congress—with another President.

This line of reasoning is a bit hard to understand since we have heard repeated testimony that the B–1 will have completed more testing prior to production commitment than any military aircraft in history. Further, the testing to date has uncovered only minor problems and there is every indication that the aircraft will be capable of meeting mission requirements. The test results will be reviewed during the contract decision process in November. No production contracts will be awarded until that review is complete and appropriate notification is provided to Congress.

But were the real concern with the adequacy of testing, it is difficult to see how a delay until February 1, 1977, would help very much. We would know little more then, in a relative sense, than we will in November 1976. It seems obvious then that the real motive is to delay with the hope that a new administration and a new Congress might possibly have different views on the B–1.

This aircraft system has been in design and development for over 10 years. It has spanned the several sessions of Congress from the 88th to the present, each of which has reaffirmed the necessity for this program by incrementally appropriating over $2.7 billion for research and development. It has spanned three Presidential administrations under both parties and six Secretaries of Defense.

The distinguished Congressman from Ohio now wants the President to certify that he regards such expenditure as being in the national interest. Does he believe that the President included over one and a half billion dollars in the budget that he did not think was in the national interest?

The B–1 is flying, the program has been reasonably paced and soundly managed. The responsibility is ours; we dare not abrogate it.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. WEAVER).

Mr. WEAVER. Mr. Chairman, we are hearing much about how America is slipping from its No. 1 position. The Pentagon tells us the Soviet Union is forging ahead. Ahead in what? The Soviet Union has the military capacity to obliterate any potential enemy—so do we. It is a standoff since both the United States and the U.S.S.R. can wipe each other out in less than an hour.

It is more important in assessing our world position of power to consider the U.S. No. 1 position in food production. We export over half of all grains moving in world trade. We have the most magnificent farm establishment the world has ever known. And the Soviet Union must come to us to make up their food deficits.

Mr. Chairman, the nation that dominates food production has the potential to secure unto itself a power far greater than any military might provides, for food is living power, not deadly power. That means, power over the living, not power over the dead.

Military spending has cost the American taxpayers $1.3 trillion since World War II. What have we purchased? A 30-year arms race which has brought the American people even closer to the brink of a nuclear holocaust. We have purchased a weakened economy because our capital, scarce raw materials, and technology are channeled to serve the military. This takes its toll in jobs. The B–1 bomber actually takes away jobs from the vast majority of States. While nine States would benefit in contracts and jobs, the remaining 41 can expect little economic return for their tax dollars. In my State of Oregon, the B–1 bomber will produce about 80 jobs at a cost to us of $193,000 per job. Thousands of more jobs could be created in the State if the money were spent by the Federal Government for education, housing, health, and public works projects. At a time when our Nation is feeling the beginnings of an economic recovery, such a huge expenditure of the taxpayers' dollars on the Pentagon pet project makes no sense.

Other Members are speaking on the questionable contribution of the B–1 bomber project to our national security. I ask you to support the Seiberling amendment which gives Congress more time to collect all the facts before we commit tax dollars to the production of the B–1 bomber.

It is strange that we are debating another weapon with which to dispond ourselves against the Soviet Union while at this moment ships are loading the most strategic commodity of all—U.S. grain—to be shipped to the Soviet Union.

We should use B–1 money to purchase that Russian grain at better prices to our farmers than the Russians paid for it, and hold it in a strategic food reserve. That would be real strength.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. RISENHOOVER).

Mr. RISENHOOVER. Mr. Chairman, this amendment can and probably will kill the B-1 program if approved. That is obviously the intent of many of its proponents.

Since the proposed deferral of the production decision is tantamount to program cancellation, the hundreds of millions of dollars would be a shameful waste of taxayers' money.

The Air Force has determined the requirement for and is requesting congressional approval of, a strategic manned bomber to meet the military threat of the 1980's and 1990's—the B-1.

It is incumbent on us as responsible representatives of the people to provide for the common defense of our Nation.

Our colleagues on the House Armed Services Committee have reviewed in-depth the recommendations of the experts in the Air Force. They have concurred with their assessment of the requirement for the B-1 and are recommending to us its approval.

In casting my vote, I will accept the recommendation of the House Armed Services Committee because of the competence and expertise of the vast majority of its members in making judgments on vital military matters.

I solicit the support of my colleagues in overwhelmingly rejecting this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, it is indeed ironic that we are told today that the B-1 can fly at mach 2, that it has done so in a test, but it is unfortunate that it is not going to be able to fly at mach 1 at the rooftop level which originally it was supposed to do, nor will it contain the canister to safeguard the members of the crew in the case of an emergency ejection.

I strongly urge the Members of the House to vote for the amendment offered by the gentleman from Ohio (Mr. SEIBERLING), in order that we may take a closer look at this proposed offensive weapon.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.).

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, attempts like this to cancel our advanced weapons programs which are now underway can only equate in the long run to unilateral disarmament. This Congress has no higher duty than to assure our national safety, and we cannot rely for this upon the presumed good will of other nations. The future of the United States must not be subject to the tender mercies of the Soviets who are themselves forging ahead with new advanced weapons in every category including the B-1 type aircraft.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The B-1 bomber has been studied carefully by the committee. It has met its major obligations and objectives. I think it is in the national interest of our country to go forward with this at the earliest possible moment, especially because of the money the country will save by prompt rather than delayed production.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Chairman, I rise in support of the amendment to the defense authorization bill which defers the expenditure of funds for the procurement of the first three production models of the B-1 aircraft until the Air Force and the prime contractor finish the minimum flight testing program.

By deferring the massive expenditure of $960,500,000 authorized for the production models of the B-1 bomber until the President certifies to Congress that he has reviewed the test results to determine if this allocation of funds is in the national interest in addition to requiring that Congress approve such an expenditure by concurrent resolution makes all the sense in the world. Far too many questions over the reliability and effectiveness of this aircraft have come to light which require that caution be exerted until these questions can be satisfactorily resolved. The possibility of redesigning the wing structure before the testing can be completed as well as the excessive aircraft vibrations, and the inability of some other equipment to meet the requirements for electromagnetic pulse resistance make the go ahead for expenditures at this time, a risky investment.

Department of Defense sources stated that the B-52 bombers will remain operationally effective until the 1990's so there is no compelling need to give final authority for this expenditure until these questions can be answered. To best represent the national interest, Congress owes the American people caution in dispensing this enormous amount of money.

That is precisely what this amendment will do.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, I, too, rise in opposition to this amendment. I think that all the amendment can do is create delay. As we create delay, we create additional costs for this already expensive weapons system. We increase the load the taxpayer is being called upon to bear to produce this weapons system, and the truth of the matter is we are here today debating why we need more defense to make up for not doing enough last year and the year before, and if we delay any further, it will be more costly next year.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Chairman, I rise in opposition to this amendment. It is rather interesting to me that the gentleman from New York, who is one of the youngest Members of this body, is supporting the oldest airplane we have—the B-52, an airplane almost as old as he is.

I am a member also of the Select Committee on Aging, and I commend him for his compassion for the B-52. But, believe me, this country needs a new bomber, and I hope we will continue with the production of the B-1.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I think there is one thing on which everybody in this House agrees this year, and that is that this is the time for us to turn around and demonstrate that we in Congress are not going to destroy our defenses, that instead we are going to begin to move back at last toward "rough equivalence" with the Soviet Union. Even the House Budget Committee has demonstrated that view with its recent actions on the defense budget, and the modest size of its proposed cut.

This amendment would eliminate one part of our great Triad. I think the most dangerous thing we could do today would be to tear away one part of that Triad and at the very time when we are trying to show the Russians and the rest of the world that we intend to remain strong and stay equal with the Soviets.

Mr. KOCH. Mr. Chairman, I rise in support of the Seiberling amendment.

I am opposing the Department's $1.5 billion request for the B-1 bomber. I favor a strong military, but I believe that this represents a poor expenditure of $1.5 billion. The eventual construction of 224 B-1's, at $87 million a plane, proposed by the Air Force would not in my judgment add appreciably to our national security. It would be better to spend a fraction of this money in modifying the B-52 to use air-to-surface missiles now under development. Providing the B-52 with the capability of launching its payload without penetrating Soviet air space is the most effective way of enhancing the strategic bomber.

The Defense Department admits that like the B-52, the B-1 will be vulnerable to Soviet surface-to-air missiles and Soviet radar detection. Last year I querried the Defense Department on this matter. The Department's response to the question of the B-1's vulnerability was as follows:

> The B-1 would not be invulnerable to attack by large numbers of Soviet surface to air missiles . . . In this regard the vulnerabilities of the B-1 and the B-52, once missiles have been launched, do not differ significantly.

The Department then explained why it wanted the B–1 bomber:

> The B-1's capability to avoid the Soviet missile threat does not lie primarily in its ability to escape the missile itself but in its ability to penetrate Soviet defenses at high speeds and at low altitudes, minimizing the opportunity for the Soviets to detect, acquire with the missile radars, and launch a missile while the B-1 is within the range of the Soviet missiles.

"Penetration": This is the principal reason why the B–1 is wanted by the Defense Department. But, I would submit that the sought after penetrating capabilities can be more effectively provided by a cruise missile coming from a modified B–52 or even a commercial 747 aircraft.

Such a missile would be more difficult to detect than the B–1. The planes carrying the missiles need never go over enemy territory or oceans. The plane could not be shot down and the cruise missile would be very hard to destroy because of its low flight projectory and low radar profile. This approach would cost one tenth as much, freeing hundreds of millions of dollars, and give us a better weapons system.

In examining the efficacy of developing the B–1 bomber one might compare our aircraft with those of the Soviets. The Soviets have demonstrated their contempt for the bomber by not buying any in recent years. Their total force consists of only 160 bombers, of which 100 are propeller planes. We have over 400 high speed B–52 jet aircraft. The point is that the manned strategic bomber has no place in modern warfare. It will be shot down and will take as long as 7 hours to reach its target.

The Defense Department argues that it needs a flexible retaliatory response capacity. I would submit that this capacity is assured by submarine-launched missiles which may be fired at any time after a Soviet attack.

In sum, Mr. Chairman, I would urge that it would be wiser to focus on the air launched cruise missile rather than the construction of a new airplane system. The Congress' approval of the B–1 will only perpetrate the Department of Defense's policy of building the wrong systems. And, if a bomber is needed it is not the B–1 with its enormous expense and vulnerability.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SEIBERLING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 210, not voting 46, as follows:

[Roll No. 181]

AYES—177

Abzug
Adams
Addabbo
Ambro
Anderson, Ill.
Ashley
Aspin
Badillo
Baldus
Baucus
Bedell
Bergland
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Brodhead
Brown, Calif.
Buchanan
Burke, Fla.
Burton, John
Burton, Phillip
Carney
Carr
Clay
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Dellums
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fithian
Florio
Foley
Ford, Mich.
Forsythe
Fraser
Frenzel
Gaydos
Gibbons
Grassley
Green
Gude
Hamilton
Hanley
Harkin
Harrington
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Jacobs
Jeffords
Johnson, Colo.
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Long, Md.
Lujan
Lundine
McClory
McCloskey
McHugh
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Mosher
Mottl
Murphy, Ill.
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Paul
Pike
Pressler
Pritchard
Rangel
Rees
Reuss
Rodino
Roe
Rogers
Roncalio
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Simon
Smith, Iowa
Solarz
Stark
Stokes
Studds
Thompson
Traxler
Tsongas
Udall
Ullman
Vander Veen
Vanik
Waxman
Weaver
Whalen
Wirth
Wolff
Yates
Yatron
Young, Ga.

NOES—210

Abdnor
Alexander
Allen
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bevill
Biaggi
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Esch
Evins, Tenn.
Fish
Fisher
Flood
Flowers
Ford, Tenn.
Fountain
Frey
Fuqua
Giaimo
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Guyer
Hagedorn
Haley
Hall
Hammerschmidt
Hannaford
Hansen
Harris
Harsha
Hawkins
Hébert
Hefner
Hicks
Hightower
Hillis
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKay
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Morgan
Moss
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Neal
Nichols
O'Brien
Passman
Patterson, Calif.
Perkins
Pettis
Peyser
Pickle
Poage
Preyer
Price
Quie
Railsback
Randall
Regula
Rinaldo
Risenhoover
Robinson
Rose
Runnels
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stratton
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Treen
Van Deerlin
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NOT VOTING—46

AuCoin
Barrett
Bell
Burke, Mass.
Cederberg
Chisholm
Collins, Ill.
Conlan
de la Garza
Eshleman
Flynt
Gilman
Hayes, Ind.
Hays, Ohio
Heinz
Henderson
Hinshaw
Holland
Johnson, Pa.
Karth
Litton
Macdonald
Madden
Mann
Metcalfe
Mollohan
Nix
Pepper
Quillen
Rhodes
Richmond
Riegle
Roberts
Rooney
Rousselot
Stanton, James V.
Steiger, Ariz.
Stephens
Sullivan
Symington
Talcott
Teague
Vigorito
White
Wilson, Tex.
Young, Tex.

The Clerk announced the following On this vote:

Mr. Burke of Massachusetts for, with Mr. Teague against.

Mrs. Chisholm for, with Mr. Flynt against.

Mr. Richmond for, with Mr. de la Garza against.

Mr. Karth for, with Mr. Henderson against.

Mr. AuCoin for, with Mr. White against.

Mr. Hayes of Indiana for, with Mr. Madden against.

Mr. Symington for, with Mr. Mollohan against.

Mrs. Collins of Illinois for, with Mr. Pepper against.

Mr. Litton for, with Mr. Stephens against.

Mr. Nix for, with Mr. Conlan against.

Mr. Riegle for, with Mr. Roberts against.

Mr. Metcalfe for, with Mr. Talcott against.

Mr. Barrett for, with Mr. Quillen against.

Mr. Holland for, with Mr. Rhodes against.

Mr. Macdonald of Massachusetts for, with Mr. Eshleman against.

Mr. DICKINSON changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HICKS

Mr. HICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HICKS: Page 2, line 19, after "$7,378,300,000" insert the following: *"Provided,* That there shall be no expenditure or obligation of funds for a nuclear-powered aircraft carrier until such time as the Committees on Armed Services of the House of Representatives and the Senate have jointly conducted and completed a comprehensive study and investigation of the past and projected utility of aircraft carriers and their task forces, and a thorough review of the consideration which went into the decision to maintain the pres-

ent number of carriers. Alternative ways of satisfying missions envisioned for aircraft carriers now and in the future shall be reviewed for cost and effectiveness.

"In carrying out such study and investigation the Committees on Armed Services of the House of Representatives and the Senate are authorized to call on all Government agencies and such outside consultants as the committees may deem necessary."

Mr. HICKS. If the Members do not listen, they are not going to get the whole story here, and I know that is what they are on the floor for, to find out what is going on.

This amendment might have sounded like the last one. It is not.

I wrote the Members all a "Dear Colleague" letter, and they may have received it, but none of them have read it, I am sure, so that I am going to read it, and it will give the Members the story if they will just be quiet and listen. It only takes about 3 or 4 minutes, and it will not hurt very much to listen to it. The Members will understand what this amendment is all about.

I join my subcommittee chairman, CHARLIE BENNETT, as a believer in a strong Navy, and I want the United States to have the most effective Navy that it can afford. However, the subcommittee, and thereafter the full committee, made a decision to purchase an additional *Nimitz*-class aircraft carrier by authorizing $350 million in long leadtime components. The Department of Defense made no request for these long lead items. That in itself is no reason to reject the add-on, if it will give us a more effective Navy that we can afford. But is more *Nimitz*-class carriers the way to achieve this goal? The Department of Defense and the National Security Council, apparently, have not so decided, as I am advised the matter is under intensive review. I believe the Congress should do no less.

Our Navy has been built around the aircraft carrier since World War II, but the carrier did not become the capital ship of the Navy without a good deal of controversy. In the years between World Wars I and II, there was a continuous debate between backers of the carrier and supporters of the battleship, which was then the centerpiece of the Navy. Most officials within the Navy were firmly behind the battleship with its huge 16-inch guns that could shoot over 20 miles. A small number of naval officers argued that the day of the battleship had been eclipsed by the advent of the airplane.

They said we should begin building aircraft carriers instead of building battleships. The Navy lined up firmly behind the battleships, just as the Navy lines up behind the aircraft carrier today.

As the Members know, World War II proved beyond question that the aircraft carrier had replaced the battleship as the principal ship of the U.S. Navy. Fortunately, we had time and the protection of two oceans to compensate for our failure to recognize that. In any future war, we cannot count on either time or the oceans to be of aid to us.

The amendment I am offering is patterned after one that was accepted in the fiscal year 1970 authorization bill. If a congressional review was accomplished in 1970, why do we need another today?

Principally, because of the tremendous change in conditions. In 1970 our Navy was markedly larger — 760 ships then, 477 ships now—and the Soviet navy was smaller. And the cost of shipbuilding has gone out of sight.

The investment cost of another *Nimitz* and its air wing aproaches $4 billion; its 35-year life cycle cost is over $17½ billion. The Navy would like to replace 8 *Forrestal* class carriers on a 1-for-1 basis with *Nimitz*-class carriers. These sums will provide us with extraordinary capabilities, but not in very many places. At such prices, what else can we afford for the Navy? As such, our fleet of aircraft carriers will provide a very small number of extremely high-value targets—only 12—for the Soviet Union to concentrate upon.

We really do not know the capabilities of the nuclear attack submarine or of the antiship missile, since there has been no general war at sea since World War II. But we do know that the Soviet Union is concentrating its forces in these two areas. If the past is any guide, the U.S.S.R. can continue to assemble one nuclear attack submarine on the average of every 5 to 6 weeks and one missile-firing major surface combatant about every 10 weeks during the 7 or 8 years it will take to build another *Nimitz*-class aircraft carrier.

I am by no means sure that there is a direct parallel between the former battleship-carrier controversy and our present situation. But there is enough substance to the question to justify an intensive congressional review of this issue—just as the Defense Department and the National Security Council are now doing.

I hope you will give favorable consideration to my amendment.

Mr. BOB WILSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our Navy is now the smallest it has been since 1939. We have a total of 478 ships including 116 submarines of all types, both nuclear and diesel powered; 173 major combatants and 189 minor combatants and auxiliaries. The aircraft carrier is the principal offensive combatant in the U.S. Navy for nonnuclear war. We currently have 14 in commission but will be down to 13 after the USS *Oriskany* is decommissioned in June of this year.

This compares with 23 active carriers the U.S. Navy had early in the Vietnam war. With the exception of aircraft carriers, where the Soviets have one in active service, we are outnumbered by the Soviets in every other class of warship and auxiliary.

Our current carrier force consists of the nuclear powered USS *Nimitz* commissioned last year; the nuclear carrier USS *Enterprise* commissioned 14 years ago; eight oil-fired carriers of the *Forrestal* class, ranging in age from 7 to 20 years; three *Midway*-class carriers 28 to 30 years old; and the smaller carrier *Oriskany* laid down in World War II. The *Dwight D. Eisenhower* to be delivered in 1977 and the *Carl Vinson* expected to be delivered in 1980 are sister ships of the *Nimitz* and will replace two of the oldest conventional carriers. To date, no U.S. carrier has seen active fleet service beyond the 31-year record set by the USS *Hancock* which was decommissioned in January of this year.

If the United States is to continue to have a surface Navy, and I for one firmly believe that we must, it will be necessary to have a modern carrier force as the principal strike force for any military confrontation short of all-out nuclear war.

Over the years there have been many studies conducted by the Navy, the Joint Chiefs of Staff, the Department of Defense, the National Security Council, and the Congress, all of which confirm the need for aircraft carriers. The declining number of overseas air bases, the worldwide shortages of energy sources—particularly oil—and the threat to our sea lines of communication posed by the tremendous Soviet submarine fleet, all emphasize the clear need for the U.S. Navy to have a modern, powerful carrier force.

The executive branch has identified the need for two nuclear-powered aircraft carriers to be authorized in the next 5 years. The President's budget submitted to Congress in January 1975, identified $350 million to be requested in the fiscal year 1977 shipbuilding program for advance procurement for the first of these two new carriers. However, this year's revised Presidential budget submitted to the Congress does not request any funds in fiscal year 1977, but identifies an intention to request $400 million in fiscal year 1978. The Navy in January of this year completed a study to determine the characteristics for this next carrier which concluded that the most cost effective carriers the Navy can build are carriers of the *Nimitz* class, such as the *Carl Vinson*. This new Navy carrier study also pointed out that at least $178 million of the cost of building a new *Nimitz*-class carrier could be saved if $350 million in initial long lead procurement of nuclear propulsion plant components were funded in fiscal year 1977 instead of fiscal year 1978.

It takes 8 years from initial funding to build a modern nuclear carrier such as the *Carl Vinson* for which advance procurement funds were authorized 4 years ago. Thus, only if initial funding for long-lead time items is provided in fiscal year 1977, the Navy estimates that the ship could be delivered in October 1984, and relieve a carrier in the active fleet in 1985, at which time the *Forestal* will be 30 years old and the *Midway* will be 40 years old—if she is still in service. The eight *Forrestal*-class oil-fired carriers were completed during the 13-year period from 1955 to 1968, or at a rate of approximately one ship every year and a half. Therefore, several of these ships are expected to reach the end of their useful lives at about the same time. The normal life of a carrier is 30 years. The only way we can maintain a force level of 12 carriers, two less than we have now and about half the total carrier force we had a decade ago, is to start now building a carrier every other year.

The deferral of initial funding for the next carrier from fiscal year 1977 to fiscal year 1978, as proposed by this amendment, would delay delivery of this ship to at least October 1985, 5 years after the scheduled delivery of the *Carl Vinson.*

The Navy has pointed out that the projected October 1985 delivery is predicated on the assumption that the shipbuilder would be able and would agree to provide the skilled manpower necessary to build the carrier in this time period, even though most of the manpower used to build the *Carl Vinson* could be expected by that time to have been reassigned to other work or laid off.

In the past 25 years, the Newport News Shipbuilding & Dry Dock Co., the only yard now capable of building carriers, has been awarded contracts for the construction of eight aircraft carriers, the largest gap between these carriers has been 4 years. Therefore, the minimum 5-year gap caused by deferral of long-lead funds to fiscal year 1978 would create greater disruption in the carrier building program at Newport News than has been experienced at any time during the last quarter century.

Admiral Rickover has testified that the long-lead nuclear propulsion plant components for the *Nimitz*-class carriers are the largest components produced for the naval nuclear propulsion program and in many cases required development of special production lines and facilities to produce them. The components for the *Nimitz, Dwight D. Eisenhower,* and *Carl Vinson,* and a ship's set of shore based spares, were ordered between fiscal year 1967 and fiscal year 1973. An average of one ship's set of components was ordered every 21 months, with the longest gap between any two orders being 3 years. The last of these components was ordered in calendar year 1972. Deferral of long-lead funds from fiscal year 1977 to fiscal year 1978 would put at least a 5-year gap between the ordering of nuclear propulsion plant components for the *Carl Vinson* and the next carrier.

The October 1985 delivery for the next carrier is predicated on the assumption that the 5-year gap after ordering the nuclear propulsion plant components for the *Carl Vinson* would not increase new component leadtime. This assumes that the component manufacturers involved would make their production facilities and manpower available at the time needed, even though these facilities are expected to have been shut down or diverted to other work due to the 5-year gap between orders.

The administration has said they plan to build the ship, and I agree they should. But it makes no sense to delay it and add at least $178 million to its cost. If the ship is to be built, the advance procurement funds should be authorized this year. The Nation has not reduced its expectations of what the Navy can and must do in time of war. Consequently it is very important that each new warship be as capable of fighting and winning as we know how to build. For carriers, this means we should build *Nimitz*-size carriers. The carrier issue has been gone into over and over again at great depth. The special Joint Subcommittee of the House and Senate Armed Services Committees on the CVAN 70 went into these issues in 1970 and reached the same conclusion.

It is time to stop studying the carrier issue and decide to get on with it. All this delay in deciding the issue can only increase the cost of building the next carrier.

This issue is being mishandled by the Department of Defense and the Office of Management and Budget in much the same way they mishandled and delayed authorization to construct the *Carl Vinson.* I do not see how they can justify to the taxpayers the added cost of delaying this carrier.

I support the provision in the committee bill to start funding the construction of another *Nimitz*-class carrier in the fiscal year 1977 shipbuilding program. I hope the Department of Defense and the executive branch will follow the lead being taken by Congress and recommend funding the balance of this ship next year so that the people upon whom the task of building this ship will fall can get to work.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I rise in opposition to the amendment.

I regret to say, Mr. Chairman, that the gentleman from Washington has adopted a tactic used by the bureaucrats. That is, if you do not have the facts and logic to defeat a program, then, by all means, try to study it to death.

The gentleman is aware, of course, that all of the facts and logic in the aircraft carrier issue lie with the committee's position.

He knows, for example, that our Navy must depend upon aircraft carriers if we are to retain any superiority over the Russians at sea, now or in the 1980's and beyond.

He knows that the carrier was in the fiscal year 1977 budget request until just before it was submitted.

He knows that the Navy at the direction of the Secretary of Defense, only a few months ago, completed an exhaustive study of aircraft carrier types. The study, as the gentleman knows, concluded that a carrier similar to the *Nimitz* class is the most cost effective and militarily sound ship.

He also knows, that to delay the authorization of long-lead nuclear propulsion items for another year, would increase the cost of a new carrier by $178 to $190 million.

This committee has received studies on nuclear powered aircraft carriers that would make a pile 10 feet high. All of them have concluded the same thing. This country needs nuclear-powered aircraft carriers.

Surely the gentleman from Washington remembers the study made by a Joint House and Senate Armed Services Committee into this very subject in 1970. In fact, the issue was exactly the same: Whether to fund a follow-on *Nimitz*-class carrier.

That congressional study also concluded, with only a single exception, that the carrier should be built. The single exception did not withhold his concurrence because of the carrier, but because of yet another claimed study of the matter by the administration. A study, by the way, that never existed.

No, Mr. Chairman, the proponents of this amendment do not want yet another study. They want to kill the aircraft carrier and future naval aviation. For, if this is not their present intent, it will be the sure result.

I urge you to see this amendment for what it really is; an attempt to delay and eventually reduce this country's seapower.

I urge that the amendment be soundly defeated.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this amendment would do substantially what we did on the last carrier we had. We had a study group appointed, of which Senator STENNIS and I were cochairmen.

The result of that, the things that happened in the executive branch and in the legislative branch, was years of delay and hundreds of millions of dollars of cost.

The Navy asked last year when they came before us for 35 new ships per year, major ships, in order to keep up with the situation that was happening in Russia. DOD suggested that the Navy would need 38 ships, but instead, they came in this year with a request not for 38 ships nor for 35 ships, but for only 16 ships, less than half of what they said last year was absolutely essential if we were going to hold our own in the world.

Mr. Chairman, to delay this particular ship, which was asked for next year, I think would cost a lot of money. It would destroy the national defense stature we have in our country, and it would be very unwise in every respect.

The number of carriers which we now have is 13. As my friend and colleague, the gentleman from California (Mr. BOB WILSON), pointed out, when the two ships that are now under construction are completed, the ones they are going to supplant are going to be about 30 years of age. This ship, when it gets into the fleet, is going to supplant a ship which is 40 years of age.

Mr. Chairman, anyone who knows anything about a ship of that size and about its steel structure is really not going to be very happy if his son is on a ship that is 40 years of age.

Even if we go forward with this ship this year instead of waiting until next year, as has been suggested, we are going to have a 40-year-old ship that this new ship is going to supplant.

Therefore, Mr. Chairman, I think we ought to bring ourselves at least a little closer to reality here.

We are trying to bring to the world a program which is credible and which will let the world know that our country wants to go ahead in national defense.

Mr. Chairman, there are plenty of places to get this money. There is $6 billion in revenue sharing which nobody except the people in City Hall wants. There is $5 billion or $6 billion in foreign aid. There are billions of dollars of waste in food stamps, and there are billions and billions and billions of other dollars which are not being spent wisely by our country today.

Mr. Chairman, this is a wise investment. It will be cheaper. Even when we get this, we will have fewer carriers than recommended by the Joint Chiefs of Staff. Even when we get this particular carrier, we will have less, not more, but less than was recommended.

It has been requested by the Department of Defense in its funding for next year; and our committee decided that we should move it up, because we want to have a credible Navy. Once we do that, we are going to tell the world and show the world that we want a peaceful world in which we do not invite wars.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Oregon.

Mr. WEAVER. I read in the newspaper that it takes 85 percent of the strike force of the carrier just to protect the carrier. Is that true?

Mr. BENNETT. No, that is not true.

Mr. WEAVER. How much of the strike force does it take to protect the carrier?

Mr. BENNETT. The strike force on the carrier does help to protect the carrier, but that is not the function of the strike force.

I must say that I feel the Members should realize that only the carrier in our national naval defense posture is the place where the United States has any credible edge over any other opponent. The carrier is the only place where we really can say there is no doubt in the mind of the rest of the world as to our capability with respect to national defense, on the sea, at least. People say it is hard to protect the carrier, but it is the safest place on Earth. People are less likely to be blown up on a carrier than on anything else. It is the most dependable ship on the surface of the Earth.

The ship is created so that we can have bases abroad for the protection of our Nation when it needs to be protected. That is the purpose. We cannot obtain all of the air bases on land we want today in the complex of international affairs. Therefore the aircraft carrier is the bastion of national defense. I hope the amendment is defeated.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I too was a member of this study group that was created in 1970 to look into the question of aircraft carriers. As the gentleman from Florida (Mr. BENNETT) has already indicated, this same group would probably come up with the same decision today because the situation is even more urgent today. We concluded in 1970 that aircraft carriers are very necessary and in fact represent the only measure of superiority of our naval forces. That situation is even for true today, when we now have fewer than 500 ships in the Navy. The only superiority we have over the Soviet navy is our aircraft carriers. In fact, the situation today is less reassuring. In 1970 we had 16 carriers, today we have only 13. And only two of those carriers are nuclear powered. We do have two other nuclear carriers under construction. That still leaves the bulk of our carrier force oil-fueled. And the carrier fleet is the one area, if one queries the value of nuclear power, where we desperately do need nuclear power.

What we are trying to do in this bill is continue the orderly process of building one nuclear carrier every 2 years, so that we can have a fleet of nuclear carriers that can travel the world without worrying about what the oil barons may be doing with the oil situation.

Many people have opposed our establishing any kind of base in the Indian Ocean at Diego Garcia, to protect our oil lines out of the Persian Gulf, even though the Soviet Union now has a 15,000-foot runway available in Somalia. So what do we have left to protect our interest in the Indian Ocean? The only thing we have are our carriers. If the only carrier we have available is an oil-powered carrier, it would not be able to stay in the Indian Ocean for any length of time. So our capability would be degraded.

So we do need to continue the construction of a modest fleet of nuclear-powered carriers if we intend to demonstrate to the Soviet Union convincingly that we do not intend to reduce our naval forces in the United States this year.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, would the gentleman from New York speak to the point of size? I had the pleasure of being on the aircraft carrier *Nimitz*, and when I left that great craft I had a question in my mind as to whether an aircraft carrier should be that large.

Would the gentleman speak to that point?

Mr. STRATTON. I would be happy to do so.

I was chairman of the committee that went to Somalia. The Russians there are building there the largest naval supply establishment outside of the Soviet Union. They have almost completed a 15,000-foot runway to provide facilities for their land-based naval aircraft. We have no comparable base in the Indian ocean.

An aircraft carrier is considerably less than 15,000 feet long; it is only 800 feet long. The reason for the size of an aircraft carrier is the size of the airplanes that operate out of it. Today we have the F-14. We have stronger planes that can fly further than in the past.

So I do not think we can honestly expect to reduce the size of an aircraft carrier without reducing the size of the planes, which are the carriers' most important weapon.

The trouble with this amendment is that it will increase cost and will not provide us with more security. It will provide us with less security and will also disrupt the construction facilities which we have around the country, especially in certain areas, which are today building carriers. If these yards cannot plan ahead of a reasonable schedule, we are not going to get the ships we need when we need them.

Mr. CARR. Mr. Chairman, would the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Michigan.

Mr. CARR. Mr. Chairman, I agree with the gentleman's remark about the nuclear powered versus nonnuclear powered, but I am sure the gentleman did not mean to leave the impression that the nuclear-powered aircraft carriers are totally fuel self-sufficient considering the 90-some odd aircraft that are carried on the carrier and on which they need to get fuel for the operation at a high level of activity about every week.

So they must have nonnuclear power to go out to the aircraft carrier to support a task force for the aircraft carrier. And the frigates, destroyers, and cruisers—they need fuel, and they have to be supplied.

So I agree with the gentleman, if we are going to build aircraft carriers, they probably should be nuclear powered. But I am sure the gentleman did not intend to leave the impression that nuclear power is the answer to all aircraft.

The **CHAIRMAN.** The time of the gentleman has expired.

Mr. HARKIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington.

I do not think the argument here today is really one of whether or not we are going to replace very old aircraft carriers. I think they ought to be replaced.

I find myself in a very unusual position, having flown off aircraft carriers as a Navy pilot just very recently. I can tell the Members when I was a Navy pilot, I wanted a bigger and better aircraft carrier to fly off of and land on, especially at night. But now I am a Member of Congress, and perhaps I see things in a little different light. So I do not think the question is really one of replacing old carriers. I think they ought to be replaced. But I think we ought to examine the alternatives.

I, too, spent some time, as did the gentleman from Illinois, on the *Nimitz*. I was very impressed by it. It is a floating palace, and it has every technological device known to mankind. But I remember a conversation I had with an admiral concerning the *Nimitz* carrier. The conversation was basically something like this. I said, "Really, when we come right down to it, in a strategic war, of what value is the *Nimitz* carrier?"

He said, "Well, not really much. It is really a sitting duck."

I said, "Well; then, of what value is the *Nimitz* carrier?"

He said, "Well, it is good for the planned targets that we have to hit from land, like in the Vietnam situation, or for things that might take place in the Indian Ocean that the gentleman from New York spoke about, or in Africa, or in places like that."

I said, "Well, if that is the situation, then do we need a $2 billion floating technological nightmare like the *Nimitz*?"

I will never forget what he said to me. He said, "Mr. Congressman, I did not ask for this ship. We have reached the point in our society where if something is technologically feasible, we are going to do it, and the *Nimitz* and everything that is on it is technologically feasible, so we got it." I think that there are alternatives that we have to examine in terms of our carrier fleet, and that is what the gentleman from Washington is trying to do. There are, as I see it, at least three alternatives.

One is the nuclear midi-carrier, which would have a platform about two-thirds the size of the *Nimitz*. I think that would be more than adequate for any of our interceptors such as the F-14, the F-4, and other planes like that.

The other alternative I think we should examine would be, of course, the fuel-fired, oil-burning midi-carrier, again about two-thirds the size.

The third alternative would be the mini-carrier which, of course, then would not be a nuclear carrier, but it would be, of course, a fuel-fired carrier and would have a very small platform, which is used for the V/STOL aircraft and perhaps even some of the smaller jets, the attack aircraft like the A-4's and A-7's which could fly off of them.

The gentleman from Oregon asked a question about how much, in percentage terms, of the carrier's ability is used for its own defense. My figures show about 60 percent of the carrier's aircraft is utilized for defense against submarines and surface ships rather than for attacking and destroying enemy targets. The big thing is it must remain farther out to sea, thereby minimizing its primary function, which I consider to be its power projection against land-based targets.

Let me say the cost of the CVNX carrier would be $2 billion to build, and the yearly operating costs will be almost $90 million. The life-cycle cost of the ship is then close to $5.8 billion to which must be added the life-cycle cost of the ship's aircraft at $11.9 billion. Therefore, we have a grand total life-cycle cost of $17.7 billion. Also, about 50 percent of the Navy's budget right now, 50 percent of the $26 billion budget, goes into supporting aircraft carriers. So, I think the economic reality is that if we continue to build ships with billion-dollar price tags on them, the Nation will be unable to afford a 13-vessel carrier fleet, which I think we have to have. Nor do I think we will be able to have a Navy with 600 surface ships, which I also believe we ought to have.

I think by putting all of our eggs into one big supercarrier we will acquire a nice showpiece to float around the world, but in the case of an engagement it is a sitting duck and it is not going to be as valuable as having a number of midi-carriers.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. I associate myself with the gentleman's remarks and I commend him for making these remarks.

Is it not also a fact that this is an area where the Soviets are so far behind us that we do not have any competition from them on this? They do not have a single one of these.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(On request of Mr. STRATTON, and by unanimous consent, Mr. HARKIN was allowed to proceed for 2 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I would like to respond to the gentleman. He has suggested we ought to have mini-carriers.

Mr. HARKIN. It is midis.

Mr. STRATTON. All right, midis, minis, anything. And he has also suggested, as I understand it, that we should have a new kind of midi- or mini-airplane too. I would like to say the Defense Department has actually carried out a study of this proposal. They have concluded that when we come to design this new carrier and develop the new techniques and the new planes that would have to go on those smaller carriers, it would actually cost us more money than if we just build *Nimitz* class carriers.

Mr. HARKIN. The only plane they would have to fit onto the *Nimitz*-type carrier is the F-14. It is not going to be used that much against the land-based targets.

Mr. STRATTON. The F-14 is not going to fit onto the midi.

Mr. HARKIN. If we do not have the *Nimitz* class, we do not have a need for the F-14. The *Nimitz*-class carrier breeds the F-14 plane.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from Oregon.

Mr. WEAVER. Mr. Chairman, I served in the Navy on a flattop in the Second World War and we found it to be very versatile and we were proud of it. How many of these could we build for one in the *Nimitz* class?

Mr. HARKIN. I do not know about the nuclear-powered one, but the conventional-powered ones would be something like two or three for the price of one of the *Nimitz*-class carriers. The Navy has said that the cost of a midi carrier nuclear powered would be the same as the *Nimitz* nuclear powered, but I think what they are talking about is the cost of the powerplant and everything, which might be true, but they will not need all the computers we have on the *Nimitz* that compute everything. We just would not need all that stuff. Therefore, the cost of the midi has to be less, in my opinion.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from Florida.

Mr. BENNETT. Mr. Chairman, I would like to clarify two or three things. I must say a lot of the admirals were really very reluctant and sad that we did not get a midi carrier, as I was also, but the facts are they said after study, that it would cost more money for the midi carrier unless we got over three. Then these midi carriers we would eventually get down to where we would have a cheaper carrier than the *Nimitz;* but then we would not have anywhere near the job. So there would be no actual savings, but in fact a loss, cost effectivewise.

Mr. HARKIN. But for the primary purpose of the carrier, which is to project its power against land-based targets, then we do not need the *Nimitz*. The admiral said, "If you can give me a hull with a platform and with all the necessary equipment so I can carry armaments and project them against the land-based targets, that is all we need."

Mr. BENNETT. The gentleman said the admiral said: "What good would it be in an all-out strategic war?" But we must bear in mind that the carrier is designed for conventional war. It is not, like the Trident, designed to be a strategic weapons system.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not mean to impugn the motives of any critic of any defense program or of this bill.

But it seems that, over the years, those items of defense hardware which would give us the greatest ability to deter war, and would cause the Soviets the greatest pause in their adventures, are the very ones which draw the most fire by some Members of Congress.

Just tick them off:

Land based strategic missiles;

The Polaris/Poseidon submarines;

MIRV and MARV;

Terminal guidance systems;

The F-14;

Battle tanks;

The faster and quieter attack submarines;

Trident;

The B-1;

Nuclear powered fleet escorts;

The Seafarer system;

The Cruise missile;

The Strike cruiser; and now, the aircraft carrier.

The modern aircraft carrier, represented by the *Nimitz* class, is the most powerful and versatile ship in the world. And, contrary to the statements made by its critics, the carrier is also the most survivable surface ship in the world.

No modern carrier, beginning with the *Essex* class which was designed before World War II, has ever been sunk by enemy fire. Even those few which were severely damaged came home under their own power.

The carrier is the backbone of the fleet. It is the only ship capable of performing all of the Navy's warfare tasks. It can attack sea, air, and land targets from any ocean area.

Certainly, *Nimitz* class carriers are big ships. Contrary to what you may have heard, the size of these ships is the very thing which makes them most effective, least vulnerable, and most cost effective per unit of combat potential. Higher capability of each carrier is necessary if force levels are kept at 12 or 13 active ships.

Size, again, permits greater structural strength, damage control systems, and redundancy to resist combat damage and to permit the continuation of air operations. These advantages are impossible on smaller carriers.

Extensive studies by the Navy clearly show that there is no way to build a cheap small attack aircraft carrier. Nor is the cost of a carrier necessarily related to hull size. Less than 10 percent of the acquisition cost—that is the cost included in SCN—of a carrier is for its hull structure.

The remaining 90 to 91 percent is for propulsion and electric plants, electronic equipment, auxiliary systems, and other equipment, which would be required for a carrier of any size which could operate modern aircraft.

Increased size and efficiency, therefore, are bonuses gained at a comparatively small additional cost.

The critics say that the size of our carriers makes them good targets and difficult to hide. I respond to this with the fact that, in wartime, every ship on the ocean is a target, and it is the carrier's function to make targets of the ships and installations of an adversary.

Nor is it the function of the carrier, or any other warship, to hide; even if this is possible in this day of intelligence satellites. The carrier's function is to operate along with other ships of the fleet, to assure air superiority for the fleet, and to carry out its offensive missions against the enemy.

Those who say that we do not need carriers, or who oppose the replacement of those we must begin to retire in the 1980s, might as well oppose all surface ships for the fleet. It amounts to the same thing, since without the carrier, in a hot situation, no other surface ship would be safe—if, in fact, they could survive the attacks of missile firing naval aircraft.

The Joint Chiefs of Staff believe that we need carriers in greater numbers. And, as an indication of Soviet concern about our carriers, consider the great number of assets which they have devoted to the problem. They know that the presence of carriers gives our fleet superiority.

I urge the defeat of the amendment.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to draw my colleagues' attention to the $350 million included in this bill for long lead time funding for the aircraft carrier. I should emphasize that even though only $350 million is included in this bill for the carrier items, the full price of the carrier that we will be starting will run to at least $2 billion.

The $350 million earmarked for carrier procurement is included in the $6,837.2 million authorization for new naval shipbuilding and conversion—SCN. Twenty new ships are included in this funding. The administration SCN request included $4,595.3 million for funding of 16 new ships. The total committee authorization for shipbuilding and conversion is $7,373.3 million—$1,088.8 million greater than the original administration request for $6,289.5 million. However, the Armed Services Committee increased funding for shipbuilding and conversion of new ships by $2,241.9 million.

Although I have a number of disagreements with the restructured SCN program approved by the Armed Services Committee I would like to draw the attention of my colleagues at this time to the addition of $350 million for the next aircraft carrier to be built. The administration had not requested any money for aircraft carrier procurement this year since it is still reviewing the question of what the most suitable design would be for our next carrier. Since the Nimitz-class carrier, the favorite of the Navy in these considerations, is estimated to cost almost $2 billion to build, the decision of whether we need to build another supercarrier at this time is a very serious one that should certainly be given another year for thorough review.

As a member of the Seapower Subcommittee of the Armed Services Committee, I objected to the committee's decision to add this $350 million to the fiscal 1977 budget. I still feel that the money should be deleted from the final bill to be passed by the House.

Congress is often accused of reacting to crises, rather than planning well in advance. In my view, this is one excellent reason to begin now to evaluate the role of the aircraft carrier in tomorrow's Navy—and to examine alternative approaches for replacing the aging *Forrestal* class carriers.

The lifespan of a carrier has traditionally been considered to be 30 years; but now the Navy is talking in terms of a 35-year lifespan. In the instance of the oldest *Forrestal* class carrier, we are now thinking in terms of a 41-year lifespan. The decision of how to replace the *Forrestal* class of aircraft carriers will be affecting the security of two generations of Americans.

The U.S. Navy plans to operate 12 carriers for the indefinite future. Whether or not we agree that a 12-carrier fleet is necessary, we will soon have to decide how to best replace the carriers as they pass their useful life. Eight of the 13 carriers now in operation are of the *Forrestal* class. They were built between 1945 and 1961.

Former Secretary of Defense James Schlesinger was a leading skeptic of whether future carriers need to be of the $2 billion supercarrier *Nimitz* class variety. Before his dismissal as Secretary of Defense, Dr. Schlesinger directed the Chief of Naval Operations—CNO—to begin design work on a midsized carrier to replace the oldest *Forrestals*.

Dr. Schlesinger specifically wanted a design for a carrier that would cost less than the $2 billion needed to produce a *Nimitiz* class carrier. Even with the added research, development, and design costs that would be needed for the first of a new class of carriers, the Secretary of Defense stated that the first ship of the new class should cost less than the $2 billion *Nimitz*; subsequent mid-sized carriers would provide substantial savings over the cost of the *Nimitz*. I would like to emphasize that the Secretary of Defense's guidance to the CNO was based strictly in economic terms. He made no mention of the Navy's missions or aircraft that should be accommodated by the new class of carriers. Indeed, since there are growing questions about the missions of the Navy in the decades to come, missions that have been perhaps changed by present requirements of the global military situation—it would be premature to tie a proposed design for a new aircraft carrier to the traditional roles and missions of the Navy as they have been fixed over the years.

The Chief of Naval Operations, Admiral Holloway, set up a study group as the Secretary requested. However, Admiral Holloway did not pass along the Secretary's guidelines to the study as they were originally laid out. The CVNX characteristics study group was set up under the leadership of Rear Admiral Forrest S. Petersen. But the CNO provided different guidance to his study group: Admiral Holloway's guidance called for a carrier that "will be capable of operating modern aircraft across all the Navy's missions." In my view, this guideline insured before the study ever began that the CVNX study group's conclusion would call for a carrier very much like the *Nimitz*—if not identical to it. In addition, this guideline also insured that the cost terms of Secretary Schlesinger's guidance could not be met.

To understand why I have come to this conclusion, I am inserting portions of the CVNX characteristics study group report, issued earlier this year, and a critical analysis of this report completed by the Library of Congress at the request of my colleague on the Armed Service Committee, Congressman FLOYD HICKS.

The Library of Congress evaluation of the Navy study on CVNX characteristics was especially concerned about the use of study guidelines that virtually guaranteed the Navy's preferred conclusion. The Library points out:

> The statement that "(t)he ship which results will be capable of operating *modern* aircraft across *all* the Navy's missions" implies that the carrier must be able to operate the F-14 and heavy attack aircraft and to survive in the most severe threat environment a naval force can be expected to face today, that is, the saturation attack conducted by coordinated land, air, ship, and submarine opposition near the Soviet homeland.

Because the carrier Admiral Holloway's guidance called for would have to operate under these conditions, the carrier's air wing must be extremely large. Not only would this carrier need attack aircraft, it would need fighter escorts to protect these attack planes from Soviet airpower. The carrier envisioned by Admiral Holloway would need jammers and tankers to help the attack aircraft to project power ashore and then to return to the carrier. In other words, because the new carrier is required to operate in high-threat areas and to project power ashore in these areas, we need a carrier that can house between 85 and 100 aircraft—precisely the size of the *Nimitz* class carrier.

I do not wish to debate here the merits of the carrier's power projection mission in high threat areas. However, I do think that it is very important for us to understand that the former Secretary of Defense established one set of guidelines when he called for the Navy to study the design that would be useful for a mid-sized carrier. The Chief of Naval Operations chose to ignore the directions of Secretary Schlesinger and sent out a very different set of guidelines to the study group put together to examine the carrier issue. In my view, the selection of additional *Nimitz* class carriers depends very much on the guidance which one decides to follow while studying the problem.

My point today is not that we should end all plans to continue building aircraft carriers in the future. My point today is that we should not be including $350 million in the bill now before us to begin work on long lead-time items for our next aircraft carrier.

The administration wanted another year to complete its review of this very important military procurement decision. We should let them have that year—and we should welcome the chance to have more complete information available to us when we decide on the funding for our next carrier. The Navy study has a very obvious bias: The Navy wants their next aircraft carrier to be a *Nimitz* class supercarrier. Since the carrier they propose will cost at least $2 billion to build, we should make very sure that this would be the right course to follow before sending the money over to them.

Not only should we wait for the administration to complete its review of our naval needs. We should also use this extra year to conduct a serious review of our naval requirements on our own. It is for these reasons that I will be supporting the effort of my distinguished colleague from Washington, Mr. Hicks, in his effort to delay any funding for production of an aircraft carrier until the matter has been completely reviewed. I urge my colleagues to join us in this action. The following information should be very convincing in its support of this action:

A Critical Analysis of the CVNX Study Group Report of January 1976

INTRODUCTION

This analysis has been prepared in accordance with your request for a critical review of the *CVNX Characteristics Study Group Report* of January 1976, published by the Office of the Chief of Naval Operations. The analysis points out possible shortcomings and inconsistencies in the report, as requested, and this may give the impression that the reviewer feels the report is poorly done. That is not the case. The study group has done a highly professional job of presenting the findings of their study, and their report will be a valuable addition to our understanding of the issues and facts underlying the decision which faces us about the acquisition of replacements for our Forrestal Class aircraft carriers.

Principal strengths in the report are the discussion of aircraft carrier hull sizing factors, particularly the identification of the dominant sizing factors, and the presentations of air combat capabilities and cost comparisons which provide insights into the complexity of selecting suitable aircraft carrier design features. Significant weaknesses in the report, explained in more detail in the paragraphs that follow are:

The future need for aircraft carriers is treated entirely by implication. There is ample discussion of our present need for carrier-based tactical air power, but scant discussion of how long we will continue to need it, or alternative ways of performing tasks now assigned to carrier-based tactical air.

The study guidelines appear to have unduly restricted the scope of the study by calling for a ship "capable of operating modern aircraft across all the Navy's missions."

The report does not address the choice of propulsion plants in sufficient detail for the reader to understand why the nuclear power plant alternatives presented are the only ones considered. Some of these points may be addressed more fully in a classified supplement to the report of the study group which has not yet been issued.

DETAILED COMMENTS

Section I: Role of the aircraft carrier in support of national policy

This section poses the questions: What is the role of the aircraft carrier in the future? How many do we need? When should the next one be built? What should be the characteristics of the next carrier? It answers, essentially, that there should be no real change from today's solutions to any of these questions. The requirement into the indefinite future for high performance manned aircraft flying from aircraft carriers is treated as a given in this section, and throughout the report. This unsupported assumption influences an unwritten finding that one-for-one replacements will be needed for the Forrestal Class carriers as they become due for retirement.

Section II: Aircraft carrier program history

This section accepts the unwritten finding of Section I that one-for-one replacement of Forrestal Class carriers upon their retirement is required, and shows the necessary schedule. The requirement of Title VIII, Department of Defense Appropriation Authorization Act, 1975, Public Law 93–365, is cited as dictating that the replacements be nuclear-powered and is accepted without comment other than that studies conducted in 1974 and 1975 of all feasible nuclear and oil-fired designs showed a nuclear-powered Nimitz Class carrier would be the lowest cost alternative available to maintain "sufficient capability in the carrier forces." The issue of nuclear power vs. conventional oil-fired propulsion is not addressed further in the report, although there are many instances where nuclear power plant design constraints heavily influence other choices in the trade-offs presented.

Section III: Recent study results

This section is the body of the report. Comments will be made concerning the major subdivisions of this section in sequence.

Study Guidelines. The guidelines quoted in this subsection predetermine that the report will find that a ship very similar to Nimitz is required.

The statement that "The ship which results will be capable of operating *modern* aircraft across *all* the Navy's missions" (emphasis added) implies that the carrier must be able to operate F–14 and heavy attack aircraft and be able to survive in the most severe threat environment a naval force can be expected to face today, that is, the saturation attack conducted by coordinated land, air, ship and submarine opposition near the Soviet homeland. The study group is reminded that the CVNX will comprise the larger part of the carrier force after the year 2000, and "this carrier must be able to operate as a principal unit of the Navy.' With these guidelines the subsequent finding that a Nimitz-like follow-on class is required is assured.

Summary Conclusions: The conclusions predictably find it would be more cost effective to procure "as many as three additional Nimitz Class carriers rather than adopt other alternatives." Conceptual development would be continued while the three Nimitz Class carriers are being built to ensure design advantages to be gained from technological advances in the inventory of aircraft and weapons systems would be available for future carriers. This recognizes that by 1992 when the third of these proposed follow-on Nimitz Class carriers would probably be delivered, the design will be obsolescent and a new design would by then be imperative. (Nimitz was authorized in the FY 1967 shipbuilding program.)

Method. The study did not consider a conventionally powered alternative. Conceptual model A ship is slightly larger (by 4000 tons) than the conventionally powered Midway class carriers which have three elevators, two steam catapults, four or five arresting wires, and speeds over 30 knots. Midway's current air wings number about 75 aircraft compared with about 100 in the Nimitz wing.

Aircraft Carrier Hull Sizing. The discussion of factors affecting hull size is factual and straightforward. Concerning the trade-offs discussed in considering the dominant factors influencing the various study alternatives the following comments are offered:

As discussed in the report, the types of aircraft and size of the air-wing needed depend on projected missions of the ship. Since the study guidelines directed the group to come in with a ship capable of operating "across all the Navy's missions" the only acceptable air-wing size would be the Nimitz model.

The discussion of aviation fuel capacity omits consideration of fuel for any conventionally powered escorts that may accompany the carrier. (Escorts can burn the same fuel as jet aircraft.) Navy's planning before Title VIII envisioned four nuclear powered and eight conventionally powered carriers with similarly powered escorts to accompany each carrier. The impact of Title VIII on the escort building program is still unresolved. However the Navy's 1977 shipbuilding request asks for funding for the lead-ship of a conventionally powered guided missile destroyer class of carrier escorts (total number as yet unspecified). This indicates the original plan that nuclear powered carriers be accompanied by nuclear powered escorts may no longer be current. If this is so, the contention that aviation fuel requirements do not control the size of a nuclear powered carrier may not be valid.

As previously noted, the study does not consider a conventionally powered alternative.

Subsystem Alternatives Selected. The reasoning behind selections made is presented clearly and is straightforward. The following comments are offered concerning some of the selections:

The decision not to install AEGIS missile system reflects adverse experience with Terrier installed on some Forrestal class carriers. The decision to forego the considerable advantages of the SPY-1 radar, is less easily understood. This radar system, with integrated command and control, was developed as part of the AEGIS fleet air defense program. It offers quantum improvement in detection and automatic multiple target tracking needed for all-weather fleet air operations in a countermeasure environment and would be able to replace, with significant increase in performance, a number of independent systems. The cost effectiveness tradeoff underlying this decision is not shown, so its wisdom cannot be evaluated.

The postulated 9% reduction in manpower is very modest when compared to the reductions achieved in other recent ship designs. For example, DD-963 uses 28.5% less manpower than its predecessor, DD931; FFG-7 uses 50.8% less than FFG-1; and the nuclear powered cruiser CGN-38 saves 19.4% over CGN-37. This comparison is perhaps the most significant indication that little innovation is included in the conclusions and recommendations of the study group.

There is a curious inconsistency between the list of "austerity reductions" and the obvious intent of the study guidelines that the CVNX be a "high mix" (high unit capability) ship. Although some of these reductions will result in inconvenience, without particular reduction in capability, some, such as elimination of the boat and aircraft crane, burton and warping winches and small boats, represent a reduction in capability. The small weight (350 tons) and cost ($8M) involved in austerity group 1 in a ship of over 50,000 tons costing over $2B give the impression the study group was straining at a gnat in this part of its report.

Ship characteristics and capabilities comparison

For comparison with table III-4, the following characteristics of USS MIDWAY class carriers are furnished: (Source: Jane's Fighting Ships 1975-76).

Dimensions

Length on WL, 900 feet.
Beam at WL, 121 feet.
Draft (below WL), 35.3 feet.

Displacements

Standard, 52,500.

Propulsion

Plant, Conventional Steam Plant.
No. of Shafts, 4.

Aviation Features

No. Aircraft, 75 (today's a/c-comparable No. on board Nimitz is about 100).
No. a/c Elevators, 3.
No. Steam Catapults, 2.
Arresting Gear, 4 or 5 wires.

Manning

Air Wing	1,800
Ship	2,710
Total	4,510

CVNX Air Combat Capability Comparison. This section of the report predictably, and accurately, demonstrates that an air wing of approximately the size embarked in Nimitz is necessary to operate "across all the Navy's missions." Over the years the Navy has optimized the carrier and her air wing for carrying out those missions and there is no denying that Nimitz represents a most cost effective and militarily effective all purpose aircraft carrier. As previously noted, the study group was not instructed to consider alternative mission assignment as a means of reducing capability requirements. However, the study does indicate that some reduction in capability is acceptable if, for example, the carrier should be restricted to a sea control role only and is not expected to be prepared for projection operations at the same time. The desirability of building such an expensive ship and deliberately limiting its operational capability is controversial.

Cost Comparisons. This section demonstrates that the acquisition cost of three follow-on Nimitz class carriers is not as high as the cost of three of any but the smallest alternative ships considered by the study group. This comparison does not include the acquisition of the air-group, the cost of which is not furnished in the report. Life cycle costs of the various alternative ships, both with and without the air group, are available and indicate significant savings in funds over the life of the ship could occur because of reduced operating costs of smaller ships and air wings. The savings are almost, but not quite, proportional to the size of the air wing. The point is made that a full-sized Nimitz carrier, with air wing reduced to the size of the wing for the smallest alternative ship considered, would be slightly less costly over its 30 year life cycle than the smallest alternative ship. All costs quoted are sensitive to the shipbuilding schedule postulated in the study report which would have required advance funding for long lead nuclear components in FY 1977. Since these funds were not requested in the FY 77 budget, the cost information is probably not entirely accurate, although the findings of the study group relative to cost effectiveness of the Nimitz alternative over all other alternatives considered is probably still valid.

Section IV conclusions

As previously noted, the conclusion that a Nimitz class follow-on is the best choice is the natural, and probably accurate result of a study that was directed to choose a ship "capable of operating modern aircraft across all the Navy's missions." This is true, particularly, if nuclear power is accepted as a "given" before commencing the study. It is disturbing to note that part of the rationale for ships of high unit capability (purchased at high unit cost) is that funding constraints are expected to restrict force levels. This implies that the study group believes that any savings in unit cost of ships would probably be applied to satisfy some other DOD requirements, possibly non-Navy, rather than to increase force levels. If this belief is also held by those in charge of the Navy and if the rationale were to be applied across the board, it could have a profound effect on the Navy's force structure.

[From CVNX Characteristics Study Group Report]

SECTION III: RECENT STUDY RESULTS

STUDY GUIDELINES

On 21 August 1975, the Chief of Naval Operations (CNO) formed a CVNX Characteristics Study Group under RADM Forrest Petersen, USN, with membership listed in Appendix B.

CNO direction was issued to the CVNX Study Group to determine what ship of a distinctly new class can be obtained fulfilling the guidance that:

"The ship which results will be capable of operating modern aircraft across all the Navy's missions . . . Lead ship cost not to exceed what a NIMITZ repeat would cost in FY79 . . . Follow ship costs will be considerably lower. It is imperative that NAVMAT (Naval Material Command) and 05 (Deputy Chief of Naval Operations—Air Warfare) exert an extraordinary team effort to size and configure a CVNX with which we can be satisfied as the larger part of our carrier force after the year 2000.

". . . this carrier must be able to operate effectively as a principal unit of the Navy. Close attention must be given to the selection of major items of equipment such as numbers and types of catapults and elevators; command, control and communications, and defensive weapons suite. Innovative approaches . . . should be explored."

SUMMARY CONCLUSIONS

After developing and examining carrier conceptual models through the size range feasible for operation of modern aircraft, the Study Group examined characteristics, judged combat capabilities, estimated costs, and concluded that:

Nuclear powered carriers for procurement in the late 1970s or early 1980s which would be capable of operating modern naval aircraft across all the Navy's mission areas can be designed in tonnages that range upward from about 56,000 tons "standard displacement," about the size of the WW II ESSEX Class, but heavier.

For carrier force levels under consideration for the late 1980s (12-14 major carriers) it will be more cost effective to procure as many as three additional NIMITZ Class carriers rather than adopt other alternatives.

Conceptual development work should be continued to ensure that future aircraft carriers incorporate design advantages anticipated to be gained from technological advances in the inventory of aircraft and weapons systems as they develop.

NOTE.—"Standard displacement" is full load displacement less all fuel and reserve feed water for steam generation. USS NIMITZ (CVN-68) displaces 93,400 tons fully loaded, and has a standard displacement of 81,600 tons.

SECTION IV

Conclusions

The compounding factors of inflation, lower productivity, increased overhead, and higher profit margins have driven aircraft carrier procurement costs from approximately $450 million for ENTERPRISE (authorized in FY58) to over $2 billion for FY79 CVNX. The factors have changed as follows:

As in all heavy construction programs in the U.S., the Navy Shipbuilding Program in the 1970s is suffering under the impact of inflationary trends in labor and material. The average labor rates and material costs are expected to be 360 percent and 400 percent, respectively, greater during construction of CVNX than for the construction of ENTERPRISE.

Along with many other industries in the U.S., the shipbuilding industry has suffered a decline in experienced labor pools. The projected delivery date of October 1985 will result in a 5-year gap between carrier building programs—a disruptive effect which will make it more difficult and costly to obtain the skilled labor necessary to build the ship and which will affect nuclear component procurement schedules and costs.

Shipyard overhead rates have increased and in some cases nearly doubled since the early 1960s. Part of this increase is due to higher energy costs and part is due to new government initiated requirements such as the Occupational Safety and Health Act, the Environmental Protection Act, the Federal Energy Act for Ocean Air and Water plus Anti-Pollution Controls. Increases can also be attributed to shipbuilder decisions and programs.

Shipbuilding corporate management's search for a higher return on investment and limited shipyard competition for Navy ship construction is generating higher profit margins.

Nuclear powered carriers using existing nuclear reactor designs and suitable for operation of modern naval aircraft across all Navy mission areas can be designed in sizes that range upward from about 56,000 tons standard displacement. However, when compared to NIMITZ size carriers, at feasible force levels, smaller carriers would result in a significant reduction in operational capability (aircraft, aviation support, catapults, elevators, ship speed, reliability, etc.) for a relatively small reduction in investment and operating costs.

To a great extent, unit life-cycle cost reduction options inherent in smaller carriers with smaller air wings can be applied to NIMITZ size carriers with the added advantage that full air combat potential can be relatively quickly restored by increasing the aircraft inventory.

Overall, it is more cost effective to procure modified design Nimitz Class carriers. The principal reasons are:

Projected funding levels will support a force level of not more than 13 or 14 fully capable carriers.

At force levels of 13 or 14 carriers, high individual carrier capability is required to meet tactical requirements.

Carriers significantly smaller than the Nimitz Class cannot support the practical minimum number and types of aircraft required to perform missions alone in the presence of an air threat. Nimitz size carriers provide more than twice the combat capability of the smallest practical nuclear powered alternative.

Nimitz size carriers have more flexibility to incorporate changes in characteristics that may be required during the life of the ship due to changes in the threat and new technological developments.

For a three-carrier procurement program, the cost of three Modified Nimitz size carriers is about the same as the cost of three of the smallest sized carrier concepts developed.

Practically all design-to-cost, reliability, maintainability, and operability options for a new design carrier can be incorporated in a modified design Nimitz Class carrier.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Washington (Mr. Hicks).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. **SCHROEDER**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 195, not voting 56, as follows:

Roll No. 182

AYES—182

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Badillo
Baldus
Baucus
Bedell
Bergland
Biester
Bingham
Blanchard
Blouin
Boland
Bonker
Brademas
Brodhead
Brown, Calif.
Brown, Mich.
Broyhill
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Conable
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Dellums
Dingell
Dodd
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Giaimo
Gibbons
Goodling
Grassley
Hamilton
Hannaford
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Hefner
Helstoski
Hicks
Holtzman
Howard
Howe
Hughes
Hungate
Jacobs
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Long, Md.
Lundine
McCloskey
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Maguire
Matsunaga
Mazzoli
Meeds
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Mosher
Moss
Mottl
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pickle
Pike
Pritchard
Railsback
Rangel
Rees
Regula
Reuss
Rodino
Roncalio
Rosenthal
Roush
Roybal
Russo
Ryan
Santini
Sarasin
Scheuer
Schroeder
Seiberling
Sharp
Smith, Iowa
Solarz
Spellman
Stark
Steiger, Wis.
Stokes
Studds
Thompson
Thone
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Waxman
Weaver
Whalen
Wirth
Wolff
Yates
Young, Ga.

NOES—195

Abdnor
Alexander
Anderson, Ill.
Annunzio
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, R.I.
Beard, Tenn.
Bennett
Bevill
Biaggi
Boggs
Bolling
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Ohio
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conte
Crane
Daniel, Dan
Daniel, R. W.
Davis
Delaney
Derrick
Derwinski
Devine
Dickinson
Diggs
Downey, N.Y.
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Evins, Tenn.
Fary
Flood
Fountain
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Gude
Guyer
Hagedorn
Haley
Hall
Hammerschmidt
Hanley
Hansen
Harsha
Hébert
Heckler, Mass.
Hightower
Hillis
Holt
Horton
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lujan
McClory
McCollister
McDonald
McFall
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Nichols
O'Brien
Passman
Paul
Perkins
Pettis
Poage
Pressler
Preyer
Price
Quie
Randall
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Rose
Rostenkowski
Runnels
St Germain
Satterfield
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Stratton
Stuckey
Sullivan
Symms
Taylor, Mo.
Taylor, N.C.
Treen
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

NOT VOTING—56

AuCoin
Barrett
Bell
Burke, Mass.
Cederberg
Collins, Ill.
Conlan
de la Garza
Dent
Esch
Eshleman
Flynt
Forsythe
Green
Hayes, Ind.
Hays, Ohio
Heinz
Henderson
Hinshaw
Holland
Johnson, Pa.
Jones, Ala.
Karth
Litton
Macdonald
Madden
Mann
Melcher
Metcalfe
Nix
O'Neill
Pepper
Peyser
Quillen
Rhodes
Richmond
Riegle
Roberts
Rooney
Rousselot
Ruppe
Sarbanes
Schneebeli
Simon
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Symington
Talcott
Teague
Thornton
Vigorito
White
Wilson, Tex.
Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. White against.

Mrs. Collins of Illinois for, with Mr. Teague against.

Mr. Richmond for, with Mr. Burke of Massachusetts against.

Mr. Metcalfe for, with Mr. Dent against.

Mr. Steelman for, with Mr. Henderson against.

Mr. **LEVITAS** changed his vote from "no" to "aye."

Mr. **ENGLISH** changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. **LEGGETT**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Leggett: Page 2, line 19, under Naval Vessels, after "Navy," delete "$7,378,300,000" and insert in its place, "$6,712,767,000."

Mr. **LEGGETT**. Mr. Chairman, this amendment that I am offering will be the only one that I offer to this bill. It is a little old $700 million amendment. I tried to make it just as simple as I possibly could.

What it does is that it cuts out the funds for two nuclear SSN–688 class quiet submarines.

I am a great proponent of submarines. The 688 is a good ship, the fastest and quietest submarine ever built. At least, I think it will be because we have not flown any of them yet.

We anticipate that the first one will be flown in 6 months, about 22 months late.

I would have preferred an alternative design that sacrifices some speed in order to gain some quietness, but this is not the issue before us today.

We have accepted the fact that these are the ships that we will buy. The question is, how quickly can they be built?

Neither of these ships, the two we are trying to cut out, can benefit from this money in fiscal year 1977. There is no way in which this additional money will buy us one ship 1 day sooner. This is what we call a paper cut. We are simply throwing money at the Defense Department for the sake of appropriating money.

As I said, the first ship has slipped 22 months and is due for delivery in June of this year. The second ship has slipped 24 months and will be delivered next February. Beyond these two, we have already contracted for 26 more, and I do not dispute two of the additional ships that the committee recommends. I just think that we are ordering them too early.

With the ones we have on order at the present time, that will take us from 719 to 720 and 721. We will have a total number of ships on order of the quiet class of 28 to date, plus two more. That is a total of 30 ships at a unit cost of about $357 million each. The ships that we have currently on order will not be completed until 1982.

The last five will not be completed until 1983. The ships that are in this bill will not be completed until 1984. I do not think we need to appropriate money this far in advance.

What is going to happen is simply this: We will fly this new 688 quiet-class submarine this summer. Admiral Rickover will go out on the ship. He will find out it is either too noisy or he will find something else, he will have a critique list that will be at least 20 or 50 pages long. That will send a ripple effect through the existing 28 ships and on the two that are in this bill. So, 30 ships at 357 million bucks per copy will then suffer a ripple effect change orders.

When we built the Polaris submarine, we had an average number of changes of 10,000 between the first ship and the last ship that was constructed. Every one of these change orders costs money.

In the Polaris program we had a balancing effect between the private shipyards and the public shipyards. We found that the public shipyards were too expensive and now we do not use public shipyards for new construction of a few ships. We have all the ships being built in two private shipyards, the shipyard in Connecticut owned by General Dynamics and the shipyard owned by Tenneco in Newport News, Va., and they are going to be the sole czar of the cost of these change orders.

In this bill there was one and a half billion dollars for growth and for cost escalation of Navy ship programs. That has been paired down by the subcommittee and its chairman in its wisdom and the full committee in its wisdom. We are not paying for all that growth this year, but that growth is there and it is a growth of over $60 million in just this past year alone in naval ship systems.

So if the Members believe in submarines and if they believe in the quiet submarine and if they want to build them at the cheapest possible cost, then let us take the two submarines out of this order, let us not spend 7 million for two.

My amendment does not relate to the Trident system, but just to the quiet attack submarines.

I served on the subcommittee with the gentleman from New York, SAM STRATTON, some years ago when the former Secretary of Defense said that 69 submarines were the maximum number of attack submarines needed. We in the committee reviewed that number.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 1 additional minute.)

Mr. LEGGETT. We reviewed this and determined that the number would be substantially higher than that.

So this 688 quiet class submarine program is in response to the recommendations of our former ASW committee. They said we needed more quiet attack submarines.

But I question whether or not this is good defense wisdom or budget wisdom to move ahead with this program this quickly.

This money really will not buy anything over the next year. We can wait and see how the change orders come along, see what their effect will be on the new contracts, and not give all of the choice to private industry to decide in their own judgment the need for change orders.

We can do this without affecting the defense posture one iota and save a total of $700 million.

Mr. Chairman, the purpose of this amendment is to delete procurement funds for two SSN-688 submarines. As you may know, the administration requested three of these ships, and the committee recommended four. Thus, my amendment would remove the committee add-on and one of the requested ships.

The 688 is a good ship. It is the fastest and quietest submarine ever built. I would have preferred an alternative design which sacrifices some speed in order to gain more quieteness, but this is not the issue before us today. We have accepted the fact that these are the ships we will buy; the question is, how quickly can they be built?

The fact is this: Neither of these ships can benefit from this money in fiscal 1977. There is no way this additional money will buy us one ship 1 day sooner. We are simply throwing money at the Defense Department for the sake of throwing money.

The first ship has slipped 22 months and is due for delivery in June of this year. The second ship has slipped 24 months and will be delivered next February. Beyond these 2, we have already contracted for 26 more, and I do not dispute 2 of the additional ships the committee recommends. So we are now talking about ships numbers 31 and 32 down the road.

Ship 31 is now planned for delivery in January 1983. If you accept the General Accounting Office's estimate of 60 months between contract and delivery, which is supported by experience, ship 31 will be ready for contracting in January 1978 which, as I am sure everyone knows, is not part of fiscal 1977. If you disagree with GAO and say the interval between contract and delivery will ultimately be less than 60 months, the contract date is even later, because there is no way these ships are going to be delivered ahead of schedule.

Moreover, my figures do not allow for the effects of the recent shipyard strike, or for the effects of adding the additional Trident as the committee has done.

So this is what it comes down to: Anyone who opposes this amendment is obliged to tell us two things: When will these ships be delivered, and when will they be contracted. If a convincing case can be presented to the effect that these ships can be contracted in fiscal year 1977, you should vote against my amendment. If it cannot, you should vote for it.

Remember one thing: If we throw money at the Pentagon which it cannot use, it will simply add it to its $72 billion stock of unexpended funds and its $19 billion stock of unobligated funds. It will use it as padding in this year's budget to make next year's seem less gargantuan by comparison. And next year they will add still more unobligatable padding, until eventually we will reach the point where we could go for a year with no defense authorization at all and let DOD live on its stored fat.

I do not say delete two ships; we are not going to get these two ships no matter what we do here today. I say let us delete this money that serves no purpose but to give the Pentagon its well-advertised cut insurance.

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. LEGGETT).

Mr. Chairman, there is not really any way in which we can strike these submarines and have the same defense posture.

These are excellent submarines. They were requested by the CNO. It is true in the original request by the Navy this year that, in this request of only 16 ships—when they had previously asked for and stated that they needed 35 to 38 new ships—they had come down to a lower figure for this year. But their real needs were for the higher figure.

The committee felt since these ships were scheduled to be built at the rate of four a year, we ought to inquire about why a lesser number was being suggested as the official request.

On page 637 of the hearings I asked the CNO, "What will we get for this money?" He said his first priority, if this additional money be asked for, was in fact this particular submarine. In other words, the CNO said if they give any additional money at all in this budget, his first priority was these submarines, which the gentleman from California (Mr. LEGGETT) so cavalierly said should not be put in this budget.

Of all the things the Chief of Naval Operations wanted if we gave additional money, the one he wanted most was this particular ship. Why? Because they are excellent ships.

It takes about 5 years from the time we authorize these to get them built. One year goes in the contract to production and the keel-laying, and so forth. It takes about 5 years to do it all. So we are really just starting this ship. The ship was going to be requested anyway next year.

When the CNO was interrogated and was asked, "If you are really going to get up to the level of what you feel is essential for national defense, what would the ship be?" And he said, "This would be the ship."

So we put it back in the program. They were designed to have around 100 of such submarines, and in order to obtain the most economic and efficient construction they have to be built at the rate of about four a year.

I conclude my remarks by saying this is the ideal type of ship. It is one of the most effective in our national defense.

The CNO said we should have it if we are going to add anything to the budget.

The **CHAIRMAN.** The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

AMENDMENT OFFERED BY MR. CARR

Mr. **CARR.** Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARR: Page 2, line 6, after "Marine Corps," delete "$3,157,500,000" and insert in its place: "$2,987,600,000 of which none shall be used for procurement of US-3A COD aircraft, and".

Mr. **CARR.** Mr. Chairman, I think I have got the economy amendment that the Members can all vote for without fear that someone is going to challenge their patriotism or that someone is going to challenge them with aiding and abetting the Soviet Union.

This amendment goes to not a sophisticated, sexy weapon system like the aircraft carrier or the B-1 bomber, but rather is the result of a little investigation we made when we were going through the Program Acquisition Cost by Weapons System Manual put out by the Department of Defense. When we went through this manual very carefully, we found that the Navy desired to have a cargo plane to ferry cargo and personnel from shore to the aircraft carrier we have all been talking about, and they need one of these planes.

The old planes that they are using are wearing out. They are the C-1. They carry about six passengers. They carry cargo such as mail and other high priority cargo like aircraft parts.

The purpose of my amendment is not to oppose the Navy's having a new cargo carrying airplane, but we discovered that the plane they were suggesting had a peculiarity to it.

I have been handing out around the floor a diagram that I hope some of the Members might have and might refer to now.

Mr. **BINGHAM.** Mr. Chairman, will the gentleman yield?

Mr. **CARR.** I yield to the gentleman from New York.

Mr. **BINGHAM.** Mr. Chairman, I thank the gentleman for yielding.

I just want to say that I hope the membership of the committee will listen to the gentleman from Michigan. He has prepared one of the most devastating cases against the proposed appropriation that I have ever heard, and I hope that the Members will listen to him.

Mr. **CARR.** Let me capsulize it and maybe we can get down to discussion of what is involved. Essentially what the Navy is proposing to do is to take the sophisticated S-3 Viking aircraft made by Lockheed—it is sophisticated because its fuselage contains a great deal of highly technological computers and sensors and is used to detect submarines while they are submerged—and take out the computers and take out the sophisticated equipment and replace it with six seats and some cargo straps. The thing that is peculiar about this plane that is being built by Lockheed is that the cargo plane costs $2 million more per copy than the original sophisticated antisubmarine warfare aircraft. That aircraft cost $12 million a copy and this aircraft, this cargo plane which has less sophistication to it, cost $14 million per copy.

In the hearings we asked Secretary Rumsfeld and General Brown why the hamburger without the onions costs more than the hamburger with the onions, and they basically said: "We do not know, we will check on that." The Controller for DOD said it was obvious the contract would have to be scrubbed. Nevertheless we did not deal with this amendment in the full committee or in the subcommittee and until we get those answers from the Navy I propose we delete procurement of this aircraft.

My amendment does not touch the R. & D. for the aircraft but we want to take out the procurement of the aircraft until this little matter is settled.

Mr. **RONCALIO.** Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have in Wyoming at the present time an older couple who had three children abandoned literally on their doorstep, children abandoned by their so-called guardian. These old people helped to raise these children, and as they claimed the children as dependents they drew from the social security money to help raise the children. The Civil Service Commission comes along now and is threatening criminal charges against those old people for fraud unless they remit so-called overpayments. We know of other cases where people drawing SSI plus veterans pensions and they have been threatened with jail on allegations of unjust enrichment or overpayment by the Government.

I ask: Why can Lockheed charge the United States of America twice the price for an airplane than it charges a private carrier? How can we take avionics out of an airplane, the sophisticated gear and the computerized material, an action which ought to render the plane much cheaper, and then stick Uncle Sam $2 million more for that airplane?

I commend the gentleman for the amendment, I support it, and I should think all of us should, until we get the answers to the fraud that is apparent. Maybe it is not fraud. But if the Chief of Staff cannot explain and if Secretary Rumsfeld cannot explain, then let us quietly take the item out until the matter is explained. That is all I ask.

It may be that there is simply no other way to supply the Navy with their desired, and needed, carrier onboard delivery planes. If so, so be it, but commonsense requires that we give it a look.

Mr. **STRATTON.** Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a somewhat dramatic presentation but it does not really address itself to the facts.

The facts are that some time ago the Navy recognized that it had an outdated antisubmarine warfare plane operating from what were then known as antisubmarine warfare carriers. The mission of that plane was to fly out and drop buoys to detect submarines and then circle over those buoys and report the information back. When we recognized the size of the Soviet submarine fleet and the threat that it posed to the United States the Navy wanted to do away with its propeller planes and develop a new jet plane.

So they developed the S-3, which was the modern Navy version of an antisubmarine warfare plane. The difficulty was that in the meantime the Navy decided to retire most and now all of its antisubmarine warfare aircraft carriers.

So the S-3, which was intended to supply a large number of aircraft carriers, now has to be used on a kind of rotating basis with attack aircraft on the large carriers.

At the same time that we retired the old antisubmarine aircraft planes, we also had to replace the cargo aircraft which were used to ferry cargo and personnel from shore to the fleet. We had to replace the cargo version of the old propeller-driven ASW plane with a cargo version of the new jet-propelled ASW plane.

I daresay some Members of this body have landed on aircraft carriers aboard these so-called COD planes and taken off in them. There is virtually no other way to get on board or off the carrier, unless one is a jet pilot.

Now what happened is that when they configure the new jet plane into a cargo version, and in the process order a much smaller number, obviously they are going to cost a lot more per plane. That is essentially what this argument is all about.

Mr. **CARR.** Mr. Chairman, will the gentleman yield?

Mr. **STRATTON.** I yield to the gentleman from Michigan.

Mr. **CARR.** Mr. Chairman, I would just point out to the committee, this is the same airplane, the same engine. It is true, it is proposed that we buy over a 2-year period 30 of these aircraft. We have already bought several dozen of these aircraft in their antisubmarine warfare version. I just do not think we can make any number of conversions to go to 30 more without a great deal of expense.

Mr. **STRATTON.** Mr. Chairman, I decline to yield further. I thought the gentleman had a question. I do not want the gentleman to make his argument on my time.

I think we all recognize that if we produce a smaller number of planes, it will cost more per plane than when we produce a large number. It is not just a case of taking the avionics out. You have to build a different, heavier, and stronger plane. That means rebuilding your assembly lines.

Mr. **HICKS.** Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wonder if the gentleman from New York (Mr. STRATTON) would answer a question? The gentleman has heard of the aircraft system AWACS. That is an aircraft that is basically a 707 passenger or cargo airplane. They fill it with a lot of electronic equipment and a huge radar and build it for about $120 million. If they took all that equipment out of it and they sold it for a cargo airplane, does the gentleman think we should still pay $120 million for it.

Mr. STRATTON. Mr. Chairman, the gentleman from Washington makes a philosophical question. All I am familiar with is the S–3, because I had something to do with getting the S–3 built for our antisubmarine warfare operations. I know something about that plane. But I am not an expert on AWACS.

The gentleman is the expert on that and I think we have to hear from the gentleman.

Mr. HICKS. I want to know if the black boxes, the sophisticated gear on the S–3A costs any money?

Mr. STRATTON. I do not know anything about the AWACS.

Mr. HICKS. I am talking about the S–3. Does the sophisticated gear and equipment in the S–3 cost any money?

Mr. STRATTON. Let me answer the gentleman's question in this way. The gentleman is aware that one of the items we have had the most argument on in the conference committee in recent years has been the proposal to alter the configuration of the Boeing 747, built in the gentleman's district, into a cargo-carrying version that we could use in the civil reserve fleet. The proposal was to take out a lot of things in the regular 747. But we found out that it still cost a lot more money to build that military cargo version, because they had to strengthen the floors and rearrange the sidewalls and several other things just to get the ability to carry heavy cargo. So you do not always save money just taking things out. The same is true of the USA–3. It will have to carry some heavy item, they will have to redesign the floor of the plane. That is where the added cost came from, in the USA–3, just as with the 747 reconfigured.

Mr. HICKS. That would be a most remarkable situation if we would pay $120 million for a plane that is a gutted AWAC which would then be simply a 707 passenger or cargo airplane.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. HICKS. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, I think the gentleman makes an excellent point and one that the committee should understand.

That is, if we talk of the ASW and the AWACS, which is $120 million per plane, the cost of the 707, the air frame would cost how much?

Mr. HICKS. It would cost around $20 million, perhaps a little more.

Mr. DOWNEY of New York. About $20 million. That is essentially the issue here. If we take away the sophisticated ASW equipment, if the basic air frame costs the same now as it did with the ASW equipment, something has gone wrong.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. HICKS. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding. Many of us are not familiar with all the sophisticated equipment, but I would like to ask this question: If one buys a Chevrolet or Ford or Chrysler with air conditioning, with a sophisticated sound system and with radial tires, as opposed to one that is stripped down, does one pay the same price or get a little reduction?

Mr. HICKS. One gets a little reduction.

Mr. ST GERMAIN. It seems to me that the gentleman's amendment is highly sensible.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. HICKS. I yield to the gentleman from California.

Mr. RYAN. I still do not know a thing about this except that I would like to know what the cost is of the equipment that was taken out.

Mr. HICKS. We cannot get anybody to give that figure.

Mr. RYAN. Is it $2 or $4 million?

Mr. HICKS. It apparently does not cost anything because with it all taken out they want $2 millon more for the airplane.

Mr. RYAN. I am trying to get the net cost paid. If they take it out, I presume they cost money to put in. What were those things worth when they were manufactured?

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HICKS. I yield to the gentleman from Alabama.

Mr. DICKINSON. According to the information sheet I have been given here, $2.5 million is the value of the ASW and CFE equipment being removed. The difference in the cost, the reason it is going to go up, according to the information that we are given, is because they are going down on the production rate from 41 units per year to 12 units per year, which more than compensates in driving the price up due to the stretchout and inflation factors. So, it is true that we are paying more to build fewer airplanes per year than if they had continued production on the old schedule.

Mr. LLOYD of California. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment for the simple reason that I have to ask the same questions which are being asked by the gentleman who introduced the amendment. I think this air frame costing more than when it had the avionic equipment in it is an incredible question to the mind. There is no way, in my opinion, to take the basic avionic or electronics equipment out and then have the basic air frame cost more money. I have never run into that before.

Let me hasten to add that the Navy does indeed need a good COD aircraft. The one they have now, which is an ongoing aircraft, the old S2F C–1, C–2, and it is necessary to get another aircraft, but different from it and different from its method. I am not trying to design on the floor, but it would appear to me that since the Navy is seeking a new twin-engine craft and has several corporations which have submitted plans, they might incorporate that as a carrier version of their aircraft, such as the Beechcraft T–2.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, I compliment the gentleman from California. It would seem to me that what we might do is purchase this aircraft with antisubmarine warfare equipment in it and then rip it out, since it would be a lot cheaper.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, lest this thing be misconstrued as a controversy between hawks and doves, I come down on the side of the gentleman's amendment.

I am greatly concerned, talking about this $13.9 billion for carrying people and a few thousand pounds back and forth from land to aircraft carrier. We have planes now that can haul two aircraft engines back and forth to the carrier. The Navy perhaps needs a new type of a plane for this general purpose. But I have not been convinced in our own hearings in the Defense Subcommittee on Appropriations that this is the answer.

It would seem to me that the better part of valor would be to put this money aside for the time being and let the Navy come back with some of the things they would really like to have in this field, because it is my understanding it is sort of a poor compromise, so far as the Navy is concerned. Let us see what would really haul these engines back and forth, and then I think I would look on it much more favorably.

Mr. LLOYD of California. Mr. Chairman, I wholeheartedly agree with my colleague.

Mr. CARR. Mr. Chairman, will the gentleman yield?

Mr. LLOYD of California. I yield to the gentleman from Michigan (Mr. CARR).

Mr. CARR. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Alabama (Mr. EDWARDS).

On a recent tour of the aircraft carrier *Nimitz* I discussed the matter of cargo planes with the admiral and he said, "Give us something that we can haul jet engines in."

That is one of the items they need to get from shore to the aircraft carrier.

This cannot do it. It does not have the capability. I think we ought to ask the Navy to come back for another suggestion.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I reluctantly rise in support of the amendment. In looking at it and in weighing it, this did not come out of the R. & D. Subcommittee. But I think that the Members of the House are entitled to know some of the facts, and I would like to put into the record the comparisons of airplanes.

The US–3A Lot I recurring unit price is $7.7 million.

The S–3A Lot VI recurring unit price, $7.7 million.

When you take away the ASW Avionics, which is $1.9 million, and the reduction due to anticipated learning, $.2 million, the Stripped S–3A with US–3 line position is $5.6 million each.

The difference between the Stripped S–3A and US–3 is 37.5 percent, which is a tremendous amount.

The adjustments come about due to the impact of 2 years of escalation, at 15 percent, and the impact due to the US–3A peculiars is almost 10 percent.

The impact due to the reduction from 3.75 per month to 1 per month is 12 percent.

Other miscellaneous factors, 4 percent.

That makes it about 37 percent more for this airplane.

Mr. Chairman, I have alluded to this earlier today, and I am going to allude to it many times in the future and that is the way in which we procure. We were talking about the B–1, and now this is driven home very dramatically here. When we were producing this same basic airplane at the rate of 41 per year, we were paying approximately $12.5 million each. When we cut production to 12 per year, it runs over $13 million each, even though we have taken out the sophisticated electronics.

Let us go to the B–1 bomber, for instance. If we stretch out the production program on the B–1 bomber, as they told us last year, it would cost at least $800 million more to buy nothing. That is just if we stretch out the production.

If we stretch out the Trident submarine, as we have done, we see the same thing. We have gone from 2-1 production to 2-1-1 production, and now I do not know what the formula is because they keep changing it. But we have spent over $1 billion more by just stretching out this program.

When we come to this program here and we go from 41 per year production to 12 per year production and we take out $2½ million in electronics, then it costs more per unit for this simple cargo-carrying plane than it did for a sophisticated carrier plane because of the way in which we buy.

So I would hope that this House, whether it be in procurement or whether it be in appropriations, would get to the point where, when we decide on a weapons system, we decide it is either a "go" or a "no go." We must make a decision either that we will buy it or that we will not buy it. But once we decide, yes, we will buy it, then let us buy it at the most economical production rate so that we can get the benefit of our ability to tool up on a hot production line.

I say that because it is obvious from these facts—and they have not been refuted—that simply by cutting back the production and cutting down the numbers we are spending almost $1 million more per plane, with $2½ million less capability, because of the lower numbers we are turning off the production line. That just does not make any sense to me.

Mr. **STRATTON.** Mr. Chairman, will the gentleman yield?

Mr. **DICKINSON.** I yield to the gentleman from New York.

Mr. **STRATTON.** Mr. Chairman, I appreciate what the gentleman is saying. Certainly when the gentleman is on the other side, he is a very formidable adversary.

However, I think the thing that has been overlooked here is that what we are faced with here, as far as production is concerned, just as the gentleman said, is that the same thing would have happened with the B–1. If that amendment would have carried, the net result would have been to increase the cost.

This plane was originally contracted for in 1969, and it cost $16.2 million a copy at that time.

Mr. **BUCHANAN.** Mr. Chairman, let me interrupt for just a minute.

What does that include? What is that?

Mr. **STRATTON.** That is the cost.

Mr. **DICKINSON.** There are all kinds of ways one can figure the cost of an airplane. We can get production unit cost, we can get item costs, or we can get per-unit costs.

The **CHAIRMAN** pro tempore (Mr. SISK). The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(On request of Mr. STRATTON and by unanimous consent, Mr. DICKINSON was allowed to proceed for 3 additional minutes.)

Mr. **DICKINSON.** So, Mr. Chairman, if the gentleman wants to use the figure of $16 million, I wish he would tell me what that $16 million includes. The costs in this program vary. There are all kinds of costs.

Mr. **STRATTON.** Mr. Chairman, this is the same item that ends up as $12 million in the handout suggested by the gentleman from Michigan. The last order we had was for $12 million, but the original cost was $16 million, and the point is that we procured this some time ago. It was the number we ordered that enabled us to get the cost down.

Mr. **DICKINSON.** Mr. Chairman, since this is my time, I wonder if the gentleman would answer a question for me.

Mr. **STRATTON.** Mr. Chairman, if the gentleman will enlighten me on that one point, I will be glad to answer his question.

Mr. **DICKINSON.** I wish the gentleman would answer this question, please:

Can we justify spending over $1 million more for this airplane, with $2½ million less in electronics, as the amendment proposes?

Mr. **STRATTON.** Mr. Chairman, if the gentleman will yield, both the gentleman from Alabama and I have had to acquire our information on these figures within the last few minutes, but the fact of the matter is that the big item of cost in this transport cargo plane, the COD plane, is the nonrecurring cost. They have had to restructure their line, and that is where the real cost is. It is being divided into a relatively small number of planes. We cannot stop one line of production and start up another one without its costing money.

Mr. **DICKINSON.** Let me say to the gentleman from New York that I know this.

But what does the gentleman mean when he says we stop a production line? What production line? This is the same basic air frame, with the same engine. It is the same airplane, even if we take out the ASW electronics.

Mr. **STRATTON.** No. They have to change their gates, and they will have to change the strengthening of the floor.

Mr. **DICKINSON.** They would only change the seats perhaps, and they would take out the electronics.

Mr. Chairman, I yield back the balance of my time.

Mr. **GOLDWATER.** Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this discussion has generated a lot of emotion and, I think, perhaps some distortion concerning the amendment and the effort to strike the funds for the carrier onboard delivery system for the Navy. I cannot imagine any Member in this chamber arguing the fact that this is an essential ingredient to enable our aircraft carriers to be effective while at sea.

They need to be resupplied with essential goods as well as personnel. Therefore, this kind of vehicle is needed. I fail to see why there should be any question about that.

It would seem to me that to arbitrarily delay this or to even cut these funds would be analogous to sending a golfer—and some of our friends here are golfers—out to the golf course without their golf clubs. Perhaps that would not improve their scores, but certainly it would prevent them from playing.

Mr. Chairman, the important point here is that this is an essential part of a carrier-based system at sea.

Mr. **RONCALIO.** Mr. Chairman, will the gentleman yield?

Mr. **GOLDWATER.** I yield to the gentleman from Wyoming.

Mr. **RONCALIO.** Mr. Chairman, the last thing we have in mind is to deny the Navy the communications necessary. If this can be done in any way, we would like to make the expenditure. It seems obvious that when there is a need, that need ought to be met if it is appropriate.

Mr. **GOLDWATER.** Mr. Chairman, I do not question the gentleman's thoughts as far as the need for this type of equipment is concerned, but the point has to be made that the current C–1A and C–2 aircraft that are being used to supply the aircraft carriers are really obsolete.

Many Members probably have flown in these aircraft. They are on their last legs; that is for sure. They do not meet the current requirements of the modern Navy, since in the case of the C–1A they have only a 350- to a maximum 400-mile range. They did a good job in their day, but they are outdated and outmoded and need to be replaced.

I am sure the committee would not have authorized the expenditure if there was not a need for this replacement.

It has been determined that S–3A–ASW aircraft derivative, now called the US–3A, was to be the replacement. It was selected as the most cost-effective solution to the carrier resupply requirement.

The Navy looked into this with a very careful eye, and I am sure the committee as well looked into it with a careful eye and found, after taking everything into consideration, that this is the most cost-effective vehicle for the replacement of the old aircraft.

This new aircraft will have a longer range, almost 3,000 miles. It will have a greater payload and certainly will meet the needs of a modern Navy.

There was much concern about the cost, and I am equally concerned about cost. Unfortunately, however, this forum does not, in my opinion, allow for an intelligent, indepth analysis of cost. Therefore, like my colleague, the gentleman who preceded me in the well, I must resort to some very short statements covering this whole question of cost, if I have time.

I think the persuasive arguments that our friend, the gentleman from New York (Mr. Stratton), made should not be taken lightly. The S-3A-ASW aircraft was being procured at the rate of 40 a year. We are now only asking for one of these COD's per month, a tremendous decrease in procurement.

Obviously, we all know that when one buys fewer, there is a proportionate increase in the cost. If we want to get the cost down, then evidently we have to buy more. However, that is up to the committee, to make that decision. The fact is that we are only buying a few of these. There is nothing we can do about those costs. They go up proportionately, obviously, with the retooling and redesigning and modifying of the S-3.

AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. CARR

Mr. STRATTON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Stratton as a substitute for the amendment offered by Mr. Carr: On page 2, line 13, add the following: "*Provided*, That none of the funds authorized for the US-3A aircraft shall be expended until the Secretary of Defense certifies to the Congress that no other alternative aircraft is available or more cost effective."

Mr. STRATTON. Mr. Chairman, I think this is the sensible way to go. All this substitute does is simply put a "hold" on the expenditure of any of these funds for this plane until and unless the Secretary of Defense certifies to the Congress that no other alternative aircraft is available or more cost effective.

Rather than try to make a technical decision here on the floor, as the gentleman from California (Mr. Goldwater), has indicated, let us leave it up to the Secretary of Defense and have him certify to us that there is no alternative plane available and none that is cheaper. And until he does, the Navy will not be able to spend this money.

I have just been supplied with the detailed figures as to the answer to the question raised by several Members as to what happened to the $2.5 millon saved by taking out the avionics. This figure is offset in this way: $1.4 million because of the reduced quantity, from 41 to 12; $432,000 in inflation; and $641,000 because of the added weight. There are only two people who ride in the antisubmarine warfare version. But there are eight people who have to fly in the cargo-carrying or personnel version. So weight must be added and restructuring is required, new jigs, and all the rest. And they all cost money.

That is where the money goes. But if the Members do not believe it from the committee, then let us have the thing studied carefully, certify it to the Congress; and if we are satisfied, then we can make the final decision at that time.

I urge the adoption of the substitute amendment.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the substitute and in favor of the amendment.

Mr. Chairman, I rise in opposition to the substitute because it involves $169 million in funds that have not really been justified to our satisfaction today.

Mr. Chairman, we all know how we have been trying for years to get a meaningful debate in the Congress on the size of the defense budget and how and at what pace and direction the defense budget should grow from year to year. We particularly tried after the Vietnam war to have Congress try to get some control over the rapidly and constantly expanding defense budget.

We thought we were making progress in this area this year and then suddenly, as the Members recall, we ran into a Presidential election year plus a great deal of information, some of which is right, some of it wrong, and most of it confusing, as to who was ahead in the defense race—the United States or the Soviet Union.

That question cannot be answered very easily. As the President indicated recently, we are not behind the Soviet Union, neither are we ahead. But that is not the point. The result of all of this has been to change the climate for reasonable debate on defense this year so that now one cannot really question the defense expenditures at all because to do so, we are told, is to threaten the security of the United States.

That puts the Defense Establishment in a good position. We again have arrived at the situation—one very reminiscent of the 1960's—that whenever one suggests cuts in defense spending, as I did, recently in the Budget Committee, right away we are told that we are going to threaten the security of the United States, that we are going to endanger major weapons systems like the B-1, which, incidentally, I supported today. I submit that in a $113 billion defense budget there are literally hundreds of millions of dollars, indeed billions of dollars which are wasteful, which are not necessary, which do not help the defense of the United States, for which a case has not been made. We have one of them here today. It is a very hot item which will give the Navy a COD capability; it will help out Lockheed—we know they are very anxious to have it done. So, we pack it in the bill because the climate is right. We are told that if we reduce defense spending we will endanger our position vis-a-vis the Russians. Nonsense. This COD elimination today will do nothing of the sort. If we find $169 million here, another $100 million there, and $100 million somewhere else, and everywhere in a thousand different items, we would begin to make genuine savings in defense expenditures. We would not threaten our capability against the Soviet Union. What we would do is to make the Department of Defense come before Congress and truly justify the need for these expenditures. The Department then would explain to us why it is that we have to buy a Navy Lockheed S-3A antisubmarine aircraft and then have an additional five more, for these COD aircraft are basically the same airplane. It is all part of one buy, even though there are some changes.

Why is it that the plane without the avionics, without the sophisticated antisubmarine warfare capability, has to cost more? I do not know the answer; neither do the Members; and until we know the answer, we should not support this authorization.

The amendment is an admission of weakness by the gentleman from New York, because he asks us to put a hooker in here. Let us say they do not get the authorization until the Secretary of Defense certifies that they have to have it and there is no other plane that will do the job. Of course, the Members know he is going to certify it. He will do it very easily.

The point is they have not made a case. Vote down this ridiculous expenditure of money until we get better information and better facts and figures.

The CHAIRMAN. The time of the gentleman has expired.

AMENDMENT OFFERED BY MR. DOWNEY OF NEW YORK TO THE AMENDMENT OFFERED BY MR. STRATTON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. CARR

Mr. DOWNEY of New York. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Downey of New York to the amendment offered by Mr. Stratton as a substitute for the amendment offered by Mr. Carr: at the end, strike the period and add: ", and (2) the Congress, by a concurrent resolution adopted subsequent to such certification, approves such expenditure."

Mr. DOWNEY of New York. Mr. Chairman, I will be very brief. What my amendment to the Stratton substitute does is it allows, as the gentleman from New York (Mr. Stratton) has indicated, the executive branch, in this case the Secretary of Defense, to review the COD program. All my amendment to the substitute would do is it would allow the Congress to review the actions of the executive branch, and provide by concurrent resolution our ability to approve or disapprove the actions of the Secretary of Defense.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, I have no objection to the gentleman's amendment. I would accept it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. Downey) to the amendment offered by the gentleman from New York (Mr. Stratton) as a substitute for the amendment offered by the gentleman from Michigan (Mr. Carr).

The amendment to the amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment, as amended, offered by the gentleman from New York (Mr. Stratton) as a substitute for the amendment offered by the gentleman from Michigan (Mr. Carr).

The amendment, as amended offered as a substitute for the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan (Mr. Carr).

The amendment was agreed to.

Mr. PRICE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McFall) having assumed the chair, **Mr. Sisk**, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12438) to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. Moss. Mr. Speaker. the record shows that I am recorded as voting no on the amendment offered by the gentleman from Ohio, Mr. Seiberling. The fact is, I was committed to vote for the Seiberling amendment. My own views and convictions are supportive of the Seiberling amendment. I cannot explain the discrepancy, but I want the record to reflect my concurrence on the amendment of the gentleman from Ohio.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Roddy, one of his secretaries.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO HAVE UNTIL MIDNIGHT, APRIL 9, 1976, TO FILE REPORT ON H.R. 12838, NATIONAL FOUNDATION ON ARTS AND HUMANITIES ACT AMENDMENTS

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor have until midnight Friday, April 9, 1976, to file the committee report on H.R. 12838, as amended, to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, to establish a challenge grant program, and for other purposes.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONFERENCE REPORT ON S. 644, CONSUMER PRODUCT SAFETY COMMISSION IMPROVEMENTS ACT OF 1975

Mr. PREYER (on behalf of Mr. Staggers of West Virginia) filed the following conference report and statement on the bill (S. 644) to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes:

Conference Report (H. Rept. No. 94–1022)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 644) to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE

Section 1. This Act may be cited as the "Consumer Product Safety Commission Improvements Act of 1976".

AUTHORIZATION OF APPROPRIATIONS

Sec. 2. Section 32(a) of the Consumer Product Safety Act (15 U.S.C. 2081(a)) is amended to read as follows:

"(a) There are authorized to be appropriated for the purposes of carrying out the provisions of this Act (other than the provisions of section 27(h) which authorize the planning and construction of research, development, and testing facilities) and for the purpose of carrying out the functions, powers, and duties transferred to the Commission under section 30, not to exceed—

"(1) $51,000,000 for the fiscal year ending June 30, 1976;

"(2) $14,000,000 for the period beginning July 1, 1976, and ending September 30, 1976;

"(3) $60,000,000 for the fiscal year ending September 30, 1977; and

"(4) $68,000,000 for the fiscal year ending September 30, 1978.".

LIMITATIONS ON JURISDICTION

Sec. 3. (a) Section 2(2) of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471(2)) is amended by (1) striking out subparagraph (B), and (2) redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(b) Section 3(a)(1)(D) of the Consumer Product Safety Act (15 U.S.C. 2052(a)(1)(D)) is amended by striking out "economic poisons" and inserting in lieu thereof "pesticides".

(c) Section 2(f)2 of the Federal Hazardous Substances Act (15 U.S.C. 1261(f)(2)) is amended by inserting immediately before "but such term" the following: "nor to tobacco and tobacco products,".

(d) Section 3(a)(1) of the Consumer Product Safety Act (15 U.S.C. 2052(a)(1)) is amended by (1) inserting "other" before "limitations" in the last sentence, and (2) inserting before such sentence the following: "Except for the regulation under this Act or the Federal Hazardous Substances Act of fireworks devices or any substance intended for use as a component of any such device, the Commission shall have no authority under the functions transferred pursuant to section 30 of this Act to regulate any product or article described in subparagraph (E) of this paragraph or described, without regard to quantity, in section 845(a)(5) of title 18, United States Code.".

(e) The Consumer Product Safety Commission shall make no ruling or order that restricts the manufacture or sale of firearms, firearms ammunition, or components of firearms ammunition, including black powder or gunpowder for firearms.

(f) The second sentence of section 30(a) of the Consumer Product Safety Act (15 U.S.C. 2079(a)) is amended by (1) striking out "of the Administrator of the Environmental Protection Agency and"; and (2) striking out "Acts amended by subsections (b) through (f) of section 7 of the Poison Prevention Packaging Act of 1970" and inserting in lieu thereof "Federal Food, Drug, and Cosmetic Act (15 U.S.C. 301 et seq.)".

BUDGET AND EMPLOYEE PROVISIONS

Sec. 4. (a) Section 4(f) of the Consumer Product Safety Act (15 U.S.C. 2053(f)) is amended by adding at the end thereof the following new paragraph:

"(3) Requests or estimates for regular, supplemental, or deficiency appropriations on behalf of the Commission may not be submitted by the Chairman without the prior approval of the Commission.".

(b) Section 4(g) of such Act (15 U.S.C. 2053(g)) is amended by (1) striking out "full-time" in paragraph (2) and inserting in lieu thereof "regular", and (2) adding after such paragraph the following new paragraphs:

"(3) In addition to the number of positions authorized by section 5108(a) of title 5, United States Code, the Chairman, subject to the approval of the Commission, and subject to the standards and procedures prescribed by chapter 51 or title 5, United States Code, may place a total of twelve positions in grades GS–16, GS–17, and GS–18.

"(4) The appointment of any officer (other than a Commissioner) or employee of the Commission shall not be subject, directly or indirectly, to review or approval by any officer or entity within the Executive Office of the President.".

ACCOUNTABILITY

Sec. 5. (a) Section 4 of the Consumer Product Safety Act (15 U.S.C. 2053) is amended by adding at the end the following new subsection:

"(i) Subsections (a) and (h) of section 2680 of title 28, United States Code, do not prohibit the bringing of a civil action on a claim against the United States which—

"(1) is based upon—

"(A) misrepresentation or deceit before January 1, 1978, on the part of the Commission or any employee thereof, or

"(B) any exercise or performance, or failure to exercise or perfom, a discretionary function on the part of the Commission or any employee thereof before January 1, 1978, which exercise, performance, or failure was grossly negligent; and

"(2) is not made with respect to any agency action (as defined in section 551(13) of title 5, United States Code).

In the case of a civil action on a claim based upon the exercise or performance of, or failure to exercise or perform, a discretionary function, no judgment may be entered against the United States unless the court in which such action was brought determines (based upon consideration of all the relevant circumstances, including the statutory responsibility of the Commission and the public interest in encouraging rather than inhibiting the exercise of discretion) that such exercise, performance, or failure to exercise or perform with unreasonable.".

(b) Section 32 of such Act (15 U.S.C. 2081) is amended by adding at the end the following new subsection:

"(c) No funds appropriated under subsection (a) may be used to pay any claim decribed in section 4(i) whether pursuant to a judgment of a court or under any award, compromise, or settlement of such claim made under section 2672 of title 28, United States Code, or under any other provision of law.".

SAMPLING PLANS

SEC. 6. Section 7(a) of the Consumer Product Safety Act (15 U.S.C. 2056(a)) is amended by (1) inserting "(1)" immediately after "(a)", (2) redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and (3) adding at the end the following new paragraph:

"(2) No consumer product safety standard promulgated under this section shall require, incorporate, or reference any sampling plan. The preceding sentence shall not apply with respect to any consumer product safety standard or other agency action of the Commission under this Act (A) applicable to a fabric, related material, or product which is subject to a flammability standard or for which a flammability standard or other regulation may be promulgated under the Flammable Fabric Act, or (B) which is or may be applicable to glass containers.".

STANDARDS DEVELOPMENT

SEC. 7. (a) The last sentence of section 7(b) of the Consumer Product Safety Act (15 U.S.C. 2056(b)) is amended to read as follows: "An invitation under paragraph (4)(B) shall specify the period of time in which the offeror of an accepted offer is to develop the proposed standard. The period specified shall be a period ending 150 days after the date the offer is accepted unless the Commission for good cause finds (and includes such finding in the notice) that a different period is appropriate.".

(b) Section 7(e)(1) of such Act (15 U.S.C. 2056(e)(1)) is amended to read as follows:

"(e)(1) If the Commission publishes a notice pursuant to subsection (b) to commence a proceeding for the development of a consumer product safety standard for a consumer product and if—

"(A) the Commission does not, within 30 days after the date of publication of such notice, accept an offer to develop such a standard, or

"(B) the development period (specified in paragraph (3)) for such standard ends,

the Commission may develop a proposed consumer product safety rule respecting such product and publish such proposed rule.".

(c) Section 7(f) of such Act (15 U.S.C. 2056(f)) is amended to read as follows:

"(f) If the Commission publishes a notice pursuant to subsection (b) to commence a proceeding for the development of a consumer product safety standard and if—

"(1) no offer to develop such a standard is submitted to, or, if such an offer is submitted to the Commission, no such offer is accepted by, the Commission within a period of 60 days from the publication of such notice (or within such longer period as the Commission may prescribe by a notice published in the Federal Register stating good cause therefor), the Commission shall—

"(A) by notice published in the Federal Register terminate the proceeding begun by the subsection (b) notice, or

"(B) develop proposals for a consumer product safety rule for a consumer product identified in the subsection (b) notice and within a period of 150 days (or within such longer period as the Commission may prescribe by a notice published in the Federal Register stating good cause therefor) from the expiration of the 60-day (or longer) period—

"(i) by notice published in the Federal Register terminate the proceeding begun by the subsection (b) notice, or

"(ii) publish a proposed consumer product safety rule; or

"(2) an offer to develop such a standard is submitted to and accepted by the Commission within the 60-day (or longer) period, then not later than 210 days (or such later time as the Commission may prescribe by notice published in the Federal Register stating good cause therefor) after the date of the acceptance of such offer the Commission shall take the action described in clause (i) or (ii) of paragraph (1)(B).".

ADVANCE PAYMENTS; RENT

SEC. 8. (a) Section 7(d)(2) of the Consumer Product Safety Act (15 U.S.C. 2056(d)(2)) is amended by adding at the end thereof the following: "Payments under agreements entered into under this paragraph may be made without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529).".

(b) Section 27(b) of such Act (15 U.S.C. 2076(b) is amended by—

(1) striking out "and" at the end of paragraph (7), and

(2) redesignating paragraph (8) as paragraph (9) and inserting after paragraph (7) the following new paragraph:

"(8) to lease buildings or parts of buildings in the District of Columbia, without regard to the Act of March 3, 1877 (40 U.S.C. 34), for the use of the Commission; and".

CONSIDERATION OF THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

SEC. 9. Section 9(b) of the Consumer Product Safety Act (15 U.S.C. 2058(b)) is amended by adding at the end the following new sentence: "In the promulgation of such a rule the Commission shall also consider and take into account the special needs of elderly and handicapped persons to determine the extent to which such persons may be adversely affected by such rule.".

ATTORNEYS' AND EXPERT WITNESSES' FEES

SEC. 10. (a) Section 10(e) of the Consumer Product Safety Act (15 U.S.C. 2059(e)) is amended by adding after paragraph (3) the following new paragraph:

"(4) In any action under this subsection the court may in the interest of justice award the costs of suit, including reasonable attorneys' fees and reasonable expert witnesses' fees. Attorneys' fees may be awarded against the United States (or any agency or official of the United States) without regard to section 2412 of title 28, United States Code, or any other provision of law. For purposes of this paragraph and sections 11(c), 23(a), and 24, a reasonable attorney's fee is a fee (A) which is based upon (i) the actual time expended by an attorney in providing advice and other legal services in connection with representing a person in an action brought under this subsection, and (ii) such reasonable expenses as may be incurred by the attorney in the provision of such services, and (B) which is computed at the rate prevailing for the provision of similar services with respect to actions brought in the court which is awarding such fee.".

(b) Section 11(c) of such Act (15 U.S.C. 2060(c)) is amended by inserting after the first sentence the following: "A court may in the interest of justice include in such relief an award of the costs of suit, including reasonable attorneys' fees (determined in accordance with section 10(e)(4)) and reasonable expert witnesses' fees. Attorneys' fees may be awarded against the United States (or any agency or official of the United States) without regard to section 2412 of title 28, United States Code, or any other provision of law.".

(c) Section 23(a) of such Act (15 U.S.C. 2072(a)) is amended (1) by striking out "and shall", and inserting in lieu thereof "shall," and (2) by striking out ", and the cost of suit, including a reasonable attorney's fee, if considered appropriate in the discretion of the court." and inserting in lieu thereof ", and may, if the court determines it to be in the interest of justice, recover the costs of suit, including reasonable attorneys' fees (determined in accordance with section 10(e)(4)) and reasonable expert witnesses' fees.".

(d) Section 24 of such Act (15 U.S.C. 2073) is amended by striking out the last sentence and inserting in lieu thereof the following: "In any action under this section the court may in the interest of justice award the costs of suit, including reasonable attorneys' fees (determined in accordance with section 10 (e)(4)) and reasonable expert witnesses' fees.".

CIVIL LITIGATION

SEC. 11. (a) The third sentence of section 11(a) of the Consumer Product Safety Act (15 U.S.C. 2060(a)) is amended to read as follows: "The record of the proceedings on which the Commission based its rule shall be filed in the court as provided for in section 2112 of title 28, United States Code.".

(b) The second sentence of section 22(a) of such Act (15 U.S.C. 2071(a)) is amended by striking out "(with the concurrence of the Attorney General)" and inserting in lieu thereof "(without regard to section 27(b)(7)(A))".

(c) Section 27(b)(7) of such Act (15 U.S.C. 2076(b)(7)) is amended to read as follows:

"(7) to—

"(A) initiate, prosecute, defend, or appeal (other than to the Supreme Court of the United States), through its own legal representative and in the name of the Commission, any civil action if the Commission makes a written request to the Attorney General for representation in such civil action and the Attorney General does not within the 45-day period beginning on the date such request was made notify the Commission in writing that the Attorney General will represent the Commission in such civil action, and

"(B) initiate, prosecute, or appeal, through its own legal representative, with the concurrence of the Attorney General or through the Attorney General, any criminal action, for the purpose of enforcing the laws subject to its jurisdiction;".

(d) Section 27(c) of such Act (15 U.S.C. 2076(c)) is amended by striking out "with the concurrence of the Attorney General" and inserting in lieu thereof "(subject to subsection (b)(7))".

SUBSTANTIAL PRODUCT HAZARD

SEC. 12. (a)(1) Section 15(d) of the Consumer Product Safety Act (15 U.S.C. 2064(d)) is amended by adding at the end the following: "An order under this subsection may prohibit the person to whom it applies from manufacturing for sale, offering for sale, distributing in commerce, or importing into the customs territory of the United States (as defined in general headnote 2 to the Tariff Schedules of the United States), or from doing any combination of such actions, the product with respect to which the order was issued.".

(2) Section 15 of such Act (15 U.S.C. 2064) is amended by adding at the end thereof the following new subsection:

"(g)(1) If the Commission has initiated a proceeding under this section for the issuance of an order under subsection (d) with respect to a product which the Commission has reason to believe presents a substantial product hazard, the Commission (without regard to section 27(b)(7)) or the

Attorney General may, in accordance with section 12(e)(1), apply to a district court of the United States for the issuance of a preliminary injunction to restrain the distribution in commerce of such product pending the completion of such proceeding. If such a preliminary injunction has been issued, the Commission (or the Attorney General if the preliminary injunction was issued upon an application of the Attorney General) may apply to the issuing court for extensions of such preliminary injunction.

"(2) Any preliminary injunction, and any extension of a preliminary injunction, issued under this subsection with respect to a product shall be in effect for such period as the issuing court prescribes not to exceed a period which extends beyond the thirtieth day from the date of the issuance of the preliminary injunction (or, in the case of a preliminary injunction which has been extended, the date of its extension) or the date of the completion or termination of the proceeding under this section respecting such product, whichever date occurs first.

"(3) The amount in controversy requirement of section 1331 of title 28, United States Code, does not apply with respect to the jurisdiction of a district court of the United States to issue or extend a preliminary injunction under this subsection.".

(b) Section 19(a)(5) of such Act (15 U.S.C. 2068(a)(5)) is amended by (1) striking out "and to" and inserting in lieu thereof "to", and (2) inserting ", and to prohibited acts" after "refund".

(c) Section 22 of such Act (15 U.S.C. 2071) is amended by—

(1) striking out in subsection (a) all that precedes the second sentence of such subsection and inserting in lieu thereof the following:

"(a) The United States district courts shall have jurisdiction to take the following action:

"(1) Restrain any violation of section 19.

"(2) Restrain any person from manufacturing for sale, offering for sale, distributing in commerce, or importing into the United States a product in violation of an order in effect under section 15(d).

"(3) Restrain any person from distributing in commerce a product which does not comply with a consumer product safety rule."; and

(2) striking out in subsection (b) all that precedes the second sentence of such subsection and inserting in lieu thereof the following:

"(b) Any consumer product—

"(1) which fails to conform with an applicable consumer product safety rule, or

"(2) the manufacture for sale, offering for sale, distribution in commerce, or the importation into the United States of which has been prohibited by an order in effect under section 15(d),

when introduced into or while in commerce or while held for sale after shipment in commerce shall be liable to be proceeded against on libel of information and condemned in any district court of the United States within the jurisdiction of which such consumer product is found.".

PROHIBITED ACTS AND ENFORCEMENT

SEC. 13. (a) Section 19(a) of the Consumer Product Safety Act (15 U.S.C. 2068(a)) is amended by—

(1) inserting "or fail or refuse to establish or maintain records," immediately after "copying of records," in paragraph (3); and

(2) striking out "or" at the end of paragraph (6), striking out the period at the end of paragraph (7) and inserting in lieu thereof "; or", and adding after paragraph (7) the following new paragraphs:

"(8) fail to comply with any rule under section 13 (relating to prior notice and description of new consumer products); or

"(9) fail to comply with any rule under section 27(e) (relating to provision of performance and technical data).".

(b) Section 20(a)(1) of such Act (15 U.S.C. 2069) is amended by striking out "or (7)" and inserting in lieu thereof "(7), (8), or (9)".

CONGRESSIONAL REVIEW OF PROPOSED ADMINISTRATIVE ACTIONS OF THE COMMISSION

SEC. 14. Section 27 of the Consumer Product Safety Act (15 U.S.C. 2076) is amended by adding at the end thereof the following new subsection:

"(l)(1) Except as provided in paragraph (2)—

"(A) the Commission shall transmit to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives each consumer product safety rule proposed after the date of the enactment of this subsection and each regulation proposed by the Commission after such date under section 2 or 3 of the Federal Hazardous Substances Act, section 3 of the Poison Prevention Packaging Act of 1970, or section 4 of the Flammable Fabrics Act; and

"(B) no consumer product safety rule and no regulation under a section referred to in subparagraph (A) may be adopted by the Commission before the thirtieth day after the date the proposed rule or regulation upon which such rule or regulation was based was transmitted pursuant to subparagraph (A).

"(2) Paragraph (1) does not apply with respect to a regulation under section 2(q) of the Federal Hazardous Substances Act respecting a hazardous substance the distribution of which is found under paragraph (2) of such section to present an imminent hazard or a regulation under section 3(e) of such Act respecting a toy or other article intended for use by children the distribution of which is found under paragraph (2) of such section to present an imminent hazard.".

INFORMATION DISCLOSURE TO OTHER GOVERNMENTAL BODIES

SEC. 15. Section 29 of the Consumer Product Safety Act (15 U.S.C. 2078) is amended by adding at the end thereof the following new subsection:

"(e) The Commission may provide to another Federal agency or a State or local agency or authority engaged in activities relating to health, safety, or consumer protection, copies of any accident or investigation report made under this Act by any officer, employee, or agent of the Commission only if (1) information which under section 6(a)(2) is to be considered confidential is not included in any copy of such report which is provided under this subsection; and (2) each Federal agency and State and local agency and authority which is to receive under this subsection a copy of such report provides assurances satisfactory to the Commission that the identity of any injured person and any person who treated an injured person will not, without the consent of the person identified, be included in—

"(A) any copy of any such report, or

"(B) any information contained in any such report,

which the agency or authority makes available to any member of the public. No Federal agency or State or local agency or authority may disclose to the public any information contained in a report received by the agency or authority under this subsection unless with respect to such information the Commission has complied with the applicable requirements of section 6(b).".

JURISDICTION UNDER CONSUMER PRODUCT SAFETY ACT

SEC. 16. Section 30(d) of the Consumer Product Safety Act (15 U.S.C. 2079(d)) is amended to read as follows:

"(d) A risk of injury which is associated with a consumer product and which could be eliminated or reduced to a sufficient extent by action under the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, or the Flammable Fabrics Act may be regulated under this Act only if the Commission by rule finds that it is in the public interest to regulate such risk of injury under this Act. Such a rule shall identify the risk of injury proposed to be regulated under this Act and shall be promulgated in accordance with section 553 of title 5, United States Code; except that the period to be provided by the Commission pursuant to subsection (c) of such section for the submission of data, views, and arguments respecting the rule shall not exceed thirty days from the date of publication pursuant to subsection (b) of such section of a notice respecting the rule.".

EFFECT ON STATE LAW

SEC. 17. (a) Section 18(b) of the Federal Hazardous Substances Act is amended to read as follows:

"(b)(1)(A) Except as provided in paragraphs (2) and (3), if a hazardous substance or its packaging is subject to a cautionary labeling requirement under section 2(p) or 3(b) designed to protect against a risk of illness or injury associated with the substance, no State or political subdivision of a State may establish or continue in effect a cautionary labeling requirement applicable to such substance or packaging and designed to protect against the same risk of illness or injury unless such cautionary labeling requirement is identical to the labeling requirement under section 2(p) or 3(b).

"(B) Except as provided in paragraphs (2), (3), and (4), if under regulations of the Commission promulgated under or for the enforcement of section 2(q) a requirement is established to protect against a risk of illness or injury associated with a hazardous substance, no State or political subdivision of a State may establish or continue in effect a requirement applicable to such substance and designed to protect against the same risk of illness or injury unless such requirement is identical to the requirement established under such regulations.

"(2) The Federal Government and the government of any State or political subdivision of a State may establish and continue in effect a requirement applicable to a hazardous substance for its own use (or to the packaging of such a substance) which requirement is designed to protect against a risk of illness or injury associated with such substance and which is not identical to a requirement described in paragraph (1) applicable to such substance (or packaging) and designed to protect against the same risk of illness or injury if the Federal, State, or political subdivision requirement provides a higher degree of protection from such risk of illness or injury than the requirement described in paragraph (1).

"(3) (A) Upon application of a State or political subdivision of a State, the Commission may, by regulation promulgated in accordance with subparagraph (B), exempt from paragraph (1), under such conditions as may be prescribed in such regulation, any requirement of such State or political subdivision designed to protect against a risk of illness or injury associated with a hazardous substance if—

"(i) compliance with the requirement would not cause the hazardous substance (or its packaging) to be in violation of the applicable requirement described in paragraph (1); and

"(ii) the State or political subdivision requirement (I) provides a significantly higher degree of protection from such risk of illness or injury than the requirement described in paragraph (1) and (II) does not unduly burden interstate commerce.

In determining the burden, if any, of a State or political subdivision requirement on interstate commerce the Commission shall consider and make appropriate (as determined by the Commission in its discretion) findings on the technological and economic feasibility of complying with such requirement, the cost of complying with such requirement, the geographic distribution of the substance to which the requirement would apply, the probability of other States or political subdivisions applying for an exemption under this paragraph for a similar requirement, and the need for a national, uniform requirement under this Act for such substance (or its packaging).

"(B) A regulation under subparagraph (A) granting an exemption for a requirement of a State or political subdivision of a State may be promulgated by the Commission only after it has provided, in accordance with section 553(b) of title 5, United States Code, notice with respect to the promulgation of the regulation and has provided opportunity for the oral presentation of views respecting its promulgation.

(4) Paragraph (1)(B) does not prohibit a State or a political subdivision of a State from establishing or continuing in effect a requirement which is designed to protect against a risk of illness or injury associated with fireworks devices or components thereof and which provides a higher degree of protection from such risk of illness or injury than a requirement in effect under a regulation of the Commission described in such paragraph.

"(5) As used in this subsection, the term 'Commission' means the Consumer Product Safety Commission.".

(b) Section 16 of the Flammable Fabrics Act (15 U.S.C. 1203) is amended to read as follows:

"PREEMPTION

"Sec. 16. (a) Except as provided in subsections (b) and (c), whenever a flammability standard or other regulation for a fabric, related material, or product is in effect under this Act, no State or political subdivision of a State may establish or continue in effect a flammability standard or other regulation for such fabric, related material, or product if the standard or other regulation is designed to protect against the same risk of occurrence of fire with respect to which the standard or other regulation under this Act is in effect unless the State or political subdivision standard or other regulation is identical to the Federal standard or other regulation.

"(b) The Federal Government and the government of any State or political subdivision of a State may establish and continue in effect a flammability standard or other regulation applicable to a fabric, related material, or product for its own use which standard or other regulation is designed to protect against a risk of occurrence of fire with respect to which a flammability standard or other regulation is in effect under this Act and which is not identical to such standard or other regulation if the Federal, State, or political subdivision standard or other regulation provides a higher degree of protection from such risk of occurrence of fire than the standard or other regulation in effect under this Act.

"(c)(1) Upon application of a State or political subdivision of a State, the Commission may, by regulation promulgated in accordance with paragraph (2), exempt from subsection (a), under such conditions as may be prescribed in such regulation, any flammability standard or other regulation of such State or political subdivision applicable to a fabric, related material, or product subject to a standard or other regulation in effect under this Act, if—

"(A) compliance with the State or political subdivision requirement would not cause the fabric, related material, or product to be in violation of the standard or other regulation in effect under this Act, and

"(B) the State or political subdivision standard or other regulation (i) provides a significantly higher degree of protection from the risk of occurrence of fire with respect to which the Federal standard or other regulation is in effect, and (ii) does not unduly burden interstate commerce.

In determining the burden, if any, of a State or political subdivision flammability standard or other regulation on interstate commerce the Commission shall consider and make appropriate (as determined by the Commission in its discretion) findings on the technological and economic feasibility of complying with such flammability standard or other regulation, the cost of complying with such flammability standard or other regulation, the geographic distribution of the fabric, related material, or product to which the flammability standard or other regulation would apply, the probability of other States or political subdivisions applying for an exemption under this subsection for a similar flammability standard or other regulation, and the need for a national, uniform flammability standard or other regulation under this Act for such fabric, related material, or product.

"(2) A regulation under paragraph (1) granting an exemption for a flammability standard or other regulation of a State or political subdivision of a State may be promulgated by the Commission only after it has provided, in accordance with section 553(b) of title 5, United States Code, notice with respect to the promulgation of the regulation and has provided opportunity for the oral presentation of views respecting its promulgation.

"(d) For purposes of this section—

"(1) a reference to a flammability standard or other regulation for a fabric, related material, or product in effect under this Act includes a standard of flammability continued in effect by section 11 of the Act of December 14, 1967 (Public Law 90–189); and

"(2) the term 'Commission' means the Consumer Product Safety Commission.".

(c) Section 8 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1476) is amended (1) by striking out "Whenever" and inserting in lieu thereof "(a) Except as provided in subsections (b) and (c), whenever", and (2) by adding at the end thereof the following:

"(b) The Federal Government and the government of any State or political subdivision of a State may establish and continue in effect, with respect to a household substance for its own use, a standard for special packaging or related requirement which is designed to protect against a risk of illness or injury with respect to which a standard for special packaging or related requirement is in effect under this Act and which is not identical to such standard or requirement if the Federal, State, or political subdivision standard or requirement provides a higher degree of protection from such risk of illness or injury than the standard or requirement in effect under this Act.

"(c)(1) Upon application of a State or political subdivision of a State, the Commission may, by regulation promulgated in accordance with paragraph (2), exempt from subsection (a), under such conditions as may be prescribed in such regulation, any standard for special packaging or related requirement of such State or political subdivision applicable to a household substance subject to a standard or requirement in effect under this Act if—

"(A) compliance with the State or political subdivision standard or requirement would not cause the household substance to be in violation of the standard or requirement in effect under this Act, and

"(B) the State or political subdivision standard or requirement (i) provides a significantly higher degree of protection from the risk of illness or injury with respect to which the Federal standard or requirement is in effect, and (ii) does not unduly burden interstate commerce.

In determining the burden, if any, of a State or political subdivision standard or requirement on interstate commerce the Commission shall consider and make appropriate (as determined by the Commission in its discretion) findings on the technological and economic feasibility of complying with such standard or requirement, the cost of complying with such standard or requirement, the geographic distribution of the household substance to which the standard or requirement would apply, the probability of other States or political subdivisions applying for an exemption under this subsection for a similar standard or requirement, and the need for a national, uniform standard or requirement under this Act for such household substance.

"(2) A regulation under paragraph (1) granting an exemption for a standard or requirement of a State or political subdivision of a State may be promulgated by the Commission only after it has provided, in accordance with section 553(b) of title 5, United States Code, notice with respect to the promulgation of the regulation and has provided opportunity for the oral presentation of views respecting its promulgation.".

(d) Subsections (b) and (c) of section 26 of the Consumer Product Safety Act (15 U.S.C. 2075) are amended to read as follows:

"(b) Subsection (a) of this section does not prevent the Federal Government or the government of any State or political subdivision of a State from establishing or continuing in effect a safety requirement applicable to a consumer product for its own use which requirement is designed to protect against a risk of injury associated with the product and which is not identical to the consumer product safety standard applicable to the product under this Act if the Federal, State, or political subdivision requirement provides a higher degree of protection from such risk of injury than the standard applicable under this Act.

"(c) Upon application of a State or political subdivision of a State, the Commission may by rule, after notice and opportunity for oral presentation of views, exempt from the provisions of subsection (a) (under such conditions as it may impose in the rule) any proposed safety standard or regulation which is described in such application and which is designed to protect against a risk of injury associated with a consumer product subject to a consumer product safety standard under this Act if the State or political subdivision standard or regulation—

"(1) provides a significantly higher degree of protection from such risk of injury than the consumer product safety standard under this Act, and

"(2) does not unduly burden interstate commerce.

In determining the burden, if any, of a State or political subdivision standard or regulation on interstate commerce, the Commission shall consider and make appropriate (as determined by the Commission in its discretion) findings on the technological and economic feasibility of complying with such standard or regulation, the cost of complying with such standard or regulation, the geographic distribution of the consumer product to which the standard or regulation would apply, the probability of other States or political subdivisions applying for an exemption under this subsection for a similar standard or regulation, and the need for a national, uniform standard under this Act for such consumer product.".

TITLE 18 PROTECTION

SEC. 18. Section 1114 of title 18, United States Code, is amended by inserting ", the Consumer Product Safety Commission," immediately after "Department of Health, Education, and Welfare".

FLAMMABLE FABRICS ACT ADVISORY COMMITTEE

SEC. 19. Section 17(a) of the Flammable Fabrics Act (15 U.S.C. 1204(a)) is amended by inserting after the first sentence the following new sentence: "The members of the Committee who are appointed to represent manufacturers shall include representatives from (1) the natural fiber producing industry, (2) the manmade fiber producing industry, and (3) manufacturers of fabrics, related materials, apparel, or interior furnishings.".

FLAMMABILITY STANDARDS AND REGULATIONS

SEC. 20. (a) (1) Subsection (d) of section 4 of the Flammable Fabrics Act (15 U.S.C. 1193(d)) is amended to read as follows:

"(d) Standards, regulations, and amendments to standards and regulations under this section shall be made in accordance with section 553 of title 5, United States Code, except that interested persons shall be given an opportunity for the oral presentation of data, views, or arguments in addition to an opportunity to make written submissions. A transcript shall be kept of any oral presentation.".

(2) Subsection (e) (3) of section 4 of such Act is amended by adding at the end thereof the following: "The standard or regulation shall not be affirmed unless the findings required by the first sentence of subsection (b) are supported by substantial evidence on the record taken as a whole. For purposes of this paragraph, the term 'record' means the standard or regulation, any notice published with respect to the promulgation of such standard or regulation, the transcript required by subsection (d) of any oral presentation, any written submission of interested parties, and any other information which the Commission considers relevant to such standard or regulation.".

(b) The amendments made by subsection (a) shall apply with respect to standards, regulations, and amendments to standards and regulations, under section 4 of the Flammable Fabrics Act the proceedings for the promulgation of which were begun after the date of the enactment of this act.

And the House agree to the same.

HARLEY O. STAGGERS,
LIONEL VAN DEERLIN,
BOB ECKHARDT,
RALPH H. METCALFE,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
VANCE HARTKE,
PHILIP A. HART,
FRANK E. MOSS,
WENDELL H. FORD,
TED STEVENS,
LOWELL P. WEICKER, JR.,
JAMES L. BUCKLEY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 644) to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

AUTHORIZATION OF APPROPRIATIONS

Senate bill.—The Senate bill authorized to be appropriated $51 million for the fiscal year ending June 30, 1976; $14 million for the transitional quarter ending September 30, 1976; and $55 million for the fiscal year ending September 30, 1977. The Senate bill contained no authorization for the fiscal year ending September 30, 1978.

House amendment.—The House amendment authorized $51 million for the fiscal year ending June 30, 1976; $14 million for the transitional quarter ending September 30, 1976; $60 million for the fiscal year ending September 30, 1977; and $68 million for the fiscal year ending September 30, 1978.

Conference substitute (§ 2).—The conference substitute adopts the provision contained in the House amendment.

LIMITATIONS ON JURISDICTION

Senate bill.—The Senate bill modified the Commission's jurisdiction in several aspects. First, it eliminated pesticides from the Commission's jurisdiction under the Poison Prevention Packaging Act of 1970. This authority to regulate packaging for pesticides is now within the scope of the Environmental Protection Agency under the Federal Insecticide, Fungicide, and Rodenticide Act (as amended by the Federal Environmental Pesticide Control Act of 1972). Second, it amended the Federal Hazardous Substances Act to provide that the term "hazardous substance", as used in that Act, does not include "tobacco and tobacco products". Third, it amended the Consumer Product Safety Act to remove the Consumer Product Safety Commission's jurisdiction to exercise any regulatory authority over firearms, firearms ammunition, or components of firearms ammunition under the Federal Hazardous Substances Act. The amendment did not affect the Commission's authority to regulate fireworks devices or components of fireworks devices under either the Consumer Product Safety Act or the Federal Hazardous Substances Act. Fourth, the Senate bill further amended the Consumer Product Safety Act to provide that the Commission could regulate tobacco and tobacco products to the extent that such products present an unreasonable risk of injury as a source of ignition. The Senate bill further provided, however, that the Commission could take no action under this authority which would add to any health hazards posed by tobacco or tobacco products.

House amendment.—The House amendment was similar to the Senate bill except it did not contain the amendment to the Consumer Product Safety Act which empowered the Commission to regulate tobacco or tobacco products as a source of ignition.

Conference substitute (§ 3).—The conference substitute adopts the provisions which were contained in both the Senate bill and the House amendment removing any jurisdiction of the Commission to regulate pesticides under the Poison Prevention Packaging Act of 1970, to regulate tobacco and tobacco products under the Federal Hazardous Substances Act and to regulate firearms, firearms ammunition, or components of firearms ammunition. The conference substitute does not authorize the Consumer Product Safety Commission to regulate tobacco and tobacco products as a source of ignition.

The amendment removing the Commission's jurisdiction to exercise any regulatory authority over firearms, firearms ammunition, or components of firearms ammunition, including black powder or gunpowder for firearms, does not affect the Commission's jurisdiction to regulate fireworks devices and components of such devices under either the Consumer Product Safety Act or the Federal Hazardous Substances Act.

BUDGET AND EMPLOYEE PROVISIONS

Senate bill.—The Senate bill amended section 4(f) of the Consumer Product Safety Act to require the approval of the Commission prior to the submission of requests or estimates for regular, supplemental, or deficiency appropriations by the Chairman on behalf of the Commission.

The bill also sought to remedy the ongoing dispute between the Commission and the Civil Service Commission in which the Commission refused to submit the names of their nominees for noncareer executive appointment positions (NEA) to the White House for political clearance. Under the Senate bill, the Chairman, subject to the approval of the Commission, was empowered to designate up to 25 positions within the Commission as "non-career" positions. Noncareer positions were to be ones whose duties involved (1) significant participation in the determination of major Commission policies; or (2) service as a personal assistant or advisor to the Chairman or any other Commissioner. No appointment to or removal from one of these positions was to be subject to approval by the Executive Office of the President (including the Office of Management and Budget).

Finally, the Senate bill authorized the Chairman, subject to the approval of the Commission, to place a total of 15 positions in grades GS–16, GS–17, and GS–18. These positions were to be in addition to any professional engineering positions primarily concerned with research and development and any professional position in the physical and natural sciences and medicine, and in addition to any such positions that are authorized by section 5108(a) of title 5, United States Code.

House amendment.—The House amendment contained a provision similar to the one contained in the Senate bill with respect to submission of the Commission's budget. Additionally, the House amendment authorized the Chairman, subject to the approval of the Commission, to place a total of 10 positions in grades GS–16, GS–17, and GS–18, subject to the standards and procedures described by chapter 51 of title 5, United States Code. These were in addition to any positions authorized by section 5108(a) of title 5, United States Code and in addition to any professional positions in the physical and natural sciences, medicine, and engineering.

Conference substitute (§ 4).—In addition to incorporating the provision on budget submissions, the conference substitute authorizes the Chairman, subject to the approval of the Commission, to place a total of 12 positions in grades GS–16, GS–17, and GS–18. Such appointments are to be made subject to the standards and procedures prescribed by chapter 51 of title 5, United States Code, but are in addition to any positions authorized by section 5108(a) of title 5, United States Code, and in addition, to any professional positions in the physical and natural sciencies, medicine, and engineering.

Additionally, the conferees agreed to amend section 4(g) of the Consumer Product Safety Act to provide that the appointment of any officer (other than a Commissioner) or employee of the Commission shall not be subject, directly or indirectly, to review or approval by any officer or entity within the Executive Office of the President. This policy once again expresses Congressional intent that this Commission be an independent regulatory agency unfettered by political influence. Appointments of officers or employees of the Commission shall be based only on professional merit and qualification.

The problem confronting the Consumer Product Safety Commission with respect to its NEA employees is an issue confronting all independent regulatory agencies. Most agencies have, and need, noncareer executive assignment (NEA) personnel. To qualify to be designated as a non-career executive assignment position, the Civil Service Commission's regulations (5 CFR 305.601(b)), provide that such a position must be one whose incumbent will—

(1) be deeply involved in the advocacy of Administration programs and support of their controversial aspects;

(2) participate significantly in the determination of major political policies of the Administration; or

(3) serve principally as a personal assistant to or adviser of a Presidential appointee or other key political figure.

Thus, according to the Civil Service Commission's regulations, no individual will be approved for an NEA position unless the incumbents' duties include "advocacy of Administration programs and support of their controversial aspects" and significant participation "in the determination of major political policies of the Administration". This is not consistent with the purpose or function of an independent agency, and the regulations are inappropriate as they are applied to these agencies.

While the conferees agreed not to incorporate the Senate provisions establishing an NEA category for the Consumer Product Safety Commission, we believe that there is a need for the creation of such positions not only for this agency, but for all independent regulatory agencies. Accordingly, we urge our colleagues on the Post Office and Civil Service Committees in the Senate and the House to give this matter their considered attention.

ACCOUNTABILITY

Senate bill.—The Senate bill amended the Federal Tort Claims Act to allow a suit against the Consumer Product Safety Commission for a claim based upon a misrepresentation, deceit, or the exercise or performance or failure to exercise or perform a discretionary function or duty which was determined, as a matter of law to be unreasonable with respect to the discretionary function or duty involved. In making such a determination, the court was required to consider the statutory responsibilities of the Commission and the public interest in encouraging rather than inhibiting the exercise of discretion. Additionally, no such claim could be made with respect to any agency action as defined in section 551(13) of title 5, United States Code. Finally, the provision was experimental in nature and was drafted to cover only an asserted misrepresentation, deceit, or exercise or performance or failure to exercise or perform a discretionary function or duty that occurred prior to January 1, 1978.

House amendment.—The House amendment contained no comparable provision.

Conference substitute (§ 5).—The conference substitute amends the Consumer Product Safety Act to provide that subsections (a) and (h) of section 2680 of title 28, United States Code, do not prohibit the bringing of a civil action on a claim against the United States which is based upon misrepresentation or deceit on the part of the Consumer Product Safety Commission or any employee thereof, or any exercise or performance, or failure to exercise or perform, a discretionary function on the part of the Consumer Product Safety Commission or an employee thereof which was grossly negligent. As in the Senate bill, such claim cannot be made with respect to any agency action as that term is defined in section 551 (13) of title 5, United States Code. That section defines an "agency action" as including the whole or a part of an agency rule, order, license, sanction, relief, or the equivalent or denial thereof, or failure to act. In the case of a claim based upon the exercise or performance of, or failure to exercise or perform, a discretionary function, the court must find, as a matter of law and based upon consideration of all the relevant circumstances (including the statutory responsibility of the Commission and the public interest in encouraging rather than inhibiting the exercise of discretion) that such exercise, performance, or failure to exercise or perform was unreasonable. Like the Senate bill, the provision is experimental and no claim can be brought which did not arise before January 1, 1978.

The Federal Tort Claims Act defines the limited circumstances under which the United States consents to be sued. Section 2680 of title 28, United States Code, enumerates those circumstances to which that consent does not extend. By waiving subsection (a) of section 2680 (relating to claims based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty) and subsection (h) of such section (relating to claims based upon misrepresentation or deceit) suits may be brought on those claims to the extent authorized by the other provisions of the Federal Tort Claims Act and other provisions of Federal law applicable to suits against the United States. Thus, the statute of limitations and similar requirements would still apply.

Finally, the conferees agree that funds appropriated under section 32(a) of the Consumer Product Safety Act may not be used to pay any claim arising under this section whether pursuant to a judgment of a court or under an award, compromise, or settlement of such claim under section 2672 of title 28, United States Code, or any other provision of law. Such claims are to be paid from the general treasury.

The conferees do not intend that this provision chill the Commission from exercising its statutory responsibility to protect the public from dangerous products. The Commission must continue to exercise vigorous regulatory activities to accomplish its mandated responsibilities. In considering claims brought pursuant to this section, courts shall take into account the facts available to the Commission and the circumstances existing at the time of the event upon which the claim is based.

SAMPLING PLANS

Senate bill.—The Senate bill contained no provision with respect to sampling plans.

House amendment.—The House amendment provided that no consumer product safety standard promulgated under section 7(a) of the Consumer Product Safety Act shall require, incorporate, or reference any sampling plan. The House amendment provided that this limitaion did not apply with respect to any consumer product safety standard or other agency action of the Commission under the Consumer Product Safety Act applicable to a fabric, a related material, or product which is subject to a flammability standard or for which a flammability standard or other regulation may be promulgated under the Flammable Fabrics Act or which is or may be applicable to glass bottles.

Conference substitute (§ 6).—The conference substitute incorporates the House amendment with one minor alteration which would allow a consumer product safety standard under section 7(a) to incorporate a sampling plan applicable to glass "containers" rather than to glass "bottles" as provided in the House amendment. This provision relating to sampling plans does not prohibit a manufacturer from using a sampling plan as a part of its own quality control procedures. Similarly, the Consumer Product Safety Commission is not prohibited from incorporating sampling plans in a compliance testing program under section 14 of the Consumer Product Safety Act.

STANDARDS DEVELOPMENT

Senate bill.—The Senate bill amended section 7(e) (2) of the Consumer Product Safety Act to explicitly provide that whenever the Commission determined that no offeror was making satisfactory progress in the development of a standard or that the proposed standard developed by the offeror was not satisfactory in whole or in part, that the Commission itself could develop the standard or contract with third parties for such development.

House amendment.—The House amendment made several modifications to section 7 of the Consumer Product Safety Act regarding standards development. The amendment made clear that the Commission may itself develop a standard or contract with a third party for the development of a standard if the Commission determined that no offeror had submitted an acceptable proposed standard. Additionally, the House amendment extended the period provided under the Consumer Product Safety Act for the development of consumer product safety standards. The modification would have allowed the offeror 150 days after the date the offer is accepted (unless the Commission for good cause found that a different period was appropriate) to develop the proposed consumer product safety standard.

Conference substitute (§ 7).—The conference substitute incorporates the provisions of the House amendment and conforms the existing statutory timetable for the development and promulgation of consumer product safety standards accordingly.

Section 7(e) of the Consumer Product Safety Act is amended to provide that if the Commission has published a notice under section 7(b) of the Act stating its determination that a consumer product safety standard is necessary to eliminate or reduce the risk of injury associated with a consumer product and inviting persons to offer to develop a proposed standard, and either (1) the Commission has not accepted an offer to develop a standard within 30 days or (2) the development period for the standard has expired, then the Commission itself may develop a proposed consumer product safety rule. Additionally, section 27(g) of the Act would allow the Commission, in lieu of developing the proposed consumer product safety rule itself, to contract with third parties for the development of the rule. Under existing law, the Commission may develop the proposed rule itself if no offeror whose offer is accepted is making satisfactory progress in the development of the standard or the standard submitted is not satisfactory in whole or in part.

The conference substitute modifies existing law by granting to an offeror who is selected to develop a proposed consumer product safety standard 150 days within which to conduct its work. Thus, the new timetable for the development of a consumer product safety standard would be as follows:

First, the Commission under section 7(b) issues the notice of determination of need for a consumer product safety standard and invites offerors to submit proposals for the development of a standard.

Second, within 60 days, the Commission must either (1) accept an offer or offers to develop a proposed standard; or (2) publish a notice in the Federal Register terminating the proceeding; or (3) itself develop a proposed consumer product safety rule. If an offer to develop a proposed standard is accepted or the Commission itself proceeds with the development of the proposal, 150 days are allotted for such development.

Third, at the expiration of the 150 day period, either (1) the offeror must submit its proposal to the Commission; or (2) if the Commission itself has proceeded to develop the standard, the Commission must, by notice publish in the Federal Register, withdraw the notice of determination of need or it must publish a proposed consumer product safety rule.

If an offeror has submitted a proposal for a consumer product safety standard, the Commission must, within 60 days (i.e. 210 days after the acceptance of the offer), proceed to publish a proposed consumer product safety rule or terminate the proceedings.

While the Commission is authorized to extend each of the above time periods by a notice published in the Federal Register stating good cause therefor, time is of the essence in the development of product safety standards and such extensions should not be made lightly.

ADVANCE PAYMENTS; RENT

Senate bill.—The Senate bill contained no provisions with respect to advance payments, rent and seminar expenses.

House amendment.—The House bill amended section 7(d)(2) of the Consumer Product Safety Act to provide that if an offer to develop a consumer product safety standard was accepted, the Commission could contribute to the offeror's cost in developing such standard. This amendment permitted the Commission to make such contributions in advance. The amendment further authorized the Commission to lease buildings or parts of buildings in the District of Columbia and to pay travel and subsistence expenses incurred in connection with safety education seminars of the Commission by participants in the seminars.

Conference substitute (§ *8*).—The conference substitute adopts the advance payments provision and the provision on leasing buildings in the District of Columbia that was included in the House amendment. The House recedes to the position of the Senate on the amendment authorizing the Commission to pay travel and subsistence expenses incurred in connection with safety education seminars of the Commission.

CONSIDERATION OF THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

Senate bill.—The Senate bill amended section 9(b) of the Consumer Product Safety Act to provide that the Commission shall consider the needs of elderly and handicapped persons to determine whether they would be adversely affected by the promulgation of any rule.

House amendment.—The House amendment amended section 9(b) of the Consumer Product Safety Act to provide that in the promulgation of a consumer product safety rule, the Commission shall consider the special needs of elderly and handicapped persons to determine the extent to which such persons would be adversely affected by such rule.

Conference substitute (§ *9*).—The conference substitute adopts the House provision with a technical amendment.

ATTORNEYS' AND EXPERT WITNESSES' FEES

Senate bill.—The Senate bill amended section 10 of the Consumer Product Safety Act relating to petitions for rulemaking. Under that section, if the Commission denies a petition or fails to act within a 120 day period, the petitioner may seek a court review. The Senate bill provided that any interested person who was involved in such an action could recover the costs of suit, reasonable attorneys' fees and expert witnesses' fees, if considered appropriate by the court and in the interest of justice. Such attorneys' fees were to be based upon the actual time expended by such attorney and his or her staff in advising and representing his or her client (at prevailing rates for such services, including any reasonable risk factor component). Additionally, the Senate bill amended section 11 of the Consumer Product Safety Act relating to judicial review of consumer product safety rules. Under the Senate bill, a petitioner seeking judicial review of a consumer product safety rule could also have recovered the award of reasonable attorneys' fees, expert witnesses' fees, and costs of suit where the court determined that such award was appropriate and in the interest of justice. Such attorneys' fees were to be based upon the actual time expended by such attorney and his or her staff in advising and representing his or her client (at prevailing rates for such services, including any reasonable risk factor component).

House amendment.—The House amendment amended section 23(a) of the Consumer Product Safety Act relating to suits for damages by persons injured by a noncomplying consumer product and section 24 of the Act relating to private enforcement of product safety rules and section 15 orders. Each such provision of existing law currently allows in certain circumstances the recovery of a reasonable attorney's fee. The House amendment provided that in addition to conferring the attorney's fee, a reasonable expert witness' fee could also be recovered.

Conference substitute (§ *10*).—The conference substitute incorporates the provisions of both the Senate bill and the House amendment. The conference substitute amends sections 10(e), 11(c), 23(a), and 24 to allow the court, in the interest of justice, to award the costs of suit, including reasonable attorneys' fees and reasonable expert witnesses' fees. A reasonable attorney's fee is a fee (1) which is based upon (A) the actual time expended by an attorney in providing advice and other legal services in connection with representing a person in an action brought under such sections, and (B) such reasonable expenses as may be incurred by the attorney in the provision of such services, and (2) which is computed at the rate prevailing for the provision of similar services with respect to actions brought in the court which is awarding such fee.

The purpose of these provisions is to enable interested persons who have rights under the Consumer Product Safety Act to vindicate those rights. They are intended to insure that the governmental system functions properly and that the great costs of litigation do not prevent the Consumer Product Safety Act from being properly administered and enforced. The provisions should be liberally construed to effectuate the purpose of these provisions.

In determining whether it is in the interest of justice to award such costs, there are various factors which the court should consider, including but not limited to the resources of the party or parties seeking such costs and the benefit which has accrued to the public by the litigation.

The provisions do not require the entry of a final order before costs may be recovered. Costs could be awarded to a successful plaintiff under these provisions where there was a final court order granting the relief requested, or as a matter of interim relief pending the outcome of the case. See *Bradley* v. *School Board of the City of Richmond,* 416 U.S. 696 (1974); *Mills* v. *Electric Auto-Lite Co.,* 396 U.S. 375 (1970).

Nor do the provisions require that a party prevail in the action in order to recover costs. Such awards may be especially important where a party has prevailed on an important matter in the course of the litigation, even though they do not prevail on all the issues. See *Bradley, supra,* and *Mills, supra,* For purposes of the award of costs, it is appropriate to make awards where the parties have vindicated rights through a consent judgment, or without formally obtaining relief, or where such award is in the public interest without regard to the outcome of the litigation. *Citizens Assn.* v. *Washington,* Civ. Action No. 1944-73, Sept. 30, 1974 (U.S. Dist. Ct., D.C.); *Parham* v. *Southwestern Bell Telephone Co.,* 433 F. 2d 421 (8th Cir. 1970); *Richards* v. *Griffith Rubber Mills,* 300 F. Supp. 338 (D. Ore. 1969); *Thomas* v. *Honeybrook Mints, Inc.,* 428 F. 2d 981 (3d Cir. 1970).

The standard for awarding costs to a prevailing defendant is not the same as for a plaintiff because, if it were, the risk of bringing suit under these sections could be so great as to frustrate the purposes of the sections. However, in exceptional circumstances, costs might be awarded to defendants where they must "defend against unreasonable, frivolous, meritless, or vexatious actions * * *". *United States Steel Corp.* v. *United States,* 385 F. Supp. 346, 348 (W.D. Pa. 1974). Where plaintiff's proceeding is brought in good faith or on the advice of competent counsel, costs would ordinarily be denied to a prevailing defendant. *Richardson* v. *Hotel Corporation of America,* 332 F. Supp. 519 (E.D. La. 1971), aff'd 468 F. 2d 951 (5th Cir. 1972).

Reasonable attorneys' fees should not be reduced merely because the attorneys are salaried employees of public interest or foundation-funded law firms. Nor should the fee award be limited to the amount actually paid or owed to an attorney. It may well be that counsel will agree to take a case because counsel believes the case furthers a public interest and litigation of this sort should not have to rely on the charity of counsel. The fee should represent the reasonable value of the services rendered, taking into account all the surrounding circumstances, including, but not limited to, the time and labor required on the case, the benefit to the public, the skill demanded by the novelty or complexity of the issues, and the incentive factor.

Costs awarded under these provisions may be assessed against the United States when it is a party. Thus, for purposes of these provisions, the prohibition in 28 U.S.C. 2412 forbidding the assessment of attorneys' fees against the United States is specifically made inapplicable. The conferees intend that any costs of suit, including attorneys' and expert witnesses' fees, be paid from the general treasury.

CIVIL LITIGATION

Senate bill.—The Senate bill broadened the authority of the Commission to represent itself in civil and criminal actions. Under present law, the Commission must (except in the case of a civil action under section 12 respecting an imminent hazard) secure the concurrence of the Attorney General before it may use its own attorneys to represent itself. The Senate bill changed the Act's requirements in two respects. First, it removed from section 22 of the Act the requirement that the Commission have the concurrence of the Attorney General before representing itself in actions for injunctive enforcement (including preliminary injunctions pending section 15 hearings). Second, with respect to all other court actions (other than an action under section 12 wherein the law remained unchanged), the Senate bill authorized the Commission to initiate, prosecute, defend, or appeal civil or criminal actions through its own attorneys if the Attorney General did not agree to represent the Commission within 45 days after receipt of a request for representation from the Commission.

House amendment.—The House amendment contained no similar provision.

Conference substitute (§ 11).—The conference substitute retains the provisions of the Senate bill authorizing the Commission to represent itself in injunction actions under section 22 of the Act. With respect to other civil actions, the conference substitute authorizes the Commission to initiate, prosecute, defend, or appeal such actions through its own attorneys if the Attorney General does not agree to represent the Commission within 45 days of a request for representation. However, the Commission is not authorized to represent itself in appeals to the United States Supreme Court. The Solicitor General will continue to handle such appeals. The conference substitute retains existing law with respect to criminal actions.

SUBSTANTIAL PRODUCT HAZARD

Senate bill.—The Senate bill authorized the Commission to seek an injunction to restrain any person from distributing a consumer product subject to an order issued under section 15(d) of the Act. It also authorized the Commission to seize any consumer product subject to an order issued under section 15(d). Further, it made it a prohibited act for any person to manufacture for sale, offer for sale, distribute in commerce, or import into the United States any consumer product subject to an order under section 15(d). Identical authorities were granted to the Commission respecting products which had been refused admission into the customs territory of the United States under section 17.

The Senate bill also granted the district courts of the United States authority to grant a preliminary injunction prohibiting the distribution in commerce of a consumer product which the Commission had sufficient grounds to believe contained a substantial product hazard. The Commission was authorized to bring a suit for such a preliminary injunction or to request that the Attorney General bring such a suit. The bill required that the Commission show that enjoining the distribution of the consumer product was necessary to protect the public from substantial risk of injury pending the completion of a hearing under section 15 (f), and that, weighing the inequities and considering the Commission's likelihood of ultimate success, the granting of a preliminary injunction would be in the public interest.

House amendment.—The House amendment provided that an order issued under section 15(d) of the Act could prohibit the person to whom the order applied from manufacturing for sale, offering for sale, distributing in commerce, or importing the product with respect to which the order was issued. Section 19(a) was amended to make it unlawful for any person to fail to comply with such an order. The district courts of the United States were granted jurisdiction to restrain any person from manufacturing for sale, offering for sale, distributing in commerce, or importing a consumer product in violation of an order under section 15(d). A consumer product whose manufacture, offering for sale, distribution in commerce, or importation had been prohibited by an order under section 15(d) was subject to seizure.

The House amendment contained no preliminary injunction authority respecting products believed to contain a substantial product hazard.

Conference substitute (§ 12).—The conference substitute is the same as the provisions of the House amendment respecting the scope of a section 15(d) order and its enforcement through section 19 (prohibited acts) and section 22 (injunctions and seizure). It revises the provision of the Senate bill respecting preliminary injunctions.

The conferees are of the opinion that the provision in the House amendment, combined with the authorities presently found in section 15 of the Act, adequately protect the public from continued exposure to products determined to present a substantial product hazard. Presently all manufacturers, distributors, or retailers of a specific product (or a specific class of products) alleged to present a substantial product hazard may be made subject to an order issued under section 15 if such manufacturers, distributors, or retailers have had an opportunity to participate in the hearing under section 15 for the issuance of such order. Notice of such a hearing may be provided by actual notice to manufacturers, distributors, or retailers or by any other notice to such persons which meets constitutional due process requirements.

The conference substitute authorizes the Commission (or the Attorney General) to seek a preliminary injunction to restrain the distribution in commerce of a consumer product which the Commission has reason to believe presents a substantial product hazard. The Commission must have already initiated a proceeding under section 15 for the repurchase, repair, or replacement of the product. The preliminary injunction may not be in effect for longer than either 30 days or the date of the completion or termination of the section 15 proceeding, whichever occurs first. However, the Commission (or the Attorney General) may seek extensions of the preliminary injunction. Any extension is subject to the same time limitation as the original preliminary injunction. The conferees intend that the traditional standards used by the Federal courts in determining whether to issue a preliminary injunction under their equity jurisdiction shall apply. Such standards include consideration of whether irreparable harm is likely to occur if the preliminary injunction is not issued, any injury which granting the injunction would inflict on the defendant, the probability that the Commission will succeed on the merits, and the public interest. Although the Commission may represent itself in such preliminary injunction actions (without regard to section 27(b)(7)), the conferees wish to emphasize that a civil action for enforcement of an order issued under section 15 must be brought in accordance with the procedures specified in section 27(b)(7).

CONGRESSIONAL REVIEW OF PROPOSED ADMINISTRATIVE ACTIONS OF THE COMMISSION

Senate bill.—The Senate bill contained no provision with respect to congressional review of proposed administrative action of the Commission.

House amendment.—The House amendment required the Commission to transmit to the Congress each rule, regulation, and order promulgated by the Commission under the Consumer Product Safety Act, the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, or the Flammable Fabrics Act. If neither House of Congress passed a resolution disapproving the rule, regulation, or order within a period of 30 calendar days of continuous session after the date of transmittal, the rule, regulation, or order could become effective upon the expiration of the period. The Congress could by concurrent resolution authorize a rule, regulation, or order to take effect before the expiration of the 30-day period.

Conference substitute (§ 14).—The conference substitute requires the Commission to transmit to the Commerce Committee of the Senate and the Interstate and Foreign Commerce Committee of the House of Representatives each proposed consumer product safety rule under the Consumer Product Safety Act, and each proposed regulation under section 2 or 3 of the Federal Hazardous Substances Act (except for regulations under section 2(q) or section 3(e) regarding imminent hazards), section 3 of the Poison Prevention Packaging Act of 1970 or section 4 of the Flammable Fabrics Act. No consumer product safety rule and no such regulation may be adopted by the Commission before the thirtieth day after the proposed rule or regulation upon which it was based is transmitted as required to the respective Committees of Congress.

INFORMATION DISCLOSURE TO OTHER GOVERNMENTAL BODIES

Senate bill.—The Senate bill contained no provision with respect to information disclosure to other governmental bodies.

House amendment.—The House amendment prescribed conditions under which the Commission may provide accident and investigation reports to other Federal agencies or State or local authorities engaged in activities relating to health, safety, or consumer protection. Copies of such reports may be provided only if confidential trade secret information is not included in such copies. Further, the agency or authority receiving the report must provide satisfactory assurance that the identity of injured persons or any one who treats an injured person will not be released to the public without the consent of the identified person. The Commission must comply with the requirements of section 6(b) of the Act before any Federal agency or State or local authority may disclose to the public any information obtained under the Act.

Conference substitute (§ 15).—The conference substitute retains the House provision. The requirement that the Commission comply with section 6(b) prior to another Federal agency's public disclosure of information obtained under the Act is not intended by the conferees to supersede or conflict with the requirements of the Freedom of Information Act (5 U.S.C. 552 (a)(3) and (a)(6)). The former relates to public disclosure initiated by the Federal agency while the latter relates to disclosure initiated by a specific request from a member of the public under the Freedom of Information Act.

JURISDICTION UNDER CONSUMER PRODUCT SAFETY ACT

Senate bill.—The Senate bill amended section 30(d) of the Consumer Product Safety Act to provide that a risk of injury which is associated with a consumer product and which may be regulated under the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, or the Flammable Fabrics Act may instead be regulated under the provisions of the Consumer Product Safety Act upon a determination by the Commission that such action is in the public interest.

House amendment.—The House amendment contained no corresponding provision.

Conference substitute (§ 16).—The conference substitute provides that a risk of injury which is associated with a consumer product and which could be eliminated or reduced to a sufficient extent under the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, or the Flammable Fabrics Act may be regulated under the Consumer Product Safety Act only if the Commission by rule finds that it is in the public interest to regulate such risk of injury under the Consumer Product Safety Act. The rule must identify the risk of injury proposed to be regulated. Further, the rule must be issued in accordance with section 553 of title 5, United States Code, except that the period provided by that section for the submission of data, views, and arguments is not to exceed 30 days from the date a notice respecting the rule is published in the Federal Register.

EFFECT ON STATE LAW

Senate bill.—The Senate bill amended the Flammable Fabrics Act and the Consumer Product Safety Act to make the preemption provisions in each consistent with the other. A similar uniform preemption provision was added to the Federal Hazardous Substances Act with respect to regulations issued to determine when a hazardous substance or article shall be a banned hazardous substance or article. The preemption provision regarding precautionary labeling contained in the Federal Hazardous Substances Act was not changed.

The provision added to the three Acts provided that, with two exceptions, if a Federal requirement for a product were in effect, no State or political subdivision could continue in effect or establish a requirement applicable to the same product and designed to protect against the same risk of injury or illness unless the State or political subdivision requirement were identical to the Federal requirement. The first exception permitted a State or political subdivision to have a different requirement applicable to products procured for its own use. The second exception permitted the Commission, upon application, to grant a State or local subdivision an exemption from the preemption provision if compliance with the State or local requirement would not cause the product to be in violation of the Federal requirement, if the State or local requirement provided a significantly higher degree of protection than the Federal requirement, and if the State or local requirement would not place an undue burden upon the manufacture or distribution of products in interstate commerce.

House amendment.—The House amendment was the same as the Senate bill with the following exceptions:

1. The House amendment also amended the preemption provisions of the Poison Prevention Packaging Act of 1970 and the preemption provision of the Federal Hazardous Substances Act respecting precautionary labeling to make them uniform with the other preemption provisions.

2. The House amendment permitted the States and political subdivisions to establish or continue in effect, without obtaining an exemption from the Commission, requirements designed to protect against a risk of illness or injury associated with fireworks devices or components if the requirements provided a higher degree of protection than a Federal requirement.

3. Where the Senate bill required that a State or local requirement not place an undue burden upon the manufacture or distribution of products in interstate commerce, the House amendment required that the State or local requirement not unduly burden interstate commerce. In determining if the State or local requirement will affect interstate commerce, the Commission was instructed to consider and make appropriate findings on the technological and economic feasibility of complying with such requirements, the cost of complying, the geographic distribution of the product to which the requirement would apply, the probability of other States or political subdivisions applying for an exemption, and the need for a national uniform requirement.

Conference substitute (*§ 17*).—The conference substitute is the same as the House amendment with a clarifying change in the provision respecting the findings required to be made in determining if a State or local requirement will burden interstate commerce. Under the provision, the Commission is required to consider and make appropriate findings. However, the Commission in its discretion determines the appropriateness of the findings. Under section 701 of title 5, United States Code, matters committed to agency discretion are not subject to judicial review. Thus, if the Commission grants an exemption and an action is brought to determine if the Commission granted the exemption in accordance with the exemption authority, the determination of the Commission that a requirement does not unduly burden interstate commerce is subject to review, but the statutory findings made in determining if a requirement affects interstate commerce may not be reviewed to determine if they are appropriate since the decision as to their appropriateness is to be made by the Commission in its discretion. Since a determination of appropriateness of a finding necessarily includes a consideration of the nature and adequacy of the factual basis of the finding, these issues are not subject to judicial review. The decision to deny an application for an exemption is also committed to agency discretion, and findings regarding whether there is an effect on interstate commerce need not be made.

The purpose of the enumerated findings is to direct the Commission as to those factors to consider in evaluating whether there is a burden on interstate commerce. In determining whether the burden is undue, the Commission must weigh the extent of the burden against the benefit to public health and safety provided by the proposed State standard.

The conferees wish to emphasize that in determining whether a Federal requirement preempts State or local requirements, the key factor is whether the State or local requirement respecting a product is designed to deal with the same risk of injury or illness associated with the product as the Federal requirement. Even though the State or local requirement is characterized in different terms than the Federal requirement or may have different testing methods for determining compliance, so long as the Federal and State or local requirements deal with the same risk of injury associated with a product, the Federal requirement preempts a different State or local requirement. For example, a Federal requirement with respect to bicycles would preempt a different State requirement for bicycles so long as they were both designed to protect against the same risk of injury, even though the State characterized its requirement as a "motor vehicle" standard. Or a State standard designed to protect against the risk of injury from a fabric catching on fire would be preempted by a Federal flammability standard covering the same fabric even though the Federal standard called for tests using matches and the State standard called for tests using cigarettes. When an item is covered by a Federal flammability standard (including a standard continued in effect by section 11 of Public Law 90–189), a different State or local flammability requirement applicable to the same item will be preempted since both are designed to protect against the same risk, that is the occurrence of or injury from fire. If a State or local government desires to continue or put into effect its own requirement, it would have to seek an exemption from the Commission.

TITLE 18—PROTECTION

Senate bill.—The Senate bill contained no provision with respect to title 18 protection.

House amendment.—The House amendment provided protection for Commission employees assigned to perform investigative, inspection or law enforcement functions. Section 1114 of title 18, United States Code, was amended to provide penalties for any person who kills such employees when they are engaged in the performance of their official duties.

Conference substitute (*§ 18*).—The conference substitute adopts the House provision.

FLAMMABLE FABRICS ACT ADVISORY COMMITTEE

Senate bill.—The Senate bill contained no provision with respect to the Flammable Fabrics Advisory Committee.

House amendment.—The House amendment amended section 17(a) of the Flammable Fabrics Act to assure that members of the National Advisory Committee representing manufacturers would include representatives from the national fiber producing industry, the manmade fiber producing industry, and manufacturers of fabrics, related material, apparel or interior furnishings.

Conference substitute (*§ 19*).—The conference substitute adopts the House provision.

FLAMMABILITY STANDARDS AND REGULATIONS

Senate bill.—The Senate bill contained no provision with respect to flammability standards and regulations.

House amendment.—The House amendment amended section 4(d) of the Flammable Fabrics Act to require that standards, regulations, and amendments to standards and regulations under section 4 made in accordance with section 553 of title 5 of the United States Code, except that an opportunity for the oral presentation of data, views, or arguments was to be provided. Section 4(e)(3) of the Flammable Fabrics Act was amended to require that upon judicial review, such standards or regulations were not to be affirmed unless the findings required to be made by section 4(b) were supported by substantial evidence on the record. The Senate bill did not contain a similar provision.

Conference substitute (*§ 20*).—The conference substitute adopts the House provision.

COST AND BENEFIT ASSESSMENT STATEMENTS

Senate bill.—The Senate bill required the Commission to prepare an evaluation of each rulemaking proceeding analyzing the estimated costs and benefits that were foreseeable as a result of the effective implementation of a consumer product safety rule and the apparent relationship, if any, between such costs and benefits. The Commission was also granted subpoena power to obtain cost information.

House amendment.—The House amendment contained no comparable provision.

Conference substitute.—The Senate recedes to the House position. The conferees agreed that the provision contained in the Senate bill was unnecessary because section 9(c)(1) of the Consumer Product Safety Act now requires the Commission, prior to promulgating a consumer product safety rule, to evaluate the possible effect of the rule on the cost of the product and any means of achieving the objectives of the rule while minimizing adverse effects on competition or dislocation of the manufacturing processes consistent with public health and safety.

REPORTING SUBSTANTIAL PRODUCT HAZARDS

Senate bill.—The Senate bill required a product liability insurer or independent testing laboratory which obtained information that a product may contain a substantial product hazard to report that fact to its client (not to the Commission) and to inform the client of its obligations under the Consumer Product Safety Act. The Act currently requires a manufacturer, distributor, or retailer who obtains information which reasonably supports the conclusion that his or her product contains a substantial product hazard to immediately report to the Commission. No part of the notice from the insurer or test laboratory could be admitted as evidence or used in any suit or action for damages.

House amendment.—The House amendment contained no comparable provision.

Conference substitute.—The Senate recedes to the position of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
VANCE HARTKE,
PHILIP A. HART,
FRANK E. MOSS,
WENDELL H. FORD,
TED STEVENS,
LOWELL P. WEICKER, Jr.,
JAMES L. BUCKLEY,
Managers on the Part of the Senate.
HARLEY O. STAGGERS,
LIONEL VAN DEERLIN,
BOB ECKHARDT,
RALPH H. METCALFE,
Managers on the Part of the House.

HOUR OF MEETING

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER pro tempore (Mr. BRADEMAS). Is there objection to the request of the gentleman from California?

There was no objection.

REQUEST FOR PERMISSION FOR SUBCOMMITTEE ON MANPOWER COMPENSATION, AND HEALTH AND SAFETY OF THE COMMITTEE ON EDUCATION AND LABOR TO SIT DURING DELIBERATIONS TOMORROW MORNING

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manpower, Compensation, and Health and Safety of the Committee on Education and Labor may sit tomorrow morning during deliberations of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may I ask what matter is so important that it requires the committee to sit tomorrow morning while the House is considering the Defense Authorization bill under the 5-minute rule?

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield, we have pending before our committee H.R. 50, a very important bill, and we have witnesses who were requested to appear today, and due to the fact that we could not hear all the testimony we put them off until tomorrow morning at 10 o'clock.

Mr. BAUMAN. What bill is that?

Mr. DOMINICK V. DANIELS. It is H.R. 50, the Full Employment and Balanced Growth Act, sponsored by the gentleman from California (Mr. HAWKINS).

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST FOR PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may be permitted to sit tomorrow during debate under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST FOR SUPPLEMENTAL APPROPRIATION FOR DISADVANTAGED YOUTH FOR SUMMER JOBS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–443)

The SPEAKER pro tempore (Mr. BRADEMAS) laid before the House the following message from the President of the United States; which was read and without objection referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

Today I am formally transmitting to the Congress a request for a supplemental appropriation of $528 million which will support 888,100 jobs for disadvantaged youth this summer.

The Secretary of Labor has advised me that the unemployment picture for youth is expected to improve this year over last year. However, the problem of youth unemployment continues to be a difficult one, especially in the summer months when students are out of school and seeking work. The action I am proposing today, combined with other related summer youth programs, will mean Federal efforts will produce a summer job for 1.5 million young people.

If Congress acts in a timely fashion on this request for a supplemental appropriation, the Summer Youth Employment Program will get funds where they are needed while they can be most useful. The appropriation I am requesting will create the same number of jobs at the local level as we achieved last summer.

I have made my request to the Congress in the form of an urgent supplemental. Many areas begin their programs in May, and sufficient leadtime is required to ensure proper planning for so large a program. It is important that the employment provided to these young people be meaningful, and that the program operate with maximum efficiency.

I also want to call attention again to the importance of prompt Congressional action on a related matter—my request for $1.7 billion in supplemental funding for public service jobs under the CETA program. This request, contained in my 1977 Budget, would provide funds needed to prevent layoffs from Federally supported public service jobs programs. A number of local sponsors are already facing the prospect of terminating their programs because their funds are running out.

This public service employment program is already employing people. Whatever differences I may have with the Congress over other aspects of the job-creation issue, there is no reason why local officials and individual job holders should be held in suspense or in fear of being laid off.

Action is essential on both the summer youth and the temporary employment assistance supplemental requests. I hope the Congress will act quickly to pass both measures.

GERALD R. FORD.

THE WHITE HOUSE, *April 8, 1976.*

DISCHARGE PETITION ON JOINT INTERNAL SECURITY COMMITTEE

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, I am initiating today a discharge petition to release from the Rules Committee, House Joint Resolution 518, a bill to establish a House-Senate Joint Committee on Internal Security. On January 14, 1975, the House voted to abolish the Committee on Internal Security and send its jurisdiction, files, and staff to the Judiciary Committee. You will remember that the Members were not afforded an opportunity to vote directly on the merits of the committee. Most Democrats who voted for that transfer were under the definite understanding they were not killing the vital legislative function in the field of internal security, subversion, and terrorism. Quite the opposite, many firmly believed the Judiciary Committee would and could do an adequate job in this area. Some even alleged it could do a better job. No funds have been allotted by the Judiciary Committee expressly for internal security work, nor has a subcommittee been set up to handle this important work. Nothing has been done in 15 months.

Only this week the Judiciary Committee voted to deep six the HCIS files. The involvement of the House in internal security work, as we have known it in the past, is being phased out. The Judiciary Committee even reversed the resolution of its own leaders which called for making the old HCIS files available to the Senate, adopting an amendment of our most vocal foe, Congressman DRINAN.

I particularly urge all Democratic Members who supported the Internal Security Committee over the years to sign this discharge petition. The Internal Security Committee always had a substantial majority in any direct vote on its role in Congress. In a party line vote on the adoption of our House rules in January 1975 the opponents of our committee were able to do indirectly what they never could do directly. Now is the time to correct this error. The minority forces in this body who oppose the investigation of subversion should not be allowed to dictate to the majority of this body.

Mr. Speaker, those of us who believe in the vital internal security function intend to join in a nationwide effort to urge every Member of this body to sign this discharge petition. Fifteen wasted months have been too much. Subversion, violence, radical activity, and terrorism continue while the liberals look the other way.

TIME APPROACHES TO CONSIDER RENEWING REVENUE SHARING

(Mr. BROOKS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BROOKS. Mr. Speaker, the time is approaching when the House will consider whether to renew revenue sharing. We have all been hearing for months from our mayors and other city officials about the wisdom of turning Federal dollars over to local officials.

The Government Operations Committee has recently received a most candid and sobering statement from the mayor of Madison, Wis., which I would like to share with all the Members.

Mayor Paul R. Soglin says instead of continuing revenue sharing, Congress and the executive branch should provide real solutions to our national problems. He says:

> Throwing dollars at local communities is no substitute for a coherent national policy in the areas of health, housing, education, and economic and job development.

Mr. Speaker, I agree with Mayor Soglin and I include his statement in the Record.

STATEMENT OF MADISON MAYOR PAUL R. SOGLIN, MARCH 22, 1976

I have carefully followed the present discussions concerning the future of federal revenue sharing. Lest my comments and observations be misinterpreted, let me state at the outset that revenue sharing must be re-enacted in some form for at least another two years. I join other mayors and governors in their concern that, come January 1, 1977, we will find ourselves without a general revenue sharing bill. Should that occur, the collective damage to our nation's cities would far surpass the present crisis in New York.

This past week the National League of Cities/U.S. Conference of Mayors meeting was exclusively devoted to gaining support for the re-enactment of general revenue sharing. Those attending had the opportunity to hear President Gerald Ford and congressional leaders address the organization on the subject.

Ironically, while the meeting was supposed to further instill support for revenue sharing, it actually increased my skepticism about the program. My previous doubts about the program, coupled with this past week's review of revenue sharing, has led me to the conclusion that revenue sharing is absolutely essential in the immediate future, but is of long-range detriment to our country.

At the heart of President Ford's remarks was a statement that local officials were in a better position than anyone else to evaluate local conditions and determine how federal dollars should be spent. That statement was accompanied by the now familiar and hackneyed, but ever popular, attack on the Washington bureaucracy. The local leaders applauded profusely.

As a mayor and chief administrative official for a bureaucracy of 2,000, I am quite familiar with the difficulty encountered in making the system work. Our city is administered and managed in a more responsive fashion than most, so I feel free in noting that there are just as many unresponsive bureaucrats and red tape professionals working in the city halls and State houses represented by those who applauded the President's remarks as there are found in Washington.

I belabor this point because I have come to the conclusion that federal revenue sharing is a cop-out when it comes to managing and administering the federal bureaucracy. Revenue sharing is as much a program designed to avoid responsibility at the federal level as it is a program to place decision-making powers in the hands of the people at the local level. Simply and succinctly, the responsibility of elected officials in Washington, particularly the administrative head of government, namely the President, is to correct the bureaucracy and make it work, rather than bypass it. I strongly suggest that we keep this point in mind, because whether we like it or not, there will always be a bureaucratic system within government, and the talents of many highly professional and skilled individuals are being wasted.

Our own city's experience with the Urban Mass Transit Administration is a case in point. In that particular instance, our local transportation officials and the UMTA staff have worked together closely these last several years. Not only has the City of Madison received federal dollars for its public transportation system, but we also have an effective program. While we may have some criticisms of the bureaucracy, any negative reaction is overshadowed by the success we have encountered. Our city transportation department includes many skilled and talented people. The UMTA officials with whom we have worked include a number of skilled and talented individuals. As a result, the city has a viable transportation system that is continually being improved. Our people learn from the federal officials, the UMTA staff learns from us. As good as our staff is, we would not have developed as coherent a program if the federal government was giving us the money to spend as we wish.

Perhaps I shouldn't have said "giving us money to spend as we wish", but rather use the old phrase "throwing money at the problem". When federal revenue sharing was enacted, the pundits said they were sick and tired of throwing dollars at the problem.

I would suggest a new problem arose, namely, mayors and other officials found that they did not have the resources to effectively deal with the massive urban crisis. Consequently, our attention was shifted and the problem was no longer the crisis of the cities but local officials clamoring for attention. So now, instead of throwing money at specific topical problems, the dollars are tossed to the clamoring local officials themselves in the hope that they will be silenced.

My view in this matter may be a bit cynical, but I have come to the conclusion that the general revenue sharing program is insufficient in dealing with the problems of this country.

Throwing dollars at local communities is no substitute for a coherent national policy in the areas of health, housing, education and economic and job development.

The old categorical programs were dismissed out of hand because they didn't work. Many people never bothered to ask why they didn't work. There were many others who preferred to avoid any federal responsibility in decision-making, because it would be far easier to enact revenue sharing than to adopt a coherent federal program for this country. Perhaps we ought to choose the more difficult route of finding out what was wrong with the categorical programs and return to the days of attempting to have a national policy in these critical areas. (I suppose I may have gone a bit too far. There is one area for which we have a national policy, namely, that we will not build new housing.)

In conclusion, let me state that I believe that revenue sharing is designed to avoid dealing with two problems—one, making the federal bureaucracy work and second, developing a national program strategy for this country in the area of community development, housing and social services.

What is needed at this time is the following:

For as long as we have federal revenue sharing a new formula which would be based on poverty rather than income levels.

2. Civil rights and affirmative action enforcement in the use of federal funds.

3. Insistence upon citizen participation in the use of federal dollars.

4. Incentives for progressive state tax reform (a question which is receiving very serious consideration here in Wisconsin under the leadership of Governor Lucey), as well as incentives for communities who are willing to tax themselves to a higher degree because of their appreciation for the quality of local services.

5. A national program in the areas of housing and community development.

Consequently, I would strongly recommend the adoption of a revenue sharing proposal along the lines of the bill submitted by Congressman Fascell, which would run for two or three fiscal years. In that interim period of time we would work to reform the bureaucracy and develop workable programs in the areas of housing, community development and social services.

THE FEDERAL RESERVE REFORM ACT OF 1976: THE CASE FOR ACTION NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 15 minutes.

Mr. REUSS. Mr. Speaker, the House Committee on Banking, Currency and Housing will shortly mark up H.R. 12934, the Federal Reserve Reform Act of 1976. The bill would achieve badly needed improvement in the way monetary policy is formulated. The present influence on monetary policy by bankers would be balanced by broader representation of other elements of society with a vital stake in economic stability, employment, and growth.

The proposed changes in the Federal Reserve System, and in its relation to the executive branch and Congress, are controversial, in great part because they are little understood.

The goals of this legislation, however, are clear. They deserve the support of everyone concerned with improving the conduct of national economic policy. The goals are two:

First, we must recognize that the Fedderal Reserve, designed in 1913 to be a "banker's bank" to deal with periodic financial panics, is in 1976 a very different institution with a different mandate. It is the Nation's most important economic stabilization agency, the central organ of monetary policy, whose decisions affect every aspect of American economic life.

Second, there must be coordination between fiscal policy, which is made openly in debate in the executive and legislative branches, and monetary policy, which is made in the private recesses of the Federal Reserve, importantly influenced by private persons in the financial and business world.

As Prof. Milton Friedman of the University of Chicago said in committee hearings January 22, 1976, fiscal and monetary policy "ought to be conducted in concert * * *. I do not share the view of those people who say you should have a nonpolitical monetary policy any more than you should have a nonpolitical fiscal policy."

How does the Federal Reserve Reform Act of 1976 move toward these goals?

First. By changing the 4-year term of the Chairman of the Federal Reserve Board to coincide, with a 6-month lag, with the term of the President of the United States. That way, a President would be assured of having a Chairman of his own choosing. This is relatively noncontroversial and has been endorsed by the Federal Reserve Board itself.

Second. By making the Open Market Committee independent of the commercial banks.

Today, the 12 Reserve bank presidents are nominated for 5-year terms by the boards of directors of these banks. Two-thirds of these boards of directors are selected by the member commercial banks. Five of the Reserve bank presidents then serve, in rotation, on the 12-member Federal Open Market Committee, along with the 7 members of the Fed's Board of Governors. Thus these essentially private persons have a critical voice in the determination of monetary policy.

The bill provides that these 12 bank presidents will be appointed by the President of the United States, for staggered 6-year terms, and confirmed by the Senate. Moreover, upon enactment of the bill, votes on the Federal Open Market Committee will be limited to Presidentially appointed persons. This means that until the present terms of bank presidents expire, and Presidential appointments are made, the Reserve bank presidents will not have a vote on the FOMC. They will, however, continue to serve on the FOMC and to have a full voice in these deliberations.

Proposals to limit votes on the FOMC to Presidentially appointed people have been made for some time. The Hoover Commission said in 1949:

> The present powers of the Federal Open Market Committee should be transferred to the (reorganized) Board of Governors.

The Commission on Money and Credit said in 1961 that—

> The determination of open market policy should be vested in the Board of Governors. . . . Decisions by the Board are exercises of public regulatory authority, and there should be no ambiguity about where the responsibility for them lies: it belongs exclusively in the hands of public officials.

Prof. Paul Samuelson of the Massachusetts Institute of Technology has agreed with this principle. He stated in hearings before the House Banking Committee in 1964:

> The present Open Market Committee gives too much representation to the regional banks, too little to the executive branch. ("The Federal System After 50 Years," page 1109).

And Dr. Arthur Okun, former Chairman of the Council of Economic Advisers, said in hearings before the same committee in 1968 that Congress "should consider making Reserve Bank presidents subject to Presidential appointment and Senate confirmation."

Another former member of the Council of Economic Advisers, Dr. James Tobin of Yale University, in our hearings January 28, 1976, recommended "very strongly * * * making the presidents of the 12 Federal Reserve banks Federal officials, in the full sense of the word, appointed by the President and confirmed by the Senate * * * It is anomolous that the bank presidents, given the manner of their selection and their remuneration, should now have votes on the Federal Reserve policymaking authority, the Federal Open Market Committee."

Dr. Allen Meltzer of Carnegie-Mellon testified along the same lines in our hearings:

> I go along with the suggestion that the presidents be approved by the Congress. That is because the Federal Reserve is a public agency. There is not much question about that. It is not a bank; it is a public agency. I would like to see the presidents of the Reserve Banks have greater independence, representing different ideas about how monetary policy is to be conducted with more conviction and less fear that their budgets might be cut or that the research staffs might be hampered by interference from Washington. That would be a way of getting new ideas, technical ideas, technical discussion, policy discussion at the Open Market Committee meeting.

In sum, Presidential appointment would not only make these bank presidents independent of the commercial banks, but enhance their voice as regional representatives in the Open Market Committee.

Third. By changing the makeup of the boards of directors of the Reserve Banks.

Today, the boards of directors, which nominate the bank presidents, represent a very narrow segment of the public. Six of the nine are elected by bankers who are members of the reserve district. The three class A directors are bankers. The three class B directors, also chosen by these banks, come from among persons actively engaged in "commerce, agriculture, or some other industrial pursuit." Only the three class C directors, who are designated by the Board of Governors, are conceived as being representative of a larger public.

H.R. 12934 broadens the public representation by adding three more class C directors and specifying that they shall be chosen "without discrimination on the basis of race, sex, or national origin, and with due consideration to the interests of labor, education, and consumers."

Since the Federal Reserve was established, there have been 1,042 persons appointed to these boards of directors—but not one single woman, and only four blacks.

They have reflected upper-echelon-of-society bias. A study of the 1950–70 period—by Thomas Havrilesky, William Yohe, and David Schirm in "The Economic Affiliations of Directors of the Federal Reserve District Banks," Social Science Quarterly, December 1973—showed that among the banker-elected class B directors, not a single one represented "a labor union, a consumer interest organization, or a similar nonmanagerial or nonproducer interest group."

The situation was not much better among the class C directors. Practically all, the study said, had top managerial or "ownership" status, even those from the academic and communications sector; and "unions, consumers groups, and a variety of non-profit organizations remain virtually unrepresented."

This is sad. These directors do not merely administer the Federal Reserve Banks. They also serve as policy advisers. Through them, the study points out—

> The upper reaches of American society have here a channel to the Board of Governors and the FOMC (Federal Open Market Committee.)

Monetary policy is not the private province of the financial and business world. Labor, consumers, educators, women, and minorities should not be bypassed.

Fourth. By requiring the Federal Reserve to pursue the objectives of the Employment Act of 1946—"maximum employment. production, and purchasing power (price stability)."

Fifth. By making permanent House Concurrent Resolution 133, adopted for this Congress in March 1975, which requires the Chairman of the Federal Reserve to testify before the Banking Committees of Congress every 3 months as to the Fed's projections for monetary policy for the ensuing year.

This practice has already proved extremely valuable. Fed Chairman Dr. Arthur Burns, in hearings before the Banking Committee on February 2, 1976, commented:

> Whether or not that concurrent resolution is renewed, I hope that your Committee would continue these hearings. We in the Federal Reserve would like to continue them. I think it would be a constructive thing to do.

Dr. Milton Friedman called House Concurrent Resolution 133 "the most important structural change in the formulation of monetary policy for some 40 years, since the banking acts of the mid-1930s." He said it would be "a serious mistake to let that new technique of cooperation between the Congress and the Federal Reserve expire."

A similar plea to make permanent the requirement that the Fed report to Congress "on the proposed growth rate of money that achieves the maximum growth of employment that is consistent with stable prices" was strongly voiced by Professor Meltzer of Carnegie-Mellon University.

The requirements of H.R. 12934 would make even more valuable to Congress and to the public the practice of regular reporting by the Fed. It requires the Fed to state its intentions and expectations for the ensuing 12 months, not only for monetary aggregates, but also for interest rates; and it requires reports on "the expected effects of monetary policy * * * on statistical measures of employment, production, and purchasing power (price stability)."

Such information would make clear to Congress and the public the extent to which the monetary policies of the Fed are in accord with the general economic policies being pursued by the President and the Congress. The Fed can supply this without any way compromising its independence or the quality of its economic analysis. The Council of Economic Advisers routinely supplies this kind of information as concerns fiscal policy, in its annual report to the President and to Congress. The public is entitled to have comparable information on monetary policy.

These are important and long overdue reforms. They would temper the influence of the commercial banks on the conduct of monetary policy. They would place more responsibility where it belongs, with the elected representatives of the people.

Bankers are, after all, a special economic and social interest group. They bring a certain perspective to the value judgments they make in deciding, for instance, how much unemployment is tolerable in the interests of achieving *x* reduction in inflation.

Today, major economic decisions are made for the country by officials who are not elected, not appointed or confirmed by elected officials, not even responsible to elected officials. A President and a whole Congress may be repudiated by the public for mismanagement of economic policy and turned out of office. Yet the same Fed officials will continue to make half of economic policy, the monetary half, beyond the reach of the public.

Congress and the administration may try to determine a course for economic policy, only to be countermanded by the Fed.

To put the matter bluntly Professor Tobin said in committee hearings on January 28, 1976:

> The Federal Reserve has the last word and can, so far as economic consequences are concerned, undo what the Congress has done . . . Given the importance of monetary policy and its inevitable political—I use the word in its best sense—nature, basic democratic principles dictate that its makers should be responsible to the elected representatives of the people.

The reforms contained in H.R. 12934 move in that direction. They place major responsibility where it should be, with Government. At the same time, the proposed changes preserve all the independence of the Fed from passing political pressures that is necessary. The Board of Governors will still have 14-year terms. The bank presidents will have 6-year terms, instead of 5, with their prestige enhanced by Presidential appointment and Senate confirmation. Half the members of the boards of directors will still be chosen by the banks. Their terms will still be 3 years.

H.R. 12934 preserves the regional strengths of the Federal Reserve System. Boards of directors and presidents will continue to represent the region. The presidents, by virtue of their elevated method of selection, will have a stronger and more independent voice in the Open Market Committee.

The call for reform of the Federal Reserve, to make it an integral part of Government in its monetary policy function, has been heard for many years. This Congress has an opportunity to heed that call.

BORIS MIKHAILOVICH DUBROVSKY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Mikva) is recognized for 5 minutes.

Mr. MIKVA. Mr. Speaker, all of the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of the families which remain separated.

A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem. At this time I would like to bring to the Members' attention the situation of the Dubrovsky family:

Boris Mikhailovich Dubrovsky

Birthdate: 1948.
Occupation: Electrician.
Marital Status: Married, one child.
Applied: August, 1972.
Refused: October, 1972.
Reason for Refusal: Previous army service.

Boris Mikhailovich Dubrovsky, Yarovaya 5/2, Kiev, Ukrainian SSR, USSR.

Mother: Gortul Dubrovsky, Rehov Kadesh 945/6, Migdal Emek, Israel.

Boris Mikhailovich Dubrovsky never had access to state secrets that would affect the national security of the Soviet Union. He is a simple electrician. And over five years have passed since he served in the army.

Living in Kiev with his wife and child, he has been applying for exit visas since August 1972. His only wish remains to be reunited with his mother and father in Israel.

In a letter from Israel his mother writes:

"We are the parents of Boris Mikhailovich Dubrovsky, age 28. For the past three years we have been living in Israel and have been making every effort to obtain permission to be united with him and his family in Israel.

"Our son had completed his army service six years ago, but so far has obtained no permission to emigrate to his historical homeland. The reason given has to do with his service in the army.

"During the two years he served in the military he had no access to secret weapons, nor to secret documents. He served as an ordinary electrician. Our children have written to all departments but without results.

"The family in the Soviet Union consists of three. They are in very strained circumstances. After repeated hunger strikes and demonstrations our son landed in the hospital suffering from stomach ulcers and a liver ailment. Accordingly, we turn to you with a plea to immediately join the struggle to rescue our children and hasten our union with them.

"Our children have no roof over their heads. . . . They are denied steady employment.

"As a mother, I appeal to all the Mothers of the world: Help me quickly to have my family with me. Help me."

TRUTH IN DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, on February 19, I circulated a letter to the membership of the House outlining the fact that in the fiscal year 1977 budget request, the administration failed to provide funding for our Minuteman III intercontinental ballistic missile. In that letter, I expressed concern that the Minuteman III was our only land-based ICBM in production, and that foreclosing our option to produce the Minuteman III by foreclosing the production line was unwise and costly especially prior to Salt II. The United States and the free world would be left without a single ICBM in production while the Soviet Union forged ahead with four new ICBM systems. The United States has not concluded a SALT II accord with the Soviet Union, and indications were that such an accord would not be forthcoming in the immediate future. Moreover, the United States had no viable replacement operational until well into the next decade. Terminating production of the Minuteman III could terminate for all practical purposes our ability to produce additional Minuteman III later in this decade, should conditions warrant further production.

I included with my February 19 letter a copy of a letter I would be sending to President Ford, urging that the decision to shut down the Minuteman III line be reversed. I invited my colleagues to join me in signing that letter.

A month later, a colleague, the gentleman from New York, Tom Downey, announced his intention to initiate a "Truth in Defense" debate. His first topic for "truth" was my advocacy of continued Minuteman III production. Mr. Downey circulated a letter to the membership of the House in which he contested assertions I had made in my February 19 letter.

I have responded to Mr. Downey and am submitting my response for the Record, along with the preceding letters circulated by myself and Mr. Downey. It is my hope that the Members of the House will take the time to read this correspondence. The House Committee on Armed Services had just concluded that it seems shortsighted in the extreme to close the Minuteman III production line. The facts in my response, to Mr. Downey, as well as in my original February 19 letter, underscore the truth in the Armed Services Committee's conclusion that the Minuteman III production line should not be shut down in lieu of a successful SALT II negotiation.

The material referred to follows:

House of Representatives,
Washington, D.C., April 5, 1976.

Hon. Thomas J. Downey,
Longworth House Office Building,
Washington, D.C.

Dear Tom: I'm writing in response to your March 18 "Dear Colleague" letter disputing the accuracy of my statements in support of continued production of the Minuteman III ICBM. Because my statements on this important issue are, I believe, firmly grounded in fact and are not in any way misleading—nor mean to be—I wanted to make the following comments to put my original statements, and your response, in the context which both deserve.

First, you state that your "Truth in Defense" bulletins will "incorporate the strictest possible standards of factual accuracy and will avoid exaggeration or selective omission for the sake of making a point . . ." Yet the very first "fact" you select to contest my position on the Minuteman III is based upon a very selective omission. In the letter to the President which I attached to my "Dear Colleague" of February 19, I stated *twice* that the Minuteman III was our only ICBM in production. There is no way in which any Member of Congress reading my correspondence on the Minuteman III would conclude that I believed, or would have them believe, that the Minuteman III is our only ICBM. Your response clearly incorporates a selective omission for the purpose of making a point. And the point you would make (that we have other ICBMs than the Minuteman III) not only is apparent to anyone who reads the original correspondence, but buttresses my position. The Minuteman III is our only ICBM in production. We stopped producing Titans in 1964 and we stopped producing Minuteman II's in 1969. A decision to stop production of Minuteman III's precludes deployment of any new ICBM for six to eight years, by which time our initially-deployed Minuteman II missiles will be seventeen years old and our latest-deployed will be over thirteen years old. The original design specification was for three years.

I know that you have gone on record as stating that you would promptly issue a correction for a bulletin which contained an error. I think it is appropriate to correct the omission which creates the impression I am saying the Minuteman III is our only ICBM.

We both agree that the new MX ICBM will not be available until the next decade. You state, however, that within three years we will be able to replace the Minuteman III warhead, the Mark 12, with the improved warhead, the Mark 12A. This argument is predicated upon a commitment that has not been made by Congress and can not be assumed. The Mark 12A program is now in the R&D phase and was, in fact, *delayed* last year. No decision has been made on production. Were Congress to go ahead with full production of the Mark 12A, as your argument assumes, your time frame is still off. It will be several years beyond first deployment before the Minuteman III force can be fully converted to the Mark 12A. The accuracy improvement program which you mention, and which is expected to accompany the Mark 12A, is not completed, and has not been validated through testing. It will take more than the three year time frame you cite to produce the high-confidence accuracy we seek in the new Minuteman III.

By contrast, we could deploy additional Minuteman III within one year, utilizing available test and spare assets and pre-surveyed sites, provided the production line remains open to replenish the supply. You misread the evidence in stating that the Minuteman III deployment could not take place for several years. The point of my original "Dear Colleague" correspondence was that Congress should keep the Minuteman III production line open to avoid a technology loss and to preclude a dangerous strategic force asymmetry before Congress has made a commitment to the successor ICBM system, and before this new system is in a more final operational configuration.

You state that the Mark 12A and improved accuracy will have approximately seven times the hard target kill power of the current Minuteman III. I have been unable to substantiate this assertion. My own computations place the figure closer to 2½ to 3 times more capability.

You state that the Mark 12A and accuracy improvements will combine to give the Minuteman III many times over the hard target capabilities of the Soviet ICBM forces. The error in your "FACT #4" is twofold: 1) You make an assumption concerning the Mark 12A which cannot be substantiated. Again, I point out that we are not now deploying the Mark 12A, we may not deploy the Mark 12A for quite a few years, indeed, we may not deploy the Mark 12A at all. 2) You compare what you presume to be the capabilities of the Mark 12A (if and when we get it) with the capabilities of 4 ICBM systems which the Soviets *already have*. As if this is not misleading and useless enough, your comparison of capabilities fails to take into account the fact that the Soviet Union can hardly be expected to stand still in the realm of ICBM technology. In the time it will take us to acquire the Mark 12A (if we do indeed opt to acquire it) the Soviets will be improving upon the capabilities of the 4 ICBM systems you mention: You adduce, for the purposes of comparison, a capability you project the United States to have in the future without making a similar future projection of capability for the Soviet Union. (The test data you used to compute capabilities for the 4 Soviet ICBM systems is already outdated. The fact is that the Soviets are aggressively pursuing accuracy improvements and there is no reason to assume they will not deploy a vehicle with comparable Mark 12A accuracy in the not-so-distant future regardless of what the U.S. does with its ICBMs). In short, for the sake of making a point, you have juxtaposed something we do not have now with something the Soviets not only have right now, but are improving upon. If you stopped comparing apples and oranges, and started comparing apples and apples, the figures slip dramatically against the United States.

The comparisons you make in your "FACT #4" are not even a competent academic exercise. But more important than these figures are the trends, a point to which I have already alluded, and which cannot be ignored in making conclusions you are attempting to make in "FACT #4."

Soviet missiles exhibit great potential for improvement in hard target capability. The Soviets continue to deploy an array of new, flexible systems which have the potential of up to 8 times the throw weight of our Minuteman III. These new systems are not at this time as technically proficient as our own, but the Soviets are forging ahead with accuracy improvements, at a time when this nation chooses to restrain its ICBM initiatives. You say you cannot find any unclassified "fifth new system." I suggest you look harder, for I was giving a conservative estimate of Soviet ICBM's in my "Dear Colleague" letter. The fact is there is evidence the Soviets may be pushing ahead with the development several new ICBM systems beyond the ones I mentioned.

General Brown recently testified before the Defense Appropriations Subcommittee, "It now appears that we underestimated the scope and intensity of the Soviet ICBM program since both missiles (the SS–17 and SS–19) have been deployed" in addition to the SS–18 which is "capable of destroying any known fixed target." Since we were unable to successfully predict the scope and intensity of Soviet ICBM deployment, it does not make any sense to terminate Minuteman III production, thus foreclosing our options to flexibility respond to Soviet ICBM initiatives later in this decade.

It is interesting to me that you would contest my advocacy of continued Minuteman III production on the basis that the replacement of the Minuteman III warhead with the Mark 12A is a better option. After attempting to construct an argument around the merits of the Mark 12A, you sum up the purpose of your letter as not "to argue against the Minuteman III or for the Mark 12A." My point is that, for the purposes of your first "Truth in Defense" bulletin, you do indeed *argue for* the Mark 12A. But confusingly, you conclude your arguments against the Minuteman III and in favor of the Mark 12A by stating, "In fact, I see little purpose in either." I suggest that not only have you selected an issue to debate me on and then promptly disavowed your own arguments, but you have avoided discussing the merits of our *real* differences of opinion: I believe there are valid and compelling reasons for both continued production of the Minuteman III, and forward movement on the Mark 12A. You ". . . see little purpose in either."

I do not mean for this observation to be taken personally, but your method of approaching a selected defense issue reminds me of the method that has been employed in the past on selected defense issues. Some Members of Congress argued against deployment of the Safeguard missile defense system on the grounds that the Site Defense ABM system (which was then in research and development, like the Mark 12A you argue for) would be a more cost-effective option. Later, however, these same individuals opposed development of the Site Defense system. Likewise, these individuals are questioning the utility of the B–1 bomber on the grounds that the stand-off platform with long-range cruise missiles could perform the same mission at less cost. Yet, these individuals offer amendments to halt development and testing of long-range cruise missiles.

It does not make any sense to me for anyone to argue this way. It certainly is a confusing, not to mention deceptive, manner of approaching the very real, very important decisions Members of Congress are called upon to make in the interests of our national security.

In consonance with the intent of your "Truth in Defense" series, I would like to make several additional observations.

You state that we already possess more soft target capability than we could ever use. This may or may not be true. Nevertheless, the reasons why we possess so much soft target capability are alarming. Evidence disclosed in recent hearings conducted by our colleague, Bob Leggett, indicate that the Soviet civil defense preparations may be significantly increasing the hardness of the targets against which our retaliatory weapons are directed. Although our weapons will always have the capacity to knock down buildings and blow off roofs, the industrial machinery within those buildings may be hardened against small, inaccurate weapons. With such hardening, the Soviet Union could restore production much more *rapidly* than we could, because our industrial machinery is fully exposed to the effects of Soviet weapons. Should Congress implement my suggestion to maintain the Minuteman III production, we would not add to the problem of too much soft target capability!

And although neither of us discuss civil defense in our "Dear Colleague" letters, I would like to make one point for the perspective it adds to the issue of soft target capability: Following ratification of the SALT I accord, the Soviets established a new deputy ministry in the Defense Ministry, the Deputy Ministry for Civil Defense. The Deputy Minister for Civil Defense (Col.-General Altunin) is on a par with other elements of the Defense Ministry (e.g. Strategic Rocket Troops, Air Defense Forces, etc.). I would not say that the Soviets want nuclear war any more than we do, but I would say, and the evidence supports me, that they are far more prepared for it than we are—and their preparations cast increasing doubt upon the adequacy of our deterrence.

You state that "Whether the Soviets have one new ICBM design or five, or fifty, is of no particular significance. What counts is their total capability in relation to our capability." I do not agree that what each side has is of "no particular significance" but I do believe that what each side has is not as important as what each side can do with what it has. All those new Soviet ICBM lines are significant for the technology advances they represent. This is a point I made earlier. Soviet technological breakthroughs on MIRV and on-board computers combine with large boosters to give the Soviets the potential of overwhelming strategic advantage. The U.S. should not match Soviet ICBM lines one-on-one, but it is imperative that we have a variety of options sufficient to maintain our strategic objectives.

The study commissioned by Senator Culver from the Library of Congress makes the point quite cogently that we ought to concentrate our defense debate on what "this country can do despite Soviet opposition, not on what each side has." As you know, this study concludes that "the present balance between the U.S. and Soviet strategic offensive forces would be degraded dramatically (against the U.S.) by pre and post launch attrition at the onset of a general nuclear war." This same study underscores the fact that in quantitative terms the military balance has shifted substantially in favor of the Soviet Union and that U.S. qualitative superiority is slowly slipping away.

What ever the stated purposes of your bulletin, you do not very directly address the points I make in my "Dear Colleague" letter. In that letter, I advocate keeping the Minuteman III production line open in the absence of a viable replacement, in realistic recognition of Soviet ICBM advances, and in the absence of a SALT II accord.

The proposed improvements in our Minuteman II were not undertaken because of the planned replacement with the more survivable Minuteman III. In addition, the Minuteman II has far passed the expected life of its propellents. We do not know how much longer they will last without replacement. My proposal to keep the Minuteman III line will solve both of these problems.

Last year, the United States exercised unilateral restraint by defering the Minuteman III deployment beyond the 550 level. The Soviets continued MIRV deployment, and they stepped up international adventurism. Keeping the Minuteman III production line open offers the U.S. a timely, visible, forceful strategic capability to persuade the Soviets to exercise restraint.

Due to the fact that not all of our sea-launched ballistic missiles and bombers are on alert, we could expect to lose a substantial number of them in a Soviet attack. Consequently, the importance of our ICBM force should not be understated. The ICBM force is the most survivable leg of our strategic TRIAD today, and the Minuteman III is the best element of our ICBM force. You have gone on record as opposing the B-1 bomber. You have stated in your "Dear Colleague" letter you "see little purpose" in the Minuteman III. If you have, in fact written off two-thirds of our TRIAD, it would further the cause of a true "Truth in Defense" debate, for you to first establish your perceptions of "defense."

As a replacement for the Minuteman II, the Minuteman III can be retargeted rapidly and remotely. Hardening against dust and debris means it can be launched with increased confidence following a nuclear attack. Through the accuracy improvement program and the Mark 12A program, the Minuteman III offers the potential for cost effective, incremental increases in our defense capability, thereby allowing us to proceed with the MX without sacrificing flexibility to respond to any Soviet initiatives later in this decade.

I am no more fond of talking about a Soviet "threat" than you are. But the threat is real. Why has the Soviet Union shifted its military R&D efforts to such brave new fields as high energy lasers, wing-in-ground-effect vehicles and high-pressure technology? Why are Soviet dissidents like Andrei D. Sakharov and Alexander Solzhenitsyn complaining of the militarization of Soviet life? In the era of SALT negotiations, why has the Soviet Union pursued such an extensive civil defense program? Not since the war preparations of Nazi Germany in the 1930s has a major nation at peace devoted such a high percentage of its resources to the military as has the Soviet Union. My question is why? Is there any evidence that our unilateral action to close down the only line in the free world producing strategic missiles has been matched by Soviet ICBM restraint?

I hope this puts my advocacy of the Minuteman III production in perspective.

In closing, I underscore the fact that it would further the cause of a true "Truth in Defense" debate for you to establish where you stand, and why, on the defense issues you select to debate.

Sincerely,

Jack Kemp,
Member of Congress.

P.S.—In the Congressional Record of March 23, 1976, you state on page 7694 that I describe the SS-16 as a MIRV. No where in the correspondence to which you allude do I mention the SS-16, or describe it. In accordance with your statements on correcting inaccuracies in your bulletins, I would appreciate a correction.

House of Representatives,
Washington, D.C., February 19, 1976.

Dear Colleague: As you know, the defense budget for fiscal year 1977 does not provide for further production of the Minuteman III, our *only* land-based intercontinental ballistic missile.

At this time we have no Salt II accord. The Soviet Union is pressing ahead with deployment of four new, ICBM systems and has a fifth new system underway. Our proposed replacement for the Minuteman III (the MX) is not even a fixed concept at this point, and would not near the deployment stage until 1985.

In light of these facts, I believe it is important to maintain production of the Minuteman III and I have requested this in the attached letter to the President. If you believe as I do that it is unwise and costly to terminate our Minuteman III production at this time, I hope you will join me in signing the attached letter.

If you have any questions on this issue, Please contact me. If you would like to cosign, please phone Ann at extension 55265.

Sincerely,

Jack Kemp.

House of Representatives,
Washington, D.C., March 10, 1976.

The President,
The White House,
Washington, D.C.

Dear Mr. President: We are disturbed over the decision of the Administration to halt production of the Minuteman III intercontinental ballistic missile even prior to the completion of Salt II talks.

As you know, the Minuteman III is the *only* land-based ballistic missile now *being produced* by the United States. The proposed replacement for the Minuteman III cannot reasonably be expected to be deployed until well into the next decade, and at this stage is not even a fixed concept.

While a halt in Minuteman III production would leave us without *any* land-based ICBM in production, the Soviet Union is pressing forward with deployment of four new ICBM systems, and has a fifth, even more advanced, line in the offing. Secretary of Defense Rumsfeld has already informed this Congress in the new defense posture statement that a continuation of these current Soviet strategic programs could threaten the survivability of the Minuteman within a decade.

A Salt II accord might put the Administration's decision to halt the Minuteman III in perspective; however, we have not seen this accord and we cannot condone foreclosing our options regarding the accord by having no Minuteman III in production.

The material costs of shutting down the production line would be very high and it would be very difficult to reassemble the expert subcontractors and vendors necessary to restart the line.

In the absence of a Salt II accord, and in the absence of a viable replacement for the Minuteman III at this time, and in realistic recognition of Soviet advances in the field of ICBM deployment, we request that you reverse the decision on the Minuteman III and provide for production of this system to continue.

Sincerely,

Jack Kemp,
Member of Congress.

Truth In Defense, Part One

Dear Colleague:

STATEMENT

On February 19, 1976, our colleague Jack Kemp circulated a Dear Colleague letter which included the following:

"As you know, the defense budget for fiscal year 1977 does not provide for further production of the Minuteman III, our *only* land-based intercontinental ballistic missile.

"At this time we have no Salt II accord. The Soviet Union is pressing ahead with deployment of four new, ICBM systems and has a fifth new system underway. Our proposed replacement for the Minuteman III (the MX) is not even a fixed concept at this point, and would not near the deployment stage until 1985."

Congressman Kemp then concluded that the Department of Defense should reverse its decision to discontinue production of the Minuteman III ICBM.

RESPONSE

Fact #1. The Minuteman III is not our only land-based intercontinental ballistic missile. In addition to our 550 Minuteman IIIs, we also have 450 Minuteman IIs and 54 Titan IIs.

Fact #2. It is true that the new MX ICBM will not be ready until the 1980s. But it is not necessary to replace an entire missile to increase capability. Within three years—that is, within just a few months of the time the additional Minuteman III missiles advocated by Congressman Kemp will be available—we will be able to replace the Minuteman III warhead, called the Mark 12, with an improved version called the Mark 12A. This new warhead, accompanied by accuracy improvements which will be available to us at that time, will have approximately seven times the hard target kill power of its predecessor; that is, it will be equivalent to replacing the Minuteman III with a new missile seven times as heavy. In contrast, replacing Minuteman IIs with present Minuteman IIIs as Congressman Kemp recommends would increase per-missile hard taget capability only by about 17%. (It would increase soft target capability about 50%, but we already have more soft target capability than we could ever use.)

Fact #3. There is no military validity in the proposition that we should build a new ICBM just because the Soviets are doing so. With one exception, U.S. and Soviet ICBMs would not engage each other; thus, it is meaningless to compare them. The exception is an attack by Soviet ICBMs against our ICBM *silos*. In this case, the rational response is to improve the survivability of the silos, perhaps by upgrading the silo or going to a mobile multiple-shelter system. (Even those steps are effective only up to a point. The only enduring way to protect our ICBMs is to another subject for another letter.) To put a limit Soviet accuracy by treaty—but that is new missile, whether it be Minuteman III or any other missile, into the old silo would be an ineffective response to a new Soviet ICBM, since the new missile would be as vulnerable as the old one.

Fact #4. To reiterate, there is no military validity in comparing our ICBM capability with that of the Soviets. But I know from experience that no matter how many times I say this, people will still ask, "Who's ahead?" Therefore, with still another warning that these comparisons are mere academic exercises, I offer the results of my calculations, which are based on unclassified sources:

Minuteman III with Mark 12A and associated accuracy improvements will have:

8 times the hard target capability of the Soviet SS-16 MIRV

6 times the hard target capability of the Soviet SS-17 MIRV

2 times the hard target capability of the Soviet SS-18 MIRV

4 times the hard target capability of the Soviets SS-19 MIRV.

Since I have been unable to obtain any unclassified information on the "fifth new system" mentioned by my colleague, I am unable to discuss it further in this public letter.

Fact #5. Whether the Soviets have one new ICBM design or five, or fifty, is of no particular significance. What counts is their total capability in relation to our ability to counter them. It makes little difference whether their capability is deployed in large numbers of similar missiles or in smaller groups of diverse missiles. In general, our superior technology allows us to have higher confidence in our designs and thus to produce fewer of them than the Soviets.

It is not my purpose here to argue against Minuteman III or for Mark 12A. (In fact, I see little purpose in either. Some of the future letters in this series will point out factual errors made in support of conclusions with which I agree.) Rather, my purpose is to help all of us to develop the best possible factual and conceptual base upon which to make our defense decisions.

An advance copy of this letter has been delivered to Jack Kemp. I will be discussing this matter, hopefully with him, in a special order I have taken for Monday, March 16. I hope you will be able to attend. In the meantime, if you have any questions or would like further information, please contact me on x53335 or Bob Sherman of my staff on x54872.

Sincerely,

THOMAS J. DOWNEY,
Member of Congress.

ANOTHER LEFTIST FRONT TO PROMOTE OUR ENEMY IS ESTABLISHED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, one of the reasons the American left and the Communists fronts in this country hated the old Un-American Activities Committee and its successor the House Internal Security Committee was the fact that those committees kept comprehensive records and painstakingly fitted together pieces which illustrated the web of subversion and leftist activities in this Nation. Time and time again, these committees helped inform the American public about the pro-Soviet Union and radical movement in the United States. Card files were assiduously compiled and cross-referenced.

I heard many of my colleagues on the Judiciary Committee earlier this week indicate that they were voting to, in effect, destroy these files and make them inaccessible to the public because they had no value. As I said in rebuttal at that time, hundreds of examples could be given to illustrate their meaningful value—meaningful, that is, if you have one iota of interest in the activities of the radical left in this country. For example, when the SLA first surfaced and made its radical demands, only one group in the country was in a position to know about the SLA, its members, and their background. That was the Internal Security Committee. Examples could go on and on.

I would like to point out a recent letter which Members received regarding a leftist group which is cranking up public sentiment in favor of not only trade with the Soviet Union but, far more significant, giving the Soviet Union favored trading status and making available loans for export of strategic products to that country.

A study of the card files of the old Internal Security Committee would tie this new group to the same old gaggle of one-worlders, professors, seminarians, professional leftists, out-of-step union leaders, leftist think tanks, and big business patsies. They are all there. You only need to fit together the pieces. I use the phrase out-of-step union leaders because nothing is more obvious in this country than the answering patriotism and anti-Communist beliefs of rank and file labor. I only wish most businessmen were as solid on that issue as their labor counterparts. Let us examine this new front.

First, of course, they use the same old tired names of liberal and socialistic organizations of the past. John Kenneth Galbraith, Jerome Weisner, former Senator Eugene McCarthy, Phillip C. Jessup, Edwin O. Reichauer, Harrison Salisbury, former Governor Terry Sanford—the list could go on and on. Kirk Douglas the actor, Attorney Charles Rhyne, Father Hesburgh, and UAW President Leonard Woodcock.

Second, the key groups are there, too. The same liberal-leftist organizations which have rallied to dozens of past causes, usually attacking the American position and looking with favor on Communistic and radical movements throughout the world: the Center for the Study of Democratic Institutions, the Fund for Peace, and the Council for a Liveable World. That pretty well tells you what kind of a group they have assembled.

Third, they attract the usual bevy of big businessmen who put profits over their country's national interests. George Prill, president of Lockheed International, Thomas Watson of IBM, and others. I used to think they were unthinking but when some big businessmen like Donald M. Kendall, chairman of Pepisco, Inc., turn up on many of these groups ranging from Common Cause to this latest travesty you begin to realize that it is more than an accident.

Fourth, there is almost incestuous conduct in the way these leftist organizations operate out of the same quarters and with the same personnel. At the bottom of the covering letter is listed the address of the newly formed American Committee on U.S.-Soviet Relations. It is 122 Maryland Avenue, NE., Washington, D.C., 20002. I doubt that it is by accident that this building, a mere block from the Capitol Grounds, is owned by Stewart Mott, bankroller of the American left and contributor to various one-world and peacenik causes. The same Mott donated over $400,000 to GEORGE MCGOVERN's 1972 campaign and contributed over $300,000 to the Fund for Peace. Oh yes, Nicholas Nyary of the Fund for Peace is on the list of members of the new organization. One of the top officials is Dr. Carl Marcy, who is associated with the Council for a Liveable World. Is it just coincidence that this same Carl Marcy grinds out a leftist newsletter which continually downgrades strong American policies and advocates giving in to Communist and radical third world goals? As you can see on the committee list which I have included in these remarks, in his credits—if you want to call them that—he lists among other things that he is editor of Foreign Affairs Newsletter. Is it not coincidental that this same leftist Foreign Affairs Newsletter operates out of the basement of 122 Maryland Avenue?

On and on we could go. For the past 15 years, while studying the leftist movement, I could cite scores of examples of interlocking organizations, headquarters and individuals in these leftist causes but the end result is always the same: set up a front to advance the causes of our enemies and endeavor to sell it to the American people as progress.

Mr. Speaker, I am including at this point the covering letter from the American Committee on U.S.-Soviet Relations, the memorandum from Benton International, Inc., which indicates what these sell-out artists want—taxpayer subsidization of their, repeat, their business sales to our enemy and a roster of the members of the committee.

The letter follows:

THE AMERICAN COMMITTEE ON
U.S.-SOVIET RELATIONS,
Washington, D.C., March 1, 1976.

DEAR CONGRESSMAN: The American Committee on U.S.-Soviet Relations has been formed to help promote better relations between the United States and the Soviet Union. In line with that purpose we believe development of American-Soviet trade is in the interest of the United States because it will benefit American business and agriculture, provide jobs for Americans, and obtain access to raw materials in short supply in the United States. Our current major focus is to help work out amendments to the 1974 Trade Act which will remove present restrictions on this trade. Removal of such restrictions is consistent with the position taken by the President and will, we believe, be in our long range national interest.

We call to your attention the enclosed nationally syndicated Harris Survey as published in the Chicago Tribune of January 19, 1976. (Copyright 1976 by the Chicago Tribune. All rights reserved.) The Harris Survey has found that among a cross section of 1394 adults:

62% favor détente between the U.S. and

Soviet Russia and China—only 15% oppose it.

55% favor giving the Soviets the same trade treatment accorded other countries—only 23% oppose this.

52% favor expanding U.S./Soviet trade—only 25% oppose this.

This lends further support for the Administration's position that a change is needed in the Trade Act to remove the present restrictions on U.S.-Soviet trade.

In addition to the Harris Survey, there is also enclosed the Statement of Principles to which our members subscribe, a list of our current membership, which I believe you will find impressive in its scope, and a Memorandum on U.S.-Soviet Trade dated February 6, 1976, prepared by Fenton International, Inc.

While Secretary Kissinger has brought up Angola as a reason to postpone amending the Trade Act, as noted in the Fenton Memorandum, it is of some interest to note that there have been recent signs that the Soviet authorities may be taking steps to modify some of the emigration policies and practices in the directions desired by Congress. The numbers of emigrants increased significantly in November and December. Procedures are reported to have been simplified, fees reduced and some well known dissenters appear to be being allowed to leave.

From time to time we will be writing to you with respect to modification of trade restrictions and other means to promote better relations between the U.S. and the Soviet Union.

The American Committee is registered under terms of the Federal Regulation of Lobbying Act.

Sincerely yours,

FRED WARNER NEAL,
Chairman, Executive Committee.

FENTON INTERNATIONAL, INC.,
Aspen, Colo., February 6, 1976.

MEMORANDUM

THE PROBLEM

Title IV–Section 402—of the Trade Act of 1974 (Public Law 93–618) approved January 3, 1975, restricts the President's ability to grant non-discriminatory tariff treatment (MFN) for U.S. imports from the Soviet Union, and to authorize Export-Import Bank or Commodity Credit Corporation or other government-backed credits or guarantees for U.S. exports to the Soviet Union, and links these subjects to the Soviet Union's emigration policies and practices.

As a result of this law, the Soviet government declined to implement the 1972 Trade Agreement with the U.S.—which specifically provided for non-discriminatory reciprocal tariff treatment—detente was set back, and U.S. industry and agriculture have lost substantial business and many potential jobs to the Europeans and Japanese.

For example, while no new Ex-Im Bank Credits have been granted since 1974, the European, Japanese and Canadian governments *currently* have available over $10 billion of government-backed credits for their exporters to the Soviet Union.

No one knows how much potential business and jobs have been lost since January 1975. The Soviets say that more than $1.6 billion of orders have been switched to Europe and Japan because of the availability of credits there. This amount could be responsible for about 100,000 jobs. As time goes on without a remedy the toll in lost jobs and business will increase. Many contracts are now being neogtiated as part of the 1976–1980 plan and therefore represent business opportunities which if lost will not recur until 1981.

During 1975 U.S. exports to the Soviet Union increased substantially due primarily to shipments of agricultural products. The total was at least $1.8 billion of which agricultural was about $1.1 billion. U.S. imports from the Soviet Union, however, totalled about $250 million, leaving the U.S. with a surplus of about $1.6 billion.

Clearly the Soviets cannot continue to import from the U.S. on this scale unless they are permitted to push exports to the U.S.—and for this MFN treatment is essential. U.S. jobs now dependent on exports to the Soviets may depend on granting such treatment soon.

THE ADMINISTRATION'S POSITION

The President has many times publicly stated his position that "remedial legislation on credits and MFN treatment for the Soviet Union and other communist countries is urgently needed. The Trade Act of 1974, as it relates to this subject, has proved to be both politically and economically harmful to our national interest and has not achieved the objective which its authors intended." (Quotation from a letter to Congressional leaders dated June 27, 1975)

Secretaries Simon and Butz has stated the same position as recently as January 29 and 30, 1976. Secretary Kissinger has until recently taken the same position, but on January 30 he stated that "in view of the situation in Angola, this is not an appropriate time to go before the Congress" to try to get the restrictions modified.

STATEMENT OF PRINCIPLES ADOPTED BY THE AMERICAN COMMITTEE ON U.S.-SOVIET RELATIONS

The Committee will strongly support steps to improve trade relations with the Soviet Union including the granting of most favored nation status and the provision of supporting financial arrangements. We believe that close trade—as close cultural and political relations—are indispensable for progress toward stable, peaceful relations and prospects for arms control. We should accord our support to liberal and Jewish writers and scholars and will press for permission for their emigration where this is sought. We do not believe that their position is improved in any effective way by making it a part of our bargaining over trade.

The Committee has welcomed bilateral initiatives toward reaching meaningful agreements on nuclear arms limitations and controls. It is aware, however, that the progress achieved had little effect on the continuing arms race which threatens ever more the security of both countries.

The Committee believes that maximum efforts must be urgently made to reach agreement which would slow down this race and thus make progress toward greater security. The arms race inevitably creates and enhances mutual tension which makes the world ever more dangerous. The agreements reached thus far could be interpreted as a license to continue the race.

Preoccupation in the United States Government with the technicalities of military technology and "sufficiency" should yield to active concern with the substance of the arms race.

THE AMERICAN COMMITTEE ON U.S.-SOVIET RELATIONS: LIST OF MEMBERS, MARCH 1976

Mr. Harry Ashmore, Center for the Study of Democratic Institutions, P.O. Box 4068, Santa Barbara, Calif. 93103.

Mr. Charles Benton, Pres., Film, Inc., 1144 Wilmette Avenue, Wilmette, Illinois 60091.

Mr. Meyer Berger, M. Berger Co., South 6th and Bingham Streets, Pittsburgh, Pa. 15203.

Dr. Harold J. Berman, Story Professor of Law, Harvard Law School, Cambridge, Mass. 02138.

Mr. William Bernbach, Doyle, Dane, Bernbach, Inc., 20 West 43rd Street, New York, N.Y. 10036.

Mr. George B. Bookman, Vice President, New York Botanical Gardens, The Bronx, New York, N.Y.

Mr. Robert J. Broadwater, Vice President, Coca-Cola Comp., P.O. Drawer 1734, Atlanta, Ga. 30310.

Dr. Howard Brooks, Provost, the Claremont University Center, Claremont, Calif. 91711.

Prof. Harrison Brown, President, International Council of Scientific Unions, California Institute of Technology, Pasadena, Calif. 91109.

Mr. Lawrence T. Caldwell, 2453 N. Holliston, Altadena, Calif. 91001.

Mr. James R. Carter, Chairman of the Board, Nashua Corporation, Nashua, New Hampshire.

Prof. Walter C. Clemens, Jr., Dept. of Political Science, Boston University, 232 Bay State Road, Boston, Mass. 02215.

Mr. Richard Colburn, Rolled Alloys, Inc., Suite 520, 3435 Wilshire Blvd., Los Angeles, Calif. 90010.

Mr. Randolph Compton, Kidder Peabody, 10 Hanover Square, New York, N.Y. 10005.

Dr. William Davidson, Director, Institute for Psychiatry and Foreign Affairs, 2600 Virginia Ave. N.W., Washington, D.C. 20037.

Mr. Kirk Douglas, 707 North Canon Drive, Beverly Hills, Calif. 90210.

Dr. Helen G. Edmonds, National President, The Links, Inc., P.O. Box 3847, Durham, North Carolina 22702.

Mr. Richard C. Fenton, Fenton International, Inc., 1707 H Street, N.W., Suite 901, Washington, D.C. 20006.

Mr. Joseph Filner, Noblemet, 919 Third Avenue, New York, N.Y. 10022.

Dr. Jerome D. Frank, Professor of Psychiatry, Johns Hopkins University, Baltimore, Md. 21205.

Edward L. Freers, Formerly Minister-Counselor, U.S. Embassy, Moscow, and Political Advisor to Commander-in-chief of U.S. Strategic Air Command, 43611 Old Harbor Drive, Bermuda Dunes, Calif. 92201.

Professor John Kenneth Galbraith, Former Ambassador, Harvard University, Cambridge, Mass. 02138.

Professor Richard Gardner, School of Law, Columbia University, New York, N.Y. 10027.

Philip S. Gillette, Professor of Political Science, Rutgers University, New Brunswick, N.J. 07103.

Professor Marshall I. Goldman, Chairman, Economics Department, Wellesley College, Wellesley, Mass. 02181.

Mr. Rufus K. Griscom, Atty., 1136 Fifth Avenue, New York, N.Y. 10028.

Julian N. Hartt, Dept. of Religious Studies, Cocke Hall, U. of Virginia, Charlottesville, Va. 22903.

The Rev. Theodore M. Hesburgh, C.S.C., President, University of Notre Dame, Notre Dame, Indiana 46556.

Mr. John W. Hill, Hill and Knowlton, 633 Third Avenue, New York, N.Y. 10017.

Mr. Robert Hutchins, Center for the Study of Democratic Institutions, Box 4068, Santa Barbara, Calif. 93103.

Philip C. Jessup, Off Windrow Road, Norfolk, Conn. 06508.

Mr. Donald M. Kendall, Chairman, Pepsico, Inc., Purchase, New York, 10577.

Hon. George Kennan, Former Ambassador to the Soviet Union, Woodrow Wilson International Center for Scholars, Smithsonian Institution Bldg., Washington, D.C. 20560.

Dr. George B. Kistiakowsky, Department of Chemistry, Harvard University, 12 Oxford, Cambridge, Mass. 02138.

Hon. Edward Korry, Former Ambassador, 351 Elm Road, Briarcliff Manor, N.Y. 10510.

Prof. Wassily Leontief, Dept. of Economics, New York Univ., Tisch Hall, Washington Square, New York, N.Y. 10003.

Mark Lewis, 3508 Lowell St. N.W., Washington, D.C. 20016.

Mr. Carl Marcy, Former Chief of Staff of the Senate Foreign Relations Committee, Editor, Foreign Affairs Newsletter, 120 Maryland Ave., N.E. 20002.

Hon. Eugene McCarthy, 3053 Q Street N.W., Washington, D.C. 20007.

Hon. Sheldon T. Mills, former Ambassador, 723 Chiquita Road, Santa Barbara, Calif. 93103.

Prof. Patrick Morgan, Dept. of Political Science, Washington State University, Pullman, Washington 99163.

Rev. Dr. Robert V. Moss, Pres., United Church of Christ, 297 Park Avenue South, New York, N.Y. 10010.

Mr. Michael L. Nacht, Program for Science and International Affairs, 9 Divinity Avenue, Cambridge, Mass. 02138.

Prof. Fred Warner Neal, Chairman, International Relations Faculty, Claremont Graduate School, Claremont, Calif. 91711.

Mr. Nicholas Nyary, The Fund for Peace, 1855 Broadway, New York, N.Y. 10023.

Mr. R. Spencer Oliver, Executive Director, American Council of Young Political Leaders, 1616 H Street, N.W., Washington, D.C. 20006.

Mr. Ara Oztemel, President and Chairman, Satra Corporation, 475 Park Avenue South, New York, N.Y. 10016.

Mr. Gifford Phillips, 2501 La Mesa, Santa Monica, Calif.

Mr. Gerald Piel, Publisher, Scientific American, 415 Madison Avenue, New York, N.Y. 10017.

Mr. George Prill, President, Lockheed International, P.O. Box 511, Burbank, Calif. 91501.

Mr. Paul O. Proehl, International Trade Consultant, 1423 Georgina Ave., Santa Monica, Calif. 90402.

Prof. Edwin O. Reischauer, former Ambassador, Harvard University, Cambridge, Mass. 02138.

Mr. Charles S. Rhyne, Atty., Rhyne and Rhyne, 400 Hill Building, Washington, D.C. 20006.

Dr. Howard P. Rome, Mayo Clinic, Pres., World Association of Psychiatrists, Rochester, N.Y. 55901.

Mr. Robert V. Roosa, Brown Bros., Harriman Co., 59 Wall Street, New York, N.Y. 10005.

Mr. Peter A. Rubstein, Rubstein Associates, 666 Fifth Avenue, New York, N.Y. 10019.

Mr. Harrison Salisbury, New York Times, 229 West 43rd Street, New York, N.Y. 10019.

Mr. Leonard M. Salter, Wasserman and Salter, Counsellors at Law, 31 Milk St., Boston, Mass. 02139.

Hon. Terry Sanford, President, Duke University, Durham, North Carolina 27705.

Mr. Sidney H. Scheuer, Scheuer and Company, 270 Madison Avenue, New York, N.Y. 10016.

Mr. Marvin Schachter, President, Volume Merchandise, Inc., 4811 S. Alameda St., Los Angeles, Calif. 90058.

Mr. Robert D. Schmidt, Executive Vice President, Control Data Corporation, Box 1, Minneapolis, Minn. 55440.

Mr. L. W. Scott, Jr., CRC Crose International, Inc., P.O. Box 3227, Houston, Texas 77001.

Mr. Richard Shipley, President, American Casein Co., Elbow Lane, Burlington, N.J. 08016.

Dr. Kenneth W. Thompson, Director, International Council for Educational Development, 680 Fifth Avenue, New York, N.Y. 10019.

Hon. Raymond L. Thurston, Former Ambassador, 5400 Ocean Blvd., 3-1, Sarasota, Florida 33581.

Mrs. Marietta Tree, 123 East 79th Street, New York, N.Y. 10024.

Hon. James J. Wadsworth, Former Ambassador, 3909 Avon Road, Genesco, N.Y. 14454.

Mr. Thomas Watson, Jr., IBM, Armonk, New York 10504.

Mr. William Watts, President, Potomac Associates, 1707 L Street N.W., Washington, D.C. 20036.

Dr. Jerome B. Wiesner, President, Massachusetts Institute of Technology, Cambridge, Mass. 02139.

Mr. Eugene W. Wilkin, President, Wilkin Associates, 5439 Penfield Avenue, Woodland Hills, Calif. 91364.

Mr. Harold Willens, Chairman, Factory Equipment Corp., 1122 Maple Ave., Los Angeles, Calif. 90015.

Mr. Leonard Woodcock, President, UAW, International Union, United Automobile Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Ave., Detroit, Mich. 48214.

Dr. Herbert F. York, Department of Physics, University of California, San Diego, La Jolla, Calif. 92307.

Mr. Paul Ziffren, Attorney, 10889 Wilshire Blvd., Suite 1260, Los Angeles, Calif. 90024.

As I have pointed out many times, these groups endeavor to promote a basic fraud on the American people. That fraud is the fiction that by selling computers, planning equipment, milling equipment, tooling equipment, geophysical equipment, instruments of all kinds and other vital products which the United States has but the Soviet Union does not, they are not harming us militarily. The chairman of the board of Control Data Corp., William C. Norris, for example indicated that the purpose of selling computers to China is to assist in the exploration and development of oil resources. He goes on to say:

> Surely it is in the best interests of the United States to encourage a major new source of oil supply.

Now is it really? Since when is Red China on our side? He further indicated that the "purpose of our computer that would be sold to the Soviet Union is to process weather data that would be fed into a world-wide weather forecasting network—from which the United States would benefit a great deal." Now really. What guarantee that the Soviet Union will not use these computers for non-peaceful purposes? Absolutely none but these callous businessmen are not putting their Nation's best interests first. Recall what the Communist philosopher said about capitalists selling the rope to hang themselves.

Time and time again, I have documented that the Soviet military-industrial complex is just like ours. It is made up of components of the private sector every bit as much as ours is. The same equipment which builds compressors, engines, copper tubing, alloy products which can go into refrigerators and consumer goods, just like in the United States, can also go into missiles, tanks, and the war machine.

Greedy business interests seem bent on promoting a big lie and they become willing accomplices of the radical left when it serves their purpose. Hopefully, the American people will wake up to this travesty which unfortunately is tacitly approved by the State Department and this administration. On the basis of its record during the past thirty years, the State Department would not know a Communist threat if it saw one and rarely has our own self-interest at heart.

REUNITE LEV AND AVIVA GENDIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LEHMAN) is recognized for 15 minutes.

Mr. LEHMAN. Mr. Speaker, all of the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union is not living up to that promise, Members of Congress are conducting a vigil on behalf of separated families.

Lev and Aviva Gendin have been separated for nearly 4 years. The inhuman emigration policies of the Soviet Union separated them in June 1972, only 3 months after they were married.

Aviva was allowed to leave the Soviet Union on 10 days' notice after being arrested for placing flowers on the graves of Jews murdered by the Nazis in World War II.

Lev has been arrested repeatedly and has spent many months in jail for his efforts to leave the Soviet Union.

Recently, a Miami Herald reporter visited Lev in Moscow and Aviva in Israel. His account appeared on March 29 and I would like to include it in the RECORD:

TRAPPED, SOVIET JEW YEARNS TO JOIN WIFE IN ISRAEL

(By James McCartney)

HOLON, ISRAEL.—They are man and wife—Aviva and Lev Gendin—and they are deeply in love.

But they have not seen each other for three years and nine months. They are Jewish, and Russian emigration policies have kept them apart since June 1972, three months after they were married in Moscow.

Today Lev is still in Moscow; Aviva is here in Holon, Israel, a suburb of Tel Aviv. The Russians have refused to grant him an exit visa to join her.

They are just two of hundreds of family members, many of them Jewish dissidents seeking to go to Israel, who have been split by Soviet policies.

Lev and Aviva—he in Moscow, she in Israel—as well as members of two other families that have been divided at the bureaucratic whim of Soviet officialdom spoke of their ordeals.

Said Aviva, an olive-skinned woman of 24 with deep brown eyes: "I want to be happy with my husband. I want to have children. I want to go to the cinema with him . . .

"I am not shouting, 'Let the Jews out of the Soviet Union,' I am shouting, 'Let my husband out.' "

She spoke in a small apartment here where she lives with her mother and father, waiting and hoping that someday Lev will be permitted to join her.

A few days earlier, in Moscow, Lev 34, told me:

"If you see her, tell her that I am doing everything I can to try to come. Tell her that I love her."

The story of Aviva and Lev Gendin is not unusual for many Russian Jews in Israel today. Almost all know members of split families—husbands and wives, brothers and sisters, parents and children.

Their only crime is that they want to leave, which makes them "dissidents." And the Soviets are punishing them for it to discourage others from applying to leave.

"It's a question of prestige," explained Vitaly Rubin, a specialist in ancient Chinese philosophy who was fired from his job after applying for an exit visa. "The Soviet government says nobody wants to leave because this is the happiest in the world."

The government insists that 98.4 per cent of those who have applied have been granted exit visas. But the government discourages other applications by its campaign of terror.

Many who seek to leave are shadowed and bugged. They do not know when they may be arrested and sent to Siberia. They are not told why their applications are being refused.

No one knows how many of an estimated 2½ million Jews in the Soviet Union want to leave, but certainly, said Rubin. "thousands" are being retained against their will.

The Soviet actions have contributed to a sharp decline in immigration to Israel from the Soviet Union, long a major source of Israeli population growth.

In 1973, the peak year, more than 33,000 Russian Jews emigrated to Israel. Last year the figure dropped to 8,200. The rate has continued to drop so far in 1976.

Each family has its own story to tell. Here, in summary, are two:

THE GENDINS

Theirs is, perhaps, the more tragic of the stories.

Both became dissidents early in life—Jews who wanted to live as Jews, protesters, by heritage, against the policies of the Soviet state.

She was from Vilnius, in Lithuania, conquered by the Russians in 1940 and absorbed into the Soviet empire after World War II.

Her Jewish parents, Aviva said, were upset at not being able to practice their religion as they wished. As early as 1956 they sought permission to go to Israel, then only seven years old.

She said she felt the ugliness of anti-Semitism early in life and still remembers finding "Jew" listed on her college identification card—"when I knew nothing at all about being a Jew."

She met Lev in Moscow in 1971 "at a demonstration." He offered his apartment in Moscow to her and two other girls who had come to demonstrate, while he stayed with his parents.

"He is the kindest person in the world," she said. They fell in love and six months later became engaged.

She and her family, and he and his family, applied for exit visas to go to Israel. All were told it would be at least five years before they could expect to leave.

Aviva and Lev were married in Moscow in March 1972. Immediately afterward she returned to Vilnius to get papers and documents necessary in her new life.

While she was home she and her parents were arrested while placing flowers on the graves of Jews who had been slain by the Nazis in World War II.

"I was held for six hours," she said, "and interrogated by the KGB. Two days later my parents and I were told that we could have exit visas to leave in 10 days."

It was a shock, and she remembers Lev's shock when she told him about it by telephone. She returned to Moscow and they debated what to do.

"Lev told me, you must decide. He was crying. I remember the tears in his eyes. But we felt that if I got out, sooner or later he would get out. We had 10 days to make a life's decision."

Now she is living comfortably, teaching English in a school, studying at Bar Ilan University and caring for her aging parents.

For Lev it is not so easy. In the Soviet Union he is a "nonperson." He does not exist as far as the state is concerned.

Aviva said her husband has been arrested repeatedly and has spent about 150 days in jail.

At one point he was beaten and later found by friends in the street, she said. On another occasion he had to hide for months to avoid prison but was "pardoned" after a particularly strong protest demonstration in New York.

He writes to her once a week but the last letter she received in Israel was dated last October.

What will happen? She does not know, but she believes strongly that protests in the West are their only shield against stronger Soviet action and their only hope of forcing his eventual release.

"Our lives are in the hands of the West," she said. "If there will be enough protests, sooner or later he will be free and I will see him again and we can begin to live our lives."

FIRST QUARTER 1976 BEST IN DECADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, yesterday's Oil Daily newspaper carried an article that confirmed what many of us suspected all along: that the termination of the depletion allowance would not discourage new drilling for oil and gas. According to the Oil Daily, more oil and gas wells were completed in the first quarter of 1976 than had been completed in any first quarter for more than 10 years. In addition, the 9,975 wells completed in this time represent an increase of 1,388 over the same period last year, or a 16-percent increase.

The article tries to discount the fact that the end of the oil depletion allowance has not discouraged new drilling by claiming that the Chase Manhattan group of 29 larger companies only operated 16.8 percent of all wells completed in the first quarter of this year compared to 19.5 percent a year ago. However, simple arithmetic shows that these companies actually completed almost exactly the same number of wells in both quarters. In the first quarter of 1975, these companies completed 1,674 wells and, in the first quarter of 1976, they completed 1,675 wells. This hardly represents a decline.

Mr. Speaker, despite efforts to manipulate the figures, even a cursory examination of these numbers supports the fact that there is still a great deal of incentive to search for oil. I hope that these figures will be helpful the next time the oil industry sends its legions trooping up to Capitol Hill seeking additional tax breaks and other favors.

The article follows:

INFORMATION FIRM REPORTS: 1976 FIRST QUARTER BEST IN DECADE

DENVER.—More wells drilled for oil and gas were completed in the United States through March of this year than in any first quarter for more than 10 years.

Petroleum Information Corp., here, said that 9,975 completions were reported in the quarter just ended. This is up from 8,587, or a gain of 16%, from the first quarter of 1975. Of the 9,975 completions, 4,431 wells produced oil, 2,086 were gas wells. Oil wells showed a gain of more than 17% from the first quarter of 1975 and gas wells increased by 25%.

The firm attributed the strong showing in the first three months of this year to the impetus built through a strong final quarter of 1975. PI pointed out that the national active rotary rig count has dropped below levels of a year ago and noted that if this situation continues the first quarter gains cannot be expected to hold up.

Currently, activity appears to be more heavily concentrated in areas of rapid drilling, which partially offsets the decline in total rigs active as far as the number of wells completed is concerned.

Sizeable increases in the number of wells completed, compared to the first quarter of last year, occurred in Oklahoma, Texas Louisiana, Kansas, California and Ohio.

As in 1975, current drilling emphasized field development and exploration relatively close to existing fields. New field wildcats, remote from existing production, were actually down slightly from first-quarter 1975. However, PI pointed out that the percentage of such new field wildcats which were completed as discoveries was up from last year's first quarter. This year, 15.8% of new field wildcats found oil or gas in some quantity compared to 14.5% in the first quarter of last year.

Ten states had 85% of first quarter drilling. They are Texas, 3,452 wells; Oklahoma, 1,054; Kansas, 913; Louisiana, 874; California, 670; Ohio, 436; Wyoming, 281; Colorado, 280; New Mexico, 255 and West Virginia, 243.

The percentage of wells completed by larger operators declined. The Chase Manhattan Group of 29 larger companies operated 16.8% of all wells completed in the first quarter of this year compared to 19.5% a year ago.

Petroleum Information noted that this trend is in keeping with industry predictions since 1975 changes in tax laws materially reduced cash flow available, particularly to the larger companies.

Petroleum Information, a subsidiary of A. C. Nielsen Co., Chicago, provides reporting services, maps, logs and technical exploration and engineering consulting services to the petroleum and related industries.

RESTRUCTURING AND UPGRADING THE FEDERAL FIGHT AGAINST CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 60 minutes.

Ms. HOLTZMAN. Mr. Speaker, I am introducing today legislation which will make significant and extensive improvements in the program of Federal aid for local crime-fighting through the Law Enforcement Assistance Administration.

I have pointed out on several occasions the failure of LEAA to have a substantial impact on reducing or preventing crime. Despite the expenditure of more than $4 billion over the past 7 years on Federal aid for State and local law enforcement, the crime rate continues to skyrocket. The latest FBI statistics, for example, show that crime increased by 9 percent nationwide in 1975, bringing the total increase in crime since LEAA began to more than 40 percent. And of course, these statistics do not show the fear, the suffering, the death, the ugly fact that many Americans do not feel safe in the streets of their cities or even in their homes.

This situation is intolerable. Although law enforcement is primarily a local responsibility, I believe the Federal Government has an important role to play. Federal aid can help financially strapped States and localities supplement their own law enforcement efforts. It can subsidize experimental approaches and help local governments find answers to particularly serious problems. The Federal Government can develop and make available technical expertise, and can keep States informed about progress in law enforcement. The Federal role, then, is one of assisting State and local governments to meet their own crime-fighting responsibilities.

LEAA has not provided adequate assistance and supplementation to local law enforcement efforts. I believe it is our responsibility, in the Congress, to correct this failure. Certainly we can no longer tolerate the waste of billions of Federal dollars on the current LEAA programs while the rising crime rate threatens the security and safety of millions of Americans.

The legislation which I am introducing today will forge the LEAA into a truly effective weapon in fighting crime. It will do so, first, by focusing Federal funds on the most severe problems in law enforcement, and second, by insuring that Federal funds are spent properly on programs that work.

I. FOCUSING LEAA EFFORTS

LEAA funds, although they amount to nearly $90 million annually, constitute only about 5 percent of total nationwide expenditures on law enforcement and criminal justice. The Safe Streets Act, under which LEAA now operates, encourages the diffusion of Federal expenditures across the entire range of law enforcement activities. As a result, a little money is spent on a great many problems, with little impact.

In order for LEAA funds to have a substantial impact, they must be concentrated on the most serious problems in law enforcement. My bill singles out three areas for concentrated effort: speeding up the processing of criminal cases, combating juvenile crime, and strengthening correctional institutions and programs.

1. SPEEDING CRIMINAL TRIALS

The bill gives top priority to speeding up criminal trials, because trial delay is at the heart of the breakdown of our criminal justice system. LEAA studies in three cities showed that it takes an average of 7 to 8 months to bring a criminal case to trial. The trial itself can consume several months more. It is, thus, not unusual for criminal cases—involving the most serious offenses—to drag on for 1 or 2 years. And recent testimony before House and Senate subcommittees has shown that the situation is getting worse.

The price for delayed trials and overcrowded courts is great. Prosecutors resort to plea bargaining in order to reduce their caseloads, which means that some dangerous criminals get reduced sentences or probation. Defendants out on recognizance or bail may commit additional crimes. Innocent defendants who cannot raise bail are kept in jail, at public expense, while their families suffer. Witnesses move away, refuse to testify, or simply forget.

The result is "revolving door justice" which discourages police and prosecutors, disgusts the general public, and fails to deter or imprison dangerous criminals.

We can no longer afford to let trial delay make a mockery of our criminal justice system. If punishment is to provide the strongest deterrent to crime, it must be swift and certain. I believe, therefore, that Congress has a responsibility to concentrate Federal funds to help States achieve this objective.

My bill allocates 40 percent of LEAA action funds to speeding up the processing and disposition of criminal cases. It requires States to develop comprehensive multiyear plans for accelerating the criminal justice process. These plans would have to include specific annual goals for reduced case backlog and decreased trial delay.

The bill recognizes that the criminal justice process consists of interrelated components—courts, prosecutors, public defenders, and supporting agencies. It, therefore, makes funds available to each of these components. Because of the constitutional separation of powers, the bill provides an independent funding mechanism and separate planning funds for the courts. At the same time, it requires coordinated planning among all the components of the process, so that no one area becomes a bottleneck.

Finally, the bill sets up, within LEAA, an Office for Speedy Trial Assistance. This Speedy Trial Office would be responsible for providing technical assistance to the States, for reviewing State plans, and for seeing that the goals set by the States are met. While allowing the State courts and law enforcement professionals maximum freedom to develop solutions to their particular problems, it will help to assure that the Federal funds are used effectively.

Although trial delay is a serious problem nationwide, it may be less severe in some States. The bill, therefore, allows a State which does not need to spend 40 percent of its LEAA funds on speedy trial projects, to use these moneys as ordinarily block grant funds for any worthwhile law enforcement purpose. Thus, without unnecessarily restricting any State, under my bill LEAA will undertake a massive effort to improve State criminal justice systems and achieve the goal of swift and sure justice for the innocent, the guilty, and for society at large.

2. FIGHTING JUVENILE CRIME

The second area of concentration in my bill is on the problem of juvenile crime. Juveniles commit nearly half the serious crimes in America. According to LEAA, the peak age for arrest for violent crime is 18 years, followed by 17 and 16 years. The peak age for major property crimes is 16 years, followed by 15 and 17 years. And juvenile crime is increasing at a pace which far outstrips the overall rise in the crime rate. Thus, according to the General Accounting Office, from 1960 to 1973 arrests of persons under the age of 18 increased by 144 percent, while arrests of adults increased 17 percent.

Perhaps the most frightening and discouraging aspect of the juvenile crime problem is the criminal justice system's general inability to deal with juvenile offenders. It does not know how to rehabilitate them. It fails to separate runaways from hardened or severely disturbed offenders. It does not have adequate treatment facilities or alternatives to incarceration. Instead, the criminal justice system simply washes its hands of juvenile offenders, in most cases returning them untreated to the environments which created them and to the streets where they may commit additional crimes. Against this background, it is not surprising that an estimated 60 to 85 percent of juvenile offenders commit additional crimes after conviction.

While State and local governments have been unable to deal with juvenile crime, the Federal Government has been unwilling to provide help. LEAA has never funded juvenile crime programs adequately, both because of its own neglect and the low priority which States generally have given the problem. Although the Congress gave overwhelming approval to the Juvenile Justice and Delinquency Prevention Act of 1974, the administration has consistently sought to reduce or prevent the funding of programs under this act.

I believe the Federal Government must lead a strenuous and sustained effort against juvenile crime. My bill requires that juvenile crime programs, whether funded under the Safe Streets Act or the Juvenile Justice and Delinquency Prevention Act, receive at least 15 percent of Federal anticrime moneys. While the States would have a good deal of freedom in fashioning their programs to meet local needs, they would have to meet rigorous evaluation requirements to determine and demonstrate whether these programs are working.

The bill also expands the role of the National Institute for Juvenile Justice and Delinquency Prevention, to make it a useful source of technical and professional assistance. The Institute will receive evaluations of all LEAA juvenile crime programs, and will, working with the National Institute of Law Enforcement and Criminal Justice, be able to guide States toward effective programs.

I believe that the 15 percent guarantee of funding in my bill constitutes the barest minimum that should be spent on this major aspect of our crime problem. I hope that States will augment this amount with other LEAA funds, and with increased State and local expenditures on combating juvenile crime. In addition, I am hopeful that after LEAA assistance has helped States resolve the problem of trial delay, we in Congress can significantly increase the amount of Federal funds specifically earmarked for fighting juvenile crime.

3. IMPROVING CORRECTIONS

The third focus in my bill is on improving State correctional systems and programs. Prisons, traditionally the last in line for funding, have been a dismal failure. They do not "correct"; they do not rehabilitate inmates; they are breeding grounds for professional criminals; they are dehumanizing institutions which create resentment against society and disrespect for law.

It is estimated that from one-third to two-thirds of persons released from prison will commit additional crimes within 5 years after their release. While numerical estimates on recidivism rates vary widely, and while no one really knows what percentage of all crime is committed by repeaters, the enormity of the problem is undisputed.

The present LEAA act provides funds

for State correctional institutions and programs. My bill retains this part of the act and allocates 15 percent of LEAA funds to this purpose.

To assure that these funds are used most effectively, the bill creates an Office of Corrections. The Office of Corrections is responsible for assisting, monitoring, and reviewing State corrections efforts. It should be a valuable source of expertise and guidance to the States, enabling them to find useful approaches and avoid unsuccessful ones. The Office will be assisted in this regard by the bill's requirement of increased evaluation of LEAA corrections programs. With its provision for stepped-up evaluation, guaranteed funding, and continuous professional assistance, my bill should produce significantly better results for Federal corrections aid efforts.

The concentration of LEAA funds on three areas of particular concern should help to resolve the problem of the diffusion of Federal anticrime efforts. I would point out, as well, that under my bill 30 percent of LEAA funds will continue to go to the States as block grants, without categorization. In addition, as I explain in greater detail later, the earmarking requirements can be waived, where appropriate, to increase the block grant funds available to a State.

II. INCREASING THE IMPACT OF LEAA PROGRAMS

I believe it is essential that we take steps to correct LEAA's second chief problem—the need to assure that LEAA funds are spent on programs that work.

Virtually every study of LEAA has concluded that its monitoring and evaluation efforts are totally inadequate. Goals for specific projects are vaguely defined or not defined at all. Projects are not evaluated in terms of their success in achieving their objectives or their impact on reducing crime. As a result, LEAA generally has no idea of which of its programs have worked and which have failed. In fact, LEAA does not even know what all of its money has been spent for.

1. SPECIFIC STANDARDS AND GOALS

My bill makes a number of improvements in this regard. In the first place, it requires each State's comprehensive plan to set forth specific standards and goals, and to indicate the role of projects in achieving those goals. This will enable State plans to be evaluated, both by LEAA and the State, for their responsiveness to local criminal justice needs. In addition, the setting of specific goals for funded projects will establish a basis for assessing their merits and their contribution to the overall State anticrime effort.

2. IMPACT EVALUATION

The bill requires that each project funded be evaluated in terms of its success in achieving specified goals and its impact on reducing crime. This requirement is essential in making LEAA more effective, for only through such impact evaluation can useful programs be discovered and repeated, and unproductive ones avoided or terminated.

While the States are given the primary responsibility for evaluating their LEAA programs, my bill provides that evaluation will take place under the professional supervision of the National Institute of Law Enforcement and Criminal Justice. The Institute is given the authority to develop criteria for making and reporting evaluations. It will assist the States in developing evaluation procedures, and assure that evaluation results in one State are comparable with results in others.

The Institute will also serve as a clearinghouse for information about LEAA programs. It will receive evaluations of all projects, and make independent evaluations. It will be able to advise States about the most promising approaches to particular problems. In addition, working with the Speedy Trial and Corrections Offices, which the bill creates, and with the existing Office of Juvenile Justice and Delinquency Prevention, the Institute will develop particular expertise in these crucial areas. It will help these offices provide the most effective solutions for the States.

3. REPLICATION OF SUCCESSFUL PROGRAMS

A third feature intended to improve LEAA's impact is the bill's requirement that, beginning in the fiscal year 1979, each State spend at least 25 percent of its block grant, corrections, and juvenile crime funds on projects that have already demonstrated success in achieving particular ends. This requirement assures that while States are given freedom to experiment and find new answers to their problems, at least some portion of Federal funds will be spent on programs that have already been proven successful. No State would have to accept any particular program, and States would not be required to terminate projects that are promising, but at the same time, each State would be making some progress based on prior experience elsewhere.

4. REPORTS TO CONGRESS

Finally, the bill requires LEAA to provide Congress and the President with detailed reports about its activities, and about State plans and projects funded under the act. This will enable us to learn regularly how the program is working and whether changes are necessary.

Careful monitoring of LEAA programs will not only help us to assure that Federal funds are being used to their best effect. It will also assist us in reconsidering priorities under the act. My bill contains a 4-year authorization. At the end of that 4-year period, depending on circumstances, Congress could well decide, for example, to reduce the emphasis on speeding trials and increase the focus on juvenile crime or on another area entirely. We must be prepared to shift priorities so that LEAA programs remain continually responsive to the most serious crime problems.

These four requirements—the setting of specific standards and goals, impact evaluation, replication of successful projects, and increased reporting—will, in my opinion, assure both that LEAA is an effective weapon against crime and that Federal tax dollars are not simply going down the drain.

Footnotes at end of article.

III. OTHER IMPROVEMENTS

1. INCREASED FREEDOM FOR STATES

While my bill limits the discretion of the States under LEAA by earmarking funds to certain top priority areas, it also increases the freedom with which States can use their LEAA funds.

In the first place, the bill allows a waiver of earmarking requirements. Thus a State which does not have a serious corrections problem, for example, can use corrections funds as part C block grant moneys.

The bill does away with the laundry list of objectives in part C, so that States will not be required to spread their block grant funds over the whole range of law enforcement and criminal justice activities. Thus, while the comprehensive planning process will continue at the State level, States will be able to target LEAA funds according to their own needs and priorities.

The restriction that no more than one-third of an LEAA grant may go to personnel costs is eliminated. This restriction has had the unfortunate effect of concentrating LEAA expenditures on hardware of dubious value. It is unnecessary.

The bill also does away with the paperwork-producing requirement that States submit new comprehensive plans annually. Instead, the bill encourages States to engage in long-range planning, updating their plans annually to reflect such changes as are needed.

2. AID TO LOCAL GOVERNMENTS

The bill establishes a $100 million annual program of aid to cities of over 250,000 population in order to combat the crimes of homicide, robbery, rape, aggravated assault, and burglary. I described this program in detail in my statement on H.R. 12362, the predecessor to today's bill. The program focuses on the crimes which cause the greatest concern to most Americans and on the localities with the most severe crime problems. Unless an effort such as this is made on the Federal level, America's cities will continue to be shadowed by the fear and reality of violent crime.

In an effort to allow localities greater freedom in meeting their particular crime problems, my bill establishes a "mini block grant" procedure. This provision, based on the work of Senator EDWARD KENNEDY, would allow major cities and urban counties to carry out their own local plans with a minimum of State control.

The only restrictions would be that those cities and counties meet State evaluation, audit, and monitoring requirements, and that they undertake comprehensive local anticrime planning. In order to assist them with regard to the latter, the bill also increases to 50 percent the portion of LEAA planning funds which a State must pass through to its localities.

3. CHANGES IN LEAA STRUCTURE

My bill changes the structure of LEAA to accommodate the increased role of the National Institute of Law Enforcement and Criminal Justice, and to establish a clear distinction between LEAA's professional and bureaucratic functions. Thus, one Deputy Administrator is made responsible for "Research, Development, and Evaluation." That person will be in charge of the Institute, and its programs of professional and technical assistance. A Deputy Administrator for Program Management will be responsible for administering LEAA aid programs. By separating the bureaucratic and professional arms, and by placing evaluation authority on the professional side, I have sought to assure that States will receive useful guidance and technical aid from LEAA, without reams of red tape.

CONCLUSION

Mr. Speaker, I hope that Congress will act quickly on H.R. 12362, which I introduced several weeks ago, to extend and improve LEAA's programs for the next 15 months. That 15-month period will allow time for Congress to consider and, hopefully, enact the substantial changes that I am recommending today. I firmly believe that these changes are essential to making LEAA a genuinely effective Federal attack on crime.

ORPHANS OF THE EXODUS FROM THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, the town of Tula in the Soviet Union seems very remote to those of us caught up on our own schedules of day-to-day living. However, there is a drama unfolding there which, if we allow it to, can touch the very centers of our lives.

Yakov Izrailovich Beilin and his family await permission to leave the Soviet Union to join his mother in Israel. The Beilins understand what it means to wait. While many of us await events with excited anticipation, their waiting has been filled with fear and memories of broken dreams. The Beilins waited through World War II as many of their relatives, including young children, were exterminated. They shared Yakov's father's long and lingering illness until his death in 1973. The senior Beilin's dying wish was that his family move to Israel to join his only sister.

Like many other Jewish families, the Beilins applied to leave Tula in June of 1974. Yakov's mother's request was accepted and she left, frail and alone, to begin life in Israel. With no explanation the rest of the family was denied permission to emigrate.

So, they wait, separated and alone, to fulfill a wish—to pursue a dream. I am honored to share with other Members of Congress the Beilin's vigil of courage and faith. It is with hope that I join these friends in calling upon the Soviet Union to abide by its agreement to the Helsinki Final Act.

The Beilins and other "Orphans of the Exodus from the Soviet Union" have waited long enough.

THE TRIO PROGRAMS AND EOC'S: A SUCCESS STORY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. CHISHOLM) is recognized for 5 minutes.

Mrs. CHISHOLM. Mr. Speaker, this year we will celebrate a decade of activity by the Talent Search and Upward Bound programs, 5 years of special services and 2 years of the educational opportunity centers, all federally funded programs administered by the U.S. Office of Education. These have been and remain four of the few examples of programs that are designed to equalize postsecondary educational opportunities for America's low-income, disadvantaged populations. Although the programs have different origins in different agencies, they were brought together in 1969 in OE as a continuum of activities and services designed to identify students of exceptional potential for postsecondary education; those who offer promise of success but who possess inadequate secondary school preparation; and those who are already enrolled in postsecondary education but whose inadequate secondary school preparation hinders them from graduating. Grouped together, the first three programs are known as the TRIO programs.

On the eve of this decade of program activity, we might pause to look at these programs from an historical viewpoint, and evaluate them as major Federal vehicles to enhance equalized educational opportunities for young men and women who, because of deprived economic and educational circumstances, were and are in need of educational assistance. The Federal Government has and must continue to intervene at two distinct but related levels in order to achieve equal educational opportunity for all citizens: First, it must provide resources for all students who need assistance in financing postsecondary education; and second, it must provide supportive services which will enable students to complete educational programs.

Debates over financial barriers and deprivation by geographical location, ethnicity, age, sex, and minority status often confuse basic issues. A student's financial and minority status, while still very relevant, are not the only major barriers, particularly since the implementation of the Higher Education Act of 1965 and the subsequent amendments. The lack of academic competencies is another of equal magnitude. The inadequacy of precollege education still prevents many Americans from developing their full potential and limits their educational experiences. And those lucky enough to gain admission to postsecondary education may suffer from the deficiencies of poor secondary education, particularly if they are disadvantaged, low-income students.

Federal assistance for these students is found in the four programs of OE's Division of Student Support and Special Programs: Talent Search, Upward Bound, special services and educational opportunity centers. Talent Search was designed in 1966 to accompany the newly authorized educational opportunity grant program. In 1968 the Congress changed its thrust and asked the program to serve students of exceptional potential for postsecondary education, secondary and postsecondary dropouts, and to serve as a vehicle to publicize existing forms of student financial aid available for postsecondary education. Hampered from its beginnings by a small appropriation—$2 million in 1966—the current program serves 110,000 students with a $6 million appropriation funding 116 projects. Over the past decade the program has worked with hundreds of thousands of students; 450,000 since 1971. Certainly a significant number of young men and women have entered postsecondary institutions at a minimal cost. Statistics show that 215,000 of the 450,000 did in fact enter postsecondary education. The 1975 average cost per student aided by the program is about $55—a small enough sum of money to right historic wrongs. Talent Search projects are located in every State of the Union, found on Indian reservations, and even operational in Guam. Last year 52,347 young blacks, 20,719 whites, 22,357 Spanish surnamed, 12,020 American Indians, and nearly 1,000 Orientals participated in the program.

The Upward Bound program originated in the Office of Economic Opportunity as a pilot program in 1965, and was made a national community action effort in 1966. We transferred the program to the Office of Education in 1968 where it has continued to flourish. Currently, 355 regular projects serve 35,993 secondary students, and 48 projects serve 30,814 veterans. You will remember that the Congress appropriated $5 million in 1972 for this special activity for veterans for 1 year. The Office of Education has continued the program through regular funds since 1973 because of the need to help undereducated veterans take advantage of the postsecondary benefits of the GI bill. It is my considered view that we will want to think about transferring this function to the veterans cost of instruction program so that a single program can administer educational assistance to veterans.

Upward Bound means a variety of things to a variety of individuals. A mother in Louisiana wrote, "Ever-body need to be a part of sumthin." Until Upward Bound came along, there was no hope for her son, Octave, who had an "F" average in school. Today, a graduate of Southern University, Octave is an insurance agent and plans to run for public office. Similarly, a Dillard University student with a history of probations, has received an M.A. at Lehigh University and is a doctoral candidate at the University of Chicago. In my own city of New York, there is a stunning case of a young black student who joined Upward Bound in 1966 with a 65 average. He graduated from high school and attended college at Hofstra. After flunking chemistry three times, this young man has recently earned his M.D. There are countless success stories of this important program. It is unfortunate that we know so little of the human side of Federal assistance.

I am very much impressed with the creativity of Upward Bound—a project at the University of Miami stresses public health careers; there is a special science component to the program at Oakland University, a music program at

Michigan State University, a project at Murray State University which introduces students from other projects to their first outdoor academic experience and a Spanish language institute at Claremont College. The preengineering program at Marquette University has attracted $30,000 in corporate support plus $40,000 from the Alfred P. Sloan Foundation.

OE has currently funded a study of the program following the GAO review of 14 projects of 1974. Using a control group, the current study is providing very concrete statistics that you will find interesting. The control group, I am told, with similar backgrounds and similar high schools, sends about 30.33 percent of its students into postsecondary education. Upward Bound students enter postsecondary education at a 66- to 70-percent rate. Both groups have significant retention rates, but Upward Bound has a 3.5-percent margin over the control group. That is a significant difference when multiplied against thousands.

We of this Congress should be very interested in this report when it becomes available. A 66- to 70-percent success rate in any Federal enterprise is more than worth the expenditure. Commonsense also tells me that any individual who has some postsecondary experience has opportunities unavailable to an individual without that experience. Of the current 35,993 students in Upward Bound, it is anticipated that 23,400 will enroll in postsecondary education within the next 2 years. That is a significant achievement.

The special services for disadvantaged students program became operational in 1970 after its authorization in the 1968 amendments. This program also has a distinguished history. Since 1970, 273,384 students have participated in the program. There are 327 current projects serving 86,400 students. Some of the statistics are very impressive. Last year, 23,163 students left the program; 6,473 had a satisfactory average before leaving; 2,485 transferred to other institutions, 5,508 graduated, 969 had insufficient financial aid, 216 joined the Armed Forces, 4,123 left for personal reasons, 62 died, 1,735 were dismissed for academic reasons, 304 were administrative dismissals, and for 687 it was deemed that further participation was not needed. I want to concentrate on 1,735 academic dismissals. That is 2 percent of the total population, and only 7 percent of those who left the program. Our legislation requires that special services serve students who without the benefits of the program would be unable to continue or resume a program of postsecondary education. A 2-percent attrition rate for academic reasons is remarkable by any measure of success.

The educational opportunity centers program is the newest of the special programs. Funded in 1974 as a pilot program, 12 centers were opened in a variety of settings—Indian reservations, small urban cities serving essentially rural populations, and major metropolitan centers. One is funded through a State agency, and one serves a bedroom community to a major city.

During the first year some 33,000 individuals received services from these centers. One of the interesting facts is that almost 80 percent of those served were over 18 years of age with 50 percent of that group over 25. Ten percent of the total were veterans, and almost 10 percent were physically handicapped.

During the initial year, slightly more than 14,283 students were placed into postsecondary educational institutions, and about 43 percent of those served began or reentered postsecondary studies. Students enrolled in every form of postsecondary education: 4-year colleges, 2,185; 2-year colleges, 2,716; proprietary schools, 2,600; vocational or technical schools, 1,770; and 5,139 went into training, remedial, or preparatory programs.

The educational opportunity center concept is a good one, though there may be questions about the effectiveness of a center attempting to serve both secondary and postsecondary clients. But it seems to me that a one-stop service center for individuals interested in obtaining information and help in postsecondary education, counseling about career opportunities, and some form of tutoring for those students who are in need of such additional services is something for us to consider.

I also want to bring the attention of the Congress to an important aspect of these programs that I have never considered before—the emergence of individuals who have directed these programs into specialists in the area of education and the disadvantaged. More than 10 former project directors are now college presidents, including Wendell Russell of Federal City College; 11 have become assistants to presidents of institutions; 11 have become vice presidents; 5 are provosts or assistants to provosts; more than 30 are deans of schools; 31 have become chairmen of departments or directors of special programs; and a host of these individuals have gone on to graduate degrees. Some have run and been elected to public office. Fourteen individuals long associated with projects are now in responsible positions with the Office of Education or other Federal agencies. The list is very incomplete and something that I would like the Congress to know more about, for this is a very positive aspect of project management and impact. It is extremely heartening that individuals selected, sometimes out of obscurity, have not only managed effective projects but have moved on to have a direct impact upon education. It is my view that this significant impact should be examined. Leonard H. O. Spearman, now Acting Associate Commissioner for Student Assistance in the Bureau of Postsecondary Education, was a Talent Search and Upward Bound director before coming to Washington. John Hill, now Deputy Director, Federal Energy Commission, came to Washington to work in the national office for Upward Bound.

These programs are too vital to be ignored. They address themselves to the possibilities of our age. They offer a creative outlet to students who because of the circumstance of their birth have never been truly able to participate in the American dream. Some statistics on this subject are in order.

The Current Population Reports, series P–20, No. 272, "Social and Economic Characteristics of Students: October 1973," shows that there are 15,845,000 individuals in the Nation, excluding the outlying territories, between the ages of 16 and 19. 12.4 percent of this group are not enrolled in high school nor high school graduates; 21.2 percent are graduates of high school but not enrolled in postsecondary education; 48.6 percent are enrolled in high school; and 17.7 percent are enrolled in college. It is my understanding that the term "college" is a definite one; for example, a 4-year institution; therefore, these statistics may be off. These statistics show, however, that almost 2 million individuals have dropped out of secondary school; that 3.3 million could have used Talent Search; that there are thousands of students among the 7.7 million still in high school that could use Upward Bound, as well as thousands among the 7.6 million of all ages enrolled in postsecondary education.

However, these statistics take on a different meaning if we look at other statistics from the Current Population Reports, No. 260, February 1974. One of the tables deals with dependent individuals between the ages of 18 and 24—12,854,000 individuals. A total of 917,000 individuals are from families with incomes below $3,000; 41 percent of this group were not enrolled nor high school graduates compared with 5.9 percent of those students from families with incomes over $10,000; 14 percent were reported to be in college compared with 47 percent of the upper income group; 45 percent we assume were high school graduates but not enrolled compared with 47.1 percent of the upper income. Hopefully you can see from such statistics that the range between dropouts and postsecondary admissions are the danger zones for low-income students. This is where we in Congress must address our efforts.

I would hope that this Congress still believes that the Federal Government still has a responsibility to provide equal educational opportunities by eliminating those educational barriers which hinder an individual from entering, advancing in, and completing postsecondary education. I hope that we will continue to serve low-income students but with a broader concept of low income to include the near poor as well. There are still too many individuals in this Nation that have erratic performance records, that graduate from or drop out of schools with inadequate resources and facilities. In short, we must address ourselves to the potential that is this Nation. It is not a vain thing to believe that we can improve the quality of life for all citizens.

ALTERNATIVE DEFENSE POLICIES

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DELLUMS. Mr. Speaker, I commend to the attention of my colleagues an article in Foreign Policy by Prof. Earl C. Ravenal.

He outlines alternatives that challenges the foreign policy assumptions put forth by the Ford administration. As the Congress begins consideration of the largest defense budget ever requested, I feel this article makes a major contribution to that debate:

AFTER SCHLESINGER: SOMETHING HAS TO GIVE

(By Earl C. Ravenal[*])

What James Schlesinger left behind at the Pentagon, after the Sunday morning firing on November 2, was impressive—and troubling. There was the virtually finished defense budget submission for fiscal year (FY) 1977, then in the neighborhood of $117 billion. There was the contentious conception of the requirements of national security in an increasingly dangerous and hostile environment. And there was the unsettled dispute with other cabinet departments and with Congress over the meaning of detente. These were Schlesinger's legacy to the new secretary, Donald Rumsfeld. They are, in a sense, the agenda for our foreign and military policy making for the next decade. And the results of the Great Debate on these matters—which Schlesinger tried so hard to inspire—will affect the American posture and role in the world long after that.

More important than any immediate changes are the fundamental questions that stake out the limits of the Great Debate. What do we need and what can we afford? What things in the world can't we live with, and what things must we live with?

Schlesinger dealt in large, philosophical conceptions and sweeping apocalyptic visions. In his farewell address, at the river entrance of the Pentagon, he returned to themes that had become his trademark. He deplored the "national mood of skepticism" and the "vacuum of spirit" that were sapping the strength and will of the nation. He insisted that detente be underpinned by "an equilibrium of force, the maintenance of a military balance," and so on. The former secretary has continued to pose these challenges. But the answers may not turn out to be just what he would like to hear.

Do we need that kind of role in the world, that ambitious set of objectives for our foreign policy? In particular, do we really need to keep up with the Soviets? And even if we would prefer to play that role, are we willing to pay the price—the $200 billion a year that it will cost by 1985, by the Pentagon's own estimates?

For the problem is: What happens if the country won't stand for a $148 billion defense budget by 1980 or a $200 billion defense budget by 1985? *Something will have to give.* And it may have to be our commitments, our interests, our fundamental concept of national security.

It is here that Schlesinger may have hoisted himself on the petard of his own logic—the elegant, articulate argumentation of his two Defense Reports for fiscal years 1975 and 1976 that show how we get "from here to there"; how we derive budgets from forces, forces from contingencies, contingencies from threats and commitments, and commitments from national interests. Here, finally, was a defense secretary who told the American people honestly, brilliantly, what it would really cost to maintain and defend their preferred role, their cherished values, in the world. And he may have succeeded only in pricing that role and those values out of their reach.

In this respect, President Ford knew better than Schlesinger. The real issue between the two men may not have been Schlesinger's professorial condescension or his stiff-necked attitude toward détente, but Ford's reading of how much the American people would stand for—and vote for. Of course, Ford wanted to have his cake and eat it, too. He wanted his arbitrary budget reductions and his penchant for being "number one" in the world. Schlesinger was too stubbornly honest to go along with this sleight of hand. But in the not-so-long run, the contradiction must be resolved; and it may not be resolved in favor of large defense budgets and global responsibilities.

The trouble is not that the American people have lost their *preference* for a global stance, a universal mission. It is just that a very large segment of them does not care enough to pay the startlingly rising price. It is not enough to point out that in "constant dollars," or as a fraction of gross national product, defense is costing less now than it did in the pre-Vietnam year of 1964. The fact is that, whatever the comparisons, defense is seen by Americans as an increasingly intolerable diversion of the national wealth.

GAMES CRITICS PLAY

But there are right and wrong ways of criticizing the defense budget. If critics try to make their case on the wrong basis—to impose cuts for the wrong reasons—they are likely to continue to fail. Even if they are "successful," they will simply distort our defense posture, or spread it too thin. Too often, in order to avoid facing the tough foreign policy issue, critics resort to nit-picking, fudging, and rhetorical ploys.

What are some of the games critics play?

1. They play *"the numbers game."* They simply gawk at the absolute size of the defense budget. They recite numbers of forces, bases, manpower, dollars, and then say "Wow."—the implication being that they have come upon some self-evident outrage or discovered some deep pathology of the system. But enumeration proves nothing. The numbers game begs the essential question of requirements: Do we need the forces? What are they for? There *are* such things as "the legitimate claims of national security." The trick is to find out, even approximately, what they are.

2. They play "peacenik." They premise a reduction of defense spending on the demise of "the threat." But other countries and movements in the world continue to assault the interests and positions of the United States. The question is what to do about these interests. Are they worth the costs and risks of supporting them—not just in peacetime, but if we actually had to defend them or retaliate aaginst an attack on them? There may be some real threats against which we might find it, on balance, prudent to default.

3. The critics claim a "new era." Suddenly, "military means" are no longer relevant to relationships among nations; they have been (as Congressman Henry Reuss put it) "superseded by political, social, economic, and moral power." But this proposition is a placebo. Of course everyone hopes that, in a crisis, diplomacy, economic inducements, and sympathetic ties will resolve the problem. But what if they don't work? Or what if they work only because "military means" lurk in the background? Simply hoping that nothing happens is not a policy. We might choose to limit our commitments in the future, but we should have the strength to defend the ones we keep.

4. Sometimes the critics play *"efficiency expert."* For lack of more compelling ideas, they nit-pick marginal Defense Department trappings. Favorite targets are the limousines, generals' orderlies, PXs, and lavish propaganda spectacles. Certainly many of these items are excessive, even obscene. And we would probably get more out of our defense budget if we structured and ran our forces as the Russians and the Chinese do. In any case, these efficiency proposals, though they make good political capital, would make little difference in defense spending.

5. Some critics play "leaner-tougher." They propose programs that support virtually all the present commitments of the United States, but with only a fraction of the forces. Certainly there is "fat" in our present forces. We could achieve better combat-to-support and officer-to-man ratios; fewer bases, headquarters, and command layers; more competent procurement and simpler weapons systems. In fact, Schlesinger himself beat some of the fat into muscle by converting excess support units into three additional combat divisions. But if we really tried to get the large savings that are sometimes alleged—up to 40 per cent of the defense budget—without touching the agreed foreign policy objectives, something besides fat would be lost. Sharp reductions of American conventional capability would lower the nuclear threshold, restrict the range of presidential options in a crisis, and place a heavy burden on our mobility forces to lift troops back to the theater of combat.

"Leaner-tougher" proposals are like the man who economized on fodder by mixing increasing amounts of sawdust into his horse's ration of oats. Just as he had hoped, the horse didn't notice the difference: but one day, as the man was beginning to congratulate himself on his efficiency, his horse died. The point is not that the savings can't be made, but that budget-cutters must accept the consequences of their fiscal proposals.

6. "Bureaucratic politics" is a popular game. The rule of this game is that the only way to control defense spending is to impose arbitrary "fiscal guidance" from the top down. The military services would be given their shares at the beginning of each budget year, and they would apportion the damage as they saw fit. True, fiscal guidance (which was actually adopted by the Nixon-Laird regime) stifles squabbles among greedy departments before they even start. But it puts decisions on forces and weapons systems up to the military services; and these decisions could skew future defense programs and foreclose future policy choices.

7. Finally, there is "diplomatism." This game confuses the American presence abroad (our bases and deployed forces) with our commitments. The diplomatists themselves are ambivalent. Sometimes they complain that our presence causes us to be "overinvolved," as if a partial withdrawal would insure us against involvement; and sometimes they claim that our presence is stabilizing and to remove our troops or close our bases might "send false signals" and encourage defections by allies and miscalculations by adversaries. Their usual prescription is to reduce slightly, but not withdraw; maintain our presence, but less conspicuously; keep our commitments, but fail to fund them adequately (as if our friends and adversaries did not know how to count).

All of these games allow us to keep our present foreign policies, while hoping for reduced defense budgets. They postpone the re-education of the American people to the basic contradictions of our situation in the world. There may be no way of maintaining all of our national interests, predilections, and habits within the constraints—international and domestic—that are pressing us so hard.

---

[*] Earl C. Ravenal, a former Pentagon official, is a Professor of American Foreign Policy at the Johns Hopkins School of Advanced International Studies in Washington, D.C.

WHAT CAN BE DONE?

A more honest response to this situation may be in order. There is a case to be made for wide-ranging and deeply trenchant cuts in the defense budget. But there will have to be a more "radical" approach. In short, the case will have to be made precisely in terms of a new kind of foreign policy. Such an approach would be based on two propositions.[1]

1. Large cuts in the defense budget—on the order of $40 billion a year—are possible if we severely limit our foreign policy objectives. But the savings should not be the dominant motive for initiating these strategic changes; the motive should be to adjust to unsatisfactory choices and avoid disastrous situations.

Of course, these wide moves should not be accomplished all at once. A large, significant nation like the United States simply does not take precipitate actions; and a readjustment of our military posture should not look like a punishment of our allies. What we can do is establish a general and consistent direction, and we can begin a process of adjustment, even if it might take a decade to complete. We can start this now, and we can do it unilaterally.

2. But large cuts in the defense budget can be made only if there is a fundamental change in U.S. foreign policy. Ironically, last year's non-debate in Congress proved this—by not making large-scale cuts because it did not challenge basic premises. Unless we change the basic items of our global "interests," there is little hope for—and perhaps even less sense in—a substantial reduction of that $200 billion defense budget that looms ahead.

What is entailed is a different definition of the national security function. We should return to a very pristine notion: that the national security function is to guarantee that no part of the United States is attacked and destroyed by an enemy's forces (whether nuclear or conventional); that our soil is never invaded and occupied by a foreign power; that our internal processes are never dictated by the threat of another nation (or nonnational group); and that American lives and property are not spent except in the obvious and necessary defense of those objectives. To protect other objects that do not contribute to these security objectives is actually to risk our own security by binding it to that of others.

Specifically, our posture toward allies should be to encourage their self-sufficiency and allow them to operate independently in their foreign policies, even to the point of accommodating the present adversaries of the United States. And our posture toward the Third World should be to maintain a more permissive attitude toward a diversity of revolutionary experiments.

The security of others—though by definition a "vital interest" for them—is not synonymous with the security of America. The term "vital" should be reserved for those truly supreme interests that derive so strictly from our identity as a nation that they could not credibly be alienated. Thus, we should draw back to a line that (1) we must hold, as part of the definition of our sovereignty, and (2) we can hold, as a defensive perimeter and a strategic force concept that can be maintained over the long haul.

ADVICE TO BUDGET-CUTTERS

Critics of defense spending will not be effective until they understand how the defense budget is put together and how defense policy relates to foreign policy. Luckily a lot of good advice can be compressed into two practical suggestions:

1. If we give up certain defense objectives, we can take whole cuts in the forces "needed" for those objectives. The entire defense budget can be allocated to either "general purpose" forces or "strategic" forces. And general purpose forces (those forces that do not deter or mitigate direct attacks by the Soviets, or others, on our homeland) in turn can be identified with geographical regions where we have commitments. Thus, foreign policy and defense budgets are linked, though the relationship is not as neat as we might wish. But the main point shines through: Forces must be for something.

General purpose forces take up over 80 per cent of the entire defense budget (for FY 1976, $85 billion out of the total requested authorization of $104.3 billion). The cost of our commitment to Europe alone (including its southern flank in the Mediterranean and Middle East) is $47 billion a year.[2] Asia comes to $23.5 billion, and the rest of the world, including our general strategic reserve, takes $14.5 billion.

U.S. forces for the Third World do not amount to much in budgetary terms (though their effects on the target countries have, of course, been large). And the moderate-liberal critique, since it shares the administration's concern for Western Europe, Israel, and Japan, cannot effect much of a saving. To cut deeply into the defense budget, more would have to be given up.

In calculating savings that would result from abandoning certain defense objectives, it is important to contemplate disbanding the forces brought home from overseas. It is also important to consider eliminating units, even within the continental United States, earmarked for the defense of the overseas areas in question. This is particularly important in the case of Europe. Such proposals as the Mansfield Amendment in most past years did not disband the redeployed forces—which led to the justified criticism that it is even more expensive to keep such forces in the United States, and to provide the planes and ships to get them back to Europe in a crisis.

2. If we cut combat units, we can take "full slices"—including support units and overhead—out of the defense budget. The way to do this is to divide the rough number of basic combat units in each service into the entire budget for each service, and make proportional cuts in nonservice overheads such as defense agencies, defense-wide activities, and civil defense.

Through full-scale costing is somewhat wholesale, it is actually more "accurate" than the traditional costing of the services, which represents potential savings only as marginal. As the Pentagon "Whiz Kids" used to say, it's better to be roughly right than precisely wrong. Of course, support costs and overheads do not diminish automatically with cuts in the more obvious combat forces. They must be decreased by decision. That is, it takes some guts as well as some intelligence.

WHAT FORCES, AT WHAT COST?

What force structure, military manpower, and defense budget could this country have by the end of a decade, if it were to adopt a thorough and consistent noninterventionist foreign policy? We can lay out some illustrative and rough figures that indicate the magnitude of possible reductions in forces and budgets. At the very least, they provide a baseline, above which everything—defense budgets, force structures, strategies, and foreign policy objectives—can be severely challenged and must be rigorously justified. Of course, it would take a decade of adjustment to get down to these figures. And by that time, cost would be inflated accordingly from these 1976 dollars. (But the savings also would be greater; by 1985, they could be running at $85 billion a year.)[3]

We can put this force structure together by regions. In Asia, a noninterventionist policy would entail a mid-Pacific posture—not the administration's redundant construction of bases in the Marianas to hedge against the denial of Western Pacific bases and to maintain the capability of intervention in East Asia. It would mean no American forces or bases west of Guam, no military assistance to Asian clients, and phasing out all military alliances and defense commitments—to be succeeded, in some cases, by nonmilitary treaties establishing various forms of cooperation and formulas of mutual trust. It would mean the end of declaratory statements of policy that commit us to intervention or the threat of intervention.

We would not attempt to replace the American presence by devolving nuclear or other arms upon presumed proxy states, particularly Japan. Nor would we invest American diplomatic effort or national prestige in the establishment of regional defense associations. If such evolve, we might look benignly upon them, or igonore them; we would not acquire a stake in their creation or orientation. We would, in short, allow an indigenous "balance" to establish itself among the great territorial powers in this region—China, Japan, and the Soviet Union—and stand clear of the determination of their competitive and collaborative struggles and schemes.[4]

Asia would be the first region in which we would implement a policy of nonintervention. At the end of a half-decade of adjustment, total forces maintained in the active force structure with some nominal orientation to Asia might be: two land divisions (one Army and one Marine), and six tactical air wing equivalents (two Air Force; one Marine, which is equal to two; and two Navy carrier wings operating from three carrier task forces—one forward, one rearward, and one in overhaul). This force structure for Asia would cost $11.6 billion a year, $11.9 billion less than the present structure. Withdrawal from Korea alone would be worth about $4.5 billion a year.

Though revision of our commitment to Europe (including the Mediterranean and the Middle East) is the source of the greatest potential savings, it also, of course, poses the greatest risks and consequently requires the most complex—and perhaps tenuous—rationale. The application of a policy of nonintervention to Europe would require the most exacting and patient diplomacy, and would take at least a decade to implement. We might hope for—but could not ensure or compel—an orderly and sufficient devolution of military power and defensive responsibility. Contemplating some future "worst case," we would have to accept the unlikelihood of effective American support and the prohibitive unattractiveness of escalation to nuclear catastrophe. In the Middle East, also, our policy would aim at disengaging from, rather than intensifying, our involvement. Particularly, we would not aggravate the dependency of Israel or other nations on the United States, and we would guard strenuously against the economic impact of any future conflict.

At present we provide, in Europe and the Mediterranean, five division equivalents (almost all Army) and two carrier task forces; and, in and around the United States, earmarked for Europe, an additional five and two-thirds divisions (five Army and two-thirds Marine) and four carrier task forces to back up the two forward. We keep sixteen and a third tactical air wing equivalents in the theater, and in the United States primarily for European contingencies. At the end of a decade of adjustment, there might be no American forces in Europe, and in and

---

Footnotes at end of article.

around the United States, in some sense oriented to Europe and the Mediterranean, three and a third divisions (three Army and a Marine brigade), seven and two-thirds tactical air wing equivalents (five Air Force; one-third Marine, which is equal to two-thirds; and two Navy), and three carrier task forces. This force structure for Europe would cost $19.5 billion a year, $27.5 billion less than the present structure.

Besides the forces loosely oriented to Asia and Europe, this noninterventionist force structure would include an active strategic reserve of two and two-thirds divisions (two Army and two-thirds Marine) and five and one-third tactical air wing equivalents (four Air Force and two-thirds Marine, which is equal to one and a third). This strategic reserve would cost $15.7 billion a year—slightly more than at present.

With a shrinking of overseas forces and overseas military objectives, there would be a diminished function for our surface Navy, our attack submarines, and our antisubmarine aircraft.

With regard to strategic forces, we should challenge the "triad" of redundant systems—fixed land-based missiles, bombers, and submarines. The presence of missiles on our soil exposes our homeland to destruction, actually making us less secure. And fixed land-based missiles become more destabilizing with the development of Soviet accuracy and multiple independently targeted re-entry vehicles (MIRVs). We could move to a dyad, consisting of stand-off bombers and submarines. But, in any case, it makes sense to cancel or stretch out certain very expensive individual weapons systems. The B–1 bomber, which could cost $90 billion over its 30-year lifetime in procurement and operating costs, should be canceled. The Trident submarine (which will cost over $20 billion for just 10 submarines) could be substantially delayed, even if we were to rely primarily on undersea weapons. Moving to a dyad of forces, canceling or stretching out some programs, and cutting some air defense would reduce the cost of strategic forces from $19.3 to $13.2 billion a year.

Altogether, this noninterventionist force structure would provide the following general purpose forces: eight land divisions (six Army and two Marine), 19 tactical air wing equivalents (11 Air Force; two Marine, which are equal to four; and four Navy), with six carrier task forces to sustain two forward. With the addition of a dyad of strategic nuclear deterrent forces, it would require 1,250,000 men (385,000 Army, 370,000 Air Force, 365,000 Navy, and 130,000 Marine Corps). The total defense budget would be about $60 billion a year for FY 1976.[5]

REBUTTING SOME PRESUMPTIONS

The arguments for drastic cuts in forces and defense budgets are not new, and the objections to them also are not particularly novel. They usually take three courses:

1. We will lose our control over the entire international system. The new twist on this is that, in an "interdependent world," if we do not prepare to maintain our strategic position, our economic vulnerabilities will increase, we will be shut out of markets and lose access to raw materials, and the international economic order will become structured to our disadvantage.

Of course, there is weight in this argument. But presumably we could also trade on the basis of "mutual benefit" (as the Chinese "Five Principles of Peaceful Coexistence" put it), whether or not we control the seas or the land-masses on the other side (even in the Middle East). Our newly discovered commercial interest in the Soviet Union demonstrates this: Trade doesn't depend on the assertion of military might or on the maintenance of a military balance. The real point, however, is that, in the long run, markets and sources that cannot be secured without projecting the shadow of our military forces are not worth the cost.

2. We will fall behind the Soviet. But must we match the Soviets in any and every category? And must we wait for reciprocity from the Soviets in order to restrain our own force build-up or carry out cuts in our deployments? These are the twin arguments of "symmetry" and "summitry."

Schlesinger was in the habit of citing fearsome increases in Soviet activities, as are some other advocates of higher U.S. defense budgets.[6] But the short, and unkind, ananswer is: So what? Just as our defense objectives need only be finite, our force structure can be finite. Particularly in the area of strategic deterrence, our posture can be independent of Soviet initiatives, because the target system to which our strategic forces are addressed is only so large. (Of course, our nuclear forces must be able to survive a Soviet attack and get through to those targets, whatever they might be.) Yet Schlesinger argued that there must be "essential equivalence" of American and Soviet strategic forces in "the perceptions of the nonsuperpower nations." On the contrary, we should make it clear, to allies, adversaries, and bystanders, that we are simply not playing the Russians' game.

The parallel argument has to do with arms reductions. Must we wait for Soviet reciprocity in order to carry out reductions or impose limits on our own forces? Schlesinger used to warn:

"We must avoid unilateral reductions. . . . Reductions should result from international agreement rather than from temporary budgetary exigencies or the impulse to set a good example. . . ."

But our defense moves can be unilateral. We don't have to await the glacial pace of negotiations, accept the disappointingly high negotiated ceilings, and create bargaining chips that get frozen into force structures and become part of the problem.

Unilateral approaches are not based on some fatuous hope of converting the Soviets by our "good example." The point is simply that we don't need the Russians to match our reductions any more than we have to match their increases.

3. The third objection to force retrenchments and defense budget reductions is that our friends and allies would be threatened. There is a large element of truth in this. But the real answer to this objection is not to make a tour d'horizon, asking: "What will happen to Western Europe?" "What will Japan do?" And so forth. The answer is to make a rather different kind of argument—really, the complement to the argument up to this point: that we are caught in a web of domestic constraints and cannot meet ambitious and demanding defense objectives. We now must consider the proposition that even if we would continue to generate significant resources and support, the effort would probably fall short.

The point is that the whole interventionist premise—whether it represents a faith in alliances or in collective security—is gravely flawed by the new circumstances of the international order, particularly by the diffusion of nuclear weapons. Unless we are willing to believe in perfect deterrence, we must at least contemplate the cases in which specific nuclear threats, and even nuclear attacks, would have to be made. What we see is that the costs and risks of defending our allies, and therefore the prospects of our coming to their aid in serious trouble, are shifting, whether we like it or not.

It is not good enough to talk about "selectivity" of commitments. (As a matter of fact, we don't seem to have become much more selective since we were deprived of Indochina last year.) Whatever those "selected" objects of our foreign policy, ultimately we must risk nuclear war in their defense. Often, the integrity of our commitment (especially in Europe) depends on the "coupling"—the unbroken and reliable linkage—of the U.S. strategic arsenal with the common first-line conventional defense.

Yet, when we stare the proposition in the face, there is little likelihood that the United States will exercise its strategic nuclear power, even for the most important objectives. There will be no public support for a strategy that risks a nuclear attack on ourselves. Moreover, it only has to be uncertain that an American president would push the button; the mere prospect of such a default undermines our alliances.

In many cases, nations that can no longer trust promises of American help will form stronger alliances of their own, make more prudent accommodations with adversaries, and perhaps arm unilaterally to fill the breach. (Some will be tempted to acquire nuclear weapons.) There is a double irony here: For those nations that do fend for themselves, not only will we need to do less but we will want to do less so that we will be less implicated in their less controllable policies. And for those nations that cannot fend for themselves, we will need to do more but we will want to do less since they are not contributing adequately to the common defense.

There is another reason why the interventionist premise is flawed, and why our alliances are inevitably crumbling. Alliances are not assets that can be left alone; they must be serviced, in several ways. (1) There must be tangible and appropriate defense preparations. (2) We must accord our allies some participation in command and control, and we must tolerate some of their resistance to paying their "fair share" of alliance costs (since in some cases we want the defensive arrangement even more than they do). And (3) we must undertake a host of ancillary, or second-order, commitments for the sake of the primary ones: For the sake of NATO (and Israel), we had to bargain for Spanish bases, tolerate Turkish abuse of our arms, feed Portuguese colonialism (for a while), and placate Greek colonels. For the sake of Japan, we must remain in Korea, and stonewall, diplomatically, on Taiwan.

But, increasingly, the American people regard the costs of alliance protection as disproportionately expensive, are reluctant to relinquish control of their fate to the actions of allies, and fail to appreciate the "strategic" reasons for commitments to unattractive regimes. What should be our response to this situation? It lies in a new way of looking at the world, and in a new conception of the function of foreign policy.

WHAT KIND OF WORLD?

We have to get used to a world that cannot be controlled by us, a world where we don't have the ability, let alone the right, to act out our needs for national self-esteem. On this score, the "new Wilsonians," the American moral-expansionists, are missing the point. It will be a world of "parameters" (intractable, recalcitrant circumstances), not preferences; a world shaped by constraints, not commitments. In short, a very different kind of international order from what we have become accustomed to.[7]

We can already discern some trends:

1. There is a decreasing ability of any single nation, or combination, to control the international system. This phenomenon can be defined as a diffusion of power—both the fragmentation of centers of effective and coordinated power, such as alliances or regional associations, and the intractability of sources of disorder and change to the application of political-military pressure.

It is doubtful that power will be distributed in such a way as to be manageable, in itself, and effective in compelling the necessary degree of cooperation among nations in matters of resources, trade, monetary ar-

---

Footnotes at end of article.

rangements, population, food, the oceans, and the atmosphere—not to mention attaining justice for peoples. Rather, it appears that power will be diffused to the point where it becomes unmanageable in itself, and unusable in influencing—or coercing, if necessary—constructive behavior.

2. The international system will probably continue to degenerate into a disorder more severe than we have known. Almost certainly it will not stabilize in some neat, balanced configuration of three or four or five nations or groups, coordinating on basic objectives and competing according to rules that are benign for the system as a whole—in short, a balance of power.

3. At any rate, few if any governing groups will have enough legitimacy to induce their nations to support actions, for the sake of international order, that are not in the obvious and immediate interest of the nation itself. As a particular case, the American public is unlikely to understand and support, or remain acquiescent in, even the lower scale of sacrifices and the more subtle risks involved in a balance-of-power policy.

THE COMPREHENSION GAP

The American Century is over. The era of American dominance and control, heralded by Henry Luce and established in the wake of World War II, lasted only 25 years. Of course, everyone "knows" that it is over. But our policy-makers have not absorbed this message, and our nation has not begun to adjust to its implications and consequences. This gap in comprehension of the state of the world is reflected in the current Great Debate about defense policy after Vietnam. And it might, partially, answer the question: Why has this debate so far been so shallow, desultory, and inconclusive?

The trouble is that we still seem to want to do the same things in the world, but more cheaply, more palatably. We are still striving to reconcile control with the increasingly arduous and tricky circumstances in which that control is to be exercised.

Our leaders have not even developed the language to deal in an appropriate way with the situation we are in. They still talk about "national interests," when no one knows any longer what an "interest" is. Not only the rhetoric, but the methodology is obsolete. The typical White House study or State Department tract, that passes for policy analysis, begins with a statement of American "interests," then proceeds in a stately sequence—a minuet—to the challenges to, or obstacles to, the fulfillment of those interests, then to the changes we must accomplish in order to defeat the challenges or make up the gap, and finally to the implementing moves necessary to bring about those changes. Rarely—and even then as an afterthought—is there a calculus of the costs involved in making these moves.

But what sense does it make to construct a wish-list of national interests, in the first place, if we already know that we cannot bear the costs and consequences of attaining them? For this is what has been changing—what we can and can't do in the world, what we must pay to get what we want.

All this should lead to a sense of the limits of foreign policy, even to a sense of the paradoxes of collective action in a world that is largely "given"—that is, not of our own individual making or determination. We need a better sense of these "parameters": those of our international environment and those that arise out of the conditions of our own domestic system; those that consist of the costs and difficulties of things and those that consist of the limits to action; the price of things we might want, the evil consequences and side effects, and the sheer transience of even our most "successful" national achievements.

During this quarter-century of American dominance, we have experienced the final effects of the "Wilsonian paradox": that in trying to realize our values in the world we might destroy much of the world and end up perverting those values. And, as we have seen from Watergate, and also from the behavior of Nixon's predecessors, in order to save the world, we might have to destroy ourselves.

In short, it is our conception of foreign policy, and our expectations of foreign policy, that have to change. We must move from exercises of control to exercises of adjustment; from projecting our national values to protecting them.

More specifically, what should we do?

1. In the world economy, we should preserve autonomy of national decision and achieve relative freedom from vulnerabilities. This does not equate to a policy of autarky, but it does suggest an approach, within our means—much more than we have done so far—toward the capacity for self-sufficiency. We should place greater weight on developing specific hedges against the pressures and deprivations that may be occasioned by the hostility, opportunism, or simple incompetence of other nations. We should not preclude cooperative efforts to attain workable and livable regimes where such cooperation is preferable to purely national solutions. But we should not expect so much from present efforts that we fail to anticipate and discount noncompliance by other nations.

2. In international politics, we should achieve the flexibility to avoid conflict by divesting, rather than acquiring, commitments in situations we cannot control, and by providing insulation from the outcomes of situations we cannot afford to control.

It is not a matter of waffling on the "threat." A more resigned and accommodating posture does not proceed from any hopeful estimates of a "new era" where threats have disappeared. Nor does it imply that intervention will become unnecessary because we will develop other mechanisms or institutions.

Rather, we would accept a divisible peace, some reverses to our positions, and a loss of our special control over the course of the entire system. Least of all would we stoop to pick up all the sputtering "torches"—the failing and abandoned causes that Schlesinger sees strewn across our path. We know that even if we did, our response would not be sufficient, or in line with our effort. Though we might not enjoy all the consequences, we would live with them.

Of course, these are not yet acceptable propositions in the world of "responsible" foreign policy discussion. And all "responsible" debate is still contained within a presumption of very high defense budgets and large peacetime force structures. In fact, since the Vietnam war—and despite the Vietnam war—the hawks have regained much of their ground and have reasserted their custody of the "national interest" and the symbols of patriotism. In this respect, the real losers of the Vietnam war are the humanitarian's left, who tried to introduce a new value system, a new calculus, into U.S. foreign policy. Congress jumps clear of having its skirts muddied by the charge of "isolationism"; it abjectly concedes the substance of the administration's budgetary requests and diplomatic initiatives, while recording pro forma objections and making petulant assertions of procedural prerogatives. And strategic analysts who want to be taken seriously tarnish their credibility again with ominous talk about threats in Angola, the Indian Ocean, and the Persian Gulf, and the need for American response.

But there are stirrings of another kind of public sentiment that is at odds with the apparent restoration of consensus within the foreign policy "establishment." This public sentiment did not begin with, though it was accentuated by, the Vietnam experience. Actually it is the "traditional" American orientation to foreign policy; and it exists on the right as well as on the left. But it has been associated with narrow "isolationism," and in recent decades it has not been properly articulated. Perhaps there has not been an eloquent expression of this sentiment since the debate about the acquisition of empire in the wake of the Spanish-American War—the Great Debate in the press and in Congress concerning the annexation of the Philippines, in 1898–1899. Some, unfortunately not a majority, of the statesman and commentators of that time foresaw, in that extension of American power and control, the incurring of insoluble domestic problems—the future strain on our constitutional balance, the wreckage of the unique American social and political experiment—and thus counseled against the acquisition of attractive foreign positions and assets. These men were Republicans and Democrats, conservatives as well as liberals. They too had a flair for strategic analysis, and they were also patriots. They made many incisive and prescient observations during that winter of debate on the essence of the Republic, 77 years ago. Some of their statements seem to speak directly to us, across the abyss of three quarters of a century of sporadic foreign adventures. One is the speech of Senator George F. Hoar, in January 1899:

"If you ask them [the imperialists, the expansionists] what they want, you are answered with a shout: 'Three cheers for the Flag! Who will dare to haul it down? Hold on to everything you can get. The United States is strong enough to do what it likes. The Declaration of Independence and the counsel of Washington and the Constitution of the United States have grown rusty and musty. They are for little countries and not for nations.' "

The other is the article of William Graham Sumner, entitled, ironically, "The Conquest of the United States by Spain":[5]

"I have no doubt that the conservative classes of this country will yet look back with great regret to their acquiescence in the events of 1898 and the doctrines and precedents which have been silently established. . . ."

There was also, in this article, the sense that we cannot keep our advantages at home without, perhaps, accepting damage abroad:

"We see that the peculiarities of our system of government set limitations on us. We cannot do things which a great centralized monarchy could do. The very blessings and special advantages which we enjoy, as compared with others, bring disabilities with them. . . . [W]e cannot govern dependencies consistent with our political system, and . . . if we try it, the State which our fathers founded will suffer a reaction which will transform it into another empire. . . ."

Those who have more recently noticed this "constitutional trade-off" have been as diverse as George F. Kennan, Henry A. Kissinger, and Richard M. Nixon. But they have opted for altering our constitutional processes in order to favor foreign policy efficiency—to improve our score against more unified, totalitarian systems. But dreams of reform are not all that far from schemes of subversion. And thus the rational impatience of Kennan can end in the evasions of Kissinger and even the excesses of Watergate. Finally, Sumner's article comes to the questions of "isolationism" and patriotism:

"Our fathers would have an economical government, even if grand people called it a parsimonious one, and taxes should be no greater than were absolutely necessary to pay for such a government. The citizen was to keep all the rest of his earnings and use them as he thought best for the happiness

---

Footnotes at end of article.

of himself and his family. . . . No adventurous policies of conquest or ambition, such as, in the belief of our fathers, kings and nobles had forced, for their own advantage, on European states, would ever be undertaken by a free democratic republic. Therefore the citizen here would never be forced to leave his family or to give his sons to shed blood for glory. . . .

". . . It is by virtue of this conception of a commonwealth that the United States has stood for something unique and grand in the history of mankind and that its people have been happy. It is by virtue of these ideals that we have been 'isolated,' isolated in a position which the other nations of the earth have observed in silent envy; and yet there are people who are boasting of their patriotism, because they say that we have taken our place now amongst the nations of the earth by virtue of this war. My patriotism is of the kind which is outraged by the notion that the United States never was a great nation until in a petty three months' campaign it knocked to pieces a poor, decrepit, bankrupt old state like Spain. To hold such an opinion as that is to abandon all American standards. . . ."

But how will policy changes come about now? Not by declarations or resolution. Probably not by debates in Congress. Certainly not through the merits of abstract arguments such as this. Rather, this country will come to them by a more painful process. Objective circumstances—denials, defeats—will impinge more closely on our national conduct. Through unsuccessful encounters we will learn that the game has changed. We will probably not recant our present expansive ideals; we will simply absorb our experiences, and make a piecemeal strategic reorientation—possibly a grudging and belated one. We will call our experiences "mistakes"—though that would not be strictly true. But nonetheless, we will come to a sense of what we can do in the world—and what we can *afford* to do.

At the moment, I suppose one could argue that our power—if we wish to commit it—still runs with our pretensions to create and support extensive order in the world. Indeed, the agricultural and technological deficiences of our adversaries and the uneven incidence of oil dependencies and monetary burdens on our allies, might have given the United States a relative advantage and a new lease on its economic and political ascendancy. But it is increasingly likely that American power will fall short of this universal scope.

The question, then, is not directly whether we "choose" to continue to exercise a global reach and command global interests, but, more indirectly and more fundamentally, whether we will continue to have the means and the competence, and whether our government's diverse constituency will continue to grant it a clear delegation of authority, to pursue such interests.

As we reflect on our next century of existence as a nation, we should recognize that we are caught in a dilemma of historic, not momentary, significance, and that we must make an appropriate accommodation, not to some specific set of antagonists, but to our own circumstances.

FOOTNOTES

[1] This case, and the counterbudget that follows, can be taken as an advocacy position; there is much to support it. Alternatively, it can be taken as an exploration of the limits and consequences of a serious retrenchment; in that sense, at least, it delineates the logic of the defense/foreign policy nexus and poses the conditions that would have to be met in order to make a radically different policy work.

[2] All official public estimates of the costs of European defense to the United States, and almost all unofficial estimates, vastly understate the full costs; they are commonly thought to be on the order of $4 billion to $14 billion a year; even some of the largest estimates run only about $36 billion. One way of trapping these costs is to take the FY 1976 defense budget of $104.3 billion (requested total obligational authority), initially identify the portions for strategic forces ($18 billion) and general purpose forces ($7.6 billion), adjust these to include retired pay (this yields $19.3 billion and $81.7 billion, respectively), multiply the general purpose force figure by a fraction (10⅔ over 19) representing the portion of active ground units oriented primarily to Europe (this yields $45.9 billion), and add military assistance for that region's allies. The resulting figure is $47 billion. (I am assuming that two of the three Army divisions recently added to the force structure are oriented primarily to Europe, and that the third is part of the strategic reserve.)

[3] Assuming the same 7.5 percent average annual rate of increase—whether through inflation or real cost growth—that Pentagon planners have figured into their projected $200 billion program by 1985.

[4] It is doubtful, even under these conditions, that Japan would acquire nuclear weapons. The attenuation of American support in itself is not a sufficient condition; the other condition—and a necessary one—would be a severe threat from Russia or China.

[5] This noninterventionist force structure and defense budget is far lower than that of the present administration for FY 1976: 19 land divisions and 40 tactical air wing equivalents, with 13 carrier task forces, 2,115,000 men, and requested total obligational authority of $104.3 billion, with initially expected total defense outlays of $92.8 billion.

[6] For another view of this question, see "How to Look at the Soviet-American Balance," by Les Aspin, in this issue.

[7] See the articles of Thomas L. Hughes, "Liberals, Populists, and Foreign Policy" (Foreign Policy 20) and Richard H. Ullman, "The 'Foreign World' and Ourselves: Washington, Wilson, and the Democrat's Dilemma" (Foreign Policy 21). It is unfair to capsulize the arguments of these two extraordinarily rich articles. I have no quarrel with their values. But I do disagree about the function of foreign policy. Beyond this, I sense that the Wilsonians are caught in a methodological trap. They ask what we would like to happen. They posit a preferred outcome or an acceptable range of decent outcomes. They then embrace policies that seem to lead to these preferred states of affairs, and implicitly veto any suggested course that leads to something else. (They differ from the "realists," who do these same things, by suffusing their preferred outcomes with moral significance, with values—our values.) The argument of the noninterventionists—my argument here—stresses the constraints of our domestic situation and the parameters of the international system. It acknowledges (1) that these constraints and parameters are increasingly rigid and unfavorable, in themselves, to the possibility of active, influential foreign policies, and (2) that they reinforce each other; for example, the worsening cost-benefit ratio of influencing an international situation by intervention in turn makes domestic support for intervention even more difficult to obtain.

[8] Yale Law Journal, VIII, January 1899, pp. 168–193.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. AuCoin (at the request of Mr. O'Neill), for April 8 through April 14, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Moore) to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 30 minutes, today.

Mr. Ashbrook, for 30 minutes, today.

(The following Members (at the request of Mr. Maguire) to revise and extend their remarks and include extraneous matter:)

Mr. Lehman, for 15 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Ms. Holtzman, for 60 minutes, today.

Mr. Udall, for 5 minutes, today.

Mrs. Chisholm, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Dellums and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,287.

Mr. Dan Daniel to revise and extend his remarks following the remarks of Mr. Charles H. Wilson of California during general debate in the Committee of the Whole today.

Mr. Koch's remarks to appear immediately before vote on Seiberling amendment.

(The following Members (at the request of Mr. Moore) and to include extraneous material:)

Mr. Forsythe in two instances.

Mr. Carter.

Mr. Horton in two instances.

Mr. Whalen.

Mr. Grassley.

Mr. Frenzel in three instances.

Mr. Sarasin.

Mr. McCollister.

Mr. Derwinski in two instances.

Mr. Findley in two instances.

Mr. Esch.

Mr. Lagomarsino.

Mr. Ashbrook in two instances.

Mr. Mosher.

Mr. Kemp in three instances.

Mr. Rhodes.

Mr. Michel.

Mr. Gilman.

Mr. Miller of Ohio in four instances.

Mr. Steelman.

(The following Members (at the request of Mr. Maguire) and to include extraneous material:)

Mr. Brooks.

Mr. Zeferetti.

Mr. Long of Louisiana.

Mr. Hungate in three instances.

Mr. Teague.

Mr. Mazzoli in two instances.

Mr. Wolff.

Mr. Santini.

Mr. AuCoin in two instances.

Mr. Rangel.

Mr. James V. Stanton.

Mr. Long of Maryland in 10 instances.

Mr. SOLARZ.

Mr. BRADEMAS in 10 instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. GINN.

Mr. BRODHEAD.

Mr. McDONALD of Georgia in four instances.

Mr. PATTEN.

Mr. HARRINGTON.

Mr. MATSUNAGA.

Mr. HAYES of Indiana.

Mr. YATES.

Mr. FLOWERS in three instances.

Mrs. SCHROEDER.

Mr. HAMILTON.

Mr. EDWARDS of California.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 867. An act to amend the act entitled "An Act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928); to the Committee on Interior and Insular Affairs.

S. 885. An act to designate certain lands in the Shenandoah National Park, Va., as wilderness; to the Committee on Interior and Insular Affairs.

ADJOURNMENT

Mr. MAGUIRE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, April 9, 1976, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2990. A letter from the President of the United States, transmitting his objections to the Senate action adding to the budget for Foreign Military Sales credits and Security Supporting Assistance for the transition quarter for Israel, Egypt, Jordan, and Syria (H. Doc. No. 94-444); to the Committee on Appropriations and ordered to be printed.

2991. A letter from the President of the United States, transmitting proposed supplemental appropriations and budget amendments for the Department of the Interior and the Joint Federal-State Land Use Planning Commission for Alaska (H. Doc. No. 94-445); to the Committee on Appropriations and ordered to be printed.

2992. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report that no use was made of funds appropriated in the Defense Appropriation Act, 1976, or the Military Construction Appropriation Act, 1976. during the first half of fiscal year 1976. to make payments under contracts in a foreign country except where it was determined that the use of foreign currencies was not feasible, pursuant to sections 734 and 109 of the respective acts; to the Committee on Appropriations.

2993. A letter from the general counsel, Pennsylvania Avenue Development Corporation, transmitting a report on the Corporation's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2994. A letter from the Administrator, Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting the Annual Report of the Office of Federal Procurement Policy for calendar year 1975, pursuant to section 8(a) of Public Law 93-400; to the Committee on Government Operations.

2995. A letter from the Chairman, National Park Foundation, transmitting the Annual Report of the Foundation for calendar year 1975, pursuant to section 10 of Public Law 90-209; to the Committee on Interior and Insular Affairs.

2996. A letter from the Secretary of Commerce, transmitting the Annual Report of the Economic Development Administration for fiscal year 1975, pursuant to section 707 of Public Law 89-136; to the Committee on Public Works and Transportation.

2997. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize loan funds for the Government of the Virgin Islands and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Ways and Means.

2998. A letter from the Chairman, Consumer Product Safety Commission, transmitting the Commission's comments on H.R. 12048, a bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation by creating procedures for congressional review of agency rules, and for other purposes, pursuant to section 27 (k)(2) of Public Law 92-573; jointly, to the Committees on the Judiciary, and Rules.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 1 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FLOWERS: Committee on the Judiciary. H.R. 11656. A bill to provide that meetings of Government agencies shall be open to the public, and for other purposes; with amendment (Rept. No. 94-880, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 13069. A bill to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands. (Rept. No. 94-1018). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 12987. A bill to authorize appropriations for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes; with amendment (Rept. No. 94-1019). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12725. A bill to amend the Internal Revenue Code of 1954 to permit tax-free rollovers of distributions from employee retirement plans in the event of plan termination; with amendment (Rept. No. 94-1020). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 12234. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the Act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes (Rept. No. 94-1021). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee of conference. Conference report on S. 644 (Rept. No. 94-1022). Ordered to be printed.

Mr. TEAGUE: Committee on Science and Technology. H.R. 12704. A bill to authorize appropriations for environmental research, development, and demonstration; with amendment (Rept. No. 94-1023). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAUMAN (for himself, Mr. HILLIS, and Mr. FINDLEY):

H.R. 13115. A bill to suspend until January 3, 1980, a portion of the duties on strontium nitrate; to the Committee on Ways and Means.

By Mr. BRINKLEY (for himself, Mr. WON PAT, Mr. SPENCE, Mr. ICHORD, Mr. MOLLOHAN, Mr. BENNETT, Mr. MONTGOMERY, Mr. FLYNT, Mr. GINN, Mr. YOUNG of Georgia, Mr. MATHIS, Mr. BEVILL, Mr. HUGHES, Mr. MAZZOLI, Ms. KEYS, Mr. KINDNESS, Mr. HYDE, Mr. OBERSTAR, Mr. ROE, Mr. COCHRAN, Mr. MURPHY of Illinois, Mr. DERRICK, Mr. FLORIO, Mr. PATTEN, and Mrs. LLOYD of Tennessee):

H.R. 13116. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. BRINKLEY (for himself, Mr. BOWEN, Mr. BEDELL, Mrs. MEYNER, Mr. ANDREWS of North Dakota, Mr. MYERS of Indiana, Mr. RAILSBACK, Mr. ABDNOR, Mr. McCLORY, Mr. FUQUA, Mr. PATTERSON of California, and Mr. SYMINGTON):

H.R. 13117. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. CARTER:

H.R. 13118. A bill to amend the Public Health Service to advance a national attack on digestive diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT (for himself and Mr. CARNEY):

H.R. 13119. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DEVINE:

H.R. 13120. A bill to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information; to the Committee on the Judiciary.

By Mr. DIGGS (for himself and Mr. GUDE):

H.R. 13121. A bill to direct the Law Revision Counsel to prepare and publish the District of Columbia Code through publication of supplement V to the 1973 edition, with the Council of the District of Columbia to be responsible for preparation and publication of such code thereafter; to the Committee on the District of Columbia.

By Ms. HOLTZMAN:

H.R. 13122. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to increase assistance to the States for accelerating the disposition of criminal cases and for combating juvenile crime, and for other purposes; to the Committee on the Judiciary.

By Mr. JONES of Alabama (for himself, Mr. Chappell, Mr. Dent, Mr. Diggs, Mr. Edwards of California, Mr. Fish, Mr. McHugh, Ms. Mink, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Natcher, Mr. Nedzi, Mr. Nolan, Mr. O'Hara, Mr. Alexander, Mr. Ottinger, Mr. Patterson of California, Mr. Pepper, Mr. Perkins, Mr. Price, Mr. Rostenkowski, Mr. Ryan, Mr. St Germain, Mr. Stark, and Mr. Udall):

H.R. 13123. A bill to authorize a local public works capital development and investment program; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. Harsha, Mr. Staggers, and Mr. Devine) (by request):

H.R. 13124. A bill to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. KOCH (for himself, Mr. Gaydos, Mr. Hanley, Mr. Heinz, Mr. Helstoski, Mr. Howard, Mr. Hungate, Mr. Lent, Mr. Macdonald of Massachusetts, Mr. Mikva, Mr. Miller of California, Mr. Moakley, Mr. Neal, and Mr. Sarbanes):

H.R. 13125. A bill to amend the Export Administration Act of 1969 to strengthen the antiboycott provisions of such act, to amend the Securities Exchange Act of 1934 to enhance investor disclosure provisions of that act, and for other purposes; jointly to the Committees on International Relations and Interstate and Foreign Commerce.

By Mr. MAGUIRE (for himself, Mr. Badillo, Mr. Downey of New York, Mr. Eilberg, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Jenrette, Mr. Nedzi, Mr. Nolan, Mr. Ottinger, Mr. Scheuer, Mr. Tsongas, Mr. Waxman, and Mr. White):

H.R. 13126. A bill to amend the Higher Education Act of 1965 to provide a system of reduced-interest loans to students in institutions of higher education, and to provide for a system of income-contingent repayment thereof, and for other purposes; to the Committee on Education and Labor.

By Mr. MAGUIRE (for himself, Mr. Bedell, Mr. Cohen, Mr. Cornell, Mr. D'Amours, Mr. Dent, Mr. Edgar, Mr. Fish, Mr. Fithian, Mr. Gilman, Mr. Kastenmeier, Mr. LaFalce, Mr. Lehman, Mr. Litton, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Nix, Mr. Ottinger, Mr. Rodino, Mr. Rosenthal, Mr. Santini, and Mr. Charles Wilson of Texas):

H.R. 13127. A bill to amend the Internal Revenue Code of 1954 to allow individuals who have attained age 65 a nonrefundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. Gibbons, and Mr. Ryan):

H.R. 13128. A bill to abolish certain Federal regulatory agencies and to cause the self-destruct of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly to the Committees on Government Operations and Rules.

By Mr. MOAKLEY:

H.R. 13129. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701–3795) to emphasize crime prevention as a major purpose of that title and to require that each comprehensive State plan include a program for the prevention of crime against the elderly; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 13130. A bill to establish an Executive Department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mr. RODINO:

H.R. 13131. A bill to amend the act commonly called the Clayton Act to provide for premerger notification and stay agreements; to the Committee on the Judiciary.

By Mr. SANTINI:

H.R. 13132. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the label on certain food products to disclose the total sugar content thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON (for himself, Mr. Ambro, Mr. Carney, Mr. Helstoski, Mr. Solarz, and Mrs. Spellman):

H.R. 13133. A bill to preserve the public health, safety, and welfare by prohibiting the entrance into and operation within the United States of civil supersonic aircraft that do not meet appropriate noise standards; to the Committee on Public Works and Transportation.

By Mr. BENNETT (for himself, Mr. Carr, Mrs. Lloyd of Tennessee, Mr. Buchanan, Mr. Mann, Mrs. Spellman, Mr. Long of Maryland, Mr. Fascell, and Mr. McKinney):

H.R. 13134. A bill to amend title 18, United States Code, to provide that any parent who kidnaps his minor child shall be fined not more than $1,000, or imprisoned for not more than 1 year, or both; to the Committee on the Judiciary.

By Mr. D'AMOURS:

H.R. 13135. A bill to clarify the status of certain waters in the State of New Hampshire for the purposes of the Federal Boat Safety Act of 1971; to the Committee on Merchant Marine and Fisheries.

By Mr. KARTH (for himself, Mr. Oberstar, Mr. Bergland, Mr. Nolan, Mr. Hagedorn, and Mr. Frenzel):

H.R. 13136. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McCLORY (for himself, Mr. Anderson of Illinois, Mr. Carter, Mr. Del Clawson, Mr. Collins of Texas, Mr. Conlan, Mr. English, Mr. Ketchum, Mr. Lagomarsino, Mr. McCloskey, Mr. McDonald of Georgia, Mr. Milford, Mr. Mollohan, Mr. Moorhead of California, Mr. Rees, Mr. Roybal, and Mr. Wiggins):

H.R. 13137. A bill to amend the voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. MURPHY of New York (for himself, Mr. Lundine, Mr. McHugh, and Mr. Lent):

H.R. 13138. A bill to amend the Regional Rail Reorganization Act of 1973 to authorize States to acquire certain rail properties from the Consolidated Rail Corp., and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN (for himself, Mr. Krebs, and Mr. Rodino):

H.R. 13139. A bill to increase the aggregate authority for long-term direct loans to nonprofit sponsors for the construction of housing for the elderly and handicapped; to the Committee on Banking, Currency and Housing.

By Mrs. SPELLMAN (for herself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Mr. Burke of Massachusetts, Mr. Downey of New York, Ms. Holtzman, Mr. Long of Maryland, Mr. Pattison of New York, Mr. Reigle, and Mr. Richmond):

H.R. 13140. A bill to establish as part of the outdoor recreation programs a program to permit certain residents to cultivate gardens on dormant Federal lands; to the Committee on Interior and Insular Affairs.

By Mr. SPENCE (for himself, Mr. Davis, Mr. du Pont, Mr. Haley, Mr. Mann, Mr. Martin of North Carolina, Mr. Nix, Mr. Preyer, Mr. Stephens, Mr. Taylor of North Carolina, Mr. Holland, Mr. Derrick, and Mr. Jenrette):

H.R. 13141. A bill to authorize the establishment of the Eutaw Springs National Battlefield Park in the State of South Carolina, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.J. Res. 916. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. WINN (for himself, Mrs. Lloyd of Tennessee, Mr. Scheuer, Mr. Downing of Virginia, Mr. Jenrette, Mr. Collins of Texas, Mr. Sebelius, Mr. Hefner, Mr. Bafalis, Mr. Holland, Mr. Frey, Mr. Mollohan, Mr. Baldus, Mr. LaFalce, Mr. Allen, Mr. Roe, Mrs. Mink, Mr. Stark, Mr. Vigorito, Mr. Conlan, Mr. Cleveland, Mr. Rodino, and Mr. Patterson of California):

H.J. Res. 917. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. Alexander, Mr. Anderson of Illinois, Mr. Beard of Rhode Island, Mr. Robert W. Daniel, Jr., Mr. Henderson, Mr. Long of Louisiana, Mr. Madigan, Mr. Michel, and Mr. O'Brien):

H. Con. Res. 608. Concurrent resolution to protect European duties on oilseeds and oilseed meal; to the Committee on Ways and Means.

By Mr. NOWAK:

H. Con. Res. 609. Concurrent resolution indicating the sense of Congress that every person thoughout the world has the right to a nutritionally adequate diet; and that this country increase its assistance for self-help development among the world's poorest people until such assistance has reached the target of 1 percent of our total national production (GNP); jointly to the Committees on Agriculture, and International Relations.

By Mr. GILMAN (for himself, Mr. McHugh, Mr. McDade, and Mrs. Meyner):

H. Res. 1137. Resolution establishing a select committee of the United States House of Representatives to conduct an investigation into the management of water releases by New York City from its reservoirs located in the Catskill Mountains into the Navesink-Delaware River System, and the environmental, health, and other impacts of such releases; to the Committee on Rules.

By Mr. JACOBS:

H. Res. 1138. Resolution to impeach certain U.S. Federal judges; to the Committee on the Judiciary.

By Mr. YATES (for himself and Mr. DUNCAN of Oregon):

H. Res. 1139. Resolution disapproving the deferral of budget authority relating to the Bureau of Land Management (deferral No. D76–102) which was transmitted to the Congress under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of April 7, 1976, page 9867:

H.R. 12649. March 18, 1976. Armed Services. Directs the Secretaries of the Army, the Air Force, and the Navy to prescribe duties to which women members of their departments may be assigned, and the military authority women members may exercise.

Prohibits the Secretaries of the Army, Navy, and Air Force from excluding women from combat duty, solely on the basis of sex.

H.R. 12650. March 18, 1976. Agriculture. Amends the Consolidated Farm and Rural Development Act to permit any person applying for assistance under such Act to employ a qualified attorney or title insurance company of such person's choice to perform services in connection with loans made or insured under such Act.

H.R. 12651. March 18, 1976. Science and Technology. Authorizes the Administrator of the Energy Research and Development Administration to offer financial assistance for the establishment of State energy research, development, and for specified institutes. Authorizes financial assistance for specified energy research projects of such institutes.

Directs the Administrator to establish a plan, subject to Congressional review, for the establishment of a Cooperative Energy Conservation Extension Service.

H.R. 12652. March 18, 1976. Agriculture. Establishes within the Department of Agriculture a Bureau of Agricultural Statistics to obtain information regarding the prices of food paid to producers and processors and the prices of food at the wholesale and retail level. Directs such Bureau to make recommendations for legislation to provide for lower retail prices of food when the price paid to the producer for the agricultural commodity from which the food is made is decreasing or remaining constant, and the retail price is increasing.

H.R. 12653. March 18, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on (1) articles assembled abroad with components produced in the United States, and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 12654. March 18, 1976. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development to implement the program established by the Emergency Homeowners' Relief Act in standard metropolitan statistical areas which have high home mortgage foreclosure rates.

H.R. 12655. March 18, 1976. Agriculture. Amends the Agricultural Marketing Act of 1946 to repeal the revisions of the Official United States Standards with respect to the grading of carcass beef and slaughter cattle. Authorizes and directs the Secretary of Agriculture to promulgate regulations to establish different and nondeceptive grade designations and specifications for beef.

H.R. 12656. March 18, 1976. Rules. Requires under the Congressional Budget Act of 1974 that the Federal budget deficit for fiscal years 1977–1980 must be a specified decreasing percentage of the deficit for fiscal year 1976. States that beginning with fiscal year 1981 Congress may not consider a Federal budget which includes a deficit.

H.R. 12657. March 18, 1976. Education and Labor. Establishes regional employment councils to administer a program for individuals aged 40 or over who are unemployed or underemployed. Directs the Secretary of Labor to undertake a program of grants and contracts for research to develop data which will assist such individuals to enter, remain in, or advance in the labor force.

H.R. 12658. March 18, 1976. Banking, Currency and Housing. Amends the National Housing Act to authorize expenditures by the Secretary of Housing and Urban Development for repair of major structural defects which create a serious danger to the life and safety of inhabitants of certain family dwellings covered by any mortgage insured by the Federal Housing Administration.

H.R. 12659. March 18, 1976. Banking, Currency and Housing. Amends the National Housing Act to authorize expenditures by the Secretary of Housing and Urban Development for repair of major structural defects which create a serious danger to the life and safety of inhabitants of certain family dwellings covered by any mortgage insured by the Federal Housing Administration.

H.R. 12660. March 18, 1976. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 12661. March 18, 1976. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leaves on the Outer Continental Shelf.

H.R. 12662. March 18, 1976. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 12663. March 18, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act of 1974 to direct the Secretary of Agriculture to include in the Renewable Resource Program, national program recommendations which take into account specified policy objectives.

Requires the Secretary to provide for public participation in the formulation and review of proposed land management plans and to promulgate regulations to their development and revision.

Revises provisions relation to the sale of timber found on National Forest Service lands.

H.R. 12664. March 18, 1976. Interstate and Foreign Commerce. Extends appropriations for emergency medical service systems under the Public Health Service Act. Authorizes the Secretary of Health, Education, and Welfare to conduct and support programs related to the treatment and rehabilitation of individuals injured by burns.

H.R. 12665. March 18, 1976. Post Office and Civil Service. Requires the United States Postal Service to consider specified factors in determining the need for an existing third- or fourth-class post office. Sets guidelines relating to such determinations.

H.R. 12666. March 18, 1976. Interstate and Foreign Commerce. Establishes within the Department of Health, Education, and Welfare a Home Health Clearinghouse to consolidate information on services and benefits available to the elderly.

Creates in the Department an Assistant Secretary for Elderly Health.

H.R. 12667. March 18, 1976. Education and Labor. Directs the Secretary of Health, Education, and Welfare to make grants to States having approved comprehensive plans for providing counseling assistance to the elderly, such grants to be distributed on the basis of statewide need and priorities. Permits the use of grants to fund preretirement and career counseling programs, referral services, community activities, and counseling for families of sick and disabled senior citizens.

H.R. 12668. March 18, 1976. Judiciary. Amends the Legal Services Corporation Act to direct the Corporation to provide financial assistance to qualified programs designed to furnish legal assistance to eligible older persons in connection with any determination relating to eligibility or payment for home health services or specified health-related hearings under the Social Security Act.

H.R. 12669. March 18, 1976. Ways and Means. Amends the program of Grants to States for Social Services of the Social Security Act: (1) to authorize the payment of excess funds to States for programs aimed at preventing or reducing inappropriate institutional care by making home or community-based care available; (2) to specify the level of Federal support for multipurpose senior center programs; and (3) to require the standardization of eligibility requirements for Federal support to such programs.

H.R. 12670. March 18, 1976. Banking, Currency and Housing. Amends the National Housing Act to direct the Secretary of Housing and Urban Development to give special emphasis to insuring mortgages covering medical practice facilities which are primarily for the purpose of providing preventive, diagnostic, and treatment services to elderly outpatients.

Amends the Housing and Community Development Act of 1974 to direct the Secretary to insure mortgages made in connection with senior centers offering health, nutritional, educational, and social facilities to elderly persons, regardless of whether such centers offer housing facilities.

H.R. 12671. March 18, 1976. Ways and Means. Authorizes a tax deduction, under the Internal Revenue Code, for any taxpayer who contributes the right to use any real property owned by the taxpayer to a tax-exempt organization for use by a qualified senior citizen facility.

H.R. 12672. March 18, 1976. Education and Labor; Interstate and Foreign Commerce. Amends the Older Americans Act of 1965 to increase the amounts authorized to be appropriated in fiscal years 1976–1978 for purposes of informational exchange on the subject of retraining programs for older Americans. Allows the Secretary of Health, Education, and Welfare to make grants under such

Act to cover the cost of administering and operating multipurpose senior centers.

Declares it the sense of Congress that any Federal legislation establishing a national health insurance program should include specified provisions relating to the availability of home health services for older persons.

H.R. 12673. March 18, 1976. Appropriations. Appropriates a supplemental amount for carrying out the home health services provisions of the Health Revenue Sharing and Health Services Act. Appropriates specified sums for the purpose of making multipurpose senior center grants under the Older Americans Act of 1965.

H.R. 12674. March 18, 1976. Interstate and Foreign Commerce; Ways and Means. Amends the Social Security Act to prohibit nursing homes and skilled nursing facilities participating in the Medicare or Medicaid program from requiring patients to turn over their social security benefit checks after giving advance notice of their intent to leave such homes.

H.R. 12675. March 18, 1976. Interstate and Foreign Commerce. Amends the Health Revenue Sharing and Health Services Act and the Social Security Act to allow the Secretary of Health, Education, and Welfare to make grants and loans to fund home health services, annual health fairs, community care services, and mobile health facilities for the elderly. Expands the medical coverage of the Social Security Act to include preventive health care, diagnostic services, hearing aids, foot care, dental care, vision aids, and specified care and services for the elderly.

Amends the Public Health Service Act to require that $20,000,000 be obligated for grants and contracts for emergency medical services systems for the elderly.

H.R. 12676. March 18, 1976. Ways and Means: Interstate and Foreign Commerce. Amends the Medicare program of the Social Security Act: (1) to remove all limits on the number of home health visits for which payment will be made under such program; (2) to provide coverage for specified preventive health care services; (3) to extend coverage to outpatient rehabilitative services and services furnished in elderly day care centers; and (4) to extend the scope of professionals standards review organizations to health care facilities in addition to hospitals and to health professionals in addition to physicians.

H.R. 12677. March 18, 1976. Interstate and Foreign Commerce. Amends the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to authorize the Secretary of Health, Education, and Welfare to designate National Alcohol Research Centers for the purpose of interdisciplinary research relating to alcoholism.

Amends the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and the Drug Abuse Office and Treatment Act of 1972 to require State alcohol and drug abuse programs, and the Secretary, to give special consideration to alcohol and drug abuse treatment and prevention for women and juveniles.

H.R. 12678. March 18, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to formulate plans and fund programs to promote health information, preventive health services, and education in the appropriate use of health care. Creates within the Department of Health, Education, and Welfare an Office of Health Information and Health Promotion. Directs the Office to establish a national clearinghouse to facilitate health information exchange.

Authorizes the Secretary to make grants to States and public and nonprofit private entities to support disease prevention and control programs.

H.R. 12679. March 18, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the appropriation of specified sums in fiscal year 1976–1979 for the purpose of continuing Federal assistance programs for health services research and statistics and Federal programs for assistance to medical libraries.

Directs the Secretary of Health, Education, and Welfare to use and permit use of Department resources, provide technical assistance and advice, make grants, and enter into contracts for the provision of health services research and health statistics training for the purpose of aiding federally funded projects for health research experiments.

SENATE—*Thursday, April 8, 1976*

The Senate met at 12 o'clock meridian and was **called to order by Hon. Wendell H. Ford**, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou Changeless God of this changing age, to whom our prayers ascend each day, help us, in the stewardship of high office to separate the eternal from the temporal, the permanent from the tentative, the enduring from the perishing. Preserve us from doing hastily the wrong thing in the wrong way when study and patience and hard work may achieve the right thing in the right way. Show us how to move when the way is clear, to take the steps which can be taken, and to seek Thy light upon the unfinished task. To this end, we beseech Thee to guide the President, the legislative bodies, and all servants of the people to govern wisely for the well-being of the whole Nation, and for justice and peace in the world.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., April 8, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Wendell H. Ford, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, April 7, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE MEETINGS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services, the Committee on Public Works, the Committee on Labor and Public Welfare, the Committee on the Judiciary, the Committee on Commerce, and the Select Committee To Study Governmental Operations With Respect to Intelligence Activities be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I also ask unanimous consent that all other committees be authorized to meet until 1 p.m. or the end of morning business, whichever comes later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATING THE KAISER ROADLESS AREA IN CALIFORNIA FOR STUDY TO DETERMINE SUITABILITY FOR PRESERVATION AND WILDERNESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 700, S. 75.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 75) to study certain lands in the Sierra National Forest, California, for possible inclusion in the National Wilderness Preservation System.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The bill (S. 75) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture, in accordance with the provisions of subsection 3(d) of the Wilderness Act (78 Stat. 890, 892), relating to public notice, public hearings, and review by State and other agencies, shall review, as to its suitability or nonsuitability for preservation as wilderness, certain lands in the Sierra National Forest, California, which comprise approximately twenty-eight thousand acres, and which are generally depicted on a map entitled "Kaiser Wilderness Study Area", dated February 1974. The Secretary shall report his findings to the President on or before the expiration of the two-year period following the date of the enactment of this Act. The President shall submit promptly thereafter to the United States Senate and House of Representatives his recommendations with respect to the designation of such area or portion thereof as wilderness. Any recommendation of the President that such area or portion thereof shall be designated as wilderness and, therefore, as a component of the National Wilderness Preservation System shall become effective only if so provided by an Act of Congress.

SEC. 2. During the review period provided by this Act and for a period of four years after the recommendations of the President are submitted to the Congress, the Secretary of Agriculture shall manage and protect the resources of the lands depicted on such map in such a manner as to assure that their suitability for potential wilderness designation is not impaired.

SEC. 3. The review required by this Act, including any reports and recommendations with respect thereto, shall, except to the extent otherwise provided in this Act, be conducted in accordance with the applicable provisions of the Wilderness Act.

SEC. 4. There is hereby authorized to be appropriated such amount as may be necessary to carry out the provisions of this Act.

MONTANA'S AD HOC COMMITTEE ON AGRICULTURE

Mr. **MANSFIELD**. Mr. President, as my colleagues in the Senate are fully aware, agriculture is a dominant industry in a good many Western States. Farmers and ranchers have their ups and downs. Perhaps one of the major contributors to this continuing change is the rugged independence of these individuals. In the last several years, there has been some indication that this segment of the economy is changing; and they recognize that if they are to establish a better future for themselves, they will have to organize in many areas. This has become quite apparent in Montana, with the formation of the Montana Ad Hoc Committee on Agriculture.

The farm writer for the Great Falls Tribune in Montana recently addressed this subject in a feature column. I ask unanimous consent to have the column of Dick Hansen, Jr., printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONTANA'S AD HOC COMMITTEE ON AGRICULTURE

(By Dick Hansen Jr.)

Unity in agriculture has long been the dream of many in agricultural circles. The word has many meanings—depending upon who is using it, and, the general acceptance of the word has never—nor probably ever will—characterize American agriculture.

But, there is in Montana, a unique organization called the Governor's Ad Hoc Committee on Agriculture. It has been meeting regularly in the state capitol—Helena, every other month for the past five years. This may not be unity, but it is perhaps the closest thing yet, and, as far as is known, it is the only group of its kind meeting regularly in the United States.

It is composed of every farm, ranch, and commodity group and organization in Montana. It was born with the single thought of providing producers of every state agricultural commodity the opportunity to seek answers and possible solutions to some of the problems they all had in common. It's not a public forum for any political party, or, any farm or ranch group.

Instead, it's an avenue where all farm organizations and their leaders can sit down and discuss at one table, the problems of Montana farmers and ranchers, and then return to their respective groups or organizations and take whatever action or position is best for their individual group.

Another prime goal of these bi-monthly meetings is education—being able to get top-notch speakers, and specialists in almost every agricultural field, and be able to ask questions and get information which may not be available otherwise.

These ad hoc meetings are public—anyone can attend. And more, can be heard by the committee if he, or she, so desires.

Despite the fact that the Ad Hoc Committee voted early this year to pursue complete unity in Montana agriculture—a vote that passed unanimously, not one dissenting voice—no one tries to pretend that each and every group or organization is in full agreement on everything. This would simply be a rubber-stamp farce.

Instead, they each try—with almost total success—to lay aside those policies and philosophys and diverse opinions—and concentrate instead on the areas of mutual concern. And, they have found more and more, that this is a vast area—one which leaves little time, or inclination, for petty bickering over differences.

Along with this, the committee has deliberately tried to maintain a low profile. Many Montana farmers and ranchers still have never heard about it. They rarely—if ever—make any state farm or ranch policy as such. But, through discussion, education, association, and study, they are each far better equipped to go back to their respective groups and suggest or inform members on positions, policy, issues, and problems.

And, quite often this turns out to be a unanimous stand by all, or the majority of the committee groups represented. When this is the case, as it has been a number of times in the past, there is tremendous clout when such a unified force wants something done—or corrected. And, the track record in this regard is outstanding also.

Moreover, they are finding that they can still remain individuals, while at the same time working hand in hand with each other in such things as agricultural research, education, taxation, transportation, marketing—and many more equally vital common areas.

So, while this may not represent the 'unity of agriculture' that many seek, for Montana agricultural producers, the Ad Hoc Committee is close enough—at least for now.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. The Senator from Pennsylvania is recognized.

Mr. **HUGH SCOTT**. Mr. President, I yield back my time.

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from Arizona (Mr. FANNIN) is recognized for not to exceed 10 minutes.

Mr. **FANNIN**. Mr. President, I ask unanimous consent that Mr. James Hinish, of my staff, have the privilege of the floor this morning.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

THE EFFECTS OF FEDERAL REGULATION ON ENERGY AND NATURAL RESOURCES

Mr. FANNIN. Mr. President, this morning we are going to have a discussion of the effects of Federal regulation on energy and natural resources. This is a continuation of several discussions we have had on the floor of the Senate by a large number of Senators. It is vital that we continue these discussions and that we rapidly develop legislation which will accomplish the objectives that I think are generally the feeling of the Members of this body.

Government overregulation of business has led to higher prices consumers must pay for goods and services they need. It has also been responsible for critical shortages in products that the public uses. Nowhere is the failure of Federal regulation more evident than in the field of energy.

Today, Mr. President, we are holding this colloquy—the fourth in this current series of discussions on matters affecting regulatory reform—to examine the effects of Government regulation on energy and natural resources.

Mr. President, the cost of environmental cleanup is a high one, in both economic and employment terms. We see this reflected in many ways throughout this Nation. Arizona's most recent example of this has been a controversy over pollution control of our copper smelters.

No one debates the desirability of clean air, nor the need to comply with regulations to achieve this objective. The debate centers over a lack of data by the Federal Government about what constitutes unhealthy levels of pollution and what is technically available or effective as a means by which to reach our environmental goals.

In the case of the copper smelters, emission control regulations were hastily written to meet the normal arbitrary deadlines. As a result, existing plans for a Colorado industry were used, with some modification but with an alarming lack of technical investigation for suitability to the smelter control problem. At the last report, the State of Arizona was still attempting to draft emission regulations that were technically attainable and satisfactory to the EPA.

I think we all recognize that there is no commonsense judgment in having regulations that cannot be achieved. When we do not have the technology available, we should not set standards that are not obtainable. Over the years, we have seen millions of dollars actually wasted because the standards that were set had unreasonable levels, levels that could not be achieved either economically or from a practical standpoint. The millions of dollars spent to achieve earlier, now obsolete, EPA demands will simply have to be absorbed by the copper industry, and eventually by consumers.

I ask unanimous consent that the article entitled "How EPA Bungled the Smelter Emission Rule," published in the November 12 issue of the Eastern Arizona Courier, be printed in the RECORD following these remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FANNIN. What is most infuriating about the copper smelter case is that it follows a long line of billion dollar bungles by the Environmental Protection Agency. We now are told catalytic converters, which remove hydrocarbons from automobile emissions, produce sulphate fumes which may be more injurious than the particulates they reduce.

But the alltime EPA horror story is the recently released information about Dr. John Finklea—positive confirmation of our fears that this Agency has not only acted incompetently in many respects, but has grossly distorted the medical facts to support conclusions the Agency was determined to make about hazardous emissions.

To share the full story of this fact juggling by EPA, I ask unanimous consent to have two articles from the Los Angeles Times printed in the RECORD. W. B. Rood's articles "EPA Study—The Findings Got Distorted" and "Billion Dollar Pollution Decisions Rest on Slim Data, Official Says" should make interesting reading for my colleagues who have experienced problems in their own States with ill-suited and unrealistic regulations by this Agency.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

EPA STUDY—THE FINDINGS GOT DISTORTED

(By W. B. Rood)

Reports from a major Environmental Protection Agency research program were systematically distorted by a former agency scientist in an effort to prove that pollution from sulfur-bearing fuels had an adverse effect on human health.

This distortion, disclosed to The Times by both government and nongovernment scientists, has resulted in a mounting controversy over the need to spend billions in controlling sulfur pollution from electric power plants and raised questions about the credibility of EPA research.

While scientists are generally agreed that sulfur pollution at higher levels poses a health hazard, criticism of the distorted EPA research has raised serious questions over how low the harmful levels really are.

The EPA reports were prepared as part of the agency's Community Health and Environmental Surveillance System (CHESS) and published in 1974.

Extensive interviews with scientists and others have shown that:

Dr. John F. Finklea rewrote the work of agency scientists, often deleting what the researchers felt were important qualifiers on experimental results;

Finklea deleted material from the reports that did not show a connection between sulfur pollution and adverse health effects;

Finklea screened statistical analyses to downplay evidence tending to weaken or contradict the case against pollution; and

Finklea overrode agency scientists' objections to publishing estimates of the health impact of pollution which were either statistically dubious or unsupportable.

The consequences of these actions have far outstripped technical debate over one set of EPA studies:

Relying heavily on the disputed CHESS studies, EPA has called for controls on sulfur pollution that would cost power companies and ultimately American consumers billions of dollars.

Citing the CHESS evidence, the agency says many of the nation's power plants will not be able to switch to coal without heavy expenditures for pollution controls—costs industry spokesmen say undermine their efforts to shed dependence on foreign oil sources.

The agency's effort to defend the published CHESS studies has seriously delayed EPA's progress on new research and damaged morale among its scientists.

Evidence of bias in the CHESS studies has led to credibility problems for the agency's research arm and charges that EPA should not be entrusted with research in support of air pollution regulations.

The man whom numerous scientists within and without EPA blame for causing these problems resigned his post with the agency last year to become director of the National Institute for Occupational Safety and Health.

In answer to the charges against him, Finklea said in an interview that if air pollution researchers make mistakes, the mistakes should be in the direction of overestimating the health effects.

"I think the way we're sort of set up by law, we're supposed to give it the best professional shot we can," he said.

"But if we make a mistake it should be on that side."

Controversy over conclusions drawn in the EPA studies preceded their formal publication in May, 1974, in a monograph entitled "Health Consequences of Sulfur Oxides: A Report from CHESS, 1970–1971."

Written during the summer of 1972, the studies were circulated in draft form to scientists all over the world.

In a paper prepared for delivery at an October, 1973, National Academy of Sciences conference, two scientists—Dr. Ian T. T. Higgins of the University of Michigan and Dr. Benjamin G. Ferris Jr. of Harvard—wrote:

"It is particularly disquieting . . . that there has been a rather marked tendency to overinterpret the (CHESS) data and in particular to select findings which point to an effect of pollution on health and ignore those which do not."

Scientists were quickly joined in the fray by spokesmen for the electrical utilities, who were anxious to kill proposals for installing an estimated $11 billion in equipment for controlling sulfur oxide emissions from power plants.

Encouraged by the Nixon administration, the utilities were turning to coal in an effort to reduce their dependency on foreign oil sources.

Citing the CHESS studies as a basis for its action, EPA called for installation of costly devices termed scrubbers on 30% of the utility industry's projected coal-fired capacity by 1980.

And the industry fought back as it never had before.

American Electric Power Co.—operators of a largely coal-fired utility system serving seven states in the Midwest and Appalachia—launched a $3.1 million advertising campaign to turn public opinion against what the company called EPA's "unnecessarily restrictive regulations."

Other utilities began working through government channels to discredit the CHESS studies.

The Federal Energy Administration and the Federal Power Commission also joined in.

FEA hired its own consultants to critique the CHESS studies. The $38,000 FEA consultant study concluded that "the assumption (that) the health effects of sulfur-bearing air pollutants are largely due to the formation of sulfates, is theoretical."

Just before release of the FEA-sponsored report, the Federal Power Commission staff charged the EPA's air quality goals could result in critical power shortages.

The Office of Management and Budget—responsible to the President for watching the cost and efficiency of federal programs—was also asking questions about the CHESS program.

Faced with this barrage, EPA called for an internal review of the program. The task was assigned to the agency's Science Advisory Board, a panel of outside scientists reporting directly to the agency administrator.

The board appointed an ad hoc committee headed by Dr. James L. Whittenberger, chairman of Harvard's Kresge Center for Environmental Health, to conduct the CHESS review.

In what has become known as the Whittenberger report, the committee acknowledged that charges that "EPA scientists were 'over-interpreting their data,' that their conclusions were not supported by their data led to problems of credibility for the agency."

Although members of the committee now say they were told by EPA scientists that Dr. Finklea had distorted results of the study, the Whittenberger report did not reflect that finding.

"There was considerable feeling at various levels (in EPA) that indeed this was a correct observation, that indeed there was something of this nature happening," said Dr. George B. Hutchison, a Harvard scientist who served on the committee.

"I don't remember to what extent our report reflects this. Some of the earlier drafts reflect this more than the final report did. That's probably true. How we came to watering it down I don't really know."

Hutchison told The Times, "Yes, the finger was pointed very much at Dr. Finklea. This was rather clearly what the statisticians at Research Triangle Park (an EPA research facility in North Carolina) told us, that he was the bete noire of this difficulty and we in fact never had any evidence to the contrary.

"I guess the best guess is that he as an individual was more responsible than anyone else we know of."

Hutchison said the published CHESS studies were "systematically distorted in the direction of tending to demonstrate more association (between sulfur pollution and health) than in fact exists.

"If this sort of thing were happening nonsystematically, some of the studies exaggerating the relationships and others playing them down, then one might imagine that the thing sort of canceled itself out," he said.

"I don't think that. I think this sort of thing tended to be largely a systematic error in the direction of exaggerating the associations—making the pollutants seem more hazardous than the data supported."

The CHESS program was born of the best scientific intentions even before EPA was formed about five years ago.

Responding to calls for action from environmentalists, Congress was on the verge of enacting the Clean Air Act Amendments of 1970, the first legislation to put teeth in the nation's effort to clean up its air.

Air quality standards were to be set—to protect the health of the most sensitive segments of our population—with a margin of safety.

The CHESS program had three main objectives: to document the benefits of air pollution cleanup, to evaluate whether air quality standards set by EPA were adequate and to provide information for use in determining new standards.

To accomplish this, EPA scientists would eventually set up air monitoring stations in about 30 communities throughout the country.

Health information about residents in those communities, including seven in Southern California, would be collected using questionnaires. lung function tests and personal diaries kept by persons with heart and lung disease.

Data on levels of air pollutants would be correlated with health information in an effort to find cause-and-effect relationships.

What began as a relatively modest program with a budget of about $500,000 a year eventually become one of EPA's top research priorities with annual funding of about $5 million, according to Dr. Carl M. Shy, a former EPA scientist who helped organize CHESS.

"One of our big pushes in the CHESS program came when Jack Finklea got into the agency. He became head of the laboratory here (in North Carolina). He was an exceptionally good advocate and promoter of the CHESS program and was largely responsible for accelerating the development of it," said

Dr. Shy, who left EPA in 1973 to direct an environmental studies program at the University of North Carolina.

Dr. Finklea's capacity for working long hours amazed those who worked for him at Research Triangle Park where EPA has established the largest laboratory facility.

"He could work harder than any of us," said one scientist. "If he had an objective, we were never sure what that was, but he was going to accomplish it. That was the only thing consistent about him

"When he first came here the program had been floundering a lot more. He immediately gave us some projects to sink our teeth into and immediately that led to some publications."

Then came what EPA scientists in North Carolina call "the summer of '72."

CHESS had been under way for about two years. There had been a rash of technical problems—the kind painfully familiar to most who have conducted such studies:

—Air monitoring equipment had occasionally malfunctioned, resulting in the loss of some data;

—A spirometer used to measure the lung function of thousands of school children had proven unreliable and had to be replaced with another instrument;

—There were problems in keeping up with the massive flow of data that was coming into Research Triangle Park.

And while researchers in North Carolina were grappling with their problems, EPA headquarters in Washington had problems of its own.

Kennecott Copper Corp. in late 1971 had sued the agency in the first legal challenge of an air quality standard set by EPA under the Clean Air Act Amendments of 1970.

After hearing the corporation's arguments challenging the agency's standard for sulfur dioxide, a U.S. Court of Appeals judge on Feb. 18, 1972, ordered the EPA administrator to supply information to "enlighten the court" on the basis for the standard.

Standards come in pairs—primary standards, those to protect the public health with a margin of safety, and secondary standards, those to prevent damage to the public welfare such as injury to plant life.

Although Kennecott had challenged only the secondary sulfur dioxide standard, EPA decided to update the information in support of both standards, according to Finklea.

Among the areas chosen for study in the CHESS program was Utah's Salt Lake Basin. A major source of pollution in the area was a Kennecott smelter near Salt Lake City, and the smelter was the springboard for the company's concern over EPA's sulfur dioxide standard.

"At that time, we were told, 'You guys have got to go out and do something with no increase in budget and you've got to begin in six weeks," Finklea recalls.

Until the emergency that grew out of the Kennecott court case, EPA scientists had not viewed the portions of their studies dealing with sulfur oxides as having any greater priority than CHESS studies of other pollutants.

What ensued in the spring and summer of 1972 would have lasting impact on a young bureaucracy tasked with safeguarding the environment and on the people who were caught up in those events.

For instance, it would raise questions on whether an agency pressed in court to justify its regulatory actions could, at the same time conduct objective scientific research in support of those actions.

And it would leave lasting scars on the lives of scientists—those whose marriages were broken, whose careers were ruined. Some, they say, became psychotic, and some still sweat at the memory of turning out about 20 complex scientific papers in a matter of weeks.

"In the course of June, July and August of 1972, I'd estimate that Finklea probably worked on these studies an average of 16 hours a day," recalled one scientist.

"We were here more than one weekend, Saturdays and Sundays. Well, this had only occurred on isolated occasions before. Tempers got going. Dr. Finklea kept saying this had to get out for the good of the agency."

Another said, "We probably averaged working 100 hours a week, at least that long. He (Finklea) probably put in more time than I did.

"He would call me at eight o'clock on a Sunday morning and ask me where I was."

Against this backdrop, issues arose which scientists—some still with the agency and some who since have left—feel threatened to ruin their professional reputations.

Papers written by staff scientists were extensively rewritten in Finklea's office.

"The paper as it came out in (publication) did not resemble the first draft that we wrote, so whether or not you want to call it a rewrite or just a whole new paper . . . The papers were not recognizable from the point which we had originally written them," said one scientist.

There were cases in which Finklea went beyond revision of the drafts and ordered a new set of statistical analyses in an effort to establish a connection between sulfur pollution and health.

Health indicators such as chronic respiratory disease and asthma attacks were plotted graphically in relationship to pollution levels.

A statistical technique called multiple regression would then be performed with computers to show if there were significant relationships between pollution levels and health.

Statisticans involved in these analyses say that often Finklea would select for publication only the results "that supported the connection between pollution and adverse health."

A scientist recalled a study of persons with such diseases as asthma.

"In one particular study there were 248 regressions run and those cases which showed the desired adverse effects (on health) were selected and placed in the paper," he said.

"So it's not really the things that are in the papers," said a statistician. "He would come back and say let's do this and this and this and he would take what he wanted from it."

Asked if scientists protested, he said, "probably not strongly enough, but I got to the point where I said I'm not trying to interpret this stuff any more. I'm just going to do what you tell me."

Another statistical issue arose over the publication of what are called "hockey stick functions," so named because when they are plotted graphically the pattern resembles a hockey stick.

They are based on the theory that there is a pollution level below which a certain health effect is either nonexistent or nearly imperceptible and above which the health response rises sharply.

Publication of these functions in scientific papers attracts the sharpest scrutiny because such evidence can be used in setting air quality standards. As one EPA research administrator put it, "The lawyers in the agency are always saying, "Give us the number."

An extensive effort was made to discover such relationships in the CHESS data.

In each case, statisticians worked out what they called "confidence intervals" or tests by which they could judge the strength of relationships between given health effects and pollution levels.

One scientist involved in doing these analyses said there was often no statistical justification for saying any relationship existed.

Asked if the truth as he saw it was misrepresented in the papers, he said:

"I do believe that between the discussions and the selection of the data sets it did not represent the truth as I saw it as a statistician. I believe I was not the only one that perceived it in that manner."

At one point, "I practically broke down in tears once and I don't think I was the only one," the statistician recalled in describing attempts to confront Finklea with the issue.

Several of us sort of made an attempt to stand up to him, to disagree with him. Remember we were doing this at like eight o'clock at night since being up at six in the morning and we were kind of tired.

"What it would amount to is that his personality would just dominate you and there was just no. . ." He paused.

"So that I've forgotten how he did it but he had a way. To a couple of us he said, "If you don't want to do this just get out and we'll get it done without you.' That kind of an effect.

"You'd already sunk maybe as many hours in those few weeks as you had in the rest of the year altogether and it represented everything the whole lab had been doing."

Finklea himself says he was unaware of such intense dissatisfaction among his scientists at EPA.

"Well, you know I'm not talking to the individuals involved and I'd have to accept your judgment and appraisal of their responses there. I think a number of the drafts were not really responsive to the problems you had to deal with," he said.

"I think that I'd almost have to have all the series of drafts and lay them out for you. I think that many of them would not have been helpful to anybody looking at air pollution about anything, and if sensibilities were offended I could only apologize.

"I think we did press very hard in the time frame available. Maybe steamrolling is the correct word."

Shortly after that hectic period, Finklea was promoted from his position as head of the health effects research program to director of the entire EPA research center at Research Triangle Park.

He said that following his promotion the drafts of documents produced while he was head of the CHESS program were sent out for review by more than 100 scientists outside the agency.

And he contends that the scientists who wrote the CHESS reports were free to incorporate criticisms that came to the agency prior to final publication of the documents.

But some of the outside reviewers have reservations.

"They (EPA) got a lot of comments. They got some praise and a lot of kicks. But my feeling is that they didn't really respond very much to the criticisms at that time and many of the things that had been criticized in the draft are still in (the published monograph)," said D. R. Higgins of the University of Michigan. "This made some people unhappy."

The outside reviewers are not the only ones who are skeptical about Finklea's contention.

A former EPA official said, "Up to the moment he left (research center in 1975, about a year after publication of the monograph) he pulled the strings in that health effects laboratory. To say that the problems with those studies were corrected free of his influence is absolute nonsense."

Up until the time he left EPA and since, Finklea has repeatedly cited the published CHESS studies on sulfur oxide pollution in congressional testimony and in research papers.

In a paper bearing his name as the lead author and released just prior to his departure from EPA, Finklea cited the CHESS studies as evidence that sulfur oxides could be responsible for "thousands of premature deaths, millions of days of illness among susceptible segments of the population, hundreds of thousands of needless acute lower respiratory illnesses in otherwise healthy children and hundreds of thousands of chronic respiratory disorders among adults."

Statements such as these have rankled many scientists, among them those still working with EPA at Research Triangle Park with masses of CHESS data yet to be reported.

"After things were (published) what happened is that Finklea moved up and people were sort of left defending what was done ... We didn't think it was a scientific document most of us wanted to defend," said one EPA scientist.

Finklea carried his case to contacts in Congress.

"I think Jack was concerned that his scientific findings wouldn't get the attention he thought they deserved," said a source close to the Senate subcommittee on environmental pollution, who said he developed "a relatively unique relationship with Finklea."

The result was that, even before the sulfur oxides papers had been published, the CHESS studies became a major bit of ammunition in the national debate over control of sulfur oxide emissions.

And when they were published, they became a controversy unto themselves.

"The very controversy around this caused much scrutiny. Look, full-page ads in the New York Times and the Washington Post by the electrical power companies attacking the sulfate, sulfur dioxide, sulfur oxides control policy of the agency, which were largely predicated on the CHESS monograph," said Dr. Knelson, who inherited the EPA program once under Finklea.

"I see this tremendous attack by industry. The Office of Management and Budget is responding to that by saying, gee, what did you guys do wrong, why is the CHESS program so controversial?

"This caused repeated review by outside experts and so forth. The review process itself brings the program to a halt, which is essentially what has happened."

The issue has placed EPA in an excruciating regulatory position.

The CHESS monograph cites sulfates as being the sulfur oxide most suspected of causing adverse health effects, yet EPA publicly says this finding needs further confirmation and, consequently, no air quality standard for sulfates can be set.

(Sulfates are a part of the sulfur oxides family and are produced in the atmosphere by a complex series of reactions from sulfur dioxide—the major sulfur pollutant emitted during fossil fuel combustion.)

There are however, air quality standards for sulfur dioxide. The generators of electrical power say they can meet these standards by what they call intermittent control strategies—such things as tall power plant stacks and switching to cleaner-burning fuels when sulfur dioxide exceeds allowed levels around the plants.

EPA argues this is not enough. The agency points to evidence that tall stacks loft sulfur dioxide over the area immediately surrounding power plants—that this pollutant is transported downwind and converts to sulfates as it goes.

And the agency contends that these sulfates exist for days in the atmosphere, traveling perhaps hundreds of miles from their source.

Thus, the great debate over sulfates and CHESS. Sulfate discharges over urban areas have already reached concentrations the published CHESS papers indicate are harmful to health.

So while the agency says it doesn't know enough to set a firm standard for sulfates, it has said there is sufficient information to believe existing sulfate levels pose "significant risk."

On these words, "significant risk", hinges EPA's decision to call for control strategies that industry says will cost billions of dollars.

Federal law allows the agency to require emission controls on power plants converting to coal under certain conditions if they will produce pollutants for which there is at present no air quality standard—pollutants which pose a significant risk to health.

The agency has chosen to apply this "significant risk" provision only to sulfates "based on currently available health effects information," including CHESS.

At the same time, EPA has declared that it will take three to five years before research can provide the information needed to decide on an air quality standard for sulfates.

To date, EPA has published only the fulfur oxides information from CHESS studies conducted during 1970 and 1971.

Meanwhile, according to agency scientists, billions of bits of additional data have been collected—far more than served as a basis for the published monographs.

Those who have looked at preliminary reports based on the unpublished data say they contradict conclusions drawn in the published studies done during the summer of 1972.

Dr. Stanley M. Greenfield, former EPA assistant administrator and now president of a consulting firm, has been retained by the Electric Power Research Institute—an industry group.

As part of an effort to help build a research program for the institute, Greenfield is examining the CHESS studies.

"We have found definite contradictions between the published studies and those based on data from later years," he said.

He cited a study of elderly cardio-pulmonary patients in three communities in the New York City metropolitan area.

In the published studies, Greenfield said, average daily percentages of patients reporting shortness of breath were 6.7%, 25% and 30%.

A draft report of data from the following two years noted that the percentages for the three communities had dropped to 6.3%, 5% and 2%. However, Greenfield said, there was no corresponding drop in concentrations of sulfate in the three communities, which the published study linked to shortness of breath.

So the controversy over CHESS rages on even after collection of data under the program has been halted by EPA.

The man who is currently overseeing analysis of the remaining mound of data explained what it has all meant to him and to his research program.

"First of all let me say I believe the weight of evidence does indicate that, if there was not conscious overinterpretation, at least there was some selective inclusion of conclusions in the (published CHESS) report.

"What that has meant to me is that I've had one hell of a time convincing the country, if you will, that this kind of a program can be conducted to the benefit of everybody, including industry.

"It has made my job very difficult. It's made me discouraged to the point of despairing that I'll ever be successful in continuing the kind of studies that are indispensable to establishing a reasonable control strategy for the country."

Billion-Dollar Pollution Decisions Rest on Slim Data, Official Says

(By W. R. Rood)

"We are making multibillion dollar decisions about controlling air pollution on a 25-cent data base."

That statement comes not from a disgruntled industralist but from Dr. John Knelson, the man who heads the laboratory set up by the Environmental Protection Agency to determine the links between air pollution and public health.

And laboratories are where the action is in air pollution—or at least where people like Knelson think it should be—at a time when the issue has evolved from one that drew thousands of marchers into the streets to one debated in the halls of science.

To be sure, the financial stakes are still high enough, the exchange between industry and the environmentalists still hot enough, that politicians still feel drawn to the issue.

The scientists have become the darlings of the day—wooed by industry whose executives are realizing that fist banging hasn't worked, and by government officials whose policies are being subjected to increasingly sophisticated scrutiny.

Even the environmental groups have their share of Ph.D's.

In the middle are the government scientists—doing research of their own and evaluating that of others to find a sound basis for some of the most costly regulatory decisions the country has ever made.

"You can decide that an energy policy predicated on public health, or an air-pollution control strategy that costs money and is predicated on public health is justifiable, and be wrong, be wrong in the direction of overcontrolling or controlling the wrong thing," said Knelson.

"That is why you don't wager billions of dollars in a time of financial difficulty like we're in now on almost no information.

"We are overcontrolling. That's a possibility. In the absence of information, legitimately, environmentally concerned people have a tendency to err in the direction of safety, which is right. The prudent man hedges his bet and says, "If it could be bad for me, I better watch out and control.'"

But even prudent people are scratching for rent money these days, and air-pollution scientists are under increasing pressure to come up with more exact information.

It's gotten to be almost an annual event for Congress to ask the National Academy of Sciences for a report examining the scientific basis for national air quality standards.

And the academy's replies, year after year, vary on the theme that there are great gaps in our knowledge about the effects of air pollution on health, but based on the incomplete information the standards should be left alone.

The problem, according to those controlling air pollution, is that the law doesn't allow for ignorance. The Clean Air Act says standards should be set to protect the most sensitive segments of the population with a margin of safety.

Even some scientists who help prepare the national academy's replies to Congress are having their doubts about the legal foundations for air-pollution control.

"I think that the problem with the legislation on these matters is that it says the standards ought to be set up to protect everybody. That's a physical impossibility," said Dr. Benjamin G. Ferris, a Harvard scientist.

"I think that's a lot of window dressing to say we're thinking of the smallest sparrow, which you probably don't do. Because if you're going to adhere to that you ought to set the (pollution) levels at zero. You'll always find a sensitive bloke who will flip out on you."

The problem, according to the scientists, is that we don't have the scientific basis for clearly defining the risks and the benefits.

The prevailing sentiment among many air-pollution researchers interviewed by The Times is not that we should begin tampering with existing standards.

Rather, they say, a nation demanding adequate controls on air pollution should give its scientists the resources to determine a rational basis for those controls—something besides what EPA's Knelson calls the 25-cent data base.

When EPA's Office of Research and Development was formed along with the agency more than five years ago, agency officials expected it to contain 6,000 persons by 1975.

Most recent figures show that there are

1,999 persons in the office, and Dr. Wilson Talley, assistant EPA administrator for research and development, has been told that he must cut that number by 250 before the close of the fiscal year.

The reason for the cut is personnel ceilings imposed on the agency by the Office of Management and Budget as part of the Ford Administration's program for cutting the size of the federal bureaucracy.

"It will mean sloppy work and slipped deadlines," said Talley.

There are other problems that would make it difficult for the agency to overcome its research problems even without personnel ceilings.

One is the effect of a decision to cut federal funding for the training of research physicians.

Five years ago, EPA's health efforts research program included 25 physicians. Today there are none.

EPA also has trouble holding onto its physician-researchers.

Dr. Carl M. Shy, a physician who resigned from the health effects program, described the problem this way.

"You get fed up with the fact that you set up a research program with a set of objectives and find yourself constantly being torn away from it to other issues," said Shy.

"Within the federal government, the reward is not so much for great scientific work as for good administration."

Shy said he was a casualty of that system.

"I think I looked down the road and said I've been here six years. Do I want another six years of this? What are my alternatives? I looked at the alternatives and came to the university where there isn't the kind of tearing apart you get in the agency."

The agency's answer to its manpower problems has been money.

"We get plenty of money but no new positions," explained one agency official.

To a large extent, the agency's Office of Research and Development spends much of its effort finding others who can use the money.

"The research has tripled since 1966 and there are fewer people doing research. It's doubled in the last two or three years, and there are fewer people in the Office of Research and Development to do it," said Talley.

"We've gotten ourselves into a mode where, out of a quarter of a billion dollars, we only spend about $70 million in-house for our own people, and all the rest is transferred to other governmental agencies, to universities, to nonprofit organizations."

Agency scientists complain that farming out research to contractors hasn't worked.

"Legally, under federal regulations for administering contracts, you cannot tell a contractor's employees what to do. This severely inhibits our capabilities for doing high-quality work," said one air-pollution researcher.

While the agency is grappling with these administrative headaches, outsiders are beginning to ask whether EPA should even be in the research business and, if so, to what extent.

For instance, there is a growing feeling that for a regulatory agency to be doing its own research is a conflict of interest.

The conflict lies between the regulators, who run the agency, and the scientists who work for them.

"My feeling is that a regulatory agency, especially a young one like EPA, is anxious to justify its existence by regulating," Shy said.

"The agency wants to regulate, let's say, on less than complete evidence, because the people who are doing the regulating are not scientists. They're lawyers and engineers, and they don't understand the complexities of these kinds of studies—the fact that a study doesn't give black and white results."

The very nature of EPA's mission, some say, creates pressure for agency scientists to stretch their results in proving the connection between human health and pollution.

Such charges have prompted the agency to form panels of outside scientists to review EPA research.

One of these scientists, Dr. Ian Higgins of the University of Michigan, discussed the problem as he saw it illustrated in EPA research.

"I think (EPA scientists) were determined to get things out somehow and maybe looked upon their mission as primarily to reduce air pollution and obviously under those terms one goes into the game with a certain inherent bias," he said.

"If I looked upon my task in life as reducing air pollution, I would certainly concentrate on those cases where pollution seemed to be doing harm.

"I don't see how you can expect otherwise and I think many people have felt it was a mistake for the regulatory agency to be concerned with the collection of data which would provide the scientific background for regulating the air pollution."

Issues such as these are under study by a National Academy of Sciences task force. The study was initiated in 1974 with a $5 million congressional appropriation and is scheduled for publication in June, 1977.

Among other things, an academy spokesman said, the study will explore whether an agency such as EPA would "have the courage to initiate an experiment that would invalidate its standards."

There are stirrings in Congress as well. Several committees have been asking questions about the conflict between the agency's regulatory and research arms.

"We're concerned," said one congressional source, "because the research hasn't been adequate to date. Since they haven't been doing the job that everyone, themselves included, thinks should be getting done, we have to ask why."

Mr. FANNIN. The cost to our Nation of the EPA's unscientific approach to pollution control is too large to even be computed, but we can be sure that these maneuverings have contributed significantly to the increasing materials shortage and continuing unemployment problem.

Mr. President, my State of Arizona happens to have mined approximately 50 percent or more of the copper produced in the United States. In fact, it has gone up this year, 1975, and is even above the figures that were very striking in prior years. So this is of great concern to the Members of our delegation from Arizona and, of course, should be of great concern to all of the people of this Nation and especially to Members of Congress. If we continue to cut down on our production of copper—and certainly, we are restricting the ability of my State of Arizona to produce the copper that we know we shall need in the future by having unrealistic regulations such as have gone into effect. They certainly should be changed if we are to go forward with the programs that are necessary, from the standpoint of our needs here of the domestic industry commercially, and also from the standpoint of the preservation of the defense posture of this Nation. Copper plays a very important part in this development, so we must take that into consideration.

When we talk about examples that are happening around the country, they certainly are adversely affecting what we can do both from the standpoint of the production of metals and the production of other materials, and we must look at the reason for this.

FEDERAL POWER COMMISSION

Other striking examples of adverse impacts of regulation in the energy and environment area have stemmed from Federal Power Commission—FPC—jurisdiction over natural gas prices. This has been conducive to delay, uncertainty, and distortions between the prices of natural gas produced for sale in interstate versus intrastate markets, and between the price of natural gas and that of other fuels. The result has been increasing shortages of natural gas and a widening gap between supply and demand.

I reiterate the importance of this particular subject because I feel it is absolutely essential that we take action during this session of Congress. Certainly, we should take action in the next few weeks, and I hope we will.

Additional Federal Power Commission regulations established curtailment priorities would have been unnecessary, if natural gas prices had not been so constrained.

Natural gas regulation has been counterproductive from the start. To trace a little history of it, in 1954, the Supreme Court, in the Phillips case,[1] held that the FPC had the authority to regulate the wellhead price at which natural gas producers sell gas to interstate pipeline companies.

The problems of implementing this decision became immediately apparent. The initial method of regulation involved a case-by-case, cost-of-service approach with thousands of gas producers filing rates with the FPC. This led to a situation which was described as "without question the outstanding example in the Federal Government of the breakdown of the administrative process."[2] The Federal Power Commission itself agreed that—

> Producers of natural gas cannot by any stretch of the imagination be classified as traditional public utilities. The traditional . . . method of regulating utilities is not a sensible or even a workable method of fixing the rates of independent producers of natural gas."[3]

The FPC went on to say that even if its staff were tripled, the case-by-case approach would not result in the FPC eliminating its backlog until the year 2043. At the time of President Kennedy's special message on regulatory agencies shortly after he came to office in 1961, there was already an FPC backlog of 4,000 gas rate increases.

The distinguished Senator from New Mexico, a producing State, is very familiar with what this has done in the development of these natural resources. Certainly, it has been of great concern to all of us. I happen not to be from a producing State, but certainly, it has been suffering from not having this development.

---

[1] Phillips Petroluem Co. vs. Wisconsin—1954.

[2] James Landis—Report on Regulatory Agencies to the President-elect—1960.

[3] Cited in "The Regulators"—Louis Kohlmeier 1969 (Page 195).

After the failure of the case-by-case approach, the FPC instituted a national area rate approach dividing the county into 23 different geographic areas, within each of which gas producers would have identical prices. Establishing the area rates was an incredibly lengthy process. The first Permian Basin area rate case, which established ceiling prices for natural gas within one of the larger natural gas producing areas and which also created a two-tier pricing system by making a distinction between "old" and "new" gas, took 7 years to conclude. The proceeding was begun in 1961, completed in 1965 and finally affirmed by the Supreme Court in 1968. This pattern was repeated in other areas with the Hugoton-Anadarko case taking from 1963 to 1971, the first and second southern Louisiana cases taking from 1961 to 1974, and so on. The results have been evident, lengthy delay and persisting uncertainty over prices.

The FPC recognized many of these problems and developed a number of proposals to modify the basic system. These included instituting area rates by rulemaking process, issuing limited term certificates with pregranted abandonment to enable interstate pipelines to obtain additional supplies for emergency needs, and establishing an optional pricing procedure. These attempts to expedite ratemaking and to raise prices have themselves taken time. For instance, it has taken almost 2 years for the FPC to issue an opinion in the Rocky Mountain area rate case. When an FPC decision has been made, it has inevitably been subject to lengthy judicial challenge.

Price uncertainty has been compounded by the possibility that natural gas prices may actually be lowered by the FPC from previously approved rates. For example, the southern Louisiana guideline rate was progressively reduced from 1960 through 1968.[4]

These examples reflect the difficulty of establishing rates through the regulatory process. The results have inevitably been arbitrary. Natural gas exploration and production is a high-risk, high-cost venture, and there is no clear relationship between costs and returns. The averaging of costs is not easy. Another problem for the regulators is the allocation of joint costs, when natural gas is produced in association with other hydrocarbons. Finally, as one observer has pointed out—

> Cost-price circularity is built into the regulatory system. Price ceilings limit exploration to those reserves the producer believes can be economically developed in the future. To the extent that price ceilings remain low, and to the extent these price ceilings influence drilling, only low-cost reserves will be developed. Accordingly, price ceilings based on cost will remain low—since only low-cost wells were drilled because of anticipated low-price ceilings. . . ."[5]

Let us briefly look at the impacts of this regulation. Production costs have risen faster than average prices. There have been inadequate incentives to produce new gas, and a decline in exploratory efforts has occurred. For the first time in 1968, production exceeded gross additions to proved reserves. The reserves-to-production ratio has since been in consistent decline. While supply is inhibited, demand has been artificially stimulated. The value of clean-burning natural gas has been kept low, relative to other fuels. Curtailments of natural gas deliveries to firm, and not just to interruptible customers have increased dramatically in volume.

As supplies decline and curtailments increase, energy users are forced to shift to higher cost supplies. As pipeline deliveries and operating load factors drop, the unit cost of service increases. Those unable to convert to other fuels or to purchase sufficient supplies are forced to shut down operations. Use of dirtier fuels requires investment in costly environmental protection equipment.

Clearly, legislation to alleviate this regulatory nightmare is urgently needed.

FEDERAL ENERGY ADMINISTRATION

The complexity and growth of an agency's regulatory functions is well illustrated in the case of the Federal Energy Administration, FEA. FEA already has 3,400 employees and a budget of $142 million which is expected to eventually triple to $440 million. 1,300 FEA employees are engaged in oil industry regulation, and that number is predicted to increase to 1,900 during the course of this year. It has been estimated that industry responses to FEA-required reports now total 2 million pages.[6]

The experience of an individual company with FEA regulation is exemplified by the Shell Oil Co. Shell estimates that it spends over $10 million a year to prepare and submit reports to the FEA. This involves over 80,000 man-days of work.

Shell cites one specific example involving excessive paper work: The FEA's proposed Petroleum Company Financial Report. It would require substantial detail, far exceeding the analytical needs of the FEA and in fact entails the development of a new complex data system to obtain information for which Shell itself has little use or interest.

NUCLEAR REGULATORY ISSUES

Another case where the regulatory process is in urgent need of streamlining is the nuclear area. In the United States, it takes 8 to 10 years to plan and construct nuclear power stations, which compares to only 6 years in France and 4 to 5 years in Japan. Not long ago the Atomic Industrial Forum sponsored a study of the causes of nuclear powerplant delays.[7] One of the main results of this study was that changes imposed by modifications in licensing and regulatory requirements were cited as a cause of delay more frequently than any other factor. The study showed that these changes helped to delay 85 percent of the reactor plants under construction and were also the cause of the most time lost, 42 percent of the total 1,119 plant-months of delay experienced by the 46 plants.

Among the delay factors cited in the licensing area were the lack of definitive criteria and standards, excessive questions delving into unwarranted detail, and changes not warranted by safety or environmental factors or not justified by cost-benefit analysis. Among those mentioned in the environmental and safety areas were the indefiniteness of the impact of "as low as practicable limits" on permitted releases of radioactive effluents and off-site radiation exposures, and delays attributable to the retroactive necessity of providing against an assumed pipe break outside reactor containment.

The largest single cause of delay, however, was related to the impact of the Calvert Cliffs court decision[8] in which the Court of Appeals for the District of Columbia laid down quite rigorous procedural requirements to which the Atomic Energy Commission had to comply in connection with granting licenses for nuclear power stations.

Another related delay factor which was highlighted by the survey was the alleged disproportionate diversion of technical personnel to regulatory matters. Some of the survey respondents cited the diversion of engineering personnel to answering questions raised by the AEC regulatory staff, many of which were considered to bear no direct relationship to safety considerations. The manpower requirements to support the licensing effort were thus seen to be in direct competition with the engineering manpower required to meet the construction schedule. Technical personnel were also being diverted to the preparation of environmental impact statements, answering questions, and participating in follow-on hearings. One respondent claimed that this diversion of his most experienced manpower to regulatory matters was probably the most serious problem currently facing him.

The economic burden of delays in the licensing and operation of nuclear powerplants has also been addressed by the Southern California Edison Co. The additional cost of 1 day's delay in terms of replacement power—fuel oil—for the company's 1,100 megawatt San Onofre unit 2, has been estimated at $590,000. Depending on the capacity factor for the plant, the results would be additional fuel costs of around $100 to $200 million for a 1 year's delay.[9]

EXHIBIT 1

HOW EPA BUNGLED THE SMELTER EMISSION RULE

(EDITOR'S NOTE.—The following article is excerpted from the Oct. 27 issue of Pay Dirt, a monthly mining industry magazine based in Bisbee and edited by William C. Epler.

Since the article was written the EPA has said rules governing sulfuric acid mist emissions have been suspended. Problems in controlling the mist were discovered only last month. Gas pollution rules will go into effect in December, however. All Arizona smelters, with the possible exception of the Phelps Dodge unit at Douglas, are expected to be able to comply with those rules.)

---

[4] Patricia Starratt—"The Natural Gas Shortage and the Congress" (1974) page 31.

[5] Starrat op. cit. Page 34.

[6] These above figures are cited in a Wall Street Journal article "Getting Entrenched" of Tuesday March 9, 1976.

[7] Pursuant to a request from the President in November 1973. The results were based on replies from 37 utility owner-operators of nuclear power projects, 47 under construction and 48 awaiting construction permits.

[8] Calvert Cliffs coordinating Committee of U.S. Atomic Energy Commission.

[9] William Gould, Executive Vice President of S. California Edison Co. and Chairman of the Edison Electric Institute's Executive Advisory Committee on Nuclear Power.

The fracas over future of at least five of Arizona's seven copper smelters continues to bubble along—and chances are it is going to get even more active in the weeks and months ahead.

Developments of the past month include:

Phelps Dodge Corporation on October 17th filed a petition with the federal Environmental Protection Agency asking it to take another look at a regulation that the company, the industry and the state say makes it impossible for the five smelters to comply with air quality standards.

The petition mentioned above is an outgrowth of a fairy tale history of the promulgation of a federal and state regulation that almost defies belief.

The word is out that the long anticipated smelter control regulations from EPA have been completed and will soon be published in the Federal Register. It is believed these regulations will require positive emission control criteria that several smelters, now nearing completion of expensive projects to meet state air quality standards, will not be able to meet.

THE FAIRY TALE

As a result of information supplied by various parties, Bruce Scott, head of the State Bureau of Air Quality Control, called a special conference meeting held October 14th in Phoenix to consider a new crisis that has arisen.

Among those attending were representatives of Phelps Dodge, several officials from the EPA's state and San Francisco regional offices, officials of other companies with smelters, state health officials and others with an interest.

John F. Boland of Phoenix, an attorney for Phelps Dodge, explained that a regulation that threatens to close five smelters was written by two federal employees under pressure to produce something. As a result, they used a Colorado regulation without considering whether it was technically feasible. He said the two men had little to work with, but under a deadline imposed by the Clean Air Act, threw together some material and turned it in, without technical investigation.

In due course, the regulation was adopted by the EPA as an official criteria and subsequently it forced the state to also adopt it in order to qualify for general grant to help cover administrative costs of the state program.

The regulation in question places a limit on the amount of particulate matter a source of pollution can emit, using a table to determine the amount by weight.

Arizona adopted the table for an area including Gila, Pinal, Pima, Maricopa and Santa Cruz counties after EPA ruled the state's original table was not stringent enough.

While the regulation currently only affects those five counties, it is expected to be but a matter of time until federal regulations make it effective in all 14 Arizona counties, thereby affecting the Phelps Dodge smelters at Douglas in Cochise County and Morenci in Greenlee County.

Boland related that he went in search of the source of the regulation when it became apparent that none of the three Phelps Dodge smelters could meet it.

"After spending $32 million at Ajo, we were unable to comply," he said. "It was apparent that something was wrong with the numbers in the table."

Boland said he asked EPA's San Francisco office to furnish technical support for the regulation.

"The answer was, 'We don't have it, it came from the EPA office in Durham' (North Carolina)," said Boland. "So, we went to Durham and said, "Show Us'."

CARDBOARD BOXES

"They handed us two cardboard boxes full of material and said that was all they knew about it," Boland related.

In combing the contents of the boxes and talking with the two employees, Boland said he finally learned of the Colorado regulation.

If the Colorado regulation had been strictly adhered to, matters might not be so bad, he said, but EPA and then Arizona made revisions that made the regulations unbearable for smelters. Apparently all that has survived of the Colorado regulation are the numbers for weight of allowable emissions.

"EPA apparently decided to give a more generous limit for the small plant and then nail the big plant," said Boland. "There is no technical support for this and Colorado knew this."

The Colorado regulation calls for the table of limits to be applied to each unit of a source, Boland explained.

In the case of a smelter, there are three processes considered important for air pollution control. They are the roaster, the converters and the reverberatory furnace. A typical smelter may have one roaster, one furnace and several converters.

The Colorado regulation, as explained by Boland, would apply the table separately to the roaster, the furnace and each converter. When revised by EPA all converters were lumped together.

The problem is that the table works on a curve rather than a straight-line progression.

Thus, a higher degree of control is required of a large plant. For example, a small plant might have to control 60 percent while a larger plant using identical processes might have to control 75 percent.

"The bigger you are, you still get no more emissions than the people half your size," Boland said.

THE BIG PROBLEM

The main reason the smelters cannot comply with the regulation is because of a sulphuric acid mist, which is produced by the mixing of water vapor and sulphur oxides burned out of the ore or concentrate during smelting.

The mist is considered part of the particulate matter and its weight must be considered part of the allowable emissions. Precipitators installed in stacks are designed to handle solid particles, such as bits of dust and ash, and do not work on vapors.

Neither state nor industry officials felt the mist was a problem until Phelps Dodge did preliminary testing at its Douglas smelter last spring and discovered an amount of acid mist in the emissions that made it impossible to stay within the total weight limit.

At the Douglas smelter, the acid emission creates no health hazard because the smelter does not have an acid plant. When an acid plant is used to strip sulphides from stack gases, the gases from the smelter are diverted into the acid plant, where they are cooled and cleaned. After passing through the acid plant, the gases are discharged—cold—up the stacks.

Without an acid plant, gases are hot when they go up the stacks at Douglas. The hot air carries the acid mist high and away and while airborne the acid aerosols—so small hundreds could fit on the point of a pin—undergo chemical transformation and fall to earth as sulphates—excellent fertilizer for the surrounding countryside.

But when the gases go up the stack cold, under certain conditions chunks of dirt and liquid sulphuric acid are formed and fall back to earth shortly after leaving the stack. As we understand it, this is what has happened several times at Asarco's smelter at Hayden, with extensive and expensive damage to automobiles parked in the area.

BETTER IN UTAH

At the October 14th conference, Kenneth H. Matheson, Jr., who recently came from Utah to Arizona to become general manager of Kennecott's Ray Mines Division, said Kennecott had challenged EPA on the table as it applied to Kennecott's smelter in Utah.

As a result of the challenge, Matheson said, "EPA has proposed a regulation in Utah that is much more lenient."

Matheson said he did not know exactly how much more lenient it was, but Boland interjected that it was 20 times more lenient.

Larry Bowerman of the San Francisco EPA office was asked if that was true, but he said he would not comment since the regulation came out of the Denver regional office of EPA and he was not familiar with it.

During the lengthy meeting, Bowerman and two other EPA officials repeatedly refused to comment on the regulation or Boland's story of tracking it down.

"We have a lawsuit pending," said Bowerman.

At the October 14th meeting, state and industry officials acknowledged that five smelters could not comply because of the mist. They are Phelps Dodge's smelters at Ajo, Douglas and Morenci; the Asarco smelter at Hayden, and the San Manuel smelter of Magma Copper Company.

The Inspiration Consolidated Copper Company smelter at Miami and the Kennecott smelter at Hayden have already complied. They happen to have used air pollution control measures that averted the possibility of the sulphur oxides and water vapor mixing.

At the conclusion of the meeting, Scott asked industry officials to submit data on their emissions and requested EPA to provide information on the proposed regulation in Utah.

Scott said an emergency state regulation could be adopted if that was the only way to avert a shutdown.

By state law, the smelters had five years in which to comply with air quality standards. That time runs out this winter.

PETITION IS FILED

In a petition filed October 17th by Boland for Phelps Dodge, the EPA was asked to look at the regulation it has substituted for the original regulation adopted by Arizona, to check the process weight table to see if the emission limitations established are suitable for use on the kind of gas stream in a copper smelter. It also asked the EPA to review the test method portion of its table, as the company believes it is not compatible.

Boland said that when Kennecott followed a similar procedure in EPA Region 8 for its Utah smelter the EPA responded favorably. He indicated he was hopeful Region 9 will respond in a similar manner.

The day after the October 14th conference in Phoenix, Senator Barry Goldwater (R-Ariz. sent a strongly-worded telegram to Russell Train, administrator of the EPA, demanding immediate revision of the regulation.

Goldwater accused the EPA of formulating the regulations haphazardly, without any supporting evidence that the standards could be met with available technology.

"Enforcement of present unreasonable standards will have disastrous effects on the economy of Arizona and will severely affect our nation's available supply of copper," his telegram stated.

He said the method used in developing the regulations appeared to be typical of many EPA actions.

"Obviously, such methods show a blatant lack of concern and the absence of technical knowledge necessary for the development of regulations for the copper industry is crucial to our country and to the state of Arizona," Goldwater said.

Goldwater's action, although welcome, was a surprise to many in the industry for he has at times been quite critical of smelter smoke. It appears obvious the inept promulgation of the regulation struck him as being unfair to the industry and the state.

BAN ON CLOSED LOOP?

Hanging over the entire smelter situation, however, is a big, black cloud in the form of the momentarily-expected EPA Arizona Plan specifying how smelters in the state will be required to meet federal air quality standards. The long-anticipated plan is to replace the plan adopted by Arizona, which the EPA said two years ago was not acceptable to it.

One of the chief worries is that EPA will ban use of the closed-loop system after a number of copper smelter operators have based air pollution control plans around it and spent many millions of dollars to meet state air quality standards.

It is anticipated the EPA's plan will eventually require Arizona smelters to meet air quality standards by positive control methods, allowing the smelters to continue using the closed-loop system only until additional positive control technology is developed. This would require expenditure of additional millions of dollars and scrapping of the closed-loop systems on which many millions of dollars have already been spent.

If the ban comes to Arizona, as it has to Nevada, it is expected there will be a barrage of lawsuits that will undoubtedly keep the matter tied up in the courts for a long time, perhaps years.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. FANNIN. Mr. President, is there time allotted to another Senator this morning?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wyoming (Mr. HANSEN) is recognized for not to exceed 10 minutes.

Mr. HANSEN. May I yield such time as the Senator may require?

Mr. FANNIN. That is all right.

Mr. MANSFIELD. Mr. President, at the conclusion of the remarks of the three Senators, there will be a morning hour, at which time the last Senator can pick up the time allocated.

Mr. FANNIN. I yield to the Senator from Wyoming. I shall complete my remarks later.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Wyoming (Mr. HANSEN).

REGULATORY REFORM

Mr. HANSEN. Mr. President, I am pleased to have the opportunity to join with my distinguished colleague from Arizona in this colloquy this morning.

The U.S. citizen may not be getting all of the Government he is paying for and for that he should be thankful. But he is still getting a lot more than he needs or should be paying for.

And while we here in this august chamber talking of regulatory reform, committees of the Senate continue hearings on legislation which would further compound the problem.

A prime example is S. 1864, the Energy Information Act now before the Senate Interior Committee.

In a recent hearing on that bill I made the following statement:

In considering such a proposal as this, I would suggest that we most carefully examine what we already have in the way of an energy information system before we take even the first step in establishing a new one.

Since the Senate almost 5 years ago approved S. Res. 45, a Study of National Fuels and Energy Policy, most every member of this committee including its distinguished Chairman—has held up as a horrible example the multitude of federal agencies involved in energy policy and the need to consolidate the energy functions of these many agencies.

A careful reading of the questions sent to these and other agencies about the existing energy data system and the staff memorandum sent to Committee members might seem to imply that there are some weaknesses in the existing system and its administration by FEA.

The FEA Administrator will later testify and I have full confidence in his ability to answer the questions that were sent to him and his opinion of the need for another agency.

Mr. Chairman, I have been under the impression that both Congress and the Administration recognized the need to consolidate the functions of agencies of the Federal government rather than create new ones, especially a new one that would seem to be a duplication of what an agency created only two years ago is already doing.

I might suggest, as many already have, that too many other agencies are now involved in energy collection data, The logic of consolidating information in an already existing and apparently efficient data collection system in an agency that also has primary responsibility and need for its use seems obvious.

Mr. Chairman, while I realize that major oil companies and their obscene profits lack some credibility before some members of the committee, I would like to quote what one major company executive told a House appropriations subcommittee recently:

"At last count, in mid 1975, we were filing 409 reports to 45 different agencies. This excludes all tax reports to the IRS and the many state and local governments."

He estimated that his company uses the equivalent of 112 people at a cost of $3.5 million per year just to fill out the 409 forms. And, he said, "this represents the tip of the iceberg. It excludes the management judgment time devoted to planning and review of government regulation and the associated reporting."

Further, he said that when compliance activities performed for such agencies as the Environmental Protection Agency and the Transportation Department are considered "The manpower and cost increase five-fold."

Although he conceded that government needs to collect certain kinds of information, he said that it is now time for a "reassessment of the need for data already obtained by the government, and a more efficient gathering and use of only that information which is essential."

All or most of this applies to smaller companies as well.

Mr. Chairman, unlike General MacArthur's observation about old soldiers, we all know that old—or new—agencies not only never die but neither do they fade away. We may establish new ones but the old ones linger on.

I am anxious to hear what our distinguished witnesses have to say.

Let me add a few excerpts from some of the testimony:

Mason Willrich, professor of law, University of Virginia:

Whether legislator, executive, or judge, the government policy maker must necessarily make decisions in the face of more or less uncertainty about the present situation as well as the future. Information may be gathered and analyzed in order to reduce uncertainty, but the benefits of doing so should outweigh the costs. Moreover, in a society where private enterprise is intended to function in a market economy, government collection and dissemination of commercially valuable information from business firms may distort private incentives and reduce economic efficiency.

A future Arab oil embargo might create petroleum shortages in America that would prove to be administratively unmanageable, and that could cause grave economic damage and social disorder in this country. However, these consequences will not result primarily from lack of energy information, but rather from lack of American political will to make the painful policy decisions necessary to keep the U.S. oil supply vulnerability at a manageable level.

This is a controversial issue that has been a continuing theme of the energy debate in the U.S. from the beginning of the energy crisis in the early 1970s. Is there a 'real' shortage of natural gas, or has the shortage been 'contrived' by the natural gas industry? With respect to natural gas supplies, the information problem is inextricably interwoven with the pricing issue.

There is a shortage of natural gas in the interstate markets at FPC regulated wellhead prices. More than two decades of FPC price regulation have built up large incentives to keep off the interstate markets any additional natural gas supplies that are discovered, and to minimize production rates from reserves dedicated to interstate commerce.

A producer's own reserve estimates, and especially the background data from which those estimates are derived, is information that a producer would jealously guard because of its economic value. The issue whether the FPC can publicly disclose such reserve data and background information obtained from natural gas producers is currently being litigated.

Conflicting information concerning natural gas availability is due in large part to uncertainty in the industry and conflict within the government itself concerning future natural gas pricing policy. In the face of present regulatory uncertainty, a natural gas producer has large incentives to withhold both information and as much gas as legally possible from the interstate market. To an outside observer, the primary difficulty would appear to be an inability of the federal government to develop a sufficient political consensus to make a policy decision. In the meantime, those engaged in the process seem to be manipulating the relevant information to suit their special interests.

The existing statutory authorities and the impact of the proposed Energy Information Act are considered in some detail in the appendix. Here I will only summarize some of the points which emerge from that analysis

The FEA's authority to collect and verify information is very broad and generally appears to be adequate for energy policy analysis. Because legal authority exists does not mean however, that the FEA will use it effectively.

First, what is effective administration will be in itself a controversial issue. Some may favor a light regulatory touch while others may desire a heavy hand.

Furthermore, money and skilled personnel are as important as legal authority in implementing massive regulatory programs. This is especially true of compliance and enforcement activities. The information flow within a large oil company may be an impenetrable jungle for a small investigatory unit. In any event, the FEA now seems quite swamped with information from the energy industry.

The need for more extensive, reliable and credible information concerning our reserves,

> production and use of energy, and of the giant corporations involved in the fuel cycles, is clear and unmistakable. Still, those goals may be achieved more effectively by leaving the data gathering function with those most involved in using the information. Credibility could be enhanced by expanding the scope and frequency of Congressional oversight, either through use of the Comptroller General or committee hearings. Finally, legislation clarifying and strengthening Congressional access to the information collected by those operationally-oriented agencies should insure that Congress has available the data it needs.

Simon D. Strauss, American Mining Congress:

> The bill refers to the fact that in connection with energy data the government "relies too heavily on unverified information from industry sources." Does this imply that the government should itself collect information regarding production or consumption? Does this mean that government inspectors will be stationed at every coal mine, oil well, or natural gas well to make their own independent measurements of the flow of production? Are federal inspectors also to do their own reading of electric or gas meters for every residential and industrial user in order to determine consumption?
>
> Frankly, the mining industry believes that ample information is already available. The problem of energy is known. Stated very simply, it is that this country secures a growing share of its energy requirements from imports of fuel from abroad. The import statistics of the Census Bureau give adequate information with regard to this dependence. If the Congress desires to check this growing dependence, it can do so by providing incentives—or at least eliminating roadblocks—for domestic sources. But for the last three years instead of incentives the energy industry has had a multiplication of disincentives. Congress needs to consider priorities.
>
> Therefore the American Mining Congress respectfully urges that this bill not be enacted. If improvement in information on energy is required, either the General Accounting Office or the Office of Management and Budget should be asked by the Congress to survey the existing data, arrange for the elimination of unnecessary reports or the coordination of the desired reports. Then the Congress can make its choices between greater energy self-sufficiency and some of the other objectives which have caused the failure to expand domestic supply.

Allen C. Sheldon, Aluminum Co. of America:

> A great deal of thought went into establishing this energy reporting system. Congress recognized its credibility and incorporated it in the Energy Policy and Conservation Act of 1975 (P.L. 94–163). The mandatory requirements of reporting programs as described under the law, are allowed to continue participating in the industrial energy conservation program on a voluntary basis. They are reporting regularly on their use and conservation of energy.
>
> In writing P.L. 94–163 Congressional committees gave serious thought to the confidentiality of energy data. This law provides adequate safeguards against disclosure of trade secrets or of any information that might cause significant competitive damage.
>
> The provisions of P.L. 94–163 should serve as a model for handling mandatory reporting and confidential data.
>
> The reporting system under P.L. 94–163 is just getting off the ground. But, so far, it is working beautifully. Understandably, we are very reluctant to support any proposal that would superimpose a whole new data collecting operation. We need to give the present reporting system a chance to operate.
>
> The Energy Information Bill would require far more data than would appear to be necessary for regulatory administration and for formulating energy policies. Company specific reporting by line of commerce, let alone by product, would result in an accounting nightmare. It may be possible to have line of commerce reporting from energy producing companies, but from energy-consuming companies it would be virtually impossible. The fungibility of energy makes it impossible to determine which energy source contributed to a given product line.
>
> There are energy data collection systems currently operating in government and, to the best of our knowledge, they are operating satisfactorily. If the data is not being interpreted correctly or being conveyed adequately to Congress and the public, then action should be taken to correct the situation, rather than establish still anther data bank.
>
> Earlier I mentioned that 10 major energy-consuming industries already are reporting energy data on a systematic basis to the Department of Commerce. That would be a logical place to consolidate federal energy data. A bureau—the Bureau of Census, for example—could help straighten out problems of redundancy, standardize definitions and expand its data gathering, but only to the extent necessary for regulatory administration and formulation of energy policies. The Bureau certainly would have a sensitivity for adequately protecting industry's proprietary rights. And, giving the responsibility to the Department of Commerce would eliminate the need for a new agency or even a new data gathering operation.

Carl H. Savit, Western Geophysical Co. of America:

> S. 1864 says that we must, when requested by a government official, give our products to the government without compensation and then the government must, in turn, give them to the public. If our products had been automobiles, television sets, or even motion pictures, the 'prima facie' unconstitutionality of such a bill would have precluded its introduction. We can only assume that the proposal in S. 1864 to wipe out the billion dollar geophysical exploration industry by confiscating its entire output is the product of a lack of understanding.
>
> If S. 1864 were to be enacted into law, the consequences would be far-reaching indeed. During the period between its enactment and the final determination of its unconstitutionality, tens of thousands of people employed in geophysical surveying in more than thirty states would be out of a job. Suppliers of equipment, instruments, and materials in all 50 states would lose part, or all, of their business. The hiatus in geophysical surveying would necessarily be followed by a nearly total cutback in oil and gas drilling and a virtual cessation of new oil and gas production. Overall, the loss of jobs would run into the hundreds of thousands, or possibly millions. We cannot believe this committee could desire such consequences.

The Federal Energy Administration itself is another example of the distortions and inefficiencies of Federal regulation. A recent Wall Street Journal editorial uses FEA, the Emergency Petroleum Allocation Act and the more recent so-called Energy Policy and Conservation Act as examples of the failure of government regulation to even approach the efficiencies of the free marketplace as an arbiter of price and supply.

The editorial began:

> Gas pump roulette is a symptom of our disheveled economy; you drive into a filling station and it is only a guess how close the prices will be to the place down the road.
>
> The game is a product of the U.S. government. For nearly three years now, it has been "allocating" oil products. This has created millions of man hours of work for lawyers. It also has damaged price competition and logistical efficiency in oil products marketing.
>
> Now, it seems, we are promised an end to this monster. The Federal Energy Administration has a plan for removing price ceilings and allocations on oil products by the end of May. But that assumes that Congress and all the special interests who've learned to love controls will not find some way to scuttle it. And that is a very big if.

The Wall Street editorial concluded:

> All these problems could have been avoided if President Ford had vetoed the December bill, padlocked the FEA, sent home its 112 press agents and 3,400 other paper shufflers, and decontrolled oil, including crude. But he didn't so it is not yet an airtight bet that gas pump roulette is finished.

Federal Power Commission regulation of the wellhead price of natural gas is the best proved example of the fallacy of Federal price control. When the Supreme Court gave the FPC the unwanted authority to say how much each gas producer in the United States could receive for gas sold to the interstate system, producers predicted the outcome. Overuse of our cleanest and most convenient fuel because of underpricing has resulted in shortages that can be made up now only by expensive and unreliable imported oil.

While prices paid to domestic producers of natural gas committed to the interstate system average about 35 cents per 1,000 cubic feet, uncontrolled intrastate prices in Texas, Oklahoma, and Louisiana where there is no shortage are as high as $2 per thousand cubic feet. But very little of the newly discovered gas in those States is being contracted to the interstate system.

The present ceiling price on newly discovered oil is $11.28 per barrel. On a Btu equivalency basis, gas would sell for about $2.13 per thousand cubic feet.

At 35 cents the Btu oil equivalency price would be about $1.90 per barrel than the composite price under present controls of $7.66 per barrel.

Reserves at the end of 1975 were about 210 trillion cubic feet compared with 280 trillion at the end of 1967.

We have been using gas at about twice the rate of discovery of new reserves in recent years and production has fallen 15 percent short of actual demand.

The Senate has taken the first step to decontrol the price of natural gas but the House solution would extend regulation to intrastate gas as well and dry up what incentive is left.

Mr. President, if the examples of oil and gas regulation are not enough to prove that Congress cannot repeal the laws of supply and demand nor substitute its infinite wisdom for the practicalities of the marketplace, then I am afraid we will continue toward the brink of disaster when the Arab oil producing countries or any other substantial OPEC country should decide to shut off the oil spigot again.

Let us hope that Congress will begin an orderly unravelling of the skein of suppressive and tangling regulation it has woven around industry in recent years and allow the free enterprise system to operate in a truly competitive environment again.

Both the Congress and the U.S. consumer might well be pleasantly surprised with the results.

ORDER FOR BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Alaska (Mr. STEVENS) is recognized for not to exceed 10 minutes.

Mr. STEVENS. Mr. President, I yield 7 minutes of that time to the Senator from New Mexico (Mr. DOMENICI).

NEW MEXICO AND EXCESSIVE REGULATION OF NATURAL GAS

Mr. DOMENICI. I thank the distinguished Senator from Alaska, and I hope I will not use the entire 7 minutes and that I can return some of it to him.

First, I thank the senior Senator from Arizona (Mr. FANNIN) for his opening remarks and for bringing us together here to discuss some of the problems that excessive regulation brings to the energy crisis in America.

In his remarks he mentioned my name and my State, and I choose to use a few minutes this morning to talk about a subject that I truly hope my fellow Senators will read because I do not believe they understand the situation that exists in a State like New Mexico, a producing State, a State that is fourth or fifth, depending on whose chart you look at, in the production of natural gas in this country.

Mr. President, many people argue that it is time we have a reconciliation in this country with reference to consumer interests and the production-of-energy interests, and I would like to talk about another kind of reconciliation and that has to do with the reconciliation that must occur with reference to producing States if, as a matter of fact, they are going to be partners with the American people in trying to solve some of the energy crises.

I cite for my fellow Senators the situation in New Mexico. I do not think they would believe this is true, but it is. We have a small State in terms of people but rich in natural gas, and because we were small when natural gas was found and developed and the distribution system put into place, about 90 percent of our natural gas, that is found on our Federal lands, on our State lands and on private lands, immediately finds its way into the interstate system destined principally for points west and, particularly, the great State of California.

That means that somewhere in New Mexico its own communities find themselves served by the interstate pipeline. We have a situation in our State, believe it or not, where there is a community called Grants, famous because it is the center of uranium production, that is once again busy because of the growth attendant by virtue of uranium exploration and development so as to help this Nation meet its crisis. Seventeen to 20 miles away from that community there is an available supply of intrastate natural gas, natural gas that is there to be used in the State of New Mexico.

That little community of Grants is growing so that it can help solve the energy crisis. Would my fellow Senators believe that we cannot take that natural gas that is 17 miles away, put it into a pipeline that is underutilized, that has plenty of capacity to transmit gas, that we cannot put that natural gas in that pipeline and take it to that community which is now on a moratorium and an allocation while it tries to grow and add houses to produce uranium in the mining field, that our own natural gas sits 17 miles away, and if it gets into that interstate pipeline it cannot be used in the State of New Mexico or at least is subject to allocation to other parts of the United States?

Now, I do not think my fellow Senators believe that situation exists. I think they would wholeheartedly support legislation which would tell our Federal Power Commission to let that kind of natural gas under those circumstances be shifted in that pipeline so long as the price was paid and so long as it did not use up the need of that pipeline for the interstate gas. I just do not believe they would support a national policy that would run that pipeline at half or less than its capacity and refuse to let us put some of ours in to serve a growing community.

Mr. President, the reason I raise this point is that the energy field is laden with inconsistencies of this type, irregularities, and absolutely impossible practical situations.

So while those who are in the areas that need energy that do not have it, that want the energy laden Southwest or Rocky Mountain Southwest—the energy basket for the future to cooperate in a partnership approach to this solution, and while they might stress reconcilation of the various interests, I urge that they also consider reconciling some of the inconsistencies that place a tremendously onerous burden on the producing States, their communities and their people so that they can hardly see their way clear to support the development of energy within their State boundaries.

They feel that to do so is to further minimize their State opportunities to utilize a rather insignificant portion of the energy for their own basic needs.

What an insult in this situation when they are using that energy for growth in energy areas such as uranium, such as coal gasification, and the like.

That is the situation and I call it to my fellow Senators' attention. I thank the Senator from Alaska for yielding.

The ACTING PRESIDENT pro tempore. The Senator's time has expired and the Senator from Alaska has 3 minutes.

Mr. STEVENS. I thank the Chair.

THE IMPACT OF FEDERAL REGULATION ON NATURAL RESOURCES AND ENERGY

Mr. STEVENS. Mr. President, I am most pleased to join in the statement of my colleagues from the West concerning the impact of Federal regulation on natural resources and energy. Nowhere is it more apparent than in my State with hundreds of trillions of cubic feet of natural gas, tens of billions of barrels of oil, billions of dollars worth of minerals, vast timber resources and vast hydroelectric resources, and our resources are still virtually untapped.

Mr. President, in the time since we discovered oil on the North Slope of Alaska, the British also discovered oil in the North Sea, using American companies.

It is most interesting to note that the British, who discovered their oil 3 years later, have gotten their oil to market already yet the oil which was discovered in 1967, in Alaska, will not be at our market, at what we call the South 48, until at the earliest 1977.

It took us 10 years, and Great Britain was able to do it in much less. If there is anything that shows the great impact of the regulatory process, the delays inherent in it and the effect on our own markets, then that delay in the Alaska pipeline, in the delivery of this great oil from Prudhoe Bay to our hungry market in the South 48, I do not know what it is.

But it is not just oil or gas. It is also our minerals.

Recently, we had a study by the Office of Technology Assessment on mineral accessibility, and this should stagger the American public. Alaska is one-fifth the size of the United States, $375 million acres, and the study shows that only 5 percent of that land is open to hard rock mining. Sixty-nine percent is absolutely closed. Eight percent is highly restricted. Twenty-one percent is moderately restricted. Two-thirds of the land, the Federal Government owns which is closed to leasing for hard rock and other resources is in my State. We are facing a shortage of minerals and metals which will make the fuel and energy crisis look like a tea party. I think it is time we take a close look at what is going on with regard to mineral accessibility.

Many of us warned at the time, that the delay on the Alaska pipeline would cause great problems for the rest of the country. Just imagine, Mr. President, what would have happened at the time the Arabs pulled an embargo if the North Slope oil was ready to come out of the Alaska pipeline. It could have been. We started construction of the pipeline in 1969. I was there at the dock in 1969 when the first pipe was delivered. Yet this pipeline will not deliver oil, as I said, until 1977.

During the interim, the price of oil has gone up. It was $1.75 a barrel, when I first came to the Senate, for foreign oil. This year we will pay $17.50 for the same oil.

The impact of the failure to meet our energy needs through prompt and effective review of the problems and decision-making is probably what has caused the price to increase more than anything else. We could have met the Arab embargo in 1973 with Alaskan oil had we determined to do it.

Now we find other things. We find the impact of Federal regulation in the timber market is such that our mills in southeastern Alaska are ready to close. About 3,500 jobs are in jeopardy because we do not have adequate laws, for environmental problems we know we face.

EPA tells us our mills will have to be closed unless they can comply with regulations that were made for the densely populated areas of the South 48 which have no applicability in our areas. Our mills are located in very remote and isolated areas, with no other mill within 100 miles, with no other industrial site within 100 miles. Yet the industrial standards that are set up to restore the rivers of the East are now going to prevent us from utilizing the timber resources of the southeastern part of Alaska.

Mr. President, the great difficulty with the regulatory process in this country is that it is slowly grinding to a halt. All efforts to discover, develop, and produce the resources of the so-called frontier areas of this country—whether it be the onshore areas of Alaska—or the great Outer Continental Shelf of my State, 70 percent of the Outer Continental Shelf that this Congress spent so much time worrying about is off the State of Alaska—are stymied by excess Federal regulations.

When we talk about those problems we are talking about Alaska problems, and when we talk about public land problems we are talking about Alaska problems, because over half of the Federal lands left in this country, in Federal ownership, are in my State.

I think it is time we received the regulatory process and redesigned that regulatory process to give adequate incentives, to encourage, and speed up the discovery and development of the resources in these frontier areas so we can achieve self-sufficiency or near independency in the energy field.

It means the development of the resources of the frontier areas if we are to have the goals we want in terms of our own economic fabric. It means we must stop being dependent upon foreign sources in not only energy, but also in terms of our metals and minerals, as I mentioned before.

Lastly, let me point out a most difficult problem about regulation, Federal Government regulation, as it applies to Alaska.

For over 100 years, the Alaska Natives waited for the settlement of their claims against the United States. Through the action of this Congress and the cooperation of my State government, which agreed to pay more than half, really, of the cash settlement to our Alaskan Native people, they finally achieved in their own right the prerogative of developing land and of managing their own future.

Yet we find that because of the government problems, the title that was given to them in 1971 probably will not be conveyed to them for 20 years. Because of the problems which existed with surveying, patenting, and eliminating the conflicts between the land the Congress made available to them and other Federal land, it will be about 20 years before they get complete title to their land.

The Claims Act, as I said, gave our Alaskan Native people $962 million. Because of inflation and the delays involved, that settlement will probably be worth less than half of its original amount by the time they get title to their land.

The money was given to them so they would have the capital to develop this land base and to assist in the production of the resources that the country needs so much.

The problem is with regard to easements across the Federal lands. If the proposals to withdraw substantial amounts of Alaska land from any entry at all—and there are proposals pending before the Congress to withdraw from 83 million to 125 million acres of land and make it inaccessible to Alaska people, including the Native people, if those proposals are approved, for without regard for the need for easements from these pockets of Native lands so that they can have corridors for transport of their resources across Federal land as they develop them, I think history will show that they have been really cheated in the total settlement that was made to them. That settlement was made on the basis of an aggressive Federal policy to assist them in entering the 21st century with all other Americans; to give them a capital base and a land base, and the prerogative to determine their own future.

At this time, when these lands owned by the Federal Government are being locked up so tightly and access is being denied to all Alaskans, I think this leads more than anything else to the demand that most westerners are making, that the regulatory process, and particularly the process of determining the accessibility of Federal lands to Americans, must be reviewed by the Congress.

I am delighted to join my friends from Arizona, Wyoming, and New Mexico in trying to point that out to the Senate today.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

ADDITIONAL STATEMENTS SUBMITTED ON FEDERAL REGULATION OF ENERGY AND NATURAL RESOURCES

OVERREGULATION

Mr. BELLMON. Mr. President, it is a sad duty to join my distinguished colleagues in calling attention to that part of the steady worsening of our energy situation which is caused by overregulation.

So much of our country's desperate energy situation is beyond our control. Natural causes and forces affect the availability of oil and gas production. Foreign countries on whom we have become increasingly dependent have their own self-interests to advance.

But, unfortunately, much of our energy pains are self-inflicted. By practically eliminating the oil and gas depletion allowance, Congress took a giant step away from energy independence by simply reducing the amount of capital available for investment in finding and developing new oil and gas reserves. By setting a ceiling on the price of crude oil and rolling the price of new crude oil back, Congress took another giant step backward in achieving energy independence because no matter what the intention was, we "sent a message" to thousands of independent oil and gas operators that some crude oil was simply too expensive and should not be produced. So, small secondary recovery projects and high cost work-over projects in areas such as Oklahoma where the primary, easy to get oil was produced many years ago were simply discontinued.

However, another category of self-inflicted injury is the creation and perpetuation of the entire system of regulation of the Federal Energy Administration. Despite good intentions and capable and dedicated people, the fact remains that controls cannot work without a system of regulation. Each regulation spawns countless other regulations, interpretations, amendments, and inequities. Each court test of a regulation calls for another series of regulations. Ultimately the whole system becomes impossibly unwieldy and counterproductive so that logic and commonsense are no longer served. The regulations become self-serving. We might like to become energy independent, but the burden of more controls and more regulation constantly move us in the other direction.

Anyone who has participated as I have in the detailed hearings as the Federal Power Commission attempts to decide a question as relatively simple and straightforward as whether or not to allow the use of natural gas to run pumps for irrigation of crops in western Oklahoma cannot escape the conclusion that regulation is ultimately doomed to fail. Informed observers come to favor deregulation if only to get away from the burden of regulation.

Others have spoken today on the cost to the consumer of energy regulation. Others have spoken today on the dampening effect of regulation on the supply of energy. My plea is that we decontrol crude energy prices as soon as possible to make the Federal Energy Administration unnecessary. Frankly, I fear that the FEA will become the FPC of the oil business. No matter how well meaning its efforts, if the FEA does for oil production what the Federal Power Commission has done for gas production, God help us.

REGULATORY REFORM

Mr. McCLURE. Mr. President, there has been a great deal of debate concerning the efficiency and competency of regulatory agencies. Much of this debate has been theoretical. Today, I will briefly discuss two real-life examples of how regulatory agencies can create immeasurable harm to our society and actually threaten our national security. One example deals with energy and the other with natural resources and environment.

During the House-Senate conference leading to the Energy Policy and Conservation Act, a small minority warned that the regulatory authority proposed for FEA would actually prevent the United States from achieving independence from foreign oil suppliers. Even though one of the goals of EPCA is supposedly to decrease oil imports, the so-called composite price regulatory approach would actually increase the need for OPEC oil.

As we all know, the small minority lost and FEA's support for the "composite price" prevailed. On March 4, 1976, however, FEA published its statement concerning implementation of this irrational approach to energy regulation. It is now evident even to FEA that the composite price regulations will produce serious disincentives for the production and exploration of oil in the United States. In other words, under these regulations the supply of domestic oil will continue to decrease, with increasing imports left as the alternative. And under the so-called entitlements program, FEA has already provided financial incentives for increasing imports. The combination of the composite price and "entitlements" regulatory approach insures the continued growth of OPEC oil sales. It was for this reason that I labeled EPCA as the Oil Importers Relief Act of 1975.

It is hard to believe that the Federal regulatory agency responsible for increasing the security of our energy supplies should be enforcing regulations which penalize domestic production and reward foreign imports. It is also difficult to understand how the Federal regulatory agency responsible for protecting the environment has gained so much power that it can threaten our national security.

It is a well established fact that EPA has been busy shutting down foundries for the past several years. Most foundries are small, independent operations—82 percent employ less than 100 people and 50 percent have less than 20—so there has not been much publicity as they have been closed, one by one. But, what is the final sum of these individual closings, most caused by unreasonable environmental regulations not required to protect human health? Let us examine just one of the impacts on our defense capability—decreased armored vehicle production.

It may be difficult for regulators to find a connection between EPA demands and the 1973 Middle East war, but the connection certainly exists.

One of the major surprises of that war was the unexpectedly high attrition rate for tanks. As a result of the losses sustained by both sides, the U.S. Army realized that we needed 3,000 more tanks than originally planned. In addition, the demands from foreign sources for our tanks, including the M60 series, resulted in the shipment of over 1,600 tanks from our existing inventory. But, filling this defense need has been seriously delayed due to the lack of foundry capacity. The closings which took place between 1970 and 1975 have finally become a matter of major concern, something that should have occurred at EPA during the times when the unreasonable regulations were being imposed.

It should be obvious to anyone—even a Federal regulator—that a nation suffering from serious shortages of basic industrial capacities is not able to provide the excess capital and equipment necessary for protecting the environment. You cannot close down the foundry producing valve housings for sewage treatment plants and still expect to protect water quality.

The question, though, of foundry capacity for defense production is one that has to be faced today. The unnecessary and unreasonable regulations enforced by EPA have to be reexamined. We can have both a healthy environment and a strong national defense, but not if we leave the final balancing decisions to Federal regulators. And, of course, if EPA is allowed to continue its past policies and philosophies, one of the major losses will be our ability to protect the environment.

Mr. President, rather than go into more details on this problem here today, I refer my colleagues to an article in the March-April 1976 issue of National Defense magazine. This article, entitled "The Foundry Industry—Achilles Heel of Defense?" was written by Ms. Debbie C. Tennison and describes accurately the seriousness of EPA regulatory policies. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Foundry Industry—Achilles Heel of Defense?

(By Debbie C. Tennison)

The foundry industry may be the Achilles' heel of our entire defense-industrial base. Foundries produce metal castings required as end products or component parts of 90 per cent of all durable goods manufactured in the United States. Without foundries, there would be no ships, helicopters, aircraft, guns, motor vehicles, or hundreds of other metal products.

"The castings industry is a key industry," says Clyde B. Jenni, Washington representative of the Steel Founders' Society of America. "If there were no castings, the economy would come to a halt immediately."

Almost every kind of weapon system relies on the availability and highly developed expertise of casting production. According to the American Foundrymen's Society, tank production has been seriously affected by the loss of this capacity and of expertise in turret and hull manufacture. The military truck and vehicle program also is a cause for concern due to the critical shortages of castings—particularly engine and drive-train components. One of the Nation's most basic industries, the foundry industry comprises some 4,500 producing units, with more than 350,000 workers who produce in excess of 22 million tons of castings annually. Of this amount there are 2.2 million net tons of steel castings produced. The total casting industry (when considering casting value after production) is worth at least $15 billion.

The foundry industry's size is often measured by tons of castings shipped. The dollar value added by manufacture is usually used to compare it with other industries. According to the latest data issued by the U.S. Department of Commerce, the foundry industry ranks sixth among all manufacturing industries. Only aircraft, motor vehicles, blast furnaces and steel mills, basic chemicals, and communication equipment exceed the foundry industry in rank and size.

Measuring the industry's size is complicated, since most foundries are either small, independent, privately owned operations, or are captive foundries of large automotive or heavy equipment manufacturers. Eighty-two per cent of the Nation's foundries employ less than 100 workers; 50 per cent have less than 20.

Foundries produce castings by pouring liquid iron, steel, aluminum, bronze, brass, or other metals into cavities of sand, metal, or ceramic molds. These metals most often are melted in electric furnaces, cupola, or gas- or oil-fired furnaces of the crucible or reverberatory type.

The ferrous melting processes use the following raw materials: scrap, alloy metals, coke, merchant pig iron, and limestone. Nonferrous casting production utilizes primary or secondary (refined from scrap) ingots of proper analysis. Compacted sands using clays and resin binders form the molds into which the metal is poured as well as the intricate cores which shape the internal contours and passages of the casting.

Usually a pattern first is made which conforms to the external shape of the desired casting. Sand then is formed around the pattern in a boxlike frame or flask. After the pattern is removed from the two molded halves and cores are placed where needed, metal is poured into the cavity formed by the pattern. When the molten metal has solidified, the casting is "shaken out" from the mold and cleaned.

Steel castings and many iron castings are heat-treated to develop the desired engineering properties. Although some foundries machine their product, many other foundries ship the castings to their customers for machining and/or assembly in a final product.

Foundry casting production is essentially the same for castings varying in weight from a fraction of an ounce to a hundred tons or more. Although most foundries are small, automatic molding equipment and elaborate materials processing permit larger producers to make high-speed production runs of tens of thousands of pieces from a single pattern. Some foundries provide a wide range of very specialized services including machining, special coatings, radiography, and ultrasonic testing.

The basic types of foundry casting operations are commercial high-production casting (production segment), and contract or job-shop casting (jobbing). The jobbing and production segments serve quite different markets. Defense items usually are made by jobbing foundries.

Although the electric-arc furnace is used for steel foundries, the predominant melting unit in gray and ductile-iron foundries for both production and jobbing segments is the cupola furnace. This furnace ranges in size from a melting capacity of 2 or 3 tons per hour to as high as 100 tons per hour.

Cupola furnace particulate emissions can be controlled at practically any desired level by appropriate combinations of mechanical collectors, wet caps, and variable efficiency wet scrubbers. Environmentally approved equipment such as this would cost about $500,000 for a 15-ton hour cupola (1973 prices). Annual operating costs would be $50,000 for production and $36,000 for jobbing.

Production foundry shops normally are highly mechanized and designed for repetitive production of a limited range and type of items rather than for product variety or special customer requirements. They usually have long production runs, with the cupola melting furnaces in operation over periods of 40 weekly or more—sometimes around the clock for five or six days per week.

Jobbing shops, on the other hand, can produce special designed castings for customers and have special pattern and mold departments for making individual molds. The most significant difference between jobbing and production shops is in the continuity of the pouring operation. Although jobbing shops may spend from days to weeks preparing molds, the metal melting and pouring can be accomplished in hours. Because of this, the cupola furnace at a jobbing shop is in operation for only a short time, but at or near full capacity. Jobbing shops must be capable of casting both large and small items—so the furnace size is generally dictated by the size of the largest casting.

"Combat tanks represent a particular problem (in foundry production) because of their size and the special equipment needed," explains Maj. Jimmie H. Akridge, former Army tank production base staff officer. "Tanks are made from rather large castings that most foundries don't have the capability for the recoupment of any over-issued benefits due to this mandate.

(6) The substitute freezes existing assets eligibility standards until 60 days after a report on asset holdings has been submitted to Congress.

(7) The substitute deletes the $15,000 limitation on income producing property and tools used in a trade or business.

(8) The substitute excludes from income VA educational benefits and educational grants and fellowships to the extent used for tuition and mandatory fees, in addition to the bills exclusions.

(9) The substitute counts income tax refunds and tax credits as assets, instead of as income.

(10) The substitute mandates the poverty levels for Puerto Rico, the Virgin Islands, and Guam be the same as those for the Continental United States.

(11) The substitute excludes from income employer-provided housing (a type of noncash income). The Committee bill counted as income the value of employer-provided housing—up to a ceiling of $25 a month.

(12) The substitute excludes from income the income specifically excluded by other federal laws.

(13) The substitute deletes the provision making minors uneligible if they are not living with the person legally responsible for their support.

(14) The substitute deletes authority for monthly income reporting and puts into law current rules on reporting which allow recoupment of over-issued benefits if the household does not fulfill strict reporting requirements.

(15) The substitute provides that a household will be disqualified for fraudulent participation, but it must have been found guilty in a court or by a State welfare agency, after a proper hearing.

(16) The substitute sets the purchase price at 25% of net income, instead of 27½% as provided for in the Committee bill.

(17) The substitute restricts authority for pilot projects by mandating that they cannot reduce income and assets eligibility criteria or raise the percent of income charges of purchase price except for the pilot project in eliminating the purchase price.

(18) The substitute mandates a $20 million pilot project on elimination of the purchase price.

Mr. DOLE. Finally, it is the impression of the Senator from Kansas that one of the problems of food stamp legislation is that we are attempting to legislate against a myth. There is a myth around the country, in the Senate and nearly everywhere that there are millions and millions of middle- and upper-income Americans who participate in the food stamp program. If that myth were a reality we would knock off millions and millions of those people in the substitute.

I would remind my colleagues that, yes, there are some 18 to 19 million people eligible and receiving food stamps. We hear time after time how this program started off as a $35 million program back in 1965. But what those who say that fail to add is that at that same time some 7 million Americans were participating in the commodity program.

Yes, there have been additions. That was the purpose of the program, to provide low-income people with a nutritional diet.

It is the view of the Senator from Kansas that we have talked about estimates, we have talked about costs. We all would like to save more and more money, but the crucial program is, what do we do about the program itself? I believe the substitute provides the rigidity, provides some way to slow the growth of the program. It will save, I hope, more than $250 million, but approximately $250 million if the cost estimates are correct.

I believe this is a step in the right direction.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

ADDITIONAL STATEMENTS SUBMITTED REGARDING APPLICATION OF THE BUDGET ACT TO S. 3136

Mr. MUSKIE. Mr. President, the question before the Senate is whether, pursuant to section 904 of the Budget Act, to waive the application of section 401(b) of that act to the pending legislation, S. 3126, and the Dole amendment and amendments thereto. I intend to vote for the motion to suspend the application of section 401(b) in this case.

I do so because this motion is consistent with the purposes of the Budget Act and the presently binding second concurrent resolution on the budget for fiscal year 1976.

Section 401(b) is a technical provision of the Budget Act. It is designed to assure that entitlement legislation reported after January 1 of any calendar year not contain an effective date earlier than October 1 of that year. The simple purpose of this provision is to assure that such new entitlements, which are the extension of Government benefits to individuals who meet the requirements of the law, remain subject, like all spending, to the discipline of the second concurrent resolution on the budget which is adopted in September of each year. The drafters of the Budget Act were concerned that entitlements which become effective prior to that second budget resolution would be much harder to reconcile with other Federal spending.

I do not believe that the pending legislation and the Dole amendment to it present the problem that section 401(b) was intended to meet. The pending legislation was mandated in the concurrent resolution on the budget. In the statement of managers accompanying that legislation, the conferees stated that the amounts contained in that congressional budget assumed "legislative and/or administrative reform in the food stamp program are essential and that such reforms will be implemented in fiscal year 1976 to achieve a reduction of program costs of $1 million in budget authority and outlays." The Agriculture Committee is responding to that mandate. The effect of insisting on the literal application of section 401(b) to the pending legislation and amendments to it would be to frustrate that virtual instruction to the Agriculture Committee contained in the second budget resolution. We would also be saying to the country that needed, urgent, and publicly demanded reforms in the food stamp program must wait because of a technicality in the Budget Act.

Now some Senators may believe that section 401(b) should be waived in the case of the bill itself but not for the Dole amendment. I cannot accept that proposition. I believe that when the Senate considers the food stamp program it is entitled to consider that program in its entirety and to make needed reforms, even if some of them raise costs as well as lower them. This legislation as reported by the committee remedies a number of the more frequently criticized aspects of the food stamp program. The Dole amendment would not reinstate any of these abuses. I cannot see how we can vote to insist on the application of section 401(b) to the Dole amendment and not equally insist on its application to the bill, thus frustrating any food stamp reform until next fall. That result is not acceptable to the American people. It is not acceptable to me. And it is not required by the Budget Act.

In fact, the mandate of the second concurrent resolution on the budget requires the Senate to consider this legislation at this time.

In writing section 401(b), Congress meant to provide a safeguard against entitlement legislation being enacted without adequate consideration of the budgetary effect. The legislation currently pending was thoroughly considered by the budget committees in the context of the congressional budget resolution. Members will make up their minds about whether to vote for the Dole amendment and whether to vote for other amendments to the legislation or for the legislation itself upon its final passage, based on a number of considerations about the food stamp program. This is as it should be. But the Budget Act was not intended to frustrate congressional action when that action is consistent with the current congressional budget. The consideration of the pending legislation is consistent with the current congressional budget.

As chairman of the Budget Committee, I above all am concerned that the application of any provision of the Budget Act be waived only in rare cases. This is such a case. I intend to vote for the Dole motion.

Mr. HUMPHREY. Mr. President, I am pleased to be a cosponsor—along with Chairman TALMADGE and Senators DOLE and MCGOVERN—the substitute food stamp reform bill. In most areas, the substitute retains the original committee language. However, the substitute makes a series of improvements which will improve access to the program of needy families, protect working families, and simplify the program administratively. I urge all my colleagues to support the substitute.

Originally, Senators DOLE, MCGOVERN, and others along with myself, had planned to offer an amendment to eliminate the food stamp purchase requirement. I continue to believe that elimination of the purchase requirement would be the most important reform we could make in the food stamp program. However, there were questions about whether a bill with this provision in it could get past the President. I therefore think that the substitute bill—with the many important improvements it contains—is a wise compromise that the Senate should adopt.

ADJUSTING THE POVERTY LINE

The substitute—like the committee bill—establishes net income limits at the poverty line. The substitute specifies that the poverty line for the nonfarm United States—as updated semiannually—be used as the net income eligibility limits for the 48 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. There would be two additional poverty lines—one for Alaska and one for Hawaii.

Many of us have, over recent months, expressed reservations about the use of the poverty line as the food stamp net income limit. There are a number of questions about the validity of the poverty line as it is now calculated, and a Federal interagency task force is now investigating this matter at the request of Congress.

However, the substitute bill does address one of the major concerns about the OMB poverty line—the fact that it is so far out of date.

The poverty line now used in Federal programs—$5,050 for a family of four—is based on the average Consumer Price Index for the 12 months of 1974, and most closely approximates the CPI's for the middle of 1974. Thus, this poverty line is now nearly 2 years out of date.

The new poverty line now being announced by OMB—$5,500 for a family of four—is based on the average CPI for 1975, and reflects conditions during mid-1975. Yet, it would take effect in mid-1976 and remain in effect until mid-1977. Thus, the OMB poverty line is generally about 1 to 2 years out of date.

The substitute bill addresses this issue by updating the poverty line semiannually, based on more current CPI data. The first such update would come on July 1, 1977, and would be done by multiplying the $5,500 poverty line by the changes between the average 1975 CPI and the CPI for March 1977. Thus, the poverty line used in the food stamp program would at most be only a few months out of date, not 1 to 2 years behind. Without such an updating procedure, use of the poverty line as the food stamp net income limits is arbitrary and unacceptable. The administration's new proposed food stamp regulations fail to continue such an updating procedure, and would thus disqualify poor families on the grounds that the families' incomes are above what the poverty line was 1 to 2 years ago.

HOUSEHOLD DEDUCTIONS

The substitute—like the committee bill—provides a $100 standard deduction for all households—except that households in the territories would get a $60 standard deduction—with an extra $25 for households with an elderly person, and with a separate deduction for Federal, State, and local income taxes and social security taxes. The substitute bill also contains an extra $25 deduction for working families, which is defined as families with at least $150 a month in earned income.

This will take into account the work-related expenses, child care costs, and so forth, that working families must bear. Without such an extra deduction that takes account of the expenses that families incur in order to work, the replacement of the current itemized deductions with a $100 standard deduction unfairly penalizes working families and fails to give a true representation of the money they actually have available to purchase food.

The substitute bill also provides for a semi-annual adjustment of the basic $100 standard deduction. This provision, absent from the committee bill, will keep the standard deduction constant in terms of "real dollars." This is an important and necessary provision. Without it, families would find it harder and harder to come up with the cash to buy their stamps as all their other expenses increased with inflation.

The specific provision in the substitute provides that for purposes of administrative simplicity, the semiannual adjustment in the standard deduction be rounded to the nearest $5 increment. We do intend, however, that the Secretary maintain a running index of the unrounded amounts for purposes of the future semiannual computations. In other words, if the first adjustment should take the deduction to $104, it would be rounded to $105. However, the base used for computing the next adjustment 6 months later would still be $104.

INCOME EXCLUSIONS

The substitute bill makes some modifications on the committee bill in the area of income exclusions. The substitute provides that housing provided by an employer to an employee should no longer be counted as income. This change has long been sought by the administration.

The substitute bill also excludes all Federal, State, and local income tax refunds and tax credits, and lump sum payments made under a program authorized by the Social Security Act. All such payments would be counted as resources—as they are under current food stamp rules—instead of as income.

In addition, the substitute excludes all payments already excluded under other Federal laws, with the exception of payments to VISTA volunteers. Among the payments that would be excluded are payments under the Alaska Native Claims Settlement Act.

The substitute bill retains the committee's bill exclusion on all in-kind benefits provided under a program administered or funded by a Federal, State, or local government agency. In addition, the substitute bill retains the exclusion for privately provided in-kind benefits whose dollar value cannot "reasonably and properly be computed," which means in-kind benefits whose worth is subject to varying evaluations. However, the substitute bill requires the counting of in-kind benefits in those cases where the value can "reasonably and properly be computed."

VENDOR PAYMENTS

The substitute bill also writes into law a current exclusion for housing vendor payments made directly to landlords, housing authorities, or mortgagees under programs administered by HUD. There was a time when USDA did attempt to count these payments, but the practice proved administratively deficient and then was struck down by the courts. These payments never go to low-income households and are not available for use on food.

THIRTY-DAY RETROSPECTIVE INCOME ACCOUNTING

In determining income for eligibility purposes, the substitute bill requires the use of a 30-day retrospective accounting period. However, the substitute bill does contain procedures that allow households that have suffered a substantial loss of earned income in the preceding 30-day period—meaning households that have been laid off, shifted to a shorter work-week, or given a pay cut—to file a food stamp application immediately. Such applications would be processed in the same manner as other applications, except for the verification of the household's income.

The food stamp office would have the obligation to inform such applicants to come in on the 30th day after the income loss, or immediately thereafter, to submit verification of income during the preceding 30-day period. The food stamp office shall have the household's "authorization-to-purchase" card already prepared, and the household must be issued the ATP card on the same day that it submits the verification of its income. In areas where States issue ATP cards from a central computer, the substitute bill requires that the State prepare the ATP card on the basis of the initial ATP card and send it to the appropriate food stamp office. The food stamp office will then hand the card to the applicant at the time the applicant submits the verification of his or her income for the preceding 30-day period.

This procedure is intended to prevent the recently unemployed, the seasonally unemployed, those shifted to shorter work weeks, and the like from having to suffer through long waiting periods before receiving food stamps. We intend that this procedure be scrupulously enforced by the Secretary. If any household submits the required income verification, but still must wait more than 30 days from the filing of its application to get its ATP card because the food stamp office did not have the ATP card ready, then this household would automatically be entitled to compensation for a wrongfully denied benefit.

I should note that in any case, the 30-day retrospective accounting period need not be used in certain circumstances where use of a longer accounting period gives a more accurate picture of the household's income. The substitute bill allows use of a longer period for self-employed persons, students receiving scholarships, farmers, and contract workers.

For example, for a worker being paid under a 3-month contract, a 3-month accounting period could be used. On the other hand, workers with fluctuating incomes—such as persons being paid on a piece work basis, migrant farm-workers—unless working under a contract during the period of that contract—and strikers—and salaried workers, welfare recipients, and most other households, to cast. Also, there is a lot of complex equipment required for tank castings that usually is not available in a foundry."

Examples of this equipment include radiography and specialized heat-treating equipment, testing devices, and some other special machinery.

Major Akridge says that, as far as the Army is concerned, "we don't have an adequate industrial foundry base to produce the tanks we need." And tanks are not the only military materiel being affected by this inadequate industrial base. There are projected shortages of castings for nearly every other category of military equipment.

While demand for all castings is increasing at a rate of six to seven per cent annually, the number of foundries has been decreasing each year. According to the Cast Metals Federation, between 1950 and 1970 the number of gray- and ductile-iron foundries declined from 3,000 to 1,500, and the number of steel foundries declined from 315 to 309 in the same period. However, at one point in 1960 there were 403 steel foundries.

Between 1970 and 1975 the number of gray- and ductile-iron foundries declined even further, from 1,500 to 1,375, and current estimates are that as many as 500 more will close in the next five years. The primary reason for this, the federation states, is that metal casters have not traditionally generated the funds to modernize, expand, and equip. The number of foundries is expected to continue to decline because of a lack of profits and capital to meet environmental control standards.

The defense industry is being especially hard hit as a result of the steel foundry industry's problems, and our national defense is being threatened by the decrease in heavy armor casting capability of the past few years.

During World War II, 38 foundries produced cast armor in the United States. Of these, only five produced heavy armor (more than three-inches thick). Heavy armor casting capability was enlarged by the addition of three foundries during the Korean war. These were located at East Chicago, Ind., Birdsboro, Pa., and Granite City, Ill.

After the Korean conflict, heavy armor production decreased due to diminished demand for tanks. U.S. tank production averaged only some 350 tanks annually from 1964 to 1974. But even with this reduced demand, the Army had three foundries supplying heavy armor castings up through 1972. These facilities included the Blaw-Knox Foundries at East Chicago and Pittsburgh, and the General Steel Castings Foundry at Granite City.

The Granite City plant produced tank hulls and turrets under a subcontract from Chrysler Corporation until 1972 when the foundry was forced to close its doors.

"We closed because there was insufficient business to keep the foundry operating," explains Taylor Desloge, vice-president of General Steel. "We just were faced with mounting costs and the need to make sizable capital expenditures, and the castings division had not produced satisfactory earnings for five years. We did not feel there were prospects for improvement in the future."

Mr. Desloge explains that cast armor was a small part of the business of the plant and that General Steel does not plan to produce cast parts for the Army in the future.

Following the closing of the Granite City foundry, Blaw-Knox closed its Pittsburgh plant in 1973, consolidating its armor production operation at its East Chicago facility.

These foundry fatalities are attributed, at least in part, to large capital expenditures that would have been required to comply with clean-air and OSHA standards. As a result of the closings, the Army was left with only one facility to supply heavy armor castings.

Until the early 1960's, tank production was kept at about 60 per month—the rate considered minimum to maintain an expandable base. But in 1964, in the face of increasing budgetary pressures, the production rate was reduced to about 30 tanks monthly—where it stayed until 1973 when more than half of the annual increment covered modification of M60A2's.

With the production rate reduced to about 15 new tanks per month, there was insufficient volume to keep some of the component vendors in business. Some closed and some redirected their efforts into commercial production lines. The net result was a severe restriction on the immediate response capability of the production base.

Though not a desirable situation, at the time the Army did not consider the situation critical. Army over-all tank assets exceeded inventory requirements, but prime tank assets (M60 series tanks equipped with at least a 105-mm. gun and powered by a diesel engine) accounted for only 59 per cent of the total inventory, and long-range actions were under way to upgrade the tank inventory posture.

Although contracts were placed to increase M60A1 tank production from 15 to 40 monthly, the October 1973 Middle East war caused the Army to make further increases. Based on experience gained during that war, the tank combat planning loss factor was increased from about 8 per cent to more than 20 per cent. Because of this increase, more than 3,000 tanks were added to the total tank requirement.

Further compounding the situation were urgent requests for tanks by foreign countries during and after the Yom Kippur war. Some of these requests were filled from Army inventory assets—resulting in a significant drain on our inventory. More than 1,600 tanks have been shipped or are committed for shipment to foreign countries.

Because of the depleted Army tank asset posture, the continued and increasing foreign demands for tanks, and the unsettled international scene, it became obvious that tank production had to be increased expeditiously to minimize degradation of Army combat effectiveness.

A plan was designed to provide increased quantities of M60 series tanks, and to upgrade older M48 (90-mm. gun) tanks. Under the Army's production acceleration plan, as approved by the Deputy Secretary of Defense in November 1974, the production rate of the M60 would be increased from 40 to 100 monthly over a 2-year period and 1,209 M48 series tanks would be converted to M48A5's (with 105-mm guns and diesel engines).

Under the M-48 conversion plan, 360 of the tanks to be upgraded are M48A3's which are readily available and relatively easy to modify since they already have diesel engines and only need to be upgunned. It is estimated that these will be available to the Army as prime tank assets sometime this year.

The Army is expected to have its required number of prime tanks by 1981 with implementation of the production-acceleration plan. Long-range plans include modifying all M60A1 tanks to M60A3's and filling the entire inventory with XM1, M60A3, and M60A2 tanks by 1990.

In the meantime, at present there is only one U.S. foundry producing hull and turret castings for the Army—Blaw-Knox. These castings are provided to the Chrysler-operated Detroit Tank Plant where Chrysler Corporation assembles the tanks.

Chrysler has a large number of component suppliers, but the foundry input really begins the process. Chrysler has built 19 different military tracked vehicles and two wheeled vehicles in the Government-owned facility since the beginning of World War II. The corporation is currently the only manufacturer of combat tanks in the United States.

About three M60A1's are assembled daily at the Detroit Tank Plant. When the second Blaw-Knox foundry in Wheeling, W. Va., becomes operational within the next year, Chrysler expects to expand production to about five tanks daily—or 100 monthly.

The M60 tank is the only U.S. combat tank being built now. A new tank, the XM1, is scheduled to go into production about 1979, and Chrysler and General Motors are expected to roll out their versions of the XM1 sometime this year.

These two competitive designs will be tested, and the winner will compete against the German Leopard II. The winner of that competition is expected to become the successor to the M60.

Other articles in this issue relating to foundries or tanks include one on page 364 entitled "Tank for the 1980's"; Tank-Automotive News on page 336; and Materials Report on page 341.

Chrysler, currently the prime contractor for the Army's tank production program, is supported by six steel foundries: Buckeye Steel Castings of Columbus, Ohio; Lebanon Steel of Lebanon, Pa.; Ross-Meehan Foundries of Chattanooga, Tenn.; Blaw-Knox Foundries of East Chicago; Sivyer Steel Castings Company of Bettendorf, Iowa; and Wehr Steel Company of Milwaukee, Wis. Among the hundreds of other corporations which support the program are: Goodyear Corporation of St. Marys, Ohio; Standard Products of Port Clinton, Ohio; FMC Corporation of Anniston, Ala.; and U.S. Forge Company of Detroit, Mich.

Specific problems of the foundry industry will be referred to in the second article of this series—scheduled for the May–June 1976 issue of National Defense. An examination of these problems will make clear some of the reasons why the foundry industry may be the Achilles' heel of our defense-industrial base.

FEDERAL REGULATION

Mr. JOHNSTON. Mr. President, Federal regulation has failed most notably and most miserably in the area of natural gas production. The failure has not been caused so much by the manner of implementation of Federal regulation as by the very fact of Federal regulation. And recently the House, by a narrow margin, has voted to extend this system of failure to the intrastate natural gas markets. That House bill is presently pending before this body and I trust my colleagues will reject that bill later this year. A brief review of the facts reveals ample justification for such Senate action.

According to the National Energy Outlook of 1976, published recently by the Federal Energy Administration, natural gas supplied about 44 percent of our Nation's nontransportation energy uses in 1975. However, the 20.1 trillion cubic feet of natural gas used in 1975 is a significant decline from the 22.6 trillion cubic feet produced and consumed by our Nation in 1973. This reduction in usage is directly related to an equal reduction in natural gas production during the same time period.

Of most concern is the fact that since 1968, the continental United States has annually consumed more natural gas than producers have discovered each year in the form of new reserves. According to the Federal Power Commission, the average annual reserve additions of natural gas since 1970 have been 8.8 trillion cubic feet. Of that number, only an average of 0.4 trillion cubic feet in reserves have been dedicated annually to the federally regulated interstate natural gas market—the rest being dedicated to the nonregulated intrastate markets.

Mr. President, last year my State, Louisiana, produced 36 percent of the natural gas consumed by our Nation. But under the present Federal regulatory scheme, three-fourths of that natural gas was sold to consumers elsewhere and only one-fourth was allowed to remain in Louisiana for use by her citizens. That natural gas which remains in Louisiana is a precious and expensive commodity, often selling for two to three times the interstate market price set by the Federal Power Commission.

The demands placed on Louisiana's intrastate natural gas supply are many: because natural gas has been an historically plentiful fuel and is an energy supply indigenous to our State, almost 80 percent of Louisiana's energy needs, including electric power generation, industrial uses and home heating uses, are supplied by natural gas; our extensive petrochemical industry depends on natural gas as an often irreplaceable feedstock; and, when emergency shortages occur in the interstate market, as they did last winter and most assuredly will next winter, the Federal Power Commission allows natural gas from intrastate reserves to be sold into the interstate market for 60-day periods without subjecting those reserves to Federal regulation. Last winter, a national total of 32 billion cubic feet of natural gas was sold from intrastate reserves to alleviate such emergency shortages. Due to these diverse demands, Louisiana industries and municipalities have long suffered the outrage of being unable to obtain long-term supplies of this very commodity which is produced so prolifically in our own State. Curtailments of gas supplies to historic users have now become commonplace in Louisiana.

Against this background, the House recently voted to extend Federal regulation to the intrastate market—a decision which would mean less natural gas for my State and less natural gas for our Nation as a whole.

Mr. President, both the Federal Power Commission and the Federal Energy Administration, the two agencies charged with energy regulation, have stated emphatically that the solution to the natural gas shortage lies in less Federal regulation, not more Federal regulation as voted by the House. Specifically, both agencies urge deregulation of the price of new natural gas supplies.

In volume I of the Natural Gas Survey of 1975, at page 3, the Federal Power Commission, which has the responsibility of regulating the interstate natural gas market, stated:

> We believe that deregulation of new natural gas at the wellhead is the single most effective measure that can be taken today to alleviate the Nation's severe supply-demand imbalance.
>
> * * * * *
>
> Federal regulation has played a major role in inhibiting the ability of the industry to locate, develop, and deliver needed gas supplies. Past regulatory policies have established rates at minimum cost-based levels, and administered these rates within a framework fraught with uncertainty and delay.
>
> * * * * *
>
> The end result has been that procedures initiated under the Natural Gas Act have dampened the search for new supplies, reduced proven inventories to improvident levels resulting in chronic deliverability problems, increased gas demand with much of it directed toward less efficient uses, diverted gas away from the interstate market, and damaged the industry's ability to develop new capital to explore for and develop new domestic sources of gas.

Mr. President, I agree that all new natural gas supplies must be deregulated. The question the House bill will soon present to the Senate is not whether the consumer will pay a higher price for natural gas, but whether the consumer will have sufficient natural gas to meet his needs. I am confident that my colleagues will vote against the pending House bill and for an adequate natural gas supply and the jobs and economic stability an adequate natural gas supply will assure.

GOVERNMENT REGULATION

Mr. PEARSON. Mr. President, for some time it has been obvious to us all that a comprehensive energy policy must be formulated soon. When this Congress convened a year ago, we recognized the need to compose an integrated program to increase production, develop new sources and stimulate conservation. One component of that policy—increased production—is now within our reach. And yet we fail to grasp it. If we are to buy the time required to bring developing sources of energy into play we must now stimulate production of our existing fuels such as natural gas.

Counterproductive regulation of natural gas stands in the way of economically justified exploration and development. That is certainly not to say that all regulation produces adverse effects. Regulations that bring about conservation and prevent unrealistic profits from market manipulation are essential. But regulation that holds prices below a market clearing level creates shortages which extract unnecessary costs from the economy.

Competition is the best regulator, continuously matching supply with demand by constant adjustment. Artificial regulation attempts, through freezing conditions at some base period, to replace this natural mechanism. The attempt is frequently unsuccessful because it seeks to impose a static concept on a perpetually changing world.

Regulation's impact on natural gas is obvious: demand for natural gas in the federally regulated interstate market has continued to accelerate beyond available supply since 1970. If we do not take some action our Nation's consumers will continue to be deprived of a vital and efficient energy resource.

The need for action is the result of a two-tier pricing system for new natural gas—the free market intrastate price and the federally regulated interstate price. The system has artifically diverted supplies to the intrastate system in excess of demand in some areas. It has discouraged exploration and development of new natural gas supplies for the interstate market. The Senate, recognizing the need for action, on October 22, 1975, voted to eliminate the problem by deregulating new natural gas on-shore, where the two markets compete for supplies, and by phasing out regulation over a 5-year period offshore where reserves may only be dedicated to interstate pipelines. In addition, various conservation measures were enacted to assure the best use of this precious energy resource.

The House, however, has chosen to maintain the two-tier pricing system. Under the House-passed bill, H.R. 9464, which is being held at the desk, any producer whose marketed production exceeds 100 billion cubic feet annually would continue to be regulated. The new natural gas sales of those producers who produce less would be deregulated. The disincentive of regulation, which today deters exploration and development of new reserves, would actually be extended to cover those companies who market about 70 percent of total national production. About 60 percent of total sales are under regulation today. The House bill achieves an extension of regulation by mandating controls over the new gas sales of the larger producers in intrastate commerce.

How this problem of declining supply can be remedied by extending the causative factor is beyond comprehension. It seems that regulation begets regulation.

The argument for deregulaton of Federal controls over the wellhead price of producer sales of natural gas in interstate commerce is not complex. Natural gas supplied about 30 percent of the Nation's energy last year and about 44 percent of our nontransportation uses. Approximately 21 trillion cubic feet—Tcf—were consumed in 1974. But marketed natural gas production has dropped significantly. From a peak in 1973 of 22.6 Tcf, there has been a dramatic continued decline to 20.1 Tcf in 1975. Since 1968 we have been consuming more natural gas each year than producers have been finding in the form of new reserves. Reserves for 1975 were at the lowest level since 1952. Additional reserves have failed to equal market production for the past 7 years. In short, low regulated prices have encouraged consumption and have discouraged the search for new gas to supply the regulated market.

If natural gas prices continue to be regulated, curtailment of service will persist and most industrial use may have to be severely limited. In its February 1976 National Energy Outlook Report, the Federal Energy Administration reached the following conclusion:

> Natural gas supplies are affected most significantly by the extent and level of gas price regulation. Continuation of regulation would reduce production to 17.9 Tcf by 1985. Of greater importance than the absolute decline in production is the fact that continued price regulation would drastically reduce the interstate share of the market (from 62 percent currently to about 42 percent in 1985). Such a reduction would hasten the migration of industry to the producing areas and would ultimately lead to much higher residential fuel bills in the East and Midwest as residential users are forced to turn to electricity and oil as a replacement.

Between 1970 and 1974, reserve additions to the intrastate market averaged

8.4 Tcf annually. For the same period, annual reserve additions to the regulated interstate market averaged a mere 0.4 Tcf. One must ponder what impact the extension of Federal price controls to intrastate gas production would have on reserve additions to that marketplace.

It is clear that the most significant impact on domestic natural gas supplies arises from price controls. The volume of natural gas available by 1985 is almost completely dependent upon Government energy policy. Although the projected demand for natural gas in 1985 is relatively insensitive to Government regulatory actions, the actual consumption of natural gas forecasts in 1985, according to the FEA, would decrease with continued price regulation due to the lack of available supplies, necessitating the substitution of alternate fuels and increased oil imports.

Last week the Library of Congress reported that should the winter of 1976–77 be only normally cold "current predictions of available natural gas supplies suggest not only widespread factory closing and economic disruption, but also the very real prospect of curtailment of critical human needs * * *." This Nation simply cannot afford to perpetuate a program of wellhead price regulation which has deterred aggressive development of proven reserves and delayed exploration of potential reserves.

Mr. President, there is nothing sinister about the shortage of natural gas in the interstate system. In hearings spanning 3 years, the Senate Committee on Commerce found that energy production in America is not excessively concentrated. Energy production is big business, but concentration is less than in other major industries in this country. The charges of cartel were found to be without foundation.

The natural gas shortage is a result of arbitrary price controls which have cut supply and stimulated a nearly insatiable demand. But this declining production trend can be reversed. Deregulation of new gas prices will offer greater incentives to finance additional gas exploration. As I have noted in this Chamber before, natural gas producers must acquire massive amounts of capital if shortages are to be overcome with additions to new reserves. But if natural gas production is kept uneconomic in comparison with competing capital requirements, capital formation vital to the Nation's energy requirements will not occur.

While deregulation will help assure adequate gas supplies, it does not necessitate unrealistic price increases. The Federal Power Commission estimates that the cost increase for each consumer will be approximately $9 in constant dollars in 1980 as a result of new gas deregulation now. The much less attractive alternative for consumers is the switch to other more expensive fuels.

Mr. President, we have recently been informed that oil imports now exceed domestic oil production. The decline in domestic natural gas reserve additions and production as a result of regulation is well documented. Development of our coal resources is lagging. Yet not one Member of this body will dispute the necessity for U.S. energy independence. Is this goal attainable while price controls exist on interstate natural gas production? My response to that is, no. Energy legislation such as the natural gas bill passed in this Chamber last October is an essential element for a meaningful national energy policy which is responsive to our public needs.

DEREGULATION

Mr. BENTSEN. Mr. President, it is a pleasure to join my colleagues to discuss these issues which are so critical to the national interest. At a time when our dependence on foreign oil is increasing at a dangerous rate, we should be doing everything possible to encourage domestic production of oil and gas.

In October the Senate took a wise step when it approved the Pearson-Bentsen bill, S. 2310, by a vote of 58 to 32. I am absolutely convinced of the wisdom of the Pearson-Bentsen approach.

We can no longer afford delay in getting on with the job of increasing natural gas production. If producers are not given the certainty they need to make the necessary investments, we will be hearing even greater cries of "emergency" next winter. And next winter might not be so kind as the past winter.

Natural gas is our premium fuel. It is clean burning and efficient. It is the optimum fuel from the environmental viewpoint. But the hard truth is that we are running out of gas. As we do, industries and utilities will be forced to convert to fuels posing greater environmental challenges. The more gas we produce, the cleaner will be our air.

With a program of continued regulation, simple economics will dictate that the more expensive gas be left in the ground and the wells capped. This would be a foolish mistake if we were to let it occur. We should produce every economically feasible cubic foot of this precious fuel.

All the experts agree that the natural gas situation must be addressed by some kind of action. Maintaining the status quo is unacceptable. The past two decades of Federal regulation of the wellhead price have produced an economic nightmare. Our best fuel is selling at the lowest price, and those who have depended on it are finding it increasingly unavailable. Jobs are at stake. Home fuel supplies are jeopardized. Producers are unable to produce all there is. And the national dependence on OPEC grows.

In my State of Texas, consumers are paying more than their fair share of the cost of finding new gas in this country. The Federal regulatory scheme is to blame for this. In the spring of 1973, I filed a bill to deregulate the wellhead price of natural gas. In November of that year, I testified at Senate hearings on natural gas. That was 3 years ago. And today there is still no law on the books addressing the problem.

Last spring Senator PEARSON and I joined in cosponsoring an amendment in the nature of a substitute to the Senate Commerce Committee's natural gas bill, S. 692. That amendment was the beginning of the legislation that finally passed the Senate on October 22 of last year as S. 2310. In the period that intervened between filing the Pearson-Bentsen amendment and the passage of S. 2310, the Senate engaged in many hours of discussion and debate. The attention of the full Senate was focused on the alternate choices for almost 2 months and 35 amendments were acted on by the Senate during floor debate. Judgments were made only after careful consideration—and some of them in the end were 180° from the initial viewpoint. The vote on final passage is reflective of the broad-based support for deregulation.

In February, the House of Representatives passed an ill-conceived natural gas bill, H.R. 9464, which if enacted would be disastrous for our domestic energy production. That bill would only extend further the unworkable Federal regulatory scheme which has created the problem.

I oppose sending the Senate bill to conference with the House bill because I believe only irresponsible legislation would result. What is needed is for the House to act on the Senate bill which is pending in the House Interstate and Foreign Commerce Committee. The only action the Senate needs to take on natural gas legislation is to defeat the unwise and unworkable House-passed bill. Then the House will know that it is time for it to act on the Senate bill.

The choice of the Congress is clear. Either the American consumer will have gas at reasonable prices, or there will be continuing shortages.

We must assure that there exist market incentives for the full development of our domestic natural gas reserves, natural gas reserves which are increasingly more expensive to find and develop. It is apparent that the present regulatory scheme acts as a disincentive to the exploration for and development of these new higher cost natural gas reserves. The wellhead price of natural gas must be permitted over a period of time to nearly reflect market conditions in order to attract the risk capital necessary to increase our natural gas production and to redistribute among other energy sources, demands which can be fulfilled by other fuels. Because of the rapidly expanding curtailment rate and because of the time lag involved in obtaining actual production after investment decisions are made, it is essential that our decision be made now. We have clung to outdated policies too long.

Phased deregulation can reduce the shortage of natural gas. More regulation, on the other hand, would only increase the shortage.

The real issue in this debate is whether the Congress will adopt a policy which will encourage the production of domestic reserves rather than foreign reserves. Either we leave precious domestic resources in the ground or we produce them. If we do not produce them it will result in the transfer of American wealth to the OPEC producers. And that transfer will be at the expense of the American consumer.

Because of the nature of our natural gas markets, it will be many years under deregulation before the price of gas to the gas consumer will ever reach the btu equivalent of oil. Any deregulation of new gas is necessarily phased deregulation because of the old flowing gas already in the pipe under long term contract. What this means is that the American consumer who is able to get gas will have it for an advantageous price. The savings to him because of not having to rely on alternate fuels are tremendous. We should make this saving available to as many consumers as possible, and the way to do this is to increase production through deregulation.

It is a case of simple economics, Mr. President, I urge the members of the House of Representatives to follow the good judgment of my colleagues in the Senate and pass the Pearson-Bentsen bill.

THE PROBLEMS OF FEDERAL REGULATION

Mr. TOWER. Mr. President on several occasions I have joined some of my colleagues, as I do today, in discussing the problems of Federal regulation. We have considered this issue as it affects small businessmen, the capital market, consumers, and various other sectors of our economy.

Today, I would like to address my remarks to the condition of our energy resources—an area currently beleaguered by Federal controls and uniquely sensitive to their devastating effects.

In terms of the energy market, I represent the leading State—if my colleagues will allow me a little boasting here—as far as oil and gas production is concerned. These two fuels supply three-fourths of our national energy needs, and our Permian Basin alone currently accounts for nearly one-fourth of the total domestic crude production.

Coming from the oil patch, I am keenly aware of the technical problems and economic risks involved in energy production, particularly as they affect the independent producers. These individuals—the "small businessmen" of the energy industry—account for roughly 89 percent of domestic wildcat drilling and 75 percent of all discoveries.

From frequent discussions with my own constituents and those from other producing States, it is apparent that energy production is currently one of the most closely regulated industries in this country. Now there is a chilling thought—particularly when you consider the present state of three other tightly regulated industries—railroads, airlines and utilities.

Virtually every aspect of energy production—exploration, drilling refining, marketing and transportation is subject to some Federal control. Considering that Congress has passed 45 energy-related laws since 1973, many of which generated further agency regulations, simple arithmetic indicates the vastness of these Federal controls. No wonder the Federal Energy Administration is finding it difficult to cover all of its bases with a mere 3,400 employees. As we have seen with other regulators, increased regulation means agency proliferation, and despite earnest denials, it appears that FEA is nourishing itself in anticipation of a long life.

Mr. President, I do not intend to review the entire history of our current energy situation, but I would remind my colleagues that it was in 1968 that we first began to rely upon foreign oil imports to meet our daily needs. In the 8 intervening years, we have now come to rely on these sources for nearly 40 percent of our requirements. During the 1973–74 Arab embargo, this country was made abruptly aware that we were no longer energy self-sufficient. We had fallen into that trap of relying on cheap foreign oil, and there was scant pressure on our domestic production levels. When the flow of cheap OPEC oil was cut off, we were caught unprepared, and, in some parts of the country—out in the cold.

The stinging impact of the embargo illuminated the need for a national effort to increase development of existing supplies, encourage conservation of energy, and develop alternative energy sources. In an effort to promote energy independence and protect the consumer against unreasonable price increases, Congress continued price controls on oil and gas, set up allocation systems, repealed the oil depletion allowance for many producers, and passed the Energy Policy and Conservation Act.

This latter measure is one of the most onerous pieces of legislation I have ever seen. The only good thing about it is it makes some of the other restrictive actions look less obnoxious.

For months now, FEA has been busy interpreting the act and proposing rules according to its provisions. The net result thus far shows increased inequities, decreased production incentives and general confusion.

Consider, for example, the effect of maintaining enhanced recovery oil in the lower price tier. In many fields, there are reservoirs of oil and gas which are not feasibly obtainable through primary recovery methods. In some cases, production could be increased or extended through secondary or tertiary recovery. But these processes, which may utilize gases or chemicals, are costly, and unless there is a reasonable margin of return, the well may be plugged. Such production should be decontrolled, so there would be an incentive to utilize our resources more effectively.

Another example of inequity lies in the FEA definition of an oil "property" for determining new and released crude oil. As presently worded, the definition discourages new drilling, creates massive paperwork and auditing problems, and, in some cases, has resulted in costly litigation.

The much-discussed entitlements program is another example of patchwork regulatory approach to energy problems. Since some refiners had access to ample "old," or cheaper oil, while others had to rely on "new" expensive oil sources, FEA set up an entitlements program designed to offset the varying crude costs to the refiners. In many cases, the result has been that the smaller independent refiners end up paying the major oil companies so they can refine their own oil.

While the industry itself is divided over the issue of entitlements, the recent FEA action creating a third tier entitlement for imported oil is clearly detrimental to domestic production. According to an FEA study, the United States is currently spending $125 per person annually for imported oil. I see no reason why we should add to their coffers by further subsidizing imports.

Further problems with the entitlements program have arisen as a result of the FEA proposal to modify the small refiner purchase exemption. Limiting the advantage to a maximum of 1 cent per gallon not only fails to solve the problem of the small refiner, but also limits the advantage granted the purchasers of these entitlements.

Mr. President, there are many other aspects of the EPCA which trouble me, and there are other issues which should be mentioned in any discussion of energy regulation. For example, there is divestiture legislation, proposals to repeal the tax benefits for intangible drilling costs and so forth. Furthermore, Congress is doing untold harm by dragging its feet on deregulation of natural gas.

I realize that my time is limited this afternoon, and I know there are others who wish to speak on this issue. In summary then, I would say simply this.

The time has come when this Nation must undertake an effective and dedicated effort to conserve our existing energy resources and generate the incentive to produce new ones. While this effort may involve some degree of Federal regulation, I think that the course we have presently charted is a dangerous one.

I have seen reports from my own State which indicate an alarming rate in the number of stacked rigs. Texas had over a third of the Nation's active rotary rigs last year, and the national statistics show that active rotary rigs in the United States decreased from 1,800 at the end of November 1975, to 1,520 as of March 15.

Experience and commonsense should warn us that energy production—like other industries we have seen—cannot withstand the kind of regulatory overkill that is going on today. Despite repeated assurances that decontrol will come and that existing regulations are designed to encourage energy independence, my own assessment of the situation is far less optimistic.

Existing and proposed regulations have generally served as economic disincentives to increased production and capital investment. They have created uncertainty, confusion, inequities, and disputes. They have also begun to escalate production costs by virtue of increased paperwork and advisory fees—costs which will ultimately reach the consumer or result in increased unemployment.

We must stop fooling ourselves and the American public. There is no yellow brick road to energy independence. Unless we provide sound economic incentives and encourage free market competition for energy production, we may face some cold winters in the years to come.

THE EFFECT OF GOVERNMENT REGULATORY ON ENERGY

Mr. GARN. Mr. President, I am very happy to be participating in this colloquy this morning. We have had a number of these exchanges on Government regulation, but for several reasons, it appears to me that regulation of the energy industry is the most serious mistake that the Federal Government makes. It is true that regulation in other areas affects individual decisions, and raises costs to consumers, but regulation of energy affects the supply of the lifeblood of our society. Everything is dependent on energy supplies.

Energy is particularly important to my State. The State of Utah is an energy-rich State, with enormous reserves of coal, natural gas, oil, oil shale, tar sands, and potential supplies of geothermal, nuclear and solar energy.

Unfortunately, the development of this energy potential is inextricably bound up with government regulation. That is so because about two-thirds of the State is owned by the Federal Government, with the allocation of ownership such that virtually any action for development must have the approval of Federal land managers, and thus Federal regulators.

The result is that it is taking an increasingly long time for the development of new sources of energy in the State of Utah. The Kaiparowits powerplant in southern Utah has been on the drawing board for nearly 15 years; it is the best planned powerplant in the history of the world; it has overwhelming support from the people of the State; it will be built without Federal subsidy, by private enterprise. And yet it is far from certain that it will even be built, much less that it will be built soon.

The citizens of my State also report that oil and gas wells are being shut in on an almost daily basis, because of the regulatory actions of the U.S. Government, not least the Congress. Oil production in the Uintah Basin in eastern Utah has fallen off dramatically since the imposition of price controls on petroleum after the 1973 crisis. The repeal of the oil depletion allowance has also discouraged production, and the legislation signed into law by the President in December will only make matters worse, not better.

It is popular these days to flay the oil companies for their rapacious natures, for their passion for grinding the poor into the dust so they can extract the last nickel from them. For perspective, I would just like to make some comparisons between price increases in gasoline and in a number of other commodities. In 1920, a loaf of bread sold for less than 12 cents. In 1975, it sold for about 37 cents. The price of milk went from 16 cents to 47 cents, hourly wages of truck drivers from 47 cents to $5.38. In percentages, these increases work out to 222 percent, 194 percent, and 1,052 percent.

By contrast the price of a gallon of gasoline went from about 30 cents to 47 cents before taxes, an increase of 58 percent. Taxes on gasoline, by the way, increased over the same period from .0009 cent to 12 cents, an increase of over 13,000 percent. If we really wanted to give some relief to the gasoline consumer, we could lower taxes on the product.

Oil company profits are another easy target for attack, or were at least when they were increasing by astronomical percentages. The politicians and commentators never bothered to point out that percentage increases look especially large when figured on a very small base, and that the 1–2 cents per gallon profit is a fairly small base. And I have seen very little about oil company profits since they fell drastically after the 1-year windfall produced by unwise regulatory policies of the Federal Government.

The fact is, Mr. President, that the record of the Federal Government in the regulation of energy is as bad, or worse, than it is in any other industry. I would like to include at this point in the Record two documents. One, is some testimony delivered by Mr. Max Eliason, president of Rocky Mountain Oil and Gas to a hearing on regulatory reform sponsored by the Commerce Department last December. The other is a chapter by Dr. Richard Mancke of the Fletcher School of Law and Diplomacy from a recent book on national economic planning.

Dr. Mancke's essay treats the broad history of energy regulation in the United States, and finds it a dismal failure; Mr. Eliason looks at the concrete, practical world of present-day energy regulation, and finds it a very inhospitable environment for a businessman. I ask unanimous consent that the two documents be printed.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement by Max D. Eliason

Gentlemen: I appreciate the opportunity to appear at this hearing on regulatory reform, and to speak against the proliferation of governmental controls which threaten to destroy the free enterprise system of the United States. I only wish that I could mount the dome of the Capitol Building in Washington, D.C., and sound a clarion alarm which would be heard and understood by every citizen. My message would be for all of them to arise in revolt at the ballot box against every politician in this land who favors by his actions increasing the regulation of our economy, for they are leading us into the abyss of socialism.

My name is Max D. Eliason, and I am the Senior Vice President and General Counsel of Skyline Oil Company, which is headquartered in Salt Lake City, Utah. Skyline explores for oil and gas in the Rocky Mountain States and in south Louisiana. My company owns over 16,000 acres of prime-quality oil shale deposits in Uintah County, Utah, and it has been active in oil and gas and oil shale programs since it was founded in 1954.

In October of this year I became President of the Rocky Mountain Oil and Gas Association (RMOGA), which represents over 600 members comprised of both major and independent oil operators. Our members are involved in all phases of the oil and gas industry, including exploration and production, transportation, refining and marketing of oil and natural gas in the eight States of Colorado, Idaho, Nebraska, North Dakota, South Dakota, Montana, Utah and Wyoming. It is as a representative of RMOGA that I am appearing here today.

Among the materials furnished to me last week by the Department of Commerce, was an announcement that the Commerce Department is conducting a series of public hearings throughout the Country, some of which will consider job creation, and the others will discuss regulatory reform. I find this combination interesting, because for too long a major portion of the jobs in America have been created by organizing and expanding Federal regulatory agencies. Some politicians have even suggested that all of our unemployed citizens be placed on the Federal payroll, thereby eliminating all unemployment.

We suggest that the best way of insuring long-range job opportunities for our citizens is to reduce regulation of the economy and private businesses to a bare minimum. New capital formation and new jobs will result from removing from the neck of industry the yoke of government control, and the obligation to support through taxes and otherwise the albatross of the Federal bureacracy.

The present economic climate in this Country is not good. Considering the tremendous obstacles and burdens which are continually being placed in the path of private industry, however, it is a miracle that our economy is as healthy as it is. This shows the resiliency of our economic system, but even it can stand only so much abuse.

Just this last week I received from RMOGA's General Manager in Denver, a letter which had been sent to us by a RMOGA member which advised that their oil assets are "merely a shadow of what they once were", and that they are being sold to a liquidation company. They stated that "the rewards from exploration, in these times, do not justify the risks involved. We are grateful for your efforts, over the years, in behalf of the oil business. We are proud that we were once a part of it." Our General Manager wrote a note to me at the bottom of the letter which said, "Sign of the times".

Unless the political climate of hostile attitude towards the oil industry changes, many more of our members will be forced out of business. In the last 20 years, the number of independent oil operators has been reduced in half, largely because of unwise political decisions.

Yet, if a pollster were to survey a cross-section of people walking down the street, they probably would overwhelmingly respond that the oil and gas industry is healthy and is making fancy profits. This is not true. If large profits were being realized in the exploration for oil and natural gas, parties would be clamoring to get into the oil business, not leaving it.

The false impression shared by many, that oil companies have been reaping inordinate profits at the expense of the consumer, is the reason they so far have allowed their political representatives to make a whipping boy out of the oil industry. However, the public now appears to be awakening to the grave peril to our economy and military security arising out of our growing dependence upon foreign supplies of energy. This was illustrated by a recent Harris poll which stated that a large majority of the public now favors the complete decontrol of oil prices. Unfortunately, members of Congress do not appear to be as enlightened as their constituents.

Mr. Fred L. Hartley, Chief Executive Officer of Union Oil Company of California, was quoted in the July 15, 1975 issue of Forbes Magazine, as saying, "What is discouraging is the apparent attractiveness to many people of government solutions generally. They seem to feel there is a low price or no price at all. It just comes from the government, whoever that may be". He then noted that Woodrow Wilson once said, "No man ever saw a government. I live in the midst of the government of the United States, but I never saw the government of the United States."

While the legal entity known as the Federal Government cannot be seen, the oil industry feels the impact of governmental control and regulation in every sphere of its activities today. The petroleum industry is probably the most heavily regulated industry in the nation today. Every aspect of our business is governed by some type of regulation. Federal, State and local governments dictate where we can look for oil, the prices we receive for it, where we can locate the pipelines to move it, where we can build refineries to process it, what types of products our refineries can produce, and to whom, where, and in what quantities we can sell the products.

Governmental control is the antithesis of free enterprise. It represents the substitution of decisionmaking by politicians and bureaucrats for the competitive forces of the market place. The market place decisions are made by the consumers. To a large extent the free enterprise system has been replaced in the oil industry by public employees telling members of the industry and the consumers what the bureaucrats conceive to be in their best interests. We submit that even the most well-informed, honest, and brilliant bureaucrat will never be able to make decisions in the public interest which are as correct as those determined by the market place. This is because bureaucratic decisions are often arbitrary and inflexible, and do not take into account all facts. Moreover, costs and other factors vary so much as to make general rules setting prices and other operating conditions unjust and stifling to business. As a result, bureaucratic controls are often disappointing even to those who have instituted them. The tendency then is to adopt additional controls to correct past mistakes.

This situation then becomes similar to that of a liar who perpetrates one untruth and then believes it necessary to tell additional lies to cover up for the initial lie. He thereby only succeeds in making matters worse, and soon, he is trapped in his own web.

The politicians who have sponsored and supported many of the governmental control measures have perpetrated a great hoax on the American consumer, by claiming that they have done so in order to benefit the consumer. Yet, their ill-advised programs have taken and are continuing to take billions of dollars from the pockets of the very consumers who were supposed to have been benefited by such programs. The costs of these governmental programs are reflected in the prices paid for products, and in the taxes which are levied upon the heads of the American worker.

In the final analysis, it is the American consumer who pays the bill for the folly and mistakes of the politicians and bureaucrats and it is time for all of us to wake up and do something about it. I say "us", because I am one of the consumers spoken of, and so is every other American citizen. As one of the consumers whom these politicians claim to be protecting, I want to tell them to stop their misguided efforts before it is too late. I feel much like a sick person living in the year 1800 must have felt, who was subjected to blood letting as a cure for his malady. All of us consumers are being bled to death "for our own good", and we must force a halt to the process before all of our resources are gone and we are simply wards of the State.

Three examples will illustrate the magnitude of the problem:

1. The November 24, 1975 issue of The Oil and Gas Journal, reported that "the Federal government now has over 6,000 different forms in print. As a result, Federal employees shuffle some 10 billion sheets of paper each year, enough to fill Houston's Astrodome 50 times." It was stated therein that Exxon Company, U.S.A. started in early 1974 "keeping track on the manpower and cost associated with its reporting load. As of now, the company finds it is filing 409 reports to 45 different federal agencies. This excludes all federal, state and local tax reports. Of the 409 nontax reports, 55, or 13%, were introduced in the past 18 months. These 409 reports required the equivalent of 112 employees at a cost in excess of 3.5 million dollars/year. These are company costs not associated with the federal paper shufflers".

2. The August 20, 1975 issue of The Oil Daily, carried an article about Sun Oil Company's "red tape burden." Sun, which is the Nation's 14th largest oil company, "estimates it will spend 280,000 manhours this year merely filling out government forms. One-third of that time . . . . will be dedicated to the Federal Energy Administration (FEA) . . . Sun finds that it prepares 173 monthly, and 3 quarterly reports for the FEA. And those figures do not include resubmissions or duplicate copies to State or other Federal agencies.

3. An editorial in the November 17, 1975 issue of The Wall Street Journal noted that Goodyear Tire & Rubber Co. "spent more than $30 million last year in complying with government regulations—enough to pay 3,400 workers in Akron their regular wages for an entire year." It noted that Goodyear Tire reckons that "the number of federal employees engaged in regulation activities is about 63,000 and they will cost taxpayers over $2 billion in salaries and other expenses this year. That's a lot of people and a lot of money, but the direct cost is peanuts compared with the cost of compliance. If the Goodyear experience were translated to the entire country, using the size of the company's work force relative to the national work force as the basic for calculation, the compliance cost nationwide figures out to some $16 billion. That may well be conservative."

Perhaps the most deleterious effect upon business of this bureaucratic red tape, is the diversion to it of the time and efforts of executive personnel away from productive activity. The efforts of the persons employed by both industry and by the Federal government to comply or check on compliance with Federal regulations could otherwise be used to create goods and services which are of benefit to mankind.

I will now comment briefly on certain areas of control and regulation directly affecting the oil and gas industry. This will not constitute a complete list by any means, but will be illustrative of the problems which result from regulation:

1. OIL PRICE CONTROLS

The price of oil has been regulated since 1971. It and natural gas are the only commodities which still are under price regulation by the Federal government.

As a result of the Arab oil embargo about two years ago, the supply of crude oil available to various refineries in the Nation varied widely because some companies had access to large supplies of domestically produced oil while others did not. In an effort to spread the shortage around, the government established an allocation program requiring those refineries with relatively large supplies of domestic crude to sell some of their oil to crude short refineries.

The maximum price which the selling refinery could charge was the weighted average price of its total crude supply. Those refiners that had relatively little domestic crude had an incentive, therefore, to reduce their imports and buy oil from the allocation program at a price less than the imported price. Thus, the allocation program discouraged the importation of foreign oil from friendly countries during the embargo, which was counter-productive to our national interests, and compounded the problem of long lines at the filling stations.

Once this deficiency became obvious to the government planners, they issued new pricing regulations designed to allow refineries who sold oil under the allocation program to recover their losses on such sales. The firms which conscientiously followed these new regulations were legally entitled to recover more than their losses on these forced sales. This practice became known as "double dipping". When it was brought to the public's attention, the oil companies were severely criticized. This result, however, stemmed from the inability of the regulators to foresee and plan for all of the problems and it illustrates how adding regulation on to regulation to solve one problem, can create additional problems.

The irony and inequities created by government control are further illustrated by some of the conditions which affect the oil industry today. Those producers who over the years risked their resources to develop domestic reserves are being paid $5.25 per barrel for so-called "old oil". That price is not determined by the market value of the oil, but only by decisions of government employees who arbitrarily have determined that this is the price which those producers are to receive. However, producers of so-called "new oil" discovered since 1973 are receiving $13 to $14 per barrel for their product. Foreign oil costs in excess of $14 per barrel. Yet, the barrel selling for $5.25 is of the same quality, and produces the same amount of energy as the barrel costing $14.

This two-tiered pricing program has resulted in even further inequities. It has forced the continuation of the allocation system and the use of an entitlements program. Thereunder, the Federal Energy Administration attempts to equalize the cost of crude among various refineries in the United States. Where one refinery is heavily dependent on high-priced foreign oil, or upon domestic "new oil", its average cost per barrel is higher than is the average cost of oil to a refinery having a larger amount of "old oil". At the end of each month, therefore, the F.E.A. requires oil companies having a lower average cost per barrel of oil to pay through the F.E.A. sufficient money to raise their cost of oil to the national average. The F.E.A. then distributes this money, as an entitlement, to companies which have paid higher than the national average for their oil, thereby lowering their average cost down to the national average.

The government says that these companies are entitled to these payments, but principles of equity do not. This program results in the forced payment of millions of dollars by some oil companies to their competitors, because of government decree. I am saddened to see this day when the Federal government forces one company to subsidize another in this manner. The result is that a penalty is being placed upon the very companies which have been most resourceful and successful in past years in developing the domestic reserves upon which we now depend so heavily. Those companies which were least successful in finding domestic oil, or which spent their exploration dollars overseas, are receiving a windfall at the expense of those companies which stuck it out here in the United States.

For such a situation to be created in our free enterprise Country is criminal, and those who are responsible for these great inequities have done a disservice to every American. This result should underscore the stupidity of continuing the regulation of oil and natural gas.

Is it any wonder, therefore, that the oil industry is incredulous over the bill which Congress appears likely to pass which will now add further regulations on oil prices. Under this measure, the price of "new oil" would be rolled back and placed for the first time under price control. This confirms the pattern of adding further regulations to try to correct the results of poor legislation.

Sometimes the consumer gets lost in the shuffle of Federal actions and double-talk. But we hope that every American will understand that the result of oil price controls is the continued increase in our dependence on foreign oil, which now accounts for over 40 per cent of what we consume. This dependence is increasing, because the arbitarily low prices decreed by Washington do not supply adequate incentive for the full development of our domestic resources. Just as Rome burned while Nero played his fiddle, our domestic reserves are dropping for the fourth consecutive year as the politicians play with oil price controls.

Unless President Ford holds the line against rolling back the price of "new oil", the prospects for this Country ever extricating itself from the power of the OPEC nations will be grim indeed.

2. PRICE CONTROLS ON NATURAL GAS

I have not always agreed with the positions taken by the recently retired Supreme Court Justice, William O. Douglas. But in 1954 he wrote a forceful dissent in the 5 to 4 Court decision which paved the way for the Federal Power Commission to regulate the price of natural gas in the interstate market. Known as a lawyer who had a keen understanding of matters of finance, he pointed out that price controls on natural gas would eventually lead to severe shortages of that commodity. He predicted that the decision would bring years of confusion as the F.P.C. tried to regulate thousands of natural gas producers, each with a different set of economic circumstances. His prophecy has come true.

The Federal Power Commission since 1954, has controlled the prices paid for natural gas sold in interstate commerce. The basic philosophy guiding this effort has been to make the price of natural gas to the consumer as low as possible. Unfortunately, this philosophy of control did not include an effort to maintain adequate supplies for the consumer.

By keeping this premium fuel at a price significantly lower than either oil or coal, the American consumer naturally gravitated towards the use of natural gas. The low price encouraged increased consumption and waste. Even industrial users have for years used this clean and convenient form of energy as a boiler fuel for the generation of electricity and other industrial purposes. It is little wonder that according to a *Wall Street Journal* article appearing on November 20, 1975, the Federal Power Commission's latest report on world gas production and reserves shows that the United States in 1973 owned just 10.9 per cent of total known natural gas reserves in the world; yet, it marketed 49.2 per cent of all gas sold in the world that year.

Two years ago, I listened in astonishment as two staff attorneys for a Senate Subcommittee told a group of law students at the University of Utah that this Country does not have a shortage of natural gas, even though it has an oil shortage. They apparently had been sitting in their ivory towers in Washington, D.C. and reading statistics, without understanding their import. It was most disconcerting to realize that those very individuals were playing a large role in determining policies adopted by Congress.

Those of us who work in the oil and gas industry, know of the reality of our natural gas shortage. Still, however, there are those who charge that the oil industry is creating the shortage by withholding supplies until Federal regulation allows the payment of higher prices. This is despite the fact that these charges have been investigated and rejected by the Federal Power Commission, the Fifth and Ninth U.S. Circuit Courts, and the U.S. Supreme Court. In addition, the F.E.A. collected its own data in 1974, arriving at a total only 2 per cent above that reported by the American Gas Association.

It is true that there are supplies of natural gas which are not being produced today because of low prices. Our Company, for example, owns interests in wells in the Uinta Basin of Utah which cost over $500,000 to drill and complete and which could be producing natural gas today. However, we cannot afford to produce that gas, or to develop the extensive leasehold acreage in the area by drilling additional wells, because the arbitrary prices established by bureaucratic decision in Washington would require that we take a loss on the natural gas which we would sell.

The national rate which the Federal Power Commission allows to be paid for natural gas sold in interstate commerce today is 52¢ per M.C.F. Yet, as a customer of Mountain Fuel Supply Company, I am helping to pay for gas imported from Canada which is costing now approximately $1.60 per M.C.F. at the Canadian border. Our neighbors on the north have announced that soon the price will be raised to $2.00 per thousand cubic feet, which is almost four times as much as allowed by the Federal Power Commission for domestically produced natural gas sold in interstate commerce.

The United States Congress also has subsidized, using my and your tax dollars, the construction of very expensive cryogenic tankers which will transport liquified natural gas from Algeria, one of the countries least friendly to our own. The delivered cost of this gas also will be at least $2.00 per thousand cubic feet. We, as consumers, will pay for the expensive gas while the Federal Power Commission continues to depress exploratory programs by holding domestic producers prices down to 52¢.

When are we going to start giving at least equitable treatment to our own producers? The answer to that question is that equitable treatment will only be given by allowing market forces to determine price, rather than government decree.

3. DIVESTITURE LEGISLATION

One of the most insidious proposals being made by certain politicians today, is to force the dismemberment of the major oil companies in this Country into production, refining, transportation and marketing segments. The rationale given for this proposal is that the petroleum industry is non-competitive, and that a monopolistic situation exists within the industry because of the size of many of the vertically integrated companies.

Already, the F.E.A. has decreed that the eight largest oil companies cannot jointly bid with each other in competition for leases on off-shore lands.

Some studies by Congressional staffs have concluded that the oil industry is non-competitive. However, these conclusions were obviously reached by individuals who do not understand the workings of the oil and gas industry, and who have at times read statistics and facts which they do not understand and from which they have drawn erroneous conclusions.

Based upon my over sixteen years experience in the oil and gas industry, I can assure you that it is highly competitive.

It is ironic that many of those who claim that the oil and gas industry is non-competitive, are the very ones who have sponsored and supported legislation which has made it less competitive than it otherwise would be. Government regulation of prices, for example, tends to equalize the competitive advantages of one company over another.

Projects such as the Alaska Pipeline, the drilling of wells in off-shore waters, and the construction of synthetic fuels plants, are so large that not even the biggest oil companies can afford by themselves to assume the entire risk. Therefore, even major oil companies must have the right to work together on such projects.

One of the secrets to success of our economic system has been the generation of savings through producing commodities on a large scale. The consumer has benefited by these savings created by largeness in the oil industry and the auto industry, to cite just two examples. So long as anti-trust legislation continues to be vigorously enforced, the consumer's best interests will be served by preserving the present structure of the oil industry.

Just because two or more major oil companies cooperate on a certain project, is no proof that they are not competitors. To claim otherwise is about as foolish as to say that when two large law firms are associated together in solving one legal problem, that they are no longer competitors in other areas.

4. MANAGEMENT OF THE PUBLIC LANDS

A large portion of the lands located in the eight RMOGA States are owned by the Federal government, and are under the direct management supervision of the Bureau of Land Management of the Department of the Interior. Rules and regulations and decisions by unelected public servants are making it increasingly difficult for private industry to develop the mineral resources located under these lands.

For example, in the State of Utah, a system of categorization of various lands was instituted approximately two years ago by the B.L.M. which has removed a significant portion of the prospective lands from exploration for oil and gas or any other leasable mineral. Even when lands are made available for leasing, onerous stipulations frequently are attached to the lease, which restricts the use of the lands covered thereby and frequently results in delaying exploration programs.

Just obtaining the right to build an access road to a particular property oftentimes becomes a Herculean task. There are instances where oil companies have been required to build much more elaborate and expensive roads than their own projects would require, since the better roads then could subsequently be used for Federal programs. In such a case, the oil company has no viable alternative but to comply with the demands, for otherwise its entire project will be delayed.

Some of our members are involved in coal exploration. For approximately the last two years, a moratorium declared by the Secretary of the Interior has been in effect on the granting of any new Federal leases on coal lands, even though the law declares coal to be a leasable mineral. This has brought a complete halt to the coal development programs of many companies.

As I mentioned, my Company has been involved in oil shale development since its inception. We own an interest in unpatented oil shale claims covering approximately 4,723 acres of lands located in Garfield County, Colorado. Applications for patent of these claims were filed with the Bureau of Land Management in 1958. In the intervening 17 years, not one official action has been taken by the Federal government with respect to those patent applications, even though the statutes of the United States give us the right to apply for and receive patents on valid claims.

5. ENVIRONMENTAL PROTECTION REGULATIONS

The oil and gas industry is committed irrevocably to taking actions which will result in no unreasonable adverse impact upon the environment.

The construction of new facilities and projects has been delayed and oftentimes stopped by various Federal agencies, acting pursuant to the provisions of the National Environmental Policy Act of 1969 (NEPA). The lengthy delays resulting from unreasonable requirements under this Act would read like a horror story if they were all compiled in a book. These have affected the construction of pipelines and refineries and deep sea ports, drilling projects offshore, and other programs.

Unfortunately, the NEPA and other legislation created by Congress has been used effectively by vociferous minorities such as so-called "environmental groups" to make unreasonable demands for environmental studies and to institute legal actions to thwart new industrial projects. Many of these detractors adhere to the "no-growth philosophy" with respect to industrial expansion, and use whatever means is available to stop industrial developments.

One of the best examples of the results is the case of the construction of the Alaskan Oil Pipeline. The delays caused by bureaucratic red tape in the construction of that facility not only resulted in a seven-fold increase in costs, but also contributed significantly to the present dependence of the United States on the importation of foreign oil. After a five-year delay, it took a special Act of Congress to overcome the delaying tactics of the environmentalists so that construction of the pipeline could get started.

One vivid example of delays caused by environmental objections which is familiar to the citizens of the State of Utah was the two-year delay encountered by Mountain Fuel Supply Company in obtaining permission to complete a comparatively short stretch of pipeline from Coalville, Utah, to the Bountiful, Utah area. Approval was finally obtained in late fall of this year only after an extensive lobbying and public relations effort was made by Mountain Fuel Supply Company, other members of the oil industry, Governor Calvin L. Rampton, and the entire Utah delegation to Congress. A significant part of this pipeline is, as a result, being built under winter conditions at a much greater cost than if it were constructed in favorable summer weather.

Ten years ago, Governor Rampton hailed the proposed construction of the coal-fired electricity generating facilities in southwestern Utah, known as the Kaiparowitz Project. This facility would provide electricity to millions of people living in the southwestern part of the United States. However, unreasonable demands for the writing and rewriting of environmental statements, coupled with bureaucratic hesitancy in giving approval to this project, have delayed the commencement of the Kaiparowitz Project and construction still is awaiting Federal approval. The opponents thereto do not seem worried over the fact that Southern California Edison now receives from Arab nations over 75 per cent of the oil which it uses to generate electricity. However, the customers of that utility should be very concerned and this Project should be started immediately.

An environmental impact statement was prepared to cover the operation of an approximately 1,000 ton-per-day oil shale retort facility located at Anvil Points in the Piceance Creek Basin of Colorado, under the sponsorship of the Paraho Oil Shale Demonstration. After a successful testing of this retort, plans were made to construct a new facility at the same site, having the capacity to process approximately 11,500 tons of oil shale per day utilizing the same mine and the same technology.

The EPA then ruled this fall that another environmental impact statement will be required for this larger project. This will result in a delay in construction of from 1 to 1½ years. In the meantime, the highly-skilled staff which had been working on the smaller project will probably have to be released pending the receipt of authorization for the new project. This delay and added cost could seriously injure the prospects for the near-term commencement of a commercial oil shale industry.

I took part in the preparation of the Environmental Impact Statement prepared for the prototype oil shale leasing program, under which four Federal tracts were leased for oil shale in early 1974. This Impact Statement took over four years to prepare and consisted of six volumes which, when stacked, are approximately six inches in height and weigh about 12 pounds. The cost of preparing this Statement was between 10 and 15 million dollars. Even after this Impact Statement had been prepared, there were still many parties who claimed that it was inadequate.

The public officials who are charged with the administration of NEPA are frequently so worried about their own jobs, or that they might be criticized for decisions which they make, that they are overly cautious. And well they might be, because there is always the threat of litigation by environmental groups. When charges of inadequacy of environmental statements are made, the normal and natural reaction of these officials is to require further studies. As a result, there never seems to be an end to the process, and costs multiply and delays are added to delays.

* * * * *

One cannot help but be depressed by the deplorable circumstances created by the meddling of the Federal government in the functioning of our economic system. Free enterprise built our Nation into the greatest economic power on earth.

Last week I was given a book entitled "Essential Government Economic Controls, Regulations & Guidelines" by Robert A. Steiner. On the back of the book it states that "Detailed herein are all of the economic areas where he believes that it is proper for the mechanisms of government to intrude into the marketplace and to restrict voluntary free enterprise." When I opened the book, I found that all of its pages were completely blank.

While this book was prepared as a joke, it contains a message which should not be lost, which is that governmental controls, regulations and guidelines should be kept at an absolute minimum.

I would like to call to your attention some of the comments made by David Cole, Director of Eastern Hemisphere Marketing for Continental Oil Company, at a seminar of the Petroleum Marketing Education Foundation in St. Louis earlier this month. Mr. Cole said:

I do not think there exists in Europe a government department offering a (petroleum) price regulation manual running 225 pages, or an allocation regulations manual of some 375 pages with three sets of amendments each month. Collectively, across Europe, there are not anywhere near the 89 U.S. government agencies involved in sorting out one red tape from another.

Mr. Cole's conclusion was that the European oil marketer enjoys more freedom to innovate than his counterpart in the U.S., where "government bureaucracy seems to be choking the efficient . . . to protect the inefficient."

How sad it is that the oil man's freedom in Europe is greater, despite the advanced state of Socialism which exists there, than is the freedom of the American oil man in his own country.

RECOMMENDATIONS

We submit the following suggestions to help correct the mistakes of the past:

1. All governmental controls of oil and natural gas prices should be eliminated at an early date. No new price controls should be enacted, such as those which would force a rollback in the price of so-called "new oil" and place it under price control.

2. The powers of governmental agencies should be (a) examined; (b) restricted where abuse has occurred; and (c) more clearly defined.

3. The provisions of regulatory legislation, such as the National Environmental Policy Act, should be amended to prevent abuse of the original purposes thereof. Those who challenge an administrative decision through litigation and receive an adverse ruling in the Courts, should be required to pay all legal expenses of those who support the administrative decision.

4. All but the most essential reports required to be filed by business should be eliminated.

5. A more effective system of accountability should be instituted for Federal employees so as to reduce their ability to make arbitrary and capricious decisions, or no decisions at all.

6. Specific time limits should be placed upon Federal agencies within which they must make decisions affecting the control of business activities.

7. A system of incentive pay should be instituted to reward those Federal employees who make suggestions and who institute programs which eliminate wasteful practices in government and lead to greater efficiency.

8. Efforts should be made to force Federal agencies to coordinate their activities more closely with each other to eliminate duplication of regulatory actions, and to discourage agencies from competing with each other in growth and in areas of responsibility.

We hope that these recommendations will be of use to the Department of Commerce in instituting programs to reform the regulatory system in this Country. The facts show that such reform is sorely needed.

Thank you for this opportunity to present our views.

Energy: The Record of the Federal Energy Administration, 1974–75

The search for an improved U.S. energy policy brings into conflict two fundamentally different approaches. On the one hand, opponents of central planning point to the costly failures of past U.S. energy policies such as oil import quotas, natural gas wellhead price regulation, and too ambitious mandatory motor vehicle emission standards, and argue that less government planning and greater reliance on market forces and private expertise are the master keys to improving U.S. energy policy making. Conversely, planning proponents, although also recognizing the energy problems caused or aggravated by poorly-conceived planning, argue for designing and implementing far more detailed and comprehensive plans aimed at coordinating decisions made in all phases and sectors of the energy business.

The Federal Energy Office (FEO) and its successor, the Federal Energy Administration (FEA), were the first formal organizations explicitly charged with developing and coordinating a more comprehensive U.S. energy policy. A review of their performance casts considerable doubt upon the thesis that more detailed and comprehensive governmental planning offers the way out of the energy problems now facing the United States.

During the early months of the 1973–74 OAPEC embargo, the United States faced the very real danger of running short of oil.[*] Reacting both to this crude oil shortage and to an earlier shortage of refined petroleum products, Congress passed legislation instructing the President to assure the equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry including independent refiners, small refiners, non-branded independent marketers and among all users.[1]

The President assigned responsibility for implementing this directive to the newly-created Federal Energy Office.

The FEO responded by promulgating numerous allocation regulations, which though well-intentioned, nevertheless, on balance, actually complicated the nation's immediate oil supply problems. In December 1973, for example, the FEO issued regulations allocating gasoline supplies to service stations on a monthly basis, and allowing refiners and dealers to raise gasoline and number 2 heating oil prices to offset higher costs only once per month. Hence, many service stations closed before the end of the month because they had sold their entire allotment. And since gasoline prices could be raised at the start of a new month, a few dealers found it profitable to lock their pumps before the end of the month even though they still had some gasoline. As a result, severe end-of-the-month gasoline shortages often "miraculously" evaporated at the beginning of the new month once higher prices could be charged and new allotments were received.

Other FEO regulations were designed to force refiners with crude oil supplies greater than the industry average to sell some of their "surplus" to crude-poor competitors at a subsidized below-replacement cost price.

Footnotes at end of article.

These regulations had the perverse effect of discouraging both crude-short and crude-rich companies from importing oil in the midst of the OAPEC embargo. Specifically, these regulations penalized crude-short companies because each barrel of imported oil reduced the amount of "cheap" domestic crude that they were allowed to buy; crude-rich companies were penalized because each barrel of imported crude raised the amount of domestic oil that they were obliged to sell at a below-replacement-cost price. As a result, for each barrel of oil imported, inter-refinery crude oil allocation regulations meant reduced oil company profits. Nevertheless, despite strong financial incentives to reduce their oil imports, both crude-short and crude-rich refiners continued to import substantial quantities and thereby helped to alleviate U.S. oil shortages. This was not behavior one would have expected from greedy, socially irresponsible companies.

The petroleum shortages ended by May 1974. And at that time, Congress authorized the Federal Energy Administration to take over the duties of the Federal Energy Office. The FEA had two principal assignments: First, to implement policies aimed at reducing the United States' vulnerability to future petroleum embargoes by stimulating faster development of secure energy supplies and by discouraging growth in energy demands; and Second, to enforce petroleum price controls (established by the Cost of Living Council) and associated allocation regulations. Unfortunately, because they have discouraged companies from making some of the investments necessary to expand oil supplies, oil price controls have had the undesirable effect of increasing U.S. vulnerability to future embargoes.

Domestic crude oil prices began rising in early 1973. As part of its program to combat inflation, and to prevent owners and producers of previously-developed supplies from reaping windfall profits, the Cost of Living Council set ceiling prices on all crude oil classified as "old"—which the Council defined as oil from leaseholds producing prior to 1973. The CLC believed that this action would not for the most part lead to reduced production of old oil because the out-of-pocket cost of producing oil from most already-developed sources was far lower than the ceiling price. However, to assuage the tens of thousands of politically-powerful independent oil producers, Congress explicitly exempted from all price controls any oil produced from low-productivity stripper wells (i.e., wells producing less than 10 barrels per day). Stripper oil production costs were already near the ceiling price and rising sharply because of rapid price inflation of drilling equipment and supplies. Therefore, Congress reasoned in justifying the exemption, imposing price ceilings on these marginal fields would make it unprofitable to continue producing from them, and would also make it unprofitable to rework closed fields, and to make the investments necessary to boost output from stripper wells already in operation. Unless these marginal fields were exempted, therefore, effective price ceilings would discourage crude oil output, precisely at a time of tight supply, when an increase in output was most needed.

The Cost of Living Council also recognized that higher crude oil prices would encourage oil companies to expand greatly their investments for exploring, developing, and producing oil from new sources. Hence, the Council also exempted from the price ceilings "new" crude oil—defined as production from a leasehold above the level achieved in 1972. To provide additional incentives to develop new oil, producers were allowed to release a matching barrel of old oil from the price ceilings for every barrel of new oil they produced. The result of these exceptions for the stripper, new, and released oil was that 35–40 percent of all U.S.-produced crude oil was exempt from price controls during 1974–75.

Before the imposition of price controls, oil refiners paid prices for specified barrels of crude oil corresponding directly with their economic value. Thus, they typically paid premiums for higher gravity crudes, which yield proportionately more gasoline; for low-sulphur crudes, which are cheaper to refine and whose products contain fewer pollutants; and for crudes located relatively close to major refining and consuming centers. After the imposition of price controls, the price paid for a barrel of crude oil also depended on its classification as old, exempt, or foreign. Old oil was the cheapest—its average well-head price having been fixed at $5.25 per barrel since late 1973. In sharp contrast, from October 1973 to October 1975 the cost of exempt domestic oil of similar quality has risen from about $6 to more than $13 per barrel.

Well before the start of the 1973–74 OAPEC oil embargo, it was evident that the price ceilings on old oil had been set far below market clearing levels. As shortages developed, crude-short refiners, desperate for refinery feed-stocks, began to bid-up the price of exempt crude oil. And desiring even more oil, they sought ways to circumvent the old oil price controls. According to reports appearing in the trade press prior to the OAPEC embargo, some succeeded by agreeing to tie together purchases of old and new oil from a given supplier: they bought old oil at the controlled price, but bought new oil at a price so high that the weighted average price for the total purchase rose to near the market clearing level.

Not surprisingly, U.S. petroleum suppliers became even scarcer during the OAPEC embargo. Realizing that producers of old oil would almost certainly require tie-in purchases in order to circumvent the price controls, the Federal Energy Office issued regulations freezing all old oil buyer-seller arrangements as of December 1, 1973. This ruling eliminated tie-in sales and thereby saved the controls on crude oil prices from total emasculation.

Some refiners process much greater proportions of "cheap" price-controlled old crude than others. To prevent these fortunate refiners from reaping vast windfall profits, the Federal Energy Office enforced differential ceilings on the prices charged for refined petroleum products. Specifically, each refiner could charge a maximum price determined by adding a cent-for-cent pass-through of all increased costs to the price it charged during a pre-embargo base period.

These pricing rules resulted in intercompany differences of as much as 12 cents per gallon in retail gasoline prices in the midst of the OAPEC embargo.

During the OAPEC embargo the shortages of all petroleum products permitted even high-cost refiners who processed relatively small amounts of the price-controlled old oil, to charge higher prices for their products without losing sales. However, once the embargo ended and the shortages eased, these high-cost companies confronted the dilemma of either maintaining higher prices and watching their sales plummet, or cutting prices and incurring huge losses. To prevent this, the Federal Energy Administration established inter-refinery allocation regulations requiring refiners with above industry-average old oil supplies to pay competitors with below industry-average old oil supplies $6–$8 per barrel for entitlements to refine their own old oil. As a result of this entitlements program, refiners with above industry-average old oil supplies have had to make payments totalling well over $1 billion in 1975 to their competitors. Requiring those firms that were prudent enough to develop domestic oil supplies to subsidize their less prudent competitors is a poor way of encouraging the needed development of additional domestic oil supplies. These subsidies would be unnecessary if crude oil price controls were abolished.

The Congressional mandate forcing the Federal Energy Administration to continue to enforce old oil price controls has caused two classes of problems. First, as long as prices for some domestically-produced petroleum are fixed at levels so low that demands far exceed supplies, the FEA must continue to enforce a variety of highly detailed regulations aimed at allocating available supplies "fairly." These allocation rules have cost the FEA millions of dollars to promulgate and enforce and the oil companies additional millions to implement. Far worse, since each group of consumers and refiners has a different definition of what constitutes a fair allocation of low-cost petroleum, all of the FEA's allocation regulations have precipitated rancorous public debates. Such a politically-charged atmosphere has not been conducive to passage of good energy policy legislation.

The second type of problem with old oil price controls is that, as implemented, they subsidize OPEC oil to the extent of $2 to $3 per barrel. The ultimate result of such a policy is an increased level of oil imports and, hence, an increase in the United States' vulnerability to future oil embargo threats. If below market-clearing prices are temporary, the resulting supply-demand distortions may not lead to costly additional domestic oil shortages. Unfortunately, petroleum price controls have not been temporary—they have been enforced almost continuously since 1971. The United States' rapidly worsening shortage of natural gas, which has been effectively price-controlled since the Federal Power Commission adopted area-wide price controls in 1960, offers graphic evidence of the disastrous consequences of using controls to enforce persistent below-market-clearing prices for an important type of energy. Natural gas shortages have grown progressively worse since 1970, which has forced a sharp growth in U.S. oil imports—the only immediately available natural gas substitute—and therefore has greatly increased the United States' vulnerability to oil embargoes. Likewise, the continuation of existing crude oil price controls will make it exceedingly difficult for the U.S. to reduce its oil import dependence, which also increases American vulnerability to future oil embargo threats.

The chief benefit claimed for oil price controls is that they are necessary to prevent oil companies from reaping windfall profits as a result of quintupled foreign oil prices. In view of the need for voluntary public support of energy conservation measures during the OAPEC embargo and the enormous public distrust of the oil industry, both Congress and the President concurred on the desirability of this goal. This was probably a proper policy goal as long as oil was in short supply because of the embargo, although even then objections could be raised to controls on oil profits. Most important, it placed the government in the difficult position of defining acceptable profit levels. Judged by the most common measure—the after-tax rate of return on equity investments—profits of most American oil companies were below the average for all U.S. industrial firms for the ten years prior to 1973. But even after oil company profits rose sharply in 1973 and 1974, they were only slightly higher than the average earned by all U.S. manufacturing. Moreover, oil profits began to fall off in the last quarter of 1974, and this trend accelerated during 1975. The fact that unusually high profits were earned for a period of less than two years is not sufficient to establish that the industry's profits are excessive and therefore must continue to be controlled.

Besides entailing complicated allocation regulations and giving rise to costly distortions in U.S. oil supplies and demands, the oil price controls failed to achieve their main goal of preventing temporary windfall profits resulting from the OAPEC embargo and quintupled foreign oil prices. Price controls failed to check the rise in the oil companies' immediate post-embargo profits for two principal reasons. First, large inventory profits were realized when foreign crude bought at pre-embargo world prices was sold at sharply high post-embargo world prices. Price controls on domestically produced crude oil could not limit this one-time source of approximately half the higher oil industry profits attributable to the embargo. Second, because they did not wish to weaken the incentive to find and develop new domestic oil sources, the designers of the price controls wisely exempted 35 to 40 percent of all domestic crude oil. The embargo-caused oil shortage promptly pushed prices of exempt domestic crude oil from less than $6 per barrel on the eve of the embargo to nearly $10 by late December 1973.

There have been no shortages in petroleum supplies, from both domestic and foreign sources, in the United States since the end of the OAPEC embargo in late spring of 1975. Hence, there remains little justification for the Federal Energy Administration to continue the nearly impossible (and extremely expensive) task of assuring equitable distribution of petroleum supplies at equitable costs. The FEA should instead concern itself with reducing the United States' vulnerability to future petroleum embargoes. Unfortunately, because the FEA-enforced price controls have promoted increased petroleum demands while discouraging additions to domestic supplies, FEA policies have thereby actually increased American vulnerability to future embargoes.

An examination of the emergency allocation and petroleum price controls enforced by the Federal Energy Office and the Federal Energy Administration offers little support for the contention that more detailed and comprehensive governmental planning will alleviate American energy problems. The experience of recent U.S. energy policy initiatives suggests, instead, that to be effective, future energy policy planning must take into account five lessons relating to recent energy problems:

1. First, we must determine the objectives of U.S. energy policy precisely, and—to prevent policy-makers from being overwhelmed by too many conflicting considerations—ruthlessly exclude all extraneous issues. For this purpose, four primary energy-related objectives deserve consideration.

(a) *Guaranteeing access to secure energy supplies.* The principal-threat to the United States' energy security is the demonstrated power of a group of large oil exporters to embargo oil sales. The danger will persist as long as any coalition of large oil exporters has sufficient cohesion to maintain monopoly power and the U.S. remains a substantial oil importer. Hence, the oil security threat can only be reduced by policies designed either to foster disintegration of the economic and political ties presently binding the large oil exporters, or—and this would have the same effect—to encourage substantial increases to domestic energy production and substantial reductions in U.S. oil demands.

(b) *Reducing high energy resource costs.* By reducing the productive resources that its citizens consumed in obtaining energy, the United States can have more resources available for producing other socially-desirable goods and services. Policies should therefore be designed to facilitate increased-production of the relatively cheaper (in resource costs) domestic fossil fuels—Alaskan and Outer Continental Shelf crude oil, natural gas, and coal—rather than increased commercial production of much more expensive fuels like oil shale, tar sands, and coal synthetics.

(c) Limiting environmental degradation. Some degradation of the environment or of public health and safety is a by-product of the production, transmission, and consumption of all types of energy. However, different fuels produce large differences in environmental degradation. At present, increased production and consumption of natural gas and crude oil places the fewest demands on the environment and public health, and their production and consumption should therefore be encouraged.

(d) *Limiting undesirable changes in the distribution of income.* Prices of all fuels soared in the aftermath of the OAPEC embargo. This resulted in a large transfer of income and wealth from energy consumers to the owners (both domestic and foreign) of low-cost energy supplies. The largest single portion of this income and wealth transfer goes to the governments of the oil exporting countries. Except for adopting measures that may ultimately lead to either the dissolution of the oil exporting countries' cartel or to reduced consumption of imported oil, the United States is powerless to reduce this part of the energy-related income and wealth transfer.

Because of higher corporate profit taxes, lease bonus payments, and royalties, a sizeable portion of the higher prices paid for domestic energy already goes into federal and state treasuries. Nevertheless, post-embargo high energy prices have led and will continue to lead to income and wealth transfers totalling several billion dollars annually to the owners of low-cost energy reserves. To reduce the size of this income and wealth transfer, Congress might consider introducing higher taxes on energy producers and rebating the proceeds to consumers via income tax cuts. However, considerable study should precede any such action and care taken to insure that these tax hikes do not discourage new domestic production.

All energy policy proposals ought to be judged according to how much they are likely to advance or hinder achieving each of these goals. Unfortunately, most policies will almost certainly yield mixed results. For example, eliminating all price controls on crude oil and natural gas will encourage higher production of both fuels, and in turn, should enhance U.S. energy security, reduce the resource cost (but not the price paid by consumers), assure the United States' energy supply, and, since these are the cleanest burning fossil fuels, reduce environmental damage. However, abolishing price controls will increase wealth and income transfers to petroleum owners and producers. Energy policymakers must weigh these offsetting benefits and costs. It is my view at present, that obtaining secure and lower resource cost energy supplies deserves more weight than the problems associated with environmental degradation and the alleged "worsening" domestic income distribution.

2. Energy policies must be flexible in the sense that they either adjust automatically or with modest administrative input to substantial changes in underlying economic, political, and technological facts and circumstances. Such flexibility requires that policies must, of necessity, rely on market forces and private enterprise.

Policy flexibility is important, because at all times knowledge of changing circumstances is uncertain and ambiguous. If specific energy policies cannot adjust to these underlying changes, great inefficiencies will inevitably result. Furthermore, the combination of factual uncertainty with uncertainty about the actual consequences of policy changes, makes it unlikely that policymakers can successfully fine-tune energy policy.

The importance of flexible policies whose success does not depend on specific events is readily deducted from the United States' unfortunate experience with natural gas price controls. The controls were imposed primarily to prevent an income transfer from consumers to natural gas owners and producers. There was no immediate harm, because natural gas supplies were relatively abundant. However, as time passed, the demand for low-priced, clean-burning natural gas increased, but, as it was becoming less profitable, new exploration and development began to diminish. The result has been ever-worsening shortages, combined with rapidly-climbing prices of natural gas. The cost of the shortages to the American economy, in terms of both reduced oil security and unnecessarily high energy resource costs, soared in the aftermath of the OAPEC embargo. Recent U.S. experience with natural gas and crude oil price controls prompts me to suggest that all such controls be avoided in the future.

3. The long time lags and massive investments necessary to develop new energy supplies greatly complicate the policymaker's job and increase the likelihood of costly planning failures. Important examples of the large investments and long time lags include the following:

(a) It takes ten years and more than $1 billion to plan and install a single new nuclear-powered electricity generating plant; construction of a new uranium enriching plant will take a long and, depending on its design, could cost more than $6 billion.

(b) Oil companies have spent more than $12 billion since 1970 to acquire leases to Outer Continental Shelf (OCS) lands. Exploration and development of newly leased OCS lands takes three to six years; the exploration-development time lag has been more than ten years on the Alaskan North Slope.

(c) The investments necessary to develop oil shale or to gasify coal commercially are well over $1 billion per plant and will take at least ten years to complete.

In sum, investment decisions made today will determine the magnitude of the United States's domestic energy supplies in 1985 and whether those supplies will be obtained at wastefully high costs. The prospect that future domestic energy supplies will be inadequate and/or unnecessarily costly becomes more likely if highly detailed energy planning is done by public officials who are either ignorant about these economic and technical constraints or are forced to downplay their importance because of the need to accommodate political pressures.

4. Unnecessary indecision or ambiguity by policymakers creates costly uncertainty for energy consumers and producers, and frequent changes in established energy policies can lead to obsolescence of some large capital investments.

The long delay in receiving commercial quantities of oil from Prudoe Bay and the unnecessary costs borne by automakers and electric utilities—because unfeasible time tables for meeting air emission standards were relaxed only at the last minute—illustrate the costly consequences of energy policymakers' indecision and ambiguity. In 1975 the Federal Energy Administration promulgated regulations designed to force owners of 32 oil burning electricity generating plants to spend an estimated $260 million to convert to coal. Earlier, owners of many of these plants had spent millions switching from coal to oil in order to satisfy federal clean air standards. The switch from coal to oil and back to coal graphically illustrates how policy changes can create unnecessary obsolescence and waste.

While unnecessary policy changes should be avoided, that is not an argument for maintaining the status quo at any and all costs. Once available evidence suggests that an existing energy policy has failed, it should be introduced. On the other hand, because new policies frequently have unintended deleterious consequences, some preliminary testing is desirable whenever feasible.

5. The fifth lesson is that strong Presidential leadership is essential if the United

States is to develop a set of flexible policies designed to achieve the four energy goals. Presidential leadership is necessary because regional differences have hopelessly fragmented Congress on most energy policy issues: most important, citizens from oil producing States tend to endorse policies that promote higher domestic oil prices and lower federal oil taxes, while citizens from conusmer states (especially energy-short New England) argue vociferously for the opposite. Few Congressmen can be expected to possess sufficient statesmanship to oppose these regional political realities. Thus, it is fatuous to expect that any Congress—even one heavily dominated by one political party—will take the lead in developing and passing a tough energy program that does not pander to popular political interests.

The Congress' recent flirtation with politically popular proposals to establish a federal oil and gas company illustrates this problem.

Senator Adlai Stevenson summarized the principal rationale behind most proposals to establish a federal company, which would participate in one or more phases of the petroleum business, when he stated that Americans could no longer "afford to turn sole responsibility for [the] price and supply of natural gas and oil over to the very same companies which have already used the gasoline shortage they helped to create to drive their competition out of business. . . ."[2] In the first place, the oil companies did not create the gasoline shortage (indeed, there has been no such shortage since May 1974 when the OAPEC embargo was over). Secondly, no evidence exists that any substantial number of competitiors have left any segment of the oil business. This casts serious doubt upon the wisdom of my policies based on these arguments.[3] Nevertheless, since the proposals to establish a federal oil and gas company are becoming increasingly popular, they merit a more detailed criticism.

Senator Stevenson's legislation to create a Federal Oil and Gas Company (FOGCO) proposed granting it extensive powers:

The Corporation would have access to publicly owned gas and oil rights on Federal lands, as well as the power to acquire similar rights on private lands. It could enter into the full range of activities necessary for the exploration, development, refining, transportation and marketing of petroleum and gas products. . . .

The Corporation would have the authority to issue bonds to cover its indebtedness, and Federal appropriations in the amount of $50 million per year would be authorized for the first ten years.[4]

And he defined the purpose of this legislation as being ". . . not . . . to provide a forerunner for nationalizing the American petroleum industry. The purpose is to develop public resources—and preserve the free enterprise system in the petroleum industry. But private oil companies need a spur, a yardstick, an incentive for competition. This Corporation would provide that yardstick."[5]

FOGCO proponents maintain that it is not a precursor to nationalization of the petroleum industry but rather an attempt to stimulate competition. Whatever the announced intention, there can be no doubt that creation of a FOGCO-type public energy company would represent a fundamental change in government-corporate relations. Before legislating such a dramatic change it would be prudent for Congress to make a serious effort to assess the likely consequences. Two examples suffice to illustrate potential problems. First, are the FOGCO advocates correct when they argue that it "would give the Nation a 'yardstick' against which to judge the performance of the private oil companies?"[6] The Chairman of the Board of Standard Oil of Indiana gives a persuasive answer:

". . . the major fallacy in the use of the 'yardstick' concept is that a yardstick is employed to measure similar entities. With no taxes to pay, no leases to purchase, no stockholders to reward, and the choice of government acreage on which to operate, customary business measurements would be completely lacking in the case of a Federal Oil and Gas Corporation. Any so-called 'yardstick' thus established would be totally artificial and without meaning."[7]

Second, could a government-owned and managed oil company hope to be as efficient as its private counterparts? Most FOGCO critics answer no and point to the present problems of two widely criticized public enterprises: Amtrak and the U.S. Postal Service. This analogy is probably inappropriate—at their creation both of these public concerns were saddled with an obsolete physical plant and the responsibility for providing numerous money-losing services. Presumably POGCO would not be so encumbered.

Much more serious is the prospect that FOGCO's management is likely to discover that it must consider the political ramifications of what should be merely business decisions. This is likely to create severe administrative problems in a business that is already risky and requires high levels of technical expertise. For example, will FOGCO's management feel free to risk hundreds of millions of dollars on necessary wildcat exploration when its performance is being monitored continuously by Congress? Also, will Congress and the President allow FOGCO to operate without considering certain political realities; e.g., the necessity of making investments in several states, not just in those few where oil investments are likely to prove most promising? No doubt a federal energy company could be designed so that it would not be subject to these and similar pressures. However, in light of the fact that recent U.S. energy policy-making has been highly politicized, I have serious doubts that FOGCO would be so designed.

In conclusion, Congress cannot be expected to ignore political realities and draft a comprehensive, well-designed, and flexible energy policy. Fortunately, President Ford has displayed some inclination to do so. Moreover, he apparently realizes, correctly, that decontrolling prices of domestic crude oil and natural gas is necessary to the success of any successful program. Unfortunately, the President lacks the power to force such a program through a reluctant Congress.

FOOTNOTES

[1] Public Law 93-159 (27 November 1973).

[2] *Congressional Record*, 1 October 1973, p. 32162.

[3] For more elaboration see Richard B. Mancke, *Squeaking By: U.S. Energy Policy Since the Embargo* (New York: Columbia University Press, forthcoming 1976), Chapter 7.

[4] *Congressional Record*, 7 November 1973, p. 36116.

[5] *Ibid.*

[6] *Ibid.*

[7] Statement of John E. Swearingen before the U.S. Senate Commerce Committee (5 February 1974), p. 7.

Mr. GARN. Mr. President, the primary regulator of energy in the United States today is, of course, the Federal Energy Administration. Recent news stories have reported that the FEA is very good at one function, growing, but its record in energy regulation is less satisfactory. For instance, last July, there was a great outcry over the simultaneous increase in gasoline prices by "all" the major oil companies, just in time for the 4th of July weekend. Now as a matter of fact, not all the companies did raise their prices, but that made an inconvenient story, and so was ignored. Most did, of course, and much was made about the conspiracy and lack of competition. Now the explanation for this concerted action was clearly the FEA, but that truth has had a hard time making itself known. I ask unanimous consent that an editorial from the Wall Street Journal be printed in the Record at this point, explaining FEA's role in the whole fiasco. I think it underlines the failure of regulatory policy, both as a theoretical and a practical matter.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Great Gasoline Conspiracy

The sudden sharp rise in the demand for gasoline, plus the decline in gasoline stocks, plus the almost simultaneous announcement of gasoline price boosts by most refiners on July 1—all this adds up, in the minds of some Washington politicos, to a great gasoline conspiracy. Senator Henry Jackson, who wants to be President, and Senator Adlai Stevenson, who wants to be President, have announced Senate subcommittee investigations to find out what's going on.

Before they've heard the first witness, though, both gentlemen have announced their findings. Senator Jackson says, "Clearly the oil companies have manufactured a shortage." Senator Stevenson says this is "a classic study in the power of the major oil companies to reverse the normal rules of supply and demand." The prejudgments are a pity, for if the Senators could blot them out of their minds, their hearings would purely prove illuminating and educational.

Take the first question: Why were the price boosts simultaneous? Because under FEA regulations companies can increase prices to pass through costs, but "non-products" costs may be recovered only in the month following the one in which they are incurred. Unlike the cost of crude oil, they cannot be "banked" for recovery in future months when market conditions may be more favorable. In fact recently the companies have been having trouble making price increases stick, so if they are to have any chance to recover non-product costs they have to start as soon as possible. They need no collusion to arrive at the first of the month as the date to post increases. In short, the answer to question one is: The FEA.

On to question two: Why have gasoline stocks dropped so suddenly? Well, the FEA has an obscure rule that requires an oil company to charge everyone in a "class" of customers the same price regardless of geographical location. Before formation of the FEA, a company short on gasoline in California would call other companies and try to buy some, or perhaps swap some for fuel oil. For the right price, a company long in gasoline would sell some to the company that was short.

This no longer happens, because if the second company sold California gasoline at a premium price, it would have to raise its price to similar customers nation-wide. This would mean a loss of market share in other areas, and the premium sale is not worthwhile. So the telephone calls have stopped. It was in these calls, when someone started to find that no one else was long on gasoline, that oil men got the first warning of an impending shortage. Without the calls, a shortage can come as a surprise. So to question two, the answer is: The FEA.

On to question three: Why aren't the nation's refiners, who are operating at less than 90% of capacity, importing more crude oil to make more gasoline? Well, imported crude costs $13, and the FEA will not allow refiners to pass along this cost until the next month.

If the refiner is making gasoline from a mix of $5.25 price-controlled oil and $13 imported oil, more imported oil will push up unit costs without any immediate increase in the selling price. Perhaps it would be able to "recover" these costs by higher prices later, but then again maybe not. So the answer to question three is: The FEA.

Now, to give credit where it's due, the FEA runs around frantically writing new regulations trying to undo the damage its past regulations have done. Last week, for example, FEA head Frank Zarb was talking about allowing geographical differentials. But by now, we should be learning that the next regulation will only do something else, that the oil industry cannot be run from Washington without benefit of price signals. That the way to have the oil industry produce gasoline most efficiently, which is to say at the lowest price, is for the government to get out of its way.

Senators Jackson and Stevenson will find, if they conduct fair and honest hearings, that the spot gasoline shortages the nation now faces result not from conspiracy, but from the very controls they and their congressional colleagues created. Once they make this discovery, there no doubt will be public apologies all around to the oil companies and no further attempt to extend controls past the August 31 expiration date. The great gasoline conspiracy was unwittingly concocted on Capitol Hill.

Mr. GARN. To conclude, Mr. President, I would like to say a few words about public land management and its effect on energy development, particularly in the West. A few weeks ago, my colleague from Kentucky, Senator Ford, bragged about the coal production from his State, and asked why we could not do as well. The reason, as I explained to him, is that in Kentucky, the coal is located on private land, and its owner do not need to ask for permission to mine it. In Utah by contrast, most of the coal is on public land, and recent coal leasing policies have not been conducive to development. For several years, the Department of Interior has had in effect a moratorium on coal leases, at the very time when our dependence on foreign oil is increasing. It is well known within the Government, and the Congress, that coal provides a workable alternative to oil in many cases, particularly in electricity generation. And yet, we have followed a practice of refusing to issue much-needed coal leases.

Just about 2 months ago, Interior Secretary Tom Kleppe announced the adoption of a new coal-leasing policy, but even so, it will be some years before coal can be produced under the policy, because of the various levels of review any prospective mines will have to go through. These levels include environmental review, but I do not want anyone to think that that is all that will be involved. The process is horrendous, and even yet we do not see exactly how it will work.

Concurrently, the Federal Government is following a policy of withdrawing large tracts of Federal land from energy development, as National Parks, National Forests, or Wilderness Areas. Two young analysts at the Department of the Interior have, on their own, evaluated these trends, and on another occasion I took the opportunity of putting their findings in the Record. Gary Bennethum and L. Courtland Lee found that "through governmental actions we have firmly withdrawn nearly 400 million acres from the leasing laws. In addition, over 100 million acres for the mining law and 70 million acres for the leasing laws are encumbered or are being managed in such a way as to constitute a de facto withdrawal from mineral development.

"This means that, for the mining law, mineral exploration and development is specifically prevented or discouraged in an area the size of the States of California, Arizona, Washington, Oregon, Nevada, Utah, Idaho, and one-half of Colorado."

Mr. President, I submit that that is unacceptable. Because of the importance of this article, I ask unanimous consent that it again be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Is Our Account Overdrawn?

(By Gary Bennethum and L. Courtland Lee)

[Figures and tables referred to not printed in the Record]

Over the years, withdrawals of public land from operation of the mineral laws have taken many forms and been initiated by many interests with no overall accounting of the withdrawals. Withdrawals have been encouraged with little regard for their cumulative effect. The key question is: Have we withdrawn so much land from mineral exploration and development as to seriously affect the long-term mineral position of our country?

With increasing awareness of the importance of mineral resources to the vitality and security of an individual nation, considerable attention is focusing on the availability of these resources on public land. There is a general feeling, particularly in the mining community, that following a half decade of acute interest in the environment coupled with governmental shortsightedness of the unique problems associated with development of mineral resources, the mineral disposal laws have been made all but meaningless by piecemeal withdrawal, both legislative and administrative, on increasing amounts of public land.

The power to withdraw lands from the operation of the public land laws, including the Mining Laws of 1872 and the 1920 Mineral Leasing Act, is one of the most important governmental powers affecting the mining industry. The mineral potential of an area is of little value if the area has been put off limits to mineral exploration and development. Yet, withdrawals are one of the least appreciated and understood government powers.

The withdrawal process involves complex inter-relationships between Congress and the executive branch of government. It is so fundamental that our founding fathers saw fit to give to the Congress the power over the disposition of the public lands. Article IV of the Constitution states that Congress has the power to dispose and to make rules respecting the Territory belonging to the U.S.

Public land withdrawals made in three ways

In more recent times the executive has asserted, the Congress has acquiesced, an authority to make withdrawals without specific stautory authorization. Basically, withdrawals (and reservations) of public lands are accomplished in one of three ways: (1) withdrawal of specific lands by an Act of Congress, (2) withdrawal by the executive pursuant to specific Congressional delegations, and (3) withdrawals by the executive based on an asserted inherent nonstatutory power.

Aware of the need for information in this area, the writers' undertook an independent analysis in order to determine the extent of the withdrawal of land from operation of the mineral laws. To better understand the results of this study, we have considered all the publicly owned land of the United States as a mineral-land bank account. Lands which have been put off limits to mineral exploration can no longer be considered as assets in our account. History has shown that, after lands have been withdrawn for certain uses, only rarely are they reopened by a revocation of the withdrawal specifically to allow mineral exploration and development to again occur. Realistically, nothing short of a national emergency will provide the incentive for reopening many of these withdrawn lands to mineral development. In the vast majority of cases the lands were withdrawn without any realistic evaluation of their mineral potential. Thus, the minerals in these lands cannot be considered to be available in a national emergency since there is no way of knowing which withdrawn lands should come back into our account should a serious shortage of a mineral commodity occur. Also, long lead times and the uncertainty of mineral exploration and development seriously limit the contribution these withdrawn lands could make.

This account, which contains over one-third of the nation's onshore land with its associated minerals, is owned by all the people of the United States. We have used acres of lands as the medium of exchange in this account and, for simplicity, we have assumed that land with high mineral potential has the same value as land with low mineral development potential. As a practical matter, of course, mineral deposits are not distributed randomly, but are often associated with certain geologic conditions. Thus, one could effectively eliminate all future domestic copper production by withdrawing a few relatively small areas where certain geologic conditions exist.

Withdrawals initiated by many interests

Over the years, access to this land for mineral exploration has been restricted or precluded through the removal of lands from operation of the mineral laws. These actions, or withdrawals, have taken many forms and have been initiated by many interests with the net effect of withdrawing from our account areas for mineral exploration and development. In those areas where lands once withdrawn have been reopened to operation of the public land laws, in actions called revocations, they have been considered to be deposits to our mineral land account.

The key question, which has tremendous national and international implications, is—have we withdrawn so much land from mineral exploration and development as to seriously affect the long term mineral position of our country? Have we overdrawn our account and thereby mortgaged our future to international cartels made up of supplier countries who will be able to band together to control key mineral raw materials?

Two basic laws cover mineral disposal

In order for anyone to answer these crucial questions, we must have some idea of the status of our minerals land account. In other words, we need a national audit. We have attempted to provide this audit by considering what has been formally withdrawn from operation of the mineral laws, where mineral exploration and development have been precluded, and what has been removed through executive and legislative actions which have the effect of *de facto* or "in fact" withdrawals, where access to the lands for exploration and development is so restricted that "as a practical matter" they are also withdrawn. These "in fact" exclusions are the result of conditions which create such a disincentive to exploration and cloud the mineral title to such an extent that making the necessary large investments for mineral development is unacceptably risky. Both the withdrawals by law and the withdrawals in fact constitute debits to our account. If the net withdrawals are subtracted from our initial assets, what is left is the acres of land theoretically open to the mineral laws.

For the vast majority of mineral resources on public lands, mineral disposal, including access for exploration and development, is provided under two basic laws: the Mining Law of 1872 and the Mineral Leasing Act of 1920. The Mining Law of 1872, hereafter referred to as the Mining Law, is still in effect on public domain lands, which are those lands that have never passed out of federal ownership. The Mining Law applies to all minerals exclusive of oil, gas, coal, phosphate, sodium, oil shale, sulfur, potash and certain other hydrocarbons and nonmetallics which are provided for under the Mineral Leasing Act of 1920.

Mineral disposal on all lands which have been acquired by the federal government is made under the Acquired Lands Act of 1947. Acquired lands are not considered public domain. Disposition of geothermal steam is made according to the Geothermal Steam Act of 1970. Not considered here are common variety minerals which are mostly used for construction purposes and are disposed of by the Material Sales Act of 1947 as amended by the Common Varieties Act of 1955. Hereafter, the term "mineral leasing laws" will include the Mineral Leasing Act of 1970, as amended, the Acquired Lands Act of 1947 and the Geothermal Steam Act. The term mineral laws will refer to both the Mining Law of 1872 and mineral leasing laws.

Over 700 million acres subject to Mining Law

Due to the guaranteed access under the location patent system of the Mining Law of 1872 and the discretionary authority resting with the Secretary of the Interior to issue leases under the leasing laws, the two laws were dealt with separately in our study. The original assets in our account, prior to accounting for withdrawals and deposits (revocations), are shown in table 1. As of 1974, we had 824 million acres of land theoretically subject to the leasing laws and 742 million acres subject to the Mining Law, exclusive of withdrawn land.

In addition to presenting for the first time an overall audit of the total account, we have examined the history of some of the major withdrawal categories and the recent trends in executive withdrawals. To do this we analyzed all the public land orders published between 1964 and 1974 which specifically withdrew or opened public land to the mineral laws. In taking this approach, we have attempted to focus attention on what has been happening to our account in recent years and what our balance presently is.

OVERVIEW OF THE TOTAL ACCOUNT

If all the withdrawals "bylaw" and withdrawals "in fact" are subtracted from our total assets we can determine fairly accurately what our present situation is. Figs. 1 and 2 present the startling results of this analysis for the Mining Law and the mineral leasing laws, respectively. We have included withdrawals made in all three ways: (1) by an Act of Congress; (2) by executive action pursuant to general authority delegated by Congress; and (3) by the executive's inherent non-statutory withdrawal authority. Each of the major withdrawal categories in figs. 1 and 2 will be discussed later in more detail.

Due to the constantly changing nature of our account, a fixed point in time had to be chosen in order to make a comparison. The year 1968 was chosen because: (1) it ushered in the new wave of environmental concern, and (2) withdrawal activity was fairly constant in the previous years. Summaries of all withdrawals have been made for 1968 and 1974 to focus on the effect of recent withdrawals on our account.

Wherever possible, overlapping withdrawals have been eliminated to avoid double accounting. Overlapping is surprisingly slight, probably due in part to executive agencies' desire to maintain their own authority over lands they administer.

However, where overlapping withdrawals have occurred, for example, between military reserves and game ranges, or roadless areas and Alaskan lands, they have been eliminated. Some administrative and recreation sites may overlap the roadless areas category and proposed BLM primitive areas overlap some Classification and Multiple Use Act withdrawals, but these have been corrected to the maximum extent possible. Also, acreages under mineral lease, 63.0 million in 1968 and 73.8 million in 1974, may overlap to some extent the withdrawn categories. Mineral leases issued prior to any withdrawal remain in force for at least the primary term of the lease (usually 10 years for oil and gas and 20 years for other leasable minerals). The vast majority of these leases, however, would be located in other than withdrawn areas and have therefore been included as a separate category.

Mining law

In fig. 1 for the Mining Law, we have arranged with withdrawal categories in order of descending authority and effectiveness. The National Parks system containing lands specifically withdrawn by Congress, withdrawals for military reservations, and state selections are made under firm statutory authority. Of similar authority, but more recent, are specific categories of legislative segregation under the Wilderness Act, Wild and Scenic Rivers Act, and the Alaska Native Claims Settlement Act (ANCSA), and the Classification and Multiple Use Act (C&MUA). Of somewhat lesser authority or effectiveness are certain executive withdrawals such as the utility corridor, oil shale withdrawals, and proposed withdrawals. Under Department of the Interior procedures, approval of a request to file a withdrawal application segregates the land from the operation of the public land laws. Thus, although not officially withdrawn, since no withdrawal notice is published in the Federal Register, the lands are effectively removed from the mineral laws. There are cases where such withdrawal applications have remained in effect for decades without any withdrawal notice being published.

In 1968, only about 17 percent of the 740 million acres of public domain in our original account was withdrawn from operation of the Mining Law. The remaining land was theoretically open to mineral exploration and development but was encumbered by existing leases and an estimated 10 million unpatented mining claims. These unpatented claims have an impact on the availability of the lands for mineral exploration and development. Due to the impossibility of checking the validity of outstanding mining claims, we have ignored this complication affecting the remaining public domain and have assumed that existing unpatented mining claims have no affect on our account.

In 1974 approximately 53 percent of our original assets were withdrawn from the Mining Law. An additional 14 percent is included in *de facto* withdrawals. In some of these areas, one could theoretically explore for and develop a mineral deposit if no vehicular equipment is used or if certain other "restrictive" conditions are met. In other areas, mining claims are contested immediately, thus affording no opportunity to perfect a discovery. The test of whether or not a *de facto* withdrawal exists obviously cannot be based on the superficial determination of the existence of specific legislation or a public land order affecting the lands. But rather it must be the "real world" test of whether or not access for discovery and tenure after discovery are sufficient to justify capital risk taking.

In 1974 the total acreage completely or partially (e.g.; nonmetalliferous only) withdrawn from the Mining Law amounted to 67 percent or two thirds of all public lands. What is perhaps even more alarming is the fact that the cumulative effect of this situation has occurred without the knowledge of government.

Leasing laws

Fig. 2 shows the situation for the mineral leasing laws. We have again arranged the categories in descending order of authority and effectiveness. The basis for the ranking is the certainty of the withdrawal authority, how long it has been in effect, and how effectively the areas have been withdrawn from our account.

Unlike the Mining Law, Congress included specific provisions in the mineral leasing laws and their amendments which removed certain classes of lands from mineral leasing. Thus, National Parks and Monuments and the Naval petroleum and oil shale reserves are excluded from the coverage of the laws. There are some exceptions here which will be discussed in more detail later. Withdrawals pursuant to state selection have long standing authority and, therefore, rank rather high on our list; most of this land is in Alaska. More recent legislation such as ANCSA, the Wilderness Act, and the Wild and Scenic Rivers Act provide specific statutory authority for withdrawing lands from the leasing laws. However, future congressional action will further define the areas to be withdrawn so we have rated these lower in our chart.

Following the legislatively authorized withdrawals we have placed the executive withdrawals such as the utility corridor, oil shale and game range wtihdrawals. The latter are specifically closed to oil and gas leasing by regulation but leasing may be allowed where drainage occurs. In addition, there are classes of land where the mineral leasing agency, the Bureau of Land Management (BLM), must get the surface administering agencies' consent before any lease is issued. In certain cases, published policy, as in the public land order for the utility corridor and oil shale withdrawals, precludes mineral leasing. In other cases, it is internal agency policy not to consent to mineral leasing, as in the Forest Service's roadless areas. The result on our account is the same and these actions constitute *de facto* or "in fact" withdrawals.

Power site withdrawals constitute another class of *de facto* withdrawal. In some power site withdrawals, leasing may occur; however, should an area be flooded, no compensation will be made to the lessee. Who will invest exploration and development capital to explore and develop a mine in an area which could be flooded with no compensation for the lessee? One of the lowest withdrawal categories on fig. 2 is the BLM primitive and roadless areas. These are placed at the bottom not because their impact is the least but because their legal authority is the most uncertain.

In 1968 about 17 percent of the 824 million acres theoretically available were withdrawn from the leasing laws. Another 63 million acres were encumbered by existing mineral leases, mostly for oil and gas development. Leasing in already leased areas may be allowed but the physical impossibility of developing more than one mineral deposit in the same area, especially where non oil and gas leases exist, severely restricts new leasing in many of these areas. They have, therefore, been categorized as restricted for new mineral leasing recognizing that this restriction is more serious where non oil and gas leases or a producing oil and gas field exist.

The remaining acreage, although encumbered with mining claims, was theoretically open to mineral leasing.

Between 1968 and 1974 the situation for mineral leasing changed dramatically. For one thing, surface managing agencies developed and implemented land use planning systems. Also, significant new legislation was enacted which severely impacted the availability of lands for mineral leasing. The result is that as of 1974, 64 percent of our initial assets have been withdrawn from our account. Another 9 percent is mildly to severely restricted by already existing leases. The remaining 27 percent is open but subject to land use planning, which may zone out an area for mineral leasing because of "unacceptable environmental" impacts or some other reason.

Because leasing is discretionary, it is impossible to determine what percentage of our remaining lands is actually available. It is logical, and indeed the case, that where areas have been withdrawn "to protect them from the Mining Law" such areas would also not be leased for many forms of non oil and gas mineral development under the leasing laws.

Unfortunately, it is almost impossible to accurately survey all of the surface managing agencies to determine how their discretion would be exercised. In order to calculate exactly what remains open, such data should be analyzed to determine the cumulative effect of these decisions on the remaining lands in our account.

Even without this data, the fact remains that 73 percent of the land in our account is totally or partially withdrawn or restricted from the operation of the mineral leasing laws. The main reason this situation has occurred is the lack of any governmental mechanism for assessing the cumulative effect of individual withdrawal decisions.

CONGRESSIONALLY DIRECTED WITHDRAWALS

Withdrawals and reservations of public lands were initiated shortly after the founding of our country. The Congress enacted specific statutes authorizing the President to withdraw lands for military reservations, townsites, trading posts, etc. During this period, Congress carefully controlled the specific delegations of withdrawal authority to the executive branch.

The establishment of National Parks in 1872 and National Forests in 1891, the 1902 Reclamation Act and the 1906 Antiquities Act all reflected Congress' intent in designating specific areas or general classes of public lands for specific purposes. Under these acts, Congress withdrew specific lands or delegated withdrawal authority to administrative agencies pursuant to criteria and standards established by Congress.

The following discussions relate to the more important congressionally directed withdrawal categories in fig. 1 and 2.

Park system

Since the creation of Yellowstone Park in 1872, the withdrawal of public lands for National Parks has been usually undertaken through enactment of specific legislation by Congress. In most cases, Congress has provided that the parks be withdrawn from the mineral laws. These withdrawals are the highest form of withdrawal authority and represent one of the most legitimate reasons for withdrawing land from our mineral account.

The National Parks are administered by the Park Service, which also administers lands withdrawn for national monuments. National monuments are sometimes established by congressional action but usually are established through executive initiated withdrawals. Many national monuments are withdrawn under the 1906 Antiquities Act which authorizes the President to establish places of historic or scientific value as national monuments. National monuments are generally closed to the Mining Law, and leasing activity within national monuments is prohibited under the 1920 Mineral Leasing Act; thus, mining in national monuments is precluded unless expressly authorized by an act of Congress. Where Congress has created national monuments it has expressly authorized mining in a few instances. Glacier Bay National Monument in Alaska is an example.

Overall, about 14.6 million acres of public domain in the National Parks system are withdrawn from the Mining Law. This figure is exclusive of areas within Mount McKinley National Park, Death Valley, Glacier Bay, and Organ Pipe National Monuments, which are partially open to the Mining Law.

About 24.6 million acres of public domain and acquired lands have been taken out of our mineral leasing account for the National Parks system.

The Park Service also administers National Recreation Areas (NRA). Most of these are created by the executives on lands already withdrawn for reclamation purposes. In several cases, controlled mineral leasing may be allowed in NRA's. Thus, in the Lake Mead NRA and the Whiskeytown-Shasta-Trinity NRA, mineral leasing may be allowed under special conditions and regulations which the Secretary of the Interior prescribes. Most of the remaining NRA's are managed cooperatively between the Park Service and the Bureau of Reclamation. And, except for the few areas mentioned, they constitute *de facto* withdrawals from our account. However, these withdrawals are not included in the National Parks statistic in fig. 1 and 2. They are accounted for under the reclamation withdrawal category.

Military withdrawals

The history of public lands withdrawals for military purposes reflects all of the complex interrelationships between the executive and legislative branches of government in the area of withdrawal authority. Prior to 1909 the executive freely withdrew public lands to establish military reservations and bases. But in 1909, President Taft withdrew large areas of petroleum reserves which later became Navy Petroleum Reserves. This action lit the flames of controversy within the legislative branch of government and resulted in the only law ever enacted by Congress which dealt with the general withdrawal power of the executive. The General Withdrawal Act of 1910 or the Pickett Act.

Subsequent to passage of the Pickett Act, some of the lands previously withdrawn by executive order were rewithdrawn under the authority of this act. But even after the Pickett Act no effective statutory authority existed for controlling military withdrawals since the executive frequently used executive orders and public land orders to effect withdrawals without citing this act as authority. To remedy this situation, Congress in 1958 passed the Defense Withdrawal Act for the express purpose of modifying the asserted nonstatutory authority of the executive to make withdrawals for military purposes. The act requires that all proposed military withdrawals over 5,000 acres be established by specific congressional authorization. Many such withdrawals have been approved by Congress since passage of the Defense Withdrawal Act.

Although some areas withdrawn for military purposes are theoretically open to the mineral laws, there remains about 41.3 million acres of public domain which are withdrawn from the Mining Law. This includes 23.9 million acres in withdrawals for Naval petroleum and oil shale reserves. Also, approximately 48.1 million acres of public domain and acquired land are as a practical matter withdrawn from the mineral leasing statutes. Legislation in the 94th Congress affecting certain Naval petroleum reserves could slightly reduce this figure. Today's need for separate military hydrocarbon reserves is questionable at best, but this subject is beyond the scope of this discussion. Nevertheless, since petroleum and oil shale reserves are expressly excluded from leasing by the provisions of the 1920 Mineral Leasing Act, only through an act of Congress could these valuable energy reserves be deposited back into our account.

Overall, withdrawals from our account for military reserves constitute one of the major classes of withdrawal actions. With the exception of the Naval petroleum and oil shale reserves many of these withdrawals are for national defense purposes. It is, therefore, unlikely that any major portion of these areas will be deposited back into our account in the near future.

Alaska Native Claims Settlement

The land use and ownership situation in Alaska is extremely complicated and requires some historical background to fully understand what has happened to our account in recent years and what will likely happen in the future.

By the time it entered the Union in 1959, only 600,000 acres of land in Alaska were in private ownership. The remainder was public domain which included significant withdrawals from the mineral laws, mostly in military reservations, national parks, wildlife refuges and petroleum reserves. As the state started to select lands granted to it in its statehood entitlement, native groups protested that the state was selecting lands to which they had rights. To protect the lands until the native rights could be determined, Secretary of Interior Stewart Udall in 1966 imposed a freeze on all Alaskan public land actions, including withdrawals. Pressures to resolve the native question were intensified after the discovery of oil in 1968 and culminated in passage of the Alaskan Native Claims Settlement Act (ANSCA) of 1971, which was supposed to end the freeze and finally settle the land issues.

The act effectively withdrew all unreserved public lands in Alaska from the Mining Laws (except for metalliferous minerals) and the mineral leasing laws for a period of 90 days and authorized the Secretary to make any necessary withdrawals under the existing law and authority to protect the land from state and private ownership and mineral entry.

Under the act, Congress awarded the natives nearly $1 billion for regional development corporations and 40 million acres of land to be selected from a pool of 25 townships adjoining each native village. Withdrawals for villages and regional deficiencies for villages withdrawn by the act itself terminate Dec. 18, 1975; however, the subsequent withdrawals made by the executive pursuant to the act remain in effect until revoked by the Secretary of Interior. There are basically two types of executive withdrawals mentioned within the act. The first, section 17, d-1, withdrawals are to be made in the public interest under the Secretary's existing authority. The d-1 withdrawals permit metalliferous location under the Mining Laws except where they overlie a withdrawal that previously withdrew the lands from all forms of mining. The section 17, d-2 withdrawals were withdrawn by the Secretary for possible inclusion into the four systems; national park, forest, wildlife refuge, and wild & scenic river systems. Section d-2 withdrawals, withdrew the land from all minerals exploration under the mining laws. Both d-1 and d-2 withdrawals remove the land from operation of the leasing laws.

Basic provisions of the act required that 120 million acres be withdrawn in aid of native selection pursuant to provisions of ANCSA. These lands are withdrawn from both the Mining Law and the mineral leasing laws. The natives will select about 43 million acres. Of the remaining 77 million acres, some will go to satisfying state selection rights of which Alaska's remaining entitlement is about 35 million acres. Not all the 35 million acres will be selected out of the 77 million. The remaining acreage may be reopened to the Mining Laws and mineral leasing laws at the Secretary's discretion.

A second provision of ANCSA permitted the withdrawal of up to 80 million acres for possible inclusion within the four systems. The Secretary withdrew approximately 80 million acres for this purpose in March 1972. In September 1972, the Secretary made a series of adjustments to these withdrawals. As a result, about 14 million acres of the 80 million acres of d-2 lands initially withdrawn in March for the four systems were shifted to withdrawals for native deficiencies, state selections or d-1 (public interest) purposes. However, the d-2 withdrawal status (which withdraws lands from all the mineral laws) was not removed from the mineral estate.

Approximately the same acreage of lands initially withdrawn for d-1 in March was added to the d-2 withdrawals, thereby holding the overall d-2 withdrawals close to the 80 million acre statutory limitation.

Under the act, the Secretary of Interior had to submit to Congress by December 1973 his plans for dividing up Alaska into parks, refuges, forests, multiple use areas (which hopefully includes mineral exploration and development) etc. The bill submitted by Interior Secretary Rogers C. B. Morton would set up three new national parks (two are more than four times larger than Yellowstone), double the size of Mt. McKinley National Park and enlarge and redesignate Katmai National Monument to park status, and establish four new national monuments; it would add 31.6 million acres to the National Wildlife Refuge System (which now contains about 30 million acres), and among other things, add 18.8 million acres to national forests and 20 areas containing 800,000 acres to wild and scenic rivers. These proposals total 83.4 million acres or 23 percent of the land area of Alaska.

Morton's recommendations included approximately 65 million acres of d-2 withdrawals and 18.4 million acres of d-1 withdrawals. The 18.4 mililon acres of the d-1 withdrawals in the Secretary's legislative proposal at present are open only to metalliferous mineral location under the 1872 Mining Law. The 65 million acres of d-2 lands remain closed to both the mining laws and the mineral leasing laws.

As soon as the Secretary's proposal was made known, it was immediately attacked by environmental groups who placed a full-page newspaper ad of protest urging Morton to change his recommendations. One of the groups' major concerns was that *large* areas of Alaska would go to *multiple use!* The groups, including the Sierra Club, Wilderness Society and the National Audubon Society, later drafted and had introduced in Congress their own bill which includes vastly larger areas for parks and refuges.

Various other interest groups and legislators will be sponsoring their own bills. Congress is not bound by the Secretary of the Interior's recommendations. It can add any lands it wishes to the parks and refuges, including some mineralized areas disputed by the state of Alaska. Congress has until Dec. 18, 1978, to act on the proposals, and during that time the proposed areas are required to be "protected," including the possibility of additional withdrawals on the d-1 and other lands.

It is certain that, in the years ahead, various preservation and "public interest" groups will be pressuring Congress to preserve entire "ecosystems" for future generations. And during the ensuing months, pictures of snowy mountain peaks and analogies to the destruction of the great buffalo herds will be presented to the public as the strawman argument of preservation versus destruction is raised in defense of America's last frontier. Very few will consider whether the "buffalo" being destroyed is America's future mineral wealth.

Because of the many changes and complexity of the public land orders concerning ANCSA, a determination of the precise acreage of the public domain closed to entry under the Mining Law and the leasing laws by ANCSA was difficult to make (see table 2). Our calculation required knowing the total acreage of public domain in Alaska, and in additions and withdrawals under Sections 11 and 16 of ANCSA; this excludes large areas of forest effected by power site withdrawals. By deleting these reserved lands, state selected lands, pending state selection, unperfected entries, and utility corridor lands from the total U.S. lands in Alaska and then comparing this figure to what is open in unreserved public land subsequent to ANCSA, the specific withdrawal by both legislative and executive actions associated with this act was obtained. As shown in table 2, a total of 206,049,000 acres of Alaskan public domain were withdrawn by ANCSA from entry under the Mining Law of 1872 for metalliferous and non-metalliferous mining, and an additional 43,555,000 acres were withdrawn from non-metalliferous only. Also, as shown in table 2, there was a total of 249,621,000 acres withdrawn from operation of the mineral leasing laws by ANCSA.

Presently, the only public domain in Alaska open to the mining laws includes: 46 million acres of d-1 withdrawn lands left open to metalliferous location by ANCSA, 2.9 million acres open for metalliferous location by the utility corridor withdrawal and 18.6 million acres in National Forest lands. Ironically, 2,952,592 acres are open to the Mining Law in Mt. McKinley National Park and Glacier Bay National Monument; the 1,013,100 acres remaining open in Glacier Bay National Monument cannot be patented; and 3,152,026 acres in Clarence Rhode and Cape Newenham Wildlife Ranges. Accounting for withdrawn Alaska lands not included in ANCSA is made separately under the appropriate individual categories in fig. 1 and 2.

The land withdrawn for native claims and the land selected by the state of Alaska may eventually be available to some form of mining pending the discretion of the owners, but remain forever closed to the Mining Law and mineral leasing laws. Additional restrictions will certainly affect the public domain which is left. For example, under authorities proposed in Congress, roughly 70 million acres of roadless Alaskan public domain would be studied for intensive management as primitive or roadless areas. Those lands entering the four systems are sure to be withdrawn or severely restricted for mineral exploration and development.

Ignoring these uncertainties, approximately 45 million acres of leftover public domain could eventually be reopened to the Mining Law and mineral leasing laws by a Secretarial order and some portion of the 80 million acres left over after native selection could be opened to the mineral laws at the Secretary's discretion. Finally, portions of the National Forests and a few other areas may be opened for mineral exploration and development in the future. At this point it is not possible to determine what our future mineral land account will be; except only a relatively small fraction of the pre-ANCSA public domain will ever be again opened to the mineral laws.

In any event, through 1974 all lands affected by the ANCSA, except 46 million acres open for metalliferous location only, remain closed to the mining and leasing laws, and will remain so until ANCSA is completed. These lands remain withdrawn from our account.

The Wilderness Act

On Sept. 3, 1964, Congress passed the Wilderness Act to establish a National Wilderness Preservation System. At the time of enactment, 9.1 million acres already being managed as wilderness by the Forest Service were included within the system.

The act required that within 10 years after Sept. 3, 1964, the Secretary of Agriculture should review each area classified by Agriculture as primitive and report on its suitability for preservation as wilderness. The Secretary of the Interior was also given a similar mandate for areas in excess of 5,000 roadless acres in the park system, national wildlife refuges and game ranges. Each area recommended by the executive would become wilderness only if approved by an act of Congress.

Under the act, the agency administering the land is responsible for "preserving the wilderness character of the area" until 1984. "Subject to valid rights then existing, effective Jan. 1, 1984, the minerals in lands designated by this chapter as wilderness areas are withdrawn from all forms of appropriation under the mining laws and . . . mineral leasing. . . ." The act further identifies what prohibitions and restrictions must be imposed to "preserve" the wilderness areas in their pristine state. There "shall be no commercial enterprise and no permanent road . . . no temporary road, no use of motor vehicles, motorized equipment or motorboats, no landing of aircraft, no other form of mechanical transport, and no structure or installation within any such area." Although, theoretically open to the mineral laws until 1984, these areas are as a practical matter withdrawn. In addition, any mineral patent granted prior to 1984 must reserve to the U.S. title to the surface.

By the close of 1974, there were 125 wilderness units comprising 12.6 million acres within the system. Of these, 85 or 11.6 million acres are in National Forests and 10.7 million acres in states where the operation of the Mining Law of 1872 is still in effect. An additional 3.8 million acres of National Forests were classified as primitive areas.

In conjunction with the act, the Forest Service has inventoried all "Roadless and undeveloped areas" comprising 5,000 acres or more for possible inclusion within the system. An additional 1,449 areas with 55.9 million acres were examined and screened to 274 areas of 12.3 million acres worthy of study. These 12.3 million acres are presently being managed as wilderness and are subject to special wilderness management regulations.

In 1972 in the U.S. District Court of Northern California, the case of Sierra Club vs. Butz arose out of Sierra Club objections that not enough acreage had been selected for study under the act. In an agreement between the Forest Service and the Sierra Club to discontinue the litigation, the Forest Service adopted a policy of managing to the maximum extent possible all 55.9 million acres as roadless, with no surface occupancy until such time as these areas not selected for study as wilderness are covered by land use plans and environmental statements which consider the wilderness alternative.

Perhaps the most misleading section of the act is the requirement for the Geological Survey and Bureau of Mines to evaluate the mineral values present and make public the results of such surveys on all areas to be included within the system. Although the areas proposed and included in the system continue to grow, these agencies are confined to the statutory 1984 time-frame for their evaluation. These "thin skin" mineral surveys are grossly misleading since they create a false sense of security in those who will use them to make tradeoff decisions between wilderness and mineral values. Who can say that minerals for the future do not exist beneath these lands? The history of mining is replete with examples where an individual, through perseverance, luck and deep drilling, found valuable mineral deposits where other, who had gone before, said they did not exist.

In late 1974, President Ford sent his recommendation on additional wilderness areas to Congress. It included 37 areas encompassing over 9 million acres to be added to the existing wilderness system and left open the inclusion of large segments of three western game and wildlife refuges until mineral surveys are completed.

The pending 1984 withdrawal coupled with present severe limitations on modern commercial exploration techniques, many of which require some road access and all of which require surface occupancy, has practically precluded the necessary exploration to discover commercial mineralization prior to 1984 when the areas will be withdrawn. Even though theoretically open, these severe exploration restrictions on image conscious mining corporations, and the tenuous future title in event of discovery, effectively remove these areas from our account under the Mining Laws.

The present policy of the Forest Service is to recommend no leasing in those areas already within the system, existing primitive areas, and all 55.9 million acres of roadless areas, including acquired land. These recommendations are, with few exceptions, accepted by the Bureau of Land Management which has the statutory authority to lease. All these lands therefore have been removed from operation of the leasing laws and remain withdrawn from our account.

Wild & Scenic Rivers Act

On Oct 2, 1968, Congress passed the Wild and Scenic Rivers Act and at the same time designated eight rivers for inclusion within this system.

The act establishes three classifications for rivers; wild, scenic and recreation. It provides that all areas classified by Congress as wild are to be permanently withdrawn. Until Congress makes this classification, all areas subject to the Mining Law and located within ¼ mile from either bank of a designated or proposed river are withdrawn from operation of the Mining Law until such time as Congress should act upon a positive recommendation for inclusion into the system or until Oct. 2, 1976, whichever comes first. Areas other than wild may be withdrawn from the mining laws by special request to Congress or by administrative action. In those river sections designated scenic and recreational in excess of the ¼ mile corridor, access for location of a claim under the Mining Law is still possible. However, other limitations such as rights of way needed by the mining operation may be prohibitively expensive in terms of public image and in terms of high development cost. While most of these areas may meet our definition of *de facto* withdrawals we have not considered them to be withdrawn from our account because no accurate acreage figures are available.

Some mining activity could be permitted in those river areas designated as recreational, though it would be severely restricted and controlled. Although these areas may not be formally withdrawn from the leasing laws, it is general administrative policy not to issue any leases in areas designated wild or scenic.

The total land withdrawn from the operation of the mineral laws under this act is about 246,000 acres of public land administered by BLM and 224,000 acres of land administered by the Forest Service. Alaskan rivers have not been included since they were withdrawn by d-2 overrides under the ANCSA.

In early 1975, Congress enlarged the existing system of eight designated and 27 study rivers to include 29 additional river study areas. Public land, although withdrawn within the ¼ mile corridor of these additional river study areas, has not been included in the statistics in this study. Furthermore, our statistics do not reflect proposed amendments to the present federal acreage in the original eight rivers and 27 study rivers. The size of these amendments varies from less than ¼ mile up to 1 mile or greater from the banks of the designated rivers. Most of these amendments take into consideration topography and scenic values with no explicit consideration of potential mineral values. Leasing of minerals would not be permitted on federal lands within any area being studied for possible inclusion within the system, except perhaps oil and gas on a case-by-case basis. We have not considered those areas outside the ¼-mile statutory zone or areas potentially affecting water quality in tributaries to these rivers as being withdrawn from the mineral laws. Both categories of areas are here considered open under the Mining Law, although they might not be explored or developed due to high costs, water quality risks and damage to public image. Decisions to lease would be handled on a case by case basis by the Bureau of Land Management office having jurisdiction. With the possible exception of some oil and gas drilling, leasing would not likely be permitted in any of these areas.

In summary, the act has presently withdrawn 470,000 acres of federal land in ¼-mile corridors from the Mining Law in eight existing and 27 study river corridors. This figure does not include designated rivers in Alaska and the 29 additional study rivers proposed in 1975. These 470,000 acres are also withdrawn from leasing. This statistic also does not include public land study areas in excess of the ¼-mile zone being studied for inclusion within the system which are also effectively withdrawn from our account. It should be emphasized that the impact of the Wild and Scenic Rivers Act is considerably greater than indicated in our statistics. Surface managing agencies are studying at least 17 rivers involving public and acquired land for inclusion in this system. Many of these areas are effectively zoned off limits to mining through land use plans or the withholding of leasing approval and access. As better data develops and classifications are made, lands in addition to the 470,000 acres will be withdrawn from the mineral laws of our account.

Atomic Energy Commission

Withdrawals for Atomic Energy Commission purposes (now ERDA and Nuclear Regulatory Commission) are of two types, consisting of congressionally directed withdrawals and those initiated by the executive without specific statutory authority.

In 1945, President Truman, citing only his authority as President, withdrew all public lands of the United States which contained deposits of radioactive minerals from operation of the public land laws. This executive order (E.O.) was subsequently modified in 1946 and 1947 by new orders which provided for the reservation of source materials in certain U.S. lands. It is interesting to note that these sweeping executive withdrawals cited no specific authority. Finally, in 1954, the Atomic Energy Act was passed, which, among other things, granted the Atomic Energy Commission authority to lease deposits of source materials in lands which, presumably, are not subject to location under the General Mining Law. Shortly after passage of this act, in 1955, E.O. 10596 was issued, which revoked the previous orders used to withdraw source materials in certain lands.

The Atomic Energy Commission did not have authority to withdraw public lands for its own use. It had to rely on Congress and the executive to withdraw lands it needed. There are basically two reasons for most of the AEC-sponsored withdrawals: to establish research or storage sites and to effect control over source materials. The public land orders issued by the Department of the Interior for the AEC usually withdrew lands from all mineral laws. Some do not withdraw lands from the leasing laws since leasing is a discretionary act. The biggest portion, about 83 percent, of the lands withdrawn from our account for AEC uses are for three testing and research facilities: the Nevada Test Site, the National Reactor and Testing Station in Idaho, and the Hanford facility in Washington. A total of about 1.4 million acres are withdrawn from the Mining Law for AEC uses. An additional 0.6 million acres are expressly or in fact withdrawn from the leasing laws.

Small Tract and R & PP Act

Small tracts of public domain can be leased or sold under the Small Tract Act of June 1, 1938. Acreages designated for this purpose have remained fairly constant in recent years, amounting to 457,000 acres in 1974. Many of these are business site leases. Applications for such sites segregate the lands from the mineral laws and when approved these tracts are withdrawn from our account.

The BLM has in effect withdrawn and reserved areas from the mineral laws for recreational use under the authority of the Recreation and Public Purposes Act of 1926. This statute authorizes the Secretary of the Interior to dispose of public lands to states, municipalities etc. for recreational projects. The act does allow for classification of lands in Alaska. If no application is filed within 18 months following such classification, the Secretary "shall restore such lands to appropriation under the applicable public land laws." Interior has extended this classification authority to all lands of the U.S. through use of section 7 of the Taylor Grazing Act of 1934. Departmental regulations in two different places provide that, "Lands in Alaska and lands in the states classified pursuant to the act under section 7 of the act of June 28, 1934, will be segregated from all appropriations including locations under the mining laws. . . ." Nothing in section 7 of the Taylor Grazing Act authorizes classifying lands as closed to the mining laws. In fact, the Taylor Grazing Act specifically provides that nothing therein should restrict operation of the mining or mineral leasing laws.

While the legal authority for classifying these lands as closed to the mineral laws is rather tenuous, fortunately, not very much acreage is involved. In 1973 and 1974, only 17,000 acres were segregated under this category and 57,155 acres were under recreation and public purposes leases. These acres are withdrawn from our account. In more recent years, recreation areas have been withdrawn under the inherent non-statutory authority of the executive. These more recent withdrawals have been accounted for under the administrative and recreation category in fig. 1 and 2.

Classification and Multiple Use Act (C & MUA)

On Sept. 19, 1964, the Classification and Multiple Use Act was passed by Congress. Authorization for segregating and classifying public land under this act expired on June 30, 1969; however, classifications made prior to its expiration remain in effect. The effect of these classifications is to exclude from entry under the Mining Law onto the acreages listed below:

Alaska	* 3, 246, 624
Arizona	158, 497
California	123, 774
Colorado	7, 466
Idaho	15, 099
Montana	16, 423
Nevada	137, 180
New Mexico	54, 573
Oregon	59, 675
Utah	31, 085
Wyoming	59, 855
Total	3, 910, 251
Total (exclusive of Alaska)	663, 627

* This segregation was included in the ANCSA withdrawals and has been excluded in the summary sheet for the Mining Laws under 1974 to eliminate double accounting.

Miscellaneous

There are a host of other laws under which relatively small amounts of land are withdrawn from our account for specific uses. Also, the executive, under its nonstatutory withdrawal authority has been withdrawing large numbers of areas for uses ranging from the creation of a 12,200-acre reserve for the desert tortoise in California to the withdrawal of one of the first gold mining camps in Montana. Table 3 identifies some of these miscellaneous withdrawal categories with estimated acreages for 1968 and 1974.

In table 3, townsites and other special uses include areas on public domain within incorporated cities, towns or villages, some of which are former mining camps. Other spacial uses refer to withdrawn easements for roads, power lines or irrigation ditches.

Other water uses include watershed withdrawals, natural springs public water reservoirs, irrigation projects, underwater research and development, water salvage projects and underground water supplies.

Areas withdrawn for wildlife other than game ranges and wildlife reserves include withdrawals for wildlife management areas, waterfowl protection areas, desert pup fish areas, and withdrawals for various other species of wildlife.

One of the larger of the miscellaneous categories is stock driveways. These lands were historically reserved for driving cattle to the railroads and were usually not withdrawn from the Mining Laws.

Research, scientific, and educational areas include botanical sites, archaeological areas, ecological plots, national historic sites, experimental forests, scientific study sites, experimental range and pasture, pine and seed orchards, geologic sites and certain Science Foundation lands.

Other miscellaneous withdrawal categories include post office, air navigation and lookout sites, rockpits, airports, fire control centers, test sites, fish hatcheries, pumping projects, creek channels, job corps sites, hospital sites, prisons and others.

EXECUTIVE WITHDRAWALS

Many of the withdrawals from our account are initiated by the executive without any specific statutory authority.

It is not clear at what point the executive began to assert its nonstatutory withdrawal power, but in the early 20th century President Taft issued Temporary Petroleum Withdrawal #5, which withdrew from the mineral laws approximately 3 million acres of oil lands in California and Wyoming. There was no specific statute authorizing this withdrawal and it was subsequently challenged and affirmed by the Supreme Court in the famous Midwest Oil Case. The court upheld the President's authority to withdraw these lands based on an implied acquiescence in such withdrawals by Congress. It is important to understand that the court did not state that the President possessed this inherent withdrawal power, it merely stated that the practice of withdrawing without statutory authority was known to Congress for some time and Congress' acquiescence (by not overturning the withdrawals) operated as an implied grant of power to withdraw.

Shortly after the petroleum withdrawal in 1909, the then Secretary of the Interior expressed concern over his legal authority to make withdrawals. President Taft, concerned about this problem, asked Congress to enact legislation to authorize temporary withdrawals. This request eventually resulted in the Pickett Act, the first and only statute Congress has enacted affecting the general withdrawal authority of the executive. Although the legislative history of the Pickett Act strongly supports the contention that the act was intended to cover the entire range of the executive's withdrawal power, the executive has continued to exercise a nonstatutory authority to make permanent withdrawals. The Pickett Act specifically prohibits the withdrawal of public lands from metalliferous location under the Mining Law.

The authority usually cited for withdrawing lands from the Mining Law is a 1941 Attorney General's opinion which held that the Pickett Act was only intended to control "temporary" withdrawals, leaving open the authority of the executive to make permanent withdrawals. Interestingly, an earlier draft of this opinion reaches the exact opposite conclusion, but because of arguments from the Secretary of the Interior it was not issued. In more recent times the use of this asserted nonstatutory authority has even been used to make temporary withdrawals from the Mining Law even though the Pickett Act expressly forbids making such withdrawals for metalliferous minerals.

In 1942, the President delegated all of his authority to withdraw public lands to the Secretary of Interior. This delegation was subsequently amended and in 1952 Executive Order 10,355 was issued. This E.O. effectively gives the Secretary of Interior complete control over the executive's withdrawal process, including the President's powers under the Pickett Act and the exercise of the inherent power referred to in the 1941 Attorney General's opinion. The Department of the Interior has increasingly relied on its nonstatutory authority, especially where removal of the land from the Mining Laws is considered necessary.

Oil shale

One of the best examples of the scope of the executive's withdrawal authority is provided by President Hoover's 1930 E.O. 5327 which "temporarily" withdrew deposits of oil shale and lands containing such deposits from leasing under the Mineral Leasing Act. This floating "temporary" withdrawal was modified by three subsequent orders to more precisely identify the lands affected and allow sodium leasing. The fourth withdrawal occurred in 1968 when Interior issued Public Land Order 4522, which withdrew 3,676,000 acres in Colorado, Utah and Wyoming from the mining laws. This withdrawal did not rely on the Pickett Act "temporary" withdrawal authority even through the previous "temporary" oil shale withdrawals were in effect for 37 years. But rather, Interior withdrew the oil shale from Mining Laws, an action expressly prohibited by the Pickett Act, through use of its asserted nonstatutory withdrawal power delegated from the President by E.O. 10,355.

The purpose of this withdrawal was to protect the oil shale lands from appropriation under the Mining Law after the presence of aluminium bearing dawsonite attracted a flurry of claim staking and for the protection of other resources in the lands. In 1972, there was a series of revocations and restorations affecting 917,000 of these acres prior to the prototype oil shale lease sales. The withdrawn areas which were not affected by these revocations remain withdrawn from our account for metalliferous minerals and mineral leasing for sodium.

Fish and wildlife refuges

As of 1974 there were 24.4 million acres of public domain land withdrawn for the purposes of the Fish and Wildlife Service. About 24.3 million acres of this are in states subject to the Mining Law, (see table 4). Withdrawals for fish and wildlife purposes are usually accomplished through executive or public land orders, however, it is often not clear whether these orders are based on the statutory authority under the Pickett Act, and therefore open at least to metalliferous minerals location, or whether they are based on the implied nonstatutory authority of the executive.

In a report to the Public Land Law Review Commission, the Fish and Wildlife Service (F&WS) identified 27 reserves created prior to the 1910 Pickett Act. These the agency considers to be closed to all the mineral laws. Withdrawals subsequent to the Pickett Act usually cite the "authority vested in the President" or E.O. 10,355 as authority but do not contain specific language concerning operation of the mineral laws. But since the F&WS considers these areas also to be withdrawn from the mineral laws, it is likely the authority relied on is the implied nonstatutory authority of the executive. This situation has created some confusion, however, especially where Pickett Act language is used in the withdrawal order. The creation of the Kenai National Moose Range (E.O. 8979, 1941) demonstrates the confusion among administrators as to whether or not these orders close an area to the mineral laws. This particular case went to the Supreme Court in *Udall vs. Tallman*, but the ruling only held that mineral leasing wasn't expressly precluded. The F&WS considers this area to be closed to the Mining Law. There are also examples of orders which cite the Pickett Act as authority but which the F&WS still consider to be closed to the Mining Law, e.g., E.O. 8592, Nov. 1940.

Finally, there are situations where Congress has enacted statutes which give, some have been interpreted as giving, authority to withdraw lands for fish and wildlife purposes. Most of these, however, grant authority to create refuges on lands already withdrawn for specific purposes, usually national forests or reclamation purposes. Where such overlaps have occurred in our statistics, we have corrected for it by reducing the other withdrawal category, e.g. reclamation purposes.

In more recent years, the Interior Department has attempted to clarify this situation by specifically stating in the orders that the "lands are withdrawn from the mining laws but not the mineral leasing laws." The situation is further clarified by departmental regulations which provide that the filing of mining claims and prospecting and removal of minerals is prohibited on national wildlife refuges. The exception provided in the regulations is for oil and gas leasing where drainage occurs.

With respect to leasing for other minerals, the F&WS manual states: "Application for leases are referred to the service by BLM for recommendations. In conformance with service policy—the service usually recommends against leasing." This same policy also applies to lands which are not in the F&WS system but are jointly managed by F&WS and another agency. Such policies, of course, do not permit individual assessment of potential mineral values so that intelligent land use decisions can be made between mineral and wildlife habitat values. Nevertheless, the F&WS lands are withdrawn from the Mining Law in fig. 1 and 2 are also withdrawn from mineral leasing.

Almost all wildlife refuges are withdrawn from the Mining Law. At the close of 1974 there were only three game ranges clearly open to the operation of the Mining Laws, and one, the Charles M. Russell Game range with only 357,000 acres left open to the Mining Law, was segregated from mineral entry by a proposed withdrawal filed in early 1975. There are four additional game ranges in Alaska comprising 3,260,000 acres which are not specifically segregated from mineral entry in the withdrawal order but by F&WS interpretation of the order (see table 4). These have been withdrawn from our account but are accounted for under a separate withdrawal category. It is unlikely that lands withdrawn for fish and wildlife purposes will be reopened to the mineral laws and they will remain withdrawn from our account.

Utility corridor—Alaska

On Dec. 29, 1971, Interior issued Public Land Order 5150, which withdrew lands for reservation as a utility and transportation corridor. This affects approximately 5,343,300 acres of land in Alaska. Of this acreage, 2,897,520 acres were withdrawn from the mining laws and the leasing laws. The remaining 2,445,780 acres were left open to metalliferous location under the mining laws only. All 5,343,300 acres were withdrawn from the leasing laws.

Although nearly contemporaneous with the Alaska Native Claims Settlement Act this public land order constitutes a separate executive action on nonoverlapping land areas and therefore represents a separate withdrawal from our account.

Primitive and roadless areas

The Bureau of Land Management can affect the lands in our account in two important ways. First, it is the responsible federal agency for reviewing all agency withdrawals and recommending to the Secretary of the Interior what action to take. In short, it administers the executive's total withdrawal authority delegated to Interior under E.O. 10355. Second, as the major public land managing agency, it may withdraw (both *de jure* and *de facto*) lands from our account in implementing its own resource programs. Executive withdrawals from the mining or mineral leasing laws have been initiated by BLM for numerous reasons.

Many of these have been accounted for in our study under several other withdrawal categories, such as administrative and recreation, proposed withdrawals, utility corridor, and miscellaneous categories. However, some of the major withdrawals from our account are for the creation of "primitive" and roadless areas.

The concept of a BLM "primitive" area is said to evolve from the Classification and Multiple Use Act. While no such mandate is in this act, which expired June 30, 1969, the act did recognize the classification of lands for wilderness values but did not authorize withdrawals for this purpose. In fact, wildernesses can only be established by Congress, which did not provide for inclusion of BLM lands in the system established by the Wilderness Act of 1964.

Under the nonstatutory withdrawal authority delegated by E.O. 10355, the BLM has withdrawn about 0.2 million acres from the mineral laws for establishment of primitive areas. About 0.1 million acres of this has been corrected for overlaps with classification and Multiple Use Act segregations (see fig. 1). Also, withdrawal applications for creation of primitive areas have been proposed on an additional 1.6 million acres. These areas have thus been segregated from the operation of the mineral laws and are effectively withdrawn from our account. Finally, there are 3.9 million acres pending designation as primitive areas. According to BLM internal instructions "to qualify for designation the proposed area must either be withdrawn or have been classified ... under the C&MU Act."

Designation of an area is not a withdrawal in the legal sense, rather, according to BLM, "it is merely a process of naming and morally obligating the Bureau to a specific course of action". The BLM recognizes that "a proposed primitive area can be protected from incompatible intrusion long before the actual designation is finalized." But BLM does make an attempt to limit withdrawals and to "concentrate on key and significant areas or features within the total area being proposed for designation." Interior regulations provide criteria for primitive area use. Travel is restricted to nonmechanized forms, construction is not allowed in or on the land except where authorized, roads, mechanized equipment, nontransient occupancy and the landing of aircraft is prohibited except for certain authorized activities and then only under conditions specified (43 CFR section 6221.2).

Mineral leasing is usually not permitted in proposed primitive areas and mining claim activity is restricted to the point where it meets our definition of a *de facto* withdrawal. The 3.9 million acres of proposed primitive areas (as of 1974) are therefore withdrawn from our account in figs. 1 and 2.

BLM roadless study areas include those areas withdrawn as primitive areas and those areas where withdrawal or designation is pending. There were about 89.5 million acres of roadless areas identified by BLM at the time of this study. Some 64 million acres are in Alaska and overlap ANCSA withdrawals. Of the remaining 25.5 million acres, 5.6 million acres overlap existing and proposed BLM primitive areas and 0.7 million overlap C & MU Act lands which have been segregated from mineral entry. This leaves 19.2 million acres of nonoverlapping areas within this category. The identification of these roadless areas is the first step in the creation of primitive areas. How many acres of this eventually are withdrawn as primitive areas is uncertain. But once an area has made it to the last step of the BLM planning process the BLM considers itself to be "obligated" to the protection of the primitive values. In addition, several bills were introduced in the 93rd and 94th Congresses which would provide more specific authority to consider and withdraw these roadless areas for their primitive and wilderness values.

De facto withdrawals from leasing laws

Many public land orders withdraw lands from operation of the Mining Law but do not specifically withdraw the lands from mineral leasing. But, because the issuance of a lease depends on the exercise of administrative discretion, many of these areas are also effectively withdrawn whenever the administrator chooses not to exercise his discretion. In many cases, it is agency policy not to approve mineral leasing whenever requested by the mineral leasing agency, the BLM. In other cases, a local administrator will choose not to issue a mineral lease in order to further protect the areas already withdrawn from the Mining Law. Some reports accompanying proposed withdrawal requests boldly state that although the proposed order only withdraws the lands from the Mining Laws, no mineral leasing applications will be approved! It is impossible to precisely determine how many acres withdrawn from the Mining Laws are also withdrawn from mineral leasing. However, where certain categories of land have been withdrawn to "protect them from the Mining Law" it is unlikely that mining under a lease would be allowed. In table 5, we have attempted to estimate the acreages which are closed to the Mining Law and also closed to mineral leasing. These estimates are based on agency policy and responses to requests from the leasing agency. It should be noted that there are some exceptions for the issuance of oil and gas leases.

Tennessee Valley Authority

Leasing on acquired lands requires the consent of the surface managing agency prior to issuance of a lease by the Bureau of Land Management. The Tennessee Valley Authority administers 916,000 acres of acquired lands. In 1974 the TVA was withholding consent on the lands it administers, thereby effecting a withdrawal from the leasing laws of this land from our account.

Proposed withdrawals

The filing of a withdrawal application and noting of the records effects an immediate segregation of that land from mineral entry. This segregation remains in effect until terminated or until a final public land order is published. Table 6 shows the acreage segregated by outstanding withdrawal applications. There are outstanding withdrawal applications which date back to 1956, although the data presented here includes only the applications filed the last five years.

Of the 3.7 million acres segregated from mineral entry in 1974, we have removed 1.4 million acres since they were previously withdrawn from the mining laws for military uses. Eliminating this overlap produces a net of 2.3 million acres which have been segregated and effectively withdrawn from entry under the Mining Laws in 1974 alone. This includes 167,000 acres withdrawn for geothermal exploration and development, and numerous miscellaneous proposals, mostly for recreational purposes. There remain numerous outstanding proposed withdrawals prior to 1970 and several large proposed withdrawals in early 1975 (e.g., 980,000 acres in the C. Russell Game Range in Montana, of which only 357,127 were still open to Mining Laws). Large withdrawals for primitive areas also loom on the horizon. We have only withdrawn from our account those segregations shown in table 6. Should these proposals be terminated, they would be deposited back into our account; should they ripen into public land orders they will be withdrawn permanently. At this point in time, however, they are withdrawn from our account.

WITHDRAWAL TRENDS

In order to examine recent trends in executive initiated withdrawals, we have examined over 1500 public land orders for their specific effect on mineral lands. This analysis considered all published withdrawals and revocations in excess of 20 acres between 1964 and 1974. Our purpose was to get some idea of which land use categories were making deposits and withdrawals from our account and to see if any meaningful average annual withdrawal rate could be established.

Fig. 3 shows the total executive withdrawals less revocations by major land use category for the 10-year period. Keep in mind that this chart does not represent all the withdrawals put into effect during this time period, but only those initiated by the executive. Furthermore, the recent increases in proposed withdrawals have not been included. For the Mining Law, military, wildlife, and administrative and recreation uses took the most land out of our account and deposited the least. All remaining withdrawals and revocations were lumped into the "other" category. Because this account included Alaskan withdrawals, it shows the biggest deficit over revocations (for this category, please note the difference in scales between withdrawals and revocations).

For leasing, fig. 3 shows that there was relatively less executive initiated withdrawal activity during this period except for military withdrawals and the "other" category. The withdrawal problem for leasing cannot be analyzed simply by looking at published withdrawal notices. The exercise of leasing discretion by the surface managing agencies and the effects of congressional enactments are the key factors in assessing the impact of withdrawals on the mineral leasing laws.

An examination of withdrawal trends in this 10-year period indicates that during the Department of Interior's withdrawal review program, revocations almost balanced withdrawals. However, beginning in 1967 the level of withdrawals began increasing substantially, perhaps due in part to a de-emphasis in the withdrawal review program. In 1971 withdrawals (exclusive of ANCSA) took quantum jumps as concern for the environment and wildlife habitat became a major national goal.

Because of the large variations in the net acreage withdrawn, we were not able to calculate a meaningful average annual withdrawal rate. However, certain broad withdrawal trends can be predicted. In the years ahead, the recent increases in executive initiated recreation, primitive and national area withdrawals will continue. Additional withdrawals to establish new wilderness and legislatively authorized primitive areas can also be expected along with larger acreages for wild and scenic rivers.

Some agencies, in attempting to comply with the Endangered Species Act, have proposed that "critical habitat" of endangered and threatened species be identified along with a list of actions which cannot take place on the designated areas. Identification of these areas would result in special regulations or other administrative and management actions designed to protect these endangered species "enclaves." Various other bills, all providing authority to zone out or "control" mineral exploration and development, in certain areas, are also on the horizon. The problem with most of these bills is that they do not consider the large areas that have already been withdrawn from mineral development. None of these bills contain provisions for reviewing and eliminating the single use oriented withdrawals now in effect.

CONCLUSION

We have shown that through governmental actions we have firmly withdrawn nearly 400 million acres from the operation of the Mining Law and over 500 million acres from the leasing laws. In addition, over 100 million acres for the Mining Law and 70 million acres for the leasing laws are encumbered or are being managed in such a way as to constitute a *de facto* withdrawal from mineral development.

This means that, for the Mining Law, mineral exploration and development is specifically prevented or discouraged in an area the size of the states of California, Arizona, Washington, Oregon, Nevada, Utah, Idaho and one half of Colorado.

For the mineral leasing laws, exploration and development is prevented or discouraged in an area equal in size to all states east of the Mississippi except Maine. This does not include acreages which are presently under lease where further leasing may be restricted, especially in areas of non oil and gas leases and producing oil and gas fields. For mineral leasing portions, of what remains may be withdrawn through *a priori* zoning under various land use planning systems, although the magnitude of this latter problem cannot be assessed at this time.

One of the major reasons this situation has occurred is the lack of any mechanism for assessing the cumulative impact of thousands of discrete withdrawal actions. Each interest group working to have more land withdrawn does not consider the cumulative impact of its, and other group's, successful efforts. Rather, it tends to see its own reasons for withdrawing lands as more important and more in the national interest than land needs for mineral exploration and development. The rhetoric behind these withdrawal debates results in most areas being totally withdrawn from mineral development and what remains being totally open.

This kind of a land use strategy is economically unsound and is simply bad public policy. Since there is now more public land withdrawn from mineral development than is open we must create a middle ground where the mineral industry will have to accept reasonable conditions on its activities while the preservationists and others will have to accept the fact that somewhere in that million acre wilderness area, there is a mine. Given the present situation and our minerals-land account, it may be already too late. What ever happened to multiple use anyway?

And government exploration and development is not the answer, although there will be those who have no concept of what is involved in discovering and developing a mineral deposit who will argue that only the government is capable of exploring for minerals on federally-owned lands. If past government involvement in private industry is any indication, this alternative would be a total failure and an unacceptable burden on the already burdened American taxpayer.

The other major reason this situation is not appreciated is because the consequences are long term. In fact, the withdrawal of minerals land account, it may be already ades to come.

However, there will be consequences, both for our economy and our national security. Our actions increase the likelihood of national problems brought about largely through artificial altering by foreign cartels of supply and prices. Recently, the U.S. Geological Survey forecast that within the next 25 years the United States shall be 100 percent dependent on imports for 12 essential mineral commodities, more than 75 percent for 15 and more than 50 percent for 26 commodities. The implications are staggering. But the purpose of this article is not to point a finger of blame but only to make the public aware of what we are doing. Intelligent land use decisions must be very finely balanced. Such balance in tradeoff decisions is not possible if we do not know what the mineral side of the scale contains.

We began this article by asking whether our mineral lands account was overdrawn. We don't pretend to know the answer, but if it is and we continue to make withdrawals regardless of our total assets then, when will we be required to balance our account; who will be asked to make up the deficit; and at what price?

REFERENCES

[1] Study of Withdrawals and Reservations of Public Domain Lands, vol. I, II, III. Prepared for the Public Land Law Review Commission, 1968.

[2] Ohle, Ernest L., Presidential Address, Economic Geologists, "SEG, and the Future," Economic Geology, vol. 70, 1975.

[3] Stowe, Carlton H. "Enforcement of New Leasing Requirements: Utah's Oil and Gas Activity to come to a Screeching Halt." Utah Geological and Mineral Survey, Jan. 1974.

EFFECTS OF GOVERNMENT OVERREGULATION ON ENERGY AND THE ENVIRONMENT

Mr. **CURTIS**. Mr. President, on several occasions during the past 4 months I have joined several of my colleagues in floor discussions of the adverse effects of Government regulation on the American economy, personal freedoms, small business, and the American consumer. During our previous discussions we have focused attention on the need for reform of our Government regulatory agencies.

One area that we have not yet touched on, but which we are discussing today, is the effect of Government overregulation on energy and the environment.

I wonder that our avid and zealous environmentalists have not bothered to consider the detrimental effects of much of our Government regulation on the environment. If the many proponents of environmental conservation were truly concerned about our natural resources, they would consider the often wasteful depletion of our resources because of the operations of many of the regulatory functions of the Government which supposedly espouse environmental causes.

Consider, for instance, the mammoth harvest of our forests needed just to produce the billions of copies of Government forms that are required by various Federal agencies in their operations. Besides the wasteful cutting of timber to produce this paper, there is necessarily a vast amount of fuel and energy consumed in the transportation of cut timber and finished products, and in the processing and manufacture of paper at the mills.

A true environmentalist should ask himself if this voluminous consumption of natural resources is worth the end product of Government control and regulation. Would not it be better to have substantially less consumption of our natural resources in the first place, than to have to establish so many regulatory functions to protect them because of their depletion An intriguing question, to be sure, but one I believe environmentalists have refused to address.

REGULATORY REFORM

Besides the many operations of the Federal Government that necessarily have an effect on our natural resources and energy supplies, whether directly or indirectly, there are many instances in which environmental regulatory operations themselves have a direct adverse effect on our natural resources.

I am sure my colleagues will recall the debate and consideration in the Congress of requirements for the catalytic converter on automobiles to control air pollution under the Clean Air Act of 1970. It has now been shown that the use of the catalytic converter has led to dangerous poison byproducts, and recent allegations have been made that the Environmental Protection Agency manipulated scientific research and covered up contradictory evidence of the effectiveness and need for the catalytic converter.

I will not debate the merits of the catalytic converter itself, but want to point out that in consideration of the requirement for the device, no one expressed concern over the economic and environmental impact the requirement would have on our natural resources.

The peculiar design of the catalytic converter was such that it could only be used effectively on automobiles with unleaded gasoline. Well, that conversion to unleaded gasoline led to a reduction in the amount of gasoline extracted from a barrel of oil by about 5 percent.

That figure may not seem high, but when it is multiplied by the millions of barrels of oil that have been processed into gasoline since the Clean Air Act of 1970 took effect, it is obvious that the very legislation and regulations we had promulgated as beneficial to the environment, may in fact have been as detrimental in terms of their effect on increased consumption of natural resources they necessitated.

Another aspect of the catalytic converter that directly affected our natural resources was the special gasoline pumps that were required. Thousands of service stations across the country had to buy and install new pumps which were specifically designed to pump unleaded gasoline. Surely the iron ore that had to be mined for the manufacture of those special pumps and the catalytic converters themselves has to be reckoned with as a depletion of our natural resources. Furthermore, the energy consumed in the manufacture and delivery of those products must be considered as a waste of our natural resources.

I can cite a specific instance where Federal regulation has proved costly and has affected our energy needs and supplies in my own State of Nebraska. Because of Federal regulations and redtape, we have experienced an otherwise unnecessary delay in the construction of a 650-megawatt steam electric generation plant. The delay has already cost the citizens and taxpayers of Nebraska millions of dollars.

Plans for the coal-fired plant, needed to meet the State's growing energy needs, were initiated in 1973. The Sierra Club, in November of the same year, filed a complaint with the Federal Power Commission on environmental grounds.

It is interesting to note that the Nebraska Department of Environmental Quality approved the powerplant construction plans as complying with State and Federal environmental quality standards. The EPA upheld the Nebraska State agency decision in this regard, and Federal courts also upheld the construction of the plant.

Yet, the Sierra Club was able to have its complaint against the powerplant construction taken up by the FPC under the authority of the FPC over an original hydroelectric project built there some 40 years ago. At the same time the Federal Power Commission agreed to process the claim of the Sierra Club, it refused—and has continued to do so—to act on applications filed by the Nebraska Public Power District to amend the original hydroelectric plant boundary to allow expeditious construction of the new plant.

Based on the Sierra Club complaint, the FPC issued a cease-and-desist order on any further construction of the plant. As a result of the FPC decision to date, the citizens and consumers of Nebraska have already been harassed with an additional estimated $100 million in costs.

The FPC decision resulted in relocation of the plant facilities at a cost of $9 million, that also entailed a 1-year delay in the earliest planned operation of the 650-megawatt plant for 1976. According to information supplied by the power district and the Mid-Continent Area Power Pact of which the Nebraska Public Power District is a member, the plant had been planned to meet power needs in 1977 to keep electrical shortages to a minimum in the Midwest.

Now, however, brownouts and power shortages are forecast for the Great Plains States as a result of this delay. Furthermore, annual additional expenses of $38 million are forecast for the Nebraska Public Power District and the consumers of Nebraska to purchase the supplemental electricity that the delayed station would have otherwise been producing.

The irony of this case is that the FPC acted on an environmental complaint against the project and failed to recognize that it had met requirements of the Nebraska and Federal Environmental Protection Agencies on environmental grounds. This is an example of Federal overregulation that has cost consumers of one State alone more than $100 million.

Another specific example of direct impact of Federal environmental regulations on the environment itself in my State concerns the construction of railroad crossings on highways.

The regulations and requirements of the Environmental Protection Agency are so voluminous restrictive, and complicated that virtually every Federal, State, and local government entity—as well as many private sources—have been loaded down with ridiculous paperwork requirements.

In a central Nebraska newspaper editorial last year, Federal regulations were taken to task for bringing environmental impact statements into the installation of crossing signals and gates at a rural highway intersection in the State. The editorial pointed out that installation of the signals and gates had been delayed almost a year while the environmental impact statement was being prepared.

The crossing guards were to be installed as a safety factor and it is beyond my comprehension how anyone could perceive an effect on the environment by the installation of two flashing lights and gates at the crossing.

I wonder at the wisdom of Federal regulations that cause heavy cost increases while appearing to be more concerned with railroad crossing signals disturbing quail roosting nearby, or flashing red lights blinding sparrows in flight.

Still another example of Federal regulations that have adversely impacted on natural resources occurred in my State. An irrigation district in Nebraska has been directed to formulate an oil spill plan by the U.S. Coast Guard, even though in its environmental impact statement on construction of a small reservoir, the district said that motorcraft will be prohibited from the reservoir.

There will be no in-lake drilling or any near the lake, but the Coast Guard still insists on the ridiculous preparation of the oil spill plan. There is no telling how many hundreds of dollars of taxpayers' money will be poured into interpreting the useless—in this case—plan by the Coast Guard or the Department of Transportation. Likewise, the paper that will be needed for such a report will be wasted.

Mr. President, one would think that with all the attention being paid now to the near critical levels of supply of some of our natural resources, we would be more scrupulous in our decisions about adding more and more to the arena of Government regulation that directly impacts on those resources. But, we have not done so.

The Fish and Wildlife Service, an agency of the Interior Department that is charged with the responsibility of overseeing the preservation and maintenance of our wildlife resources, recently issued proposed rules for the establishment of critical habitat areas for several endangered species of animals in the United States.

While I do not object to any Federal agency carrying out its responsibilities, I do believe that too often our many Federal agencies are in fact irresponsible in the functions and activities they undertake.

In its recent proposal, the Fish and Wildlife Service established a so-called critical habitat area for the whooping crane that encompassed more than 2,100 square miles in south central Nebraska.

Besides the fact that this proposal mandated Federal control over the land use of almost exclusively private lands in my State, it was an unnecessary measure which could in no way conceivably provide any protection to the whooping crane beyond what is already provided for by law.

In a letter to Fish and Wildlife Service Director Lynn Greenwalt, I noted that the whooping crane was already protected by the Endangered Species Act of 1973 and the Migratory Bird Treaty Act. In addition to those acts, there are other Federal and State laws which control the hunting or killing of the whooping crane and other wildlife.

I concluded that the creation of critical habitat areas could only lead to further Federal encroachment on the rights and authorities of the States and localities, and that these new regulations would only be redundant and, as such, lead to unnecessary consumption of natural resources in their implementation.

I pointed out further that the National Environmental Policy Act and other Federal environmental legislation and regulations already provided for strict controls, study, and investigation before the construction of any project that would affect the natural terrain of the land could be undertaken. NEPA and other legislation and regulations now require that environmental impact statements be prepared and approved before any construction can be undertaken that would in any way change or alter the physical environment.

Environmental impact statements and other reporting and study requirements now exist for the Army Corps of Engineers, Bureau of Reclamation, and other Federal project agencies. So, the proposal for designation of critical habitat areas is nothing more than another paperwork requirement that will only lead to further delays in the construction of projects and additional costs in the studies and reporting and energy needs for construction.

The point is clear—in our efforts to preserve and protect our natural environment, the Federal Government fails to act responsibly and to consider all possible effects of regulation on our environment. It's another case for reducing and eliminating Federal regulations.

COUNTERPRODUCTIVE FEA REGULATORY PROGRAM

Mr. DOLE. Mr. President, the primary objective of any Federal activities regarding energy production should be to achieve the maximum domestic output. It should go without saying that achieving that goal is absolutely essential in order to serve the best public and national interests.

Yet it is the impression of this Senator that the effect of the FEA regulatory and compliance program has been just the opposite. It is my feeling that the results have ranged from outright disincentives for increased production to harassment of those trying to supply energy for this country.

SHARED RESPONSIBILITY

Let me say at the outset that the Senator from Kansas does not hold the Federal Energy Administration solely responsible for the activities carried out under the compliance program. For, the responsibility for this program lies a great deal within the jurisdiction of the Congress. Many of the laws that have resulted in production disincentives have been created in this very institution.

But if we are to make improvements, it is essential to understand what is happening in the energy industry.

This in itself is difficult because the activities in the energy producing industry vary a great deal. The energy industry is highly complex. Accepted practices vary from region to region and they vary depending on the sector of the industry, whether it be crude oil production, refining, transportation, wholesaling or retail marketing.

FEA DATA

Over the past several months the Senator from Kansas has received a great many complaints from businessmen at all levels of the energy industry. In an effort to better understand these complaints, I requested earlier this year that the FEA provide me specific data on their compliance and regulatory efforts.

These data have led to some striking conclusions. The information has caused me to conclude that the complaints from within the industry have not been without cause and without justification. The data suggest that in fact the compliance program may have been in fact counterproductive to our efforts to achieve energy independence and this disturbs me a great deal.

The Senator from Kansas does not wish to suggest that the information we have received and the apparent conclusions we have drawn are the final word on the effects of the compliance program. However, this Senator addressed his concerns and conclusions to the Federal Energy Administrator, Frank Zarb, on March 5, and as of yet no response has been received that would indicate anything contrary to the conclusions suggested in my letter.

It is my feeling that the information I have received should be of great interest to the appropriate committees in Congress. The data is much too voluminous to insert in the CONGRESSIONAL RECORD at this point. However, I have directed my staff to make any information available to interested Senators or committees upon request. The suggestions made in my letter to Mr. Zarb may also be of interest.

INCONSISTENT ENFORCEMENT

One of the clearest indications from the data received is that the compliance program has been inconsistently applied across the country.

An example of this is the differences in the crude oil compliance program between region VII and region VI. Region VII is composed of Kansas, Nebraska, Iowa, and Missouri. In this region, only one State, Kansas, has any significant crude oil production. Kansas is the seventh ranking producing State nationwide. The total level of crude oil production in region VII is 187,000 barrels per day, which comes primarily from Kansas.

By comparison crude oil production in region VI amounts to 6,280,000 barrels per day. This is 33 times the amount of oil produced in region VII. Region VI includes the first, second, fourth, and sixth ranking States in crude oil production nationwide and includes the States of Texas, Louisiana, Oklahoma, New Mexico, and Arkansas.

While production in region VI dwarfs that of region VII, the results of the compliance program have been just the opposite. In region VII, the amount of refunds and penalties assessed were more than 3½ times the amount in region VI, as of June 30, 1975. The penalties in region VII amounted to $47,535, while no penalties at all were collected in region VI.

According to FEA figures there are more than 8½ times as many producers in Texas as in Kansas. Yet, during the period July 30 to December 31, 1975, 10 cases were closed in Texas on crude oil producers compared to 12 in Kansas.

EMPHASIS ON SMALL BUSINESS

The sharp differences between these figures raise some real questions about how the compliance program is run.

The Senator from Kansas does not claim to know all the answers. But some likely solutions seem apparent.

One possible answer is that the producers in Kansas are mostly small stripper crude producers that are tiny in comparison to those in the neighboring region. For example, the average production per well in Kansas is about 4 barrels per day to over 21 barrels per day in Texas. The data suggest that the FEA has found it much easier to assess overcharges and penalties against small producers and that the compliance program has concentrated on them.

This possibility seems even more likely because small producers do not have lawyers to read, interpret, and just keep track of the continuous stream of regulations, revised regulations, and retroactive regulations that come out of the Federal Energy Administration. Small producers do not have lawyers to deal with FEA investigators who allegedly have used strong-arm and high-pressure tactics to extract quick settlements from small producers.

EXAGGERATED PENALTIES

An example of how some FEA auditors work is to threaten a $2,500 penalty for a $20 overcharge error.

To the best of my knowledge, no producer has paid the maximum $2,500 fine for $20 overcharge error. However, the impact of a threatened $2,500 penalty from a Federal investigator to a small producer has frequently had a definite impact. It has been stated many times to this Senator that, by threatening to assess the maximum penalty for small errors or violations, Federal investigators have been able to obtain large penalty settlements from small producers, who were simply frightened by the prospect of a Federal lawsuit and by the threat of huge penalties.

MISDIRECTED EFFORTS

Some producers have indicated to me that if illegal activities are going on in the industry in Kansas and other States, FEA compliance people are not likely to detect them.

That is because FEA auditors spend their time going over run sheets that come in at the end of each month and which indicate the level of production and sales. Careful examination of these run sheets can and do turn up overcharges, as well as undercharges from producers to refiners. FEA auditors should and do require producers to refund overcharges, however, many overcharges are simply the result of human error and may be accompanied by undercharges as well. But producers receive no credit for errors that result in undercharges.

Many producers indicate to me that FEA audits of records usually do not turn up intentional violations, that they are mostly a waste of taxpayer money and of producers' time and effort that could be used more constructively in producing oil. Reportedly, some violations occur out in the oilfield, such as transferring oil from one well to another well, in order to get a well in the "stripper" category of production. This would require investigators to get out in the oilfield and find out what is going on. But this is not done.

The essence of this is that producers must spend a great deal more time going over their paperwork to insure that all figures are correct and that no errors in the accounting have been made. Producers spend a great deal more time responding to questions of FEA auditors, that in the producers' view, result in preventing few intentional violations.

DISINCENTIVE TO PRODUCTION

Many producers have complained to me that the net effect of the efforts of FEA compliance personnel is to occupy a great deal of time and effort that could be better spent maintaining maximum production of petroleum.

But as this Senator understands, some regulations clearly do provide a disincentive for maintaining the maximum level of production. One example is the rule that a well must produce at less than 10 barrels per day for 1 entire year before it can be considered a stripper well.

The result of this regulation is that producers simply put a low priority on maintaining production from these wells.

For example, a producer may have a well that went to less than 10 barrels of output per day some time after the program began. But before that producer can sell the oil for the higher "stripper crude" price, he must establish a record for 1 year of less than 10 barrels per day output.

In some cases like this, it comes to a choice of using a quicker but more expensive repair technique to keep a well of this type going. Or it may come to a choice of which of two or more wells should receive the highest priority on repairing. If a well is producing at the stripper level but does not have the 1-year record established, the highest priority will obviously not be placed on it.

The net result comes down to a less than maximum output.

Another example of disincentives in the regulations is the question of counting injection wells.

Let us say a producer has a total of five producing wells. They may be putting out a total of 15 or 20 barrels of oil per day. They would clearly all be stripper wells and be receiving the stripper crude price.

The producer may determine that if one well is turned into an injection well, so as to provide a waterflood, the output for the remaining four producing wells can be increased. After doing this, the producer may find that the output from the four producing wells would be 45 barrels per day. If the producer were allowed to consider the output from the original five producing wells, he would receive the stripper crude price for his production.

However, the Federal Energy Administration does not allow including an injection well that was formerly a producing well in determining the average level of output. So the producer who raised his level of output from five wells with 15 barrels per day to 45 barrels per day from four producing wells and one injection well would find that he could not receive the stripper crude price.

In some cases such as this, producers have found that they are actually losing money by operating the injection pump. It costs a great deal of money to operate an injection well. The electricity for running the electric waterpump may run as high as $2,000 or $3,000 per month.

A producer who finds himself pushed out of the stripper crude category into the lower price category may simply turn off his injection well.

The result is a lower level of production.

Mr. President, our economic system is built on incentives. Many of the regulations and compliance efforts of the FEA destroy the incentive to maintain the maximum level of oil output.

The result is contrary to our national and public interest. It is my strong feeling that the appropriate committees in Congress should look into this matter and take responsible corrective action to encourage the maximum energy production that we need.

It is very disturbing to this Senator that 1,300 of the 3,400 employees of the FEA are involved in the regulatory program. This is more than one-third of all the FEA employees.

Over one-third of all FEA people are involved in maintaining compliance with the rules and regulations and paperwork requirements of the Federal energy program.

They do not do a single thing to encourage the production of one additional barrel of oil. On the contrary they spend a great deal of taxpayers money enforcing rules that may actually discourage additional production. They allegedly harass people in the industry and consume a great deal of time and effort that could be better spent maintaining the maximum level of energy output.

It is even more disturbing that the FEA is requesting an additional 600 compliance personnel in order to make the program half again as large.

It is the intent of this Senator to obtain more specific answers before he agrees to that request. Hopefully, other Senators will do the same.

QUORUM CALL

Mr. FANNIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 1 o'clock, with statements therein limited to 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HELMS). The Chair, on behalf of the Vice President, appoints the Senator from New Hampshire (Mr. DURKIN) and the Senator from Pennsylvania (Mr. SCHWEIKER) to the 29th Assembly of the World Health Organization, to be held in Geneva, Switzerland, May 4–22, 1976.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR JOBS FOR DISADVANTAGED YOUTH—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Appropriations:

To the Congress of the United States:

Today I am formally transmitting to the Congress a request for a supplemental appropriation of $528 million which will support 888,100 jobs for disadvantaged youth this summer.

The Secretary of Labor has advised me that the unemployment picture for youth is expected to improve this year over last year. However, the problem of youth unemployment continues to be a difficult one, especially in the summer months when students are out of school and seeking work. The action I am proposing today, combined with other related summer youth programs, will mean Federal efforts will produce a summer job for 1.5 million young people.

If Congress acts in a timely fashion on this request for a supplemental appropriation, the Summer Youth Employment Program will get funds where they are needed while they can be most useful. The appropriation I am requesting will create the same number of jobs at the local level as we achieved last summer.

I have made my request to the Congress in the form of an urgent supplemental. Many areas begin their programs in May, and sufficient lead time is required to ensure proper planning for so large a program. It is important that the employment provided to these young people be meaningful, and that the program operate with maximum efficiency.

I also want to call attention again to the importance of prompt Congressional action on a related matter—my request for $1.7 billion in supplemental funding for public service jobs under the CETA program. This request, contained in my 1977 Budget, would provide funds needed to prevent layoffs from Federally supported public service jobs programs. A number of local sponsors are already facing the prospect of terminating their programs because their funds are running out.

This public service employment program is already employing people. Whatever differences I may have with the Congress over other aspects of the job creation issue, there is no reason why local officials and individual job holders should be held in suspense or in fear of being laid off.

Action is essential on both the summer youth and the temporary employment assistance supplemental requests. I hope the Congress will act quickly to pass both measures.

GERALD R. FORD.

THE WHITE HOUSE, *April 8, 1976.*

MESSAGES FROM THE HOUSE

At 12:04 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (S. 268) to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 1466) to amend the Public Health Service Act to extend and revise the program of assistance for the control and prevention of communicable diseases, and to provide for the establishment of the Office of Consumer Health Education and Promotion and the Center for Health Education and Promotion to advance the national health, to reduce preventable illness, disability, and death; to moderate self-imposed risks; to promote progress and scholarship in consumer health education and promotion and school health education; and for other purposes, with amendments in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 10686. An act to amend title 13, United States Code, to require that population census records be transferred to the National Archives within fifty years after a census, and that such records be made available after seventy-five years to persons conducting research for genealogical, historical, or medical purposes; and

H.R. 11337. An act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 10686. An Act to amend title 13, United States Code, to require that population census records be transferred to the National Archives within fifty years after a census, and that such records be made available after seventy-five years to persons conducting research for genealogical, historical, or medical purposes. Referred to the Committee on Post Office and Civil Service, the Committee on the Judiciary, and the Committee on Government Operations, jointly, by unanimous consent.

H.R. 11337. An Act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes. Referred to the Committee on Post Office and Civil Service.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following petitions, which were referred as indicated:

House Resolution No. 421, adopted by the Legislature of the State of Hawaii; to the Committee on Agriculture and Forestry:

"H.R. No. 421, H.D. 1

"House resolution relating to United States Department of Agriculture reform of the Food Stamp Program Rules and Regulations

"Whereas, the food stamp program was created by Congress for the purpose of permitting low-income households to purchase a nutritionally adequate diet; and

"Whereas, food stamps is the only nationwide assistance program responsive to the needs of both those who are persistently poor and those experiencing temporary poverty; and

"Whereas, the rapid increase in food stamp participation from 14 million to 19 million in the period between August, 1974, and June, 1975, was largely due to a 70% rise in unemployment levels; and

"Whereas, increased participation and consequent changes in the composition of the program have raised questions concerning its scope and costs, with criticism being particularly directed to certain structural features of the food stamp law; and

"Whereas, the United States Congress is presently considering major food stamp reform measures, one of which was proposed by the Administration to represent its concerns; and

"Whereas, the Administration, through the United States Department of Agriculture, has acted in bad faith by promulgating new federal rules and regulations with plans for implementation by June 1, 1976 while Congress is actively debating the various alternatives; and

"Whereas, the effect of the proposed rules and regulations would be to cut participation to 13 million by reducing eligibility to the poverty level; replacing itemized deductions with a standard deduction of $100 per household; and instituting a 90 day budgeting period for calculating income; and

"Whereas, the impact on Hawaii, with its high standard of living, would be to cut total participation by one-third, from 100,000 to 70,000 beneficiaries per month; and to reduce benefits by 30% for those deemed eligible; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that the Congress of the United States is requested to direct the Secretary of the United States Department of Agriculture to cease any promulgation or implementation of the proposed food stamp regulations until such time as Congress has acted; and

"Be it further resolved that certified copies of this Resolution be transmitted to members of Hawaii's Congressional Delegation; the President of the United States Senate; the Speaker of the United States House of Representatives; the respective committees on Agriculture of the Senate and House of Representatives; the Secretary of the United States Department of Agriculture; the Food Stamp Division, Food and Nutrition Service branch of the United States Department of Agriculture; and to the President of the United States."

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF LABOR—(S. DOC. NO. 94-166)

A communication from the President of the United States transmitting a request for the fiscal year 1976 in the amount of $528,420,000 for the Department of Labor's summer youth employment program (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

COMPREHENSIVE ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION ACT AMENDMENTS OF 1976—SUPPLEMENTAL REPORT (REPT. NO. 94–705, PART II)

Mr. HATHAWAY. Mr. President, I submit a supplemental report to S. 3184, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1976, in order to correct an inadvertant omission from the committee report on that bill.

The PRESIDING OFFICER. The report will be received and printed.

FEDERAL-AID HIGHWAY ACT—CONFERENCE REPORT (REPT. NO. 94–741)

Mr. BENTSEN, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, which was ordered to be printed.

HEALTH RESEARCH AND HEALTH SERVICES AMENDMENTS OF 1976—CONFERENCE REPORT (REPT. NO. 94–743)

Mr. KENNEDY, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7988) to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, and to establish a national program with respect to genetic diseases; and to require a study and report on the release of research information, which was ordered to be printed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Public Works:

S. Res. 426. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to consideration of the conference report to accompany H.R. 8235, the Federal-Aid Highway Act of 1976 (referred to the Committee on the Budget).

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments and an amendment to the title:

H.J. Res. 890. A joint resolution making emergency supplemental appropriations for preventive health services for the fiscal year ending June 30, 1976, and for other purposes (Rept. No. 94–742).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. DOLE, from the Committee on Agriculture and Forestry:

M. R. Bradley, of Indiana, to be a member of the Federal Farm Credit Board, Farm Credit Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

JOINT REFERRAL OF A BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 10686 and a companion bill (S. 3279) introduced today by Mr. Moss be referred jointly to the Post Office and Civil Service Committee, the Judiciary Committee, and the Government Operations Committee.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 3268. A bill to amend the Federal Aviation Act of 1958 to change the penalty applicable to section 1101, Hazards to Air Commerce. Referred to the Committee on Commerce.

By Mr. FONG:

S. 3269. A bill for the relief of Chiu-Ping Haskell. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. Durkin, Mr. Fong, Mr. Gravel, Mr. Hathaway, Mr. Hollings, Mr. Inouye, Mr. Kennedy, Mr. Magnuson, Mr. McIntyre, Mr. Muskie, Mr. Stevens, Mr. Stone, Mr. Thurmond, Mr. Helms, Mr. Tower, and Mr. Williams):

S. 3270. A bill to amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets. Referred to the Committee on Finance.

By Mr. BARTLETT:

S. 3271. A bill to amend the Internal Revenue Code of 1954 to revise certain inequitable provisions relating to the limitations on percentage depletion in the case of oil and gas wells. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 3272. A bill to exempt from Federal taxation the obligations of certain nonprofit corporations organized to finance student loans and to provide that incentive payments to lenders of those student loans shall not be regarded as yield from the student loans for the purpose of determining whether bonds issued by such nonprofit organizations are arbitrage bonds. Referred to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. McClure, Mr. Hatfield, Mr. Packwood, Mr. Mansfield, and Mr. Metcalf):

S. 3273. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Nee-Me-Poo Trail as a National Scenic Trail. Referred to the Committee on Interior and Insular Affairs.

By Mr. ABOUREZK (for himself, Mr. Gravel, and Mr. McGovern):

S. 3274. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution, to provide for independent inquiries by grand juries, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. TALMADGE (for himself, Mr. Bentsen, Mr. Domenici, Mr. Hollings, Mr. Montoya, Mr. Morgan, Mr. Nunn, Mr. Stone, Mr. Thurmond, and Mr. Tower):

S. 3275. A bill to amend sections 358, 358a, 359, and 373 of the Agricultural Adjustment Act of 1938 and title I of the Agricultural Act of 1949 for the purpose of improving peanut programs, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. ROTH:

S. 3276. A bill to amend title 18, United States Code, so as to provide for mandatory minimum sentences with respect to certain offenses against victims 60 years of age or older. Referred to the Committee on the District of Columbia.

S. 3277. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1965 to add specific requirements that the comprehensive State plan under that act include provisions for the prevention of crimes against the elderly, and for other purposes. Referred to the Committee on the Judiciary.

S. 3278. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to offenses against individuals 60 years of age or older. Referred to the Committee on the District of Columbia.

By Mr. MOSS:

S. 3279. A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 50 years to persons conducting research for genealogical or other proper purposes. Referred to the Committee on Post Office and Civil Service, the Committee on the Judiciary, and the Committee on Government Operations, jointly, by unanimous consent.

By Mr. MATHIAS (for himself, Mr. Brooke, and Mr. Javits):

S. 3280. A bill to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare service provided for under Federal law. Referred to the Committee on Finance and the Committee on Labor and Public Welfare, jointly, by unanimous consent.

By Mr. KENNEDY (for himself and Mr. Roth):

S. 3281. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs. Referred to the Committee on Government Operations.

By Mr. THURMOND (for himself, Mr. Helms, Mr. Hollings, Mr. Huddleston, Mr. Mathias, Mr. Morgan, Mr. Nunn, Mr. Pastore, Mr. Pell, Mr. Hugh Scott, and Mr. Talmadge):

S. 3282. A bill to authorize the establishment of the Eutaw Springs National Battlefield Park in the State of South Carolina, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 3268. A bill to amend the Federal Aviation Act of 1958 to change the penalty applicable to section 1101, Hazards to Air Commerce. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Federal Aviation Act of 1958 to change the penalty applicable to section 1101, Hazards to Air Commerce, and I ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the Record together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3268

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 902(a) of the Federal Aviation Act of 1958 is amended by inserting "section 1101 and" after "except".

Sec. 2. Section 901(a)(1) of the Federal Aviation Act of 1958 is amended by inserting "1101 or" before "1114".

Sec. 3. Section 901(a)(2) of the Federal Aviation Act of 1958 is amended by inserting "section 1101 or" before "titles III".

The Secretary of Transportation,
Washington, D.C., March 11, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: Enclosed for introduction and referral to the appropriate committee is a draft bill "To amend the Federal Aviation Act of 1958 to change the penalty applicable to section 1101, Hazards to Air Commerce."

Section 1101 of the Federal Aviation Act of 1958 requires all persons to give the Department adequate public notice, in the form and manner prescribed by Departmental regulations, of the construction or alteration of any structure where notice will promote safety in air commerce. The sanction currently applicable to a violation of section 1101 is contained in section 902(a) of the Act. That section provides a criminal penalty of not more than $500 for the first offense and not more than $2,000 for any subsequent offense.

The purpose of this bill is to amend the Federal Aviation Act of 1958 so that persons who violate section 1101 would be subject to a civil penalty under section 901(a) of the Act and not a criminal penalty under section 902(a). Section 901(a) provides for a civil penalty of not more than $1,000 for each violation. This amendment would allow the Department to compromise a civil penalty and would provide greater flexibility in the administration of section 1101.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this proposed legislation to the Congress.

Sincerely,

William T. Coleman, Jr.

Section-by-Section Analysis

A bill to amend the Federal Aviation Act of 1958 to change the penalty applicable to section 1101, Hazards to Air Commerce

Section 1101, as implemented by Part 77 of the Federal Aviation Regulations, requires that an individual who intends to build a structure higher than 200 feet above ground level must give notice to the FAA Administrator. Anyone who fails to give notice is subject for the first offense to a criminal penalty under section 902(a) of the Act of not more than $500 and for any subsequent offense to a fine of not more than $2,000. Under this bill, anyone who fails to comply with section 1101 would be subject instead to a civil penalty under section 901(a) of not more than $1,000 for each violation.

Section 1 of the bill amends section 902(a) of the Federal Aviation Act to add section 1101 to the enumerated parts of the Act to which section 902(a) does not apply.

Section 2 of the bill amends section 901(a)(1) of the Act to add section 1101 to the enumerated parts of the Act to which section 901(a)(1) does apply.

Section 3 of the bill amends section 901(a)(2) of the Act to add section 1101 to the enumerated parts of the Act to which section 901(a)(2) does apply.

By Mr. PACKWOOD (for himself, Mr. Durkin, Mr. Fong, Mr. Gravel, Mr. Hathaway, Mr. Hollings, Mr. Inouye, Mr. Kennedy, Mr. Magnuson, Mr. McIntyre, Mr. Muskie, Mr. Stevens, Mr. Stone, Mr. Thurmond, Mr. Helms, Mr. Tower, and Mr. Williams):

S. 3270. A bill to amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets. Referred to the Committee on Finance.

Mr. PACKWOOD. Mr. President, I am today introducing legislation to reduce the tariff on imported, synthetic fiber fish nets and netting. These kinds of nets are dutiable under U.S. Tariff Schedule item 355.4560 which imposes a tax of 32.5 percent ad valorem plus 25 cents per pound on all such netting and nets imported into the United States.

This high tariff imposes an unconscionable financial burden on U.S. commercial fishermen, many of whom use imported nets despite what they have to pay for them. It is interesting to note that the tariffs on vegetable fiber nets have been reduced over the years but not the tariff relating to these synthetic fiber nets. For example, the tariff on cotton nets was established at 40 percent ad valorem by the Trade Act of 1930 and reduced over the years to its present 17.5 percent. Similarly, the tariffs on other vegetable fiber nets started out at 45 percent in 1930 and now have leveled out to a mere 11 percent. But the tariff on synthetic fiber nets and netting, the kind used principally by commercial fishermen, remains right where it always has been, at 32.5 percent plus 25 cents per pound. This amounts to an average ad valorem tax of approximately 45 percent.

The bill I am introducing would reduce the tariff on these manmade fiber type nets and netting by 50 percent or to 16.25 percent ad valorem plus 12.5 cents per pound. The reduction would be temporary until the United States is able to secure a permanent one through current trade negotiations.

Mr. President, 30 of our 50 States have commercial fishing industries that rely heavily on the use of nets for catching fish. Our coastal State fishermen use nets of all varieties, many of which are imported. These nets range in size and cost from a gill net used in the Pacific Northwest for catching salmon to the huge purse seine nets required by our wide ranging tuna fleets. And yet, the duty on any imported net is enough to take a sizable bite out of any fisherman's annual income. The gill net I mentioned is one of the least expensive of all commercial fishing nets. Such a net might cost $4,000, for example, and weigh 500 pounds. The duty computed under present tariff laws, would be 32.5 percent of $4,000 plus 25 cents per pound or a total of $1,425. Compare that with the tuna purse seine net which may cost upwards of $200,000 and weigh 50,000 pounds. Computed in the same manner the duty on such nets would be $77,500.

Nor should we ignore our Great Lakes commercial fishery in our evaluation of the fish net tariff on the commercial fishing industry. Fully seven States participate in this fishery and nets are the sole means of catching fish here. The National Marine Fisheries Service estimates that approximately 100,000 nets are currently at work in the area, over 65,000 of which are gill nets. It has been estimated that at least 50 percent of these gill nets have been imported.

It should be noted that the high tariff on imported nets serves only to encourage illicit buying on the part of commercial fishermen struggling to make ends meet. Two kinds of such illegal purchases are now common practice. First, those fishermen in the Great Lakes Region and those in coastal States with easy access to Canada simply slip across the border and buy nets duty free. Canada has no tariff on imported nets.

The second type of foreign net buying that is only encouraged by our tariff laws is that done be our fishermen whose vessels have the capability of stopping in at foreign ports and purchasing their net requirements in these ports. The Bureau of Customs has now promulgated regulations to prohibit such activity but there is little chance they will succeed. As long as the duty on imported nets remains so high, there is an almost irresistible incentive for our fishermen to circumvent the tariff.

Mr. President, it is easy to see that our high tariff on imported nets is serving only to make criminals out of many U.S. commercial fishermen who are merely trying to make a living. And if some of our commercial fishermen are able to circumvent the net tariff by purchases in foreign countries, how are our other fishermen who do not have this capability supposed to compete with them?

One may inquire at this juncture why we have any duty on imported nets. It is obvious that, if the duty was completely removed, we would not have to worry about our fishermen taking their net business to Canada and other foreign countries. The truth is that the remnants of a once thriving net manufacturing industry still exist in this country. There remains today a total of 14 companies scattered throughout 10 States that manufacture fish netting. These companies employ a total of 1,701 persons. I am certain that Congress would not accept a bill that decimates in one blow the high level of protection the net tariff has afforded the industry for the last 45 years.

I believe that the bill I am introducing today presents a fair compromise. On the one hand, it continues to provide substantial protection for our net manufacturing industry. At the same time, significant relief is afforded our commercial fishermen whose economic survival is dependent on the fish net. I would also be remiss not to mention the consumer at this point who can only stand to benefit if we make it less expensive for the fisherman to get his product to market.

Mr. President, there are approximately 165,000 commercial fishermen in this country who need our help. I can assure you they are not looking for handouts or subsidies. All they want to do is earn a decent living. One of the things that stands in the way of this goal is the high tariff on imported nets. This is a matter that we in Congress can do something about. The bill I am introducing gives us an opportunity to take that action now.

Mr. STEVENS. Mr. President, today legislation which I have cosponsored is being introduced to reduce the tariff on imported synthetic fiber fish nets and netting. The current U.S. tariff schedule imposes a 32.5-percent ad valorem plus 25-cents-per-pound tax on all synthetic fiber nets imported into the United States. The majority of American commercial fishermen use this type of netting.

I concur with Senator PACKWOOD, the sponsor of this legislation, when he says that "this high tariff imposes an unconscionable financial burden on U.S. commercial fishermen." Mr. President, the commercial fishing industry in recent years has had serious financial trouble. Many of this Nation's commercial fishermen are earning a marginal living. In the western area of my State, for example, the average net income after expenses of a salmon fisherman has dropped from $12,000 a year to just under $800 a year. The import duty on a typical salmon purse seine net is about $1,400. I find it most distressing that fishermen, whose earnings rank them in the poverty level, should have to pay a $1,400 import tax on their fish nets.

The passage of H.R. 200 insured that the species of fish found off the U.S. coast would be protected through sound conservation and management regulations. All of us who worked to insure the passage of the Magnuson Fisheries Management and Conservation Act believe that it will be the turning point in the steady financial decline of the U.S. fishing industry. In order for the fishing industry to recover and grow it must be able to operate profitably. The tax on synthetic fiber nets, which incidentally is roughly 45 percent of their value, is a substantial impediment to that end. A reduction in the cost of fish nets and netting is one of the first things we must accomplish in order to revitalize the U.S. fishing industry.

This legislation would reduce the tariff on synthetic fiber nets and netting by 50 percent, or to 16.25 percent ad valorem plus 12.5 cents per pound. This reduction would go into effect until a permanent reduction could be reached through international trade negotiations.

In very practical terms, Mr. President, this legislation would save the Nation's 165,000 commercial fishermen substantial amounts of money which they would otherwise have to pay into the U.S. Treasury. I would urge the Senate to expeditiously consider and pass this legislation.

By Mr. BARTLETT:

S. 3271. A bill to amend the Internal Revenue Code of 1954 to revise certain inequitable provisions relating to the limitations on percentage depletion in the case of oil and gas wells. Referred to the Committee on Finance.

Mr. BARTLETT. Mr. President, when Congress passed the Tax Reduction Act of 1975, it repealed percentage depletion for oil and gas producers. A limited exemption was granted, however, for independent producers and royalty owners.

The final legislation was drafted very quickly in the waning hours before last year's Easter recess. Because of technical problems in the complex independent producer exemption, a number of independents have also lost percentage depletion, I do not believe Congress intend to take depletion from these independents. The intent behind Congress action was to repeal depletion for the major oil companies.

Independents play a very important role in our Nation's efforts to increase oil and gas production. They drill over 80 percent of the wells and discover 50 percent of our oil and gas reserves. Percentage depletion enables independents to obtain investment capital from both internal and external sources and is an incentive to drill, complete, and produce oil and gas wells. Our Nation's oil and gas production would be greater if all independent producers received depletion. Some of them should not be denied percentage depletion because of technicalities in a very complex tax law.

The troublesome sections in the independent producer exemption are the transfer of property provision, the limitation on taxable income, and the retailer exclusion.

I am introducing today legislation which will resolve these problems. The bill does three things:

First. The transfer provision (sec. 613A(c)(9)) has been rewritten so that bona fide property transfers for legitimate business reasons can take place without the loss of percentage depletion.

The current "Transfer of Oil and Gas Property" provision prohibits the transferee of an oil or gas property from receiving depletion even if he was otherwise qualified under the exemption. I believe Congress intent with this provision was to prevent a producer from circumventing the exemption by transferring properties so that he could receive more depletion than permitted. The intent was not to discourage transfers of oil or gas properties which have historically taken place for estate planning, financing, and other normal business reasons and which have helped the independent producer in his efforts to find and produce oil and gas.

Second. The "Limitation Passed on Taxable Income" provision (sec. 613A(d)(1)) has been amended so that a producer's taxable income for the purposes of applying the 65 percent limitation would be computed without first deducting intangible drilling and dry hole costs.

Under the current law, percentage depletion is limited to 65 percent of taxable income. This is a disincentive to the active driller because he loses depletion if he drills enough wells—either exploratory or development—to reduce taxable income below about one-third of gross. Our energy tax laws should be designed to encourage drilling expenditures. My bill would do just that by not limiting the amount of depletion the active producer could receive because of drilling expenditures he was made.

Third. The retailer and refiner exclusion provisions have been combined so that an independent producer would have to be both a refiner and a retailer before he would lose deletion.

The "Retailers Excluded" provision (sec. 613A(d)(2)) was intended to prevent major oil companies from retaining depletion. However, it is written very broadly and has actually caused many independents to be denied depletion also. By combining the retailer and refiner requirement as provided in this bill, those independents who have income because they retail a small amount of oil or natural gas or "a product derived from oil or natural gas" would not be denied the percentage depletion deduction.

Mr. President, I ask unanimous consent that my bill, together with several letters to me from oil and gas producers concerning these problems be printed in the RECORD.

There being no objection, the bill and letters were ordered to be printed in the RECORD, as follows:

S. 3271

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRANSFERS OF PROPERTY.

Section 613A(c)(9)(B) of the Internal Revenue Code of 1954 (relating to transfer of oil or gas property) is amended—

(1) by striking out "or" at the end of clause (i),

(2) by striking out the period at the end of clause (i) and inserting in lieu thereof a comma and the word "or", and

(3) by adding at the end thereof the following new clause:

"(iii) any other transfer of property the principal purpose of which is not the avoidance of income tax liability, including, but not limited to, transfers in connection with estate planning, financing arrangements, or other bona fide business purposes.".

"SEC. 2. LIMITATION BASED ON TAXABLE INCOME.

Section 613A(d)(1) of the Internal Revenue Code of 1954 (relating to limitation based on taxable income) is amended—

(1) by striking out "and" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a comma, and

(3) by adding at the end thereof the following new subparagraphs:

"(D) any expenses paid or incurred in connection with the location, exploration, and development of oil or gas wells which are incapable of producing oil or gas in quantities which are sufficient to justify operating the well for production purposes, and

"(E) expenses deductible under section 263 (c) (relating to intangible drilling and development costs in the case of oil and gas wells).".

SEC. 3. EXCLUSION OF RETAILERS AND REFINERS.

Section 613A(d) of the Internal Revenue Code of 1954 (relating to limitations on application of subsection (c)) is amended—

(1) by inserting after "taxpayer" the first time it appears in paragraph (2) the following: "described in paragraph (4)", and

(2) by striking out "the taxpayer" the first time it appears in paragraph (4) and inserting in lieu thereof the following: "a taxpayer described in paragraph (2)".

SEC. 4. EFFECTIVE DATE.

The amendment made by this Act apply to taxable years ending after December 31, 1974.

Oklahoma City, Okla., May 1, 1975.

Senator DEWEY BARTLETT,
Russell Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: I just heard of a provision in the *Tax Reduction Act of 1975* which, if operative as I understand it, will have major deleterious effects on independent geologists such as myself. I understand that the depletion allowance has been removed for assignees of oil and gas interests as well as for major companies. I don't know if this applies to assigned overriding royalty interests.

As you know, geologists who are "independent" are actually independent businessmen. Their stock-in-trade is experience and imagination, usually presented in the form of "prospects" and sold to independent oil and gas exploration companies. The independent geologist is the principal generator of ideas acted upon by the independent segment of the industry.

An independent geologist gives up the security of company salaries, insurance and annuity programs, and accepts the risk of substituting for them with professional fees and a hoped for interest in oil and gas production which he finds. If he is lucky, he finds and has a small interest in enough production to get his kids through college and himself and wife through old age. The continuing income from production, after his working years are over, is his equivalent of a pension or annuity.

Such geologists usually obtain their interests in production by terms agreed upon when the prospect is sold. Those terms usually include the assignment of an overriding royalty, or a carried working interest, or a reversionary interest as part of the total compensation for the deal. The operating company usually obtains ownership of the prospect and assigns therefrom a small interest to the geologist.

As I understand the new tax law, the independent geologist will not be allowed the benefit of the depletion allowance applied to income which his efforts have generated. It seems incredible to me that this person, upon whose ideas the independent oil business depends, may be denied the depletion allowance for his own account.

Can you send a copy of the *Tax Reduction Act of 1975*, together with any clarification on this point, to me at the letterhead address?

If the fact of the matter is about as I have expressed it here, is there a possibility that remedial legislation may be enacted?

As you know, the depletion allowance has the effect of a subsidy in the oil business. By being available to wealthy persons, it induces them to invest in the oil business, in effect subsidizing the American consumer with their personal wealth. It's philosophical origin is rationally defensable. And it is an integral part of my daily business finances and my personal long term plans.

If the benefits of the depletion allowance are denied to the oil business, geologists, and investors, then either there will be less activity looking for new oil and gas, or the government will have to provide a direct subsidy (or worse, start up an ineffecient government oil company), or the American consumer will have to pay even more for all the things that oil and gas provide for us.

I appreciate your own efforts in behalf of the American consumer and his oil industry. And I will be especially grateful if anything can be done to correct this particularly onerous provision in the Tax Reform bill.

Thank you.

Yours truly,

RALPH H. ESPACH, Jr.,
Certified Professional Geologist.

FLYNN ENERGY CORP.,
Tulsa, Okla, July 11, 1975.

Senator DEWEY F. BARTLETT,
Russell Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: It is our understanding that you are in the process of drafting amendments to the section of the 1975 Tax Reduction Act which deal with the repeal of percentage depletion and have asked members of the oil and gas industry for advice and suggestions. Flynn Energy Corp. is an independent oil and gas company whose activities include exploration and development drilling programs offered privately to qualified investors. We are, of course, concerned about the effects the new law will have on our operations and wish to submit the following suggestions for amendments on items which are of major importance to us;

(1) The exclusion of retailers from the benefits of percentage depletion does not provide a clear definition of "retail outlet". Obviously, the intention of the provision was to exclude major oil companies owning and operating service stations from the exemption. It is our understanding that the Treasury, in prescribing regulations, intends to define these terms broadly enough to include not only the major oil companies but a majority of the small independent producers. An example of a transaction which could possibly be construed as a retail sale is a casual sale of fuel for use on a non-owned lease. It is not uncommon for the operator of a neighboring lease to purchase a small quantity of fuel from one of our leases. However, this is certainly not part of our business activity. Another example would be where we sell gas directly to a manufacturing plant to be used in their operation, in lieu of selling to a pipeline company who in turn sells to the plant. There is no processing, no mark-up, no marketing operation or any other activity which would be characteristics of a retail sale. In our opinion, neither of these transactions places us in the category of a retail business such as what was intended by this particular provision. Both should be considered wholesale transactions. The law should be amended to provide an adequate definition of "retailer" and "retail outlet" which would give the result intended by Congress on its enactment, i.e. to repeal depletion for major oil companies while retaining it for independents such as ourselves.

(2) Concerning the provision denying percentage depletion on proven properties transferred after December 31, 1974, there is no adequate definition of a proven property. As it now is written, a property is a proven property if it's principal value has been demonstrated by prospecting or exploration or discovery work. Could this mean that a property neighboring a producing property could be considered proven even before drilling has commenced? If this is the case, obtaining a lease in the vicinity of a producing property would mean the denial of depletion on that lease. As you must know from your experience in the oil and gas industry, a property is never proven until it is drilled and producing. This definition should be amended to clearly state that a property is proven when it is producing. This would be consistent with the apparent intent to encourage drilling by allowing depletion to the one who withstands the risk of drilling the well, while denying it to the one who purchases production.

(3) The same provision discussed in (2) above also fails to adequately define "transfer." It is said to include the subleasing of a lease, but to not include the transfer of property at death or a transfer to a controlled corporation when certain conditions are met. There are many other types of transactions which should also be exempted from the transfer rule. As stated before, the apparent intent of this provision was to allow depletion only to the one who withstands the risk and expense of drilling a well. In the case of a drilling fund formed as a partnership, the partners making the contributions to be used for drilling are taking a risk just as if they had drilled the well individually. Why then should they be penalized if the properties are transferred to them in a distribution from, or on dissolution of, the partnership? To further substantiate this line of thought, depletion under this particular section of the law is computed at the partner level instead of by the partnership. Aren't the partner's then considered the beneficial owners of the properties? For these reasons, the distribution of properties from a partnership to a partner should not be considered a transfer under this section since the ownership has not changed and should be so stated in the law.

We appreciate this opportunity to express our concerns and opinions and will be following the development of any amendments with much interest.

Very truly yours,

FLYNN ENERGY CORP.,
DON M. FLYNN,
President.

KIRKPATRICK,
Oklahoma City, Okla., June 19, 1975.

Re problems in the Tax Depletion Act of 1975.

Hon. DEWEY BARTLETT,
Russell Senate Office Building,
Washington, D.C.

DEAR DEWEY: We have been advised by our C.P.A.'s that we will be denied Statutory Depletion on our production of Oil and Gas if we retail any refined product, or derivative of oil and gas. It is their opinion that I must dispose of our Supply business in order to retain depletion on oil and gas sales. However, this bill went into effect before we were given a chance to liquidate the Supply business, or consider an alternative.

I am an independent oil man producing less than 2000 barrels of oil per day. Along with twenty-five others, who are key employees of my organization, I own the Kirkpatrick Supply Company.

Kirkpatrick Supply Company sells a very small amount of plastic rope, pipe and various other such items. All combined they amount to less than 1% of the business. The stores are situated in isolated places and these items are handled as a matter of convenience to our 250 customers.

We neither manufacture nor process any petroleum products. Our cost or selling price could not possibly be influenced by our production of oil and gas. There is no logical connection.

It is interesting to consider the impact of the act on many thousands of royalty owners who are involved in some retail business. There are few, if any, who would not come under this act. Every such royalty owner would lose his depletion.

Under the present law as written without definition I have no alternative but to liquidate the Supply business and to discontinue exploration. There would be no incentive to expand the oil business, for without depletion allowance, I would go in debt in doing so. If I did nothing, I'd get the remaining income from the production and receive the depletion allowance.

If I did qualify for depletion allowance, I would not want to allow my production to exceed 2000 barrels of oil per day, for then again I'd lose my depletion. Incentive is completely blocked at 2000 barrels of oil per day.

In my opinion we should eliminate depletion entirely, or eliminate these confusing exceptions. Simply specify the barrels of oil per day that would apply to all producers large and small, and thereby clear up the turmoil.

Sincerely yours,

JOHN E. KIRKPATRICK.

CLOWE 66 OIL CO.,
Ardmore, Okla., May 13, 1975.

Senator DEWEY BARTLETT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BARLETT: In the tax bill passed March 26, 1975, (I believe it is H.R. 2166) having to do with percentage depletion among other things, there is a clause which effects me personally. The clause reads that Subsection (c) which deals with the "Exemption for Independent Producers and Royalty Owners" shall not apply in the case of any taxpayer who directly, or through a related person, sells oil or natural gas, or any product derived from oil or natural gas through any retail outlet.

I have been told that the exclusion is so broad that anyone owning as much as 5% interest in real estate used for a retail outlet for gasoline would lose his depletion allowance.

I am a wholesale distributor of Phillips 66 products and own several service stations. I also have working interests and royalty interests in several oil and gas leases. If I lose my depletion allowance, it will cost me several thousand dollars.

It appears that the Tax Bill of March 26, 1975, needs to be amended to exclude the very small producer and/or royalty owner from the provisions of the "Retailer Exclusion" referred to above.

Please let me hear from you about this.

You are doing a great job up there in Washington under very difficult circumstances. Thank you.

Most sincerely,

CHARLES E. CLOWE, Jr.

BERMAN J. SHAFER,
OIL AND GAS PRODUCER,
Wooster, Ohio, June 23, 1975.

Senator DEWEY BARTLETT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: I understand that you are introducing an amendment which would correct inequities brought about by recent changes in the oil and gas depletion allowance.

I applaud your efforts in this direction as I have been very concerned about this very thing.

As an oil producer in Ohio, operating 90 wells I make direct retail sales of gas to two industrial plants from five wells. I hope my interpretation is wrong but I am afraid that I may lose percentage depletion on all my other production. Consequently. I am uncertain as to my future plans for drilling new wells. Where I formerly spent in excess of my depletion allowance for more exploration now I am not sure what funds if any are available.

I have two partners who also have oil interests in Michigan and Oklahoma and they express the same fear in that this inequity will extend to their activities in areas they operate because of their association with a retail sale in Ohio.

I also have reservations about the concept of losing depletion upon purchasing proven properties. I do not understand the rationale behind this section of the law. In our state I have had the opportunity of purchasing oil properties from operators who have been inefficient in production management. In this respect I feel that I am adding to the nation's oil reserves by continuing their production on a more efficient basis. Otherwise, these wells would be abandoned and lost forever. Now I am not interested in purchasing properties because depletion has been an important incentive to me for the expensive work necessary to rejuvenate oil and gas wells. And further the incentive to drill new wells on the same leasehold is gone.

I would heartily support your efforts to remove these inequities.

Very truly yours,

BERMAN J. SHAFER.

Hon. DEWEY BARTLETT,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: I understand that you are introducing a technical amendment to correct the inequities in the recently enacted depletion laws.

I am the President of Ponderosa Oil Company, which is a small independent Ohio company and operate, or involved in, some 100 plus wells and have been drilling or participating in 15 to 20 wells per year over the past few years.

I also own stock in an independent oil field supply company in Ohio, which, naturally, handles and sells petro-chemical related products to the industry, and in interpreting the depletion laws my oil company and myself personally, would lose our right-of-depletion because of the inter-relationship of the two companies.

I certainly feel that this was not the intention of our Congress in the drafting of these laws to cripple the independent producer, or individual investor, and being associated in the supply business and close to many small independent producers who feel that through the broad and loose draftsmanship of these laws have reason to believe they are also going to lose their rights-for-depletion, such as—sale of wells, proven production, gas transporting, etc. . . ., which has caused a tremendous curtailment of drilling instead of encouraging exploration and development to relieve our energy crisis.

I support and applaud you wholeheartedly, and trust you may be able to get the true picture across as I am sure was the original intention of our Congress.

Sincerely,

Ponderosa Oil Co.,
E. A. Smith, *President*.

Halliburton Oil Producing Co.,
Oklahoma City, Okla., July 16, 1975.

Senator Russell B. Long,
Russell Senate Building,
Washington, D.C.
Senator Henry Bellmon,
Dirksen Building,
Washington, D.C.
Senator Dewey Bartlett,
Russell Building,
Washington, D.C.
Representative John Jarman,
Rayburn Building,
Washington, D.C.

Dear Sirs: We have available to us the Tax Reduction Act of 1975 from Commerce Clearing House, Inc. with fully detailed explanation of the new tax provisions as they apply to operators of oil and gas leases.

I am enclosing, which I am sure you have seen, a letter from Mr. C. John Miller, President, Independent Petroleum Association of America, to its membership with a brief summary of the provisions with respect to oil and gas depletion.

We are quite actively engaged in the exploration for new oil and gas reserves and also have several development wells to drill, but our production to date is less than 2,000 barrels per day. It is only natural that successful Companies are looking for some kind of diversification and yet we find that the new tax laws, literally interpreted, preclude our participation in any project involving any "derivative" of oil or gas. Mr. Miller in his summary explained this would include fertilizer, plastic, cosmetics and other derivatives.

We have been in consultation with auditors and attorneys and have been advised that cosmetics may be excluded.

We feel that the probable intent of Congress was to deny depletion to any Company who handled refined products, such as refined oil, gasoline, methane, propane, butane and other by-products, but was not intended, for example, to penalize in one instance an automobile dealer, or in another instance, retailers of men's and women's clothing, both of which contain derivatives of oil and gas.

Recently we have been approached by a young man to invest in a venture of his to develop and manufacture disposable coagulating forceps commonly used in practically all surgery; also disposable syringes and hypodermic needles which are entirely unrelated to the oil business.

No attorney has been able to give us a definite answer, nor have our auditors and we are wondering if you can give us your interpretation of the intent of Congress in passing the Act, without our having to wait for tax cases to be decided in the courts.

We appreciate the efforts you have put forth in our behalf and respectfully request that we be able to trade in a free market in the absence of price controls, so we may plan an exploration and development program for future years.

Yours very truly,

Halliburton Oil Producing Co.,
By C. E. Davis, *President*.

Westheimer-Neustadt Corp.,
Ardmore, Okla., July 14, 1975.

Hon. Dewey Bartlett,
U.S. Senator,
Russell Senate Office Building,
Washington, D.C.

Dear Dewey: The enclosed copy of a letter, addressed to the Executive Director of the Oklahoma Independent Petroleum Association, was written by my attorney in an effort to point out important and discriminatory policies in the Tax Reduction Act of 1975.

The item specifically referred to in the letter is of utmost importance to many independent oil operators throughout the United States. It would certainly be a great help to all concerned for you to lend your best efforts in obtaining clarification and/or rectification of the problems enumerated in the letter.

I would certainly urge that you use your best efforts in obtaining the necessary revisions.

Yours very truly,

Walter Neustadt, Jr.

Kansas City, Mo.,
July 10, 1975.

Re Tax Reduction Act of 1975.

Mr. Hal Gibson,
Executive Director, Oklahoma Independent Petroleum Association, Tusla, Okla.

Dear Mr. Gibson: Our firm represents Westheimer-Neustadt Corporation, a member of your Association, and we are writing to you at its suggestion to point out to you difficulties which we see as a result of the broad and rather vague language contained in Section 613A of the Tax Reduction Act of 1974 (the "Act").

As I am certain you are aware, Section 613A(c) of the Act provides for the continued availability of percentage depletion to certain small independent oil companies provided, among other things, they do not directly (or through a "related person") engage in the business of selling at retail "products derived from oil or natural gas". See Section 613A(d)(2).

The problem arises from the seemingly unlimited categories or types of products which could conceivably be "derived from oil". While it would seem that the legislative purpose would be adequately served by limiting the coverage of the phrase to products principally and directly derived from oil and natural gas, there is no indication in the statute (or from what we have heard orally from the Internal Revenue Service even in the Regulations currently being drafted) that the phrase will be so construed. The problems, as we envision them, are the following.

First, the language, unless limited by the regulations or corrective legislation, is sufficiently broad to include ownership in any retail business which sells even the slightest amount of merchandise which may have an oil or petrochemical base. It does not take much by way of example to highlight the ridiculous, almost ludicrous result which could spring from such an interpretation. For instance, an independent producer which owned a 5% or more interest in a retail business which has de minimus sales of household or small appliance oil would lose his percentage depletion. While the household oil may be clearly a product derived from oil, it would seem there should be some de minimus provision (stated in terms of dollar sales) to eliminate such a harsh result.

Secondly, oil-derived products have permeated a large portion of the consumer household goods market and are contained in one form or another, in greater or lesser degree, in whole or in part, in synthetic soft goods, household furniture and appliances, plastic products, and almost all other retail merchandise. Certainly, it was not intended, for instance, that a small independent petroleum operator be denied its percentage depletion simply because it owns an interest in a men's clothing store which handles some merchandise made of synthetic fabrics. The same would be true of an interest in an oil field equipment supply company which sells plastic gas cans or gaskets. It seems, therefore, that, in addition to the de minimus rule, it is also essential that the phrase "any product derived from oil or natural gas" be limited by regulation or corrective legislation to products which are more directly or primarily derived from oil or natural gas.

Thirdly, it is our suggestion that the regulations clarify the question of when "retailer" status is to be determined for purposes of the exclusion. It would seem most appropriate to determine that status on an annual basis and as of the last day of the taxpayer's taxable year, but there is currently nothing in the statute or legislative history to so indicate.

We are not certain you have been fully apprised of the magnitude of the problem caused by the new statute to many small independent operators, and wanted you to have the benefit of our thoughts on the matter. If you would like to discuss any aspect of this letter or if we can otherwise be of assistance to you, do not hesitate to contact us.

Sincerely,

Smith, Schwegler, Swartzman & Winger, Inc.
G. Robert Fisher.

Belden & Blake Oil Production,
Canton, Ohio, June 20, 1975.

Hon. Dewey F. Bartlett,
U.S. Senator, Oklahoma,
Russell Senate Office Building,
Washington, D.C.

Dear Senator Bartlett: Belden & Blake Corporation, organized under the laws of the State of Ohio, is the owner of oil and gas leases which it has acquired from land owners for the purpose of drilling and development; as well as furnishing the personnel for proper care of production. Mr. Belden and myself, the owners of the controlling interests in said Corporation, organize limited partnerships and purchase leases from said Corporation for drilling at a fixed price and an override, which generates sufficient income to the Corporation to maintain oil and gas leases for future drilling. Said Corporation also owns pipeline which carries casing head gas and any other gas available and delivers the same to two industrial plants and a utility. Since gas is not available by reason of Federal controls, intrastate gas has become invaluable to industry to keep its doors open. We therefore are supplementing utility gas which is already being substantially curtailed.

Under the Tax Reduction Act of 1975, we interpret the Act to mean that we are a retailer and the Corporation as such is not entitled to depletion and we and other stockholders who own five per cent (5%) or more of the stock are not entitled to depletion under the definition of related persons excluded under the Act.

Under the definition of a transfer of oil or gas property and the definition of a proven oil and gas property as defined in the Act neither any limited partnership organized by Mr. Belden and myself nor any limited partner would be entitled to depletion by the definition both of proven property and by the definition of transfer which includes a transfer from a partnership to the partners.

We respectfully request that you introduce remedial legislation for adoption which would exclude us from the definition of a retailer, would exclude the transfer from a partnership to its partners from the meaning set forth in the act and further would define proven value and proven oil and gas property as a producing property upon which there is already located a well drilled under the spacing laws provided in the State where located so that proven value would not apply to any undrilled lease or the undrilled portion of a lease.

We respectfully request that you introduce a technical amendment which would cover these matters and pursue the passage of the same to carry out the intention of Congress which was to permit depletion to the small independent producer.

Respectfully submitted,
Belden & Blake Oil Production,
Glenn A. Blake, *General Partner.*

Ohio Oil & Gas Association,
Newark, Ohio.

Senator Dewey Bartlett,
Senate Office Building,
Washington, D.C

Dear Senator Bartlett: We understand that you are considering introducing a technical amendment correcting certain inequities brought about by recent changes in percentage depletion for oil and gas. We are receiving numerous inquiries and complaints concerning several sections of the new law. It appears that if these sections are strictly interpreted by the Internal Revenue Service, many of our small independent producers will lose their depletion completely. We do not believe that that was the intent of the Congress and if this is true, it needs correcting as soon as possible.

The problem areas are those relating to retail sales, proven oil and gas properties, transfers of oil and gas properties and the 65% limitation of total taxable income. In the case of retail sales, we believe the intent was to exclude the major integrated oil companies from depletion but it seems that many independents who are engaged in industrial self-help natural gas programs to aid other industries, and others who might have small pipelines, are also going to lose depletion because of these activities and because of other interests they may have that are not strictly related to production. We also believe that the restriction on purchasing so-called proven properties is far too broad and could possibly be interpreted to mean almost any property where someone may just think oil and gas will be found. A possible answer to correcting this would be to substitute producing property for proven property.

We are sure that you have received direct complaints from producers outlining their specific problems but we did want to let you know that this office has been contacted by many small producers who are reasonably sure that they will lose depletion. Obviously, if this is true, it will seriously curtail their ability to continue drilling for new reserves and even if some of them are wrong in their assumptions, the mere fact that this doubt and uncertainty is hanging over them is already causing them to sit back and do nothing for fear of being hurt even worse if they continue to drill. Obviously, something must be done to correct this intolerable situation and we support your efforts to achieve this end.

Sincerely,
Ohio Oil & Gas Association,
Kirk Jordan,
Executive Vice President.

Oklahoma Oil Marketers Association,
Oklahoma City, Okla., May 14.

Hon. Dewey F. Bartlett,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

Dear Senator Bartlett: The Oklahoma Oil Marketers Association shares your concern over the recently passed Tax Reduction Act of 1975, which repeals the depletion allowance.

One section of the bill which is of the utmost importance to our members is paragraph 229 which states that the independent producers and royalty interest exemption does not apply to anyone who sells any product through a retail outlet. As you are probably aware, we represent wholesale distributors of petroleum products who own, operate and/or supply branded and unbranded service stations in Oklahoma. Many of our members also have interests in production or have royalties and thus would be affected by this bill.

In reading this section of the bill, it appears that it could also include those who sell chemical fertilizers which are manufactured from natural gas.

The Association would appreciate your guidance as to how we might appeal this section or obtain a clarification to its direct effect on our members.

Thank you for your assistance and cooperation.

Cordially,
Dave Fellers,
Executive Vice President.

John C. Mason,
Oil and Gas Drilling and Producing,
Millersburg, Ohio, July 7, 1975.

Senator Dewey Bartlett,
Senate Office Building,
Washington, D.C.

Dear Senator Bartlett: I understand you are introducing an amendment to correct some of the problems of the new laws on Depletion of Oil and Gas.

I'm an independent producer and drilling contractor in Central Ohio. My organization produced 75,000 Bbl. oil and 600,000 Mcf. of natural gas last year. I'm sure you realize this makes us small.

We drill our wells as joint ventures with 3 or 4 parties involved. 2 or 3 of my investors would seem to be in line to lose their depletion. One owns a local elevator building where fertilizer is sold, he has no part of the business, just owns the real estate. Another owns the real estate of a local gasoline station, another owns a business where plastic pipe is sold.

I feel sure Congress didn't intend to discourage these gentlemen from investing with me to try and make a few dollars and produce the marginal reserves in Central Ohio.

I'm taking the liberty of sending copies of this letter to our senators from Ohio. I've written to them both on energy matters in the past and received reasonable answers from both Senator Taft and Senator Glenn. They didn't always agree but I hope they can be persuaded to help in this case and other critical energy matters. At this time deregulation of natural gas is another vital necessity we need.

Yours truly,
John C. Mason.

Buckeye Oil Producing Co.,
Wooster, Ohio, July 2, 1975

Hon. Dewey F. Bartlett,
Oklahoma Senator,
Senate Office Building,
Washington, D.C.

Dear Senator: I understand that you propose to introduce a technical amendment to the recently enacted depletion law to clarify certain provisions of this law.

We are independent oil and gas producers in Ohio. Our leases provide a limited quantity of free gas to the landowners. However, many landowners exceed the free gas, and we charge them for the excess at the prevailing market. This is an implied commitment under which we operate with the landowner. This also is the case of most, if not all, independent producers.

Under the provisions of the new depletion law we feel that we may thus lose our depletion credit. A clarification through amendment on this and other points of the law is needed.

Thanking you for your interest and efforts to save the independent, I remain,

Yours very truly,
R. K. Shoolroy,
President.

By Mr. BENTSEN:

S. 3272. A bill to exempt from Federal taxation the obligations of certain nonprofit corporations organized to finance student loans and to provide that incentive payments to lenders of those student loans shall not be regarded as yield from the student loans for the purpose of determining whether bonds issued by such nonprofit organizations are arbitrage bonds. Referred to the Committee on Finance.

LEGISLATION TO INCREASE THE AVAILABILITY OF STUDENT LOANS

Mr. BENTSEN. Mr. President, I am today introducing a bill which will enable nonprofit corporations, which were organized to finance student loans, to issue tax-exempt bonds if the proceeds of these bonds are used to provide student loans in accordance with the Higher Education Act of 1965.

There are several higher education authorities in the State of Texas that desire to issue tax-exempt bonds to finance student loans made in accordance with the Higher Education Act of 1965. The bill that I am introducing today will amend the Internal Revenue Code to enable nonprofit corporations in Texas and any other State to do so.

The South Texas Higher Education Authority, for example, was established under the Texas Nonprofit Corporation Act for the purpose of arranging for the financing of student loans. Many worthy students will be denied the opportunity to receive a college education in the absence of this much-needed source of student loans. This would have a particularly damaging effect in many economically disadvantaged areas where it is particularly important to provide young people with as great an education opportunity as possible in order to foster community development.

Mr. President, one of our highest national objectives is to provide all young people with an opportunity to attain as much education as possible. The bill I am introducing today will help promote that goal by providing student loans that might not be otherwise available to our young people.

By Mr. CHURCH (for himself, Mr. McClure, Mr. Hatfield, Mr. Packwood, Mr. Mansfield, and Mr. Metcalf):

S. 3273. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Nee-Me-Poo Trail as a National Scenic Trail. Referred to the Committee on Interior and Insular Affairs.

THE "NEE-ME-POO" TRAIL

FOLLOWING THE FOOTSTEPS OF THE NEZ PERCE

Mr. CHURCH. Mr. President, I am introducing legislation together with my distinguished colleagues, Mr. McClure, Mr. Hatfield, Mr. Packwood, Mr. Mansfield, Mr. Metcalf, which would authorize the necessary study to determine the feasibility and desirability of designating the Nee-Me-Poo Trail as a National Scenic Trail.

"Nee-Me-Poo" is the aboriginal name of the Nez Perce Indians, and it means "the People." The Nee-Me-Poo Trail is the route traveled by the non-treaty Nez Perce Indians under their great leader, Chief Joseph, to avoid forcible eviction by the U.S. Army from their beloved Wallowa country in northeastern Oregon and their planned subjugation on the Lapwai Reservation in Northern Idaho. This famous retreat covered nearly 1,600 miles and spanned four States: Oregon, Idaho, Montana, and Wyoming.

The trail begins in the remote mountain valley of the Wallowas in Northern Oregon; passes through north central Idaho; enters Montana over the Lolo Pass; passes through Montana's Bitterroot, Big Hole and Horse Prairie Valleys; reenters Idaho through Bannock Pass; passes around the southern flank of the Bitterroot Mountains; turns east along the foothills of the Continental Divide; enters Wyoming and Yellowstone Park through Targhee Pass; crosses the Park and reenters Montana along the Clark's Fork of the Yellowstone; then north through central Montana to the Bears Paw Mountains where this trail of tragedy ends.

I would like to share with you some of the details of the history of the Nee-Me-Poo Trail, but first I must say a word of thanks for the outstanding work done by the Appaloosa Horse Club in keeping the history of this trail alive.

As you may know, the Nez Perce were breeders of Appaloosa horses and they developed the breed to an extraordinary extent. After their defeat and capture, these horses were scattered and the breed became almost extinct.

The Appaloosa Horse Club has revived, reestablished, and improved the scattered remnants and descendants of these Nez Perce Appaloosa horses until the modern Appaloosa breed ranks well with other breeds of light horses.

The club began an annual ride along the Nee-Me-Poo Trail starting at Wallowa Lake, Oreg., in 1965. Each year, from 100 to 125 miles of the retreat route is retraced by present-day owners of Appaloosa horses. In 1977, on the 100th anniversary of the tragic battle at the Bears Paw, the riders plan to arrive at the "Chief Joseph Battleground of the Bear's Paw."

The Appaloosa Horse Club certainly deserves a great deal of credit for their efforts to promote the history of this trail and its establishment under the National Trails System Act.

The land of the Nez Perce was a country of wide open spaces and unspoiled scenery. Much of it is a high plateau, cut into precipitous up-and-down terrain in which climate and temperature vary dramatically according to altitude.

No part of the United States has had a more colorful and adventurous history in its beginnings. Much of what happened has been obscured or even lost for decades. Some of it has been forgotten in the preoccupations of modern man. But against the scenic splendor of these towering mountains and wild highlands, epic dramas were once enacted. Above them all looms the heroic retreat of the Nez Perce Indians.

In 1863, a treaty was signed by some of the Nez Perce chiefs exchanging then-existing Nez Perce landholdings for a Government-sponsored reservation at Lapwai. Although several of the Nez Perce chiefs never signed the treaty, it was the U.S. Government's position that since a majority of the Nez Perce chiefs had signed, all were obligated by the terms of the treaty.

Chief Joseph was a leader of a non-treaty band of Nez Perce who made their home in the Wallowa country in northwestern Oregon. Joseph's attitude, so exasperating to the whites, was one of quiet strength and dignity. He felt no awe of any man, red or white, and owed none of them allegiance; he could ignore orders from Government officials, even the President, with clear conscience. To all their arguments, orders, and threats, he simply said no, he did not agree; no, he would not obey; no, he was not afraid. Time and again they insisted that he was bound by the treaty of 1863 because it had been signed by the tribal chiefs but to this he had a very simple and effective reply:

> I believe the old treaty has never been correctly reported. If we ever owned the land we own it still for we never sold it. In the treaty councils the commissioners (U.S. Indian Agents) have claimed that our country has been sold to the government. Suppose a white man should come to me and say, "Joseph, I like your horses, and I want to buy them." I say to him, "No, my horses suit me, I will not sell them." Then he goes to my neighbor, and says to him, "Joseph has some good horses. I want to buy them but he refuses to sell." My neighbor answers, "Pay me the money, and I will sell you Joseph's horses." The white man returns to me and says, "Joseph, I have bought your horses and you must let me have them." If we sold our lands to the government, this is the way they were bought.[1]

Joseph came to realize that he could no longer hope to retain all the Wallowa country. The rapid influx of white settlers and troops of the U.S. Army pointed to the necessity for some compromise. The troops continued to surround the tribe and Joseph finally convinced his people of the wisdom of moving to the reservation and avoiding bloodshed.

After 2 weeks of exhausting work, the little band of exiles gathered their herds on the west bank of the Snake River at the mouth of Imnaha and faced a swirling yellow flood swollen by spring rains and melting snows from the mountains. Across a quarter of a mile of treacherous currents, the Indians had to transport all their families and possessions with two companies of cavalry at their backs to force them along should they delay.

In this sort of work, the sturdy Appaloosa proved its worth. Through the exercise of fine horsemanship, the crossing was completed without loss of life.

After the crossing, the group decided to spend the remaining time allotted to them before they were due on the reservation enjoying their freedom. It was during this period that a small group of young men from another band decided to take revenge for previous crimes committed against the Indians. Some 14 or 15 whites were killed in the resulting raids, and the war which the Nez Perce sought to avoid was forced upon them.

The Indian camp at Lake Tolo was shocked at the many killings. Most of the Wallowa band sought refuge with Chief Looking Glass on the Middle Ford of the Clearwater. White Bird and Toohoolhoolzote, with their bands of non-treaty Nez Perce, moved across the ridge to the south, making camp on White Bird Creek. After some delay, Joseph and his brother Olliku reluctantly followed them. Although none of his band had gone on the raids, Joseph knew that his past defiance would bring blame for the trouble.[2]

The first real battle of the war occurred on June 17 at White Bird. Captain David Perry, believing the Indians would give up at the sight of troops, staged a frontal assault on the Indian camp. After a brief skirmish and deadly Indian rifle fire, Perry's command was routed. In all, 34 soldiers were killed and several wounded while the Nez Perce suffered only two wounded.[3]

Following this defeat, General Howard assembled a force of some 500 men at Lapwai all equipped for a campaign. On June 22, just 1 week after Captain Perry's departure, Howard's column followed the same route toward the Salmon River.[4]

From a camp near Lake Tolo, Howard led a reconnaissance in force to the White Bird battlefield. There he paused to bury the dead, the bodies lying as they had fallen, fully clothed and unmutilated.[5]

Meanwhile, the Nez Perce remained in their camp at Horseshoe Bend, a few miles up the Salmon from the mouth of White Bird Creek. Here they were joined by several men who had just returned from the buffalo country, among them Five Wounds and Rainbow, both famous warriors. At the news of Howard's approach, a council of chiefs met to plan a course of action.

Rainbow and Five Wounds advised that they wait on the riverbank for the Army to approach, hoping to entice Howard across the river. Once the troops were across to the left or west bank, the Indians could move downstream and

---

Footnotes at end of article.

cross over to the right or east bank. Then they would have a clear trail across Camas Prairie to the Clearwater River.

The plan worked well. Seeing the Indians almost within rifle range on the opposite bank, Howard rapidly moved to ford the river, a difficult task with the river at flood stage. Then he followed the band for days marching through the rain and mud, up and down the mountainous terrain. The trail led down to the river's edge at Craig's Crossing.

Howard tried to follow the Indians. However, after he had lost a large raft filled with equipment, and several cavalry horses had drowned in the treacherous waters, he abandoned the attempt and led his command back along the dreadful trail to White Bird Crossing, where he had boats to aid him.[6]

Unhampered by the soldiers, the main body of Nez Perce went on east down Cottonwood Creek and camped at its mouth on the South Fork of the Clearwater on the west bank just above the present town of Stites. Here they were joined by Looking Glass and his band and most of the Wallowa band who had remained in the area after Capt. S. C. Whipple had attacked them 5 days before. After this union, the Nez Perce were at their peak strength, with 191 men of all ages. About 50 of those took no part in any of the fighting. The women and children numbered about 450.[7]

General Howard returned to Camas Prairie after his futile march across the Salmon River and concentrated all his forces in one command. His troops now numbered about three times the strength of the hostile Nez Perce.

The next major battle took place at the Indian campsite on the Clearwater. Howard found the Nez Perce location by accident and launched a frontal assault. The charge was stymied and the two forces set up defensive positions, dug elaborate rifle pits, and sniped at each other for some 30 hours. By that time, the Nez Perce were tiring of the affair. They were not conditioned mentally for a long battle when they could fight or leave as they chose. They had been forced to fight at first to protect their camp; once the camp was safe, they decided to break off the fighting and leave. By this fight, Howard had pushed the Nez Perce away from the settlements but he had not whipped them nor did he prevent their retreat along the Lolo Trail.[8]

After 5 days of travel over the difficult Lolo Trail, they reached Lolo Hot Springs, the famous "Traveler's Rest" of Lewis and Clark. Here they halted for a time, believing the worst of their troubles to be over. Their enemy, Howard, was far to the rear and could be kept there by the rear guard forces left behind by the Indians. Ahead was familiar country, filled with the friendly people, the Crows, whom they had known for years.

In this frame of mind, they headed down Lolo Canyon from the Bitterroot Valley on July 27. Their route was blocked by Capt. Charles C. Rawn, who had taken all his forces from the work of building Fort Missoula in order to head off the Indians. Supplementing his 30 soldiers were about 200 volunteers, mostly settlers, from Missoula and the Bitterroot Valley. They had erected a line of fortifications, since known as Fort Fizzle, across the narrow way needing only to hold their position to frustrate the Indian retreat.

However, so satisfactory had been the Nez Perce conduct in this region when they came through to hunt buffalo, that the volunteers voted to accept an Indian proposal of free passage in exchange for a pledge not to harm anyone. Captain Rawn stated that he could not accept such terms and ordered the volunteers to stay. After a prolonged debate, the volunteers broke the deadlock by picking up their things and going home. Rawn then withdrew and the Nez Perce chiefs directed their line of march south up the valley and went into camp near Carlton.[9]

After a brief encampment, the Indians moved steadily up the Bitterroot Valley, traveling about 15 miles a day. They climbed the Continental Divide and dropped down to the Big Hole River, where they planned to camp a few days to rest their horses, cut tipi poles, and prepare for the long trek to the Crow country.

Up the Bitterroot Valley, well ahead of Howard, came a new foe. At the news of the approach of the Nez Perce, Col. John Gibbon, stationed at Fort Shaw on the Sun River, assembled all the men available at this post, as well as those available at Fort Benton on the upper Missouri and Fort Ellis on the Gallatin near Bozeman. His total command numbered some 198 men.[10]

Gibbon found the Nez Perce slumbering peacefully in their lodges, scattered in a long line on the south bank of the stream. The troops charged across the bordering stream and into the camp, shooting everything that moved.[11]

A few of the warriors had awakened early, perhaps sensing the approach of the enemy. This group, spared from the surprise of the first attack, formed a defense line, then advanced against the soldiers. As their movement grew in strength, they were supported by scattered fire from many of the warriors who had fled but were now returning. Soon the deadly fire of the Indian marksmen forced the soldiers out of the camp, across the creek to the north, and up the slope to the timber line, where Gibson took up a strong defensive position on a wide knoll.

Evening found Gibson in serious trouble. He had lost 29 men killed and 40 more, including himself, wounded. He was surrounded by a force of determined warriors under competent leaders and was short of food, water, and ammunition. Only the timely arrival of General Howard with his cavalry caused the Nez Perce to break off the fighting.[12]

The Nez Perce had lost only twelve fighting men in this battle. Among them were the best: Rainbow, Five Wounds, Red Moccasin Tops, and Wal-lait-its. The loss of these four and several more of nearly equal caliber was to be severely felt in the days to come. The rest of the casualties, some 89 in all, were made up of noncombatants—the old, sick, crippled, women and children.[13]

From the Big Hole battlefield, the band followed the Continental Divide to the south, keeping in the rough country to hinder their pursuers. They crossed the Divide into the valley of the upper Snake River and turned eastward, where Yellowstone National Park had been established five years earlier. The Indians pushed on to Henry's Lake and across Targhee Pass to the Madison Basin without opposition.

While the main body of the Nez Perce was struggling through the rough country east of Yellowstone Park, Chief Looking Glass rode on ahead to confer with the Crow leaders. The Crows, although old friends of the Nez Perce, were in a difficult position since they were allied with both parties in the quarrel. Instead of hoped-for aid, Looking Glass returned to the tribe with a promise of Crow neutrality.[14]

The Nez Perce realized that their only possible refuge was to the north. In their path was mountainous country new to them, for they had always kept to the north of the Yellowstone River during their trips to this area to hunt buffalo.

They pushed forward steadily, crossing the Yellowstone River at the old ford near Laurel and following down the north bank. A short distance down the river, they swung to the northwest up the bed of Canyon Creek. The Nez Perce finally slowed their pace as they crossed the Judith Basin and marched on down to the Missouri, nursing their wounded and conserving their horses.

Since crossing the Yellowstone, the Nez Perce were again in familiar country. They headed for the Cow Island crossing on the Missouri, well below Fort Benton and the head of navigation during the low water of late summer. After a brief stop, they proceeded up Cow Creek.

Colonel Nelson Miles heard of the location of the Indians and had his men ferried across the Yellowstone reaching the mouth of the Musselshell just in time to hail the steamship *Benton* to ferry his command to the north bank of the river. From there he continued his pursuit of the Nez Perce.[15]

Rising above the grassy plains north of the Missouri is a small isolated mountain mass known to all the tribes of the region as the Bear Paws. Their southern slopes drop away to the badlands, the "breaks" of the Missouri, but to the north the open range stretches to far beyond the Canadian border. Here, in former days, deer, antelope, and buffalo ranged in abundance.

Several clear mountain streams flow northward to join the waters of the Milk, the main river in this region. On one of these streams, the Nez Perce camped while securing a supply of meat and buffalo robes for the winter, welcoming the chance to relax after months of steady flight. Lulled into a sense of false security, they neglected to scout the neighboring country, and just as at the Big Hole a fresh army crept close for a surprise attack.[16]

On September 29, 1877, the fugitive band was packing and preparing to move across the border to safety. About 100 horses stood ready under their packs, when off to the south a line of horsemen

---

Footnotes at end of article.

appeared galloping furiously for the camp. Noncombatants took charge of the packed animals, starting at once along the trail to the north, while 50 or 60 braves guarded them. The rest of the men, led by White Bird, grabbed their rifles and crouched just below the knoll south of the tipis to await the attack.[17]

Colonel Miles, like others before him, planned on securing a spectacular victory with his first charge. With nearly 600 men, he expected to crush the Nez Perce line, his mounted forces driving in from three sides and cutting off all escape.

To oppose this awesome force, the Nez Perce could muster only about 120 men. As the charging forces neared the camp, a deadly fire from the Nez Perce Winchesters emptied many a saddle, stretching most of the officers dead or wounded on the field and effectually halting the advance. Whoever raised his voice in command became the target of a score of rifles. The rash charge on the open prairie against a hidden foe had accomplished nothing and accounted for most of the losses in the attacking force during the entire 5-day battle.[18]

After another attempt at a frontal assault, Miles decided it would be necessary to besiege the camp, and both sides dug in. The arrival of General Howard and the shelling of the village by cannon, convinced the Nez Perce of the futility of further resistance. Howard promised the Indians that they would be returned to Lapwai in the spring if they would lay down their arms at once.

To this proposal, Joseph and the few remaining Nez Perce chiefs conducted their last war council, Joseph trying to convince the rest that surrender was the only possible course. He made his final speech to his comrades, a speech which was also intended as an answer to General Howard:

> Tell General Howard I know his heart. What he told me before, I have in my heart. I am tired of fighting. Our chiefs are killed. Looking Glass is dead. Toohoolhoolzote is dead. The old men are all dead. It is the young men who say yes and no. He who led on the young men is dead. It is cold and we have no blankets. The little children are freezing to death. My people, some of them, have run away to the hills and have no blankets, no food; no one knows where they are—perhaps freezing to death. I want to have time to look for my children and see how many I can find. Maybe I shall find them among the dead. Hear me, my chiefs, I am tired; my heart is sick and sad. From where the sun now stands I will fight no more forever.[19]

Two hours later, Joseph rode slowly up the hill, accompanied by five of his warriors on foot. When he reached the group of waiting officers, he dismounted and, with an impulsive gesture, offered his rifle to Howard in token of surrender. Howard stepped back and indicated with his hand that Miles should receive it. Joseph was then put under guard.[20]

It had taken General Howard 4 months to halt the great trek of the Indians. The captives numbered about 418, consisting of 87 men, 184 women, and 147 children. About half the men and many of the women were wounded. Official casualty lists showed that 127 soldiers and approximately 50 civilians had lost their lives; 147 soldiers were wounded; and approximately 151 Indians were killed.[21]

Today the Nez Perce Indians live on their reservation, a little to the east of Lewiston, Idaho. Their homes are strung along the valleys of the Clearwater River and its tributaries, across the high prairies, and against the western foothills of the Bitterroot Mountains. A few other Nez Perce live on the Colville reservation near Grand Coulee Dam in northeastern Washington, where their fathers were banished after the 1877 war and where Chief Joseph died and is buried. Few white men pay them attention or know their history, but the Nez Perce have not forgotten the heroes of their past. Each year, during the summer, some 50 or 60 adults of the tribe move off with their children and with Indian friends and descendants of former allies from neighboring reservations to an isolated camping spot at Mud Springs in the forested Idaho mountains south of the town of Winchester. Here for 10 days they pitch tipis and live somewhat as their ancestors did a century ago, eating Indian foods, playing the age-old stick game, drumming and singing through the night, and dancing to the warriors' songs in fast, spirited steps around the drums.

This legislation is just one small endeavor to help insure that the drums of history continue to tell the story of courage and honor in the long tortuous retreat of the Nez Perce during those 4 months in 1877.

I ask unanimous consent that the text of the bill be printed in the RECORD, together with certain footnotes.

There being no objection, the footnotes and bill were ordered to be printed in the RECORD, as follows:

FOOTNOTES

[1] Chief Joseph, "An Indian's View of Indian Affairs," *North American Review*, Vol. CCLXIX (April, 1879), 419.

[2] Haines, Francis, *The Nez Perces*, University of Oklahoma Press (1955) 249.

[3] *Id.*, 255–260.

[4] *Id.*, 262.

[5] *Id.*

[6] *Id.*, 263.

[7] *Id.*, 264–266.

[8] Brady, *Northwestern Fights and Fighters*, 135.

[9] Haines, Francis, *supra*, 283.

[10] *Id.*, 290.

[11] *Id.*, 291.

[12] *Id.*, 292.

[13] *Id.*, 293.

[14] *Id.*, 299.

[15] *Id.*, 306–308.

[16] *Id.*, 310.

[17] Romeyn, "Capture of Chief Joseph and the Nez Perce Indians, *Montana Historical Society Contributions*, Vol II (1896), 286.

[18] Haines, Francis, *supra*, 313.

[19] *Report of the Secretary of War*, 1877, 632. Note that a later version of the story has Chief Joseph delivering the speech directly to General Howard rather than to the tribal council.

[20] Haines, Francis, *supra*, 318.

[21] *Id.*, 319.

S. 3273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(c) of the National Trails System Act (16 U.S.C. 1244(c)) is amended by adding at the end thereof the following:

"(15) Nee-Me-Poo Trail, extending approximately one thousand three hundred and fifty miles from Wallowa Lake, Oregon, to Bear Paw Mountain, Montana, by way of:

"(A) Clearwater River, the Lolo Trail and the Lolo Pass in Idaho;

"(B) The Bitterroot River, Big Hole River and Targhee Pass in Montana;

"(C) Yellowstone National Park and Clark's Fork in Wyoming; and

"(D) Canyon Creek, Musselshell River and Cow Island, Montana."

CHIEF JOSEPH'S NEZ PERCE NATIONAL TRAIL

"I WILL FIGHT NO MORE FOREVER"

Mr. PACKWOOD. Mr. President, nothing is more saddening in the history of a nation than the tragic and needless killing of its native people. I am sure that many of us recall the U.S. military's pursuit of Chief Joseph's Nez Perce Tribe in 1877, which is one of the most grievous experiences in the American Indian culture.

Chief Joseph of the Nez Perces is considered one of the greatest Indian leaders of all time. In remembering his outstanding strategy and foresight in battle, it is also known that Chief Joseph was a man of deep feelings and reflection. Born in 1840 as the hereditary Chief of the Nez Perces, Joseph went on to create one of the most remarkable stories in the history of the American Indians and their futile struggles to find solace.

Chief Joseph counseled peace, but a small band of his young warriors killed almost a dozen white men in June of 1877. He recognized that there was no chance the Nez Perce could "live peaceably on the reservation" after this, and thus began a trek which was to take him to five Western States, just short of his goal to reach Canada. As the tribe began to gather and leave, Chief Joseph remarked:

> I would have given my own life if I could have undone the killing of white men by my own people. I blame my young men and I blame the white man. . . . My friends among the white men have blamed me for the war. I am not to blame. When my young men began the killing, my heart was hurt. Although I did not justify them, I remembered all the insults I had endured, and my blood was on fire. Still, I would have taken my people to buffalo country [Montana] without fighting, if possible.
>
> I could see no other way to avoid war. We moved over to White Bird Creek, sixteen miles away, and there encamped, intending to collect our stock before leaving; but the soldiers attacked us and the first battle was fought.

Although the Nez Perce defeated the troops at White Bird Canyon, Idaho, on June 17, and held their own again at Clearwater River, July 11, Joseph recognized that they could not continue to hold off the troops. Late in July he again led his people away from the pursuing troops across the Bitterroot Mountains. Battle after battle, Chief Joseph defended himself on the Big Hole River in Montana, at Canyon Creek in Montana, and again, moving northward until Joseph reached the Bear Paw Mountains.

In this remarkable journey with only 300 warriors, Joseph opposed 5,000 soldiers and actually met in battle with 2,000, of whom he killed or wounded 266. His own losses, including many women and children, was 239. He marched 2,000 miles against the wilderness, away from the land he loved, through enemy country, carrying his noncombatants to within 30 miles of his goal of peace—the Canadian border—where he was surrounded and forced to surrender.

Chief Joseph was never permitted to live again in his beloved hills in the Wallowa Valley in Oregon. After his capture, he was taken to Fort Leavenworth, then to Indian territory, then to Washington, D.C., twice, and again to Indian territory, and finally, in 1885, to Colville Reservation in the State of Washington where he died in 1904.

Joseph was a man of clear thought and deep feeling. I've read his history and learned to understand the agonizing torment of defeat which his surrender was to bring him for the rest of his life. Surrounded and alone, with a dying tribe, Joseph said:

> I am tired of fighting. Our chiefs are killed. Looking Glass is dead. Toohoolhoolzote is dead. The old men are all dead. It is the young men who say yes and no. He who led on the young men is dead. It is cold and we have no blankets. The little children are freezing to death. My people, some of them, have run away to the hills and have no blankets, no food; no one knows where they are—perhaps freezing to death. I want to have time to look for my children and see how many I can find. Maybe I shall find them among the dead. Hear me, my chiefs. I am tired; my heart is sick and sad. From where the sun now stands I will fight no more forever.

Moments in history like these are rare, particularly when they are remembered in the words of such an eloquent man. Later, in the days when Chief Joseph was living on the Colville Reservation in the State of Washington, he continued to reflect on the intrusion of the white man into his native land. He spoke of the men behind the words, behind the debates and the arguments, the promises, and the treaties. Joseph spoke of the good words that did not last long unless they amount to something and are honored. I hope the commemoration of Chief Joseph's struggle will be duly provided by the study authorized in this legislation to create a national trail covering the route which Chief Joseph and his tribe followed throughout the West.

Joseph's thoughts are recorded in the pages of history for those who wish to pursue them. Yet, in a brief three paragraphs, I believe Joseph's feelings about his tribe's relations with the white civilization that ultimately resulted in the waste of war are well expressed:

> I have heard talk and talk, but nothing is done. Good words do not last long unless they amount to something. Words do not pay for my dead people. They do not pay for my country, now overrun by white men. . . . Good words will not give my people good health and stop them from dying. Good words will not get my people a home where they can live in peace and take care of themselves. I am tired of talk that comes to nothing. It makes my heart sick when I remember all the good words and broken promises. . . .
>
> You might as well expect the rivers to run backward as that any man who was born a free man should be contented when penned up and denied liberty to go where he pleases.
>
> Let me be a free man—free to travel, free to stop, free to work, free to trade where I choose, free to choose my own teachers, free to follow the religion of my fathers, free to talk and think and act for myself—and I will obey every law, or submit to the penalty.

Mr. McCLURE. Mr. President, I am happy to join with my colleagues, Senators CHURCH, MANSFIELD, PACKWOOD, and METCALF in introducing legislation that would authorize for study as inclusion in our National Scenic Trails System the route that Chief Joseph and his courageous Nez Perce Indians followed in their journey for freedom across the northern tip of Idaho to the rugged Bear Paw Mountains in Montana.

The Nez Perce Tribe, who still reside beside the Clearwater River in Idaho, have named the trail the "Nee-Me-Po" which in Nez Perce language means "The People."

The trail, as much a tribute to the brilliant strategic maneuvers of Chief Joseph as to the memory of the Nez Perce people, actually winds through 1,350 miles of varied landforms through the Northwest. Beginning in the remote mountain valley of the Wallowa in Oregon, it follows the Clearwater River up and over Lolo Pass, down to the Bitterroot and Big Hole Rivers and into Targhee Pass where it explores Yellowstone National Park and proceeds up the Clarks Fork to the famed Bear Paws in northern Montana.

It is fitting that such a trail be studied for a number of reasons. The Nez Perce Indians traveled this legendary path, led by their leader, Chief Joseph, in their famous trek of 1877. Hundreds of Indians and horses left their homeland by way of this trail, followed by General Howard's army of artillery and supplies, to reach freedom by fleeing to Canada. The Indians upon reaching the buffalo country in Montana had managed to outsmart and strategically defeat the white army until the last battle of 1877—only miles short of their Canadian destination. It was then that Chief Joseph chose to stay with what was left of his people. It was only then that he spoke the words, "I will fight no more forever."

This route extending through some of the roughest country in Idaho, parallels the Lolo Trail, a dim track through a primeval forest which Lewis and Clark used to breach the Bitterroot Range on their westward journey. In fact, the mountains, rivers, forests, and meadows of this majestic trail have changed little over the years. Today, a traveler can still see the country almost as Lewis and Clark discovered it a century and a half ago. One can still gaze on scenes and landmarks almost the entire way that are important to both the Nez Perce and the traders and trappers whose culture supersedes theirs.

The Appaloosa Horse Club of America, located in Moscow, Idaho, has done more than any other organization in bringing about the reality of this trail today. The club, known for preserving the fine line of the Nez Perce horse, the Appaloosa, ride this trail in part every summer and hope to reach the historic battlefield of 1877 by the summer of 1977. Designation of this trail would be most fitting for their celebration at that time.

There are many benefits to be derived by studying the Nee-Me-Po Trail. It would allow more Americans to be aware and better understand the story behind this Indian epic, truly a rich legend in our American history.

Thus it is for the education and enjoyment of all our citizens, a tribute to those who have through the years documented and relived this past and especially to the spirit of Chief Joseph and the Nez Perce people that I sponsor this bill which will hopefully lead to the designation of the Nee-Me-Po Trail as a National Scenic Trail.

By Mr. ABOUREZK (for himself, Mr. GRAVEL, and Mr. McGOVERN):

S. 3274. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution, to provide for independent inquiries by grand juries, and for other purposes. Referred to the Committee on the Judiciary.

Mr. ABOUREZK. Mr. President, in recent years the grand jury, though provided for in the bill of rights as a protective, popular institution, has been justly and widely criticized because it no longer functions as a shield for the innocent. If anything, it now often serves to shield the government from the people and the accusatory process from constitutional rights and due process of law. The time has come for the U.S. Senate to begin the long overdue legislative inquiry into reform of this cherished but tarnished institution. The introduction today of the Grand Jury Reform Act is a critical first step.

The grand jury system has deep historical roots. In England, it served both as a "body of accusers sworn to discover and present for trial persons suspected of criminal wrongdoing" and as "a protector of citizens against arbitrary and oppressive governmental action." *Calandra* v. *United States*, 414 U.S. 338, 33 (1974). The framers of our Constitution included the grand jury as a sword to ferret out official corruption and as a shield to protect innocent citizens from an overzealous prosecutor. As stated in the fifth amendment:

> No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury.

In the words of the Supreme Court:

> Historically, [the grand jury] has been regarded as a primary security for the innocent against hasty, malicious, and oppressive prosecution; it serves the invaluable function in our society of standing between accuser and accused, whether the latter be an individual, minority group, or whatever, to determine whether a charge is founded upon reason or was dictated by an intimidating power or by malice and personal ill will. *Wood v. Georgia*, 370 U.S. 375, 390 (1962).

We do not intend to foster mythology about the grand jury—indeed the tendency for rhetoric about the historic purposes of the grand jury helps to block careful scrutiny of how the institution is functioning. Therefore, the checkered history of the grand jury needs to be kept in mind.

Thomas Jefferson, for one, revered the institution. This reverence came from the long heritage of grand juries in the American colonies holding governmental officials accountable for their conduct, and repeated instances of colonial grand juries courageously resisting efforts of the Crown to transform them into instruments to repress the independence movement. Still, in the early years of the Republic, Jefferson was moved to warn that efforts were underway "inviting the grand juries to become inquisitors on the freedom of speech, or writing and of principle of their fellow-citizens."

As originally conceived, the grand jury was to be an independent body. However, over the years, this conception has become so totally eroded that the grand jury now functions as a virtual rubber stamp for prosecutorial decisions. Judge Campbell, of the Federal district court, has said:

> This great institution of the past has long ceased to be a guardian of the people. Today it is but a convenience tool, for the prosecutor will admit he can indict anybody, at any time, for almost any reason.

There have been instances in which jurors, seeking to reassert their independent role, have been sharply rebuffed. The case of Harriet Mitchell is a good illustration. Late in 1971, Ms. Mitchell was sworn in as a member of the Federal grand jury in Los Angeles. Acting in her capacity as forewoman, Ms. Mitchell asked to recall an FBI agent who had previously testified. The U.S. attorney in charge refused her request, and the grand jury was recessed that same day. Ms. Mitchell later learned that her grand jury had been dissolved by the U.S. attorney, and that he convened a second one to conduct virtually the same investigation. Unfortunately, this is not a unique aberration to the manner in which grand jury investigations are conducted.

The Grand Jury Reform Act, which I introduce today, contains a number of provisions that would help to increase grand jury independence. It requires that the grand jury be adequately told of its powers, rights, and responsibilities. It explicitly requires grand jury votes on subpenas and requests for a contempt hearing. It prohibits prosecutors from engaging in the kind of disregard for the institutional integrity of the grand jury exhibited in the Los Angeles incident.

Another critical area of grand jury independence is the problem of asking an institution dominated by Government attorneys to police the Government's actions and to investigate criminal activity by Government officials. As a recent report by an ABA section notes:

> Regarding the historic function of the grand jury as a sword to ferret out governmental corruption and misconduct—the sword can be considerably dulled when a representative of the government itself determines when and how the sword should be used.

Despite widespread impressions to the contrary, the initial conduct of the Watergate grand jury inquiry illustrates this. There is much evidence that the control of the grand jury by Nixon administration prosecutors undercut and limited the scope of inquiry. Indeed, at one point, the inquiry was officially closed, with Liddy and Hunt branded as being ultimately responsible for Watergate. Only after the growth of public opposition and the appointment of independent Special Prosecutors, was a more extensive investigation and prosecution initiated with the same grand jury.

The Grand Jury Reform Act would establish a mechanism for independent grand jury inquiry when there exists a question of possible criminal activity on the part of Government officials. The bill provides for an independent court-appointed prosecutor to assist the jury and sign any indictment in lieu of the U.S. attorney in certain investigations.

Consistent with its conceived functions, the grand jury has traditionally been accorded wide latitude in the conduct of its investigations. It is that latitude coupled with the absence of any procedural safeguards which has placed the operation of the grand jury almost totally outside of judicial or legislative supervision. The potential abuses that arise from this situation were described by Prof. Charles Ruff, presently serving as the Watergate Special Prosecutor, at the 1975 Judicial Conference of the District of Columbia Circuit:

> The federal grand jury is created at the behest of the prosecutor and spends its existence under his virtually total control . . . But most of what happens inside the grand jury room is not government by statute or case law. It is the prosecutor who fills this legal vacuum, and his discretion is exercised within parameters that are only vaguely defined.
>
> * * * * *
>
> I suggest that virtually the only restraints imposed on the prosecutor's use of the grand jury are those which he imposes on himself as a matter of his personal and professional morality or which are imposed on him as a matter of policy by his superiors. On occasion, it is clear, such restraints are ineffective, and decisions are made and actions taken that, whatever their legality, transgress the limits of prosecutorial discretion.

The situation Professor Ruff talks about is not something that simply may happen sometime in the future. Misuse of the grand jury has happened, and continues to happen.

The most flagrant example in recent years is the extensive use of grand juries by the Internal Security Division of the Department of Justice to harass members of the antiwar movement. Commenting on this distortion of the grand jury system, our esteemed colleague in the House, ROBERT KASTENMEIER has said:

> The Nixon Presidency has brought us the political grand jury, essentially a glorified witch hunt used to intimidate political groups and communities, with few resulting indictments or convictions. Clearly the intent of this sort of grand jury was to instill the fear of the law, the Justice Department, and the White House in an activist political citizenry.

During the period of 1970 through January 1973, the Internal Security Division called in excess of 100 grand juries in 36 States and 84 cities. Aided in some measure by the immunity provisions of the Organized Crime Control Act of 1970, it subpenaed between 1,000 and 2,000 people; people not charged with involvement in substantive crimes, but who might know an isolated fact or two. From all these witnesses came 410 indictments, of which just under half have gone to trial. Prof. Leroy Clark, in his recent book. "The Grand Jury—The Use and Abuse of Political Power," found that of the 200 indictments that have come to trial, only 10 percent have resulted in convictions, with the remainder terminating by acquittal or dismissal.

It is clear from Professor Ruff's comments and the situations I have described that the absence of meaningful standards of conduct for an investigation leads to serious infringements on the constitutional rights of our citizens. In its current form, a grand jury can be convened in virtually any location; and a citizen may be called to testify before a grand jury sitting any place. There is no minimum notice of appearance requirement so that, as often happens, a witness will be given a subpena to appear 2 hours later.

Furthermore, there is no requirement that the scope of the investigation be defined, a critical gap when one considers the wide reaching questions a prosecutor may ask today. There is no requirement that the questions asked or documents subpenaed be relevant to any stated scope of investigation. Consider that under the present system, a witness may be jailed for failing to answer a question such as:

> I want you to tell the grand jury what period of time during the years 1969 and 1970 you resided at 2201 Ocean Front Walk, Venice (Los Angeles), who resided there at the time you lived there, identifying all persons you have seen in or about the premises at that address, and tell the grand jury all of the conversations that were held by you or others in your presence during the time that you were at that address. (Question asked of witness called before a federal grand jury in Tucson, Arizona, in 1970, by lawyers for the Justice Department's Internal Security Division.)

Moreover, a witness can now spend a maximum of 18 months in prison for refusing to answer such questions, and upon release that same witness may be subpenaed by a new grand jury, asked the identical questions, and once again be sentenced to prison for refusing to answer.

The bill I introduce today establishes standards for investigations. It provides for a minimum notice requirement of 7 days. It provides that when an investigation includes violations of substantive criminal statutes as well as conspiracy, the grand jury may not be convened in the district where only the conspiracy occurred. It also requires that the scope of the investigation be stated by the prosecutor, and that the witness be notified of such in his/her subpena. All questions asked or documents subpenaed must be relevant to that inquiry. And, it abolishes reiterative contempt, a position also endorsed by the ABA, and would limit imprisonment for contempt to 6 months.

My proposed Grand Jury Reform Act also addresses the right-to-counsel issue. A witness is not presently entitled to the advice of counsel inside the grand jury room—a practice the American Bar Association has recently suggested be ended. A witness before a grand jury may be confronted with evidence seized in violation of his/her constitutional rights, and the Supreme Court has recently held that an indictment can be totally based on such illegally seized evidence. *United States* v. *Calandra*, 414 U.S. 338 (1974). This bill will remedy these situations by allowing for representation by and advice of counsel in the grand jury room as well as preventing the use of illegally seized evidence.

This sweeping reform legislation addresses other abuses like complete prosecutor control as to what shall and shall not be recorded in the grand jury room—which allows for prejudicial commentaries to the jury and badgering of witnesses. It embodies the ABA standard that no witness with the stated intention of claiming the fifth amendment right against self-incrimination should be subpenaed unless immunity is obtained for the witness. Other ABA standards, such as the responsibility of the prosecutor to present exculpatory evidence, would also become law in this legislation.

I urge my colleagues to join with me in working to make the grand jury system both reflective of its intended purpose and an institution that our citizenry can cherish once again as we move into our third century.

I ask unanimous consent, that the text of the Grand Jury Reform Act be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Grand Jury Reform Act of 1976."

Sec. 2. Section 1826 of title 28, United States Code, is amended to read as follows:

"§ 1826. Recalcitrant Witnesses.

"(a)(1) Whenever a witness in any proceeding before any grand jury of the United States refuses without just cause shown to comply with an order of the court of the United States to testify or provide other information, including any book, paper, document, record, recording, or other material, the attorney for the Government may, only upon an affirmative vote of twelve or more members of the grand jury that such refusal was without just cause, submit an application to the court for an order directing the witness to show why the witness should not be held in contempt. After submission of such application and a hearing at which the witness may be represented by counsel, the court may, if the court finds that such refusal was without just cause, hold the witness in contempt and order the witness to be confined. Such confinement shall be at a suitable Federal correctional institution, if one is located within fifty miles of the court ordering confinement, unless the witness waives this right. Such confinement shall continue until such time as the witness is willing to give such testimony or provide such information. No period of such confinement shall exceed the term of the grand jury, including extensions, before which such refusal to comply with the court order occurred, but in no event shall such confinement exceed six months.

"(2) Whenever a witness in any proceeding before or ancillary to any district court of the United States refuses without just cause shown to comply with an order of the court to testify or provide other information, including any book, paper, document, record, recording or other material, the court, upon such refusal may summarily order his confinement at a suitable Federal correctional institution, if one is located within fifty miles of the court ordering confinement, unless the witness waives this right. Such confinement shall continue until such time as the witness is willing to give such testimony or provide such information. No period of such confinement shall exceed the life of the court proceeding before which such refusal to comply with the court order occurred, but in no event shall such confinement exceed six months.

"(3) No hearing shall be held under subsection (a)(1) unless 5 days notice is given to the witness who has refused to comply with the court order under this subsection, except that a witness may be given a shorter notice of not less than 48 hours if the court, upon a showing of special need, so orders.

"(b) No person who has been confined under this section for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events may be again confined under this section or under section 401 of title 18, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction set of transactions, event, or events.

"(c) Any person confined pursuant to subsection (a) of this section shall be admitted to bail or released in accordance with the provisions of chapter 207 of title 18, United States Code, pending the determination of an appeal taken by him from the order of his confinement, unless the appeal is frivolous or taken for purposes of delay. Any appeal from an order of confinement under this section shall be disposed of as soon as practicable, pursuant to an expedited schedule ordered by the appellate court upon application by a party.

"(d) In any proceeding conducted under this section, counsel may be appointed in the same manner as provided in section 3006A of title 18, United States Code, for any person financially unable to obtain adequate assistance.

"(e) A refusal to answer a question or provide other information before a grand jury of the United States shall not be punishable under this section or under section 401 of title 18, United States Code, if the question asked or the request for other information is based in whole or in part upon evidence obtained by an unlawful act or in violation of the witness' Constitutional rights or of rights established or protected by any statute of the United States."

Sec. 3. (a) Chapter 21 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 403. Refusal of a Witness to Testify in a Grand Jury Proceeding.

"No person who has been imprisoned or fined by a court of the United States under section 401 of this title for refusal to testify or provide other information concerning any transaction, set of transactions, event, or events in a proceeding before a grand jury (including a special grand jury summoned under section 3331 of this title) impaneled before any district court of the United States may again be imprisoned or fined under section 401 of this title or under section 1826 of title 28, United States Code, for a subsequent refusal to testify or provide other information concerning the same transaction, set of transactions, event, or events."

(b) The table of sections for chapter 21 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"§ 403. Refusal of a Witness To Testify in a Grand Jury Proceeding."

Sec. 4. (a) Chapter 215 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 3329. Notice to Grand Jury of its Rights and Duties.

"Upon impanelment of each grand jury before a district court of the United States, the court shall give adequate and reasonable written notice to the grand jury of, and shall assure that the grand jury reasonably understands the nature of—

"(1) its duty to inquire into offenses against the criminal laws of the United States alleged to have been committed within that district;

"(2) its rights, authority, and powers with respect to an independent inquiry under section 3330 of this title;

"(3) its right to call and interrogate witnesses;

"(4) its right to request the production of documents or other evidence;

"(5)(A) the subject matter of the investigation, and

"(B) the criminal statute or statutes involved, if these are known at the time the grand jury is impaneled;

"(6) the requirement of section 3330A of this title that a subpena summoning a witness to appear and testify before a grand jury or to produce books, papers, documents, or other objects before the grand jury may be issued only upon an affirmative vote of twelve or more members of the grand jury to which the subpena is returnable;

"(7) the authority of the grand jury to determine by an affirmative vote of twelve or more of its members that the attorney for the Government may submit an application to the court for an order directing a witness to show cause why he should not be held in contempt under section 1826 of title 28, United States Code;

"(8) the necessity of legally sufficient evidence to form the basis of any indictment as provided under section 3330A(1) of this title;

"(9) the duty of the grand jury by an affirmative vote of twelve or more members of the grand jury to determine, based on the evidence presented before it, whether or not there are sufficient grounds for issuing indictments and to determine the violations to be included in any such indictments; and

"(10) such other duties and rights as the court deems advisable.

"The court's failure to instruct the grand jury as directed in this section shall be just cause within the meaning of section 1826 of title 28, United States Code, for a witness' refusal to testify or provide other information before such grand jury.

"§ 3330. Independent grand jury inquiry.

"(a)(1) Any grand jury (including a special grand jury summoned under section 3331 of this title) impaneled before any district court of the United States may, upon its own initiative and after giving notice to the court, inquire into offenses against the criminal laws of the United States alleged to have been committed within that district by any officer or agent of the United States or of any State or municipal government or by any person who, at the time of the alleged commission of the offense, was an officer or agent of the United States or of any State or municipal government. Such grand jury may request the attorney for the Government to assist such grand jury in such inquiry.

"(2) The grand jury shall serve for a term of twelve months after giving notice to the court under paragraph (1) unless an order for its discharge is entered earlier by the court upon a determination of the grand jury by an affirmative vote of twelve or more members that its business has been completed. If, at the end of such term or any extension thereof, the district court determines the business of the grand jury has not been completed, the court may enter an order extending such term for an additional period of six months. No grand jury term so extended shall exceed twenty-four months from the date on which notice to the court was given under paragraph (1).

"(3) If a district court within any judicial circuit fails to extend the term of a grand jury engaged upon an independent inquiry under this section or enters an order for the discharge of such grand jury before such grand jury determines that it has completed its business, the grand jury by an affirmative vote of twelve or more members may apply to the chief judge of the circuit for an order for the continuance of the term of the grand jury. Upon the making of such an application by the grand jury, the term thereof shall continue until the entry by the chief judge of the circuit of an appropriate order upon such application. No grand jury term so extended shall exceed twenty-four months.

"(b) (1) In the event that the attorney for the Government refuses to assist or hinders or impedes the grand jury in the conduct of any inquiry under subsection (a), the grand jury may, upon the affirmative vote of twelve or more of its members, request at any point in such inquiry that the court appoint a special attorney to assist the grand jury in such inquiry. Such special attorney shall serve in lieu of any attorney for the Government and shall be paid at a reasonable rate to be determined by the court. Such special attorney, with the approval of the court, may appoint and fix the compensation of such assistants, investigators, and other personnel as he deems necessary. The special attorney and his appointees shall be appointed without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The special attorney shall be reimbursed for actual expenses incurred by him and his appointees in the performance of duties pursuant to this section.

"(2) Notwithstanding sections 516 and 519 of title 28 of the United States Code or any other provision of law, a special attorney appointed under this section shall have the exclusive authority to assist in the conduct of an independent grand jury investigation under this section, and any indictment returned by a grand jury pursuant to such inquiry shall be signed by the special attorney in lieu of any attorney for the Government.

"§ 3330A. CERTAIN RIGHTS OF GRAND JURY WITNESSES.

"(a) A subpena summoning a witness to appear and testify before a grand jury of the United States or to produce books, papers, documents, or other objects before such grand jury shall be issued only upon an affirmative vote of twelve or more members of the grand jury, and such subpena may not be returnable on less than seven days' notice, except with the consent of the witness or upon a showing to the court by the attorney for the government that good cause exists why the subpena should be returned in less than 7 days.

"(b) Any subpena summoning a witness to appear before a grand jury shall advise the witness of (1) his right to counsel as provided in subsection (e) of this section; (2) his privilege against self-incrimination; (3) whether his own conduct is under investigation by the grand jury; (4) the subject matter of the grand jury investigation; (5) the substantive criminal statute or statutes, violation of which is under consideration by the grand jury; and (6) any other rights and privileges which the court deems necessary and appropriate.

"(c) Any witness who is not advised of his rights pursuant to subsection (b) shall not be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he testifies or any evidence he produces, nor shall any such testimony or evidence be used as evidence in any criminal proceeding against him in any court.

"(d) In any proceeding before the grand jury, if the attorney for the Government has written notice in advance of the appearance of a witness that such witness intends to exercise his privilege against self-incrimination, such witness shall not be compelled to appear before the grand jury unless a grant of immunity has been obtained.

"(e) Any witness subpenaed to appear and testify before a grand jury or to produce books, papers, documents, or other objects before such grand jury shall be entitled to assistance of counsel during any time that such witness is being questioned in the presence of such grand jury; such counsel may be retained by the witness or, may, for any person financially unable to obtain adequate assistance, be appointed in the same manner as if that person were eligible for appointed counsel under section 3006A of this title.

Notwithstanding any rule contained in the Federal Rules of Criminal Procedure, such witness' counsel is authorized to disclose matters which occur before the grand jury while such counsel is in the grand jury room.

"(f) A grand jury impaneled to conduct an inquiry into offenses against the criminal laws of the United States may be convened only in a district in which substantive criminal conduct may have occurred as elements of such offenses; except that when a grand jury is to be convened to conduct an inquiry into both violations of substantive criminal statutes and violations of statutes forbidding conspiracy to violate substantive criminal statutes, the grand jury may not be convened before a district court in a district in which the only criminal conduct alleged to have occurred is conspiracy to commit the substantive criminal act.

"(g) For the convenience of witnesses and where the interests of justice so require, a district court may, on motion of a witness, transfer any grand jury proceedings or investigation into any other district where it might properly have been convened under subsection (f). In considering an application for such transfer, the court shall take into consideration all the relevant circumstances, including the distance of the grand jury investigation from the places of residence of witnesses who have been subpenaed to testify before the grand jury, financial and other burdens placed upon the witnesses, and the existence and nature of related investigations and court proceedings, if any.

"(h) Once a grand jury has failed to return an indictment based on a transaction, set of transactions, event, or events, a grand jury inquiry into the same transactions or events shall not be initiated unless the court finds, upon a proper showing by the attorney for the Government, that the Government has discovered additional evidence relevant to such inquiry.

"(i) (1) A complete and accurate stenographic record of all grand jury proceedings shall be kept, except that the grand jury's secret deliberations shall not be recorded. Such record shall include the court's notice to the grand jury of its rights and duties including but not limited to those set forth in section 3329 of this title; all introductory comments, directives, and other utterances made by attorneys for the Government to the grand jury, witnesses, and counsel for witnesses; all testimony; and all interchanges between the grand jury and attorneys and those between attorneys for the Government and counsel for witnesses. Consultations between witnesses and their counsel shall not be recorded.

"(2) Any witness who testifies before a grand jury, or his attorney with such witness' written approval, shall, upon request, be entitled to examine and copy a transcript of the record for the period of such witness' own appearance before the grand jury, and if a witness is proceeding in forma pauperis, he shall be furnished, upon request, a copy of such transcript. Such transcript shall be available for inspection and copying not later than forty-eight hours after the conclusion of such witness' testimony, unless, for cause shown, more time is required to prepare such transcript. After examination of such transcript, a witness may request permission to appear before the grand jury again to explain his testimony. Additional testimony given under this subsection shall become part of the official transcript and shall be shown to the members of the grand jury.

"(j) Any witness summoned to testify before a grand jury or the attorney for such witness with the witness' written approval shall be entitled, prior to testifying, to examine and copy any statement in the possession of the United States which such witness has made and which relates to the subject matter under inquiry by the grand jury. The term 'statement' as used in this subsection shall be defined as in section 3500(e) of this title.

"(k) No person subpenaed to testify or to produce books papers, documents, or other objects in any proceeding before any grand jury of the United States shall be required to testify or to produce such objects, or be confined pursuant to section 1820 of title 28, United States Code, for his failure to so testify or produce such objects, if, upon an evidentiary bearing before the court which issued such subpena or a court having jurisdiction under subsection (l) of this section, the court finds that—

"(1) a primary purpose or effect of requiring such person to so testify or to produce such objects to the grand jury is or will be to secure for trial testimony or to secure other information regarding the activities of any person who is already under indictment by the United States, a State, or any subdivision thereof for such activities; or of any person who is under formal accusation for such activities by any State or any subdivision thereof, where the accusation is by some form other than indictment; unless after a witness refuses to so testify or to produce such objects before the grand jury on the ground that the purpose or effect of requiring his testimony or the production of such objects is in violation of this clause, the Government establishes by a preponderance of the evidence that its inquiry is independent of such preexisting indictment or accusation,

"(2) compliance with the subpena would be unreasonable or oppressive because (i) such compliance would involve unnecessary appearances by the witness; (ii) the only testimony that can reasonably be expected from the witness is cumulative, unnecessary, or privileged; or (iii) other like circumstances,

"(3) a primary purpose of the issuance of the subpena is to harass the witness,

"(4) the witness has already been confined, imprisoned, or fined under section 1826 of title 28, United States Code, or section 401 of this title for his refusal to testify before any grand jury investigating the same transaction, set of transactions, event, or events, or

"(5) the witness has not been advised of his rights as specified in subsection (b).

"(l) The district court out of which a subpena to appear before a grand jury has been issued, the court in which the subpena was served, and the district court in the district in which the witness who was served such subpena resides shall have concurrent jurisdiction over any motion made by such witness to quash the subpena or for other relief under this motion. A motion under this section may be made at any time prior to, during, or when appropriate, subsequent to the appearance of any witness before the grand jury. Any motion made during or subsequent to the appearance of the witness before the grand jury may be made only in the district court in which the grand jury is impaneled. If the motion is made before or during the appearance of the witness before the grand jury, the appearance before the grand jury shall be stayed by the making of the motion until the court before which the motion is pending rules on the motion.

"(m) The attorney for the Government shall be limited to asking questions or requesting the production of books, papers, documents, or other objects relevant to the subject matter under investigation.

"(n) The attorney for the Government shall not be permitted to submit before the grand jury any evidence seized or otherwise obtained by an unlawful act or in violation of the witness' constitutional rights or of rights established or protected by any statute of the United States.

"(o) A grand jury may indict a person for an offense when (1) the evidence before such grand jury is legally sufficient to establish that such offense was committed, and (2) competent and admissible evidence before such grand jury provides reasonable cause to believe that such person committed such offense. An indictment may be based on summarized or hearsay evidence alone only upon a showing of good cause to the court. An attorney for the Government shall present to the grand jury all evidence in such attorney's possession which he knows will tend to negate the guilt of the person or persons under investigation.

"(p) The district court before which a grand jury is impaneled shall dismiss any indictment of the grand jury if such district court finds that—

"(1) the evidence before the grand jury was legally insufficient to establish that the offense for which the indictment was rendered was committed;

"(2) there was not competent and admissible evidence, or summarized or hearsay allowed by the court upon a showing of good cause, before the grand jury to provide reasonable cause to believe that the person indicted committed such offense;

"(3) the attorney for the Government has not presented to the grand jury all evidence in his or her possession which the attorney knows will tend to negate the guilt of the person indicted; or

"(4) the attorney for the Government has submitted to the grand jury evidence seized or otherwise obtained by an unlawful act or in violation of the witness' constitutional rights or of rights established or protected by any statute of the United States.

"(q) Any person may approach the attorney for the Government and request to testify in an inquiry before a grand jury or to appear before a grand jury and request that the grand jury proceed in accordance with its powers under section 3330 of this title. An attorney for the Government shall keep a public record of all denials of such requests to that attorney for the Government, including the results for not allowing such person to testify or appear. If the person making such request is dissatisfied with the Government's decision, such person may petition the court for a hearing on the denial by the attorney for the Government. If the court grants the hearing, then the court may permit the person to testify or appear before the grand jury, if the court finds that such testimony or appearance would serve the interests of justice."

(b) The table of sections for chapter 215 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"3329. Notice to grand jury of its rights and duties.

"3330. Independent grand jury inquiry.

"3330A. Certain rights of grand jury witnesses."

Sec. 5. (a) Part V of title 18, United States Code, is amended by adding at the end of such part the following new section:

"§ 6006. Reports concerning grand jury investigations.

"In January of each year, the Attorney General or an Assistant Attorney General specially designated by the Attorney General shall report to the Congress and to the Administrative Office of the United States Courts—

"(1) the number of investigations undertaken during the preceding year in which a grand jury or a special grand jury was utilized together with a description of the nature of each investigation undertaken;

"(2) the number of requests by United States grand juries to the Attorney General for approval and to witnesses for written consent to make application to the court for an order compelling testimony under section 2514 of this title, and the number of such requests approved by the Attorney General;

"(3) the number of applications to district courts for orders granting immunity under this title;

"(4) the number of applications to district courts for orders granting immunity under this title that were approved and the nature of the investigations for which the orders were sought;

"(5) the number of instances in which witnesses in such investigations were held in contempt and confined, and the dates and lengths of such confinement;

"(6) the number of arrests, indictments, no-bills, trials, and convictions resulting from testimony obtained under orders granting immunity; the offenses for which the convictions were obtained; and a general assessment of the importance of the immunity;

"(7) a description of data banks and other procedures by which grand jury information is processed, stored, and used by the Department of Justice; and

"(8) other appropriate indicia and information concerning grand jury activity during such year. The matter contained in the report required to be made by this section shall be set forth according to judicial district.".

(b) The table of sections for part V of title 18, United States Code, is amended by adding at the end thereof the following new item:

"6006. Reports concerning grand jury investigations."

By Mr. ROTH:

S. 3276. A bill to amend title 18, United States Code, so as to provide for mandatory minimum sentences with respect to certain offenses against victims 60 years of age or older. Referred to the Committee on the District of Columbia.

S. 3277. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1965 to add specific requirements that the comprehensive State plan under that act include provisions for the prevention of crimes against the elderly, and for other purposes. Referred to the Committee on the Judiciary.

S. 3278. A bill to amend the act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, relating to offenses against individuals 60 years of age or older. Referred to the Committee on the District of Columbia.

Mr. ROTH. Mr. President, since serving in the Congress, one of my special concerns has been the plight of the older American. No group has been more responsible for the success and prosperity of this Nation than the older generation. I am confident that if this Nation had retained the traditions and goals of the older generation we would be far better off today. The older generation did not ask for something for nothing. What they sought was opportunity, the opportunity to work and to rise as high as their ability would take them; the opportunity to live and work in peace and security.

Because of this generation's faith and willingness to work hard and to make personal sacrifices, this country grew and prospered to become the greatest democracy this Earth has ever witnessed. Even today, in this Bicentennial Year, the Nation with all its problems and difficulties remains the hope and dream of millions everywhere. As ED BROOKE, the Senator from Massachusetts, so eloquently stated in Delaware recently:

> Thousands upon thousands are waiting in line to enter this country; few, very few indeed seek to leave it.

But today in America the older generation which has contributed so much to this Nation is threatened by the ravages of crime. The elderly are vulnerable and are all too frequently "easy marks"—subject to purse snatchings, personal assaults, rapes, and muggings in the streets, in their apartment buildings, near their homes, and in their own neighborhoods. Unfortunately, all too often criminals recognize and prey upon this special vulnerability.

Consequently, there is a distinctiveness and special urgency about crimes against the elderly. Considered broadly in terms of the physical, economic, and social and psychological impact, these crimes warrant special consideration.

Experts in the fields of crime and the elderly have made a strong case for singling out this type of crime. They point out:

First. Older people are not as strong physically. Older people are not apt to be in physical condition to resist attackers and defend themselves without undue risks to their own well-being.

Second. Potential criminals recognize the frailties of age and with it the increased vulnerability of the aged.

Third. Older people are more likely to live alone. Isolation makes them more vulnerable.

Fourth. There is a greater likelihood that older people will live in high crime neighborhoods. Older people are likely to be repeatedly victimized.

Fifth. The dates when pension checks, social security payments, and other income is received are well known to the potential criminal. Thus, the times when cash or sums of money are in the possession of the elderly is generally known, causing the elderly to be particularly vulnerable at that time.

For these reasons and because I believe fear of crime is one of the most serious problems confronting the elderly it is my firm conviction that any criminal who commits a personal crime against a senior citizen should be subject to mandatory minimum sentences. This could be a significant step in providing the elderly with the security and safety which they deserve.

I am deeply troubled over these vulnerabilities of the elderly citizens of this country to violent crime. And my concern rarely abates when, day in and day out, I observe the perpetrators of these heinous crimes receiving extremely light sentences of incarceration, or, in all too many instances, being granted immediate probation. I believe, therefore, that it is time Congress take the leadership by setting an example for each State legislature and by doing everything within its constitutional power to combat the victimization of our elderly citizens.

The three bills I am introducing today, Mr. President, embody my conviction that the creation of mandatory minimum sentences will be an effective tool in this fight against the tragic effect of crime upon elderly individuals. First, S. 3277 will amend the Omnibus Crime Control and Safe Streets Act of 1968 to encourage greater State involvement in the plight of the elderly. It has been the declared policy of Congress to foster, by Federal monetary assistance, more effective State law enforcement techniques and programs. The Law Enforcement Assistance Administration was created by this act to distribute grants to States filing with the Administration comprehensive plans for the improvement of law enforcement and criminal justice. If enacted, this measure will expressly authorize LEAA to grant funds to those States which develop programs to reduce the commission of crime against the elderly by exploring the efficacy of mandatory sentences and of improved rehabilitation programs for offenders who victimize the elderly. This bill will also mandate that each State plan on file with LEAA be approved as comprehensive only if such plan includes a general program for "the prevention of crimes against the elderly," and contains a provision "for the development and operation of programs designed to reduce crime against the elderly and to specifically strengthen offender rehabilitation programs with respect to offenders committing crimes against the elderly."

I am also introducing today, Mr. President, two bills designed to create effective mandatory minimum sentences for several types of violent crimes committed within the special maritime and territorial jurisdiction of the United States and within the District of Columbia. These measures though limited to Federal jurisdictions should serve as models to all of the States as they consider legislation to protect our elderly citizens.

Application of the new sentencing provisions in both of these measures will be triggered by the determination that the victim of the crime at the time of its commission, is a person 60 years of age or older.

S. 3276 will amend several sections of title 18 of the United States Code by establishing mandatory minimum sentences which range from 3 months for assault by striking or beating to 2 years for aggravated assault to 15 years for second degree murder. Similarly, S. 3278 will amend comparable provisions of title 22 of the District of Columbia Code. The complete list of target crimes is as follows: Various degrees of simple and aggravated assault, burglary, kidnapping, maiming, manslaughter, murder, rape, and robbery.

Allow me, Mr. President, to reiterate something I mentioned a moment ago. It is my hope and intention that sentencing provisions be effective. In furtherance of that objective, S. 3276 and S. 3278 clearly prohibit the sentencing judge from suspending sentence or granting probation when a person 60 years of age or older has been victimized by one of the violent crimes I have mentioned. Furthermore, the application to the defendant of numerous statutory programs, otherwise potentially capable of substantially reducing the actual time of incarceration, such as good-time allowances, parole, and the operation of the Federal Youth Corrections Act, has been expressly disallowed by these bills with respect to such mandatory minimum terms.

Punishment must be swift and sure for the dangerous felon. It must be swift and sure for the potential offender who has singled out an elderly person as his next victim.

Imposing mandatory minimum sentences for violent crime will aid in the reduction of crime. I am convinced that jails and prisons serve as deterrents to crime. When judges are required to carry out sentences and the offenders know that they will be carried out, you can be sure that a would-be offender is more likely to become a would-not offender. You can be sure that second and third time offenders will be deterred if they know that punishment is quick and certain.

For too long, law has centered its attention on the rights of the criminal defendant—not on the victim or would-be victim of crime. It is time for law to concern itself more with the rights of the people it exists to protect.

We need to devote more attention to the victims and potential victims of crime. The primary obligation of society is to assure the safety of the law-abiding citizen—to remove the criminal from the streets, and, if possible, to rehabilitate him. Rehabilitation of the offender is, of course, a worthy goal and should be the major objective of the correctional system. It is, however, tragic but true that all criminals simply cannot be rehabilitated. In these cases, society must be protected. Confinement in a prison should not be viewed as a last resort, but as a necessary tool for the protection of the law-abiding segment of our society which is, far and away, the overwhelming majority of our citizenry.

The victims and the potential victims of crime have basic needs and rights and they too are an integral part of the solution to crime. Certainly, the victim deserves the same rights, consideration, and protection as the criminal defendant is guaranteed under the law. I cannot emphasize too strongly that it is the primary obligation of society to assure the safety of the law-abiding citizen.

Mr. President, I ask unanimous consent that the text of each of my bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 3276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 13 of title 18, United States Code, is amended (1) by inserting "(a)" immediately before "Whoever", and (2) by adding at the end thereof the following new subsection:

"(b) Whoever is found guilty of a like offense, under the provisions of subsection (a) of this section, constituting, according to the laws in force at the time—

"(1) the crime of burglary, where at night a person, with intent to engage in conduct constituting a crime, enters without privilege, or remains surreptitiously within, a dwelling that is the property of another; or

"(2) the crime of aggravated assault, where a person, by physical force, intentionally causes serious bodily injury to another person;

shall, if the victim of such offense is sixty years of age or older at the time thereof, be sentenced to a term of imprisonment which may not be less than two years and which may be up to the maximum provided by law for such like offense.".

(b)(1) Section 113(a) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than four years and which may be up to twenty years".

(2) Section 113(b) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to ten years, and, in addition thereto, may be fined not more than $3,000".

(3) Section 113 (c) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to five years, and, in addition thereto, may be fined not more than $1,000".

(4) Section 113(d) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than three months and which may be up to six months, and, in addition thereto, may be fined not more than $500".

(c) Section 114 of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to seven years, and, in addition thereto, may be fined not more than $1,000".

(d) The third paragraph of section 1111 (b) of title 18, United States Code, is amended to read as follows:

"Whoever is guilty of murder in the second degree, shall be imprisoned for any term of years or for life, except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than fifteen years and which may be up to life imprisonment".

(e) The second paragraph of section 1112 (b) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than four years and which may be up to 10 years".

(f) The third paragraph of section 1112 (b) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to three years".

(g) Section 1113 of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of the offense is an individual sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to three years".

(h) Section 2031 of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than five years and which may be up to life imprisonment".

(i) Section 2111 of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of any such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than three years and which may be up to fifteen years".

(j) Section 1201(a) of title 18, United States Code, is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of any such offense (other than a victim described in clause (4) of this subsection) was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than five years and which may be up to life imprisonment".

Sec. 2. (a) Chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3579. Mandatory Minimum Sentences

"The imposition or execution of any mandatory minimum sentence pursuant to the provisions of section 13, subsection (a), (b), (c), or (d) of sections 113, 114, 1111(b) (including a sentence of life imprisonment for murder in the first degree), 1112(b), 1113, 1201(a), 2031, and 2111 of this title, involving an offense the victim with respect to which was sixty years of age or older at the time of such offense, shall not be suspended, probation shall not be granted, and chapters 309, 311, and 402 of this title shall not be applicable.".

(b) The analysis of chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"3579. Mandatory minimum sentences.".

Sec. 3. The amendments made by this Act shall be applicable with respect to offenses committed on and after the date of the enactment of this Act.

S. 3277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Prevention of Crime Against the Elderly".

Sec. 2. (a) The fourth sentence in section 303(a) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting before the period, a comma and the following: "and the prevention of crimes against the elderly".

(b) Section 301(b) of such Act is amended by adding at the end thereof the following new paragraph:

"(11) The development and operation of programs designed to reduce crime committed against the elderly including effective sentencing alternatives and the use of mandatory sentences, and improved offender rehabilitation programs, for offenders committing crimes against the elderly.".

(c) Section 303(a) of such Act is amended by redesignating paragraphs (14) and (15) of such section, and all references thereto, as paragraphs (15) and (16), and by inserting immediately after paragraph (13) the following new paragraph:

"(14) provide for the development and operation of programs designed to reduce crime against the elderly and to specifically strengthen offender rehabilitation programs with respect to offenders committing crimes against the elderly;".

S. 3278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 804 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as (D.C. Code, sec. 22–502), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offsense was sixty years of ago or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year but which may be up to ten years imprisonment".

(b) Section 805 of such Act, as amended (D.C. Code, sec. 22–503), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to five years".

(c) Section 806 of such Act, as amended (D.C. Code, sec. 22–504), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than six months and which may be up to twelve months".

(d) Section 807 of such Act, as amended (D.C. Code, sec. 22–506), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to ten years imprisonment".

(e) Section 812 of such Act, as amended (D.C. Code, sec. 22–2101), is amended by inserting immediately before the period at the end of the first sentence thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than five years and which may be up to life imprisonment".

(f) Section 802 of such Act, as amended (D.C. Code, sec. 22–2405), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to fifteen years imprisonment".

(g) Section 810 of such Act, as amended (D.C. Code, sec. 22–2901), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of such offense was sixty years of age or older at the time thereof, the defendant so convicted of such offense shall suffer imprisonment for not less than three years nor more than fifteen years".

(h) Section 811 of such Act, as amended (D.C. Code, sec. 22–2902), is amended by inserting immediately before the period at the end thereof a comma and the following: "except that, if the victim of any such offense is sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than one year and which may be up to three years".

(i) Section 808 of such Act, as amended (D.C. Code, sec. 22–2801), is amended by inserting a comma immediately before the period at the end thereof and the following: "except that, if the victim of any such offense is sixty years of age or older at the time thereof, the defendant so convicted of such offense shall be sentenced to a term of imprisonment which may not be less than five years and which may be up to life imprisonment".

Sec. 2. Notwithstanding any other provision of law, the imposition or execution of any mandatory minimum sentence pursuant to the provisions of sections 801, 802, 803, 804, 805, 806, 807, 808, 810, 811, 812, and 823 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, secs. 22–2404, 22–2405, 22–501, 22–502, 22–503, 22–504, 22–506, 22–2801, 22–2901, 22–2902, 22–2101, and 22–1801), involving an offense the victim with respect to which was sixty years of age or older at the time of such offense, shall not be suspended, probation or parole shall not be granted, and the provisions of the Act of July 15, 1932, as amended (D.C. Code, secs. 24–203 through 24–209), and section 937 of the Act of March 3, 1901, as amended (D.C. Code, sec. 24–405), shall not apply.

Sec. 3. The amendments made by this Act shall be applicable with respect to offenses committed on and after the date of the enactment of this Act.

By Mr. MATHIAS (for himself, Mr. Brooke, and Mr. Javits):

S. 3280. A bill to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare service provided for under Federal law. Referred to the Committee on Finance and the Committee on Labor and Public Welfare, jointly, by unanimous consent.

Mr. MATHIAS. Mr. President, today I am introducing for myself and the Senators from Massachusetts and New York,

Mr. Brooke and Mr. Javits, a bill which lays the groundwork for serious congressional and Presidential consideration of specific legislative steps we might take next year to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare services.

I am pleased to note, Mr. President, that the Senate has passed legislation to reform the food stamp program. The distinguished chairman of the Committee on Agriculture and Forestry and the floor manager of the food stamp bill, Mr. Talmadge, has noted that the reform of the food stamp program—important as this task may be—represents only one in a number of reforms which we must undertake, if we wish to develop a coherent, effective, and sensible system of public income maintenance programs. During the opening round of debate on the food stamp bill, the chairman stated, "the food stamp program does not operate in a vacuum." To stress his point, he quoted a statement made by Dr. Richard P. Nathan, of the Brookings Institution who said last year in testimony before the Agriculture Committee:

> The main lesson learned by analysts of welfare policies in the five years since President Nixon's family assistance plan was proposed in August 1969, is that all programs of Federal Government that transfer cash and in-kind assistance to individuals must be looked at together.

Mr. President, this is precisely the purpose which this bill accomplishes. This bill would create a national commission of 18 distinguished members, as follows: the Secretaries of HEW and Labor; four members appointed by the President from public or private life; three members appointed by the Senate majority leader, one from the Senate, and one from private life; three members appointed by the minority leader of the Senate, one from the Senate and one from private life; three members appointed by the House majority leader, one from the House and one from private life; and three members appointed by the minority leader of the House, one from the House and one from private life.

The Commission would have 1 year from the date of enactment to develop and recommend specific and detailed legislation regarding the reform of all Federal income maintenance programs for the relevant committees of the Congress and, of course, the Commission would have authority to hold hearings, conduct the necessary research and obtain all of the information and materials it requires through a full-time staff.

This bill is offered in the present form rather than as a specific immediate proposal to reform the current public income maintenance system in recognition of certain facts; facts which have convinced me that there will be no reform of the welfare system this year, though most of us agree that reforms are necessary; facts which suggest that there is, at this time, no general consensus in the Congress or public as to what form and substance the reform of income maintenance programs should take; facts which suggest that the issues involved are of such magnitude and complexity and fraught with emotion that, as an important initial step, we should remove partisanship as much as possible from the development of a well researched and documented welfare reform proposal by providing for a high-level issue oriented study and investigation of present income maintenance programs. I would point out that a number of State and local governmental organizations and public interest groups have been studying a proposal such as this bill embodies several months. I am pleased to note also that the approach outlined in this bill has received the endorsement of the U.S. Conference of Mayors Task Force on Income Security, the National Conference of State Legislatures, the National Association of Counties, and has received favorable consideration by the National Urban Coalition.

Mr. President, this legislation will not guarantee that the Commission will recommend a proposal on which the Congress, the President, or the general public will agree. But that outcome does not alarm me because the Congress will still have an opportunity to work its will on whatever proposal comes before it. The most important feature, however, is that, by adopting this bill, the Senate will be indicating its own dissatisfaction with our present system and that it does wish to begin and begin now, the process of designing a better income maintenance system.

It must be a system which assists citizens to achieve self-support and independence; it must be a system which provides expenditures in the amounts adequate to meet the needs of families and individuals; it must be a system which eliminates duplication and overlapping of services, activities, and functions; it must be a system which consolidates services, activities, and functions of a similar nature; it must be a system which reduces fraud and errors in program administration; it must be a system which assures equitable treatment of citizens in similar circumstances and needs; and finally, it must be a system which contains methods of equitable financing and some measure of fiscal relief for our financially pressed States, cities and counties. The need for reform is clear and pressing.

According to a January 6, 1976 report prepared for me by the Congressional Research Service, Federal welfare expenditures for fiscal year 1975 totaled $28.7 billion. This sum includes those major programs that transfer income—cash and in-kind benefits—to individuals with low pretransfer income such as AFDC, medicaid, SSI, food stamps, social services, general assistance, emergency assistance, veteran's pensions, and housing payments.

I also inquired about the efficiency of Federal programs in reducing poverty and was advised that 46.9 percent of the families and 62.7 percent of the unrelated indivduals who received public assistance cash payments in 1974 had money income below the poverty line. This income count, however, excluded the bonus value of food stamps, which totaled almost $3 billion in fiscal year 1974, and currently exceeds $6.5 billion annually; and it excludes medicaid payments which totaled $11 billion in fiscal year 1974 and now exceeds $14 billion yearly. Also, the definition of "family" was not restricted to families with children, but covers "a group of two or more persons related by blood, marriage, or adoption and residing together."

Nonetheless, CRS went on to indicate that data collected by the University of Michigan Survey Research Center showed that social security and unemployment insurance checks in 1971 reduced by 52 percent the number of poor "families" headed by the aged, including elderly individuals. But, according to CRS, such payments had relatively minor impact on the poverty of families with children, reducing by 11 percent the number of poor families without fathers and by 6 percent the number of poor families with two parents.

Cash welfare, plus the bonus value of food stamps, the Michigan study found, further reduced the number of poor families as follows: those headed by the aged, 11 percent; mother-headed families with children, 32 percent; and male-headed families with children, 16 percent. All in all, social insurance, plus cash welfare and food stamps, failed in 1971 to remove from poverty 43 percent of aged families, 61 percent of mother-headed families with children, and 79 percent of male-headed families who originally were poor.

I recognize that food stamps were a relatively small program in 1971, unavailable in many counties; and that SSI had not yet come into being. Yet the Michigan survey indicated that coverage of the poor population by the Nation's "system" of transfer payments is best for the poor aged, the poor disabled, and for poor mother-headed families with children. Of these groups, all received some transfers except for 3 percent, 11 percent, and 17 percent respectively.

Significantly, however, 51 percent of poor male-headed families with children, and 57 percent of poor families with a nonaged, nondisabled head without children received no transfer payments. One additional group of statistics from the Census Bureau points to the problem; namely that of the Nation's 5.1 million which were classified as poor in 1974, 980,000 had a breadwinner who worked full time year round. The heads of another 200,000 families worked all year at part-time jobs, and 1.5 million of the poor families had a breadwinner who worked only part of the year. In all, 53 percent of the persons heading poor families did some work in 1974.

The issues, at this point, appear to be the same which we confronted unsuccessfully more than 4 years ago: is the present system very effective when it comes to reducing income poverty, and does the present system despite food stamps, discourage men from working by excluding families headed by male full-time workers? Does the system still contain other wrong way incentives?

In addition to those arguments we heard—and used—from 1969 to 1972 describing the welfare system as inefficient, we are now confronted with the issue of multiple program participation and the effect of this phenomenon on recipients. The several welfare programs restricted to certain categories, we are told, omit many of the poor and create financial incentives for some to form into units eligible for help. For example, in States permitting AFDC only for fatherless families, and for families with incapacitated fathers, the program provides a financial incentive for fathers to desert their children, or to pretend to do so, or to fail to marry the mother in the first place. Categorical programs, therefore, result in inequitable treatment. Additionally, State-local administration of federally subsidized welfare is supposed to be complex, costly, error-prone, and impedes uniform treatment of the poor.

Perhaps, the most piercing argument against the present system is that our categorical programs which result in multiple program participation generally increases work disincentives by increasing the rate at which benefits are reduced for offsetting income. Additionally, multiple program participation can lessen the need for work, and it can make work less competitive with welfare. For instance, in July 1975, the maximum potential combined benefits—cash plus food stamps—to AFDC families of 4 persons in 37 States exceed the estimated net gain from a full-time job at the Federal minimum wage after social security taxes, bus fare and modest other expenses.

In many respects, some of the arguments used against the system in 1969 to 1972 still apply today; namely, that it contains disincentives to work; that it encourages family dissolution; and that it is inequitable both with respect to regions of the country and individuals.

But this does not lessen the dilemma which potential reformers face. We recognize that unless AFDC is opened up to poor intact families with a full-time working father, any changes that liberalize benefits automatically will increase the financial penalty against excluded families. This in turn will increase the incentive for family splitting. Moreover, if separate, uncoordinated programs continue to proliferate in response to specific needs, work disincentives will climb. At the same time, ultimate rationalization of the system may be impeded by the rising level of combined benefits that would have to be surrendered to achieve a universal system. We must acknowledge that the benefits of the food stamp program have narrowed regional income disparities of the poor and aided groups excluded for cash welfare; but, this fact alone increases the probable cost of replacing major welfare programs with a national cash program.

Accepting for a moment the goals established by the Institute for Research on Poverty of an income tested welfare program as being sound—a system which is adequate, efficient administratively, and target population-wise, equitable with incentives for work and family stability, and one which promotes independence, the question is how do we get there from here?

Do we conclude, as we did 6 years ago, that the system is in abysmal chaos beyond fine tuning and must be restructured? Or should we pursue incremental reform? Facing us is a $28 billion system which pleases few Americans, regardless of political ideology or class status. Yet the question recurs; how do we begin to address this issue, particularly this year?

This legislation we introduce today offers the way. Mr. President, I ask unanimous consent that letters from the Honorable Abraham Beame, chairman of the Task Force on Income Security for the United States Conference of Mayors and Mr. Vance Webb, president of the National Association of Counties endorsing this legislation and the text of the bill be printed in the Record.

There being no objection, the bill and letters were ordered to be printed in the Record, as follows:

S. 3280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the financing, administration, and delivery of social welfare services, including, but not limited to, those programs which provide a cash benefit or the equivalent of cash to individuals and families in need by—

(1) assisting needy and low income people to achieve self-support and self-sufficiency;

(2) providing funds in the amounts adequate to meet the needs of needy and low income families and individuals;

(3) eliminating duplication and overlapping of services, activities, and functions in the Federal income maintenance programs;

(4) consolidating services, activities, and functions of a similar nature in such programs;

(5) reducing fraud and errors in administration of such programs;

(6) assuring equitable treatment of people in similar circumstances and needs under such programs, taking into consideration geographic locations and other factors; and

(7) developing methods of equitable financing for such programs.

Sec. 2. (a) There is hereby established a Commission to be known as the National Commission on the Reform of Income Maintenance Programs (hereinafter referred to as the "Commission") for the purpose of developing specific legislative proposals designed to carry out the policies set forth in the first section.

(b)(1) The Commission shall consist of eighteen members as follows:

(A) The Secretary of Health, Education, and Welfare.

(B) The Secretary of Labor.

(C) Four members appointed by the President from public or private life.

(D) Three members appointed by the majority leader of the Senate, one from the Senate and one from private life.

(E) Three members appointed by the minority leader of the Senate, one from the Senate and one from private life.

(F) Three members appointed by the majority leader of the House of Representatives, one from the House of Representatives and one from private life.

(G) Three members appointed by the minority leader of the House of Representatives, one from the House of Representatives and one from private life.

(2) If any member has been appointed by virtue of the office he holds, his term shall expire when he no longer holds such office.

(d) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) The Commission shall elect a chairman and vice-chairman from among its members except that no member of the President's cabinet or Congress may serve in either position.

(f) Ten members of the Commission shall constitute a quorum.

Sec. 3. (a) Members of the Commission who are officers or fulltime empoyees of the United States or who are Members of Congress shall receive no compensation for their services as members of the Commission.

(b) All other members, unless precluded by the nature of any office they hold, shall be compensated at rates determined by the Commission, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5, United States Code.

(c) All members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

Sec. 4. The Commission shall appoint an Executive Director and not to exceed three assistant directors. The Executive Director shall be compensated at a rate not to exceed that of level V of the Executive Schedule and the Assistant Directors at a rate not in excess of the maximum rate authorized by the General Schedule (subchapter III of chapter 53 of title 5, United States Code). The Commission shall have the power to appoint other personnel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual shall receive compensation at a rate in excess of the maximum rate authorized by the General Schedule. The Commission may request the detail of Federal employees. with or without reimbursement. The Commission may also use consultant or contract services.

Sec. 5. The Commission shall develop and draft proposed legislation to reform existing social welfare laws and programs in accordance with the policies set forth in the first section. It shall also draft a proposed plan for implementation of such legislation. The Commission shall also prepare cost estimates for carrying out such proposed legislation.

Sec. 6. In carrying out the purpose of this Act and in developing the necessary legislation, the Commission shall:

(1) hold public hearings, discussions, and meetings and receive such testimony as it deems necessary;

(2) study and analyze past and present social welfare policies and programs on the local, State, and federal levels;

(3) consider the relationships among cash and in-kind income and job security programs, job creations, social services, and manpower programs;

(4) consult with persons knowledgable in the development and administration of social welfare programs, including recipients of benefits; and

(5) regularly inform and consult with the relevant legislative committees of Congress and the relevant agencies of the Executive Branch.

Sec. 7. The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed by the Commission in carrying out the purposes of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates and statistics directly to the Commission, upon request made by the chairman or vice chairman of the Commission.

SEC. 8. No later than one year after the date of enactment of this Act, the Commission shall submit its recommendation to the appropriate committees of the Congress and to the President.

SEC. 9. Any information obtained by the Commission from individuals, groups, organizations, Federal, State, and local agencies and officials shall be subject to all existing and future laws concerning privacy and freedom of information.

SEC. 10. (a) The Commission shall commence its activities as soon as ten members have been appointed.

(b) If, after ten members have been appointed, no money has been appropriated to carry out the purposes of this section, the Commission may enter into an agreement with the Secretary of Health, Education, and Welfare to advance such financial resources as may be necessary to begin the work of the Commission. The Department of Health, Education and Welfare shall be reimbursed for such advances out of funds appropriated to carry out this Act.

SEC. 11. The Commission shall locate its offices in the District of Columbia and may obtain and utilize services, facilities, and staff provided under agreement between it and any Federal agency, for which such agency may or may not be reimbursed.

SEC. 12. (a) The Commission is authorized, by a vote of two-thirds or more of its members, to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any subcommittee or member. Subpenas may be issued under the signature of the chairman or vice chairman and may be served by any person designated by the chairman or the vice chairman.

(b) In the case of contumacy or refusal to obey a subpena issued under subsection (a) of this section by any person who resides, is found, or transacts business within the jursidiction of any district court of the United States, such court, upon application made by the Attorney General of the United States, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

Sec. 13. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purpose of this Act, to remain available until expended.

U.S. CONFERENCE OF MAYORS,
Washington, D.C., April 8, 1976.

HON. CHARLES MC. MATHIAS, Jr.
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: I am writing to you today as Chairman of the U.S. Conference of Mayors Task Force on Income Security. I understand you are about to introduce legislation to establish a National Commission on the Reform of Income Assistance Program. The Commission would have a one-year mandate to develop detailed welfare reform legislation to submit to Congress.

I strongly endorse this legislation and the goals behind it. Welfare is now recognized as a national problem and as such must be a federalized effort. Local governments can no longer bear the burden of these costs, which if you include medical care for the poor, will total $1.1 billion of New York City tax levy funds for the next fiscal year. Such costs make up a third of our total budget, counting state and federal shares. In addition, those who receive welfare benefits must be given equitable and adequate treatment, while we provide incentives to become self-sufficient through full-time employment. In the final analysis, only the federal government could provide such a program. You have my support in this endeavor and I hope it will receive prompt consideration and enactment.

Sincerely,

ABRAHAM D. BEAME,
Mayor, Chairman,
Task Force on Income Security.

NATIONAL ASSOCIATION OF COUNTIES,
Washington, D.C., April 8, 1976.

HON. CHARLES MC. MATHIAS, Jr.
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: I am delighted to learn that you plan to introduce a bill to create a national commission to develop recommendations for reforming the federal income maintenance programs. Reform of the present welfare system is one of NACo's highest priorities and we applaud your leadership in introducing this bill. We believe that the work of such a commission would make a major contribution toward the development of meaningful reform, and we look forward to working with you to get this bill through Congress.

Sincerely,

VANCE WEBB,
President.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the bill be jointly referred to the Committee on Finance and the Committee on Labor and Public Welfare.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, I am today joining with Senator MATHIAS in introducing a bill which provides for the establishment of a National Commission on the Reform of Income Maintenance Programs.

The time has long passed for consideration of the problem of the burden of welfare on our Nation's cities and States. Over the years, I have advocated the assumption of responsibility for welfare at the Federal level, and the welfare problem has become particularly urgent with the intensification of the fiscal crisis which confronts our cities and States.

Last year at our hearings in the Banking Committee on the New York City fiscal crisis, I expressed my own grave reservations about the wisdom of financing the debt of New York City through Federal loan guarantees. Based upon my experience in municipal finance, I believe that it is the responsibility of State and local governments to finance their own activities. However, I did vote for the New York City Seasonal Financing Act of 1975. That act provided for short-term, seasonal cash-flow loans of up to $2.3 billion for New York over the next 3 years. The seasonal financing program will assist New York in meeting its short-term cash needs. It will not, however, solve the city's basic economic problems.

At recent oversight hearings on the Seasonal Financing Act, Secretary Simon presented to the Banking Committee some long-term options to help meet the needs of New York and other cities. Among other things, the Secretary observed,

> We need a comprehensive re-examination of Federal, State and local relationships in the area of assistance to the disadvantaged.

He cautioned that a change in welfare policy would not in itself be a solution to the financial problems of New York and other cities, and I agree with him on this.

However, Federal assumption of responsibility for welfare would go a long way toward easing the fiscal burdens of our financially strapped cities and States. In New York, for instance, if the Federal Government were to assume all of the city's current welfare obligations, the city's budget deficit would be reduced by about $800 million.

Welfare is truly a national problem and the financing of public assistance must be a Federal responsibility. New York's situation is only the most publicized example of this problem. In fact, the city of Boston has a higher percentage of its population on public assistance than New York does. Philadelphia, St. Louis, Baltimore, Newark, and Washington, D.C., all have higher percentages of welfare recipients than New York. With a declining population, these cities can no longer afford to support their increasing welfare populations.

A dramatic shift in our population has occurred over the past decade or two. There has been a large migration of poor persons from the South and elsewhere to our urban centers, a movement of the middle class to the suburbs, and an aging of the existing population in our cities. The population of the central cities has decreased, while the number of poor persons on welfare has increased. The unavailability of jobs for these people in the cities has increased the welfare burden. At the same time, the loss of a tax base because of the migration of middle-income people and industry to the suburbs has made the burden of paying for welfare even greater for the hard-pressed working people still living in the cities.

Ironically, those cities and States which have tried to provide a decent standard of living for their welfare population, including my own State of Massachusetts, have been forced to bear a disproportionate share of the national welfare burden. A Federal assumption of responsibility for welfare can remove this unfair burden and, at the same time, equalize the benefits available to poor persons in all jurisdictions.

In sponsoring this bill, I am not suggesting that the issues involved in federalization of welfare are simple. We must consider the intricate relationship between our employment program and our welfare policies and, in my opinion, the availability of jobs is our highest national priority. We must deal with regional variations in the cost of living. We must consider the relationship of welfare related services—day care, medicaid, and food stamps. These and other considerations must be carefully weighed.

But it is not as if we have just begun to think about these problems. Congress and the administration have studied, investigated, and evaluated proposals for dealing with the welfare issue for many years. A decision cannot be put off much longer—if nothing else, the fiscal plight of our cities and States reminds us of that.

What Senator Mathias and I are proposing is that we set a definite timetable for consideration of specific proposals to reform the welfare system. I urge my colleagues to support this bill.

By Mr. KENNEDY (for himself and Mr. Roth):

S. 3281. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs. Referred to the Committee on Government Operations.

FEDERAL PROGRAM INFORMATION ACT

Mr. KENNEDY. Mr. President, for myself and the distinguished Senator from Delaware (Mr. Roth), I introduce and send to the desk the Federal Program Information Act.

I ask unanimous consent that a joint statement of the Senator from Delaware (Mr. Roth) and myself be printed in the Record, together with the text of the bill.

There being no objection, the statement and bill were ordered to be printed in the Record, as follows:

JOINT STATEMENT OF SENATORS EDWARD M. KENNEDY AND WILLIAM V. ROTH, JR.

We are today introducing the Federal Program Information Act. This legislation provides for the efficient and regular distribution of information on all Federal domestic assistance programs.

We are joined by Representative Charlie Rose (D-N.C.) who is introducing similar legislation in the House of Representatives.

The bill establishes a Federal Program Information Center to serve as a single, comprehensive source of timely information on all Federal domestic assistance programs. Using modern technology, the Center will develop a computerized information system to facilitate the widespread dissemination of program information by use of remote computer terminals. The center will also publish a catalog of Federal domestic assistance programs.

The information center would extend and improve upon an information retrieval system presently operated by the Rural Development Service of the Department of Agriculture. The Center would also expand upon the information now published annually by the Office of Management and Budget in the Catalog of Federal Domestic Assistance.

There are over 1,000 Federal programs which provide financial and technical aid to State and local governments and other eligible recipients. Yet there is no easy way to identify these programs and assure full participation by all intended beneficiaries. Many potential beneficiaries are denied access to this assistance by virtue of the difficulty of learning about programs and program requirements, and because of the complexity of determining whether one is eligible. For example, a city or town seeking Federal assistance to build a hospital, a school, or a sewage treatment plant, may spend weeks trying to identify the Federal programs that the community is eligible for and that provide assistance for the intended purpose. In many instances, States and larger cities spend a considerable amount of money maintaining Washington representatives to keep abreast of changes in Federal programs. Smaller cities and towns, that cannot afford a full-time "grantsman", are penalized by receiving less than their fair share of participation in Federal programs.

The legislation that we have introduced today will reduce the inequities and inefficiencies inherent in the present information system. The bill would establish a single source of up-to-date information concerning all Federal domestic assistance programs and would provide the information quickly and in a manner that maximizes its usefulness to State and local governments and to other intended beneficiaries.

A potential applicant would feed into the computer some basic information on his project needs and would provide a simple profile of his community. The computer would then furnish a listing of all programs for which the individual meets the basic eligibility criteria. This comprehensive, quick and easy-to-use system offers a significant improvement over the cumbersome methods now in use.

This legislation also provides for more complete disclosure of pertinent program information. Of particular importance, the bill would provide meaningful financial information for each program, including the current appropriation and the level of uncommitted funds.

The intended beneficiaries of Federal grants programs have a right to the full, fair, and timely disclosure of program information. Furthermore, the Federal govenment has a responsibility to make this information readily available, using the best available technology.

The Federal Program Information Act is an important step toward the goal of eliminating the yards of red tape that surround Federal assistance programs, and ensuring that Federal funds are used fairly and efficiently.

S. 3281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Federal Program Information Act".

FEDERAL PROGRAM INFORMATION CENTER

Sec. 2. The President shall establish a Federal Program Information Center (referred to in this Act as the "Center").

PURPOSE OF CENTER

Sec. 3. The Center shall be designed to identify all existing Federal domestic assistance programs, wherever administered, and to provide information on each program to the general public through computer terminals and through a published catalog.

INFORMATION REQUIREMENTS

Sec. 4. (a) The Center shall establish and maintain a data base which, for each Federal domestic assistance program—

(1) identifies the program by title, by authorizing statute, by administering office, and by an identifying number assigned by the Center;

(2) describes the program, the objectives of the program, and the types of projects which have been funded under the program;

(3) describes the eligibility requirements, the formulas governing the distribution of funds, the types of assistance, the uses and restrictions on the use of assistance, and the obligations and duties of recipients under the program;

(4) provides financial information, including, if available, the amount of funds appropriated for the current fiscal year, the amounts obligated in past years, the average amounts of awards made in past years, and, to the extent feasible, current information on the amount of funds not already obligated nor otherwise committed;

(5) identifies information contacts, including the administering office and regional and local offices, and their addresses and telephone numbers;

(6) provides a general description of the application requirements and procedures and an estimate of the time required to process the application; and

(7) identifies programs which provide similar types of assistance.

(b)(1) Each Federal agency shall furnish to the Center, at such times as the Center may determine, current information on all domestic assistance programs administered by that agency.

(2) The Center shall on a regular basis incorporate into the data base all relevant information received under paragraph (1).

COMPUTERIZED PROGRAM INFORMATION SYSTEM

Sec. 5. (a) The Center shall establish and maintain a computerized program information system (referred to in this Act as the "information system").

(b) The information system shall be designed to provide the potential beneficiary with a listing of programs for which he meets the basic eligibility criteria, and with such information on these programs as is contained in the data base.

(c) The Center, to the greatest extent practicable, shall provide for the widespread availability of information contained in the data base, by computer terminals maintained by the Federal government or owned or operated by State or local governmental units or their designees, by federally recognized Indian tribes or their designees, by private organizations, or by individuals.

(d) The Center is authorized to enter into contracts with private organizations to obtain assistance for the development and maintenance of the information system and to obtain computer time sharing services.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE PROGRAMS

Sec. 6. (a) The President shall prepare and publish each year a catalog of Federal domestic assistance programs (referred to in this Act as the "catalog").

(b) The President shall prepare and publish supplements to the catalog as necessary, but not less than once each year.

(c) The catalog shall contain, in such form as the President determines—

(1) all information on Federal domestic assistance programs that is in the data base at the time that the catalog is prepared;

(2) any other information which the President considers helpful to potential applicants under such programs; and

(3) a detailed index.

(d)(1) The President shall make the catalog available to the public at a price approximately equal to the cost of its preparation.

(2) There are authorized to be distributed without cost not to exceed 30,000 catalogs to Members of Congress, Resident Commissioners, Federal agencies, State and local units of government, federally recognized Indian tribes, and other local repositories designated by the President.

DEFINITIONS

Sec. 7. For the purposes of this Act—

(1) the term "Federal domestic assistance program" means any program, activity, service, or project of a Federal agency which provides assistance to an eligible applicant, including a State or local government, or any instrumentality thereof, a federally recognized Indian tribe, a domestic profit or nonprofit corporation or institution, or an individual;

(2) the term "assistance" includes grants, loans, loan guarantees, scholarships, mortgage loans and insurance, or other types of financial assistance; provision or donation of Federal facilities, goods, services, property, technical assistance and counseling; but does not include provision of conventional public information services:

(3) the term "administering office" means

the lowest subdivision of any Federal agency that has direct operational responsibility for managing a Federal domestic assistance program;

(4) the term "Federal agency" means an agency as defined by section 551(1) of title 5, United States Code; and

(5) the term "computer time sharing services" includes the use of a computer, telecommunications network, computer software, and associated services.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. THURMOND (for himself, Mr. HELMS, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. MATHIAS, Mr. MORGAN, Mr. NUNN, Mr. PASTORE, Mr. PELL, Mr. HUGH SCOTT, and Mr. TALMADGE):

S. 3282. A bill to authorize the establishment of the Eutaw Springs National Battlefield Park in the State of South Carolina, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

EUTAW SPRINGS NATIONAL BATTLEFIELD PARK, S.C.

Mr. THURMOND. Mr. President, the Battle of Eutaw Springs was one of the great battles of the American Revolution. It was one of the six battles of the American Revolution for which the Continental Congress authorized a gold medal in honor of the victory. In 1785-86 under the supervision of Benjamin Franklin and Thomas Jefferson the six gold medals were struck in Paris, France. It is interesting to note the largest gold medal of the six honored Gen. George Washington for "The Retreat of the British From Boston," and the second largest gold medal honored Maj. Gen. Nathanael Greene for the Battle of Eutaw Springs. Forty-five counties in 21 States honor the heroes of the battle. It was perhaps the hardest fought battle of the war. With only one-fifth as many troops committed to battle, its casualties exceeded those at Yorktown. Gen. Nathanael Greene of Rhode Island commanded. Troops from at least 11 of the original 13 States fought in the battle. The American Forces, consisting of Continental Troops and State Militia, fought with conspicuous gallantry.

The Continental Troops included Captain Kirkwood's "Blue Hen's Chickens" from Delaware, Col. John Eager Howard and the Second Maryland Line, and Lt. Col. "Light-Horse Harry" Lee of Virginia who commanded Lee's Legion. North Carolina's heroes included Gen. Jethro Sumner and Maj. John B. Ashe. South Carolina's included Gen. Francis Marion, the famous "Swamp Fox," Gen. Andrew Pickens, Col. Wade Hampton who commanded Thomas Sumter's troops, and Col. William Washington who settled in Charleston after the war. Col. Joseph Habersham of Georgia was another hero of the battle. John Adair who served gallantly in the battle later served as a U.S. Senator and Governor of Kentucky. He commanded the Kentucky Volunteers in the Battle of New Orleans as a major general. Another gallant soldier in the battle was Col. Lewis Morris, Jr., of New York State, a son of Lewis Morris, a signer of the Declaration of Independence from New York.

Of the heroes of the battle, at least 14 would later be elected to the U.S. Congress from six different States, including the ones who would be elected Governors of North Carolina, Virginia, Maryland, and Kentucky. Others would serve in Congress from Georgia and South Carolina. Among the many heroes of the battle who gave their lives for the Nation was Gen. Nathanael Greene's black orderly, a free man from Maryland, who was cited for his gallantry by General Greene.

The Battle of Eutaw Springs has always been a part of the inspiring heritage of South Carolina and of the Nation. The heroes of the battle are mentioned in Henry Timrod's poem, "Carolina," South Carolina's State song. The bronze doors of the U.S. House of Representatives in Washington, D.C., cast in 1902, portray eight scenes of history. One of the eight scenes is the presentation of the flag and medal to Gen. Nathanael Greene for the Battle of Eutaw Springs.

The Battlefield of Eutaw Springs is located in Orangeburg County, S.C. Less than 5 percent of the original battlefield is flooded by the Santee-Cooper Lake. A resolution of the South Carolina General Assembly, cosponsored by 93 members, asked for the development of the Eutaw Springs National Battlefield. Mr. President, I ask unanimous consent that this resolution be printed in the RECORD at the conclusion of my remarks.

It has also been endorsed by the National Advisory Council on Historic Preservation and the South Carolina American Revolution Bicentennial Commission. Its supporters include members of both parties and both races.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, I am introducing legislation which represents a bipartisan effort to give proper recognition to one of the great battles of the American Revolution by establishing the Eutaw Springs National Battlefield. Eutaw Springs occupies a significant part of our national heritage and the establishment of a national battlefield in its honor would be for the benefit and enjoyment of all Americans.

I ask that my colleagues join me in supporting this important legislation. Mr. President, at this time, I send the bill to the desk and I ask unanimous consent that the bill, together with an article entitled "The Battle of Eutaw Springs" by South Carolina Representative Sam P. Manning, be printed in the RECORD.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 3282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve, protect, and interpret an area of unique historical significance, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Eutaw Springs National Battlefield Park (hereinafter referred to as the "Battlefield") in the State of South Carolina. The battlefield shall comprise the area depicted on the map entitled "   ", numbered   , and dated   , which shall be one file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia. The Secretary may make minor adjustments in the boundaries of the Battlefield from time to time by publication of the description of such adjustments in the Federal Register.

SEC. 2. Within the boundaries of the Battlefield, the Secretary may acquire lands and interests in lands by donation, purchase, exchange, or transfer. Any lands or interests in land owned by the State of South Carolina or its political subdivisions may be acquired only by donation. When any tract of land is only partly within the boundaries of the Battlefield, the Secretary may acquire all or any portion of that tract outside the boundaries in order to minimize the payment of severance costs. Land so acquired outside the boundaries of the Battlefield may be exchanged by the Secretary for non-Federal lands within the boundaries of the Battlefield. Any portion of land acquired outside the boundaries of the Battlefield and not exchanged shall be transferred to the Administrator of the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.). When the Secretary determines that he has acquired sufficient lands or interest in lands to constitute an administrable unit, he shall establish the Eutaw Springs National Battlefield by publication of a description thereof in the Federal Register.

SEC. 3. The Secretary shall administer the Battlefield in accordance with the Act of August 25, 1916 (16 U.S.C. 1, 2-4), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.).

SEC. 4. The Act of June 26, 1936 (16 U.S.C. 423m-4230), is repealed.

SEC. 5. There are authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

THE BATTLE OF EUTAW SPRINGS

(By Representative Sam. P. Manning)

INTRODUCTION

One cannot read about the sacrifices, statistics, heroes and effects of the Battle of Eutaw Springs without becoming aware of its place in American history. It is very much a part of the heart and heritage of the nation. A Eutaw Springs National Battlefield would serve as a reminder of the unselfish patriotism of those who helped found the nation.

NATIONAL SIGNIFICANCE

The Battle of Eutaw Springs, September 8, 1781, was one of the great battles of the American Revolution. It was one of the six military engagements of the war in which the Continental Congress authorized a gold medal in honor of the victory. The others were: the Retreat of the British from Boston, 1776; the Battle of Saratoga, 1777; Stony Point, New York, 1779; Paulus Hook, New Jersey, 1779; and the Battle of Cowpens, 1781. For the naval victory of the Bonhomme Richard over the Serapis, 1779, a gold medal was also authorized which was presented to Captain John Paul Jones. For the Battle of Yorktown, 1781, a marble obelisk was authorized upon which was to be inscribed the Seal of the United States and that of France.

The gold medals were designed under the supervision of Benjamin Franklin and Thomas Jefferson in Paris, France in 1785-86. The largest gold medal was presented to General Washington for The Retreat of the British from Boston. The gold medal presented to Major General Nathanael Greene for the Battle of Eutaw Springs was second in size only to the gold medal presented to

General Washington. The gold medal presented to General Greene was of equal size to the one presented to Captain John Paul Jones. The other gold medals according to size were presented respectfully to Brigadier General Daniel Morgan for the Battle of Cowpens, Major General Horatio Gates for Saratoga, Brigadier General Anthony Wayne for Stony Point and Lieutenant Colonel Henry Lee for Paulus Hook.

One of the eight scenes of history on the bronze doors of the United States House of Representatives is the scene of the presentation of the gold medal to General Nathanael Greene for the Battle of Eutaw Springs. Authorized in 1858, it was cast in 1902. At least fifty counties in twenty-one states are named in honor of heroes of the Battle of Eutaw Springs. Many of the heroes of the engagement are equally deserving of remembrance and their gallantry and sacrifice are very much a part of the heritage and history of our nation.

The Battle of Eutaw Springs was perhaps the hardest fought battle of the Revolution. It was the culmination of Major General Greene, "The Fighting Quaker From Rhode Island's" brilliant campaign to free the southern states from the yoke of British tyranny.

Both the American and British forces fought with conspicuous gallantry. The casualties in relationship to numbers engaged exceeded every other major battle of the war except Bunker Hill. The American Force consisted of approximately 2,200 men, both Continental Soldiers and State Militia. They came from at least eleven of the original thirteen states and from France and Poland. Among the gallant group of heroes was a Company of Catawba Indians. One of the heroes who gave his life in the battle for our country was General Nathanael Greene's black orderly, a free man from Maryland, who was cited for his gallantry by General Greene.

The American force suffered 554 casualties: 139 killed, 375 wounded and 40 missing, or 25%. The British force of approximately 2,000 suffered 936 casualties, consisting of 85 killed, 421 wounded and 430 missing, or 47%. With one-fifth as many troops in battle, the casualties at Eutaw Springs exceeded those at Yorktown. It has been stated the British suffered at the Battle of Eutaw Springs the highest percentage of losses sustained by any force during the war.

General Greene, a veteran of some of the hardest fought battles of the war, including Brandywine and Guilford Court House, said that the fighting at Eutaw Springs was the fiercest that he had ever seen. He also spoke of his great pride in the gallantry of his officers and men, both Milita and Continentals.

The battle occurred on a sandy road in partly open country near Eutaw Springs, S.C., a few miles from the Santee River. Approximately 5% of the battlefield is now flooded by Lake Marion. After the battle in the summer heat, General Greene pulled back his troops to a nearby spring and the following morning Colonel Stewart, the British Commander, ordered his men to march posthaste to Charleston in order to protect themselves from Greene's army. In their effort to escape they threw away 1,000 rifles or muskets and destroyed 30 cases of rum. Under the orders of General Greene, Francis Marion, "The Swamp Fox," and Lieutenant Colonel "Light Horse Harry" Lee and their commands pursued Colonel Stewart and his forces to the gates of Charleston.

After much sacrifice and hardship most of North Carolina, South Carolina and Georgia had been freed from British rule.

Lieutenant Colonel Henry Lee carried the message of the victory to Washington and made a personal report.

The victory closed one possible route of escape for Cornwallis. The following month the American cause was again victorious at Yorktown.

General George Washington congratulated General Greene on the victory. The Continental Congress passed a Resolution, a copy of which is attached to this article, in which it authorized that a gold medal be presented to General Greene together with the British Standard captured in the battle. It also commended the Continental Army units from Delaware, Maryland and Virginia for their "unparalleled bravery and heroism", the Legion for its gallantry", the troops from North Carolina for their "resolution and perseverance", the state troops from South Carolina for their zeal and firmness", the Militia from the several states for "sustaining their post with honor" and expressed particular appreciation to General Francis Marion for his services in behalf of the country and for his gallant leadership in the Battle.

Many states sustained painful losses. North Carolina furnished more troops, both Continentals and Militia, and suffered more casualties than any other state. At Eutaw Springs she also sustained more casualties than in any other battle of the Revolution. In the past General Greene had at times criticized Militia soldiers for their action in combat; at Eutaw Springs he spoke of them with the highest praise.

The famous British Historian George Otto Trevelyan wrote in his famous "History of the American Revolution," "At Eutaw Springs many of the Continental Infantry, the cloth of whose coats had long ago rotted off them in fragments 'fought with pieces of moss tied on the shoulder and flank to keep the musket and cartridge box from galling.' "

John Adams wrote that the significance of the Battle of Eutaw Springs was equal to Yorktown. Eutaw Springs, like Yorktown and Cowpens, Saratoga and Boston, is very much a part of the history of the nation. The gallant men who fought and died there, so that independence and liberty might be achieved, are deserving of remembrance. Where they fought, bled and died is sacred soil, consecrated by the blood of patriots who laid down their lives on the altar of freedom. Their sacrifices inspired Phillip Freneau, "Poet Laureate of the American Revolution," to write the poem "At Eutaw Springs the Valiant Died." Henry Timrod in his famous poem "Carolina" mentions their sacrifices again in the poetic and somber phrase, "Hold up the honored glories of thy dead and point to Eutaw's battle bed, Carolina." "Carolina" is the state song of South Carolina.

HEROES FOR THE COUNTRY

General Nathanael Greene is generally recognized as next to General George Washington as the finest military leader produced in the American Revolution. A member of the legislature of Rhode Island, he was a private in that state's Provincial Troops. Due to a slight limp he was unable to receive a commission as a company officer, but when the Revolution started due to his ability and knowledge of military tactics he was appointed a Brigadier General. He served throughout the war with great distinction. Acclaimed "The Savior of the South" he was presented with a plantation for his services by the State of Georgia. After the war due to ill health he moved from Rhode Island to Georgia in 1785 and died in 1786 at the age of 44. Mrs. Greene, Colonel Henry Lee and General Anthony Wayne were at his bedside. Colonel Lee, then a member of Congress, wrote to General Washington, "Your friend and second, the patriot and noble Greene, is no more. Universal grief reigns here. How hard is the fate of the United States to lose such a man in middle life! But he is gone and I am incapable to say more." The statue of General Nathanael Greene in the Hall of Heroes in the Rotunda in our nation's capitol in Washington, D.C. was the first to be placed there by any of the states. He was selected by his native state of Rhode Island for this position of honor.

At Eutaw Springs, General Greene had an extraordinary number of able and gallant officers and men to serve in his command. His command also included some of the great military units of the war. There was in fact a galaxy of heroes. A number of them achieved military fame but never sought high political office. Of these General Greene was the most famous. General Francis Marion, the "Swamp Fox," who was a native of South Carolina was another. More counties are named in his honor than any other military hero of the Revolution except President Washington. Seventeen states have a county named in honor of Francis Marion. General Jethro Sumner of North Carolina was one of North Carolina's ablest military leaders in the war. He served with marked distinction and with little public acclaim. General Otho Holland Williams of Maryland served in the Maryland Line of the Continental Army with distinction and prominence. Colonel William Washington of Virginia, with Lieutenant Colonel "Light Horse Harry" Lee, was one of the two famous cavalry leaders of the Revolution. He was also one of the four men in the American Revolution to receive a silver medal from the Continental Congress. Both he and Lieutenant Colonel John Eager Howard received their awards for the Battle of Cowpens. Colonel Francis Harris of Georgia who served from 1775 until his death in 1782 in the Continental Line from the State of Georgia and Captain Kirkwood, the legendary commander who commanded Delaware's "Blue Hen's Chickens," the nickname for the Delaware Line, also served at Eutaw Springs with distinction. Colonel Harris' home "Wild Heron" still stands, the oldest plantation house in Georgia.

Count Thaddeus Kosciuszko, a gallant volunteer from Poland, was a veteran of the Battle of Saratoga. He was the Engineer for General Greene's army at the Battle of Eutaw Springs. After the Revolution he gained lasting fame when he fought to establish the independence of Poland.

Marquis de Malmady, a volunteer from France, served as a Colonel in the North Carolina Militia and commanded the North Carolina Militia at the Battle of Eutaw Springs. His battalion commanders included Major Pleasant Henderson, a brother of General William Henderson who commanded the South Carolina State Troops due to General Thomas Sumter's wound. When Henderson was wounded in the battle Colonel Wade Hampton assumed command. One of Hampton's commanders was Major William Polk of North Carolina. He was a kinsman of the President and the father of "The Fighting Bishop" Lieutenant General Leonidas Polk of the Confederacy, the founder of Sewanee University. Pleasant and William Henderson were the uncles of Pinckney Henderson, the first Governor of Texas. General Andrew Pickens' command at the Battle of Eutaw Springs included Captain Joseph Hughes, a veteran of Kings Mountain and Cowpens, who served as a Colonel in the Alabama Militia in the 1820's.

Corporal William Cooper of Pennsylvania served as an officer in the Navy in the War of 1812 and in 1848 he was still on active duty in the Navy at Philadelphia, Pennsylvania. This was more than sixty years after his gallant service at the Battle of Eutaw Springs. He was an uncle of the author, James Fennimore Cooper. Colonel Matthew Irvine, like Cooper, was a member of Lee's Legion. He was a brother of General William Irvine of Pennsylvania who was a member of the Continental Congress. Lieutenant James Lovell of Boston, Massachusetts, graduated at Harvard in 1776. At Eutaw Springs he fought with Lee's Legion. His father was James Lovell, the speaker at the first anniversary of the Boston Massacre in 1771, a member of the Continental Congress and Chairman of the Committee that designed the Seal for the United States. Lieutenant Colonel Lewis Morris, Jr. served as an aide to General Greene in the Battle. His father, General Lewis Morris, signed the Declaration of Independence for the State of New York, and his Uncle Gouverneur Morris was a delegate to the United States Constitutional Convention for the State of Pennsylvania.

Those who served at Eutaw Springs who later achieved political prominence are legion. Lieutenant Colonel John Eager Howard of Maryland, one of the Continental Army's most famous soldiers, recipient of a silver medal for the Battle of Cowpens, mentioned in Maryland's State Song, "Maryland, My Maryland," was elected Governor and United States Senator from the State of Maryland and Lieutenant Phillip Stuart served as a member of Congress from that state. Lieutenant Colonel "Light Horse Harry" Lee of Virginia was one of the legendary heroes of the Revolution. He was a recipient of a gold medal for the Battle of Paulus Hook, a member of Congress, Governor of Virginia, and an orator who expressed the phrase concerning Washington at the time of his death, "First in war, first in peace, first in the hearts of his country men." His famous son was General Robert E. Lee of the Confederacy. Lieutenant Peter Johnson, Speaker of the Virginia House of Burgesses, and Judge, was the father of General Joseph E. Johnson of the Confederacy; Major Joseph Eggleston was a member of Congress from Virginia. Major John Batista Ashe served as Speaker of the North Carolina House of Representatives and as a member of Congress from North Carolina. Elected Governor of the state, he died before assuming office.

Major Thomas Blount who commanded a battalion of North Carolina Militia was a member of Congress from North Carolina. He was a brother of Senator William Blount of Tennessee.

General Andrew Pickens, one of the legendary heroes of the war, and a famous indian fighter, was a member of Congress from South Carolina as was Colonel Robert Anderson and Captain William Butler. Colonel Wade Hampton, who was conspicuous for his leadership in the battle, was a member of Congress from South Carolina and a Lieutenant General in the War of 1812. Lieutenant John Adair, who served with the South Carolina State Troops in the Battle of Eutaw Springs, served as a member of Congress, Governor and United States Senator from Kentucky. He also commanded the Kentucky Volunteers at the Battle of New Orleans as a Major General.

Colonel Samuel Hammond, a member of Congress from Georgia, was appointed by Thomas Jefferson in 1804 First Civil and Military Officer for the Upper Louisiana Territory. He was elected First President of the Territorial Council of Missouri in 1820. Major William Pierce was a member of Congress from Georgia and a delegate to the United States Constitutional Convention. Major Nathanael Pendleton was a member of Congress from Georgia and a Federal Judge. His grandson George Hunt Pendleton was a member of the United States Senate from Ohio and a supporter of the Union during the Civil War. He was a Vice Presidential nominee in 1864.

These are but a few of the gallant men who served with such courage at the Battle of Eutaw Springs. Many of their comrades were killed in the battle and many were maimed for life. Through their efforts a great deal was achieved toward the achievement of independence and the ultimate founding of the nation.

After the war was won and independence achieved many of the gallant soldiers of the Revolution became famous heroes, some were legends in their life time. After the Louisiana Purchase in 1803 the nation found a new source of security. New states were created, counties established, towns built. The people often named their counties or towns for the heroes who fought for independence. Next to General Washington, General Francis Marion, the "Swamp Fox" and General Nathanael Greene were two of the most popular.

Seventeen states have counties named in honor of General Marion, fourteen have counties named in honor of General Greene, six have counties named in honor of Lieutenant Colonel John Eager Howard, four have counties named in honor of Lieutenant Colonel "Light Horse Harry" Lee, three have counties named in honor of John Adair, and two states have counties named in honor of General Andrew Pickens. Counties are also named in honor of Count Kosciusko, Colonel Horry of Marion's Command, Colonel Anderson and Major Pierce.

This is particularly noticeable in the states of the midwest. Illinois for instance has counties named in honor of General Greene, Colonel "Light Horse Harry" Lee, and General Francis Marion, "The Swamp Fox." Indiana has counties named in honor of General Greene, Colonel John Eager Howard, Count Kosciusko and General Marion. Ohio has counties named in honor of General Greene and General Marion. Missouri has counties named in honor of General John Adair, General Greene, Colonel Howard and General Marion. Iowa has counties named in honor of General John Adair, General Greene, Colonel Howard, General Marion and Colonel Lee.

New York and Pennsylvania have counties named in honor of General Greene and Maryland has a county named in honor of Colonel Howard. Virginia has counties named in honor of General Greene and Colonel Lee and West Virginia has a county named in honor of General Marion. North Carolina has a county named in honor of Colonel John B. Ashe and his family and a county named in honor of General Greene, South Carolina has counties named in honor of General Marion, General Pickens, Colonel Anderson and Colonel Horry. Georgia has counties named in honor of General Greene, General Marion, General Pickens and Major Pierce. Alabama, Arkansas, Mississippi and Tennessee have counties named in honor of General Francis Marion and General Nathanael Greene. Kentucky has counties named in honor of John Adair and General Marion. Florida, Texas, Kansas, Massachusetts and Oregon also have counties named in honor of General Marion.

Many of the heroes of the Battle of Eutaw Springs became legends of the land and some place names for the nation. Others equally deserving are often forgotten. Colonel Henry Lee writing over thirty years after the battle mentions one of the gallant soldiers who was then forgotten. The following quote from Colonel Lee's "Memoirs" is given in David Schenck's classic work The Invasion of North Carolina 1780–81.

"The State of Delaware furnished one regiment only, and certainly no regiment of the army surpassed it in soldiership. The remnant of the corps, less than two companies, from the battle of Camden, was commanded by Capt. Kirkwood, who passed through the war with high reputation; and yet, as the line of Delaware consisted of but one regiment, and that regiment reduced to a captain's command, Kirkwood never could be promoted in regular routine—a very glaring defect in the organization of the army, as it gave advantages to parts of the same army denied to other portions of it. The sequel is singularly hard. Kirkwood retired, upon peace, a captain; and when the Army, under St. Clair, was raised to defend the west from the Indian enemy, this veteran resumed his sword as the eldest captain of the oldest regiment. In the decisive defeat on the 4th of November, the gallant Kirkwood fell, bravely sustaining his point of the action. It was the thirty-third time he had risked his life for his country; and he died as he lived—brave, meritorious, unrewarded Kirkwood."

A copy of General Nathanael Greene's Report to the President of the Continental Congress is attached to this article. The gallant patriots who fought at Eutaw Springs gave to the American people a rich inheritance of courage and sacrifice. In the words of General Greene, "For never did either men and officers offer their blood more willingly in the service of their country."

SOLDIERS OF THE KING

The formidable forces of the King at Eutaw Springs were commanded by Lieutenant Colonel Alexander Stewart, an able British officer. Stewart had succeeded Lord Rawdon as field officer for South Carolina when Rawdon sailed for England in late July due to poor health. Rawdon was hated by the patriots for his part in the execution of the American martyr, Colonel Issac Hayne. In Great Britain, Rawdon regained his health, became a full General in the British Army and Governor-General of India.

Colonel Stewart had landed with his Regiment, the "Irish Buffs," in Charleston on June 4, 1781. In June they marched to the defense of Ninety Six and now, three months after their arrival, they faced the American forces commanded by General Green at Eutaw Springs.

Colonel Stewart was not a Lord but he was an experienced soldier. His command at Eutaw Springs consisted of his Regiment, the 3rd Foots, "Buffs," one of the great Regiments in the British Army; elements of the 19th and 30th British Foot Regiments; the understrength 63rd and 64th Foot; "Crugers New York Tories" commanded by Colonel J. Harris Cruger; and Coffins South Carolina Horse commanded by Major John Coffin. Stewart's artillery included two six pounders, one four pounder, a three pounder, and one swivel gun. With the exception of Coffin's unit all were experienced in battle and most were British regulars.

Colonel Stewart's men fought with great bravery at Eutaw Springs. They inflicted serious injuries on the American forces, but they were in the final result defeated, a matter Colonel Stewart refused to admit in his report. Lieutenant Colonel Stewart was promoted to Colonel in 1782 and to Major General in 1790. He died in 1794 at the age of fifty-three.

Colonel J. Harris Cruger, a native of New York City, was one of the ablest Tory officers of the Revolution. Both his grandfather and uncle served as Mayor of New York City and his brother Henry served as a member of the British Parliament. Colonel Cruger's wife was a daughter of Brigadier General Oliver De Lancey, the Senior Loyalist or Tory Officer in America. Colonel Cruger's brother-in-law, Lieutenant Colonel Oliver De Lancey, Jr., was also loyal to his King. After the Revolution De Lancey, was a member of the British Parliament and became a full General in the British army. In New York City the De Lancey, Cruger and Livingston families were powerful and rich before the Revolution. The Crugers and De Lanceys sided with the King and when independence was achieved they left for England. The Livingstons fought for independence and they remain a powerful and wealthy family in New York State. Lieutenant Cruger served throughout the Revolution. From the attack on Savannah 1779 to 1782, he served in the South. In 1781 he was commended for his bravery at the Defense of Ninety Six and at the Battle of Eutaw Springs. After the war he moved to England where he died.

Major John Marjoribanks is the most

famous of the British heroes of Eutaw Springs. He commanded the British battalion on the right flank consisting of elements of the "Buffs", Marjoribanks Regiment, the 19th Foot, and the 30th Foot. He helped rally the British forces as some of the American soldiers stopped to drink freely of some British rum that they discovered in the British camp. It was a crucial point in the battle. The American soldiers were no doubt hot and exhausted but their action was injurious to the cause. By Marjoribanks' gallant leadership, the British force was saved from complete destruction. The British counterattacked. Some of the British soldiers occupied a three story brick house used as a fort and covered part of the battlefield with a withering fire. The Americans attacked the house with great gallantry but without the desired success. Marjoribanks was wounded in the battle and died three days later. He had served in the British Army for thirty-two years.

Captain Sir Henry Barre was one of the soldiers of the King. He must have been in the brick house for protection for if he had any fighting blood, history has done him an injustice. His strength appears to have been in writing reports. As Colonel Stewart's report expresses his gratitude to Captain Barre one wonders if he did not assist in the authorship. An interesting episode is given concerning Captain Barre at Eutaw Springs by Lossing, Vol. II, page 703.

In one of the attacks on the brick house the Americans were almost successful. Captain Laurence Manning who commanded the infantry of Lee's Legion was almost in the front door but most of his command had been held back by the British fire.

"Capt. Manning, who commanded Lee's infantry, grabbed as his shield a British officer who protested by solemnly reciting his titles: 'I am Sir Henry Barre,' he is alleged to have said, 'deputy adjutant general of the British army, captain of the 52d regiment, secretary of the commandant at Charleston . . .' 'Are you, indeed?' interrupted Manning; 'you are my prisoner now, and the very man I was looking for; come along with me.'"

Captain Barre's brother Isaac, however, was his complete opposite. Colonel Isaac Barre was a man of eloquence and courage. As a young officer in the British army he served with Wolfe at Quebec. He was beside him at the time of his death and is portrayed in the famous painting by Benjamin West. Elected to Parliament he defended the rights of the colonists before Parliament and in 1765 coined the phrase "The Sons of Liberty" which was adopted by the patriots in the thirteen colonies. Wilkes-Barre, Pennsylvania, is named in his honor and in honor of the colonists' other friend in Parliament, John Wilkes. Isaac Barre's speechs to Parliament in criticism of the British army deeply offended in the next century the British historian Fortesque who mentioned this feeling in his classic history "The British Army." Barre became blind in 1783 and was defeated for Parliament in 1790. He died six years later. Colonel Barre's brother Captain Henry Barre who was captured and cited at Eutaw Springs is reported to have redeemed himself while serving in India.

Lord Edward Fitzgerald known to history as the "Irish Rebel" was wounded at Eutaw Springs at the age of eighteen fighting for his King. His father was a member of the Irish nobility, the twentieth Earl of Kildare. His father was also the first Irishman to be made a Duke by the English King. The Duke of Leinster is still one of the twenty-seven Dukedoms in the Kingdom, but they no longer reside in Ireland. Their private home Leinster House is now the home of the Irish Parliament in Dublin, Ireland.

At Eutaw Springs Lord Fitzgerald's life was saved by a young black, "Toney," who became his devoted servant. Fitzgerald after the Revolution was initiated into the Bear Indian tribe near Detroit and went down the Mississippi River in a canoe. In 1792 he became a friend of Thomas Paine, the author of "Common Sense," while living in Paris, France. Elected to the Irish Parliament in 1792, he joined the group known as "Irishmen United" and spoke out in favor of Irish Independence and against interited titles. He refused to run again for the Irish Parliament in 1797. He was arrested by the authorities for encouraging rebellion in 1798 and died of wounds received at the time of his arrest. He was survived by his wife and three minor children.

Major John Coffin was a native of Boston. A distant kinsman of Benjamin Franklin, Coffin fought for his King at Bunker Hill. He was an able and experienced soldier. In the six years he fought in many battles. At Eutaw Springs he continued to fight with courage and bravery. After the Revolution he moved to Nova Scotia. He remained in the British army, however. At the time of his death in 1838 he was the senior full General in the British army. His brothr Isaac served in the British Navy during the Revolution. He was later Knighted, promoted to full Admiral and elected to Parliament. Mayor John Coffin's son, Thomas, was a member of the Canadian Parliament.

A EUTAW SPRINGS NATIONAL BATTLEFIELD, A STATUS REPORT

A few years after the Revolution, most of the Eutaw Springs Battlefield was purchased by the Sinkler family. It remained in their possession until condemned by the Santee-Cooper Authority in 1938. The springs at this time retained their national grandeur and the battlefield was an area of natural beauty.

The construction of Lake Marion by the Authority flooded approximately three to five per cent of the battlefield. It is still an area of great potential beauty. A small park of three or four acres commemorates the battlefield today. It is an inadequate commemoration of one of the great battles of the American Revolution, when five hundred Americans were wounded or died for freedom and won a "signal victory" for liberty and independence.

In 1973 the South Carolina General Assembly passed a Resolution asking for the development of a Eutaw Springs National Battlefield. It was endorsed by the State American Revolution Bicentennial Commission and sponsored by ninety-three members of the House of Representatives. The development of a Eutaw Springs National Battlefield was subsequently endorsed by the National Commission on Historic Preservation, a Commission appointed by the President and charged by statute with the responsibility of advising Congress on such matters.

Congressman Spence in October, 1974, introduced legislation for a Eutaw Springs National Battlefield. He was joined by South Carolina's five other Congressmen: Congressman Dorn, Congressman Gettys, Congressman Mann, Congressman Davis and Congressman Young, and the following Congressmen from other states: Congressman Haley of Florida, Congressman Stephens of Georgia, Congressman Taylor, Congressman Preyer and Congressman Martin of North Carolina, Congressman du Pont of Delaware and Congressman Robert N. C. Nix of Pennsylvania.

In the reintroduction of the legislation for 1975 South Carolina's three new Congressmen: Congressman Derrick, Congressman Holland and Congressman Jenrette will also be co-sponsors. It is hoped that all of the original co-sponsors will continue and other members of Congress will also join as co-sponsors of the legislation.

In October, 1974, Senator Thurmond of South Carolina was joined by Senator Hollings of South Carolina in the introduction of legislation for a Eutaw Springs National Battlefield.

Other co-sponsors were Senator Talmadge and Senator Nunn of Georgia, Senator Ervin and Senator Helms of North Carolina, Senator Gurney of Florida, Senator Mathias of Maryland, Senator Hugh Scott of Pennsylvania and Senator Pastore and Senator Pell of Rhode Island.

In the reintroduction of the legislation in the Senate for 1975 Senator Morgan of North Carolina and Senator Huddleston will join as co-sponsors. It is also hoped that all of the original co-sponsors of the legislation will continue and that additional Senators will join as co-sponsors of this legislation.

ATTACHMENT A

By the United States in Congress assembled, October 29th, 1781.

Resolved, That the thanks of the United States in Congress assembled, be presented to Major-General Greene, for his wise, decisive, and magnanimous conduct in the action of the 8th of September last, near the Eutaw Springs, in South Carolina; in which, with a force inferior in number to that of the enemy, he obtained a most signal victory.

That the thanks of the United States, in Congress assembled, be presented to the officers and men of the Maryland and Virginia brigades, and Delaware battalion of Continental troops, for the unparalleled bravery and heroism by them displayed, in advancing to the enemy through an incessant fire, and charging them with an impetuosity and ardor that could not be resisted.

That the thanks of the United States, in Congress assembled, be presented to the officers and men of the Legionary corps and artillery, for their intrepid and gallant exertions during the action.

That the thanks of the United States, in Congress assembled, be presented to the brigade of North Carolina, for their resolution and perseverance in attacking the enemy, and sustaining a superior fire.

That the thanks of the United States, in Congress assembled, be presented to the officers and men of the State corps of South Carolina, for the zeal, activity, and firmness by them exhibited throughout the engagement.

That the thanks of the United States, in Congress assembled, be presented to the officers and men of the militia, who formed the front line in the order of battle, and sustained their place with honor, propriety, and a resolution worthy of men determined to be free.

Resolved, That a British standard be presented to Major-General Greene, as an honorable testimony of his merit, and a golden medal emblematical of the battle and victory aforesaid.

That Major-General Greene be desired to present the thanks of Congress to Captains Pierce and Pendleton, Major Hyrne and Captain Shubrick, his aids-de-camp, in testimony of their particular activity and good conduct during the whole of the battle.

That a sword be presented to Captain Pierce, who bore the general's dispatches, giving an account of the victory; and that the board of war take order herein.

Resolved, That the thanks of the United States, in Congress assembled, be presented to Brigadier-General Marion, of the South Carolina militia, for his wise, gallant, and decided conduct in defending the liberties of his country; and particularly for his prudent and intrepid attack on a body of British troops, on the 30th day of August last; and for the distinguished part he took in the battle of the 8th of September. Extract from the minutes.

CHARLES THOMPSON, *Secretary*.

ATTACHMENT B

Head-Quarters: Martin's Tavern, Near Ferguson's Swamp, South Carolina, September 11, 1781.

Sir,—In my last dispatch, of the 25th of August, I informed your excellency that we were on our march for Friday's Ferry, to form a junction with the State troops and a body of militia, collecting at that place, with an intention to make an attack upon the British army lying at Colonel Thompson's near McCord's Ferry. On the 27th, on our arrival near Friday's Ferry, I got intelligence that the enemy were retiring.

We crossed the river at Howell's Ferry, and took post at Motte's plantation. Here I got intelligence that the enemy had halted at Eutaw Springs, about forty miles below us; and that they had a reenforcement, and were making preparations to establish a permanent post there. To prevent this, I was determined rather to hazard an action, notwithstanding our numbers were greatly inferior to theirs. On the 5th we began our march, our baggage and stores having been ordered to Howell's Ferry under a proper guard. We moved by slow and easy marches, as well to disguise our real intention, as to give General Marion an opportunity to join us, who had been detached for the support of Colonel Harden, a report of which I transmitted in my letter of the 5th, dated Maybrick's Creek. General Marion joined us on the evening of the 7th, at Burdell's plantation, seven miles from the enemy's camp.

We made the following disposition, and marched at four o'clock the next morning to attack the enemy. Our front line was composed of four small battalions of militia, two of North and two of South Carolinians; one of the South Carolinians was under the immediate command of General Marion, and was posted on the right, who also commanded the front line; the two North Carolina battalions, under the command of Colonel Malmedy, were posted in the centre; and the other South Carolina battalion, under the command of General Pickens, was posted on the left. Our second line consisted of three small brigades of Continental troops—one from North Carolina, one from Virgina, and one from Maryland. The North Carolinians were formed into three battalions, under the command of Lieutenant-Colonel Ash, Majors Armstrong and Blount; the whole commanded by General Sumner, and posted upon the right. The Virginians consisted of two battalions, commanded by Major Snead and Captain Edmonds, and the whole by Lieutenant-Colonel Campbell, and posted in the centre. The Marylanders also consisted of two battalions, commanded by Lieutenant-Colonel Howard and Major Hardman, and the brigade by Colonel Williams, deputy adjutant-general to the army, and were posted upon the left. Lieutenant-Colonel Lee, with his Legion, covered our right flank; and Lieutenant-Colonel Henderson with the State troops, commanded by Lieutenant-Colonels Hampton, Middleton, and Polk, our left. Lieutenant-Colonel Washington with his horse, and the Delaware troops under Captain Kirkwood, formed a corps de reserve. Two three-pounders under Captain-Lieutenant Gains, advanced with the front line, and two sixes under Captain Browne, with the second.

The Legion and State troops formed our advance, and were to retire upon the flanks upon the enemy's forming. In this order we moved on to the attack. The Legion and State troops fell in with a party of the enemy's horse and foot, about four miles from their camp, who, mistaking our people for a party of militia, charged them briskly, but were soon convinced of their mistake by the reception they met with. The infantry of the State troops kept up a heavy fire, and the Legion in front, under Captain Rudolph charged them with fixed bayonets; they fled on all sides, leaving four or five dead on the ground, and several more wounded. As this was supposed to be the advance of the British army, our front line was ordered to form and move on briskly in line, the Legion and State troops to take their position upon the flanks. All the country is covered with timber from the place the action began to the Eutaw Springs.

The firing began again between two and three miles from the British camp. The militia were ordered to keep advancing as they fired. The enemy's advanced parties were soon driven in, and a most tremendous fire began on both sides from right to left, and the Legion and State troops were closely engaged. Generial Marion, Colonel Malmedy, and General Pickens conducted the troops with great gallantry and good conduct; and the militia fought with a degree of spirit and firmness that reflects the highest honor upon that class of soldiers.

But the enemy's fire being greatly superior to ours and continuing to advance, the militia began to give ground. The North Carolina brigade, under General Sumner, was ordered up to their support. There were all new levies, and had been under discipline but little more than a month; nothwithstanding which they fought with a degree of obstinacy that would do honor to the best of veterans; and I could hardly tell which to admire most, the gallantry of the officers or the bravery of the troops.

They kept up a heavy and well-directed fire, and the enemy returned it with equal spirit, for they really fought worthy of a better cause, and great execution was done on both sides. In this stage of the action, the Virginians under Lieutenant-Colonel Campbell, and the Marylanders under Colonel Williams, were led on a brisk charge, with trailed arms, through a heavy cannonade and a shower of musket-balls.

Nothing could exceed the gallantry and firmness of both officers and soldiers upon this occasion. They preserved their order, and pressed on with such unshaken resolution that they bore down all before them. The enemy were routed in all quarters. Lieutenant-Colonel Lee had, with great address, gallantry, and good conduct, turned the enemy's left flank, and was charging them in rear at the same time the Virginia and Maryland troops were charging them in front.

A most valuable officer, Lieutenant-Colonel Henderson, got wounded early in the action; and Lieutenant-Colonel Hampton, who commanded the State cavalry, and who fortunately succeeded Lieutenant-Colonel Henderson in command, charged a party of the enemy, and took upward of one hundred prisoners. Lieutenant-Colonel Washington brought up the corps de reserve upon the left, where the enemy seemed disposed to make further resistance; and charged them so briskly with the cavalry and Captain Kirkwood's infantry, as gave them no time to rally or form.

Lieutenant-Colonels Polk and Middleton, who commanded the State infantry, were no less conspicuous for their good conduct than for their intrepidity; and the troops under their command gave a specimen of what may be expected from men, naturally brave, when improved by proper discipline. Captain-Lieutenant Gaines, who commanded the three-pounders with the front line, did great execution until his pieces were dismounted. We kept close at the enemy's heels after they broke, until we got into their camp, and a great number of prisoners were continually falling into our hands, and some hundreds of the fugitives ran off toward Charleston.

But a party threw themselves into a large three-story brick house, which stands near the spring; other took post in a picketed garden, while others were lodged in an inpenetrable thicket, consisting of a cragged shrub, called a black jack. Thus secured in front, and upon the right by the house and a deep ravine, upon the left by the picketed garden and in the impenetrable shrubs, and the rear also being secured by the springs and deep hollow ways, the enemy renewed the action. Every exertion was made to dislodge them.

Lieutenant Colonel Washington made most astonishing efforts to get through the thicket to charge the enemy in the rear; but found it impracticable, had his horse shot under him, and was wounded and taken prisoner. Four six-pounders were ordered up before the house—two of our own, and two of the enemy's, which they had abandoned—and they were pushed on so much under the command of the fire from the house and the party in the thicket, as to render it impracticable to bring them off again when the troops were ordered to retire.

Never were pieces better served; most of the men and officers were either killed or wounded. Washington failing in his charge upon the left, and the Legion baffled in an attempt upon the right, and finding our infantry galled by the fire of the enemy, and our ammunition mostly consumed, though both officers and men continued to exhibit uncommon acts of heroism, I thought proper to retire out of the fire of the house, and draw up the troops at a little distance in the woods; not thinking it advisable to push our advantages further, being persuaded the enemy could not hold the post many hours, and that our chance to attack them on the retreat was better than a second attempt to dislodge them, in which, if we succeeded, it must be attended with considerable loss.

We collected all our wounded, except such as were under the command of the fire of the house, and retired to the ground from which we marched in the morning, there being no water nearer, and the troops ready to faint with the heat, and want of refreshment, the action having continued near four hours. I left on the field of action a strong picket, and early in the morning detached General Marion and Lieutenant Colonel Lee with the Legion horse between Eutaw and Charleston, to prevent any re-enforcements from coming to the relief of the enemy; and also to retard their march, should they attempt to retire, and give them to the army to fall upon their rear and put a finishing stroke to our success.

We left two pieces of our artillery in the hands of the enemy, and brought off one of theirs. On the evening of the 9th, the enemy retired leaving upward of seventy of their wounded behind them, and not less than one thousand stand of arms that were picked up on the field, and found broken and concealed in the Eutaw Springs. They stove between twenty and thirty puncheons of rum, and destroyed a great variety of other stores, which they had not carriages to carry off. We pursued them the moment we got intelligence of their retiring. But they formed a junction with Major McArthur at this place, General Marion and Lieutenant Colonel Lee not having a force sufficient to prevent it: but on our approach they retired to the neighborhood of Charleston.

We have taken five hundred prisoners, including the wounded the enemy left behind; and I think they cannot have suffered less than six hundred more in killed and wounded. The fugitives that fled from the field of battle spread such an alarm that the enemy burned their stores at Dorchester, and abandoned the post at Fair Lawn; and a great number of negroes and others were employed in felling trees across the road for some miles without the gates of Charleston. Nothing but the brick house, and the peculiar strength of the position at Eutaw, saved the remains of the British army from being all made prisoners.

We pursued them as far as this place; but not being able to overtake them, we shall halt a day or two to refresh, and then take our old position on the High Hills of Santee. I think myself principally indebted for the victory we obtained to the free use of the bayonet made by the Virginians and Marylanders, the infantry of the Legion, and Captain Kirkwood's light infantry: and though few armies ever exhibited equal bravery with ours in general, yet the conduct and intrepidity of these corps were peculiarly conspicuous. Lieutenant Colonel Campbell fell as he was leading his troops to the charge, and though he fell with distinguished marks of honor, yet his loss is much to be regretted: he was the great soldier and the firm patriot.

Our loss in officers is considerable, more from their value than their number; for never did either men or officers offer their blood more willingly in the service of their country. I cannot help acknowledging my obligations to Colonel Williams for his great activity on this and many other occasions in forming the army, and for his uncommon intrepidity in leading on the Maryland troops to the charge, which exceeded any thing I ever saw. I also feel myself greatly indebted to Captains Pierce and Pendleton, Major Hyrne and Captain Shubrick, my aids-de-camp, for their activity and good conduct throughout the whole of the action.

This dispatch will be handed to your excellency by Captain Pierce, to whom I beg leave to refer you for further particulars.

I have the honor to, &c.,

Nath. Greene.

A Concurrent Resolution

Expressing support of the South Carolina General Assembly for the development of a Eutaw Springs National Battlefield and to memorialize the Congress of the United States to enact such legislation

Whereas, the Battle of Eutaw Springs, September 8, 1781, was one of the hardest fought battles of the American Revolution; and

Whereas, the Battle of Eutaw Springs was one of the six battles of the Revolution in which the Continental Congress awarded a medal in honor of the victory, the others being: Washington Before Boston, 1776; Saratoga, 1777; Stoney Point, 1779; Paulus Hook, 1779; and Cowpens, 1781; and

Whereas, in 1972 the Congress of the United States passed legislation creating the Cowpens National Battlefield which was signed into law by President Richard M. Nixon; and

Whereas, the Battle of Eutaw Springs was the climax of Major General Nathanael Greene's brilliant campaign to free the South from British tyranny. the British retreated from the battlefield to Charleston the day after the battle; and

Whereas, the presentation of the Eutaw Springs Medal and Battle Flag to General Greene by Henry Laurens in behalf of the Continental Congress is one of the six panels of history on the bronze doors of the United States House of Representatives which were cast in 1902; and

Whereas, President John Adams stated that history would record that the importance of Eutaw Springs was equal to Yorktown; and

Whereas, both the American and British forces fought with great gallantry at Eutaw Springs, the British Forces, which numbered some two thousand, suffered forty percent casualties, a percentage unequaled by them in any other major battle except Bunker Hill which was fifty-two percent. The American Forces which consisted of approximately twenty-four hundred suffered twenty percent in casualties; and

Whereas, the total number of casualties at Eutaw Springs exceeded the number at the Battle of Yorktown; and

Whereas, a close scrutiny of the American soldiers at Eutaw Springs will reveal that they were experienced, courageous and patriotic. Greene's Army consisted of continentals and militia. They were soldiers who fought with great gallantry, men who served their country with distinction in war and in peace; and

Whereas, many legendary heroes of the nation fought at Eutaw Springs including native sons from at least eight of the thirteen states, future Governors of Virginia, Maryland, and Kentucky, and future Congressmen from Georgia, South Carolina, North Carolina, Virginia, Maryland, and Kentucky; and

Whereas, among the numerous heroes of the battle were:

Rhode Island—Major General Nathanael Greene, the fighting Quaker, next to General George Washington the greatest General officer of the Revolution, counties in fourteen states honor his memory.

Delaware—Captain Kirkwood, the finest company commander of the war, a member of the "Blue Hens Chickens", Delaware's Continental Line.

Maryland—Lt. Colonel John Eager Howard, awarded a medal for Cowpens, a great soldier, later a Governor and United States Senator from Maryland, referred to in "Maryland, My Maryland", the Maryland State Song, counties in six states honor his memory, General Otho H. Williams, another great soldier of the Maryland Line; and General Greene's black orderly, a free man from Maryland who gave his life for his country in the battle. General Greene specifically cited him for his courage and gallantry.

Virginia—Lt. Colonel Henry Lee, Commander of Lee Legion, awarded a medal for the Battle of Paulus Hook, New Jersey, later Governor of Virginia and Congressman, Father of General Robert E. Lee.

North Carolina—members of the North Carolina Militia and the members of the North Carolina Continental Line under General Jethro Sumner served with great gallantry. Their number was greater than the troops of any other state. John B. Ashe, a major with General Sumner's Command later served in Congress from North Carolina.

South Carolina—The South Carolina Militia, the forces of General Francis Marion, General Thomas Sumter and General Andrew Pickens served and fought with great distinction in the battle. Sumter, "the Gamecock", was unable to be present, but many of his men fought under the famous Colonel Wade Hampton I, later a member of Congress from South Carolina and a General in the War 1812. Francis Marion, "the Swamp Fox", is a legend of the American people. Seventeen states have a county named in his honor, a number exceeded only by General Washington of the American military heroes and the Revolution. General Andrew Pickens, a native of Pennsylvania, later served as a member of Congress from South Carolina. Three states have a county that honors his memory. Colonel William Washington, a native of Virginia and recipient of a medal for Cowpens was conspicuous with his bravery. The flag of his troop, "The Eutaw Flag", is held in trust by the Washington Light Infantry of Charleston, South Carolina. "Carolina", the South Carolina State Song, by Henry Timrod mentions the heroes of Eutaw Springs.

Georgia—Colonel Samuel Hammond served in the Battle of Eutaw Springs and throughout the Revolution with distinction. After the Revolution he served as a General in the Georgia Militia and represented Georgia in Congress.

Missouri—Colonel Samuel Hammond while a member of Congress from Georgia was appointed by President Thomas Jefferson, the first civil and military officer for the upper Louisiana Territory, later called the Missouri Territory. Colonel Hammond in 1820 was elected the first president of the Territorial Council of Missouri.

Kentucky—Lt. John Adair, a member of Sumter's command, fought at Eutaw Springs, served in the South Carolina Legislature and moved to Kentucky as a young man. He became a member of Congress from Kentucky as United States Senator and a Major General in the War of 1812 who fought at the Battle of the Thames in Canada and commanded the Kentucky Volunteers in the Battle of New Orleans. In 1820 he was elected Governor of Kentucky.

France—Count Malmedy of France offered his services to the American cause. In the Battle of Eutaw Springs he commanded the North Carolina Militia.

Poland—Count Thadius Kosciusko, the Engineer for Green's army, was one of the great heroes of the Revolution. A Polish patriot he fought for the cause of American independence and when victory was achieved he returned to his native land to fight to free it from its conquerors. A county in Indiana commemorates his memory; and

Whereas, of the ten men who received medals from the Continental Congress for their leadership in battle, four fought at Eutaw Springs: General Nathanael Greene, Colonel John Eager Howard, Colonel William Washington and Lt. Colonel Henry Lee; and

Whereas, forty-five counties in twenty states commemorate heroes of the Battle of Eutaw Springs, the states being: Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Mississippi, Missouri, New York, North Carolina, Ohio, Oregon, South Carolina, Tennessee, Texas, West Virginia and Maryland; and

Whereas, the gallant courage of the men who fought at Eutaw Springs is part of our noble heritage, part of the heart and sinew of our nation; and

Whereas, the South Carolina Bicentennial Commission of the American Revolution, has passed a resolution supporting the development of a Eutaw Springs National Battlefield; and

Whereas, most of the battlefield of Eutaw Springs is open country near the Santee by Lake Marion, named in honor of the famous Swamp Fox, General Francis Marion. Now, therefore,

Be it resolved by the House of Representatives, the Senate concurring:

That the General Assembly of South Carolina does hereby express its support for federal legislation providing for a Eutaw Springs National Battlefield and it does respectfully request South Carolina's Congressional Delegation to work for the implementation of such legislation.

Be it further memorialized that the Congress of the United States enact legislation providing for the Eutaw Springs National Battlefield in honor of the patriots who gave their lives in the battle and in memory of all of those who by their service and sacrifice helped win our independence as a nation and our rights as a free people.

Be it further *resolved* that a copy of this resolution be sent to President Richard M. Nixon; Vice President Spiro Agnew; Speaker of the United States House of Representatives, Carl Albert; the members of the South Carolina Congressional Delegation; and the members of the National Advisory Council on Historic Preservation.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2020

At the request of Mr. Ribicoff, the Senator from Kansas (Mr. Dole) was added as a cosponsor of S. 2020, a bill to provide optometric coverage under part B medicare payments.

S. 2250

At the request of Mr. Mondale, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 2250, the Family Research Act.

S. 2332

At the request of Mr. Stafford, the Senator from New Hampshire (Mr. Durkin) was added as a cosponsor of S. 2332, to amend the Rehabilitation Act of 1973.

S. 2475

At the request of Mr. Curtis, the Senator from Michigan (Mr. Griffin) was added as a cosponsor of S. 2475, to amend the Internal Revenue Code of 1954.

S. 2631

At the request of Mr. McIntyre, the Senator from Alabama (Mr. Sparkman) was added as a cosponsor of S. 2631, the National Consumer Cooperative Bank Act.

S. 2853

At the request of Mr. Helms, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of S. 2853, a bill to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors.

S. 2913

At the request of Mr. Ribicoff, the Senator from New Jersey (Mr. Case), the Senator from Vermont (Mr. Leahy), the Senator from Tennessee (Mr. Brock), the Senator from Alaska (Mr. Gravel), the Senator from South Dakota (Mr. Abourezk), the Senator from Idaho (Mr. Church), the Senator from New Jersey (Mr. Williams), the Senator from Indiana (Mr. Hartke), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 2913 to establish a National Center for Women, and for other purposes.

S. 2939

At the request of Mr. Schweiker, the Senator from Kentucky (Mr. Ford), the Senator from Louisiana (Mr. Johnston), and the Senator from Georgia (Mr. Nunn) were added as cosponsors of S. 2939, to provide a special program for financial assistance to Opportunities Industrialization Centers.

S. 3079

At the request of Mr. Thurmond, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 3079, a bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes.

S. 3138

At the request of Mr. Ribicoff, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3138, a bill to deny certain benefits to taxpayers who participate in or cooperate with the boycott of Israel.

S. 3145

At the request of Mr. Metcalf, on behalf of Mr. Jackson, the Senator from New Mexico (Mr. Montoya), the Senator from South Dakota (Mr. Abourezk), and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of S. 3145, the Energy Conservation Research and Development Act of 1976.

S. 3170

At the request of Mr. Stevenson, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 3170, a bill to extend and modify provisions relating to Federal expenditures to correct or compensate for structural defects present in homes purchased with federally insured mortgages.

SENATE RESOLUTION 425—SUBMISSION OF A RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. MOSS (for himself and Mr. Goldwater) submitted the following resolution:

S. Res. 425

Resolved, That the Standing Rules of the Senate Rule 25.1(a)(1) shall be amended by striking therefrom the words "Committee on Aeronautical and Space Sciences" and inserting in lieu thereof "Committee on Science and Technology", and be it also resolved that Rule 25.2 of the Standing Rules of the Senate shall be amended by striking therefrom the words "Aeronautical and Space Sciences" and inserting in lieu thereof "Science and Technology". Be it further resolved that Rule 16.6(a) shall be amended by striking therefrom the words "Committee on Aeronautical and Space Sciences" and inserting in lieu thereof "Committee on Science and Technology".

SENATE RESOLUTION 426—ORIGINAL RESOLUTION REPORTED RELATING TO CONSIDERATION OF CONFERENCE REPORT ON FEDERAL-AID HIGHWAY ACT OF 1976

(Referred to the Committee on the Budget.)

Mr. BENTSEN, from the Committee on Public Works, reported the following resolution:

S. Res. 426

Resolved, That pursuant to section 303(c) of the Congressional Budget Act of 1974, the provisions of section 303(a) of such Act are waived with respect to the consideration of the conference report to accompany H.R. 8235, the Federal-Aid Highway Act of 1976. Such waiver is necessary for the Senate to complete action on legislation which provides spending authority for the Federal-aid highway program, the transition quarter, and fiscal years 1977 and 1978. The total new spending authority provided for this period by the conference report is $3.8 billion, only $0.2 billion more than was provided by the original Senate bill, S. 2711. This new spending authority is sufficient to allow the States to continue highway development at reasonable levels, and is consistent with projected revenues to the Highway Trust Fund.

SENATE RESOLUTION 429—SUBMISSION OF A RESOLUTION RELATING TO THE PRESIDENT'S PROPOSAL TO REFORM THE FOOD STAMP PROGRAM BY REGULATION

(Referred to the Committee on Agriculture and Forestry.)

Mr. McGOVERN (for himself, Mr. Dole, and Mr. Talmadge) submitted the following resolution:

S. Res. 429

Resolved,

Whereas the purpose of the Food Stamp Act is to provide needy Americans access to nutritional adequacy and not intended to provide federal food assistance to households that are not currently needy;

Whereas the Senate on February 5, 1975, adopted S. Res. 58 directing the Department of Agriculture to study the Food Stamp Program and submit legislative recommendations not later than June 30, 1975;

Whereas the President did not submit to Congress substantive legislative proposals to reform the Food Stamp Program until October 20, 1975;

Whereas only four months thereafter the President proposed regulation changes that would implement his proposals before Congress had a reasonable opportunity to complete its legislative deliberations, possibly creating statutory authority for some or all of these changes;

Whereas the Senate Committee on Agriculture and Forestry has held two weeks of hearings on the various reform proposals before the Congress and has reported a bill to the United States Senate;

Whereas the United States Senate has modified and passed the food stamp legislative reform bill reported by the Senate Committee on Agriculture and Forestry;

Whereas sweeping changes in the Food Stamp Program are best made through the legislative process if they are to withstand legal challenges in the courts; and

Whereas the Administration's reform proposal, if implemented as submitted to Congress, would reduce benefits to, or eliminate from the Food Stamp Program, millions of Americans, including persons recently unemployed: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) The goal of the Food Stamp Program, as stated in the Act authorizing the program, to provide low-income households with the opportunity to purchase a nutritionally adequate diet, represents sound public policy and should not be thwarted by the precipitous administrative action proposed by the Agriculture Department.

(2) The President's action on February 19, 1976, in directing the Secretary of Agriculture without Congressional authorization to issue amendments to the regulations governing the Food Stamp Program to significantly alter the program when Congress is actively considering amendments to the Food Stamp Act, is untimely and could jeopardize the chances of achieving the passage of meaningful legislation to eliminate abuses and improve the administration of the program; and

(3) The issuance of any amendments to the regulations governing the Food Stamp Program that significantly alter the program and otherwise affect the present eligibility of participants would be unwise and contrary to the public interest.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

SENATE CONCURRENT RESOLUTION 110—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING AS A SENATE DOCUMENT OF "SOVIET SPACE PROGRAMS, 1971–1975"

(Referred to the Committee on Rules and Administration.)

Mr. MOSS (for himself and Mr. Gold-

WATER) submitted the following concurrent resolution:

SENATE CONCURRENT RESOLUTION 110

Resolved by the Senate (the House of Representatives concurring), That the study entitled "Soviet Space Programs, 1971–1975," Volumes 1 and 2, prepared for the use of the Senate Committee on Aeronautical and Space Sciences by the Congressional Research Service with the cooperation of the Law Library, Library of Congress, be printed with illustrations as a Senate document, and that there be printed two thousand five hundred additional copies of such document for use of that committee.

AMENDMENTS SUBMITTED FOR PRINTING

TAX REFORM ACT OF 1975—H.R. 10612

AMENDMENT NO. 1578

(Ordered to be printed and referred to the Committee on Finance.)

Mr. FONG. Mr. President, I am submitting today an amendment, No. 1578, to the tax reform bill, H.R. 10612, which has been passed by the House of Representatives, and is now under consideration by the Committee on Finance. Adoption of the amendment would implement improvements in the retirement income tax credit of the Federal income tax law, as I first proposed in S. 2402, which I introduced September 24, 1975, and which was cosponsored by Senators BILL BROCK, JAMES L. BUCKLEY, and J. BENNETT JOHNSTON.

The amendment would extend to retirees of other retirement systems the same tax break now enjoyed by persons receiving tax-free social security benefits.

Under H.R. 10612, as passed by the House of Representatives, the maximum amounts subject to the retirement income tax credit would be raised from $1,524 for an individual and $2,286 for a couple to $2,500 and $3,750, respectively. This increase in the base income subject to the credit is the same as I proposed early in 1973. Subsequent review and economic changes which have taken place since then have convinced me, however, that what appeared to be an adequate retirement income tax credit adjustment in 1973 is not enough in 1976. It will be even less adequate in 1977 or years to follow.

My amendment would apply the credit to the same income level as the maximum social security retirement benefit as certified each year by the Secretary of Health, Education, and Welfare.

Its immediate effect would be to raise the income subject to the retirement income tax credit to approximately $4,368 for an individual and $6,552 for a couple. The amount would be adjusted in the future as social security maximum retirement benefits increase so that the originally intended parity would be maintained on a constant basis.

I am strongly persuaded that such a permanent—and automatic—updating of the retirement income tax credit provision of the law is necessary, because of the poor record we have had in the 14 years since the credit was last updated. Our failure to make changes has often worked a severe hardship on the many persons whose retirement income includes no social security payments, or whose social security benefits have been so low as to be of minor importance to them.

The people who would benefit from an updated tax credit include Federal retirees, and their survivor annuitants. But it would also help many State and local government retirees and nonprofit association retirees who are not covered by social security. The latter groups include teachers, police officers, firefighters, some clergymen, and a number of other public servants.

At a recent hearing of the Senate Special Committee on Aging in Chicago, for example, it was reported that there are now over 35,000 teacher retirees in Illinois who do not, as such, have social security. Since their retirement income has no adjustment for cost of living, an updated retirement income credit can be doubly important to them.

With possible continuation of high inflation rates, the annual automatic adjustment in the income subject to the retirement tax credit becomes most important. Failure to include such a mechanism in any change in the law invites the prospect of inequities in the future comparable to those which now exist, because of our failure to act during the past dozen years.

As a matter of fact, updating of the retirement income tax credit to any specific dollar amount—even if appropriate when introduced—is almost certain to be out of date by the time it is enacted and takes effect.

In previous sessions of Congress, I have introduced a number of bills to update the retirement income tax credit—as have other Members. In each case I have tried to bring the tax credit fully into line with the tax-free status of social security retirement benefits. This is also the purpose of my amendment, but with a significant difference. By permanently tying the tax credit to the maximum social security benefit as certified each year by the Secretary of Health, Education, and Welfare, it would also assure that parity is maintained in the future.

SUPERVISORY AUTHORITY OF FEDERAL BANKING AGENCIES—S. 2304

AMENDMENT NO. 1579

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. TOWER. Mr. President, the issue of "problem banks" has received a great deal of attention in recent months. Most of the attention has been focused on the role which the three bank regulatory agencies play in preventing banks from being placed on the so-called problem list and preventing those banks from possible failure.

The issue is obviously a controversial one. On the one hand, there are those who feel that it can be dealt with by consolidating all three agencies into a single regulatory body. On the other hand, there are those of us who are concerned that such a consolidation would result in an undue concentration of regulatory power over our Nation's banking system. It is not at all clear to me that consolidating the agencies would eliminate problem banks or bank failures.

While there is disagreement over the consolidation issue, there is rather widespread agreement that the powers of the three regulatory agencies could be improved to allow them to effectively deal with certain types of problem situations. Last year, the three bank regulatory agencies asked for new legislation to give them additional powers in dealing with problem situations. I cosponsored this legislation, along with Senator PROXMIRE, by request. That legislation (S. 2304) has been the subject of hearings in the Committee on Banking, Housing and Urban Affairs. It will undoubtedly be considered in committee markup in the near future.

S. 2304 would strengthen the hand of the regulatory agencies in removing officers and directors of banks where the safety and soundness of the bank are involved. It would prohibit insider transactions to directors and officers, allow civil penalties to be imposed for violations of cease-and-desist orders, and permit the Federal Reserve to require a bank to divest itself of its nonbanking subsidiaries in cases where there is a severe risk to the holding company's banking subsidiary.

There is rather widespread and general agreement that such legislation woudl be useful. At the same time, there is general agreement that the principle of due process should not be ignored, nor the rights of individuals disregarded.

Recently, a constituent of mine, Michael E. Burns, of Houston, wrote to the regulatory agencies expressing his concerns in this important matter. I am introducing today, by request, an amendment to S. 2304 which addresses the shortcomings which Mr. Burns sees in that bill. I am hopeful that it will be a useful focal point for further discussion on this matter.

I ask that Mr. Burns' correspondence be printed in full at this point in the RECORD and that the amendment containing Mr. Burns' recommendations also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRACEWELL & PATTERSON,
Houston, March 26, 1976.

HON. ROBERT E. BARNETT,
Chairman, Federal Deposit Insurance Corporation, Washington, D.C.
HON. ARTHUR F. BURNS,
Chairman, Board of Governors of the Federal Reserve System, Washington, D.C.
HON. JAMES E. SMITH,
Comptroller of the Currency,
Washington, D.C.

DEAR SIRS: The three federal bank regulatory agencies have recently recommended to Congress legislation increasing their regulatory powers over "problem bank" situations, which has been introduced as S. 2304 in the Senate and H.R. 9743 in the House of Representatives ("Bill"). Among the subjects addressed in the Bill is the removal power, which is set forth in Section 8 of the Federal Deposit Insurance Act, 12 U.S.C. § 1818 ("§ 1818"). Because of our firm's experience with a case where the suspension and removal provisions of § 1818 have worked an undue, and we believe, unjustified penalty against the individual involved, it is our judgment that certain changes in both the existing law and in the Bill would be desirable from a public policy standpoint.

The purpose of this letter is to outline our proposed changes and to set forth our rationale for the desirability of their incorporation in the agencies' proposal.

We should note at the outset that the merits of the changes we recommend are not based solely upon our own concern about the inappropriateness of the existing law in its application in the specific situation mentioned, but also upon the fact that the existing law denies due process in certain respects to anyone to whom it is applied. In its present form, § 1818 contains excessively arbitrary powers to terminate a banker's career, which we believe are harsher than needed in order to properly police the industry. The relevant portion of the new bill would only increase the degree of arbitrary authority conferred and increase the likelihood in the future of the termination of careers of some bankers who do not in fact lack integrity or pose any threat to a bank, and yet who have in some personal way found disfavor with the regulatory authorities, or who may have been involved in a technical crime or other transgression of public policy which was neither intentional nor based on bad faith conduct.

In order for the significance of the amendments we are suggesting to be clear, it will be important first to define and explain the defects in the existing law. There are three relevant provisions in the existing law: the suspension provision of 12 U.S.C. § 1818(g)(1); the removal provision of 12 U.S.C. § 1818(e); and the closely related employment provision of 12 U.S.C. § 1829. Each will be considered in turn, and then the Bill itself will be addressed.

1. 12 U.S.C. § 1818(g)(1) Suspension.

The present suspension provision, 12 U.S.C. § 1818(g)(1) ("§ 1818(g)(1)"), applies to situations where any bank officer, director, or person participating in the bank's affairs is indicted for or convicted of a felony involving dishonesty or breach of trust. In such an event, the regulatory agency having primary jurisdiction for the supervision of the bank is authorized at its discretion to suspend such an individual from office and/or to prohibit him from further participation in the bank's affairs. If such an order ("notice") is based upon an indictment, it will necessarily expire at such time as the indictment is disposed of other than by conviction; if the indictment results in a conviction, a permanent order may be issued at the discretion of the agency. Both such orders are expressly withdrawn from the process of judicial review by 12 U.S.C. § 1818(i) ("§ 1818(i)").

The defects of this particular provision are glaring. It does not provide any explicit rationale as to why mere indictment or conviction should cause a banker to forfeit his career. We can all understand the basic governmental concern that a person who is indicted for or convicted of a crime involving dishonesty may be more likely to be a threat to the safety of a bank than one who has not, but no such rationale is set forth in the statute and the agency is not obliged to make any findings of a probable threat or undue risk to a bank in the individual case.

Practical experience, however, should serve to teach us that there will occasionally be individuals who will be charged with crimes of dishonesty or breach of trust who are essentially not guilty of any bad faith or dishonest action. They may be simply victims of mistake, or of premature, erroneous charges brought before the evidence is properly assembled, or of novel theories of criminal conduct making previously innocent conduct illegal, and so forth. The problem with an arbitrary suspension provision with no hearing or finding process is that it will lump together without distinction all types of cases and that it will fail to offer due process to anyone who may be affected by the suspension process.

The statute does make the order discretionary with the agency so that each agency could voluntarily choose to provide a hearing and substantive finding process, although that would not cure the further substantive defect of the absence of judicial review. Until recently, the agencies have in practice, we understand, refused to offer a hearing and finding process, and have routinely issued suspension orders upon notice of a relevant indictment or conviction. The courts have, in their turn, until recently also sustained the constitutionality of judicial withdrawal provisions generally and of this statute (or its counterpart in the National Housing Act) in particular, primarily on the theory that the Constitution permits Congress to define the jurisdiction of the lower courts.[1]

However, these postures may be in the process of change at this time. In a recent case in the U.S. Court of Appeals for the District of Columbia, *Feinberg* v. *F.D.I.C.*, 522 F. 2d 1335 (1975), the court indicated that the withdrawal provision of the statute and the summary nature of the suspension power were at least suspect as being unconstitutional by virtue of the apparent deprivation of the property and occupational rights of an affected individual without any modicum of procedural due process. The regulatory agencies have each, in at least one recent situation involving an indictment and the § 1818(g)(1) suspension provision, agreed to hold an informal hearing upon the request of the affected party, undoubtedly because of their own suspicions as to the validity of the summary procedure and of the statute itself.

The Feinberg case has resulted in an order convening a three-judge court to review the constitutionality of the relevant provisions of the statute (§ 1818(g)(1) and § 1818(i)) in spite of the express prohibition of the judicial withdrawal provision (§ 1818(i)). Hence, the defects in the statute are coming under review and hopefully will continue to face further remedial action, even without the intervention of Congress. Yet the defects are so serious as not to be curable in practicality by other than a rewriting of the statute by Congress or its ultimate invalidation by the courts. Fundamental due process cannot fairly be left totally to the agencies' discretion, and the agencies and Congress, we submit, should undertake to restructure a patently unconstitutional act without awaiting judicial confirmation of its unconstitutionality.

2. 12 U.S.C. § 1818(e) Removal.

The existing removal law provides that the banking agencies may initiate removal actions when they know or suspect that an individual associated with a bank has committed or is committing a violation of law, rule, regulation, or cease-and-desist order, or has engaged or is engaging in an unsafe or unsound banking practice, or has breached his fiduciary duty to a bank, or has damaged or is damaging a bank or any other business firm, and that such conduct involved or involves personal dishonesty. While it allows an agency to initiate an immediate interim removal order ("notice"), such an order is appealable to a court within ten days for a review of its merits. If a final order is ultimately issued by the agency after a hearing, that order is also judicially reviewable.

Unlike the summary procedure of the suspension provision, the removal provision does provide for an internal hearing and finding process, and for an external review by a judicial body which is expert in administering injunctive law and cognizant of the many equity considerations and risk-of-injury factors that should go into the removal order decision.

However, the removal law does not explicitly provide for the most essential test to be applied to any removal or suspension order decision: is the person in fact a threat to the bank? The law assumes that anyone who can be found to have violated some public policy or to have damaged a bank or any other form of business through a purportedly dishonest act is per se a threat to banking and should be removable on those facts alone. However, the agency should not be allowed to rely totally upon such findings in determining whether to issue a removal order. There can be situations where individuals may have inadvertently transgressed public policy in some regard or injured a business in a manner which, depending upon how one chooses to interpret the motivations of those involved, can be claimed to be dishonest, but they may nonetheless not in fact constitute threats to banks in the nature of having predilections toward dishonest conduct or of generating adverse public opinion. The agencies should be required to make a finding that such individuals do in fact constitute threats to the banks involved before issuing removal orders.

Under a revised statute that required such a determination, the existence of any actual intentional fraud and corruption would usually be fully evident in most cases and a finding of undue risk to any bank involved would be sustainable.

In those cases where such a finding would not be justified, however, primarily because the alleged dishonest act was in fact of an inadvertent or technical nature, and the individual appears to be evidently not of a corrupt nature, either the agencies or the courts would then presumably refuse to implement a removal order.

3. 12 U.S.C. § 1829 Employment.

The existing law regarding the employment in insured banks of persons convicted of criminal offenses (felony or misdemeanor) states that if the crime involved in a particular case is one involving dishonesty or breach of trust, the individual concerned may not serve as a director, officer, or other employee of an insured bank, without the consent of the FDIC.

There is no hearing nor are there any substantive criteria provided for in this statute. Presumably, if the FDIC attempted to implement the $100-a-day civil penalty provided in the statute, *or* attempted to obtain an injunction against a particular offender, the due process issue could be taken to court nonetheless, and a review of the justification for the refused permission then rendered. However, the statute lacks an explicit statement of the substantive criteria for granting or denying such permission. We would suggest that the primary criterion here, as with the suspension and removal provisions, should logically be whether there is a significant potential threat to the safety and soundness of the bank in question. There are numerous other risk and equity factors that should enter into the picture, which are outlined later in this letter under the subject of suggested modifications of this and other laws in question.

Without a hearing or substantive finding criteria provided for by statute, the future of the individual concerned is left solely to the discretion of the agency, subject to possible judicial imposition of due process standards in a litigated case. While Congress here and in the suspension statute has obviously tried to convey extreme discretion to the agencies to make practical and unfettered decisions in this area, it does not appear to be an untoward imposition for some substantive standards to be included in the statutes, and for some administrative hearing to be held in which such standards can be tested of record. If an individual, convicted or not, clearly presents a risk to the banking system, such a conclusion would undoubtedly be borne out by the facts elicited at such a hearing. The hands of the agencies would still not be tied against dealing with malefactors, but those individuals who did not commit bad faith acts, or have criminal intent, or who may have been rehabilitated, or whatever else their meritorious claim may be, will at least have a reasonable opportunity, guaranteed by statute, for the presentation of their respective positions, before their careers are destroyed by administrative orders and decisions.

---

[1] *Hykel* v. *FSLIC*, 317 F. Supp. 332 (E.D. Pa., 1970); *Clark* v. *Gabriel*, 393 U.S. 256, 89 S. Ct. 424, 21 L. Ed. 2d 418 (1968); *Fein* v. *Selective Service System*, 405 U.S. 365, 92 S. Ct. 1062, 31 L. Ed. 2d 298 (1972).

We understand that, at present, the FDIC does from time to time grant requests for hearings under this particular statute, but as to whether this is an automatic hearing in every instance by internal policy, or a discretionary one depending upon the circumstances of each case, we do not know. We would advocate that it should be a matter of right for an individual to be accorded such a hearing upon request, with an explicit right to judicial appeal as well. We know of no other civilian profession in which the government can in a discretionary action summarily terminate a citizen's career, or, as in this case, have the power to exercise such potent statutory discretion, without a record proceeding.

The FDIC, in its appellate brief in the *Feinberg* case, noted other circumstances where governmental authority to take summary action on the basis of a felony indictment alone, without a conviction, had been sustained by the courts. Such examples include the prohibition of firearm transportation or possession by a person under felony indictment, *United States* vs. *Brown*, 484 F. 2d 418 (5th Cir. 1973); the power of a state official to suspend a contractor from bidding on public contracts while under felony indictment, *Trap Rock Industries, Inc.* vs. *Kohl*, 284 R. 2d 161 (N.J.), *cert. denied*, 405 U.S. 1065 (1972); the suspension of a securities broker-dealer firm upon indictment of its principal officers, *Halsey Stuart & Co.* vs. *Public Service Commission*, 248 N.W. 458 (Wis. 1933); and the suspension of indicted police officers, *Kuzewski* vs. *Board of Fire and Police Commissioners*, 125 N.W. 2d 334 (Wis. 1963). The FDIC further noted the summary closure powers of the federal banking agencies in failing bank situations, *Fahey* vs. *Mallonee*, 332 U.S. 245 (1947). However, in each of these summary power situations, there is also present a hearing requirement, in order that a finding be made as to the appropriateness of the suspensory, prohibitory, or seizure action in question. These governmental actions are summary only in the sense that they do not involve the usual protracted litigation which might be required in ordinary governmental legal actions against another party. They are considerably less summary than the powers exercised under § 1829, § 1818(g)(1), and, to a lesser extent, § 1818(e). The degree of difference between the two types of cases is sufficient, we believe, to cause the first to be acceptable under the due process requirements of the Constitution and the second to be unacceptable.

We should make it clear that we have no reason to believe that the FDIC is not in fact exercising good faith in attempting to render a fair decision on anyone's request for a review under § 1829, whether a hearing is actually convened or not. We merely wish to point out the structural defects in the statute itself, which leave an affected individual uncertain of his rights in this area, and which leave the FDIC and the judiciary no explicit Congressional instructions or guidelines upon which to make decisions.

As to the existing law, then, there are defects generally of a due process nature which we believe merit correction by Congress. The three agencies have also recommended a Bill which amends one of these statutes, which Bill we also believe merits modification in the interest of assuring due process to those affected by this law.

The provisions of the agencies' Bill that concerns us are found in Section 6(d). That section would modify the removal statute, § 1818(e), to, among other things, establish two additional justifications for removal, once the preliminary elements of violations of law or unsafe and unsound practices, etc., have been determined to exist. These two justifications would be: "gross negligence in the operation or management of the bank," and "willful disregard for the safety and soundness of the bank." While the goal of these two provisions is admirable, i.e., driving out grossly negligent and unsafe managers from the banking system, the criteria for handling the decisions under these potent new powers are not adequately defined.

The simple dislike of a regulator for an individual banker or a personality conflict between examiner and banker could result in a charge of "gross negligence" or "willful disregard." Even if the charge is legitimately felt to be well founded by the regulator, an objective set of standards in the law implemented by an objective body might not so interpret the circumstances.

As a practical matter, the personnel of a regulatory body which is embroiled in any type of official or unofficial dispute with a banker, whether he has any meritorius grounds for his position or not, tend to rally around the agency's position, as one might expect. A regional official who is unhappy with a particular banker for justifiable, or, for extraneous or purely personal reasons, may consciously or unconsciously turn his examiners into a more hostile frame of mind toward that banker. The next step may be that examinations are suddenly very stringent and all of the examiner's tremendous discretionary power to make subjective judgment calls about credits and banking practices and "regulatory attitudes" becomes, however well-intentioned its use, a potential tool for punitive action against the perceived "bad actor" banker. Before the banker realizes what has happened, he has become a "grossly negligent" or "willfully disregardful" banker, subject to the toils of the removal statute, and possibly facing a bank board which may have been put in a hostile frame of mind toward him themselves by virtue of the regulatory criticism.

The point to be made here is that the terms "gross negligence" and "willful disregard" need greater definition to avoid their being used either as punitive tools or in any other fashion unfairly. One purpose of this letter is to set forth a means to place a proper restraint on the exercise of these powers.

To cure the deficiencies in the present law and in the agencies' bills, we would recommend several changes, as follows:

1. 12 U.S.C. § 1818(g)(1) Suspension.

The deficiencies in this provision, as described earlier, are that no meaningful substantive standards are set forth regarding the basis for suspension, no hearing or findings process is prescribed, and direct judicial review is proscribed. Congress apparently intended in creating this provision to give the agencies an emergency weapon to deal with felons or suspected felons, who were likely as a class to pose an undue threat to any given bank, either from the standpoint of dishonesty or adverse public opinion, or both. Congress apparently did not want to have the agencies' discretion in determining to which members of the class to apply this emergency power and when and how to use it, fettered by any substantive standards, administrative due process, or judicial "interference".

However, let us consider the actual fact situations that the agencies face in this area. Anyone who is convicted of a felony has normally been under indictment for some time, and if he is involved in banking the agencies already know of his situation before conviction. Even if there is an early nolo contendere disposition of the matter, some law enforcement agency would have been involved for some time in investigating the matter, and the usual circumstance would be that at least informally the relevant banking agencies would be informed of the situation. The banking agencies in practiccality are usually aware of any background criminal investigation of a bank-related person, and they definitely are if the crime involves a bank. In fact, because of the very detailed knowledge of the local banking community, practices and personalities held by bank examiners and regional personnel, *they* normally would know of the actual or potential illicit conduct or criminal tendencies involving a bank-related person substantially before any formal criminal investigations are begun. In many cases, the regulators would have enough adverse informtaion on their own as to the malfeasance of such person and his dishonesty to proceed under the removal provision if they want him out of banking, without waiting for an indictment situation and the use of the suspension provision.

The fact, then, than an indictment or conviction should usually come as no surprise to the agencies means that the suspension provision's justification as an emergency provision is somewhat overstated. Putting aside for the moment the question of adverse public opinion and its potential effect on a bank, what the suspension provision really does is to save the agencies from having to go to the trouble of relying on the removal provision and thereby having to show, potentially to a court's satisfaction, abuse of a bank or other business entity involving both dishonesty and damage to the entity in question.

It would seem that the concerns of Congress relating to reassuring the public and to obtaining certainty of protection against an indicted or convicted banker, and the concern for assuring due process to any citizen, can each be met satisfactorily by instituting some of the conditions on the removal power in the suspension situation. Specifically, there is no reason not to follow the removal procedure of requiring an administrative hearing for the issuance of an order, albeit after the fact in some situations. An immediate order ("notice") could still be issued on the strength of an indictment before the proceeding on the intermediate order, but there should be a time limit of perhaps twenty-five days on such "notice" order, in view of its critical impact on the affected individual.

A hearing should be held within the first fifteen days after such an order issues, and a decision rendered as to the intermediate order within ten days. Also, there is no valid reason not to permit the individual to have access to judicial review for the intermediate order; it may be a convenience to the agencies not to have to justify their suspension orders in court, but convenience cannot be allowed to take precedence when vital rights of an individual are at stake.

As to substantive standards, it would not be unduly constraining on the agency to have to consider explicitly the fundamental question upon which the theory of the suspension provision is, or should be, based: is the individual in question truly a threat to the bank, from either the standpoint of dishonesty or adverse public opinion? The existing suspension provision arbitrarily assumes that all bankers indicted and convicted for felonies purportedly involving dishonesty are per se threats to a bank. In fact, many such persons will, no doubt, constitute such threats; but, there are and will continue to be some who do not constitute such threats, who should have the opportunity to assert their sides of their respective cases.

Case law holds generally that injunctive sanctions cannot be levied against someone in lieu of, or as a punitive addition to, normal criminal sanctions.[2] To justify such a harsh administrative step as the deprivation of a person's career, therefore, there must be some underlying administrative reason in each case for the action, and it cannot legitimately be done simply as a "rider" to an indictment of a conviction. There is no sound reason not to require the agencies to consider explicitly the underlying administrative reason for the suspension in each case. The presumption that an indicted or convicted banker is a threat to a bank should be tested against the facts of the individual case, and the individual concerned should be given the opportunity to present his side of the case and to have access to review of the agency's decision by a court.

We would further suggest that because of the stringent nature of this power and of the related removal power, there is a need to bring into play the various tests used by the courts in handling requests for similar orders (injunctions) from the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934 (" '34 Act"). In that act, the SEC is empowered to seek injunctions against the securities-related activities of an individual, when it can demonstrate that the person has been engaging in or is about to engage in a violation of the securities laws.

In the exercise of judicial due-process perogatives, the courts have gradually glossed that injunctive power with a number of equity considerations and considerations for the risk of actual public injury involved in the continuation of the individual's securities activities. These factors are generally appropriate to consider in the exercise of the similar injunctive power by the banking agencies in the suspension and removal area. In summary fashion, those factors include:

1. The injunction should not be used as a penalty, but as a protective measure against impending, threatened violations of law.

2. If the SEC cannot demonstrate a current violation of the law or a definite violation about to occur, and is basing its attack on a past violation, it must satisfy the court that there exists a "reasonable likelihood" or "cognizable danger" that the defendant will commit statutory violations in the future.

3. The purpose of injunctive relief is to protect the public from future violations and the Court retains broad discretion in determining whether the likelihood of future violations is such that an injunction should issue for this purpose.

4. Was the past violation egregious, serious, willful, in bad faith?

5. How recent was it? How often was it repeated?

6. Was it harmful to the (investing) public?

7. Is it likely to be repeated?

8. Was it technical, minor, or inadvertent?

9. What is the apparent "propensity" of the individual toward violating the law? What is and was the status of good faith of the individual?

10. How severe will the consequences be to the careers and reputations of the affected parties? What statutory disqualifications will flow from the injunction (e.g., disbarment)?

11. Was the violation a novel one?

12. Was there good faith reliance on advice of counsel?[3]

The importance of these factors in assessing the appropriateness of utilizing such injunctive power was recently implicitly affirmed by Congress, in connection with the bill S. 249 relating to the '34 Act. The SEC, apparently, had sought to have the restraint of making a "proper showing" of the risk of future violation eliminated from the Act, so that merely by showing a past violation, however long ago and of whatever nature, it would have power to obtain an injunction. Leading members of the securities bar picked up the significance of the slight, unexplained changes in this section of the SEC's bill, and wrote a thorough letter to the bill Conferees explaining the nature of the proposed elimination of due process in the handling of these injunctions (Appendix A). The letter pointed out the various court decisions in this area, the substance of which is outlined in items 1 through 12 above. The Conferees, with essentially no explanation, but presumably in recognition of the requirements of due process and fairness, dropped the offending changes from the bill they recommended to the House and Senate, and which was the form in which the bill ultimately was enacted.

We believe that these reasonable limitations should similarly be engrafted onto the banking agencies' injunctive powers. In this area the limitations should be instituted through explicit reference in the statute, since there is very little case experience in this area, and will probably continue to be relatively little in the future. The statutory procedure will simply shorten the time in which these factors will come to have a bearing on banking agency injunctions.

One further improvement of the suspension provision would be to allow the person suspended to periodically test the appropriateness of a permanent order, by means of a petition to the agency after the expiration of a specified number of years (say, three) since the last order decision. The subsequent decision of the agency would be appealable to the courts as per the original order procedure. The virtue of such a provision is that it recognizes that govenment is fallible and may have made a mistake in a particular case, and hopefully would correct it via this means. Additionally, it also recognizes that even "guilty" individuals may become genuinely reformed. This reconsideration provision is also relevant to the removal and employment provisions, and is included also in the attached amendments to those provisions.

Amendments to the suspension provision which would accomplish the above reforms are attached as Appendix B.

2. 12 U.S.C. § 1818(e) Removal.

As noted previously, the present removal provision is deficient in not requiring an actual finding of undue risk to the bank in question by the continuation of the individual's association therewith. To correct this defect, we would recommend that the present language be amended by adding a requirement that the agency find in each case that the conduct in question does make the individual in question an undue risk to the bank and that it set forth the reasoning and opinions that lead it to such a conclusion. In most cases, such a finding would be justifiable; but in some, after reviewing the situation closely, the agencies might decide that the facts do not merit a removal order, or a court, as a more objective forum, might decide to overrule such a finding after it sifts out any non-objective agency biases.

In addition, many of the factors considered by the courts in '34 Act injunction situations, described in the suspension provision discussion above, are generally applicable to the removal area, and should be similarly explicitly referred to in the statute.

The other objection we have with respect to the removal provision, as noted earlier, is with respect to the part of the agencies' bill that would revise the removal provision with the addition of the unqualified terminology of "gross negligence" and "willful disregard." The provision as amended would read essentially that where an agency finds violations of laws or rules or cease-and-desist orders, or unsafe and unsound practices, or breaches of fiduciary duty, and finds that the bank (or other entity) has been or is being damaged, it may act to remove the responsible party if the conduct in question involved dishonesty or "gross negligence in the operation or management of the bank or institution or a willful disregard for its safety or soundness."

As the removal statute would read with these amendments, there would be no due-process restraint upon the "creation" of characterizations of conduct of the "gross negligence" or "willful disregard" types by hostile examinations, which examinations would also serve to generate the basic grounds for removal of "violations of laws or rules" and "unsafe and unsound practices." We therefore suggest that there be inserted in that new language the limitations that the gross negligence or willful disregard be objectively demonstrated by one or more bad faith or grossly negligent, serious violations of a cease-and-desist order, indicating a predilection for or likelihood of further violations. In other words, if the practice and conduct of which an agency is complaining is sufficiently important to the future of the bank, the agency should seek a cease-and-desist order. Whether the individual really was negligent or a "bad actor" may well not be able to be objectively determined at that time, and, if agency personnel are hostile to an individual banker for some reason, it is too easy for them to attribute, say, one bad management decision (made in good faith), to gross negligence or willful disregard. He should not be removed for those very subjective grounds when they can be relatively objectively verified by violations of explicit cease-and-desist orders.

The amendments implementing these concepts are attached in Appendix C.

3. 12 U.S.C. § 1829 Employment.

The existing employment provision is deficient, as described earlier, in that it does not provide for a hearing or substantive findings process for those convicted persons who request one, and does not involve more of a substantive standard than the mere fact of conviction for a crime involving dishonesty. While most such convicted persons would in fact be found to be undesirable as bankers from the government's standpoint, not necessarily all of them would, as there are occasionally meritorious explanations of the circumstances of conviction which, when combined with the agency's own knowledge of such an individual, would lead it to conclude that he is not in fact of a corrupt nature.

While the FDIC has voluntarily granted at least some hearings under this law, the law should be amended to require such hearings upon request of the affected party. Similarly, there should be access to judicial review. The substantive standards for considering the risk to the bank and equity to the individual concerned as outlined earlier in the section on the suspension provision should be a part of this statute, as well.

---

[2] *FSLIC* versus *Hykel*, 333 F. Supp. 1308, 1311 (E.D. Pa., 1971); *Hecht Co.* versus Bowles, 321 U.S. 321, 329 (1944).

[3] Discussion of the case law on these points to be found in letter of Kenneth J. Bialkin *et al.* to House/Senate Conferees on S. 249, May 12, 1975. (Attached as Appendix A).

The amendments implementing these concepts are attached in Appendix D.

To summarize, the present federal laws on suspension, removal, and employment of persons in the banking business are unduly arbitrary, and lack the substantive tests commonly used to test the merits of injunctions in other situations. Also, the agencies' bill to strengthen their power in this area is defective in that it only increases the arbitrariness of the existing removal law. The amendments proposed herein have been designed to reduce the degree of arbitrariness in these laws, yet allow them to retain the essential authority needed for the agencies to deal effectively with malevolent or incompetent persons in the banking system. The result of the amendments herein proposed would be a somewhat more cumbersome administrative procedure in some situations, but a much fairer one. The trade-off, in our opinion, is one in which the due process benefits substantially outweigh the administrative burden involved. Persons who truly do not belong in the banking system will still be evictable, but those upon whom the present and proposed laws would otherwise work an unjust result would be dealt with fairly under the amendments we are proposing.

Your favorable consideration of these proposals is respectfully requested.

Sincerely,

MICHAEL E. BURNS.

APPENDIX A

LETTER FROM FIVE SECURITIES LAWYERS TO CONFEREES ON PROPOSED CHANGE OF 1934 ACT § 21(c)

MAY 12, 1975.

Honorable CONFEREES ON S. 249.

DEAR SIRS: The undersigned are members of the securities bar and respectively Chairmen of a committee and various subcommittees of the American Bar Association concerned with federal securities law developments.[1] In our individual capacities (there has been insufficient time to solicit the views of our respective committee and subcommittee members), we wish to voice strong opposition to little noticed, but significant, and we believe extremely detrimental, proposed changes to Section 21(c) of the Securities Exchange Act of 1934, contained in S. 249.[2] Section 21(e), which authorizes the SEC to seek injunctive relief in the federal courts in appropriate cases to protect the public interest from continuing or threatened securities law violations, presently states in part that—

"Whenever it shall appear to the Commission that any person is engaged or about to engage in . . . a violation . . ., it may in its discretion bring an action in the proper district court . . . to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted . . ."

Although not discussed in the Committee Report (Senate Report No. 94–75, April 14, 1975), in the back of the Report at page 241 where the proposed test of the bill itself is reproduced there is an indication that Section 21(e) would be amended, among other respects, (i) by adding the words "has engaged" to the present statutory language "is engaged or is about to engage in . . . a violation," and (ii) by changing the present statutory phrase "proper" showing to "such" showing. The proposed changes would appear to be designed to limit the equity powers of the federal courts and require the courts to issue an injunction on a mere showing that a defendant "has engaged' in a violation. The courts would be deprived of their traditional discretion to consider whether an injunction is actually required to prevent future violations of law. This would be contrary to the constitutionally mandated separation of powers. The Supreme Court refused over 30 years ago to allow Congress to deprive the federal courts of their historic equity discretion in injunctive cases.[3] The proposed changes appear to be intended to convert the SEC injunctive remedy into an automatic "branding" device, rather than a prophylactic, remedial enforcement weapon designed to protect the public interest from impending, threatened violations of law.[4]

This unfortunate result would be brought about because the proposed statutory changes would have the effect of removing from the federal courts their historic equity discretion in determining whether or not imposition of the harsh injunctive remedy is necessary to protect the public interest in a particular case when the SEC establishes that a defendant has committed a past violation of law even where minor or inadvertent.[5]

Under existing judicial precedent, when the SEC can not demonstrate that a defendant is currently violating, or about to violate, the law, upon proof by the SEC of a past violation of law the courts will impose injunctive relief against a defendant only if the SEC can demonstrate that there exists a "reasonable likelihood" or "cognizable danger" that the defendant will commit statutory violations in the future.[6] Courts typically look to (i) the nature and circumstances of the established past violation (i.e., Was it egregious, willful recent, or otherwise serious and harmful to the investigating public? Is it likely to be repeated? Or was it a stale, harmless, technical, minor, or inadvertent violation unlikely to be reported),[7] (ii) the "propensity" or "natural inclination" of the defendant to violate the law,[8] and (iii) the good faith,[9] or lack thereof,[10] of a particular defendant, in determining whether or not an inference of likely future violations should be drawn from proof of a particular past statutory violation.[11] While the SEC has been successful in a majority of its cases during the past 40 years in securing the injunctive relief it has requested against primary or central defendants pursuant to these established principles of equity jurisprudence,[12] in a potpourri of cases, particularly with respect to more peripheral defendants, courts have denied imposition of injunctive relief for various equitable reasons.[13]

One of the reasons why, in the exercise of traditional equitable discretion, courts refuse to issue injunctive relief in every case that a past statutory violation, no matter how technical or harmless, is proven, is that the imposition of an injunction pursuant to the federal securities laws triggers, directly and indirectly, a bundle of harsh statutory disqualifications that can severely damage, if not completely destroy or bar, the business careers of securities industry participants,[14] and can ruin the professions of attorneys, accountants, and other professionals who practice before the SEC.[15]

Depriving the federal courts of their historic equitable discretion in SEC injunctive cases, we submit, would be counterproductive to the public interest. Adoption of the proposed changes in Section 21(e), particularly in the absence of a full airing in Congressional hearings of the consequences of imposing such a drastic limitation on the equitable powers of the federal courts, would appear to be an unwarranted accommodation to the SEC's Enforcement Staff that will authorize the "branding" by the SEC as law violators of persons who reasonably can not be expected to violate the law in the future.[16] The proposed changes will convert the SEC's injunctive remedy into a punitive, rather than a remedial, enforcement tool.[17] This, we submit, will not serve the public interest, and is not necessary to assure compliance with, and effective enforcement of, the federal securities laws. Consequently, we urge the Committee to refuse to change the existing, time-tested language of Section 21(e).

In the event the Committee determines to add the "has engaged" language to Section 21(e), i.e., to specifically embrace past statutory violations, we particularly urge that the present requirement of a "proper showing" be retained in the statutory provision. Substituting the word "such" for "proper" would vitiate existing legal principles that require the SEC to establish a "reasonable likelihood" or "cognizable danger" of future violations before a court will grant injunctive relief. The proposed change in the statutory language would appear to require a court to impose an injunction in every case the SEC establishes a past violation of law, even if the violation is demonstrated to be inadvertent, harmless, technical, stale, and not serious, even if it is unlikely the violation will be repeated, and even if the defendant acted in complete good faith as, for example, upon the bona fide advice of competent, fully informed, legal counsel. We also would urge that the Committee Reports contain the following explanation to assure that the existing equitable discretion of a court to deny injunctive relief in appropriate cases, despite proof of a past violation, is not being abrogated:

The addition of the phrase "has violated" to Section 21(e) of the 1934 Act is not intended to change the nature of the "proper showing" the SEC must make to be entitled to injunctive relief. It is intended solely to demonstrate that the SEC has the power to seek, and the courts have the power in appropriate cases to issue, injunctive relief when a past violation of law can be established, even though the defendant is not currently violating the law and even though the SEC can not establish directly that the defendant is about to violate the law. But the SEC must be able to establish that the nature and circumstances of the past violation of law, or the propensities or natural inclinations of the defendant, under traditional equitable principles, support the drawing of an inference of a "reasonable likelihood" or "cognizable danger" of future violations absent imposition of an injunction. *See, e.g., SEC v. Texas Gulf Sulphur Co.*, 446 F.2d 1801 (2d Cir. 1971), *aff'ing* 312 F. Supp. 77 (S.D.N.Y. 1970); *SEC v. Culpepper*, 270 F.2d 241 (2d Cir. 1959); *SEC v. Manor Nursing Centers, Inc.*, 458 F.2d 1082 (2d Cir. 1972); *SEC v. Bangor Punta Corporation*, 331 F. Supp. 1154 (S.D.N.Y. 1971), *aff'd sub nom. Chris-Craft Industries, Inc. v. Piper Aircraft Corp.*, 480 F.2d 341 (2d Cir. 1973); *SEC v. Harwyn Industries Corporation*, 232 F. Supp. 274 (S.D.N.Y. 1971); *SEC v. National Student Marketing Corp.* (*Bach, Allison and Tate*), 360 F. Supp. 284 (D.D.C. 1973); *SEC v. Pearson*, 426 F.2d 1339 (10th Cir. 1970); *SEC v. Management Dynamics, Inc.*, F.2d CCH Fed. Sec. L. Rep. Par. 95,017 (2d Cir. 1975); *cf., United States v. W. T. Grant Co.*, 345 U.S. 629 (1953).

Thus, under the amended language, in addition to proof of a past violation, the SEC will still be required to prove that "equity" for an injunction exists. The amended provision is not intended to change existing law by removing from federal courts their historic equitable discretion to deny SEC-requested injunctive relief in cases where, even though a past statutory violation is proven, consideration of the nature and circumstances of the past violation and the natural inclinations and propensities of the defendant, will not support the drawing of an inference of a "reasonable likelihood" or "cognizable danger" of future statutory violations absent imposition of injunctive relief.

* * * * *

Respectfully submitted,

KENNETH J. BIALKIN,
ARTHUR F. MATHEWS,
MILTON V. FREEMAN,
WILLIAM H. PAINTER,
MANUEL F. COHEN.

Footnotes at end of article.

FOOTNOTES

[1] Kenneth J. Bialkin is Chairman of the Committee on Federal Regulation of Securities of the ABA's Section of Corporation, Banking and Business Law. Arthur F. Mathews is Chairman of the SubCommittee on Litigation. Milton V. Freeman is Chairman of the SubCommittee on SEC Enforcement. William H. Painter is Chairman of the SubCommittee on Legislation. Manuel F. Cohen is Chairman of the Subcommittee on Securities Activities of Banks.

[2] No such proposed changes appear in the companion House bill, H.R. 4111.

[3] In *Hecht Co. v. Bowles*, 321 U.S. 321, 329–30 (1944), Mr. Justice Douglas, a former Chairman of the SEC, outlined a trial court's discretion in an injunctive action as follows:

"The historic injunctive process was designed to deter, not to punish. The essence of equity jurisdiction has been the power of the Chancellor to do equity and to mold each decree to the necessities of the particular case. Flexibility rather than rigidity has distinguished it. The qualities of mercy and practicality have made equity the instrument for nice adjustment and reconciliation between the public interest and private claims."

[4] *See, e.g., SEC v. Texas Gulf Sulphur Co.*, 312 F. Supp. 77, 87–88 (S.D.N.Y. 1970), *aff'd*, 446 F.2d 130 (2d Cir. 1971).

[5] Judge Mansfield stated in *SEC v. Harwyn Industries Corporation*, 326 F. Supp. 943, 955 (S.D.N.Y. 1971), under the heading "Equitable Considerations":

"Thus in deciding whether or not to issue injunctive relief as requested, we are called upon to weigh all those considerations of fairness and justice that have been the historic concern of the equity courts . . . . [W]e have decided in the exercise of our discretion that injunctive relief should not be granted. It appears to us that the granting of an injunction here would be basically inequitable, and thus we find that the Commission has not made the 'proper showing' . . . [Citations ommitted.]

Judge Parker stated in *SEC v. National Student Marketing Corp.* (*Bach, Allison and Tate*), 360 F. Supp. 284, 297 (D.D.C. 1973):

The purpose of injunctive relief is to protect the public from future violations and the Court retains broad discretion in determining whether the likelihood of future violations is such that an injunction should issue for this purpose The case law identifies several factors which are deemed relevant to the probability of recurrent violations. The character of the past violations, the effectiveness of the discontinuance and the bona fides of the expressed intent to comply are considered. The number and duration of past wrongs, the time which has elapsed since the last violation, the opportunity to commit further illegal acts, the novelty of the violation, and the harmful impact of the injunction on the defendant are objective factors which the courts have examined. Subjective inquiries into the wilfullness or bad faith in a defendant's prior conduct and the sincerity of his representations not to violate the law are also pertinent. [Footnotes omitted.]

[6] *See, e.g., SEC v. Culpepper*, 270 F.2d, 241, 249 (2d Cir. 1959); *SEC v. Manor Nursing Centers, Inc.*, 458 F.2d 1082 (2d Cir. 1972); *SEC v. Management Dynamics, Inc.*, — F.2d ——CCH Fed. Sec. L. Rep. par. 95,017 (2d Cir. 1975); *cf., United States v. W. F. Grant Co.*, 345 U.S. 629 (1953).

[7] For example, *compare SEC v. Keller Corp.*, 323 F.2d 397 (7th Cir. 1973) with *SEC v. Harwyn Industries Corp.*, 326 F. Supp. 943 (S.D.-N.C. 1971).

[8] *See e.g., SEC v. Bangor Punta Corporation*, 331 F. Supp. 1154 (S.D.N.Y. 1971), *aff'd Sub nom. ChrisCraft Industries, Inc. v. Piper Aircraft Corp.*, 480 F.2d 341 (2d Cir. 1973); *SEC v. Computronic Industries Corp.* (*Hipp*) 294 F. Supp. 1136, 1138 (N.D. Tex. 1968).

[9] *See, e.g., SEC v. Texas Gulf Sulphur Co.*, 312 F. Supp. 77, 88 (S.D.N.Y. 1970), *aff'd*, 446 F.2d 1301 (2d Cir. 1971) ["the issuance of an injunction is inappropriate absent a showing of lack of good faith."]; *SEC v. Harwyn Industries Corp.*, 326 F. Supp. 943 (S.D.N.Y. 1971); *SEC v. Coffey and King*, 493 F.2d 1304 (6th Cir. 1974).

[10] *See SEC v. Manor Nursing Centers, Inc.*, 458 F.2d 1082 (2d Cir. 1972).

[11] *See* A. F. Mathews, "S.E.C. Civil Injunction Actions—I and II," 5 Review of Securities Regulation, Nos. 4 and 6 (Feb. 18 and Mar. 22, 1972); *SEC v. National Student Marketing Corp.* (*Bach, Allison and Tate*), 360 F. Supp. 284, 297 (D.D.C. 1973).

[12] *See* H. Pitt and J. Markham, "SEC Injunctive Actions," 6 *Review of Securities Regulation*, No. 5 (March 7, 1973).

[13] *See, e.g., SEC v. National Student Marketing Corp.* (*Bach, Allison and Tate*), 360 F. Supp. 284, 297 (D.D.C. 1973); *SEC v. Pearson*, 426 F.2d 1339 (10th Cir. 1970); *SEC v. Texas Gulf Sulphur Co.*, 312 F. Supp. 77 (S.D.N.Y. 1970), *aff'd* 446 F.2d 1301 (2d Cir. 1971); *SEC v. Bangor Punta Corporation*, 331 F. Supp. 1154 (S.D.N.Y. 1971), *aff'd sub nom. Chris-Craft Industries, Inc. v. Piper Aircraft Corp.*, 480 F.2d 341 (2d Cir. 1973); *SEC v. Coffey and King*, 493 F.2d 1304 (6th Cir. 1974).

[14] For a listing of such direct and indirect statutory disqualifications arising upon imposition of an SEC injunction, *see* A.F. Mathews, "S.E.C. Civil Injunctive Actions," 5 *Review of Securities Regulation*, No. 4, at 969–70 (Feb. 18, 1972); R. Bemporad, "Injunctive Relief". In SEC Civil Actions: The Scope of Judicial Discretion," M Colum. J. Law and Soc. Prob. 328, at 340–42 (1974); *see also*, A.F. Mathews, *Enforcement and Litigation Under The Federal Securities Laws*—1975, at 94–97 (P.L., I, 1975; A.F. Mathews, "Liabilities of Lawyers Under the Federal Securities Laws," 30 Bus. Law. 105, at 135, 136 (ABA, March 1974).

[15] *See* Rule 2(e), SEC Rules of Practice; SEC 1933 Act Release No. 5147 (1971); N.S. Johnson, "The Expanding Responsibilities of Attorneys In Practice Before the SEC: Disciplinary Proceedings Under Rule 2(e) of the Commission's Rules of Practice," 25 Mercer L. Rev. 687 (1974). As Judge Mansfield stated in *SEC v. Harwyn Industries Corp.*, 326 F. Supp. 943, 957 (S.D.N.Y. 1974); "Furthermore, we must not forget that the issuance of an injunction can sometimes have a harmful impact on the personal reputations and legitimate business activities of defendants."

[16] *See Hecht Co. v. Bowles*, 321 U.S. 321, 329–30 (1944).

[17] *Ibid.*

APPENDIX B

Amendments to the Suspension Provision (12 U.S.C. § 1818(g)) Section 8(g) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(g), is amended to read as follows:

"(g) (1) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a felony involving dishonesty or breach of trust, the appropriate Federal banking agency may be written notice, in accordance with the procedures and criteria specified in subsections (g) (3) and (g) (4) of this section, suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the bank. Such suspension and/or prohibition shall become effective upon service of such notice and shall remain in effect until (1) terminated by the agency, or (2) the information, indictment, or complaint is finally disposed of, without a judgment of conviction, or (3) the completion of the administratve proceedings required under subsection (g) (3) of this section."

"(g) (2) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is convicted of the commission of or participation in a felony involving dishonesty or breach of trust, and at such a time as the judgment of conviction is not subject to further appellate review, the appropriate Federal banking agency may, in accordance with the procedures and criteria specified in subsections (g) (3) and (g) (4) of this section, serve upon such director, officer or other person a written notice of its intent to suspend him from office and/or prohibit him from further participation in any manner in the affairs of the bank."

"(g) (3) Any notice of suspension and/or prohibition pursuant to subsection (g) (1), and any notice of intent to issue an order of suspension and/or prohibition pursuant to subsection (g) (2), shall fix a time and place at which a hearing will be held thereon. Some hearing shall be fixed for a date not later than fifteen days after the date of service of such notice, unless a later date is set by the agency for good cause shown, at the request of (A) such director, officer, or other person, or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such suspension and/or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that such person constitutes an undue risk to the bank by virtue of a predilection to dishonest conduct or breach of trust, or by virtue of probable adverse public reaction to the continued involvement of such person in the affairs of the bank, the agency may issue such an order of suspension and/or prohibition from participation in the conduct of the affairs of the bank as it may deem appropriate. Any such order shall become effective thirty days after service upon such bank and the director, officer, or other person concerned. Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court, except that an order originating upon the premise of subsection (g) (1) shall terminate upon final disposition of the information, indictment, or complaint without a judgment of conviction."

"(g) (4) Any notice of suspension and/or prohibition under subsection (g) (1) of this section and any notice of intent to issue a suspension and/or prohibition order under subsection (g) (2) of this section shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the grounds therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. The mere fact of the existence of an outstanding information, indictment, complaint, or conviction for a felony involving dishonesty or a breach of trust shall not of itself preclude the appropriate banking agency or a reviewing court from concluding that the individual concerned does not in fact pose an undue risk to the bank in question from the standpoint of dishonesty or breach of trust, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit a dishonest act or breach of trust; the novelty of the crime complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation; and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws."

"(g)(5) Any person subject to an order issued under subsection (g)(3) of this section shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof by the agency pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order."

"(g)(6) If at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of a national bank less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors. In the event all of the directors of a national bank are suspended pursuant to this section, the Comptroller of the Currency shall appoint persons to serve temporarily as directors in their place and stead pending the termination of such suspensions, or until such time as those who have been suspended, cease to be directors of the bank and their respective successors take office."

Amendments to the Judicial Review Sections (12 U.S.C. § 1818(h) and § 1818(i)).

Section 8(h) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(h), is amended to read as follows:

"(h)(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the home office of the bank is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of Title 5. Such hearing shall be private, unless the appropriate Federal banking agency, in its discretion, after fully considering the views of the party afforded the hearing, determines that a public hearing is necessary to protect the public interest. Within ten days after such hearing, the appropriate Federal banking agency or Board of Governors of the Federal Reserve System shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusivly as provided in this subsection (h). Unless a petition for review is timely filed in a court of appeals of the United States, as hereinafter provided in paragraph (2) of this subsection, and thereafter until the record in the proceeding has been filed as so provided, the issuing agency may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the agency may modify, terminate, or set aside any such order with permission of the court."

"(h)(2) Any party to the proceeding, or any person required by an order issued under this section to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to paragraph (1) of this subsection (other than an order issued with the consent of the bank or the director or officer or other person concerned) by the filing in the court of appeals of the United States for the circuit in which the home office of the bank is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in Section 2112 of Title 28. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of said paragraph (1) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of Title 5. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of Title 28, and except as provided in subsections (e)(6) and (g)(5 of this section."

Section 8(i) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(i) is amended to read as follows:

"(i) The appropriate Federal banking agency may in its discretion apply to the United States district court, or the United States Court of any territory, within the jurisdiction of which the home office of the bank is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such courts shall have jurisdiction and power to order and require compliance herewith."

APPENDIX C

Amendments to the Removal Provision 12 U.S.C. § 1818(e)).

Section 8(e) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(e), is amended to read as follows:

"(e)(1) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the bank, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the agency determines that the bank has suffered or will probably suffer substantial loss or other damage or that the interests of its depositors could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either (i) one involving personal dishonesty on the part of such director or officer, and the facts indicate that such individual continues to pose an undue risk of injury to the bank by virtue of personal dishonesty, or (ii) in the case of a violation of a cease-and-desist order, one which demonstrates his gross negligence in the operation or management of the bank or a willful disregard for the safety or soundness of the bank, the agency may serve upon such director or officer a written notice of its intention to remove him from office, subject to the provisions of subsection (e)(5) of this section."

Paragraph (e)(2) is repealed.

Paragraph (e)(3) is redesignated as paragraph (e)(2) and is amended to read as follows:

"(e)(2) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank, by conduct or practice with respect to another insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or, in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the appropriate Federal banking agency, any other person participating in the conduct of the affairs of an insured bank, by conduct or practice with respect to such bank or other insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either (i) his personal dishonesty and a predilection toward further personal dishonesty, constituting an undue risk of injury to the bank, or, (ii) in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and in addition, has evidenced his unfitness to participate in the conduct of the affairs of such insured bank, the agency may serve upon such director, officer, or other person a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the conduct of the affairs of the bank, subject to the provisions of subsection (e)(5) of this section."

Paragraph (e)(4) is repealed.

Paragraph (e)(5) is redesignated as paragraph (e)(3) and is amended to read as follows:

"(e)(3) In respect to any director or officer of an insured bank or any other person referred to in paragraph (1) or (2) of this subsection, the appropriate Federal banking agency may, if it deems it necessary for the protection of the bank or the interests of its depositors, by written notice to such effect served upon such director, officer, or other person, suspend him from office and/or prohibit him from further participating in any manner in the conduct of the affairs of the bank, subject to the provisions of subsection (e)(5) of this section. Such suspension and/or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (f) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under subsections (e)(1) or (e)(2) of this section and until such time as the agency shall dismiss the charges specified in such notice, or, if an order of removal and/or prohibition is issued against the director or officer or other person, until the effective date of any such order. Copies of any such notice shall also be served upon the bank of which he is a director or officer or in the conduct of whose affairs he has participated."

Paragraph (e)(6) is repealed.

Paragraph (e)(7) is repealed.

Paragraph (e)(8) is redesignated as paragraph (e)(4) and is amended to read as follows:

"(e)(4) A notice of intention to remove a director, officer, or other person from office and/or to prohibit his participation in the conduct of the affairs of an insured bank, shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the agency for good cause shown at the request of (A) such director or officer or other person or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal and/or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any of the grounds specified in such notice has been established, the agency may issue such orders of suspension or removal from office, and/or prohibition from participation in the conduct of the affairs of the bank, as it may deem appropriate. In any action brought under this section by the Comptroller of the Currency in respect to any director, officer, or other person with respect to a national banking association or a district bank, the findings and conclusions of the Administrative Law Judge shall be certified to the Board of Governors of the Federal Reserve System for the determination of whether any order shall issue. Any such order shall become effective at the expiration of thirty days after service upon such bank and the director, officer, or other person concerned (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court."

"(e) (5) Any notice of intent to issue a removal and/or suspension order under subsections (e) (1) or (e) (2) of this section, and any notice of suspension and/or prohibition under subsection (e) (3) of this section, shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the ground therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. With respect to the question of "personal dishonesty", the agency or a reviewing court may conclude at any time that the individual concerned does not in fact pose an undue risk to the bank in question by virtue of dishonest conduct, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, if any; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious and willful intent to commit the dishonest act or breach of trust in question; the novelty of the crime, if any, complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws. With respect to the questions of "gross negligence" or "willful disregard", such shall only be grounds for removal when evidenced by one or more violations of a cease-and-desist order, and such violations are serious and non-technical in nature. "Willful disregard" is not established unless an intent in bad faith not to comply with the order is also evidenced."

"(e) (6) Any person subject to an order issued under subsection (e) (4) of this section shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order."

Appendix D

Amendments to the Employment Provision (12 U.S.C. § 1829).

Section 19 of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1829, is amended to read as follows:

"(a) Except with the written consent of the Corporation, no person shall serve as a director, officer, or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. Upon petition of such a person, setting forth the justification for such consent, the Corporation shall within thirty days conduct a hearing for the purpose of assessing the potential risk to the bank from the participation of the petitioner in its affairs as a director, officer, or employee. The Corporation shall within ten days after such a hearing give such consent if it determines that the petitioner does not pose an undue risk of injury to the bank by virtue of dishonest conduct or breach of trust; otherwise it shall issue a written decision denying the petition. The Corporation and any reviewing court may conclude that the individual concerned does not in fact pose an undue risk to the bank in question, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit the dishonest act or breach of trust for which he was convicted; the novelty of the crime for which he was convicted; the presence of good faith reliance upon advice of counsel in the circumstances for which he was convicted; evidence of rehabilitation; and any other such considerations commonly used by the courts in similar injunctive situations under other laws. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than $100.00 for each day this prohibition is violated, which the Corporation may recover for its use."

"(b) A person denied permission to serve as a director, officer, or employee of an insured bank after submitting a petition pursuant to subsection (a) of this section, shall be entitled to resubmit a petition after the expiration of three years from the date of the last such adverse decision. Within thirty days after the service upon such person of an adverse decision under subsections (a) or (b) of this section, he may obtain review of the decision by filing in the United States Court of Appeals for the District of Columbia Circuit a written petition praying that the decision of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of Title 28. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall, except as provided in the last sentence of said paragraph (1), be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of Title 5. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of Title 28, and except as provided in the first sentence of this subsection."

"(c) With respect to the affairs of any state non-member bank, any hearing and decision required by this section may be held or rendered, respectively, by the Corporation in coordination with any similar hearing and order pursuant to Section 1818(g), and the specified time periods and other procedural requirements applicable in such case shall be those of Section 1818(g)."

Amendment No. 1579

Beginning with page 11, line 18, strike out all through page 16, line 7, and insert in lieu thereof the following:

"(e) (1) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the bank, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the agency determines that the bank has suffered or will probably suffer substantial financial loss or other damage or that the interests of its depositors could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either (A) one involving personal dishonesty on the part of such director or officer, and the facts indicate that such individual continues to pose an undue risk of injury to the bank by virtue of personal dishonesty, or (B) in the case of a violation of a cease-and-desist order, one which demonstrates his gross negligence in the operation or management of the bank or a willful disregard for the safety or soundness of the bank, the agency may serve upon such director or officer a written notice of its intention to remove him from office, subject to the provisions of subsection (e) (5) of this section.

"(2) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank, by conduct or practice with respect to another insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or, in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the appropriate Federal banking agency, any other person participating in the conduct of the affairs of an insured bank, by conduct or practice with respect to such bank or other insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either (i) his personal dishonesty and a predilection toward further personal dishonesty, constituting an undue risk of injury to the bank, or, (ii) in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and in addition, has evidenced his unfitness to participate in the conduct of the affairs of such insured bank, the agency may serve upon such director, officer, or other person a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the conduct of the affairs of the bank, subject to the provisions of paragraph (5) of this subsection.

"(3) In respect to any director or officer of an insured bank or any other person referred to in paragraph (1) or (2) of this subsection, the appropriate Federal banking agency may, if it deems it necessary for the protection of the bank or the interests of its depositors, by written notice to such effect served upon such director, officer, or other person, suspend him from office or prohibit him from further participating in any manner in the conduct of the affairs of the bank, subject to the provisions of paragraph (5) of this subsection. Such suspension or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (f) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under paragraph (1) or (2) of this subsection and until such time as the agency shall dismiss the charges specified in such notice, or, if an order of removal or prohibition is issued against the director or officer or other person, until the effective date of any such order. Copies of any such notice shall also be served upon the bank of which he is a director or officer or in the conduct of those affairs he has participated.

"(4) A notice of intention to remove a director, officer, or other person from office or to prohibit his participation in the conduct of the affairs of an insured bank, shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the agency for good cause shown at the request of (A) such director or officer or other person or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any of the grounds specified in such notice has been established, the agency may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the bank, as it may deem appropriate. In any action brought under this section by the Comptroller of the Currency in respect to any director, officer, or other person with respect to a national banking association or a district bank, the findings and conclusions of the Administrative Law Judge shall be certified to the Board of Governors of the Federal Reserve System for the determination of whether any order shall issue. Any such order shall become effective at the expiration of thirty days after service upon such bank and the director, officer, or other person concerned (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.

"(5) Any notice of intent to issue a removal or suspension order under paragraph (1) or (2), and any notice of suspension or prohibition under paragraph (3), shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the grounds therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. With respect to the question of 'personal dishonesty', the agency or a reviewing court may conclude at any time that the individual concerned does not in fact pose an undue risk to the bank in question by virtue of dishonest conduct, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, if any; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious and willful intent to commit the dishonest act or breach of trust in question; the novelty of the crime, if any, complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws. With respect to the questions of 'gross negligence' or 'willful disregard', such shall only be grounds for removal when evidenced by one or more violations of a cease-and-desist order, and such violations are serious and non-technical in nature. 'Willful disregard' is not established unless an intent in bad faith not to comply with the order is also evidenced.

"(6) Any person subject to an order issued under paragraph (4) of this subsection shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order."

(e) Section 8(g) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (g)), is amended to read as follows:

"(g)(1) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a felony involving dishonesty or breach of trust, the appropriate Federal banking agency may by written notice, in accordance with the procedures and criteria specified in subsections (g)(3) and (g)(4) of this section, suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the bank. Such suspension and/or prohibition shall become effective upon service of such notice and shall remain in effect until (1) terminated by the agency, or (2) the information, indictment, or complaint is finally disposed of, without a judgment of conviction, or (3) the completion of the administrative proceedings required under paragraph 3 of this subsection.

"(2) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is convicted of the commission of or participation in a felony involving dishonesty or breach of trust, and at such time as the judgment of conviction is not subject to further appellate review, the appropriate Federal banking agency may, in accordance with the procedures and criteria specified in paragraphs (3) and (4) of this section, serve upon such director, officer or other person a written notice of its intent to suspend him from office or prohibit him from further participation in any manner in the affairs of the bank.

"(3) Any notice of suspension or prohibition pursuant to paragraph (1), and any notice of intent to issue an order of suspension or prohibition pursuant to paragraph (2), shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not later than fifteen days after the date of service of such notice, unless a later date is set by the agency for good cause shown, at the request of (A) such director, officer, or other person, or (3) the Attorney General of the United States. Unless such director, officer, or other person shall appeal at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such suspension or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that such person constitutes an undue risk to the bank by virtue of a predilection to dishonest conduct or breach of trust, or by virtue of probable adverse public reaction to the continued involvement of such person in the affairs of the bank, the agency may issue such an order of suspension or prohibition from participation in the conduct of the affairs of the bank as it may deem appropriate. Any such order shall become effective thirty days after service upon such bank and the director, officer, or other person concerned. Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a review court, except that an order originating upon the premise of paragraph (1) shall terminate upon final disposition of the information, indictment, or complaint without a judgment of conviction.

"(4) Any notice of suspension or prohibition under paragraph (1) of this section and any notice of intent to issue a suspension or prohibition order under paragraph (2) of this section shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the grounds therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. The mere fact of the existence of an outstanding information, indictment, complaint, or conviction for a felony involving dishonesty or a breach of trust shall not of itself preclude the appropriate banking agency or a reviewing court from concluding that the individual concerned does not in fact pose an undue risk to the bank in question from the standpoint of dishonesty or breach of trust, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit a dishonest act or breach of trust; the novelty of the crime complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation; and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws.

"(5) Any person subject to an order issued under paragraph (3) shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof by the agency pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order.

"(6) If at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of a national bank less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors. In the event all of the directors of a national bank are suspended pursuant to this section, the Comptroller of the Currency shall appoint persons to serve temporarily as directors in their place and stead pending the termination of such suspensions, or until such time as those who have been suspended, cease to be directors of the bank and their respective successors take office."

(f) Section 8(h) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (h)), is amended to read as follows:

"(h)(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the home office of the bank is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5, United States Code. Such hearing shall be private, unless the appropriate Federal banking agency, in its discretion, after fully considering the views of the party afforded the hearing, determines that a public hearing is necessary to protect the public interest. Within ten days after such hearing, the appropriate Federal banking agency or Board of Governors of the Federal Reserve System shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection (h). Unless a petition for review is timely filed in a court of appeals of the United States, as hereinafter provided in paragraph (2) of this subsection, and thereafter until the record in the proceeding has been filed as so provided, the issuing agency may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the agency may modify, terminate, or set aside any such order with permission of the court.

"(2) Any party to the proceeding, or any person required by an order issued under this section to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to paragraph (1) of this subsection (other than an order issued with the consent of the bank or the director or officer or other person concerned) by the filing in the court of apeals of the United States for the circuit in which the home office of the bank is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of said paragraph (1) be exclusive, to affirm, modify, terminate, or set aside, in the whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of title 5. United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of title 28, United States Code, and except as provided in paragraphs (5) and (6) of this section.

(g) Section 8(i) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(i)), is amended to read as follows:

"(i)(1) The appropriate Federal banking agency may in its discretion apply to the United States district court, or the United States Court of any territory, within the jurisdiction of which the home office bank is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such courts shall have jurisdiction and power to order and require compliance herewith.

"(2) Any insured bank which violates or any

At the end of the bill, add the following:

Sec. 8. Section 19 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1829), is amended to read as follows:

"Sec. 19. (a) Except with the written consent of the Corporation, no person shall serve as a director, officer, or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. Upon petition of such a person, setting forth the justification for such consent, the Corporation shall within thirty days conduct a hearing for the purpose of assessing the potential risk to the bank from the participation of the petitioner in its affairs as a director, officer, or employee. The Corporation shall within ten days after such a hearing give such consent if it determines that the petitioner does not pose an undue risk of injury to the bank by virtue of dishonest conduct or breach of trust; otherwise it shall issue a written decision denying the petition. The Corporation and any reviewing court may conclude that the individual concerned does not in fact pose an undue risk to the bank in question, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit the dishonest act or breach of trust for which he was convicted; the novelty of the crime for which he was convicted; the presence of good faith reliance upon advice of counsel in the circumstances for which he was convicted; evidence of rehabilitation; and any other such considerations commonly used by the courts in similar injunctive situations under other laws. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Corporation may recover for its use.

"(b) A person denied permission to serve as a director, officer, or employee of an insured bank after submitting a petition pursuant to subsection (a) of this section, shall be entitled to resubmit a petition after the expiration of three years from the date of the last such adverse decision. Within thirty days after the service upon such person of an adverse decision under subsections (a) or (b) of this section, he may obtain review of the decision by filing in the United States Court of Appeals for the District of Columbia Circuit a written petition praying that the decision of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall, except as provided in the last sentence of said paragraph (1), be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of title 28, and except as provided in the first sentence of this subsection.

"(c) With respect to the affairs of any State non-member bank, any hearing and decision required by this section may be held or rendered, respectively, by the Corporation in coordination with any similar hearing and order pursuant to section 1818(g), and the specified time periods and other procedural requirements applicable in such case shall be those of section 1818(g)."

NATIONAL FOOD STAMP REFORM ACT OF 1976—S. 3136

AMENDMENTS NOS. 1580 AND 1583

(Ordered to be printed and to lie on the table.)

Mr. BELLMON submitted two amendments intended to be proposed by him to Amendment No. 1571 proposed to the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility simplifying administration, and tightening accountability, and for other purposes.

SUPPLEMENTAL APPROPRIATIONS FOR PREVENTIVE HEALTH SERVICES—HOUSE JOINT RESOLUTION 890

AMENDMENT NO. 1581

(Ordered to be printed and to lie on the table.)

Mr. BUMPERS. Mr. President, I am pleased to see that the President has taken the leadership to propose an all-out effort to combat the possibility of swine influenza in this country. We all agree I am sure that preventive action is much more desirable and sensible than dealing with the consequences of an epidemic, both in terms of human costs and dollar costs.

The number of children in this country susceptible to preventable childhood diseases is a reflection of one of the most abysmal failures in the medical history of our Nation. Vaccines are available to protect children against polio, diphtheria, pertussis, tetanus, measles, mumps, and rubella which are safe and effective. Yet, the U.S. Immunization Survey of 1975 estimates that 15.5 million children are not fully protected against polio; 9.3 million children are not protected against DPT; 13.8 million are not protected against measles; 13.9 million children remain susceptible to rubella, and 26.4 million to mumps. The failure to conduct adequate awareness programs alerting the public to the risks and costs of epidemics, compounded by a lack of funding to design and support aggressive immunization programs, has, and continues, to cost society countless billions of dollars in unnecessary medical expense, institutional care, and loss of productivity, to say nothing of the pain, suffering, and despair.

The efficacy of immunization against childhood communicable diseases in cost-benefit terms is easy to illustrate. Studies of debilities resulting from communicable diseases in past years demonstrate, for example, that a single case of mental retardation from a disease such as rubella could cost more than $900,000 for a lifetime of institutional care plus loss of productivity. The Center for Disease Control reports in its March 19, 1976, Morbidity and Mortality Weekly Report that 2,576 cases of rubella have been identified during the first 10 weeks of this year. A reasonable estimate is that 1 percent or 257 of those cases will be pregnant mothers. It further shows a total of 6,667 cases of measles compared to 3,846 for the first 10 weeks of 1975. And there are predictions based on documented 10-year cycles of epidemics, that 1976–77 could be epidemic years for both mumps and measles. It should be also noted that these are the only "reported" cases.

Present plans are for the swine flu vaccine not to be given to children *under* 5 years of age. There is additional concern by medical experts about giving both swine flu vaccine together with the vaccines for preventable childhood diseases to other children in tandem. Even so, the 1975 United States Immunization Survey indicates that among the children of this country under age 5, 4.5 million are susceptible to polio, 3.2 million susceptible to DPT, 4.4 million susceptible to measles, 4.9 million susceptible to rubella—German measles—and 7.1 million to mumps. If we made a conscientious, dedicated, massive effort just to reach those under 5, it would be a very significant accomplishment for preventive medicine.

The cost of purchasing vaccines for children under 5 years of age would be $22,496,000. Assuming that 50 percent of this category are in the public sector—children in families who are eligible for public assistance—the cost could be halved to $11,248,000. This assumes that the other 50 percent could, and would, with a public awareness campaign, be immunized by their private physicians at private expense. Add to this approximately 25 cents for each inoculation anticipated in the public sector, as an incentive for the States to undertake such a project—$3,000,000—and the total costs for a substantial beginning toward filling a serious medical vacuum in our society would be $14,248,000.

Mr. President, all but three States in this country have laws which prohibit children being enrolled in school until they have been immunized against all of the above diseases. Unfortunately, the laws are not vigorously enforced. Even if they were, a preschool-aged child who contracts rubella can certainly communicate it to his mother, and if that mother is in the first 3 months of pregnancy, it is a medical certainty that the child will be born handicapped. There are approximately 250,000 people in this Nation housed in institutions for the mentally ill. It is estimated that between 5 and 9 percent of those cases are the results of the mother contracting rubella during the first 3 months of pregnancy. There are probably two to three times that many less profoundly handicapped children in sheltered workshops and remaining at home who constitute a serious financial drain on families and a loss of productivity to society. But if one only calculated that 7 percent of them, or 17,500 of the above number are institutionalized as a result of rubella, using the $900,000 per handicapped person figure above, the cost translates to $15,750,000,000. Mr. President, this is an outrageous statistic and should be a cause of shame to all of us.

Mr. President, it does not have to be this way. In 1973–74, the State of Arkansas, through a massive coordination and cooperation effort by existing public agencies, such as the State health department, Cooperative Extension Service, and the Nationial Guard together with the Arkansas League for Nursing, the Arkansas Medical Society, and over 10,000 volunteers, lowered the percentage of susceptible children, from one of the highest in the Nation to the lowest.

There is now a program being developed called "Every Child in 76" to attempt the same program nationally. It is sponsored by the National League for Nursing, and has been endorsed by the PTA, the National Governors Conference, HEW, and others. The American Revolution Bicentennial Administration has given it its approval as the only health related project in the Nation. The success of this program will not depend solely on an appropriation, but it would be tragic for it to be less than successful for lack of funds. It is essentially a volunteer effort of getting children to clinics or private physicians.

I am therefore submitting an amendment to House Joint Resolution 890 to appropriate $14,284,000 for immunization from childhood diseases. Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD, and I urge its adoption by the Committee on Appropriations in the Senate.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1581

On page 1, line 3, strike the words "sum is" and insert in lieu thereof the words "sums are";

And on page 2, after line 11, add the following:

"HEALTH SERVICES ADMINISTRATION BUREAU OF COMMUNITY HEALTH SERVICES MATERIAL AND CHILD HEALTH

"For carrying out disease prevention, control, and immunization programs for measles, rubella, poliomyelitis, and other childhood diseases, $14,248,000, to remain available until expended: *Provided*, that vaccines may be supplied to State and local health agencies without charge."

AMENDMENT NO. 1582

(Ordered to be printed and to lie on the table.)

Mr. BAYH. Mr. President, today I am submitting an amendment to House Joint Resolution 890, the emergency supplemental appropriations bill for fiscal year 1976.

Briefly, my amendment will provide for $35 million for the remainder of the current fiscal year to carry out a nationwide immunization program against childhood diseases.

The program is targeted at children in the 1–4 age group. This group will generally be excluded, for medical reasons, from the swine influenza immunization program, for which this bill appropriates $135 million. Thus the problem of administering more than one type of vaccination to the same individual does not arise.

Mr. President, I am deeply concerned about the state of our national immunization programs. The Federal effort to control communicable diseases through immunization has declined from $17 million in 1970 to a mere $6.2 million in 1975. Yet a significant proportion of Americans remain susceptible to serious diseases for which effective immunizing vaccines exist. Thirty-seven percent are not completely immunized against polio. Corresponding percentages for other diseases are: DPT—diptheria, pertussis or whooping cough, tetanus—26 percent; measles—36 percent; rubella—40 percent.

Of particular concern is the growing number of unimmunized children. The U.S. Immunization Survey of 1975 estimates that 15.5 million children are not fully protected against polio; 9.3 million children are not protected against DPT; 13.8 million are not protected against measles; 13.9 million remain susceptible to rubella; and 26.4 million to mumps. Many of these unimmunized children are below the age of 5.

My amendment will provide funds for the Department of Health, Education, and Welfare to conduct immunization programs for polio, DPT, measles, rubella, and mumps. This amount is sufficient to reach susceptible children between the ages of 1–4 years. In addition, I have sought to provide sufficient funds to carry out a catchup program to reach those children above the age of 4 who have received only partial immunization for various diseases, as well as children over 5 who received no immunization at all at an earlier age.

There is an obvious need for such programs. We are not talking about simple childhood diseases, but about diseases which may have tragic side effects. Rubella, for example, if passed from a child to a pregnant woman, can cause terrible deformities in the unborn child.

This is a cost-effective program. Even apart from the reduction in human suffering which preventive treatment will provide, it is far, far cheaper to keep people from getting sick by administering a vaccine than it is to treat them after they become ill.

I have a particular reason for offering this amendment to the emergency supplement appropriations bill. This bill deals primarily with the national swine flu immunization program. It has attracted a good deal of public attention; a massive educational campaign will be undertaken to inform the public of the availability of the flu vaccine. This is a prime opportunity to "piggyback" our efforts to immunize against other diseases—while public attention is focused on the flu immunization program.

Acceptance of this amendment will help to regenerate the important immunization programs which have declined so drastically in recent years.

I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1582

At the appropriate place under the heading "Preventive Health Services" strike:

"$135,064,000, to remain available until expended: *Provided*," and insert in lieu thereof: "$170,064,000, to remain available until expended: *Provided*, That of the sum herein appropriated, $35,000,000 shall remain available for carrying out disease prevention, control, and immunization programs for measles, rubella, poliomyelitis, and other childhood diseases: *Provided further*,"

CONGRESSIONAL BUDGET FOR THE U.S. GOVERNMENT FOR FISCAL YEAR 1977—SENATE CONCURRENT RESOLUTION 109

AMENDMENT NO. 1584

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the United States Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976).

(The remarks of Mr. LONG when he submitted the amendment appear later in today's RECORD.)

AMENDMENT NO. 1585

(Ordered to be printed.)

Mr. CRANSTON (for himself, Mr. HARTKE, Mr. RANDOLPH, and Mr. THURMOND) proposed an amendment to the concurrent resolution (S. Con. Res. 109), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENTS NOS. 1444 AND 1472

At the request of Mr. BUMPERS, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of amendment No. 1444 and amendment No. 1472 intended to be proposed to S. 2484, a bill to amend Public Law 566, Watershed Protection and Flood Prevention Act, as amended, to remove the limitation on any single loan or advancement for watershed works of improvement.

ANNOUNCEMENT OF GOVERNMENT OPERATIONS COMMITTEE MARKUP

Mr. RIBICOFF. Mr. President, I wish to announce that the Government Operations Committee will tomorrow, April 9, hold a second day of markup on the Watergate reform legislation, S. 495. The committee may also consider the Presidential Protection Assistance Act, S. 2166, and its companion bill, H.R. 1244. The markup will begin at 10 a.m. in room 3302.

The committee may also consider the Subcommittee on Federal Spending Practices' decisions on conferring use immunity.

NOTICE OF HEARINGS

Mr. NELSON. Mr. President, I wish to announce that the Monopoly Subcommittee of the Senate Small Business Committee has scheduled hearings on Medical Education and the Drug Industry.

The hearings will be held on April 28, in room 318, Caucus Room, at 10 a.m.; on May 5, room 1114, Dirksen Senate Office Building at 10 a.m.; and on May 6, room 1318, Dirksen Senate Office Building at 10 a.m. The witnesses will be announced later.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, Task Forces Nos. 2, 3, and 4 on Tribal government, Federal Administration and Federal, State and Tribal Jurisdiction, announces public hearings to be held April 15th and 16th, 1976 from 9:30 a.m. to 6 p.m. at the Sheraton Inn, 1400 8th Avenue NW, Aberdeen, S. Dak.

These hearings are concerning issues relating to tribes and others in the States of North Dakota, South Dakota, Nebraska, Kansas, and Wyoming.

For further information call Paul Alexander at 202-225-2235, 2984 or 2979 or write the American Indian Policy Review Commission, HOB Annex No. 2, 2d, and D Streets SW, Washington, D.C. 20515.

ANNOUNCEMENT OF HEARINGS

Mr. ABOUREZK. Mr. President, the American Indian Policy Review Commission, Task Forces Nos. 2, 3, and 4 on Tribal Government, Federal Administration and Federal, State and Tribal Jurisdiction, announces public hearings to be held April 19, 1976 for 9:30 a.m. to 6 p.m. at the Edgewater, 100 Madison, Missoula, Mont.

These hearings are concerning issues relating to tribes and others in the States of Montana and Idaho.

For further information call Paul Alexander at 202-225-2235, 2984 or 2979 or write the American Indian Policy Review Commission, HOB Annex No. 2, 2d and D Streets SW, Washington, D.C. 20515.

ADDITIONAL STATEMENTS

SOVIET WEAKNESSES REVEALED AT 25TH PARTY CONGRESS

Mr. ROBERT C. BYRD. Mr. President, at the 25th Party Congress recently concluded in Moscow, General Secretary Brezhnev reaffirmed his intention to continue the policy of détente with the Western industrial nations. Officially inaugurated at the 24th Party Congress 5 years ago, détente is reportedly still a heated subject among the Kremlin leadership.

Meanwhile, in the United States, the terms of détente—and even the use of the word itself—have become controversial in light of Soviet adventures in Africa. At the same time, Soviet military strength has become a leading national security issue here in this country and some are saying that the United States is losing its influence around the world to the Soviets.

Since overall Soviet strategic strength is at question, it is worthwhile to examine the 25th Party Congress which highlighted three major Soviet problem areas. The Kremlin leaders have some serious problems at home and abroad, and those who are seeking to make a balanced comparison between the United States and Soviet Union cannot disregard these shortcomings in the Soviet system.

The initial problem area, and the one which aroused the most dramatic attention at the Party Congress, is the splintering Communist movement. Moscow's self-proclaimed leadership of the international Communist movement suffered another blow when the French and Italian representatives made it clear that they want independence to participate in their own nation's politics without interference from Moscow.

Coming from the two largest and most influential Communist parties in Western Europe, this demand for independence is acutely embarrassing and frustrating for the Soviets. Dissension among the ruling Communist parties namely in China, Romania, and Yugoslavia—has long been a matter of record. This ideological dissension has now spread to the nonruling parties in Western Europe—the very instruments by which Moscow had hoped to spread Soviet-style communism in Europe and break up the NATO bloc. This represents another setback to the Soviets on the heels of their failures in Portugal and the Middle East.

The second problem discussed at the Party Congress—and the nemesis of the country since the Bolsheviks seized power nearly 60 years ago—was Soviet agriculture. The top party official in charge of agriculture was even dropped from the leadership—no doubt as an expression of frustration and disappointment over recent harvest disasters.

The ninth 5-year plan, initiated in 1971 at the same Party Congress which introduced the policy of détente, increased substantially the Government's investments in agriculture. With these investments, the Soviets undertook the importing of animal breeder stocks from the United States, beginning large-scale agribusiness enterprises, and increasing the yearly goals for harvesting grain. But disastrous harvests in 1972 and 1975 forced the Soviets to turn to the United States when these ventures failed and they were in desperate need of food as well as livestock feed.

The 1975 harvest was the worst in a decade. It fell short by a full one-third from the projected 210 million tons of grain and left the Soviets with insufficient feed grain for their livestock. The result was a heavy slaughtering of the expensive breeder animals.

Early agricultural forecasts for 1976 point to another bad year for Soviet agriculture as a result of poor weather conditions in the south. If these dismal forecasts prove correct, Soviet purchases of American grain will again be high, possibly as high as 1975 levels.

As witnessed by the 5-year agreement signed last year to purchase American grain, the Soviet Government and the Soviet people have a genuine interest in America's bountiful agriculture. The supply and impact of our food are not lost on them and they will need the success of our free enterprise system as long as their system fails to produce.

The third major problem revealed at the Party Congress dealt with the necessity to bolster up their sagging economy. Their domestic economy is geared to provide the highest priorities in materials, resources, and manpower to the defense industry—at the expense of the Soviet consumer. The result is shoddy services, inferior finished products, and the lowest standard of living of the major industrialized nations.

In order to prop up the economy and receive the benefits of advanced technology, the Soviets have had to turn to the West. Purchasing the goods and buying the grain that they cannot provide have compounded their economic difficulties by depleting their gold and hard currency reserves and leaving them with a burdensome foreign trade balance.

Figures for 1975 reveal that the Soviets will have a staggering $5 billion trade deficit which is not expected to improve in 1976. Prime Minister Kosygin addressed this serious economic problem at the Party Congress when he said that it was imperative that they expand their export potential.

Over the long run, Soviet dependency on Western technology and agriculture can greatly improve the chances for world peace and international stability. With a mutually beneficial trading relationship, the integration of diverse economies could reinforce attempts to relax political tension.

In effect, the proceedings of the 25th

Party Congress revealed to the whole world the manifold weaknesses of the Soviet system. As is well known, the dictatorship run by the Communist Party is so inept that it can neither feed its own people, nor give them the basic necessities and human freedoms that we all value. Were it not for the strength of the military and secret police, it is doubtful that the system could survive.

At a time when the Soviets are so vulnerable to Western food products and advanced technology, we should remember that we are dealing from strength. And unless we can receive assurances that détente will not qualitatively improve the Soviet military or diminish American supremacy, we must be most cautious.

Those are the standards that must never be compromised or bargained away. Détente can only be pursued from this position of strength and not as a tactic of retreat or withdrawal.

BICENTENNIAL PLEDGE

Mr. HATFIELD. Mr. President, America's Bicentennial is a time for rejoicing and introspection, not only in a corporate, national sense, but in our position as individual Americans. For our Bicentennial Year to have genuine meaning, it must be the occasion for considerable personal thought as to what this country means and where it is going.

Sara Ensor, of Frederick, Md., has given the Bicentennial just such thought. She has examined the philosophical and spiritual underpinnings of the American Republic, and, in the Bicentennial Pledge she has authored, calls upon each American to recognize and reaffirm the values which inhere in our society and our system.

I would like to share with my colleagues the wisdom and thinking embodied in the Bicentennial Pledge. I, therefore, ask unanimous consent that the pledge be printed in the Record.

There being no objection, the pledge was ordered to be printed in the Record, as follows:

Bicentennial Pledge

Inspired by the Founding Fathers, we also pledge "our lives, our fortunes, and our sacred honor" to the end that all men everywhere find the dignity of responsibility and the right to "life, liberty and the pursuit of happiness."

FREEDOM

They said:

Liberty can no more exist without virtue than the body can live and move without a soul.—John Adams

We pledge:

To so live that America finds true freedom—not freedom to do as we wish, but freedom to do "the right as God gives us to see the right."

CORRUPTION

They said:

Virtue or morality is a necessary spring of popular government.—George Washington

We pledge:

To answer corruption in the nation, starting with absolute honesty in all our own dealings.

ECONOMY

They said:

I place economy among the first and most important virtues, and public debt the greatest of dangers to be feared.—Thomas Jefferson

We pledge:

To buy on the basis of need and not of greed, and to refuse to make selfish demands of our workers, employers or government.

HUNGER

They said:

We have been the recipients of the choicest bounties of heaven. We have grown in wealth . . . and numbers as no other nation has grown. But we have forgotten God.—Abraham Lincoln

We pledge:

To set a pattern for unselfish living that can break the bottlenecks of waste, greed and graft which rob the hungry in a world of plenty.

FAMILY

They said:

I have always thought it of very great importance that children should, in the early part of life, be unaccustomed to such examples as would tend to corrupt the purity of their words and actions.—Abigail Adams

We pledge:

To uphold the sanctity of marriage, and to base family life on honesty, undemanding care and goals beyond self-fulfillment and material success.

VIOLENCE

They said:

No man can make me stoop so low as to hate him.—Booker T. Washington

We pledge:

To cure the hate that spawns violence by our caring and compassion.

They said:

Give me your tired, your poor,
Your huddled masses, yearning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, tempest-tost to me.

—Emma Lazarus on Statue of Liberty.

We pledge:

To open our homes and hearts to those of all races, faiths and social conditions. To restore broken relationships by putting right past wrongs.

GOVERNMENT

They said:

I have had so many . . . instances when I have been controlled by some other power than my own will, that I cannot doubt that this power comes from above.—Abraham Lincoln

We pledge:

To listen to God each day, seeking the inspired plan for our life and work, and accepting change in our basic motives where needed.

They said:

Men must choose to be governed by God, or they condemn themselves to be ruled by tyrants.—William Penn

We pledge:

To build a world free from blame and indifference, hate and fear, and governed by men and women who are governed by God.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one of the most persistent objections raised to ratification of the Genocide Convention is whether the Convention transgresses the first amendment to the Constitution. I think that if we examine this issue carefully, we will see that there is absolutely no contradiction between the Convention and the first amendment.

The case of Brandenburg against Ohio, heard by the Supreme Court in 1969, defines incitement about the same way the Genocide Convention does. It says that incitement under our Constitution is not mere advocacy. The Court said that we ought to permit advocacy of any doctrine unless that advocacy is likely to produce unlawful actions. Incitement is only action that is directed to producing imminent lawless action and is likely to incite or produce such action. The significance of this distinction is that the reference in article III of the Convention to "direct and public incitement to commit genocide" is perfectly consistent with our first amendment as interpreted by the Supreme Court in Brandenburg and other cases.

The question has also been raised as to whether a treaty can override the clear commands of our Bill of Rights, and specifically the first amendment. The Supreme Court has decided this several times, and in Reid against Covert makes it clear that no provision in a treaty could override the clear commands of the first amendment to the Constitution of the United States.

Mr. President, like so many of the objections to the Genocide Convention, this objection based on conflict with the first amendment is plainly at variance with the facts. If we look at all the facts, I am confident that we will ratify the Convention without any objection.

DR. MARY FULSTONE

Mr. LAXALT. Mr. President, one of the more demanding ways to make a living in rural Nevada is by accepting the heavy responsibilities of being an area physician. I use the term "area physician" because doctors are usually few and far between in the smaller communities in the State and, consequently, must shuttle long distances to care for their patients.

It requires a special kind of person to dedicate himself to a life of looking after the sick and injured in a setting which means long hours and little monetary reward when compared to urban practitioners. Lyon County is fortunate enough to have such an individual in Dr. Mary Fulstone. She has been working these past 56 years full throttle, commuting at all hours, often under very arduous conditions, to care for her patients.

A woman of her abilities could easily have opted for an easier and more lucrative practice in a larger city. Many of our young people have done just that, but Mary never left her friends.

Dr. Fulstone faithfully practices the Hippocratic oath and lives by it. She is truly concerned with helping those who need her attention and quite evidently sees past the mere market value of her skills.

In fact, Mr. President, I am probably belaboring the point here because I sincerely doubt Dr. Fulstone ever thought in terms other than being a good doctor in an area her family has lived for years. It is important, however, to recognize the wonderful and selfless career Mary has dedicated to the people of Lyon County. I am proud to have this opportunity before the U.S. Senate today.

Dr. Fulstone's hometown newspaper, the Mason Valley News, once listed the many deserving honors this woman has received as a result of her dedication to medicine and the people of Lyon County. At this time I ask unanimous consent to have that article printed in the Record.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

Dr. Mary Fulstone Honored by Sorority

At the Founder's Day Banquet on Tuesday, April 19, Phyllis Hunewill, president of Xi Alpha Beta Chapter announced that Dr. Mary Fulstone had been awarded an International Honorary Membership in Beta Sigma Phi. She also conferred the installation as Honorary Member upon Dr. Mary.

This honor is bestowed only upon distinguished women who are known internationally. Dr. Fulstone is at present the third Nevada woman to be so honored.

A tea will be held in her honor on Sunday, April 24, between 1 and 4 p.m., at Mrs. Richard Fulstone's home in Smith. Xi Alpha Beta chapter members extend an invitation to the public to attend. The chapters co-sponsoring Dr. Fulstone's honorary membership were Chi, Xi Upsilon, and Xi Alpha Eta of Yerington.

A native Nevadan, Dr. Mary Fulstone was born in Eureka. She moved to Carson City when she was four years old and remained there until her graduation from Carson High School in 1911. After receiving a BA degree from the University of California in 1915, Dr. Mary entered the University of California Medical School and obtained her MD degree in 1918. She interned at the Women's and Children's Hospital in San Francisco and then served as resident physician in internal medicine on the U.S. staff at San Francisco County Hospital. In 1920, upon her marriage to Fred M. Fulstone, Dr. Mary began her practice in Smith Valley. During the past forty-five years she has received many awards and honors.

In 1950 she was named "Nevada Mother of the Year" and she also received the Delta Zeta national award of "Woman of the Year." In 1961 the Nevada Medical Association chose her as "Doctor of the Year." She was honored for "outstanding community service by a physician" when she received the A. H. Robins award presented by Dr. Wesley Hall, president of the Nevada State Medical Association. In 1964, she received an honorary degree from the University of Nevada as "an outstanding citizen." In 1965 she was awarded the Golden Rose emblem of the Delta Zeta Sorority. This emblem is presented to fifty year members in commemoration of members who have belonged since installation at the University of California.

In addition to her private practice, Dr. Mary had been in charge of the health service for Indians in the Smith Valley, Coleville and Bridgeport areas for a number of years and has served on the Board of Directors of the Nevada State Heart Association.

TOWARD A NATIONAL HEALTH PROGRAM

Mr. HUMPHREY. Mr. President, I recently had the privilege of addressing the Wisconsin State Medical Society in Madison, Wis.

Wisconsin can be complimented for extending its progressive tradition to the health arena. It is a tribute to the State medical society and other providers that Wisconsin is ahead of the game in health planning and cost and quality control through professional standards review organizations and voluntary rate review.

More and more we are finding out that people's health is dependent not only on quality health care but also on economic status, education, housing, nutrition, sanitation, and the environment.

A Joint Economic Committee study has revealed startling new scientific evidence that directly relates heart disease, stroke, suicides, mental illness, alcoholism and kidney failure to the emotional stresses of unemployment.

Scientific evidence is also reinforcing the old adage that "an ounce of prevention is worth a pound of cure." Increased public awareness of the importance of prevention and early detection can avoid many catastrophic illnesses.

But more must be done.

The American Medical News recently reported that—

> One dollar of every nine earned by the average American family now goes for health care and the share is rising.

In spite of this, the administration continues to propose cutbacks in programs which vitally affect the quality of life and health in our Nation.

The firm commitment of Congress to action and involvement in the health field is evident in its rejection of veto after veto of programs designed to meet the present and future health needs of the Nation—health revenue sharing and health services, the Child Nutrition Act, fiscal 1976 appropriations for the Department of Health, Education, and Welfare—to name a few.

Time and again, health appropriations are rescinded or deferred by the administration. But the Congressional Budget Control and Impoundment Act of 1974 has provided Congress with the means to deal with that.

This year's budget, as proposed by the administration, shows there will be no letup. Consolidation of health programs may give State and local governments more discretion and responsibility. But how can they exercise discretion and responsibility when they are being denied adequate funds to do the job in the first place?

Mr. President, I ask unanimous consent that the text of my remarks to the Wisconsin State Medical Society be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Remarks of Senator Hubert H. Humphrey

I am pleased to be with you today at your annual meeting.

Seldom have members of the medical profession had so much at stake as in this Bicentennial Year. More and more, the problems facing the legislative branch are those which have a direct impact on your profession.

Effective legislation and efficient administration of national goals is dependent on the existence of a cooperative working partnership—not confrontation—between the Government and the private sector.

Your profession long has been a part of this cooperative relationship, and Wisconsin, in particular, has been in the forefront.

Members of the health profession have played a great role in the progress of the English-speaking peoples in North America as any other profession. From the first physician who arrived in Jamestown in 1607 to the Boston physician who gave his life for liberty at Breed's Hill, physicians contributed not only health to the colonists but political leadership as well.

Of the 56 men who signed the Declaration of Independence on that hot, humid July day in Philadelphia, four were practicing physicians. A fifth had studied medicine but never practiced.

Two physicians helped frame the Constitution and signed their names to the document that still serves as the foundation for our representative government.

There has been a physician member of every Congress, and Drs. Mason Cook Darling and Charles William Henney of this proud State are two of the 365 physicians who have served since the first Continental Congress in 1774.

The ninth President of the United States, William Henry Harrison of Ohio, studied medicine, and in at least six instances America's Chief Executive has chosen a physician to serve in his Cabinet. Ironically, three of these were Secretaries of War.

Dr. Samuel Freeman Miller was appointed to the U.S. Supreme Court by Abraham Lincoln, and 56 physicains have served as chief executives of our states, territories and possessions.

And there are hundreds more who have toiled in politics and government on all levels.

The medical community had made a lasting contribution to the endurance of America. In the true progressive tradition, Wisconsin, through the State Medical Society and other health providers, has led the way in health planning and other areas of concern. But your responsibility is far from over. You need to continue to offer your expertise as we consider the health needs of our people.

Ralph Waldo Emerson wrote:

"The first wealth is health. Sickness is poor spirited and cannot serve anyone; it must husband its resources to live. But health or fulness answers its own ends, and has to spare, runs over, and inundates the neighborhoods and creeks of other men's necessities."

We need to remember that our efforts here often "inundate the neighborhoods and creeks of other men's necessities." Medicine and the provision of health care have become a major focus of debate in our country and in almost every other industrialized society of the world.

Part of the reason lies in the basic desire to improve the quality of one's own life. Issues of personal accountability, social responsibility and the increasing awareness of limits on our resources in all sectors of the economy also contribute to the attention directed to the health industry.

Effective health delivery systems, adequate health manpower personnel, quality care at affordable rates, prevention of disease rather than just treatment also are being debated with growing insight and involvement by concerned professionals such as yourselves and consumers, politicians and scholars.

Let's take a look at some of these issues.

Three decades of intensive biomedical research have provided a more rational basis for certain elements of medical practice. But although disease patterns have changed significantly in the U.S., in part because of these biomedical advances, there has been little improvement in life expectancy for adults since the 1920's.

In spite of our efforts, effective means have not been found for coping with stubborn complex chronic and social illnesses that now are predominant in the economically advanced countries.

Dr. Theodore Cooper, U.S. Assistant Secretary for Health, said recently:

"It is one of the great and sobering truths of our profession that modern health care probably has less impact on the health of the population than economic status, education, housing, nutrition and sanitation."

Startling new scientific evidence directly relates heart disease, strike, suicides, mental illness, alcoholism and kidney failure with the stresses of unemployment.

Scientific evidence is reinforcing the old adage that "an ounce of prevention is worth a pound of cure."

Consider that cancer and heart disease are not "caught" like a cold. Instead we are finding that both arise after decades of abuse to the body. Years of heavy smoking or drinking, high-fat diets, obesity and lack of regular exercise all play a role. Yet these causes can be moderated or eliminated without expensive medical treatment.

Many children born with seriously disabling conditions are victims of inadequate prenatal care and lack of basic screening for disorders curable if detected early. In the last year over one-third of all pregnant women failed to receive proper prenatal care, endangering not only their lives but those of their babies as well.

The National Association of Retarded Citizens estimates that it is possible to prevent 50 percent of the cases of mental retardation by prenatal and postnatal infant care, proper diet, and testing for metabolic disorders.

Money and efforts devoted to prevention and cure will reap dividends many times over the investment.

The cost of disease in one week is a great deal more than the budget of HEW in one year.

More than dollars and cents, we need to look at the human toll that disease takes—the suffering of the afflicted, the anguish of loved ones.

More and more we are understanding that a healthy man is a productive one—one who will earn and return many more dollars than a sick one. A healthy child is our investment in the future. Increased public awareness of the importance of prevention and early detection can avoid many catastrophic illnesses.

Therefore, jobs, education, nutrition, housing, child care, community development, recreation, environment—all are components of a national health program.

Recently revised federal health planning legislation is a further response to the widely felt concern over the inadequacies of the nation's health care delivery system in meeting the health needs of the population.

Billions of dollars are being spent on health care and services nationwide. But rural areas and the urban ghetto still are badly underserved. Health care costs are rising faster than the overall cost of living. And, poor management and organization of health care systems in many areas have resulted in inefficient and ineffective use of scarce resources.

Wisconsin can be proud that it is one of the more forward-looking States in health planning. Your planning agencies all were operative before health planning legislation became a reality for the nation as a whole.

Continued concern about the maldistribution of medical personnel has led to new legislation in the health manpower field.

Recently released statistics show that the United States in 1973 had one doctor for every 562 persons. Although this was a 64 percent improvement since 1950, our medical specialists continue to be unevenly distributed, with some states having more than 1000 persons per doctor and other states with 400 per doctor.

But regardless of the planning, regardless of the manpower, Americans are saying more and more that medical services are unaffordable.

The average American spends more than one month's pay for health care, a considerably higher total than is spent by the average citizen of any other industrial country in the world.

Last year, the total health cost in the United States was $118.5 billion, or $547 per person. While the Consumer Index rose 85.6 percent in the last 15 years, health costs tripled and now represent 8.3 percent of our gross national product.

Many families find proper health care an impossible economic burden. Over 40 million Americans have no health insurance at all, and millions more have no insurance because they are unemployed.

Two-thirds of all Americans have no insurance coverage of doctors' office visits. And almost no one is covered for preventive services and routine care for healthy children.

For some people this means making choices they should not be forced to make.

Regrettably, many budget-conscious families will sacrifice important medical services which must be paid for out-of-pocket.

Failure to cover a $15 doctor's visit for a routine check-up can result in needless suffering, hospitalization and medical expenses. The result is that illnesses go undetected, and early treatment that could prevent permanent damage never is received.

Again, Wisconsin's health providers can be proud of their efforts to keep costs down. Voluntary rate review for hospitals, and fully funded and hard-at-work professional standard review organizations are only two examples of the concern you have shown for the problems of cost and quality control. But more must be done.

As you know, the question of national health insurance still is unresolved. Congress has before it a number of proposals, some of which are more comprehensive than others:

The Health Security Act is the most comprehensive and stresses benefits for preventive services. Although it is often criticized for costing over $100 billion, the nation spent $118 billion on health care—or rather, sickness care—in 1975.

The Long-Ribicoff bill covers catastrophic illnesses, provides medical assistance for the poor and medically needy, and establishes a voluntary program for private insurance to cover basic benefits.

The National Health Care Act is a voluntary approach and state insurance departments would be the administrators.

The Ullman proposal would set up a new Department of Health, which would contract with insurance companies and non-profit health care corporations for medical services to poor and aged.

The Administration's proposal calls for catastrophic health insurance for those on Medicare. It is financed by increasing other Medicare costs and would not help the 87 percent of our nation's citizens not on Medicare.

The American Medical Association proposal mandates employers to offer qualified private health insurance to employees and families. This has only been introduced in the House.

No one today can predict the exact details of the plan which will be enacted. But one thing is certain. We will have a health program which will go well beyond anything the government has done in the health field in the past.

I challenge you to become involved in this great debate. Learn about the alternative proposals and actively participate in the debate.

There is one more thought I would like to leave with you.

The firm commitment of Congress to action and involvement in the health field is evident in its rejection of veto after veto of programs designed to meet the present and future health needs of this nation—Health Revenue Sharing and Health Services, Child Nutrition Act, Fiscal 1976 Appropriations for the Department of Health, Education and Welfare, to name a few.

Time and time again, health appropriations are rescinded or deferred by the Administration. But the Congressional Budget Control and Impoundment Act of 1974 has provided Congress with a tool to deal with that.

This year's budget, as proposed by the Administration, shows there will be no let-up. The President is advocating the consolidation of 59 programs, 16 of which are important health prgrams.

The new consolidations may give State and local governments more discretion and more responsibility. But how can they exercise discretion and responsibility when they are being denied adequate funds to do the job in the first place?

Program after program has been systematically slashed.

For instance:

Community Health Centers: reduced 25% to $155,190,000, from fiscal 1976 appropriation of $196,648,000;

Maternal and Child Health: reduced 33% to $211,422,000, from $321,908,000;

Family Planning: reduced 20% to $79,435,000, from $100,615,000;

Migrant Health: reduced 20% to $19,200,000, from $25,000,000;

Total Health Services: down almost 30% to $647,558,000, from $934,614,000;

Biomedical Research at the National Institutes of Health shows a slight decrease overall from fiscal 1976 appropriation of $2.1 billion, to 1977 budget request of $2.0 billion;

The 1977 National Cancer Institute budget request is $669,507,000, compared to an appropriation of $744,484,000 in 1976;

National Heart-Lung Institute request for 1977 is $330,520,000, compared to 1976 appropriation of $349,393,000;

To the Administration's credit the National Institute of Environmental Health Sciences request is $43,898,000 in fiscal 1977, compared to $36,035,000 this past year—an increase of about 18%;

Alcohol, Drug Abuse and Mental Health shows a 33% decrease overall in 1977 budget to $418 million, from a 1976 level of $580 million;

Health resources, including manpower, is down an incredible 40%;

In addition, education funds are slashed 11 percent; community development, slashed 8 percent; manpower training, slashed 27 percent.

How are we going to provide a better life for our citizens—better living conditions, better health, better nutrition, better education, and jobs—if we continue to retreat, retrench and reduce?

We need to work together as a partnership if we are to achieve our goals. The system relies heavily on experts and concerned citizens such as yourselves to set priorities, to examine the results on a continuing basis, to realign these priorities as progress is made, and to look to the future.

You can make a difference if you take the risk of becoming informed and involved.

In closing I want to remind you of what Victor Hugo said.

"The future has several names; for the weak, it is the impossible. For the fainthearted, it is the unknown. For the thoughtful and valiant, it is ideal. The challenge is urgent. The task is large. The time is now."

FINANCIAL STATEMENT BY SENATOR LOWELL WEICKER, JR.

Mr. WEICKER. Mr. President, in the interest of full financial disclosure, I ask unanimous consent that the joint tax return for 1975 and the joint statement of assets and liabilities of my wife and myself, as of December 31, 1975, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. INDIVIDUAL INCOME TAX RETURN

Name: Lowell P. and Marie L. Weicker Jr., Round Hill Road, Greenwich, Conn.

Social security number, [redacted].

Spouse's social security no. [redacted]

Occupation: U.S. Senator; spouse's, Homemaker.

Exemptions: Scott, Gray, **Brian Bianchi.**

9. Wages, salaries, tips, and other employee compensation, $43,025.

10a. Dividends, $5,508; 10b Less exclusion, $200; balance, $5,308.

11. Interest income, $4,755.

12. Income other than wages, dividends, and interest, $12,095.

13. Total, $65,183.

14. Adjustments to income, $2,129.

15. Subtract line 14 from line 13, $63,054.

16a. Tax, from tax rate schedule X, Y, or Z, $5,200.

b. Credit for personal exemptions, $150.

c. Balance, $5,050.

17. Credits, $7.

18. Balance, $5,043.

19. Other taxes, $822.

20. Total, $5,865.

21a. Total Federal income tax withheld, $10,676.

25. Amount refunded, $4,811.

29a. Net gain or (loss) from sale or exchange of capital assets, $1,000.

31a. Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc., $2,695.

35. Other (state nature and source—See page 9 of instructions), (see statement 5), $10,400.

36. Total, $12,095.

PART II.—ADJUSTMENTS TO INCOME

39. Employee business expense, $2,129.

42. Total, $2,129.

PART III.—TAX COMPUTATION

43. Adjusted gross income, $63,054.

44 (a) If you itemize deductions, $36,742.

45. Subtract line 44 from line 43, $26,312.

46. Multiply total number of exemptions claimed on line 7, by $750, $3,750.

47. Taxable income, $22,562.

PART IV.—CREDITS

50. Foreign tax credit, 7.

54. Total, 7.

PART V.—OTHER TAXES

59. Self-employment tax (attach Schedule SE), 822.

63. Total, $822.

SCHEDULES A AND B—ITEMIZED DEDUCTIONS AND DIVIDEND AND INTEREST INCOME

Medical and dental expenses

1. One half (but not more than $150) of insurance premiums for medical care, $150.

10. Total, $150.

Taxes

12. Real estate, $5,606.

13. State and local gasoline, $128.

14. General sales, $494.

15. Personal property, $55.

16. Other, sales tax—auto, $317.

17. Total, $6,600.

Interest expense

18. Home mortgage, $7,274.

19. Other, see statement 8, $20,355.

20. Total, $27,629.

Contributions

21a. Cash contributions, $587.

24. Total contributions, $587.

Miscellaneous deductions

33.Other, see statement 9, $1,776.

34. Total, $1,776.

Summary of itemized deductions

35. Total medical and dental, $150.

36. Total taxes, $6,600.

37. Total interest, $27,629.

38. Total contributions, $587.

40. Total miscellaneous, $1,776.

41. Total deductions, $36,742.

DIVIDEND INCOME

1. See statement 2, $5,657.

4. Nontaxable distributions, $149.

6. Dividends before exclusion, $5,508.

INTEREST INCOME

7. See statement 3, $4,755.

SHORT-TERM CAPITAL GAINS AND LOSSES

Assets Held Not More Than 6 Months

1. See statement 7, $155.

2. Enter your share of net short-term gain or (loss) from partnerships and fiduciaries, —$300.

3. Enter net gain or (loss), —$145.

4. Short-term capital loss carryover attributable to years beginning after 1969, —$183.

5. Net short-term gain or (loss), —$328.

LONG-TERM CAPITAL GAINS AND LOSSES

Assets Held More Than 6 Months

6. See statement 7, —$2,566.

9. Enter your share of net long-term gain or (loss) from partnerships and fiduciaries, $49.

11. Net gain or (loss), combine lines 6 through 10, —$2,517.

12(b). Long-term capital loss carryover attributable to years beginning after 1969, —$11,315.

13. Net long-term gains or (loss), combine lines, —$13,832.

SUMMARY OF PARTS I AND II

14. Combine the amounts shown on lines 5 and 13, and enter the net gain or (loss) here, —$14,160.

16a. 50% of amount on line 13, —$7,244.

16b. (iii) Taxable income, as adjusted, —$1,000.

INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

See statement 6, $10.

See statement 4, $2,685.

1 Totals, $2,695.

COMPUTATION OF NET EARNINGS FROM NONFARM SELF-EMPLOYMENT

Regular method

5. Net profit of (loss) from: (e) other, see statement 5, $10,400.

Nonfarm optional method

9(a). Maximum amount reportable, under both optional methods combined (farm and nonfarm), $1,600.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

12. Net earnings or (loss): (b) from nonfarm, $10,400.

14. The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1975 is, $14,100.

16. Balance, $14,100.

17. Self-employment income, $10,400.

18. Self-employment tax, $822.

TAXABLE INCOME FROM SOURCES OUTSIDE THE UNITED STATES

A. Canada, (a) Dividends, $73.

FOREIGN TAXES PAID OR ACCRUED AND COMPUTATION OF FOREIGN TAX CREDIT

1. Credit is claimed for taxes paid: Date paid 1975.

2. Type of tax, Inc.

3. Statute Imposing Tax, income tax.

4. Foreign taxes paid or accrued, (a) dividends, $7.

4. Foreign taxes paid or accrued, (d) Conversion Rate (Attach schedule) 1.0000.

(e) Dividends, $7.

(h) Total Foreign Taxes Paid or Accrued (Add cols. (e), (f), and (g)), $7.

7. Total Foreign Taxes (Column 4(h) plus column 6 less column 5), $7.

8. Taxable Income or (Loss) from Sources Outside the U.S. (From Schedule A, column 4), $73.

9. Total Taxable Income from All Sources (Before deduction for personal exemptions), $26,312.

10. Column 8 Divided by Column 9, 0.00277.

11. Total U.S. Income Tax Against Which Credit is Allowed (After credit for personal exemptions, but before other credits), $5,050.

12. Limitation (column 10 multiplied by column 11), 14.

13. Credit (Column 12 or column 7, whichever is less), 7.

1. Travel expenses while away from home on business (number of days 235):

(a) Airplane, boat, railroad, etc., fares, $3,620.

(b) Meals and lodging, $3,000.

Total travel expenses, $6,620.

4. Employee expenses other than traveling, transportation, and outside salesperson's expenses to the extent of reimbursement, $10,726.

5. Total of lines 1, 2, 3, and 4, $17,346.

6. Less: Employer's payments for above expenses (other than amounts included on Form W-2), $15,217.

7. Excess expenses, $2,129.

CAPITAL LOSS CARRYOVERS

Section A.—Short-term capital loss carryover

1. Enter loss shown on your 1974 Schedule D, $1,183.

3. Reduce any loss on line 1 to the extent of any gain on line 2, $1,183.

4. Enter amount shown on your 1974 Form 1040, line 29, $1,000.

5. Enter smaller of line 3 or line 4, $1,000.

6. Excess of amount on line 3 over amount on line 5, $183.

Section B.—Long-term capital loss carryover

8. Enter loss from your 1974 Schedule D, $11,315.

10. Reduce any loss on line 8 to the extent of any gain on line 9, $11,315.

12. Excess of amount on line 10 over amount on line 11, $11,315.

STATEMENT 2—DIVIDEND INCOME

Qualifying

(H) T/U/W Theodore Weicker, (H) 13-6083727	$818
(H) T/U/A Lowell P. Weicker (H) 13-6067993	791
(H) T/U/A Lowell P. Weicker (H) 13-6083709	731
(H) T/U/A Lowell P. Weicker (H) 13-6029250	1,245
(W) T/U/A Benjamin Joy (W) 04-6007191	636
(H) W Ventures 06-6132037	84
(H) Syntex Corp	9
(H) Caterpillar Tractor	29
(H) Haliburton Co	20
(H) Pacific Power & Light	17
(H) Maryland Cup	118
(H) Colonial Penn Group	40
(H) Friendly Ice Cream	22
(H) Hewlett-Packard	5
(H) IBM	65
(H) National Airlines	100
(H) Merck & Co	70
(W) Heublein Inc	176
(W) Friendly Ice Cream	15
(W) American Express	75
(W) General Signal	101
(W) American Brands	268
Total	5,435

Nonqualifying

(H) Massey Fergusion	73

Nontaxable

(H) Pacific Power & Light	149

Statement 3—Interest income

T/U/A Lowell P. Weicker 13-6067993	$3,017
T/U/A Lowell P. Weicker 13-6083709	696
Putnam Trust Co	31
Putnam Trust Co	33
ARA Services 4⅝ June 15, 1996	116
Heublein Inc. 4½ 1997	360
Maryland Cup 5⅛ 1994	359
Zapada 4¾ 1988	143
Total interest income	4,755

Statement 4—Estates and trusts income

T/U/W Theodore Weicker 8-12-46, 13-6083727 C/O John H. Howe, 129 Park Avenue, Plainfield, N.J. 07060	$32
T/U/A Lowell P. Weicker T-1270, 13-6029250 Chemical Bank, 277 Park Avenue, New York, N.Y. 10017	2,261
T/U/A Benjamin Joy 1954, Trust 04-6007191 Fiduciary, Trust Co., 10 Post Office Square, Boston, Mass. 02105	392
Total	2,685

Statement 5—Miscellaneous income

Honoraria: Subject to SE tax, $10,400.

Total miscellaneous income, $10,400.

Statement 6—Partnership income

W Ventures 06-6132037, C/O Richard Webb, 71 Lewis Street, Greenwich, Conn. 06830, taxable income, $10.

STATEMENT 7.—LONG- AND SHORT-TERM CAPITAL GAINS AND LOSSES

	Date acquired	Date sold	Sales price	Cost or other basis	Gain or loss: Short term	Gain or loss: Long term
50 shares Garfinkel Brooks	Apr. 5, 1972	Feb. 25, 1975	528	1,454		−926
25 shares Garfinckel Brooks	July 12, 1972	do	257	636		−379
50 shares Garfinckel Brooks	June 13, 1972	do	528	1,257		−729
62 shares Marriott Corp	Feb. 14, 1972	do	667	1,941		−1,274
22 shares Marriott Corp	Mar. 3, 1972	do	236	700		−464
Do	June 26, 1972	do	236	752		−516
23 shares Marriott Corp	Nov. 12, 1973	do	247	516		−269
25 shares Hewlett Packard	Jan. 28, 1972	Apr. 29, 1975	2,462	1,267		1,195
Do	May 4, 1972	do	2,462	1,422		1,040
20 shares Xerox	Sept. 12, 1974	June 24, 1975	1,352	1,616		−264
5 shares Xerox	Oct. 4, 1974	do	338	318		20
100 shares Tiger International	Feb. 25, 1975	Mar. 7, 1975	1,043	888	155	
Total capital gains or losses					155	−2,566

Statement 8—Itemized interest expense

Putnam Trust Co	$2,126
Putnam Trust Co	1,146
Putnam Trust Co	618
Union Trust Co	779
Kennedy Bank	159
Burke & Herbert	1,673
John Dean	2,400
Fed S. & L. Bradenton, Fla	3,131
1st Fed S. & L. Alexandria, Va	8,255
Senate Employees Credit Union	68
Total other interest expense	20,355

STATEMENT 9—ITEMIZED MISCELLANEOUS DEDUCTIONS

Tax preparation fees, $300.

Safe deposit box, $12.

Other business expense: entertainment, $1,066.

Gifts, $218.

Insurance, $70.

Office supplies and expense, $110.

Total, $1,464.

Total miscellaneous other deductions, $1,776.[2]

STATEMENT 10—RECEIPTED CASH CONTRIBUTIONS

Charities qualifying for 50 percent limitation:

Church, $200.

Capitol page school, $6.

Round Hill Fire Co., $100.

Care, Inc., $100.

Mansfield Training School, $25.

Theatre benefit—allocated, $136.

Miscellaneous organized charities, $20.

Total receipted cash contributions to charities qualifying for 50 percent limitation, $587.[1]

Total receipted cash contributions, $587.

WIENDIECK & CO.,
CERTIFIED PUBLIC ACCOUNTANTS,
Greenwich, Conn., April 5, 1976.

HON. LOWELL P. WEICKER, Jr.,
Senator from Connecticut,
Washington, D.C.

DEAR SENATOR WEICKER: Pursuant to your request we have prepared the enclosed joint statement of assets and liabilities for you and Mrs. Weicker as of December 31, 1975. Where applicable this statement is based on estimated values as more fully explained in the accompanying notes.

The items contained therein were determined in accordance with generally accepted auditing standards and the application of such other auditing procedures as we considered necessary in the circumstances.

In our opinion the aforementioned statement presents fairly your assets and liabilities at December 31, 1975.

Respectfully submitted,

WIENDIECK & CO.

SENATOR AND MRS. LOWELL P. WEICKER, JR., STATEMENT OF ASSETS AND LIABILITIES, DECEMBER 31, 1975

ASSETS

	Value
Cash	$6,081
Marketable securities (Schedule 1 and Note 1)	76,411
Cash value of life insurance	3,070
Interest in W-Ventures, partnership (Investment Club)	3,700
Automobiles	6,000
Household furnishings, paintings, jewelry, personal property	72,000
Accumulated deductions for Civil Service retirement	23,461
REAL ESTATE	
Residence (Greenwich, Conn.) pledged on mortgage note	250,000
Residential property (Alexandria, Virginia) pledged on mortgage note	135,000
Condominium (Colonial Beach and Tennis Club, Sarasota, Florida) pledged on mortgage note	52,000
Contingent asset (Notes 2 and 3). Refund of income taxes	4,811
Total assets	632,534

LIABILITIES

Accounts payable	$10,797
15% tideover checking account loan, (monthly payments of $417 plus interest)	4,428
7½% demand loans (monthly interest-voluntary reductions) (Note 1)	49,000
7½% mortgage, maturing in 1998, secured by residence (annual amortization and interest payments amount to $8,868)	96,114
8¾% mortgage, maturing in 2004 secured by residential property in Alexandria, Virginia (annual amortization and interest payments amount to $8,969)	93,895
8% mortgage maturing in 1998 secured by Condominium at the Coloney Beach and Tennis Club, Sarasota, Florida (annual amortization and interest payments amount to $3,979	41,871
9½% 90 day renewable note	8,000
8% promissory note due May 1, 1979 secured by residential property in Alexandria, Virginia	30,000
8% demand loan	23,500
9.6% employees credit union loan	4,303
Total liabilities	361,908
Excess of Assets over Liabilities	270,626

Marketable securities

Stock:	*Shares*	*Market value*
Ace Publishing Co	384	$230
American Brands, Inc	100	3,863
American Express Co	100	3,675
Caterpillar Tractor Co	30	2,093
Colonial Penn Group Inc., Common	100	2,863
Friendly Ice Cream Corp	525	12,469
General Signal Corporation, Common	133	4,555
Halliburton Co	25	3,656
Harnischfeger Corp	145	4,060
Heublein, Inc	160	7,480
International Business Machines	10	2,243
Maryland Cup Corporation, Common	225	3,825
Massey Ferguson Ltd	100	2,075
Merck & Co., Inc., Common	50	3,463
National Airlines, Common	200	2,150
Pacific Power & Light	100	2,038
Syntex Corp	40	1,205
Subtotal		61,943
Bonds:	*Face value*	
A.R.A., Services, Inc. 4⅝% Conv. Deb. due 1996	$3,000	1,935
Heublein, Inc. 4½% Conv. Deb. due 1997	8,000	6,320
Maryland Cup 5⅛% Conv. Deb. due 1994	7,000	4,480
Zapada 4¾% Conv. Deb. due 1988	3,000	1,733
Subtotal		14,468
Total		76,411

NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES

Note 1—Marketable Securities: The amounts shown represent the market value at December 31, 1975 as represented by the quoted closing or latest bid prices. All of these securities were pledged as collateral for the demand loans as of December 31, 1975.

Note 2: Senator Weicker is a beneficiary of certain trust funds which produced an income of $10,750 in 1975. In one instance he has the power of appointment but cannot inherit the principal. In connection with the other trusts, he does not have the power of appointment. One trust fund permits him to take down 10% annually which amounted to $11,500 in 1975. The value of this trust on December 31, 1975 was $111,125.

Contingencies within certain other trust preclude the actuarial determination of a present value. He is not a trustee and has no control over investments of any trust.

Note 3: Mrs. Weicker is a beneficiary of a trust established for her mother and aunt which provides income of roughly $1,000 a year to her. Upon her mother's death, Mrs. Weicker would inherit one-third of her mother's interest. As of December 31, 1975, the value of Mrs. Weicker's one-sixth share amounted to approximately $26,500.

BRITISH AMBASSADOR RESPONDS TO MEDIA CRITICISM

Mr. EAGLETON. Mr. President, on March 25, 1976, I inserted the transcript of the television special, "The Second Battle of Britain," and also a Washington Post article. Both were critical of England and pessimistic about her future.

I have recently received a letter from the British Ambassador to the United States, the Honorable Sir Peter Ramsbotham, taking exception to the theme of the television show and replying to specific allegations contained in the special.

Out of a sense of fairness and objectivity, I ask unanimous consent that Ambassador Ramsbotham's letter to me, along with an article from the Christian Science Monitor, be printed in the Record.

I also ask unanimous consent that a letter to my office from CBS News concerning the printing of "The Second Battle of Britain" be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

British Embassy,
Washington, D.C., April 5, 1976.

Hon. Thomas F. Eagleton,
U.S. Senate, Washington, D.C.

Dear Senator: On 25 March you made a statement in the Senate about Great Britain that you said was "rather pessimistic". You described as "excellent" the two texts on which the statement was based: the first was of the CBS news special "The Second Battle of Britain", and the second of an article in the Washington Post.

I would not normally respond to criticism of Britain in the media. We take the rough with the smooth. But the texts concerned were so one-sided, so selective and, in the case of the CBS film, so full of inaccuracies, that it would be a disservice not only to my country, but to the Congress before whom you have placed this material, if I failed to respond. I fear that members of Congress and, through them, the people of the United States will be seriously misled if the CBS transcript is left to stand. There are many important factors in the difficult situation facing Britain that were wholly ignored.

The view of Britain as threatened with destruction by a financial crisis, its people oblivious to any common cause and faced with the awesome prospect of anarchy, is simply not borne out by the facts. Some of these, I am afraid, were traduced in the CBS film; a point that both the Christian Science Monitor and the Wall Street Journal have since noted. The film, shown in March 1976, was made in the Summer of 1975 and contained film clips of trade union demonstrations three years old! While it was updated so as to mention the Prime Minister's resignation on 16 March, it was not updated on any of the vital facts that have since occurred and which invalidate much of its theme.

For instance, it made no mention of the striking success of the British Government's plan to defeat one of the greatest economic dangers to any civilized society, inflation. Wage restraints introduced last July (eight months before the film was eventually shown), with the full co-operation and support of the Trades Unions, have had dramatic effects. The inflation rate has been cut from 30% to 14% in 6 months and we are on course to reduce it to 10% or below by the end of the year. So much for the claim that inflation in Great Britain is out of hand. These restraints have meant the acceptance of cuts in their real earnings by British workers. So much for the assertion that our Trades Unions guarantee that their members' wages are kept ahead of the cost of living. And this in a year when the number of days lost through strikes was halved from 1974, and amounted to the equivalent of about half a day's public holiday.

Subsequently, in November 1975, a new industrial strategy was announced, based on the same consensus between Government, management and labour; and dedicated to the regeneration of our industry at the expense, if necessary, of social objectives. So much for the assertion that the people of Britain or their representatives in government, trades unions or industry, are oblivious to any common cause. They have demonstrably made common cause, successfully, against inflation, unemployment and industrial decline.

Misleading notions abound in the CBS film. Mr. Reid, the only British Trade Unionist interviewed, was described as a Trade Union official and a dedicated Communist. Not only is he atypical; but since last summer (when the film was made) he has been defeated by an overwhelming majority in his bid for election to the National Executive of the Engineering Workers Union (he incidentally resigned from the Communist Party four months ago!); It is the moderates who have been winning Trade Union elections all over the country.

The film stated, incorrectly, that Britain's exports "cannot be delivered in time" and are "twice the price". In 1975 Britain, in fact, increased her share of world trade in the face of the fiercer competition that the recession stimulated; and the *volume* of our exports increased substantially over the last few months. Our 1974 balance of payments deficit was halved in 1975. It is a serious, and potentially damaging, distortion to suggest that a financial crisis is threatening to "destroy" Great Britain. There is no evidence of this, whatsoever.

Successive British governments have for thirty years designed policies to make advances in public services and social development programmes, with the specific purpose of reducing what you described as "the almost unnegotiable chasm between the privileged and the poor". Despite some relics of an older class system, this gap is today narrower in Britain than perhaps anywhere else in the Western democracies. It is hard to quantify the value of a society, such as ours, that categorically rejects extremism either on the right or the left (the reason that there are no Fascist or Communist members of Parliament is that no-one will vote for them); that needs hardly any armed policemen, because violence is not the menace it is in some other countries; that has few hints of corruption; that shows a high regard for the environment; and that is rooted in history and traditions whose value has been proved many times over. The CBS film, which purported to be a general description of Britain, and which was the creation of one reporter, totally ignored or misrepresented these fundamental facets of our society.

But today the British people recognise that the rising cost of public service cannot be sustained unless it is matched by growth of manufactured output. A shift in priorities away from social objectives and towards industrial regeneration and a more vigorous, profitable private sector, is now the declared policy of the Government—a policy backed up by large cuts in planned public expenditures over the next few years. We are confident that we can achieve these industrial objectives.

Among other central features of the British situation ignored in the CBS film is North Sea oil. Dismissed by our critics as an oversold panacea, it is, in fact, expected to benefit our balance of payments by 4–6 billion dollars in 1980, when we shall be self-sufficient in this vital resource—the only major industrial country to achieve that enviable position.

CBS showed only old towns. There are many strikingly successful new ones built since World War II—and built with vision and a high regard for human and social values. The quality of life in Britain remains, I am glad to reassure you, high—including our environment, overall standards of living, scientific and technological invention, cultural riches. All are in good shape.

I do not dispute that we have major difficulties to cope with in Britain. We have faced inflation, rising unemployment, declining output and a considerable external deficit. There are serious and difficult constitutional strains in Scotland and Northern Ireland. But for each negative there is also a positive, arising out of a government policy which is stated with clarity, pursued with determination and supported by a strong consensus amongst the public; and it is the positive that anyone who wishes to form an overall, up-to-date, opinion about Great Britain must consider: it is the positive which affects the thinking of those Americans who currently have some $13 billion of their money invested in my country.

There are also wider factors than the purely economic. The question was asked if the new Prime Minister can inspire the British to defend their nation against the awesome prospect of anarchy. This rhetorical question will simply not be understood in Britain. No serious or responsible observer would consider it in any way relevant to our problems. Parliamentary democracy and the rule of law remain absolutely central in our way of life, and neither is under serious challenge. The orderly transfer of power we are now seeing from one Prime Minister to another, by an established electoral process, is merely one illustration of the essential stability of British institutions. The CBS film ignored the serious, dedicated and broadly successful efforts being made, over a wide spectrum of social and economic affairs in Britain, to grapple with the complex and difficult issues facing modern industrial society. It is pure fiction to suggest that the British people are attracted by tyranny, or what Mr. Safer described as "just about any kind of authoritarian system". Of course we are not seeing the end of democracy in Britain.

I am glad you recognise that the British people have not lost their unmatched inner strength: I do not think they have lost their way or their faith either. Nor should others lose their faith in us. No good purpose is served, however, by the widespread dissemination of exaggerated and misleading descriptions of our problems.

I am sincerely,

Peter Ramsbotham.

CBS "Second Battle" Draws Return Fire in Britain

(By Francis Renny)

London.—Since British television is always sniping disparagingly at the United States, it was only fair that America should let off a salvo in return. The Columbia Broadcasting System's documentary, "The Second Battle of Britain," should even up the score.

Shown in Britain two days after its American transmission, the message of Canadian-born correspondent Morley Safer is that the battle for economic survival has to all intents and purposes been lost. Britons, we were told, "are a people in the throes of a spiritual dilemma for which there seems to be no cure. . . ."

Fair enough. Even true enough. But the evidence shown was hackneyed and stale. There were those all-too-familiar pictures of condemned terraces in Glasgow and Tyneside, strangely described as "those parts of Britain you never see." What Mr. Safer never saw, apparently, was Cumbernauld, Milton Keynes, or Hemel Hempstead—any of the new towns or housing estates or factories.

His commentary rolled on across what he chose to label "the world's most expensive banana republic." Banana? Republic? Yes, but don't ask me why. There followed some smart-alecky cutting between a soundtrack of doomladen news headlines and shots of senior citizens on beaches, butlers polishing the silver: the implication being that none of them cared.

Viewers who complain about the sneakiness of British TV should just see what the Americans can do.

On we went to the playing fields of Eton and the Royal Enclosure at Ascot. Where would American documentarymakers be without them? Where would they hang such dubious hyperbole as "at the top of the heap, the rich. With them there is no virtue quite like idleness." Then how did they become rich? Shots of the Lord Mayor's show accompanied a mysterious reference to "quirky posturings and the outward show of civility."

Inwardly, Mr. Safer implies, the British are really uncivil. Perhaps the oddest assertion of all was that Britain now was so desperate it was "thinking of just about any kind of authoritarian system" as an alternative, an assertion for which Mr Safer had to admit he had no more evidence than a hunch.

Following the transmission by the BBC, Mr. Safer was ponderously confronted in a London studio by two eminent professors, a pro-government businessman, and Hugh Scanlon, the Engineering Union leader. Mr. Scanlon said he felt very, very angry: "I never saw a greater perversion of the real Britain than that film." Two reasons for such anger were that it never once mentioned the success of the £6 ($12) pay limit and interviewed none but extreme rightists or leftists.

Mr. Safer's defense gave the whole game away instantly. "Of course, it's exaggerated, because television exaggerates." One was reminded of the American sociologist George Homans: "To overcome the inertia of the intellect, it is sometimes more important that a statement be intersting than that it be true."

The interrogating panel sometimes made poor Mr. Safer look like a grasshopper pursued with a sledgehammer. Didn't he know, he was asked, that the rate of increase in productivity was actually higher in Britain than the United States?

Mr. Safer said statistics could prove anything—what about the pound sterling at $1.90? Then he returned to his most valid, if subjective, theme: "I have a feeling that people have lost the sense of controlling their own fates."

This reporter has always felt that most of us take television far too seriously. And maybe this reporter has been wandering from his own precept. The program was just good, sensational, rather out-of-date pseudo-research.

All the same, we were told it took CBS nine months to make; and for all Britain's idleness, any British network could have done the job in one-third the time. Only two nights earlier, a British program about how Snakey, the wheelmakers, were trying to compete in Europe with 30-year-old equipment made most of Mr. Safer's points far more effectively. And there wasn't a beefeater in sight.

New York, N.Y., *March 30, 1976.*

Mr. Brian Atwood,
D.O.B., Room 6235,
Washington, D.C.

Dear Mr. Atwood: As per our telephone conversation last week, permission has been granted for Senator Eagleton to publish in a Congressional Record the transcript of "The Second Battle of Britain" as long as it carries the copyright notice 1976, CBS, Inc. Although I told you this on the phone, I thought you might like to have it in writing.

Thank you and the Senator for your interest in our broadcast.

Sincerely yours,

May M. Dowell,
Director of Special Projects.

SIMON INSISTS IT CAN BE DONE

Mr. GARN. Mr. President, the debate over whether Government ought to attack the problem of unemployment or the problem of inflation first continues to range, largely within the confines of Congress and in the Eastern Establishment press. As far as I can see, the people in the country as a whole have spoken decisively, as all of us should be able to testify from our mail. People are far more concerned about inflation than unemployment, because they recognize in their hearts that there are no solutions to unemployment as long as inflation remains a problem.

Secretary of Treasury William Simon is one governmental figure who has seen this truth clearly, and who has gone out of his way to argue for it in the committees of Congress and in the pages of the press. I would like to summarize briefly his argument as carried in a recent letter to the editor of the Washington Star.

The Star had charged Simon with unwarranted optimism on inflation, and the Secretary was defending himself. In his response, he pointed out that he was not saying the battle against inflation would be easy, only that it was essential. He cited six things which Government could and must do to bring inflation under control. They were first, decrease the rate at which Government expenditures are increasing; second, balance the budget over time; third, stabilize the rate of monetary growth, preferably at some level justified by the rate of increase in output of goods and services; fourth, eliminate the bureaucratic interventions into our economy which stifle initiative and invention; fifth, restore a climate receptive to capital investment.

Mr. Simon made a sixth point, related to international economic stability, and while it was less clear as a policy objective, I take it to mean that we should avoid imposing trade restrictions and embargoes, and that we should avoid erratic monetary policy which upsets international exchange rates.

Secretary Simon pointed out, Mr. President, that these are objectives which government policy can address directly, and constitute the substance of our job. In short, these are the things we should be doing, instead of expanding the scope of governmental action into every nook and cranny of the social life of the Nation. He suggests, and I quite agree, that if we do these things properly, the rest of it will take care of itself.

Is ask unanimous consent that Secretary Simon's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Letters to the Editor—Simon Insists It Can Be Done

Your editorial on "Inflationary optimism" (March 24) misrepresents what I actually said on the subject of inflation. My statements were not "foolishly complacent," motivated by "election-year enthusiasm" or "premature claims of victory." What I actually said was that it is possible to get a 2–3 percent rate of inflation in three years if we adhere to the administration's basic economic policies—balance the budget and move into surplus, stabilize the growth of credit and money, make progress towards needed capital formation, and take steps towards meaningful deregulation.

I was not simply offering one more economic projection to be added to the hundreds that appear throughout the year.

Inflation has averaged approximately 2–3 per cent over the longterm history of our country. However, since 1965, prices have risen at an annual rate of 5½ per cent and in 1974 jumped more than 12 per cent before subsiding to the 5–6 per cent zone expected this year.

There is no persuasive evidence for believ- to the historical average of approximately 2–3 per cent if we are to reduce unemployment permanently and to have sustainable gains in the real standard of living.

There is no persuasive evidence for believing that rapid price increases and unacceptable rates of unemployment are a normal part of the U.S. economy as your editorial indicated. I reject such defeatism. History clearly shows that pursuing stable economic policies can result in the sort of economy I expect and the American people deserve.

The return to such conditions will not be easy or automatic, nor will it occur quickly. Government policies must provide the proper environment.

Instead of federal spending rising 40 per cent in two fiscal years—as it did from 1974 to 1976—the growth of future outlays must become more consistent with the growth capacity of the entire economy. Instead of a cumulative deficit of $267 billion and net government borrowings of another $229 billion to operate programs not included in the federal budget during a single decade—FY 1968 through FY 1977—we must balance the federal budget over time.

Instead of the volatile pattern of money supply growth at historically high average rates since the mid-1960s, we must stabilize monetary policy to achieve the targets identified by Chairman Arthur F. Burns of the Federal Reserve System.

Instead of rapidly increasing the intervention of the federal government into the operation of the private sector and into our personal lives, we must re-evaluate existing bureaucratic regulations which too often stifle economic flexibility and directly contribute to inflation.

Instead of inadequate levels of capital investment and productivity, we must become more efficient and competitive.

Instead of permitting disruptive international monetary and trade crises to continue, we must stabilize the world economy by strengthening our domestic economics.

Every one of these issues involves government economic policies. If we do our job properly, inflation will decline and real economic growth and expanded employment opportunities will result. If we merely continue the go-stop policies of the past, then the pessimists will be proven correct.

Each of the factors you cite to "demolish optimism" on the inflation front is a real challenge. It is easy to find critics to explain why something cannot be done, and it may be the conventional wisdom to claim that the current level of inflation is intractable, but no responsible government official should ever accept that dreary conclusion.

Your editorial suggests that my statements on inflation are merely election-year rhetoric. My real motivations were more basic: To pursue the long and difficult correction process of unwinding the fiscal and monetary distortions of the past decade which have contributed to two boom and recession cycles, resulting in unacceptable inflation and unemployment.

Identifying ambitious goals will not solve our real problems unless responsible economic policies are also sustained. But accepting the current level of inflation as a target would surely guarantee continued economic failures.

WILLIAM E. SIMON,
Secretary of the Treasury.
Washington, D.C.

POISON PREVENTION PACKAGING

Mr. MOSS. Mr. President, in the closing days of 1970, Congress enacted the Poison Prevention Packaging Act of 1970. This important consumer legislation was adopted because of the startling number of deaths and serious injuries attributable to accidental ingestions of many products commonly found in a household. This legislation, which was originally implemented by the Department of Health, Education, and Welfare but is now the responsibility of the Consumer Product Safety Commission, is achieving the goal which Congress intended.

In 1972, safety packaging requirements for aspirin took effect. Since that period, the number of aspirin poisoning deaths among children under the age of five has declined by 48 percent according to the National Center for Health Statistics. According to a recent Washington Star article, the Department of Pediatrics at Madigan Army Medical Center in Tacoma, Wash., reports an 88-percent decrease in poisonings from oral prescription drugs since 1974. Similarly, the Washington Star reported that the Windsor Poison Control Center in Ontario, Canada, has revealed results of a 5-year experiment with child resistant drug containers in Essex County, which reveals a 91-percent decrease in such poisonings.

While it is still too early to measure the overall impact of Federal requirements for poison prevention packaging, the trend is clear—we are making an impact on death and serious injuries caused by accidental ingestion. It is my conviction that with the continued implementation of the Poison Prevention Packaging Act, this trend will continue.

While I am pleased with this progress, there are some who criticize the poison prevention packaging requirements because it creates a burden for our senior citizens. I would like to take this opportunity to note, however, that for those families who do not desire the child resistant packaging, alternative packaging is available upon request at the drug counter.

Mr. President, I ask unanimous consent that the article to which I have referred from the Washington Star entitled "You Can't Be Too Careful With 'Child-Proofing'" by Judy Flander be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOU CAN'T BE TOO CAREFUL WITH "CHILD-PROOFING"

(By Judy Flander)

Against her better judgment, the young mother was taking a 30-second shower in the late afternoon while her 2-year old was on the loose in the house. Usually, she waited until he was asleep before taking time out for herself, but today was her husband's birthday and she wanted to freshen up for the celebration she planned that evening.

On the bed was one of those fancy padded storage boxes she's taken down from a shelf in her closet from which to retrieve a scarf. Showered, she raced, towelled and dripping into the bedroom to find her small son sitting on the bed, happily nibbling a moth cake he's found tucked (by the manufacturer) into a small plastic pocket inside the storage box.

No telling how much he'd eaten while she was in the shower. She telephoned her pediatrician in a panic. "I'll meet you at the emergency room," he said briskly. A half-hour later, after his stomach was pumped, the boy was good as new.

A story with a happy ending and a moral: No matter how careful you are, eternal vigilance is the price of poison-proofing your children. Even then, you run enormous risks at the hands of other adults, less safety-minded than yourself.

Witness the recent tragedy in Durant, Okla,. where two toddlers died and eight others were seriously affected from eating cookies that had been laced with rat poison by an exterminator. Parents are continually warned not to transfer poisonous materials into containers used for food and drink, but who warns the exterminators and the pesticide people? The Poison Control Center reports that 5 percent of preschool poisonings are from pesticides, but no law requires them to be packaged safely.

Even when every precaution is taken, the danger is still there. One little-publicized example concerns the Poison Prevention Packaging Act of 1970, requiring that all prescription drugs be dispensed in child-resistant containers. The "palm and turn" top is virtually child-proof and can take 15 to 20 seconds for an adult to open. Longer, if the adult is impatient and tries to yank the top off.

Since the act was enforced in 1974, dramatic reductions in poisonings and deaths have begun to surface. In the year since aspirin came under the edict, deaths from aspirin poisoning among preschoolers have been reduced 48 percent. The Department of Pediatrics at Madigan Army Medical Center in Tacoma, Wash., reports an 88 percent decrease in poisonings from oral prescription drugs. The Windsor Poison Control Center in Ontario, Canada, tabulating the results of a five-year experience with child resistant drug containers in Essex County, noted a 91 percent decrease in such poisonings.

Enough evidence to convince parents that here, at least, is an area where their childrden have a high degree of safety. But not entirely so, says Dr. Herbert S. Hurwitz, a Scarsdale pediatrician, an authority in the prevention of accidental poisonings in preschool children, and special consultant to the Closure Committee of the Glass Container Manufacturers Institute.

The problem isn't in the new containers, themselves, he says (although a few extremely persistent children have managed to bite them open, or crack them open with a hammer), but with adults who are careless about their pills or can't be bothered to use the new tops.

Because they've got preschoolers, the Smith family keeps their drugs under lock and key, even though the bottles are all safely topped in the prescribed manner. Grandpa comes to visit, with his arsenal of pills, all transferred from child-resistant containers to the old pop-off, or screw-off lid containers. A set-up for disaster.

Many times, adults keep loose pills in purses, pockets, on dresser tops, even on their breakfast plates, perhaps to remind themselves to take them with their orange juice. More invitations to disaster.

Hurwitz says the containers won't be 100 percent safe until adults accept them as a fact of life. "The adult has to read the directions and take the extra time to open the bottles. If you approach the bottle like a bull, you won't get it off." Hurwitz compares the child-resistant containers to seat belts. "I think the same folks who won't use the containers, are the ones who won't take that extra 15 seconds to fasten their safety belts."

Parents do need to remain vigilant, he says. Get rid of medications you no longer need; the only safe thing to do is flush them down the toilet. If you are safety-conscious your kids will get the message by the way you handle medicines, the way you obey pedestrian laws, the way you drive your car. By the time the child is 4 or 5, he'll have developed a sense of self-preservation.

Hurwitz reminds parents, "at the age of 2 or 3, the child's curiosity exceeds his ability to discern danger. The 6-month-old grasps everything in sight and puts it in his mouth. The year-old child crawls or walks to anything at ground level and may ingest it.

"And many 2-year-olds can climb to heights unimagined by their parents. There's no such things as a high, safe place." And most people forget entirely about the dangers in their garages. Now that spring is here, Hurwitz warns, "the kids go out, one year more agile, and find the garage. There's the gas for the lawn mower, the insect spray for the shrubs and the fertilizers for the garden. They'll get into them unless they're properly secured," he predicts.

While he sounds all the warnings, Hurwitz is optimistic. He is heartened by the new child-resistant tops and he is gratified to see growing numbers of safety-conscious parents. There has been progress. Hurwitz carries a stomach pump around in the glove compartment of his car; until two years ago, he used it in his practice at least three times a week. The last time he looked at it, the rubber hose was rotted from disuse.

CPL. JOHN M. FRONTCZAK

Mr. MATHIAS. Mr. President, Cpl. John M. Frontczak of the Montgomery County Police Department was buried April 1, 1976. He died in the performance of his duty and in the service of his neighbors. Every citizen of Maryland owes him a full measure of gratitude for laying down his life so that the lives of others would be safer.

The funeral services at St. Catherine

Laboure Church in Wheaton, Md., were attended by a very large number of Corporal Frontczak's fellow police officers and by community leaders and friends. The homily was delivered by Father George Reed of St. Mary's Catholic Church, Barnesville, Md., and reflected the warm personal relationship that had existed between priest and parishioner. Mrs. Mathias and I extend our sympathy to Mrs. Frontczak, to Corporal Frontczak's parents and to all their family.

A part of the service that both Mrs. Mathias and I found particularly moving was the reading, by Lt. John Baker of the Montgomery County Police Department, of a statement by a police officer who expressed his sense of loss at the death of a brother, in eloquent and compelling language.

I ask unanimous consent that a copy of that personal statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Our Brother Is Gone

> Today is the day my brother was laid to rest. Today, at the service, many of my other brothers were present. We gather, of late, much too often like this—these brothers of mine and I.
>
> Today, the rows and rows of blue, of green and gray, the rows of brothers, each of us with a saddened heart, a lump in our throat—and no matter how hard we try to keep it from showing—each of us with tears in our eyes. Because today my brother was laid to rest, and today we feel once again the loss of someone of whom we could be proud, to whom we could relate, someone who cared, who understood, who loved and was loved. We shall miss our brother, and we, unlike many, will not let the passing of time cause us to forget him. We, unlike many, do not forget, because today when my brother was laid to rest, so also was a part of each of us.
>
> Words can be written and songs can be sung, but there is no way that the deep personal sense of loss, the sincere caring, the ability to relate and truly feel the loss of a brother can accurately be expressed.
>
> My brothers have come today from close and far. My brothers have come today because they want to be here, because they feel the same deep emotional loss that I feel. No fraternal order of men can feel more genuine concern or emotion for a brother and his family than these brothers of mine.
>
> Today, when my brother was laid to rest, I was sad and yet proud. Sad and moved by the loss of a brother. Sad and feeling for his family and friends, but proud of him for his chosen career and proud to be a member of the Brotherhood of Police.
>
> Tomorrow there will be other brothers of mine laid to rest. Tomorrow there will be other widows and children to mourn their loved one, and I and my brothers know that we also will be there to mourn or perhaps be mourned. This we can accept because it is the Lord who controls the destiny of my Brothers and I.

THE FEDERAL COUNCIL ON THE AGING'S SECOND ANNUAL REPORT

Mr. CHURCH. Mr. President, the Older Americans Comprehensive Services Amendments of 1973 created a 15-member Federal Council on the Aging to serve as a spokesman for the Nation's elderly.

The Federal Council is responsible for performing several functions, including:

Advising the President on matters relating to the special needs of older Americans;

Assisting the Commissioner on Aging in appraising the Nation's existing and future personnel needs in the field of aging;

Reviewing and evaluating Federal policies and programs affecting the elderly; and

Making recommendations to the Congress and the Administration concerning Federal policies for older Americans.

The Council is broadly representative of older Americans, national organizations with an interest in aging, business, labor, and the general public. Nine of the fifteen members are older persons. And, they undoubtedly have great familiarity with the problems and challenges facing older Americans.

Recently, the Council submitted its second annual report to the President.

In the covering letter accompanying the report, Bertha Adkins, the Chairperson of the Council, said:

> In this year of the bicentennial of the founding of these United States, we ask that you lead the way in honoring that group of Americans who have contributed so much to the strength of this Nation and now deserve a status and role of worth and value. We look forward to working with you and the Congress towards a better life for older Americans in 1976.

At the same time, the Council expressed deep concern about President Ford's offhand rejection of its earlier recommendations.

The 15 members pointed out:

> The Council respectfully submits that it has a legal responsibility to speak out in a particular area of interest and advocacy, namely the national concerns for the elderly of this Nation. At the same time, the Council is cognizant that the needs of the elderly must be seen in the perspective of other groups within the population who have urgent humanitarian needs.

As chairman of the Senate Committee on Aging, I am pleased that the Council endorsed all the recommendations developed by the committee's Task Force on Women and Social Security.

In addition, the Council gave priority attention to the Task Force's following recommendations to:

Make the age-62 computations point applicable for men born before 1913.

Eliminate the substantial recent current work test to qualify for disability benefits.

Reduce the duration of marriage requirement from 20 to 15 years for a divorced wife—or husband—to qualify for benefits on the spouse's earnings record and remove the consecutive years marriage requirement.

Mr. President, I commend the second annual report of the Federal Council on the Aging to my colleagues, and I ask unanimous consent that the "1975 Overview" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

1975 Overview

ANNUAL REPORTS

This second annual report of the Federal Council on the Aging is presented in accordance with provisions of the Older Americans Act. The Council is required to transmit ". . . findings and recommendations to the President not later than March 31 of each year. The President shall transmit each such report to the Congress with his comments and recommendations."

The first report on the Council was issued in March 1975, some ten months after confirmation by the Senate of nominees for this newly established body. It is our intent to issue our reports on a calendar year basis from now on thus there will be some overlap between these first two reports.

A major concern expressed by the Council in its initial report was about the level of funding for programs to assist the elderly. We stated that ". . . their urgent humanitarian needs require special atention in strategies by both the executive and legislative branches of government to offset the effects of recession and inflation."

On July 24, 1975, the President transmitted this report to the Congress indicating sympathy with this concern but with a determination ". . . to reduce the burden of inflation on our older citizens, and that effort demands that government spending be limited."

The Presidential response concluded, "The perspective and recommendations of this report are limited to a particular area of interest and advocacy. The report does not reflect the Administration's policies, which must reflect a broader range of responsibilities and priorities."

The Council respectfully submits that it has a legal responsibility to speak out in a particular area of interest and advocacy, namely the national concerns for the elderly of this nation. At the same time, the Council is cognizant that the needs of the elderly must be seen in the perspective of other groups within the population who have urgent humanitarian needs.

STUDIES OF BENEFITS AND TAXES

We believe that the intent of the Council to serve as advocate for the elderly in both a thoughtful and sensitive manner is reflected in the two Congressionally-mandated studies which were recently completed and submitted to the President. (Summaries of these studies are included in this second annual report.)

Among the recommendations that are being suggested are several which call for government aid to be directed to the poorest among the elderly and, indeed, to the poor of all ages and that this aid—be it in cash or kind—be more efficiently and effectively directed to its intended beneficiaries. We hope that we have also provided sufficient data of such quality that our conclusion and recommendations will be given full and careful consideration.

FRAIL ELDERLY

This report also highlights a group among the elderly whose needs are not necessarily financial. The Council is still developing recommendations for national policies for a system of care for those whom we call the "frail elderly." These are the elderly—usually the oldest of the old—who require support from society because of an accumulation of the debilities of increasing age. We do suggest some needed national actions which will move us towards the goal of a rational system of care for the frail elderly.

Also included in the report are a number of other recommendations for action in 1976 with special sections on a Bicentennial Charter for Older Americans and on the needs of older women.

STATE FORMULAE STUDY

It is in order at this point to review the reception of the first Congressionally-mandated study of the Federal Council. This study on State formulae for funding programs under the Older Americans Act was duly completed and submitted on December 30, 1974 to the Commissioner on Aging, the Secretary of Health, Education and Welfare and the Committee on Labor and Public Welfare of the Senate, and the Committee on Education and Labor of the House of Representatives. In addition, the Chairman of the Council reported on the study in testimony before the respective House and Senate committees.

The Council is pleased that one of the major recommendations of the study does appear in the Older Americans Act Amendments of 1975 as finally enacted. The Council advocated an increase from $160,000 to $200,000 for the minimum allotment to each State for State administrative costs. The Council also highlighted direct funding for Older Americans Act programs to federally recognized Indian tribes and a provision to this effect has now been enacted. We would hope that the Council had some role in bringing about this needed change. However, there is no reflection in either the law or the reports on the legislative deliberations which indicate that the executive or legislative branches gave attention to the other major findings and recommendations of this Federal Council report. We would suggest that they are still significant and we would hope that further attention will be given to the Council study on State formulae for funding programs under the Older Americans Act.

Policy positions have also been taken on the following matters during 1975:

APPOINTMENT OF ADVOCATES FOR ELDERLY TO HEALTH ADVISORY BODIES

On April 30, Chairman Bertha Adkins wrote to Secretary of Health, Education, and Welfare Casper Weinberger concerning appointments of advocates for the elderly to advisory bodies; specifically the appointment of a physician with expertise in the field of geriatrics to the National Professional Standards Review Council and the appointment of one or more persons with expert knowledge of the special health needs of the elderly to the new National Council on Health Planning and Development.

COORDINATED SOCIAL SERVICE PLANNING FOR THE ELDERLY

Following the Council meeting of May 15–16, the Chairman communicated to Secretary Weinberger the Council's interest in having regulations for Title XX of the Social Security Act specify that the State plans for social services must show close coordination with the State plan required for Title III of the Older Americans Act. Senator Frank Church was also informed of Council interest in his amendment to this effect and letters were sent to Senators Williams, Javits and Eagleton containing the Council recommendation that the provision of S. 1426 calling for these strong linkages be adopted.

Also recommended was that, whenever any human services legislation affecting the elderly is proposed which calls for planning at the State level, a requirement should be included whereby coordination with the Older Americans Act Title III State plan be mandated.

CONSTRUCTION LOANS FOR THE ELDERLY AND HANDICAPPED

On July 29, the FCA Chairman wrote members of the Senate and House Appropriations Committees for Housing and Urban Development notifying them of the Council's concern that the proposed Sec. 202 regulations for the Housing Act of 1959 on construction loans for the elderly and the handicapped did not provide to non-profit organizations adequate access to permanent financing and therefore would not meet the needs of poor and minority elderly. The Council recommended that the Conference Committee approve the Senate version of the HUD appropriation bill as it related to the implementation of Section 202. Favorable response to this recommendation was received from 18 members of the Conference Committee.

A similar letter was sent to Secretary Carla Hills of HUD. Her reply indicted her concern with the housing needs of the elderly and the prospect of a modification of the final regulations which would assist sponsors in obtaining financing under HUD's mortgage insurance programs.

FOSTER GRANDPARENTS PROGRAM

The Council's recommendtaion that there be no change in the basic concept of the Foster Grandparents program as a service solely for children was communicated to the Director of ACTION. This recommendation was occasioned by proposals to expand the role of Foster Grandparents to the core of the adult retarded. The Council indicated their support for expanded services to the adult retarded through other senior programs under ACTION such as Senior Companions and R.S.V.P.

The Director of ACTION replied expressing his appreciation of the support of the Council in their recommendtaion which coincided with the position taken by ACTION on the Foster Grandparents program.

COMMITTEE ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY

As a result of Council action at its September 26–27 meeting, Chairman Adkins extended to the Secretary of Health, Education, and Welfare an offer of assistance and cooperation in the work of the Committee on Mental Health and Illness of the Elderly established under the Health Revenue Sharing and Health Services Act of 1975. In a similar vein, a letter was sent to the Senate and House Appropriations Committees recommending an appropriation for the Committee on Mental Health and Illness of the Elderly of sufficient proportion to accomplish its legislated goals.

Secretary Mathews, in his reply to the Council on October 3 indicated that HEW was moving in a positive manner to implement the legislation but that their actions were limited due to funding uncertainties ". . . at the present time." He concluded, "I am sure at the appropriate time, the Committee and its staff will take advantage of this offer."

WOMEN AND SOCIAL SECURITY

At the request of the Special Committee on Aging of the United States Senate, the Council reacted at its December meeting to the working paper on "Women and Social Security" which had been prepared by the Committee's Task Force on Women and Social Security. The Council endorsed all the recommendations of the Task Force and suggested that the highest priority for change be given to those recommendations that eliminate sex discrimination.

The Council urged particular attention to the following matters:

An age—62 computation point be made applicable for men born before 1913.

The substantial recent current work test to qualify for disability insurance should be eliminated.

The duration of marriage requirement should be reduced from 20 to 15 years for a divorced wife (or husband) to qualify for benefits on the basis of the spouse's earnings record, and the consecutive years requirement should be removed.

The computation of primary benefits and wife's or husband's benefits should be adjusted to increase primary benefits for workers by approximately one-eighth and to reduce the proportion for spouses from one-half to one-third, thus, maintaining the present total benefit of one hundred and fifty percent for a couple, and at the same time improving the protection for single workers, working couples and widows.

The Council did not agree with adding a dependency test for women the same as the present one for men, since this action would represent a program deliberalization and is therefore regressive.

The Council concurred with the goals of the Task Force Report and recommended further study for indexing earnings before retirement to changes in average earnings and indexing benefits after retirement to changes in prices.

The Council recommended additional study of the Social Security problems relating to the homemaker. "We recognize the problems but question the appropriateness of using an earnings replacement system to provide benefits when no actual earnings have been lost."

The Council also recommended further study on the special problems of older minority women and Social Security in regard to low lifetime earnings, years of uncovered employment and a lifetime expectancy that is less for women who are not from minorities.

SOCIAL SECURITY AND THE "DECOUPLING ISSUE"

At the Council's December 3–5 meeting, it was agreed that the Administration should be asked to develop an amendment to the Social Security Act to correct the "decoupling" problem. Under the present automatic benefit provisions of the act, in a situation where both wages and prices had risen steadily, future workers would get in effect a double upward adjustment of their retirement. This would occur because the impact of the rising wages and rising prices would be entered twice in the computation of the benefit—once in the determination of the average wage on which benefit amounts are based and again by adjusting the amount for rising prices.

This would result in the long run in paying present workers unjustifiably high (and costly) benefits when they retire—a situation which the Congress did not foresee and certainly never intended.

In a letter to the President on December 23, 1975, Chairman Bertha Adkins further stated,

"While this desirable correction runs to the longer range problems of the Social Security system it has an immediate urgency. In the absence of a positive position by your Administration, the Trustees in their Annual Report will have no alternative to basing their central set of estimates to the soundness of the system on provisions of the Act as it now stands. With an Administration position calling for correction of this technical error, the Trustees would have a basis for reassuring the public of the essential strength of the program. This is especially important in view of the wave of unfounded and irrational attacks on Social Security which have emerged in recent months in the press and television. These attacks have caused unnecessary worry especially among the elderly which you, Mr. President, by taking action now, can do much to allay.

"The Federal Council's action contained one further point which the members were most anxious for me to emphasize in my communication to you. That was that this decoupling issue, and easily correctable feature of the program, should be kept separate from other changes in the program which would not enjoy the unanimity of support that it does. Any attempt, for example, to combine the decoupling issue with a proposal to reduce the long term basic wage replacement ratios would not only confuse the issue but most likely make impossible early action on the technical correction."

JAPANESE AUTO IMPORTS REACH ALLTIME HIGH

Mr. FANNIN. Mr. President, the Japan Foreign Trade Council, which represents leading Japanese trading houses and exporting manufacturers, announced recently that the total export figures for February by the 14 major trading corporations was up 6.2 percent compared with February 1975, and that imports were up 15.6 percent. This is good news for Japan, an industrial giant which relies heavily on international trade for its economic vitality.

What concerns me is the fact that Japanese automobile imports into the United States reached an alltime monthly record in February of 132,000 units. This figure represents about 45 percent of the 294,000 automobiles exported from Japan during that month.

Such massive numbers of imports from one nation bring with them alarming projections for the future. While imported car sales in the United States dropped 13 percent in March of this year as compared to March of 1975, all Japanese makes increased their sales. Toyota sales rose 14.9 percent from March 1975, to March 1976 Datsun sales increased 13.5 percent; Honda sales jumped 24.7 percent and Mazda witnessed a 3-percent rise in sales.

It is true that our domestic manufacturers are experiencing an encouraging recovery. March new car sales rose 36 percent from the year before. I join the auto industry on hailing these as a healthy sign.

Mr. President, we should not allow our optimism to get out of control. Unemployment in the automobile industry was 5.4 percent in February, less than the national figure of 7.6 percent. Let us not forget the devastating unemployment figures of only a few months ago.

Mr. President, I ask unanimous consent that the following table be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

UNEMPLOYMENT IN THE DOMESTIC AUTO INDUSTRY

	Percent
October 1975	19.5
November 1975	14.4
December 1975	17.7
January 1976	6.4
February 1976	5.4

Mr. FANNIN. Mr. President, the decline in unemployment in the industry is due both to increased sales and optimistic forecasts for the remainder of this year. Employment in this vitally important industry is often volatile, but seldom has it experienced such highs and lows as in the last several months.

Mr. President, Japan is a valuable ally. Nevertheless, it is a trading nation which expects much more than it is willing to give. Japanese autos have entered our markets for years at the duty rate of only 3 percent. American-made automobiles have never been able to compete in Japan due both to higher tariffs and unconscionable nontariff barriers. Such protectionist measures are utilized by the Japanese not only against American automobiles but also against most manufactured goods and many agricultural products, such as citrus, which compete with Japanese products and crops.

The Treasury Department is now evaluating data made available by the U.S. Customs Service in eight alleged dumping cases. Most of our major trading partners are included in this list. Japan is among them. There is reason to believe that at least some of these nations felt they could aid their own recovery from the recent recession by dumping their automobiles on the lucrative American market. We cannot allow this to happen to our economy. Above all else, jobs for American workers are at stake. The industrialized world will never have respect for us as a nation if we permit this type of activity to take place.

Mr. President, the United States has an opportunity to redress inequities such as we are experiencing with Japan through negotiations now underway at Geneva. I have full faith in Special Trade Representative Frederick Dent. He has an excellent opportunity to open world markets for American products. The Congress expressed its strong position in the Trade Act of 1974 that we should make every effort to expand American trade by negotiating the reduction of tariff and nontariff barriers abroad. I am certain I join my colleagues in the Senate in stressing the necessity of achieving these negotiating objectives.

THE SONNENFELDT CAPER

Mr. STEVENSON. Mr. President, after 2 weeks of press speculation over what we might call the Sonnenfeldt caper, the State Department document which stirred up the fuss has been published in the New York Times. I had been looking forward to its publication with some curiosity, assuming that it would leak eventually out of the executive branch. Such secret documents usually do. We have been treated to a spectacle which has become a familiar feature of Secretary Kissinger's administration of our foreign affairs.

First, the leak. Then the speculation. Is it a policy shift? A signal to the Eastern Europeans? To the Soviet Union? A calculated leak? An insubordinate leak by an official who disagreed with the policy?

Then, the denial. Remarks were lifted out of context. Misleading distortion. Total falsification. There is no Sonnenfeldt doctrine.

Then, the placing of the blame on subordinates. In this case the notetaker, it seems, was at fault. Shall we be informed of another public reprimand?

Meanwhile our friends and our foes and the American public are left to wonder just what our policy is. Thanks to the Secretary, no one knows just what to make of the denial. So we flounder, while partisan politicians, reaching for the jugular, lament that it is our policy that "the captive nations should give up any claim of national sovereignty and simply become a part of the Soviet Union . . . In other words, slaves should accept their fate."

Not so, says the Secretary of State, speaking to a Committee of the House:

> As far as the U.S. is concerned, we do not accept a sphere of influence of any country, anywhere, and emphatically we reject a Soviet sphere of influence in Eastern Europe.

The Secretary of State rejects it, but does his counselor, Mr. Sonnenfeldt? This is what we read in the now-published summary of his remarks to the assembled American Ambassadors in London last December:

> The Soviets' inability to acquire loyalty in Eastern Europe is an unfortunate historical failure, because Eastern Europe is within their scope and area of natural interest.

And further down the page:

> So our policy must be a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence.

Shall we quibble over the difference between "sphere of influence" and "area of natural interest" or "geopolitical influence"?

The working levels of the Department of State, left in the dark as usual, struggle to respond as best they can to indignant inquiries from the public. Here is what the public is being told, in letters sent out by the Department:

> Our long-standing policy toward Eastern Europe has not changed. We in no sense accept a Soviet "dominion" of Eastern Europe nor are we in any way seeking the consolidation of such "dominion." On the contrary, we seek to be responsive to, and to encourage as responsibly as possible, the desires of the countries of Eastern Europe for greater autonomy, independence and more normal relations with the rest of the world. It is our objective that in this way there should also occur a greater Soviet acceptance of this autonomy and independence.

Now this prose does not exactly sing, but at least it has the advantage of a simple, intelligible statement of what most of us have understood U.S. policy to be for the last 20 years, since the Hungarian uprising forced upon us a posture of realism. Since 1956 we have been telling the Eastern Europeans, in effect, that we will support their national aspirations, but not to the point of national revolt. If they do revolt, they are on their own. The Czechs understood that.

The Sonnenfeldt remarks contain some of these principles but in such a convolute manner as to raise doubts over his meaning. He is reported to have said that,

> We should strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one.

What did he intend "organic" to mean? The Secretary of State, interpreting the remarks of his surrogate for all matters European, has said that:

> What he meant was a more historic relationship, a relationship in which the Soviet Union was not so predominant.

Organic means historic?

This kind of confusing wordplay raises some questions over the purpose and effectiveness of the meeting in London in December to which the Sonnenfeldt remarks were addressed. One may assume that annual regional meetings of American Ambassadors such as this, which consume a bite of the State Department's travel funds, are designed to provide for the more active participation of our Ambassadors in the policymaking process and to clarify for them the important elements of the policies for which they are our spokesmen abroad. We do not know exactly what Mr. Sonnenfeldt said, but if the published summary of his remarks is a reasonably accurate measure, they seem more suitable for presentation at a Harvard graduate seminar than to a meeting of this kind. With all due respect to the men and women chosen by the administration to represent us in Europe, at least some of them lack the intellectual brilliance and the powers of divination of Secretary Kissinger. They may be forgiven for returning to their capitals puzzled and disquieted over our policy toward Eastern Europe and unsure of how to explain this policy to European officials.

If the dispatch, nearly 2 months later, of the now notorious summary in a telegram to our Ambassadors in Europe was designed to clarify our Eastern European policy, it was a dismal failure. It is astonishing that in 2 months a coherent, clear-cut policy statement could not have been devised. Whether it was leaked in anger or leaked in despair is left to conjecture. The fact is that it was leaked, and the damage has been done.

In the Soviet Union it has no doubt been read with satisfaction. The Soviets, naturally, share Mr. Sonnenfeldt's regret that they have done such a poor job in winning friends in Eastern Europe—except possibly Bulgaria. They will be relieved to have it on the public record that we encourage a more compliant or a closer or a more friendly or a more organic or a more historic relationship with Eastern Europe. In Belgrade, Bucharest and other Eastern European capitals it has understandably caused confusion and concern. Some Eastern European governments are reported to have expressed this concern.

Two things distress me about the Sonnenfeldt caper. First, the whole episode is typical of the miasma in which this administration has sunk the conduct of our foreign relations. Personalized diplomacy, secret maneuvering, manipulation, half-truth and deceit have confused our friends and allies, given comfort to our enemies and baffled the American public. Small wonder that the Sonnenfeldt affair has caused a furor. The Secretary of State has so little credibility left that even his denials are interpreted as confirmation. No one knows any longer what to believe about his policies.

Second, any reasonable interpretation of the summary of Mr. Sonnenfeldt's remarks leads to discouraging conclusions about the direction in which the pursuit of détent is taking us. The United States, to which so many of the hungry and the oppressed have come from Eastern Europe during the past century to build a new life, has been and must continue to be a beacon of hope for the people in Eastern Europe who dream of liberty. While we cannot hold out to them the promise of liberty through force of arms, we must not destroy any hope of achieving it at some future time through courage, perseverance and an enduring attachment to their own national values.

CHILD CARE PROBLEMS

Mr. LAXALT. Mr. President, I have long been concerned about Federal encroachment on the prerogatives of State and local governments. I have also been disturbed by frequent tendencies on the part of the Federal Government to act before it has an adequate factual basis for its decisions. And, I regret to say the recent controversy over child day care staffing standards has exhibited both these unfortunate tendencies.

In this election year, the voters have clearly demonstrated that they do not believe there is any monopoly on wisdom or competence in Washington. I certainly agree, but regrettably, the Social Services Amendments of 1974 suggest otherwise. They do so by adding into the Social Security Act certain staffing requirements for child day care programs and authorizing the Department of Health, Education, and Welfare to issue regulations prescribing such requirements. In my view, this Congress should be reversing that unfortunate tendency of the 1960s which saw the Federal Government dictating social program requirements to States and localities. But, instead, the day care staffing standards envisioned in the social services amendments impose still more requirements.

Proper staffing levels for child care programs occasion considerable differences of opinion even among recognized experts. For this reasons, in addition to imposing the staffing requirement, the 1974 act mandates that HEW study the entire question and report to Congress by the middle of 1977.

However, this Congress now appears unwilling to wait for the conclusions of this study which might provide the clear factual basis necessary for an informed judgment as to precisely what these standards should be.

H.R. 9803 attempted to delay the otherwise immediate imposition of certain staffing standards. It also contained certain provisions providing assistance to the States in meeting the standards. I voted for this legislation not because I found it attractive but because I saw no alternative. To my mind, a vote against H.R. 9803 was a vote against postponing the standards and providing assistance to the States in meeting those standards as well as a vote tantamount to endorsing their immediate imposition.

But, many of my colleagues saw the situation differently. During the debate on the conference report, they expressed their opposition and argued that H.R. 9803 should be replaced by a simple deletion of the standards. Although the absence of this alternative at the time of the vote on the conference report compelled my affirmative vote on H.R. 9803, that alternative is now available.

S. 3266, introduced by Senator BARTLETT, deletes the Federal standards from the 1976 act and replaces them with State standards. I am delighted with this bill and I am pleased to have my name added to the bill as a cosponsor. I would also like to take this opportunity to commend the distinguished Senator from Oklahoma for his diligence and judgment in authoring this fine legislation.

SOME HELPFUL HINTS IN APPLYING FOR SOCIAL SECURITY BENEFITS

Mr. CHURCH. Mr. President, nearly 6 million persons will apply for retirement, disability, or survivor benefits at local social security offices throughout the Nation in 1976.

Of this total, about 1.5 million will be retired workers.

For most of these individuals, social security will be their economic mainstay.

It is essential, therefore, that they take appropriate steps to guard against costly delays.

This can be done with a minimum amount of effort and appropriate planning.

Applicants, for example, should bring certain documents—such as a birth certificate for proof of age—to support their claims for benefits.

In addition, it is important that they take certain preliminary steps to insure that they receive their appropriate entitlement.

Many older Americans, as well as younger applicants, are completely unaware of the requirements to support their claims for monthly benefits.

However, they can be assisted considerably with a few helpful suggestions.

An article appearing in a recent edition of U.S. News & World Report provides several good pointers for persons applying for social security benefits.

Moreover, it offers guidance for persons who may work after receiving social security benefits.

This article can be helpful for many aged and younger applicants for social security benefits.

Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PLAN TO WORK AFTER YOU RETIRE? BETTER CHECK SOCIAL SECURITY

A White House proposal to tighten the limit on how much retired workers can earn without losing Social Security benefits is raising many questions. Among them: How does the present earnings limit work? How can people approaching retirement plan their work schedules in retirement to avoid loss of pension checks? In what follows, you get authoritative answers to these and other questions:

How can I, as I approach retirement, get an idea what my Social Security pension will be?

You can get a close approximation by using the leaflet, "Estimating Your Social Security Retirement Check," available at district and branch offices of the Social Security Administration.

To make the estimate, you will need your Social Security earnings record. Get that by sending a request on the simple card form—OAR-7004—to: Social Security Administration, P.O. Box 57, Baltimore, Md. 21203.

How can I apply for benefits?

Officials advise that you telephone, write or visit your nearest Social Security office about three months before you reach the age of 65, or earlier if you plan to retire before that. If you phone in, you can learn whether it's necessary to come in and, if it is, when to do it and what it's all about. A main service of the office is to help people make applications. And it's important to apply well in advance to avoid delays in your first checks.

What evidence and documents are needed to support applications?

Generally, these:

Your Social Security card, or a record of your number.

Proof of your age—preferably a birth certificate or a baptismal certificate made at birth or not long after.

Your marriage certificate and proof of your wife's age, if she is applying for a benefit on your work record.

Your children's birth certificates if you expect benefits for them.

Your tax form W-2 for last year or, if you are self-employed, a copy of your latest federal tax return.

But don't delay making application just because you do not have all these. In a pinch, other evidence of age will do. School records, for example, are useful. And the field office will be glad to give you forms to use in getting census records.

When will the first check arrive?

If there's no hitch, the check for your first month of retirement should come in the mail about the third day of the following month. If there is a delay, checks will be paid retroactively.

Can I continue to work some in order to live a bit better in retirement?

Yes, but if you work and earn too much, you will lose some benefits. It will pay you to study the complex rules.

The general rule is this: For each $2 you earn in excess of the allowable amount, you will lose $1 of benefits.

For 1976, that earnings maximum in retirement is $2,760 in the year. It will rise as living-cost adjustments are made in future years.

But there is this crucially important exception: No Social Security benefit dollars can be withheld from you for any month in which you neither earned more than $230 in wages or salary nor contributed "substantial services" in self-employment.

Some examples will show how the rule and the exception work out:

Suppose you work and earn $1,000 a month for seven months, then loaf for the remaining five months of 1976. Your total earnings of $7,000 are well in excess of the $2,760 limit.

Yet you will be entitled to full benefits for the five nonworking months.

Suppose after earning $1,000 a month January through June, you hold your earnings to $230 a month for July-December. Your total earnings come to $7,380. Yet you lose no benefits for the final six months of the year.

Then, once I have exceeded the $2,760 limit, every dollar I earn above $230 a month counts against me. Right?

Wrong! That's not the way it works. Retired workers have been shocked by the unexpected loss of untold millions in pension checks because they tried to apply the earnings limit that way.

Once you pass the $2,760 limit in annual earnings, every dollar you earn is a potential charge against your benefits for any month in which you earn more than $230—or work substantially as a self-employed person.

And note that your wife's benefit, along with any others based on your record, also is at stake in all this.

Assume, to illustrate, that your monthly Social Security benefit at age 65 is $300, with your wife's benefit putting the total at $450 a month, or $5,400 a year.

To make everything come out neat and even, suppose you work and earn $12,180 in salary in the first half of the year. That's $9,420 in "excess earnings," above the $2,760 ceiling.

For each $2 excess, you lose $1 in benefits. So $5,400 of that money will be charged off against your $2,700 in benefit for those six months. You lost that $2,700 in retirement income.

And $4,020 of excess earnings remain to be charged off against your benefits.

Now, suppose that in July you earn $231—just $1 over the limit.

Result. You will lose an entire month's benefit of $450 for July.

If you were to be so unwary or so confused about the rules that you earned $231 in each of the last six months of the year, your benefits for all those pay periods would be vulnerable.

Here is what would happen: Your $1,386 of pay in the last half of the year, added to the $4,020 of excess earnings still hanging over you at midyear, would bring to $5,406 your excess earnings remaining to be charged against benefits. That's enough to wipe out your $2,700 in pension checks for the final half of the year.

If you had held your June-December earnings to $230 a month, you would have received benefits for those six months. In effect, the extra $6 of earnings in the final six months of the year cost you $2,700 in benefits.

That's not all. Your entire $12,180 in pay for the year is income for tax purposes. If the taxable part of your company pension and other income add to, say $26,000, your tax bracket will be high enough that the added tax take resulting from your wage income will be $3,158. The Social Security payroll tax will take away an additional $794. What's left comes to $9,614.

For that, you have sacrificed $5,400 in tax-free benefits. So your net income from working is down to $4,214. And you still haven't taken out any for your State income tax, not to mention the transportation costs, and other expenses you would have incurred in working.

The odds are you made little or nothing by working. Certainly the extra $6 earned in the last half of the year cost you dearly.

I plan to retire at 65 on July 1. Will my pay in the first half of 1976 count toward my earnings limit?

Indeed it will. Thus, the chances are that any month in which you earn more than $230 in the last half of 1976 will cost you a month's benefits.

What if my wife works part time?

If she is drawing a wife's benefit, based on your work record, her earnings in excess of $2,760 this year will be charged off against her benefits only, not against yours.

In the example above, no more than her $1,800 in annual checks will be lost, no matter how much she earns.

What earnings count in calculating the limit?

In general, all wages and salaries, either in cash or goods, earned before the age of 72. But some pay is exempted.

Accumulated sick-leave pay received after retirement is not counted. Neither is pay for inactive duty while training in the armed forces or for jury duty. Royalties from a book or other property created before your retirement also are excluded.

What if I work part time year-round, but draw pay only quarterly?

You can't avoid the earnings limit that way. What counts toward the ceiling is not what you are paid, or when, but what you earn, and when.

What about part-time work I do in self-employment?

No matter how much you earn in the year, benefits will still be paid for each month in which you did not perform substantial services in self-employment.

What are "substantial services"?

That's a complicated concept. Many factors are taken into account—the nature of the services, the time spent in any such activity, whether physical or mental, at the business premises or at other locations.

The test is whether the beneficiary can reasonably be considered retired in the month.

Is there a rule of thumb?

Yes, but it's just that, no more. It's this: Services of 45 hours or less a month will not ordinarily be considered "substantial."

However, an official explains, if a beneficiary submits evidence to show that he can reasonably be considered retired in a month in which his services exceeded 45 hours, his services will not be considered substantial.

Any losses in self-employment can be subtracted from earnings. If you earn $3,000 in salary, but run a $500 net loss in self-employment, your net earnings of $2,500 are within the limit. You lose no benefits, no matter how much you earn in any month or how much you work in self-employment.

But note this: If you do exceed the $2,760 ceiling, you can lose benefits in any month in which your self-employment services were substantial, even a month in which you lost money.

If I spend a good deal of time managing my investments, will I be docked for engaging in self-employment?

No. That activity isn't counted as self-employment. So it would not cost you any pension checks.

What if, after retiring July 1, I spend my time writing a book?

That's a gray area of the law. But an official says that if you set out to write a book on a speculative basis, without any contract or advance from a publisher, your benefits "probably" will not be withheld.

On the other hand, if you start with a publisher and an advance payment, it's a different situation. When your royalties start coming in, even years later, Social Security may look back at the record to determine when you earned any excess income and charge it off against benefits.

How can Social Security withhold benefits already received and spent?

It cannot, of course. But it will withhold benefits later on to offset checks paid out for months in which you flunked the retirement test.

How can Social Security know how much I work in self-employment?

If you draw any benefits in a year in which you have excess earnings, you are required to file an annual report of your earnings and activities.

Failure to file that report can mean substantial penalties, in addition to any benefits withheld.

Can I arrange in advance to draw benefits only in months when I qualify?

Often, yes, and that's strongly advised if you know in advance when you will be working and how much you will be earning.

Consult with your contact in the Social Security field office, give him or her a schedule of your work plans, and keep it up to date. Most of the offices are set up to handle that.

This way, you will lose few, if any, benefits unexpectedly.

How does President Ford propose to tighten the earnings-limitation rule?

He wants to apply the limit flatly, eliminating the exception that you lose no benefits for any month in which you neither earned more than $230 in wage or salary nor performed substantial services in self-employment.

What would be the result?

Officials estimate that in the fiscal year starting October 1 about 155 million dollars in otherwise payable benefits would be withheld. And the impact would grow in future years.

But that's not all. For many retired people, the results would show up, not in the form of benefits withheld, but in wages and salaries foregone as people elected not to work at the price of losing benefits.

Either way, it would mean reduced living standards in retirement for many.

Is Congress likely to go for any such proposal?

That's regarded as extremely unlikely. For decades, Congress has been acting periodically to ease the earnings limitation during retirement. It's taken as highly improbable that, even if 1976 were not an election year, Congress would do an about-face now.

PROTECTING THE FIRST AMENDMENT FROM THE GATHERING DARKNESS

Mr. **FANNIN**. Mr. President, Jo Hindman is a journalist from Powell Butte, Oreg., whose syndicated weekly column "Metro News" has been published continuously for 13 years by small town newspapers in several States.

Recently, Mrs. Hindman wrote an article about the threat of trade unionism to journalists' first amendment freedoms. As she points out, at issue in the debate over the union's exclusive representation of reporters, commentators, and other employees of newspapers and radio and television stations is "freedom of choice for the journalists—the ears, the eyes, the editorial watchdogs of the people."

As the writer indicates:

> Unionism's harsh suspensions, fines, censure, and other disciplinary tortures are notorious. It is inconceivable that such punishment should remain hovering over those who are entrusted with the sacred responsibility of bringing the truth to the public, the journalists.

Mr. President, I am pleased by Mrs. Hindman's support for my bill, the Journalist Freedom of Choice Act. I ask unanimous consent that her column "The Gathering Darkness," be printed in the RECORD as it appeared in the Ozark Sunbeam, published in Seligman, Mo., on March 8, 1976.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GATHERING DARKNESS

(By Jo Hindman)

To get their messages out, journalists and reporters have more hurdles to clear than is generally realized by the public they serve.

Always there has been the laissez faire (survival of the fittest) under the editor's pencil and editorial policy. Also, the round file for the rejects rather than the slot in the news room. Plus the overworked, most used, sometimes valid editorial excuse, "Lack of space."

Added to that, some attorneys and judges on the bench are trying to "blackrobe" the news. Some justices want to decide what facts reporters shall hear and how many facts will be allowed to be taken out of the courtroom to appear in print that reaches the public.

Now, topping it off is the stifling threat of trade unionism, preempting the First Amendment and wanting to control free speech.

Countering the threat is U.S. Senator Paul Fannin's bill, the Journalists' Freedom of Choices Act (S. 2712). According to Senator Fannin federal law authorizes, but does not mandate, agreements between labor unions and news-supplying management, to require journalists in the printed and electronic press to join, pay dues, and be subject to union discipline. (Title 29 U.S.C. 158(a)3, National Labor Relations Act.)

However, when such a labor-management agreement does exist, clause 159(a) of the same federal law states that the local union's selected bargaining representative must be the exclusive representative of all the employees in such a chapter or unit. It is called the "exclusivity requirement." It throws the net over the journalists—writers, broadcast journalists, commentators or critics on public issues.

Some journalists prefer to manage their own contracts with "the boss."

Adamantly, the unions want to represent the journalists.

And the courts appear to be siding with the unions, as the ups and downs of Buckley-Evans vs. AFTRA, AFL–CIO demonstrate. AFTRA stands for American Federation of Television and Radio Artists.

At issue is freedom of choice for the journalists—the ears, the eyes, the editorial watchdogs of the people.

The power of unions is nowhere more dangerous than in the field of the people's government. The unions' overflowing campaign coffers scandalously provide the muscle to enforce the unions' choices of political candidates and political preferences.

Unionism's harsh suspensions, fines, censure and other disciplinary tortures are notorious. It is inconceivable that such punishment should remain hovering over those who are entrusted with the sacred responsibility of bringing the truth to the public, the journalists.

Of course, some journalists, at the snap of union fingers, prefer to go off the air or cover their typewriters during contract disputes while non-union personnel reportedly defamed as "scab" workers have in instances been denied information by some of Washington's so-called political elite who thus deny the public the information to which it is entitled.

Senator Fannin's bill will go far in clearing the air. Its purpose is to exempt columnists, broadcast journalists, commentators, or critics on public issues from the exclusive representation provisions of the present labor law. In other words, if enacted the measure would free the journalists, giving them the choice to join or to not join the union, and unhampered to write the truth as they find it.

To stave off the gathering darkness, the reading public can support S. 2712, the Journalists' Freedom of Choice Act.

NATIONAL GRID STUDY AVAILABLE

Mr. **METCALF**. Mr. President, as chairman of the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs, I wish to announce the issuance of a committee print entitled "National Power Grid System Study—An Overview of Economic, Regulatory, and Engineering Aspects."

The preliminary study and comments contained in the committee print will be very useful to those interested in the improved transmission of electricity in the United States.

So that Members of Congress and the public may have an idea of the findings and limitations of the national grid study, I ask unanimous consent that my memorandum introducing the committee print be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FROM THE SUBCOMMITTEE CHAIRMAN

Early last year Representative Richard Ottinger of New York and I requested the of Congress to study the concept of a national power grid for electrical power transmission. Congressional Research Service of the Library The CRS study, done in part by a contractor and consultants and in part by CRS in-house, was completed in November 1975. Its primary findings on feasibility, based on present and reasonably foreseeable technology, are:

There is not enough load diversity among the time zones to justify a grid.

Most of the seasonal load diversity is already utilized, and the remainder is too scattered to justify a grid.

The regional reserve pools will practically evolve into a national grid within 10 years, and this appears to be the best procedure.

Improved load factors will reduce load diversity and decrease excess power available to the grid.

Existing studies indicate that reserves might be reduced 1 to 3 percentage points as a result of a strong national power grid without reduction of present reliability standards.

The continuing trend toward summer peaks nationwide reduces load diversity.

There is merit to linking the Southwest Power Pool with the Electric Reliability Council of Texas.

The only way a link between the West and the Midwest would be feasible is if large mine-mouth generating facilities are built in the western coal areas.

Substantial savings can be realized through reduced system reliability. Reducing reserves to a level of 15 percent of projected annual peak demand would yield total present value savings over 10 years of about $20 billion. Reducing reserves to 17.5 percent of peak demand would yield comparable savings of $9.5 billion.

FPC needs authority to order wheeling of power and the related facilities without declaring a state of emergency.

Small utilities which do not currently have access to power pools would benefit from a national grid open to all.

In several parts of the study, the authors state that there appears to be no economic justification for establishing a separate national grid because the benefits would not match the costs. It should be noted here that while Congressman Ottinger's and my legislation (S. 1208 and H.R. 5048) contemplates changes in ownership and operation of the existing grid system and any necessary additions, it does not provide for the establishment of a separate, duplicative grid system.

One primary problem regarding the study was that the authors were forced to rely on data supplied by Edison Electric Institute, National Electric Reliability Council, and other industry sources, as well as the Federal Power Commission, National Regulatory Commission and Federal Energy Administration, which are themselves largely reliant upon sources within an industry which strongly opposes a national grid. In fact, the only substantial study of load diversity to date has been by EEI, on its own data for the years 1962–71.

The study is admittedly and necessarily preliminary. And it does not address—nor were the authors asked to address—the merits of public ownership and control of a national power grid. Indeed, many of the benefits projected to be derived from a national grid system relate to the areas which were not covered by this study. Such issues as the need for common carrier rights in power transmission, the ability of an integrated grid system to promote competition among wholesale power generation units, and the efficiencies to be realized from coordinated national planning in this capital intensive area involve social considerations as much as technological considerations.

I sent copies of the report to several organizations that are directly concerned with and knowledgeable about improved transmission systems. They are the American Public Power Association, R. W. Beck and Associates, Edison Electric Institute, Ken Holum & Associates, the Missouri Basin Systems Group and the National Rural Electric Cooperative Association. The study and the excellent comments together provide the most authoritative commentary on a national power grid that has ever been asembled in this country. It will, I believe, be a useful document to us within the Interior Committee, to the Congress and to all segments of the power industry. I therefore request that it be published as a committee print.

Lee Metcalf,
Chairman, Subcommittee on Minerals, Materials and Fuels.

CAPITOL HILL FORUM

Mr. CHURCH. Mr. President, I congratulate the Capitol Hill Forum on its first anniversary of publication, and to wish Publisher Alison Freeman well in the year to come.

The Capitol Hill Forum has served Congress admirably in its first year. Being the only paper to focus primarily on congressional and political developments, the Forum has demonstrated its capacity to cover a wide range of subjects from the arts and humanities to Presidential primary coverage. The fact that many articles have found their way into the Record further demonstrates the Forum's capacity to focus on issues that are topical and in need of congressional and national recognition.

As a reader of many publications, I am always personally pleased to come across something that both holds my interest and seems to capture the pulsebeat of whatever it is covering. The Capitol Hill Forum does that. It also seems to be willing to take on any issue, whether in foreign policy or on the domestic side, and it shows an energy in going after stories which are also covered elsewhere, sometimes after initial coverage by the Forum.

The first year is always a testing time for any publication, and I am certain the Capitol Hill Forum is not without its share of headaches. I want to personally extend my continued interest in this publication, and to wish all concerned with it special good fortune in issues to come. This is a paper that members and staff alike read and look forward to reading. I know I will continue to study its articles in the future.

ADDRESS BY DAVID LLOYD KREEGER TO GEORGE WASHINGTON UNIVERSITY CONVOCATION

Mr. PELL. Mr. President, I am pleased to bring to the attention of my colleagues an excellent address by Mr. David Lloyd Kreeger at a recent convocation at George Washington University.

Mr. Kreeger examines our national priorities and reaches the conclusion that the arts are too often relegated to a minor role. He emphasizes their central importance and deep meaning to us all.

Mr. Kreeger's leadership in the arts is well known to many of us. His generosity and his abilities have made that leadership particularly significant to the development of the arts in our Nation's Capital. He combines the discernment of a collector with the talents of a musician. He speaks of the arts with profound knowledge and understanding of their values.

As chairman of the Senate Subcommittee on Arts and Humanities since its inception more than 10 years ago, I find Mr. Kreeger's address both instructive and eloquent, in its appraisal of the arts in terms of historic perspective and in its assessment of their benefits and potentials in an enlightened society.

Mr. President, I ask unanimous consent that this address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by David Lloyd Kreeger to George Washington University Convocation

Chairman Phillips, President Elliott, honored guests, ladies and gentlemen of the graduating class, friends: Doctors recommend periodic examinations for everyone who reaches middle age. Certainly a checkup would do no harm to an even older body—say, a body politic celebrating its 200th birthday. But how does one measure the health and strength of a Nation and its people? Should we consult the economic thermometer that tells us the percentage of unemployed, the rate of inflation, the per capita income of the population, the level of the stock market, the profits of industry? Should we use a more humanistic measure—the average life expectancy of the American people, the rate of infant mortality, the incidence of disease and epidemics, the crime rate, the quality of nutrition, housing and health care? Or should we count our missiles, our submarines, our warplanes, and compare them with those of rival nations?

All these criteria have been used and cited in varying contexts to show America's strengths and weaknesses. One measure is commonly ignored, however, or at least relegated to a minor role—the state of the arts. If the apportionment of government expenditures among its multifold activities indicates the relative values of the inhabitants, military power would clearly head the list of our National concerns. In the Administration's budget for the coming fiscal year, 112.3 billion dollars are allotted to defense and little more than one one-thousandth that sum to the arts and humanities.

This imbalance of emphasis is hardly a modern phenomenon. In 1482 a young Italian wrote to the Duke of Milan seeking employment and listing his skills "in the art of inventing instruments of war," such as cannons and mortars, steel catapults, armored ships and wagons, devices for demolishing fortresses, burning bridges and scaling battlements and the secret of "noiselessly constructing subterranean passages underneath trenches or rivers." To this impressive recital of his qualifications, the applicant added, as though by an afterthought:

"I can further execute sculpture in marble, bronze, or clay, also in painting I can do as much as anyone else, whoever he may be."

The 30 year old writer of this letter was none other than Leonardo da Vinci, who obviously knew which things came first with the Duke, and he got the job. While history acknowledges Leonardo's inventive genius in virtually every field, surely his greatest legacy to posterity resides in his art.

More recently, at the hearings before a House Committee on a bill to renew the appropriation of $76 million for the National Endowment for the Arts, a Congressman asked Nancy Hanks, the Chairman of the Endowment, how she could justify spending Federal funds on the arts when the unemployment rate was 8%. We may be sure that this question was not asked at the hearings on the bill to appropriate more than a thousand times that amount for military hardware.

But for that matter, why shouldn't the arts be placed on the lowest rung of the budgetary ladder? Does a nation really need the fine arts, the performing arts, the visual arts? Our learned forebears answered this in the affirmative, finding a utilitarian justification for the arts as an essential counterpoise to the stresses of an industrial civilization. David Hume, the 18th century English philosopher, said that the arts "draw off the mind from the hurry of business;" Goethe at about the same time wrote of "the rapture which men know after work," whether as creative artists or as spectators; Emile Zola a century later stressed the need of "tired mental workers" for a "holiday of illusion;" and the poet Baudelaire told the "gentlemen of the bourgeoisie—whether lawyers or businessmen—you need art to refresh you after your daily labors."

Artists themselves sometimes defined their role as tranquillizers. In 1888 Vincent Van Gogh wrote to his brother: "In a picture I want to say something comforting as music is comforting." And Henri Matisse 20 years later described his objective as—

"An art of balance, of beauty and serenity devoid of any troubling or depressing subject matter, an art which might be for every mental worker, be he businessman or writer, like an appeasing influence, like a mental soother, something like a good armchair in which to rest from physical fatigue."

This view was not the exclusive prerogative of a capitalist society intent on subduing the restless or dissatisfied worker. In 1919 Lenin wrote that "a theatre is necessary, not so much for propaganda as to rest hard workers after their daily work. And (he added) it is still too early to file away in the archives our heritage from bourgeois art."

The relaxing and comforting effect of art is surely not its only justification. At the dedication of the Pennsylvania Academy of Art in Philadelphia in 1807, Benjamin Latrobe emphasized that art is an indispensable element in a democracy, providing a healthful recreation for the growing democratic leisure and a mark of the cultural character of the time for posterity. Because of its art, he said, Athens and not Sparta survives as a precious treasure of all time. There is thus a multiple aim in the concern for art: to bring lustre to the nation, to elevate the public taste and to educate artists and the public alike.

Indeed, one of the founding fathers of our Republic, John Adams, believed that art was our ultimate goal.

"I must study politics and war," he wrote, "so that my sons may have liberty to study mathematics and philosophy, to give their children a right to study painting, poetry and music."

It seems hardly necessary to expand upon the virtues and the values of art. To appreciate its indispensability one need only imagine what our cities, our nation, would be like without a concert hall, a theatre or a museum.

If we then turn to the state of the arts as a measure of the health and vitality of our nation and its people, what is the condition of our 200-year old patient? I submit that our patient is in pretty fair condition for its age and has a high potential for improvement if given the proper treatment and care.

The cultural resources of our Nation include not only the performing and visual arts, but also literature, architecture, the cinema and other creative endeavors. However, I shall address myself mainly to those with which I have had some experience—the performing and the visual arts.

The performing arts are in plentiful supply throughout the United States, a testament to the tastes and interests of a sizeable segment of the population and of the organizations which maintain and nurture the arts.

The performing art with the earliest historical roots in America is the symphony orchestra, which first appeared in New York in 1842. Today there are approximately 1400 orchestras in the country, including about 100 fully professional symphonies, the so-called "metropolitan orchestras". Of these 30 are the major orchestras with annual budgets of over $1 million, located in the largest urban areas. American symphony orchestras collectively play over 6,000 concerts per year for an audience of nearly 8 million, at a total operating cost of almost $100 million.

The opera in America was likewise an early phenomenon, beginning in the middle of the nineteenth century with imported companies that featured singers of international reputation and penetrated the interior of the United States. One of the first native opera companies was the Metropolitan in New York, founded in 1883 and today by far the largest and most famous opera company in America. Today about 60 opera companies are functioning in the United States, and in a typical year they give over 1200 performances of some 275 opera productions for an audience of more than 2½ million, at a collective operating cost of over $40 million.

When we speak of theatre, Broadway usually comes to mind, but the fact is that non-profit theatre groups today present more than twice the number of plays that appear in New York on Broadway and off-Broadway combined. In the first quarter of the nineteenth century, the exposure of most Americans to theatre at a professional level was chiefly through the Broadway road companies, community theatres and little theatres. The latter became the tributary for the non-profit groups originally known as winter stock companies. They were usually housed in small, arena type buildings with an intimacy that suited the best American writing for the stage, exemplified by playwrights such as Tennessee Williams. These companies soon established a fully professional reputation, and by the mid-60's actors found more continuous professional employment in any one season among the resident non-profit theatres around the country than on the New York commercial stage. This movement has decentralized the dramatic art in the United States and has led to the creation of more permanent professonal theatres throughout the United States than had ever existed before. The 30 or so theatres in this group produce over 300 plays in some 8,000 performances for an audience of well over 3 million, and collectively expend some $25 million in the process.

Dance in its grandest manner came to the United States in the fall of 1916 when Serge Diaghilev's Ballet Russe opened at the Metropolitan Opera House, and then toured the East and the mid-West.

In 1940 the American Ballet Theatre was formed, and a few years later the New York City Ballet made its debut under the direction of George Balanchine, a Russian emigre from the Diaghilev period. The interweaving of Russian with American choreographic ideas produced the ballet now flourishing as an American art form. Within a few short years the ballet, which formerly seemed a foreign and exotic art, has been given an American flavor that has widely increased its acceptance and popularity. Today about 10 American ballet companies in a typical year present almost 500 dance productions in over 1000 performances to more than a million and a half fans, at a collective annual operating cost of some $15 million.

Finally, a word about an art form that is as indigenous to America as jazz—modern dance, characterized by free and expressive and often spontaneous movements with the dancers acting as their own choreographers. The exemplar and most popular figure in the modern dance world is Martha Graham, but there are about 10 other groups using this medium. Collectively they present about 200 dance productions in some 750 performances for an audience of about 500,000 at a total operating cost of over $2½ million. It is worth noting that the paying audience for ballet and dance is now four times as large as it was a decade ago.

The attendance figures I have cited for each performing art form seem impressive, but the fact is that the full potential has hardly been scratched. A recent survey made for the Ford Foundation, consisting of a representative sampling of the adult residents in 12 major metropolitan areas, revealed that while almost everyone had seen a movie in the cinema or on TV, only 16% had been to a live theatre, no more than 10% had ever attended a symphony concert, and a bare 4% had witnessed an opera or ballet. While these percentages are much larger than they were a decade ago, it may be impossible for the performing arts to capture the fancy of the majority. As the late impresario Sol Hurok observed, "if people don't want to come, nothing can stop them." Even Samuel Johnson, that paragon of culture, defined music as "the least disagreeable of all noises." And sometimes opera can seem mighty strange to the neophyte—as witness the story of the little boy taken to his first opera performance who asked his father: "Why is that man shaking his stick at the lady?" His father replied: "Hush, that's the conductor and he isn't shaking his stick at her." "Then," asked the youngster, "why is she screaming?"

But there are many encouraging signs. A professional symphony orchestra is to be found in or near virtually every American city with at least 100,000 population and in the past 10 years the number of concerts given by the major orchestras has almost doubled. Audiences have grown faster than the national population, and in most communiites the symphony orchestra is the single strongest force for music and the performing arts and basic to a community's self-esteem.

Turning now to the visual arts, we find a far better public response, perhaps because visual art has always been a part of man's environment. In prehistoric times the house of art was the cave, and as civilization developed, art moved to the temple, the palace and the cathedral. Art was for centuries a prerogative of the princes and the priests, but the French Revolution and Napoleon created the first real art museum for the public, the Louvre, as a visible manifestation of European empire in the fine arts. In the United States, art museums first appeared about 20 years after the birth of the nation, one of the earliest being the Boston Athenaeum founded in 1807. The Corcoran Gallery, which appeared in 1869 in the building designed by James Renwick on 17th and Pennsylvania Avenue, was the first museum in Washington, antedating the great museums of New York, Boston, Philadelphia and Chicago. Since then museums have proliferated and become recognized institutions for delight and education, serving as custodians of knowledge and culture, as reporters of the contemporary artistic scene, and as an educational source in our pluralistic society. Today there are about 340 art museums in the Nation which attract some 45 million visitors annually, of whom about one-third are frequent attenders. It is estimated that almost half of the adult U.S. Public have been to an art museum.

Art museums are far outnumbered by those devoted to history, science and technology, and in all there are more than 1800 museums of all kinds in the United States. They have a total operating budget of over half a billion dollars and collectively record more than 300 million visitors annually—more than the combined attendance at sports events.

In this day of technically proficient reproductions, good prints of great paintings are widely disseminated and are framed, hung and enjoyed, exerting a greater influence on the public than the original. I am reminded of the story about the young lady who took her grandmother to the Huntington Museum in Pasadena for the first time, and pointed out the "Blue Boy," saying "Grandmother, this is one of the most famous paintings in the world. It was painted by the great English artist Thomas Gainsborough and it is worth over $1 million." Grandmother was incensed: "What nerve" she said, "all he did was copy the calendar picture I've had in the kitchen for years!" Gainsborough, perhaps the finest portrait painter of the 18th century, is the subject of an anecdote which is hardly apropos, but which I cannot resist dragging in by the ears. An eccentric nobleman refused to pay Gainsborough for a portrait, complaining that "it makes me look like an ape," to which the haughty artist icily replied "You should have thought of that before you had it painted."

The apparent apathy of a large segment of the American public to the performing and visual arts is a troublesome problem, but there are encouraging signs that attendance is improving, and in any event the untapped public poses a stimulating challenge to the arts institutions. A far more serious threat to these cultural resources is the ever increasing difficulty of financing them. The performing arts derive only a portion of their essential revenues from the sale of tickets, ranging from less that 50% for symphony orchestras to about 65% for ballet and non-profit theatres. Museums obtain less than 30% of their total revenues from admissions. The artistic freedom and goals of these art groups make it impossible for them to limit their spending to the receipts from admissions, and the gap must therefore be filled from other sources, such as government grants, contributions from foundations, corporations and the general public and income from endowment funds.

A recent study by the Ford Foundation of 166 performing arts organizations showed that during the six-year period 1965 to 1971 private local contributions doubled, as did the operating budgets of these institutions, but that at least half of the groups nevertheless suffered recurring deficits, and collectively lost over $8 million in those years. Worse yet, the Ford Foundation report somberly predicts that with continued inflation and the pressure of performers' salaries to keep pace with those in other trades, the gap between expenditures and earned income will quintuple by 1980, requiring contributions from the public and the government to increase on the order of 7 times simply to maintain the current position of the performing arts. A similar difficulty confronts the visual arts. Most of the 340 art museums in the United States are governed by private non-profit organizations, deriving almost 60% of their required revenues from government agencies, foundations, and individual and corporate contributions.

The art groups are thus faced with a difficult dilemma: Their earned income is necessarily limited, while operating costs must inexorably rise, since salaries constitute from 60 to 75% of total expenditures and will increase with the cost level of the economy. What is the solution?

Some have suggested that the symphony and the opera with its highly expensive musicians and stars are dying forms, bound to be superseded by electronic devices, or to be reduced to a handful of companies traveling from city to city. These suggestions are no more attractive than those advanced tongue-in-cheek a few years ago by an English management consultant who was commissioned to improve the efficiency of a symphony orchestra. He submitted several recommendations: First, he said there is no point in having all 16 violins playing identical notes. Why not cut them down to one violinist and add electronic amplification?

Second, he saw much unnecessary effort in playing 32nd notes. Round them out to the nearest 8th note, he suggested, and you can hire lower-priced trainees. Third, he found too much repetition of musical passages. What useful purpose is served, he asked, by repeating on the horns a passage already handled by the strings? He recommended eliminating all redundant passages, thereby reducing the usual 2 hour concert time to 20 minutes and eliminating the intermission.

His fourth recommendation was truly ingenious. Many musicians, he noted, are using one hand for no other purpose than to hold the instrument. If you install a fixture for this purpose, he said, it would free the idle hand for other work.

I have no information as to whether these recommendations were adopted nor how the orchestra sounded if they were.

There are less radical if less imaginative alternatives than those mentioned. The National Endowment for the Arts, which was established by Act of Congress in 1965, began with a modest appropriation of $2½ million, which within 10 years has increased to $80 million. While this is a truly impressive growth, it is still equivalent to only 35¢ per capita of the American population, which compares unfavorably with the $2 and more per capita spent on the arts by Austria, Great Britain, Germany, Sweden and even as small and beleaguered a nation as Israel. An inspiring example to all States is to be found in the New York State Arts Council, which increased its budget from $2.3 million in 1970 to $34 million last year, far and away the largest and most generous arts subsidy of any state in the Union. Corporate support for the arts has also improved, from $110 million in 1970 to $144 million in 1973, but still represented little better than 2% of all corporate profits.

That the American public can rise to meet the financial emergency in the arts is the comforting moral to be drawn from a Harris Survey made in 1974 for the Associated Councils of the Arts. It found that 38% of the American people believe that cultural organizations should receive direct support from the government, but even more significantly that 64% would be willing to pay an extra $5 to $50 in taxes to support art and culture. . . .

So while the financial horizon is cloudy and threatening, there is no reason for despair about the future of the arts in America. Just as our nation had the resourcefulness and persistence to tame the wilderness, to establish a free and independent political entity that has survived intact for two centuries, to industrialize our economy, to create a standard of living second to none and to spread the benefits thereof among a wider spectrum of the population than in any other country—and has accomplished this while preserving an unmatched record of civil liberties—so we can meet the financial challenge that faces the performing and visual arts and in due course succeed in making them as great and admirable a national asset as our industrial and financial institutions.

The help and support of the younger generation towards this objective is essential if America is to be known to posterity as the Athens rather than the Sparta of the Western world.

REGULATION OF OVERREGULATION?

Mr. FANNIN. Mr. President, few scholars have contributed more insight and information to the current debate over Government regulation of business than Dr. Murray L. Weidenbaum, director of the Center for the Study of American Business at Washington University in St. Louis. I wish to call to the attention of my colleagues two excellent contributions by this distinguished economist and former Assistant Secretary of the Treasury which were published by the American Enterprise Institute, where he is an adjunct scholar, and the Wall Street Journal.

In a short AEI study, Professor Weidenbaum discusses the new wave of Government regulation and analyzes the differences between the older more traditional Federal regulatory agencies, such as the ICC and the CAB, which have come under heavy attack for being captives of industries they regulate, and the newer more popular agencies which deal with more limited spheres of industry while operating under a broader legislative charter. Although these newer agencies have not yet been taken over by the special interests they are supposed to regulate, as Dr. Weidenbaum observes, they still suffer from the same regulatory problems which have long plagued longer established agencies.

In Weidenbaum's view:

> Rather than being dominated by a given industry, the newer type of federal regulatory activity is far more likely to utilize the resources of various industries, or to ignore their needs, to further the specific objectives of the agency.

And although he does not quarrel with those objectives, Weidenbaum concludes that—

> No realistic evaluation of government regulation comfortably fits the notion of benign and wise officials making altogether sensible decisions in the society's greater interests. Instead, we find waste, bias, stupidity, concentration on trivia, conflicts among the regulators and, worst of all, arbitrary and uncontrolled power.

Dr. Weidenbaum elaborated on this month in Dallas, Tex., which was reprinted in abridged form in the Wall Street Journal. In this article Weiden- theme in a speech he delivered last baum discusses the direct and hidden costs of Federal regulation. As he observes:

> The costs of government regulation are rising far more rapidly than the sales of the companies being regulated. Regulation literally is becoming one of the major growth industries in the country.

In both the Journal and AEI articles, Dr. Weidenbaum documents the problems created by the proliferation of Government controls, such as the reduced rate of technological innovation; the arbitrary disregard of civil liberties and individual freedoms; the increased preoccupation with minor details rather than basic objectives; the growing conflicts within agencies and between contradictory regulatory standards; the gradual shift of decisionmaking and responsibility away from professional management and toward a cadre of Government bureaucrats and regulators.

In both articles Dr. Weidenbaum emphasizes the point that regulation can have important and positive benefits. No one can seriously quarrel with trying to promote improved working conditions, cleaner air, purer water, safer products, or an end to job and sex discrimination. The problem, however, is to achieve proper "balance and moderation" in regulation, rather than overregulation, to advance rather than impede positive economic and social goals. To this end, Dr. Weidenbaum calls for reasonable and comprehensive regulatory reform. As he states:

> To restore common sense to government is a major challenge for all of us.

Mr. President, I ask unanimous consent that the excerpts I have chosen from Murray Weidenbaum's AEI study on "The New Wave of Government Regulation of Business" and the complete text of his article, "Regulation or Over-Regulation?" from the Wall Street Journal of April 6, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE NEW MODEL OF GOVERNMENT REGULATION

The traditional notion of government regulation of business is based on the model of the Interstate Commerce Commission: A federal commission is established to regulate a specific industry, with the related concern of promoting the well-being of that industry.

In some cases—because of the unique expertise possessed by the members of the industry, or its job enticements for regulators who leave government employment—the regulatory commission becomes a captive of the industry it is supposed to regulate, and the public or consumer interest is subordinated or even ignored. At least, this is a popular view of the federal regulatory process. In addition to the ICC, other agencies which have been criticized on this ground include the Civil Aeronautics Board, the Federal Communications Commission, and the Federal Power Commission.

Although that type of federal regulation of business surely may continue, the new regulatory efforts established by the Congress in recent years generally follow a fundamentally different pattern. The new federal agencies are broader in scope than the ICC-CAB-FCC-FPC model. Yet in important aspects, they are far more restricted. In the cases of the Environmental Protection Agency, the Equal Employment Opportunity Commission, the Consumer Product Safety Commission, the Federal Energy Administration, and the Occupational Safety and Health Administration, the regulatory agency is not limited to a single industry. Their jurisdictions extend to the bulk of the private sector and, at times, to the public sector as well. It is this far-ranging reach that makes it impractical for any single industry to dominate these regulatory activities in the manner of the traditional model.

Yet, in comparison to the older agencies, the newer federal regulators, in many important ways, operate in a far narrower sphere. That is, they are not concerned with the totality of a company or industry, but only with the segment of operations which falls under their jurisdiction. This limitation prevents the agency from developing too close a concern with the overall well-being of any company or industry. Rather, it may result in total lack of concern about the effects of its actions on a specific company or industry.

If any special interest may come to dominate such an agency, it is the one that is preoccupied with its specific task—environmental cleanup, elimination of job discrimination, establishment of safe working conditions, reduction of product hazards, and so forth. Thus, the basic mission of the industry to provide goods and services to the public may get little attention. And matters broader than the specific charter of the regulating agency—such as productivity, economic growth, employment, effect on overall living standards, inflationary impacts—also may be ignored. At times the process may seem to be epitomized by the proverbial dentist who sees his patient as merely two rows of teeth surrounded by a mass of miscellaneous material.

The result may be a reversal of the traditional situation. Rather than being dominated by a given industry, the newer type of federal regulatory activity is far more likely to utilize the resources of various industries, or to ignore their needs, to further the specific objectives of the agency. My personal study of the activities of these new regulatory agencies reveals many negative aspects of considerable importance.

I do not quarrel with the intent of the new wave of federal regulation: safer working conditions, better products for the consumer, eliminating discrimination in employment, reducing environmental pollution, and so forth. And the programs established to deal with these problems have at times yielded significant benefits. But no realistic evaluation of government regulation comfortably fits the notion of benign and wise officials making altogether sensible decisions in the society's greater interests. Instead we find waste, bias, stupidity, concentration on trivia, conflicts among the regulators, and, worst of all, arbitrary and uncontrolled power.

The agencies carrying out federal regulation are proliferating. In the past decade alone we have seen the formation of the Consumer Product Safety Commission, the Environmental Protection Agency, the Federal Energy Administration, the Cost Accounting Standards Board, the National Bureau of Fire Prevention, the Mining Enforcement and Safety Administration, the National Highway Traffic Safety Administration, and the Occupational Safety and Health Administration, to cite the better-known ones.

The administrative cost of this army of enforcers (approximately $3 billion a year to support a regulatory work force in excess of 74,000) is quite substantial (see table on page 5). But that expense is only the tip of the iceberg. It is the costs imposed on the private sector that are really large, the added expenses—which inevitably are passed on to customers—of complying with government directives. A direct cost of government controls is the growing paperwork burden imposed on business firms: the expensive and time-consuming process of submitting reports, making applications, filling out questionnaires, replying to orders and directives, and appealing some of the regulatory rulings in the courts. There now are 5,146 different types of approved government forms. Individuals and business firms spend millions and millions of work-hours a year filling them out.

Another hidden cost of federal regulation is the reduced rate of technological innovation. The longer it takes for some change to be approved by a federal regulatory agency—a new product or a more efficient production process—the less likely it is that the change will be made. A recent case is the new asthma drug beclomethason dipropionate (let us call it BD). Although this drug has been used by millions of asthma patients in the United Kingdom, it still has not received the approval of the U.S. Food and Drug Administration. BD is described as a safe and effective replacement for the drugs which are now administered to chronic asthma patients, but without the adverse side effects of the drugs now in use in the United States. Unlike BD, the steroids currently used in this country, such as prednisone, can stunt growth in children, worsen diabetes, and increase weight through water retention. The delaying procedures of the FDA not only are increasing costs to drug manufacturers, but also are preventing American consumers from having access to BD

The large private costs of government regulation sometimes arise from the attitudes of the regulators. Take the question of industrial noise. Reluctant to depend on earplugs and similar hearing protectors, EPA and OSHA are mandating extremely expensive engineering changes. The cost to industry of achieving the current ninety-decibel OSHA standard is estimated at "only" $13 billion. EPA, however, is attempting to obtain a quieter eighty-five-decibel level, at an estimated cost of $32 billion.

FEDERAL EXPENDITURES FOR BUSINESS REGULATIONS

[Fiscal years, in millions of dollars]

Agency	1974	1975	1976
Agriculture	330	376	381
Health, Education and Welfare	145	173	189
Interior	59	74	79
Justice	270	345	383
Labor	231	343	397
Transportation	178	212	234
Treasury	246	306	320
Civil Aeronautics Board	89	85	85
Commodity Future Trading Commission	—	—	11
Consumer Product Safety Commission	19	43	37
Equal Employment Opportunity Commission	42	54	60
Federal Communications Commission	33	127	208
Federal Energy Administration	38	49	50
Federal Power Commission	27	37	36
Federal Trade Commission	32	41	45
International Trade Commission	7	9	10
Interstate Commerce Commission	38	47	50
National Labor Relations Board	55	63	70
National Transportation Safety Board	8	10	10
Nuclear Regulatory Commission	80	139	198
Securities and Exchange Commission	35	45	49
All other agencies	17	21	23
Total	1,979	2,599	2,925

REGULATING TOILETS

The Council on Wage and Price Stability has urged both OSHA and EPA to study the costs and benefits of the standards. It points out that lowering allowable noise from ninety to eighty-five decibels would cost industry $19,828 a person—a sum more than adequate to provide comfortable and effective personal hearing protectors. But cost apparently is not an important factor to federal regulators.

The lack of attention to the costs of regulation gives bureaucrats the opportunity to engage in all sorts of trivia. What size to establish for toilet partitions? How big is a hole? (It depends where it is.) When is a roof a floor? What colors to paint various parts of a building? How frequently are spittoons to be cleaned? The public's taxes actually support people who are willing to establish and administer regulations dealing with these burning issues.

CONFLICTS AMONG REGULATIONS

The proliferation of government controls has, perhaps inevitably, led to internal conflicts. In some cases, the rules of a given agency work at cross-purposes with each other. OSHA mandates back-up alarms on vehicles at construction sites. Simultaneously the agency, to protect employees against noise, requires them to wear earplugs that can make it extremely difficult to hear the alarms. More serious and more frequent are the contradictions between the rulings of two or more government agencies where the regulated have little recourse. Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces which are most easily cleaned are usually tile or stainless steel. However, these are highly reflective of noise, and may not meet OSHA noise standards.

A controversy over rest rooms furnishes another example of conflict among regulations; it also demonstrates that common sense is in short supply in the administration of government controls. The Labor Department, carrying out its weighty responsibilities under the Occupational Safety and Health Act, has provided industry with detailed instructions concerning the size, shape, dimensions, and number of toilet seats. For well-known biological reasons, it also requires some type of lounge area to be adjacent to women's rest rooms.

However, the EEOC has entered this vital area of government-business relations and requires that male toilet and lounge facilities must be equal to the women's. Hence, either equivalent lounges must be built adjacent to the men's toilets or the women's lounges must be dismantled, OSHA and state laws to the contrary notwithstanding. To those who may insist that nature did not create men and women with exactly identical physical characteristics and needs, we can only reply that regulation, like justice, must be blind.

[From the Wall Street Journal, Apr. 6, 1976]

REGULATION OR OVER-REGULATION?

(By Murray L. Weidenbaum)

Business has been taking it on the chin as revelations of so-called political slush funds have been uncovered. It is altogether fitting that lawbreaking be exposed and punished. Corporate contributions to federal election campaigns are illegal. Yet there is another aspect of these illegal business contributions to political causes which has been ignored. When we turn to more traditional types of crime, we find that the progressive thinking is not limited to punishment, but it extends to uncovering the causes. By identifying the conditions that breed crime, it is hoped that public policy can be modified so as to reduce or eliminate those conditions.

A parallel can be drawn to the Watergate-related cases of unlawful corporate political contributions and their attempted coverup. The dominant underlying motive for these illegal acts was not commonly a desire to enrich the individual corporate executives who were involved, or even to enhance their positions in the company. Nor was the typical motive the desire to get the federal government to grant a particular favor to the firm ("favors" in the form of government contracts were the object of many of the payments to citizens of other nations).

Rather, the illegal contributions were usually a response, often reluctant, to the demands from the representatives of a powerful government which was in the position to do great harm to the company. Whether the government would abuse its vast power in the absence of an adequate payment was a risk that many managements decided not to take. But it is not surprising that so many of the executives who were implicated held positions in corporations that are dependent upon government in important ways—firms that hold large defense contracts, airlines that have government-approved route structures, and companies that are recipients of special subsidies or are subject to stringent federal regulation.

"PROTECTION" MONEY

It may not be too wide of the mark to consider many of those illegal corporate payments as a form of "protection" money given to prevent action harmful to the company. Viewed in this light, the underlying cause of this particular type of white collar crime does not arise in the company itself but in the tremendous and arbitrary power that society has given the federal government over the private sector.

Thus the eradication of this particular form of white collar crime involves more than tighter auditing standards and improved laws on political financing. It also requires abstaining from the further expansion of governmental power over the private sector.

My basic point should not be misunderstood. Lawbreaking, whether by business executives or others, should not be condoned. It should be ferreted out and punished according to law. Simultaneously, it is naive—and ineffective as well—to ignore the basic political forces that give rise to the lawbreaking.

Yet a massive expansion of government controls over industry is now underway. Government officials are playing a larger role in what traditionally has been internal business decision-making. But it is difficult to criticize their basic mission. After all, who is opposed to safer working conditions, better products for the consumer, elimination of discrimination in employment, or reduction of environmental pollution? And in fairness we must acknowledge that the programs established to deal with these problems have yielded benefits to the nation.

But the costs of over-regulation of business are felt by our citizens in many ways. It adversely affects the prospects for economic growth and productivity by levying a claim for a rising share of new capital formation. This is most evident in the environment and safety areas.

In 1969, the total new investment in plant and equipment in the entire manufacturing sector of the American economy came to $26 billion. The annual totals rose in the following years, to be sure. But when the effect of inflation is eliminated, it can be seen that four years later, in 1973, total capital spending by U.S. manufacturing companies was no higher. In "real terms," it was approximately $26 billion both in 1969 and 1973.

PLANT SHUTDOWNS

In 1973, a much larger proportion of capital outlays was devoted to meeting government regulatory requirements in the pollution and safety area—$3 billion more, to be specific. Hence, although the economy and its needs had been growing substantially in those four years, the real annual investment in modernization and new capital had actually been declining. The situation was worsened by the accelerated rate at which existing manufacturing facilities were being closed down because the rapidly rising costs of meeting government regulations meant that they were no longer economically viable.

Specifically, about 350 foundries in the U.S. have been closed down in the past four years because they could not meet requirements such as those imposed by the Environmental Protection Agency and the Occupational Safety and Health Administration. This may help to explain why the American economy, for a substantial part of 1973, appeared to lack needed productive capacity, despite what had been large nominal annual investments in new plant and equipment in recent years.

The agencies carrying out federal regulations are proliferating. In the past decade alone, we have seen the formation of the CPSC, the EPA, the FEA, the CASB, the NBFP, the MESA, the NHTSA, and the OSHA. That's just some of the alphabet soup.

The cost of maintaining this army of enforcers is huge: $3 billion a year of tax dollars is devoted to supporting a regulatory workforce in excess of 74,000 people. The costs of government regulation are rising far more rapidly than the sales of the companies being regulated. Regulation literally is becoming one of the major growth industries in the country. But this represents only the tip of the iceberg. It is the costs imposed on the private sector that are really huge, the added expenses of business firms which must comply with government directives, and which inevitably have to pass on these costs to their customers.

One direct cost of government controls is the growing paperwork burden imposed on business. the expensive and time-consuming process of submitting reports, making applications, filling out questionnaires, and replying to orders and directives. Here is a striking example. One large oil company is required to file approximately 1,000 reports annually to 35 different federal agencies.

In the first half of 1975, the Standard Oil Company of Indiana had to add to its list of required paperwork 16 major new reports to be submitted on a regular basis. It must report its oil and gas reserves to the FEA, the FPC, the FTC and the Geological Survey. Each report must take a somewhat different form. It requires 636 miles of computer tape to store the data that Standard must supply to the FEA. In total, Indiana Standard has 100 full-time employes whose work is centered around meeting federal regulations, at an annual cost of about $3 million.

Another hidden cost of federal regulation is a reduced rate of introduction of new products. The longer that it takes for some change to be approved by a federal agency the less likely the change will be made.

The Food and Drug Act is delaying the introduction of effective drugs by about four years. As a result, we are no longer the leaders in medical science. The U.S. was the 30th country to approve the anti-asthma drug metaporoterenol, the 32nd country to approve the anti-cancer drug adriamycin, the 51st country to approve the anti-tuberculosis drug rifampin, the 64th country to approve the anti-allergenic drug cromolyn, and the 106th country to approve the anti-bacterial drug co-trimoxazole.

The proliferation of government controls inevitably has led to conflict among controls and controllers. In some cases, the rules of a given agency work at cross purposes with each other. More serious and more frequent are the contradictions between the rulings of two or more government agencies where the regulated have little recourse.

Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel. But tile and stainless steel are highly reflective of noise. They may not always meet the standards set for occupational safety and health.

Each regulatory agency seems to be exclusively preoccupied with its own narrow interest, and is oblivious to the effects of its actions on the company, a whole industry, or even to society as a whole.

Instances of waste and foolishness on the part of government regulators pale into insignificance compared to the arbitrary power that they can exert. Many liberals are outraged by the arbitrary "no-knock" powers of federal investigative agencies, yet they readily ignore the unchallenged no-knock power used by federal agencies in their regulation of private business.

The Supreme Court has ruled that air pollution inspectors do not need search warrants to enter the property of suspected polluters as long as they do not enter areas closed to the public. The unannounced inspections, which were conducted without warrants were held not to be in violation of constitutional protections against unreasonable search and seizure.

The inspectors of the Labor Department's Occupational Safety and Health Administration (OSHA) can go further. They have no-knock power to enter the premises of virtually any business in the U.S., without a warrant or even prior announcement, to inspect for health and safety violations. Jail terms are provided in the OSHA law for anyone tipping off a "raid."

As in most things in life, the sensible questions are not matters of either-or, but rather of more or less and how. To an economist, it seems proper that government regulations should be carried to the point where the benefits equal or exceed the costs—and no further.

Government regulation needs to be taken carefully, in limited doses, and with full regard for all the adverse side-effects. We must avoid unwittingly overdosing the patient. Better yet, we must quit following the advice of well-meaning individuals who do not understand the consequences of their proposals.

A case in point is the matter of improving job safety. Society surely desires to reduce accidents that occur on the job and to this end Congress established a new agency with thousands of employes and an operating budget of several million dollars. The agency in turn has promulgated an array of rules, regulations, and requirements which have resulted in literally billions of dollars in private sector outlays—and in more complaints by business than on almost any other government program.

What have been the results? More forms are now filled out. More safety rules are posted. More inspections take place. More fines are levied. But, as shown by the available statistics, there has been no reduction in accident rates in American industry. In the case of the job safety program, as in numerous other areas of government involvement, the important original concern of the public and the Congress has been converted to the bureaucratic objective of not violating the rules and regulations.

UNPRODUCTIVE RULES

The emphasis shifts to such trivia as raising and answering these types of questions: How big is a hole? When is a roof a floor? How frequently must spittoons be cleaned? The results in terms of the safety objective are almost invariably disappointing.

A more satisfying answer requires a basic change in attitude, and one that is not limited to the job safety program. If the objective of public policy is to reduce accidents, it should focus directly on the reduction of accidents. Excessively detailed regulation often is a substitute for hard policy decision. Rather than issuing citations to employers who fail to fill out the forms correctly or who do not post the correct notices, the emphasis ought to be placed on those employers with high and rising accident rates.

But the government should not be concerned with how a specific company achieves the objective of a safer working environment. Some may find it more efficient to change work rules, others to buy new equipment, and still others to retrain workers. That is precisely the kind of operational business avoid, but which now dominates so many of these regulatory programs.

I am not proposing to eliminate all government regulation of business. We must realistically acknowledge the important and positive benefits that have resulted from many of the government's regulatory activities—in terms of less pollution, fewer product hazards, ending job discrimination, and achieving other socially desirable objectives of our society. But I am urging balance and moderation, so that business can help achieve the nation's social goals and can still fulfill the basic economic function of more efficient production and distribution of better goods and services. To restore common sense to government is a major challenge for all of us.

THE GLOBAL CORPORATION

Mr. McGEE. Mr. President, the distinguished senior Senator from New York (Mr. JAVITS) is perhaps the leading expert in the Congress on international economic issues.

Having worked with him on the Senate Foreign Relations Committee and having served with him as a congressional adviser to the seventh special session of the United Nations last fall, I can personally attest to the knowledge and understanding he brings to a substantive discussion of highly complex, yet nevertheless, vital global issues confronting us today.

It was, therefore, with interest that I read his article in the March 26 Christian Science Monitor entitled, "The Global Corporation." Senator JAVITS offers us an insight into how the multinational corporations—MNC's—fit into the present global debate on international economic issues; the image problems MNC's presently face; and his recommendations for enhancing this image.

The MNC is neither the "saint" its proponents make it out to be or the ultimate "sinner" as characterized by its protagonists. The MNC can be the most effective mechanism for transfer of technology and resources so desperately needed by the developing nations of the world.

However, the so-called old way of doing business will become a greater albatross around the neck of the MNC unless self-corrective action is taken. Unfortunately, all MNC's are painted with the same broad brush; paying the penalty for the abuses of a few.

As Senator JAVITS noted in his concluding sentences:

> Multinationals have demonstrated a great capacity for flexibility in adjusting to new investment conditions in developing countries, but such flexibility cannot be allowed to extend to corruption and interference in the affairs of the host country. If business cannot police itself, it cannot complain when governments step in.

I commend the article to the attention of my colleagues and urge they give it close consideration.

I ask unanimous consent the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GLOBAL CORPORATION

(By Jacob K. Javits)

Recent events have caused a sharp focus on the role of the multinational corporation (MNC) in world development.

In December, 1974, the General Assembly of the United Nations overwhelmingly passed—with the United States one of six votes against—the Charter of Economic Rights and Duties of States, which incorporated the view of the developing countries regarding the application of their national laws to matters affecting MNCs. Pressure from the developing countries within the UN has continued, and the whole set of issues regarding world development was again under consideration at the Seventh Special Session of the UN in September, 1975.

At the same time, MNCs have been subjected to close scrutiny in the U.S., and Senate hearings have revealed a number of very disturbing cases of bribery and corruption abroad by U.S.-based MNCs.

Also, the abuses committed by MNCs as disclosed have gravely weakened their standing in the public mind. A recent Gallup Poll shows that big business has dropped to last place in public confidence. There evists a strong tendency for the public to believe that MNCs have little to recommend them, and thus to ignore those beneficial aspects that clearly exist in spite of the flurry of charges about the harmful aspects.

Although there is a very substantial divergence of opinion between the developing countries and the U.S. over the role of MNCs, a number of developing countries at least have moved beyond rhetoric and have devised laws and programs to insure that their countries receive the maximum benefit from multinational corporations. These actions include the call for joint ventures with governments, employment requirements, export commitments, local research and development, and limitations on transfer payments.

The fact that developing countries are acting to require that MNCs conform to their concepts of economic development is testimony to their recognition, on the one hand, of the importance of MNCs in technology and capital transfers and their concern, on the other hand, that the MNCs' worldwide operations may enable them to frustrate national objectives.

The European Community (EC) has recently taken a significant step in its internal approach to MNCs by proposing a European companies statute that would establish uniform laws among the nine EC member countries for those companies that elect European integration.

Both the actions of the developing countries and the EC proposal recognize that multinational corporations are the repository of unique talents and capabilities that need to be harnessed more directly to meet larger public purposes.

Although a major demand of the developing countries is for a large increase in the transfer of real resources from the developed to the developing countries, the fact is that the flow of public aid has steadily declined in the last decade. The sharp increase in the Organization of Petroleum Exporting Countries oil prices in the last year and a half has in effect cancelled out the benefits of public aid flows for the developing countries. Therefore, private foreign investment takes on new significance, both for the capital flows involved and for the technology and management skills which cannot in most cases be divorced effectively from direct investment.

However, the U.S. seems to be divided in its approach to the subject of MNCs in international organizations. On the one hand, the U.S. cannot agree either to the extreme demands among the developing countries for expropriation without adequate compensation or to provisions of national laws which give inadequate protection to the rights of investors. On the other hand, the U.S. has been reluctant to face the extent of corporate corruption abroad and the need for stronger action from the U.S. as the major home country of MNCs.

In view of the Seventh Special Session of the UN, it is essential this country resolve its own position and present positive proposals which can preserve the beneficial aspects of MNCs while checking the abuses which have caused elements of world opinion to lose faith in them.

The issue of international regulation of the activities of MNCs has been repeatedly discussed in recent years. For more than a decade attempts to draft international codes of conduct have been made by such groups as the International Chamber of Commerce, but adherence has been purely voluntary. The International Center for Settlement of Investment Disputes (ICSID) was set up under the auspices of the World Bank to provide an international forum for the resolution of investment disputes, but this Center has seldom been used because most developing countries prefer their national systems for dispute settlement and have refused to subscribe to ICSID membership.

The UN reviewed the subject of MNCs extensively through the work of a Group of Eminent Persons to study the role of multinational corporations in world development. I was fortunate to serve as one of the two U.S. participants in that group.

A UN Commission on Transnational Corporations, which developed out of the recommendations of the Group of Eminent Persons, is now attempting to draw up an appropriate Code of Conduct. Rather than drag its heels on this subject, the U.S. should put forward its own proposals and assume an active role in the discussion of a code of conduct, lest the final product be drafted by nations whose views differ so sharply from our own as to make the code ineffectual.

Ultimately, the most important determinant of private foreign investment in the developing countries will be the behavior of the developing countries themselves. It lies within their power to shut off the flow of foreign investment to their countries. In spite of the rhetoric, however, they have a rather clear idea of the benefits to be obtained from MNCs. Very few nations are willing to follow Cambodia's retreat into the dark ages of peasant agriculture.

It is not necessary that a deadlock develop over the issue of the MNC. However, both the U.S. and the developing countries must face the issue with more of a spirit of compromise than they have showed to date. For the United States, in particular, this will require a willingness in our country to deal with the abuses of U.S. multinationals abroad. Multinationals have demonstrated a great capacity for flexibility in adjusting to new investment conditions in developing countries, but such flexibility cannot be allowed to extend to corruption and interference in the affairs of the host country. If business cannot police itself, it cannot complain when governments step in.

This article is the sixth in a series of 13 condensed from those appearing in a report entitled, "Corporate Citizenship in the Global Community," © 1976, International Management and Development Institute, Washington, D.C. Next Wednesday: F. Perry Wilson, chairman of Union Carbide Corporation, tells how this firm tries to be responsive to changing needs of host countries.

RETIREMENT SECURITY FOR HOUSEWIVES

Mr. ROTH. Mr. President, last December I introduced legislation (S. 2732) to amend the tax laws to permit one spouse to establish and contribute to an individual retirement account for his or her spouse. This legislation would establish for the first time the opportunity to provide retirement security for the one large group of American workers still not covered by any pension protection—the American homemaker.

Individual retirement accounts are now available to the approximately 30 million workers not covered by qualified pension plans. Under the IRA law, working individuals can contribute, tax-free, 15 percent of earned income up to $1,500 a year. However, housewives, who do household work valued at between $5,000 and $15,000 a year, have no opportunity to set up retirement accounts for their own old age.

I believe there are many compelling

needs for the enactment of this legislation. Although more and more women are working, nearly 60 percent of married women are not in the work force and thus not eligible for retirement protection. The likelihood of being poor is considerably greater for elderly females than for males. According to the Senate Aging Committee's Task Force on Women and Social Security more than 2 out of 3 poor persons over the age of 65 are women.

Recent Census Bureau figures also show that women live almost 8 years longer than men—75.3 years for women compared to 67.6 years for men. For too many women, these extra years alone without a husband are spent in poverty. The social security laws also are inadequate for many homemakers. A 50-year-old widow, who is not disabled and has no dependent children, cannot even begin collecting social security benefits until she is 60. If she has been a homemaker all her life, and has no marketable work experience, her only alternative may be the welfare rolls.

In addition, this legislation would increase capital formation in the economy by encouraging personal savings. Increased personal savings would make more funds available for mortgages, consumer and business loans, and stimulate increased productivity in the economy.

This legislation, which is cosponsored by Senators MANSFIELD, HUMPHREY, METCALF, and MONTOYA, was first suggested to me by a Wilmington housewife, Mrs. William Ross, and has been very well received by a variety of women's groups and pension experts, and has received favorable editorial support.

I would like to submit for the RECORD an editorial from the Wilmington Evening Journal endorsing this proposal, an article from the Philadelphia Sunday Bulletin on Mrs. Ross, and testimony presented to the Senate Finance Committee by Mr. Thomas L. Little in support of my bill.

I ask unanimous consent that the material referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THEY ALSO WORK, AT HOME

A lot of lip service is paid to the importance of the role of the housewife but little is usually done to offer a tangible recognition to that importance. One major exception is the Social Security payment that comes at the end of a nonremunerative career of hard and long hours. Now Sen. William V. Roth, Jr., R-Del., is proposing that the recently instituted Individual Retirement Accounts (IRAs) be made available to full-time housewives.

That would be a revolutionary innovation. Under current regulations these accounts are, essentially, meant for people who are either self-employed or are employes without company pension or profit-sharing plans. They put away a certain amount of money in a tax-sheltered special IRA every year and do not pay any taxes on it until they retire, at which time their tax bracket would presumably be significantly lower as regular earnings drop.

If IRA eligibility is to be extended to housewives, many safeguards will need to be written into the law to ensure that the vagaries of death and divorce do not play havoc with the plans.

Eligibility, of course, does not mean that the 60 per cent of married women who Sen. Roth estimates are full-time housewives will all start IRAs. The money for these accounts has to come from the husband's earnings. In some cases they will not be able to afford it; in some other cases there will be no need for it. But, for those who do put away some money every year, there would be a pension, just as if they had worked for the government or a private company. It would be a worthwhile reminder that they also worked who only stayed at home.

WOMAN SEEKS PENSION PLAN FOR WIVES: "I FIGURE HOUSEWORK'S WORK, TOO"

(By Fabia Harris)

WILMINGTON, DEL.—Before her marriage, Sophie Ross, a housewife who lives in Ridgewood, worked for 15 years as a secretary for two companies.

When she left the second firm to get married in 1961, she received the small sum of money that she had contributed to the company's pension plan.

Mrs. Ross, 47, who is married to a chemical engineer at the DuPont Experimental Station, knows she will have enough to live on when she reaches her 60s, even though she did not work long enough to accumulate a good pension.

Her husband, William, 57, earns enough to save for their retirement and the DuPont Company provides numerous employe benefits, including a survivor's benefit.

OTHER HOUSEWIVES

But Mrs. Ross has spent her time lately thinking about other housewives; women who may have only a Social Security check on which to support themselves after their husbands die.

So Mrs. Ross proposed a pension plan for housewives. And U.S. Sen. William V. Roth Jr. (R-Del) picked up on her idea and introduced legislation providing for a housewives' pension plan last month.

It would amend the law establishing the Individual Retirement Account (IRA) program and provide tax incentives to encourage husbands to create retirement accounts for their wives.

"Doctors and lawyers can have a private pension fund, so why can't housewives?" said Mrs. Ross in an interview last week. "I figure housework's work, too."

STARVED TO DEATH

Mrs. Ross said she wrote to Roth after reading about a Florida woman who starved to death because she had only 50 cents a day to live on after paying her rent.

"I think that women should really try to save and look after themselves," said Mrs. Ross. "Women work for a while before they marry, then maybe after the children are grown, but that won't amount to a pension fund."

Under Roth's bill, a worker could set aside, on a tax-deferred basis, up to $1,500 a year for his or her spouse. Similar to an IRA plan, the money could then be withdrawn at retirement, when the worker and his spouse will likely be in a lower tax bracket.

Any worker who is self-employed or is employed by a firm that does not provide a pension plan may set aside money for retirement, under the IRA program.

VOTE BY JUNE

The Roth bill was referred to the Senate finance committee, which expects to vote on a tax reform bill by June, according to a Roth aide.

The aide said the bill "will recognize that the work of a housewife has economic value."

"Social Security is the only source of retirement security for the vast majority (of nonworking women)," Roth said recently. "For many, it is not adequate to provide a decent standard of living."

Roth said two out of three proverty-stricken individuals over the age of 65 are women.

According to a DuPont spokeswoman, company employes with at least 15 years of service receive a monthly survivor's benefit for their spouses. In addition, the Social Security program provides a benefit for surviving spouses, she said.

WILL SIGN UP

Mrs. Ross said she'll sign up for the housewives pension plan if it is approved by Congress, although "since I'm 47, it probably won't amount to much for me."

She said she disagrees with women's organizations which want housewives to be paid for their work.

"If you're paid for your housework, the government will tax your husband for it and by the time it gets back to you, it'll be half as much as your husband pays in taxes," she reasoned.

Mrs. Ross, who says she would "rather not be in the limelight," said she is amused by the publicity her idea has brought her.

"I just don't think the whole thing is that great," she said. "I just hope it goes through to help other women."

AMENDMENTS TO THE PENSION REFORM ACT OF 1974 THE TAX REFORM ACT OF 1975

(Statement prepared by Thomas L. Little, chairman, board of directors, and F. Jerome Shea, president, and Rufus S. Watts, technical vice-president, First National Retirement Systems, Inc., before the U.S. Senate Finance Committee)

REVIEW OF VOLUNTARY INDIVIDUAL PENSIONS

There has always existed a voluntary employee benefit plan for every working American commonly known as a Deferred Compensation Account. This completely voluntary plan is simply a common law contractual right by which an employer agrees to hold back an individual employee's future earned income until a future date. The employer then further agrees to maintain the ownership of the account until the employee meets certain conditions or events set forth within the contract. The deferred assets remain in the legal ownership of the employer until the employee meets certain conditions in the contract. At that time, the employee takes the assets of the account with the corresponding individual tax liability implied by constructive receipt of the assets. This deferred compensation process will reduce current employee tax liability until a future specified date.

This commonly used technique has been used for decades by highly paid executives, entrepreneurs, professional athletes, entertainers and other high earners as a way of deferring current income until a more convenient future time. This broad concept was first introduced to large groups of salaried workers in Delaware in 1970. Under this theory of deferred compensation, several rulings were requested from the Internal Revenue Service concerning the application to a medium range salaried employee earning approximately $10,000 per year. Repeatedly, the answers were positive and I submit to you a treatise regarding this process authored by both F. Jerome Shea and myself. This treatise details the basic construction of deferred compensation contracts that have been used for decades and is settled law.

VOLUNTARY TAX SHELTERED ACCOUNTS

The first major statutory breakthrough in the order of events of completely voluntary employee benefit plans occurred as an amendment to the Internal Revenue Code in 1954. The amendment provides for individual voluntary Tax Shelter Accounts. This law covered specifically employees of nonprofit institutions which are charitable in nature and was later broadened to include public school teachers. These tax sheltered accounts have subsequently become well known throughout America as Tax Shelter Annuities in public school systems, private school systems, university and hospital systems. These particular tax sheltered accounts originally were limited for investments to a specific insurance product known as an annuity.

In the Pension Reform Act, Congress properly and wisely expanded these Tax Sheltered Accounts to include the use of Mutual Funds as an additional investment vehicle in addition to the insured annuity. However, the real significance of the Tax Sheltered Account is the completely voluntary nature of participation by an individual employee regarding the stabilization of future personal retirement plans. This voluntary salary reduction plan was the first broad based incentive plan for the salaried employee enabling him to voluntarily subsidize future personal retirement benefits.

The next major statutory effort to expand voluntary retirement benefits resulted from the passage of the KEOGH-SMATHERS Legislation in the early 60's. This Legislation is now commonly called HR10 and allows the entrepreneur, whether offering services or products, to voluntarily reduce present income (and include certain employees) under conditions set forth in the legislation. This remains an attractive and convenient method for the entrepreneur to voluntarily provide for his and his employees future retirement benefits.

INDIVIDUAL RETIREMENT ACCOUNTS

Congress then decided after long years of study and through an extensive statutory thrust to provide the American public with a completely voluntary personal retirement account known as the IRA or Individual Retirement Account. Individual Retirement Accounts provide the needed buffer zone between covered employees of industrial corporations and the great masses of employees not covered by company or union sponsored plans. Essentially the Individual Retirement Account provides an opportunity for each individual (with or without his employer) to voluntarily save or invest funds for future retirement not to exceed 15 percent of income or $1,500 per year. The Individual Retirement Account has been in effect for one year and seems to be relatively accepted by those who qualify and need a current tax deduction. However, without employer support through a payroll reduction, it is not likely the IRA will have broad base use throughout the economy by the personnel most in need of this benefit.

INDIVIDUAL PENSION ROLLOVER

Also included in the legislation is an opportunity for an individual pension rollover from a qualified plan into an Individual Retirement Account. This provision in the Pension Reform Act, although well intentioned, fell short of its goal and this current amendment attempts to correct the problem. However, this amendment will only correct the obvious inadequacy in the recent Pension Reform Act by allowing for a rollover from an existing plan without requiring that the employee leave his current job in order to meet the rollover requirements set forth in the Act.

It is therefore my purpose today to respectfully remind the committee that it is essential that this legislation recognize the rollover commonly takes two forms: one form is the lump sum provision; the other is a monthly (or periodic) actuarial rollover provision. The necessity for allowing an individual employee to option for the periodic rollover from a currently qualified plan can be explained by the following example:

An employee voluntarily or involuntarily leaves a corporation at age 51; and therefore, the company pension plan. Under the proposed amendment, he can rollover his lump sum vested assets to an Individual Retirement Account and therefore avoid undesirable tax liability. However, pension plans were designed to provide for periodic payouts and do not anticipate the lump sum payout. Qualified pension plans were certainly not designed to accommodate these lump sum payout provisions on a widely accepted basis; and as a result, they may be counter productive to the total pension reform concept. In turn, the individual employee may be losing a long term actuarial benefit by being forced to select only the lump sum option in lieu of the planned periodic payout. We suggest this amendment include a provision to merely allow an option for both lump sum rollover and periodic rollovers to the Individual Retirement Account. In either case, the tax consequence is the same and the long term benefit for both government and the public interest will be substantial by providing for both provisions.

We have generally reviewed the recent history of voluntary retirement plan from the common law deferred compensation contractual right to the highly specialized statutory plans created by Congress.

LIMITED EMPLOYEE RETIREMENT ACCOUNTS

Individual Retirement Accounts are now available to approximately 30 million employees who are not covered by company pension benefits. The proposed Limited Employee Retirement Account soon to be known as LERA will adjust the fair and equitable position of individuals who are now covered by qualified company pensions and therefore not entitled to participate in the Individual Retirement Account. This amendment will remedy a basic unfairness inadvertently caused by the Pension Reform Act by allowing further expansion of the voluntary plan concept. We fully support this effort.

SUMMARY

It becomes glaringly obvious that the voluntary plan is the only realistic approach to reducing current economic tension on government and corporate pension plans including the Social Security System. In that spirit, let me respectfully alert the Committee that there is one significant portion of the workforce not yet considered for a voluntary pension plan. These workers choose a career objective that is the backbone of American society.

If the accumulated numbers of these specialists were expressed as a single unit, it would certainly dwarf all employment categories yet recorded. These workers are fundamentally general practitioners in their trade; however, they must by the very nature of their job develop specific skills in the following areas:

Basic Accounting.
Nursing and First Aid.
Care, Cleaning and Maintenance of Children.
Pre-school Education.
Primary and Secondary Education.
Budgetary management and Control.
Consumer Advocacy and Investigative Procedures.
Real and Personal Property Management.
Culinary Arts.
Fashion Design and Interior Decoration.
Landscaping.
General Home Repair and Maintenance.
Psychological and Physical Therapeutic Techniques.
Judicial Review of Minor Disputes, and Other skills just too numerous to mention.

Of course, all of this expertise is taken for granted in the overall scheme of our free enterprise system and to make matters even more ludicrous . . . these workers have no employer from whom to draw a pay check . . . nor a pension plan.

I am speaking, of course, of our American Homemakers who also double as our wives and mothers. She is entrusted with the motivation and morale of literally millions of governmental officials, service industry professionals and manufacturers of goods throughout our land. Other adult Americans have some source of employment income or at least some type of government subsidy. These critically important specialists, who are the backbone of the family unit and the economy, have no identifiable source of personal income unless it is in the form of a gratuitous transfer.

This is not only downright injust—it's just downright impractical!

The real compensable worth of a homemaker has been estimated by economists and financial planning experts to range between 5 thousand to 15 thousand dollars per year. No matter what the figure, no one of us would seriously suggest that it would be adequate. Yet in spite of our common agreement, no serious proposal for compensation has yet come forth from government or the private sector.

Therefore, as a mere start and as an effective compromise, we strongly suggest that the committee consider passage of Senator William V. Roth's amendment to the Tax Reform Act of 1975. His amendment provides for a completely voluntary tax deferred retirement account for the Homemakers of America. We would not be so presumptuous as to suggest the actual amount to be considered by the committee . . . that is for wiser men than us to determine considering the overall economic scheme of things. It is, however, essential that the committee consider this amendment at this time in light of your sincere effort to round out the whole voluntary pension system. This rounding out process should make provisions for all Homemakers now totally dependent on the one income source earned by their spouse.

Let's face the facts, when the sole income earner is disabled or dies, the surviving homemaker is fully expected to immediately take over the breadwinner role. This occurs under extremely trying circumstances and at best during a period of extreme emotional stress when she is usually unfamiliar or unskilled for participation in the economic world outside the home.

We believe the same equitable principles that motivated the Congress to grant voluntary plans to all earned income categories in the workforce will compel the addition of this amendment resulting in the Homemaker's personal retirement account.

THE NEED FOR NATIONAL HEALTH INSURANCE

Mr. ABOUREZK. Mr. President, two articles dated March 29, 1976, have a common lesson—Congress should act on national health insurance.

In the "My Turn" column in Newsweek magazine, Robert K. Massie reminds the voters and those of us elected by them that national health insurance remains one of the great unfilled promises of recent elections.

As a cosponsor of S. 3, the health security bill, I endorse what Mr. Massie says about both the facts and the politics of health care in this country. He points out one of the deficiencies of the present system when he says:

> Private insurance companies pick and choose among various risks, trying to avoid the bad ones.

The other article is about one of the "Bad risks." Sally Farrar of the Rapid City., S.D., Journal has written a hopeful but disturbing account of the attempt of one teenage girl to obtain treatment for a rare and often fatal disease. After 5 months of frustrations and rejections, she was finally able to find the prohibitively-expensive diagnostic tests she needed at St. Jude's Hospital, Memphis, Tenn.

While the Journal piece is a tribute to the excellent work done at St. Jude's, the motivated staff and sophisticated facilities there, it is also a sad commentary on the present health care system in the Nation, when a middle-class family is unable to afford, or even find, treatment for a teenage daughter.

The girl's illness had been fatal to four successive generations, including her father. Her mother works full time to support the four children. They did not qualify for any Government health program, and would have had to sell their home to afford even 1 week of tests the girl needed.

The persistence and courage of the Rapid City girl and her family are no substitute for a system of comprehensive national health insurance which could help them. Mr. Massie states the issue succinctly:

> The problem, basically, is to get a substantially better distribution of the miracles of modern medicine to ensure that people get the care they need, not the care they can afford. The solution is strictly political.

So, let us get on with it. There are questions, major and minor, to be resolved by the Congress in developing a program of national health insurance. It is individuals like the girl in Rapid City who give substance to the thoughtful essay of Robert Massie. Together they are a powerful argument for comprehensive national health insurance.

Mr. President, I ask unanimous consent that the two articles I have mentioned be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE POLITICIANS VS. OUR HEALTH

(By Robert K. Massie)

The politicians are at it again, roaming the land, pleading, persuading, promising. And again, I've been listening for anything they say about the issue I care about most: national health insurance. Predictably, most of the Democrats say they are for it, and some Republicans are against it. But it isn't that simple. They all keep shifting their positions. Or their priorities. Or their excuses. And we let them get away with it.

Look at the record of the last year and a half. Eighteen months ago, it seemed that Congress was actually about to pass a national-health-insurance bill. The new man in the White House was for it. In his first address to Congress as President, Gerald Ford asked for only one specific piece of legislation. "Why don't we write," the President said, "and I ask this with the greatest spirit of cooperation—why don't we write a good health bill on the statute books in 1974 before Congress adjourns?" Today, although the economy is booming compared with its state when he made his plea, Ford now sternly tells us that "we cannot afford national health insurance."

What has Congress done? Dozens of Democrats campaigned for national health insurance in the November 1974 elections and most of them got elected. Speaker Carl Albert opened the new 94th Congress in January 1975 promising that "national health insurance will be one of the first bills—if not *the* first bill—to be taken up." Congressman Al Ullman, chairman of the Ways and Means Committee, personally submitted his own national-health-insurance bill as H.R. 1, the first piece of legislation to be considered by the House.

THE COST OF CATASTROPHE

Since then, nothing has happened. Yet the fact is that more than two-thirds of the American people have favored national health insurance ever since Harry Truman first proposed it in 1948. Over the years, we have made progress. We have medicare for old people and Medicaid for poor people. But most of us, the long-suffering middle class, the Silent Majority if you will, still have inadequate, patchwork coverage. When we are suddenly hit by a catastrophe or long-term illness, we quietly go down the drain, financially as well as medically. Why can't we have what we need and want?

One argument used against national health insurance is cost. In fiscal year 1975, American expenditures for health care reached $118.5 billion, a figure that is 8.3 per cent of the gross national product. Remember, this astronomical sum is what we pay now, *without* national health insurance. Opponents of the plan say that national health insurance inevitably will mean higher health-care costs for the individual citizen. But why should that be? Dollars paid in premiums to a national-health-insurance program will cancel out the dollars we now pay in medical bills and in private and semiprivate health-insurance premiums. And for our money, we should have better distributed and more inclusive health-care services. For all of us.

HEALING OURSELVES

Wait, opponents argue. What about the scandals and ripoffs in medicare and Medicaid? It's true, there are dishonest doctors, dishonest hospitals and nursing homes and dishonest patients. But their crimes are small potatoes compared with the enormous good these programs have done for millions of Americans. Furthermore, for me, the claim that there have been abuses in the past is a poor argument against something new we need; it is an excellent argument for running the new plan effectively. We don't close down the Defense Department because defense contractors have overrun costs or offered bribes. We need to be defended and President Ford's "realistic" budget asks for an additional $10 billion for the department this year. We also need to be healthy. Therefore, let's create a national-health-insurance plan that is well administered and that has heavy penalties for anyone who abuses it.

Finally, the oldest argument against national health insurance is that it will bring us "socialized medicine" and get us into the mess in which Britain now finds itself. First, we should understand that despite the current troubles of Britain's National Health Service, the system has been of incalculable value to the British people for 30 years. No government, Labor or Conservative, would dream of trying to take it way. Second, no one is proposing for America a system like England's in which the doctors do work for the government. Instead, what is asked for here is simply a government insurance system. Under such a plan, doctors would work for themselves, we would choose the one we like, pay his bill and then submit a reimbursement claim, just as millions of us now do with our private and semiprivate insurance plans.

The difference would be that everybody would be covered. In America today, private insurance companies pick and choose among various risks, trying to avoid the bad ones. Group major-medical plans have maximum coverage ceilings that may be too low to cover the expenses of catastrophic illness. Sometimes, insurance companies put pressure on employers not to hire people who are handicapped or chronically ill. Self-employed people have to struggle to get good medical insurance. Indeed, more than 50 million Americans, one-quarter of the population now have no health insurance at all, not even basic hospital insurance. What happens to them when they become seriously ill?

WE'RE NOT KIDDING

The problem, basically, is to get a substantially better distribution of the miracles of modern medicine and to ensure that people get the care they need, not the care they can afford. The solution is strictly political. We have only to inform 536 people in Washington that national health insurance is very important to us and that this time we're not kidding. We have to remember that health insurance is not personally very important to them. All these men and women—435 congresspersons, 100 senators, and one President—have White House and Congressional doctors paid for by the taxpayers. In addition, they, like all Federal employees, are covered by a superb major-medical plan that insures them and their families for up to $250,000 in costs. They enjoy the coverage we lack.

So we have to make it a question of their political health. If we make it plain to them that unless they pass a national-health-insurance bill before November, many of them will be going home for good, they will become surprisingly sprightly and productive.

Let's lean on them.

CITY FAMILY FINDS ST. JUDE'S A BASTION OF HOPE FOR ILL YOUTH

(By Sally Farrar)

To many persons St. Jude's Hospital is just a charity associated with comedian Danny Thomas.

To a Rapid City family it is a bastion of hope for young people suffering from catastrophic illnesses.

Having discovered the services of St. Jude's in Memphis, Tenn., only after exhausting and frustrating searches for assistance, they want to share the news, while remaining anonymous.

On arriving, they found that in the decade and a half St. Jude's Research Hospital for Children has been operating, only one other South Dakotan had been admitted—in 1975, from Sioux Falls.

But then, they almost didn't get there.

Last fall it was determined that a teenage daughter was suffering from an inherited disease which can be terminal. The situation was serious and a search was begun for assistance.

An approach was made to the state crippled children's section, but it was learned that applications had been cut off as of Oct. 20. This family's application would have been dated Oct. 23.

The family was told it might reapply after July 1 when new funding might become available.

It was suggested that the Shriners might be of assistance. Officials of the Rapid City Shrine Club were willing and interested in helping, but the child was too old to qualify for the Shrine-supported institutions.

The mother was told that the Shriners feel they are not used as often as might be possible; that they do not require proof of financial ability before helping and that they (the Shriners) feel that if more individuals were to seek their aid, there might be more funds available for crippled children as a result to help the older child.

At this point, she said, "Where do you turn?"

It appeared there was nothing which could be done until a new government fiscal year and perhaps additional funding became available.

Another member of the family mentioned the situation to a friend who told a college professor about it. The professor made a trip to Washington, D.C., and happened to mention the incident to Sen. James Abourezk who, coincidentally, happened to be a friend of the family.

His office called, got the information and went to work.

Contacts were made with the National Institute of Health. "They were interested," the mother told the Journal, "but no one was doing research in this particular disease. It is rare."

Then contact was made with St. Jude's and the family and the problem were welcomed with great enthusiasm. Two men were doing research into the disease which has been described as a genetic timebomb."

And, this particular family was to present the researchers with their first case beyond one generation—in this family the illness has been fatal in four successive generations. One of the doctors affiliated with St. Jude's had treated three cases and the local family could document two others which had been treated—all unsuccessfully.

No one knows of the contribution to life saving in the future which this link may provide. But the Rapid Citians want others to know of the availability of the services of St. Jude's to families of children who are suffering from catastrophic—incurable disease.

All expenses, with the exception of meals, were paid by the hospital. They prefer that a family make a donation—which would be tax exempt—and that they allow the hospital to pay for all of the other services, lodging and travel, even if the family is able to meet some of the resources. This safeguards the hospital against any charges of preferential treatment.

"These illnesses are a great leveler," the mother reported. The cycle of routine testing, which could have gone on over five days, was reported to cost between $40,000 and $50,000. And this doesn't take into account the toll on the family in terms of nervous exhaustion and worry as they await test results.

The atmosphere is created entirely for the ease of the patients—toddlers to teen-agers. Outpatient care is prescribed in every possible case. The Rapid Citians found there were 800 outpatients and only 200 hospital patients when they were there.

Where possible contamination is a problem, child and parents or family are separated by glass partitions. "The microphone is on the child's side. They can tune out their parents," Rapid City's patient reported.

She also was a bit bewildered at times. "Everything was discussed in metric terms . . . I didn't always know what was going on."

But the best thing, mother and daughter agreed, is that St. Jude's "is giving hope for the future in genetically linked diseases . . . the scope is so limited for research.

"Anyone can apply through his family doctor," they said.

PETER LISAGOR—CHICAGO DAILY NEWS WHITE HOUSE JOURNALIST

Mr. PERCY. Mr. President, one of the products that the State of Illinois has produced most successfully over the years is an exceptionally talented strain of journalists and writers. That thought came to mind again this week with the announcement that Peter Lisagor has won the William Allen White Foundation's 1976 award for journalistic merit.

I think everyone in this Chamber knows Pete Lisagor and practically all of us have been burned by his wit and warmed by his personality during the 17 years that he has been chief of the aggressive Chicago Daily News bureau here.

In making this 28th annual award, the foundation singled out Lisagor as a journalist who exemplified the image of the late William Allen White—

> A talented writer and observer, a well-read man whose literate instincts are mixed freely with the practicalities of Washington and national life.

This is not the first time Pete has been honored. He is currently president of the Gridiron Club. In 1974 he won the George Foster Peabody Broadcasting Award as well as the Marshall Field Award, the highest honor bestowed by his own newspaper. The wording of the Marshall Field award, in something of an understatement, cited Lisagor for "superb reporting in a very special year for Washington news coverage."

In 1970 Time magazine took an informal poll and concluded that Pete was considered by his colleagues in the news profession to be the best all-around correspondent in Washington. Time said:

> Pete had made his mark by 20 years of hard work and humor. If he has scooped every competitor and pulled every beard in the capital, he remains the most popular newsman in town.

I think those tributes to Pete are accurate enough, as far as they go. I would like to add a special tribute to the way he has overcome one handicap that frustrates many newsmen who work in cities far removed from their home base. Pete has become a highly respected presence in this capital despite the fact that too few of the people he writes about regularly read his newspaper, the Chicago Daily News, or its wire service.

He has achieved this, I think, through the force of his own personality: His enthusiasm and candor, and his fast eye for any sign of official deception or pomposity. And perhaps most lasting, his unfailing willingness to welcome a newcomer or to help a beginner establish a footing on the first rungs of the journalistic ladder.

Mr. President, I suspect that this selection of Peter Lisagor is one that Mr. William Allen White himself would have approved.

THE MILITARY VALUE OF THE PANAMA CANAL

Mr. McGEE. Mr. President, the issue of the Panama Canal Treaty negotiations has become somewhat of a point of contention during this election year.

Some candidates insist on perpetuating myths of the past and distortions of what our true interests might be in the canal today and how these interests can best be protected.

Therefore, I recommend all candidates in both parties, who are running for national office, read the March 25 edition of Department of Defense. Commanders Digest is a publication which provides "official and professional information to commanders and key personnel on matters related to Defense policies, programs and interests, and to create better understanding and teamwork within the Department of Defense."

The March 25 issue of Commanders Digest is devoted to a discussion of "The Military Value of the Panama Canal."

Here is what the Defense Department publication has to say about some of the issues associated with the Panama Canal Treaty negotiations.

On the economic value of the canal:

> The importance of the canal to the economies of the United States and other nations, as well as to that of Panama has decreased from earlier years as trading patterns have shifted and world commerce has become more sophisticated. Alternatives to the canal have begun to emerge, including the use of larger vessels which are unable to use the canal. Moreover, the shifting of markets and supply sources has also affected the economic importance of the canal, as has the partial substitution of land and air transport for ocean transport. As canal users in search of lower transportation costs take increasing advantage of these alternatives, the canal's value to user nations undoubtedly will continue to decline.

On the question of sovereignty and perpetuity:

> It is necessary to distinguish between treaty rights, which allow the use and control by one nation over a piece of foreign territory, and actual sovereignty—supreme and independent power of authority—over that territory. From a legal standpoint the United States does not have sovereignty over the Canal Zone. Rather, by treaty right, we exercise virtually complete jurisdiction over that part of the Panamanian territory which comprises the Canal Zone.
>
> Today, reliance on the exercise—in perpetuity—of sovereign-like rights has become a source of unnecessary tension. Clearly, no international relationship negotiated more than 70 years ago can be expected to last forever without substantial adjustment. To adhere to the concept of perpetuity in today's rapidly evolving world is not only unrealistic, but dangerous. Indeed, a relationship which does not provide for the possibility of periodic mutual revision and adjustment is likely to spawn the kind of hostile environment which will jeopardize the very interest that perpetuity was designed to protect. In sum, a new treaty based on partnership would give the United States the rights we need, restore the crucial ingredient of Panamanian consent, and strengthen our mutual interest in a well-run and secure canal.

Mr. President, the Department of Defense has always had the reputation of cautious and detailed analysis of the Nation's strategic interests. It is for this reason that serious consideration should be given to the Department's position, as outlined in the March 25 issue of Commanders Digest. It is a thoughtful and pragmatic explanation of what the national interest of the United States is in negotiation of a modern treaty relationship with the Government of the Republic of Panama for the operation of the Panama Canal.

I ask unanimous consent that the Digest be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S., PANAMA TALKS ON CANAL HOLD PROMISE

Immediately after its formation as a nation in 1903, Panama signed a treaty with the United States which granted the United States—in perpetuity—the use of a 10-mile wide strip of Panamanian territory for the "construction, maintenance, operation, and protection" of an interoceanic canal as well as all the rights, power, and authority which the United States would possess "if it were the sovereign." The very favorable terms of the treaty were a major factor in the decision by the United States to build the canal in Panama rather than in Nicaragua, which was widely favored at the time.

Despite some revisions in 1936 and 1955, the 1903 treaty has been and remains a source of friction and conflict between the United States and Panama. The seriousness of the situation led the United States and Panama in 1964 to agree to begin negotiations on a new treaty. In entering these negotiations, the United States acknowledged that a renewal of its relationship with Panama corresponded not only to the long-term U.S. national interests but to a changing international environment.

ECONOMIC AND MILITARY VALUE OF THE CANAL

Since its opening in 1914 the canal has been of considerable value to the United States, to Panama, and to the rest of the world. Of the total tonnage transiting the canal each year, about 44 percent originates from, and 22 percent is destined for, U.S. ports. Approximately 16 percent of total U.S. exports and imports by tonnage, and 8 percent by value, pass through the Panama Canal.

Currently more than 30 percent of Panama's foreign exchange earnings and nearly 13 percent of its GNP are directly or indirectly attributed to the presence of the canal. The share of Panama's GNP directly or indirectly attributable to canal operations, however, has shrunk over the years as other sectors of the economy have expanded.

In fact, the importance of the canal to the economies of the United States and other nations, as well as to that of Panama has decreased from earlier years as trading patterns have shifted and world commerce has become more sophisticated. Alternatives to the canal have begun to emerge, including the use of larger vessels which are unable to use the canal. Moreover, the shifting of markets and supply sources has also affected the economic importance of the canal, as has the partial substitution of land and air transport for ocean transport. As canal users in search of lower transportation costs take increasing advantage of these alternatives, the canal's value to user nations undoubtedly will continue to decline.

Historically, the canal has made an important military contribution to our country's security. It remains an important defense asset, the use of which enhances U.S. capability for timely reinforcement and resupply of U.S. forces. Its strategic military advantage lies in the economy and flexibility it provides to accelerate the shift of military forces and logistic support by sea between the Atlantic and Pacific Oceans to overseas areas.

U.S. TREATY OBJECTIVES

For the foreseeable future the canal will continue to have economic and military value for the United States; therefore, we believe it must continue to function efficiently. The principal objective of the United States in the current treaty negotiations is to assure that the Panama Canal is operational, secure, efficient, and open on a non-discriminatory basis to world shipping.

In accord with this basic U.S. interest, the U.S. Government is seeking to establish a new and mutually acceptable treaty based on the concept of partnership. Under this new relationship, the United States would have the essential rights to operate and defend the canal for a reasonably extended period of time. In addition we are seeking a guarantee that the canal will remain neutral and open on a nondiscriminatory basis after termination of the treaty. In essence, a new treaty should reduce existing sources of friction and help foster the cooperative environment in Panama which is most conducive to protecting U.S. interests in the canal. Furthermore, this accord would signify a new era of cooperation between the United States and the rest of the hemisphere.

PANAMA'S TREATY CONCERNS

Panama has been dissatisfied with the existing treaty since its inception in 1903. Panamanians have blamed what they consider to be its highly unfavorable terms on the unusual circumstances under which the treaty was negotiated and ratified. They say that Panama's dependence upon the United States to protect its new-found independence from Colombia seriously limited its bargaining strength in the negotiations. Adding to their complaints, they note that the Panamanian negotiator was a French stockholder in the bankrupt French canal company—a company which benefited considerably when the United States purchased its assets.

Through the years Panama also has been dissatisfied with the level of direct economic benefits it receives from the canal. It has charged that in relation to the valuable rights and privileges granted to the United States, its share of canal revenue is inadequate.

Panamanian discontent, however, is primarily political. It is focused on the treaty's terms which granted to the United States "in perpetuity" sweeping jurisdictional powers as "if it were the sovereign," over 550 square miles of Panamanian territory. The problem Panama asserts, is that the United States operates a full-fledged foreign government on Panamanian territory. To back up its contention Panama states that the United States exercises almost total jurisdictional rights, maintaining a police force, courts, and jails to enforce U.S. laws which are applicable equally to Panamanian as well as U.S. citizens in the Canal Zone. The United States controls all legal activity from murder trials to marriage and divorce actions. In addition Panama charges that the U.S. Government operates virtually all commercial enterprises within the Canal Zone, thereby unfairly denying Panamanians the ability to compete for business opportunities. Moreover, they state that the United States controls all the deep-water port facilities which serve Panama and holds large land and water areas which could productively benefit Panama's economy. Panama also claims that the Canal Zone, which cuts across its heartland, has seriously curbed the growth of its urban areas. Finally, Panama notes that we pay but $2.3 million annually for these immensely valuable rights—rights which, under the existing treaty, the United States can continue to have forever.

Over the years the United States has attempted to respond to some of Panama's most pressing concerns. The 1903 treaty was revised in 1936 and again in 1955. As a result Panama now receives a greater share of the economic benefits related to the canal. Also, certain outdated powers have been eliminated, such as our right to interfere in Panama's internal affairs.

Despite these modifications, however, the most objectionable feature in the present treaty, from Panama's viewpoint—the U.S. exercise of rights over the Canal Zone as if it were sovereign forever—has remained unchanged.

In recent years the other Latin American nations have strongly supported Panama's quest for a more modern treaty. They have made the negotiation of a new treaty a major hemispheric issue as well as a general test of U.S. intentions regarding all of Latin America.

THE QUESTION OF SOVEREIGNTY AND PERPETUITY

A major issue raised by many U.S. citizens who are opposed to the present negotiations with Panama concerns the question of U.S. sovereignty over the Canal Zone. It is necessary to distinguish between treaty rights, which allow the use and control by one nation over a piece of foreign territory, and actual sovereignty—supreme and independent power or authority—over that territory. From a legal standpoint the United States does not have sovereignty over the Canal Zone. Rather, by treaty right, we exercise virtually complete jurisdiction over that part of the Panamanian territory which comprises the Canal Zone.

Judging the need for a new treaty, however, depends less on the nature of our legal position in the Canal Zone than on considering the best way to assure the continued protection of our fundamental interest in the canal. More specifically, we must weigh the cost of perpetuating the exercise of total U.S. jurisdiction over the Canal Zone. Will this allow the United States to continue to provide the degree of protection for the canal which we seek?

We have to keep constantly in mind that our fundamental interest in the canal is to keep it open, safe, efficient, and neutral. How do we best do that? The exercise of general jurisdiction over the Canal Zone has not been an end in itself, but merely a tool to protect that fundamental interest. At the present, our ability to protect our interests through the exercise of this extensive grant of jurisdictional authority is in serious doubt. This is why we believe that a new treaty relationship—based on the concept of partnership and similar to other agreements with our allies throughout the world—offers a tool that will better protect our basic interests.

Today, reliance on the exercise—in perpetuity—of sovereign-like rights has become a source of unnecessary tension. Clearly, no international relationship negotiated more than 70 years ago can be expected to last forever without substantial adjustment. To adhere to the concept of perpetuity in today's rapidly evolving world is not only unrealistic but dangerous. Indeed, a relationship which does not provide for the possibility of periodic mutual revision and adjustment is likely to spawn the kind of hostile environment which will jeopardize the very interest that perpetuity was designed to protect. In sum, a new treaty based on partnership would give the United States the rights we need, restore the crucial ingredient of Panamanian consent, and strengthen our mutual interest in a well-run and secure canal.

CHRONOLOGY OF NEGOTIATIONS

Today, the canal is the major political issue in Panama and in Panamanian-U.S. bilateral relations. The intensification of Panama's desire for more equitable treaty terms has produced severe stress in our relations; this was most notable in January 1964 when riots led to the deaths of 20 Panamanians and 4 Americans.

During 1964 the status of the canal was debated in the United Nations, the Organization of American States, and other international bodies. Later that year President Johnson, after consulting with Presidents Truman and Eisenhower, and with bipartisan support, made a public commitment to negotiate a wholly new, fixed-term canal treaty. President Nixon and President Ford have subsequently reaffirmed that commitment.

In 1967 three draft agreements were prepared but neither government moved to ratify them. Later the Government of Panama, under General Omar Torrijos, formally rejected these draft treaties. The United States and Panama renewed negotiations in 1971 but progress was limited.

In March 1973 the U.N. Security Council met in Panama City and debated a resolution which supported Panama's position on the canal issue. Although the U.S. Permanent Representative to the U.N. vetoed the particular terms of the resolution on the grounds that it recognized Panama's concerns but not those of the United States, he did reaffirm the U.S. commitment to peaceful adjustment of its differences with Panama. In September 1973 Ambassador at Large Ellsworth Bunker was charged with the task of resuming negotiations with Panama. During succeeding months, Ambassador Bunker met with Panamanian officials to work out a common approach to future treaty negotiations.

On February 7, 1974, Secretary of State Kissinger and Panamanian Foreign Minister Juan Antonio Tack met in Panama City and signed a Joint Statement of Principles which has served as the framework for the present negotiations.

The representatives of the two governments subsequently met several times in Panama and Washington to define the issues involved in the new treaty arrangement. In June 1974 Ambassador Bunker and Foreign Minister Tack began substantive talks aimed at resolving these issues.

ISSUES IN THE NEGOTIATIONS

The United States and Panama have agreed in principle that the treaty of 1903 should be replaced by a new, fixed-term treaty which will accommodate Panama's concerns about sovereignty and at the same time adequately protect the interests of the United States in a safe, efficient, and neutral canal open to the ships of all nations. In the context of the Joint Statement of Principles the two negotiating parties are working to resolve the following issues:

1. Duration. How long will the new treaty remain in force?
2. Operation and Defense. What rights and arrangements are necessary for the United States to continue to operate, maintain, and defend the canal effectively?
3. Lands and Waters. What geographic areas will the United States require to accomplish its purpose?
4. Jurisdiction. How soon and under what arrangements will U.S. jurisdiction terminate? What functions will continue to be performed by the United States after its jurisdiction has terminated?
5. Expansion of Capacity. How will the new treaty provide for possible enlargement of the canal?
6. Participation. How will Panama participate in the administration and defense of the canal?
7. Compensation. What will be the economic form and level of benefits to Panama under the new treaty?

CURRENT STATUS

Since June 1974 both governments have been proceeding deliberately toward resolution of the major issues. Tenative agreement in principle has been reached on the issues of Panamanian participation in the operation and defense of the canal; and in general terms, we agree on the rights the United States will need to operate and defend the canal. Nevertheless, the difficult issues of treaty duration, expansion rights, economic benefits to Panama, and definition of lands and waters required for canal operation and defense remain unresolved. For these reasons it is not possible to predict when a draft treaty will be completed.

The executive branch has been in continuous consultation with Congress regarding a new canal treaty. Any draft treaty agreed upon by the negotiators and approved by the executive branch will be submitted to the Senate for advice and consent as required by the Constitution, and will be subject to full public debate. Panama, according to its constitution, must submit any new treaty to a plebiscite to insure that it is acceptable to the Panamanian people. Either party may initially undertake the ratification process.

In summary, the mutual goal of Panama and the United States is to negotiate a treaty which will satisfy the basic concerns of both nations, gain the appropriate constitutional acceptance in both nations, and evoke the full support of both the American and Panamanian people.

PROSPERITY THROUGH FREEDOM

Mr. GRIFFIN. Mr. President, on April 2, U.S. Representative Jack Kemp, of New York, spoke to the Commonwealth Club of California on the subject of economic policy. I ask that Congressman Kemp's remarks, entitled "Prosperity Through Freedom," be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Prosperity Through Freedom

(By Representative Jack Kemp)

In this year of our Bicentennial we, as a nation, face the question of whether we are going to maintain the confidence in the individual that gave us our free economic system, or whether we are going to adopt the path we rejected two centuries ago and firmly subordinate the individual to the state.

Are we going to promote the individual, or are we going to promote Government? That is the issue, and our freedom is at stake.

In making this decision we must pay attention to history which records that the way of freedom is the best way. It is no secret that it is the political liberties and the standard of living of the free nations of Europe and America to which the world aspires.

If we are to stay on the path upon which we set in 1776, if we are to continue to lead the aspirations of the world, we must take steps now to remove the individual from the choking tentacles of government. We must rely on the free market system which lets the individual decide his own priorities, which lets the individual have the dignity and enjoy the personal success of improving his own position, of making his own place in the world and which has led to the unprecedented prosperity which we enjoy today.

What follows from this is that Government, which impedes the individual and impairs his progress, which impedes markets and impairs their effectiveness, must be controlled before it ends up controlling us all.

If we are going to promote the individual, we must restrict government. If, on the other hand, we are going to continue to promote an all powerful government as the solution to our current and future problems, we will have to continue to restrict the individual, and continue to remove his say about how he conducts his business and lives his life. As Jefferson observed 200 years ago, "as government grows liberty recedes."

It is jobs that are the vehicle for allowing us to care for ourselves. It is productive jobs in the private sector of the economy that allow individuals to build lives for themselves. It is only natural that people denied employment opportunities will turn to the state. But promotion of government solutions to job opportunities guarantees that it will be harder for individuals to build lives for themselves, and ultimately makes more and more people dependent on the state.

Free lives, individual lives, productive lives are built on capital investment, not on the red ink and the printing press of the government. If we are going to promote the individual, we must add more capital—expanded plant and machinery, new and better tools—to the productive sector of our economy, to the market sector of our economy.

Some people say that the market can no longer do the job, that we must rely more and more on government. But there is no evidence anywhere of government's capacity to do the job. On the other hand, the present economic recovery demonstrates the enormous capacity of the private sector to absorb and overcome blow after blow, punishment after punishment from the government. The market economy is a viable, resilient system, but it has had to absorb punishment from the government for long enough.

The American economy has been on the wrong road for too long. The wrong road is the road of inflationary stimulation of consumption, and it has been at the expense of the investment capital which raises the productivity base and generates new jobs and non-inflationary wage increases—real wage increases which do not disappear in higher prices.

The Congress has eagerly travelled the road named "Spend Our Way to Prosperity." From 1971 when I came to Congress to the budget we are now considering, federal budget outlays have about doubled. The budget deficits accompanying this tremendous increase in federal spending have generated an additional red ink sum of 31 million dollars greater than the entire federal budget in 1971. Not only did spending nearly double but so did unemployment. More government was not the answer.

Federal budget outlays for 1971–1977 total about 2 trillion, 200 billion dollars. A Congress that uses a quarter of a trillion dollars in red ink to increase its speed down the "Spending Road to Prosperity" to cover a distance of 2 trillion, 200 billion dollars in such a short time cannot be said hesitant to travel the road. Yet we hear the Congressional Budget Office and liberal economists and politicians speaking of too much fiscal restraint. However, the road is misnamed. It is not the "Road to Prosperity." It is the "Road to Ruin." A quarter of a billion in budget deficits has not produced prosperity but the worst inflation in 3 decades, the worst unemployment in 4 decades, and the worst combination of inflation and unemployment in our history.

Since we have been on this road we have seen total government spending increase from 12 percent to 43 percent of the national income. One American out of five is employed by government. We do not need to go further along this road ourselves to know that it is "The Road to Ruin." In Britain where government spending has reached 60 percent of the national income, even the socialist leaders of the British Labor Party can find nothing but economic decline. There they are speaking of the need to change course, the need for more private investment. But it is hard to change the course of a sinking ship. In Britain today the capital stock is not large enough to employ the labor force in productive jobs that can pay their own way.

As our own government has preempted the use of more and more of our economy's resources, what have been the observable results? In our 198th year the economy was experiencing double-digit inflation. In our 199th year the Keynesian economists consulted their Phillips curve and said that in the absence of rigorous wage and price controls—in the absence of a Government policy controlling the incomes of individuals—inflation cannot be reduced because it would lead to increasing unemployment. Now at our 200th year the liberals are calling for more government, bigger deficits and central economic planning. Britain has travelled this whole road—big government spending, big inflation, wage and price controls, incomes policy, nationalization, central planning, and no one in Britain is calling it the road to prosperity.

It does not require a Ph. D. in economics to understand why government spending is the road to ruin. The reason is clear. Resources used by government cannot simultaneously be used by the private sector. Resources used in consumption today cannot simultaneously be invested in expanded plant and machinery to employ more people tomorrow in the production of more goods and services.

Government spending has to be paid for in real terms just like anything else. To have more of it, we must have less of something else. What we have had less of is saving and investment. Whether it is tax and spend, borrow and spend, or inflate and spend, government spending consumes capital at the expense of the nation's economic potential and the working man and woman's living standard.

As Milton Friedman and experience have both demonstrated, it is not possible to maintain full employment at the cost of a fixed rate of inflation. Therefore, even those policy advocates who were prepared to pay for employment with inflation do not have that option. Red ink cannot put people to work and keep them employed. Only investment capital can do that.

That capital investment is the basis for prosperity is as true in socialist and communist states as it is in free economies. Many such socialist and communist states are much more aware of the importance of capital than capitalist United States. The Soviet Union, for example, does not rely on red ink but on rates of investment that average 25 to 30 percent of gross national product, compared to an average rate of investment in the U.S. during the 1970s of merely 15 percent of GNP and during the last two years less than that. In the absence of a private capital market, the Soviets do not have a mechanism to make their investment pay off—and that is why we have to feed them—but they realize the importance of investment, especially in military terms.

Consider this, in socialist Sweden, which does have private capital markets, the statutory tax rate on corporate income is 50 percent. But in order to encourage the investment that produces the real goods and services which make up the high living standard of the Swedish people, the Swedish government provides tax breaks to private industry that reduce the effective tax rate on corporate income far below the American rate.

Whereas the U.S. Internal Revenue Service collects about one dollar from corporations for every three it collects from individuals, in Sweden the ratio is more like one dollar in corporate income tax for every 10 dollars in personal income tax.

In Sweden companies can write off new machinery in five years, capital gains taxes are lower, and 40 percent of a company's profits can be put into a tax-free reserve for investment during recession.

Notice: in Sweden investment incentives, which in the U.S. are called "tax loopholes for the benefit of the rich," are seen as proper food to feed the capitalist goose that lays the golden eggs of the Swedish welfare state.

Notice: 40 percent of Swedish profits are *tax free* if used for investment during recession. For investment during recession. Obviously, the Swedish do not buy the idea of American liberals that recessionary excess capacity precludes the effectiveness of investment incentives.

But it is not only socialist and communist states that realize the importance of capital formation as the basis for full employment and higher living standards. The anemic rate of American investment is matched only by the British. In Canada investment is 22 percent of GNP, in West Germany it is 26 percent, in France 27 percent, in Japan 36 percent.

Why did the U.S. and Britain choose a different economic policy? I believe the reason is that Keynesian economics caught on only in the U.S. and Britain. In Germany Keynesian economics was consciously rejected. After World War II the U.S. Department of State sent a commission of American economists, led by Keynesians, to West Germany to investigate and to make recommendations to the German government on economic policy. The American economists prescribed Keynesian policies, but Ludwig Erhard, the Economics Minister at the time who later became Chancellor, refused and threatened to resign if the Keynesian view was forced upon him. Instead, the German government, supporting Erhard, embarked upon the opposite course: a balanced budget and the maintenance of a sound currency, the elimination of price controls, incentives to save and invest, and encouragement to private enterprise rather than government-directed economy. Following this course Germany went from ruins to the most prosperous nation in Europe. She invested her way to prosperity.

What did the American Keynesians recommend to West Germany? Precisely what the Congressional Budget Office, and liberal members of Congress are recommending today: government jobs, easy money, and government spending as the road to prosperity. The American Keynesians said that the West Germans had an "excessive concern for price stability" and thus recommended inflation. The American Keynesians objected to the German capital investment incentives on the grounds that they were "an expenditure of tax funds which would otherwise have been collected by the government." The American Keynesians said that the Germans' nostalgic hopes "looking toward a revival of the nineteenth century role of a capital market are doomed to disappointment and the capital market plays no such role in any modern country and there is no prospect that it will." More than any other ridiculous statement in the report, that one reveals the deep prejudice of American Keynesians in favor of government rather than individual action.

On the other hand the British did not need an American commission of economists to tell them what to do wrong. They adopted the policies which West Germany rejected. The British used the tax system to squeeze saving, investment, and incentive. They inflated; they controlled wages and prices; they nationalized; they centrally planned. They spent their way to prosperity and found "the way to make bread out of stones"—or so they thought.

In the U.S., Keynesian economics caught on primarily as a result of a misinterpretation of the cause of the "Great Depression" of the 1930s. The evidence is overwhelming that the American depression owed its depth and length to government intervensionist and monetary mismanagement by the Federal Reserve Board, which resulted in the drastic credit expansion of then the subsequent shrinking of the money supply. Keynesians, however, said the depression resulted from an unequal distribution of income by market forces and from the inability of private saving and investment decisions to maintain a full employment level of spending. It was said that the rich save too much and that in a mature industrial economy there are not enough investment opportunities to use up the savings. It was said that money saved did not get back into the economy through investment, so the result of saving was said to be less total spending, and that meant a fall in national income.

This interpretation of the depression called for redistributive taxation to get money out of the hands of those who were more likely to save it and into the hands of those who were more likely to spend it, and it called for the government to pump up the total level of spending by running budget deficits.

Due to time lags in the spread of knowledge, these old erroneous ideas are now enshrined in the Congressional Budget Office, the U.S. Congress, and in econometric forecasting models at the very time that they are being abandoned by the thinkers of today under pressure of the evidence and better economic analysis. But 30 years is a long time for ideas, no matter how erroneous, to become pervasive, and old Keynesian thinking is today a great barrier to the removal of the existing tax bias in the U.S. against saving and investment. This old thinking perpetuates the bias against saving and investment in our tax code and is also reflected in the fact that by 1974 federal transfer payments alone were equal to the total federal budget expenditures of 1964.

What does the tax bias against saving and investment mean? It means a tax on productivity. Such a tax reduces the incentive to have and increases the incentive to consume.

Saving is the source of capital formation, which is the source of increased productivity. A tax on productivity is a tax that biases decisions away from saving and investment and toward consumption. Obviously, that means less capital formation and, thereby, lower productivity, fewer new jobs, and a lower rate of growth in real wages.

Today it means a capital shortage, the minimum estimate of which is $575 billion over the next ten years. The capital shortage means that with existing rates of saving and investment we cannot meet energy, housing, mass transit, environmental, and defense needs, and maintain the real level of social security benefits and the solvency of pension funds, and provide new jobs for the additional people who enter the work force each year—to say nothing of meeting the demands for rising real wages.

In short, a capital shortage is a jobs shortage. The capital issue is the jobs issue.

There is a capital shortage—a jobs shortage—because there is a tax bias against saving and investment. The tax bias is consistent with the Keynesian views and prejudices that determine the outlook of the economic liberals who control the Congress. Unless they change their mind, the existing Congress is not capable of providing the economic policy required if there are to be enough jobs for our work force. Jobs creation is a matter of recognizing the need of a free enterprise Congress, a Congress made less hostile to private enterprise. And I say that in recognition of the fact that free enterprise is a bipartisan issue.

The jobs issue is not just the critical need to put the presently unemployed back to work, such as in the Buffalo area I represent where the unemployment rate is 14 per cent, it is also a matter of creating new jobs for the new entrants, the graduates, the minorities and the women moving into the labor force. Workers who unfortunately are laid off from their jobs have unemployment compensation to fall back on, and plant capacity exists with which to reemploy them in many cases. The problem here is getting people back to work, without resorting to ruinous inflation. New additions to the work force, however, require new additions to the capital stock with which to employ them. In addition, unemployment for new entrants is more frustrating, because they do not have unemployment compensation to fall back on. To qualify for unemployment compensation, you must have lost your job through no fault of your own. A person who has never had a job cannot qualify.

It is estimated that 2 million additional people will enter the labor market every year for the next five years. The American economy has not been growing fast enough—has not been creating new capital fast enough—to create 10 million new jobs in the next five years. Americans are not saving enough—are not releasing enough real resources from current consumption—for a sufficiently rapid expansion of investment, and business is not earning enough in profits to make the capital investments necessary to provide a growing number of well-paid jobs.

Department of Commerce statistics show that the retained earnings of corporations, adjusted for the phantom inventory profits and understated depreciation costs that result from inflation, averaged only $21.3 billion yearly during 1965–1974. During this period when national income increased by $519 billion, corporate profits declined both absolutely and as a percentage of national income. Adjusted after tax profits have fallen from $48.9 billion in 1966 to $38.7 billion in 1974. Retained earnings have fallen from $29.4 billion in 1966 to $7.6 billion in 1974.

The trend in profits clearly has been downward. Before tax profits have fallen from 13.3 percent of national income in 1966 to 8.4 percent of national income in 1975. After tax profits have fallen over the same period from 7.9 percent of national income to 4.5 percent.

To be sure, there are profit abberations that make good targets for anti-business politicians and PR for shortsighted corporations, but which are misleading. For example, if a company's profits drop from, say, $10,000 to $4,000, and then go up to $8,000, headlines can report a 100 percent increase, but the company is nevertheless worse off than before the drop.

As my friend, John Jennings, the very able economic consultant, has pointed out, the difference between the reality of profits and public opinion about profits is striking. Surveys have shown that people believe the average manufacturer's after-tax profits on sales are 33 percent. In reality, they are 5.2 percent. People believe the average auto company's profit on sales to be 39 percent. The reality is 1.9 percent. People believe the oil companies make a 61 percent profit on sales, when in reality they are 7.2 percent. Misguided corporate PR and accounting methods which overstate profits during inflation, and thus mislead the company along with the tax collector about profits, must take some responsibility for such a badly misinformed public.

As long as the work force has the mistaken belief, as surveys have shown, that the money available for division between employees and profits is split 75 percent for profit and 25 percent for employees, workers will continue to make wage demands that overprice labor and require the government to compensate by inflating the money supply to avoid the unemployment that results from overpricing. Inflation, in this case, is used by the government to prevent unemployment by wiping away any wage gains that are not justified by productivity. The result is that although the money wage may greatly increase, the real wage does not rise beyond productivity gains.

I believe that working Americans would in many cases cease trying to get more than their fair share of the national income if more people were made aware that 76 percent of the national income is paid in wages, salaries, and benefits to employees, and this is up from 67% in 1950. Corporate profits before taxes receive 8 percent of the national income. Farm owners receive a scant 2 percent of the national income. Another scant 2 percent is paid in rental income. The non-corporate business sector receives 5 percent, and 7 percent is paid in interest, more than a third of which is interest paid on the federal debt.

That adds up to 100 percent of the national income, and that is all there is. With the overwhelming amount that is already paid to employees compared to owners, there does not seem to be any room for labor to get more at the expense of others. To get more requires more to be produced, and that requires more investment. It's as simple as that.

In the 1970's corporate-retained profits have averaged only 1.8 percent of national income. That tiny figure will not provide much new investment. To finance their expansion, firms have been forced into credit markets, where they are then crowded out by government borrowing. Although the private sector provides over 80 percent of the jobs in the economy, government has recently been borrowing about 80 percent of the total available funds in order to finance the deficit in its budget. It makes no sense for government spending policies to take capital away from the private sector that provides 80% of the employment in this country.

My response, and that of 107 cosponsors in the Congress, to the need to create new jobs at a faster rate is the Jobs Creation Act. This bill is directed toward achieving more neutral tax treatment of saving and investment.

The Jobs Creation Act would increase the savings available for investment by:

Providing tax credits for increases in qualified savings in commercial or mutual savings banks, savings and loans, building and loans or similar associations, credit unions, and life insurance or mutual companies and in qualified bonds and common and preferred stock in domestic corporations;

Enlarging the dollar amount for individual retirement accounts, savings and bonds;

Excluding from gross income the dividends received from domestic corporations;

Excluding the first $1,000 of capital gains;

Reducing the corporate normal tax from 22 to 20 percent on a permanent basis;

Reducing the corporate surtax from 26 to 22 percent on a permanent basis;

Increasing the corporate surtax exemption to $100,000 on a permanent basis;

Increasing the investment tax credit to 15 percent for investment over $50,000, 20 percent for investment from $25,000 to $50,000, and 25 percent from zero dollars to $25,000 and making these changes permanent;

Allowing the owners to defer capital gains taxes on the sale of small businesses if the gain is reinvested in one year in another small business;

Increasing the ADR range from 20 to 40;

Providing for a new alternative system of capital recovery allowances;

Providing for a one-year writeoff of mandated pollution control facilities;

Allowing the interest exclusion on industrial development bonds for issues up to $10,000,000;

Incorporating the President's estate tax proposals for family-owned small businesses and farms.

Dr. Norman Ture, an economic consultant and George Washington University professor and former Director of Tax Studies for the National Bureau of Economic Research, has undertaken an econometric simulation of the effects on the economy of the Jobs Creation Act. He concludes that by reducing the tax bias against saving and investment, the Act would so stimulate production that over a three year period we would have a $600 billion dollar increase in GNP, a $230 billion increase in capital outlays, and a $45 billion increase in Federal revenues over what would otherwise occur. The result of this tremendous stimulation to production is the creation of millions of new jobs and higher real wages.

The Humphrey-Hawkins "Full Employment" bill before the Congress is guaranteed to expand unemployment in the private sector and, thereby, create a growing public service constituency. The Humphrey-Hawkins bill will expand private sector unemployment for two basic reasons:

(1) By guaranteeing a government-funded job to everyone who is unemployed, the bill removes all restraint from wage demands. No one would have to fear the unemployment effects of forcing huge wage increases. They could demand 20–30–40–50 percent wage increases, such as in Britain, knowing that all who were bumped out of jobs by overpricing labor have a guaranteed Federally-funded job cushion to fall back on. The presently unemployed would be diverted from reemployment in productive, tax-producing private sector jobs as the recovery proceeds. Such a tightening of the labor market would allow exorbitant wage demands that could abort the recovery, thus throwing additional people out of tax-producing private sector employment and into tax consuming public employment.

(2) Public employment jobs have to be paid for in real terms—in terms of resources diverted from alternative uses—just like anything else, and there would be a lot of them to pay for. How would they be paid for? To pay for public employment out of taxes or borrowing from the private sector just transfers resources out of private sector activities, including investment, into public sector activities. Clearly, the private sector cannot maintain the same level of activities when resources are transferred out of it. Therefore, private sector jobs must fall as public employment jobs financed by taxes or borrowing rise. Alan Fechter, an economist at the Urban Institute has done an extensive study of public employment and he concludes that there is "a substantial amount of displacement" in the long run of private sector jobs.

To pay for public employment by inflating the money supply would simply set the boom-bust cycle off again before recovery is completed from the previous cycle. People are beginning to realize that no one benefits from inflation except the federal government. The reason government benefits is that inflation pushes everyone into higher tax brackets, with the result that the government receives a larger percentage of the national income in tax receipts, just as it would do by raising the tax rates. The evidence is certainly in that inflation destroys capital because of widely used accounting practices which result in firms paying taxes on profits that they do not really have.

People are beginning to hear about accounting practices which during inflation result in overstated and over taxed profits as a result of phantom inventory profits and understated depreciation costs. But not everyone knows precisely how this occurs, and many people still think inflation is good for profits, so it may be worthwhile to specifically illustrate the process.

Let's look at 1974, a year of substantial inflation. The corporate sector showed profits before tax of $132.1 billion on which they had a tax liability of $52.6 billion, or an effective tax rate of 40 percent of profit. However, the U.S. Department of Commerce calculates that in 1974 corporate sector inventories were over valued by $38.5 billion and depreciation was under stated by $2.3 billion, with the result that corporations had a tax liability of $52.6 billion on only $91.3 billion in actual profits, which means that in 1974 the corporate sector paid taxes on profits at an effective tax rate of 58 percent.

The overstatement of profits before tax means that corporate retained earnings are overstated by the same amount. Commerce Department figures show that in 1974 corporate retained earnings with inventory valuation and capital consumption adjustments totaled only $7.6 billion. Furthermore, if the profits earned by American corporations abroad are omitted and only the retained earnings from domestic operations are considered, then in 1974 corporate retained earnings were a negative figure of —$2.3 billion. That is, on their domestic earnings, American corporations in 1974 paid out more in taxes and dividends than they earned.

This does not mean dividends were high. In

1974 dividend payments totaled only $31.1 billion. In 1975, dividend payments (including dividends paid to nonprofit institutions such as charitable foundations) totaled $32.8 billion compared to transfer payments (Social Security, Medicare, welfare, government pension and unemployment payments) of $175 billion. Taxable dividends paid to individuals were only $18.7 billion, which is equal to the amount paid in veterans benefits and is about one-fourth the amount of Social Security payments.

Some people may say: "so what, only the rich get dividends, and they have enough money." This is to ignore the large stake ordinary people have in dividends. Not only is there the matter of incentive, the need to reward those who provide the capital that provides the jobs. In addition, Internal Revenue statistics show that of the eight million tax returns reporting dividend income in 1973 (the latest figures available), three million were from taxpayers earning $10,000 and less. These three million taxpayers, or families, received dividend payments of about $3 billion, an average of $1,000 each.

If we bring pension funds into the picture, the ownership stake the working men and women have in American business becomes even more clear. Pension funds own about one-third of American large business.

Capital formation, then, is not, and cannot be, a matter of benefiting the rich at the expense of those working for wages. We need a greater rate of expansion of plant and equipment in order to create jobs and to raise the productivity of labor so workers can receive more for their work and consumers more for their money and so we can maintain our position in international markets.

Neither does capital formation—jobs creation—mean that we need to cut the federal budget. It does not require that we cut people off who are dependent on government funding. It does not mean that we have to stop government programs from growing. All it means is that we have to reduce the rate at which the government sector grows, so that it ceases to grow faster than productivity in the private sector.

Too many people think that bigger government is needed to offset the power of big business. But the government sector long ago dwarfed the corporate sector. In 1975 the federal budget deficit alone was $18.3 billion greater than the total after-tax earnings of the corporate sector.

Some of you listening to my speech with its emphasis on the need for more saving and investment, and the need to curtail the preemption of more and more of the economy's resources by the public sector, may feel a bit uneasy. You may remember your economics courses in college in which increased government spending was touted as the answer to the alleged inability of a market economy to maintain a full employment level of spending. You may remember hearing that people save more than can be invested, thus causing national income and employment to fall, and that the more people try to save, the worse unemployment will become. In college textbooks it was called "the paradox of thrift."

Keynesian economists, now for the most part old men, are in their fourth decade of teaching students, lawmakers, and the public that government can cause the national income to increase by taxing the private sector and spending the results. When the political limits to tax rates were reached, Keynesians were there to teach lawmakers to finance additional spending by running deficits. Borrowing from the private sector to pay for government spending programs is also claimed to increase the national income.

Thus, whatever the government cannot tax away from the private sector, it should borrow. Anyone swayed by this line of reasoning should consider its implication, which is that the greater the percent of the national income spent by government, the higher the national income will be. The economy will really take off the day the government spends more than 100 percent of the national income and finances the difference with a deficit!

The justification of big government on the grounds of economic prosperity is the reverse of the wisdom of Adam Smith's *The Wealth of Nations*, whose bicentennial is also this year. It is not surprising that in this process of reversing principles of 1776, government adopted a new form of taxation without representation—inflation—for when the government reaches the limits of taxing and borrowing, it monetizes debt, that is, it increases the money supply to pay for the government's bonds, thereby transferring purchasing power from the population as a whole to the recipients of the newly created money.

Others of you listening to my speech with its emphasis on the inadequacy of profits and investment and its concern with crowding out may be perplexed. You may have seen, for instance, the U.S. News and World Report Weekly Report of February 27 which states:

"Now for the cheer: Corporate balance sheets look better than in years. That's what is helping to keep the stock market's euphoria going. Evidence of that is clear in reports that big business saved enough of its earned income last year to finance most expansion planned for '76 without much need to borrow in the bond market. Meaning? Less interest-rate pressure—no crowding out."

Here again we have artificial good news. The report does not tell us that the reason firms have enough retained earnings to finance their expansion programs is not that their earnings are high but that their expansion programs are low. The facts of the matter are that the Commerce Department's March survey of capital spending indicates that real business investment in 1976 will be 3 percent lower than in 1975, and that 1975 showed a 12 percent drop in real investment below 1974.

These are drops in the rate of investment, in the additions of new capital to the total capital stock, not decreases in the country's total stock of capital. It is not exactly like we are eating our seed corn, but it is like a farmer who is expecting a larger family but who is not adding enough to his seed corn to be able to plant enough additional crops to accommodate the additions to his family.

Professional economists are increasingly realizing that monetary expansion no longer works as a means of stimulating production, but simply causes inflation. We do not need more paper money, we need more production to absorb the money already in the system and to bring down an inflation that is running at a rate of 5.6 percent even during a recession. To get a greater rate of production requires a lower rate of taxes. Over a year ago Professor Robert Mundell of Columbia University stated that "the level of U.S. taxes has become a drag on economic growth in the United States. The national economy is being choked by taxes—asphyxiated. Taxes have increased even while output has fallen, because of the inflation." Free enterprise isn't dead, but it is being choked by excessive regulation and taxes.

We must not let the fact that there is excess capacity during recovery from recession obscure the fact that there is a capital shortage, a shortage which will produce mounting rates of unemployment in future years unless there is tax reform to reduce the existing tax bias against saving and investment. Although I am mainly concerned with the long-run health of our economy, with saving the free enterprise system from destruction by government, our tax reform legislation, the Jobs Creation Act, is also directly relevant to the current recession. As most people recognize, the current recovery is consumer-led and is not being led by capital investment. What this may mean is that the recovery will peak at full capacity, and the monetary expansion necessary to accommodate the third huge deficit in a row could result in an outbreak of inflation beyond the high rates we recently suffered, thus leading to a worse recession.

These dangers we face can be avoided by intelligent tax reforms which provide resources for jobs-creating investments and the badly needed funds for making our existing plants and industries more modern and competitive for world markets.

Fiscal conservatives can be assured that the tax provisions of the Jobs Creation Act do not produce revenue losses and will not enlarge the government's deficit. The tax reduction provisions of the Jobs Creation Act are not directed toward stimulating consumption, but toward increasing production. The increase in tax receipts from the expanded tax base more than offsets the loss in tax receipts from lower tax rates.

It is not a coincidence that it was in 1776, the year both of the Declaration of Independence—the great single statement of political freedom—and of the publication of Adam Smith's "The Wealth of Nations"—the greatest single statement of economic freedom—that James Watt's newly patented steam engine was first put to work. It was that steam engine which started to revolutionize the modern world. Watt and those who followed him in the competitive struggle to make a better engine and sell it for less did more to take women and children out of the coal mines and off the towpaths of the canals, more to take children out of the factories, than all the 19th century social activists combined. Yet Watt would be unknown today had it not been for a man named Matthew Boulton. Boulton was the man who risked the $150,000 in capital on Watt's invention.

Aluminum was so expensive in 1870 that Napoleon III of France had an aluminum table set for state dinners, for it was more valuable than gold. Today, aluminum is found in all American kitchens, no matter how humble. As far back as the Second World War, it was estimated that electric power alone in this country was performing the work equal to the labor of half a billion men—500,000,000—working eight hours a day. It is many times that now. And, just 100 years ago, it took a week to produce the same amount of wheat that today can be produced with just a single hour of human labor.

What did it? High taxes? Big government spending? Red ink? Government regulations? No! What did it was individuals free to retain for their own use the fruits of their labor. What did it was human action free to invent and produce the steel plow, tractor, harvester, chemical fertilizer, better seed, cheaper transportation, these and all the many other results of capital ventured by investors in the hope that it would produce these "better mouse traps" of which progress is made. It was human action freed from the mercantilistic tentacles of government in the 18th Century.

Look further at the difference between 1776 and 1976 and compare the living standard today with then. Men and women were working 12 to 18 hours a day and 6 or more days a week. Child labor was the norm. Horses and oxen were plowing the fields and pulling wagon and carts. Electrical power consisted of Benjamin Franklin pondering the effects on his kite of an electrical storm. The internal combustion engine was a hundred years away from even being invented. Machines were in their infancy. Sail and flowing water were the means of waterborne commerce. There was no running water in homes. It was a hard life by today's standards even for the wealthiest.

We know what we have today by contrast. Prosperity has reached a level never known in the world's history. Workers' real wages have reached a level unprecedented in any economy. We produce in one hour the wheat it took then one week to produce. We travel in five hours the distance across America it took then two full seasons to travel. Instead of a campaign to open the Appalachians we have walked on the moon. Of all the figures one can recite, the most revealing is this: One-half of all the goods produced in the past 10,000 years, from the beginning of man's quantifiable economic history in 8,000 B.C., have been produced in the United States in just the past two hundred years. As I said earlier, more and better tools is the key.

Before the Industrial Revolution, and in its early days, children had to work 14–16–18 hour days just in order to live. With the advent of the machine age, which so greatly raised the productivity of labor and made it possible for less human labor to support more people, not only do children grow up in schools instead of factories, but we have the ability to support millions of people in moderately comfortable lives while they are out of work. "Modern-day Luddites" who fear machinery, who say capital exploits labor, overlook not just our unprecedented living standards but also that it has been the accumulation of capital that took women and children out of the mines and gave them a chance and a choice to be in the home and in the school. They overlook that it is capital that has so greatly raised the productivity of labor that the economy can support millions of people who are out of work. It is not capital that exploits labor as Karl Marx mistakingly promulgated, it is labor that exploits capital.

It is the productivity of free enterprise that allows people and nations the opportunity to be humane, charitable and progressive.

That is why I advocate freedom as the road to prosperity.

That is why I advocate capital formation to increase the productivity of labor and expand job opportunities.

That is why I am opposed to the increased production of the three principle products of government—regulation, taxes, and inflation. These government products make it hard for companies to make and keep profits. I agree with the great labor leader, Samuel Gompers, who said that "The worst crime against working people is a company that fails to make a profit."

Ladies and gentlemen the rising productivity of free enterprise is the answer to inflation and recession.

SECRETARY OF STATE KISSINGER'S SPEECH ON LAW OF THE SEA

Mr. PELL. Mr. President, today Secretary of State Kissinger delivered a memorable speech on the Law of the Sea. As my colleagues are aware, the third session of the third United Nations Conference on the Law of the Sea is taking place in New York now. The 140 participants in that conference are endeavoring to produce a comprehensive agreement for the orderly use and management of the oceans, the deep seabed, and their resources.

Secretary Kissinger, in his speech today, outlined in a very forceful and forthcoming fashion the commitment of the United States to achieve early agreement on a law of the sea treaty which will be of benefit to all the nations of the world. He also put forth specific new proposals to give momentum to the negotiations and to demonstrate America's determination to resolve the remaining issues.

As chairman of the Senate Foreign Relations Subcommittee on Oceans and International Environment and as the sponsor of the Senate resolution which led to these negotiations, I wish to commend the Secretary for his action and to express my support for his initiative. I am also pleased that the President has asked the Secretary of State to head the U.S. delegation at the next, and hopefully final, session following the New York session.

This past January, in an Op-Ed article which was published by the New York Times, I urged that the administration take new and imaginative, substantive initiations in an effort to break the negotiating logjam. I also expressed the view that if the conference is to succeed, President Ford and Secretary Kissinger must become more directly involved in the negotiating process. I am very pleased that action has now been taken on both of these fronts.

Mr. President, I ask unanimous consent that the text of Secretary Kissinger's speech, together with the text of my own article in the New York Times of January 3, 1976, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE LAW OF THE SEA: A TEST OF INTERNATIONAL COOPERATION

(By The Honorable Henry A. Kissinger)

Ladies and gentlemen: I want to speak to you today about one of the most important international negotiations that has ever taken place—the global conference now underway here in New York on the Law of the Sea. Last summer in Montreal I set forth a comprehensive United States program to help bring matters at this year's Conference to a rapid conclusion. Today I will offer new proposals which address the remaining important issues before us, so that this great negotiation may lead to a final result this year.

For we live in an age when the accelerating forces of modern life—technological, economic, social and political are leading the peoples of the world into unprecedented and interrelated areas of human activity. New prospects are opening before us—fraught with political for international contention, but filled as well with the hope of unparalleled human advancement.

The principal problems which all nations face today are truly global in nature. They transcend geographic and political boundaries. Their complexity eludes the conventional solutions of the past, and their pace outstrips the measured processes of traditional diplomacy. There is the imperative of peace—the familiar but vastly more urgent requirements of maintaining global stability, resolving conflicts, easing tensions; these issues dominates the agenda of relations between East and West. And there are the new challenges of the world's economy and of cooperative solutions to such international problems as food, energy, population, trade and the environment. These are the agenda of the modern period, particularly in the evolving relationship between the developed and the developing nations.

In an international order composed of sovereign states, the precondition of effective policy is security. But security, while essential, is not enough. The American people will never be satisfied with a world whose stability depends on a balance of terror constantly contested.

Therefore, side by side with seeking to maintain the security of free countries, the United States has striven to build a new world based on cooperation. We are convinced that our common progress requires nations to acknowledge their interdependence and act out of a sense of community. Therefore, at the Seventh Special Session of the United Nations General Assembly in September of last year we made a major effort to project our vision of a more positive future. We sought to mobilize collaboration on a global scale on many current issues of economic development. We were gratified by the response to our initiatives. We are prepared to accelerate our effort.

Virtually all major elements of this new age of interdependence are involved in one of the great issues of our time: the question of mankind's use of the oceans. In no area are the challenges more complex or the stakes higher. No other common effort holds so much positive hope for the future relationship between rich nations and poor over the last quarter of this century and beyond.

Today I want to speak to you about the urgency of this issue. The Law of the Sea negotiations now are at a critical stage. There have been many successes, but they will prove stillborn unless all the remaining issues are settled soon. The United States believes that if the present session does not complete its work, another—and final—session should be assembled this summer. If the negotiations are not completed this year the world will have lost its best chance to achieve a treaty in this generation.

I want to focus today upon the most important problems remaining before the Conference to speed their solution. I shall set forth proposals which in our view can serve as the basis for a widely accepted treaty.

THE IMPORTANCE OF THE OCEANS

Most issues in international affairs impinge on our consciousness in the form of crisis; but many of the most important problems which crucially affect our future come to us far less dramatically. The world is undergoing fundamental economic, technological and social transformations which do not dominate the daily headlines. Some of them are even more profound in their consequences than most immediate political crises. In no area is this more true than the oceans, a realm which covers 70 percent of the earth's surface.

Freedom of the seas remains basic to the security and wellbeing of most nations. The seaborne commerce of the globe is expected to quadruple within a few decades. The reliance of the world's people upon the seas to carry food and energy is increasing. Modern technology has enabled industries to sweep the seas for fish and to probe the ocean's floor for vital minerals and resources. Mankind's growing dependence on the seas, and the burgeoning world population along their shores, are already burdening the ecology of the oceans—a development of potentially catastrophic significance, for the oceans are the very source of life as we know it, the characteristic distinguishing our world from all other planets.

These developments have brought with them a vast array of competitive practices and claims, which—unless they are harmonized—threaten an era of unrestrained commercial rivalry, mounting political turmoil, and eventually military conflict. We stand in danger of repeating with respect to the oceans the bitter rivalries that have produced endless conflict on land.

A cooperative international regime to govern the use of the oceans and their resources is therefore an urgent necessity. It is, as well, an unprecedented opportunity for the nations of the world to devise the first truly global solution to a global problem. And the opportunity is all the greater because we start with a clean slate.

Thus, the multilateral effort to agree upon a comprehensive treaty on the law of the sea has implications beyond the technical problems of the use of the oceans. It touches upon basic issues underlying the long-term stability and prosperity of our globe. The current negotiation is a milestone in the struggle to submit man's endeavors to the constraints of international law.

Let us understand more precisely what is at stake:

In a world of growing scarcity, the oceans hold untapped riches of minerals and energy. For example, it is estimated that 40 percent of the world's petroleum and virtually inexhaustible supplies of minerals lie beneath the sea. Our economic growth and technological progress will be greatly affected by the uses made of these resources.

In a world where the growth of population threatens to overwhelm the earth's capacity to produce food, the fish of the seas are an increasingly precious—and endangered—source of protein. The wellbeing and indeed the very survival of future generations may well depend upon whether mankind can halt the present wanton depletion of this vast storehouse of nutrition.

In a world in which the health of the planet our children will inherit depends upon decisions we make today, the environmental integrity of the oceans—which affects the quality of life everywhere—is vital.

And in a world still buffeted by national conflicts, economic confrontation and political strife the free and fair use of the oceans is crucial to future peace and progress.

The oceans are not merely the repository of wealth and promise; they are, as well, the last completely untamed frontier of our planet. As such, their potential—for achievement or for strife—is vast. In the nineteenth century, the Industrial Revolution gave birth to improved communications, technological innovations and new forms of business organization which immeasurably expanded man's capacity to exploit the frontiers and territories of the entire globe. In less than one generation, one-fifth of the land area of the planet and one-tenth of its inhabitants were gathered into the domain of imperial powers in an unrestrained scramble for colonies. The costs—in affront to human dignity, in material waste and deprivation, and in military conflict and political turbulence haunt us still.

Like the non-Western lands of a century before, today it is the oceans which suddenly are accessible to new technology and alluring to exploration. Their promise may be even greater than the untapped lands of the century past. So too is their potential for conflict. The decision will be ours. The international community now stands at the threshold of what can easily turn into a new period of unheralded competitive activity. It is our contention that the nations of the world cannot afford to indulge in another round of unrestrained struggle for the wealth of our planet when the globe is already burdened by ideological strife and thermonuclear weapons.

The United States could survive such competition better than other nations; and should it be necessary, we are prepared to defend our interests. Indeed, we could gain a great deal unilaterally in the near term. But we would do so in an environment of constant and mounting conflict. All nations, including our own, ultimately would lose under such unpredictable and dangerous conditions.

That is not the kind of world we want to see. Our preference is to help build a rational and cooperative structure of international conduct to usher in a time of peace and progress for all peoples. We see the oceans as a trust which this generation holds—not only for all mankind, but for future generations as well.

The legacy of history makes this a difficult task. For centuries, the songs and legends of peoples everywhere have seen the oceans as the very symbol of escape from boundaries, convention and restraint. The oceans have beckoned mankind to rewards of wealth and power, which awaited those brave and imaginative enough to master the forces of nature.

In the modern era the international law of the sea has been dominated by a simple but fundamental principle—freedom of the seas. Beyond a narrow belt of territorial waters off the shores of coastal states, it has long been established and universally accepted that the seas were free to all for fishing and navigation.

Today the simple rules of the past are challenged. Pressure on available food, fuel and other resources has heightened awareness of the ocean's potential. The reach of technology and modern communications have tempted nations to seek to exercise control over ocean areas to a degree unimagined in the past. Thus coastal states have begun to assert jurisdictional claims far out to sea—claims which unavoidably conflict with the established law and with the practices of others, and which have brought a pattern of almost constant international conflict. Off the shores of nearly every continent, forces of coastal states challenge foreign fishing vessels: the "Cod War" between Iceland and Great Britain; tuna boat seizures off South America; Soviet trawling off New England—these are but some examples.

It is evident that there is no alternative to chaos but a new global regime defining an agreed set of rules and procedures. The problem of the oceans is inherently international. No unilateral or national solution is likely to prevail without continual conflict. The Law of the Sea Conference presents the nations of the world with their choice and their opportunity. Failure to agree is certain to bring further, more intense confrontation, as the nations of the world—now numbering some 150—go all out to extend unilateral claims.

THE LAW OF THE SEA CONFERENCE

These are the reasons why the international community has engaged itself in a concentrated effort to devise rules to govern the domain of the oceans. Substantive negotiations on a Law of the Sea Treaty began in 1974 in Caracas; a second session was held in Geneva last year. Now, here in New York, work is underway aimed at concluding a treaty before this year is out.

It is no exaggeration to say that this is one of the most significant negotiations in diplomatic history. The United States approaches this negotiation with conviction that we simply cannot afford to fail.

PROGRESS TO DATE

The issues before the Law of the Sea Conference cover virtually every area and aspect of man's uses of the seas, from the coastline to the farthest deep seabed. Like the oceans themselves, these various issues are interrelated parts of a single entity. Without agreement on all the issues, agreement on any will be empty, for nations will not accept a partial solution—all the less so as some of the concessions that have been made were based on the expectation of progress on the issues which are not yet solved.

Significant progress has been made on many key problems. Most prominent among them are:

First, the extent of the territorial seas, and the related issue of free transit through straits. The Conference has already reached widespread agreement on extending the territorial sea—the area where a nation exercises full sovereignty—to 12 miles. Even more importantly, there is substantial agreement on guaranteed unimpeded transit through and over straits used for international navigation. This is of crucial importance, for it means that the straits whose use is most vital to international commerce and global security—such as the Straits of Gibraltar and Malacca—will remain open to international sea and air transit. This is a principle to which the United States attaches the utmost importance.

Second, the degree of control that a coastal state can exercise in the adjacent offshore area beyond its territorial waters.

This is the so-called "economic zone," in which lie some of the world's most important fishing grounds as well as major deposits of oil, gas and minerals. Growing international practice has made it clear that in the absence of an international treaty, coastal nations would eventually attempt to establish the extent of their own zone and determine for themselves what activities—national and international—could be carried out there. These would be areas through which most of the world's shipping moves and which is as well the richest ground for economic exploitation. The complexities and confrontations which would result from such an approach are obvious.

Therefore we are gratified that the Conference is ready to settle upon a two-hundred mile economic zone. This will permit coastal state control over some activities while maintaining vital and traditional international freedoms. The coastal states will control fisheries, mineral, and other resource activities. At the same time, freedom of navigation and other freedoms of the international community must be retained—in this sense the economic zone remains part of the high seas. In addition, the Treaty must protect certain international interests, such as ensuring adequate food supply, conserving highly migratory species, and accommodating the concerns of states—including the landlocked—that otherwise would derive little benefit from the economic zone.

Third, the rights of coastal states and the international community over continental margin resources where the margin extends beyond 200 miles. The continental margins is the natural prolongation of the continental land mass under the oceans. The question is: who shall have the right to extract seabed resources in this region and who shall share in the benefits of such exploitation? We seek a solution which will meet the international community's interest in the area beyond 200 miles and still take into account the desire of coastal states with broad margains to exploit their margin resources beyond the proposed economic zone. The Conference has before it a reasonable proposal for agreement on this question. In general, the coastal states would have jurisdiction over continental margin resources beyond 200 miles to a limit with a precise definition.

Under the system now being negotiated the treaty would also provide for the coastal states share with the international community a specified percentage of the value of mineral resources exploited in that area for the benefit of the developing countries, including the landlocked countries. The coastal state would pay a royalty based upon the value of production at the well-head in accordance with a formula fixed in the Treaty; the money would then be distributed by an international authority under a formula still being negotiated.

Fourth, the protection of the marine environment. Effective international measures to protect the oceans from pollution is vital to the health, indeed, to the very survival of our planet. The Law of the Sea Treaty will deal with all aspects of marine pollution. On the critical issue of pollution caused by seagoing vessels, we anticipate that the Conference will provide for effective enforcement of environmental protection regulations. We must now put forth our best efforts to reach satisfactory agreement on the enforcement of regulations covering all the outstanding issues concerning the protection of the marine environment.

Progress on these key issues has been heartening. But we must reach agreement on the remaining issues, or else the encouraging progress made to date will be lost and international anarchy will threaten.

THE REMAINING ISSUES

There are three major remaining unresolved issues:

First, ways must be found to encourage marine scientific research for the benefit of all mankind while at the same time protecting the legitimate interests of coastal states in their 200-mile economic zone, the area in which some 80 percent of such research now takes place.

Second, the Treaty must include provisions for compulsory and impartial settlement of disputes in order that differences on interpretation and incompatible practices can be settled peacefully.

And third, we must create an international regime for the exploitation of resources of the deep seabeds, those heretofore inaccessible reaches of the seas beyond the economic zone and continental margin.

UNITED STATES PROPOSALS

The United States today proposes the following package of * * * as a contribution to helping the Conference reach a swift and comprehensive solution on the major remaining problems:

MARINE SCIENTIFIC RESEARCH

The health, the safety and the progress of the world's people may vitally depend upon the extent of marine scientific research; it must be fostered and not impeded. To further marine scientific research the United States is prepared to agree to a reasonable balance between coastal state and international interests in marine scientific research in the economic zone. We will agree to coastal state control of scientific research which is directly related to the exploration and exploitation of the resources of the economic zone. But we shall also insist that other marine scientific research not be hampered.

We recognize that this distinction is bound to raise difficult questions in practice. This is why we believe that its determination cannot be left either to the coastal state or to the state seeking to do scientific research; it must ultimately be decided by an impartial body.

For our part, the United States is prepared to guarantee that coastal states receive advance notice of scientific research in the economic zone, will have the right to participate in that research, and will receive data and results of such research as well as assistance in interpreting the significance of those results.

This proposal would help resolve the differences between those who desire complete coastal state control over all marine scientific research and those who seek to maintain complete freedom for such research in the proposed economic zone.

DISPUTE SETTLEMENT

No nation could accept unilateral interpretation of a Treaty of such vast scope by individual states or by an international seabed organization or any other interested party.

To promote the fair settlement of disputes involving the interpretation of the Treaty, the United States proposes the establishment of an impartial dispute settlement mechanism whose findings would be binding on all signatory states. Such a mechanism would ensure that all states have recourse to a legal process which would be non-political, rapid, and impartial to all. It would especially protect the rights of all states in the economic zone by resolving differences in interpretation of the Treaty which might lead to serious conflict between parties. It must be responsible for assuring the proper balance between the rights of coastal states and the rights of other states which also use—and indeed often are dependent upon—the economic zones of coastal states. And its decisions must be obligatory.

Establishment of a professional, impartial and compulsory dispute settlement mechanism is necessary to ensure that the oceans will be governed by the rule of law rather than the rule of force. Unless this point is accepted, many nations could not agree to the treaty, since only through such a mechanism can they be assured that their interests will be fairly protected. And agreement on this matter will make accommodation on other issues easier.

THE DEEP SEABEDS

The third, and the most complex and vital issue remaining before the Conference, is the problem of the deep seabeds.

For decades we have known that the deep seabeds contain great potential resources of nickel, manganese, cobalt and copper—resources whose accessibility could contribute significantly to global economic growth in the future. It is only recently that the technology has been developed which can enable us to reach those deposits and extract them.

The Conference has not yet approached agreement on the issue of the deep seabeds because it has confronted serious philosophical disagreements. Some have argued that commercial exploitation unrestrained by international treaty would be in the best interests of the United States. In fact this country is many years ahead of any other in the technology of deep sea mining, and we are in all respects prepared to protect our interests. If the deep seabeds are not subject to international agreement the United States can and will proceed to explore and mine on its own.

But while such a course might bring us a short-term advantage, it poses long-term dangers. Eventually any one country's technical skills are bound to be duplicated by others. A race would then begin, to carve out deep sea domains for exploitation. This cannot but escalate into economic warfare, endanger the freedom of navigation, and ultimately lead to tests of strength and military confrontations. America would not be true to itself, or to its moral heritage, if it accepted a world in which might makes right—where power alone decides the clash of interests. And, from a practical standpoint, no one recognizes more clearly than American industry that investment, access, and profit can best be protected in an established and predictable environment.

On the other hand, there are those who would place all the deep seabed's resources under an international authority. Such a proposal would not provide adequate incentives and guarantees for those nations whose technological achievement and entrepreneurial boldness are required if the deep seabeds are to benefit all mankind. It would give control to those who do not have the resources to undertake deep seabed mining.

Let me briefly review the specific issues before us and then set forth the proposals which we believe can form the basis for a new consensus on the deep seabeds.

First, the decision-making machinery for managing the deep seabeds.

There has been considerable debate over the form and the powers of the decision-making machinery established under the Treaty.

The United States is prepared to accept international machinery; but such machinery must be balanced, equitable, and ensure that the relative economic interests of the countries with important activities in the deep seabeds be protected, even though those countries may be a numerical minority.

Second, access to the deep seabeds. The Conference has been struggling with the issue of which nations, which firms, and which international authorities will have direct access to, and share in the benefits from, the developing of deep seabed resources. The United States understands the concern that the riches of the seas not be the exclusive preserve of only the most powerful and technologically advanced nations. We recognize that the world community should share in the benefits of deep seabed exploitation.

What the United States cannot accept is that the right of access to seabed minerals be given exclusively to an international authority, or be so severely restricted as effectively to deny access to the firms of any individual nation including our own. We are gratified to note an increasing awareness of the need to avoid such extreme positions and to move now to a genuine accommodation that would permit reasonable assurances to all States and their nationals that their access to these resources will not be denied.

Third, the effect of seabed mining on land-based producers. Land-based producers of seabed minerals are concerned that seabed production may adversely affect their national economies. This is an especially serious problem since many of these producers are poor, developing countries.

We take these concerns seriously. But at the same time it must be recognized that commercial seabed production of these metals is at least five years away. For many years thereafter, seabed production will amount to only a fraction of total global production. Moreover, global metal markets are expanding and should easily be able to accommodate additional production from the seabeds without adversely affecting revenues of land-based producer countries.

UNITED STATES PROPOSALS FOR THE DEEP SEABEDS

The United States is prepared to make a major effort to resolve these issues equitably and to bring the Law of the Sea Conference to a swift and successful conclusion. In this spirit, the United States offers the following proposals.

First, to ensure an equitable decisionmaking system, the United States continues to believe that the Treaty should authorize the formation of an International Seabed Resource Authority to supervise exploration and development of the deep seabeds. The Authority would be comprised of four principal organs:

An Assembly of all member states, to give general policy guidance;

A Council, to serve as the executive, policy-level and main decisionmaking forum, setting operational and environmental rules for mining, and supervising the contracts for deep seabed mining;

A Tribunal, to resolve disputes through legal processes; and

A Secretariat, to carry out the day-to-day administrative activities of the Authority.

THE UNITED STATES PROPOSES

That the power of the Authority be carefully detailed by the Treaty in order to preserve all those rights regarding the uses of the seas which fall outside the competence of the Authority, and to avoid any jurisdictional overlap with other international organizations;

That the composition and structure of the Council reflect the producer and consumer interests of those states most concerned with seabed mining. All nations whose vital national economic concerns are affected by decisions of the Authority must have a voice and influence in the Council commensurate with their interests;

That the proposed permanent seabed Tribunal adjudicate questions of interpretation of the treaty and of the powers of the International Authority raised by parties to the Treaty or by private companies engaged in seabed mining. Without a Tribunal, unresolved contention is a certainty. Such a body will be necessary if any seabed proposal is to win wide acceptance.

Second, to ensure that all nations, developed and developing, have adequate access to seabed mining sites;

The United States proposes that the Treaty should guarantee non-discriminatory access for states and their nationals to deep seabed resources under specified and reasonable conditions. The requirement of guaranteed access will not be met if the Treaty contains arbitrary or restrictive limitations on the number of mine sites which any nation might exploit. And such restrictions are unnecessary because deep seabed mining cannot be monopolized: there are many more productive seabed mining sites than conceivably can be mined for centuries to come.

The United States accepts that an "Enterprise" should be established as part of the International Seabed Resource Authority and given the right to exploit the deep seabeds under the same conditions as apply to all mining.

The United States could accept as part of an overall settlement, a system in which prime mining sites are reserved for exclusive exploitation by the Enterprise or by the developing countries directly—if this approach meets with broad support. Under this system, each individual contractor would propose two mine sites for exploitation. The Authority would then select one of these sites which would be mined by the Authority directly or made available to developing countries at its direction. The other site would be mined by the contractor on his own.

The United States proposes that the International Authority should supervise a system of revenue-sharing from mining activities for the use of the international community, primarily for the needs of the poorest countries. These revenues will not only advance the growth of developing countries; they will provide tangible evidence that a fair share in global economic activity can be based either on royalties or on a system of profit-sharing from contract mining. Such a system would give reality to the designation of the deep seabeds as the common heritage of all mankind.

Finally, the United States is prepared to make a major effort to enhance the skills and access of developing countries to advanced deep seabed mining technology in order to assist their capabilities in this field. For example, incentives should be established for private companies to participate in agreements to share technology and train personnel from developing countries.

Third, in response to the legitimate concerns of land-based producers of minerals found in the deep seabeds, we offer the following steps as an additional major contribution to the negotiations.

The United States is prepared to accept a temporary limitation, for a period fixed in the Treaty on production of the seabed minerals tied to the projected growth in the world nickel market, currently estimated to be about 6 percent a year. This would in effect limit production of other minerals contained in deep seabed nodules, including copper. After this period, the seabed production should be governed by overall market conditions.

The United States proposes that the International Seabed Authority have the right to participate in any international agreements on seabed-produced commodities in accordance with the amount of production for which it is directly responsible. The United States is prepared to examine with flexibility the details of arrangements concerning the relationships between the Authority and any eventual commodity agreements.

The United States proposes that some of the revenues of the International Seabed Resource Authority be used for adjustment assistance and that the World Bank, regional development banks, and other international institutions assist countries to improve their competitiveness or diversify into other kinds of production if they are seriously injured by production from the deep seabeds. An urgent task of the International Authority, when it is established, will be to devise an adjustment assistance program in collaboration with other international institutions for countries which suffer economic dislocations as a result of deep seabed mining.

These proposals on the issue of deep seabed resources are offered in the spirit of cooperation and compromise that characterized our economic proposals at the Seventh Special Session and that guides our policies toward the developing nations. The United States is examining a range of commodity problems and ways in which they might be fairly resolved. We intend to play an active role at the United Nations Conference on Trade and Development next month in Nairobi and come forward with specific proposals. We look toward a constructive dialogue in the raw materials commission of the Conference on International Economic Cooperation in Paris. And we are actively committed to producer-consumer forums to discuss individual commodities—such as the recent forum on copper.

The United States believes that the world community has before it a grave responsibility. Our country cannot delay in its efforts to develop an assured supply of critical resources through our deep seabed mining projects. We strongly prefer an international agreement to provide a stable legal environment before such development begins, one that ensures that all resources are managed for the good of the global community and that all can participate. But if agreement is not reached this year it will be increasingly difficult to resist pressure to proceed unilaterally. An agreement on the deep seabed can turn the world's interdependence from a slogan into a reality. A sense of community which nations have striven to achieve on land for centuries could be realized in a regime for the oceans.

CONCLUSION

Ladies and Gentlemen: The nations of the world now have before them a rare, if not unique, opportunity. If we can look beyond the pressures and the politics of today to envision the requirements of a better tomorrow, then we can understand the true meaning of the task before us.

Let us pause to realize what this Treaty can mean—to this generation and to the possible realization of humanity's dream of a progressive ascent toward justice and a good life for all peoples.

If the Conference is successful, mankind's rights and responsibilities with regard to the oceans will be clear to all.

This will mean freedom of navigation, preserving the rights of all on the seas.

It will mean a greater flourishing of trade and commerce, bringing the benefits of a freer flow of goods to consumers and producers alike.

It will mean that the oceans, recognized as "the source of all" since Homer's day, can continue to enrich and support our planet's environment.

It will mean that there will be a comprehensive regime for all of the world's oceans embracing not only territorial waters but a new economic zone, the continental margin and the deep seabeds.

It will mean the realization of the promise of scientific research in the oceans—the further probing of the mysteries of our planet to better the lives and preserve the health of all.

It will mean that the seas' resources of nutrition and raw materials can be trapped for the use of the entire human community.

It will means that an arena of conflict, and one which is becoming increasingly dangerous, will become an area for cooperative progress.

It will mean that the entire international community—the developing as well as developed, landlocked as well as coastal—will share in the uses, the nourishment, the material resources and the revenues which this great Treaty could provide. For the poorer countries in particular, it will mean revenues from the continental margin and the deep seabeds, and the opportunity to participate in deep sea mining through an international organization.

And above all, it will mean the nations of the world have proved that the challenges of the future can be solved cooperatively; that, for the first time mankind has been able to surmount traditional enmities and ambitions in the service of a better vision.

These then, are the stakes; these are the possibilities we hold in our grasp. Will we have the maturity and the judgment to go forward? Will we fulfill the obligation which future historians—without question—will assign to us? I believe we shall. The United States is determined that we shall. The possibility and the promise have never been more clear. Through reason, through responsibility, and by working together we shall succeed.

With hindsight it is easy to identify the moments in history when humanity broke from old ways and moved in new directions. But for those living through such times, it is usually difficult to see the true significance even of epoch-making events.

That is why the nations who are engaged in the Law of the Sea Conference have come to a unique moment in history. Only rarely does mankind comprehend the significance of change in the world as we so clearly do today. We share a common perception:

Of the need to contain potential conflict;

Of the importance of cooperative solutions to shared problems; and

Of the necessity to achieve the full and fair use of the possibilities of our planet, both material and moral.

If a second session is necessary this year to complete the work of the Conference, let us make that session the final one. To underline the importance the President attaches to these negotiations he has asked me to lead the United States delegation to that session. It is our hope that other nations will attach similarly high importance to it and be prepared to discuss the remaining issues before us at a decisive political level. This should be a time for determined action—a time to avoid rhetoric and to commit ourselves to decisions and a final agreement.

The United States calls upon all nations deliberating this great Treaty to summon the sense of responsibility and urgency which history and this task demand of us. For our part, the United States pledges itself to work tirelessly to seize this rare chance for decisive progress on one of the great challenges of our time.

[From the New York Times, Jan. 3, 1976]

MAKING THE LAW OF THE SEA

(By Claiborne Pell)

WASHINGTON.—The world has so far little noted but, I hope, one day will long remember the third session of the third United Nations Conference on the Law of the Sea, which is to convene in New York on March 15, 1976, for eight weeks of negotiations aimed at producing a comprehensive agreement for the orderly use and management of the oceans and their resources.

This conference, involving some 140 nations and dealing with vital issues affecting more than two-thirds of the earth's surface, is in my view the most important multilateral negotiation since the San Francisco

Conference in 1945, which drew up the United Nations Charter.

For this conference bears the responsibility for determining whether conflict or cooperation shall characterize man's activities in the oceans. Yet the Law of the Sea Conference has not received the priority attention it deserves either from the Ford Administration or from the governments of the other participating countries.

The New York session will be critical, as it will concentrate on the most difficult issues, which were not resolved at the two previous sessions, in Caracas and Geneva. Considerable agreement was achieved at these previous sessions on issues relating to the breadth of the territorial sea, navigation, fisheries, continental-shelf resources and marine pollution. But significant differences persist regarding the regime governing the development of the resources of the deep seabed and, to a lesser degree, on scientific research and on the desires of landlocked and geographically disadvantaged states to participate in resources exploitation of the proposed 200-mile economic zone.

Having come this far, it is time for all parties to demonstrate that they genuinely believe a treaty is necessary and possible. Real bargaining and compromise must therefore be the hallmarks of the New York session. In order to promote such a development, the United States must exercise greater leadership. President Ford and Secretary of State Henry A. Kissinger must become more directly involved in the negotiating process—not necessarily in the conference deliberations themselves but in the course of their many meetings with the heads of government and foreign ministers of the participating governments.

More generally, the Administration must emphasize that a successful conference occupies a high position in this country's list of foreign policy priorities. The Administration has made an encouraging first step by appointing the able former chairman of the board of the International Business Machines Corporation, T. Vincent Learson, as our chief negotiator at the conference. Much remains to be done, however. Mr. Learson must be backed up by comparable leadership in the State Department.

In this connection, it is urgent to name a new Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. It is shocking that this important post has been vacant for more than 80 percent of the time since it was first established in October 1973.

We must also be prepared to take new and imaginative substantive initiatives at the conference. For example, in the controversial area of deep-seabed mining, consideration should be given to proposing a 50–50 sharing of the profits of such operations with the developing nations. We might also propose the creation of an International Sea Guard to enforce certain provisions of a law-of-the-sea treaty.

Other nations also have a responsibility to help break the conference logjam. Some governments appear to be interested in delaying the negotiations either because their interests in the oceans are not yet clearly defined or because they expect to realize gains for their positions by using delaying tactics. Those nations should realize that deliberate delays can only work against their interests by encouraging the already strong sentiment in this country for unilateral action.

The Congress is already on the verge of enacting legislation to extend United States fisheries jurisdiction to 200 miles, a desirable move in view of the consensus achieved on this matter at the Law of the Sea Conference and the urgent need to save the many depleted stocks of fish off our coasts. Similar pressure is building up to enact a legislation on deep seabed mining, on which no consensus exists at the conference.

I do not believe, however, that American objectives would be served by issuing an ultimatum setting a deadline for the achievement of a treaty. Indeed, remarkable progress has been made so far. What is required, however, is a clear signal to the world from New York that disagreements are being resolved and that a comprehensive treaty is truly in sight. Without such a signal, the momentum of the conference will be lost and the prospects for success dangerously diminished.

FUNCTIONAL ILLITERACY

Mr. PERCY. Mr. President, it is distressing that children and young adults are graduating from our elementary schools without adequate reading and writing proficiency. Many are functionally illiterate. This is particularly distressing in view of the fact that we as a nation are expending increasingly greater amounts for education.

No one seems to have a sure cure for this sad state of affairs. The Reverend Jesse Jackson's new "Push for Excellence," in Chicago, Washington, and Los Angeles high schools may well be a step in the direction of solving the problem of growing illiteracy rates among our young people.

I ask unanimous consent that an article on Reverend Jackson's efforts from the March 24 edition of the Chicago Tribune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BIG PUSH BY JACKSON FOR DISCIPLINE IN SCHOOL

(By Casey Banas)

Here's a statistic to startle one:

In 10 years, the Board of Education's annual budget has skyrocketed from $388 million to $1.163 billion.

Granted that inflation caused a large part of the increase. But not all. Yet we are not exactly deluged with testimonials that more money has resulted in a better product being turned out.

So what's needed to elevate student achievement?

It is not more money. It is not higher salaries for teachers. It is not snazzy new instructional materials. It is not fancy schools.

It is, I submit, a new spirit—a spirit in which an entire city believes that its children, of all races, can learn effectively, and focuses its efforts in a united front to achieve that goal.

Guess who's going from neighborhood to neighborhood preaching that message?

The Rev. Jesse Jackson.

He is saying, first and foremost, that parents must do their jobs and assume more responsibility for their children.

I have the impression that a lot of black students go to school believing it's cool to be baaaaaad. And they act accordingly.

The Rev. Mr. Jackson makes the point that a white person who dares to suggest black parents are failing in their responsibilities for their sons and daughters would be labeled a racist like me, for example, for the preceding paragraph.

But the Rev. Mr. Jackson can go—and is going—into school after school to call with fervor for a revival of discipline.

In his flamboyant oratorical style, the Rev. Mr. Jackson spellbinds his youthful audiences with catchy slogans such as "We must have hope in our brains, not dope in our veins," and "Girls, you must pay more attention to books that to your bosoms."

He wants students and parents alike to cast aside the "anti-study, anti-intellectual" atmosphere permeating the inner city. He urges blacks not to consider themselves any longer victims of a white-dominated society, but to accept responsibility of their own destinies.

The Rev. Mr. Jackson is crusading for a "push for excellence" program in Chicago, Los Angeles, and Washington high schools so parents and teachers can join forces in motivating the children.

These are elements in his program:

A city-wide council of students would provide leadership to support discipline and academic excellence, and fight against drugs, violence, and racism.

Educators, politicians, the press, and disc jockeys should join forces to institute a "citywide study hour" from 7 to 9 a.m. for all students.

All schools should have dress codes reflecting modesty and dignity.

Schools should hold convocations at least three times a year to emphasize and recognize academic excellence just as enthusiastically as athletics.

The mass media should give students awards for artistic, cultural, and academic excellence just as they have created all-city and all-state athletic teams.

The Rev. Mr. Jackson, I believe, is addressing himself to the real problems of urban education and is offering what might become pragmatic solutions, if his crusade catches fire.

But yet there is something disquieting about his efforts. Several people have whispered in my ear that the Rev. Mr. Jackson has seized upon the school issue in an effort to revive his sagging personal image and to gain a new infusion of financial support for his Operation PUSH.

He scoffs at this type of talk. He argues that his calling is to be a social activist and he is following in the footsteps of the late Dr. Martin Luther King Jr. by going where the issues are.

You can make your own judgment.

I hope my observers are dead wrong about his motives.

If only the Rev. Mr. Jackson, with his flair as a charismatic leader, can ignite the force to get all parents to motivate, discipline, and encourage their children to the value of education, he will make a supreme contribution to this city.

ALASTAIR BUCHAN

Mr. KENNEDY. Mr. President, when Alastair Buchan died last February, many Americans joined with his own countrymen in mourning his loss. This remarkable man, who was the first director of the Institute for Strategic Studies in London, had a deep impact on the way we view the world; he helped to shape central themes of U.S. foreign policy; and he was a good friend of this country.

On March 17, a number of Mr. Buchan's friends and colleagues gathered at the Washington Cathedral, for a memorial service in his honor. It was a fitting tribute to a man who had done so much in seeking rational answers to problems of power and peace in the nuclear age.

I consider it a privilege, therefore, to ask unanimous consent that the program for the memorial service, along with the spoken tributes to Alastair Buchan, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A MEMORIAL SERVICE FOR ALASTAIR FRANCIS BUCHAN 1918–1976

Organ Prelude.

Opening Sentences.

The Twenty-Third Psalm and Lord's Prayer, Francis B. Sayre, Jr., Dean, Washington Cathedral.

An introduction, H. E. Sir Peter Ramsbotham, British Ambassador.

H. E. Jack Warren, Canadian Ambassador.

Mr. James Billington, Woodrow Wilson International Center for Scholars.

Hon. Charles Mathias, U.S. Senate.

Hon. Robert Ellsworth, Deputy Secretary of Defense.

Mr. Joseph Johnson, Former President, Carnegie Endowment for International Peace.

Closing prayers, The Dean.

Organ Postlude.

The people depart to the tolling of the Bourdon Bell.

Altar flowers are given in memory of Alastair Buchan by the Woodrow Wilson Center for International Studies.

REMARKS BY THE HONORABLE SIR PETER RAMSBOTHAM, KCMG, AMBASSADOR OF GREAT BRITAIN, AT THE MEMORIAL SERVICE FOR PROF. ALASTAIR BUCHAN, CBE

It seems altogether natural that we, who who were friends of Alastair Buchan, should gather together in this quiet moment in the Bethlehem Chapel, to share our sorrow and our loss in his early death, and to do him honour.

And yet I suppose it is unusual to be holding this service in the Cathedral of the Nation's Capital, to the memory of one who was neither a citizen nor a resident of the United States, nor a representative of his country, nor indeed the holder of any public office or political position.

He did not need to be any of these things. His reputation and influence had earned for him an international dimension. He was probably as well known this side of the Atlantic as in Europe. Essentially, he was a "bridge builder" and a synthesiser—he applied his remarkable imagination and power of analysis to bringing to light the intricate relationships between the various disciplines—history, economics, politics and science; and, in particular, between the subtle play of social and political forces and the hard, irreducible facts of military power in a nuclear age. No countryman of mine has contributed more to the understanding of international politics and the strategic implications of nuclear power in the latter half of the twentieth century.

Whether in conversation or in his writings, one experienced the keenness and ingenuity of his mind. In a world of increasing specialisation amongst scholars, Alastair Buchan, through his historical vision and breadth of knowledge, was able to illuminate the whole without lapsing into the eclectic—to draw the threads together while preserving the depth of scholarship.

He was a man of great tenderness and compassion. But his rugged exterior and brusqueness of manner were also the hallmark of a burning integrity and sense of purpose. His total absence of guile, dissimulation and self-advertisement endeared him to us all. Whatever is the opposite of ingratiating, he was. Fearless, morally and physically, he was equally brave in overcoming his own physical handicaps. He never spared himself and drove others hard. But those of us who worked with him in the International Institute for Strategic Studies, will never forget the inspiration of his leadership. He commended loyalty in others and also, I think, invoked in them a sense of the need to protect him.

Many of us have visited the Buchans in their home at Brill near Oxford, and have seen something of the happy life Alastair led, with Hope and their children. This special memorial service, offered by his American friends and admirers, means a great deal to his family. I telephoned Hope some days ago to tell her what was planned, and I would like to read from her letter of reply:

"The news of the Memorial Service at the Cathedral on 17 March has touched us all beyond description. It has given all his family here—his mother, sister, brothers as well as myself and the children, such a feeling of solace. Our thoughts will be with you".

I, too, am grateful for this occasion to share the sorrow and feel the solace in mourning the loss of one of my oldest and dearest friends.

REMARKS BY H. E. JACK H. WARREN, AMBASSADOR OF CANADA

The unexpected loss of Alastair Buchan is heartfelt by Canadians, as well as by his fellow Britons and by Americans. For we pay homage to a man whose domain was global and whose contribution was international.

Alastair Buchan's Canadian roots date from the closing years of the tumultuous thirties—years of mounting tensions which made a lasting impression on the youngest son of Canada's well known Governor General, John Buchan, Lord Tweedsmuir.

When World War II broke out, Alastair joined the Canadian army, as did his brother John, and had a part in the dramatic raid against Dieppe in 1942. He rose to the rank of major during the campaign in northwest Europe. His wartime experience helped shape the broad insights so clearly evident in his later work as journalist, analyst and historian of international and strategic affairs.

Alastair married an Ottawa girl, Hope Gilmour; in time their family came to number three—a daughter and two sons. Their grief in the loss of this intelligent, sensitive human being, whose scepticism and fine sense of humour so enlivened those who had the privilege of knowing him, we share in part today.

Alastair Buchan not only served Canada well in arms, but throughout his career, and like his father, demonstrated in many ways his affection and concern for Canada and for Canadians. He was no stranger to the Canadian academic community; to which he made many well remembered contributions through his writings and as an incisive and penetrating participant in seminars and meetings throughout the land. We were fortunate that, following his notable years as founder and director of the Institute of Strategic Studies, Alastair, in 1969, accepted the visiting Professorship in International Relations at Carleton University in Ottawa. He was a perceptive, if kindly, critic of Canadian affairs.

Alastair's recent appointments—at the Imperial Defence College (where many Canadians were influenced by his leadership), at Oxford University, and at the Woodrow Wilson International Center for Scholars—testify to the esteem in which he was held by his peers and to the quality of his scholarship. A close friend of Lester Pearson, Alastair enjoyed a notable rapport with statesmen, political leaders, and key intellectuals throughout the world.

As an aunt said of his father, it seemed as if the Buchans had ink rather than blood in their veins. If so, it was of the finest quality. Whereas his father was best known for his historical biographies and novels, Alastair normally preferred a more contemporary perspective; an exception was his fine 1959 work "The Spare Chancellor: The Life of Walter Bagehot." Buchan's other writings—particularly "NATO In The 60's," "War and Modern Society," "Power and Equilibrium In The 1970's"—reflected his deep and thoughtful wisdom, and foreshadowed a detailed analysis of post-war diplomacy which sadly remains unfinished.

We have lost a treasured friend and the world a distinguished and creative citizen. Canada, Britain, the United States, in particular, mourn the death of this compassionate and honourable gentleman.

REMARKS BY JAMES H. BILLINGTON, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

We at the Woodrow Wilson Center were the last of the many groups of American friends of this unique son of Britain and soldier of Canada. Many Americans both here and unable to attend today will pay him deeper tributes based on longer knowledge than can we or perhaps others who make speeches today. But we remember him vividly arriving almost self-effacingly a near perfect personification of the ideal prescribed by Congress for this presidential memorial—a scholar bridging the world of affairs and the world of ideas.

Perhaps because he came late to scholarship, he brought special gifts with him—a mature understanding of a complex world, the grace in writing of a gifted journalist, the concentration on important issues of a statesman without portfolio, and a gentle determination to put things together rather than merely take them apart. He had made fascinating discoveries (like the Indian origins of the domino theory), his study of our past quietly imported a fresh feeling of hope about the future among his colleagues—and of expectation about his forthcoming return to the Center. For he had embarked on what would have been a monumental history of post-war American foreign policy. His last communication to us arrived just two days after his tragic death—and makes this setting all the more appropriate for his memorial. His letter discussed enthusiastically a conference of Europeans and Americans advocated by a British church leader to discuss the enduring values of liberal democratic society.

None of these projects can be quite the same without him—his warmth and wisdom, his freedom from pretense and psychodrama. We grieve for his fine family. We give thanks for having had the privilege of knowing one who not only enriched civilization, but embodied it.

REMARKS BY SENATOR CHARLES MCC. MATHIAS, JR.

One of the differences between private life in a settled community and almost any form of public life—diplomacy, journalism, politics and other abberations—is the way we meet and keep friends. Private people can make friends in childhood who often remain as the daily companions of old age. But those who lead more hectic lives have to develop a different kind of friendship, different ways of communicating directly and openly with people who, although they move in and out of our lives physically, actually become a permanent and lasting part of life for us. This requires a special reaching out, a quality of giving and receiving, a desire to exchange thoughts and feelings and experiences in order to distill a chance meeting into a genuine and continuing friendship. Alastair Buchan made this process easy.

While his friends will remember this quality, his admirers, who did not know him, will remember his devotion to reality, to fact. As a journalist, at the Institute for Strategic Studies, and as a teacher he constantly sought to keep the record straight and to make the world stick to the record. I believe that Alastair Buchan, as an observer of the causes of conflict among nations, knew the danger of fantasy, the persistence of myth and the insidious power of legend. The only effective weapon against all these is fact—the unvarnished truth whether palatable or otherwise. The resolution of differences within the Atlantic community, the composition of controversies with the Soviet Union, the abatement of nuclear danger and the deceleration of the arms race—all these compelling goals require that we face reality. Alistair Buchan knew this and he tried to persuade us to do so by making it easier for us through his own work. This is a very great contribution and a lesson and example worth remembering a long time.

Remarks by Hon. Robert Ellsworth, Deputy Secretary of Defense

It is good that this memorial gathering of some of Alastair's friends takes place in the solemn and beautiful setting of this Cathedral. I never had thought of Alastair as a church-going man, though in important ways, and in his own ways, he surely was engaged in God's work.

One is reminded of an exchange between the Archbishop of Canterbury and Cardinal Hensley in London a little over a century ago. As they came out of a meeting together, the Archbishop offered the Cardinal a ride in his carriage. "After all" said the Archbishop, "both of us are engaged in God's work." "Yes," replied the Cardinal, "you in your way, and I in His."

Alastair did his work, or His work, in different ways. He was a gallant soldier. He was a brilliant journalist. He was a scholar. He was an author. And he was a founder and the first Director of the Institute for Strategic Studies. I knew him best through his work in and with the Institute and I think of his life mainly in terms of his enormously successful efforts to illuminate the deep and complex issues which arise from man's possession of nuclear weapons. These are problems with which mankind will have to deal: not just through the next crisis, or the next two or three crises—or for the next 100 years, or 1,000 years—but forever. And I believe Alastair felt that this strand of his life was particularly important.

But Alastair's life, like any man's life, was like a piece of tapestry. It was made up of many strands, which, interwoven, made a pattern. To separate any one strand, or even several strands, and look at them alone, not only destroys the whole, but gives the strand itself a false value. Each one of us knew Alastair in a different way; each one of us saw the pattern of the tapestry of his life somewhat differently. Each one of us can reflect to himself or herself on that pattern and remember it for its overall beauty, and strength, and coherence.

Alastair died too young; we all know that; that is a large part of our sorrow today. Seneca reminds us, however, that it is within no man's power to live long. But it is within the reach of every man to live nobly. We can all agree that Alastair lived nobly, that his life was a noble tapestry.

When the hero in "Pilgrim's Progress" was summoned across the river after death, he paused at its edge to declare his last will and testament, in phrases that could well have been Alastair's to us who knew him:

"My sword I give to him that shall succeed me in my pilgrimage, and my courage and skill to him that can get it. My marks and scars I carry with me to be a witness for me, that I have fought His battles who now will be my Rewarder."

Remarks by Joseph E. Johnson, Former President, Carnegie Endowment for International Peace

Each of us by the very fact of being here this afternoon is bound to be recalling his own associations with Alastair Buchan. All we who speak can do is to try to share with you some of your vignettes of Alastair and our thoughts about him, and to hope that we may touch your recollections and thereby strengthen and deepen the sense that each individual has of an exceptional man—a man who was warm, responsive, civilized, and to whom one who knew him well attributed "touches of genius and of prophetic insight."

I knew Alastair only during the last seventeen years of his life. I had never met him, nor even heard of him, before I learned of his appointment in 1958 as the first Director of the Institute for Strategic Studies. I had followed the steps leading to the establishment of the Institute from early 1957, as an interested but somewhat distant observer.

From 1958 on we saw each other on an average of two or three times a year. We corresponded frequently, we collaborated in organizing conferences and developing research projects, we visited each other, and we once shared an adventure—or rather a mild but frustrating misadventure—in a fruitless search for trout in the foothills of the Canadian Rockies.

As our friendship grew certain qualities of Alastair's stood out. For me they were vision, imagination, dependability, integrity, courage, and a readiness to dare the untried. Time does not permit me to illustrate each of these and in any case you will think of your own examples. But I do want to say a word about his daring—his adventurousness: three times in fifteen years he dared to take on new and quite different jobs, difficult jobs, and he succeeded each time—as Director of the Institute for Strategic Studies, as head of the Royal College of Defense Studies, and as Montague Burton Professor of International Relations at Oxford.

The qualities I have cited, and others besides, melded to make Alastair Buchan an inventor, a true innovator. Chalmers Roberts has called the ISS his monument, and he was right to say that. But only when I think about the combination of characteristics needed to build that monument do I begin to understand what an accomplishment it was: imagination, a fertile brain, constructive thought, the capacity to expound ideas clearly and forcefully, select the men, and finding the money, to build an institution that could go on, and has gone on, with a life of its own—that I suggest is evidence of truly remarkable creativity.

I believe the world at large will for many years be the better for the sanity and wisdom that Alastair manifested in all his professional activities, modestly, but with a forcefulness that thoughtful and responsible men could not ignore.

One not unimportant segment of the world's inhabitants has special reason to be grateful to him. Alastair Buchan had a just appreciation of the predominant role the United States has been called upon to play; he knew our country well and understood it as few foreigners have done, and he was a friend. He did not hesitate to speak well of us or to speak frankly to us when he felt the occasion warranted, and to do so without arrogance or condescension. In short, he was a true friend to the United States as well as to those of its citizens who know him, admired him, loved him, and will miss him.

Joseph's Coat Made of Tweed

(For Alastair Buchan 1976, by Francis B. Sayre, Jr.)

Bless'd, Lord, be Thy weavers:
Weavers of friendship in the fabric of peace;
Spinning from their soul threads
of insight and allowance;

Humble at the loom of love—
warp of caring
weft of understanding—
Until the coat is made of many colors:
Which is God's glory upon the peoples of earth.

We thank Thee, Father, for one such artisan,
Alastair Thy servant,
Watcher and weaver sure
Of the strands of the spirit that
together are fashioned into the
mantle of mankind.

Let now the rainbow be upon him,
Which Thou didst set forever to
be the emblem of Thy grace.

Amen.

WHAT HAS HAPPENED TO OUR WILL TO RESIST?

Mr. THURMOND. Mr. President, I have just read an excellent article by the National Commander of the American Legion, Harry G. Wiles, on the need to maintain a strong defense capability.

It is a clear and convincing statement which merits the in-depth study of every Member of Congress. Commander Wiles focuses on our defense posture and the will of our people.

Mr. President, Harry G. Wiles is a patriot of the highest order who understands what it means to sacrifice for our country. I hope the Congress will heed the warning Commander Wiles has given us in our Nation's interest.

Mr. President, in order to share this important article with my colleagues, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

What Has Happened to Our Will To Resist?

(By Harry G. Wiles)

A year has now passed since the Communist victory in Indochina.

For the United States it has been a year of shattered confidence, recrimination and retreat.

For the first time since World War II Americans are questioning the nation's capabilities.

Even Secretary of State Kissinger admits that the "detente" with Russia that he has so carefully nurtured and the strategic arms limitation talks (SALT) are in trouble. For the first time in 35 years Moscow can speculate on the American will to resist.

Congressional and public weariness with short-of-victory policies in Vietnam ultimately led to the cutoff of military aid and the collapse of Indochina. Congress then refused to try to thwart a Communist victory in Angola. The intensity of its investigations of intelligence operations and the almost masochistic determination to wash in public every delicate detail involving friendly or neutral governments indicates that the retreat toward isolationism is continuing.

Where does it end? How deeply is it rooted in the post-Vietnam American conscience? How will our allies react? After Angola what new opportunities will tempt our enemies?

For Russia, opportunity could beckon in the Mediterranean, southern Europe, Asia, Africa or even Latin America. The blatant use of Cuban troops in Angola has sounded alarms from Rhodesia to Panama.

More ominous is the parallel Soviet strategic arms buildup, because that is aimed directly at the United States and the North Atlantic Treaty Organization. Virtually every reliable international military estimate gives the Soviets superiority over the United States in nuclear missiles, naval strength and armor.

What is only now coming to light is the

intensity of the Soviet buildup during a period of supposed reconciliation. CIA estimates made public in late winter suggest Moscow is devoting 15–20 per cent of its gross national product to military purposes. It was previously estimated that only six-eight per cent went for arms.

Defense Secretary Rumsfeld says Soviet spending has been increasing steadily for ten years. Between 1965 and 1975, the Russians increased their military manpower from 3.4 million to 4.4 million, Rumsfeld said; their intercontinental ballistic missiles increased from 224 to 1,600; their sea-launched ballistic missiles from 29 to 700; their strategic warheads and nuclear bombs from 450 to 2,000. "The momentum from this buildup shows no signs of checking," he added.

During the same decade, U.S. military manpower dropped from 3.4 million to 2.1 million, its missile force remained static and its bomber fleet declined from 1,600 to 384.

Maj. Gen. George J. Keegan Jr., assistant Air Force chief of staff for intelligence, raises another dimension: Is the U.S. deterrent still credible?

"The Soviet Union has expended on the order of $20 billion to $25 billion in the last few years on hardening military command posts from the Politburo to the lowest ICBM site," Keegan said.

His unusually candid public appraisal went on to describe continuing Russian dispersal of industry into underground factories—some of which contain 10 billion square feet of space; and a matching civil defense program based on the emergency dispersal of its population. The United States simply has no comparable program.

Confronted with this, Kissinger has said it may be necessary to once again "contain" the Soviets, if SALT and other efforts fail. The price would be staggering; 1976 is not 1952.

Since Vietnam, inflation has sliced an estimated ten per cent from the U.S. defense budget and Congress has trimmed another seven per cent. More than 50 percent of that budget now goes for pay and benefits that military men have earned and must be honored. Precious little is left for new weapons.

The latest defense budget calls for $112.7 billion, an increase of $14.5 billion. But an estimated half of the increase would be sacrified to inflation and the other half could go, too, if an anti-Pentagon Congress should kill the B–1 bomber program and delay the cruise missile, two new weapons systems that might begin to balance the nuclear scales.

Winston Spencer Churchill, a young British MP, calls the world scene "a disaster synonymous with appeasement."

In words reminiscent of his famous grandfather, Churchill told the House of Commons "the sinister forces of totalitarianism are again on the march while the democcracies are wandering without aim. . . . Men acting from a variety of motives are helping actively the Soviet Union in its imperialistic desires."

Perhaps thus far Congress has accurately reflected the majority view of post-Vietnam America. So long as the Soviets nibble at far-off places like Angola, Indochina memories will intrude in any American debate.

But each new Soviet foothold, each American retreat escalates the ultimate cost of stopping Moscow's ambitions. History teaches that great nations eventually pay the price or surrender their greatness. In this election year voters and candidates must ponder that lesson.

COL. JOHN AMASA MAY

Mr. THURMOND. Mr. President, it is with deep sadness that I bid farewell to my close and personal friend, Col. John Amasa May of Aiken, S.C., who died on March 9, 1976. However, along with my sorrow I believe there is a need and desire to express my appreciation for the many years of his life he devoted to the State of South Carolina and this Nation.

Colonel May was one of the most colorful figures who lived in Aiken County. He was born in the small community of Graniteville and spent most of his life at his nearby country estate, "Mayfields." After graduation from Wofford College in Spartanburg, S.C., he studied law at the Harvard School of Law and the University of South Carolina where he received his degree in 1934.

Mr. President, Colonel May was a man of many fine qualities and outstanding achievements. He was a patriot and soldier who loved his country and zealously supported and defended it and its interests. He was an infantry officer during World War II and afterward became a Chief Prosecutor at the Nuremburg War Crimes Trials. Upon returning to civilian life, Colonel May began the practice of law in his hometown of Aiken, S.C., and during his practice, he became noted nationally as a historian, particularly for his work in the field of Confederate history. Such was his love of history that his estate, "Mayfields," has been transformed into an indoor-outdoor musuem, with one of the largest private collections of American and Indian relics and historical documents in the South.

Mr. President, Colonel May's contribution as a lawyer and historian speak for themselves, but they are by no means his only efforts in community and State progress. After serving as a member of the State House of Representatives from Aiken County, he was appointed to the position of liaison between the Bureau of Outdoor Recreation and the South Carolina Department of Parks, Recreation and Tourism. Under his ardent and professional leadership, more than 500 projects throughout the State were initiated and funded.

Colonel May was active in all facets of civic activities at both the State and National level. In 1967, he was appointed to the National Advisory Council on Historic Preservation. He participated in the South Carolina Confederate War Centennial Commission and the Confederate War Centennial Conference. Colonel May was also past South Carolina department commander of the American Legion, national commander-in-chief of the Sons of Confederate Veterans and past commander-in-chief of the Order of Stars and Bars.

Colonel John May was a devoted and dedicated family man who believed in a strong and close family relationship. He is survived by his sister, Mrs. Victor W. Dilgard, Dayton, Ohio; and two grandsons, John Amasa Mayo, and Christopher P. Mayo, Ottawa, Canada.

Mr. President, numerous editorials and tributes have appeared in newspapers throughout South Carolina and Georgia noting the accomplishments and qualities of Col. John Amasa May. I ask unanimous consent that several of these articles be placed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Columbia, S.C., State, Mar. 13, 1976]

PRT Official Col. John May Is Found Dead in Apartment

Aiken.—Col. John A. May, 67, director of the Bureau of Outdoor Recreation with the S.C. Department of Parks, Recreation and Tourism (PRT) and a former member of the S.C. House, was found dead in his Columbia apartment Friday. His death was apparently due to natural causes.

Born in Graniteville, he was a son of the late John A. Sr. and Martha Randall May. He received his A.B. from Wofford College in 1931 and studied law at Harvard Law School and the University of South Carolina, receiving his law degree from USC in 1934.

Col. May represented Aiken County for 18 years in the S.C. House In 1966 he was appointed to the PRT post by Gov. Robert E. McNair. He was re-appointed to the position by Gov. John C. West and Gov. James B. Edwards.

At PRT he also was state liaison officer for the Bureau of Outdoor Recreation's funding programs. Under his leadership, more than 500 projects throughout the state were funded.

Col. May had planned to retire in June after 10 years of service. He was scheduled to host the next PRT Commission meeting on March 26 at his Aiken estate, "Mayfields." During the meeting he was to be honored for outstanding service to PRT especially for the funding program.

In 1967, President Lyndon B. Johnson appointed Col. May to the National Advisory Council on Historic Preservation. He was reappointed in 1973 by President Richard M. Nixon.

In 1960, Col May retired as a practicing attorney, to devote full-time to the S.C. Confederate War Centennial. He served as chairman and director of the project without pay. He also served as vice chairman and then for two years as chairman of the Southern States Centennial Commission.

May, a veteran officer of World War II, participated in the Nazi war crimes trials after the war. During the war he was awarded the Bronze Star.

He was a member of the Knights of Pythias, Woodmen of the World, D. of A., Masons, Knights of Templar, Eastern Star, Omar Temple of Shrine, Elks, 40 & 8 and V.F.W. He was South Carolina department commander of the American Legion in 1955–56, national commander-in-chief of the Sons of Confederate Veterans and past commander-in-chief of the Order of Stars and Bars.

He was a member of St. John's United Methodist Church in Aiken.

Surviving are a sister, Mrs. Victor W. Dilgard of Dayton, Ohio, and two grandsons.

Plans will be announced by George Funeral Home of Aiken.

[From the Augusta, Ga., Chronicle, Mar. 13, 1976]

Col. John A. May, Historian Dies

Aiken.—Col. John A. May of Aiken and Columbia, state liaison officer for the U.S. Bureau of Outdoor Recreation and former state legislator, was found dead at his Columbia apartment Friday.

Col. May was nationally known as a historian, particularly in the field of the Confederacy, and he was one of 10 members of the National council of Historic Preservation at the time of his death. He had served eight years.

He was chairman of South Carolina's Confederate War Centennial Commission 1959–1965 and also chairman of the Confederate War Centennial Conference, which included all Southern states. He received the Award of Distinction from the National Civil War Centennial Commission.

An attorney and a veteran of World War

II, Col. May was one of the chief prosecutors during the Nuremburg Crimes Trials. Later he was state commander of the American Legion and national commander of the Sons of Confederate Veterans.

He served as House member from Aiken County for 18 years until his appointment by Gov. Robert McNair to the position of supervising the use of federal funds from the Bureau of Outdoor Recreation on state projects. More than 500 such projects were initiated under his leadership.

Born in Graniteville, S.C., Col. May had long made his home in Aiken. His 90-acre estate "Mayfields" north of Aiken was transformed over the year into an indoor-outdoor museum, with one of the largest private collections of American and Indian relics and historical documents in the South.

He is survived by one sister, Mrs. Victor W. Dilgard, Dayton, Ohio, and two grandsons, John Amasa Mayo and Christopher P. Mayo, Ottawa, Canada.

[From the Aiken, S.C., Standard,
Mar. 15, 1976]

COLONEL MAY DIES; FUNERAL TODAY

One of South Carolina's favorite native sons, Col. John Amasa May, died in his Columbia apartment Tuesday. His body was not discovered until Friday.

Col. May, born in Graniteville in 1908, was a graduate of Wofford College. He attended Harvard Law School and graduated from the law school at the University of South Carolina.

Col. May practiced law in Aiken for several years and was a member of the S.C. House of Representatives for fifteen years.

He served five years in the U.S. Army during World War II and was awarded the bronze star. Upon being discharged from the Army, Col. May was named military secretary to the governor and prosecuting attorney of the major German war crimes trials. In 1967 he was appointed state liaison officer for the Bureau of Outdoor Recreation and Director of the B.O.R. by Gov. Robert G. McNair.

Recently, Gov. Edwards was presented a national award from the Secretary of the Interior for the outstanding accomplishments of B.O.R. in South Carolina.

Col. May was also appointed successively by three U.S. presidents to the Presidents Advisory Council on Historic Preservation.

A meeting of the S.C. Parks, Recreation and Tourism had been scheduled to be held at Mayfields later this month to honor Col. May for his outstanding service to South Carolina.

Col. May was a member of Aiken Lodge 156, Omar Temple of the Shrine, lifelong member of St. John's Methodist Church, charter member of the Aiken Lions Club and past district governor of the Lions; past president of Aiken Chamber of Commerce, member of Emily Geiger Council 32, Daughters of the America, past commander of S.C. Department of American Legion and several other civic and professional organizations.

Funeral services were to take place today at 4 p.m. at St. John's Methodist Church with the Revs. Robert E. James, Adlia C. Holler and Dr. F. S. James officiating. Burial will take place at his estate, Malfields.

Surviving are: one sister, Mrs. Victor W. Dilgard, Dayton, Ohio; two grandsons, John Amassa Mayo, and Christopher P. Mayo, both of Ottawa, Canada.

Pallbearers are Nathan M. Wolfe, Sr., O. W. Davis, James A. Hamilton, James G. Nunnery, J. E. Stewart, W. J. Bryan Dorn, John P. Gardner and Alex M. Geiger.

Friends may call at the George Funeral Home. Memorial contributions may be made to St. John's Methodist Church.

[From the Augusta, Ga., Chronicle,
Mar. 16, 1976]

COL. JOHN A. MAY

In the death of Col. John A. May, South Carolina has lost a man who achieved eminence in several fields, and deservedly so.

Born in Graniteville and a long-time resident of Aiken, Colonel May was nationally known as a historian, particularly in the field of the Confederacy.

Colonel May was one of 10 members of the National Council of Historic Preservation. He was chairman of South Carolina's Confederate War Centennial Conference which included all States that once belonged to the Confederacy. His professionalism was recognized by the bestowal of many awards from historical organization, not the least of which was the coveted Award of Distinction from the National Civil War Centennial Commission.

An attorney and a veteran of the Second World War, the colonel was one of the chief American prosecutors during the post-war Nuremburg Trials. After his active service in the military, he served as commander of the Palmetto State's American Legion, and he once served a term as national commander of the Sons of Confederate Veterans.

Interest in and concern for good government spurred him to run as a state legislator from Aiken County. He served with distinction in the House for 18 years until his appointment by then-Gov. Robert McNair to the position of supervising the use of federal funds from the Bureau of Outdoor Recreation on state projects. More than 500 such projects were initiated under his guidance.

Colonel May earned for himself the affection and respect of the many who knew him as a patriot, friend, neighbor, Christian, and dedicated student of history. The Palmetto State is the poorer for Colonel May's loss, and we join with the many who grieve because of his passing.

[From the Aiken, S.C., Standard,
Mar. 17, 1976]

COL. JOHN A. MAY

The death of Col. John A. May in Columbia last week removes from the scene one of the most colorful figures who has lived in Aiken County in recent times.

Col. May, a Graniteville native who served in the South Carolina House of Representatives for 15 years, spent most of his life in Aiken and at his nearby country estate, Mayfields. His father was a successful automobile dealer in Aiken, and an only brother, Eugene, was killed when the airplane he was piloting crashed into a residence near the family's home in downtown Aiken in the late 1930s.

A graduate of Wofford College, Col. May attended Harvard Law School and graduated from the University of South Carolina Law School.

He served in the Army for five years during World War II and later was one of the chief prosecutors at the Nuremburg Crimes Trials. Returning to civilian life, he was elected State commander of the American Legion and national commander of the Sons of Confederate Veterans.

He was deeply interested in history, and he had an extensive collection of American and Indian relics, as well as historical documents relating to Southern history.

He was one of 10 members of the National Council of Historic Preservation, having been appointed by three successive presidents. He served in the 1960s as chairman of South Carolina's Confederate War Centennial Commission and chairman of the Confederate War Centennial Conference of Southern states. During the Centennial observances, he was a familiar figure at public gatherings in his authentic Confederate uniform.

Col. May some months ago announced the gift of a tract of land to be used by St. John's Methodist Church for youth recreational activities. He was a charter member of the Aiken Lions Club and was a one-time president of the Chamber of Commerce.

In recent years Col. May had served as state liaison officer for the U.S. Bureau of Outdoor Recreation and was recently presented a national award for his accomplishments.

He had many friends throughout South Carolina and will be greatly missed.

[From the North Augusta, S.C., Star,
Mar. 18, 1976]

COL. JOHN A. MAY

Two weeks ago Saturday, a tour of several state officials and local persons was conducted over the area known as Redcliff Plantation near Beech Island. The plantation was given to the State of South Carolina by the late John Shaw Billings.

Present at the event to contribute to the undersanding of the area was noted Southern historian and long-time Aiken Countian Colonel John A. May. He is pictured here as he spoke to the group about the historic cemetery on the grounds of the plantation.

Last week, Colonel May died.

Prior to his appoinment to positions relating to preserving the history of the state and nation, May was a member of the South Carolina House of Representatives from Aiken County. He served in this post for several years.

There are many words which may be used to describe a politician. The one most aptly befitting John May (and few others) would be "affable."

During those days, he would come into our office like clockwork every two years and say, "It's that time again," and ask for our vote. He would say, on leaving, "I won't bother you for two more years, but you know how to get in touch if you need me."

John was the personification of the unreconstructed rebel. He never did admit that the North had won the War Between the States and would even show you on maps how the Yankees could not have possibly won some of the battles that history books say they did.

John May was a remnant, a generation or two removed, of the Legions of Gray which fought for a lost cause in the days when causes were important.

It seems somehow fitting that one of his last visits to this area was to walk on the grounds of what is to remain a lasting tribute to that portion of a way of life that has passed into the past.

EXPLANATION OF VOTE

Mr. STENNIS. Mr. President, during the consideration of S. 287, the omnibus district judgeship bill, the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) offered amendment number 946 which provided, in effect, that State courts would have jurisdiction to hear and decide cases or controversies involving the public schools. I was strongly in favor of this amendment and have consistently supported such proposals in the past.

Therefore, I was very much surprised to learn that on the rollcall vote—No. 110, legislative, page 9039 of the RECORD—I was recorded as voting in favor of the motion to table this amendment which was made by the distinguished

Senator from North Dakota (Mr. Burdick).

While I am unable to fully explain this mix-up, I do want the Record to show at this point that I was in favor of the amendment proposed by the Senator from Virginia; on such vote it must have been my impression at the time that the vote was direct and that I was voting for the amendment as I had done previously when similar amendments were voted on.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3136, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

The Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. The pending question is on the motion by the Senator from Kansas (Mr. Dole) to waive section 401(b) of the Congressional Impoundment Control Act with regard to the consideration of this bill.

Time for debate on this motion is limited to 1 hour, to be equally divided and controlled by the Senator from Kansas (Mr. Dole) and the Senator from Alabama (Mr. Allen), with a vote thereon to occur at 2 p.m.

Mr. DOLE. Mr. President, the Senator from Alabama (Mr. Allen) contends that the motion of the Senator from Kansas is a "budget-busting" motion—designed to evade the new budget control process. Nothing could be farther from the truth. Section 904(b) of Public Law 93–344, the Budget Act, provides specific authority for waiving or suspending any provision of title III or IV of the act upon a majority vote of the Senate.

Therefore, the pending motion of the Senator from Kansas to waive section 401 (b) of the Budget Act is not only not counter to the provisions of the Budget Act—it is specifically provided for by that act.

The attempt of the Senator from Alabama to invoke the technical provisions of section 401(b) would thwart the efforts of the Senate to pass meaningful food stamp reform legislation this year. There has been unanimous agreement for months that the food stamp program is in need of reform. That is precisely what we hope to accomplish by the substitute amendment now pending before the Senate.

For any point of order which is lodged against the substitute of the Senator from Kansas would apply equally to any food stamp reform legislation, including the committee version of S. 3136.

More importantly, the second concurrent resolution on the budget for fiscal year 1976 specifically urged reform in the food stamp program. The Agriculture Committee, under the leadership of the Senator from Georgia (Mr. Talmadge), has moved on that request. And now the Senator from Alabama proposes to delay action on meaningful food stamp reform through a technicality of the budget process.

The Senator from Alabama has accused the sponsors of substitute amendment No. 1571 of offering a "budget-buster." In fact, the efforts of the Senator from Alabama to delay meaningful food stamp reform legislation on a technicality of the Budget Act could well result in a true "budget-buster." For if the President's proposed regulations are declared invalid as a result of litigation—a highly likely prospect—failure to pass meaningful reform legislation would result in the continuation of current law. It is current law—not the substitute of the Senator from Kansas—which permits high income people to qualify for food stamps. It is current law—not the substitute—which has led to inflammatory advertisements of $16,000 a year families receiving food stamp assistance. It is current law—not the substitute—which enables middle-class college students to receive food stamp assistance. It is current law—not the substitute—which has led to countless administrative errors and literally millions of dollars of wasted taxpayers' funds. And it is current law—not the substitute—which will lead to more wasted taxpayers' dollars in the future.

Far from being a "budget-buster," the substitute amendment will result in a balanced reform of the program. It will cut off high-income families from food stamp participation. It will eliminate non-needy college students. It will greatly reduce administrative complexity and thus save hundreds of millions of dollars. It is, by any standard, an eminently fair compromise which will cut out the abusers while providing assistance to our impoverished citizens.

If the Senate is interested in busting the budget, it should thwart meaningful food stamp reform by opposing the motion to suspend section 401(b) of the Budget Act. If the Senate wishes to go on record in favor of meaningful, balanced reform of the food stamp program, it should overwhelmingly approve the motion to suspend section 410(b).

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 5 minutes.

Mr. President, the issue presented here is whether we shall accept the committee bill which actually affords no reduction in cost, according to revised figures from the Department of Agriculture, or whether we will take the entire ceiling off and allow the consideration of the Dole-McGovern substitute which adds, by their own admission, $389 million to the cost of the committee bill.

Mr. President, yesterday I furnished a letter from the Department of Agriculture, which, of course, has the management, supervision, and administration of the food stamp program, a letter from Dr. Richard Feltner, Assistant Secretary in direct charge of the program, in which he stated that far from accomplishing any reduction in the cost of the food stamp program the Dole-McGovern substitute would add $9.7 million to the cost of the program badly in need of reform and in reduction of the overall cost of the program.

I pointed out that that letter had a caveat in it, saying that $9.7 million was not the whole story, that the cost in all likelihood could be much more than that because they were reassessing the data that they had as to the cost of the program and the impact of the Dole-McGovern substitute.

I pointed out on yesterday that based on the committee report itself there was added cost in both the committee bill and the Dole-McGovern substitute of an additional $497 million.

That was my own calculation based on the fact that the Department in furnishing figures for the use of the committee felt like the average deduction from income of food stamp recipients amounted to $114 a month. So they were very glad to have the bill provide a standard deduction of $100 a month, feeling that they were accomplishing a saving there, but as will be seen from the second table on page 5 of the committee report actually the average deduction was only $77 per month, and one would think that a change in the deduction would not have the tremendous impact that it does, but on page 91 of the committee report it is pointed out that for each dollar of increase in the amount of the standard deduction it cost the taxpayers $21.5 million.

So, the difference between the standard deduction of $100 and the present average deduction of $77 would make a difference of $497 million added cost, not only for the committee bill, which would wipe out the entire savings of the committee bill, but it would also add that to the cost of the Dole-McGovern substitute, getting it up, according to my own figures, over half billion dollar extra cost.

The Department has confirmed my shorthand arithmetic computation with a letter this morning.

Mr. President, I ask unanimous consent that a copy of the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Office of the Secretary,
Washington, D.C., April 8, 1976.
Hon. James B. Allen,
U.S. Senate,
Washington, D.C.

Dear Senator Allen: In further explanation of the estimated cost of the proposed subtitute food stamp reform plan, I would

> like to expand on my statement of yesterday concerning the Department's estimates. It may be true that using new data on itemized deductions will increase our cost estimates and reduce our savings estimates. If the only variable changed in our estimates were these itemized deductions the estimated costs could increase by approximately $400 to $500 million. However, other variables will be updated also, some of which may interact with the deductions to change this amount.
>
> When the revision of our estimating model (which I mentioned in my letter yesterday) is completed, we will be able to provide a final estimate of the bill's impact.
>
> Sincerely yours,
>
> RICHARD L. FELTNER,
> *Assistant Secretary.*

Mr. ALLEN. But I shall read from that letter.

> In further explanation of the estimated cost of the proposed substitute—

And that is the Dole-McGovern substitute—

> I would like to expand on my statement——

The PRESIDING OFFICER (Mr. MCINTYRE). The Senator's 5 minutes have expired.

Mr. ALLEN. I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for an additional 2 minutes.

Mr. ALLEN (continuing):

> I would like to expand on my statement of yesterday concerning the Department's estimates. It may be true that using new data on itemized deductions will increase our cost estimates and reduce our savings estimates.

As I pointed out yesterday:

> If the only variable changed in our estimates were these itemized deductions the estimated costs could increase by approximately $400 to $500 million.

This expressly confirms my calculations of yesterday.

So the Dole-McGovern plan, according to the letter of the Department of Agriculture, would cost the taxpayers, in this so-called reform effort, an additional amount of the $9.7 million of yesterday and the additional $400 million to $500 million, based on this difference in the calculations on the deduction. So the added cost, according to the Department of Agriculture, of the Dole-McGovern plan would be from $409.7 million to $509.7 million.

It is a budget buster. The Dole-McGovern plan is a budget buster. It busts the President's budget, because he has submitted a plan to the Agriculture Department that sets up and promulgates rules and regulations, and the cost of his plan is some $4.8 billion.

So make no mistake: The Dole-McGovern substitute adds tremendously to the cost of the present program. It is a budget buster. It busts the President's budget. It busts the President's program.

We are called upon to waive the law of the Congressional Budget Committee, the law of which we are all proud. But if we can come in here every time we wish and go beyond the budget and just make a simple motion to nullify the provisions of the budget, what good is a budgetary control law?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. I yield myself 2 additional minutes.

So, Mr. President, the test is, are we going to abandon any effort to reform this program? If Senators want to abandon any effort to reform this program, they should vote to waive the provisions of the budgetary control law. Then they should vote for the Dole-McGovern substitute.

But this is a test vote. The vote that will occur at 2 o'clock will determine whether or not we really want to reform a program or whether we want to add tremendously to the cost.

If Senators want to add tremendously to the cost, they should vote for Senator Dole's motion to waive the provisions of the budget law and lift the ceiling. That would make a mockery of this whole reform effort, and we would end up with a veto of this bill. Then we will fall back on the President's plan, which does not have the $6.5 billion to $7 billion cost of the Dole-McGovern plan. It is $4.8 billion.

In the name of true reform and not reform in reverse, I urge that the Senate turn down the effort of the Senator from Kansas (Mr. DOLE) to waive the provisions of the budget law.

Mr. President, I reserve the remainder of my time.

Mr. LEAHY. Mr. President, I ask unanimous consent that Mary Sullivan and Herbert Jolovitz, of my staff, have the privilege of the floor during the proceedings this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I yield 7 minutes to the distinguished Senator from Nebraska (Mr. CURTIS), and I will extend additional time if he needs it.

Mr. CURTIS. I thank the distinguished Senator from Alabama.

Mr. President, we are asked to waive the provisions of the recently enacted budget law. This law held out the hope to the country that, if followed, it would be of assistance in bringing us a balanced budget. All of us, in varying degrees, held that hope. We should let it work.

Just because some Senators in this Chamber want a great expansion of the food stamp program, they are urging that we disregard the budget law. Technically, they can do this, but I think it is a very unwise procedure. We should let sufficient time go by to see what good would come from adhering to the Congressional Budget Act.

This is offered in reference to a proposal to expand the food stamp program. The committee bill on food stamps created a great many loopholes. It fails to reduce the program to proper proportions. The substitute measure goes far beyond the committee bill.

Mr. President, we have a deficit this year of about $76 billion. If we are going to put that budget into balance, it is going to take something more than oratory. It is going to take something more than the elimination of waste, and waste should be eliminated everywhere we can. It will take something more than tax reform. The objective of tax reform should be to do justice, and often the only way that can be done is to relieve taxpayers of an unjust burden that is brought to light. Sometimes it does result in additional revenue; but, overall, it does not collect any additional revenue.

However, the fondest hopes that anybody could have for saving money by eliminating waste would be $2 billion or $3 billion and a smaller amount from tax reform. We still would be left with a deficit of $70 billion.

The only way we can establish a balanced budget and the only way we can control Federal finances is to cut back on some of the programs that are going on. One of those programs is now before us—the food stamp program. It was started in 1964 at a cost of $30 million; today it is $6 billion.

The purpose of the food stamp program is very simple. It is to give some aid to people who are hungry and malnourished. I believe that we can meet the objective fully with expenditures not to exceed $4 billion, and I presented to the Senate a series of amendments that would have made that possible. Those amendments were rejected. That battle is over.

The committee bill goes far beyond what it should do in providing food stamps for people who have incomes beyond the poverty level.

The substitute offered is more reckless and dangerous than the committee bill. Furthermore, Mr. President, we have reason to question the impression given by their budget estimates. For instance, the cost of the substitute proposal is based upon fiscal year 1977, while some of their expansionist promotions in the substitute do not become law until the end of fiscal year 1977.

There are many places where this substitute fails to do justice, where it expands in a way that does not deal with poor people who are hungry or malnourished. For instance, the committee bill had a provision that the exclusion from assets for the purpose of determining eligibility in reference to personal property used in a trade or business be limited to $15,000. That is removed in the substitute. A farmer might have machinery or similar property worth $100,000. Yet, in the eyes of the authors of the substitute, that person would still be eligible for food stamps.

Mr. President, if we do all we could in dealing with the $76 billion deficit, if we do all we could in the way of eliminating waste and tax reform, we would still have a $70 billion deficit. If we are serious and if we are honest with our people back home, we have to approach the task of reducing the size of the Government. We should be reducing the food stamp program from its present $6 billion to $4 billion or below. I am thoroughly satisfied, based upon the knowledge we have of this bill and the proposals going beyond the poverty level, that $4 billion well used could take care of the people who are so poor that they are hungry and malnourished in this country. It was never intended as an income supplement.

it should not be used as an aid to education.

The idea of the Senate going on record in favor of taxing the people that never get to go to college to provide groceries, food, for those who choose to go to college, maybe all their lives! It is not difficult for a married student to qualify from the standpoint of assets or income, either one. Yet he is able-bodied, and the taxpayers are already providing him with a subsidized education; the taxpayers are already providing him, no doubt, with subsidized housing. With the availability of grants, loans, and scholarships, then the Senate hold that in addition to all that, we should give them food stamps. That is not a nutrition program, that is welfare stating.

The motion of the distinguished Senator from Kansas should be defeated.

Mr. ALLEN. I had hoped that the Senator from Kansas might use some time at this time, but since he is not here, I shall yield 7 minutes to the distinguished Senator from New York (Mr. BUCKLEY).

How much time remains to the Senator from Alabama?

The PRESIDING OFFICER. The Senator from Alabama has 9 minutes remaining. After the Senator from New York has spoken for 7 minutes, there will be 2 minutes remaining.

Mr. BUCKLEY. Mr. President, given the time restraint, I shall use only 2 minutes, because I believe I can say what needs to be said at this point in less time.

Mr. DOLE. I shall be happy to yield to the Senator from New York an additional 2 or 3 minutes.

Mr. BUCKLEY. I appreciate that courtesy from the Senator from Kansas, especially since he made that gesture before he heard what I had to say.

Mr. DOLE. I already read it.

Mr. BUCKLEY. I believe that the proposed Dole-McGovern legislation is not a substitute food stamp reform bill, it is a substitute for food stamp reform. It betrays the expectation of the American people that Congress would really tighten up on the food stamp program, reduce its costs, and restrict its benefits to the needy. It is being called a compromise. It is not a compromise and, with all due respect to my friend from Kansas, it is really a capitulation. It flies in the face of both common sense and public opinion. It is a legislative affront to the American taxpayer.

It will not reduce the cost of the food stamp program; quite to the contrary. After a full year of the food stamp controversy and debate, the Senate has before it a bill that would appear to drastically increase that cost. I have estimates that total in the neighborhood of $1.4 billion above current expenditures, almost $1.5 billion. A few more reforms like this one will bring us to national bankruptcy.

The distinguished Senator from Alabama has read a letter from Assistant Secretary Feltner, which I believe places a tag of about $0.5 billion on some features of the substitute, but I point out that USDA has addressed itself to estimates in only 6 of the 18 areas that would be affected by the substitute proposal. Both the sponsors of this legislation and the Department of Agriculture have failed to estimate the cost impact of those other 12 provisions. If Congress approves this legislation without considering its true price tag, it will once again demonstrate to the American people the accuracy of the old piece of political folk wisdom: that no one's life or liberty or property is safe while the legislature is in session.

The specific matter before us, Mr. President, is whether or not we should invoke a provision in the budget control law to permit this legislation to be considered at this time. I believe it would be foolhardy for us to proceed. I believe that, quite clearly, we have no possible understanding of what its full impact will be on the budget. It seems to me that this, quite clearly, is the kind of legislation that ought to be sent back to the drawing board so that we can get revised figures and know precisely what it is we are about. If we, at this juncture, when we are still testing the budget process, merely exercise the right of the majority to set aside the protection written into the budget bill, then I believe we are endangering the whole viability of the one reform in the last decade or so that truly offers the opportunity for Congress to achieve some sort of control over the expenditures' going up.

Clearly, Congress has not come to grips, in my judgment, if it adopts this substitute, with the underlying problem with food stamps. What is it supposed to accomplish? Are we talking about nourishing the needy or are we utilizing this merely as a substitute device for income supplementation and doing it by a sort of shell game to disguise from the American people what is going on in a manner that is not only extremely costly but also is developing real anger on the part of some of our population, who see other people no worse off than they nevertheless taking advantage of the provisions of the food stamp program to utilize their tax dollars?

I am for food stamp reform. But this bill is a monumental step backward. I thank the Senator from Alabama for yielding me his time.

The PRESIDING OFFICER. Who yields time?

The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I have listened with interest to the distinguished Senator from Alabama and the distinguished Senator from New York. I certainly share their views in their efforts and hopes that we can reform the food stamp program.

I think the substitute, which we hope to get into after the 2 o'clock vote, does provide reform—maybe not as much as some would like, but it may depend, too, upon their definition of reform.

During the committee deliberations on this bill the Senator from Kansas pointed out time and time again that reform was a two-sided coin; that we should eliminate those who were not in need, we should eliminate every abuse we could but, at the same time, we should make it easier for those who were truly in need, the poor, the elderly, and the disabled, make it easier for them to participate.

So, on that basis, the Senator from South Dakota (Mr. McGOVERN) and I discussed the proposal eliminating the purchase requirement. But in an effort to compromise on reform we have dropped that effort, and I do believe the substitute now pending provides reform.

Let me name just a few of the reforms that the substitute contains. Let me, first, disabuse any of those who think this bill is for those who may have more than adequate means.

The substitute eliminates all households with net incomes above the poverty level. I do not know how many in this body understand the poverty level, but it is not very high. We say, in effect, "You are not eligible for food stamps if you have a net income above the poverty level," not $7,000, not $8,000, not $16,000; it is adjusted around $5,500 for a family of 4.

The substitute eliminates all college students who are dependents or who could be claimed as dependents by their parents. We believe we have tightened up the student provision to avoid some of the abuses.

The substitute will save a great deal of money, millions and millions of dollars, in administration because of the standard deduction and uniform purchase requirement. Many of the abuses and much of the cost of administration have been because of maladministration. But it is a giant program with millions of participants, costing billions of dollars, and mistakes are made.

It was the understanding of the Senator from Kansas that everyone on the Senate Agriculture Committee had the same thing in mind, to tighten up the program, slow its growth, lop off those who should not be participants, and help those who should be.

The net result, according to estimates—and we have heard a lot about estimates, the very inflated estimate of the Senator from New York (Mr. BUCKLEY) and the less inflated estimate of the Senator from Alabama (Mr. ALLEN)—but according to estimates the substitute would remove about 1.2 million people from the program.

The substitute also improves vendor accountability, the so-called Helms amendment, in an effort to get at vendor fraud, to stop vendor fraud.

The substitute strengthens the work registration requirement. There are just countless reforms in the substitute as well as in the committee bill.

Now, Mr. President, I would like to discuss briefly the cost estimate gain. First, I think we must establish what we want. Do we want to destroy the food stamp program? There are some who do, and I do not say they are totally in error, unless we can bring some responsibility to the program.

I think very highly of the Senator from Alabama. I know of his dedication to fiscal responsibility, his concern about fiscal responsibility. Everyone in this Chamber respects his desire to search out the truth in the matter of cost estimates. I certainly believe that is highly commendable.

But I think we must recognize that there really is no truth in estimates. There is no truth in the estimate of the

CBO or the USDA or the Library of Congress or from whatever source because they are estimates, that is all they are and, as estimates do, they vary from month to month. They vary according to what assumptions are used and, of course, they change with new data.

The best that can be done is to use the most reliable official information at hand and consider it carefully, and this is exactly what was done in establishing the cost of the savings estimate for the committee's food stamp reform bill and the proposed substitute with the help, I might add, of the Congressional Budget Office and the Department of Agriculture. So it has not been something dreamed up by my staff or the Agriculture Committee staff. It has been done on an objective and technical basis.

Nonetheless, the distinguished Senator from Alabama has concluded that this is a budget-busting substitute. I assume today he has concluded the committee bill is also a budget-buster, and the Senator from New York has raised him one and doubled it. He says it is not going to cost x dollars; it is going to cost $1.5 billion more.

Well, these conclusions raise very important questions, and I feel they must be examined and must be rebutted so that we can get on with the consideration of the food stamp reform legislation.

I would like to reserve 10 minutes of my time and I wish the Chair would notify me when I had reached that point.

Let us examine the two major points raised by the distinguished gentleman from Alabama and show where he is mistaken because I believe it is important that the Senate have confidence in the cost savings estimate, and I underline and underscore and emphasize at every opportunity the word "estimate."

The most serious point raised by the distinguished Senator from Alabama is that the estimate of savings for the committee's food stamp reform bill is overstated to the tune of some $500 million—it is $0.5 billion.

In his judgment this overstatement, knocking the bill's savings from $630 million down to $130 million, is the result of having used mistaken information on what deductions are claimed under the existing food stamp program. He cites new data on deductions which indicate that deductions claimed in the month of September 1975 were on the average $77 a month. Because this $77 a month is some $23 less than the $100 "standard deduction" provided for in the committee bill, he then goes on to conclude that the committee bill's estimate of savings is overstated by some $500 million, which is 23 times $21.5 million cost for each dollar of difference.

Mr. President, I say, with all respect, the Senator from Alabama is mistaken, and let me point out why. First, if he is to open up the issue of revising official cost estimates on the floor of the Senate by asking us to consider new data on deductions, we must, to be consistent, open up the estimates to revision based on all new data that have come to light since the committee markup of its food stamp reform bill.

Just to give you a brief notion of what that means, I would like to point out that the information developed in the House Agriculture Committee's food stamp study indicates that the committee bill—and I am talking about the Senate committee bill—estimate of cost savings in switching to a retrospective accounting system is probably understated to the tune of $200 million to $300 million. I repeat, this is a finding made by the House Agriculture Committee's reference to the Senate committee's bill.

That change alone would wipe out over half the $500 million "overstatement" referred to by the distinguished Senator from Alabama.

Second, the $77 a month figure which the distinguished Senator from Alabama uses applies only to 1975 while the committee bill is not going to be implemented until 1977, and even the crudest methods of updating would give us average deductions in 1977 of almost $85 a month, and reduce the "overstatement" of savings to only a little over $300 million, just about equal to the amount which the House Agriculture Committee study shows our savings estimate to be "understated."

Third, the $77 a month figure which my distinguished colleague from Alabama used is based on raw and unanalyzed data from the Department of Agriculture Survey in what very well may be an unrepresentative month, September 1975.

We must remember that September 1975, was a month during which unemployment was near its peak and the unemployed food stamp recipient tends to have smaller than average deductions under the existing program, and September 1975, was not a representative month in that heating cost, highly critical deductible items, were lower, not nonexistent.

Both of these problems, using the $77 figure, were called to our attention in the letter to the Budget Office, in the letter submitted yesterday.

Finally, let me point out that the CBO estimate used for the committee bill savings foresaw the problem with deduction estimates and assumed an average deduction under the existing program of $100, not the more questionable figure of $114 a month used by the Department of Agriculture.

I must emphasize that this is one of the most important reasons the committee chose the CBO estimate as its official cost estimate, rather than the Department's figures.

I point out to the distinguished Senator from Alabama, all this only goes to show the real danger of attempting to shave the figures on the Senate floor.

We must go all over the estimates carefully put together by the Congressional Budget Office and not try to jack them up with last-minute floor revisions willy nilly.

The second major point brought up by the distinguished Senator from Alabama pertains to the cost of the proposed substitute as compared with the committee bill.

Here again, I believe he is mistaken in his claim that the substitute would actually add about $9 million to the cost of the existing program, again based on Department of Agriculture estimates.

Sometimes the Department of Agriculture is known not to be totally accurate.

Curiously enough, the department estimate of the committee bill is $20 million less than that prepared by the committee staff with the assistance of CBO. That is all to the good, but my distinguished colleague from Alabama compares this cost to the Department's estimate, the committee bill saving $359 million, rather than our estimate of $630 million, and coming up with the cost of the substitute of an added $9 million.

I believe this gives a highly unfair picture.

The Department's estimate of the committee bill, savings were projected because they were based on fiscal 1976, not the year of implementation, fiscal 1977, and because they assumed the high level deduction, $114 a month. A more proper comparison would be the committee bill, CBO estimated saving $630 million, and this would still give us a saving, rounded off, of over $200 million.

So, Mr. President, I suggest that we should not be led into the trap the very able Senator from Alabama has been preparing.

Mr. BUCKLEY. Will the Senator yield?

Mr. DOLE. Yes.

Mr. BUCKLEY. Do the estimates that the Senator from Kansas has for the added costs of the Dole-McGovern substitute include an estimate of the cost of raising standard deductions semiannually.

Mr. DOLE. They are for the first year because they are not raised until the first date—fiscal 1978.

Mr. BUCKLEY. Does that apply to the cost of raising the poverty index semiannually?

Mr. DOLE. Would the Senator repeat the question?

Mr. BUCKLEY. Does the Senator have an estimate for the cost of raising the poverty index semiannually?

Mr. DOLE. That would be a very minimal cost. It is not there, but I understand it would be very minimal.

Mr. BUCKLEY. I have a computation here that suggests it might amount to $100 million to $160 million. I do not consider that minimal.

Does the Senator's estimate include the cost of mandating use of the nonfarm poverty index across the country?

Mr. DOLE. That was assumed in the committee bill.

Mr. BUCKLEY. Was there an estimate reflected for the cost of that?

Mr. DOLE. There is no cost involved because it was assumed in the committee bill.

Mr. BUCKLEY. But did the savings calculated for the committee bill include a calculation of this particular item?

Mr. DOLE. Yes.

Mr. BUCKLEY. Does the Senator have a cost for the mandated issuance of ATP cards and for the unwcrkable, in my judgment, recoupment provisions, an estimate of what might be the result there?

Mr. DOLE. Cost estimate claims for mandated issuance of ATP cards, additional exclusions from income, deleting the prohibition on minors, and other changes in the law we have in the substitute, some of these provisions never had an estimate of cost savings and it is wrong to claim they have an additional cost, unless savings are also claimed for the committee bill.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that I may place in the RECORD an estimate of the cost attributed by the staff of the Republican Study Committee to the Dole-McGovern substitute.

I obviously have not had a chance to analyze this in detail, but I suggest we have some new factors that have been brought into play, that there is wide disagreement, apparently, as to what the actual impact of these figures will be.

I believe, frankly, it would be improvident for us to suspend the protections built into the Budget Act at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REVISED ESTIMATES, COST OF COMMITTEE BILL AND DOLE-MCGOVERN SUBSTITUTE

	Million
Earlier reported savings, Committee bill, fiscal 1977	$630
These savings were based upon average deductions reported across the entire caseload of $114. The Department has since reported that average deductions across the entire caseload are $77 (page five, Committee print). That is a difference of $37. The Committee print also indicates that (page 91) a $25 difference in the standard deduction costs $567 million, or $23 per $1 increase. If the relationship is linear, that means the drop in average deductions is worth $851 million. This consists of both the higher benefits that will be paid when the deduction is set at $100 plus taxes vs. $77 including taxes *and* the higher number of eligibles	−851
Current cost of Committee bill	+220
Added costs of Dole-McGovern substitute:	
Costs of raising standard deduction semi-annually (if standard deduction increases 10%, it becomes $110. Page 91, Committee print, indicates cost of such a deduction is $215 million)	215
Costs of raising the poverty index semi-annually (assume poverty index increase of 10%; 6 month lead over present system=5%).	
One-time adjustment (average level in 1975 to March 1977 level), estimated from $5,500 $6,150, a 12% increase. Page 93, Committee print, says cost of a 25% increase in poverty index is $800 million. March 1977–June 1977=¼ of year	100
Ongoing advance lead, 5% vs. 25%	160
Costs of mandating use of nonfarm poverty index across country (nonfarm 17% higher than farm; assume use in 35% of country=6%. Six percent÷25%×$800 million)	200
Mandated instant issuance of ATP cards and unworkable recoupment provisions (assume Curtis amendment estimate of $50 million for strikers; 2 months earlier certification=$8.3 million; plus error rate of 17% overall, an additional $8.5 million)	17
New educational exclusions (assume Curtis amendment estimate of $90 million total student bonus value; assume 5% of bonus value represents VA scholarships and loans used for tuition)	5
Costs of eliminating minimum age*	1
Costs of deleting monthly income reporting**	10
Costs of additional bonuses paid pending fraud appeals*	1
Costs of limiting types of pilot projects which may be conducted to spending projects, not savings projects*	1
Costs of increased participation in pilot project areas, when purchase requirement is eliminated (the bill requires a statistically significant number of project areas. The Bureau of Labor Statistics uses a 10% sample for unemployment statistics. Assuming that a 4% sample would be required to meet the provisions of the bill, and assuming that increased participation rates would reflect the $2.1 billion estimate cited by the Chairman of the Committee on Agriculture, the bonus cost increase would be $84 million)	84
Total estimated cost of unestimated provisions of Dole-McGovern substitute	794
Estimated cost of Dole-McGovern substitute cited by proponents	389
Plus current cost of Committee bill	220
	1,403

Prepared by staff, Republican Study Committee April 7, 1976.

*Those with cost estimates difficult to assess, but still with a cost, were estimated at $1 million pending more detailed information.

**We disagree with the USDA estimate that monthly income reporting carries an associated cost, not savings, and point to the effort to remove it.

The PRESIDING OFFICER. Ten minutes remain to the Senator from Kansas.

Mr. DOLE. Mr. President, I yield myself 2 additional minutes. I appreciate the question of the distinguished Senator from New York.

I ask unanimous consent that at this point in the RECORD there be printed a rebuttal statement, the staff study by the Republican Study Committee, wherein we have gone into each one of the points raised by the Study Committee and answer some of the conclusions they reached.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A REBUTTAL OF THE $1.5 BILLION COST ESTIMATE FOR THE PROPOSED SUBSTITUTE PREPARED BY THE STAFF OF THE REPUBLICAN STUDY COMMITTEE

(1) The $630 cost estimate in the Committee bill was *not* based on an assumed average deduction level of $114. Rather, $100 was assumed to be the average deduction level in fiscal 1977, under the existing program.

Moreover, it is erroneous to state that the Committee bill's savings estimate is overstated to the tune of $500 million, much less $851 million. The Senator from Kansas points out the *specific* reasons for this in his statement rebutting the questions raised by Senator Allen.

(2) The $215 million cost claimed for adjusting the standard deduction semi-annually is totally erroneous. First, it assumes a 20 percent annual inflation rate—obviously too high. And second, it assumes that this adjustment would be in effect throughout fiscal 1977 when the substitute *specifically* makes it effective for only the last 3 months of fiscal 1977.

The estimate for the substitute assumes that moderate inflation of about 6 percent annually would not be enough to kick up the standard deduction until fiscal 1978 at the earliest.

(3) The $100 million cost claimed for adjusting the "poverty levels" is completely mistaken. It omits the fact that, under the Committee bill, the "poverty levels" were assumed to increase in April 1977 anyway—to about $5,925. It also fails to take into account the fact that the substitute postpones the increase until July 1977, at which time it would go to only about $6,050.

Thus, the substitute lowers the "poverty levels" from those assumed in the Committee bill for April-June 1977, and raises them only slightly over what they would have been for July-September 1977.

The $160 million cost claim is applicable to years after fiscal 1977. The substitute's estimates were for fiscal 1977.

(4) The $200 million cost estimate for mandating use of the nonfarm poverty index is totally false.

The Committee bill (and all bills using the "poverty levels" as a base) assumed exactly this in its cost estimates. Thus the substitute represents no cost-creating change over the Committee bill.

(5) Cost estimate claims for mandated issuance of ATP cards, additional exclusions from income, deleting the prohibition on minors, deleting monthly income reporting, cost of bonuses paid pending appeal of fraud findings, and the cost of pilot project limitations are complete guesses with adequate basis other than Senator Curtis' own estimates for his amendments.

Moreover, some of those provisions never had an estimate of cost savings and it is wrong to claim they have an additional cost—unless savings are also claimed for the Committee bill.

(6) The cost claim for the pilot project on eliminating the purchase requirement runs directly against the language of the substitute. The substitute places an absolute cap of $20 million on the cost of this project and, unless Congress acted to change this and directly appropriate more money, it could not cost the $84 million claimed.

Mr. DOLE. Mr. President, let me say in conclusion that, as I have said at the outset and hope to say at least immediately prior to the vote, the food stamp program needs reform.

The Senator from Kansas is not now and has not suggested the substitute bill is the perfect answer. There may be ideas or suggestions or possible amendments which would add additional savings without going to the heart of the program.

The Senator from Kansas and others interested in reforming the program, as opposed to dismantling the program, have spent a great deal of time trying to come up with some fair substitute that would pass the Senate, that would pass the Congress, and be signed by the President.

It is one thing to advocate savings of $1 billion or $2 billion or $1.5 billion, but it is quite another to find the specific areas in which to save this amount of money.

Let me say, as I said earlier, this program is not a panacea for those who are middle class or even the above average.

The PRESIDING OFFICER. The time has expired.

Mr. DOLE. Two additional minutes.

Let me reiterate that the substitute eliminates all households with net income above the poverty level.

We are talking only about those with net incomes at the poverty level or below.

It does tighten up on abuses by college students, and it should.

We do standardize the deduction. As I said at the outset, this will reduce the administrative cost of the program by millions and millions of dollars.

The program in the substitute does strengthen the work registration requirement.

Let me say finally that the USDA during the hearings, as I remember, were always reluctant to come up with figures. It may be that the U.S. Department of Agriculture opposes the substitute. I assume they do. They oppose the committee bill. The USDA and the President have come up with provisions of their own, which have not finally been made public, but I suggest that that is not reform.

That goes to the heart of the program.

I urge my colleagues in the remaining minutes of the debate to listen carefully and determine whether we are going to have reform or do away with the program.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I listened with considerable interest to the distinguished Senator from Kansas. These fine features that he points out about the food stamp bill are in the original bill. What he did not talk about were the loopholes that the substitute creates and the added expense that the substitute creates. The good features that he pointed out are already in the original bill and they are not needed in the substitute.

I want to make it absolutely clear that inadequate as the committee bill is, I am ready to vote for that right now, because I believe it does take some off of the top of the economic ladder who are on the food stamp program and are not entitled to be on it, and it does increase benefits to those at the lower rung of the ladder.

The distinguished Senator from Kansas has indicated he does not have too much confidence in estimates. I think that point is well taken. Back in 1969, according to the CONGRESSIONAL RECORD, the distinguished Senator from South Dakota (Mr. McGOVERN) and Mr. DOLE teamed up on taking Puerto Rico off the commodity program and moving them over to the food stamp program. At that time, the commodity program was costing the taxpayers $21 million.

Mr. DOLE asked the question at that time,

> With the moving with respect to the inclusion of Puerto Rico, the Virgin Islands, Guam and the trust territories of the Pacific Islands, I am wondering about the cost of this addition. What would the additional cost be because of these additions?

Mr. McGOVERN said,

> I would say it will actually result in a reduction in the cost.

At that time the program was $21 million. Now the program for Puerto Rico alone is $600 million. So they missed it, the difference between $21 million and $600 million. I can well understand why they do not have too much confidence in estimates.

Mr. McGOVERN. Mr. President, will the Senator yield on that point?

Mr. ALLEN. I have no time. I have used all my time.

Mr. McGOVERN. Is there any time remaining on the side of the Senator from Kansas?

Mr. DOLE. I yield to the Senator.

Mr. McGOVERN. Will the Senator yield a couple of minutes?

Mr. DOLE. Yes.

Mr. McGOVERN. Mr. President, I simply want to clarify the RECORD on an obviously clever attempt to mislead the Senate. At the time the commodity program was operating in Puerto Rico in 1969, to which the Senator from Alabama refers, there was not a depression in Puerto Rico. There were not hundreds of thousands of people unemployed at the level they are today, and there really was not an effective commodity program functioning.

Since that time we have introduced the food stamp program, not only in Puerto Rico but we have extended it to other parts of the country. It has been a much more acceptable program to hungry people, to the poor. It has been much easier for them to go to grocery stores when they qualified, pick up their groceries and pay their share of the cost.

So the number of people participating in this program has expanded in all parts of the country.

But that was an accurate statement at the time it was made in 1969, that there would not have been an appreciable difference in the cost of running a good commodity program in Puerto Rico as against the cost of running a good food stamp program.

Puerto Rico has a serious economic depression. I do not have the unemployment statistics immediately at hand, but they are several times the size of what they are on the American mainland. If it were not for the operation of the food stamp program in Puerto Rico, which has kept a lot of people from starving to death, and which has prevented others from serious malnutrition and illness, we would have had an explosion on that island of incredible dimensions.

Beyond that, we would have had an acceleration of migration from Puerto Rico to the American mainland that would have been infinitely larger than the present movement of people. Then instead of taking care of people through the food stamp program in Puerto Rico, we would have had the problem of providing housing, of providing educational facilities, of providing food stamps, of adding them to the unemployment rolls in this country. I submit that the cost would have been much higher than the modest investment we have made in Puerto Rico to see that no one starves to death.

The truth is that the substitute amendment that Senator DOLE, Senator TALMADGE, Senator HUMPHREY, and I are offering does provide some tightening up of the Puerto Rican program. It drops the standard deduction from $100, as in the committee bill, to $60. That is going to result in a substantial saving.

It is going to bring it more into line with what the actual deduction practice is in Puerto Rico. It represents, I believe, a prudent amendment.

I do not make any apologies for the estimates that were made in 1969 about the relative cost of food stamps in Puerto Rico as against the commodity program. I think the food stamp program has served the interests of the people of that area, as in the United States, much better than the old cumbersome commodity program did.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. How much time remains on each side?

The PRESIDING OFFICER. The time of the Senator from Alabama has expired. The Senator from Kansas has 3 minutes.

Mr. DOLE. Does the Senator from Alabama desire half of the time I have remaining?

If not, let the Senator from Kansas state in conclusion the motion before the Senate is the motion of the Senator from Kansas to waive section 401(b) of the Budget Act. I certainly encourage my colleagues to support that motion.

Let the Senator from Kansas add that there are a number of changes made in the substitute, a number of changes to change the committee bill. The total number of changes I believe number 18. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief summary of these changes.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF AMENDMENT No. 1571—SUBSTITUTE AMENDMENT TO S. 3136

(1) The substitute provides for semiannual adjustments of the standard deduction according to changes in the Consumer Price Index, with the first adjustment effective July 1, 1977.

(2) The substitute provides for semiannual adjustment of the income poverty guidelines according to changes in the Consumer Price Index, with the first adjustment effective July 1, 1977.

(3) The substitute sets the standard deduction for Puerto Rico, the Virgin Islands, and Guam at $60 per household per month (compared to $100 per household per month for the 50 States and D.C.). The Committee bill has a $100 per month standard deduction applicable to all areas, including territories.

(4) The substitute provides an additional $25 a month deduction for households with earned income over $150 a month. The Committee bill has no comparable provision.

(5) The substitute mandates that "ATP" cards be issued 30 days after application for the recently unemployed, and also provides

would come under the 30-day accounting period.

I would like to note that I am not fully satisfied with this 30-day retrospective accounting provision. I see no reason why the unemployed should have to wait even 30 days to start receiving stamps. But this provision is far preferable to the 90-day retrospective accounting period that the Ford administration is attempting to foist on the program by administrative fiat, and that is in violation of the current statutory requirement that eligibility for the program be based on current need circumstances.

ELIGIBILITY REQUIREMENTS

The substitute bill sets other eligibility requirements in addition to income. One of the major requirements come in the area of work registration. The bill provides for an expanded work registration program, in which more attention will be given to job training, job referral, job placement, job search, and the provision of social services. In addition, mothers with children age 12 to 18 will be required to register for work—unless there is another able-bodied person in the household already subject to the work registration requirement.

Any household containing a member who without good cause fails to comply with the work requirement will become ineligible for food stamps. "Good cause" includes such situations as the unavailability of social services—particularly child care for children 12 to 18—situations where a job presents a health or safety risk or a registrant is physically or mentally unfit for a job, or situations where a job involves such an unreasonable commuting distance that commuting time equals at least 25 percent of work time.

The substitute bill's work registration section is identical to that contained in the original committee bill. The committee intended that the entire food stamp work registration program conform as closely as possible to the WIN program now run for welfare recipients. As in WIN, more job placement and more social services should be provided. In addition, the same rules used in WIN concerning when a person is or is not required to take a job must also be used.

The substitute bill, like the committee bill, adds a further and rather strict provision in the work registration area with its requirement that if a person voluntarily leaves a job without good cause, the person's household becomes ineligible for food stamps. "Good cause" means the same thing here as it does in the other parts of the substitute bill's work registration requirement.

In addition, for further guidance in determining what constitutes a "voluntary quit," the committee, and the authors of the substitute intend that food stamp offices use rules consistent with those used in the unemployment insurance program. Thus, if a person is currently receiving unemployment insurance benefits, he cannot be considered a "voluntary quit." If a person is not receiving unemployment benefits because he was disqualified due to what the unemployment office determined to be a "voluntary quit," then the person's household should generally not be eligible for food stamps during the time the household is also under the disqualification for unemployment insurance.

If a household meets the income test and the work registration test, it still has several other tests to go. First, the substitute bill changes the definition of what constitutes a food stamp household. To be a household a group of people would have to share common living quarters, customarily purchase food in common, and have access to cooking facilities. This means that if people live under the same roof but do not purchase food in common, they must apply for food stamps as separate households, not as the same household.

The "access to cooking facilities" requirement means that a household does not have to have its facilities in its own home, but must have access to cooking facilities outside the house on some sort of regular basis.

While the substitute bill makes these changes in the definition of a food stamp household, it does not contain the provision included in the administration's regulations that would disqualify many minors from the program. To disqualify minors simply because they may reside with neighbors, friends, or some other family that is good enough to care for them is most inequitable. Such a disqualification also conflicts with the eligibility requirements in the current statute, under which low-income households must be certified on the basis of need, not on the basis of their living arrangements.

Another eligibility requirement that is contained in the substitute bill concerning SSI recipients in those States where all SSI recipients—both those receiving mandatory SSI supplements and those receiving optional SSI supplements—are now getting an extra $10 in cash in lieu of food stamps. The substitute bill provides that these SSI recipients should continue to be ineligible for food stamps for as long as they are receiving the $10 cash-out payment. The idea is that no person should receive both food stamps and the cash out. If a person is getting the cash out, he or she will not be eligible for stamps; if a person is not getting the cash out, he or she will be eligible for stamps if they meet all other food stamp eligibility criteria.

The bill also disqualifies students who are or could be claimed as tax dependents by ineligible households, and also disqualifies households that fail to provide eligibility information to the food stamp office, aliens not lawfully admitted to the United States for permanent residence or otherwise permanently residing in the United States under color of law, and households who knowingly transfer assets for the purpose of qualifying for food stamps.

ASSETS STUDY

Finally, the bill establishes one area where the Secretary may prescribe additional standards of eligibility—limits on liquid and nonliquid assets. This is the only area where the Secretary may prescribe eligibility standards that are in addition to those specifically contained in this bill. Indeed, one of the purposes of this bill is to have the Congress—rather than regulation writers—make the decisions on who shall and shall not be eligible for the food stamp program.

In addition, the bill does contain a prohibition on any proposed or final changes in assets rules until USDA has completed a thorough study on the assets area and presented this study to Congress, and Congress has had 60 days to review the study. We intend the study to include a survey of what types and amounts of nonliquid assets food stamp households have, of the administrative complexities and expenses involved in assessing these assets, and other issues relating to assets limits. The committee estimated the cost of this major study at $10 million.

FOOD STAMP PURCHASE COSTS

Under the substitute bill, households that are determined to be eligible for food stamps will receive a coupon allotment that equals the value of USDA's thrifty food plan. This means that the coupon allotment formula now set by USDA regulations would be written into law. To receive this coupon allotment, households would pay 25 percent of their net incomes. For administrative convenience and to avoid errors, the Secretary would be allowed to round this purchase price up or down to the nearest dollar.

The 25-percent purchase price is one of the key changes in the substitute bill. If the purchase requirement is to be retained rather than eliminated, it must be set at a reasonable level that allows needy families to participate. Current food stamp law requires the Secretary to set purchase prices at a level that would constitute a "reasonable investment" of household income. The 25 percent formula is a reasonable investment.

Under current rules, USDA uses a sliding scale that varies from 0 to 30 percent of net household income. Only about 5 percent of all households pay 30 percent, however. The new USDA regulations that would require all households to pay 30 percent of net income for their stamps are unconscionable. The 30 percent purchase price for all households also violates current law; 30 percent is not a reasonable investment level for all households in the program, and would bar participation in the program by some of the truly needy whom Congress intended that the program serve.

Under the substitute bill the food stamp program—rather than the commodity distribution program—would continue to be mandatory in all parts of the United States except for those Indian reservations where commodities are still being used. Those reservations could continue to receive commodities for such time as is needed to effect an orderly transition to the food stamp program.

Under Public Law 93–347 as amended, reservations may opt to receive commodities rather than food stamps until September 30, 1977. Nothing in the substitute bill is intended to force reservations wishing to receive commodities until that time to switch entirely to food stamps—and to stop receiving any commodities—prior to September 30, 1977.

In addition, the substitute bill authorizes the Secretary to continue to provide commodities to a reservation after September 30, 1977, if more time is needed to effect an orderly transition to food stamps.

ADMINISTRATIVE CHANGES

The substitute bill makes a great many changes in the administration of the program as well as in eligibility requirements. Of particular importance is a provision requiring that all households must both be given a food stamp application and allowed to file it "on the same day of such household's first reasonable attempt to make an oral or written request for such application." This means that food stamp offices could not simply tell an applicant to come back in 2 weeks for an appointment and decline to give the applicant and application form until the interview. The very fact that the applicant said he or she wanted to apply and signed up for an appointment would clearly constitute a "reasonable attempt" to request an application, and would require the food stamp office to provide an application form at the time this occurred.

Present USDA rules specify that an application can be filed, and must be accepted by a local food stamp office if it has a legible name and address and is signed. We intend this rule to remain in effect.

The substitute bill also requires that households be provided with an "authorization to purchase"—ATP—card within 30 days after the filing of an application. The ATP card must be effective in the month in which the 30th day after filing of the application occurs, and the household must have an opportunity to purchase food stamps in the same month.

This provision is designed to insure that households do not lose benefits because food stamp offices fail to process their applications promptly. If a food stamp office does not provide an eligible applicant with an ATP card within 30 days, or does not provide the household with an opportunity to purchase stamps in the month in which the 30th day occurs, then this would constitute an improperly "delayed" benefit. In such cases, the food stamp office would be required to compensate the household—in accordance with procedures prescribed under section 7(c) of the substitute bill—for benefits lost from the first of the month in which the 30th day after the filing of an application occurs.

The whole area of compensation for benefits lost through administrative error is another subject that the substitute bill addresses. Under this bill, all such compensation would be made in cash, rather than through the current cumbersome procedures under which a household's purchase price is reduced in future months.

As is the case under current regulations, food stamp offices would be expected to make such compensation automatically when an error is discovered by the food stamp office. In such cases, recipients would not have to ask for a fair hearing or file a formal request to receive this compensation.

In cases where it is necessary for the household to apply for compensation—as in the current situation where households receiving HUD vendor payments that were improperly counted as food stamp income must file for their back benefits—the household must file within 3 months after first finding out about the error. In these cases, food stamp offices should send households the necessary forms with directions on how to complete and by when they must be filed.

The substitute bill also places a limitation on how much compensation a household may receive. Compensation will be limited to a household's food stamp bonus for 3 months, except that if the period during which the error occurred was longer than 3 months, then the household shall receive compensation equal to the household's bonus for 3 months plus its bonus for the additional time taken between filing of the claim—or other institution of procedures—for the retroactive benefit and the final decision settling the claim.

In another significant administrative change, the substitute bill like the original committee bill, requires USDA's Extension Service to extend its nutrition education program to all areas, and to provide all food stamp offices with printed hand-outs to help recipients buy and prepare more nutritious and economical meals. The committee recognized that Extension Service personnel cannot meet with every food stamp family, but the committee—and the authors of the substitute—intend that all households at least be given the printed handout materials designed by the Extension Service.

In the outreach area, the substitute bill is again the same as the committee bill. The bill retains the current statutory requirement that States "undertake effective action—to inform low-income households concerning the availability and benefits of the food stamp program" but drops the current requirement that states also "insure the participation of eligible households." The committee and the authors of the substitute felt that no agency can "insure participation" or push eligible people who do not want food stamps into the program.

In addition some administrators have thought that the "insure participation language required them to send notices about food stamps to almost everyone in the State. In one State, a retired Federal judge received such a notice. Other States have been concerned that this language would require them to send a certification worker out to the home of every applicant who lived more than a few miles from a food stamp office and did not own a car. To relieve States of such burdens, the committee bill and the substitute bill delete the "insure participation" phrase.

However, the committee and substitute bill reaffirm the requirement that States undertake effective action to inform low-income households about food stamps, as the States are currently required to do by those portions of outreach regulations and instructions that deal with informing potential eligibles about the program. Upon enactment of this legislation, States should devote particular attention to informing low-income households about the major changes in food stamp eligibility that the bill makes.

The bill also requires Federal agencies that administer programs for needy people—such as the SSI program, social security, unemployment insurance, Federal housing programs for low-income people, social services programs, programs of the Community Services Administration, et cetera—to inform recipients of these programs about food stamps. We in no way intend to require these agencies to send an individual mailing about food stamps to every recipient. What we do intend is that all such agencies make all reasonable *efforts to* inform their clients about food stamps. This would mean, at a minimum, that such agencies would routinely give all clients a handout containing basic information about food stamps and the addresses and phone numbers of local food stamp offices.

The substitute bill also requires that bilingual certification workers and printed materials shall be used in areas where a substantial portion of the poverty population—such as more than 10 percent of the poverty population—are Spanish speaking or speak some language other than English.

Yet another provision included in the substitute bill to aid low-income persons would authorize the Secretary to require food stamp certification workers to be outstationed in SSI offices so that aged, blind, and disabled SSI recipients will be permitted to apply for SSI and food stamps at the same time. It is our expectation that the Secretary will issue regulations along these lines.

A final action to aid recipients was the committee's decision retained in our substitute bill to maintain the requirement that every household be informed of its option to purchase food stamps at least twice a month. The committee, and the authors of the substitute, also decide to allow each household to use a variable purchase option under which the household may purchase on one-fourth, one-half, or three-fourths of its full monthly allotment at its first biweekly purchase and may then purchase the full remaining amount of its monthly allotment at its second biweekly purchase.

The substitute bill also takes the very important action of denying to the Secretary the authority to require monthly income reporting. Monthly income reporting, as proposed in the administration's regulations, would pose impossible administrative burdens for the States, and work hardships on the elderly, blind, disabled, non-English speaking families, and illiterate persons. Monthly income reporting also involves basing eligibility and benefits on past circumstances rather than current need, which violates current statutory requirements.

What the substitute does do is require all households to report any change in income of more than $25 a month within 10 days after such change becomes known to the household. If the household fails to report such a change in a prompt manner, and receives extra food stamp benefits as a result, then the food stamp office would either recoup these benefits in cash or would lower the household's benefits in the household's next certification period so that excess benefits are recovered.

The authors of the substitute intend that the Secretary will act to insure prompt reporting by households by requiring that all households be given a "change of income report form" and a postpaid envelope at the time of certification. The form shall state that households must report changes within 10 days and contain instructions on how the form is to be completed, if such a change occurs.

In addition, the authors of the substitute expect that the Secretary will maintain current rules under which households with very unstable incomes—such as strikers—are certified for only 1 month at a time.

The substitute bill also specifies that households found to have committed fraud either by a court of competent jurisdiction, or by a State hearing official after a proper hearing, could be disqualified for food stamps for up to 1 year. Local food stamp offices could not make a finding of fraud and disqualify households on their own. If a local office believed that it had evidence of fraud, it would refer the evidence to the State, which could then either initiate an action in court or schedule a hearing before a State hearing official.

Finally, the substitute bill contains authority for pilot projects, but contains a provision that no pilot project—except for a pilot project on elimination of the purchase requirement—could reduce or terminate benefits for any household otherwise eligible under the Food Stamp Act. We expect, in particular, that the Secretary will carry out his announced plans to run pilot projects on a variety of identification procedures. We also expect that the Secretary will take this pilot project authority seriously, and will not rush ahead and issue requirements for photo-identification cards, countersignatures on food stamps, or other changes in identification procedures until the results of these pilot projects are in.

The substitute bill also contains a specific requirement for a pilot project on the elimination of the purchase requirement. This project would have to be run in at least 10 areas; and a progress report would be presented to the Congress by March 1, 1977. The substitute bill authorizes up to $20 million for this pilot project, and we have figured a $20 million cost for this project in our estimate of the overall cost impact of the substitute bill. This means that the project may not add more than $20 million to what the cost of the program would otherwise be in these 10 pilot areas if the purchase requirement were retained and set at 25 percent of net income in these areas.

One final word should be mentioned about the administration's proposed regulations before I complete my remarks. The President—without consultation with the Congress and by administrative fiat—is planning to implement far-reaching regulations that are both unwise and unlawful.

By establishing food-stamp eligibility on a poverty line that is 1 to 2 years out of date, the proposed regulations clearly will prevent needy people from gaining access to nutritional adequacy through the food stamp program. Taken as a whole, the administration's new income eligibility rules—with their changes in the definition of income, their use of an outdated poverty line, their failure to deduct income taxes from the income calculation, and their failure to provide additional deductions to working families who have higher work expenses—violate the policy of the Food Stamp Act that everyone be provided with access to nutritional adequacy. Simply stated, the Agriculture Department's regulations would deny aid to people who do not have access to good diets and they, therefore, violate the Food Stamp Act.

The use of a 90-day retroactive income accounting period and a monthly reporting of income system also violates the Food Stamp Act's policy of providing aid to currently needy households. The proposed regulations would base eligibility on past, rather than present, need circumstances, and such a change in the regulations would clearly be contrary to the Food Stamp Act. The regulations would create the anomalous situation of denying aid to people who need it while providing relief to people who do not need it. This, obviously, would be a clear frustration of congressional intentions under current law.

I am dismayed that the proposed regulations would penalize working families by failing to deduct their taxes and social security withholdings from the income calculation. As a result of the new regulations, a working household with about $5,800 in take-home pay—but with pretax, gross income just above $6,700—would be ineligible for food stamp aid, while a welfare family or a family with unemployment compensation totaling just under $6,700 could get many hundreds of dollars in food stamp aid. I think it is unfair to deny aid to a working household with a real income of $5,800 while providing food stamp aid to nonworking households with up to $6,700 in income.

Aside from being unfair, the failure to deduct taxes, social security withholding and the like from the food stamp income calculations violates the Food Stamp Act. The purpose of the act, particularly as manifested by section 5(c) of current law, is to encourage and require work, not to penalize it. Moreover, the Food Stamp Act requires that income calculations be based on income that is reasonably available to the household, and obviously tax deductions and social security withholdings are not reasonably available to a household.

The provision on minors—that denies aid to minors who are not living with people who have a legal obligation to support them—is also clearly illegal. That provision in the new regulations seeks to establish a new definition of the word "household" in contravention of the statute's clear definition of that term as contained in section 3(e) of the act. A person resides in a "household" as long as it is part of an economic unit, purchases food in common, lives in common living quarters, and has access to cooking facilities. Any additional requirement for satisfying the "household" requirement—for purposes of qualifying for food stamp aid—clearly is contrary to the statutes.

The new regulations with regard to increasing the food stamp purchase requirement—from an average 24 percent of adjusted net income to a uniform 30 percent of adjusted net gross income—is also illegal. The statute requires that food stamp purchase prices constitute a reasonable investment and that they remain within 30 percent of adjusted income ceiling. We never intended that an across-the-board 30 percent of adjusted gross income be established. Quite the contrary. Such a system would make the food stamp program out of reach for millions of needy Americans since they could not afford the food stamp purchase prices.

Consequently, these increases in the purchase price do not constitute a reasonable investment on the part of most needy households, and they violate section 7(b) of the Food Stamp Act. Indeed, we made precisely such a finding last year when we rejected the President's proposal to increase food stamp prices to 30 percent.

Mr. President, a great deal of work has gone into this substitute bill. It represents a reasonable compromise. I urge its approval.

Mr. HUGH SCOTT. Mr. President, I rise in support of the substitute bill that I have cosponsored with Senators DOLE, Chairman TALMADGE, Senators McGOVERN and JAVITS and others. This substitute bill would establish a delicate balance between the need to put reasonable limits on the number of people who can participate in the food stamp program while preserving poor people's access to nutritional adequacy.

Mr. President, I heartily commend the chairman (Mr. TALMADGE), and the ranking minority member (Mr. DOLE), of the Committee on Agriculture and Forestry, for their long and most diligent work on this reform legislation. Throughout their hearings and markup, they, together with the other committee members, took careful aim toward balancing the need for program reform with the demand that the needy Americans dependent on the program not be shortchanged. It was indeed a formidable task to weigh all the competing views and forge a committee bill that attempted to satisfy all valid concerns.

Of course, the committee bill aroused strong objection from a number of Senators who thought that it lowered eligibility and closed loopholes, but failed to do anything for these needy Americans who remain on the program and those eligibles who have been denied access to its benefits. I was among the large number of Senators who considered the committee bill unsatisfactory. In fact, I joined with a number of my colleagues in introducing an amendment to eliminate the purchase requirement, and to update the poverty line and standard deduction.

It is because of the controversial nature of that amendment and the need to present the President with a bill he would sign that I am pleased to cosponsor this substitute today. Unfortunately, we have had to forego our aim of eliminating the purchase price but in return we have plowed back some of the savings of the committee bill to help those who need assistance. We have a good compromise that both significantly improves the committee bill and still saves millions of dollars over the current cost of the program.

One of the most important features of the substitute bill is our retention of the 25-percent purchase requirement. Current law states that food stamp purchase prices should represent a reasonable investment on the part of eligible households, meaning that food stamp purchase prices should not be too high so that eligible households are forced out of the food stamp program due to overly high prices.

The current regulations establish food stamp prices that average 24 percent of net income minus various itemized deductions. New regulations, recently published by the Department of Agriculture, would increase these purchase prices to 30 percent of gross income minus a standard deduction. This newly proposed price system would increase food stamp purchase prices even higher than the purchase price increases that the Agriculture Department sought to implement last year but were overwhelmingly rejected by the Congress. As a result, vast numbers of needy people will be forced out of the food stamp program. Consequently, these prices constitute an unreasonably high investment on the part of hungry families.

The substitute bill closely approximates the purchase price rate in the current Food Stamp Act. I believe that the substitute bill makes a substantial improvement on the committee's bill; the committee's bill would have increased the "reasonable investment" price standard in the current law by increasing food stamp prices to 27½ percent of net income. The substitute bill, more properly I believe, retains the "reasonable investment" concept by retaining food stamp prices at the 25-percent level.

In addition to the purchase requirement provision, the substitute bill would improve the committee's bill by requiring semiannual updates of the poverty eligibility line and the standard deduction. Failure to provide such an update system would consign poor people—with incomes below the current poverty line—to hunger and malnutrition by denying them access to the food stamp program. Under the present statute, the unlawfulness of using an out-of-date poverty line is obvious, and we should not make such a discredited system lawful by enacting the committee's bill. The weakness and unlawfulness of using an out-of-date poverty line is clear from a description of the recent regulations proposed by the Agriculture Department.

Under USDA's new proposal, the food stamp eligibility standard—from June 1, 1976 to May 31, 1977—would be $5,500 for a family of four. This $5,500 is the recently announced average poverty line for calendar year 1975, and it approximately reflects the poverty line that existed in June, 1975. This means that the eligibility standard from June 1, 1976 to May 31, 1977 will be 12 to 24 months out-of-date. The resultant consequences are that families with incomes well below the current poverty line will be denied food stamps. Therefore, even though the present law mandates access to nutritional adequacy—through the food stamp program—for all those households that do not have such access, the proposed regulations would frustrate this commendable congressional objective.

By establishing an appropriate eligibility update system, the new law would require currently needy families to have access to the food stamp program. Moreover, the cost-of-living adjustment in the standard deduction that is incorporated into the substitute bill would also ensure that needy people receive aid based on current economic circumstances. Since the standard deduction is intended to cover various necessary expenses, the standard deduction should be updated to keep pace with increases in the cost of living.

I am also glad to recommend the substitute bill because it preserves the work incentives that are incorporated into current law. We accomplish this by providing an additional $25 monthly deduction for households that earn at least $150 per month through gainful employment. This provides needy families with an incentive to work and covers various work-related expenses that wage earners incur. This improves the committee's bill which would have treated working and non-working families alike—thereby harming working families that have higher expenses for transportation, day care, and work-related equipment and apparel than non-working families.

Of course the substitute bill retains the provision in the committee bill that deducts income tax and social security withholdings from the income calculation. Deducting Federal, State and local income taxes as well as social security withholdings from the income calculation is necessary to prevent any discrimination against working families. Here, again, the newly proposed regulations illustrate this point.

Under the new regulations, a working family with slightly more than $6,700 in gross income—but only $5,800 in take-home, or actual, income—would be denied food stamps; however, a non-working family with up to $6,700 in income from unemployment compensation could get about $500 in food stamps. This is unfair; it discriminates against workers; and it clearly contravenes current law.

The Food Stamp Act requires that income calculations be based on actually available income, and income tax and social security withholdings do not qualify as actually available income. As a result of this change in the regulations working families—with incomes well below a base subsistence level—would be precluded from food stamp program participation. This is wrong and it does not square with the act's policy of providing nutritional adequacy for the needy and the act's policy of establishing work incentives. The failure, in the new regulations, to provide a special deduction allowance for working families similarly frustrates the current statute's objectives.

The substitute bill essentially retains the present act's policy of basing food stamp eligibility and benefits on current need. The substitute bill accomplishes this result by prohibiting the Agriculture Secretary from instituting a monthly reporting of income system. Such a monthly reporting system would require households to report, within the first 10 days each month, the income they received during the previous month for use in the preceding month. This means that the income received in March would be reported in April for determining a household's eligibility and benefits in the month of May.

The problem with such a reporting system is that it inherently requires the use of outdated information for purposes of determining eligibility and benefit levels. This is prohibited under the Food Stamp Act now in effect, and we would perpetuate that prohibition by specifically withdrawing the authority—contained in the committee bill—to establish a monthly income reporting scheme.

The wisdom of such a prohibition becomes obvious when one talks to State and local food stamp administrators. A monthly reporting of income system, particularly as proposed in the Agriculture Department's new regulations, would be very expensive to administer and would entail the usage of millions of reams in additional food stamp forms.

Similarly, we have rejected the proposal that would base food stamp eligibility and benefit levels on a 90-day retrospective accounting period basis. Such a 90-day retrospective accounting proposal clearly frustrates, by its very definition, the current Food Stamp Act's policy of establishing food stamp aid on the most current economic circumstances faced by households. To put it plainly, we want to help people who need help now; conversely, Federal tax dollars should not be spent to provide food stamps to those who do not currently need such aid. That is what the present law requires and the present law, in this regard, makes good sense.

The substitute bill basically maintains this sound policy by changing the committee's 30-day retrospective accounting system. The substitute requires that any household that suffered a reduction in earned income—such as a household whose breadwinner was recently laid off—be certified for assistance based on current need circumstances. Moreover, such certification based on current need must be accomplished no later than 30 days from the household's first request for food stamp assistance. This means that no deserving household will be harmed as a result of changes in past income, and we thereby retain the current act's basic policy of establishing eligibility and benefit levels on present-need circumstances.

Taken as a whole, this substitute bill is a very fine piece of legislation. I strongly urge its adoption because it strikes a fair balance between the need to prevent program abuses while retaining adequate aid for the needy. It is true food stamp reform and I, therefore, urge the adoption of the substitute bill.

STATEMENT OF SENATOR M'GOVERN

Mr. McGOVERN. Mr. President, the substitute bill which I have introduced along with Chairman TALMADGE, Senator DOLE, and Senator HUMPHREY is a good compromise package that deserves the support of the Senate. It does not eliminate the food stamp purchase requirement, but it does lower the purchase requirement from 27.5 percent of net income—as contained in the committee bill—to 25 percent of net income. The substitute also contains a number of other important modifications of the committee bill, while retaining many solid provisions that the committee agreed upon. I trust that the Senate will find this a meaningful piece of food stamp reform legislation.

The substitute bill, like the committee bill, eliminates families with net incomes above the poverty line. I do not believe the poverty line to be a good indicator of who should or should not be eligible for food stamps. The methodology involved in the determination of the poverty line is questionable. In fact, an interagency task force is now preparing a report on the poverty line at the request of the Congress.

It should be noted, however, that the substitute bill makes an important change in the computation of the poverty line to keep it more up to date. One of the problems with the poverty line now used in many Federal programs is that it is 1 to 2 years out of date. The new poverty line figure just announced by OMB, $5,500 for a family of four, is based on the average Consumer Price Index for 1975. Under the administration's new proposed food stamp regulations, which use the poverty line without updating it, the $5,500 figure would take effect on June 1, 1976 and remain in effect in the food stamp program through spring or summer 1977. Thus, the poverty line figure used in the program would always be about 1 to 2 years out of date.

The substitute bill substantially remedies this problem by providing for semiannual updates of the poverty line that would base it on much more current CPI data. Without such a provision for updates, use of the poverty line as the net income limit is unacceptable.

The substitute bill also specifies that the net income limits in Puerto Rico, Guam, and the Virgin Islands must be the same as those in the continental United States.

The substitute sets a uniform purchase price at 25 percent of net household income. We felt that the 27.5 percent figure in the original committee bill was simply too high.

I am grateful that the Senate is rejecting the provision in the administration's regulations to raise the purchase price to 30 percent of net income. At present, only about 5 percent of all households pay 30 percent of net income for their stamps, in accordance with the current law which requires households to be charged a "reasonable investment" for their stamps. For most households, 30 percent of net income is not a reasonable investment. Indeed, the 30 percent provision of the new regulations violates the intent of Congress in enacting the food stamp law now in effect.

Under the substitute bill, a household's net income would be figured by subtracting from gross income a standard deduction of $100 a month—plus an extra $25 for households that either contain an elderly person or that have earned income of at least $150 a month—and also subtracting Federal, State, and local income taxes and social security taxes. In Puerto Rico, Guam, and the Virgin Islands, the basic standards deduction would be $60 rather than $100.

The $25 deduction for working families is a new feature in the substitute bill. It is necessary to cover commuting costs, union dues, mandatory payments in health plans, child care costs, and other expenses that working households must incur in order to maintain their jobs. The current itemized deduction takes account of all these expenses. Without the extra $25 deduction for these families, as well as the deduction for taxes, working families would be treated inequitably.

In the deduction area, I should note that the bill provides for a semiannual adjustment of the $100 standard deduction, rounded to the nearest $5. Each adjustment will be based on the unrounded amount from the previous 6-month period. This update is essential to keep the standard deduction current with inflation. Without such an update mechanism, families will have a harder time coming up with the cash necessary to buy their stamps in future years.

The substitute bill also modifies current regulations regarding income exclusions. The substitute bill continues the present exclusion of in-kind benefits provided through Federal, State, or local government programs. However, in the area of privately provided in-kind benefits, the substitute elects a new standard. If the value of the benefit cannot be reasonably and properly computed, meaning that it is subject to differing assessments, it must continue to be excluded. If the value of such a benefit can be accurately computed, without arbitrary judgments entering the picture, it would be counted.

The substitute also excludes Federal, State, and local tax refunds and credits, and lump-sum payments made under Social Security Act programs. The substitute, like the committee bill, writes into law the current exclusion—required by court order—on HUD housing vendor payments. The committee believed that since these payments go to landlords, housing authorities and mortgagors—and do not increase the funds available to a household for food—they should not be counted as income.

The substitute bill also contains a provision requiring that income be counted on a 30-day retrospective basis, rather than on the current prospective basis. However, we were concerned that persons recently suffering a substantial earned income loss—meaning those who recently have lost their jobs, or have been put on shorter workweeks, or have taken pay cuts—not be made to wait unduly long periods before starting to receive stamps. As a result, the substitute bill allows such persons to file an application immediately after the income loss. The food stamp office would have the obligation to inform such persons to come back to the food stamp office on the 30th day after the income loss and verify their income over the 30 days just ended. The food stamp office would be required to complete processing of such applicants immediately, and issue them an authorization-to-purchase card on the same day. The food stamp office must have the ATP card ready, so that it can be issued on the spot. If the food stamp office did not have the ATP card ready, and the household consequently did not get an opportunity to purchase stamps by the 30th day after filing its application, the household would be entitled to compensation for an improperly delayed benefit.

The substitute bill does allow some exceptions to the entire 30-day retrospective accounting approach in the cases of persons whose income can more accurately be gaged by averaging it over a longer period of time. Under the committee bill, a different accounting period can be used for self-employed households, farmers, students receiving scholarship-type assistance, and employees working under contract. Thus, for example, a teacher paid under a teaching contract could not receive food stamps during August simply because he or she received no check during the 30 days of July. On the other hand, seasonably employed workers who do not work under contracts—such as itinerant farm-workers—would still fall under the 30-day accounting period.

While I am not happy with the 30-day retrospective provision, I should note that it is far superior to the 90-day retrospective accounting provision that the administration has proposed. The 90-day proposal would make many of the unemployed wait for months before they could start receiving food stamps. The 90-day provision clearly conflicts with the current statutory mandate that food stamp eligibility be based on current food needs, not on needs several months in the past.

In the assets area, the substitute maintains a committee provision requiring an assets study. No changes in assets rules could be proposed by the Secretary until 60 days after the study is presented to Congress.

After the study has been completed and the 60-day congressional review period passes, the Secretary would have the authority to raise assets limits by regulation. The assets area is the only area in the entire food stamp program where the substitute bill leaves it up to the Secretary to set additional eligibility standards. In every area other than assets, eligibility standards would be strictly limited to those prescribed in the bill. The Secretary could not, on his own, add new income exclusions. Nor could he, on his own, establish any requirements for eligibility in addition to those set in the bill—with the exception of assets limits which the Secretary could prescribe after congressional review of the assets study.

The substitute bill follows the committee's bill lead in doing a comprehensive job of setting eligibility requirements. It is encouraging to see the Congress taking the initiative in an area such as this rather than leaving so many decisions up to the regulators in the executive branch.

Among the new standards in the substitute bill is a requirement that persons who both share common living quarters and purchase food in common must apply for food stamps together as one food stamp household. On the other hand, persons who do not customarily purchase food in common would apply for stamps as separate households.

All households would need to "have access to cooking facilities" in order to qualify for stamps. This does not mean that low-income households must have cooking facilities at their own residence. If a household had some sort of regular access to cooking facilities outside its home, this would be acceptable.

The substitute bill deletes a provision in the committee bill that would have disqualified certain minors. This provision would have penalized low-income families who care for a child of a friend, neighbor, or relative.

The provision to disqualify minors also appears in the administration's new regulations. I must make a comment on this. Current law defines a food stamp household as a group of persons who live together, purchase food in common, and are an economic unit. The new regulations would deny food stamp aid to minors who are not residing with parents or others who are legally obligated to support those minors. The Secretary has exceeded his legal authority in proposing the disqualification of minors who otherwise qualify under the act.

In addition to the other eligibility provisions in the bill, we have also dealt with two classes of low-income recipients who are being served by alternative programs other than food stamps —SSI recipients in the four "cash-out" States, and Indians on reservations that still operate commodity programs.

The substitute bill makes SSI recipients ineligible for stamps in States where all SSI recipients—whether they are receiving SSI mandatory supplements or SSI optional supplements—are getting an SSI cash-out payment instead of stamps. Our intention is to deny stamps to all recipients actually getting the cash-out payment and to provide food stamp eligibility for SSI recipients who are not getting the cash-out payment and who meet the other food stamp eligibility standards.

In regard to Indian reservations, the bill provides authority for both food stamp and commodity programs to operate side-by-side on reservations making an orderly transition to food stamps. This provision is in no way intended to limit the option reservations now have, as provided in Public Law 93-347, to receive commodities rather than stamps until September 30, 1977. This provision also gives the Secretary authority to continue to provide commodities to reservations after September 30, 1977, if this is necessary to effect an orderly transition to food stamps.

One of the other major areas covered in the bill is work registration. The committee approved a new work registration section offered by the chairman (Mr. TALMADGE). The substitute bill retains this section intact. The new work component of the food stamp program would include greatly increased activities by the Labor Department in the areas of job training, placement, and referral. Recipients would have to engage in job search activity and would be disqualified from the program if they failed to comply with the requirements without good cause. Good cause would include such things as the fact that the recipient was not provided with social services, such as child care, or that the job presented a health or safety risk or required too long a commuting distance.

In general, the committee's intention in this area was that the work registration program be modeled along the lines of the WIN program. More emphasis would be placed on job training and placement as in WIN. In addition, the same requirements concerning when a registrant is or is not required to take a job would be used in food stamps as are used in WIN.

The work registration provisions also disqualify persons who voluntarily left a job without good cause. In general, food stamp offices would look to State unemployment insurance determinations to ascertain what constitutes a "voluntary quit." A person currently under a disqualification for unemployment insurance because of a "voluntary quit" would also be ineligible for food stamps while he or she was ineligible for UI, unless the person was found to have left the job for good cause. A person currently receiving unemployment insurance would be eligible for food stamps.

A final provision that could disqualify recipients is a new provision on fraud. A person who is found by a court of competent jurisdiction, or by the State agency—after a proper hearing—to have fraudulently obtained stamps would be disqualified for a period of up to 1 year. The finding of fraud could not be made by a local food stamp official—it would have to be made by a court or a State hearing official.

The substitute bill makes nearly as many changes in the administrative area as in the eligibility area. The bill requires all applicants to be offered an application at the time they make their first reasonable attempt—written or oral—to request food stamp assistance. A new GAO study shows that it now takes an average of 4 or 5 days between an applicant's first contact with a food stamp office and the actual filing of an application. The bill would require a much speedier process here.

Whenever the applicant first contacts the food stamp office and seeks assistance, the application would have to be provided right away. As under present USDA rules, food stamp offices would have to accept applications when they are submitted, so long as the application contained a legible name and address and was signed. Food stamp offices would then have to process the application, issue an ATP card, and provide the household with an actual opportunity to purchase stamps within 30 days after the first request for aid. If this is not done in such a timely basis, then the household would automatically become entitled to compensation for a wrongfully delayed food stamp benefit. The compensation would include benefits for the entire month in which the 30th day after the filing of an application fell.

The bill also makes changes in the nutrition education and outreach areas. USDA's Extension Service would extend its nutrition education activities into all project areas. The Extension Service would provide printed handouts on nutrition and consumer education that would be given to all food stamp households when the households come to their local food stamp office.

In the outreach area, the substitute bill—like the committee bill—drops the requirement that States "insure the participation of eligible households." It was felt that this statutory language placed an actual or potential burden on States. No one can actually "insure" that an eligible household participates in the program after being informed of the program. Therefore we decided to retain the requirement that States "undertake effective action . . . to inform low-income households concerning the availability and benefits of the food stamp program," while dropping the requirement that after informing households about the program, State agencies take additional actions to insure their participation.

For example, some States have felt that the "insure participation" requirement meant that they had to dispatch certification workers to nearly any applicant's home if the applicant indicated any problem whatsoever in reaching the food stamp office. We felt that such a burden should not be imposed on the States. We do, however, want the information programs currently required of the States to continue. Our bill leaves in effect those parts of current outreach regulations and instructions that deal with informing eligible households about the program's availability, benefits, and eligibility criteria.

We also believe that States should not be the only agencies required to inform the poor about food stamps. Agencies that administer Federal programs for low-income persons would also be required under the bill, to "make every reasonable attempt" to inform recipients of those programs about food stamps. At a minimum, these agencies would have to provide that all their clients—upon visiting the offices responsible for running these programs at the local level—be given a hand-out with some basic food stamp information and the addresses and phone numbers of local food stamp offices.

We are also concerned that non-English-speaking persons and SSI recipients have better access to the program. The bill requires that multilingual certification workers and printed materials be used in areas where a substantial proportion of the low-income families—such as more than 10 percent of those below the poverty line—speak a language other than English.

In addition, the bill mandates the Secretary to require food stamp certification workers to be based at SSI offices so that aged, blind, and disabled SSI recipients do not have to make two separate trips to apply for food stamps and SSI. We expect the Secretary to promulgate regulations or instructions to implement this provision.

The committee bill, and our substitute as well, reaffirms that requirement that all food stamp households be individually informed at the time of application and reapplication that they have the option to purchase food stamps at least twice a month. At the first purchase each month, households may buy one-quarter, one-half, or three-quarters, or all of their monthly food stamp allotment, under the bill. A household must then be allowed to buy the full remaining amount of its allotment at its second purchase of the month.

The substitute bill also includes a provision regarding benefits lost through administrative error: the bill provides that all such lost benefits be repaid in cash. As at present, food stamp offices would generally have to provide compensation automatically when an error is discovered by the food stamp office. In most cases, the recipient would not have to make an official request for this compensation.

In those situations where it is necessary for a recipient to apply for this compensation—as is currently the case regarding households who were wrongfully denied food stamp benefits because HUD housing vendor payments were counted as income—the recipient would have to apply within 3 months of finding out about the error. In these situations, the food stamp office must send the recipients the necessary application, with instructions on how to fill out the form and when to file it by.

The bill limits the amount of compensation a household may receive to the household's bonus for 3 months—except that if a household's lost benefits total more than its benefits for 3 months, the household will be given compensation equivalent to its bonus for 3 months plus its bonus for the time between the filing of the claim for compensation and the final adjudication of the claim.

One of the key changes in the bill is its denial of authority for monthly income reporting. The bill establishes an alternate reporting procedure in place of the unworkable monthly reporting system contained in the administration's proposed regulations. Under our alternate procedure, all households would get a "change of income" form and a postpaid envelope at the time of their certification. If during the certification period they experienced any change in income of over $25 a month, they would have to report this change on the form, and mail the form to the food stamp office within 10 days after the income change became known to them. If the household got extra benefits because it did not report promptly, these would be recouped in its next certification period.

In addition, we expect the Secretary to maintain current rules under which households with very unstable incomes—such as striking workers—would be certified on a monthly basis.

Finally, the committee bill contains authority for pilot projects. Such projects could not result in the termination or reduction of benefits for households eligible under the act however.

USDA Assistant Secretary Richard Feltner told the Committee several months ago that USDA planned pilot projects on such matters as photo-ID cards. We anticipate that pilot projects will be mounted, and that the Secretary will carefully consider the results of these projects before issuing new rules on matters such as identification procedures.

The bill does specifically require a pilot project on the elimination of the food stamp purchase requirement. This project could not add more than $20 million to the cost of what the program would be in the pilot project areas if the 25 percent purchase requirement were maintained there.

All in all, the substitute bill is a reasonable compromise worked out by reasonable legislators. I urge its acceptance and enactment.

Before I complete my remarks, I believe that it is appropriate to comment about the recent regulations published in the Federal Register by the Department of Agriculture. These regulations, if implemented, would severely penalize low-income families and households whose breadwinner was recently laid off and cannot find new work. Just as importantly, these new regulations frustrate the intentions of Congress as set forth under current law.

The underlying policy of the Food Stamp Act is to make sure that everyone has access to nutritional adequacy. Any deviation from this policy would clearly violate the current statutory provisions found in four different sections of the act. Yet, such a deviation is precisely the course followed by the Agriculture Department's new regulations.

By June 1, 1976, the Department will have forced the implementation of a new eligibility standard based on the average poverty line during calendar year 1975, or approximately the poverty line for June 1975. Thus, when the new eligibility standards are first implemented, they will reflect a poverty line that is 12 months out of date. Since the poverty line for 1976 will not be announced until the spring of 1977, the June 1975 poverty line will continue to be used—under the Agriculture Department's newly announced regulations—up until June 1977. Therefore, they will be 2 years out of date when they are used as the food stamp eligibility standard in May 1977. Obviously, households with incomes well below the current poverty line will be disqualified from food stamp assistance.

The poverty line itself is an inadequate measure of a household's ability to obtain nutritional adequacy. Thus, the failure to use a current poverty line—with the result that families with incomes below the poverty line will be ineligible to obtain food stamp aid—clearly demonstrates the unlawfulness of the Agriculture Department's new regulations.

I find it unconscionable that the administration has decided to establish a subpoverty line cutoff for nonpublic assistance families while maintaining an open-ended income eligibility standard for public assistance households. This inequitable treatment will serve only to harm working families while providing higher eligibility standards for households that do not derive their income from gainful employment. This is one clear example of the regulations' unlawful discrimination against the working poor.

Another clear example of the discrimination against working families is contained in the portion of the regulations that would, for the first time, deny working families the right to deduct Federal, State, and local income taxes, as well as social security withholdings, from the food stamp income calculation. As a result of this provision, working families would be eliminated from the food stamp program while nonworking families—with the exact same income, or with even greater incomes—would still receive hundreds upon hundreds of dollars of food stamp aid. Moreover, for working households that remain eligible for food stamp aid, they would receive less food stamp aid than households that do not work and that have the exact same income as those working families.

Clearly these regulations are incredibly inequitable and are very unsound as a matter of social policy. Similarly, they violate the Food Stamp Act. The Food Stamp Act was written so that work would be encouraged and required, not discouraged and penalized; yet these regulations, contrary to the statute, harm families solely because their income is derived from work. Second, the "income" standards of the Food Stamp Act were intended to be based on actually available income, not income that never is made reasonably available to a family. Yet, even though Federal, State, and local income tax withholdings and social security withholdings are never provided to a worker, those withholdings are nevertheless unexplainably included in the income calculation by the new regulations. Moreover, the new regulations compound the injury by also including income tax refunds as income—thereby double counting income taxes in the income calculations.

The most egregious unlawful effect of refusing to deduct income tax and social security withholdings from the income calculation is that many impoverished working families will be deemed to have artificial incomes that overstate their true income situation. As a result, many needy families will be denied food stamp assistance even though they do not have access to nutritional adequacy—a situation that clearly violates the current Food Stamp Act.

The foregoing problems with the new regulations are compounded by the fact that the proposed $100 standard deduction will be implemented in a fashion that fails to distinguish between the expenses incurred by families in varying situations. For example, working families have higher expenses due to: The cost of transportation to and from work; outlays for child care expenses; as well as purchases for items—like special clothing—needed for work. Current regulations provide deductions to cover these additional expenses. Yet, the new regulations provide the exact same standard deduction for working families that is provided to non-working families. Thus, the new regulations do not realistically reflect poor families' needs to obtain adequate diets, and many working families' will be denied food relief even though they are hungry and malnourished.

Probably the most unconscionable part of the new regulations relates to the 90-day retrospective income accounting and monthly reporting of income scheme that are prescribed. The 90-day retrospective income accounting system would require certification officials to base income calculations on the income received during the 90 days prior to application, regardless of changes in income circumstances and regardless of current income.

Thus, if a household head is laid off, that household would have to wait 90 days before it could apply for food stamp aid on the basis of its current need. Between 30 and 45 days thereafter, that household would receive its food stamp assistance. As a result, food stamp aid based on new income circumstances would only be provided to an unemployed household between 120 and 135 days after its household head lost his or her job.

Similarly, under the monthly income reporting system proposed under the new regulations, food stamp aid would not be provided on the basis of current need. This is how that new system would work: In the first 10 days of April, for example, a participating household would have to report its monthly income for the month of March. That reported March income would be added to that household's income for the months of February and January and, then—in order to arrive at an average monthly income—the sum of those months' incomes would be divided by three. This would provide food stamp administrators with the monthly income calculation for purposes of computing food stamp eligibility in the month of May.

Obviously, this system will entail reams and reams of paperwork, hours upon hours of additional administrative work time, and thousands upon thousands of errors in eligibility and benefit calculations. All of this will cost many millions of dollars in administrative expenses, thereby taking benefits away from poor people and putting that money in the hands of bureaucrats. More importantly, these 90-day retrospective income accounting and monthly reporting of income systems will frustrate the Food Stamp Act's requirements that eligibility and benefit levels be based on current need and income situations. These new systems as set forth in the regulations are completely alien to Congress' intent under the current law.

The regulations also change the so-called work requirement contained in section 5(c) of the act. A new search-for-work requirement—that is vague and provides uneven standards of application—is set forth in the regulations, even though the current unemployment rate is still higher than it was at any time after the Depression. The new search-for-work requirement will be uneven in its administration from State to State, office to office, and even administrator to administrator in the same office. Consequently, it violates the nationally uniform eligibility standards set forth in the Food Stamp Act. In addition, the search-for-work requirement establishes a new eligibility standard that is not included in the specific work eligibility requirements set forth in section 5(c) of the Food Stamp Act, and therefore the new requirement violates the statute.

I am also dismayed by the Agriculture Department's regulation changes that would force a person to take a job—or force that person's household to be eliminated from the food stamp program—even where that job is subject to a strike, or that job will require joining or resigning from a labor union, or that job will jeopardize the worker's health and safety. Currently, refusal to accept or remain on a job due to any of these problems constituted "good cause" for refusing that work. These changes are violative of our intentions under the Food Stamp Act as well as a whole host of laws relating to job safety and health.

Probably the most unreasonable part of the new regulations is the administration's attempt to resurrect its policy of pricing poor people out of the food stamp program. Current law requires that food stamp purchase prices should constitute a "reasonable investment" on the part of eligible households, and this means that food stamp purchase prices should be gaged so that no eligible household is required to pay a purchase price in excess of what it reasonably can afford to pay. The regulations currently in effect, that establish purchase prices at an average 24 percent of adjusted net income, reasonably accomplish the statutory requirement.

Contrary to current law, however, the new regulations would raise food stamp purchase prices from an average 24 percent of adjusted net income to a flat 30 percent of adjusted gross income—a most unreasonable and arbitrary price increase. This new regulation is even worse than the proposal that the President submitted more than a year ago, and that we overwhelmingly rejected; last year's proposal would have increased food stamp purchase prices to 30 percent of adjusted net income.

The increase in food stamp purchase prices will drive scores of needy families out of the food stamp program. Consequently, these regulations violate the "reasonable investment" provision in section 7(b) of the act because they will make the food stamp program inaccessible to eligible, needy families. Poor people simply cannot pay these exorbitant purchase prices.

The new regulations would also eliminate needy minors from the food stamp program if they do not live with people who have an obligation to support them. This regulation would inequitably deprive food stamp aid to a minor who was kicked out of his or her household by unsuitable parents. It would also deny aid to a minor who has set up his or her own family. This change in the regulations clearly violates the Food Stamp Act which establishes specific criteria for determining what constitutes an eligible "household." The new regulation changes these specific criteria in explicit violation of the Food Stamp Act.

In sum, then, these regulations are socially harmful, administratively wasteful and expensive, inequitably discriminatory against working families—and they are unlawful. I hope that the President and the Agriculture Secretary will withdraw these regulations. I also urge my colleagues to adopt the substitute bill that I cosponsored with Senator DOLE and others.

The PRESIDING OFFICER. All time has been yielded back. The pending motion will be stated.

The legislative clerk read as follows:

> A motion by the Senator from Kansas (Mr. Dole), that section 401(b) of the Budget Act be suspended with regard to the Food Stamp Reform Act, S. 3136, and with regard to Amendment No. 1571 and any amendments to Amendment No. 1571.

The PRESIDING OFFICER. The hour of 2 p.m. having arrived, in accordance with the previous order the question recurs on the motion of the Senator from Kansas that section 401(b) of the Budget Act be suspended with regard to the Food Stamp Reform Act, S. 3136. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PASTORE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER), and the Senator from New Mexico (Mr. MONTOYA) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA), and the Senator from Delaware (Mr. ROTH) are necessarily absent.

I further announce that, if present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "nay."

The result was announced—yeas 63, nays 27, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—63

Abourezk
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre

Metcalf
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Weicker
Williams

NAYS—27

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Byrd,
Harry F., Jr.
Curtis
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
McClure
Morgan
Proxmire
Scott,
William L.
Stennis
Thurmond
Tower
Young

NOT VOTING—10

Culver
Gravel
Hartke
Hruska
Jackson
McClellan
Montoya
Pastore
Roth
Tunney

So Mr. DOLE's motion to suspend was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, may I have the attention of the Senate, please?

The PRESIDING OFFICER (Mr. FANNIN). The Senate will be in order.

The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I would like more order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, the joint leadership has given most serious consideration to meeting on Saturday because of the pileup of legislation.

As the Senate is aware, following the disposal of the pending legislation, to be followed by the Helms proposal, it is anticipated that we will then turn to the budget resolution under which there is, under the rule, a 50-hour time limitation. I do not expect 50 hours to be taken up, but there may be considerable hours consumed in debate.

Then, as the Senate knows, we will have I think a conference report on the foreign aid bill, which will cause some discussion, as well as the conference report on the FEC, which might cause further discussion.

We have other important pieces of legislation of which the Senate should be aware, and I wish to impress upon the Senate, if I can, the fact that authorizing legislation which calls for appropriations cannot be considered unless reported by May 15. As a matter of fact, after May 15 this will become an appropriations session, by and large.

The Senate is also aware of the fact that we will be going out on Wednesday next for 4 or 5 days, and that covers the Easter period, and we will not return until about April 27, if my memory serves me correctly.

We will have other important legislation at that time to consider.

I hope that when Senators think of the legislative schedule ahead of us they will also think of the timetables involved.

Furthermore, we have a Democratic convention coming up, which will take a couple of weeks, and a Republican convention in August, which will take less time, and a Labor Day holiday.

[Laughter.]

Mr. GRIFFIN. The Fourth of July.

Mr. MANSFIELD. Well, of course. Wait. During just before the Democratic convention we have the Fourth of July holiday, so that is the reason for the disparity in time.

[Laughter.]

This is the 200th year. We have to observe these matters of immediate interest.

However, after considering the situation carefully, I have decided that it would be most inappropriate to have a session on Saturday. But the Senate can expect to stay in late tonight and late tomorrow and to stay in late next week, if need be, to try to clear off the calendar as much legislation as possible.

That is the only purpose of my asking for the attention of the Senate at this time. I suggest that if Senators have Saturday engagements, they can keep them; but if they have engagements for tonight or tomorrow, I ask that they have second thoughts and act accordingly.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 30 minutes on all amendments, the time to be equally divided between the sponsor of the amendment and the manager of the bill; that on amendments to amendments there be a 20-minute limitation, the time to be equally divided in the same manner; and that would apply, of course, to appeals and motions of various kinds. I ask that the order be in the usual form.

The PRESIDING OFFICER. The Chair asks the Senator from Montana if he intends this to apply to the substitute.

Mr. MANSFIELD. Yes.

Mr. GLENN. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. GLENN. I wonder whether we can consider waiving the so-called Bumpers rule which would prohibit morning meeting tomorrow, in this particular case, if the distinguished majority leader would want to consider that, so that we could start earlier tomorrow, with the idea of adjourning earlier tomorrow afternoon, when many of us have travel plans that we cannot break.

Mr. MANSFIELD. Does that meet with the approval of the Senator from Arkansas and the Senator from Colorado?

Mr. BUMPERS. It meets with my approval.

Mr. HASKELL. Mr. President, this meets with my approval, but I hope we will not have any votes tomorrow morning. We are in the middle of conducting hearings, and it is going to be very difficult to conduct hearings. Could we schedule votes for the afternoon and have the session in the morning?

Mr. MANSFIELD. For this one day, due to the pileup on legislation and the approaching recess, I would like to have a complete exception, if I may.

Mr. HASKELL. Very well.

Mr. JAVITS. Mr. President, reserving the right to object, I have an amendment.

Mr. MANSFIELD. There will be a half-hour on all amendments.

Mr. JAVITS. Including an amendment to an amendment?

Mr. MANSFIELD. Twenty minutes on those.

Mr. GRIFFIN. Mr. President, reserving the right to object, is this request in the usual form, so that amendments will have to be germane?

Mr. MANSFIELD. It is.

Mr. JAVITS. Mr. President, reserving the right to object, must an amendment to an amendment be germane, so that the germaneness of the amendment will determine the germaneness of the amendment to the amendment?

The PRESIDING OFFICER. The germaneness is dependent upon what the amendment is offered to. If an amendment is offered to an amendment, it must be germane to the amendment. If an amendment is offered to the bill, it must be germane to the bill.

Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be one-half hour on the bill as well.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Wisconsin and ask unanimous consent that what he will propose will not exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF S. 50 TO THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, the request I am about to make has been cleared with the chairman of the Committee on Labor and Public Welfare and the ranking member. It has been cleared with the ranking member of the Committee on Banking, Housing, and Urban Affairs.

I ask unanimous consent that if and when the Committee on Labor and Public Welfare reports S. 50—that is the Humphrey bill, proposing full employment and balanced growth in 1976, and it is now in the Committee on Labor and Public Welfare—the bill be referred to the Committee on Banking, Housing, and Urban Affairs for a period not to exceed 20 legislative days.

I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I support this request.

This is a very ambitious piece of economic legislation. It would amend the Employment Act of 1946. It would give new responsibility to the Federal Reserve Board. It proposes increasing the flow of credit in selected areas of the economy, all of which are under the jurisdiction of the Committee on Banking, Housing and Urban Affairs.

In addition, this bill deals with many issues raised in S. 2986, the Supplemental Community Development Employment Assistance Act. This bill was introduced by Senator GRIFFIN, and several days of hearings already have been held on it. Therefore, the Committee on Banking, Housing and Urban Affairs should be aware, in my view, of how these two bills mesh with each other.

I support the request of the distinguished chairman of the committee.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. The Senator said "20 legislative days."

Mr. PROXMIRE. That is correct.

Mr. JAVITS. I do not think the Senator means that. I take it that he means 20 days during which the Senate is in session, because a legislative day could take weeks, sometimes.

Mr. PROXMIRE. We will be happy to amend it to indicate 20 days while the Senate is in session. The Senator is correct.

The PRESIDING OFFICER. Will the Senator from Wisconsin restate his request?

Mr. PROXMIRE. I send the request to the desk. I will restate it.

I ask unanimous consent that if and when the Committee on Labor and Public Welfare reports S. 50, the bill be referred to the Committee on Banking, Housing, and Urban Affairs for a period not to exceed 20 days while the Senate is in session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALLEN J. ELLENDER FELLOWSHIPS

Mr. HUMPHREY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 491.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 491, to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes, which was read twice by its title.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HUMPHREY. Mr. President, this matter has been cleared on the other side of the aisle. The distinguished Senator from New York, who had a "hold" on it, has gone over it and discussed it with me, and I believe there is no objectiton to it.

Mr. JAVITS. Mr. President, will the Senator put into the Record a statement on the matter?

Mr. HUMPHREY. I have a full statement concerning the resolution.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GRIFFIN. Will the statement include the makeup of the governing body of the organization that administers this program?

Mr. HUMPHREY. Yes.

Mr. GRIFFIN. I find in the House report, for example, the name of the director of the program, which is good to know, but how is it run and by whom? Is there a board of directors?

Mr. HUMPHREY. Yes. The entire matter, including the charter, will be placed in the Record.

Mr. President, I want to express strong support for House Joint Resolution 491, the companion measure to Senate Joint Resolution 70, which I introduced on April 10, 1975, along with Senators JOHNSTON, BENTSEN, BROOKE, DOLE, DOMENICI, JAVITS, KENNEDY, MAGNUSON, MONDALE, MORGAN, NUNN, PELL, STONE, SYMINGTON, TALMADGE, GLENN, PHILIP HART, WILLIAMS, BROCK, and TOWER.

This joint resolution will extend for 4 additional years, through fiscal year 1980, the Allen J. Ellender Fellowship program which was established by legislation I introduced in the 92d Congress. The proposal adopted by the House would increase the authorization for this fellowship program from the current $500,000 annual appropriation to $750,000 for fiscal years 1977 and 1978 and $1,000,000 for fiscal years 1979 and 1980. The joint resolution removes the current limitation of 1,500 fellowships which can be awarded annually, in order to accommodate the increased funding provided. Finally, an amendment which was added in the House encourages efforts to achieve participation of students and teachers from rural and small town areas, as well as those from urban areas.

The Subcommittee on Elementary, Secondary, and Vocational Education of the House Committee on Education and Labor held a hearing on House Joint Resolution 491 on February 19, 1976. Members of Congress, program administrators, student participants and teachers testified on the benefits of the Ellender Fellowship program and its role in the expansion and success of the Close Up program.

The joint resolution was reported by the full Education and Labor Committee on March 29, 1976, and it was adopted by the House on April 5.

Mr. President, the Allen J. Ellender Fellowship program was instituted to honor the memory of our late beloved colleague and friend, Allen Ellender. No more fitting tribute could be paid to a man who devoted the greater part of his life to public service than to have young people all over the country and their teachers develop into a concerned and participating citizenry.

The Fellowship program, established by Public Law 92–506, provided a modest appropriation of $500,000 for a 3-year period, through fiscal year 1975. Currently the program is under an automatic extension of its authorization pursuant to section 414 of the General Education Provisions Act. Funding will expire on June 30, 1976, unless this important measure is signed into law.

The modest investment made by the Federal Government has yielded positive returns. Over and above its stated purpose of making fellowships available to disadvantaged students and their teachers, these moneys have served as a catalyst to encourage communities, businesses, and other private sources to provide additional assistance to students in need, as well as to encourage participation for students through parental support. In other words, the Close Up Foundation has not simply awarded Ellender Fellowships, but has multiplied Federal funds dramatically to create even more participation in, and understanding of, our democratic process.

Between 1972 and June of 1975, the Federal Government, through the Close Up Foundation, provided more than 4,400 Ellender Fellowships to low-income students and their teachers for participation in the Close Up program. Using the Ellender Fellowships as a fundamental part of its program concept, the Foundation was able to generate private funds to support almost 12,500 additional participants.

For the 1975–76 programs, the Foundation's multiplier effect of community support is even more exemplary. An estimated 1,350 Ellender Fellowships will be awarded for this school year, with more than 9,100 additional students expected to participate through community and parental support.

Taken overall, since 1972, and including 1976 estimates, some 5,757 Ellender Fellowships have been awarded. An additional 22,119 students and teachers have been brought into the program through community and parental support in this same period.

Taken another way, a total Federal investment of $2 million has generated another $8 million in community and parental support, if we include 1976 estimates.

These additional funds have come from large businesses, small merchants, private individuals, service clubs, philanthropic organizations, unions, boards of education, local and national associations, and individual families. They indicate the growing and widespread acceptance of the program, as well as the catalytic effect upon whole communities, as they work together toward a better sense of community and country.

Important as these figures are, Mr. President, they do not begin to reflect adequately the total worth of this fine program to thousands of young people and their educators around the country.

Many of our colleagues in the Senate and in the House have witnessed firsthand the enthusiasm and interest in government which is enhanced by this one-week experience in Washington. By involving entire cities and surrounding communities in this learning experience together, the Close Up Foundation has been able to create a new dimension which has taken the program far beyond the academics of learning about government and politics. The program has also become a great and meaningful human experience, creating a framework where students and teachers from a variety of backgrounds in a community can share common experience.

A recent study conducted by the Social Education Associates under the auspices of the Close Up Foundation and other philanthropic organizations included follow-up interviews with some of these students which reveal the true dimension of the program in developing awareness of government.

I want to share a few of these comments with my colleagues.

> At first, I was going back and forth with the idea that politicians were crooks, but after going with Close Up, I see that they are hard-working people being paid for what they do and they really have a lot to do. They really do care and they do read your letters. Like we received a letter in the mail the other day from our congressman wanting to know what our feelings were on 4–5 issues and my Mom was going to throw it away. I said, "No, this is a chance to tell our congressman how we really feel," so I filled it out.

And from another:

> I felt before going that the government was so far away and wouldn't listen to any of us. But, after being in Washington, I found that the politicians were really friendly. The congressmen were really interested in hearing what we had to say. I feel that we really have a say in government through our congressmen. I feel that a person's time would be well spent in writing to his congressmen if he wanted something done. I would have written a letter before going to Washington, but I wouldn't have been convinced that it would have really helped, but I am convinced now.

Still another youngster said:

> It gave me insights into the fact that the people are the government. I was very apathetic about politics and government before this trip—now I know I will vote and try to express my opinions in any way I can.

What better testimony could be offered to demonstrate the value of our efforts to bring young people closer to their government and to their elected representatives? The Close Up program provides a great service to the young people of this Nation and to all of us who look forward to the day when all of our citizens truly feel a part of our political processes.

I commend my colleagues in both Houses on their expeditious consideration of this important measure.

Mr. JOHNSTON. Mr. President, today the Senate has passed a measure that is relatively small in dollars but tremendously important in its impact. With the Senate approval of a 4-year extension of the Allen Ellender Fellowship program, we have voted for a number of things.

We have voted for the opportunity of American high school students and teachers from across our country to spend time in our Nation's Capital viewing the Federal Government at firsthand. We have voted for a substantive learning experience for more than 10,000 people a year—a learning experience that will greatly enhance one's appreciation of how our American Government works. We have voted for a better informed American youth, who will be prepared to accept their position in communities and in our Nation when the time comes.

I have had a chance to see the Close Up program often since I became a member of the Senate in 1973. It is an excellent example of how to make education exciting. By voting to extend the Ellender Fellowship program, we allow many young people from Louisiana and virtually every other State to see their Federal Government; these are young people who under most circumstances would not have the opportunity to do that. With our vote today, we make a critically important investment in the young men and women who will be our national leaders tomorrow.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL FOOD STAMP REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 3136) to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes.

Mr. TALMADGE. Mr. President, I yield 1 minute to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I thank the distinguished chairman of the Committee on Agriculture for his never-failing courtesy and consideration.

Mr. President, many weeks ago, I made a commitment to speak this evening out of the city of Washington. One of my purposes in doing so is to promote the principles set forth in Senate Joint Resolution 180. I have now learned that instead of a Saturday session, we shall have, probably, a late session tonight. I therefore wish to state that if I were present, I would oppose the adoption of the Dole substitute, or the so-called compromise substitute to the bill. If that prevails, I would oppose passage of it. Also, unless the committee bill is measurably reduced, I would be opposed to that. I want the record so to state.

The PRESIDING OFFICER. The record will so state.

What is the will of the Senate? Who yields time?

Mr. TALMADGE. Mr. President, I think there are some amendments floating around here. If the Senators will propose them, we shall try to dispose of them. If no one proposes an amendment, I am prepared to ask for third reading of the bill.

Mr. BEALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BEALL. I ask unanimous consent that a quorum be called and that the time be equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. If the Senator will yield, I wish to make a unanimous-consent request.

Mr. ALLEN. Yes, I yield.

Mr. TALMADGE. Mr. President, on Tuesday, the Senate adopted two amendments to S. 3136. One amendment—proposed by Senator BEALL—was adopted by a vote of 95 to 0, and the other amendment—proposed by Senator FORD—was adopted by a voice vote.

Mr. President, I ask unanimous consent that the pending amendment—amendment No. 1571—be amended by inserting in the appropriate places the two amendments which were adopted by the Senate on Tuesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I rise for the purpose of making a motion. I shall withdraw the motion.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I move that the bill under consideration be postponed until April 9 and ask for recognition to speak on the motion.

The PRESIDING OFFICER. The motion is debatable. The Senator is recognized.

Mr. ALLEN. I yield myself such time as I may use.

I shall withdraw this motion before it comes to a vote. I offer the motion for the purpose of giving me an opportunity to speak on a motion to table the pending substitute. I do this to effectively draw the line between those who want a modest reform of the food stamp program and those who want to lift the ceiling off of the cost of the food stamp program.

I wish that more Senators had been here this morning when I was reading the letters from the Department of Agriculture, which now indicate that the substitute bill would add approximately a half billion dollars to the cost of the present program. W are supposed to be reforming this program, and that does not mean adding to the cost of the program.

Many Senators took the position that in voting against the motion to waive the provisions of 401(b) of the Budget Act, they were delaying food stamp reform. For that reason, they voted for the motion to waive the provisions of the Budget Act. Many who voted to waive the provisions of the Budget Act do not want to see a half billion dollars added to the cost of the present program. If we are successful in tabling the Dole-McGovern amendment, we shall then fall back to the committee bill, which I support, inadequate as it is, because the same figures from the Department of Agriculture indicate that there actually is no saving in the committee bill. It does have some reforms in that it does take from the upper strata of the economic ladder many who are now on the program and who should not be on the program, and it adds some 500,000, it is estimated, at the lower rungs of the economic ladder to allow them to get the benefits of the program. It increases for them the benefits of the program.

So, Mr. President, if we do not pass any legislation, I say here and now that it is my considered judgment that if the Dole-McGovern amendment passes and that comes out of conference in that fashion, then we are heading for a veto and we are going to have to fall back on the Agriculture rules and regulations, which have been promulgated and go into effect on July 1. So, if we can table this budget busting substitute by Mr. Dole and Mr. McGovern, we shall fall back on the committee bill, which is, in a sense, a reform bill. It does not save a great deal of money, if any money, but it does close some loopholes and make the benefits of the program available in larger amount to those who need the program the most.

This Dole-McGovern substitute is reform in reverse. It is a nonreform food stamp reform bill. Let us not fool ourselves. In my judgment, the cost of the Dole-McGovern bill would run approximately $7 billion a year and in the next fiscal year, with all of the escalators built into it, there is no telling how high it will go. When the Dole-McGovern substitute is adopted and becomes law, if it should happen to survive a Presidential veto by overriding the veto, and the cost of this program escalates from 6 to 7 to 8 to 9 billion dollars, what are we going to say to our constituents who have asked us to reform this program?

Mr. President, we shall have a fairly good reform bill if we take the committee bill. Here is a bill hammered out by the committee after weeks and months of study, after extensive markup, when most of the provisions of this substitute were rejected by the committee, tossed on the floor of the Agriculture Committee hearing room, and, in effect, bundled up by the proponents of the Dole-McGovern bill and wadded together in a package and dumped into the hopper here.

Mr. President, let us go ahead and reject this nonreform substitute of Mr. Dole and Mr. McGovern and fall back on the committee bill, have quick action on that, send it to the House, and see if we cannot, in the next few weeks, pound out a bill that will be acceptable to the President, that will receive his signature, that will not be vetoed so that we shall have to fall back on the President's regulations through the Department of Agriculture.

That would be a program of some $8 billion, and I feel like it is not adequate, but I feel like the farthest we should go is the committee bill.

I will certainly recommend that the substitute be tabled when I make that motion so that we can pass the committee bill.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I yield.

Mr. HELMS. The Senator is entirely correct, and I wish to be associated with his remarks.

The situation here is we have already overridden the Budget Act and now we are preparing to override the Agriculture Committee because the Agriculture Committee rejected most, if not all, of what is contained in the Dole-McGovern substitute, so-called. So I commend the Senator, and I join in in his motion.

Mr. ALLEN. Mr. President, I withdraw my motion to postpone and, instead, I move that the substitute be laid on the table.

Mr. HELMS. I ask for the yeas and nays.

The PRESIDING OFFICER. The motion is not in order until the time on the substitute has been utilized or yielded back.

Mr. ALLEN. The Senator from Alabama is not entitled to withdraw his motion to postpone?

The PRESIDING OFFICER. Yes, the motion has been withdrawn, but the motion to table is out of order until the time has expired or all time is yielded back.

Mr. ALLEN. Until the time has expired on what?

The PRESIDING OFFICER. On the substitute amendment.

Mr. ALLEN. Very well.

The PRESIDING OFFICER. Who yields time?

Mr. BEALL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. An amendment to the substitute is not in order until all time is used yielded back on the substitute.

Mr. DOLE. I yield the Senator 3 minutes.

Mr. TALMADGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TALMADGE. The amendment would not be in order until all time has expired or all time has been yielded back on the substitute.

I will be prepared to yield back all time on the substitute.

Mr. DOLE. I yield back all time on the substitute.

Mr. BEALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BEALL. Mr. President, it will not be in order to amend the substitute if the substitute is adopted; is that correct?

The PRESIDING OFFICER. The Senator is correct and the Clerk will report the amendment of the Senator from Maryland.

Mr. ALLEN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President, would not the motion to table be in order when all time had been yielded back?

The PRESIDING OFFICER. Yes, after all time has been used or yielded back. The Senator from Maryland has been recognized.

Mr. BEALL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk proceeded to read the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the amendment, insert the following new section:

"AUTOMATIC DATA PROCESSING STUDY"

Sec. 22. The Secretary shall conduct a study relating to the current utilization of automatic data processing equipment by States and localities in the administration of the food stamp program, and report his findings to the Congress not later than January 1, 1977. Such study shall include, but not be limited to, the following:

(a) The degree to which States and localities utilize data processing equipment and other computer technology in the administration of the food stamp program;

(b) The effects of such utilization on the delivery of services to qualified recipients;

(c) The net cost impact of such utilization on the program, including the expense of purchase, operation and maintenance of such equipment, and any cost savings which may have resulted because of such utilization;

(d) The degree to which error and fraud have been or may be detected more efficiently through such utilization;

(e) An inventory of existing Federal programs which provide funds for use by States and localities for the purchase, operation and maintenance of such equipment, or the training of personnel to operate or maintain such equipment together with an assessment of the degree of participation of States and localities in such programs;

(f) The degree to which data processing equipment is utilized by States and localities in the administration of other Federal programs concerned with the delivery of services to individuals; and

(g) The desirability of the utilization of data processing equipment or other computer technology in the administration of the food stamp program, and, if such utilization is deemed to be desirable, recommendations relating to the encouragement of greater utilization of such equipment.

Mr. BEALL. Mr. President, I have discussed this amendment with the manager of the bill, and I understand it is acceptable.

Mr. President, my amendment would direct the Secretary of Agriculture to conduct a study relating to the current utilization of automatic data processing equipment and other computer technology by the States and localities in the administration of the food stamp program.

He would be required to report the findings of such study to the Congress by January 1, 1977, so that we could have the benefit of his work prior to the expiration of the current program on June 30, 1977.

Several weeks ago, in preparation for consideration of this bill, I visited a neighborhood social service center in Baltimore City. The purpose of my visit was to learn firsthand from welfare caseworkers what types of problems plagued such programs as food stamps, public assistance, and medical assistance, among others.

Their No. 1 concern was paperwork. In fact, they presented me with 88 different forms which had to be filled out by each applicant in order to get assistance, beginning with the 10-page "simplified" form, which in my judgment, would have been difficult if not impossible for most people to adequately complete.

But before this process can even begin, the worker must first determine if the individual applicant has ever been known to the department at a prior time. In order to do this, each caseworker in the 22 neighborhood centers in Baltimore City, for example, must call the master file central facility on one of only three telephone lines—which I understand are perpetually busy—and ask verification of an individual's record.

In order for this to occur, the worker at central master file must put the caseworker on hold, and walk over to a tub file containing some 350,000 names, and manually thumb through the files looking for that one particular individual. Hopefully, if among the thousands of Smiths, and Jones, and countless other names she finds the right individual, she must then put that card back in the right place. If she does not, that individual might very well be lost in the system forever.

But for many applicants, this is only the start of their problems with the system. Assuming that the paperwork gets filled out correctly, the worker then forwards their certification to the State data processing operation for issuance of an "authorization to purchase" card. Yet, despite the fact that the recipient is always in dire financial straits, he must wait, sometimes as long as 20 days, for issuance of his ATP card. By that time, his public assistance grant may be already spent, and he is unable to even participate in the food stamp program because he cannot meet the purchase requirements.

Mr. President, in this age of computerization and rapid data processing, I find it unbelievable that States and localities must handle these massive numbers of records manually, rather than electronically. It seems to me that our failure to provide adequate technology to deal with these records is a major contributing factor to error in social programs, and presents an unmatched opportunity for fraud and deception.

The lack of adequate computerization also often works extreme hardship on qualified recipients. The system is just not delivering adequate and timely service to those in desperate need.

My amendment would require the Secretary to investigate the following specific areas:

First, the degree to which States and localities utilize data processing equipment and other computer technology in the administration of the food stamp program.

Second, the effect of such utilization on the delivery of services to qualified recipients.

Third, the net cost impact of such utilization on the food stamp program, particularly any savings which might occur.

Fourth, the degree to which error and fraud have been or may be easily detected through the use of computers.

Fifth, an inventory of existing Federal programs which provide funds to States and localities for such purposes, and an assessment of the levels of participation in such programs.

Sixth, the degree of utilization of ADP technology in other social programs of the Federal Government.

And, seventh, the desirability of such ADP utilization in the food stamp program, and any recommendations relating to the encouragement of greater utilization of such equipment.

I am hopeful that the Senate might adopt this amendment, and authorize this much-needed study.

Mr. TALMADGE. I have discussed this with the Senator, and I believe the amendment is very worthy. We need to utilize computers more, and I think the study of utilization of computers will save the Department money. I urge the Senate to approve the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. TALMADGE. All time is yielded back.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

Mr. ALLEN. Mr. President, I move to lay on the table the Dole-McGovern substitute, and I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the rollcall be limited to 10 minutes.

Mr. BEALL. Reserving the right to object——

The PRESIDING OFFICER. Is there objection?

Mr. BEALL. I object.

The PRESIDING OFFICER. The rollcall will take 15 minutes.

The question is on agreeing to the motion of the Senator from Alabama to lay on the table the Dole-McGovern amendment (No. 1571).

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PASTORE), the Senator from California (Mr. TUNNEY), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER) and the Senator from New Mexico (Mr. MONTOYA) are absent on official business.

I further announce that if present and voting, the Senator from Minnesota (Mr. MONDALE), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), and the Senator from Rhode Island (Mr. PASTORE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA), and the Senator from Delaware (Mr. ROTH) are necessarily absent.

I further announce that, if present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "yea."

The result was announced—yeas 31, nays 58, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—31

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Byrd,
Harry F., Jr.
Curtis
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Johnston
Laxalt
McClure
Morgan
Nunn
Proxmire
Scott,
William L.
Sparkman
Stennis
Thurmond
Tower
Young

NAYS—58

Abourezk
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Weicker
Williams

NOT VOTING—11

Culver
Gravel
Hartke
Hruska
Jackson
McClellan
Mondale
Montoya
Pastore
Roth
Tunney

So the motion to lay on the table was rejected.

The PRESIDING OFFICER (Mr. HATFIELD). The Senator from Alabama.

AMENDMENT NO. 1550

Mr. ALLEN. Mr. President, I call up amendment No. 1550.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ALLEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amendments intended to be proposed by Mr. Dole (for himself, Mr. McGovern, Mr. Humphrey, Mr. Hugh Scott, Mr. Hollings, Mr. Stone, Mr. Hatfield, Mr. Javits, Mr. Case, Mr. Leahy, Mr. Clark, Mr. Philip A. Hart, and Mr. Kennedy):

On page 16, beginning with line 21, strike everything through line 2 on page 23 and insert in lieu thereof the following:

"ELIMINATION OF THE PURCHASE PRICE

"Sec. 6. (a) The first sentence of section 4(a) of the Food Stamp Act, as amended, is amended to read as follows: 'The Secretary is authorized to formulate and administer a food stamp program under which, at the request of the State agency, eligible households within the State, including households with one or more elderly members, shall be provided with, through the use of a coupon allotment, an opportunity to obtain a nutritionally adequate diet.'.

"(b) The section head of section 7 of the Food Stamp Act of 1964 is amended by striking out 'AND CHARGES TO BE MADE'.

"(c) Section 7(a) of such Act is amended to read as follows: 'The face value of the coupon allotment which State agencies shall be authorized to issue for any period to any household certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, reduced by an amount equal to 30 per centum of such household's net income. The value of the coupon allotment shall be adjusted semiannually: *Provided*, That the adjustment of the coupon allotment shall be based on changes in the prices of food in the Consumer Price Index published by the Bureau of Labor Statistics in the Department of Labor.'.

"(d) Sections 7(b) and 7(d) of the Act are repealed.

"(e) Section 7(c) is redesignated as 7(b) and the following is deleted: 'which is in excess of the amount charged such household for such allotment'.

"(f)(1) Clause (7) of the second sentence of section 10(e) of the Food Stamp Act of 1964 is amended to read as follows: '(7) notwithstanding any other provision of law, and at the option of the State agency, the institution of procedures under which any household participating in the program shall be entitled to have its coupon allotment distributed to it with any grant or payment to which such household may be entitled under title IV of the Social Security Act; and'.

"(2) Section 10(g) of the Food Stamp Act of 1964 is amended to read as follows:

"'(g) If the Secretary determine that there has been negligence or fraud on the part of the State agency in the certification of applicant households, the State shall, upon request of the Secretary, deposit into a separate account established in the Treasury a sum equal to the face value of any coupon issued as a result of such negligence or fraud. Funds deposited into such account shall be available without fiscal year limitation for the redemption of coupons.'.

"(g)(1) The third sentence of section 16(a) of the Food Stamp Act of 1964 is repealed.

"(2) Subsections (b) and (c) of section 16 of such Act are repealed and subsection (d) is redesignated as subsection (b).".

On page 4, between lines 3 and 4, insert a new subsection as follows:

"(q) The term 'adjusted semiannually' means adjusted effective every January 1, and July 1, to the nearest $1 increment to reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics in the Department of Labor for the preceding six months ending September 30, and March 31.".

On page 6, line 23, after the word "households", insert the following: "and adjusted semiannually, except that such adjustment shall be to the nearest $1 increment: *Provided*, That the first such adjustment shall be effective July 1, 1977, and shall reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics for the period from September 30, 1975, to March 31, 1977.".

On page 5, delete lines 7 through 13 and insert in lieu thereof the following:

"(2) The income standards of eligibility in every State (except Alaska and Hawaii) shall be the income poverty guidelines prescribed by the Office of Management and Budget adjusted pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d), as adjusted semiannually: *Provided*, That the first such adjustment of the income poverty guidelines shall be effective July 1, 1977, and shall be made by multiplying the income poverty guidelines in effect as of April 1, 1977, by the changes between the average 1976 Consumer Price Index and the Consumer Price Index for March 1977.".

Mr. ALLEN. Mr. President, how much time is available to my side? Is it 15 minutes?

The PRESIDING OFFICER. The Chair's understanding is that this is offered as an amendment to the bill.

Mr. ALLEN. I suggest the amendment speaks for itself.

The PRESIDING OFFICER. There is 15 minutes to a side.

Mr. ALLEN. I thank the Chair.

Mr. President, this vote that was just had on the motion to table is indeed a significant vote because fewer than two-thirds of the Senators present voted against the motion to table the Dole-McGovern budget busting substitute. That would send a message, it would seem, to the executive department that there is adequate support in the Senate for a true reform bill; that two-thirds of the Members of the Senate do not favor reform of the food stamp program in reverse, which the Dole-McGovern substitute does.

Mr. President, by this vote, however, the Senate has indicated that, as to this program, they are willing to throw fiscal responsibility to the winds, and instead of cutting back on this program they are going to spend an additional $.5 billion, as shown by letters from the Department of Agriculture on this program.

Mr. CURTIS. Mr. President, will the Senator yield right there?

Mr. ALLEN. I yield.

Mr. CURTIS. As the Senator knows, this so-called substitute was in being only a matter of a day or two. Consequently, the estimates have had to be updated right along. It is my information that Mr. Steven Hiemstra, the Economic Analyst at the Department of Agriculture, shows that the Dole-McGovern substitute will add to the cost $928.8 million. It is almost $1 billion.

Mr. ALLEN. I thank the distinguished Senator for this information. Does the Senator wish to continue?

Mr. CURTIS. No. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator.

Now, Mr. President, inasmuch as the Senate has indicated that it wants to take the ceiling off the expenditure at $7.5 billion, based on the Department of Agriculture's figures, and add $.5 billion to the cost of a program that we are supposed to be reforming, what hope are we going to have to reform the Federal bureaucracy?

In response to the public demand for food stamp reform, we very cynically added a half billion dollars to the cost. What kind of reform is that, Mr. President? If we are going to throw caution to the winds, this amendment of the distinguished Senator from Kansas (Mr. Dole), for himself, Mr. McGovern, Mr. Humphrey, Mr. Hugh Scott, Mr. Hollings, Mr. Stone, Mr. Hatfield, Mr. Javits, Mr. Case, Mr. Leahy, Mr. Clark, Mr. Philip A. Hart, and Mr. Kennedy, which would remove the purchase requirement, ought to come before the Senate for consideration.

I must say I do not support this concept, but I do believe that we need to see if the Senate does want to eliminate the purchase price requirement as proposed in this amendment, which was at the desk.

This is now the amendment of the Senator from Alabama because he called it up, but he is not the author of the amendment. I want to see just how cynical we are going to be in this area. Reform the program? Add a half billion dollars to the cost. Well, I do not think that this purchase price requirement would add more than a billion dollars to the cost. Let us make this thing absolutely sure of a veto.

The President's program, as promulgated by the Agriculture Department, would cost some $4.8 billion. If we do not get a bill that will receive Presidential approval, we are going to fall back on the $4.8 billion program, rather than the some $6 billion program of the committee, or what I believe is at least a $7 billion program of the Dole-McGovern substitute. So I believe, Mr. President, that we ought to have a vote on this purchase price requirement amendment that has been offered. It was offered in committee; it was rejected there, I believe, by a 7-to-7 vote, and if the Senate does not want to go to this purchase price requirement, I would say then an amendment would be in order to knock out the $20 million pilot program that is provided for in the Dole-McGovern substitute for pilot programs providing for no purchase price for food stamps.

That is going to be the condition precedent, more or less, the opening wedge. If the Senate rejects this amendment, they would, I assume, feel that the pilot programs are not necessary, and they would also vote, then, to knock out the section of the substitute that calls for a $20 million pilot program.

Mr. President, I reserve the remainder of my time.

Mr. DOLE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, on the Senator's time.

Mr. DOLE. Do I understand that the Senator from Alabama supports the amendment he has introduced?

Mr. ALLEN. No. I stated, if the Senator had been listening, that I do not approve this concept, but I think the Senate is entitled to vote on this issue. The Senator from Kansas did not seem to be inclined to call up the amendment, since it was retained at the desk, and the Senator from Alabama wants to see whether the Senate supports it, after passing a so-called reform bill and reforming in reverse by adding some one-half billion dollars to the cost. That is the purpose in calling up the amendment.

I did not suppose the Senator from Kansas would object to calling up his own amendment.

Mr. DOLE. Will the Senator yield further?

Mr. ALLEN. On the Senator's time.

Mr. DOLE. I think there has been a compromise, and in that compromise we have agreed not to push for elimination of the purchase price.

Mr. ALLEN. The Senator from Alabama is not in on that compromise.

Mr. DOLE. If the Senator from Alabama would like to be a cosponsor, we would like to have him.

Mr. ALLEN. I called up the amendment, so as of now it is my amendment, although I am not the author of it.

I reserve the remainder of my time.

Mr. TALMADGE. Mr. President, I yield back my time. Is the Senator from Alabama ready to vote?

Mr. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. ALLEN. Mr. President, in view of the time limitation that we have imposed on further discussion, 5 minutes is a precious amount of time, and for that reason I would use the remaining 5 minutes.

Mr. President, the Agriculture Committee, acting in response to public demand that the food stamp program be reformed, that the cost be cut back, that abuses be eliminated, worked for several weeks in hearings. We had 2 weeks of hearings that the Senator from Alabama chaired.

The committee then had the matter under consideration for many days—parts of 2 weeks, I believe—in which the bill was marked up, in which many of the amendments embraced in the substitute were considered by the committee and rejected by the committee, and have now been put together in the form of a substitute.

I was somewhat amused by the argument of the distinguished Senator from Kansas (Mr. Dole) when he was talking about all of these reforms that his substitute accomplished. The reforms, Mr. President, were in the committee bill. Now we have the added loopholes and the liberalization that are in the rest of the substitute that the Senator from Kansas and the Senator from South Dakota have offered.

So, Mr. President, what we are faced with is this: The President, acting through the Department of Agriculture, has promulgated rules and regulations, as the Department is authorized to do, governing the administration of the food stamp program. Those rules and regulations go into effect on July 1, so that ample time is given to Congress to enact reform legislation to cut back on the cost of the present program.

That would eliminate some of the present abuses. That would cut off people who are not entitled to the benefits of the program, and make more benefits available for those who are entitled to the benefits of the program, but we would end up with a net saving to the American taxpayer.

So if Congress can pass legislation that will meet with the President's approval, then that will go into effect, rather than the regulations. The regulations would be effective only to the extent they have not been preempted or modified by the statutory law.

The committee came out with a bill that looked like it was going to save about $630 million; but subsequent estimates have shown that if the saving exists at all, it will be minuscule.

And the distinguished Senator from Kansas in the summary of his substitute conceives that their program will add $389 million to the cost of the committee bill.

The committee bill is a minus figure as far as savings is concerned according to recent figures by the Agriculture Department. I say "recent"—one letter is yesterday and the other one is today. So we are going to reform the program by adding to the cost? Is that what we are going to do?

And, specifically, is this $20 million pilot program necessary, if the Senate decides it does not want to reform the purchase requirement as provided in the Dole-McGovern, so-forth and so-forth amendment No. 1550, which I have called up? So I think it would be interesting to find the view of the Senate with regard to the proposal to eliminate the purchase requirement.

Mr. TAFT. Mr. President, I have long favored a minimum income maintenance approach to welfare programs over the present systems. I favored the original Dole-McGovern amendment which would have eliminated the purchase requirement completely and brought the food stamp program down to a simpler, more realistic and responsible level for the recipients and for the administrators. This approach would have permitted the really poor to participate in the program, and to purchase food and other necessities with the monies available to them, while they would have received a "bonus" amount from the Government to assist them. The program would have helped to restore pride to those who cannot bear to present a food stamp at the grocery store. It would have encouraged families to budget their expenses and learn to plan how they will spend their money, instead of counting on the Federal Government to bail them out with coupons specified for food purchases.

Besides, as it has been said, is it the Government's business to require that $166 be spent on food every month when $30 of that money could be spent on an overdue heating bill? In these days of rising energy costs, cold homes are not rare.

The food stamp program has been filled with too many deductions, and too much abuse. Some people who are presently on food stamps do not have the need for them that the really poor have. The really poor who cannot pay $122 a month for food stamps, do not participate in the program at all. We must cut out the deductions, as this bill does, by instituting a standard deduction of $100 plus $25 for an elderly household.

I support the Dole-McGovern-Talmadge compromise. This food stamp bill will permit more of the most disadvantaged citizens to participate in the program, especially the elderly poor. It tightens many loopholes with the standard deduction. Although the purchase requirement is retained, the purchase price will be reduced to 25 percent of net income. The assets test must be reviewed by the Department of Agriculture and Congress must review it for 60 days. I hope that we will develop a fair limitation that will permit small businessmen and farmers to continue to make a living, but a limitation that will prevent abuse of the system. The work registration requirement is retained from the committee bill.

The pilot project for the elimination of the purchase requirement is an excellent idea. I hope its success will prove to doubters that this approach has merit and should be expanded.

This compromise is one which I hope can be enacted. For years, the public has been screaming about the abuses of the food stamp program. Unfortunately, a few well-publicized cases have led us to fear that abuse was widespread. It was not so much that the law was broken, I think, but that the law allowed deductions from income that were too generous. On the other hand, the high purchase requirements prevented many people on fixed incomes with rising energy and rent costs, from saving the money necessary to purchase food stamps once or twice a month. Hopefully, the 25 percent purchase price in this bill will open the program to more deserving people and the standard deduction system will reserve the food stamp benefits for those who really need them.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLEN. I thank the Senator.

Mr. McGOVERN. Mr. President, I move to table the amendment offered by the Senator from Alabama.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Washington (Mr. Jackson), the Senator from Massachusetts (Mr. Kennedy), the Senator from Arkansas (Mr. McClellan), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from Rhode Island (Mr. Pastore), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Culver), and the Senator from New Mexico (Mr. Montoya) are absent on official business.

I further announce that, if present

and voting, the Senator from Washington (Mr. Jackson), and the Senator from Rhode Island (Mr. Pastore) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Hruska), and the Senator from Delaware (Mr. Roth) are necessarily absent.

I further announce that, if present and voting, the Senator from Nebraska (Mr. Hruska) would vote "yea."

The result was announced—yeas 82, nays 5, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—82

Abourezk
Allen
Baker
Bartlett
Bayh
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Durkin
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Javits
Johnston
Laxalt
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—5

Beall
Leahy
McClure
Stafford
Taft

NOT VOTING—13

Culver
Gravel
Hartke
Hruska
Jackson
Kennedy
McClellan
McIntyre
Metcalf
Montoya
Pastore
Roth
Tunney

So the motion to lay on the table amendment No. 1550 was agreed to.

Mr. JAVITS. I wish to make clear, Mr. President, that I have voted in the affirmative on Senator McGovern's motion to table Senator Allen's amendment to eliminate the purchase requirement because I desire to preserve the integrity of the substitute which I cosponsor.

In a spirit of compromise, I was willing to endorse what I believe to be a good substitute package. On the whole, the Talmadge-Dole-McGovern-Humphrey-Javits-Percy-H. Scott substitute is a viable one. It does not contain everything I set forth in my bill—S. 2840—but is, nevertheless, a measure that provides a nutritionally adequate diet for truly needy American households.

Had I voted against the McGovern motion to table, the entire package we had labored so diligently to build would have fallen apart. We would then have run the risk of a retrogressive bill, much like the original S. 3136. So to preserve this package, I voted in favor of Senator McGovern's motion.

It continues to be my opnion that the purchase price requirement is cumbersome and invites fraud and abuse. It adds unnecessarily to administrative costs of the program because of the need to handle large amounts of money used by eligible households to purchase food stamps.

Furthermore, I believe that the purchase requirement is the reason why only half of the eligible households actually participate in the program. But my support of the substitute is far more important to the poor and working poor and must have the priority.

Mr. ALLEN. Mr. President, I call up an amendment that I have sent to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Alabama (Mr. Allen) proposes an amendment to Amendment No. 1571: On page 32, line 3, strike out through line 22.

The PRESIDING OFFICER (Mr. Garn). The time for debate is limited to 20 minutes, 10 minutes to a side. Who yields time?

Mr. ALLEN. Mr. President, I yield such time as I may use.

If Senators will turn to page 32 of the substitute, they will see what this amendment does. It strikes out section 21. That is a section that provides for spending $20 million setting up a pilot program, I believe in 10 sections of the country, to try out the system of requiring no purchase price for food stamps. I say that there is very little sentiment in the Senate, quite obviously, for eliminating the purchase price because, Mr. President, by a vote of 82 to 5, the Senate has turned thumbs down on the Dole-McGovern amendment that would have eliminated the purchase price requirement for food stamps.

So, with an 82-to-5 expression of sentiment against eliminating this requirement, why in the world are we going to spend $20 million trying out a program that is so overwhelmingly opposed in the Senate?

Mr. President, on the whole matter of this so-called compromise, whereby the proponents of no reform added cost agreed not to offer this amendment that has been rejected, and which I brought up for the purpose of gettting a vote, those Senators agreed not to offer that amendment, provided support might be given for the rest of their budget-busting substitute.

But it is pretty cynical, Mr. President. They say they will not offer it now, but they do not say about the next time Congress meets. It is quite obvious that setting up these 10 areas where they have pilot programs is going to prove that they need to eliminate the purchase price, so we shall be confronted next year with a bill of that sort. It would have been much better to have confronted the issue head-on here in the Senate as to whether we are going to make this bill a mockery, as we are on the verge of doing, or whether we are going to have a bill that offers some element of food stamp reform.

The Senate has shown very clearly that it is not going to vote against or vote down the Dole-McGovern substitute. They have opted for lifting the ceiling, making of a reform effort a no-reform effort and an increased expenditure effort. So we get all of this added cost and, in the next Congress, they will come back and eliminate the purchase price requirement, after seeing how well it worked in those 10 pilot project areas.

So, Mr. President, since the Senate has voted down the amendment providing for eliminating the purchase price, should we not then eliminate the pilot program costing a mere bagatelle of $20 million? When they institute one of these pilot programs, you know the full program is right in line behind it.

That is the way the food stamp program took over from the commodity program. There was a pilot program, or several pilot programs, and of course they ran it themselves; they concluded that it worked so well that they needed the full thing throughout the country. I am hopeful that we will knock out this section providing for the pilot program.

One thing I might say is that the five purists—and I guess I should have to say they are purists; they voted against tabling the amendment providing for eliminating the purchase price requirement for food stamps—are going to have the advantage of some of the Senators who are supposed to be for that, are supposed to be for eliminating the purchase price requirement. How are they going to explain voting against eliminating the purchase price requirement? So the five purist Senators who voted, who had the political wisdom or astuteness to vote for the elimination of food stamp purchase requirement, are going to be able to say, "Well, I was for it; I was for eliminating the purchase price requirement. Those other fellows in the Senate, they would not allow us to eliminate that requirement." So these Senators who failed to vote for that, even though their name is on the bill—how are they going to explain that to the hunger lobby, the nutrition lobby, that is so strong for its elimination?

Now, a couple of years from now when some of these fellows are running for President, and they pull out the Congressional Record and ask, "How did you vote, Senator McGovern; how did you vote on this elimination of the purchase requirement?" I see here in the Congressional Record, and the Senator will recall——

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. ALLEN. I cited the 1969 Congressional Record on the Senator's missing his calculations on the cost of the food stamp program in Puerto Rico, so I am afraid in the future when these various candidates are running for President they are going to pull the Congressional Record and say, "Well, look, you did not vote to eliminate food stamp requirements." I have got a solution to that. This amendment that I offered was to the bill itself. It was the Dole-McGovern amendment. I just called it up, as I have a right to do, because the amendments on the table belong to any Senator, and I had a right to bring it up.

Mr. McGOVERN. Mr. President, will the Senator yield at that point?

Mr. ALLEN. I want to finish one more point, and if I have time I will be glad to yield. I will yield on the Senator's time in any event, but I have a solution to this problem of those who did not get on the bandwagon with the purist fire, who did vote to eliminate the purchase price requirement.

I can offer the same amendment to the substitute and give Senator Dole and Senator McGovern and others an opportunity——

Mr. HUMPHREY. Do not forget me.

Mr. ALLEN. And Senator Humphrey an opportunity to get on the bandwagon and vote to eliminate the purchase price requirement.

I think he ought to have a right to change his vote on this and, in all likelihood, I will offer the amendment again to see how we fare, and then the Senator could vote for it the next time, and he would be certainly in character voting on both sides of the same question, I might say to the distinguished Senator from Minnesota. He would have an opportunity to vote "No" a minute ago; "Yes" to table a minute ago, and then he could vote against tabling on the next time we have the issue up.

Mr. HUMPHREY. Mr. President, will the Senator yield on that point just for a modest observation?

Mr. ALLEN. Yes. I promised to yield first to the distinguished Senator from South Dakota.

Mr. HUMPHREY. I want to say to the Senator I do have friends on both sides.

Mr. ALLEN. And you are for your friends.

Mr. HUMPHREY. And I like to support my friends.

[Laughter.]

Mr. ALLEN. I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. Helms). The Senator's time has expired.

Who yields time?

Mr. McGOVERN. Mr. President, will the Senator yield to me on my time? Since we are putting a very high premium on charity here this afternoon, I am somewhat puzzled at the Senator's calling up an amendment and then 15 minutes later voting to table the amendment he just called up. At least I waited a rather respectable period of time to do a little reflecting on it.

The Senator talked so much about the enormous cost of eliminating the purchase plan that I had begun to think maybe it might be better to spend a little money to try this out on a pilot basis first before we rush into something that the Senator from Alabama said would break the Treasury.

Now, what we have before us is a modest investment, only a tiny fraction of what the Senator said it would cost to eliminate the purchase price.

Mr. ALLEN. Well, the Senator from Alabama has not made any comment on that at all, not at all.

Mr. McGOVERN. The Senator would agree that $20 million is insignificant compared to what he said the elimination of the purchase price would cost us.

Mr. ALLEN. I made no comment whatsoever on that.

Mr. McGOVERN. While we are being pure I think the way to be pure is to stay with this very modest investment. Let us try out this elimination of the purchase price on a small, economical basis, and then if it works we will have plenty of time to debate that and decide whether to go ahead on it. If it does not work, why, we ought to abandon the effort. That is all we are asking for.

Mr. ALLEN. I thank the distinguished Senator for his question, if it, in fact, was a question. But I will say to the Senator that the Senator from Alabama stated when he called up the amendment——

The PRESIDING OFICER. Who yields time? The time of the Senator from Alabama has expired.

Mr. ALLEN. The Senator said he would question me on my time, and I am now trying to answer him on his time.

Mr. TALMADGE. How much time does the Senator require?

Mr. ALLEN. Two minutes.

Mr. TALMADGE. I yield 2 minutes.

Mr. ALLEN. I thank the distinguished chairman of the committee.

The Senator from Alabama stated when the amendment was called up that he opposed this concept but that he felt since this had been considered in the committee and since the amendment was at the desk, and since some Senators did favor this concept, the Senator from Alabama thought we should gage the sentiment of the Senate on this issue. We have done that. I led off the rollcall here with a resounding "aye" on tabling the amendment. The amendment is a printed amendment, and it has the names of Senator Dole and Senator McGovern as authors.

Well, the Senator from Alabama made no secret about the fact he was against it, but I did want to gage and weigh the sentiment here in the Senate in favor of this proposal. I was delighted when the vote was found to be 82 to 5.

So, that being the case, there does not seem to be a great deal of need in having a $20 million pilot program.

The PRESIDING OFFICER. Who yields?

Mr. FORD. May I have 1 minute?

Mr. TALMADGE. I yield 1 minute, and then I yield back the remainder of my time.

Mr. FORD. The Senator from Alabama has made a great effort here in talking about the 80-to-5 vote. I am very proud that the men in the Senate keep their word. A compromise had been struck. Those who would like to see the elimination of the purchase agreement in this legislation agreed on something and, therefore, they voted, and their vote indicates that today they are keeping their word. I just want that point made because there is a great exercise here to make a point which I would like to refute just a little.

Mr. TALMADGE. I yield back the remainder of my time.

ADDITIONAL STATEMENT ON ALLEN AMENDMENT

Mr. DOLE. If all elements of the food stamp reform debate agree that families living below the poverty level should qualify for food stamps, I wonder why we should raise artificial barriers to their actual participation? I refer specifically to the food stamp purchase requirement—which forces eligible families to pay a portion of their income in order to obtain a full allotment of food stamps. Conceptually, I understand the logic of requiring a recipient household to put up some of its own money to obtain assistance. In practice, however, the purchase requirement serves as a barrier to participation by low income households who cannot raise the money required to obtain their allotment of food stamps.

In fact, 50 percent of those who live below the poverty level do not participate in the food stamp program. There may be many reasons for this nonparticipation. For one reason or another, many of these low-income families may not wish to receive Government food assistance. But some of these nonparticipants, including many impoverished aged, blind, and disabled—supplementary security income recipients—would like to receive food stamps. In case after case, one major obstacle to their participation exists—the purchase requirement.

I believe that eliminating the purchase requirement has great merit. For example, a family of four with $250 net monthly income would receive, without payment, $91 in food stamps under the elimination of the purchase requirement. Under the committee bill, the same family would pay $69 to obtain a $166 allotment of food stamps, thus receiving a net benefit of $97. While the benefit level under the elimination of the purchase requirement plan is slightly lower, many low income families who cannot now raise the purchase price will be able to participate in the program.

In addition to permitting more of our extremely poor citizens to receive nutritional assistance, elimination of the purchase requirement will have other beneficial consequences:

(1) Substantial administrative costs would be eliminated. Currently, it costs between 50c and $1.10 for every transaction involving the exchange of money for food stamps. With millions of these transactions each month, the cost to the federal (and state) governments runs into the hundreds of millions of dollars each year. As much as $50 to $100 million in administrative costs could be saved.

(2) Vendor fraud would be completely eliminated since there would be no vendors! (Vendor fraud has already cost the taxpayers nearly $7 million and the imposition of criminal penalties alone will not deter all fraudulent activities.)

(3) Over 40% of food stamps in circulation would be eliminated, thus reducing the burden on both issuing and redemption agencies.

(4) The black marketing of food stamps would be substantially curtailed since there would be far fewer stamps in circulation and because most people engaging in black marketing would no longer feel a need to convert some of their stamps to cash for use on other items.

(5) The variable purchase option and attendant administrative confusion would be eliminated.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Alabama.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I move to lay on the table the amendment of the Senator from Alabama.

Mr. ALLEN. I call for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment of the Senator from Alabama. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Mondale), the Senator from Rhode Island (Mr. Pastore), and the Senator from California (Mr. Tunney) are necessarily absent. I further announce that the Senator from Iowa (Mr. Culver) and the Senator from New Mexico (Mr. Montoya) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore), the Senator from Washington (Mr. Jackson), and the Senator from Minnestota (Mr. Mondale) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Nebraska (Mr. Curtis), and the Senator from Nebraska (Mr. Hruska), are necessarily absent.

The result was announced—yeas 63, nays 22, as follows:

[Rollcall Vote No. 135 Leg.]

YEAS—63

Abourezk
Baker
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Glenn
Hart, Gary
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Weicker
Williams

NAYS—22

Allen
Bartlett
Buckley
Byrd, Harry F., Jr.
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Laxalt
McClure
Metcalf
Scott, William L.
Sparkman
Stennis
Thurmond
Tower
Young

NOT VOTING—15

Bellmon
Brock
Culver
Curtis
Gravel
Hartke
Hruska
Inouye
Jackson
McClellan
McIntyre
Mondale
Montoya
Pastore
Tunney

So the motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** The Senator from Florida.

Mr. CHILES. Mr. President, I send to the desk an amendment to the Dole amendment and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mr. Chiles) on behalf of himself and Senator Nunn proposes an amendment to the Dole amendment in the nature of a substitute.

Mr. CHILES. Mr. President, I request unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 16, strike out "(i)" and insert in lieu thereof "(j)".

On page 16, line 5, strike out the quotation marks and the second period.

On page 16, between lines 5 and 6, insert the following:

"(k) (1) Notwithstanding any other provision of law, the Secretary and the Secretary of Health, Education and Welfare shall develop a system by which, to the greatest extent feasible, a single interview shall be conducted to determine eligibility for the Food Stamp Program and for the supplemental security income program under title XVI of the Social Security Act or the Aid to Families With Dependent Children Program under part A of title IV of the Social Security Act. To the greatest extent feasible, eligibility determination forms for food stamp applicants who are recipients of, or applicants for, benefits under those programs shall not include information collected for those programs.

"(2) The Secretary, in consultation and cooperation with the Secretary of Health, Education and Welfare, shall formulate and submit to the Congress, within ninety days after the date of enactment of this paragraph, a proposal for a nutritional status monitoring system. The Secretary shall also submit recommendations for such legislation as may be necessary to carry out such proposal."

On page 30, line 11, before the word "PILOT" insert "QUALITY CONTROL; ANNUAL EVALUATION PLAN; ANNUAL REPORT;".

On page 30, lines 14 and 15, strike out "new sections 18 through 21 as follows" and insert in lieu thereof "the following new sections:

"QUALITY CONTROL AND ADMINISTRATIVE EFFICIENCY

"Sec. 18. (a) The Secretary shall establish a realistic set of national error tolerance level goals to improve Quality Control and Administrative efficiency under this Act. Separate goals shall be set with regard to:

1. overissuance of bonus value of food stamps or undercharge of purchase requirement for households which fail to meet basic program eligibility requirements;

2. overissuance of bonus value of food stamps or undercharge of purchase requirement for eligible households;

3. bonus value of stamps under-issued or overcharge of purchase requirement to eligible households;

4. invalid decisions to certify or deny eligibility.

Interim tolerance levels shall be established for achievement at the end of 1 year, 2 years and 5 years following the date of enactment of this section.

"(b) (1) Each State shall be required to develop and submit to the Secretary for approval, as a part of the plan of operation required to be submitted under section 10 (e), a Quality Control Plan for the State which shall specify the actions such State proposes to take in order to meet the error tolerance goals established by the Secretary. The Quality Control Plan for any State shall specify the anticipated caseload work for the coming year and the manpower requirements needed and the specific administrative mechanisms proposed to be used to carry out the food stamp program in such State and to meet the error tolerance goals established by the Secretary.

"(2) The Secretary shall approve any Quality Control Plan submitted by any State if he determines such plan will achieve the goals established.

"(3) The Quality Control Program for any State shall also be required to include plans for a comprehensive program of training for all certification workers who will be engaged in implementing the certification regulations provided for under section 5(b) of this Act.

"(4) Any training program approved by the Secretary as part of a Quality Control Program for any State shall be maintained on a continuing basis to insure a satisfactory performance level for all new workers engaged in carrying out the food stamp program in such State.

"(5) As used in this section, the term 'quality control' means monitoring and correcting the rate of errors committed in determining the correct level of benefits to be provided households upon certification of their eligibility.

"ANNUAL EVALUATION PLAN

"Sec. 19. (a) The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, an Annual Evaluation Plan setting forth the Department of Agriculture's plans for evaluating the major objectives of the food stamp program, the extent to which such objectives are being achieved, and the cost and time requirements for carrying out such plans.

"(b) The Secretary shall indicate in his Annual Evaluation Plan the issues and objectives to be evaluated. Such issues and objectives shall specifically include—

"(1) the nutritional intake of the individuals participating in the food stamp program;

"(2) the relative fairness of the food stamp program between different income levels and age groups;

"(3) the relative fairness of the food stamp program as between different regions of the United States;

"(4) an evaluation of the success of the outreach programs; and

"(5) an evaluation of any other issues and objectives specified by the Secretary.

"ANNUAL REPORT TO CONGRESS

"Sec. 20. The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, a report entitled 'Annual Report on the Food Stamp Program'. The Secretary shall include in such report—

"(1) a summary of the achievements, failures, and problems of the States in meeting the quality control goals established under section 18 of this Act;

"(2) recommendations for an analysis of quality control goals for the next 1, 2, and 5 year periods;

"(3) a summary of all evaluation activities conducted by the Department of Agriculture in accordance with the Annual Evaluation Plan provided for in section 19 of this Act;

"(4) recommendations for program modifications based upon an analysis of quality control and evaluation information;

"(5) recommendations for any additional issues for evaluation; and

"(6) such other recommendations for legislative or administrative action as the Secretary may deem appropriate."

On page 30, line 17, strike out "Sec. 18" and insert in lieu thereof "Sec. 21".

On page 30, line 24, strike out "21" and insert in lieu thereof "24".

On page 31, line 4, strike out "Sec. 19" and insert in lieu thereof "Sec. 22".

On page 31, line 19, strike out "Sec. 20" an insert in lieu thereof "Sec. 23".

On page 32, line 5, strike out "Sec. 21" and insert in lieu thereof "Sec. 24".

On page 7, beginning with line 21, strike out all down through "(iii)" in line 24, and insert in lieu thereof the following: "an additional deduction of $50 a month for any household in which there is at least one member who is age sixty or older; (iii) an additional deduction of $25 a month for any household in which there is at least one member who has at least $150 a month in earned income; and (iv)".

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, I yield myself such time as I may need to discuss the amendment.

Mr. President, this amendment would provide for additional time for quality control in the food stamp program that we are now considering.

Right now there is approximately a 19-percent overpayment——

The PRESIDING OFFICER. The Senator will suspend.

The Senate will be in order. The Senator is entitled to be heard.

The Senator may proceed.

Mr. CHILES. Right now there is approximately a 19-percent overpayment of the bonus stamps to recipients. If we could reduce that figure to a level of 5 percent we could effect savings of some $860 million.

We discussed this provision in the Budget Committee. The Budget Committee last year in its act mandated reform in the food stamp area which was the basis on which many of us who serve on the Budget Committee felt that we certainly acceded to the waiver of the Budget Committee access time in that we had mandated that there be some savings reform in the food stamp area.

Now the Committee on Agriculture has come out with a bill attempting to reform the area. This gives us an opportunity to try to effect all of the savings that we can by virtue of quality control. That is the purpose of this amendment.

The amendment would require the administrator to come out with a simplified form to try to cut the whole process that they are going through in regard to qualifying people. Now with the other provisions in the Act, which set forth that they will go to the standard deduction rather than the itemized deduction, there is a great opportunity for savings.

Mr. TALMADGE. Will the Senator from Florida yield?

Mr. CHILES. I yield.

Mr. TALMADGE. I had the opportunity to study the amendment and discuss it with the Senator from Florida. It amplifies what the Committee on Agriculture and Forestry inserted in the bill—that is, quality control. That is one of the problems, as the Senator knows, because there have been too many people getting on the rolls who were not entitled to, and sometimes too many people getting too much of a bonus.

The committee bill provides a penalty that the Secretary could impose upon the States that did not come within those quality control standards. I believe what the Senator has proposed, added to what is already in the committee bill, is a good amendment, and I urge the Senate to agree to it.

Mr. DOLE. Will the Senator yield?

Mr. TALMADGE. I yield.

Mr. DOLE. I have discussed the amendment with the distinguished Senator from Florida and heard it discussed in the Budget Committee. I believe it does add to the quality control strengths now in the substitute, and I hope the Senate will accept it.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Florida yield his time?

Mr. CHILES. I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I commend the Senator from Florida (Mr. Chiles) on his quality control amendment. The Senator has held hearings on the food stamp program, and has devoted particular attention to the quality control area.

Mr. Chiles' amendment would provide for goals that the States and USDA could work toward in lowering the number of errors they make. It is appropriate that these goals be set in terms of bonus dollars rather than in terms of cases. Some so-called errors involve nothing more than a lack of a signature on an application or a caseworker's worksheet. Others involve significant amounts of money.

I note that Mr. Chiles' amendment would set a goal, to be determined after appropriate study, on bonus dollars overissued to households that fail to meet basic program eligibility requirements. The Senator from Florida has framed this provision well. Clearly, if a household has income over the eligibility limits, it has failed to meet the basic eligibility requirements, and any bonus dollars issued to such a household have been overissued. On the other hand, if a household's file contains an "administrative complexity" area—such as a lack of a signature or the lack of a work registration card—then the bonus dollars issued to such a household cannot be said to have been overissued because correction of the error would result in no change in the household's proper benefits.

This use of a distinct category for ineligibility due to failure to meet basic program eligibility requirements is something USDA has done for some time. It is an appropriate category, and it signifies the most serious type of food stamp error. Mr. Chiles has written his amendment to focus, in part, on this category of error.

Mr. Chiles' amendment would also set goals for bonus dollars overissued to eligible households, for bonus dollars underissued to eligible households, and for the percentage of cases that resulted in improper terminations or denials.

In addition, I note that Mr. Chiles is not interested simply in setting goals. He sets out a whole program for actually reaching these goals at the end of a number of years. USDA would set interim tolerance levels for achievement by States at the end of 1, 2, and 5 years. Separate levels would be set for each State based on what is reasonable for each State to achieve. The Secretary would require States to submit plans annually that involve major training programs for certification workers so that the number of errors may be reduced.

The Chiles amendment would tie in with a provision already present in the substitute bill that allows the Secretary to withhold up to 10 percent of the Federal share of the State's administrative costs if the State substantially fails to comply with the State plan.

Thus, if the Secretary found that a State was not faithfully implementing its quality control plan, he could place a penalty on the State. This penalty would not result from a simple failure by a State to meet an interim tolerance level goal, but from a finding by the Secretary that the State had not made a good faith effort to comply with its own plan.

It is important that State plans not merely be pieces of paper. They must be carried out.

Mr. President, I commend the Senator for his amendment. As he originally offered it, some of the State administrators felt there would be some difficulty in carrying it out. But the Senator has taken that into consideration and has modified the amendment. I think it is a thoughtful and prudent way to tighten up the program and give it better administration and answer some of the criticism. I hope the amendment will be adopted.

Mr. CHILES. I thank the Senators. I believe there is an opportunity to effect savings of at least $400 million by quality control, getting to the tightest quality control that we would be able to get. I believe this amendment would help in doing that.

I think it also provides a flexibility of State plans in order to carry out this role.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Helms). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Florida (Mr. Chiles).

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLEN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. Allen) proposes an amendment as follows:

Amend the Dole-McGovern substitute amendment as follows: on page 18, line 23, strike "25" and insert in lieu thereof "27½".

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. I yield myself such time as I may require.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard.

The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, this simple amendment would save the taxpayers of the country some $330 million a year. I do not know whether Senators are interested in making that saving or not, but they are going to have the opportunity.

If Senators will note the summary of the Dole-McGovern substitute, on page 7 it explains the various items of cost of various substitute bills. The committee, in considering this matter, found that, as most Senators know, households now pay 30 percent of their net income for the stamps.

Mr. McGOVERN. Mr. President, will the Senator yield on that point, on my time? I would like to correct the Senator on that. I think if he will reconsider it, the average family now pays between 23 and 24 percent.

Mr. ALLEN. Yes; that is the reason why I corrected my statement, that they are supposed to pay, those who pay pay up to—they are supposed to pay 30 percent, but some do not pay anything. That is the reason why the average goes down.

Mr. McGOVERN. If the Senator will yield, 30 percent is the absolute maximum by law.

Mr. ALLEN. That is correct.

Mr. McGOVERN. It was never intended to be the average. As the Senator knows, last year when the Secretary attempted to change the law by administrative fiat instead of by legislation, the Senate overruled him by an enormous margin. So it is incorrect to refer to the cost that the law intended as an average 30 percent payment. That is the absolute maximum. The average is somewhere between 23 and 24 percent.

The committee bill set that at 27.5 percent. The substitute sets it at 25 percent. Both of them are still above the average of current practice.

Mr. ALLEN. Yes. Of course, the average comes about, as I stated, from the fact that many pay nothing; they get free stamps, and that is figured into the average that they all pay, so obviously a no-payment would bring down the average cost. But the committee had submitted to it by the distinguished Senator from South Dakota a proposal to lower it to the 25 percent that his substitute now provides, and that amendment was not agreed to; and as more or less a compromise, as a matter of fact, I made the proposal myself that it be set at 27½ percent, and that motion carried by a substantial margin there in the committee, as I understand it.

So the committee bill provides for 27½ percent of the net income after all deductions as the cost of the food stamps. But many, by getting the $100 standard deduction plus other methods of reducing the income, exclusions from income and the like, do not have to pay any amount.

The drop from the committee figure—which was a saving to the recipients—down to 27½ percent was the committee approach. The Dole-McGovern substitute changes that to 25 percent, and by doing that, costs the taxpayers an additional $330 million.

We know that the Dole-McGovern substitute is going to cost the taxpayers hundreds of millions of dollars, as I have pointed out time and time again here on the floor. If we adopt this amendment, it would reduce the amount of the increase in the cost of this program by $330 million, and still would give the food stamp recipients a reduction from the present figure.

So we do not have to go all the way. We do not have to go overboard, and reduce the amount $660 million. Why not be satisfied with a reduction from 30 percent down to 27.5 percent? That is what the amendment that I have offered would do, and I hope that the proponents of the Dole-McGovern substitute, does not have a chance in the world of becoming law. If we can reduce the cost somewhat, we might possibly have a bill that could possibly be approved by the President, and that will prevent this $4.8 billion program from going into effect—the program that the Agriculture Department, at the instance of the President, has ordered to go into effect July 1. That is a $4.8 billion program, and I feel that the Dole-McGovern substitute will provide for a program of $6.5 billion up to $7 billion.

If we reach out for too much, we will end up with nothing. We will end up with the President's figure rather than the figure in the committee bill. It looks like the view of the Senate that we are going to take the Dole-McGovern substitute, but I feel that those who have been supporting the Dole-McGovern substitute should relax what they are reaching out for, just be a little less insistent on making this a no-reform food stamp bill, and get down somewhere in the neighborhood of the present cost.

I do not say that this gets close to the present cost, but by eliminating $330 million we would have a bill that is somewhat of an improvement over the present program, because obviously it does lop off from the program more than a million people who are not entitled to the program, and provides more benefits for those who need the benefits of the program.

I predict that this Dole-McGovern bill will not become law unless some effort is made to minimize the added cost of the program.

Moreover, I do not think we can go to the people and say we have reformed the food stamp program if the program that we enact is costing a half-billion dollars more than the present program. What kind of reform is that?

I reserve the remainder of my time.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

Mr. ALLEN. I call for the yeas and nays.

Mr. McGOVERN. Mr. President, I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Alabama (Mr. ALLEN). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. McCLELLAN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from New Mexico (Mr. MONTOYA) and the Senator from Iowa (Mr. CULVER) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

The result was announced—yeas 52, nays 29, as follows:

[Rollcall Vote No. 136 Leg.]

YEAS—52

Abourezk
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Glenn
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
Morgan
Moss
Muskie
Nelson
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Talmadge
Weicker
Williams

NAYS—29

Allen
Baker
Bartlett
Beall
Bentsen
Byrd, Harry F., Jr.
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Johnston
Laxalt
McClure
Metcalf
Nunn
Packwood
Roth
Scott, William L.
Sparkman
Stennis
Taft
Thurmond
Tower
Young

NOT VOTING—19

Bellmon
Brock
Buckley
Church
Culver
Curtis
Gravel
Hart, Gary
Hartke
Hruska
Inouye
Jackson
McClellan
McIntyre
Mondale
Montoya
Pastore
Symington
Tunney

So the motion to lay on the table Mr. ALLEN's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLEN. Mr. President, I call up an amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ALLEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add at the end of the Dole-McGovern substitute amendment (No. 1571) the following new sections:

"Sec. 14. The term 'per capita bonus value' when used with respect to any one of the fifty States, Puerto Rico, the Virgin Islands, or Guam means the sum of the face value of all coupon allotments issued during one month within such State, Commonwealth, or Territory minus the sum of all cash payments made within such State, Commonwealth, or Territory during such month for the purchase of food stamps divided by the population of such State, Commonwealth, or Territory, as determined by the latest Bureau of the Census data available at the beginning of such month.

"Sec. 15. The term 'national per capita bonus value' means the sum of the face value of all coupon allotments issued in all fifty States, Puerto Rico, the Virgin Islands, and Guam during the then last ended fiscal year (excluding any transitional quarter) minus the sum of all funds received into the Treasury of the United States during such fiscal year as receipts from the sale of food stamps divided by twelve times the population of all fifty States, Puerto Rico, the Virgin Islands, and Guam, as determined by the latest Bureau of the Census data available at the beginning of such fiscal year."

"Sec. 16. In no event, notwithstanding any provision of this Act to the contrary, shall the Secretary, when making any semiannual adjustment required herein, fix the face value of coupon allotments (and the purchase price thereof) to be issued during any month in any one of the fifty States, Puerto Rico, the Virgin Islands, or Guam in excess of amounts which, based in the latest data available to the Secretary, would reasonably be expected to cause the per capita bonus value within such State, Commonwealth, or Territory during any month to exceed four times the national per capita bonus value: *Provided*, That any State, Commonwealth, or Territory may at its election and solely from its own revenues pay semiannually into the Treasury of the United States in advance of any six months for which such payment is made an amount determined by the Secretary which, based on the latest data available to the Secretary, would reasonably be expected to equal the cost to be incurred by the United States during such six months (excluding administrative cost) should the face value of coupon allotments within such State, Commonwealth, or Territory be fixed at amounts sufficient to allow participating households to purchase a diet as defined in section 3(o) minus the cost to be incurred by the United States during such six months (excluding administrative cost) should the face value of coupon allotments (and the purchase price thereof) be fixed in accordance with the requirements of this section, and in the event such payment is made, the Secretary shall fix the face value of coupon allotments (and the purchase price thereof) to be issued during such six months within such State, Commonwealth, or Territory at amounts sufficient to allow participating households to purchase a diet as defined in section 3(o).".

"Sec. 17. In no event shall payment be made for any error contained in, arising from, or made in connection with any semiannual adjustment required by the provisions of section 16 hereof.".

Mr. ALLEN. Mr. President, this may be my last amendment, if I may have a little additional time to discuss it, because it is a very important amendment.

I offer this amendment with considerable reluctance and a degree of sadness, for that matter. During the time we had this matter before the subcommittee of the Committee on Agriculture and Forestry which I had the honor to chair, we were studying some of the abuses of the program, and they are considerable. We discovered that of this program costing the American taxpayers some $6 billion as of this time, approximately one-tenth, some $600 million, was being spent in Puerto Rico, an island of approximately 3 million inhabitants.

We found that the food stamp recipients there were receiving and are receiving eight times the average amount received by food stamp recipients in this country. What this amendment does is provide that the inhabitants of no State or territory or possession should receive per capita more than 400 percent of the national average in each State per recipient, or throughout the whole country. So this amendment provides that the limit that can be received in any State or territory is four times as much as the average American citizen receives.

Mr. President, the precedent for action of this sort is contained in the substitute itself, because they provide—I believe that in Puerto Rico, the average deduction is $33 per month and the substitute of Mr. Dole and Mr. McGovern cuts the standard deduction from $100 that we have here in this country down to $60 in Puerto Rico, a saving of $52 million. So they recognize that there is something of a ripoff taking place here. I felt that it is my duty to bring this matter to the attention of the Senate.

Mr. President, the Washington Post had something to say about this amendment at the time that I planned to offer it at three times the amount of the national average. The Post erroneously states that the present average benefit per household on the island is 23 cents per person per meal. This amount is patently erroneous if the present benefit rate of $600 million per year is divided by the number of participants a month—$1.5 million times 365 times 3. The result of that equation is 36.5 cents in the form of subsidy alone. This amendment, as it was written at the time of the Post editorial, would provide a subsidy of approximately $325 million throughout the island. That annual subsidy would produce a per-meal susbidy of 20.1 cents, whereas the article stated that the amendment would reduce it to 12 cents per meal per person. Under the amendment that has been called up, the subsidy granted would be 24.3 cents per person per meal, or 1.3 cents higher than the Post states Puerto Ricans are presently receiving.

So, under the present amendment, there would be more per person per meal provided as a subsidy than the Post editorial said is now provided under the present benefit.

I am also a little bit taken aback by this editorial. I ask unanimous consent that it be printed in the Record. It is an editorial of April 1, 1976.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Fixing Food Stamps

Every so often, an issue comes along that requires no resort to the ideology of left, right or center for its resolution; common sense will do. The Senate is now faced with two such common sense issues in respect to the food stamp program. The first is whether to remove that program's cumbersome and fraud-prone purchase requirement, and the second is whether the access of Puerto Ricans to food stamps to be curtailed. Both are among amendments to the food stamp program now under full Senate consideration.

If a family is eligible for $66 in food stamp benefits, it is now required to purchase a total of $166 in actual stamps to reap the $66 benefit each month. Aside from the fact that some very poor people can't put together that much out-front cash each month, the purchase requirement invites abuse. The stamps are sold by private vendors who contract with state welfare agencies for the privilege of selling federal food stamps. The question is what those vendors do with that $100 after the transaction has been completed. By law, the vendor is required to turn over his receipts to the federal government every 24 hours if the day's business exceeds $1,000. In clear violation of that requirement, many vendors—banks, credit unions, churches and check cashing operations—invest that money by banking it. The practice is called "lapping," and the cost to the federal government runs into the millions of dollars. Eventually, the government demands the cash, and gets it. Minus the accumulated interest. At any given moment, according to the best authorities on the subject of food stamps, as much as $2 billion in food stamp money might be floating around in the economy making vendors wealthy. Meanwhile, politicians carp about how many—or how few—food stamp families are above the poverty line. The simplest remedy for this, the real "rip-off" of food stamps, is the removal of the purchase requirement. Sens. Bob Dole (R-Kan.) and George McGovern (D-S.D.) plan on introducing such an amendment to the Senate Agriculture Committee's food stamp reform bill when it reaches the floor. Their amendment should prevail because: (1) More of the poorest of the poor will be able to use food stamps, which was the original intention of the program; (2) it will end an expensive abuse and (3) it can be done at a cost that is less than the cost of today's food stamp program, even if a little higher than the Senate Agriculture Committee's bill. The food stamp program, after all, was intended to feed those in need.

Feeding Puerto Rico's needy, and the cost of it, is the other major food stamp issue facing the Senate. What was a recession for the mainland was a depression in Puerto Rico. Today, months after recovery has begun here, between one-fifth and one-third of the commonwealth's work force is either unemployed or severely underemployed. Thus, 70 percent of the island's population is eligible for food stamps and 50 per cent receive them.

Sen. James Allen (D-Ala.), proposes some severe medicine. He would require the reduction of benefits to a state when its participation exceeds three times the national average. Sen. Allen's amendment to the food stamp program would reverse the program's presumptions. The program is based on need. He would argue that when need exceeds his notion of propriety, it automatically be reduced. The effect on the poor people of Puerto Rico would be disastrous. The present average benefits per household on the island, whose food costs exceed those of the mainland by a good bit, is 23 cents per

> person per meal. The Allen amendment would cut that to 12 cents per person per meal.
>
> Moreover, were Mr. Allen to prevail, one of the immediate consequences would probably be more migration from Puerto Rico to the mainland. As Sen. Allen already knows, those unemployed and impoverished islanders are not going to head for Montgomery or Mobile, but for New York City, and that town can surely do without any welfare case load contributions from Mr. Allen. Because the Allen amendment defies reason, it should be defeated. It deserves to go the way of the purchase requirement, and for the same reason—lack of plain common sense.

Mr. ALLEN. Moreover, it says:

> Were Mr. Allen to prevail, one of the immediate consequences would probably be more migration from Puerto Rico to the mainland. As Sen. Allen already knows, those unemployed and impoverished islanders are not going to head for Montgomery or Mobile, but for New York City, and that town can surely do without any welfare case load contributions from Mr. Allen. Because the Allen amendment defies reason, it should be defeated. It deserves to go the way of the purchase requirement, and for the same reason—lack of plain common sense.

Mr. President, it seems to be the vogue in some sections or some areas to accuse people of racism. Now, I do not do that, but I am somewhat taken aback by the argument that we ought not to cut the subsidy in Puerto Rico because, if we do, some of those American citizens there will come to a point on the mainland.

I think that is a real poor argument to make. Why should not those American citizens come to this country if they see fit so to do? The argument seems to be, let us see that they get everything that we can give them in the way of a subsidy to prevent them from coming to the mainland. I do not appreciate this editorial of the Washington Post, and I do not appreciate their argument, either, that we need to continue this subsidy in order to keep them from migrating to this country, as they have a right to do under the Constitution.

Now, Mr. President, I called attention earlier today to the point that we do not have to give food stamps at all to Puerto Rico if we do not want to—just as the substitute already provides for less in the way of deduction there than we have in the States. But I was somewhat amused, back in 1969, when Mr. DOLE and Mr. MCGOVERN were moving to put Puerto Rico under the food stamp program. At that time, the commodity program was costing $23 million and Mr. DOLE asked Mr. MCGOVERN what the increase in cost would be.

I said there would not be any increase, it would probably be less. But the cost now, with unemployment and all these factors that have gone into it, instead of $23 million, is $600 million. So, Mr. President, the purpose of this amendment is called to the attention of the Senate for what action it wants to take. I feel I have that responsibility, because I held these hearings and found out about this what I must call a ripoff of benefits eight times the national average.

Mr. President, my views are not altogether at variance with a column appearing in one of the Puerto Rican papers by a Puerto Rican columnist there by the name of Alex Maldonado, that came across the wire this afternoon. Let me read briefly from it.

I ask unanimous consent that the full wire service story be printed in the RECORD.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

> SAN JUAN, PUERTO RICO.—Puerto Rico has become a "one-crop" economy with the single crop being Federal food stamps, according to an influential local columnist who called for a new thrust toward industrialization.
>
> Alex Maldonado, in his column Wednesday in the San Juan Daily, El Mundo, critized the island's total dependence upon the U.S. Government for its subsistence, urging the local authorities to use more discretion in seeking federal funds.
>
> Maldonado referred specifically to an amendment to the Federal food stamp program which Washington experts estimate would reduce Puerto Rico's participation from its present 600 million dollars a year—by far the nation's greatest—to less than 250 million dollars a year. The amendment was introduced by Sen. James Allen of Alabama and is expected to be debated on the floor of the Senate within the next day or two.
>
> The Puerto Rican Government has launched a fierce fight to defeat the Allen amendment.
>
> Maldonado, a well-known supporter of the present administration on the island, asked "do we want an economy that lives or dies on the basis of a congressional law, or an economy of industrial diversity, sustained by a broad base of economic activity?"
>
> "Puerto Rico has been converted into a one-crop economy. Food stamps in particular and federal funds in general," Maldonado wrote.
>
> He concluded that it was politically unrealistic for the Puerto Rican government to ask the Federal Government to reduce its financial input to the island.
>
> "No government elected in Puerto Rico could deliberately reject federal funds which would throw more Puerto Ricans into poverty and misery, and survive politically," he said, but "Puerto Rico can use more discretion in the future and not always insist that Congress treat us as a state in the distribution of federal funds."
>
> Maldonado also insisted that ultimately Puerto Rico must be willing to contribute to federal revenues in exchange for what it gets, although he said the island was not now in an economic position to do this. Puerto Ricans pay no Federal taxes.
>
> The only solution, the columnist concluded, "is to develop the economic sectors that can sustain and raise the people. And as we all know, the only way to develop our economy is through industrialization".
>
> He described the alternative to food-stamp dependency as "to generate the investments in manufacturing, Commerce, construction, agriculture and tourism that will create the hundreds of thousands of jobs that Puerto Rico will need in the next years".

Mr. ALLEN. To read from the story:

> Puerto Rico has become a "one-crop" economy with the single crop being Federal food stamps, according to an influential local columnist who called for a new thrust toward industrialization.
>
> Alex Maldonado, in his column Wednesday in the San Juan Daily, El Mundo, criticized the island's total dependence upon the U.S. Government for its subsistence, urging the local authorities to use more discretion in seeking Federal funds.

Mr. President, my feeling that a ripoff is taking place is not entirely at variance with informed thought in Puerto Rico.

> Maldonado referred specifically to an amendment to the Federal food stamp program which Washington experts estimate would reduce Puerto Rico's participation from its present 600 million dollars a year.

To use the same figure that I did:

> By far the nation's greatest—to less than 250 million dollars a year.

That is when it was less than 200 percent. It is now 400 percent.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I ask the manager of the bill to yield me 5 minutes on the bill.

Mr. TALMADGE. I yield 5 minutes to the Senator.

Mr. ALLEN (reading):

> Maldonado, a well-known supporter of the present administration on the island, asked, "Do we want an economy that lives or dies on the basis of a congressional law, or an economy of industrial diversity, sustained by a broad base of economic activity?
>
> "Puerto Rico has been converted into a one-crop economy. Food stamps in particular and Federal funds in general."

You know, Mr. President, Puerto Rico has an income tax down there. It is not paid into the Federal Treasury. It goes into the island treasury. So the Senate, I know, will turn the amendment down, but I felt it my duty to call this ripoff situation to the attention of the Senate so that the Senate can make this decision. Of course, the Senator from Alabama can only lay the facts before the Senate.

Mr. President, I have introduced an amendment, No. 1511, to the bill now pending before the Senate. My amendment is designed to insure that no State, Commonwealth, or territory receives food stamp bonus benefits at a per capita rate in excess of 400 percent of the average per capital benefit rate throughout the country.

Mr. President, as you know, the food stamp program is administered by the States, although the funds involved are Federal. There is, therefore, presently little incentive insofar as State agencies are concerned to keep program costs within reasonable bounds. My amendment would in part correct that problem but guaranteeing that one State, Commonwealth, or territory exceeded by more than a factor of four the national per capita average food stamp bonus distribution.

At present, this factor is exceeded only by Puerto Rico and the Virgin Islands. My amendment would have no effect whatsoever on any one of the 50 States nor would it have any effect on the Territory of Guam. No State or territory, except Puerto Rico and the Virgin Islands, at present comes any where near exceeding the factor of 400 percent called for in my amendment. The Virgin Islands only slightly exceed that factor and my amendment would have only a very slight effect in the Virgin Islands.

Puerto Rico does exceed the factor of 400 percent significantly; therefore, my amendment would chiefly impact on the food stamp program in Puerto Rico.

Mr. President, before hearing inevitable charges that my amendment is an ill-conceived and discriminatory measure aimed at Puerto Rico with no forethought given the welfare of the Puerto Ricans, I believe a dispassionate review of the facts could be useful to Senators in advance of those emotional statements of outrage that shall surely soon ring forth.

Mr. President, the Subcommittee on Agricultural Research and General Legislation of the Senate Committee on Agriculture and Forestry conducted 9 days of hearings to investigate the administration of the food stamp program. I am privilege to serve as chairman of that subcommittee, and I was present throughout the subcommittee's review of the program. During the course of our hearings, many startling facts regarding abuses and maladminstration in the food stamp program surfaced. The one most shocking discovery in my judgment was the revelation that the small island of Puerto Rico, with a population under 3 million, accounts for slightly under 10 percent of the entire cost of the food stamp program. The sum of 17,000 retail "food" outlets have been certified to handle food stamps in the island. Many of these outlets are very small retail stores with food only a minor component in the trade conducted. Department of Agriculture Investigators reported to the subcommittee staff many instances of abuse in the retail store certification process. For example, a billiard hall might be certified if part of its trade consisted of the sale of food. Food stamp coupons are frequently not used for food purchases. Signs appear in the windows of TV and appliance stores stating that food coupons are accepted. Frankly, Mr. President, food stamp coupons in Puerto Rico appear to be exchanged by the population almost as freely as ordinary currency.

Mr. President, after hearing the testimony of many witnesses, and after giving this particular matter very close study, I have concluded that a serious miscalculation was made in the manner in which Puerto Rico was brought into the food stamp program. I believe the island was included without any real forethought as to probable consequences, both with regard to expense and proper administration.

In the area of proper administration, I will, in the interest of time, simply ask unanimous consent to have printed in the Record an 11-page Department of Agriculture letter which sets forth in outline a corrective action plan for major administrative problems uncovered by Department Investigators. Incidentally, Senators should be aware that the entire Agriculture Department's investigation has been referred to the Department of Justice for possible further action. Investigation was referred December 1975.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of Agriculture,
Food and Nutrition Service,
Princeton, N.J.

Dr. Ramon Garcia Santiago,
Secretary of Social Services, Food Stamp Program, Commonwealth of Puerto Rico, Santurce, Puerto Rico.

Dear Dr. Garcia: Thank you for taking time out of your busy schedule to meet with me and Regional Office staff members September 8th to discuss Food Stamp Program operations in Puerto Rico. This is to confirm the discussions held and to provide a proposed Corrective Action Plan that we may agree upon for implementation at the earliest practicable date.

Of course, you and I know that problems exist in the operation of the Program in Puerto Rico, many of which relate to its size and attendant complexities. Nevertheless, I am certain you will agree we must give the highest priority to improving Program operations if our efforts in the Island are not to collapse from the sheer weight of the various deficiencies as they now exist.

Our letter dated June 30, 1975 provided you with a profile in accordance with Section 275.10 of Departmental Regulations summarizing Program deficiencies which were developed from information then available to us. At that time, you were advised of a forthcoming addendum to the profile based on a definitive report of the FHS Task Force. The addendum was transmitted by letter dated August 11, 1975. It was our intention through both these issuances to provide you a listing of major shortcomings to which you could address yourself to enable submission of a Corrective Action Plan by November 1, 1975, in accordance with the Regulations.

We met, subsequently, on September 8th to discuss the Task Force findings. While we were agreed that a number of problems exist for resolution, we did not, however, strike an accord on methodology to effect change. It was pleasing to note in Mr. Rodriguez"s letter dater September 12, 1975 the assignment of Mr. Max Ramos, Director of the Evaluation and Analysis Division as your E & E Coordinator. This establishes a base of contact to follow-through on all corrective action activities and progress reporting.

Since your Agency's Corrective Action Plan is due by November 1, 1975, we have developed the following as a draft for your consideration. We would like to visit with you once again after you have had a chance to review this paper to work with you toward final approval.

1. Competency of ADP System—

1.1 Problem Analysis: The Computer Center is failing to provide proper service to the Food Stamp Program. The ADP system is not efficiently performing any of the central Food Stamp Program functions—accountability, issuance certification and reporting. Thus, the entire operation of the Food Stamp Program is adversely affected.

1.2 Proposed Corrective Action: Since a competent ADP system is essential to smooth and efficient operations, absolute control over and functioning of the Computer Center should be placed within the Puerto Rico Department of Social Services. Once it is under the control of the DSS, management of the Computer Center must be organized in a manner that will give highest priority service to the Food Stamp Program. The contract of the Data Processing Consultant should include explicit performance clauses. The contract should describe what tasks are to be performed and the dates by which they must be completed. Uplifting the food stamp ADP system is of critical importance since the present unsatisfactory level of Food Stamp Program operations should turn around when the ADP system begins to competently service the program.

1.3 Objective and Target Completion Date: The Computer Center should be placed under the absolute control of DSS by January 1, 1976. Specific performance standards should be placed in the contract of the Data Processing Consultant when that contract is renewed.

2. Accountability—

2.1 Problem Analysis: Reviews by FNS task force personnel and USDA audits indicate that Puerto Rico is not accomplishing the fundamental control and accountability functions that are necessary to determine the accuracy and validity of monthly food coupon issuances in excess of $60,000,000, of which about $40,000,000 is in bonus coupons. Puerto Rico's accountability problems extend from the Computer Center right down to the cashier level. Accountability problems include the following:

A. FWS-250, Food Coupon Accountability Report, is not prepared and submitted to FNS on a timely basis. Moreover, FNS-250 Reports that are submitted are not validated by reconciling the authorized sales portion of the report with the redeemed ATP cards. This failure to reconcile was initially due to a backlog of machine issued ATP's at the Computer Center, but this backlog appears to be cleared up. A major problem in reconciliation now appears to be in entering the manually issued ATP's, Retroactive Benefit Statements (PC-48), and non-matched ATP's into the reconciliation process. FNS task force reviews also indicate that a problem exists in keying the data listed on Form PC-33, Batch Transmittal, into the computer. Finally, problems continue to exist in timely transmitting all documents necessary for reconciliation from the issuance office to the Region to the Computer Center.

B. Besides reconciling the FNS-250 with the redeemed ATP's, FNS Machine Issuance Instruction 734-2 requires a second type of reconciliation—a reconciliation of redeemed ATP cards with the Household Issuance Record file in order to identify altered, duplicate, counterfeit, and stolen ATP cards. Task force reviews indicate that Puerto Rico is also failing to perform this second important monthly reconciliation; largely for the same reasons cited in 2.1A (above). Failure to perform both types of reconciliation may also be due in part to inadequate programming.

C. Puerto Rico DSS does not yet submit timely FNS-256's, Reports of Participation and Coupon Issuance. Reports that are submitted are usually estimated reports, and actual data is frequently not submitted for many months. This problem is also attributable to the general inadequacy of the accountability system described in 2.1A and B described above.

D. The ADP system does not maintain the participation history of each household as required by FNS instructions and regulations.

2.2A, B, C, and D—*Proposed Corrective Action:* Puerto Rico State Agency must take whatever action is necessary to improve its accountability system to the point where it is producing timely, accurate and valid FNS-250 and FNS-256 Reports because these two reports are the basic accounting documents of the Food Stamp Program. As stated in the FNS task force report of August 11, 1975, highest priority must be given to (1) the development of a workable and fully documented system which will alleviate the above noted deficiencies in the basic reconciliation process; (2) ensuring that the Computer Center implements an internal accountability system for control of certification and transaction documents within the Computer Center; (3) implementation of a document control and transportation network to ensure the timely transmission of required documents to and from the Computer Center. In order to meet computer deadline for the processing of input documents, specific time frames should be established. Each eligibility worker should clear his work each day. A maximum period of 3 days should elapse from the completion of a computer input document by the eligibility worker to the time such document is processed by the computer. Any document rejected by the Region or Computer Center should be returned for correction and be resubmitted so that it arrives at the Computer Center and is processed within 10 days. The Pony Express system for the transportation of documents should be improved to the point where no delays occur in the transmission of documents.

Modify the ADP system so that it will maintain the data file, including name, address, case number, period of certification, basis of issuance, and record of participation for each household for a minimum of three months. If the participation history is maintained on this file for the minimum three months, the remainder of each household's participation history must be maintained elsewhere in auditable form for a period of three years.

2.3A, B, C and D—Objective and Target Completion Date: Puerto Rico must improve its accountability system to the point where:

(1) Current FNS-230 Reports, which have been fully reconciled, are submitted to FNS within the established time frame beginning with the 250 Reports for the month of December 1975 which are due in January 1976.

(2) All previous FNS-250 Reports, beginning with the inception of the program in Puerto Rico in July 1974, must be fully reconciled against redeemed ATP's for the appropriate month so that FNS will be able to fully account for total coupon issuances in Puerto Rico during this period. Amended reports must be submitted in cases where the totals from the redeemed ATP's do not match the authorized sales and collection portion of the corresponding report. In view of the fact that FNS still does not have valid documents supporting Food Stamp Program issuances in Puerto Rico for the first 15 months of the program, issuances for all previous months are to be fully reconciled and amended/initial FNS-250 Reports submitted as necessary no later than March 1, 1976.

(3) FNS-256's, Reports of Participation and Coupon Issuance, are to be submitted for current and prior months in accordance with the above cited FNS-250 Report target dates, i.e., the December 1975 Reports will be submitted on time and previous reports not later than March 1, 1976. When estimated 256 Reports are submitted, actual reports should be submitted no later than one month after the submission of the estimated report. Accordingly, all redeemed ATP cards are to be reconciled against participation files in order to identify losses due to duplicate issuances, alterations, etc., by month, not later than January 1, 1976 for the month of December 1975 and March 1, 1976 for all previous months.

(4) Maintain the required participation history for each household as noted in 2.2D by February 1, 1976.

3. Organizational Weaknesses—

3.1 Problem Analysis: Reviews by FNS task force personnel indicate a fundamental organizational weakness exists in the Food Stamp Program because of fragmentation of responsibility between the Regions, the Central Office, the Computer Center, and the Data Processing Consultant. It is often impossible to determine who is charged with specific tasks when problems arise and it is frequently true that each element denies responsibility.

3.2 *Proposed Corrective Action:* Increase the authority and control of the Puerto Rico Food Stamp Executive Director over all organizational components of the Food Stamp Program in Puerto Rico. Particularly, the Regions should be placed under the direct control of the Food Stamp Executive Director since the Food Stamp Program is the predominant Federally funded program administered by Puerto Rico DSS. The Executive Director's authority in this regard should be confirmed by a memorandum from the Secretary, Puerto Rico Department of Social Services, to the Directors of each of the nine Regions, pointing out that the Executive Director has the authority to issue directives to the Regions and that the Directors of the Regions are responsible for assuring that such directives are promptly implemented. The Executive Director's authority over all other organizational components of the Food Stamp Program in Puerto Rico should be similiarly confirmed.

3.3 *Objective and Target Completion Date:* All administrative action necessary to implement the corrective action proposed in 3.2 (above) should be completed no later than December 1, 1975.

4. *Supervision of Local Offices by the Regions—*

4.1 *Problem Analysis:* Puerto Rico DSS Regions are not properly monitoring and supervising Food Stamp Program operations in the municipalities under their control. Reviews by FNS personnel have disclosed that even when deficiencies in local office operations do become known to the Regions, the Regions do not follow through to ensure that such deficiencies are promptly corrected. This weakness applies to Regional office management of both certification and issuance functions.

4.2 *Proposed Corrective Action:* Increase Food Stamp Program staff in the Regions, especially at the management level, so that they can properly monitor and supervise local offices. Regional Office management responsibilities should be clearly outlined and delegated to appropriate personnel so that it is clear who is responsible for taking action when specific problems arise.

4.3 *Objective and Target Completion Date:* Increase Food Stamp Program staff in the Regions to a level adequate to correct the above deficiency no later than February 1, 1976.

Develop a plan that pinpoints duties and responsibilities of specific units and/or persons in the Regions no later than February 1, 1976.

5. *Excessive Use of Manual ATP's—*

5.1 *Problem Analysis:* USDA audits and FNS task force reviews indicate that an excessive number of manual ATP's are issued throughout Puerto Rico. The primary cause of this excessive number of manual issuances seems to be attributable to a lack of proper computer programming, including the lack of an up-to-date data base, at the Computer Center. This has required the local offices to prepare a voluminous number of manual ATP's in order to service eligible clients. Also, the chore of constantly preparing manual ATP's wastes the time of workers which should be spent on certification activities.

5.2 *Proposed Corrective Action:* Puerto Rico DSS should take action to restrict the issuance of manual ATP's *to emergency cases only* by:

(1) Improving computer programming and data processing in the Central Computer Office so that all input documents are promptly processed.

(2) Closely monitor the status of subsequent certifications (recertifications). The computer should furnish the Central Office a monthly printout of discontinued cases. Each individual case that has been discontinued should be coded to indicate the reason for its termination. This will enable the Central Office and the Regions to quickly identify any offices in which backlogs arise and take prompt corrective action to eliminate such backlogs.

5.3 *Objective and Target Completion Date:* Puerto Rico DSS will reduce the issuance of manual ATP's to 10% of September 1975 levels by January 1976.

6. *Accountability of Blank ATP Cards and Retroactive Benefit Vouchers—*

6.1 *Problem Analysis:* USDA audits and FNS task force review indicate that current procedures relative to the preparation, use, and accountability of blank ATP cards (those in local offices intended for manual issuance) and Retroactive Benefit Vouchers does not assure proper validity or accountability of these ATP cards and vouchers. Blank supplies of ATP's are readily accessible to a large number of personnel in most offices. Also, when manual ATP cards are issued, local offices do not always check all available information (in the case files, on computer printouts of "emitted" ATP's, etc.) to assure the propriety of the manual issuance.

6.2 *Proposed Corrective Action:* First, the procedures for the security and control of blank ATP cards outlined in Section IV C of FNS (FS) Instruction 732-2, Revision 2, should be adopted by all local offices in order to prevent monetary loss to USDA due to potential fraud, embezzlement or other misuse of these ATP cards. It is particularly important that responsibilities for the issuance of manual ATP's be divided between two persons—the certification worker and the clerical staff or between the certification worker and supervisory personnel. Secondly, local offices should check their own files and "emitted listings" of machine ATP's which are supplied by the Computer Center in order to determine the propriety of the manual issuance. The guidelines outlined in Section VII C of 734-2 must be adhered to. Thirdly, local offices should send an input document to the Computer Center whenever a manual ATP is issued in order that it will match up at reconciliation. Also, the same strict accountability standards should also be applied to Retroactive Benefit Vouchers, since these are negotiable documents.

6.3 Objective and Target Completion Date: Puerto Rico DSS should implement all procedures relative to the preparation, security, control, accountability and issuance of blank ATP cards required by FNS (FS) Instruction 734-2 no later than January 1, 1976. Similar procedures will be applied to Retroactive Benefit Vouchers by January 1, 1976.

7. Length of Certification Periods—

7.1 Problem Analysis: USDA audits and FNS reviews have disclosed that Puerto Rico DSS is not in compliance with FNS regulations in the assignment of certification periods. A recent review of computer printouts of certification periods indicates that 85% of the certification periods are for between six and twelve months and less than 6% of certification periods are for three months or less. It also indicated that almost 25% of certification periods are for 12 months. Also, Puerto Rico DSS was improperly extending the certification periods without authorization from FNS. It seems that such extensions were made automatically at the Computer Center and also in some cases manually by local certification offices.

The problem is also aggravated by the fact that the certification periods in the computer master file often differ from the certification periods in the case files. This has been happening because the computer was assigning certification period based on the date when the input document was processed, rather than the date assigned by the eligibility worker.

7.2 Proposed Corrective Action: All local certification offices should be instructed to assign certification periods in accordance with FNS instructions. DSS Central Office and the Regions should make periodic reviews to assure that proper certification periods are being assigned.

Procedures should be implemented in order to assure that certification periods in the computer master file match those in the correspondence case files. Action should be taken to assure that the current master file is brought up-to-date in this regard.

7.3 Objective and Target Completion Date: The corrective action outlined in 7.2 (above) should be implemented immediately in order to assure that 85% of the certification periods are less than six months long by March 1, 1976.

8. *Mailing Initial ATP Cards*—

8.1 Problem Analysis: FNS reviews have disclosed that it is the practice of the Puerto Rico DSS to send all initial ATP cards to local certification offices rather than mailing them directly to recipients. Consequently, the mailing address given by the recipient at the time of certification is not verified. The practice facilitates fraud, since fraudulent one-month cases can easily be created. Also, it represents an additional waste of time of certification office personnel and aggravates the already severely crowded conditions in local certification offices.

8.2 Proposed Corrective Action: Puerto Rico DSS should cease the above practice and begin mailing the initial APTs to all households in order to verify household address, in order to free up the time of certification personnel so that they do not have to attend to clerical chores, and in order to alleviate crowded conditions that exist in most offices.

8.3 Objective and Target Competition Date: It should be the objective of the Puerto Rico DSS to begin mailing all initial machine issued ATP's directly to recipients by January 1976.

9. Recipient Claim Determinations—

9.1 Problem Analysis: FNS records indicate that not a single Report of Claim Determination for food stamp overissuances has yet been submitted to FNS by Puerto Rico DDS. FNS audits indicate that in certain cases monies have been collected but have not been transmitted to FNS.

9.2 Proposed Corrective Action: Puerto Rico DSS should establish a Claims Unit or Bureau in the Central Office and in each Region to assure that a claim determination is prepared for all overissuances of bonus coupons, to assure that such claim determinations are properly completed and submitted to FNS, and to assure that all monies collected are promptly transmitted to FNS Claims Branch.

9.3 Objective and Target Completion Date: The Claims Units described in 9.2 (above) should be completely functional no later than January 15, 1976.

10. Second Party Review—

10.1 Problem Analysis: USDA audits have disclosed a general absence of second party reviews of food stamp certifications and subsequent certifications. This was attributable to the lack of an adequate number of certification supervisors.

10.2 Proposed Corrective Action: Puerto Rico DSS should appoint an adequate number of certification supervisors to perform second party reviews of all zero purchase cases and all cases certificated for six months or more in order to assure the propriety and accuracy of such certifications.

10.3 Objective and Target Complation Date: It should be the objective of the Puerto Rico Department of Social Services to implement such a system of second party reviews no later than January 15, 1976.

11. Other Certification Deficiencies—

11.1 Problem Analysis: USDA audits have disclosed the following additional certification deficiencies:

A. There is no control system to identify authorized representatives who represent more than one household as required by Section 2136 of FNS (FS) Instruction 732–1.

B. Work registration procedures were not followed.

C. Changes in public assistance cases that would affect food stamp participation were not processed.

11.2A. Proposed Corrective Action: All local offices should implement the controls over multi-household authorized representatives that are required by Instruction 732–1 in order to prevent potential Food Stamp Program abuses by such authorized representatives.

B. The DSS Central Office should send a directive to all Regions and local offices reinstructing them in work registrattion procedures. A schedule of periodic reviews by the Regions should be instituted until it can be determined that problems with regard to work registration procedures no longer exist.

C. Puerto Rico DSS should institute procedures to assure that changes in public assistance cases that would affect their food stamp participation are timely affected for food stamp purposes.

11.3 Objectives and Target Completion Date: It should be the objective of the Puerto Rico Department of Social Services to implement the corrective action listed in A, B, C, above no later than December 1, 1975.

12. Other Accountability Deficiencies—

12.1 Problem Analysis: USDA audits revealed the following additional accountability deficiencies:

A. There is a lack of or inadequate control over ATP's returned by recipients, or returned by the Post Office as undeliverable.

B. Issuing offices were not depositing cash with the frequency required by FNS instructions.

C. More than one issuance office person had access to the same cash drawer and coupon inventory.

D. ATP's were not properly cancelled.

E. Issuance offices were failing to take a physical inventory at the end of each month.

12.2A. Proposed Corrective Action: Local offices should be reinstructed to handles ATP cards in accordance with Section VI A of FNS (FS) Instruction 734–2 in order to prevent misuse of returned ATP cards. The Regions should monitor this until all municipalities have implemented proper controls and procedures.

B. Assign Regional accountants the responsibility of assuring that all local offices timely deposit receipts from the sale of food stamps.

C. Access to individual cashier's cash drawers and the coupon inventories should be limited to the cashier and the cashier's supervisor.

D. Regional offices should reinstruct and monitor issuing offices to assure that all transacted ATP cards are properly cancelled with a stamp clearly showing the date of the transaction, the office, and the cashier identification number. Each individual cashier's stamp must carry its own identification number.

E. Regional accountants must assure that all issuing offices perform end-of-month physical inventories in order to verify the inventory section of the FNS–250 Report. Regional accounting should also periodically conduct surprise physical inventories of local issuance offices.

12.3 Objective and Target Completion Date: It should be the objective of the Puerto Rico Department of Social Services, because of the importance and basic nature of the corrective action outlined in 12.2 A, B, C, D, and E (above), to implement all corrective action outlined above by December 1, 1975.

13. FNS–285 Reports and Retroactive Benefit Reports—

13.1 Problem Analysis: Puerto Rico DSS has not been submitting to FNS timely and accurate FNS–285 Reports (Monthly Report on Termination and reduction of Food Stamp Benefits) and monthly Retroactive Benefit Reports.

13.2 Proposed Corrective Action: Assign a specific person or unit with the responsibility of submitting FNS–285 and Retroactive Benefit Reports on a timely basis.

13.3 Objective and Target Completion Date: Puerto Rico DSS will submit accurate and timely FNS–285 and Retroactive Benefit Reports beginning with the December 1975 reports which will be due in January 1976.

All previous months' reports will be submitted to FNS no later than March 1, 1976.

We look forward to meeting with you again in the near future. Thank you for your cooperation with the Food Stamp Program.

Sincerely,

———— ————,

Administrator, Mid-Atlantic Region.

Mr. ALLEN. Mr. President, some Senators may recall that the food stamp program was mandated for Puerto Rico in the fall of 1973 by a House amendment to the food stamp amendments of that year. The Senate conferees agreed to the House amendment, and the Senate subsequently approved the conference report which made only passing reference to the island. The Senate, therefore, never specifically considered the issue of Puerto Rico's participation in the program nor did the Senate have any opportunity to study carefully the possible consequences of including Puerto Rico.

Senators, we now have the benefit, costly though it has been, of experience.

Let me for one moment trace the development of federally funded food programs in Puerto Rico. Commodity distribution began in Puerto Rico in 1935. In the later years of commodity distribution, Puerto Rico received for needy families $21 million in fiscal year 1969; $26.9 million in fiscal year 1970; $33.1 million in fiscal year 1971; $37.1 million in fiscal year 1972; $48.2 million in fiscal year 1973; and $53 million in fiscal year 1974. The value of the commodities distributed to needy families in its final phaseout year, 1975, was $23.2 million. The commodity program served over 20 percent of the population of Puerto Rico in its final full year and provided approximately 150 million pounds of commodities.

In 1971 when the commodity program cost $33.1 million, Garcia Santiago, secretary of social services, Commonwealth of Puerto Rico, testified before the Select Committee on Nutrition and Human Needs that transferring the island from commodity distribution to food stamps would result in an annual cost of approximately $129 million. Mr. Santiago thus correctly recognized that food stamps would be more costly than commodities, but Senators, Mr. Santiago's estimate of the increase was far from correct. In the 2 years since Puerto Rico began the shift from commodities to food stamps, the annual rate of bonus distribution has skyrocketed to its present incredible level of $600 million per annum.

Mr. President, the distinguished secretary of social services from Puerto Rico was not the only individual who miscalculated the impact of mandating food stamps for Puerto Ricans. In 1969 when the value of commodities distributed to needy families in Puerto Rico was $21 million, during debates on the 1969 Food Stamp Act Amendments, the distinguished Senator from Kansas, ROBERT DOLE, posed the following question to his distinguished colleague from South Dakota, Senator GEORGE MCGOVERN:

> Mr. DOLE. With respect to the inclusion of Puerto Rico, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands, I am wondering about the cost of this addition. What would the additional cost be because of those additions?

Senator MCGOVERN, I am sure to his present chagrin, gave the following astonishing response:

> Mr. MCGOVERN. I would say it could actually result in a reduction in the cost because those areas now have the commodity distribution program. It seems to me more economical and practical to give them food stamps to permit them to make purchases through normal retail channels rather than shipping in commodities, which we are now doing. (CONGRESSIONAL RECORD, Senate, September 24, 1969, at p. 26886.

Mr. President, I wonder if what we have here is another example of the new math, so much in favor with those whose philosophy is spend, spend, spend. Senators, I am greatly troubled by this kind of unreasoned glib comment constantly and unabashedly being uttered to the subsequent dismay and heartbreak of the American taxpayer. If a change in program cost from $21 million to $600 million is a reduction, then Senators should be delighted at the very real prospect of a $1 billion program in the island before the decade is out.

Mr. President, the distinguished senior Senator from South Dakota's estimate notwithstanding, a change from $21 million to $600 million is not a reduction—it is an increase of almost thirtyfold, and I must say that some Senators—at least those who still cling stubbornly to the old math—might well choose to view with more than ordinary care any future cost estimates of their distinguished colleague from South Dakota.

Mr. President, well over 50 percent of the island's population participates in the food stamp program, and shortly before Christmas last year, participation rose to 60 percent; 70 percent of the island's population is eligible. Food stamp allotments are set at the same level as in the continental United States, $166 for a family of four. This allotment will increase in July to $172 which will then be above the level used in the 48 contiguous States. Even in the face of an apparent statutory mandate to the contrary in section 5(b) of the Food Stamp Act, as amended, no account is taken of the lower standard of living and consequent lower cost of living in the island. Eligibility levels are exactly the same as in the continental United States, even though the obvious result of that policy is to include a massive proportion of the island's population in the program, many of whom, at least with respect to good nutrition, are secure. No account is taken of the fact that nonfood demands on income, such as clothing, housing, and transportation, are substantially below similar demands faced by program participants in the United States.

Mr. President, the per capita cost of the food stamp program nationwide is $2.18 per month. The same cost in Puerto Rico is $17.32, almost 800 percent of the national figure. If outlying territories are excluded, bonus dollars per capita is $1.96 and bonus dollars per capita in Puerto Rico exceed that figure by 884 percent. My amendment would guarantee that Puerto Rico received per capita no more than $8.72 per person per month in the form of food stamp bonus value. The foregoing figures are based on USDA, January, 1976 food stamp bonus data, and July, 1975 Bureau of the Census population estimates.

At that level Puerto Rico would still be receiving a substantial boost to its economy but would be put on a more equitable basis with other States and territories. Additionally, if Puerto Rico elected not to contribute to the program, stamp allotments would only be reduced to a level consistent with lower overall demands on income on the island. A family of four would receive an allotment no lower than $114 per month and perhaps substantially higher than that figure with an average bonus for a participating family of four no lower than $88 which is comparable to the present average bonus received in the United States. Assumes a savings of $200 million and a present annual program cost of $600 million in Puerto Rico.

In this connection, I want the Senators present to be aware that the testimony of officials of the Puerto Rican Department of Social Services revealed that the entire welfare caseload in the island is only 60,000 whereas 1.5 million participate each month in the food stamp program. In contrast, over one-half of the food stamp participants within the United States are also welfare recipients, obviously not a happy situation but one which clearly indicates that the Puerto Rican government is relying on the food stamp program as a supplement for its own underfunded welfare programs. Senators should understand that welfare benefits are funded, at least in part, by the island government whereas food stamp benefits are not. Welfare benefits are low—food stamp benefits are high. I believe the approach taken by the island government is unjustifiable, especially taking into account the fact that Puerto Rican residents make no direct contribution to the U.S. Treasury and that Puerto Rico retains entirely its own revenues from its own taxes, collected at a rate comparable to the Federal income tax. Puerto Rican residents are excluded from taxation by the Federal Government by 26 U.S.C. section 933. A similar provision for corporations is contained in 26 U.S.C. section 931. cf. 13 Laws of Puerto Rico, section 3011, section 3012 with 26 U.S.C. section 1. What State in this Union would not welcome the opportunity to retain all Federal taxes while at the same time participating free in federally funded programs?

Many would say and emphasize, and I certainly would agree, that Puerto Rico is relatively poor in comparison with the United States. There are, however, individuals of considerable wealth in Puerto Rico, and the island's tax base is far from insignificant. One wonders, therefore, whether those in power in Puerto Rico have come to regard the food stamp program as a heaven-sent method of alleviating their own welfare burden without being required themselves to make any significant contribution of their own toward that effort.

Mr. President, my amendment would permit the Puerto Rican Government and the people of Puerto Rico to make at least some contribution to the funding of the food stamp program in Puerto Rico. If Puerto Rico elects not to contribute, allotments in Puerto Rico would be reduced accordingly to a level at which Puerto Rico would receive, free of cost to island taxpayers, no more than 400 percent of the national average per capita food stamp bonus distribution. My amendment, as modified, would be a fair and equitable method of treating all citizens of the United States, both those who pay taxes to the Federal Government and those who pay taxes to the Commonwealth government. My amendment would save the Federal Treasury $200 to $225 million annually and would not place an unreasonable burden on those American citizens who are also citizens of the Commonwealth of Puerto Rico.

Mr. JAVITS. Mr. President, will the Senator yield 4 minutes?

Mr. TALMADGE. I yield 4 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I rise in opposition to the amendment because it simply represents an effort to deal with and discriminate against Puerto Rico, the Virgin Islands, and Guam, because they are poor, and that is all it comes down to, whether it is 33 cents or 23 cents per meal, and it is still because they are poor. The express definition of the new rule which the Senator from Alabama wishes to see enacted into law is that in no State—all the 50 States and the Commonwealth and the territories are included—shall it exceed four times the national per capita bonus value.

When you equate that out mathematically, Mr. President, only one place is involved, to wit, Puerto Rico. Of course, the main point is Puerto Rico which has a population of roughly 3 million.

Mr. President, the recession has hit Puerto Rico like a tornado. The unemployment rate is 22 percent, that is, the official unemployment rate, and the general estimate down there is that it is 30 percent, and food stamps are the staff of life, there is no question about it.

Does that mean it should be denied on a discriminatory basis, to wit, just that one—it is none of the other 50 States that are involved—by this arbitrary definition instead of including it when they have the need, and there is no argument about that, like everybody else?

To call that a ripoff, which is what my colleague does, Mr. President, is simply not recognizing what the word "ripoff" means, to wit, something gotten dishonestly. This is certainly in accordance with the law and as the law should be.

Now, Mr. President, Puerto Rico is a problem for the United States. But it is a problem the solution of which and the effort to solve which we have taken great pride in, and quite justly so.

A very serious attack on the United States in the United Nations was defeated in respect of Puerto Rico precisely because our record is so splendid in respect to this particular island.

Mr. President, that has to be computed against what that kind of a beacon of enlightenment and of American humanity, understanding and willingness to recognize the principle of self-government means to the whole Latin American world.

Finally, Mr. President and, very importantly, the precedent which such an amendment as my colleague proposes would impose upon us is a really awesome one to contemplate because there are many Federal assistance programs which, if you put this kind of a ceiling on them, could result in grave disadvantage, Mr. President, to small population States.

One particular example which we have analyzed is the Commerce Department's development facility grants where there would be material reductions to the very States which cannot afford it if any such rule of this character is carried into effect.

Mr. President, a number of my colleagues and I wrote a "Dear Colleague" letter in anticipation of this amendment to all of our colleagues which, I hope very much those signing it, Senator McGovern, who is in the Chamber, Senator Kennedy who, I hope, will speak, Senator Brooke and myself, Mr. President, and I hope very much the Senate will see the unwisdom of a rule such as this which, as I say, directly and very deleteriously affects one area—Puerto Rico.

Now, my colleague says that we should be neutral on whether people come to the mainland or not. But we cannot be neutral if people are driven to the mainland simply by the privation which is imposed through a discriminatory act of this kind. If they do not want to come to the mainland, they should not be forced to come to the mainland because of the inadequacy of their own diet in their own native Puerto Rico.

Mr. President, I have listened patiently to the arguments of those who would have us single out Puerto Rico for different treatment under the Federal food stamp program. They have attempted to justify such inequitable and discriminatory treatment on the grounds of Puerto Rico's low average income levels, its Federal tax burden, or its high "per capita bonus value."

What needs to be said here is that all of these arguments are specious and irrelevant.

We have a food stamp program in this country that is intended specifically to guarantee a nutritionally adequate diet to every needy American citizen. The sole determinants of benefits are the size of the household and the degree of need, as measured by net monthly income. There is nothing in the law or USDA regulations that provides for variation in this program according to other criteria. This amendment implicitly establishes a new criteria; an alternative principle on which to base food stamp benefits.

This amendment would create a "second class" of American citizens—residents of Puerto Rico, Guam, and the Virgin Islands—who will receive different treatment under the law. Their need for food stamp benefits is clear; household sizes entitle them to certain coupon bonus levels; but under this amendment their domicile would dictate a lower food stamp benefit.

How can any argument possibly justify such discrimination? How can we abrogate so blithely the spirit, intent, and principle upon which we have established a relationship between nutritional need and stamp benefit? Can we say an adequate diet costs less in Puerto Rico? The USDA ruled recently that allotment levels in Puerto Rico, that is, the "cost of a nutritionally adequate diet" should be the same as on the mainland. A family of four should spend $166 per month on food, even in Puerto Rico.

Can we say the economy of Puerto Rico is in such good stead that the citizens can better withstand the punishment of discriminatory treatment? The official unemployment rate is 22 percent and the unofficial estimates run to 30 percent. This means that almost one of every three Puerto Ricans looking for work cannot find it. Furthermore, food is more expensive in Puerto Rico than on the mainland because 70 percent of the food consumed must be imported. Lingering depression and higher food prices continue to afflict the economy of Puerto Rico.

What we are left with as the final argument in favor of this amendment is that the American citizens of Puerto Rico receive "too much" benefit from the food stamp program. This is tantamount, of course, to saying that the people there are "too needy." In effect, those who have proposed this amendment claim that once the degree of need exceeds their personal standard of respectability, the truly needy are to be treated like lepers—pariahs to be relegated to an inferior status. In short, supporters of this amendment would punish Puerto Ricans for being poor.

Since inception of the Federal food stamp program, this Nation has allocated food stamp benefits to its citizens according to the principle of need. We established a relationship whereby nutritional need would be the sole determinant of coupon benefit. The Congress did this after long and careful deliberation through the legislative process. This was as it should be in all matters that materially affect the health and well-being of American citizens.

Now it has been proposed that today this body alter, fundamentally and irrevocably, the principle that established the relationship between nutritional need and food stamp benefit. How can we take such precipitous action? How can we vitiate that relationship on such short notice and after only a few moments of deliberation?

Mr. President, I shall support the motion that S. 1511 be tabled.

So for all of those reasons, Mr. President, I hope the amendment will be defeated.

Mr. KENNEDY. Mr. President, will the Senator yield me 3½ minutes?

Mr. TALMADGE. I yield 3½ minutes to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I rise to oppose the amendment offered by the Senator from Alabama to cut in half the food stamp program to American citizens in Puerto Rico.

I emphasize that the amendment would discriminate blatantly and cruelly against the citizens of Puerto Rico, making an already difficult economic situation virtually unbearable.

The full force of this amendment would fall on the poor in Puerto Rico reducing the allotment to a household of four in Puerto Rico to 23 cents per person per meal—half what it costs to purchase a minimum subsistence diet.

However, because this amendment not only cuts the family allotment but also maintains the same level of family payment, it is estimated that actual benefits would be reduced to an average of 12 cents per person, per meal. And many families—the poorest of the poor—would be forced from the program entirely because they would have to pay out more than they would receive in food stamp benefits.

It is this discriminatory consequence of the amendment—which would have no similar impact on any other area—which has produced such a massive political reaction in Puerto Rico. Gov. Rafael Hernandez Colon has led the protest against this amendment and has urgently requested that it be rejected.

His argument is not only the current economic plight of the people of Puerto Rico—a plight produced by our own economic difficulties during this past recession—but the basic unfairness of the proposal.

Instead of the appropriate national standard of responding to the greatest need, the new standard would almost reverse that doctrine by implicitly arguing that those with the greatest need should receive the least assistance.

Puerto Rico now has an unemployment rate of more than 20 percent. And food prices there are even more expensive than in the United States, primarily since 70 percent of the food is imported from the U.S. mainland.

Puerto Rico itself continues to be a vital part of our system, representing the sixth largest trading partner with the United States and an important link in our defense perimeter.

In our letter to other colleagues, Senators Javits, McGovern, and Brooke demonstrated the bipartisan nature of the opposition to this amendment.

Several editorials in leading newspapers have pointed to the unfairness and the lack of justification for this amendment

People in Puerto Rico do not desire to be poor. They do not desire to be unemployed. They do not desire to be recipients of food stamps. But they do want their families to eat and they do want their families to survive. That is what the food stamp program means to more than 1 million Puerto Ricans today. I do not believe this body, at this time of crisis, will turn its back on these fellow citizens.

You know, it is very interesting that only a few short years ago when the time came to draft young people from Puerto Rico to go over and serve in Vietnam I did not hear any amendment being offered on the floor of the Senate which said, "Let us not take those people down in Puerto Rico to go over to Vietnam and fight."

Now we are saying to the people of Puerto Rico, "Sure, you were good enough to fight in Vietnam, you were good enough to serve in the Armed Forces of the United States and 342 young men from Puerto Rico died in Vietnam." But we would be saying that just because more of your children are going hungry, we are going to give you half as much to eat; and any women or older people who get hungry are going to receive just half as much to eat.

That is going to be the result of the amendment of the Senator from Alabama.

I just hope we are going to reject that amendment. It is an amendment that ought to be rejected in this body. Every Member of this body knows that none of us would tolerate an amendment that would discriminate against any of our individual States.

The citizens of Puerto Rico are Americans and they are entitled to be treated by this food stamp bill the same way as every other American citizen.

I am hopeful that the Senator from Alabama's amendment will be defeated.

SEVERAL SENATORS. Vote. Vote.

The PRESIDING OFFICER (Mr. MORGAN). Who yields time?

Mr. TALMADGE. I yield back the remainder of my time.

Mr. ALLEN. Mr. President, I have some time remaining, I believe.

The PRESIDING OFFICER. I am advised the Senator has no time.

Mr. ALLEN. Mr. President, will the chairman of the committee yield me an additional 2 minutes?

Mr. TALMADGE. I yield 2 minutes to the Senator from Alabama.

Mr. ALLEN. Mr. President, I was somewhat intrigued by the argument of the distinguished Senator from Massachusetts (Mr. KENNEDY). He is talking about discrimination against Puerto Rico. Why, the very substitute that he is prepared to support in just a moment has discrimination in there because it provides a $60 standard deduction for the citizens of Puerto Rico and $100 deduction for people here in the United States, including Massachusetts.

So he is prepared to discriminate there to the tune of $51 million. That is what it would cost, that is what it would deprive the citizens of Puerto Rico of, $52 million. He criticizes the Senator from Alabama for pointing to this ripoff in trying to do something about it. So he tries to discriminate against Puerto Rico, and then says the Senator from Alabama is trying to discriminate against them.

I merely called attention to the ripoff and told the Senate I felt it was my duty to call their attention to the ripoff. But the very substitute—I do not know whether the Senator's name is on it or not, he has been giving support to it—provides a $52 million penalty against the citizens of Puerto Rico, and the Senator from Massachusetts seems to be supporting it.

Mr. McGOVERN. Mr. President, will the Senator yield me a moment to reply to this point?

Mr. TALMADGE. I yield half a minute.

Mr. McGOVERN. Just to keep the record straight, the Senator from Massachusetts, in supporting this substitute amendment, is not advocating anything discriminatory. What the deduction formula is in the substitute amendment is a reflection of the situation that actually exists in Puerto Rico.

At the present time the average person in Puerto Rico participating in this program has a deduction of about $45. In order to provide adequate protection so that in no way would we discriminate against that average level, the substitute amendment sets the standard deduction at $60. Nobody is going to be hurt by that in Puerto Rico.

It reflects the actual situation that now exists in that island. So the Senator from Alabama is mistaken in assuming there is something discriminatory about this provision.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. McGOVERN. Yes, I will yield.

Mr. ALLEN. I note the average deduction in the United States is $77, and the Senator is setting it in his substitute at $100, so he is adding to that average deduction there a whole lot more than he adds for the citizens of Puerto Rico.

Mr. McGOVERN. It just comes out about the same, in terms of the increase.

We have raised it from $45 to $60 in Puerto Rico and we have raised it to $100 on the mainland, but in both cases it reflects what is the actual situation.

Mr. JAVITS. Will the Senator yield?

Mr. McGOVERN. I do not have the time.

Mr. JAVITS. For just 1 minute.

Mr. McGOVERN. Yes.

Mr. JAVITS. Senator KENNEDY and I contemplated an amendment to deal with this $60 deduction and decided against it precisely for the reasons explained by the Senator from South Dakota.

Mr. McGOVERN. I appreciate that.

Mr. DOLE. Mr. President, the amendment of the Senator from Alabama (Mr. ALLEN) would severely slash food stamp allotments in Puerto Rico. Puerto Rican families would receive only half of the cost of a bare minimum nutritionally adequate diet. The average benefit in Puerto Rico would be cut to 12.7 cents per person per meal.

The amendment would impose a new, national per capita food stamp bonus standard to which individual State and area per capita food stamp bonus levels would be compared. If a State's per capita bonus level exceeded three times the national standard, either the State itself would make up the difference between its per capita bonus value and three times the national standard, or the food stamp allotment level for the State's inhabitants would be reduced sufficiently to lower the State's per capita bonus level to the required amount. This would not change the eligibility requirements; it would simply lower the benefits to participants.

The key to this amendment is that it is tied not to the average benefit per recipient, but to the average benefit per capital or per inhabitant of the State or territory. Puerto Rican recipients do not get unusually large food stamp benefits. The average recipient in States like Alaska, Florida, Hawaii, and Nevada gets a higher food stamp benefit than the average recipient in Puerto Rico. But because Puerto Rico is now in a severe depression with a 22-percent official unemployment rate, a substantially larger proportion of the Puerto Rican population is enrolled in the food stamp program than is true elsewhere, and as a result, the per capita food stamp benefit on the island exceeds three times the national average per capita benefit.

The Congressional Research Service has analyzed the impact of this amendment on Puerto Rico and concludes that a family of four currently receiving $166 in stamps each month—for which the family pays from $0 to $142, depending on its income—would have its allotment reduced to $88 per month. The $166 "allotment" level is based on the cost of USDA's "Thrifty Food Plan," which is the lowest cost food plan devised by any Federal agency. Amendment No. 1511 would reduce the allotment to a household of four in Puerto Rico to 24 cents per person per meal. In other words, low-income Puerto Rican families would receive only half of what it costs to purchase a bare minimum subsistence diet.

In addition, since these families would still have to pay the same amounts for their allotment of 24 cents per person per meal then actual benefits would be reduced to an average 12.7 cents per person per meal.

This would also operate to remove a number of persons with very low incomes from the program, because they would have to pay out more than they would receive in food stamp benefits. For example, a four-person household with net income of $325 a month—or a little more than two-thirds of the poverty level—would be dropped from the program because it would have to pay $89 for $88 in stamps.

It is true, of course, that the American citizens of Puerto Rico rely heavily on food stamp assistance. But this reliance can be attributed directly to the ravages of debilitating economic recession—the official unemployment rate is 22 percent, as bad as during our depression of the 1930's—and extremely high food prices. Food is actually more expensive in Puerto Rico than in the United States, because 70 percent of Puerto Rico's food is imported from the United States. In 1974, a survey was conducted comparing food prices at Grand Union supermarkets in San Juan with Grand Union prices in five U.S. cities in Connecticut, New Jersey, and New York. The survey found food prices to be 19.84 percent higher in San Juan.

If the amendment of the Senator from Alabama was passed and food stamp allotments were cut by 50 percent, low-income Puerto Ricans will be unable to get anything even approaching a nutritionally adequate diet. Malnutrition on the island would then return to its alarming prefood stamp program levels.

FOOD PRICES AND MALNUTRITION IN PUERTO RICO

The food stamp allotments in Puerto Rico are already determined by a separate USDA plan tailored specifically to Puerto Rican dietary patterns. Indeed, it is the use of this separate plan that has kept allotments in Puerto Rico from being higher than those in the United States to reflect the higher food prices in Puerto Rico. The separate plan has been criticized by many medical professionals in Puerto Rico, as being too low to allow Puerto Rican food stamp recipients to get an adequate diet.

Thus, if allotments are cut in Puerto Rico, widespread malnutrition could result. Nutritional status studies conducted for nearly a decade prior to the introduction of the food stamp program all showed an alarming degree of poor nutrition among the island's residents. A Commission on Food and Nutrition set up to study the matter of nutritional adequacy for the Governor reported in 1974 that Puerto Rican diets were:

> Deficient in many respects with the result that a significant part of the population continues to be underweight, substandard in height and suffer from many of the diseases, directly associated with poor nutrition, according to a number of studies carried out in the last eight years.

THE PRECEDENT THIS AMENDMENT WOULD SET

In addition to these objections, there is another adverse aspect of this amendment. A dangerous principle would be established according to which aid formulae for many Federal assistance programs could be adjusted by a "national per capita amount" times some arbitrary number. For example, several small population States receive considerably more than three times the per capita national average for Commerce Department development facility grants, and many small- and medium-population States receive more than two times the national per capita amount.

The same is true of Transportation Department highway trust funds, urban renewal grants, Housing and Urban Development water and sewer facilities assistance, health services planning and development assistance, HEW emergency school assistance, and land and water conservation funds, as well as other programs of Federal assistance to the States.

Were the principle established by amendment No. 1511 to S. 3136 to be applied across the board to all State assistance programs, the States with greatest need for Federal aid, in spite of their small populations, would sustain the deepest reductions.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. If I have any remaining time, I yield it back.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ALLEN. I ask for the yeas and nays.

Mr. DOLE. I move to table the amendment of the distinguished Senator from Alabama.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

Mr. ALLEN. Mr. President, I will not call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. ALLEN. Mr. President, I said that I would not call for the yeas and nays, so there is no reason for the Chair to ask for a sufficient second, as far as I know.

The PRESIDING OFFICER. Someone else did.

Mr. ALLEN. Very well.

The PRESIDING OFFICER. But there is not a sufficient second.

The question is——

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Kansas.

Mr. ALLEN. Mr. President, did someone request the yeas and nays?

That is the question I asked, and I stated that I did not.

The PRESIDING OFFICER. It was the understanding of the Chair that there was a request for the yeas and nays.

Mr. ALLEN. Well, is there a request? Has it been withdrawn?

The PRESIDING OFFICER. The yeas and nays were not ordered.

The queston is now on agreeing to the motion of the Senator from Kansas to table the amendment of the Senator from Alabama.

The motion to lay on the table the amendment of the Senator from Alabama was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I send an amendment to the desk and as that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place insert the following section:
>
> SEC. 14. Notwithstanding any other provision of law, the Secretary shall, during the period from enactment of this statute until September 30, 1978, purchase agricultural commodities with funds appropriated from the general fund of the Treasury to maintain the traditional level of commodity food assistance on Indian reservations not requesting a food stamp program and on Indian reservations making an orderly transition to the food stamp program.

Mr. KENNEDY. Mr. President, I have talked to the floor manager of the bill, the minority, as well as Senator MCGOVERN.

This is simply to permit Indians on reservations to have the opportunity to have commodities as well as food stamps. Justification for this goes back some period of time. I think the case has been made.

I understand they are prepared to accept the amendment for a 1-year period and then review the program in the future, and that is satisfactory to me.

Mr. TALMADGE. Mr. President, I have discussed this with the distinguished Senator from Massachusetts and the acting minority representative of the committee. We both agreed we can accept this amendment and look into it.

This extends the commodity program on the Indian reservations for 1 additional year.

The problem is that on Indian reservations, they are sometimes far removed from the nearest store.

I hope the Senate will agree to the amendment.

Mr. KENNEDY. Mr. President, the Agriculture and Consumer Protection Act of 1973 required that a nationwide food stamp program be implemented by July 1, 1974, terminating the family commodity distribution program. It was agreed, however, to give Indian reservations the option, through June 30, 1977, of remaining in the family commodity distribution program rather than making an immediate transfer to the food stamp program.

My amendment to the National Food Stamp Reform Act of 1976 would extend, for an additional 2 years, the deadline for Indian reservations to make the transition from the commodity distribution program to the food stamp program. This would allow reservations until September 30, 1979, to further adjust to the food stamp program, and authorize the Secretary of Agriculture, in the interim, to provide commodities on Indian reservations requesting them until that time.

In comparing the nutritional benefits derived between the educated user of food stamps and the commodity recipient, it is obvious that the food stamp program can provide a far greater potential for acquiring a balanced diet. With cautious planning, the consumer using food stamps can afford quality nutrition. The food stamp program is to a great degree superior for enabling most Americans with extreme financial limitations the benefits of a balanced diet.

Indian people are aware of the nutritional advantages of the food stamp program, but fear that those living on reservations will experience severe hardships if forced to switch to food stamps by the end of fiscal year 1977.

A great many of the difficulties Indians face in using food stamps are transportation-related. Most Indian reservations are spread out over hundreds of miles. The nearest food stamp office is often 50 to 80 miles away, public transportation is nonexistent, and private transportation for such a trip is expensive. In Florida, Indians on the Seminole reservation must wait in line as long as 2 or 3 days to be certified, and clients who miss 1 month's food stamp purchase are removed from the food stamp rolls and must go through the time-consuming certification process all over again. In addition, food stamps will not enable many reservation Indians to buy enough food to obtain an adequate diet, because food prices at trading posts on reservations are often 25 percent or more above off-reservation prices.

Where food stamp programs are administered by the States, the problems Indians face multiply. A number of States are reluctant to spend State tax dollars to run food stamp programs for Indians living on reservations, over which the States have no taxing authority. In light of this jurisdictional problem, some States are concerned that they have no legal authority to go onto reservations and prosecute in the event of food stamp fraud cases. Certification workers at food stamp offices frequently do not speak the Indian language, resulting in further delay, confusion, and humiliation on the part of the Indians.

In the future, Indian people hope to make plans for conducting their own food stamp program with the cooperation of USDA. Many reservations now administer their own commodity programs. Distribution points have been set up across the reservations, with recipients making only one monthly trip for commodity packets.

There is a job that needs to be done for a smooth transition to food stamps. The improvement of reservation transportation systems, and the development of new retail food outlets have not developed adequate to allow smooth transition by 1977.

As a result, mandatory transfer of all reservation to food stamps by the end of fiscal year 1977 would pose grave problems and create hunger and malnutrition among Indian families who found themselves cut off from commodities but unable to utilize food stamps. More time is needed to insure that this does not happen.

My amendment would not entail any added cost or impose any new administrative burdens. Only 60,000 Indians now receive commodities. The USDA estimates the cost of the commodity program for needy Indian families to be only $14 million in fiscal year 1976. My amendment entails nothing more than continuing to allocate this money to the commodity program rather than the food stamp program.

Mr. DOLE. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. DOLE. We strongly agree.

The PRESIDING OFFICER. The Chair inquires of the Senator from Massachusetts whether this is an amendment to the substitute or to the bill?

Mr. KENNEDY. It is to be an amendment to the substitute.

The PRESIDING OFFICER. It should be properly drafted.

Mr. TALMADGE. Mr. President, I ask unanimous consent that technical drafting be corrected by the clerk of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

ADDITIONAL STATEMENTS SUBMITTED ON DOLE-M'GOVERN AMENDMENT

Mr. CLARK. Mr. President, I rise to speak in favor of the amendment in the form of a substitute to the food stamp legislation now before us—S. 3136. The substitute, as introduced by Senators DOLE, MCGOVERN, HUMPHREY, TALMADGE, HUGH SCOTT, and PERCY, represents a compromise which I feel merits this Chamber's support as a solid reform package.

As a member of the Senate Agriculture Committee, I have worked hard with my colleagues in the committee to effect a true reform of the food stamp program—reform which improves the program and does not simply make random cutbacks to save money. We all want to minimize the fiscal costs of the programs we legislate, but not at the expense of the social costs caused by the problems our efforts seek to resolve. The food stamp program is our major weapon against hunger and malnutrition in our country, and as such, any reform action must be deliberate in order to reflect its tremendous impact on the health and well-being of millions of needy Americans.

It is out of such a concern that I withheld my endorsement of the bill as reported out of the Agriculture Committee. By refusing to sign that committee bill, I was refusing to agree to the committee's notion of reform. That bill would have unnecessarily cut large numbers of needy people from the program without doing anything to help those who do not have access to the program although they are clearly eligible.

I support this substitute bill, because it represents a significant improvement upon the committee bill. The substitute does reform the operation of the program while protecting and reinforcing its strengths as a nutrition assistance program for the working poor as well as those who are unemployed, aged, disabled, and on public assistance. This substitute represents a real compromise, one that I can support and which serves the overall interests of the poor and near poor we are seeking to assist.

THE PURCHASE REQUIREMENT

I am disappointed that we have agreed to abandon the most progressive and important reform that a number of us sought in the Agriculture Committee—the elimination of the purchase requirement for food stamps. However, in return for that compromise, we have lowered the 27.5 percent purchase requirement in the committee bill to 25 percent. This means that every household will have to pay 25 percent of its net income for its coupon allotment.

Currently, section 7(b) of the act specifies that the Secretary establish food stamp purchase prices which represent a reasonable investment on the part of the household for a nutritionally adequate diet. The intent behind this statutory provision is to insure that all eligible households have a reasonable opportunity to participate in the food stamp program, and that no eligible household's purchase price should be so high as to prevent its access to the nutrition assistance provided by the program. Current law specifies that the outside limit for this investment be 30 percent of income, but it recognizes that this maximum is certainly not appropriate for most participating households. For this reason, the average purchase price for food stamp households is about 24 percent of their net incomes.

In the Agriculture Committee, we were presented with a number of bills which would have increased the purchase price to 30 percent of net income for all households. We rejected that 30-percent figure because it would have frustrated our intent in the current law to provide poor households a reasonable access to the nutrition assistance the program offers. It is for this reason that we rejected the administration's attempt to raise purchase prices to 30 percent across the board over a year ago. The substitute bill's specification of a 25 percent purchase price rejects the attempt on the part of the administration to mandate a higher purchase price that would unreasonably result in many needy households being unable to buy their way into the food stamp program.

ELIGIBILITY

The purchase price is only one way we have of insuring that those in need of nutrition assistance receive that help. Eligibility must be structured so that those in need of aid in order to obtain nutritionally adequate diets are afforded that opportunity. The current program achieves that goal by linking eligibility cutoffs to the amount of income necessary to obtain a nutritionally adequate diet.

Thus, I am somewhat troubled by the use of the poverty line as the criterion for the need for nutrition assistance under the food stamp program. I believe that the poverty line changes the course we have set under existing law and that it is too low a measure of the need for assistance under the food stamp program. While the poverty line at one time did reflect the cost of a nutritionally adequate diet, that relationship is lost today. The use of the poverty line for the food stamp program represents a major legislative modification.

However, the substitute bill now under discussion recognizes the need to guarantee that, if the poverty line is to be used as the net income eligibility limit, it must be updated so that it better reflects increases in the cost of living. At present, the poverty line trails the cost of living by 12 to 24 months. Therefore, the substitute mandates that the poverty line be updated every 6 months to keep pace with inflation so that food stamp eligibility is based on the current poverty line.

STANDARD DEDUCTION

The substitute bill also significantly improves upon the provision for a standard deduction which the Agriculture Committee wrote into law for the first time. The committee, accepting the administration's proposal for a $100 standard deduction, failed to recognize the need to tie such a deduction to the escalating expenses which it was intended to replace. Any deduction must represent the reasonable expenses a household incurs so that we continue the present system of measuring household income available for the purchase of food. It is for that reason that the committee felt that a household's payroll deduction for taxes must be on top of any standard deduction. It is for this same reason that the substitute updates the $100 standard deduction semiannually to reflect changes in the cost of living.

I am especially pleased that the substitute recognizes that working families generally have higher expenses than nonworking households by including a special deduction of $125 for households earning over $150 a month. This continues the program's effort of encouraging households to work by allowing deductions to offset work-related expenses. It is with this spirit that we changed the program's work registration procedures to incorporate the services provided under the WIN program so that households have the supportive services, including day-care, which they need in order to work.

It was because of the program's fundamental work-incentive approach that I was dismayed by the Ford administration's food stamp legislation and by the Department of Agriculture's recently proposed regulations to alter the food stamp program in such an alarming manner. Both the administration's legislative proposals and proposed regulations reject the Congress' intent of treating working households fairly so as to provide incentives for work, not penalties. The administration's legislative and regulatory proposals, in direct contradiction to current law, in fact discriminate against the working household by not allowing such a household to deduct the expenses it incurs solely because it contains members who work. Indeed, the administration does not even allow households to deduct their taxes, much less allow any consideration of the costs of travel, child care, or other work-related expenses. Therefore, I am gratified that the Dole substitute continues the current Food Stamp Act policy of preserving equity between working and nonworking households who are entitled to food stamp aid.

RETROSPECT ACCOUNTING PERIODS

Existing law is very clear about one aspect of the program that we discussed at length in the Agriculture Committee and which is slightly modified in the substitute. This deals with the accounting period that is used to determine initial eligibility for food stamps. Current law demands that a household's current situation—its current need and current income—be the sole criterion of food stamp eligibility. Under the present Food Stamp Act, if a household is faced with a loss of income—due to a layoff or illness, as examples—it is certified for assistance on the basis of that changed status.

The substitute bill changes current law. At the time of initial certification, a household's income over the prior 30 days is to be used to determine eligibility and benefit levels. The substitute's provision, however, does protect the recently unemployed in that such a household does not have to wait over 30 days from its first reasonable attempt to apply in order to receive its authorization-to-purchase card.

By adopting this substitute, we are clearly rejecting the administration's attempt to impose a 90-day waiting period for all households seeking food stamp assistance, the same way we rejected an amendment by the Senator from Nebraska earlier in this debate to re-introduce the 90-day retrospective accounting period to the committee bill. I was pleased that the full Senate refused to make the recently unemployed wait up to 3 months before they could apply for assistance, just as we rejected this proposal in the Agriculture Committee.

I was surprised to see that despite the Agriculture Committee's refusal to accept the administration's plans for a 90-day retrospective accounting period, the administration has proposed this same provision in its new proposed food stamp regulations. As I noted above, this is a clear frustration of Congress' intent in the Food Stamp Act to measure a household's current need for assistance. The administration's proposed regulations, by introducing this 90-day waiting period, denies needy households their access to a nutritionally adequate diet which is guaranteed under sections 2, 4(a), 5(a), and 7(a) of the Food Stamp Act of 1964, as amended. I would hope that USDA, upon final publication of its regulations, conforms to the requirements of current laws by deleting the 90-day retrospective accounting period it has proposed.

MONTHLY REPORTING

The Dole substitute also rejects the administration's attempt to implement the cumbersome administrative practice of a monthly reporting system. The substitute maintains the current practice of requiring participating households to report any changes in their circumstances within 10 days of any change. The substitute reinforces this system by making sure that recipients are provided a form on which they can promptly report any changes. The monthly reporting system, as proposed by the administration and as authorized by the committee, would also have ended the current practice of using a household's current situation to determine benefits, a procedure which is inconsistent with the intent of existing law. By deleting the authority—set forth in the committee's bill—to implement monthly reporting of income systems, we wish to make it clear that no such monthly reporting system may be established.

ASSETS

The substitute also addresses a problem in the committee bill affecting the assets limitation in the program. Under current law, the Secretary has the discretion to establish the particulars of an assets test which households must pass before they are certified, as long as the test does not unreasonably deny needy households access to the food stamp program. But such a test must be flexible enough to allow the unemployed, who might have significant nonliquid assets, to participate in the program, for example. As an indication of our intent, it is helpful to note that the committee and the full Senate have rejected efforts to impose upon the food stamp program what amounts to the SSI program's assets test.

In committee, we realized that we did not have enough information to intelligently legislate an assets test for the program. Therefore, we ordered the Department of Agriculture to undertake a study to give us more information about the effects of any changes in the assets limitation. The substitute does not alter this mandate. It does, however, prohibit the Secretary from making any changes in the current assets rules until the Congress has had the opportunity to review the results of the study for 2 months. After 2 months, if the Congress has not acted, the Secretary may make any changes he considers appropriate as long as households which need the food stamp program to achieve nutritional adequacy are not denied access to the program.

MINORS

The substitute bill amends the committee's bill so as to not treat minors differently from other food stamp participants. Minors, if they reside in eligible households, will continue to have access to the food stamp program. Recent Agriculture Department regulations, that would eliminate minors from the program if they did not live with persons who have a legal obligation to support them, clearly abrogates the Food Stamp Act which includes minors in the definition of an eligible "household" as long as they are a part of the household's economic unit and they consume food in common. The substitute bill reiterates the current statute's requirement that minors remain eligible for assistance regardless of whom they live with.

In sum, I believe the substitute now before us should be overwhelmingly approved by the Senate. It achieves reform without gutting the essence and strength of the food stamp program. It tightens up eligibility requirements, simplifies and streamlines program operation, and insures that the program continues to serve the poor and near poor who need its vital nutritional benefits. I strongly urge my colleagues to vote for this amendment.

Mr. McINTYRE. Mr. President, it is my understanding that the compromise amendment will strike out the provision requiring monthly income status reports from households receiving food stamps. This is welcome news, and I congratulate the authors of the compromise for this action. If this had not been done, I would have cosponsored such an amendment with the Senator from Massachusetts (Mr. Brooke).

As cochairman of the Federal Commission on Paperwork I have seen the monsters we have created with well-intentioned reporting requirements. Therefore, I would like to point out what this reporting requirement could mean in terms of sheer paperwork volume.

As of January 1976, there were 5 million households in this country receiving food stamps. To become eligible they had to fill out a four-page application form. This generates 20 million pieces of paper.

Now the administration would ask these same people to fill out yet another form each month, generating another 60 million pieces of paper. I assume the intent of the requirement is to improve policing of the program.

But what in reality will be the effect? Not only will it place a tremendous new burden on the poor and needy and elderly—those least able to deal with the paperwork jungle—it also adds an enormous burden on the State agencies who must mail out, receive back, and process this fourfold increase. State officials have already indicated that the net effect would be less staff time to verify the accuracy of the information collected.

And what would we find, assuming that this mass of data could be assimilated without increasing the bureaucracy necessary to deal with it? I think we would learn that for most of these individuals their income status has not varied.

So we would have the anomolous situation in which a reporting requirement would overwhelm the administrative structure with information of marginal usefulness and prevent the effective policing the requirement was meant to enhance.

I applaud the authors of the substitute for striking this burdensome requirement.

Mr. BUCKLEY. Mr. President, the proposed Dole-McGovern legislation is not a substitute food stamp reform bill. It is a substitute for food stamp reform. It betrays the expectation of the American people that the Congress would really tighten up the food stamp program, reduce its costs, and restrict its benefits to the needy.

It is being called a compromise. It is not a compromise. With all due respect to our friend from Kansas it is a capitulation. It flies in the face of both commonsense and public opinion. It is a legislative affront to the American taxpayer.

It will not reduce the cost of the food stamp program. Quite the contrary. After a full year of food stamp controversy and debate, the Senate has before it a bill which would drastically increase that cost—in the neighborhood of $1.4 billion above current expenditures. Almost one and a half billion dollars. A few more "reforms" like this one will bring us to national bankruptcy.

Both the sponsors of this legislation and the Department of Agriculture have failed to estimate the cost impact of 12 of its 18 provisions. If the Congress approves it without considering its true price tag, it will once again demonstrate to the American people the accuracy of the old piece of political folk wisdom: That no one's life, liberty, or property is safe while the legislature is in session.

Mr. BEALL. Mr. President, no Federal program is in greater need of attention from the Congress than the food stamp program. Over the years, it has grown from a small pilot project to meet the nutrition needs of our poorest citizens to a $6 billion activity which has lost credibility with millions of Americans.

For the past several months, the Agriculture Committee has labored over a variety of proposals in an effort to make meaningful and necessary reforms in this program. Their product, S. 3136, is in every sense of the word a compromise between these proposals.

In many cases, the changes proposed by the committee are, in my judgment, positive steps to insure that those genuinely in need receive benefits with a minimum of bureaucracy and delay.

The limitation of participation to families below the poverty line will insure that those who are not in need will not receive food stamps.

The replacement of the chaotic deduction system, which favored households with many deductions and thus probably high incomes, with a standard deduction will cut substantially present levels of paperwork.

The changes relating to college students will eliminate a significant area of abuse, while at the same time allowing legitimate heads of households who attend college to receive benefits.

There are, of course, other sections which I find equally satisfactory.

However, the committee failed in one major respect by deciding not to eliminate the purchase price for food stamps. Such a change would have been a much-needed improvement over the current program, and would have assured that those Americans most in need of help, the people this program is supposed to help, would receive that help.

At the present time, many millions of people at the lowest income levels are prevented from participating in the food stamp program because they cannot find the cash to "buy" their way into the program. Over one-half of the people with incomes falling below the poverty level do not now participate in the food stamp program. Only 35 percent of the elderly persons participating in the supplemental security income program—SSI—receive food stamps.

We must change the law to allow these needy people to participate in the program. Thus, I enthusiastically looked forward to supporting the amendment proposed by Senators Dole and McGovern, among others, to eliminate the purchase price.

But suddenly, Mr. President, we find that this amendment will not even be offered. Instead, we have dropped one good idea and substituted in its place several bad ideas.

The Dole substitute includes some good suggestions, among these are:

The requirement that ATP cards must be issued 30 days after application for the recently unemployed;

The provisions providing an additional $25 per household increase in the standard deduction for working families;

The deletion of the $15,000 limitation on income-producing assets which would have been particularly burdensome to small farmers and businessmen.

And the deletion of monthly income reporting requirements which would have generated another 60 million forms a year for the food stamp system which already has too much redtape.

But the substitute also contains some provisions which I cannot consider as desirable, and which in my mind have questionable cost projections.

However, Mr. President, the single most important reason why I will oppose this substitute is that, based on Department of Agriculture cost figures supplied to the Senate yesterday, the substitute, if adopted will result in a significant net increase in the present costs of the food stamp program.

According to the proponents of this so-called compromise, the amendment would add an additional $390 million to the cost of the committee's bill. Or, put another way, it would reduce savings from the present program by $390 million.

Yesterday, Dr. Richard L. Feltner, Assistant Secretary of the Department of Agriculture, informed the Senate that the Department estimates the savings of the committee bill over the existing program at $359 million. We have also been advised that the Dole substitute will increase the committee bill cost by over 1 billion dollars.

The adoption of the Dole substitute would add $4 to $500 million to the cost of the existing program.

So, the bottom line is this:

First. The Dole substitute would add $4 to $500 million now to the cost of the existing food stamp program.

Second. There are several provisions of the Dole substitute which would mandate uncontrollable cost increases in the program following July 1, 1977.

In short, the Dole substitute would bring the day within sight when the food stamp program will break the $7 billion barrier.

Mr. President, I simply cannot support, even under the label of "reform," an amendment which would raise the cost of the food stamp program to the American taxpayer.

We must stabilize and even reduce the cost of Government programs to our citizens.

Unless we reduce expenditures for the food stamp program, this Congress will have lost whatever credibility it has left with the American public.

Therefore, I hope the Senate will defeat this substitute, and allow us to consider on an individual basis that many changes, such as the elimination of the purchase price, which desperately needs to be made in this program.

Mr. BAYH. Mr. President, the food stamp program has been the subject of a great deal of debate for some time now. As originally conceived in 1964, the program's purpose was to provide needy families with the opportunity to purchase nutritionally adequate low-cost food. For the most part, the program has successfully accomplished its purpose. At the same time, the program has suffered from growth pains. Since its inception in 1964, the program has expanded to include nearly 15 million persons. With this growth has come the charge that there are now too many people on the program who do not really need assistance. Given these charges of abuse and misuse of the program, a number of reform proposals were introduced in the Congress. I was pleased to cosponsor one of the most far-reaching of those reform proposals, S. 2451, the Dole-McGovern Food Stamp Reform Act of 1975. This approach would have achieved necessary reforms while preserving the essential provisions of the program.

Today, the Senate will be considering a substitute for the Agriculture Committee's version of the food stamp reform which incorporates many of the important provisions of the Dole-McGovern bill.

This substitute contains many significant changes from the original committee version of this legislation. Those changes include a semi-annual adjustment of the standard deduction and the poverty level to meet any inflationary cost of living factors, the deletion of the $15,000 limitation on income producing property or tools, a mechanism to insure that recently unemployed workers receive their food stamp benefits 30 days after application and the elimination of the monthly reporting requirements. One of the most important reform measures which I have consistently supported in the past—the elimination of the purchase price—is not included in the compromise substitute bill. While I think it is indeed unfortunate that we will be retaining the purchase price—the single largest impediment to food stamps for eligible families—I will support the substitute as an important step in the right direction of food stamp reform.

1. SEMI-ANNUAL ADJUSTMENT

One of the most important reforms embodied in the substitute is the requirement for semiannual adjustments in both the monthly standard deduction and in the poverty level according to changes in the Consumer Price Index. Under the original committee bill there was no provision for any adjustments in the monthly standard deduction and only an annual adjustment in the poverty level. It is neither logical nor fair to tie eligibility standards to a fixed standard that does not reflect inflationary trends in the cost of living. The semiannual adjustments will allow the necessary flexibility in eligibility standards.

2. $15,000 ASSETS LIMITATION

Under the original committee bill, only the first $15,000 of any income producing property or tools could be disregarded in counting assets. The substitute removes this $15,000 limitation which would effectively prohibit any small farmer or businessman who has property valued at over $15,000 from eligibility for food stamps, even though such an individual's income would otherwise qualify him and his family for food stamps.

3. 30-DAY WAIT FOR RECENTLY UNEMPLOYED

The dramatic rise in the number of people receiving food stamps in the past 2 years is largely attributable to soaring unemployment. Between September 1974 and May 1975, unemyployment rose approximately 60 percent from 5.8 to 9.2 percent. Not surprisingly, food stamp participation climbed 30 percent from 15 to 19.5 million people.

Unfortunately, under the committee version of the food stamp bill, recently unemployed heads of households would have to wait 60 days before they would be eligible to receive benefits. The substitute would require food stamps for recently unemployed 30 days after application, a fairer recognition of the economic distress of joblessness.

4. ELIMINATION OF THE MONTHLY REPORTING REQUIREMENT

Under the new USDA proposed food stamp regulations, every household would have to file a form on its income and resources every month. The regulations would require food stamp offices to mail out, receive back, and process 60 millions forms a year at an estimated cost of $2 million.

The regulation would also terminate food stamp benefits for any households that did not properly complete the required form or return it on time. This requirement would work greatest hardships on the elderly, blind, disabled, ill, non-English speaking, or those who cannot read or write, in addition to creating a bureaucratic nightmare of needless paperwork.

Instead of this cumbersome reporting requirement, the substitute would require families to report any changes in their income status—a much more logical and less costly method of assessing eligibility.

With all these needed reforms embodied in the compromise substitute, I will support it despite my reservations over retention of the purchase price. Fortunately, the substitute does provide for a pilot program in States where the purchase price would be elimination. Hopefully this will provide the basis for subsequent elimination of the purchase requirement.

5. PURCHASE PRICE

My concern over the retention of the purchase price is due in no small part of its disparate effect on women. Carol Burris and Maya Miller of the Women's Lobby have compiled some impressive statistics on the consequences of the purchase price for poor women and their families. According to these statistics, 56 percent of all households in the food stamp program are female headed. Women and girls comprise 57 percent of all Americans living below the poverty line. Half of all elderly women are living on less than $1,800 a year—only 5 percent of women over 65 earn more than $5,000 a year. These women are often in desperate need for food stamps, but cannot spare the cash necessary to purchase them.

Other categories of women in addition to the elderly are disproportionately dependent on food stamps. Female headed households are 83 percent of all single parent families and 32.2 percent of these are below the poverty line. There has been an increase of 33 percent in poor female headed households during the last decade.

Women have a greater stake in food stamps because a higher percentage of the poor are women and food stamps is a program to aid the poor. I sincerely hope that after the compilation of a pilot program in several States, the Congress will act to remove the purchase price altogether.

The Food Stamp Act of 1964 was an effort to insure that all Americans have sufficient means to purchase nutritionally adequate diets. The substitute measure before us today strengthens the ability of this program to provide assistance to those it was designed to serve and corrects those defects in the program which have caused its misuse. I urge my colleagues to join me in approving this needed reform.

Mr. PHILIP A. HART. Mr. President, I support the substitute proposal to the committee bill introduced by my distinguished colleague from Kansas, Mr. Dole, and cosponsored by the committee chairman, Mr. Talmadge, as well as Senators McGovern, Humphrey, Javits, Hugh Scott, and Percy. This substitute allows greater benefits to flow into the hands of the truly needy while still effectuating substantial cost savings. It continues the process of streamlining program administration begun in the Agriculture Committee by eliminating many cumbersome and unnecessary procedures still contained in the committee bill. For these reasons, plus those outlined more fully later, I am in full support of this compromise reform package.

THE PURCHASE PRICE

The most important provision in the substitute is the reduction in the purchase price from the 27.5 percent requirement in the committee bill to 25 percent. While I am disappointed that we are not eliminating the purchase price requirement entirely, I am gratified that a compromise has been reached that will ease the burden of participation on low-income households.

Households are now required by law, under the authority provided by section 7(b) of the Food Stamp Act of 1964, as amended, to make a reasonable investment in their food stamps in order to participate in the program. Under that authority, households have been required to contribute between 15 and 30 percent of their adjusted net incomes toward the purchase of food stamps. At the present time, this investment averages about 24 percent of the participating household's net food stamp income. The committee bill would raise the existing purchase requirement to an across-the-board rate of 27.5 percent. While this is significantly lower than the 30 percent figure proposed in legislation offered by the White House and considered in committee, it still represents an unacceptable barrier to full participation by the truly needy.

The Agriculture Department, however, apparently is not content with the reasoned deliberation of this body and the House of Representatives, and thus it is now moving to effectuate its proposal for a 30-percent purchase requirement through regulations already issued in proposed form. This proposal has already been rejected by the Agriculture Committee. Weeks of hearings and careful consideration by committee members have already demonstrated that a 30-percent purchase requirement would force many needy families off the food stamp program in contravention of congressional intentions under the Food Stamp Act.

These regulations represent an attempt to work a basic change in the program's operation under existing legal authority as it clearly violates section 7(b) of the act. This section requires participating families to make a reasonable investment in return for food stamp aid. It cannot support the Department of Agriculture's attempt to deny otherwise eligible households this assistance by setting the purchase prices at a level beyond their reach.

Any further rise in the purchase price would require an unreasonably high investment for eligible households. Study after study has concluded that the major reason given by households for leaving the program has been the burdensome purchase price requirement. Raising this price significantly beyond present levels would drive families, that already have trouble amassing the cash to buy stamps, from the program. It would also further raise the barrier to participation for the 50 percent of families below the poverty level that do not now receive food stamps.

Section 7(b) does not now justify setting the purchase price at 30 percent of adjusted net income—let alone 30 percent of adjusted gross income—and the substitute bill will make sure that the purchase price is set at 25 percent of adjusted net income. Although we are raising the purchase price slightly from its present average of 24 percent, for all intents and purposes we are voting to maintain current purchase levels.

COST OF LIVING ADJUSTMENTS

The committee bill, as now written, makes inadequate provisions for the crippling effects of inflation on program eligibility and benefits. The substitute would correct this omission by adjusting both the income eligibility cap and the standard deduction to offset the effects of rising costs of living. Semiannual updates, tied to the Consumer Price Index, are essential if we are to continue to meet our national commitment to eradicate hunger by guaranteeing every citizen access to a truly adequate diet, as provided for by the present act. Otherwise, needy Americans will witness the inflationary spiral gradually undermine the value of food stamp aid by lowering the income ceiling, in real dollar terms, and by eroding the standard deduction.

The updates are especially crucial since we are adopting the official poverty line as the measure for food stamp assistance. This line, now set at $5,050—and recently modified to $5,000—for a family of four, has been severely criticized since its inception as an arbitrary standard of poverty. It contrasts sharply with Bureau of Labor Statistics estimates that four-person families need in excess of $9,000 to maintain a minimally decent living standard.

I would prefer an income cutoff point set at a higher level to allow a more gradual tapering off of benefits.

I am deeply troubled by the Senate's apparent acceptance of the poverty line as the standard for net income eligibility. It is simply too low. Nevertheless, I am prepared to vote for this provision in order to secure the other provisions in the compromise package.

At a minimum, we must adjust the poverty line more frequently than is done at the present time. It now lags behind the Consumer Price Index by 12 to 24 months. Without semiannual updates, the already low income ceiling would disqualify households that are actually below the poverty level. This cannot be allowed to happen and, fortunately, it is taken care of by the update provision.

The substitute bill underscores the point that the administration's proposed regulations are a violation of the current Food Stamp Act. The Department announced that—commencing on June 1, 1976—the eligibility limit for a four-person household that is not receiving welfare assistance will be $5,500. Yet $5,500 reflects the average poverty line for the 12 months of calendar year 1975. Translated into understandable terms, the poverty line as of approximately June 1975 was $5,500. Yet, commencing in June 1976, and presumably through May 1977, the June 1975 poverty line will serve as the basis for food stamp program eligibility under the proposed regulations.

It is evident, therefore, that the Agriculture Department's newly proposed eligibility standard will be 12 to 24 months out of date and will cause many families—with below subsistence earnings—to be dropped from the food stamp program. This is a blatant violation of our current law and it would violate the provisions of the substitute bill. The eligibility limit in the new regulations is particularly unlawful because it is applied only to nonpublic assistance recipients, who are largely wage earners, and because no deductions are applied for tax and social security withholdings.

The committee bill also fails to adjust the standard deduction to account for inflation. This deduction is intended to streamline the program by eliminating the complicated system of itemized deductions that now exists and that causes frequent certification error. It was not intended to be gradually reduced, in real dollar terms, as the cost of meeting necessary nonfood expenses, now compensated for by allowing actual costs, grows. Again, fortunately, the substitute corrects this deficiency in the committee bill through semiannual adjustments.

THIRTY DAY RETROSPECTIVE ACCOUNTING PERIODS

The Food Stamp Act of 1964, as amended, is unambiguous on the question of what accounting period is to be used when judging an applicant's initial eligibility for food stamps. Applicants are legally entitled to have eligibility and benefits determined on the basis of their life circumstances at the time of application. The household's present income forms the basis for calculating its present need for food assistance.

The Ford administration has been urging that this system be replaced by a 90-day look-back period for calculating available income, whereby the applicant's income for the previous 90 days is used for determining initial eligibility. The 90-day retrospectve accounting period cannot be legally justified under the present law. White House efforts to implement this look-back provision administratively through regulations, thus, cannot be justified under the statute.

Ninety day retrospective accounting was debated and rejected by the committee. It has been debated and rejected by the Senate on the floor when the body defeated an amendment introduced by Senator CURTIS from Nebraska by a large margin.

The committee bill does, however, change the statute to provide for 30-day retrospective accounting. The substitute amends the 30-day retrospective accounting period to ameliorate its harmful impact for households that suffer losses of earned income—such as any family whose household head is laid off or is subject to periodic losses of income due to seasonal or unstable jobs. Such families would have eligibility calculated on the basis of their present income situation rather than on the basis of previous income that is no longer actually available. This change prevents the denial of food stamp benefits to the recently unemployed and families with unstable incomes at the very time when they need food assistance the most.

In addition, the substitute insures that households, in this situation, would be entitled to apply for food stamps immediately and receive an authorization-to-purchase card within 30 days of their initial attempt to secure assistance.

MONTHLY INCOME REPORTING

The substitute further guarantees that food stamp benefits reflect a family's true needs by prohibiting the Department of Agriculture from instituting a system of monthly income reporting. Under monthly income reporting, households would be required to submit reports to the food stamp program each month detailing their income from the previous month. This information would then be processed and would form the basis for calculating benefits in the following month.

For example, a family with $400 income in February would report that income to the program in March. Food stamp benefits in April would then be based on this income figure. If that family experiences a loss of income and actually received only $100 income during March, it would need more aid than it would get if it still had $400 in monthly income. Yet its benefits levels would be based on the outdated $400 monthly income figure.

Paradoxically, if the family breadwinner received a sharp income increase to, as an example, $800 per month, that household would receive a windfall from the program since benefits would still reflect the earlier income figure, even though it would no longer be needy.

Monthly income reporting is clearly unlawful under the Food Stamp Act of 1964, as presently written, since eligible households could receive more or less benefits than they actually needed to procure nutritional adequacy. This system, however, not only hurts food stamp recipients, it presents program administrators with a nightmare as well. Each month, forms—more than 120 million annually across the country—would have to be mailed out and processed when returned. Additional caseworkers would have to be hired to review each of the income reports, regardless of the fact that 90 percent of the households would report no change in income or family circumstances. What is more, monthly income reporting is redundant with certification practices and income reporting obligations now present in the program and retained under the substitute.

Under the administration's proposed regulations, the monthly reporting of income system would be coupled with the 90-day retrospective income period set forth in those regulations. As a result, the report provided in March about February's income would be added to the income reports for January and December. If the February income figure was $400, and the January figure was $300, and the December figure was $200, the average monthly income would be $300 and it would be on that basis that the household is certified for the month of April—even though the true income situation for April could be radically different.

These retrospective accounting and monthly income reporting procedures would frustrate the present requirements under the Food Stamp Act that mandate that food assistance be provided to currently needy people and be denied to people who no longer need assistance. I am glad that the substitute bill will not cause a substantial departure in the act's current income policy.

THE "RUNAWAY CHILD" PROVISION

Present law permits groups of people living under the same roof to apply as a single household if they purchase and prepare food in common and form an economic unit sharing expenses and pooling income. The committee bill would automatically disqualify an otherwise eligible minor, if the child lived in a household where no one owed a legal duty of support to that child. It would create hardship in cases where a parent is either unwilling to care for a child or has marginal abilities to do so. It violates the definition of "household" in the present law and would clearly be unlawful if issued as regulations in the form proposed by the Department of Agriculture. More importantly, it violates sound public policy and is extremely harmful to young children struggling to survive without parental support—certainly a group that should not be penalized by the withdrawal of food stamp assistance.

$125 STANDARD DEDUCTION FOR WORKING FAMILIES

The present law has strong incentives for work. All taxes and mandatory payroll deductions are subtracted from gross income. All child care costs and work-related expenses—such as transportation—up to $30 a month are also deductible. In addition, food stamp benefits are reduced gradually as income rises so that families retain their incentive to earn more.

The committee bill, while allowing a deduction to working families for taxes, fails to provide any offset other than the $100 standard deduction for the added costs of earning income. While I am certainly pleased that the committee bill includes a specific deduction for taxes, it does not go nearly far enough in providing work incentives. A deduction for taxes is clearly required by the present statute—which bases income determinations on income actually available to households—and must be continued under any sensible reform of the program.

Otherwise, working families would have their net food stamp income artificially inflated by including money already paid out in taxes and not actually available for food purchasing. These families would not only be penalized relative to social security beneficiaries and public assistance recipients, they would not have sufficient cash to purchase an adequate diet without expenditures exceeding legal limits.

Likewise, job-related expenses—such as child care, transportation, and uniform costs—must be met. That money is also unavailable for buying food and should be deducted. The substitute would accomplish this goal by allowing an additional $25 deduction for households earning in excess of $150 per month. The substitute bill would preserve the work incentives required under the current act, and they demonstrate that the proposed regulations—which provide a uniform $100 standard deduction, without regard to any increases necessary to reflect work expenses—violates the statute and would deny working families with access to nutritional adequacy.

I strongly believe that the reform package, in toto, represents the best compromise of the competing viewpoints in the Senate. It achieves substantial reform without losing sight of the goal of this most well-intentioned program—the feeding of the hungry.

Mr. LEAHY. Mr. President, I rise in support of the substitute to the committee bill. This package of amendments represents a bipartisan compromise among Senators with a broad spectrum of political persuasion. It continues our national commitment to guarantee every American a nutritionally adequate diet. It also corrects a number of deficiencies now present in the food stamp program—deficiencies that have allowed some abuse of this well-intentioned program. As such, this substitute deserves the full support of the Senate as a whole.

SETTING THE PURCHASE PRICE AT 25 PERCENT OF A HOUSEHOLD'S NET INCOME

Section 7(b) of the Food Stamp Act of 1964 specifies that households are to make a "reasonable investment" toward the purchase of their food coupons. The law, thus, requires that the purchase price be set at a level low enough to permit eligible families to buy their way into the food stamp program. Households cannot lawfully be forced to pay a food stamp purchase price that they cannot afford or that would cause them, due to other costs for necessities, to drop out of the food stamp program.

As the food stamp program now operates, the purchase price requirement is based on a sliding scale of between 15 to 30 percent of a household's net income after allowable deductions. Under this system, households pay an average of 24 percent of their net, adjusted income for food stamps. At these percentages, eligible households now have the reasonable access to the program that was intended by Congress and that is required by section 7(b) of the present act.

The committee bill, without substitution, would substantially alter this system by establishing a flat rate purchase price requirement of 27.5 percent. This high rate, and the even higher rate of 30 percent proposed by the administration, would present an unacceptably high barrier to full participation. Requiring low-income families to pay 27.5 or 30 percent of net income to buy into the program would eliminate a large percentage of participating households from receiving much needed food stamp assistance. These families would be simply unable to collect sufficient cash from already overstrained budgets to buy food stamps.

The substitute offered yesterday by the distinguished Senator from Kansas would lower the purchase price requirement from 27.5 to 25 percent. This percentage is in line with current program averages and maintains the commitment to a reasonable investment now in the current law.

MODIFICATION OF 30-DAY RETROSPECTIVE ACCOUNTING

At present, food stamp eligibility and benefits are based on a household's actual current need. This is done by determining the family's anticipated income and anticipated expenses over the certification period. The matching of benefits and need is dictated by the central purpose of the food stamp program—to permit low-income families to purchase a nutritionally adequate diet—as specifically enumerated in sections 2, 4(a), 5(a), and 7(a) of the Food Stamp Act. The committee bill replaces this system with a 30-day retrospective accounting period for determining initial eligibility. Under 30-day retrospective accounting, applying households would have their eligibility and benefits calculated on the basis of income from the prior 30 days.

An amendment to the committee bill introduced by my distinguished colleague from Nebraska, Mr. CURTIS, would have extended this "look back" period even further. Had this amendment passed, the initial eligibility determination would have been based on income averages over the previous 90 days—an average that bears no relationship to the current need for food stamp assistance. The Senator's proposed amendment was entirely inconsistent with the act and its guarantee of an adequate diet to every citizen. It would have resulted in severe hardship for households with recently laid-off breadwinners and families with fluctuating incomes. I was gratified when this amendment was resoundingly defeated by the Senate.

The committee bill is also unacceptable in its present form. The recently unemployed would be required to wait 30 days before applying since, prior to the end of this period, initial eligibility would be based on working income. Again, assistance would have no relationship to actual need. The substitute would provide an exception to 30-day retrospective accounting for households experiencing a sudden loss of income. Thirty day retrospective accounting, with this exception, is entirely consistent with the act's guarantee of a nutritionally adequate diet to low-income families. Recently laid-off breadwinners and their families would be able to apply immediately on the basis of their current situation as would households with fluctuating incomes.

These households could apply on the basis of actual available income and program administrators would have to make sure that applicants receive an ATP card by the 30th day from their first request for assistance. Families with stable incomes, on the other hand, would have eligibility and benefits based on the prior 30 days income. This would work no hardship on these households while simplifying the application process considerably.

MONTHLY INCOME REPORTING PROHIBITED

The substitute bill would prohibit the Department of Agriculture from implementing any system of monthly income reporting. Under such a system, participating households would be required to file forms each month detailing income from the previous month. That form would then be used to calculate benefits for the next month. Thus, benefits levels would be based on income data that is obsolete by 2 or more months.

Income and need would be out of synchronization. Many households, with reduced income in subsequent months, would be denied adequate food stamp assistance. Still other households, with rising income during this period, would receive more Federal "bonus" dollars than necessary to maintain an adequate diet. In addition, households that failed to file the form, because they could not read and write or because they have other disabilities, would be automatically terminated, regardless of actual need. Monthly income reporting is an administrative nightmare as well, since food stamp offices would be forced to process some 90 million additional forms a year.

For these reasons, monthly income reporting like retrospective income accounting, is entirely inconsistent with sections 2, 4(a), 5(a), and 7(a) of the current law. The substitute would prohibit USDA from implementing this costly and ineffective reporting system. Instead, current rules requiring prompt notification of changes in eligibility factors would be enacted.

COST-OF-LIVING UPDATES FOR THE POVERTY LINE AND STANDARD DEDUCTION

As in S. 3136, the substitute would retain the "poverty line" as the net income ceiling for participation in the food stamp program. The use of the poverty line as an income eligibility standard is, at best, suspect as a measure of the need for assistance in obtaining a nutritionally adequate diet. It was never intended to be a standard for food stamp assistance, but merely a target for the war on poverty. What is more, since 1969 the poverty line has not been linked to food price inflation but instead has been pegged to the Consumer Price Index generally. There is little, if any, relationship between this measure and the actual need for food stamps. Nonetheless, I am prepared to accept this ceiling in the context of the other provisions of the compromise substitute.

At a minimum, the poverty line must be adjusted to better reflect increases in the cost of living. Currently, as written in the committee's bill and in the administration's new regulations, the poverty line lags behind inflation by 12 to 24 months. This lag cannot be tolerated in a program designed to aid the needy—the very group hardest hit by the inflationary spiral. The substitute remedies this defect in the committee bill and the new regulations by providing for a semiannual inflationary adjustment.

The committee bill also neglects to adjust the standard deduction to account for inflation. Families would have the same $100 deduction in 1980 as in 1976. Inflation would erode the value of the standard deduction as a replacement for the present system of itemized deductions that now automatically reflect inflation by deducting actual expenses. The substitute would prevent this erosion through a semiannual adjustment to reflect changes in the Consumer Price Index.

ADDITIONAL $25 STANDARD DEDUCTION FOR WORKING FAMILIES

The present program encourages households to work by allowing an offset for taxes and mandatory payroll deductions, providing an itemized deduction for work-related expenses and child care, and gradually scaling benefits down as income increases. S. 3136 only goes part of the way in meeting the particular needs of the working poor. This failure to provide equity to the employed and adequate work incentives is contrary to the entire thrust of the present program.

The committee bill, fortunately, allows a specific deduction for Federal, State, and local taxes. Failing to allow a deduction for taxes would penalize working families. This result was not intended when Congress enacted the current law. It was sound public policy then and it is sound public policy now. I am, therefore, gratified that both the committee bill and the substitute continue the Food Stamp Act's policy of providing working families with a deduction for taxes before any deductions are applied to the income calculation.

Unfortunately, S. 3136 fails to provide any deduction to offset the incidental expenses connected with employment. Working families are forced to incur expenses—such as transportation, uniform costs, and child care—that nonworking families receiving social security, supplemental security income and public assistance simply do not have. A single $100 standard deduction applied to both the working and nonworking is inequitable to families with breadwinners that must meet these added expenses in order to work. The absence of a deduction for work-related expenses is not only inequitable—it also creates a disincentive to work. Nonworking families without job-related expenses would have relatively higher net incomes available to purchase food than their working counterparts. This we cannot tolerate. The substitute would correct this problem in the committee bill by allowing an extra $25 deduction for families earning more than $150 monthly.

In addition, the substitute bill eliminates the committee's provision that would disqualify minors from the food stamp program if they do not reside in the households of the person or persons who have a legal obligation to support them. If such a provision was promulgated in administrative regulations, it would be illegal and would violate the statutory "household" definition. In the State of Michigan alone, I have been told, more than 27,000 families would be harmfully affected by such a provision. I think that this provision in the committee's bill is unnecessary and harmful, and I am glad that the substitute bill eliminates that provision entirely.

In closing, Mr. President, I wish to speak briefly about new regulations, dramatically altering program operation, that have been recently proposed by the Department of Agriculture. These regulations, if issued in final form, would administratively implement President Ford's legislative reform proposal.

These regulations are, quite clearly, motivated by the exigencies of this national campaign year. They were written in secret, without consultation with the Food and Nutrition Service which administers the day-to-day operation of the food stamp program at the Federal level. They were announced with great fanfare in the closing days of the New Hampshire primary. They represent a conscious effort to bypass the Congress in the midst of legislative debate.

Since these regulations arise from political, rather than programmatic, considerations, they are an unsound change of the food stamp program. In passing this substitute, the Senate is repudiating this patent political effort to circumvent the legislative branch and win votes at the expense of adequate diets for the poor. Many specific provisions in the substitute, such as the modification of 30 day retrospective accounting, prohibition of monthly income reporting, repudiation of the 30 percent purchase price requirement, and deductions for taxes and work-related expenses, specifically countermand provisions in the proposed regulations. I am hopeful that the administration will learn a lesson from the passage of this substitute and withdraw these regulations before final issuance.

Mr. JAVITS. Mr. President, the substitute bill now before us represents a sensible approach to food stamp program reform. It is the product of responsible compromise, a process that presents us with a reform package that deserves our support. This substitute bill affords us the opportunity of approving legislation which truly reforms the program without lessening the Food Stamp Act's requirement guaranteeing millions of low-income Americans the right to a nutritionally adequate diet. I am pleased to cosponsor this substitute.

I am especially concerned about the need quickly to enact legislation so that the recent regulations proposed by the Department of Agriculture will not go into effect. Those regulations, which radically alter program operation, would cause a severe administrative problem for the States which they are hard-pressed to tackle. I hope that the passage of this legislation will persuade the administration to withdraw its proposed regulations. Mr. President, I would like to take this opportunity to discuss some important provisions of this substitute as they relate to current law and the bill as reported out of the Committee on Agriculture and Forestry.

The substitute retains the committee's provision to lower food stamp eligibility to the poverty level, but modifies the committee's action to deal with a number of problems associated with the use of the poverty line. One of the major deficiencies of the poverty line is that it has grown away from its original relationship to the cost of a nutritionally adequate diet. At the time the poverty line was created, it was set at a level equal to three times the cost of the economy food plan. This food plan was formulated by the Department of Agriculture and was intended to measure the cost of a nutritionally adequate diet although the economy food plan has been criticized by many experts as being inadequate and below the cost level of a good diet. This three-to-one relationship between the poverty line and the alleged cost of nutritional adequacy no longer exists; it disappeared when the definition of the poverty line was transformed in 1969 so that it no longer is related to the alleged cost of an adequate diet. Therefore, the poverty line is at best a dubious standard of need for the food stamp program which, under law, is supposed to base eligibility on the need for a nutritionally adequate diet, not abject poverty.

Moreover, even if the poverty line were an acceptable standard for the need for nutrition assistance—which is the only standard recognized by the current food stamp statute—it lags so far behind the cost of living so as to make it fail as a useful measure of need. The substitute now being considered at least resolves this 12 to 24 month time-lag problem by requiring semiannual updates in the poverty line based on increases in the Consumer Price Index. The new regulations proposed by the Agriculture Department, and the committee's bill, would establish eligibility standards well below the current poverty line. Therefore, the regulations and the committee's bill would abrogate the current statute's policy of providing aid to all families that do not have access to nutritional adequacy.

The substitute also improves upon the committee's application of a standard deduction for food stamp households, a deduction which is intended to replace the current system of deductions now afforded to participating households. The first improvement is to update the $100 standard deduction semiannually so as to reflect the price increases of the expenses it replaces.

The second improvement that the substitute makes with the committee bill is to include an extra $25 deduction for households which have earned incomes over $150 a month. I had proposed exactly this reform in my own bill. This recognizes that working households have costs associated with working, and preserves the program's aim of providing households with work incentives. I am pleased that this aspect of the program is strengthened, especially since the proposed legislation and regulations of USDA undercut this goal. The Department's regulations fail to provide working households with a reasonable deduction to offset the expenses they must incur.

Under USDA's proposed regulations, it might have been more beneficial for a working parent with children to accept welfare rather than have to pay huge child care costs plus other work-related expenses. Indeed, USDA's regulations, unlike the committee's bill and the substitute, do not even allow working households to subtract their payroll taxes in addition to the standard deduction—an omission that contravenes our intent in the current law and which, in fact, discriminates against those who work.

The whole idea of the eligibility limits and the standard deduction is to measure that amount of income which reflects the need for nutrition assistance. If the standard deduction is inadequate (as it is in USDA's regulations) it is impossible to gear food stamp benefits to the needs of participating households. Since current law is intended to give needy households the opportunity to afford a nutritionally adequate diet, and since benefits are linked to a household's net income, a standard deduction must be structured so as to accurately reflect that net income figure.

Thus, working households must be allowed an extra deduction, a concept contained in the substitute bill. The deduction system in the committee's bill is inadequate and will deny access to nutritional adequacy to working households, and the new regulations are worse and are much more discriminatory against working families. The new regulations would, it seems to me, violate the current law's eligibility and work incentive policies, and the substitute bill underscores that these regulations should not and cannot be legally implemented.

That brings us to the purchase requirement. Current law provides in section 7(b) that a household's purchase price for food stamps "shall represent a reasonable investment on the part of the household, but in no event more than 30 percent of the household's income." Thus the criterion is a "reasonable investment" with the maximum charge being 30 percent of a household's adjusted net income. The goal is to afford participating households reasonable access to the benefits provided through the program. At present, there is a sliding scale of purchase prices with the average household paying about 24 percent of its adjusted net income.

The regulations purpose to increase the purchase price to 30 percent of adjusted gross income across-the-board represent a major change in program operation not authorized under existing law. That 30-percent figure is a maximum figure under the law, and is intended to be used solely for those highest income eligibility households for which the 30-percent figure might represent a reasonable investment. It is with this understanding that the committee rejected a 30-percent purchase price for all households and utilized, instead, a 27.5 figure. The substitute further clarifies this intent by lowering the figure to 25 percent of net income. This action rejects the notion that a higher purchase price for all households is acceptable.

I am pleased that the committee and the substitute have not endorsed the plan to base eligibility for food stamps on income received over the prior 90 days. Current law provides that a household's current situation be evaluated as the basis of eligibility. This reflects our intent to guarantee access to nutritional adequacy as soon as there is a need for assistance and the eligibility criteria are met. A 90-day retrospective accounting period, which the USDA has put into its proposed regulations without waiting for congressional authorization for changing the statute's policy of basing eligibility on current income, would create serious problems for the recently unemployed who might immediately need the boost in purchasing power provided by the food stamp program.

The substitute changes current law so that, for initial certification, a household's situation over the past 30 days must be considered in determining eligibility. The substitute makes clear, however, that a recently unemployed person would get food stamp aid within 30 days from its first request for assistance, and eligibility and benefit levels for such a household would be based on current income.

The substitute rejects another proposed regulatory and statutory change that would end the current law's requirement that, once a household is receiving food stamps, its income must be based on its current situation. The committee bill authorized the Secretary to institute a monthly reporting system. It is clear that, if the law where changed to authorize such a new system, USDA would implement it. Indeed, the Department's proposed regulations, anticipating such authority, provide for a monthly reporting system.

There are two major problems with a monthly reporting system, which is why it is prohibited under the substitute. First, under such a reporting system a household would have to fill out a form detailing its income for each month. It would then have to return that form to the food stamp office, which would use it 2 months later to determine that household's eligibility and benefits. Thus, a determination of continued eligibility and purchase price would be based on information which is at least two months old. This would represent a major change in current law.

The second problem is administrative. The monthly reporting system requires the State agency to hire additional staff to read and process every form—even though the vast majority would show no changes. This is tremendously expensive and highly cost-ineffective. In addition, it is unnecessary insofar as it duplicates program requirements current in effect. At present households that experience a change in their circumstances must report such a change within 10 days. This is sufficient to deal with changes in household circumstances. The substitute, therefore, rejects the idea of monthly reporting. Instead, it writes the current practice into law and strengthens it by requiring that all households be given a postage-free form on which to report changes. The substitute, in my view, represents the more sensible approach.

There are a few other improvements contained in the substitute which I would like briefly to outline:

ASSETS

In addition to the USDA study on assets ordered by the committee, the substitute prohibits the Secretary from making any changes in the assets limitation—the amount of assets a household can own and still be eligible—until 2 months after the study is sent to Congress. I believe this to be a wise modification in the committee bill so that we can properly judge the effects of any changes. We must make sure that any changes do not deny access to the program for people in need of food assistance.

MINORS

The committee bill changed the statute's definition of a food stamp "household" so as to exclude certain minors from participation. The substitute retains current law. If the purpose of this administration-proposed change is to knock students out of the program, it should be attempted in a straightforward manner instead of asking the Congress to legislate students out of the program through the back door. The proposed regulations by the Agriculture Department seek to make a similar change—a change that conflicts with the statutory household definition. The substitute bill retains the statute's current policy that needy minors must be allowed to participate in the food stamp program regardless if they live in a household in which no one has an obligation to support them.

LUMP-SUM PAYMENTS

Current law counts lump-sum onetime payments as assets. The committee bill changed this, and proposed counting such items as tax refunds, gifts, and the like as income. The substitute compromises by excluding as income—but counting as assets—only tax refunds, tax credits, and retroactive payments provided by programs authorized by the Social Security Act.

Mr. President, the substitute is a good reform package. I believe it to be a better reform package, seen in its entirety than the committee's original bill. The substitute tightens up this program, eases the administrative burden, and generally answers the need for reform. I urge the adoption of the substitute.

The PRESIDING OFFICER. The bill is open to further amendment.

If there is no further amendment to be proposed, the question is on agreeing to the substitute amendment.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the McGovern-Dole amendment in the nature of a substitute, as amended. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. GARY HART), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), the Senator from California (Mr. TUNNEY) and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER) and the Senator from New Mexico (Mr. MONTOYA), are absent on official business.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Rhode Island (Mr. PASTORE) and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea".

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. BUCKLEY) would vote "nay."

The result was announced—yeas 49, nays 30, as follows:

[Rollcall Vote No. 137 Leg.]

YEAS—49

Abourezk
Bayh
Biden
Brooke
Bumpers
Burdick
Cannon
Case
Chiles
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Glenn
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevenson
Stone
Taft
Talmadge
Weicker
Williams

NAYS—30

Allen
Baker
Bartlett
Beall
Bentsen
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Johnston
Laxalt
Long
McClure
Morgan
Nunn
Proxmire
Roth
Scott,
  William L.
Sparkman
Stennis
Thurmond
Tower
Young

NOT VOTING—21

Bellmon
Brock
Buckley
Church
Culver
Curtis
Gravel
Hart, Gary
Hartke
Hruska
Inouye
Jackson
McClellan
McIntyre
Metcalf
Mondale
Montoya
Pastore
Stevens
Symington
Tunney

So the Dole-McGovern amendment in the nature of a substitute (No. 1571), as amended, was agreed to.

Mr. TALMADGE. Mr. President, if there be no further amendments to be proposed, I ask for the third reading of the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed, and was read the third time.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized, on the engrossment of S. 3136, to make any necessary technical and clerical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I understand there will be a request for the yeas and nays on passage, which I anticipate will occur in less than 10 minutes.

I now yield to the Senator from Alabama.

Mr. ALLEN. First, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. I thank the distinguished chairman for yielding me time on the bill.

Mr. President, I am strong for——

The PRESIDING OFFICER. Will the Senator suspend until order is restored? The Senate will be in order.

Mr. ALLEN. Mr. President, I am strong for genuine food stamp reform, and I felt that the committee bill afforded some small measure of reform. I thought at the time the committee bill was reported out that it would save some $630 million. Subsequent data and an analysis of that data indicated that the saving under the committee bill would be minuscule, and that the added cost of the Dole-McGovern substitute would add some $400 million to $500 million to the cost of the present program. So what we have now before us is the bill as amended by the substitute. We do not have the committee bill, we have the substitute as the bill that is to be voted on.

This is no reform. This is reform in reverse, and I predict that the bill, if it emerges from the conference and is approved by the Senate and House of Representatives in this form, will face a veto by the President, and that will mean we will have to fall back on the $4.8 billion program that the Department of Agriculture, at the instance of the President, has promulgated to go into effect July 1st.

So I do not foresee any future for this bill. Since it adds almost a half-billion dollars to the cost of the present program, I say this bill is not a reform measure, because I do not believe that any bill that would add $500 million to the cost of a program much in need of reform is true reform.

Therefore, even though I strongly favor reform of this program, I do not believe that any bill that would add this much to the cost of the existing program is reform, and for that reason I will have to vote against the bill.

Mr. TALMADGE. Mr. President, I have repeatedly inserted in the RECORD the estimates of the Congressional Budget Office that they think this proposal will save $240 million over existing law. While that is not as much as I would like to save, considering the mood of the Senate that was as much as this body would agree to.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Kansas yield back his time?

Mr. DOMENICI. Mr. President, I yield back the 5 minutes that I requested, and I thank the Senator from Georgia.

ADDITIONAL STATEMENTS SUBMITTED

Mr. HOLLINGS. Mr. President, I wish to take a moment to commend the distinguished chairman of the Agriculture Committee, Mr. TALMADGE, for the exceptional leadership he has displayed in guiding the Agriculture Committee and the Senate toward meaningful reform of the food stamp program. Without the chairman's leadership and ability to bring together all philosophies within the committee, Congress would never be able to enact meaningful food stamp reform legislation this year. With his leadership, enactment is all but certain.

Although I do not approve all aspects of the reform legislation, its overall merit is apparent when one recognizes that it would save taxpayers almost one-fourth of a billion dollars and at the same time improve benefits for the needy. More specifically, S. 3136 reduces administrative costs through the use of a standard deduction, limits food stamp participation to families with a net income below the poverty level, and gives special consideration to the nutritional needs of the elderly. Work registration, under S. 3136, would have real teeth for the first time—making ineligible most college students and the voluntarily unemployed. Penalties for food stamp law violations are stricter and prosecutions more easily pursued. In short, this legislation moves toward restoring credibility to the food stamp program while maintaining our commitment to the nutritional well-being of the country's neediest.

While I support most of the reform proposals contained in S. 3136, there is one major reform amendment that will not be adopted by the Senate, but which I hope will be accepted in future legislation, for it represents the most equitable approach to the interrelated issue of food stamps and welfare reform. The proposal is, of course, elimination of the purchase requirement—which simply means that people would no longer have to "buy" their food stamps. If they are eligible, they would automatically receive food stamps worth the bonus value of their stamps under the current system. For example, a working family of four with $250 in monthly net income entitled to $166 worth of stamps for $76 would, under this change, simply receive $90 in stamps.

Because the current system requiring a cash commitment has created so many problems the arguments for elimination are obvious and compelling.

First, without a purchase requirement, bureaucratic overhead is reduced, printing costs are cut. The program is streamlined and Government waste is cut by $100 million.

Second, no cash transactions between recipients and vendors means the days of million dollar vendor frauds are over.

Third, the amount of stamps in circulation would be cut by one-third, thereby reducing the exaggerated visibility of food stamps. A working mother paying $130 for $166 worth of stamps will no longer be unrightfully stigmatized as a "freeloader."

Fourth, reducing the amount of one's disposable income in the form of stamps will greatly reduce the incentive to sell stamps for dollars on the black market. Also, more income will be freed for nonfood essentials such as especially high utility bills or adequate clothing for schoolchildren.

In view of the positive benefits to be derived from the elimination of the purchase requirement, most objections are easily outweighed. However, there is one consideration that has been recognized by the Senate as a prohibitive roadblock to adoption of this amendment and has led to the adoption of the current compromise. Simply put, the elimination of the purchase requirement would cost a great deal of money, perhaps $625 million in fiscal year 1977 and certainly more than that in subsequent years. Of course, this increased cost would be due to greater participation by persons for whom the program is intended to serve. Elderly couples, working poor, welfare mothers and children, all living with net incomes below the poverty level and most unable to afford the purchase requirement, would have the opportunity to supplement their income with food stamps.

Would this amendment change the food stamp program from a feeding program to a welfare program or income supplement? I do not think so. We are not giving money away. We are providing coupons for food to poverty income households and allowing them to budget as they see fit with the limited nonfood stamp income available to them. The idea is simple and equitable. It is also costly. But maintaining a cumbersome and unjust system is not the way to save the tax dollars.

Mr. President, at this time I wish to express my support for the substitute bill offered by Senators TALMADGE, DOLE, and MCGOVERN. It is a truly comprehensive reform package which, while imperfect in its provisions, is the most practical vehicle available for the desperately needed reform desired by everyone.

Mr. PERCY. Mr. President, I am pleased to cosponsor the substitute bill which has been fashinoned under the leadership of the Senator from Georgia (Mr. TALMADGE), the Senator from Kansas (Mr. DOLE), and the Senator from South Dakota (Mr. MCGOVERN).

I was not a sponsor or cosponsor of any of the major food stamp reform bills. I felt that none of the available alternatives fulfilled the objectives of simplifying the administration of the program and curbing the potential for fraud and abuse by recipients as well as participants in the sale, use, and redemption of coupons while at the same time assuring the truly needy the means to purchase a nutritionally adequate diet.

Because each of the alternatives was flawed in some regard, I introduced 14 amendments to the so-called Dole-McGovern bill which had the effect of adding to that bill what I felt were the most significant features of other major proposals.

The substitute bill which I am cosponsoring does not contain all the features which I favor and which were embodied in my amendments. It does not contain all the features which any of its cosponsors might like to see in a bill.

It is, however, the product of a sincere effort at compromise in order to bring before this body a strong, workable, and fair food stamp reform bill. Moreover, the substitute bill is closer in spirit and detail to the one I had in mind when I introduced my amendments than was the original committee bill.

I wish to commend by colleagues who participated in the drafting of this bill. I commend and congratulate Mr. TALMADGE, Mr. DOLE, Mr. MCGOVERN, Mr. JAVITS, Mr. HUMPHREY, Mr. HUGH SCOTT, and the other Members of the Senate, and its Committee on Agriculture and Forestry who have worked diligently and effectively to reconcile widely differing views in preparing this legislation.

Mr. DOLE. Mr. President, one of the problems with food stamp reform generally is that we have been attempting to legislate against a myth—the myth that there are millions of middle and upper income Americans receiving food stamps. If that myth were reality, several hundreds of millions of dollars would be saved by S. 3136, as amended by substitute amendment No. 1571. For the bill as passed by the Senate prohibits participation by anyone with net income above the poverty line.

PROGRAM SAVINGS

Yet the most reliable estimates available from the Congressional Budget Office and the Senate Agriculture Committee staff indicate that the bill, as passed, will save around $250 million—a significant but not dramatic decrease in program expenditures.

I, too, would like to save more money on the food stamp program. But it is clear that any dramatic savings—in the neighborhood of $1 to $2 billion as some of our colleagues have favored—has nothing to do with program reform. It would cut into the very heart of the program which provides assistance to the truly needy and recently unemployed. Surely, lowering benefits for an impoverished working family is not reform. Yet, that is the precise effect some of the more draconian so-called reform proposals would have had.

BALANCED REFORM

The bill agreed to by the Senate today assures a balanced reform of the program and saves an estimated $241 million in the next fiscal year. It cuts out all middle and upper income households. Absolutely no household or individual that could be said to be in a "comfortable" or "semicomfortable" economic condition will be entitled to food stamp aid under the substitute. Absolutely no middle class college students who are being financed by their parents will be entitled to 1 cent of food stamp assistance. The bill cuts out middle and upper income persons and "plow back" some of the savings attributable to these reforms into assistance for the truly needy

To those who say the Senate bill does not save enough money, I sympathize. As a longtime advocate of Federal spending restraint, I would be greatly pleased if we could have another $100, $300, $500, or even $700 million. But such additional savings would not necessarily be the result of reform, if, instead of cutting out abusers, they were made possible because of arbitrary cutbacks in assistance to truly needy families.

A FINAL WORD ON COST ESTIMATES

The Senator from Kansas would not support the substitute—or any bill—which increases the cost of the program by the astronomical amounts suggested by the Senator from Alabama. In fact, I would not support a bill which increases the cost of the program by $1.

But there are simply no reliable cost estimates which suggest that the substitute would cost money. The most reliable data available—from the Congressional Budget Office and staff of the Senate Agriculture Committee, show a savings of well over $200 million.

I, for one, am growing weary of last minute, ambiguous cost estimates from the Department of Agriculture. There is no reason this new theory of cost estimates from the Department could not have been provided earlier. This is the same thing that happened during the last day of markup—when USDA came in with new, higher estimates.

If, in the coming few weeks, reliable new cost estimates are produced which demonstrate conclusively that the substitute increases costs, I am prepared to vote against the conference report on the food stamp bill.

The Senate has passed a sound reform package which recognizes the needs of poor people while responding to the legitimate public outcry over abuse of the food stamp program. No longer will we see inflammatory newspaper advertisements of small families making $16,000 a year receiving food stamps. The program will be truly a low-income nutritional supplement. Administratively, operation of the program will be greatly enhanced. The Senate has passed a compromise reform bill which should receive strong support in the House of Representatives.

Mr. CHILES. Mr. President, I had originally intended to submit an amendment to the Food Stamp Act which would have raised the standard deduction for the elderly from $125 to $150 a month. While I still feel that the elderly require our special attention, I did not call up this amendment because the compromise substitute contains several features which will accomplish our basic objective of protecting benefits for the elderly. The bill picks up the provision from our amendment which increases the standard deduction each 6 months to reflect inflation. The elderly on fixed incomes suffer most severely from inflation, and this provision protects them.

The substitute reduces the purchase price from 27½ to 25 percent, which represents a real gain in benefits to the elderly. The Senate accepted my amendment which provides a single eligibility interview for food stamps and the supplemental security program. This will make both programs more accessible to elderly persons. The substitute also eliminates the monthly reporting of income, which would have been particularly difficult for our older citizens.

In sum, while my amendment would have provided more benefits for more elderly persons than the committee bill does, the total package of benefits that emerged from the compromise is quite adequate. We can see the mark of this in the fact that the substitute added $390 million to the cost of the bill. While I expect that my quality control amendment will save a substantial portion of these costs, I think that we have a responsibility to hold down the total costs. If we can begin to hold down deficit spending and get a grip on inflation, we can do something important for the elderly. I am satisfied that while we could have done even more for the elderly, the total package of benefits that we ended up with is substantially better than the original bill and will protect the support provided to the elderly by this important program.

Mr. KENNEDY. Mr. President, I am pleased to have this opportunity to support those efforts designed to improve assistance for all of the families that rely on the food stamp program for vital nutritional aid.

It is particularly important for this Senate to take action that will insure continued aid for food stamp recipients because the high cost of food and the inflated pressures of our economy have terribly eroded the purchasing power of all Americans. During these times, poor people are affected more critically than any other segment of our society because the twin effects of inflation and high costs hit them with a double jolt.

But, as more and more Americans are forced to rely on the food stamp program criticism has mounted over the way the program is being abused. Yet, the helpless victims of the economic pressures are being blamed for the difficulties of the stamp program.

Everyone agrees that food stamps should not be issued to those who do not need them. Restrictions that can avoid such abuses deserve to be enacted. But this is no reason for enacting other punitive measures that would deny food stamp benefits to thousands of needy families. While it is clearly necessary for our Government to consider ways to avoid excessive spending, it is tragic that proposals for budget reductions usually begin with those programs that are aimed toward the poor.

The administration asked the Department of Agriculture to cut at least 5.3 million people from the rolls in order to reduce spending by $1.2 billion.

Perhaps that makes good budget sense, but it makes no sense to the families whose diets will suffer simply because they cannot afford today's high food costs.

Congress established eligibility standards for this program on the simple basis that low-income families deserve to receive a supplement for their food purchases. Now that the number of needy people is growing and the number of idle workers begin to seek assistance, the administration tends to blame the victim for the problems.

Instead of taking hungry people off the rolls, let us get rid of the costly procedure that keeps food stamp funds out of the Federal Treasury while banks and others profit on the money spent by poor folks to purchase food stamps.

As long as recipients must pay for stamps, there must be vendors to handle that money. Under current rules, too many vendors use those funds to accrue interest in banks or to work in other ways to the vendor's advantage.

On a typical day, there could be as much as $2 billion, in this $6 billion program, passing through our economy.

Some vendors handle hundreds of thousands of dollars a year. By holding on to that money for several months, the interest can really mount up. Government officials estimate the Federal Treasury lost at least $11 million last year through that tactic.

By insisting that food stamp recipients are required to purchase stamps, opportunities for that brand of abuse will always be present.

Elimination of the purchase requirement would end the invitation for swindlers to misuse the funds that flow through this vital program.

If this administration and this Congress are seriously concerned about abuses in the program, then we should end the requirement for purchasing stamps and simply issue the bonus value of food stamp allotments directly to needy people.

And if that increases the number of people participating in this program, it is clearly worthwhile. But if we leave the purchase requirement in place we shall continue to be faced with enormous opportunities for unwarranted abuses and exorbitant cost overruns.

Today, this Senate is faced with a proposal that will indeed reform the food stamp program, but it accomplishes that goal by changing the rules on income limits. Families with income just beyond the poverty line may find their food allotment drastically curtailed because their marginal income scarcely exceeds newly designed limits that purport to guarantee that affluent families will not be eligible for stamps.

Hopefully, these new limits will not slash too deeply into that population of working Americans who have come to depend on the stamp program to supplement their purchasing power in our Nation's supermarkets.

In Massachusetts, the food stamp program has been extended throughout the Commonwealth just within the past 18 months.

Both administrators and recipients want food stamps to serve the people with the greatest need. But Federal officials and pending legislation seem designed primarily to undermine the delivery of good nutritional assistance. Sumner Hoisington, deputy commissioner of the Massachusetts Department of Public Welfare, believes that proposed new food stamp regulations, "* * * could significantly alter the State's ability to effectively operate and monitor the program as well as leave a severe economic impact on many participating households and potential eligibles." Jobless workers who have been idled by plant closings and the deactivation of Federal Government facilities find that food stamps can be an important element in their struggle to feed their families.

It is my hope that the action of this Senate will insure continued protection for the thousands of deserving families that want to work but find that the lines outside employment agencies are even longer than the lines outside the food stamp office.

The measure before us requires recipients to sign up for work as a condition for participating in the stamp program.

But a worker just laid off from his job does not need to be forced to look for work in order to get help to feed his family. Instead of a work requirement in the food stamp bill, participants simply want to know where the job is. Find them a job and they will gladly get off the food stamp rolls.

Nearly 200,000 households in Massachusetts receive food stamp assistance. Those who work, want to. And those who are unable to work deserve the best available support for good nutritional health this Nation can offer.

Most of the elements in the pending legislation are seen by many of us on the Senate Nutrition Committee as direct assaults on the basic foundation of the food stamp program.

I am fully convinced that this program must help needy people obtain the right amounts of the foods they must have for good health. At the same time the program should be administered as efficiently as possible. But, too many officials are insisting on detailed requirements that will force this program to stumble instead of supplement food requirements for the poor.

Many organizations from around the country have called for a defeat of those proposals that are too oppressive. They include—the National Food Stamp Information Committee, the Chamber of Commerce of the United States of America, the Congressional Black Caucus, the National Council of Organizations for Childen and Youth, and the United Mine Workers.

These groups know that such provisions as the monthly reporting requirements can wreak havoc among State welfare agencies if thousands of recipients must each month update information on their personal and family characteristics. Reporting changes should be perfectly sufficient for the maintenance of accurate records. Monthly reporting, however, can only lead to errors, confusion, and disillusion among those who require help.

The measure before this Senate may begin to eliminate the budget excesses that the administration covets—but I hope it will not also eliminate the deserving provisions of decent food assistance for needy families.

Mr. BAKER. Mr. President, it is widely accepted that our current food stamp program is in need of revision, not only to alleviate the fraud and abuse that currently characterize the program, but to insure that the truly needy are nutritionally protected.

That objective must not be subverted by compromises which would render the Food Stamp Reform Act nothing more than a costly experiment. After extensive research into procedures that would correct various costly errors and prevent the nonpoor from participation, it is incongruous to enact a reform measure that ultimately spends more money than the current program. The food stamp program is in desperate need of fine tuning so that it meets its nutritional objectives without surrendering its integrity.

Certainly, the viability of our budgetary system should not be threatened. It is clear that many of the problems of the food stamp program can be eliminated through effective and sound administration which would be cost saving in comparison to the current level of expenditures for the program. It is my understanding that the goal of food stamp reform has been to eliminate unnecessary and fraudulent practices which would enable the food stamp program to become cost effective. Enacting a measure that would cost more than the present program would be at cross-purposes with the objectives of meaningful food stamp reform, and would significantly undermine the intent of the revisions. Serious consideration and evaluation of the consequences to our budgetary process of a spending measure, rather than a saving measure, is warranted. The soundness of the food stamp program rests upon this precedent.

THE PROBLEM

Mr. HANSEN. Mr. President, the American people are demanding and clearly deserve food stamp reform. With the Federal Government subsidizing the grocery bill for nearly 1 out of 13 citizens, it is no wonder Americans are up in arms about this program.

And that is only the half of it. It has been estimated that 1 out of every 4 citizens is eligible for food stamps under the present program. It is truly hard to believe, and impossible to explain, why 25 percent of our population can qualify for a Federal food subsidy.

If Congress continues to follow this kind of expensive welfare policy, it would not be long until half of the American people will be supporting the other half.

The food stamp program was meant to be a nutritional program to insure an adequate diet for those individuals who are unable, through no fault of their own, to provide for themselves. The American people are not insensitive to the needs of the elderly, the disabled, and the poor. But they resent it very much when benefits intended for these deserving segments of our society are extended to people fully capable of working and taking care of themselves. And even those who most ardently support the food stamp program must find it hard to believe that 1 in 4 Americans is in need of a Federal subsidy in order to have a nutritionally adequate diet.

A look at the actual rate of food stamp participation under the current program and as individual cases show that benefits are not generally extended on the basis of nutritional need. Instead, many families are able to get stamps not because they are nutritionally needy, but because they mismanage their income. The higher their house and car payments are, and the more they spend for certain other nonfood items, the easier it is for them to qualify for food stamps.

The qualification requirements of the current program, which are only remotely related to nutritional need, are part of the reason for the explosive rate at which the food stamp program has grown. In 1965, the average number of Americans receiving food stamps was 1 in 439. Two years later, it was 1 in 157.

By 1970, 1 out of every 47 Americans received food stamps, and by 1973, 1 in 17. Presently, 1 out of every 13 Americans receives food stamps.

The cost to the taxpayers of the food stamp program also demonstrates the explosive growth rate. The cost has increased by 14,203 percent in the past 10 years. In 1965, the food stamp program cost $36.4 million. By 1975, the cost had risen to $5.2 billion—not million, but billion. The estimated current program cost for fiscal year 1977 is $6.3 billion. There is no question that this program is out of control.

Mr. President, the explosive increase in participation and cost of the food stamp program is the direct result of the existing overgenerous qualification formula. The program formula has entitled many nonneedy individuals to receive food stamps. It has also created an administrative nightmare and contributed in significant part to rampant program error and fraud which annually costs the American taxpayer millions of dollars.

Presently, the amount of stamps a person is entitled to receive and the amount of money that person must pay toward the value of the stamps is based on that person's net income. There is no maximum gross income limitation for food stamp participation. Moreover, many of the deductions which are permitted in determining net income tend to favor individuals who do not need and should not receive food stamps. Because they are not counted as assets that could be used to buy food, such possessions as mink coats, jewelry, expensive furniture, television sets, stereo equipment, cars, and other personal effects are not considered when assessing a person's ability to buy food. Further, an individual may deduct large expenses related to the use of valuable assets and to extravagant living, so that he pays substantially less for the stamps than persons who live more frugally.

High payments on an expensive home can actually help one to qualify, since the higher the payments are, the more the applicant can reduce his net income for food stamp purposes. Sending a child to a private school can help assure eligibility, since tuition can be deducted. Other expenses which are deducted from gross income when determining food stamp eligibility include union dues, Federal, State, and local taxes, child care expenses, rent, utilities, medical costs, and others.

We all know that many college students who are voluntarily unemployed can qualify for food stamps, even though their parents may earn as much as $100,000 per year. People who voluntarily quit their jobs or engage in strikes are eligible. Unemployed recipients are required to register for work, but they are not required actively to seek employment.

Public assistance recipients automatically qualify for food stamps, despite the fact that in some instances, after totaling their entire amount of public assistance, they often have an income which equals or exceeds that of nonpublic assistance individuals who are ineligible because their income is too high.

In fact, a February 1975, GAO report found that public assistance households pay a smaller proportion of their income for food stamps than identically sized, nonpublic assistance households with smaller incomes. The cost to the American taxpayer of this inequity is quite large, when one considers that public assistance households constitute approximately half of the total number of people on food stamps.

These examples show sow nonneedy people can qualify for food stamps because of the overgenerous formula for distributing benefits. But, outrageously, this same extravagant program fails to provide a decent level of assistance to the very people who need it most—the very poor and the elderly. The formula, with its hodgepodge of deductions, exemptions, and requirements, is weighted in favor of those with the least need and works against those most in need of help.

And, the current formula has created an administrative nightmare and has resulted in a rampant program error rate and outright fraud.

Some time ago, I wrote to every food stamp administrator in Wyoming seeking their comments on the food stamp program. Without exception, every reply indicated that the local administration of the present program is a nightmare. The inability properly to administer the program has caused much wasted time and expense and has resulted in a phenomenal rate of error. The Department of Agriculture's most recent study of food stamp error in nonpublic assistance food stamp households found errors in 56.1 percent of the cases.

A February 1975, GAO study indicated that nationally, 18 percent, or almost 1 in 5 food stamp recipients, was ineligible and that of the $120 million monthly Federal food stamp subsidy, about $23 million was received by households considered ineligible. The Washington Star, using the error rate established by the recent Department of Agriculture study, found that during the last fiscal year, $797 million was paid to ineligible recipients. This means that approximately $1 in $6 was misspent because of eligibility errors.

The fact that this unbelievable rate of error is mainly the result of the current complex and unfair formula is supported by the Agriculture Department study which found that of the 56-percent total error rate, all but 7 percent of the errors were a consequence of the income deductions allowed under the present formula. This statistical conclusion is further supported by many Wyoming food stamp administrators with whom I have corresponded.

Mr. President, an additional problem with the current food stamp program is that it is so loosely structured that it encourages widespread fraud. The rate of fraud not only undermines the integrity of the program, but adds further to the program's cost.

Agriculture Department officials have repeatedly stated that the food stamp program is remarkably free from fraud, that the percentage of fraud is twenty-four thousandths of 1 percent.

The problem with these Department figures is that while they may reflect discovered fraud, they do not represent actual fraud. In the food stamp program, there is large variance between actual fraud and discovered fraud. The Agriculture Department figures represent only a fraction of the cheaters now illegally taking advantage of the food stamp program.

No one really knows how much cheating is going on. Under current law, individual States must prosecute violators of the food stamp law, and food stamp officials admit that the States do a poor job. The poor record of the States in this area is a result of the fact that the States are not handing out their own money and there is little incentive to exercise strict enforcement. Food stamp money lost through fraud is Federal, not State, money. Investigations and prosecutions take time and cost money. States would quite naturally rather direct their resources to areas where there is a significant State, rather than Federal interest. However, when States do get involved, widespread fraud is discovered. A recent Washington Star article revealed a case in point.

A Little Rock, Ark., prosecutor reviewed 500 food stamp cases which were considered only slightly suspicious. What officials discovered on close examination was shocking. There was clear cheating almost 4 out of 5 cases. Prosecutors found people who gave phony addresses, phony birth certificates, and ficticious names. One woman had 20 aliases and was collecting stamps under 20 different names.

People who declared they had no income would be working. People would lie about their number of dependents. One woman operated a family scheme. She got her uncles, aunts, and cousins to fill out food stamp applications and then collected all the stamps herself. She then sold the stamps for 90 cents on the dollar.

After investigating the initial 500 cases, the prosecutors gave up because the cheating was so widespread. This, unfortunately, is often the typical state of affairs. Either local officials do not investigate food stamp fraud, or, if they do investigate, they often find that the fraud is so massive they give up because of the time and expense involved.

THE COMMITTEE'S REFORM BILL

Mr. President, the legislation that would have done the best job of overhauling the food stamp program was S. 1993, Senator BUCKLEY's bill. I cosponsored it because I believed it would have removed from the food stamp rolls those nonneedy persons who ought to be taking care of themselves. At the same time, the bill would have increased benefits to the elderly and poor, who deserve our help and who logically should be the beneficiaries of programs like this one.

The reform bill reported out by the Senate Agriculture Committee did not include many of the provisions of S. 1993, but it did, nevertheless, represent an important step toward bringing equity to the food stamp program.

The committee bill imposed a gross income ceiling, so that persons with income above the official poverty line would no longer be eligible for food stamps.

The bill replaced the present hodgepodge of deductions with a standard deduction of $100 per month for those under 60 years of age, and $125 for the elderly, plus Federal, State, and local income taxes. Recipients would, under the committee bill, have to report their income on a monthly basis in order to minimize the potential for error. Public welfare recipients would not be automatically entitled to food stamps, as they are now, but would have to meet the same tests as anyone else seeking food stamp benefits. Persons who voluntarily terminated employment would not be eligible for stamps under the committee bill, and unemployed recipients would be required actively to seek employment.

The committee bill increased the amount of stamps beneficiaries would receive, to insure provision of a nutritionally adequate diet. This step, when combined with the improved deduction process, would have guaranteed higher benefits for those most deserving of assistance—the poor and the aged.

The committee estimated its bill would save about $600 million annually in Federal food stamp program costs. However, I am told that others estimate the saving at considerably less than that—more like $200 million.

While it would not have saved nearly as much money as the Buckley bill, the committee bill represented, nevertheless, an important step forward in reforming the food stamp program. I regret very much the Senate's refusal to approve the committee's bill and to act, instead, to expand a program that is already too big and too expensive.

THE DOLE-M'GOVERN SUBSTITUTE

The Dole-McGovern substitute moves in the opposite direction from the committee bill, and from the direction most Americans want to go. Instead of restricting eligibility to the needy and reducing the scope and cost of the program, the substitute liberalizes the program and increases its cost by an amount that is not specifically outlined, but which is sufficient to require waiving of the congressional budget ceiling which we set to control expenditures.

The substitute is a fraud because it is represented as a "reform" of the food stamp program when, in fact, it expands the scope and cost of the program and circumvents the budget process Congress imposed as a means of controlling expenditures.

In the past several years, the Congress has spent countless hours developing a process by which spending could be coordinated and controlled. For too long, we had approved expensive program on top of expensive program, without adding up the total to see what we had done to the Nation's budget.

It was similar to writing dozens of checks without looking to see if there was enough in the bank to cover them. To accomplish budget reform, Budget Committees were established in both Houses to recommend spending levels and to watch over the national checkbook so that we could stay within a designated budget.

It is truly ironic, Mr. President, that we now find ourselves subverting our own budget reform process in the name of food stamp reform.

The likelihood that the substitute proposal will result in any reduction in Federal spending is virtually nonexistent. The proponents admit that it would not save as much as the committee bill. Moreover, it has been estimated that the substitute will cost as much as $1.4 billion more than the existing program, which is estimated to cost $6.3 billion in the next fiscal year.

What we do know is that the cost of the substitute will exceed the congressional budget established for the food stamp program. What point is there in having a budget if we ignore it?

Not only does the substitute cost more than our budget allows, it makes a mockery of efforts to revise the administration of the food stamp program. It further liberalizes deductions which are already too liberal. Instead of imposing much-needed restrictions on eligibility, it opens more loopholes through which nonneedy persons may receive food stamps. Instead of tightening administrative controls so that fraud and error could be reduced, the substitute imposes a system by which benefits would be approved, and then hopefully, recovered later if an after-the-fact eligibility review showed they were not supposed to be approved.

The substitute prohibits pilot projects which would involve reduced income and eligibility criteria, which is the same thing, "It is okay to have a pilot project if it means spending more Federal money, but it is not okay if the project is meant to save money."

The Senate Agriculture Committee spent weeks, if not months, studying ways of achieving food stamp reform. And believe me, Mr. President, reform—not liberalization—is what the American people want. The provisions in the substitute were not subjected to the hearing process. No one knows what they will cost. They were revealed to Members of the Senate only a day or so ago, so that there was no way they could be studied in detail.

The American people will support a food stamp program that assists those who deserve our assistance, such as the very poor, the disabled, and the elderly—those who, through no fault of their own, are unable to provide for themselves a nutritionally adequate diet. They will not support the kind of program we have now, or the kind of program we will have if this substitute becomes law. I do not blame them.

The bill reported out by the Senate Agriculture Committee would have permitted significant reform of the food stamp program, and I truly regret we did not accept that bill. The Dole-McGovern substitute cannot be called a "reform" measure. I hope it will be defeated.

Mr. MORGAN. Mr. President, I would like to say that no bill or no matter that has come to my attention has caused more concern throughout the State of North Carolina than the question of abuse of the food stamp program. I commend the distinguished Senator from Georgia, the chairman of the Committee on Agriculture, and his staff for their efforts in trying to revise the program in such a way as to make it more acceptable to the people of this country.

In the final analysis I voted against the bill as it was finally voted on because of the substitute bill that was adopted.

However, I would point out that I do think that bill makes some rather substantial improvements in the food stamp program that may serve to allay some of the fears and some of the criticisms of it.

For instance, it provides for standard deductions from income rather than the long list of deductions that prevailed before, which included everything from alimony payments to nonsupport payments to utility bills, in some cases rent payments, and so forth. I think the standard deduction provision of the bill which was adopted is very good and will help.

I especially like the fact that the bill, as adopted, retains the purchase requirement for food stamps. I think especially the tightening up of eligibility for college students who were receiving food stamps will help eliminate a great deal of the criticism. Establishing more realistic income levels down to the poverty level will help. The work registration and job search requirements are also good features of the bill, and the more realistic assets limit.

Mr. President, the question might be asked if I think all of those provisions in the bill as finally adopted were good, why did I vote against it?

I voted against it for a number of reasons, Mr. President. One is because of the uncertainty of the additional cost.

The very distinguished chairman of the Committee on Agriculture reported that according to the Congressional Budget Office, it would reduce the cost from the present food stamp program by about $250 million or so. But, on the other hand, we had information which I was led to believe was reliable, or based on reliable assumptions from the U.S. Department of Agriculture, that estimated that the compromise bill would cost $378 million over and above the present food stamp program. That is more than a half-billion dollars more than the food stamp program and nearly $1 billion more than the bill that was reported out by the Committee on Agriculture and Forestry.

I do not believe, Mr. President, that the time is ripe for us to continue increasing Federal spending.

Foremost in my reasons for voting against the bill is the fact that when I campaigned up and down the State of North Carolina during the year 1974, I said that I stood for fiscal responsibility in Government. I pointed out that through the many years in State government I had consistently voted for better schools, better hospitals, better care for the needy and aged, but I had always been willing to vote for the taxes that were necessary to pay for those programs. Last year, during 1975, the year that I served in the Senate, as I traveled the highways and byways of North Carolina, I held out a ray of hope to the people in my State that the Congress was finally coming around to the position of acting in a fiscally responsible manner. I pointed out the adoption of the Budget Reform Act of 1974. I said this is one giant step forward that we made in the Congress toward becoming fiscally responsible.

Lo and behold, today I find we have already waived some of the provisions of that bill and almost thrown it to the four winds.

Because of that I cast my vote against the bill and I wish the RECORD to so reflect.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is, shall the bill as amended pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD (after having voted in the negative). On this vote I have a pair with the distinguished senior Senator from Missouri (Mr. SYMINGton). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

(Mr. STONE assumed the chair.)

Mr. MORGAN (after having voted in the negative). In this vote I have a pair with the distinguished Senator from Minnesota (Mr. Humphrey). If he were present and voting, he would vote "Yea." If I were at liberty to vote, I would vote "Nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Hart), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), the Senator from Rhode Island (Mr. Pastore), the Senator from Missouri (Mr. Symington), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Culver), the Senator from New Hampshire (Mr. Durkin), and the Senator from New Mexico (Mr. Montoya) are absent on official business.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. Durkin), the Senator from Alaska (Mr. Gravel), the Senator from Washington (Mr. Jackson), the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), and the Senator from Rhode Island (Mr. Pastore) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from Nebraska (Mr. Hruska), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

On this vote, the Senator from Pennsylvania (Mr. Hugh Scott) is paired with the Senator from New York (Mr. Buckley). If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from New York would vote "nay."

The result was announced—yeas 52, nays 22, as follows:

[Rollcall Vote No. 138 Leg.]

YEAS—52

Abourezk
Bayh
Bentsen
Biden
Brooke
Bumpers
Burdick
Cannon
Case
Chiles
Clark
Cranston
Dole
Eagleton
Ford
Glenn
Hart, Philip A.
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevenson
Stone
Taft
Talmadge
Weicker
Williams

NAYS—22

Allen
Baker
Bartlett
Beall
Byrd, Harry F., Jr.
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Laxalt
McClure
Roth
Scott, William L.
Stennis
Thurmond
Tower
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Robert C. Byrd, against.
Morgan, against.

NOT VOTING—24

Bellmon
Brock
Buckley
Church
Culver
Curtis
Durkin
Gravel
Hart, Gary
Hartke
Hruska
Humphrey
Inouye
Jackson
McClellan
McIntyre
Metcalf
Mondale
Montoya
Pastore
Scott, Hugh
Stevens
Symington
Tunney

So the bill (S. 3136), as amended, was passed, as follows:

S. 3136

An act to reform the Food Stamp Act of 1964 by improving the provisions relating to eligibility, simplifying administration, and tightening accountability, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section. 1. This Act may be cited as the "National Food Stamp Reform Act of 1976".

DEFINITIONS

Sec. 2. Section 3 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (e) is amended to read as follows:

"(e) The term 'household' means a group of individuals who are sharing common living quarters, but who are not residents of an institution or boardinghouse, and who have access to cooking facilities and for whom food is customarily purchased in common. Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) or section 236 of the National Housing Act (12 U.S.C. 1715z–1), shall not be considered residents of an institution or boardinghouse. The term 'household' also means (1) a single individual living alone who has access to cooking facilities and who purchases food for home consumption; (2) an elderly person who meets the requirements of section 10 (h) of this Act; or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program. Notwithstanding any other provision of this subsection, households in which a member is eligible to participate in the nutrition program for the elderly under title VII of the Older Americans Act of 1965, or is authorized by section 10(h) of this Act to use coupons for meals on wheels, shall not be required to have cooking facilities.".

(b) Subsection (f) is amended by striking out the period at the end of the second sentence and inserting in lieu thereof the following: ", or any private nonprofit cooperative food purchasing venture in which the members pay for food purchased prior to receipt of such food. Such private nonprofit cooperative is authorized to redeem members' food coupons prior to receipt by the members of the food so purchased. Organizations and institutions specified in section 10(i) of this Act are not authorized to redeem coupons through banks.".

(c) Subsection (l) is amended to read as follows:

"(l) The term 'elderly person' means a person sixty years of age or over who is not a resident of an institution or boardinghouse.".

(d) Section 3 is amended by adding at the end thereof new subsections (o), (p), and (q), as follows:

"(o) The term 'nutritionally adequate diet' means a diet having the value of the food required to feed a family of four persons consisting of a man and a woman twenty through fifty-four; a child six through eight; and a child nine through eleven years of age, determined in accordance with the thrifty food plan developed in 1975 by the Secretary. The cost of such diet shall be the basis for uniform coupon allotments for all households regardless of composition, except for household size adjustments and adjustments to reflect economies of scale set forth in the thrifty food plan.

"(p) The term 'coupon vendor' means any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated administrative responsibility in connection with, the issuance of coupons to households.

"(q) The term 'adjusted semiannually' means adjusted effective every January 1 and July 1 to reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics in the Department of Labor for the preceding six months ending September 30 and March 31.".

DISTRIBUTION OF FEDERALLY DONATED FOODS

Sec. 3. Section 4(b) of the Food Stamp Act of 1964, as amended, is amended to read as follows:

"(b) In areas where the food stamp program is in operation, there shall be no distribution of federally donated foods to households under the authority of any other law except that distribution thereunder may be made for such period of time as the Secretary determines necessary to effect an orderly transition on an Indian reservation on which the distribution of federally donated foods to households is being replaced by a food stamp program: *Provided*, That the Secretary shall not approve any plan submitted under this Act which permits any household to participate simultaneously in both the food stamp program and the distribution of federally donated foods: *Provided further*, That households may continue to receive such donated foods under separately authorized programs which permit commodity distribution on a temporary basis to meet disaster relief needs.".

ELIGIBLE HOUSEHOLDS

Sec. 4. Section 5 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (b) is amended to read as follows:

"(b) (1) The Secretary shall establish uniform national standards of eligibility for participation by households in the food stamp program and no plan of operation submitted by a State agency shall be approved unless the standards of eligibility meet those established by the Secretary.

"(2) (A) The income standards of eligibility in every State (except Alaska and Hawaii) shall be the income poverty guidelines for the nonfarm United States prescribed by the Office of Management and Budget, as adjusted in accordance with clause (B) of this paragraph. The income standards of eligibility for Alaska and Hawaii shall be the nonfarm income poverty guidelines established pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d), as adjusted in accordance with clause (B) of this paragraph.

"(B) The income poverty guidelines shall be adjusted semiannually (as that term is defined in section 3(q) of this Act) pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d), to the nearest $1 increment. However, the first adjustment under this paragraph shall take effect on July 1, 1977, and shall be made by multiplying the income poverty guidelines published as of May 1, 1976, by the changes between the average 1975 Consumer Price Index and the Consumer Price Index for March 1977.

"(3) The Secretary shall utilize the preceding thirty-day period in determining income for purposes of eligibility and benefit levels of households: *Provided,* That a longer period may be used as determined by the Secretary for households in which all members receive income from sources such as self-employment, agriculture, contract work, and educational scholarships.

"(4) Notwithstanding the provisions of paragraph (3) of this subsection, a household that has suffered a substantial loss of earned income may immediately make application for participation in the food stamp program. Such application shall be processed in the same manner as that for other applicants except for the determination of the applicant household's income. At the time of such application, members of the household (who are not otherwise exempt) must register for employment under subsection (c) of this section and shall receive the same services under such subsection as any other applicant. At the end of the thirty-day period after the loss of income, the applicant household may present the verification of its income to the certifying authority and such authority shall issue the applicant household its authorization to purchase card immediately thereafter: *Provided,* That in the case of State agencies that use mechanized issuance systems, such agencies must have the authorization-to-purchase cards available upon presentation of the verification of income and issued to the applicant household if such household is eligible for benefits under this Act, and such State agency must recoup any loss suffered because such initial authorization-to-purchase card was in error.

"(5) The Secretary shall also prescribe additional standards of eligibility with respect to the amounts of liquid and nonliquid assets a household may own. However, the Secretary may not propose any amendments to the assets regulations in effect on March 31, 1976, until sixty days after the submission to Congress of the assets study report under section 20 of this Act.

"(6) (A) Household income for purposes of the food stamp program shall be the gross income of the household, as defined in paragraph (7) of this subsection, less (i) a standard deduction of $100 a month applicable to all households, except that the standard deduction for Puerto Rico, the Virgin Islands, and Guam shall be $60 a month; (ii) an additional deduction of $50 a month for any household in which there is at least one member who is age sixty or older; (iii) an additional deduction of $25 a month for any household in which there is at least one member who has at least $150 a month in earned income; and (iv) Federal, State, and local income taxes and social security taxes paid by employees under the Federal Insurance Contributions Act.

"(B) Effective July 1, 1977, the standard deduction shall be adjusted semiannually (as that term is defined in section 3(q) of this Act). Such adjustment shall be rounded to the nearest $5 increment.

"(7) Notwithstanding any other provision of law, gross income for purposes of the food stamp program shall include, but not be limited to, all money payments (including payments made pursuant to the Domestic Volunteer Services Act of 1973) and payments in kind, excluding—

"(A) payments for medical costs made on behalf of the household;

"(B) income received as compensation for services performed as an employee or income from self-employment by a child residing with the household who is a student and who has not attained his eighteenth birthday;

"(C) payments received under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

"(D) infrequent or irregular income of a household which does not exceed $30 during any three-month period;

"(E) all loans, scholarships, fellowships, grants, and veteran's educational benefits, except deferred educational loans, scholarships, fellowships, grants, and veteran's educational benefits to the extent they are not used for tuition and mandatory fees at an institution of higher education or school for the handicapped

"(F) housing vendor payments made directly to landlords under programs administered by the Department of Housing and Urban Development;

"(G) payments received under the special supplemental food program for women, infants, and children authorized by section 17 of the Child Nutrition Act;

"(H) payments in kind derived from government benefit programs including, but not limited to, school lunch, medicare, and elderly feeding programs, and any payments in kind which cannot reasonably and properly be computed;

"(I) the cost of producing self-employed income;

"(J) Federal, State, and local income tax refunds, Federal income tax credits, and retroactive payments under the Social Security Act: *Provided,* That the full amount of such refunds, credits, or payments shall be included in household resources; and

"(K) income specifically excluded by other Federal laws.

"(8) The Secretary may also establish temporary emergency standards of eligibility for the duration of the emergency, without regard to income and other financial resources, for households that are victims of a disaster which disrupts commercial channels of food distribution when he determines that (A) such households are in need of temporary food assistance, and (B) commercial channels of food distribution have again become available to meet the temporary food needs of such households.".

(b) Subsection (c) is amended to read as follows:

"(c) (1) Notwithstanding any other provision of law, the Secretary shall include in the uniform national standards of eligibility to be prescribed under subsection (b) of this section a provision that each State agency shall provide that a household shall not be eligible for assistance under this Act if it includes an able-bodied adult person between the ages of eighteen and sixty (except a parent or other member of the household who has the responsibility of care of a dependent child under the age of twelve or of an incapacitated person; a parent or other caretaker of a child or of an incapacitated person in households where there is another able-bodied parent who is subject to the requirements of this subsection; bona fide students in any accredited school or training program, subject to the provisions of paragraph (6) of this subsection; or persons employed and working at least thirty hours per week) who without good cause either—

"(A) fails to register for employment at a State employment service office or, when impractical, at such other appropriate State or Federal office designated by the Secretary of Labor;

"(B) fails to inquire regularly about employment with prospective employers or otherwise fails to engage regularly in activities directly related to securing employment;

"(C) refuses to accept employment or public work at not less than the highest of (i) the applicable State minimum wage; (ii) the applicable Federal minimum wage; (iii) the applicable rates established by a valid regulation of the Federal Government authorized by existing law to establish such regulations; or (iv) if there is no applicable wage as described in subdivision (i), (ii), or (iii) of clause (C) of this paragraph, a wage which is not substantially less favorable than the wage normally paid for similar work in that labor market, but in no event less than three-fourths of the Federal minimum wage rates specified in section 6(a) (1) of the Fair Labor Standards Act; or

"(D) voluntarily quits any job unless the household of which such person is a member was certified for benefits under this Act immediately prior to such unemployment.

"(2) In carrying out its responsibilities under this subsection, the State employment service shall comply with regulations which the Secretary of Labor shall issue in consultation with the Secretary. The Secretary of Labor, in issuing the regulations, shall conform them as closely as possible to the work incentive program requirements set forth under title IV of the Social Security Act, taking into account the unique requirements under the work incentive program, including the provision for social services. To the maximum extent possible, taking into account the diversity of the food stamp work registrant population and varying registrant needs, the Secretary of Labor shall provide manpower training, employment services and opportunities, and supportive services, including child care services of the type available under the work incentive program.

"(3) In the event of a failure of the State employment service to comply with the regulations issued under paragraph (2) of this subsection, the Secretary of Labor is authorized to assume the responsibilities of such State employment service. From the sums appropriated to carry out this Act, there are authorized to be allocated for transfer to the Secretary of Labor (A) for fiscal year 1977 not more than $100,000,000 and (B) for each succeeding fiscal year such sum as may be jointly determined by the Secretary and the Secretary of Labor to be necessary for the Secretary of Labor to carry out his responsibilities under this section. The Secretary shall transfer such sums as are allocated for transfer to the Secretary of Labor. The Secretary of Labor is authorized to make grants or enter into agreements with public or private agencies or organizations in order to carry out his responsibilities under this Act.

"(4) Refusal to work at a plant or site subject to a strike or lockout for the duration of such strike or lockout shall not be deemed to be a refusal to accept employment.

"(5) For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program.

"(6) The exception provided in paragraph (1) with respect to bona fide students shall not apply in the case of any student during any period such student is not attending the school or training program in which he is enrolled because of a break in the school year (or between school years) or training programs if the duration of such break is thirty days or more.".

(c) Section 5 is amended by adding at the end thereof new subsections (e) through (j) as follows:

"(e) No individual shall be eligible to participate in the food stamp program unless he is a resident of the United States, and is either (1) a citizen or (2) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a) (7) of section 212(d) (5) of the Immigration and Nationality Act). If, in the application process it becomes known, or the State agency has reason to believe, that an alien has entered or remained in the United States illegally, the State agency shall submit to the Department of Justice information indicating that the applicant may be an illegal alien.

"(f) No household shall be eligible to participate, or to continue to participate, in the food stamp program, if it refuses to submit to the State agency necessary information for a determination as to the household's eligibility to participate in the program. No household shall be eligible to participate in the food stamp program for a period of up to one year after it has been found either by a court of appropriate jurisdiction to have been guilty of a crime involving fraud in connection with its participation in the food stamp program, or by a State agency, after hearing and notice, to have fraudulently obtained coupons. The Secretary shall require every participating household that experiences changes in its eligibility or benefit status to report to the State agency, within ten days of the date upon which such changes become known to the household, any change in monthly income in excess of $25 and any other change in the household's eligibility or benefit status. If a household fails to fulfill this reporting requirement, its coupon allotment for the next certification period shall be reduced to reflect the impact of the changes at the time when they should have been reported.

"(g) No individual shall be considered a household member for food stamp program purposes if such individual (1) has reached his eighteenth birthday, (2) is enrolled in an institution of higher education, and (3) is properly claimed or could properly be claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household.

"(h) No household that knowingly transfers liquid or nonliquid assets for the purpose of qualifying or attempting to qualify for the food stamp program shall be eligible to participate in the program for such period of time as may be determined in accordance with regulations issued pursuant to this Act, but in no event shall such period of time be less than thirty days from the date of discovery of the transfer.

"(i) No individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93–66, as amended, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month, if, for such month, such individual resides in a State which provides State supplementary payments (1) of the type described in section 1616(a) of the Social Security Act, and (2) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.

"(j) (1) Notwithstanding any other provision of law, the Secretary and the Secretary of Health, Education, and Welfare shall develop a system by which, to the greatest extent feasible, a single interview shall be conducted to determine eligibility for the food stamp program and for the supplemental security income program under title XVI of the Social Security Act or the Aid to Families With Dependent Children Program under part A of title IV of the Social Security Act. To the greatest extent feasible, eligibility determination forms for food stamp applicants who are recipients of, or applicants for, benefits under those programs shall not include information collected for those programs.

"(2) The Secretary, in consultation and cooperation with the Secretary of Health, Education, and Welfare shall formulate and submit to the Congress, within ninety days after the date of enactment of this paragraph, a proposal for a nutritional status monitoring system. The Secretary shall also submit recommendations for such legislation as may be necessary to carry out such proposal.".

ISSUANCE AND USE OF COUPONS

SEC. 5. Section 6 of the Food Stamp Act of 1964, as amended, is amended by redesignating subsections (b) and (c) as subsections (d) and (e), respectively, and inserting new subsections (b) and (c) as follows:

"(b) (1) The Secretary shall by regulation develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of coupon vendors for the purpose of insuring that such inventories are at proper levels (taking into consideration the historical and projected volume of coupon distribution by such vendors). Any such regulations shall contain procedures to insure that coupon inventories in the hands of coupon vendors are not in excess of the reasonable needs of such vendors taking into consideration the case and feasibility of resupplying such coupon inventories. The Secretary may, at his discretion, require periodic reports from such coupon vendors respecting the level of such inventories.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide a report required under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any report required under paragraph (1) of this subsection shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(c) (1) The Secretary shall by regulation prescribe appropriate procedures for the delivery of coupons to coupon vendors and for the custody, care, control, and storage of coupons in the hands of coupon vendors in order to secure such coupons against theft, embezzlement, misuse, loss, or destruction.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating any regulations issued under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.".

VALUE OF THE COUPON ALLOTMENT AND CHARGES TO BE MADE

SEC. 6. Section 7 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (a) is amended to read as follows:

"(a) The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as will provide such households a coupon allotment sufficient to allow them to purchase a nutritionally adequate diet as defined in section 3(o) of this Act: *Provided*, That in no event shall the face value of the coupon allotment used in Puerto Rico, the Virgin Islands, and Guam exceed those in the fifty States. The face value of the coupon allotment shall be adjusted semiannually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor. Such changes shall be made in January and July of each year based upon the cost of food in the preceding August and February, respectively. In no event shall such adjustments be made for households of a given size unless the increase in the face value of the coupon allotment for such households, as calculated in accordance with this subsection, is a minimum of $2.".

(b) Subsection (b) is amended to read as follows:

"(b) Households shall be charged for the coupon allotment issued to them, and the amount of such charge shall be 25 per centum of the household's income rounded to the nearest whole dollar, as determined in accordance with section 5(b) of this Act: *Provided*, That for single-person households and two-person households the minimum benefit shall be $10 per month. The Secretary shall provide a reasonable opportunity for any eligible household to elect to be issued a coupon allotment having a face value which is less than the face value of the coupon allotment authorized to be issued to the household under subsection (a) of this section. The charge to be paid by an eligible household electing to exercise the option set forth in this subsection shall be an amount which bears the same ratio to the amount which would have been charged under subsection (b) of this section as the face value of the coupon allotment actually issued to the household bears to the face value of the coupon allotment that would have been issued to the household under subsection (a) of this section.".

(c) Subsection (d) is amended by inserting "(1)" immediately after "(d)" and adding at the end thereof the following new paragraphs:

"(2) (A) The Secretary shall by regulation prescribe the manner in which funds derived from the distribution of coupons (charges made for coupon allotments) shall be deposited by coupon vendors. The regulations shall contain provisions requiring that coupon vendors promptly deposit such funds in the manner prescribed by the Secretary: *Provided*, That such regulations shall, at a minimum, require that such deposits be made weekly: *Provided further*, That such regulations shall, at a minimum, require that upon the accumulation of a balance on hand of $1,000 or more, such deposits be made within two banking days following the accumulation of such amount.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating the regulations issued under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3) (A) Coupon vendors receiving funds derived from the distribution of coupons (charges made for coupon allotments) shall be deemed to be receiving such funds as fiduciaries of the Federal Government, and such coupon vendors shall immeaiately set aside all such funds as funds of the Federal Government. Funds derived from the distribution of coupons (charges made for coupon allotments) shall not be used, prior to the deposit of such funds in the manner prescribed by the Secretary, for the benefit of any person, partnership, corporation, association, or entity other than the Federal Government.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating subparagraph (A) of this paragraph shall be fined not more than $10,000, or a sum equal to the amount of funds involved in the violation, whichever is the greater, or imprisoned not more than ten years, or both: *Provided*, That if the amount of such funds is less than $1,000, such vendor shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(4) (A) The Secretary shall by regulation require that upon the deposit, in the manner prescribed by the Secretary, of funds derived from the distribution of coupons (charges made for coupon allotments), coupon vendors shall immediately send a written notice to the State agency, accompanied by an appropriate voucher, confirming such deposit. In addition to such other information deemed by the Secretary to be appropriate, such regulations shall require that the notice contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of such coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the deposit period;

"(iii) the amount of the deposit;

"(iv) the name and address of the depository; and

"(v) an oath, or affirmation signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in such notice is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide the notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"'(5) (A) The Secretary shall by regulation require each coupon vendor at intervals prescribed by the Secretary, but not less often than monthly, to send to the Secretary, or his designee, a written report of the vendor's operations during such period under the food stamp program. In addition to such other information deemed by the Secretary to be appropriate, the regulations shall require that the report contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of the coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the report period;

"(iii) the total amount of deposits made by the vendor of funds derived from the distribution of coupons (charges made for coupon allotments) during such period;

"(iv) the name and address of each depository receiving such funds from such vendor; and

"(v) an oath, or affirmation, signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in the report is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide any notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(6) The Secretary may by regulation require State agencies to provide periodic reports to the Secretary, or his designee, containing a consolidation of the respective coupon vendor's notices to such State agencies at such intervals as the Secretary in his discretion deems appropriate.

"(7) The Secretary and the United States Postal Service shall jointly arrange for the prompt deposit of funds collected by the Postal Service on behalf of a State from charges made for coupon allotments.".

ADMINISTRATION

SEC. 7. Section 10 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (a) is amended by inserting "(1)" immediately after the subsection designation and adding at the end thereof a new sentence and a new paragraph (2) as follows: "To encourage the purchase of nutritious foods, the Extension Service of the Department of Agriculture, with the technical assistance of the Food and Nutrition Service, shall extend its food and nutrition education program to the greatest extent possible to reasonably reach food stamp program recipients. The program shall be further supplemented by the development of printed materials designed to teach low-income persons how to buy and prepare more nutritious and economical meals. From the funds appropriated to carry out this Act, the Secretary is authorized to allocate to the Extension Service such sums as the Secretary determines necessary to implement the program of nutrition education.

"(2) Federal agencies that administer programs for needy people, including, but not limited to, supplemental security income and social security programs, shall make every reasonable attempt to inform recipients of those programs (who are potentially eligible for the food stamp program) of the existence of the food stamp program and its income and resource guidelines.".

(b) Subsection (c) is amended by revising clause (5) to read as follows: "(5) that the State agency shall undertake effective action, including the use of services provided by other federally funded agencies and organizations, to inform low-income households concerning the availability and benefits of the food stamp program;".

(c) Subsection (e) is further revised (1) by inserting in clause (7) after the word "law", the following: ", and at the option of the State agency"; (2) by deleting "and" preceding clause (8) and striking the period at the end of clause (8); and (3) by adding the following new clauses (9) and (10): "; (9) for the prompt payment to households of the bonus value of any coupon allotment which has been wrongfully denied, delayed, or terminated as a result of any administrative error on the part of the State agency: *Provided*, That application for such payment shall be filed not later than three months after the household has knowledge of such error and any such payment shall not exceed the bonus value of any such coupon allotment to which the household is determined to be entitled for a three month period: *Provided further*, That the period for which such coupon allotment may be paid shall be extended by such time, in excess of three months, as may be required to complete administrative review of the alleged wrongful denial; and (10) the institution of procedures under which the State agency shall undertake effective action to (A) determine promptly the eligibility of applicant households by providing an opportunity for each household to receive and file an application for participation in the food stamp program on the same day of such household's first reasonable attempt to make an oral or written request for such application, and (B) complete the certification of all eligible households and provide an authorization to purchase card to such households not later than thirty days after the filing of such applications.".

(d) Subsection (f) is amended to read as follows:

"(f) (1) If the Secretary determines that in the administration of the program there is a failure by a State agency to comply with the provisions of this Act, or with the regulations issued pursuant to this Act, or with the State plan of operation, he shall inform such State agency of such failure and allow the State agency a specified period of time for the correction of such failure. If the State agency does not correct such failure within the specified period of time, the Secretary may alternatively or concurrently (A) refer the matter to the Attorney General with a request that an injunction be sought to require compliance by the State agency and, at the suit of the Attorney General in an appropriate United States district court the State agency may be so enjoined, or (B) direct that there be no further issuance of coupons in the political subdivisions where such failure has occurred until such time as satisfactory corrective action has been taken.

"(2) If any State fails substantially to carry out the State plan of operation under section 10(e) of this section (including any quality control plan) approved by the Secretary for such State for such year, the Secretary shall withhold from the State an amount equal to 10 per centum of the funds which would otherwise be payable to such State under section 15(b) for such fiscal year for administrative expenses.".

(e) Subsection (g) is amended by striking out the word "gross" in the first sentence thereof.

(f) Subsection (h) is amended by striking out the first sentence and inserting in lieu thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary in the regulations issued pursuant to this Act, household members who are elderly, housebound, feeble, physically handicapped, or otherwise disabled, to the extent that they are unable to prepare adequately all of their meals, may use coupons issued to them to purchase meals prepared for and delivered to them by a political subdivision or by a private nonprofit organization which (1) is operated in a manner consistent with the purposes of this Act; and (2) is recognized as a tax-exempt organization by the Internal Revenue Service.".

(g) Subsection (i) is amended by striking out ", (2), and (3)" in the first sentence thereof and inserting in lieu thereof "and (2)".

(h) Section 10 is amended by adding at the end thereof new subsections (j) and (k) as follows:

"(j) The Secretary, in conjunction with the Secretary of Health, Education, and Welfare, is authorized to prescribe regulations permitting applicants and recipients of supplemental security income benefits under title XVI of the Social Security Act to apply for food stamps at supplemental security income certification offices. In accordance with the regulations issued by the Secretary, certification of food stamp eligibility in such offices shall be conducted by State agency personnel, and employees of the Social Security Administration in such offices shall refer supplemental security income applicants and recipients to the appropriate State agency personnel in order that the application and certification for food stamp assistance may be accomplished as efficiently and conveniently as possible.

"(k) In areas where there are numerous persons who speak a language other than English, multilingual personnel and printed material shall—where necessary—be used in the administration of the food stamp program.".

SETTLEMENT AND ADJUSTMENT OF CLAIMS

SEC. 8. Section 12 of the Food Stamp Act of 1964, as amended, is amended by adding at the end thereof the following new sentence: "Such claims include, but are not limited to, claims arising from fraudulent and nonfraudulent overissuances to recipients.".

CRIMINAL PENALTIES

SEC. 9. Subsections (b) and (c) of section 14 of the Food Stamp Act of 1964, as amended, are amended by striking out "$5,000" and inserting in lieu thereof "$1,000".

ADMINISTRATIVE EXPENSES

SEC. 10. Section 15 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsection (b) is amended—

(1) by striking out "The" and inserting in lieu thereof the following: "Except as

provided in subsection (c) of this section, the"; and

(2) by inserting at the end of clause (1) and immediately before the semicolon the following: ", exclusive of those households in which all members are receiving assistance under federally aided public assistance programs".

(b) Section 15 is amended by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding any other provision of this Act, the Secretary is authorized to pay to each State agency an amount equal to 75 per centum of all direct costs of State food stamp program investigations, prosecutions, and State activities related to recovering losses sustained in the food stamp program, except for the costs of such activities with respect to households in which all members are receiving assistance under federally aided public assistance programs.".

QUALITY CONTROL; ANNUAL EVALUATION PLAN; ANNUAL REPORT; PILOT PROJECT AUTHORITY; EARNINGS CLEARANCE SYSTEM STUDY; ASSETS STUDY; DATA PROCESSING STUDY

SEC. 11. The Food Stamp Act of 1964, as amended, is amended by adding at the end thereof the following new sections:

"QUALITY CONTROL AND ADMINISTRATIVE EFFICIENCY

"SEC. 18. (a) The Secretary shall establish a realistic set of national error tolerance level goals to improve quality control and administrative efficiency under this Act. Separate goals shall be set with regard to:

"(1) overissuance of bonus value of food stamps or undercharge of purchase requirement for households which fail to meet basic program eligibility requirements;

"(2) overissuance of bonus value of food stamps or undercharge of purchase requirement for eligible households;

"(3) bonus value of stamps underissued or overcharge of purchase requirement to eligible households;

"(4) invalid decisions to certify or deny eligibility.

Interim tolerance levels shall be established for achievement at the end of one year, two years, and five years following the date of enactment of this section.

"(b)(1) Each State shall be required to develop and submit to the Secretary for approval, as a part of the plan of operation required to be submitted under section 10 (e), a quality control plan for the State which shall specify the actions such State proposes to take in order to meet the error tolerance goals established by the Secretary. The quality control plan for any State shall specify the anticipated caseload work for the coming year and the manpower requirements needed and the specific administrative mechanisms proposed to be used to carry out the food stamp program in such State and to meet the error tolerance goals established by the Secretary.

"(2) The Secretary shall approve any quality control plan submitted by any State if he determines such plan will achieve the goals established.

"(3) The quality control program for any State shall also be required to include plans for a comprehensive program of training for all certification workers who will be engaged in implementing the certification regulations provided for under section 5(b) of this Act.

"(4) Any training program approved by the Secretary as part of a quality control program for any State shall be maintained on a continuing basis to insure a satisfactory performance level for all new workers engaged in carrying out the food stamp program in such State.

"(5) As used in this section, the term 'quality control' means monitoring and correcting the rate of errors committed in determining the correct level of benefits to be provided households upon certification of their eligibility.

"ANNUAL EVALUATION PLAN

"SEC. 19. (a) The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, an annual evaluation plan setting forth the Department of Agriculture's plans for evaluating the major objectives of the food stamp program, the extent to which such objectives are being achieved, and the cost and time requirements for carrying out such plans.

"(b) The Secretary shall indicate in his annual evaluation plan the issues and objectives to be evaluated. Such issues and objectives shall specifically include—

"(1) the nutritional intake of the individuals participating in the food stamp program;

"(2) the relative fairness of the food stamp program between different income levels and age groups;

"(3) the relative fairness of the food stamp program as between different regions of the United States;

"(4) an evaluation of the success of the outreach programs; and

"(5) an evaluation of any other issues and objectives specified by the Secretary.

"ANNUAL REPORT TO CONGRESS

"SEC. 20. The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, a report entitled 'Annual Report on the Food Stamp Program'. The Secretary shall include in such report—

"(1) a summary of the achievements, failures, and problems of the States in meeting the quality control goals established under section 18 of this Act;

"(2) recommendations for an analysis of quality control goals for the next one, two, and five year periods;

"(3) a summary of all evaluation activities conducted by the Department of Agriculture in accordance with the annual evaluation plan provided for in section 19 of this Act;

"(4) recommendations for program modifications based upon an analysis of quality control and evaluation information;

"(5) recommendations for any additional isues for evaluation; and

"(6) such other recommendations for legislative or administrative action as the Secretary may deem appropriate.

"PILOT PROJECT AUTHORITY

"SEC. 21. In carrying out the provisions of this Act, the Secretary is authorized to carry out on a trial basis, in one or more areas of the United States, but in no event for more than 10 per centum of the participating population of any State, experimental projects for purposes of increasing the program's efficiency and delivery of benefits to eligible households. Except for the pilot project mandated by section 24 of this Act, no project shall be implemented which would lower or further restrict the resource and income limitations, or increase the purchase requirement, provided for under this Act.

"STUDY OF EARNINGS CLEARANCE SYSTEM

"SEC. 22. The Secretary is authorized and directed to conduct a study of the feasibility and advisability of the establishment of an earnings clearance system (which system shall be consistent with the Privacy Act of 1974 (5 U.S.C. 552a), insofar as it provides for the use of information from records of Federal agencies, and with any other applicable privacy law insofar as it provides for the use of information from non-Federal records) for the purpose of checking the actual income and assets of a household against those reported by such household. The Secretary shall submit a written report to the Congress within one year after the date of enactment of this section, disclosing the results of such study. The report shall include such explanations and comments as the Secretary deems appropriate.

"ASSETS STUDY

"SEC. 23. The Secretary shall conduct a survey of households participating in the food stamp program for the purpose of determining the average assets and distribution of assets held by participants. The Secretary shall submit a written report to the Congress within one hundred and eighty days after the date of enactment of this section, disclosing the results of such survey. The report shall include such explanations and comments as the Secretary deems appropriate.

"PILOT PROJECT ON ELIMINATION OF PURCHASE REQUIREMENT

"SEC. 24. Within ninety days after the date of enactment of this section, the Secretary shall implement a pilot project testing the effect of elimination of the purchase requirement specified in section 6 of this Act. Such project shall be carried out in a statistically significant number of project areas, or parts of project areas, not fewer than ten, in geographically dispersed urban and rural regions, and shall employ a benefit reduction ratio of not higher than 30 per centum of household income. Not later than March 1, 1977, the Secretary shall report to the Congress on the progress of such project, including statistical information on participation rates, changes in food consumption patterns, impact on benefit costs and administrative costs, and other observations and recommendations which he may deem appropriate. From the sums appropriated to carry out this Act, the Secretary is authorized to allocate not more than $20,000,000 to carry out his responsibilities under this section.

"AUTOMATIC DATA PROCESSING STUDY

"SEC. 25. The Secretary shall conduct a study relating to the current utilization of automatic data processing equipment by States and localities in the administration of the food stamp program, and report his findings to the Congress not later than January 1, 1977. Such study shall include, but not be limited to, the following:

"(a) The degree to which States and localities utilize data processing equipment and other computer technology in the administration of the food stamp program;

"(b) The effects of such utilization on the delivery of services to qualified recipients;

"(c) The net cost impact of such utilization on the program, including the expense of purchase, operation and maintenance of such equipment, and any cost savings which may have resulted because of such utilization;

"(d) The degree to which error and fraud have been or may be detected more efficiently through such utilization;

"(e) An inventory of existing Federal programs which provide funds for use by States and localities for the purchase, operation and maintenance of such equipment, or the training of personnel to operate or maintain such equipment together with an assessment of the degree of participation of States and localities in such programs;

"(f) The degree to which data processing equipment is utilized by States and localities in the administration of other Federal programs concerned with the delivery of services to individuals; and

"(g) The desirability of the utilization of data processing equipment or other computer technology in the administration of the food stamp program, and, if such utilization is deemed to be desirable, recommendations relating to the encouragement of greater utilization of such equipment."

CONFORMING AMENDMENTS

SEC. 12. (a) Section 3(b) and section 4(c) of Public Law 93-86 are repealed.

(b) The last sentence of section 416 of

the Act of October 31, 1949 (as added by section 411(g) of Public Law 92-603), is repealed.

(c) Section 8(c) of Public Law 93-233 is amended by striking out "section 3(e) of the Food Stamp Act of 1964 (as amended by subsection (a) of this section) and subsections (b) (3) and (f)" and inserting in lieu thereof "section 5(1) of the Food Stamp Act of 1964, as amended, and subsections (b) (3) and (e)".

(d) Section 8(e) of Public Law 93-233 is amended by striking out everything through "during such period," and inserting in lieu thereof "The amendment made by subsection (d) shall not".

ESTABLISHMENT OF ADDITIONAL ASSISTANT SECRETARY OF AGRICULTURE

Sec. 13. (a) There shall be hereafter in the Department of Agriculture, in addition to the Assistant Secretaries now provided by law, an Assistant Secretary of Agriculture for Food and Nutrition Programs who shall (1) be appointed by the President, by and with the advice and consent of the Senate, and (2) receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of Agriculture.

(b) Section 5315 of title 5 of the United States Code is amended by striking out "(4)" at the end of paragraph (11) and by inserting in lieu thereof "(5)".

SPECIAL TEMPORARY ELIGIBILITY FOR CERTAIN HOUSEHOLDS

Sec. 14. Notwithstanding any other provision of law, any household which lost the head of such household as a result of the Scotia coal mine disasters which occurred on March 9 and 11, 1976, at Oven Fork, Kentucky, shall be eligible for a coupon allotment under the Food Stamp Act of 1964 for a period of six months after the date of enactment of this section without having to meet any requirements of eligibility for such allotment prescribed by law or regulation.

COMMODITIES FOR INDIAN RESERVATIONS

Sec. 15. Notwithstanding any other provision of law, the Secretary shall, during the period from enactment of this statute until September 30, 1978, purchase agricultural commodities with funds appropriated from the general fund of the Treasury to maintain the traditional level of commodity food assistance on Indian reservations not requesting a food stamp program and on Indian reservations making an orderly transition *to the* food stamp program.

Mr. TALMADGE. I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. (Mr. Stone), The Chair, on behalf of the Vice President, appoints the Senator from New Jersey (Mr. Williams) and the Senator from New York (Mr. Javits) to the Conference of the International Labor Organization, to be held in Geneva, Switzerland, June 2-23, 1976.

EMERGENCY FOOD STAMP VENDOR ACCOUNTABILITY ACT OF 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of Calendar No. 682, S. 2853, a bill to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors, introduced by the distinguished Senator from North Carolina (Mr. Helms).

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 2853) to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors,

The Senate proceeded to consider the bill which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Emergency Food Stamp Vendor Accountability Act of 1976".

Sec. 2. Section 7(d) of the Food Stamp Act of 1964, as amended, is amended by inserting "(1)" immediately after "(d)", and adding at the end thereof new paragraphs (2) through (7) as follows:

"(2) (A) The Secretary shall by regulation prescribe the manner in which funds derived from the distribution of coupons (charges made for coupon allotments) shall be deposited by coupon vendors. The regulations shall contain provisions requiring that coupon vendors promptly deposit such funds in the manner prescribed by the Secretary: Provided, That such regulations shall, at a minimum, require that such deposits be made weekly: Provided further, That such regulations shall, at a minimum, require that upon the accumulation of a balance on hand of $1,000 or more, such deposits be made within two banking days following the accumulation of such amount.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating the regulations issued under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3) (A) Coupon vendors receiving funds derived from the distribution of coupons (charges made for coupon allotments) shall be deemed to be receiving such funds as fiduciaries of the Federal Government, and such coupon vendors shall immediately set aside all such funds as funds of the Federal Government. Funds derived from the distribution of coupons (charges made for coupon allotments) shall not be used, prior to the deposit of such funds in the manner prescribed by the Secretary, for the benefit of any person, partnership, corporation, association, organization, or entity other than the Federal Government.

"(B) Any coupon vendor or any officer, employee, or agent thereof, convicted of violating subparagraph (A) of this paragraph shall be fined not more than $10,000, or a sum equal to the amount of funds involved in the violation, whichever is the greater, or imprisoned not more than ten years, or both: Provided, That if the amount of such funds is less than $1,000, such vendor shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(4) (A) The Secretary shall by regulation require that upon the deposit, in the manner prescribed by the Secretary, of funds derived from the distribution of coupons (charges made for coupon allotments), coupon vendors shall immediately send a written notice to the State agency, accompanied by an appropriate voucher, confirming such deposit. In addition to such other information deemed by the Secretary to be appropriate, such regulations shall require that the notice contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of such coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the deposit period;

"(iii) the amount of the deposit;

"(iv) the name and address of the depository; and

"(v) an oath, or affirmation signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in such notice is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide the notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(5) (A) The Secretary shall by regulation require each coupon vendor at intervals prescribed by the Secretary, but not less often than monthly, to send to the Secretary, or his designee, a written report of the vendor's operations during such period under the food stamp program. In addition to such other information deemed by the Secretary to be appropriate, the regulations shall require that the report contain—

"(i) the name and address of the coupon vendor;

"(ii) the total receipts of the coupon vendor derived from the distribution of coupons (charges made for coupon allotments) during the report period;

"(iii) the total amount of deposits made by the vendor of funds derived from the distribution of coupons (charges made for coupon allotments) during such period;

"(iv) the name and address of each depository receiving such funds from such vendor; and

"(v) an oath, or affirmation, signed by the coupon vendor, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon vendor, certifying that the information contained in the report is true and correct to the best of such person's knowledge and belief.

"(B) Any coupon vendor, or any officer employee, or agent thereof, convicted of failing to provide any notice required under subparagraph (A) of this paragraph shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(C) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any notice required under subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(6) The Secretary may by regulation require State agencies to provide periodic reports to the Secretary, or his designee, containing a consolidation of the respective coupon vendor's notices to such State agencies at such intervals as the Secretary in his discretion deems appropriate.

"(7) The Secretary and the United States Postal Service shall jointly arrange for the prompt deposit of funds collected by the Postal Service on behalf of a State from charges made from coupon allotments."'.

Sec. 3. Section 6 of the Food Stamp Act of 1964, as amended, is amended by redesignating subsections (b) and (c) as subsections (d) and (e), respectively, and inserting new subsections (b) and (c) as follows:

"(b) (1) The Secretary shall by regulation develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of coupon vendors for the purpose of insuring that such inventories are at proper levels (taking into consideration the historical and projected volume of coupon distribution by such vendors). Any such regulations shall contain procedures to insure that coupon inventories shall contain procedures to insure that coupon inventories in the hands of coupon vendors are not in excess of the reasonable needs of such vendors taking into consideration the ease and feasibility of resupplying such coupon inventories. The Secretary may, at his discretion, require periodic reports from such coupon vendors respecting the level of such inventories.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted of failing to provide a report required under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.

"(3) Any coupon vendor, or any officer, employee, or agent thereof, who knowingly provides false information in any report required under paragraph (1) of this subsection shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

"(c) (1) The Secretary shall by regulation prescribe appropriate procedures for the delivery of coupons to coupon vendors and for the custody, care, control, and storage of coupons in the hands of coupon vendors in order to secure such coupons against theft, embezzlement, misuse, loss, or destruction.

"(2) Any coupon vendor, or any officer, employee, or agent thereof, convicted by violating any regulations issued under paragraph (1) of this subsection shall be fined not more than $3,000, or imprisoned not more than one year, or both.".

SEC. 4. Section 3 of the Food Stamp Act of 1964, as amended, is amended by adding at the end thereof a new subsection (o) as follows:

"(o) The term 'coupon vendor' means any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated administrative responsibility in connection with, the issuance of coupons to households.".

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 10 minutes, the time to be equally divided between the sponsor of the bill, the distinguished Senator from North Carolina (Mr. HELMS), and the manager of the bill or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I understand that several Members desire the yeas and nays. At this time, to put the matter to rest, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, we finally have before us this evening a food stamp measure that all Senators can support with impunity. This bill is entitled, appropriately, the "Emergency Food Stamp Vendor Accountability Act." It has more than 30 cosponsors. It is limited in scope and it applies only to those who sell food stamps.

Vendors are the only persons in the food stamp system who are not now covered by criminal penalties for fraud and misuse of funds. Criminal sanctions may be established by statute only. Regulations are not sufficient to create criminal penalties. Assistant Secretary of Agriculture Feltner stated at the January 21 food stamp hearing before the Committee on Agriculture and Forestry:

> Legislation is definitely needed to rectify the problem of improper use of receipts from food stamp sales by vendors.

Mr. President, I believe that the provisions of this bill are well known to all Senators. As a matter of fact, this bill was incorporated into the measure just passed by the Senate. I shall not consume further of the Senate's time.

I ask unanimous consent that a summary of this legislation be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF S. 2853, THE EMERGENCY FOOD STAMP VENDOR ACCOUNTABILITY ACT

1. This legislation, which now has 31 cosponsors, is limited in scope and applies only to those who sell food stamps.

(a) Vendors are the only persons in the food stamp system who are not now covered by criminal penalties for fraud and misuse of funds.

(b) Criminal sanctions may be established by statute only; regulations are not sufficient to create criminal penalties.

(c) Assistant Secretary of Agriculture Richard Feltner stated at the January 21 Food Stamp hearings that "legislation is definitely needed" to rectify the problem of improper use of receipts from food stamp sales by vendors.

2. This bill would:

(a) Clarify that receipts from the sale of food stamps are Federal funds. Any vendor using such funds for his own benefit would be guilty of embezzlement, punishable by a fine of not more than $10,000, or a sum equal to the amount embezzled, or imprisonment for up to ten years, or both.

(b) Require timely, verified reports of receipts and deposits by vendors to state agencies responsible for the administration of the program and to the Department of Agriculture.

(c) Direct the Secretary of Agriculture to establish procedures to monitor the inventories of food stamps held by vendors and to provide standards to safeguard them against misuse by vendors.

3. This bill has been designed to be compatible with existing regulations and policy. Further, it is compatible with all of the reform bills under consideration by the Committee. As long as food stamps are sold or dispensed in any manner by agents contracted by the states or the Federal Government, it is highly desirable to cause such agents to be accountable in the same way as those who cash them (the grocers and the recipients).

Mr. EAGLETON. Mr. President, I compliment my distinguished colleague from North Carolina (Mr. HELMS) for introducing S. 2853.

As my colleagues know, I, too, am deeply interested in cleaning up the present food stamp vendor system. I have, therefore, asked the General Accounting Office to study and critically examine the present vendor system that is used by the U.S. Department of Agriculture in hopes of finding ways to improve on the present vendor system. It is my opinion that the language contained in S. 2853 will go a long way in restoring the confidence that the American public once had in the food stamp program.

In addition to other vendor reform measures, S. 2853 rightfully establishes penalty provisions for those vendors who do not comply with the strict vendor accountability and depositing provisions that the bill sets forth. Without question, those vendors who intentionally and/or maliciously try to fraud the food stamp program should be punished. However, most of our vendors throughout the country have provided the food stamp recipient and the American taxpayer with a vendor service that is basically honest. Therefore, I want to make sure that the legislative history of this bill shows that Congress does not mean to punish a good vendor for an isolated event of noncompliance because of, for example, a malfunction in equipment. I feel quite certain that my distinguished colleague from North Carolina does not want to deter "good" vendors from participating in the food stamp program. Therefore, Mr. President, I would like to ask my colleague from North Carolina (Mr. HELMS) if it is his intention to punish those vendors who are in substantial compliance with the law on a regular basis, but for some unforeseen isolated circumstance find themselves out of compliance with the provisions of S. 2853.

Mr. HELMS. I thank the distinguished Senator from Missouri (Mr. EAGLETON) for his kind remarks, and commend him for his thoroughness in seeking to establish the specific legislative intent of the penalty provisions of S. 2853.

In response to the Senator's question, it is not the intent of this bill to punish any vendor who is in substantial compliance with the law on a regular basis. The bill states a maximum penalty, not a minimum penalty. A fine could be nominal, with no additional action. And, of course, the decision whether to prosecute rests with the Justice Department. In the case of minor infractions without demonstrable intent to break the law, I doubt that the Justice Department would decide to pursue it.

In any event, there is a great deal of latitude, and I believe that the bill accommodates the Senator's concern.

Of course, in the instances of flagrant abuses, it is my hope that judges will be stern and impose stiff penalties.

Certainly there is no intention unduly to penalize a thoroughly honest vendor who has maintained a very good record of timely deposits and who is only late by a short period of time because of clerical error, and the legislative intent is not to require such action.

Mr. EAGLETON. I thank the Senator.

Mr. MANSFIELD. Will the Senator yield?

Mr. HELMS. I yield.

Mr. MANSFIELD. Will the Senator allow me to become the 31st sponsor of his bill?

Mr. HELMS. I am delighted to do it. I ask unanimous consent that the distinguished Senator from Montana be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, as an original cosponsor of S. 2853, I am pleased to vote for the bill authored by the distinguished Senator from North Carolina

(Mr. Helms). This bill will insure vendor accountability for food stamps distributed and cash collected as purchase prices. I hope that the House will not wait for the major food stamp reform bill to be considered before tightening food stamp vendor accountability.

As part of S. 3136, the National Food Stamp Reform Act of 1976, we have included the major food stamp vendor accountability provisions contained in S. 2853.

The major new criminal penalties provided for by this bill will discourage the misuse of food stamp receipts by vendors—a practice which has already cost the American taxpayers over $7 million.

I commend the Senator from North Carolina for offering this amendment. For, if enacted, it will greatly improve the operation of the food stamp program.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama (Mr. Sparkman) be added as cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time being yielded back, the bill is open to further amendment.

There being no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and was read the third time.

Mr. MANSFIELD. Mr. President, for the information of the Senate, this will be the last vote tonight.

The PRESIDING OFFICER. The question is, shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Gary Hart), the Senator from Indiana (Mr. Hartke), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), the Senator from Rhode Island (Mr. Pastore), the Senator from West Virginia (Mr. Randolph), the Senator from Missouri (Mr. Symington), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. Montoya), the Senator from New Hampshire (Mr. Durkin), and the Senator from Iowa (Mr. Culver) are absent on official business.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. Durkin), the Senator from Washington (Mr. Jackson), the Senator from Rhode Island (Mr. Pastore), the Senator from West Virginia (Mr. Randolph), and the Senators from Minnesota (Mr. Humphrey, and Mr. Mondale) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Goldwater), the Senator from Nebraska (Mr. Hruska), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott) would vote "yea."

The result was announced—yeas 71, nays 0, as follows:

[Rollcall Vote No. 139 Leg.]

YEAS—71

Abourezk
Allen
Baker
Bartlett
Bayh
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Griffin
Hansen
Hart, Philip A.
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—29

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Church
Culver
Curtis
Durkin
Goldwater
Gravel
Hart, Gary
Hartke
Hruska
Humphrey
Inouye
Jackson
McClellan
McIntyre
Metcalf
Mondale
Montoya
Pastore
Randolph
Scott, Hugh
Stevens
Symington
Tunney

So the bill (S. 2853), as amended, was passed.

CONGRESSIONAL BUDGET FOR THE U.S. GOVERNMENT FOR FISCAL YEAR 1977

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 699, Senate Concurrent Resolution 109, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the concurrent resolution.

The second assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the United States Government for the fiscal year 1977 (and revising the congressional budget for the transition quarter beginning July 1, 1976).

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of Senate Concurrent Resolution 109.

I understand that we have not yet remedied this antiquity in the rules to permit use of anything but the original hand calculators.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MUSKIE. I yield to the distinguished Senator from Connecticut.

Mr. RIBICOFF. I thank the Senator from Maine.

SENATE RESOLUTION 428—DISAPPROVING CERTAIN REGULATIONS PROPOSED BY THE ADMINISTRATOR OF GENERAL SERVICES UNDER SECTION 104 OF THE PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

Mr. RIBICOFF. Mr. President, on behalf of Senator Percy and myself, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 428) disapproving certain regulations proposed by the Administrator of General Services under section 104 of the Presidential Recordings and Materials Preservation Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RIBICOFF. Mr. President, on October 15, 1975, GSA submitted revised regulations providing for public access to the Nixon tapes pursuant to the 1974 Presidential Recordings and Materials Preservation Act. Under the provisions of the statute, those regulations will automatically become effective at the expiration of 90 legislative days after submission unless either House of Congress adopts a resolution of disapproval. However, on January 21, 1976, the Congress was notified by the GSA Administrator that, at the request of the Justice Department, he was withdrawing the October 15 proposed regulations pending a review of their constitutionality. On February 5, Senator Percy, Representative Brademas, and I responded that GSA had no legal authority to withdraw the proposed regulations, and that the Congress therefore does not recognize the attempted withdrawal as being valid. The Government Operations Committee has been operating under the assumption that the October 15 proposed regulations are still pending before the committee.

Serious questions have been raised about seven provisions of the October draft—reflecting concerns raised by the committee when it disapproved the original draft of the regulations last September, as well as certain reservations expressed recently by the Justice Department. The committee staff and GSA have been unable to resolve these questions to date, which involve the composition of the Presidential Materials Review Board—which is responsible for the final archival decisions regarding the disposition of the tapes and other materials; the adequacy of the provisions giving notice to affected individuals prior to the opening of these files to the public; the procedures to be followed by the Administrator in considering petitions to protect certain legal or constitutional rights by limiting access to specified materials; the procedures for allowing reproduction of the Nixon tapes; and two provisions relating to the restriction of materials which are personal in nature or which would result in a defamation of character.

Under one of the two interpretations of "legislative days," as set forth in the statute, today would be the last opportunity for congressional disapproval of the October 15 proposed regulations. In order to keep the disputed provisions from going into effect, assuming that today is the 90th legislative day, the Senate must act now to adopt a resolution disapproving those seven provisions. This will require GSA to submit a new draft of the seven provisions to Congress. The bulk of the regulations—about which there is no dispute—will be allowed to go into effect as soon as the 90-day period has expired.

It is my understanding that GSA is ready to submit amended regulations, and it is our hope that we will be able to resolve our differences in the near future.

This has been cleared with the leadership on both sides.

Mr. PERCY. Mr. President, I fully agree with my colleague, Chairman Ribicoff, that this resolution is both necessary and appropriate. We have devoted a great deal of time and a considerable amount of effort to make these regulations just as constructive as possible, and it would be foolish to allow a procedural hurdle to jeopardize our joint efforts with the General Services Administration to insure that the 1974 act which gave the people custody of the Nixon materials is properly and effectively implemented. I urge my colleagues to give their unanimous consent to immediate favorable consideration of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 428) was agreed to, as follows:

Senate Resolution 428

Resolved, That pursuant to the provisions of section 104(b) of the Presidential Recordings and Materials Preservation Act (Public Law 93-526), the Senate hereby disapproves § 105-63.104(b), § 105-63.401, § 105-63.401-1, § 105-63.401-2(g), § 105-63.402-1(b), § 105-63.402-2(b), and § 105-63.404 of the regulations proposed by the Administrator of General Services in his report to the Senate submitted on October 15, 1975.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MUSKIE. I yield to my good friend from West Virginia.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

SENATE RESOLUTION 427—TO AUTHORIZE WILLIAM B. GALLINARO, A STAFF INVESTIGATOR FOR THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS, TO TESTIFY BEFORE A GRAND JURY SITTING AT NEWARK, N.J.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Nunn, I send a resolution to the desk that has been cleared on both sides of the aisle and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 427) to authorize William B. Gallinaro, a staff investigator for the Senate Permanent Subcommittee on Investigations, to testify before a grand jury sitting at Newark, New Jersey.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NUNN. Mr. President, the U.S. attorney for the district of New Jersey has formally requested that William B. Gallinaro, staff investigator for the Permanent Subcommittee on Investigations, be permitted to appear before a grand jury sitting in Newark, N.J. Mr. Gallinaro has been requested to present testimony regarding any information he may have obtained as a staff investigator pertaining to an alleged conspiracy to obstruct the enforcement and administration of the Federal criminal laws within the district of New Jersey.

Pursuant to rule XX of the standing rules of the Senate, and the privileges of the Senate, information secured by staff members pursuant to their official duties as employees of the Senate may not be revealed without a resolution of the Senate.

Accordingly, Mr. President, I offer the following resolution, approved by a majority of the members of the Committee on Government Operations, authorizing Mr. Gallinaro to appear and testify before the grand jury sitting at Newark, N.J.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 427) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Senate Resolution 427

Whereas, the United States Attorney for the District of New Jersey has formally requested in writing the appearance of William B. Gallinaro, Staff Investigator for the Senate Permanent Subcommittee on Investigations, to testify on April 9, 1976, before a Grand Jury sitting at Newark New Jersey, investigating an alleged conspiracy to obstruct the enforcement and administration of the federal criminal laws within the District of New Jersey; and

Whereas, by the privileges of the Senate of the United States and by Rule XXX of the Standing Rules of the Senate, no information secured by staff employees of the Senate pursuant to their official duties may be revealed without the consent of the Senate; therefore be it

Resolved, that William B. Gallinaro is authorized to appear before the Grand Jury sitting at Newark, New Jersey, and to testify as to any knowledge he may have gained since November 1, 1975, pertaining to a conspiracy to obstruct the enforcement and administration of federal criminal laws within the District of New Jersey in the matter presently being considered by said Grand Jury.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the United States Attorney for the District of New Jersey.

FISCAL YEAR TRANSITION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2444.

The PRESIDING OFFICER (Mr. Stone) laid before the Senate the amendment of the House of Representatives to the bill (S. 2444) to provide for the orderly transition to the new October 1 to September 30 fiscal year.

(The amendment of the House is printed in the Record of April 6, 1976, beginning at page 9531).

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

FISCAL YEAR ADJUSTMENT ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2445.

The PRESIDING OFFICER (Mr. Stone) laid before the Senate the amendment of the House of Representatives to the bill (S. 2445) to provide permanent changes in laws necessary because of the October-September fiscal year.

(The amendment of the House is printed in the Record of April 6, 1976, beginning at page H2897).

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

LEAVE OF ABSENCE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, in accordance with paragraph 1 of Rule V of the Standing Rules of the Senate, that Mr. Durkin be granted a leave of absence for the remainder of the day, and for tomorrow, by virtue of the fact that he will be in New Hampshire attending field hearings of the Commerce Committee tomorrow. He had to leave the Senate earlier today in order to attend that meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR LEAHY ON TUESDAY, APRIL 13, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, after the two leaders or their designees are recognized under the standing order, Mr. LEAHY be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BARTLETT ON MONDAY, APRIL 12, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, Mr. BARTLETT be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF SENATE CONCURRENT RESOLUTION 109

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senate resume consideration of the then unfinished business, which is Senate Concurrent Resolution 109, a concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal year 1977—and revising the congressional budget for the transition quarter beginning July 1, 1976.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSIONAL BUDGET FOR THE U.S. GOVERNMENT FOR FISCAL YEAR 1977

The Senate continued with the consideration of the concurrent resolution (S. Con. Res. 109) setting forth the congressional budget for the U.S. Government for the fiscal year 1977—and revising the congressional budget for the transition quarter beginning July 1, 1976.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on the Budget be granted the privilege of the floor during consideration of and votes on the pending business:

> Douglas Bennet, John McEvoy, Sid Brown, Arnold Packer, Jim Storey, Dan Twomey, Tom Dine, Faye Hewlett, Nancy Haslinger, Bob Sneed, Charles Flickner, Terry Finn, John Giles, Rodger Schlickeisen, Lauren Walters, Tony Carnevale, Karen Schubeck, Becky Beauregard, Mike West, Ira Tannenbaum, Heather Ross, Hal Gross, Jon Steinberg, Jack Wickes, and Andrew Hamilton.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Will the Senator yield?

Mr. MUSKIE. I yield.

Mr. DOLE. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on the Budget be allowed the privilege of the floor during the consideration of and votes on Senate Concurrent Resolution 109:

> Robert S. Boyd, Kenneth R. Biederman, Hayden Bryan, Edmond Q. (Ted) Haggart, Franklin Jones, Charles D. McQuillen, Reid Nagle, David Shilling, Frank G. Steindl, William L. Stringer, and John Walker.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, the Senate today begins debate on Senate Concurrent Resolution 109, the first concurrent resolution on the Federal budget for fiscal 1977.

The first concurrent resolution is the most broad-ranging measure we will have before us this session. Our debate on it will largely determine America's economic and budgetary priorities for the next year.

Once it is adopted, our adherence to it will demonstrate Congress capacity for self-discipline and leadership.

A year ago, at the beginning of our debate on the very first concurrent resolution on the budget, I said:

> The budget and impoundment control act of 1974 is not a bookkeeping tool. It is a policy instrument that gives us new control over the direction America takes . . . If we *did not* have an instrument for making overall fiscal policy and monetary judgments . . . If we *did not* have a way to total up spending programs before we make commitments rather than after we make them . . . Then we would be searching for one.
>
> For Congress must now shape a recovery program that will help pull the United States out of the worst recession in a generation.

I went on to say that the pinch of fiscal realism would frustrate the Members of the Senate as it had the members of the Budget Committee in working out that year's resolution. But I expressed confidence in the ability of this body and the Congress to live up to the promise of the Budget Reform Act.

We did face up to the need for an expansive fiscal policy. Now the economy is recovering.

We did discipline our spending choices, even though it was painful from time to time, and now the budget process, after its first year of operation, is bringing us in close to target.

PRIORITIES FOR FISCAL 1977

As we confront this year's resolution, the Nation's needs are different:

To promote the steady pace of economic recovery—to keep America moving toward full employment and a balanced budget;

To avoid any action, such as an increase in payroll taxes, which would increase the rate of inflation;

To maintain antirecession programs and Federal support for health, education, and other social services at roughly constant levels;

To permit real growth in defense expenditures, so that no other power misreads U.S. intentions to protect the interests of its own people and its allies; and

To accelerate research on new resources of energy and conservation programs and to promote the recovery of existing energy resources.

My colleagues will find all of these priorities reflected in Senate Resolution 109—in the overall figures and in the figure for each budget function.

Nobody in the Senate is going to like every one of those figures. I doubt if anybody on the Budget Committee liked every one of those figures. I expect some of them may be amended.

That is fine with me. This budget resolution is not Holy Writ. It is the best compromise the Budget Committee can put before the Senate. It is a reasonable compromise which reflects the Nation's priorities as we understand them. But it is neither the beginning nor the end of the fiscal year 1977 budget process. It is simply a reference point to help the Senate express its will.

I am anxious to see the Senate make whatever changes it must to make this resolution its own—because I am also anxious to see the Senate accept the discipline of decisions it finally makes. Let us make our changes now, in a conscious and orderly fashion, so that we can then enforce the result as we pass our separate spending and taxing bills during the rest of this session.

FISCAL POLICY IN FISCAL YEAR 1977

Largely as a result of congressional decisions made in the last session, this year's fiscal situation is far less threatening than last year's. Unemployment and inflation are down, and so is the deficit.

Much of the credit for the Nation's improved economic circumstances must rightly go to the budget Congress adopted last year, which—

Expanded the President's proposed tax reductions;

Altered the administration's priorities, channeling an additional $4.5 billion into antirecession programs; and

Deferred long-range programs in favor of short-term programs to help stimulate the economy and ease the burden of unemployment.

Continued joblessness. The Nation's jobless rate has fallen from 8.5 to 7.5 percent during the past 12 months.

Despite this progress, however, more jobs must remain a high Federal priority. Since March of last year, for example, some 2.7 million jobs have been created, yet the net drop in unemployment over that time has been only 750,000. One of the byproducts of the recovery has obviously been to bring frustrated jobseekers back to the labor market. They must not be frustrated again.

By the end of 1977, this budget will produce up to 750,000 more jobs than the President's budget. The committee rejects the President's proposal to terminate present public service employment programs. In addition, we have allowed $1 billion for countercyclical assistance to State and local governments hit hard by recession. Finally, our proposed budget will produce a stronger economy generally than the President's budget, which will add to the number of available jobs.

Inflation has subsided even more dramatically from the double-digit rates of 1974.

During the past year, the Labor Department index of consumer prices has risen at a rate of 6.3 percent. During the past quarter the moderation has been even more pronounced, with the rate dropping to 4.4 percent.

This is evidence that we can reduce unemployment further without accelerating inflation. For a long time we believed there was an unavoidable tradeoff between the two.

The committee recognizes that neither problem can be ignored while we attempt to find solutions to the other. As the committee report states:

> Avoiding a resurgence of rapid inflation is crucial to economic recovery from high unemployment.

The committee report emphasizes, however, that it would be a "tragic mistake for the Nation to repeat old errors of fiscal and monetary judgment that would choke off the hard-won recovery."

From the evidence presented to the committee, the clear need is to maintain the current steady pace of recovery, while avoiding any actions that would cause an inflationary resurgence.

To achieve these goals the committee recommends the following overall fiscal targets for fiscal year 1977:

Total new budget authority of $454.9 billion;

Total budget outlays of $412.6 billion;

Total revenues of $362.4 billion;

Resulting in a deficit of $50.2 billion; a reduction of one-third from this year's projected deficit; and

A public debt level of $711.5 billion.

FEDERAL OUTLAYS

The committee's recommended overall outlay figure reflects considerable fiscal restraint.

The $412.6 outlay total is $8.8 billion below what would be spent if the same policies and laws contemplated in last year's second concurrent resolution were continued through fiscal year 1977. Had the committee simply taken the same policies, adjusted them for inflation and shifts in various beneficiary groups, the level of outlays now recommended for fiscal year 1977 would have been $421.4 billion.

The committee's recommended overall outlay target is higher than that proposed by the administration chiefly because the Budget Committee decided to maintain programs in employment, health, education, and social services at or near current policy level.

INFLATION

In addition to an overall fiscal restraint, the committee report discourages specific actions which increase prices and the inflation rate in particular sectors.

It recommends, for example, that Federal pay be held to a "cap" during the coming year. It also argues against a reduction in postal or mass transit subsidies, which would have the effect, direct or indirect, of increasing consumer costs. The report's recommended level for health also implies a reduction in that sector's rate of inflation. The administration's proposal to increase taxes for social security and unemployment insurance were also rejected, avoiding an inflationary increase in payroll costs.

REVENUES AND TAX EXPENDITURES

The committee report calls for a total revenue collection during fiscal year 1977 of $362.4 billion. It further recommends that in meeting this revenue total Congress fully extend the temporary tax reductions enacted in December of last year through fiscal year 1977.

The committee report also recommends the establishment of a $2 billion target for net revenue increases through legislation aimed at existing tax expenditures and related provisions.

The committee report views this target as a "first step" toward controlling the growth of tax expenditures currently associated with a projected $105.0 billion total revenue loss during fiscal year 1977. It urging adoption of this target, the committee believes it just as important to control the growth of tax expenditures as to control direct Federal spending.

As I mentioned before, the committee also rejected any additional increase in payroll taxes not already mandated in existing law.

The committee's overall revenue target for fiscal year 1977 rests upon a number of economic assumptions concerning growth in gross national product, profits and personal income. I ask unanimous consent that a set of tables illustrating our revenue calculations, together with underlying economic assumptions, be printed in the RECORD at this point.

I ask unanimous consent that the RECORD also include at this point an allocation of the $362.4 billion revenue total by major source as is required to appear in our report by the Congressional Budget Act.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Fiscal year 1977 revenues

	Billions
Tax law as of January 1, 1976	$377.7
Extension of December 1975 temporary tax reductions	−17.3
Net increase from tax expenditures legislation	+2.0
Total	362.4

Economic assumptions underlying revenue estimate

[In billions of dollars]

	Calendar year 1976	*Calendar year 1977*
GNP	1,690	1,885
Profits	160	185
Personal Income	1,390	1,540

Allocation of Federal revenues by major source

	Billions
Individual income tax	$160.9
Corporation income tax	57.8
Social insurance taxes	106.6
Excise taxes	17.8
Estate and gift taxes	6.0
Customs duties	4.3
Miscellaneous revenues	7.0
Net increase from tax expenditure legislation	2.0

FEDERAL DEFICIT

Mr. MUSKIE. The committee recommends a Federal deficit target for fiscal year 1977 of $50.2 billion. Like the current budget deficit, this figure results entirely from revenue losses and increased Government costs—for such programs as unemployment compensation and food stamps, which are caused by less than full employment. The deficit remains a symptom of our Nation's economic weakness, not its cause.

COMPARED TO FORD DEFICIT

Despite any rhetoric to the contrary, no significant difference exists between the deficit set forth in our committee's report than that proposed by the Ford administration. When put on the same basis—that is, when nonpolicy differences in accounting and projections are factored out—the difference between the Senate Resolution 109 deficit and the President's budget deficit is less than a billion dollars.

I ask unanimous consent that a table reconciling the two deficit figures be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[In billions of dollars]

President's January budget deficit	$43.0
Plus:	
Increase projected by the President's March budget update	1.6
Adjustment for more accurate estimates of offshore oil receipts	2.0
Increased Postal Service funding requirements	1.3
Correction for underestimates of required funding for existing human resources programs	1.4
President's adjusted deficit	49.3

MONETARY ACCOMMODATION

Mr. MUSKIE. The committee's fiscal targets for fiscal year 1977 are consistent with real economic growth rate of 6 percent. This growth rate assumes both continued strength in the private sector and an accommodative monetary policy.

I believe that the Federal Reserve Board will fully cooperate in insuring the Nation's economic recovery because of the fiscal restraint and positive effort to avoid inflation contained in the recommended first concurrent resolution.

> Only if we have this coordination between fiscal and monetary policy can we hope to achieve low-interest rates, reduced Federal

deficits, and an economic recovery without new inflation.

It is the Budget Committee's belief, as expressed in its report, that the Federal Board should strive for a real economic growth rate of at least 6 percent. A real growth rate of 7 percent is possible, however, and would be even more satisfactory.

DEFENSE

Mr. President, the committee's recommendation for the national defense priority—function 950 at page 19 in the report—is that we very nearly adopt the recommendation of the President, the Appropriations Committee, and the Armed Services Committee. This will produce a budget which is roughly $4 billion above current policy in budget authority, and about $1 billion below current policy in outlays. This budget will permit a real growth of $9.6 billion in budget authority for defense programs.

I wish to emphasize, however, that making the outlay savings from current policy and achieving the full measure of the real growth depend upon making $5.4 billion in savings which the President has proposed. A portion of these savings can result from administrative actions, but some will require action by Congress in areas such as pay and compensation and stockpile sales. If Congress does not achieve these savings—and the Budget Committee sees no reason why they cannot be achieved if we are prepared to cooperate with the administration on them—then the amount remaining for new initiatives in defense will be reduced.

PHYSICAL RESOURCES

A major initiative proposed by the Budget Committee in the physical resources area is a substantial increase in energy development and conservation funds over the President's recommendation. Senate Resolution 109 contains roughly $1.1 billion in budget authority and $0.8 billion in outlays over the President's recommendation in function 300 for energy related initiatives.

The committee also added $7 billion in budget authority in the same function for continuation of the Environmental Protection Agency's construction grant programs for sewage treatment facilities.

The committee once again found the administration's estimate for receipts from sale of offshore oil leases to be unreasonably high. We have included a figure of $4 billion under offsetting receipts—function 950—instead of $6 billion as proposed by the President. The resulting lower estimate for offsetting receipts means a higher deficit figure, but as last year, the committee felt it necessary to put the most honest possible estimates before the Senate.

HUMAN RESOURCES

As far as individual taxpayers are concerned, the committee's most important initiative in the human resources area is its recommendation against the administration's proposed increase in social security and unemployment insurance taxes. While the President's budget included a personal income tax cut in addition to what we have proposed, virtually all of that tax cut would have been offset next January by these proposed payroll tax increases and by increases already enacted to take effect next January.

Nor does the committee generally recommend taking the savings associated with the President's proposals to consolidate a wide range of human resources programs through block grants to State and local governments. Without wishing to prejudice the debate over the desirability of consolidation, we must be concerned about the impact a reduction in Federal support would have on State and local governments hit hard by inflation and caseloads increased by recession.

With regard to unemployment, the committee rejected the President's proposed termination of public service jobs programs, as I mentioned earlier, because there are still over 7 million Americans out of work. For the same reason, the committee allows for a continuation of extended unemployment benefits.

TRANSITION QUARTER

In addition to setting forth budgetary targets for fiscal year 1977, Senate Concurrent Resolution 109 recommends binding fiscal totals for the transition quarter, July 1 through September 30, 1976.

The recommended totals, which reflect current policy levels, are meant to serve as a second concurrent resolution on the transition quarter.

The decision to delay establishing these totals until this time, as my colleagues will recall, represented a compromise with the House of Representatives during the conference on the second concurrent resolution for fiscal year 1976.

At that time it was agreed that Congress would establish a target-setting first concurrent resolution on the 3-month period simultaneously with the second concurrent resolution for fiscal year 1977. Adoption of binding totals would be postponed until Congress considered the first concurrent resolution for fiscal year 1977.

The Senate conferees' position had been to set binding totals last December.

I ask unanimous consent that section 3 of Senate Concurrent Resolution 109, which sets forth the transition quarter budget totals, be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD as follows:

SEC. 3. The Congress hereby determines and declares, in the manner provided in section 310(a) of the Congressional Budget Act of 1974, that for the Transition Quarter beginning on July 1, 1976—

(1) the appropriate level of total budget outlays is $102,200,000,000;

(2) the appropriate level of total new budget authority is $95,800,000,000;

(3) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $16,200,000,000;

(4) the recommended level of Federal revenues is $86,000,000,000; and

(5) the appropriate level of the public debt is $646,200,000,000, and the amount by which the temporary statutory limit on such debt should be accordingly increased is $19,200,000,000.

"CROSSWALK" PROCESS

Mr. MUSKIE. As submitted by the President, the Federal budget is divided into 17 functional categories. Each of these brings together programs that share broad policy objectives—

NATIONAL DEFENSE, HEALTH, INCOME SECURITY, AND SO FORTH

While these functional subdivisions are helpful in comparing and determining broad budgetary priorities, they are not so useful in terms of internal congressional procedures.

In general, the 17 functional categories do not correspond one-to-one to the various subcommittee jurisdictions. This is the case both with the Appropriations Committee and with other committees which consider spending legislation.

To meet this problem, the Budget Act provides a process for reallocating the spending figures contained in the concurrent resolutions on the basis of committee jurisdiction.

This process, known as "crosswalking," takes effect for the first time this year. The statement of managers accompanying the first concurrent resolution conference report must contain an allocation of the spending totals for each committee holding spending jurisdiction. The committees themselves are responsible for subdividing these amounts among their own subcommittees or programs.

The Budget Act requires that the results of the "crosswalk" procedures be reported by each affected committee as soon as practicable after adoption of the concurrent resolution. Only in this way can the Senate have a clear idea of how spending legislation reaching the floor relates to the concurrent resolution targets.

DEBATE THE FOREST, NOT THE TREES

Let me conclude with a word of advice about debating priorities.

As my Budget Committee colleagues know very well, it is easy to slip into discussion of individual programs or line items in the budget. We all have our favorite programs, and areas of special expertise. It is tempting to forget about the broad priority questions and to try to guarantee that our favorites are "in the budget."

In the Budget Committee, we have successfully avoided a line item approach. We have not wanted to trespass on the programatic jurisdiction of the authorizing and appropriating committees. And we have tried to concentrate on our priority setting mission.

We do discuss individual programs. We count on the special expertise of all our Members. But generally we do not vote to include or exclude a given program or even an amount for such a program, except in rare cases where the program is of such magnitude, generally in the hundreds of millions of dollars, as to constitute in itself a significant priority.

As this debate goes forward let us not try to create a legislative history which guarantees the funding of this program but not that program. That work will be done in our other committees and on the floor through the summer.

AMENDMENTS

The Budget Act does contemplate the possibility of amendments to this resolution. It is not written in stone. It is the Budget Committee's considered recommendation to the Senate. The purpose of this debate is to allow the Senate to work its will in creation of an appropriate and comprehensive congressional budget.

The Budget Act provides a few important changes in Senate procedure affecting this debate. As you know, in the creation of the Budget Act, we limited debate on this first budget resolution to 50 hours, with no more than 2 hours allocable to each amendment and no more than 1 hour to amendments to amendments, debatable motions or appeals.

There are also a couple of special rules affecting amendments. Amendments must be germane. In addition, amendments will be in order, even to sections of the legislation which have already been amended, as long as those further amendments propose to change a figure or figures then contained in the resolution so as to make the resolution mathematically consistent or to maintain such consistency.

Mr. President, as I have so often since the Budget Committee began its work 18 months ago, I want to commend my fellow committee members for their diligence, for their hard and successful work in a new field, and for their political courage in coming to grips with the conflicting demands that budgeting always entails.

I particularly commend and thank the Senator from Oklahoma (Mr. BELLMON), whose bipartisan objectivity and support, more than any other single ingredient, have guaranteed our success to date.

So let this debate on national priorities go forward. I am convinced we can achieve a result through compromise of which the Senate can be proud. I am convinced we can achieve a result that will be good for America.

AMENDMENT NO. 1584

(Ordered to be printed and to lie on the table.)

Mr. LONG. Mr. President, I am submitting an amendment to the congressional budget resolution. This amendment will reflect more realistically the actions which the Congress is likely to take and which the Congress will want to take in connection with federally funded health and income security programs. My amendment does not increase Federal outlays or affect the budget deficit projected by the Budget Committee for fiscal year 1977. My amendment reduced by $1.4 billion the necessary level of budget authority for the year.

The budget resolution, as reported by the Senate Budget Committee assumes that legislation will be enacted to reduce benefits under Social Security Act health and income security programs for needy and aged persons by some $2 billion. I do not believe that this is at all realistic. The Committee on Finance which has jurisdiction over these programs did not, in its March 15 report to the Budget Committee, give that committee any reason to believe that reductions of this magnitude are possible. Certainly it is conceivable that some savings could be effected in provisions which do not seriously undermine our aid to these groups—but there are also many gaps in the protection provided to our needy and aged citizens which the Congress would like to fill if sufficient funds were available. The Finance Committee concluded that there were no grounds for expecting substantial reductions in these programs. We concluded that if some savings can be effected by eliminating low-priority provisions, the Congress will want to spend at least as much as is saved to provide some of the many improvements which are desirable in these programs.

The Budget Committee did not specify what types of cuts it expects the Finance Committee to make in these programs, and I agree that it is not their role to do so. However, the only basis on which I can imagine their having arrived at this recommendation is an assumption that we would enact cuts similar to what the President has proposed in his budget. The President's proposals involve such things as cutting off social security benefits for orphans completing their education, requiring aged and disabled persons to pay more for medical expenses under medicare, or limiting how much doctors or hospitals can be reimbursed for their medicare costs. Now, it may be that the Finance Committee can find ways to improve these programs and to eliminate unnecessary costs over the long run, but I do not believe it is possible to cut out $2 billion in program costs in the coming fiscal year without enacting measures which primarily take benefits away from needy people or which indiscriminately cut payments to doctors or hospitals, and I do not think that Congress wants to or will enact such measures.

In order to stay within the overall fiscal guidelines recommended by the Budget Committee, the amendment I am submitting balances the elimination of these proposed cutbacks by also eliminating some new spending initiatives proposed by the Budget Committee. The resolution, as reported, assumes that legislation will be enacted extending two temporary unemployment programs which are scheduled to expire at or just after the end of this calendar year. These programs were enacted as emergency measures to deal with the particular problems of the recession we have just been through. It was intended when they were enacted that they should phase out and disappear as the levels of unemployment receded. I would hope that the current pattern of declining unemployment rates will continue into next year and that these programs will expire as planned. It does not, in any case, make too much sense to me for us to recommend cutbacks in our permanent programs for needy persons in order to allow room for the extension of temporary programs which may be neither necessary nor appropriate.

My amendment also recommends the elimination of $1 billion allowed by the Budget Committee for a new program of countercyclical aid under the category of community and regional development. I make this proposal with some reluctance. The objective of this program, as I understood it, is to indirectly offset some of the unfortunate effects of the recession by helping hard-pressed local governments to maintain employment and services. While this may be a highly desirable objective, I cannot agree that it is sufficiently desirable to justify funding it by cutting Federal services to needy individuals. I ask unanimous consent to have printed in the RECORD a chart demonstrating how the amendment would work.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

The Senate Budget Committee report indicates that they assumed the following reductions and increases in the dollar amounts in their recommended first budget resolution:

Reductions

	Billion
Social security	−$0.3
Aid to families with dependent children	−.3
Medicare	−1.1
Medicaid	−.3
Total	−2.0

The Long Amendment to the budget resolution would delete both the $2.0 billion in reductions and also the following $2.0 billion in increases:

Increases

	Billion
Extension of unemployment benefits beyond 39 weeks	+$1.0
Countercyclical revenue sharing	+1.0
Total	+2.0

It would thus not change either the expenditure total or the deficit figure in the Budget Committee recommendation.

Mr. LONG. Mr. President, this does not change the overall budget figure, but I believe it makes more possible achieving the overall objectives of the budget resolution. I do not believe that Congress is going to vote to reduce social security, aid to families with dependent children, medicare, and medicaid expenditures by $2 billion. Recognizing that that is not realistic at all, it seems to me that it would be far more practical not to plan to do that and to make reductions elsewhere in that budget resolution.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1584

In clause (**2**) **of section** 1, strike out "$454,900,000,000" and insert in lieu thereof "$453,500,000,000";

In clause (7)(A) of section 2, strike out "$7,400,000,000" and insert in lieu thereof "$6,400,000,000";

In clause (7)(B) of section 2, strike out "$7,600,000,000" and insert in lieu thereof "$6,600,000,000";

In clause (9)(A) of section 2, strike out "$40,400,000,000" and insert in lieu thereof "$40,700,000,000";

In clause (9)(B) of section 2, strike out "$37,600,000,000" and insert in lieu thereof "$39,000,000,000";

In clause (10)(A) of section 2, strike out "$163,700,000,000" and insert in lieu thereof "$163,000,000,000"; and

In clause (10)(B) of section 2, strike out "$140,100,000,000"and insert in lieu thereof "$139,700,000,000".

Mr. MUSKIE. Mr. President, I yield to my good friend, the distinguished Senator from Kansas (Mr. DOLE), who is representing the minority this evening, and then to the distinguished Senator from Utah (Mr. Moss) who has been such a staunch supporter in the Committee on the Budget throughout this past year and during the consideration of this concurrent resolution.

Mr. DOLE. Mr. President, the ranking Republican member, the distinguished Senator from Oklahoma (Mr. BELLMON) is unavoidably out of town and will make his opening remarks tomorrow.

Mr. President, the Senator from Kansas will support the budget resolution as reported by the Budget Committee. I would point out several features of that resolution which make it worthy of the support of my colleagues in the Senate.

First, total outlays recommended by the Budget Committee are $412.6 billion. Not counting changes in allowances and undistributed offsetting receipts, this is $9.4 billion less than estimated current policy outlays.

In all but two functional categories of the budget—natural resources, energy, and environment—300—and education, training, employment, and social services—500—recommended outlays are equal to or less than current policy. Even in the national defense function outlays are reduced because the assumed savings from manpower and efficiency measures more than offset first year outlays for increased weapons procurement.

If adopted and followed, these targets would exert a good deal of pressure on Congress to find ways to provide important Government services more efficiently, at less cost to the taxpayer. The Budget Committee has taken seriously its responsibility to impose real but realistic discipline on the total Federal budget.

The Senator from Kansas is one of many who would like to see greater restraint on Government spending. There are, however, at least two related factors which limit the degree of budgetary restraint that can reasonably be asked for in fiscal year 1977. First, this will be only the second year of operation of this process. As a Budget Committee member, I realize that some time is required for the Congress to become accustomed to and fully responsive to the operation of and limitations imposed by this new budget process.

A second and related reason is that sufficiently numerous and well-documented options for decreasing spending in all functional areas of the budget were not available to the Budget Committee.

The Budget Committee is understandably reluctant to recommend—implicitly—in its budget targets actions of a kind that have not been contemplated and received at least preliminary consideration by the jurisdictional committees of Congress. In preparation for the first concurrent resolution for fiscal year 1977, the March 15 reports to the Budget Committee by the authorizing committees presented options and recommendations which involved, with very few exceptions, spending above the current policy level. Options for reducing spending were forthcoming almost exclusivey from the administration in its budget recommendations. Both for political reasons and for lack of opportunity or inclination, the appropriate congressional committees did not fully examine these proposals. The ability of the Budget Committee to act on these budget reducing recommendations was therefore severely limited.

The Appropriations Committee provided some options for budget restraints. Those recommendations could cover only those programs for which funds are subject to the appropriations process, however. This excludes programs which involve a legal entitlement to benefits from the Government, for which spending is therefore "uncontrollable" under existing law, and which are subject only to the control of the authorizing committees.

The effectiveness of the budget process will be greatly enhanced if this imbalance is redressed. This will require conscientious and thorough evaluation of all existing programs. Several bills have been introduced which would require such periodic reexamination. Congress must carefully consider these proposals and subsequently enact strong oversight requirements if the budgetary control potential of the budget process is to be fully realized.

Second, the committee's recommendation of a $50.2 billion budget deficit represents significant progress toward Federal budget balance. At the same time, it represents a prudently moderate fiscal policy.

The budget deficit is still much larger than most of my colleagues find acceptable. I share that concern. But a budget deficit is virtually unavoidable in the event of a serious recession, and we are still a considerable distance from full economic recovery. I would point out that in December the Senate approved a budget deficit of $75 billion for fiscal year 1976. We did so with the expectation that allowing such a deficit would cushion the effects of recession and encourage economic recovery. We did so in anticipation of approving a reduced deficit for the next fiscal year. The $50.2 billion deficit recommended by the Budget Committee represents a significant and responsible reduction in the Federal deficit. The economy is clearly on the road to full recovery and the budget is on track toward budget balance. Based on the trends begun last year and reinforced by this budget, I believe that the dual goals of full economic recovery and a balanced budget are attainable no later than fiscal year 1977.

Third, the Budget Committee's recommendation represents admirable resistance to the temptation to try to push economic recovery too fast. The national unemployment rate will still be higher than anyone likes in 1977. The Budget Committee gave consideration to a variety of proposals to eliminate this problem more quickly. It has allowed for and recommended continuation of public service employment at the current policy level. It has allowed for countercyclical fiscal assistance to hard-pressed States and localities. But it has not recommended sweeping public works or public service employment programs. I concur strongly in the wisdom of this judgment. In a variety of ways, such programs raise more problems than they solve. They tend to trade some gains now for a lot of problems later. I concur in the judgment implicit in the committee's recommendation to rely mainly on the private sector—which is now recovering strongly—for productive and permanent jobs for those now unemployed. I would urge that private firms be assisted in this effort by means of the unemployment tax credit proposed in the Employment Assistance Act introduced by the Senator from Kansas last week.

Fourth, I support the expression of national priorities represented by the distribution of spending within the functional categories. One can debate at length and to no avail the relative military strengths of the United States and the Soviet Union. It is clear, however, that while the United States has been decreasing its efforts in the area of national defense, the Soviets have redoubled theirs. Now is an appropriate time to moderate this trend. I am convinced that our military experts have presented us with a proposal which requests no more than is needed to maintain a strong nuclear deterrent and a flexible conventional response capability that allows a high nuclear threshold. The substantial increase in budget authority is needed in order to procure the military equipment that is essential to this capability in the coming years. I am similarly convinced that there is nowhere in this defense budget any allowance for so-called "cut insurance."

The other budget categories for which the committee has recommended spending above current policy are natural resources, energy, and environment—300 and education, training, employment, and social services—500. These increases reflect our Nation's need for adequate and secure supplies of energy and economic circumstances that warrant emphasis on a better utilization of our labor resources.

The Senator from Kansas will give careful consideration to any amendments that are proposed to the committee's recommended budget targets. I would expect to oppose, however, any substantial increase in total outlays. If any of my colleagues feel that more spending should be allocated to certain functions, I urge him to propose a corresponding decrease in some other functions. If the committee has misjudged the Nation's priorities, then perhaps spending should be shifted among the budget functions. But I am convinced that the budget total should exert a good measure of budgetary restraint and will therefore be reluctant to vote for any amendment to increase the total of Government spending for fiscal year 1977.

I would remind my colleagues that the budget resolution does not set program-by-program spending amounts.

The process by which the Budget Committee arrives at its target recommendations for functional categories is subject to some misunderstanding. The discussion of programs contained within a function—with regard to purposes, effectiveness, and costs—is an essential aid to committee members in determining what total budget commitment to that function is appropriate in light of the priorities they wish to reflect. However, the specifics of those program discussions are in no way binding on committee members or on the Senate. Subsequent to adoption of the budget resolution, it will at times be appropriate for Members to point out that in light of the established target for the relevant budget functions, approval of legislation being considered would require either offsetting cost reductions in subsequent legislation or exceeding those targets. It is not appropriate, however, to maintain that the target recommended by the Budget Committee and subsequently adopted or amended by Congress, together with the attendant discussion and debate, mandates or requires a specific limit on funding for that individual legislation.

Therefore, the spending targets set in this budget resolution will not preclude funding for any specific programs or legislation.

Similarly, amendments to those recommended targets will not assure funding amounts for any specific programs or legislation. Rather, it is the function of the budget resolution to provide guidance as to the total cost of all legislative actions within functions and for the entire budget. The Senator from Kansas urges his colleagues to approve a budget resolution whose guidance provides a reasonable degree of budgetary restraint and discipline. I believe that the targets recommended by the Budget Committee constitute such a budget.

Mr. BEALL. Mr. President, I thank the distinguished chairman of the budget committee and wish to speak briefly in support of Senate Concurrent Resolution 109, the first concurrent resolution on the budget for fiscal year 1977 and the transition quarter. First I would like to add my word of commendation to the chairman and the ranking minority member for the direction, dedication, and sincere effort which they have made toward making the new budget process both meaningful and successful. Both deserve the appreciation of the Senate for their tireless efforts in this regard.

Mr. President, I support the first concurrent resolution on the budget for fiscal 1977, not because I necessarily agree with the ceilings imposed on all of the functional categories, nor necessarily because I agree with the relative priorities imposed by this resolution. I am sure that all of us on the budget committee, if given our preferences, would have come up with a different set of numbers and perhaps even a different total, in terms of outlays and the size of the deficit. I support the first concurrent resolution, Mr. President, primarily because of what it accomplishes and what it recognizes. The first resolution accomplishes a degree of fiscal constraint and discipline which I firmly believe we would never have accomplished without the budgetary process. One only needs to look at the total recommendations of the authorizing committees to see that we would have exceeded our mark in Senate Concurrent Resolution 109 by nearly $30 billion in both budget authority and outlays if we had followed their suggestions. This is the way we used to do things, and this seems to me to be one important way of measuring the success of the Budget Committees efforts now. It is because of this lack of central control and direction in the budgetary process that the Congress passed the Congressional Budget and Impoundment and Control Act in the first place.

In addition, Mr. President, I believe that the Budget Committee has recognized legislative reality in arriving at its figures. While the President's budget has some laudable goals and worthwhile suggestions, his budget amount, for our purposes, is unrealistic because of the large number of changes in existing law that would be needed to reach his figures.

I am sure each of us would like to see increases in one or more functional areas where we have program preferences. I strongly believe that we must maintain a strong defense and am happy that only minor reductions were made in this category. I give health and education a high priority and these categories received relatively generous treatment. Many of my colleagues feel that we have perhaps short-changed the American public by failing to increase the number of public service jobs. From my own standpoint, Mr. President, all the economic indicators and evidence suggest that a fairly strong recovery is underway in the private sector, and with that being the case, I would like to see a reemphasis away from broad-based public service and public works programs and greater concentration in the Federal budget on job-creating projects in existing pockets of relatively high unemployment. I am concerned about an unemployment rate that is still at 7.5 percent, but I recognize that that unemployment rate is dropping. I am also concerned about the threat of increased inflation, for my memory is not so short as to forget the ravages imposed upon our economy not that long ago by the problems of double-digit inflation. Senate Concurrent Resolution 109 does not guarantee a full employment economy in fiscal 1977, but it does allow for an improved employment situation over 1976; it does recognize the economic dangers of high inflation and high interest rates; and it does provide for sufficient legislative leeway in the budget to concentrate Federal employment programs on lingering areas of high unemployment.

The Members of the Senate should not forget in their haste to provide all things to all people in a short period of time, just why the Budget Committee and the budget process was created. The budget process exists to maintain spending controls, to set spending priorities, and to establish and maintain economic growth, low unemployment, and stable prices. I believe, Mr. President, that the budget for fiscal 1976, and the proposed budget for fiscal 1977, are accomplishing our economic goals. Perhaps all of these goals are not being reached as rapidly in some areas as we would like, but I think we risk dangers in other economic areas if we try to move faster. Senate Concurrent Resolution 109 does set spending priorities, which as I mentioned do not satisfy everyone in all areas. But how can any budget which accomplishes the first goal, namely to maintain spending controls, ever do that? This budget process was never intended to be politically popular, it was intended to make the Congress fiscally and economically responsible.

I would like to stress that my support of this resolution before us today should in no way be construed as a total endorsement of our new budgetary process as it currently exists. All of us recognize that it has shortcomings, and in the future these shortcomings must be improved. In the remaining time that I have, Mr. President, I wish to address myself to a couple of these concerns. One of the biggest problems that the Government has in budgetary management are programs, introduced years ago, which have not been subjected to periodic evaluation and which have grown well beyond the intent and purview of the initial legislation. Often these are in the nature of entitlement programs, but this is not always the case. Regardless, if one is going to be serious about the notion of fiscal responsibility, then control must be exercised over the degree and the extent of long-run expenditure commitments. For example, we have a food stamp program which has grown with little knowledge as to the future costs, degree of participation, nature, and qualifications of participants, and so forth. We have medicare/medicaid programs which have precipitated higher per unit costs, higher than anticipated degrees of utilization, and an astronomical growth in overall program costs. We have a social security program which is an actuarial nightmare, a program which we frequently are told is threatened by bankruptcy unless continually higher taxes are levied to support it. If any organization other than the Federal Government had precipitated these sorts of budgetary uncontrollables, they would be financially insolvent. In short, our new budgetary process must ultimately move toward the imposition of timing limitations on all expenditure programs, perhaps ultimately to zero-based budgeting, thereby forcing congressional evaluation and reevaluation of programs from time to time on an orderly basis.

In a similar vein, timing limitations and systematic program evaluation must be imposed upon tax expenditures through the congressional budgetary process. Tinkering with the tax system has become an increasingly favored ploy, the notion of giving something to one's constituents for nothing. In fact, what we have seen in the past are tax expenditures growing at a faster rate over the past decade than have Federal outlays. I addressed myself to this particular matter in my comments to this body during floor debate on the second concurrent resolution for the fiscal 1976 budget.

Fiscal responsibility mandates not only systematic control over expenditures, but a systematic control over revenues as well. There is no reason why the basic tax rate structure needs to have a built-in obsolescence clause, but certainly tax expenditure items should be subject to the same sort of timing limitations as are direct expenditures. Nothing is more permanent in the tax code than items which have been put in on a temporary basis. These so-called temporary items work their way into the tax code with no limitations as to their temporary nature. Special interest constituencies grow up around these tax privileges so that it becomes difficult to remove such measures from the tax code. There are, Mr. President, precedents for imposing timing limitations of a zero-budgeting nature on tax expenditure items. For example, a number of rapid amortization provisions have been written into the tax code with 5- and 6-year limitations. The extension of the investment tax credit at the 10 percent level, as recently passed by the Congress, has a built-in expiration date of 1979.

In short, Mr. President, budgetary control is a two-way street. We need better control on expenditures and we need better control on our revenue losses. Anything short of this will ultimately lead to a failure of the recenty created budgetary process, and more seriously, failure of the ability of Congress to come to grips with matters of fiscal control and central economic direction.

Mr. DOMENICI. Mr. President, during the 15 months or so that I have been a member of the Senate Budget Committee under the skillful leadership of our chairman and ranking minority member, I have come to understand that the budget process is a system for distributing the pain of limited resources in such a way as to hurt every part but destroy no vital organ of the body politic.

During my remarks, I will address the critical issue of priorities. It is, unfortunately, true that the setting of priorities is meaningful only when it is recognized that needs and desires greatly exceed the resources available.

The great, but finite, pool of resources we call the gross national product must provide for human consumption, for private sector investment and for the support of the Federal Government and State and local governments. In the short run, the size of the GNP pie is not influenced by the way in which it is divided, but failure to adequately replenish our stock of capital goods will reduce the size of future GNP pies. There are no easy choices and no absolute certainties in setting priorities, but, since the pie is limited in size, hard choices must be made.

The budget resolution reflects the considered judgment of the Senate Budget Committee arrived at by that process of conciliation and compromise which is the genius of our legislative system. The result fully satisfies no one but is better than a result which satisfies a few and is unacceptable to many.

The $412.6 billion burden of tax revenue and deficit recommended in this resolution represents the basic priority judgment of the Budget Committee as to the share of the GNP which, under all present conditions, should be devoted to Federal purposes.

As a personal matter, I would have preferred a deficit smaller than the $50.2 billion contained in this resolution; I would also have preferred a less burdensome tax load. The problem is that it was not possible to achieve majority agreement on a pattern of spending which could be accommodated by a lower deficit and a lower tax load. Some members of the committee believed that a higher deficit number could be justified in the interest of more stimulation for the economy or heavier funding of some programs. The authorizing committees recommended $30 billion more in budget authority and almost $30 billion more in outlays than the Budget Committee recommends; we had to trim those requests as we made priority decisions.

I believe that the resolution continues us on a path which will allow the Federal budget to be balanced by fiscal 1979 without substantial risk to economic stability. In some functions, the pattern of budget authority is constrained so as to increase congressional control over expenditures in future years.

The proposed level of spending and deficit is, in my opinion, within the range that will promote justified business and consumer confidence without unduly risking a substantial rise in inflation-causing expectations. These psychological factors are of enormous significance in making priority judgments.

The defense budget reflected in the committee's recommendation is a good example of prioritization, both within the function and relative to other functions. Real growth in the function reflects a determination to strengthen the country's defense posture with heavy emphasis on procurement and on research and development.

To partially accommodate the needed level of procurement and R. & D., the priorities within the defense function itself will need to be shifted. Congressional action to authorize increased stockpile sales is assumed in the totals as is action to eliminate the 1-percent "kicker" in retired pay and to modify Federal wage board pay levels. The provision for the defense function also recognizes the need for administrative restructuring of pay schedules for all agencies in accordance with revised comparisons between Federal and non-Federal compensation. It is assumed that Congress will not overturn the President's proposed 5-percent ceiling and 3-percent floor on pay raises, that numerous proposed legislative initiatives will be enacted and that the moderations in program growth proposed by the President will be achieved.

The provision for energy is substantially greater than the level recommended by the President or the level indicated by current policy. This committee recommendation reflects a priority judgment particularly in that the totals will accommodate increased resources for nonnuclear energy R. & D. and for conservation. The funding levels for energy also provide for initiating the strategic petroleum reserve program mandated by the Energy Policy and Conservation Act. The committee's recommendation in the natural resources, environment, and energy function will also permit completion of improvements to uranium enrichment facilities, but may not permit additional Government-owned enrichment capacity.

The resolution provides amounts sufficient to maintain the current level of public service jobs and to continue present unemployment benefit programs. The provision for unemployment benefits and public service jobs has the advantage of relating to programs which are "triggered" downward as economic conditions improve, thereby minimizing the risk of overstimulating the economy. The sensitivity of outlays and budget authority to changes in the economy is well illustrated by the $3 billion downward adjustment in budget levels made by the committee on the basis of recent, but previously unanticipated, improvement in unemployment, inflation, and other factors.

With respect to health, the funding levels assume the enactment of substantive legislation to constrain the 20 percent rate of increase in medicare outlays indicated by current policy and to curtail the rapid escalation in medicaid outlays. The budget authority and outlays recommended for the health function allow for maintenance of current policy levels in the other health programs and provide an additional $0.1 billion in budget authority and outlays for further growth in health research and $0.1 billion in outlays to provide for the proposed nationwide swine flu vaccination program.

While the committee recommendations do not directly address social security funding problems, it is my hope that this session of Congress will act upon the "decoupling" issue and begin the development of a financing plan which will insure the integrity of the social security system in the next century. It now appears probable that the social security trust fund reserves, while reduced in amount, will be adequate to maintain the system well into the 1980's without the immediate enactment of increased payroll tax rates.

The amounts in this budget resolution are sufficient to maintain the total level of State-local support above present levels. It is my hope that the issue of increasing block grants and reducing categorical aid programs will receive the careful consideration of substantive committees, unencumbered by the prospect of reduced funding levels, and that attention will be given to differentiating between programs which should be wholly federally funded and administered and programs which should be funded and administered at the State and local level.

In addition to the substantive matters I have previously mentioned, the budget resolution and its accompanying report implicitly and explicitly assume numerous legislative initiatives having substantial budgetary impact. It is to be hoped that these substantive matters receive the most careful consideration since it is only by the coordination of budgetary and substantive effort that an appropriate fiscal policy can be developed for the future.

In conclusion, I state my support for the resolution in the form it was reported by the Budget Committee. As I mentioned earlier, my individual preference would have been for some redistribution of the pain implicit in the priority choices but I am, nonetheless, convinced that the fiscal policy underlying the resolution is, on balance, appropriate for the economy and for the people of this great country who look to Government and the private sector for stability in their lives.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MOSS. Mr. President, I ask unanimous consent that Mr. Lewis Ashley of the staff of the Committee on the Budget be granted privileges of the floor during debate and votes on the congressional budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIRST CONCURRENT RESOLUTION OF THE FISCAL 1977 BUDGET

Mr. MOSS. Mr. President, I rise in support of the first concurrent budget resolution. Before addressing the report, I wish to pay tribute to our distinguished chairman, Senator Muskie, from Maine; the ranking Republican member, Senator Bellmon, from Oklahoma, and other members of the Budget Committee who have worked so diligently for several months on this resolution before the Senate for consideration today. The leadership exhibited by our chairman and our ranking Republican member has been outstanding. We also enjoyed the support of a superb staff who has shown both competence and dedication. I also want to commend the Congressional Budget Office—CBO. Under Dr. Rivlin's leadership, the CBO, in a relatively short time, has developed into an impressive organization whose expertise and capabilities we in the Congress have come to rely upon for critical analysis and valuable input to the budget process.

Now turning to the resolution (S. Con. Res. 109). I believe this is one of the most important pieces of legislation that the 94th Congress will be asked to vote on. After all, the budget is the most important policy document which the Congress considers each year. It is a document that will affect every American in some way.

Congress, of course, can accept the administration's view if it wishes and enact the administration's budget as proposed. However, there are clearly other choices and I think it is important that the new budget process better enables Congress to consider them. There is no magic number, no obvious, single answer to matters as comprehensive and far reaching as those raised by the Nation's budget.

Our initial budget reform efforts last year, were better than we had a right to expect. But it is apparent that we need to continue to improve if we are going to bring the Federal budget under the control required.

If we can straighten out the economy, everyone can share in the achievements. But if we fail, it represents a failure for the Nation.

Last year, in enacting the fiscal 1976 budget—the first under the new budget process—Congress asserted its own priorities and adopted an overall budget which differed significantly from that proposed by the administration. That budget expended the President's proposed tax reduction, altered the administration's priorities in order to channel an additional $4.5 billion into antirecession programs, and deferred new, long-range programs in favor of short-range programs that would help stimulate employment and ease the burden of the recession on those most affected by it.

The economic situation of the last several months has demonstrated the wisdom of the fiscal policies that Congress adopted with the 1976 budget. These policies together with Congress rejection of instant decontrol of oil prices, contributed to an increase in income, a reduction in unemployment and inflation, and started the economy moving toward recovery.

The fiscal 1977 budget, which the committee now recommends, is designed to continue the recovery without accelerating inflation. This resolution sets targets to guide the work of the Congress as it considers spending and revenue legislation for the coming year. Adoption of this first resolution will mark yet another key step in affirming congressional control over the Federal budget which is long overdue. The second resolution which must be adopted by September 15, will set binding ceilings on spending and a floor on revenues. This year, for the first time, Congress will vote not only on budget totals but on figures for each budget function. These functional totals, in general, are intended to represent broad priorities and not to imply judgments as to the exact mix of programs which the authorizing and appropriations committees may wish to include within the established targets.

In developing this resolution, the committee again adopted priorities which differ from those of the administration; although, the pattern of spending does not differ substantially in defense. The committee felt that the interests of the people in the United States will best be served during fiscal 1977 by a budget which:

Continues the economic recovery;

Avoids actions that will increase the rate of inflation;

Maintains antirecession programs and Federal support for health, education, and other social services at or near current policy levels;

Permits real growth in defense spending to maintain a strong national defense, and to assure that "the U.S. determination to protect the interests of its own people and its allies" are not misread; and

"Accelerates research on new sources of energy," increases "conservation" efforts, and promotes the development of present "domestic energy resources."

How the resolution proposes to do this can be illustrated by highlighting some of its key features. The resolution—

Provides fiscal recommendations consistent with a real economic growth rate of 6 percent. This is a higher growth rate than the President's budget would yield and one that would assure a continued reduction in the unemployment rate without aggravating inflationary pressures.

Recommends extension of the 1975 tax reductions. Extension of the tax cut will increase consumer income and offset the loss of purchasing power, stimulate business activity, and reduce unemployment.

Recommends enactment of legislation which would result in a net increase of $2 billion in fiscal year 1977 revenues by changing existing tax expenditures provisions. Incidentally, this year, for the first time, the tax expenditures budget is published as part of this report. The estimated revenue losses associated with these provisions total more than $105 billion for fiscal 1977. It is essential that the growth of both tax expenditures and direct spending programs be subject to the same standards of review, if the new budget process is to have a positive effect over the total Federal budget.

Recommends against any increase in social security and unemployment taxes not already mandated by existing law. The tax increase proposed by the administration would lead to about a one-half percent increase in prices and nearly that much in inflation in 1977. It would also pose new problems to an economy which is still recovering

Proposes an economic policy that will provide 175,000 more summer youth jobs, and, by the end of 1977, will provide 750,000 more adult jobs than the President's economic policy. And rejects the President's proposal for phasing out public service jobs in 1977 while unemployment is still expected to be above 6 percent.

Provides for future energy needs by funding programs of research, conservation development, and demonstration, and supports of energy price and safety regulatory efforts. Energy should rightfully be accorded high priority. And the committee's proposal for energy programs reflects an increase over the President's budget request. This is aimed not only to increase domestic production, but to do more in the conservation of our precious energy resources.

Provides important support for State and local governments, such as:

Revenue sharing at $6.6 billion for fiscal 1977 which is equal to current policy estimates; but which constitute a slowing of the rate of growth of Federal assistance dollars to State and local governments; and

One billion dollars for countercyclical revenue sharing—although modest, this continues a significant innovation in Federal policy to counter the impact on State and local levels emanating from the downturn of 1974 and 1975. This countercyclical assistance is timed and targeted to contribute to coordinated, built-in stabilization across the public sector.

In order to attain these goals, the committee recommends a spending ceiling target of $412.6 billion for fiscal 1977. This—

Represents a cut of over $30 billion from the spending proposals the Budget Committee received from the authorizing committees of the Senate; and

Is nearly $9 billion below what would be spent by merely extending through 1977 the same policies and laws contemplated last year in adopting the fiscal 1976 second concurrent budget resolution last December.

Using comparable assumptions and estimates, the deficit resulting from this spending ceiling does not differ substantially from that projected by the President. The Budget Committee's estimates are not only more current, but I believe they are also more realistic as last year's experience proved. While a $50 billion deficit is high, it represents a significant reduction from this year's $76 billion deficit. And it is clear that it would have been much larger but for the new budget process and the discipline it implies.

The economy has been turned around in the last year. The Nation's jobless rate has fallen from 8.5 to 7.5 percent during the past 12 months. There has been an increase in employment of 2,671,000 and a decrease in unemployment of 750,000. Despite continued progress, however, increased employment remains a matter of priority. Inflation has also improved. Prices have diminished from a high of over 12 percent in 1974 to a CPI of nearly half that—about 6.3—in the 12 months ending in February 1976.

But despite the improvements, it is clear that we have not regained economic prosperity. Thus, the Federal deficit is again due to the revenue losses and to increased costs of recession-related programs; for example, unemployment insurance and food stamps. So, economic recovery is essential to balancing the budget. And avoiding a resurgence of rapid inflation is crucial to further recovery. The recommended fiscal policy in this budget is designed accordingly.

This resolution does not correct all of our budget problems, which have accumulated over many years. But it continues the strong beginning the Congress made last year. Living within the ceiling in this year's budget will pinch. But I believe it is necessary.

Some of our colleagues have advocated a higher level of budget expenditures, and more deficit spending. Others, including myself, have argued in favor of greater fiscal restraint and reducing the deficit. This resolution represents something in between the many differing points of view. In my own case, I would have preferred a lower spending level and a smaller deficit. Even in the functional areas, my preference would have been more in some and less in others. But this resolution like others does not reflect the complete views of any single member of the committee. However, it is a rational, responsible, and responsive product. And I believe that it represents another major step in bringing the Federal budget under effective control and establishing realistic priorities consistent with the Nation's current and prospective needs.

This year's performance is certainly crucial to the continued success of the congressional budget process.

Accordingly, I urge my colleagues to support this resolution which is now before us.

I yield the floor.

Mr. MUSKIE. I thank the Senator for his extremely thoughtful statement. I think it is a very useful part of the RECORD. I appreciate especially his reaffirmed commitment to the process which involved so much of his time and mine.

Mr. MAGNUSON. Mr. President, the Senate has before it Senate Concurrent Resolution 109, the first concurrent resolution on the budget for fiscal 1977. This resolution was reported by a near unanimous vote of the Budget Committee, of which I am a member.

Last year when the Senate approved the first budget resolution to be considered under the new budget process, I commented that I had long felt that some reform in the way we considered the Federal budget was necessary. I further added that while I could not be certain this particular procedure offered the best possible solution, I nonetheless felt it was incumbent upon all of us to do what we could to make it work. I concluded that I had seen nothing yet that convinced me that the selected procedure could not work.

Now, looking back on 1 full year's experience with the budget process established by the Budget Impoundment and Control Act, I believe my earlier comments still apply. I think our first year's experience has to be considered a success. Thanks to the able leadership of Chairman MUSKIE, and to the supportive attitude demonstrated by a large majority of Members on both sides of the aisle, the Senate has amply demonstrated that improved budgetary discipline is an idea whose time has come. The Congress may well decide to change some aspects of the new budget process, but after 1 year's experience I still can say that I have seen nothing that convinces me that the basic approach embodied in the new budget procedure was wrong.

This budget resolution was voted out of committee by an overwhelming 13 to 2 vote. I would hope that my vote, cast with the majority, would be regarded as evidence of my continued support for the new budget process, and for the Budget Committee and its able leadership. I would hope that it would not be mistaken as a vote in favor of each and every target or the recommendations they imply. While I support the majority of the fiscal targets in the resolution, I do not agree with all of them.

My major concern is that the resolution is too cautious. It shies away from providing the fiscal stimulus required for a speedy economic recovery. By the committee staff's estimate, the budget proposed by this resolution would result in real economic growth of only 6 percent in fiscal year 1977. This is better than the administration's budget would have provided, but it is not good enough. I agree heartily with Senator HUMPHREY and the Joint Economic Committee that we should be shooting for a real growth rate of 7 percent or more. I would provide the extra stimulus to achieve this faster growth rate by spending to put people to work—directly through more public service jobs, and indirectly through accelerated investments in needed public works projects. I can think of no higher priority for the next fiscal year than that of providing jobs for the unemployed.

With regard to other budget priorities, the resolution is adequate in some areas and inadequate in others. I am pleased to say that the spending targets proposed for many of the human resources programs—such as the controllable health and education programs—should prove adequate to satisfy next year's requirements. For others, however, the targets are too low. One example is the target of $7.4 billion for function 450, community and regional development. This is fully $800 million less than would be necessary just for a simple extension of current policy toward the programs in this function. Such a shortfall in funding could fall heavily on some agencies, such as the community services administration, which already are laboring under comparatively tight budgetary constraints.

Finally, I believe it is worth recalling that the job of the Committee on the Budget is to report to the Senate for its consideration, total spending, revenue and deficit levels, with the overall spending target broken down into subtotals corresponding to certain broad categorical functions. The committee has done its job, and now the full Senate has an opportunity to debate the resolution and amend the figures if it so desires. I expect there will be amendments offered to alter the targets in this resolution. I do not intend to offer any myself, but I do intend to support those that would remedy the types of shortcomings I have pointed out.

Once the first concurrent resolution has been approved by both Houses of Congress, it will provide spending targets which subsequent spending legislation should honor if possible. The functional targets and the report language together carry certain recommendations on such matters as program expansion and contraction, and the need for program reforms to produce greater efficiency. I believe such recommendations serve a valuable purpose in bringing to the attention of the Senate the continuing need for critical analysis of the way in which we spend the taxpayers' money.

I encourage the individual committees which have the appropriate jurisdictional responsibilities to give such recommendations their full consideration, for under the Budget Act, the primary responsibility for deciding whether these recommendations should be enacted is left to them, as it should be. The first concurrent resolution contains only broad budget targets. It is the committees with actual jurisdiction over the spending and revenue legislation that must recommend to the Senate exactly how the budget should be constructed and how scarce funds should be distributed among specific programs.

I urge my colleagues to regard this resolution and the priority recommendations it embodies with the seriousness and attention they warrant. While it is not possible for us to foresee emergencies or to predict with certainty the direction the economy will take in the coming months, I believe when this first concurrent resolution leaves this Chamber it should represent our best judgments on the fiscal policy and spending priorities appropriate for fiscal 1977. If these judgments prove wrong as we proceed through the authorizing and appropriations processes, then we will have an opportunity to alter the budget targets in the second concurrent resolution next fall.

Mr. BIDEN. Mr. President, this is truly an important moment. Today we begin consideration of a congressional budget for the second year—and I emphasize second. When the Congressional Budget Act of 1974 was adopted, I am sure that no one foresaw that it would be implemented so fully and so quickly. This fast pace indicates the willingness of Congress to exercise fiscal self-control.

Certainly a large share of the credit goes to the Budget Committee chairman, Senator MUSKIE. His combination of hard work and thoughtful deliberation have had much to do with the success of the budget process here in the Senate. He has understood the importance not only of setting budget targets but also of living within them after they are set.

To the extent that the budget process has worked, and will continue to work, great credit is also due to the assistance that the Committee on the Budget has received from the other committees of the Senate. These committees are the program experts. Without their analysis and advice, no reasonable budget product would have been possible.

So far, I think the Senate has a right to be pleased with the progress that has been made during the 1976 fiscal year. As Senator MUSKIE pointed out on the floor on Monday, we are approaching the level of spending set in the second concurrent resolution. I find it encouraging that we are still within those targets despite a further rise in uncontrollable spending.

Because we are close to the spending ceilings, we may have to make some hard decisions in the days ahead. It may be that spending bills for worthwhile programs will threaten to push us beyond the targets we have set. Obviously I do not know what our decisions will be. The important thing is that there will have to be deliberate, conscious decisions. We cannot, as in the past, slide silently into more spending.

In spite of our successes in 1976, it is far too early to assume that all is well. Each year presents new budget issues to be dealt with—and the 1977 budget is no exception. Our first effort to settle those issues will take place here on the floor of the Senate in the next few days. When we are finished, some Members will be pleased—others will not.

When the debate is over, I hope it will be possible for a large majority to be able to support some reasonable targets. It is important to have a good budget. But in these early years, it is important to uphold the process and give it a chance to work. We can work out our differences between now and the time of the second concurrent resolution in the fall. But it is vital that we give the process a chance to work—because without it there is no hope for ever controlling spending.

We on the Budget Committees, as well as all Members of Congress, still have to learn to do this better. We cannot lapse into complacency. We need better information and techniques to permit us to grapple with spending priorities in a more reasoned way than is now possible. I am sure that we have much more to learn about the budget control process after the targets are set. We must try to deal more effectively with tax expenditure issues.

It is encouraging that we have gone through the budget cycle once and started again. However, we should be realistic about all that remains to be done. Because the process is still young and imperfect, it needs our support. I hope it will receive that support here on the Senate floor.

Mr. McCLURE. Will the Senator yield?

Mr. MUSKIE. I am happy to yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, amid the hoopla surrounding the celebration of the 200th birthday of our Nation, little attention has been given to yet another birthday—more modest, but yet significant. The economic recovery is today 1 year old. The budget resolution reflects an assessment of that year of progress and also the committee's anticipation for the potential of that progress to continue.

Some will say that the current budget and its associated deficit are not large enough nor do they stimulate the economy sufficiently to bring us back completely and quickly to a position of "full employment." Others, to include the President and myself, would prefer to see a somewhat slower rate of growth which would result in sustainable and noninflationary progress.

We do, however, share at least one goal in common. That is, we each recognize that at some point, the Federal deficit must be reduced and the budget must come to balance prior to the achievement of full employment, be that in 1979 or 1980. The reduction and the eventual elimination of the annual deficit is a joint project in which we all share but in which the Budget Committee must take the lead. The task of deficit reduction can be accomplished only in the face of rising Federal revenues produced by real economic progress in combination with a concerted and studied effort to reduce the rate of growth of Federal spending in any number of areas within the budget.

The task of expenditure reduction cannot be accomplished quickly. It must be accomplished gradually and equitably. The majority of the committee appears to believe that deficit reduction can be most effectively achieved by high levels of expenditure which appear to cause the economy to grow rapidly. They argue that most people will secure jobs, earn higher incomes, pay increased taxes and, in so doing, augment corporate profits and cash flows. This process in and of itself they claim will produce a form of self liquidation with respect to the deficit. In fact, they insist that it will produce a surplus or a fiscal dividend which can then be utilized to reduce taxes or alternatively to increase Federal spending in certain areas or provide the basis for new legislative initiatives such as national health insurance and other priorities with which we are all familiar.

In short, their theory is that if it were possible to wave a magic wand and produce full employment overnight, taxes could be reduced, the Federal budget would be balanced, and the deficit would disappear. It is an intriguing but misleading approach to fiscal discipline and the achievement of a budgetary balance.

The course which I propose is a different and difficult one. However, it does provide the best chance of success if we define success to be the rejection of short-term illusionary but politically popular gains and the substitution of long-term less popular measures which lead to the gradual reduction of the existing budget deficit. It is well to point out at the outset that there is no magic number, no deficit which is inherently right or inherently wrong. This thesis stems from the fact that economics is not an exact science and that our experience with deficits of the size of last year's and this year's projected deficit is quite limited.

Therefore, I cannot tell you with complete confidence that there will be no financial competition between private investment and public deficits at a deficit level of $60 billion or even at a deficit level as low as $45 billion. I can, however, say with confidence that larger deficits are less compatible than smaller deficits with the potential needs for private investment which now exist and will continue to exist in the private sector.

I can also state with some assurance that the need for a stimulative deficit has been vastly overstated by those who for reasons of their own have overstated the extent and character of unemployment, not only at the depth of the recession but, more importantly, at the present time.

It is well to remember that while the unemployment rate is high, the employment rate—that is, the employed percentage of the noninstitutional population over 16 years of age—has returned to its long-run average. Thus, the present sizable unemployment numbers reflect more people looking for work rather than the existence of fewer opportunities to work. Many of these new entrants into the labor force are seeking work only as an attempt to maintain the purchasing power of the family unit which has been eroded by past and continuing inflation.

Thus, the best way to effect reemployment would be through policies which will not dissipate consumer and business incomes by resurrecting the rapid rates of inflation which existed in 1974 and early 1975.

The financial position of consumers is better right now than at any time since we first encountered inflation and recession several years ago. Not only are incomes growing more rapidly now than they were last year, but the reduced rate of price inflation has increased the purchasing power of these rising incomes. For example, in January 1976, real spendable earnings of the typical worker with three dependents jumped 4.3 percent over the year before. This was the fastest percentage rise in consumer buying power since November of 1972. Stock prices have risen rapidly. They are currently some 60 percent higher than they were in December 1974. This rise itself has added enormously not only to wealth, but to consumer confidence.

During this time period, consumers have reduced their outstanding installment debt and finally, consumers' savings have increased well above normal levels providing yet another and expanding source of funds to sustain high levels of consumer spending. These are all positive components which will serve to propel the recovery in its initial phases through the expanded spending and debt creation of consumers.

This momentum, however, is fragile. What we do in the way of establishing a level of Federal spending and its associated deficit which contributes to a rekindling of inflationary expectations will cause a change in consumer sentiment and business confidence. Thus, we have in our power the opportunity to alter consumer expectations and reduce or eliminate the consumer as a source of ongoing spending impetus within the recovery.

Recent evidence indicates that the consumer is spending not simply to replenish his depreciating stock of goods, but is making net new additional commitments to food, clothing, other necessities, and spending on seasonal and durable goods. Perhaps the most important single indicator of the consumers' ability and willingness to initiate new purchases can be seen in the expanding sales of automobiles. Such sales increases reflect a change in the former philosophy of retrenchment and an increasing willingness to undertake long-term financial commitments.

The combination of improved consumer sentiment in conjunction with expanded liquidity have and will continue to lead to a sharp increase in final sales. In fact, such sales grew at 11 percent over the last year. Given the fact that during the same year the inflation rate was approximately 6½ percent, there has been a real and meaningful increase in consumer purchases and in the final sales of manufacturers and retailers. In response to this sales increase, inventory liquidation at both the manufacturing and retail level has ceased. The heavy Christmas sales have set the stage for large increases in inventory accumulation as business prepares itself for the spring and Easter season.

As this scenario unfolds, the demand for business loans will expand in a significant but not surprising fashion. In conjunction with that increase, short-term interest rates will begin to rise. The economic recovery will proceed in a classical fashion and real gross national product will rise at a rate of 7 percent or more in 1976. Inflation will remain a problem and we can anticipate an inflation rate during this same year of somewhere in the neighborhood of 5 percent. Corporate profits will probably rise between 25 and 30 percent. The unemployment rate will fall to 7 percent or perhaps even a little lower. In short, the down side economic risks associated with 1976 are virtually zero.

With this as background, let us turn briefly to look at the implications of the Federal budget for fiscal year 1977. The proposed budget for fiscal year 1977 makes the erroneous assumption that it shall be the Federal Government which shoulders the burden of providing the momentum for the recovery. If that momentum is provided as a result of increased Federal spending, it does not provide the basis for a sustainable and noninflationary recovery in 1977 and beyond.

Clearly, in 1977 the focus or burden for the preservation of the recovery should be consciously shifted from the public to the private sector. The budget, as proposed, makes no provision for that shift. A shift of responsibility to private sector clearly implies and confidently promises an increase in Treasury revenues which would rise more rapidly than is now expected in the budget we have before us.

Such a shift would provide for the eradication of Federal deficits on a gradual and predictable basis as the private sector increases the availability of jobs thereby increasing tax revenues, and decreasing Federal expenditures in the area of welfare aid, unemployment compensation, and other income maintenance programs.

Dramatic reductions in the functional categories of 400, 450, 500 and 600 could be realized in a normal nondisruptive manner. Clearly, if the burden of economic recovery is not shifted to the private sector, we will find ourselves embarked on a predictable path of increasing Federal stimulus, creating deficits, and financing those deficits in competition with an expanding private sector. If experience is any guide, that competition will result in the monetization of the deficit, an increase in the money supply, rising interest rates, and ultimately a reestablishment of the situation which was initiated in 1965 and culminated in 1974 in rapid inflation and low rates of economic growth.

In short, the budget which we have before us is a blueprint for an eventual return to stagflation. The responsibility of the Congress at this point in time requires that we be patient and permit the natural and proven processes of the free market to operate in a manner as unfettered as possible. If this course of action is adopted, I am confident that we can look forward to rapid rates of economic growth in 1976 and 1977 and reduced, but sustainable long-run economic growth rates beginning in 1978.

The economic philosophy which determines my approach to the function of the Federal budget and its role in fostering economic growth is a proven one. The economic philosophy espoused by the majority of the committee and implicit in its recommendations is both tenuous and in many areas discredited.

In addition to the inherent deficiencies which would be a part of any resolution designed to conform to a Keynesian world view, the committee's resolution labors under the additional burden imposed by a well-intentioned, but misleading measure of fiscal policy, that is to say, the measurement of fiscal policy in terms of the "full employment surplus or deficit." At best, this policy serves to indicate the hypothetical status of the budget on the assumption of full employment. It should not be used as a policy planning device when full employment is unattainable in the near future. Used in such an inappropriate manner, it creates the mistaken impression of providing a fiscal blueprint for the actual attainment of full employment.

The use of fiscal policy to stimulate and direct the level of economic activity, as applied within a Keynesian context, was once conceived to be a panacea for all problems associated with stabilization. During the past 40-odd years it has failed to provide an effective substitute for the free market as a system for directing economic growth and distributing the material rewards of that growth. Bad theory cannot be validated by the endless expenditure of funds and the creation of deficits. It is my conviction that the policy of returning more resources to the working men and women of this country will create a more lasting and equitable solution to the problems of inflation and unemployment.

Productive, purposeful employment may be said to be the "bottom line" of a Federal budget, but in the final analysis, jobs cannot simply be called into being by the wish of the Federal Government. The jobs that Government "creates" are basically the result of transferring resources from private individuals and disposing of those resources in what is hoped to be a beneficial manner.

This does not create jobs or wealth, it merely redistributes them. Jobs are created by savings and investment in productive enterprise. The very policies of Government that are intended to provide jobs do so in the short run by transferring funds into current consumption and away from savings and investment, away from the uses that would provide real jobs for the future. Federal policies presently incorporate a tax bias against the real force of jobs creation. As a real contribution to jobs creation, then we would do well to investigate the alternative of tax credits for appropriate savings and investment. We would increase the flow of real savings and, by this means, we would enhance the economy's ability to provide a durable framework in which jobs would be both productive and secure, qualities too often lacking in Federal "job creation" programs.

Mr. HOLLINGS. Mr. President, today we begin the second year under the procedures established in the Budget and Impoundment Control Act of 1974. It is the role of the Senate Budget Committee, under this act, to recommend in the first concurrent resolution the appropriate targets for outlays, budget authority, revenues, the size of the deficit, and the public debt for each fiscal year, and to monitor the compliance of the various authorizing and spending committees with these targets. Later in the year, the committee must report a second concurrent resolution on the budget, setting firm ceilings on spending legislation and firm floors under revenues.

The purpose of the Budget Act is to restore congressional control over the budget process, and allow Congress to fulfill its responsibilities in the setting of fiscal and economic goals.

Last year we proved that the new process works. Congress accepted the new budget discipline required by the act.

This year we are operating for the first time under the deadlines established by the act. These require that all stages of the budget process, and all regular appropriations, be completed before the beginning of the new fiscal year on October 1.

Senate Concurrent Resolution 109, which is before us today, provides for outlays of $412.6 billion in fiscal 1977, with revenues of $362.4 billion and a deficit of $50.2 billion.

The total amount of new budget authority recommended in this resolution is $454.9 billion.

The committee recommends that the temporary tax cut enacted in December 1975 be extended at least through fiscal 1977, providing some $17.3 billion in tax relief compared to permanent law. In addition, the committee recommends that tax reforms be enacted which will recover $2 billion by reducing or eliminating certain loopholes in the present law. Thus the next tax reduction from present law will be $15.3 billion.

The committee recommends against the enactment of new increases in payroll taxes.

The deficit recommended by the committee falls within a billion dollars of the deficit proposed by the President, when adjustments are made to put the two budgets on a comparable basis. This deficit is entirely attributable to the continuing economic recession, which reduces revenues and increases eligibility for unemployment benefits and food stamps compared to the situation which would occur at full employment.

The Nation is in the midst of a recovery from the recession, but we still have a long way to go. The spending and tax policies recommended by the committee will continue economy recovery at a more rapid pace than that which would result from the President's proposed 1977 budget, avoid actions such as payroll tax increases that would increase the rate of inflation, increase funding for energy research, and conservation, maintain Federal aid to State and local governments, and provide for added defense purchases necessary to maintain our existing forces, and assure that no world power misreads our determination to protect our interests and our allies.

In relation to the President's proposed 1977 budget, this committee gives a higher priority to Federal assistance to States and local governments, energy research, conservation, education, and manpower training, including jobs, health programs, and income security.

This committee's recommendations also move steadily in the direction of making our Government more efficient. They will result in an overall savings of $8.8 billion compared to what would be spent in 1977 under the laws and policies for which funding was provided last year, as adjusted for inflation and changes in the number and types of Federal beneficiaries.

On the question of national defense, we are recommending budget targets of $113 billion in budget authority and $100.9 billion in outlays. Included in these totals are cost-reduction actions totaling $5.4 billion in budget authority and $4.5 billion in outlays from current policy levels. We recommend putting some of these savings back into defense to pay for needed increases in procurement, research and development, and operations and maintenance. The resulting targets are $1.2 billion below current policy for outlays and $3.6 billion above current policy for budget authority.

The major savings we are recommending are in pay reform, personnel cuts, and management improvements. Some of the savings can be accomplished by administrative action. The executive branch has said it plans to undertake these actions. Others will require legislation. The recurring savings which will result, if these actions are taken, are well in excess of $20 billion over the next 5 years.

For example, we are recommending that Congress go along with a cap on Federal pay increases of 4.7 percent. Coupled with planned administrative changes in the methods used to establish comparability between Federal and non-Federal pay, this cap will save $2.2 billion in the national defense function alone, and $3.6 billion throughout the Federal budget in fiscal 1977.

Most of this saving will come from proposed changes in the pay comparability survey. For 1977 and later years, computer operators and secretaries will be included in the non-Federal job categories surveyed to determine the relationship between Federal and non-Federal pay levels. Personally, I believe this move to introduce more realism into the computation of Federal civilian pay is long overdue. Between 1964 and 1976, average Federal civilian pay in the Department of Defense has risen from $7,000 a year to $15,900 a year, or nearly 60 percent faster than the cost of living. Our civil servants and military deserve fair and adequate pay. Their pay should continue to be comparable to pay in the non-Federal sectors of the economy. But the computation of comparability should be based on a truly representative selection of non-Federal jobs. For example, I believe the President's pay panel should give serious consideration in future years to including State and local government employees in the pay comparability survey.

We are also recommending that Congress enact legislation to change the method of computing Wage Board employee pay increases. In fiscal 1977, these changes in current law will save over $200 million. By 1981, the annual savings will reach $1.1 billion. The effect of these changes will be to lessen the gap between local prevailing wage rates and Wage Board pay.

Third, we are recommending that the Congress adopt legislation to eliminate the "1-percent kicker" from the formula for computing cost-of-living adjustments for retired Federal employees and retired military. The effect of this kicker in recent years has been to increase Federal retired pay by more than the amount of annual inflation. This provision is substantially more generous than that provided under the social security program.

Indeed, even with the elimination of the 1-percent kicker, retired Federal employees will be entitled to more frequent cost-of-living adjustments than those provided under social security. Repeal of the 1-percent kicker will save about $150 million in fiscal 1977 and about $1 billion in fiscal 1980. In the national defense function alone, the fiscal 1977 savings will be about $80 million and the fiscal 1980 savings will be about $400 million.

Fourth, we are recommending enactment of legislation this year to change the military pay-raise formula so that a larger portion of the raise can be allocated to the basic allowance for quarters. This change will permit the transition to a fair market rental basis for computing the value of Government-supplied housing. Savings in fiscal 1977 amount to about $500 million. In 1980, the savings will reach $300 million a year.

Fifth, we are recommending legislation to restrict payments for military terminal leave to a maximum 60 days, plus other minor legislation affecting compensation for military cadets and Reserve personnel. The fiscal 1977 savings are in excess of $100 million.

Sixth, we believe it is time that the Department of Defense be allowed to phase out the annual operating subsidies for military commissaries. Fiscal 1977 savings could amount to about $90 million. By 1980, over $300 million a year would be saved by this move, which would put the commissaries on the same footing as the post-exchange system, which receives no operating subsidy.

Finally, we are recommending that the Congress grant the President additional authority to dispose of excess commodities in the national strategic stockpiles. The President has estimated that such legislation would generate receipts in fiscal 1977 of more than $700 million.

Other cost-reduction actions contemplated by the Budget Committee include a reduction in civilian jobs in the Department of Defense, the absorption of a portion of the pay raise through the use of available unobligated funds which have already been appropriated, and the possibility of instituting contributory retirement for military personnel.

Many of these money-saving proposals will be highly unpopular with some constituents. I sympathize with our military personnel and retireees who oppose the withdrawal of the commissary subsidy. I would like to provide generous pay increases to all Federal employees. But we must look at the alternatives.

As I noted earlier, the cost-reduction actions assumed by the Budget Committee would save $4.5 billion in fiscal 1977 outlays compared to what we would have to spend if current policies were continued. If the Congress respects the defense outlay and the budget deficit targets set forth in this resolution, then for each billion dollars of these savings which is rejected, an offsetting reduction will have to be made elsewhere. Let me give you some examples of the kinds of alternative reductions we would have to make.

We could try to realize the savings by cutting people. To achieve a $1 billion saving in the fiscal 1977 defense payroll, we would have to eliminate between 170,000 and 250,000 jobs.

We could try to realize the savings by cutting funds for operations and maintenance, other than payroll. To save $1 million in outlay would require a cut of $1.4 billion in appropriations for maintaining the readiness of our military units and their equipment.

If we wanted to get $1 billion in outlay savings by cutting research and development, we would have to reduce appropriations for these activities by about $2 billion.

If the outlay savings were taken in procurement, we would have to cut up to $7 billion in new appropriations for procurement.

Taken all together, these cuts in the defense program would total over $11 billion in appropriations but would save only $4 billion in outlays.

So the choice is clear. We can commit ourselves to realize all or most of the cost reduction actions recommended by the Budget Committee and the President. Or we can make large cuts in the defense program. Or we can junk this budget resolution and its targets. I would like to remind my colleagues that the inevitable consequence of the last course of action would be much larger deficits, and a complete abdication of our responsibilities under the Budget Act of 1974.

Next I would like to turn to the question of the roughly $9 billion in real growth in budget authority for defense purchases provided in this resolution. Defense purchases exclude all pay and allowances for Government employees.

The allocation of this real increase in the President's budget is as follows:

Real growth in budget authority constant fiscal 1977 dollars (billions)

Operations and maintenance	$1.8
Procurement	6.7
Research, development, test, and evaluation	.8

The big increase is in procurement, which grows by $6.7 billion after adjustment for inflation. Operations and maintenance gets an increase of $1.8 billion, while the R. & D. budget grows by about $840 million.

I voted in the Budget Committee to allow room for these increases for several reasons.

First, I think it is now clear that we have not provided enough funding in recent years for the necessary modernization of our military forces.

For example, in the last 4 years, from fiscal 1973 through fiscal 1976, we spent an average of $30.4 billion a year for defense procurement and R. & D., measured in dollars adjusted to reflect fiscal 1977 price levels. On the same price basis, our spending for procurement and R. & D. in the 4 years from fiscal 1962 through fiscal 1965 averaged $42.4 billion a year. Since 1973 we have been spending 28 percent less each year, on average, to modernize our forces than we spent in the early 1960's. But our force structure is not 28 percent smaller.

We have to realize that the equipment of our Armed Forces must be maintained and replaced on a fairly regular schedule. The equipment wears out, or it becomes incapable of performing its mission against improved forces fielded by our adversaries. Moreover, the technological improvements required to maintain the capability of our forces as time passes tend to make each new generation of weapons more costly than the last.

Thus it is not unreasonable to conclude that, unless we reduce our forces, we will have to spend more in the next 5 years to maintain and modernize them than we have been providing in recent years. The Congressional Budget Office reached a similar conclusion in its recent annual report to the Senate and House Budget Committees on budget options for fiscal year 1977.

Of course, some may believe that we can maintain and improve our forces within recent budget levels by procuring less costly but equally effective equipment. I firmly support efforts to eliminate unnecessary requirements and other gold-plating from weapons design, and to eliminate unnecessary duplication in defense procurement. But I challenge the experts on defense procurement to show me how we can achieve the necessary modernization of our forces in the next 5 years without increasing funds for procurement above recent levels.

I believe that if we do not provide this increase, our military forces are inevitably going to decline over the next 5 years.

There is a misconception by some that our forces are getting larger, that we are engaged in some sort of arms race with the Soviet Union, that the momentum of this arms race is getting out of control, and that the only solution is to cut our defense budget.

On the contrary, this budget does not contemplate any significant force increases above those we have already agreed to in the past 4 years. If we adopt this defense budget and provide comparable levels of funding in each of the next 4 years, by 1981 we will still have 16 divisions, about 40 tactical air wings, about 500 Navy ships, and comparable strategic forces. Within this force structure, there will be changes in emphasis and some improvement in capability.

For instance, instead of 15 carriers we may have 12, and instead of 22 Air Force wings, we may have 26, but the total number of tactical aircraft will not change significantly. The ground forces will have more mechanized brigades and fewer infantry brigades, reflecting a shift in emphasis from Asia-oriented infantry divisions to Europe-oriented forces.

So, this budget increase will allow us to remain on an essentially level defense effort.

In addition we should not forget that over the past 4 years, the purchasing power of defense appropriations provided by Congress was reduced by at least $6 billion due to unanticipated price changes. Although the Defense Department overestimated inflation last year by about $2 billion, the shortfall from previous years was well over $8 billion. We have not made up this amount, which has the same effect as an unplanned cut in the defense budget.

My final reason for supporting an increase in the defense budget is the clear evidence that the Soviet Union is not reducing its forces or moderating its foreign policy. If anything, the Soviets seem to be expanding their forces, and to be getting more adventuresome.

I am not impressed with alarming comparisons of United States and Soviet defense spending, because the comparisons do not tell us the whole story. We know, for example, that a part of the Soviet defense budget supports forces aimed at China, not at the United States or its allies.

Nor am I impressed with one-sided comparisons of United States and Soviet forces which seem to imply that we should have as big an army as the Soviet Union, or which fail to take into account the importance of our NATO allies in the defense of Europe.

But I am impressed with the continued Soviet efforts to get ahead of the United States in strategic arms, with their aggressive naval operations, and with their increasingly interventionist foreign policy. I do not think their challenges can be ignored. I am impressed with evidence suggesting that unless certain deficiencies in NATO forces are corrected—especially in air defenses—we might be forced to use nuclear weapons very early if a war should break out in Europe. I am impressed with the vulnerability of Western oil supplies and other raw materials to embargoes and interdiction. I do not think we should be complacent about these dangers.

I am not wedded to all our present policies, the force structure or existing defense priorities. I believe we should debate the foreign policy, and look at the costs and the need for the division in Korea, the divisions in Europe and the strategic reserve. I think we should look at the size and role of the Navy, whether it deserves a higher or lower priority, and whether we need to have nuclear powered strike cruisers. I think we should consider whether we need 240 B-1 bombers, or some other number, and whether the B-52's can be extended in service. I think we need to give particularly careful attention to the future of our land-based missile forces, and to the whole question of the strategic balance.

In short, I believe there are some force improvements which we ought to be giving a higher priority—like air defenses for our forces in Europe—and others which may have a lower priority, or ought not be carried out at all. I am persuaded that a mission budget approach will help us all gain a better understanding of these issues.

But I do not think this first concurrent resolution for fiscal 1977 should be the vehicle for making any major changes in defense policy. It is clear that we need these funds to keep up the forces we now have. And it is clear to me that with the present international situation, we should not be planning any major defense reduction this year.

Mr. CHILES. Mr. President, the Senate Budget Committee has done its work, and the Senate has before it the first concurrent resolution on the budget for fiscal year 1977. After a successful dry run last year, this year we need to strengthen the new budget process in both Houses of Congress so that we continue to develop an effective tool for congressional control of Federal spending.

The Senate Budget Committee again this year has followed a prudent course, neither throwing the economy into a tailspin by excessive cuts in on-going programs nor overheating the economy with excessive spending and continually increasing deficits. I urge the Senate to adopt the course set by the Budget Committee by passing this resolution substantially as it is.

Who in the world does not have misgivings about voting for $413 billion in Federal spending and a $50 billion deficit? I certainly do. But I have gone over every function in the budget trying to see where there is fat and inefficiency and where reductions could be made. It is a disheartening task. Because for every billion dollars you find that you think you can legitimately cut there are $10 billion in program growth that seems almost to be inevitable.

In the Budget Committee we made as many reductions as we could. While many of us would want the figures to be smaller, the realistic truth of the matter is that without the Budget Committee there is no doubt in my mind but what the numbers would have been a lot bigger.

I believe that fiscal responsibility is the key to a growing, stable economy. The sooner we get back to a balanced budget, the better off we will be. The course set in this resolution does not reach these goals but it points in the right direction.

Without the new budget process, Federal spending would have been much greater. The total spending level set in this first concurrent resolution asserts considerable budgetary control. It is $9 billion less than would have been the case if we had just let existing Government programs grow at the current rate. These reductions will have a permanent effect and will continue to decrease spending in future years, so that by 1980 they will reduce the budget by about $15 to $20 billion.

This will produce a cumulative savings of $50 to $60 billion between 1977 and 1980.

Our spending total in this resolution is almost $30 billion less than the sum total of spending requests that we received from the authorizing committees of the Senate.

The role of the congressional budget process is to discipline the spending of the Congress as well as that of the administration. This kind of $30 billion cut in what the committees of the Senate would like to spend is a good sign of fiscal restraint.

We can feel some accomplishment in having done better at budgetary control this year than was achieved last year. The deficit in this resolution is one-third lower than the deficit of last fiscal year. Recognizing some unrealistically low estimates contained in the President's budget, the difference between the President's deficit and the deficit in this resolution is smaller than might have been expected.

The rate of growth in Federal spending provided for in this resolution, after allowing for inflation, is down to 5.9 percent from 7.1 percent last year. These figures indicate that the trends are in the right direction and are leading us toward a balanced budget in the near future.

So I think the work of the Senate Budget Committee merits the support of the entire Senate. While I would like the level of spending and the deficit to be less, I do not think this budget can now be significantly reduced without either gouging particular programs and letting the rest off the hook or having the budget aggravate rather than alleviate the sluggishness of the economy and the high rate of unemployment.

At the same time, I do not think this budget can or should be significantly increased. This is the budget for fiscal year 1977. Fiscal year 1977 begins in October of this year and runs through October of 1977, almost a year and a half from now.

I think it would be very unwise to make a decision now that the economy will need the extra stimulus of still more spending a year from now. I do not think the evidence we have is persuasive that the economy will need a shot in the arm a year from now. Quite the contrary. All the evidence seems to suggest that we are on the way to recovery.

The experts have tended to underestimate the degree of recovery so far and it would not surprise me if we underestimate now where the economy will be in a year's time.

As the Budget Committee completed its markup of this resolution last week, it was said that given the fact that we had reduced spending $9 billion below the level of projected spending under current policies and had rejected an additional tax cut of $5 or $10 billion, it was more likely that the rate of economic growth for 1977 would be in the 5½ to 6 percent range than in the 7 percent range that it was said would result if we adopted the additional measures.

We cannot be that certain of what the course of events or the consequences of our actions will be. There is a lot of strength emerging now in the private sector and in consumer spending which is hard to predict precisely. If this strength continues, the economy may well not need the marginal stimulus more spending or an additional tax cut might provide.

I submit an article on the current business situation from the March 1976 Monthly Review of the Federal Reserve Bank of New York, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit.)

Mr. CHILES. Finally, I would point out that it is easier to add more stimulus later than it is to withdraw it if we decide on it now. If we find in October, when we consider the second concurrent resolution on this budget, or early next year, that the economy is indeed beginning to falter or that unemployment is not continuing to decline, then at that time we can add to spending or pass an additional tax cut.

Unlike monetary policy, once these fiscal policy decisions are made, they have a relatively quick effect upon the economy. We can make a decision in October and have an effect on the economy by the beginning of the year or make a decision in January and have an effect on the economy in April or May.

But if we make a decision now to increase spending or the deficit, we are going to have a whale of a time telling people that we are canceling those decisions in 6 or 9 months because the economy is doing well on its own.

I am as much for reducing unemployment as anyone in the Senate. The unemployment rate in the State of Florida is one of the worst in the Nation. But I find no compelling reason at all for adding more to spending or to the deficit now to spur employment and the economy next year. My feelings go just the other way.

It is terribly important that we not misjudge and over-react and end up with the burden of additional spending and added deficits to have to bring under control next year.

This is the kind of budgetary restraint and control the new budget process is intended to establish and I hope the Senate will support the basic thrust of this resolution reported by the Senate Budget Committee.

The exhibit follows:

(EXHIBIT 1)

THE BUSINESS SITUATION

The economy has expanded briskly in the past few months, following a temporary slowdown in the recovery last fall.[1] In January, industrial production again posted a strong and broadly based advance. Solid gains were also recorded at the beginning of the year in new durables orders and personal income, while the composite index of leading indicators registered its sharpest increase since July of last year. Retail sales had spurted in December, and most of this gain held up in January as well. The fact that consumption spending did not retreat to pre-Christmas levels, as some analysts had expected, indicates the underlying strength in this key sector. Labor market conditions have also improved greatly in the past few months. Employment expanded further in February, while the unemployment rate dropped 0.2 percentage point to a fourteen-month low of 7.6 percent.

While the general economy continues to recover, some sectors remain depressed. Most notably, residential construction has yet to show signs of a sustained resurgence, and real business fixed investment also continues to be weak. In time, however, the momentum of the economic recovery should help to revitalize activity in these sectors as well.

Meanwhile, the price situation appears to have taken a turn for the better in recent months. The prices of consumer nonfood commodities rose in January at the slowest rate in over two years, and food prices actually declined. As a result, the rate of advance in the consumer price index slowed to a modest 5 percent annual rate. A marked improvement was also evident at the wholesale level. Agricultural prices dropped in February for the fourth consecutive month, while wholesale industrial prices posted their smallest increase since last spring. Overall, wholesale prices fell in February by the largest amount in a year.

INDUSTRIAL PRODUCTION AND INVENTORIES

Economic activity continued its upward thrust in January. According to the Federal Reserve Board's index of industrial production, outpost rose 0.7 percent in that month, marking the ninth consecutive monthly advance. Since bottoming out last April, pro-

---

Footnotes at end of article.

duction has climbed 8.6 percent. Thus far, the progress of the current recovery is quite in line with the rates of expansion experienced in previous postwar recoveries. Nonetheless, because of the severity of the most recent recession, production must still increase an additional 6.9 percent before the November 1973 peak is reattained. Even then, however, output will still fall considerably short of an expanded potential productive capacity.

The January gain in industrial production was broadly based. Across market groupings, output increased for durable and nondurable consumer goods, business equipment, intermediate products, and materials. The gain was also widely distributed among the major industry groupings—durable goods manufacturing, nondurable goods manufacturing, mining, and utilities. Within durable goods manufacturing, output of motor vehicles and parts did decline, but this was the result of cutbacks in the production of automobiles, as the automotive industry sought to bring inventories into balance. Domestic car production slowed from a 7.8 million unit annual rate in December to a 7.6 million rate in January. At the same time, sales of domestic units climbed from an 8.2 million rate to an 8.4 million rate. As a result, car dealers' inventories, which had been as high as 102 days' supply in November 1974, dwindled to a modest 56 days' supply.

For some time now, the rebound in industrial production has received almost no stimulus from the automotive sector. Indeed, automobile production in January was virtually identical to what it had been last July. Now, however, excess inventories of automobiles have largely been eliminated. While there still exists a surplus of small cars, which are not selling as well as had been anticipated, there is a shortage of certain large cars, necessitating some plants to work overtime. At the same time, the sales outlook has improved while the import share of the market has declined sharply. Last spring, 22 percent of all cars sold were imported; in January, the proportion amounted to 12.5 percent. These conditions all point to a pickup in domestic automobile production. Indeed, the first signs of this were visible in February, when automobile production jumped to an 8.1 million unit rate.

In the months ahead, industrial production should get a further boost now that excess inventories in other industries have also mostly been eliminated. Overall, business inventories declined in December for the second consecutive month, as inventories in the retail trade sector were once again pared. In terms of constant dollars, the business inventory-sales ratio fell in the final quarter of 1975 to its lowest value in two years. Whereas earlier inventory reductions had been deliberately engineered, the most recent rundown appears to have been largely unintended. Retailers, who in previous months had been adding to their stocks, were apparently caught off guard by exceptionally strong Christmas sales, and to meet these sales they were forced to deplete their inventory stocks. The wholesale trade and nondurables manufacturing sectors can also be expected to participate in an inventory buildup. Indeed, inventories in these sectors actually rose in December. Only in durable goods manufacturing, which experienced its tenth consecutive monthly decline, does it appear that inventories may still be greater than desired. Yet, even in this sector, the December reduction amounted to the smallest since April, suggesting that durables manufacturers will soon begin to build up their inventories. Thus, for the economy as a whole, the near-term outlook is for inventory accumulation, but businessmen, hurt by excess inventories in the past year or so, are likely to exercise restraint in replenishing their stocks.

NEW ORDERS AND CAPITAL SPENDING

After being essentially flat for four months, the flow of new orders received by durable goods manufacturers increased 3 percent in December, according to upwardly revised data, and advanced another 2.2 percent in January. Because this series is a leading indicator of future economic activity, its lack of exuberance last fall had caused some concern that the recovery might have prematurely stalled. Hence, the recent upturn is especially heartening in that it has helped to dispel such fears. The advance in new orders, however, has not been uniformly distributed across sectors. In particular, new orders for nondefense capital goods have remained sluggish, dropping sharply in December before edging up in January. Durables shipments exceeded orders in January for the fifth straight month, and the backlog of unfilled orders continued to slide.

The lackluster performance of new orders for non-defense capital goods no doubt reflects the lingering weakness in capital spending. Although real business fixed investment did turn positive in the fourth quarter, following six consecutive quarterly declines, recent surveys on planned capital expenditures point to a decline in real investment in the coming months. These predictions may, however, be unduly pessimistic. As sales continue to increase, businessmen may revise upward their plans for investment, especially now that the profit picture has improved. Moreover, prospective capital outlays have traditionally been underestimated in the surveys at this stage of the business cycle.

CONSUMER SPENDING, PERSONAL INCOME, AND RESIDENTIAL CONSTRUCTION

According to advance data, retail sales in January edged down slightly following the December surge. Nevertheless, the fact that retail spending held up as well as it did in January was widely regarded as a sign of underlying strength. Although monthly movements have been quite erratic, the trend in retail sales is clearly upward. Indeed, over the past four months, sales have advanced at an annual rate of about 12 percent. January's decline was more than accounted for by lower sales in the automotive sector. Despite an increase in unit sales of domestic automobiles, initial reports indicate that total sales in the automotive sector—which includes, among other things, purchases of used cars as well as imported cars—fell sharply below December's level. Excluding the automotive component, sales actually advanced 0.6 percent.

The outlook for future increases in consumption spending remains bright, as personal income is continuing to rise. In January, personal income climbed at a 13.6 percent annual rate, the sixth consecutive monthly advance. Over this six-month period, personal income has grown, on average, at an 11.6 percent annual rate. The bulk of the January gain came from higher wage and salary disbursements, as increased man-hours were translated into increased payrolls. The continued sharp rise in income may soon be matched by an increased willingness to spend. As consumers gain confidence that the economy is recovering, they are likely to cut back on their savings, now at a historically high rate. There are already signs of a renewed willingness to buy on credit. Consumer installment credit rose in January by the largest amount in seventeen months.

The residential sector is one area where spending has remained weak. Although this sector is in much better shape than a year ago, it has yet to show signs of a sustained healthy resurgence. Indeed, in January, for the third consecutive month housing starts slipped. Even here, however, there are reasons for optimism. Early this year, the Administration agreed to release $3 billion in Federal funds for the purpose of lowering mortgage interest rates on certain multiple-family housing to 7.5 percent. This should stimulate the multifamily sector, which has been the most depressed. Single-family housing should also benefit from lower mortgage rates which have fallen considerably below last fall's lofty peaks. Another encouraging sign is the dwindling backlog of new housing. January's inventory-sales ratio for new one-family homes was the lowest in three years. Finally, building permits jumped 10.7 percent in January to reach a twenty-month high.

LABOR MARKET

Conditions in the labor market strengthened further in February. The number of workers on nonagricultural payrolls showed a healthy gain of 210,000, as most major industries continued to add to their payrolls. Average hours of work did slip—both in manufacturing and in the private nonfarm economy—but still remained at or above their 1975 highs.

According to a separate survey of households, nonagricultural employment expanded by almost 300,000 workers, while total civilian employment increased slightly, following an outsized gain in the previous month. At the same time, the size of the civilian labor force was virtually unchanged. Hence, the unemployment rate fell 0.2 percentage point to 7.6 percent in February, the fourth straight month of declining joblessness. February's drop in the unemployment rate was particularly reassuring. Because of possible seasonal adjustment problems, many analysts thought that the decline registered in the previous month might have been overstated, with some predicting an upturn or at least a leveling-off in February. The fact that the jobless rate continued to fall, however, suggests that recent data showing improvements in the labor market have primarily reflected underlying market conditions rather than misestimation of seasonal factors. With the strengthening of the economy, civilian employment now has returned to its pre-recession peak while the unemployment rate, although still high by historical standards, is at its lowest level in fourteen months.

PRICES

Wholesale prices declined in February, marking the fourth consecutive month that these prices have either fallen or held steady. The drop, 0.5 percent (not annualized), was the largest of the past year. Price increases for industrial commodities continued to decelerate. February's 0.3 percent advance was only half as fast as the average rate of the previous six months. One of the most encouraging signs was the turnaround in the prices of crude materials. Between November and January, these prices had advanced at an average of 1.6 percent per month. Moreover, the National Association of Purchasing Management revealed that in recent months a growing percentage of its members have faced rising materials prices. Because price increases tend to work through by stage of process, there had been some concern that wholesale prices of finished products might accelerate in the near future. But, with wholesale prices of crude materials declining 1.2 percent in February, that now appears at least somewhat less likely. Wholesale food prices also declined in February. Thanks to 1975 record harvests, the prices of farm products and processed foods and feeds have now fallen 7.6 percent since October.

The effect of lower food prices at the wholesale level was manifested to consumers in January. After rising 0.6 percent in both November and December, the food component of the consumer price index declined in January by 0.2 percent. Because wholesale food prices typically lead retail prices by several months, the near-term outlook for consumers' grocery bills is bright. The Department of Agriculture predicts that food price increases will be limited to 1 percent in each of the first two quarters of 1976. What will happen after that, however, is especially uncertain, since it will depend in large part on weather conditions. Of particular concern are the winter drought and dust storms of the grain belt, which have caused the Department of Agriculture to lower its estimates of harvest yields.

The overall consumer price index advanced at a 5 percent annual rate in January, 1.5 percentage points below the rate of the previous month.[2] Nonfood commodities continued their pattern of moderate inflation and rose at a 2.4 percent rate, abetted by a drop in energy prices. This marked the fifth consecutive month in which prices of nonfood goods have increased at less than a 5 percent rate. On the other hand, services prices accelerated in January to a rate almost double that of the preceding month. Part of the run-up was attributable to a one-shot boost in postal rates. Another portion, more worrisome, reflected higher medical costs and automobile insurance rates, which have both risen fairly rapidly in recent months.

FOOTNOTES

[1] According to revised estimates, the advance in real gross national product (GNP) amounted to a 4.9 percent annual rate in the fourth quarter, down 0.5 percentage point from the preliminary estimate. In addition, the level of the implicit price deflator for GNP was revised upward by 0.3 percentage point to 6.8 percent.

[2] Beginning with the January data, the Bureau of Labor Statistics has revised its procedures for seasonally adjusting the series that make up the consumer price index. Adjusted values of the indexes are now derived by adding together their seasonally adjusted components, whereas before the total consumer price index and its major components had been seasonally adjusted independently of each other.

The PRESIDING OFFICER (Mr. GLENN). Who seeks recognition?

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an amendment:

On page 1, line 7, strike out "$12,600,000,000" and insert in lieu thereof "$413,400,000,000".

On page 1, line 9, strike out "$454,900,000,000" and insert in lieu thereof "$455,700,000,000".

On page 2, line 3, strike out "$50,200,000,000" and insert in lieu thereof "$50,800,000,000".

On page 2, line 5, strike out "$362,400,000,000" and insert in lieu thereof "$362,600,000,000".

On page 4, line 7, strike out "$20,000,000,000" and insert in lieu thereof "$20,800,000,000".

On page 4, line 8, strike out "$19,300,000,000" and insert in lieu thereof "$20,100,000,000".

Mr. CRANSTON. Mr. President, I am joined in offering this amendment by Senator HARTKE, the chairman of the Committee on Veterans Affairs, and two of our distinguished committee members, Senator RANDOLPH and Senator THURMOND.

Before discussing the amendment I want to express my appreciation to the chairman of the Budget Committee, the ranking Republican member, all the members and the staff of the committee, for the very hard work and effective work that has been done on this resolution, and for producing on schedule—which is quite an accomplishment in itself—the budget resolution which takes control of Federal spending and reduces the level of Federal spending well below figures that many have feared we would face.

I reaffirm my belief in the importance of the budget process and the importance of our continuing to do all that is necessary to make sure that it works.

As a member of the Budget Committee, I voted for the budget resolution, although I had grave reservations concerning the allocation of funds between different categories within the overall expenditure figure, which is the figure that I support.

Some categories, in my opinion, get too much under this resolution, others get too little.

This amendment relates to one particular category that gets all too little, and that is the veterans' function.

Ironically, the resolution, while calling for unprecedented expenditures for national defense years after the end of the Vietnam war, fails substantially to meet the true costs of that war—and they are costs—by providing for an appropriate level of expenditures to serve and care for the veterans of that war and other wars.

The amendment that we are offering constitutes in several significant respects an investment, not really an expenditure, but an investment that will, if the amendment is adopted, produce very sizable savings in the not to distant future.

If the amendment is not adopted, those savings will not be achieved.

In the not too long run, we will be spending far more than is needed on programs related to veterans, money that will not be spent if this amendment is adopted, money that will be spent, and we are talking of sizable sums, if it is not adopted.

There are two long-range cost-saving legislative initiatives now working their way through Congress.

One has been already adopted by the Senate, pension reform. The other is the resolution of the President's proposal to terminate the GI bill prospectively, which has already been adopted by the other body.

These initiatives promise savings of billions of dollars in the next decade. The savings in relation to pension reform can amount to billions alone in the future. But we are not going to make these needed reforms, we are not going to achieve long-run cost reductions, unless we make some investments now to make these initiatives balanced, reasonable, and workable. And that is much of what this amendment is about.

The amendment does not cause as large an increase in the deficit as might be assumed by a first glance.

The amendment calls for an increase of $800 million in the veterans category, but there are offsetting deductions that can be made elsewhere, and, therefore, the net deficit cost of this amendment is $600 million this year.

But I emphasize again, at once and strongly, that is the long range there is not a net cost, there is a saving of tremendous sums, billions of dollars, wrapped up in what this amendment really will accomplish.

To get more specific about the details now, we propose that the committee targets for function 700 be increased from $19.3 billion to $20.1 billion in outlays and from $20 billion to $20.8 billion in budget authority, levels in line with, but somewhat reduced from, the recommendations of the Veterans' Affairs Committee.

If the action of the Budget Committee is sustained, Congress will witness a very, very difficult confrontation, that we will become deeply involved in, between different groups of veterans all of whose just needs we simply will be unable to meet.

We will find ourselves involved in a most unfortunate four-way contest between aging veterans dependent upon pension reform, younger veterans dependent upon the GI bill, disabled veterans dependent upon disability compensation, and ill veterans dependent upon VA medical care.

Such a competition, one group seeking what it feels it is entitled to against the claims of another group of veterans for what they feel they are entitled to, is unwise. It its wholly unnecessary and it would be avoided if our amendment is adopted.

We see no realistic way under the Budget Committee's recommendations that we can continue to honor our historic commitments to those who fought our Nation's wars.

I would like to emphasize that up until this point—I am not sure what the immediate future holds, but up to this point—we have had a remarkable bipartisan consensus on veterans issues, starting in the Veterans Committee, then on the Senate floor and on the House floor, and so in the Congress as a whole, and then in the country.

This bipartisan consenus has made it possible for us to meet the true needs of the veterans of our country.

I hope we are not on the verge of a breakdown in that consensus that I think we will regret in the future.

I want to emphasize that the support for this amendment is of a bipartisan nature. I know there will be Democrats and Republicans voting for it tomorrow when it is voted upon at 10 o'clock. I hope we will also find not too many on either side of the aisle failing to recognize what is involved in this and voting against the amendment.

We believe that the Budget Committee recommendation for function 700 is unrealistic and unreasonable in light of three needs: First, for cost-of-living increases in veterans' benefits; second, for initiatives already passed by the Senate or the House; and third, for important initiatives under development in committee which would focus health care resources on service-connected disabled veterans. These critical needs were stressed in the recommendations submitted to the budget committee by the Veterans' Affairs Committee.

The details are as follows:

First, veterans' compensation, pension, and readjustment benefits are not indexed by law for cost-of-living increases. As a result, for example, education benefits have not been increased since September 1, 1974, the effective date of Public Law 93–508. The Budget Committee calculated its current policy recommendations on a 1-year cost-of-living increase, not the effective date of the last benefit increase. Under this kind of current policy approach, education benefits would lose 13 months—from September 1, 1974 to October 1, 1975—to the cost of living, during which time the cost of living increased by 9.2 percent.

Second: The Senate unanimously passed S. 2635, the Veterans' and Survivors Pension Reform Act, on December 15, 1975. This followed favorable action on a waiver resolution by the Budget Committee—I repeat, the Budget Committee—during which the costs of the bill and its potential savings were fully evaluated. The fiscal year 1977 cost of the act is estimated at $485 million to $798 million, contingent on food stamp and SSI offset levels. Yet, despite the favorable action by the Senate, we find no room for this legislation in the Budget Committee figures, only vague references in the committee report. If this bill is passed by the House, equitable cost-of-living increases for compensation—requiring nearly $400 million—and educational benefits—requiring nearly $700 million—would be squeezed out or very unfairly reduced.

I stress again, there are potentially very large, long-range savings in this pension reform if we move ahead with it; if we do not reject it as we may be doing if this amendment is not adopted.

Third: The Veterans' Affairs Committee felt it was unreasonable to assume favorable action on certain Presidential recommendations for so-called cost-saving initiatives which have been consistently rejected in the past and which have little, if any, realistic chance of enactment into law.

If we had not taken that realistic approach, and I think it is essential that we behave in such a realistic fashion on the Budget Committee, we perhaps would not now face this squeeze on veterans' programs because we could have adopted other figures—such as for O.C.S. leases—to make it seem as though we had more money to use.

The one Presidential cutback proposal with the largest potential cost-saving impact—over $600 million—cutting back from 10 to 8 years the time period during which veterans can use their GI bill benefits, has virtually no support anywhere in the Congress. Quite the contrary. As each Senator knows by the mail we are receiving, there is a widespread demand for extension of the delimiting period beyond 10 years.

Fourth: The Veterans' Affairs Committee recommended new spending levels, beyond those already considered by the Budget Committee—including pension reform and the 9-month extension of GI bill eligibility already passed by the House—only for the cost of the Veterans Omnibus Health Care bill and additional appropriations estimates necessary to maintain existing health care caseload levels, and to facilitate the collection of education benefits overpayments.

If we do not provide funds to maintain existing health care caseload levels, there is once again going to be a decline in the quality of care for veterans in our veterans hospitals. Rather obviously, if we do not provide funding to collect education benefit overpayments that occur, we will lose tens of millions of dollars beyond the cost of going after those overpayments.

So, again, we are talking about an investment here that will produce savings if this amendment is adopted.

The total of these new spending initiatives—largely for effective health care—is about $200 million, about 1 percent of function 700 current policy outlays.

Fifth: It is important to emphasize that the recommendations of the Veterans' Affairs Committee did not include certain very costly pending legislation, totaling well over $5 billion in fiscal year 1977, for which considerable interest has been expressed. These include World War I pensions, extension of the 10-year GI bill delimiting date, and "accelerated" GI bill entitlement. Rather, Veterans' Affairs Committee recommendations were premised on congressional action on tow longer-range cost-saving legislative initiatives—pension reform and resolution of the President's proposal to terminate the GI bill prospectively. These initiatives promise savings of billions of dollars in the next decade. But we are just not going to be able to make the needed reforms and achieve longer-run cost reductions unless we pay some front-end costs to make these initiatives balanced and reasonable, acceptable and achievable.

Given this analysis, we are unable to understand the rationale for the action by the Budget Committee in recommending the current policy budget. Neither the committee report, nor the debate in the committee markup offer an adequate explanation.

We support the budget process and regret we find it necessary to offer this amendment. But our efforts to bring about a fair resolution of Function 700 were brushed aside in committee. We stress that the Veterans' Affairs Committee is perfectly willing to play by the rules governing every committee under this new process. We will give serious consideration to the President's and other potential cost-saving reforms and carefully evaluate the spending implications of all legislation we report. In anticipation of House actions on the pension reform measure and cost-saving initiatives and priorities assessments by the Veterans' Affairs Committee, we have revised our original amendment downward by $200 to $300 million. What we ask is a responsible figure to let us fairly balance veterans' spending priorities without being forced "to rob Peter to pay Paul," without being forced to deal with really insoluble collisions between various segments of our veteran population.

Thus, we are offering this amendment to assure that the veterans' function is raised to levels which will give the Congress a reasonable chance to balance out competing priorities and make careful, wise, and responsible spending decisions in veterans' benefits and services. Our amendment to increase Function 700 outlays by $800 million will entail an increase to the deficit of $600 million, due to a $200 million offset for increased revenues.

Mr. President, I have here a table showing total outlay needs in Function 700 of $20.4 billion based on the recommendations of the Veterans' Affairs Committee, from which I will read later. I ask unanimous consent that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF FUNCTION 700 OUTLAY NEEDS

	Million
I. Administration's budget: (NOTE.—The Budget assumes no cost-of-living increases in any benefit program and an 8% decrease in pension rates and a $300 decrease in maximum annual income limitations)	$17,200
II. Likely non-enactment of certain administration "cost-saving" initiatives: (Includes non-enactment of reduced time period for Vietnam vets to use GI Bill and certain other proposals which have been consistently rejected by Congress in the past)	900
III. Cost-of-loving increases:	
(a) Disability Compensation [1]	392.2
(b) GI Bill [2]	738.8
	1,131.0
IV. Legislation previously approved by Budget Committee and passed by one House of Congress:	
(a) S. 2635, Veterans and Survivors Pension Reform Act [3]	798.9
(b) Removal of undergraduate restriction on 9-month additional entitlement [4]	124.0
	923.0
V. Needed new legislative health care initiatives:	
(a) S. 2908, Veterans Omnibus Health Care Bill (which would focus health care resources on service-connected disabled vets)	106.0
(b) H.R. 3348 (exchange of medical information	4.0
(c) Extension of P.L. 94–123 (VA Physician Pay Comparability Act)	6.0
	116.0
VI. Needed additional appropriations:	
(a) Health care (to maintain existing health care caseload levels)	114.3
(b) General operating expenses (to facilitate collection of educational overpayments)	30.0
	144.0
Total	20,414

FOOTNOTES

[1] Compensation. From August 1, 1975 (effective date of Public Law 93–71) through December 31, 1975, the change in the Consumer Price Index was 160.6 to 166.3, a cost-of-living increase of 3.55%. Utilizing the President's assumed annual 1976 inflation rate of 5.9% and adjusting the assumed inflation rate for the 9-month period from January 1, 1976 to October 1, 1976 the increase in the cost of living for the period should be 4.42%. Thus the increase in the cost of living from August 1, 1975 to October 1, 1976 should total 7.97%. The Veterans' Affairs Committee, on the basis of cost estimates submitted by the Veterans' Administration, recommended an 8% cost-of-living increase, totaling $392.2 million.

[2] Education. From September 1, 1974 (effective date of Public Law 93–508) through December 31, 1975, the change in the Consumer Price Index was 150.2 to 166.3, a cost-of-living increase of 10.72%. Utilizing the President's assumed annual 1976 inflation rate of 5.9% and adjusting the assumed inflation rate for the 9-month period from January 1, 1976 to October 1, 1976, the increase in the cost of living for the period should be 4.42%. Thus, the increase in the cost of living from September 1, 1974 through October 1, 1976 should total 15.14%. The Veterans' Affairs Committee, on the basis of cost estimates submitted by the Veterans' Administration, recommended a 15% cost-of-living increase, totaling $738.8 million.

[3] The Senate Budget Committee unanimously approved S. Res. 322 providing a waiver of the Congressional Budget Act on December 11, 1975, in regard to the Pension Reform Act. S. Res. 322 and S. 2635 unanimously passed the Senate on December 15, 1975.

[4] The House of Representatives passed H.R. 9576 on October 6, 1975.

Mr. CRANSTON. What we have on this chart is critical and prudent spending needs totaling $20.4 billion. We are asking for $20.1 billion in our amendment because we believe we should and must dig and squeeze to get expenditures down. But we cannot work miracles. And the Budget Committee $19.3 billion outlay level would require either a miracle, or major surgery to cut out either pension reform or health care improvement or make drastic reductions in cost-of-living increases. These are cruel and unfair choices for the Nation's 29 million veterans and their 70 million dependents.

I urge the adoption of our amendment.

Mr. MUSKIE. Mr. President, I yield myself such time as I may require to discuss this amendment.

First of all, I express my appreciation to the distinguished Senator from California for his dedicated and hard work in the committee over the past year. He announced his own commitment to the process; I will reaffirm his commitment. He has been responsible, he is hard working, he has done his homework, and when he pursues an objective, as he does in connection with this amendment, he does it objectively, without recrimination of any kind, and with dedication to the objective he seeks. So it is a pleasure to work with him. That is my private judgment.

Mr. CRANSTON. I thank the Senator very much.

Mr. MUSKIE. With respect to this amendment, let me put it in some perspective, Mr. President. First of all, let me repeat what has been said on this floor several times this evening: this is not a line item budget. We undertake, as required by law, to set an overall ceiling on spending, and then we are required by law this year to break this overall spending limit down into the 17 functions of the budget.

In the case of this function, which includes veterans' programs, we settled on $20 billion in budget authority and $19.3 billion in outlays for fiscal 1977. We do not say what programs shall make up that total. It is for the authorizing committees and the Appropriations Committee to decide how those funds will be split up among the various programs, activities, and objectives in that function.

We are not, I repeat, a line item committee. It is true that in our discussions we discuss the principal components of these functions, so that we may have an understanding of what kinds of priorities we ought to have in mind when we set the overall figure; but the appropriate committees and then the Congress itself will fill in the details in the course of this legislation, the details under those overall numbers, $20 billion and $19.3 billion.

So we do not exclude the programs that the distinguished Senator from California has expressed concern about. We have said nothing or mandated nothing specifically about pension reform legislation or the GI bill and the benefit entitlement period. We have not specified what the law should say with respect to those program objectives. We have set overall dollar limits, and it is for the Congress subsequently to tell us what shall be the details.

With respect to those overall dollar limits, let me put this in perspective. First of all, those limits are current policy. In other words, they represent the cost in 1977 of continuing the programs and policies in this function. They do not cut back. There is a technical adjustment downward of about $400 million that does not represent any cut in current services. I shall be glad to explain that in more detail later. But what we have with the overall numbers is current policy, no cuts.

Those numbers, on the outlay side, are $2.1 billion higher than the President's budget for this function. Two point one billion dollars higher. The outlay number is $1.1 billion higher than the House number for this same function, and it is $1.7 billion higher than the Senate Appropriations Committee recommendation for veterans' benefits and services.

Those are substantial additional sums. May I say this in addition about our overall level: veterans' compensation, veterans' pensions, and readjustment benefit levels are not indexed for price increases as are some Federal programs; but current policy, as we have identified it and defined it in our budget, nevertheless includes estimated increases related to the consumer price index for each of these programs. In other words, there is a substantial inflation factor built into these programs, even though we are not required to do so by current law.

Inflation adjustments were also made in current policy estimates for other existing programs. All of the inflation adjustments in the committee mark reflect economic assumptions made by the Congressional Budget Office early this year. If we accept the latest CBO economic assumptions, an inflation cushion of $350 million has been provided for the function; and if in addition we accept a technical adjustment assumed by the President, the accelerated collection of readjustment benefit overpayments, there is an additional cushion of $100 million provided by the committee mark. The Veterans' Committee has discretion in the allocation of these sums.

Those cushions add up to about $450 million. We do not suggest in this budget resolution how that should be allocated. Surely, it is available for allocation, as the Veterans' Committee chooses, for the purposes that the distinguished Senator from California is interested in. But that is a decision for that committee to recommend to the Senate, it is a decision for the Senate to make, and then it is a decision for Congress to make. But there is this kind of cushion in these overall dollar totals.

The Budget Committee has considered the fact that Congress is considering legislation for both needed reform and long-term savings in pension and readjustment benefit programs. The Senate passed a pension reform bill last year. It is pending in the House of Representatives. There is no clear indication at the moment as to what its fate will be. If in fact it is enacted by the House, and if its cost is similar to that which is reflected in the Senate bill, the cushions I have spoken of—and perhaps there are others in the function—are available for application to that legislation.

I might point out, Mr. President, that if the effective date of the pension reform bill is deferred until next January 1, the cost of the pension reform bill will be reduced by $150. Next January 1 might not be too far from the date that the House and Congress, as a whole, finally acts upon it; therefore, we might save another $150 million. So there is plenty of flexibility in these numbers to include something other than the specific programs that have been benefiting veterans up to this time. The Budget Committee has not said no to any of the program objectives that Senator CRANSTON has outlined here today. Rather, we have said that we are providing an overall number as to both budget authority and outlays that will accommodate current services, an inflation factor, and provide some cushion beyond that for the consideration of additional legislation.

I think that the Senator's amendment provides also for the expansion of medical care for veterans.

Am I correct in that?

Mr. CRANSTON. It provides for improvements in medical care, not really expansion.

Mr. MUSKIE. Some improvement.

Mr. CRANSTON. One of the bills that we have been working on and which I believe will be enacted before too long would place greater stress on outpatient care of veterans. That can lead to savings if we get veterans out of the hospitals and into methods of care which avoid the great expense of unnecessary hospitalization.

Mr. MUSKIE. On that point, may I say that the Budget Committee did not allow anywhere in this budget for the growth or expansion of medical care in other functional areas, recognizing the need to control costs and to make major changes in the Nation's health care delivery system. It is a problem with which we have got to deal. And I hope we will continue to work on it, but we have not made budget accommodations for it.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes, I yield to the Senator from California.

Mr. CRANSTON. If the Senator will yield, I would just like to expand a little bit on the medical care aspect. The pending legislation, which our amendment would permit to be funded to some extent at least, represents 3 years of oversight, planning, and intensive work by the Committee on Veterans' Affairs and its staff. I believe that it amounts to an extremely important attempt to focus resources on service-connected care and to correct certain rigid statutory eligibility standards impairing effective patient care in VA hospitals. The VA needs authority to provide care for seriously disabled veterans. In the long run, obviously that can be a savings even though it does cause some additional expense. The VA needs authority for readjustment counseling for young veterans, family counseling in certain areas, and out-patient and halfway house, alcoholism and drug abuse rehabilitation programs. The bill meets those needs. Those are steps that can lead to very substantial savings not only in terms of dollars but also in terms of human tragedy.

If this pending amendment is not adopted, we may have great difficulty, I am afraid, in achieving these needed reforms.

Further in the medical care area, the bulk of our appropriations recommendation deals with providing necessary staff to meet minimal staffing levels to provide care for increased in-patient and out-patient workloads that are already being realized in the current fiscal year—right now.

Mr. MUSKIE. In closing, Mr. President, may I repeat that what we have done with respect to all functions, including this one function, 700, is to set as required by law overall ceilings for budget authority and for outlays. With respect to this function we have set those ceilings at current policy which means a continuation present policies, programs, and activities, including an inflation factor, even when we are not required to do so under current law.

In addition, I have pointed out flexibility in these numbers and possible cushions that are available for the consideration of policy initiatives that Congress may wish to take.

Mr. President, may I remind the Senate the purpose of these ceilings is to exert pressure on Congress to live within them. The setting of these ceilings does not mean that somewhere down the road in this legislative session Congress cannot change a ceiling for good and sufficient reason. But if the ceilings are not such as to exert pressure for savings, we will never achieve control of the budget, and we will never achieve a balanced budget.

Every one of these functions can come to the Senate and argue that the ceilings are unrealistic or too low. Let me remind the Senate that the committees of the Senate recommended to us programs totaling $439.7 billion in outlays for this year. I am sure that they felt just as strongly about those recommendations as the Senator and the Committee on Veterans' Affairs do about this function. But if we are to adopt a policy of granting everything that can be justified in terms of merits at this point, then we will have not an outlay ceiling of $412.6 billion but an outlay ceiling of $439.7 billion.

I think we have an obligation to try to live under these functional totals, realizing that we have the option under the Budget Reform Act to make specific spending decisions that will depart from those ceilings if we choose to do so.

And if we choose to do so, when we get to the second concurrent resolution next fall, we can adjust these targets to accommodate the changes that we have mandated. But if we make no effort at all in this first concurrent resolution to generate pressure for savings, weeding out lower priority programs, and eliminating waste, then we are simply going to see an escalating kind of expenditure on the part of the Federal Government that will know no end.

I remind the Senate that the outlay ceiling for the current fiscal year is $357 billion. That is $37 billion under the outlay ceiling that this budget resolution recommends to the Senate, and it is $65 billion under what the committees of the Senate have recommended to the Budget Committee. That is a range within which surely it ought to be possible for us to set a ceiling that is responsible and that deals with high priority needs that ought not to be neglected. If we are only going to look at the numbers at the top, we are going to fill up to it. We all know that. If we set a ceiling of $420 billion, Congress would move up to the ceiling. If we set a ceiling of $430 billion, Congress would move up to $430 billion. If we set a ceiling of $440 billion, Congress would move up to $440 billion.

I have been here 18 years. I do not know whose law I would subscribe this as being, but that is what would happen. We have given the Senate a ceiling of $412 billion, and we have given comparable ceilings across the board in every function. For many functions we have established the ceiling at current policy levels. May I remind the Senate that current policy for outlays is $424 billion. We have cut below that figure because we take the view that unless there is that kind of pressure we will never get Federal spending under control.

So I say to the Senate, I do not disagree as to the merit of the programs which the Senator from California has asked us to consider. I do not reject them at this point. I happen to believe that they conceivably can be accommodated under the budget totals that we have recommended.

If we vote on the Senator's amendment and defeat it, then I suppose we will be assumed to have rejected them. The Senator takes his risk on that score. I do not think this budget resolution rejects them. I do not believe it is necessary to reject them at this time. There is flexibility both in the consideration of the legislation which he has brought before us and any subsequent consideration of the budget which may make is possible for us to accommodate them. But if that decision be forced now, by an increase in the functional totals beyond what I believe to be necessary at this time, consistent with the obligations of the congressional budget process, then I would have to oppose the amendment—not because I oppose the programs the Senator uses as justification for his amendment, but because I do not think it is necessary at this time to raise the functional ceilings and thus invite increased Federal spending and a larger deficit.

I yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I just want to speak a moment, because the hour is late, and I understand that the vote will not occur until tomorrow morning. I understand that was agreed to, with the hope that perhaps our colleague, the Senator from California, would have time to corral the Senators and that the veterans groups would all call in and enough pressure would be brought so that we could adopt his amendment tomorrow, whereas we probably would not do so this evening. I hope, on the contrary, that the distinguished Senator from California will reconsider overnight and perhaps want to withdraw this amendment in the morning.

I join in the chairman's recognition of Senator CRANSTON's sincerity and dedication. We sit side by side on the Budget Committee. Our chairman has worked day and night. He has worked us until 11 o'clock at night. We have been canceling things all year long. We have kept up with the pace that the chairman has set and the law has set and the pace that we, in a sense, have set for ourselves. No one has been more loyal and harder working than the Senator from California.

However, having been a comptroller, I think it is really sad, in a sense, that the very first thing out of the box is an amendment that comes from within the membership of the Budget Committee to bust the budget. If we cannot work together and bring about a self-discipline within the Budget Committee that can work its will within the membership, I do not see how we are ever going to hold the line.

Of course, one of the most sensitive subjects is that of veterans' affairs. All of us are veterans, and we never can do enough to show our gratitude; and we never, in a sense, really will provide enough, and we know that. Yet, we do our dead level best.

The committee is ably led by Senator HARTKE and my senior colleague, Senator THURMOND, the ranking minority member. It has been led by them for years, and they have not been puny or denying as to the needs of the veterans.

I happen to know, as a member of the Appropriations Committee, that the recommendation to the Budget Committee by the Appropriations Committee for funding of veterans programs was not treated casually by Senator PROXMIRE. He serves as the chairman of our Independent Agencies Subcommittee, along with Senator PASTORE, Senator STENNIS, Senator MANSFIELD, who is a veteran of all three services, Senator BAYH, Senator CHILES, and Senator HUDDLESTON, on the majority side. We have on the minority those who have been considerate of appropriations: Senator MATHIAS, Senator CASE, Senator FONG, Senator BROOKE and Senator THURMOND.

It is interesting to watch how they work. I work on these other subcommittees.

We were all admonished by Senator MCCLELLAN to go back and hold the line. We are deficit financing. Inflation was now going to raise its head as an enemy, along with unemployment, if we did not set a measure down in a meaningful way, to cut back, if you please, the $75 billion deficit on current policy, and we all tried our dead-level best to do that.

Looking at the President's provision, they concluded in their recommendation—and they checked this out with the Veterans' Committee, on which the distinguished Senator from California serves.

This subcommittee of the Appropriations Committee recommended an increase of $360 million in budget authority for the Veterans' Administration. Of this increase, $350 million is attributable to the likelihood that Congress will not only extend pension increase legislation scheduled to expire September 30, 1976, but also provide a further cost-of-living increase. An additional $10 million increase is recommended to allow the subcommittee the opportunity to consider the initiation of worthwhile major hospital construction projects.

We did even more. I had never worked with a more able staff than that of the Budget Committee. I do not know where we found them. The record of success thus far, in large measure, goes to the staff, because they worked with those who have been working for years in the authorizing and appropriations committees, to get a feel for these programs. They have come from some of those committees. They bring a tremendous expertise.

Someone on the conservative side in the Senate said,

> Heavens, above, you already are above the President's budget $2.1 billion; but that is not bad enough. You even found, with all our House Members, $1.1 billion more than the House Budget Committee. Then, when it came to the Appropriations Committee, having considered that, you are $1.7 billion over.

Someone could well have offered an amendment here and said, "How do you expect us to hold the line when you are even going above your Appropriations Committee by $1.7 billion?"

Instead, the Senator from California says, "No, let's have $800 million more."

In all candor, we are not going to hold that with the House. We know that.

I am glad that we do not have the full membership present in the Senate Chamber. I am glad not many are here to hear us, the members of the Budget Committee. It is a little family dispute. But if we are not going to protect the budget on this matter, how can we hold the line? There are others with worthy arguments.

The Senator says "defense," and this, to me, is defense. These are veterans of defense. We cut the regular defense pay back to the pay cap of 4.7 percent in order to save $2.2 billion. We have all kinds of adjustments—$4.5 billion there—and recommend starting a contributory pension plan to try to reorganize this whole thing with respect to defense costs.

I ask this of the Senator: He knows that everybody in Congress wants to do the right thing by the veterans, and the veteran is being eaten up by inflation as much as anybody else. We have cut some $10 billion from current policy in trying to mark up this budget over a week of days and nights. We have done pretty well to come out at the current policy level for veterans, at $2 billion over the President's figure and $1.7 billion over that of the Appropriations Committee.

Let us try to argue to hold that, because we are $1.1 billion over that of the House. We are going to have a tough time when we meet with our friend BROCK ADAMS and his House committee. Let us try, in a unanimous fashion, to get behind our own Budget Committee and hold the line for our veterans' figure, which we all know is very deserving. But let us not start at the beginning kickoff with $800 million added on because of these very worthy and meaningful programs that we all hope to put in.

I believe we have gone far over. We have done the best we can for the ensuing fiscal year in this budget, commencing in October. It is hard. I do not think that we ought to act in any way that we are too conservative or too generous with the veterans' part of this particular budget. In essence, we could really have somebody walk in here and try to cut it back. I ask my friend from California to sleep on that a little as a form of control.

The Senator knows how it is. We are all denying a lot of these programs that we wanted, but if we do not set the example—I am on the State, Justice, Commerce Subcommittee. My friend from Indiana wants more money for criminal justice and juveniles. He already has a million dollar one in here. I tried to tell him as politely as I know how, I am a cosponsor of the program and everything else, but we cannot go that way.

We have other changes sought by my friend from Louisiana (Mr. LONG). We have a $2 billion one in here.

If we are going to start raising spending on the one hand and cutting down the revenues on the other hand, I think we have really started down the wrong road.

I hope that we can explain it as I did to my veterans. The VFW State commander, one of the best friends I have, had me on the telephone all last night. When he realized how well we had done, he said. "We are all calling around. I will tell my people let us not call around. Let us give them a little peace and quiet tonight and help them stabilize this budget tomorrow morning and get off on the right foot."

Mr. CRANSTON. Mr. President, having worked on the various legislative matters that are relevant to this amendment for some 3 years in great detail, I rather doubt that I shall change my mind while I am sound asleep tonight.

I do want to say to my friend from South Carolina and my friend from Maine that I do not want to see us break the budget. I do not want to see an increase in the deficit. I plan to support offsetting cuts in the proposed budget so that if this amendment is adopted, my vote will be there to cut an equivalent or greater amount out somewhere else so that we do not increase the deficit.

As comptroller of the State of California and in business, I learned the virtue of short-term investments that produce long-range profits or savings. That is really what we are talking about in this particular amendment.

As to the solidarity of the Committee on the Budget, last year I felt it was very important that Budget Committee members stick together on the floor. The chairman and the ranking Republican member (Mr. BELLMON) urged that we do that when the resolution was adopted a year ago when it was the first experiment with this fledgling new budget process. I opposed certain amendments offered then, specifically an amendment that would have increased money for the unemployed Americans, for job programs for them, because of the need to insure that the budget process got off to a successful start and was not upset in any serious way in that first year. I think we are in a somewhat different circumstance now. We have had a year of successful experience.

After all, the budget process is, most of all, one relating to fiscal responsibility and to the determination of priorities in Government programs and expenditures, and some of us simply have somewhat different sets of priorities. The chairman (Mr. MUSKIE) laid claim, when speaking to the Committee on the Budget this year just before we issued our report, that he did not think it was as important that year that we all stand behind the exact report, the exact figures that came out from the committee. He repeated much the same thing this afternoon on the floor when he said, among other things, in reference to the figures reported:

> I expect some of them may be amended. That is fine with me. The budget resolution is not Holy Writ. It is simply a reference point to help the Senate express its will.

This amendment provides an opportunity for the Senate to express its will on one very important part of the budget resolution and of the critical programs of the Federal Government.

The Senator from Maine said that if we granted every request for more money, we would come up with some huge total that might add to spending this year. Of course, we should not do this. We should exercise judgment. I have exercised mine. Senator THURMON, Senator

RANDOLPH, and Senator HARTKE have exercised theirs in deciding to support this particular amendment, and have joined with me in offering it.

The Veterans' Affairs Committee did not approve every request that came before us. Far from it. Some very serious, strongly supported programs totaling over $5 billion were not recommended by the Veterans' Committee. What we did in the March 15 report was exercise our judgment in offering what we felt was wise and necessary. Now, this amendment represents further reductions we have made after the action of the Budget Committee.

We are not by any means supporting everything that was supported by the Veterans' Committee. This amendment represents a lesser figure. But we should each exercise our judgments and grant requests, if that is our will, and turn them down, if that is our will, now, not next September when another resolution is before us, because we can lose some very valuable time, retard some very valuable progress, and maybe miss some very important savings in respect to this particular amendment if we do not adopt it now.

Before closing—I know it is the desire of all present that we end shortly—I wish to comment on just one other aspect of the distinguished chairman's statement in response to my opening statement in regard to this amendment, and then go through a few figures with him.

He indicated that we can accommodate pension reform and accommodate cost of living increases within the figure offered to us in the budget resolution. I have to differ on that point. I do not see how we can.

Mr. MUSKIE. Will the Senator yield?

Mr. CRANSTON. Certainly.

Mr. MUSKIE. I do not think I said that we could. What I said was that we should try. There is evidence of flexibility under these numbers that we ought not to ignore as we pursue that objective. I cannot guarantee, as the Senator knows, what line items will be included in any function. The guiding principle of the Committee on the Budget is that we do not try to make up the line items.

The figures I gave the Senator about possible flexibility in the budget were given to me by Sid Brown, who is our very able numbers man, as the Senator knows. Those figures represent an inflation factor that is built into the committee mark that could be made available for legislative initiatives. We ought to take advantage of whatever flexibility there is in the function in order to include additional high-priority items. That is really the way I would put the point.

Mr. CRANSTON. Let me say that I do not see the point in trying to do something that simply cannot be done. We have gone through these figures and we find that we cannot accommodate these programs. The chairman has seemed to contradict the very words of the committee report. The committee report says:

> Current policy includes estimated increases related to the consumer price index for each of these programs. Inflation adjustments have also been made in current policy estimates for other existing veterans programs.
>
> The committee considered the fact that Congress is considering legislation, both for needed reforms and long-term savings in pension and readjustment benefit programs. It is the committee's view that funding for such an initiative can—I emphasize "can"—be accommodated within current policy totals.

If we go through the figures, I do not see how that "can" can be substantiated. The report tries to have it both ways—to be all things to all veterans, as it were. But the hard figures refute any such assumptions.

Mr. MUSKIE. I am surprised to hear the Senator make a statement like that, because I heard him tightly examine numbers that the Defense Department, for example, considers wholly right, untouchable, immovable, and unsqueezable in terms of getting at waste. The Senator and I know that they can be squeezed. We have learned in more than a year—a year and a half—of experience on the Committee on the Budget the numbers that are brought to us are not locked in concrete, they can be improved upon. There are savings that can be achieved.

Mr. CRANSTON. We are not talking about administration proposals here.

Mr. MUSKIE. No, I am talking about any proposals. I do not think that our numbers are necessarily any harder or firmer or more accurate or more precisely anticipatory of the future than the administration's.

When we left the Senate with the first concurrent resolution last year we had no assurance that the numbers we had adopted would be adequate to fund all of the program decisions that the Congress would make in the year that has passed since that time. But somehow it has been done, and we are pretty close to the mark without specifically providing for every program that has since been supported. Frankly, I say to the Senator that I think he makes a mistake in risking these programs by offering an amendment that raises the implication that these specific programs are at issue here.

I do not think they are at issue in the budget. As a matter of fact, the language the Senator quoted from the report appears to be a strong endorsement of the programs because the language says they can be accommodated.

Now the Senator is saying with his amendment that they cannot. So if the Senate defeats the Senator's amendment then the Senate will have said in disagreement with the Budget Committee that these numbers cannot accommodate these programs.

Mr. CRANSTON. These programs are now being jeopardized; they are put in risk by the very figures that have come out of the Budget Committee.

Mr. MUSKIE. I know the Senator believes that or he would not be offering the amendment.

Mr. CRANSTON. Of course.

Mr. MUSKIE. I do not believe it, and so I see no reason to put these programs at risk when one takes into account in addition what is the fact, what is the law, that if those programs cannot be accommodated under these numbers the Senate can change its mind about these totals down the road.

But with that kind of an approval, implied approval, in the committee report, it seems to me that the Senator's objective is very well-served, and he could use that language when the legislation comes before the Senate to argue for a rise in the ceiling if the ceiling at that point will not accommodate the programs.

Mr. CRANSTON. I know that we do not deal with line items in the Budget Committee and in the budget resolution. But I think it makes a mockery of the budget process to suggest that we can do a large number of things within figures for which there is simply not room to accommodate those programs. And then to seem to invite us to go ahead and do them—or try to do them—with the expectation that we can raise the levels in the second concurrent resolution.

I would just like to run briefly through a few figures, and then we will cease so far as I am concerned.

The President's budget submitted to us for veterans affairs, in the veterans' category, was $17.2 billion in outlays. Seventy-four percent of veterans' appropriations go for transfer payments to individual veterans and their dependents. It is tough to find room for much of a cut when that is the starting point for the budget. Maybe a little bit of fat can be found in it. We have been trying to do that for a substantial period of time. We have found some. How much is left I do not know.

Then to the $17.2 Presidential request you have to add $900 million because the President, in his budget, took credit for certain cost-saving initiatives, as he has in several other categories of the budget, that are simply not going to occur. His cost-saving initiatives include enactment of a reduced time period for Vietnam-era veterans to use the GI bill and certain other proposals which have consistently been rejected by Congress in the past. Therefore, there is no reason to assume we are going to accomplish them at this time.

Mr. MUSKIE. I have not had a chance, of course, to look at the Senator's numbers list, but just to make my point out of the Senator's own list, in IV, our legislation previously approved by the Budget Committee and passed by one House of Congress, S. 2635, the Veterans and Survivors' Pension Reform Act, $798.9 million.

Two things about that number: One, there is an inflation factor in that number that is higher than we now think it is necessary to assume. That is going to provide dollars. Overall in the function I have given the Senator a figure of $350 million, so there is more inflation money in there than you need to assume, so that gives you something to add to something else.

Mr. CRANSTON. Fifty million dollars at most from that item. And we have in our amendment assumed the need to cut $300 million.

Mr. MUSKIE. But, second, that $798.9 million figure assumes an effective date of October 1, 1977.

Now, the Senator may have a crystal ball that tells him that that date is fixed in holy writ, but I suspect that those who are interested in the legislation would be happy if the bill became effective January 1, 1977. A savings of $150 million would result from this change in the effective date of the legislation.

Now, what is wrong with using this kind of flexibility to serve the purpose of both budgetary prudence and a worthwhile program?

Mr. CRANSTON. That could save $150 million. We have cut $300 million in our amendment. You have not reached that figure yet.

Mr. MUSKIE. No, I am not going to provide a long list of specific items. The Senator has offered me this list to indicate how tough it is to save any money for veterans' programs. And without having had a chance to examine it in detail, I have put my finger on what appears to be a possible reduction in the estimate for one item on that list.

Why does the Senator put at risk these programs to which he is so deeply committed? What I am saying to him is that we do not have to decide whether or not those programs ought to be defended now. I am saying is that there is—we can find—a considerable amount of money in these numbers to help fund them, and that in other ways we may be able to live within the committee mark.

Why then does the Senator force a decision on those specific programs now when the decision could be negative, and thus put the programs in greater jeopardy than the Budget Committee has in its resolution?

Mr. CRANSTON. Well, the Senator has stated, and this Senator agrees, and I am sure all other Senators agree, that there are no immune items in what we are considering. Where funds can be found for needed programs, they can be found. But it is very difficult, and if we find funds for certain of these programs, they will be found, they will be carried forward within the final figure. But it is obviously impossible to come up with anything like $1.1 billion, which is the difference between our estimates and the Budget Committee recommended outlay level.

Mr. MUSKIE. Of course, if the Senator keeps raising his figure, it becomes harder and harder for me to find the money.

Mr. CRANSTON. I am not raising any figures. Those are the figures I discussed in the Budget Committee, and the figures in the chart. The amendment calls for lesser figures, and we can squeeze some and we may have to.

Mr. MUSKIE. The Senator is offering a $800 million amendment which he says is abundant to fund the program. Then he has challenged me to find money to meet it. Then the Senator raises the target to $1.1 billion. I cannot hit a moving target.

Mr. CRANSTON. Leave it at $800 million and see if you can hit $800 million.

Mr. MUSKIE. What the Senator is asking me to do is what he knows perfectly well I will not do, and that is fill in the line items in this function. I will not do it because I do not think it is necessary. I do not think that is the nature of this budget process.

I think we have provided overall numbers and, remember, that for the budget resolution as a whole we are $9 billion below current policy. In this function we are at current policy. So we have been tougher on many other functions than we have been on this one.

I repeat to the Senator I think he has got a legislative record, if he drops this amendment, that goes farther to advance the programs he is advocating than a defeat on this amendment could possibly do.

Mr. CRANSTON. Well, all I will say in conclusion is the Senator cannot find the figures and I cannot find the figures. They cannot be found within the figure the Budget Committee has reported.

Mr. MUSKIE. In addition, may I say to the Senator that, we have mandated savings in several other places. We have not specified where the savings should be found.

The distinguished chairman of the Finance Committee has an amendment at the desk to wipe out some of those savings we have mandated. I assume he will challenge me to specify in detail where they can be found, and I will not be able to. I can suggest some directions. That is our responsibility. But I do not agree with the Senator that I or any member of the Budget Committee has a responsibility to line item this budget or to find every penny to fund every worthwhile policy initiative that we have expressed an interest in.

If we were to be required to do that the only way we could meet that challenge would be either to approve the $439.7 billion outlay number or simply submit to the Senate this year's outlay total, $376 billion, and say to the Congress, "Now, it is up to you. Above that the sky is the limit."

What the Senator is asking me to do is to identify every penny for every policy initiative that has not been finally decided in the Congress, but which we have every right to consider and enact within the budgetary constraints we have laid down.

The Senator knows perfectly well that is not the nature of our responsibility.

Mr. CRANSTON. No; and in discussing cuts that were made in other categories, there was a theory examined, discussed, weighed, urged in the Budget Committee at the time a target was agreed to. There was no such process gone through, there was no justification presented for this reduction when it was moved in committee from what has been recommended by the Veterans' Affairs Committee.

I would just also add that the actual cost-of-living increases are something that are rather easy to figure out, and should be rather automatic, if we wish to treat veterans like other members of our society.

Mr. MUSKIE. May I say to the Senator on that point that we are the only agency, of the White House, of the House, and of Appropriations Committee, we are the only agency which has given cost-of-living increases.

What is the Senator implying? Our numbers included those.

Mr. CRANSTON. They are not adequate today for the cost-of-living increase in disability compensation, and costs in GI bill as well as for pension reform.

The other point I was starting to make, the other major items the Veterans' Affairs Committee recommended constitute not just ideas dreamed up by members of the committee; they represent legislation passed by either the Senate or the House. So apparently, there is substantial support for these programs, not just legislation we have expressed an interest in.

Mr. MUSKIE. Did I say that they were ideas just dreamed up?

The Senator read the language from the committee report.

The report expresses a strong sympathy for the programs. Why does the Senator insist on making a case against his own objective?

And also with respect to specific program items again, of course, we did not go through every piece of substantive legislation that is likely to emerge out of this Congress.

Thanks to the Senator's interest, to his knowledge and to his background. I think we got into more detail in this function than other functions.

The same is true of the education function in which the distinguished Senator from Minnesota is such an expert, and in that function we went into more detail than in many other cases because he was interested.

And the Senator from South Carolina in the natural resources, energy and environmental function, because of his background in the energy field, he went into detail.

In no case did we go into greater detail than we did in the veterans' function.

But we do not write legislation, we do not line item the committee work.

Mr. President, I think we ought to save a little time tomorrow to continue this discussion. I think it has been a good one. The record is there. The Senator from California, as always, has made a good record for his case, even though I disagree with it.

So I hope our colleagues will have something interesting and enlightening to read in the morning before they come in to vote.

I express my appreciation to the Senator from California and the Senator from South Carolina in helping put this record together this evening, and I will see them in the morning.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 9 a.m.

After the two leaders or their designees have been recognized under the standing order the Senate will resume consideration of the then-unfinished business, Senate Concurrent Resolution 109, the concurrent resolution setting forth the Congressional Budget for the U.S. Government for fiscal year 1977.

Rollcall votes are expected during the

day, and I feel that there is good reason to anticipate that the first rollcall vote could occur as early as 10 a.m.

The distinguished majority leader has indicated that the Senate may be in late tomorrow, so it is hoped that final action can be taken on the budget resolution tomorrow.

Again, a rollcall vote may occur as early as 10 a.m., and other rollcall votes are anticipated throughout the day.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MUSKIE. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 8:45 p.m., the Senate adjourned until tomorrow, Friday, April 9, 1976, at 9 a.m.

EXTENSIONS OF REMARKS

REPEAL OF TRUCK AND BUS EXCISE TAXES

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Thursday, April 8, 1976

Mr. GRIFFIN. Mr. President, recently I appeared before the Senate Committee on Finance to urge repeal of the Federal excise tax still levied on trucks and buses. Inclusion of such a repealer as part of the tax reform legislation now under consideration would serve importantly to stimulate new sales and more jobs in a segment of the motor vehicle industry that still suffers from a deep recession.

Whatever justification once existed for these particular taxes, they now represent the last vestiges of emergency and temporary excise taxes enacted during the Great Depression and World War II. Congress has already repealed excise taxes levied on everything from refrigerators to jewelry. Federal excise taxes on automobiles and light trucks were repealed several years ago.

For a new truck, the costly excise tax adds between $2,500 and $3,000 to the price of a rig—a major factor in causing heavy truck sales to plummet by 40 percent in 1975 and a further 20 percent in the first 3 months of this year.

Mr. President, I ask unanimous consent that the text of my statement before the Finance Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORE, as follows:

STATEMENT OF SENATOR ROBERT P. GRIFFIN

REPEAL OF TRUCK AND BUS EXCISE TAXES

Mr. Chairman and members of the Committee: I appreciate the opportunity to testify today in support of legislation to repeal the 10 per cent Federal excise tax on new trucks and buses, and the 8 per cent tax on parts and accessories for those motor vehicles.

Just over a year ago, on March 6, 1975, I joined with my distinguished colleague Senator Hart in introducing a bill, S. 974, to repeal these discriminatory excise taxes. At that time, sales of both autos and trucks were down sharply. And the unemployment rate in the auto industry was nearly 25 per cent—the highest jobless rate of any major industry in the United States.

It will be recalled that your Committee responded appropriately by incorporating this proposal as an amendment to the tax reduction legislation. The Committee-approved amendment was passed by the Senate but was dropped in the House-Senate Conference.

Today, while the economic picture is generally brighter for the auto industry as a whole and its workers, the same cannot be said for that segment of the industry still subject to these excise taxes. In fact, during 1975, truck sales dropped 40 per cent below 1974 levels. One major company—Diamond Reo—went out of business—which left nearly 2,000 jobless. And truck sales are still down. In the first three months of this year, heavy truck sales declined more than 20 per cent from the comparable period in 1975.

It will be recalled that, in 1971, Congress repealed the remaining 7 per cent Federal excise tax on passenger automobiles. That action stimulated higher sales and generated thousands of jobs in the auto industry.

If the remaining excise tax on trucks and parts were to be repealed now, the action would provide a needed "shot in the arm," not only for Michigan—which still suffers from an unemployment rate of about 13 per cent—but also for many other States. In fact, in California, Illinois, Indiana, Missouri, North Carolina, Ohio, Pennsylvania and Texas, there are more workers employed in manufacturing bodies and trailers for trucks and buses than in my own state of Michigan.

Throughout the country there are 895 businesses, employing more than 63,000 workers, involved just in the manufacture of truck trailers and bodies for trucks and buses. And more than 150,000 workers are engaged in all phases of truck and bus production, including the manufacture of parts, accessories and related equipment. All of these companies and their workers have been severely hurt by the sales decline in their part of the industry.

Furthermore, to remove the excise tax and reduce the purchase price of trucks, buses and parts, would contribute to the progress that has already been made in slowing the inflation rate. And lowering the purchase cost of these vehicles would be particularly helpful to small businessmen, including farmers and independent owner-operators of semitrailer rigs, who have been hard hit by the recent bout with inflation.

Whatever justification once existed for these taxes, it has long since passed. They are the last vestiges of the "emergency and temporary" excise taxes enacted during the Great Depression and World War II.

Congress has already repealed excise taxes levied on everything from refrigerators to jewelry. And we have repealed excise taxes on all other forms of transportation, including motorcycles, local transit buses, refuse collection truck assemblies, automobiles, light-duty trucks and automobile parts.

In the tax bill now pending before this Committee—H.R. 6860—the House has included provisions to repeal the excise tax on intercity buses. The time has come, I suggest, to complete the reform by repealing the taxes on the sale of heavy-duty trucks and truck and bus parts.

These taxes have been dedicated to the Highway Trust Fund, but truck and bus operators are subject to fuel taxes and other user charges, like everyone else. Of course, all highway users should pay their fair share of the costs of maintaining this system, but it is not fair to continue a discriminatory sales tax, which applies to no other form of transportation.

Furthermore, the impact of repeal on the Highway Trust Fund would not be great. These taxes account for only about 10–11 per cent of Trust Fund revenues—and the Trust Fund has a surplus which has increased in recent years to more than $9 billion. Despite a slight revenue drop in FY 1976, due to the effects of the recession, the FY 1977 budget projects that the surplus will increase by nearly $200 million during the next fiscal year.

Mr. Chairman, I strongly urge that whatever tax legislation is reported by the Committee include provisions for the repeal of these excise taxes. This is a long-overdue tax reform measure which will stimulate employment and sales in an industry which is still suffering the effects of the past recession.

Thank you.

CONSUMER COMMUNICATIONS REFORM ACT OF 1976

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. FRENZEL. Mr. Speaker, I am cosponsoring today with several members of the Minnesota delegation the Consumer Communications Reform Act of 1976. This bill is identical to S. 3192 introduced by Senator HARTKE

My purpose in introducing this legislation is to encourage Congress to conduct a long overdue review of our telecommunications policy.

Congress has not carried out this kind of comprehensive review since enactment of the Communications Act of 1934. This act embodied the philosophy that telephone service should be readily available to most Americans at reasonable rates regardless of the cost of providing that service. In order to implement this policy, price averaging mechanisms were introduced to shift revenue from high volume, low-cost commercial and long-distance service to help pay for services to residential and rural customers. Without this kind of cross-subsidization it was felt that millions of Americans would find the cost of adequate telephone service prohibitive.

In a series of rulings over the past several years the Federal Communications Commission has sought to introduce competition into the telecommunications business. Competition is a good thing, but in this case it has some counterproductive aspects. Most of this competition quite naturally has tended to be concentrated in the more lucrative dense urban and interurban communication corridors. While this competition has had the salutary effect of reducing costs to some high volume customers, it has also tended to undermine the cost-averaging system.

Those critical of this new thrust maintain that this will soon begin to sharply reduce profits that are currently being used to hold down rates to residential and rural telephone customers.

Competition has also been thrust into the equipment aspect. Previously telephone companies provided and maintained all equipment. Now outsiders may provide equipment and phone companies are obliged to hook it up. That is a good idea in some respects, but, it does mean that phone companies can no longer guarantee the quality of equipment used in their systems.

There are obvious questions of equity and tradeoffs whether we adopt the competitive approach or maintain the current regulated monopoly system. It is difficult to impose competition on a monopoly system and expect both systems to deliver the best elements of each system. If after fully airing the issues, Congress chooses to abandon cost-averaging in favor of unfettered competition and pricing based on cost of services, then we should write this philosophy into law.

We should not permit a regulatory agency to back us into this posture by default. We have an obligation to fully consider these policy questions. We should set policy and let the FCC monitor our policy. We should not always be in the position of reacting to FEC policy. Hopefully the introduction of this legislation will serve as a catalyst for this review.

SOUTH JERSEY CHAMBER OF COMMERCE STATEMENT OF SOLID WASTE DISPOSAL

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. FORSYTHE. Mr. Speaker, solid waste disposal has been generating a great deal of interest in recent months. It is a problem that will be compounded as our population grows, and it is a problem that will have increasingly serious consequences for the Nation unless an adequate solution is discovered.

A substantial part of the recent hearings on solid waste disposal held by the Government Operations Subcommittee on Conservation, Energy, and Natural Resources has concentrated on the role of private industry and local government in handling solid waste disposal. These hearings provided much valuable information emphasizing that the major part of the initiative in developing viable solid waste management systems should come from industry and local governments rather than from the Federal Government.

I would like to provide for the information of my colleagues in the House, therefore, a recent statement about solid waste disposal by the South Jersey Chamber of Commerce. The detailed analysis of the chamber highlights the principal problems and available solutions, and makes recommendations as to action. The statement also incorporates a resolution of the AFL-CIO calling for attention to the problem of solid waste disposal. Such thoughtful discussions of this complex problem indicate the willingness of both business and labor to approach the issue without totally depending on the initiative of the Federal Government.

Such willingness to get involved with the problems facing the United States is particularly heartening at a time when we are becoming more and more aware of the true magnitude of those problems. I strongly commend the members of the South Jersey Chamber of Commerce for their farsightedness and initiative and recommend their statement to my colleagues in the House:

SOUTH JERSEY CHAMBER OF COMMERCE,
Pennsauken, N.J., February 24, 1976.

Hon. EDWIN B. FORSYTHE,
331 Cannon House Office Building,
Washington, D.C.

DEAR ED: For the cave dwellers, solid waste disposal was no problem. They just threw bones, broken spears, chipped stone tablets and worn-out animal skins into one corner of their cave. When the corner was full, they moved to another cave. Today, unfortunately, we don't have enough caves to practice this method of solid waste disposal.

As we expand our ability to discover and use the earth's resources to increase man's span of life and better his quality of life, we also cause problems in achieving this life.

Two of the principal problems are:

(a) What to do with our solid waste

(b) How to conserve the four basic resources: material, energy, manpower and money.

Conservation of these four resources must be conducted in an atmosphere of efficiency. It makes no conservational sense to spend $30 per ton for recycled glass when new glass is $20 per ton. The copper and lead industries, with 50 percent of output in recycled material, are good examples of production efficiency. So is the iron and steel industry where 31 percent of manufacture is in recycled materials. When efficient methods are made available, material will be recycled.

We believe, therefore, that any proposed solution to the solid waste problem must be efficient in conserving the four basic resources. What solutions are available? Basically, there are three:

(a) Dumping or land-fill

(b) Recycling

(c) Conversion to other material or energy

No single one of these approaches is the final answer to the solid waste problem; each has its own particular advantages and disadvantages.

Landfill is best for solid building waste, e.g., bricks, stone, concrete, macadam. Landfill is limited, however, and not particularly suitable for packaging materials and industrial waste.

Recycling is best when its efficiency is near the cost of new material. Efficiency here refers to the complete system of collection, storage, sorting, reshipping and controlling. Industrial solid waste, because it is usually readily collectable at a plant site and can usually be pre-separated, is a good source for efficient recycling.

Conversion is also becoming more economical. Using current technology, processing plants are developing efficiency in the recycling and conversion of solid waste into reusable material and energy. Generally, these plants consist of:

Unloading and storage facilities—storage to allow plant operation during interruption in solid waste collection;

Shredders—to make the waste manageable;

Magnetic separators—for ferrous metals;

Screening and air classification—for sorting material by weight;

Fiber reclamators—for paper and fiber sorting;

Incinerators and pyrolysis units—for generating heat and steam from the nonreclamable waste (mostly plastics);

Attendant pollution abatement equipment.

These plants are working now. In Europe, more than 100 plants are on-steam while in the United States, there are test plants in California, Massachusetts, and Missouri, and another is planned for New Jersey. With further use and development they will not only take care of our solid waste problem but will also help offset the energy shortage by producing heat and electricity.

On the basis that the positive alternative is preferable to the negative one, it is the position of the South Jersey Chamber of Commerce:

(a) To support legislation that:

Promotes the efficient disposal, recycling and conversion of solid waste;

Encourages development of solid waste technology; or

Stimulates private initiative in solving solid waste problems, and;

(b) To oppose legislation that:

Detracts from the quality of life;

Mandate "source reduction";

Limits the consumers choice of products;

Is inefficient in the use of the four resources: material, energy, manpower, and money; or

Stifles private initiative in its quest for solutions to solid waste problems.

The United States of America has solved many problems and overcame many difficulties in its history. The dual problem of solid waste disposal and energy supply can be solved by a concentrated and coordinated effort of all three sectors of our country; the consumer, private industry, and government.

Attached is a copy of an AFL-CIO resolution introduced in the Congressional Record by Honorable Robert W. Kasten, Jr., of Wisconsin on November 5, 1975. This resolution essentially supports the same objective as the South Jersey Chamber of Commerce position.

Sincerely yours,

RUSSELL A. NOBLE,
President.

RESOLUTION: SOLID WASTE POLICY

Resolution No. 20—By Delegates Vernon E. Kelley, H. Max Webster, Eddie R. Stahl, Henry S. Olsen, Matthew Davis, Aluminum Workers International Union; Thomas F. Miechur, Richard A. Northrip, Joseph J. Knapik, Kent Weaver, Toney Gallo, United Cement, Lime and Gypsum Workers; United Glass and Ceramic Workers; George M. Parker, Ivan T. Upcapher, John Gettys, David Pierson, William J. Edwards, American Flint Glass Workers Union: Harry A. Tulley, James E. Hatfield, Lee W. Minton, Stanley Brown, Edward L. McMahn, Stanley Levy, Glass Bottle Blowers' Association; S. Frank Raftery, Michael DiSilvestro, L. M. Raftrey, Ernest Seedorf, Peter Yablonsky, James Damrey, Walter Zagajeski, Mr. R. Cook, Painters and Allied trades; Lester H. Null, Sr., Philip Cohen, Edward Kasper, Fred Tanner, Pottery and Allied Workers; I. W. Abel, Walter J. Burke, John S. Johns, Roy II, Stevens, Michel F. Mazuca, Hugh P. Carcella, Edward E. Piato, Wm. Moran, Joseph Odorcich, Kay Kluz, Homer E. Bussa, Frank Lesenganich, Joseph J. Kender, Charles Younglove, Harry O. Dougherty, Bertram McNamara, Lloyd McBride, M. C. Weston, Jr., Howard Strevel, James E. Ward, United Steelworkers of America.

Whereas, A clean environment and full employment are not incompatible; in fact, they can and should go hand-in-hand, and

Whereas, The AFL-CIO position is especially pertinent in relation to the twin problems of solid waste disposal and depletion of valuable natural resources. The answer to these companion problems lies in transforming waste into usable products, and

Whereas, The answer does not lie in proposals to ban disposable cans and bottles or to curtail use of certain materials. These proposals are really "non-solutions." By disrupting industry and causing heavy losses of jobs, more problems would be created than solved, and

Whereas, the AFL-CIO opposes legislation—at any government level—which seeks to resolve this problem by restricting the sale or use of non-returnable containers, regardless of the unemployment and other negative consequences, and

Whereas, the AFL-CIO endorses a policy of maximum resource recovery and energy conservation as they offer the only meaningful solutions to the nation's solid waste disposal needs. Accordingly, expanded resource recovery and energy conservation should be encouraged, in conjunction with present disposal methods, through the establishment of policies and programs compatible with national employment, environmental, and energy objectives; therefore, be it

Resolved: In order to meet these policy objectives, this Convention recommends that the Congress take positive action in supporting legislation which would include the following proposals:

(1) promote the demonstration, construction, and application of solid waste management and resource recovery and energy conservation systems which preserve and enhance the quality of air, water and land resources;

(2) provide technical and financial assistance to states, local governments and interstate agencies, in the planning and development of resource recovery, energy conservation and solid waste disposal programs and facilities;

(3) promote a national research and development program for improved techniques, more effective organizational arrangements, and new and improved methods of collection, separation, recovery and recycling of solid wastes, and the environmentally safe disposal of non-recoverable residues;

(4) provide for the promulgation of guidelines for solid waste collection, transportation, separation, recovery and disposal systems; and

(5) provide for training grants in occupations involving the design, operation and maintenance of solid waste disposal and energy conservation systems; and be it further

Resolved: That this convention endorses these proposals and urges Congress to implement these solutions with sufficient funds to solve the problem of solid waste disposal through resource recovery and energy conservation.

Referred to Committee on Resolutions.

INCOME DISCLOSURE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. HUNGATE. Mr. Speaker, in accordance with my regular practice since coming to Congress in 1964, I again disclose my income as shown by my most recent income tax return for the year 1975, due and filed in the year 1976.

My joint personal income tax return, form 1040, line 9 shows my congressional salary of $43,301. Line 11 shows interest income of $1,029. Line 12 shows other income as $5,812, consisting principally of rental income, $1,033; honoraria and musical compositions, $4,429; and refund, $350.

My total income, as noted on line 13, was $50,142, less line 14 of $3,949, which included an adjustment for allowed congressional living expenses attending Congress in Washington, D.C.—$3,000—and congressional travel and related expenses paid from personal funds for which no reimbursement was received, leaving an adjusted gross income of $46,193 as shown on line 15.

Form 1040, schedule A, shows deductions of $7,112.30 on line 41, consisting of State and local taxes of $2,961.80, interest paid of $1,294, charitable contributions of $1,157, and allowable medical and dental deductions of $150. Miscellaneous deductions, line 40, totaled $1,549.50 consisting of professionals dues and expenses—Missouri Bar, ASCAP, et cetera.

The total income tax due, form 1040, line 16c is $10,991, and line 19 shows the total self-employment tax of $350, making the total amount due of $11,341, shown on line 20. The total net Federal income tax withheld, line 21a, was $11,269, and the estimated tax paid was $3,200—line 21b—for a total payment on line 22 of $14,469. There was an overpayment per line 24 of $3,128, of which a refund of $128 was requested, leaving the balance of $3,000 overpaid to be credited on the 1976 estimate. The Missouri State income tax paid for 1975 was $1,369.

I do not own any stocks or bonds.

In accordance with the Federal Election Campaign Act of 1971, Public Law 92–225, all receipts and expenditures of campaign funds are handled by the Hungate for Congress Committee, P.O. Box E, Troy, Mo., Identification No. 007820, Don Thompson, treasurer. In 1975 that fund had no taxable income.

HUNGARIAN INDEPENDENCE DAY

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. JAMES V. STANTON. Mr. Speaker, last March 15 marked the 188th anniversary of Hungary's War of Independence of 1848, and on that date, thousands of Clevelanders joined in celebrating Hungarian Independence Day. To further commemorate this historic event, I would now like to insert in the RECORD a statement on the admiration that Americans have for the hero of the War of Independence, Lajos Kossuth:

HUNGARIAN INDEPENDENCE DAY

March 15 marks the one hundred and twenty-eighth anniversary of Hungary's War of Independence of 1848.

An echo of the Hungarian War of Independence was the welcome in the United States of its hero, Lajos Kossuth. His reception was tremendous. The great American historian, James Ford Rhodes of Cleveland, observed, "every one agreed that, since the landing of Lafayette, no such enthusiasm had been seen (in the country); . . . it is certain that no foreigner except that gallant Frenchman ever received a similar ovation . . . This splendid testimonial was not so much to the man as to the principle of which he was the incarnation."

In Faneuil Hall Kossuth remarked: "Do me the justice to believe that I rise not with any pretension to eloquence, within the Cradle of American Liberty. If I were standing upon the ruins of Prytaneum, and had to speak whence Demosthenes spoke, my tongue would refuse to obey, my words would die away upon my lips, and I would listen to the winds, fraught with the dreadful realization of his unheeded prophecies. Spirit of American eloquence, frown not at my boldness, that I dare abuse Shakespeare's language in Faneuil Hall! It is a strange fate, and not my choice . . . my humble tongue tells the record of eternal truth . . . Liberty restricted to one nation never can be sure." /Kossuth in New England; Boston & Cleveland: Jewett, Proctor, and Worthington, 1852./

According to the contemporary press, upon the invitation of leading Clevelanders Kossuth's reception in Cleveland between January 31 and February 4, 1852 was a "brilliant" testimony of the citizenry of the Western Reserve to their firm belief in the cosmopolitan political aspirations of American democracy.

It was Judge Samuel Starkweather, the first elected judge in Cleveland, who identified the cause of Kossuth with the historic heritage of America. In a notable introduction at Melodeon Hall speaking—to Kossuth—he declared: "For who does not feel that the cause you plead was not the cause of our Fathers, in which they pledged their lives, their fortunes, and their sacred honors?" /True Democrat, Cleveland, Daily, February 3, 1852./

At Cleveland's University Circle stands the unpretentious statue of Lajos Kossuth. The unveiling of the statue in 1902 was of international interest, and inspired one of the most picturesque pageants ever seen in the city. At that time, " . . . Cleveland accepted the scholarly judgment of Charles F. Thwing, late President of Western Reserve University, who said: 'Among the great ones of the Earth we place him.' . . ."/ The Ohio State Archeological and Historical Quarterly, Volume LXI, p. 257/.

CUBANS BRING IN WIVES AND CHILDREN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. McDONALD of Georgia. Mr. Speaker, Africa's newest imperialists, the Cubans, are settling in for a long stay in Angola. These Soviet mercenaries apparently have no intention of leaving Angola any time in the near future. The fact that Cuban families are arriving is indicative of the weakness of the present Angolian rulers who will apparently need Cuban soldiers in order to hold the country for a long time to come. The story from the Sunday Telegraph of London for April 4, 1976, follows:

CUBANS BRING IN WIVES AND CHILDREN

(By Norman Kirkham)

Cuba is strengthening her hold in Angola despite the withdrawal of South African troops. Several hundred more technical advisers and nearly 3,000 wives and children of men already serving there have arrived from Havana.

Diplomatic sources in Southern Africa reported yesterday that there are now 12,000 troops and about 1,000 advisers and technicians. The cost to Dr. Castro's Government and his Kremlin backers of keeping them there is estimated at about £500,000 a day.

Concern is growing among Western Governments that large numbers of the Cubans will remain indefinitely.

Apart from protecting the Marxist M.P.L.A. Government, they will help to develop the fisheries and agricultural industries, railways and transport.

VORSTER'S MOVE

The Cuban forces were sent last autumn, ostensibly to combat the South African presence. Pretoria has been hoping that with Dr. Vorster's decision to pull out his troops, Cuba would be presuaded to follow suit.

Any chances of this are fading rapidly. Medical teams, engineers and farming experts are continuing to fly into Luanda.

KEY ROLE

Attempts to prevent the Cuban build-up were part of British diplomatic strategy in helping to negotiate the South African withdrawal. Mr. Callaghan, Foreign Secretary, has condemned repeatedly all foreign intervention in Angola.

It emerged yesterday that Nigeria, like Britain, took a key role as a go-between in diplomatic efforts aimed at removing both the South Africans and Cubans. This may be the reason why the Foreign Office has not emphasised the British contribution.

The Lagos Government, which has the trust and friendship of the M.P.L.A. leaders, conveyed their views to Whitehall several months ago and these were passed on to Pretoria.

Mr. Callaghan took up the issue with Mr. Lunkov, Soviet Ambassador, and Mr. Gromyko, Foreign Minister, last month.

There was no undue surprise when the M.P.L.A. agreed to safeguard water and power supplies of the Cunene River scheme and respected the frontier with Namibia.

NATIONAL DEFENSE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. LAGOMARSINO. Mr. Speaker, national defense is the subject of the following editorial from the Press-Courier. This editorial is entitled: "Security Won't Come Cheap," and presents an overview on this critical issue:

[From the Press-Courier, Mar. 20, 1976]

SECURITY WON'T COME CHEAP

There is much more to national defense than the preservation of the integrity of American political and physical boundaries.

National defense is designed to protect the interests of the United States throughout the world.

The cost of achieving this goal during fiscal 1977, according to President Ford's budget proposal, will be $101.1 billion. And, as Ford conceded to key congressional leaders recently in seeking support for his recommendations, he has proposed the largest defense budget in history.

Ford might also have pointed out that an over-all budget review for the past decade would reveal that spending for defense programs has risen less than any other budget category.

It is not enough, however, for the President to use comparatives in selling his budget. He must persuade Congress first that military balance worldwide reduces the threat of war, that control of the sea lanes is vital to profitable world trade and that demonstrated military strength discourages adventurism from hostile nations abroad.

He must also convince Congress of the paradox that the ultimate goal of reduced armament through negotiation depends on maintaining a military might equal to that of the potential enemies.

Ford insists that the relatively modest hike in the defense budget is possible only through sharp restraints in noncombat activities. Personnel cuts, restricted travel and fuel consumption and curtailed construction programs are cited as offsetting more emphasis on combat effectiveness.

Ford makes a good case in his bid for new ships, new planes and more sophisticated strategic weapons. Congress should scrutinize his spending plan sharply to insure the efficiency Ford envisions, but it must be wary of jeopardizing the ultimate goal of eased international tensions reached through discussions backed up by strength.

A CAMPAIGN FOR SURVIVAL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. DERWINSKI. Mr. Speaker, Mary McGrory, the widely read columnist, took a good, objective look in her column which appeared in the Chicago Tribune on April 7, at the situation in New York City. It is timely and appropriate not only because we will face decisions in Congress over funding for New York, but as host city to the Democratic National Convention, New York will be put to an interesting test:

A CAMPAIGN FOR SURVIVAL

(By Mary McGrory)

NEW YORK.—You could have walked miles through Manhattan and never have seen a campaign button or poster.

On almost every street corner, men were passing out flyers. A visitor asked for one. The pulpy-faced adolescent paused in his distribution and muttered, "for men only."

It was a last touch of gentility. The handouts were not political campaign flyers but advertisements for houses of prostitution. One promised: "$10 includes everything. And we mean everything." A picture of a naked girl was on the facing page.

Times Square and its adjoining streets are lined with pornography shops, peep shows, "adult" bookstores. The gutters are ankle deep in litter which spills over from the sidewalks.

The shock of New York hit one presidential candidate full force. Sen. Frank Church [D., Idaho] arrived at a League of Women Voters forum fresh from the airport and was too appalled to be tactful. He exclaimed, "My goodness, this is a big dumping ground."

New York papers didn't even bother to print his remark. Litter is the least of the city's problems.

The budget cuts forced by federal aid threaten their jobs, their day-care centers, their schools, libraries, drug treatment centers. Last week, those lucky enough to have jobs wondered for three wracking days if they would be able to get to them, while the transit workers negotiated for money that is not there. A crisis was averted at the last agonizing minute.

Tuesday's presidential primary could not compete in their minds with their own struggle. They were campaigning for survival.

Last week, Sen. Henry M. Jackson [D., Wash.] traveled to the heart of Harlem to Syndenham Hospital, which is marked for extinction on June 30. It has 200 beds, 900 jobs.

A black woman, a resident surgeon, who was wearing a "Save Syndenham" button, stood on the edge of the candidate's sidewalk press conference.

"We have more important things on our mind," she said grimly, when asked about the election.

The senator was proclaiming his determination as President to keep the hospital open as "a matter of life and death."

The woman wasn't listening.

"We'll see," she said, when it was pointed out to her that her cause was Jackson's. "We've heard a lot of promises down here."

The only candidate who was able to rouse any gathering during the last week of intense political activity was Hubert Humphrey, who is not on the ballot. The Minnesota senator made an impassioned speech about the plight of exciting and doomed places like New York and called for a Marshall Plan for the cities. It will take something of that order to revive New York.

Some New Yorkers, although plainly not enough, wonder what the impact of the sinking city will be on the Democratic Party when it comes here for its convention in July.

How will the wholesome heartland delegate react when he is handed an advertisement for "erotica" or "passion international rooms" during a stroll through Times Square? What if he ventures into Harlem, sees streets that look like Beirut—whole blocks of boarded up buildings, or buildings with every window broken? A city hall task force is trying, with no visible success, to do something about the filth of Times Square. Greedy landlords and civil libertarians are unlikely allies in opposition.

The convention delegates, like all other American citizens, are underwriting New York through federal loan guarantees.

"Maybe when they see how rotten it is," said one dispirited Democrat, "they'll just decide it isn't worth saving and they should let it fall."

Hugh Carey, New York's governor, who has manfully embroiled himself in the city's bottomless financial woes to the point where he is almost also New York's mayor, says that it would be nice if the city could have a face-lift for its company. The problem, again, is money. New York has no credit so it can't borrow the needed cash for the refurbishing.

New York needs morale as much as it needs money. The city is sick, and it is sickening. The convention won't help with either problem.

But maybe, the governor said, "it will help force a national decision, whether this city is going to live or whether it will be like Phnom Penh, where they pushed all the inhabitants out into the countryside."

TITLE: INTERNAL SECURITY—AS BASIC AS THE LOCK ON YOUR DOOR—PART 1

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. ASHBROOK. Mr. Speaker, as I have previously indicated, the internal security responsibilities which the House has exercised for over 40 years through its House Internal Security Committee and its predecessor committees has been effectively phased out with the vote of the Judiciary Committee to relinquish possession of the HCIS public-source files. Ridding itself of the files indicates that the House Judiciary Committee has no intention of continuing the work done by past security units in the House.

To counteract this action and return to the House participation in this all-important area, I have filed Discharge Petition No. 9 to release from the Rules Committee House Joint Resolution 518, a bill to establish a House-Senate Joint Committee on Internal Security.

This proposal provides that the 10-member committee will be comprised of five members from the Senate appointed by the President pro tempore of the Senate and five members from the House appointed by the Speaker of the House. The resolution further provides that not more than three of the Members of either the House or the Senate may be of the same political party, with the appointment of any Member being for the duration of the elected term of office of such Member. The committee would select its chairman and vice chairman at the beginning of each Congress and these positions would be alternated between the Senate and the House respectively at the beginning of each Congress.

The mandate of the Joint Committee would be similar to the jurisdiction of the Committe on Internal Security except for certain matters stemming from the joint nature of the new committee. All bills, resolutions, and other matters in the Senate or the House relating primarily to internal security shall be referred to the Joint Committee, and members of the Joint Committee are to report to the Senate and the House, by bill or otherwise, their recommendations.

The joint committee is authorized to proceed through any authorized subcommittee and to sit at such places and times as it determines appropriate during sessions, recesses and adjournments of Congress. It would require by subpena or otherwise the attendance of witnesses and the production of books, records, correspondence, papers and documents. The committee would also be empowered to administer oaths and affirmations, to take testimony, and to procure such printing and binding and make such expenditures as it deems advisable. The committee would also make appropriate rules respecting its organization and procedures.

Especially pertinent today when classified information is being leaked seemingly more as a rule than an exception are the provisions for securing such information. Section 4 of the proposal provides that the committee shall secure the protection of such classified information by such methods and systems as will afford protection which is at least equal to that provided by the executive branch for the security of similarly classified material. It further stipulates that no Member of the House or Senate shall make public any part of such classified material without the prior approval of the Senate or House. The mandate of the House Internal Security Committee did not contain this provision.

Finally, upon enactment of the joint committee proposal by both Houses, all property and records of the Internal Security Subcommitee of the Senate and the records of the former Committee on Internal Security of the House shall be transferred to the joint committee for its use.

One feature of a joint committee is that neither the Senate or the House acting alone can abolish the joint security unit. If the parliamentary sleight-of-hand with which the House abolished the committee in January 1975, were to again be utilized against a joint committee, the Senate would have to confirm such action. Also, the added influence of a unit of both Senators and Congressmen could not but help increase its defenses against attacks from both Houses.

It seems almost incredible that the importance of the internal security issue must be discussed and proved in the light of events in the last 10 to 15 years. My experience in this field since the early 1960's has demonstrated to me that the average citizen is much closer to reality than some here in Congress and in the executive branch. Two recent attempts on the life of the President of the United States by political extremists are not lost on the concerned citizens of our country. The excesses of the Ku Klux Klan, the Black Panthers, and the SDS in the 1960's have been replaced by the Symbionese Liberation Army, the Emiliano Zapata Unit, the Red Guerrilla Family, the New World Liberation Front, to mention a few. One marked difference between these two groupings is the resort to more extreme types of violence on the part of the latter group.

In the months ahead I intend to cover various aspects of the internal security issue. Almost 15 months have gone by since the Judiciary Committee assumed responsibility for the security responsibilities. Despite Judiciary Chairman RODINO's observation in the last Congress that his committee had too many jurisdictions and was overloaded, the House voted to send the internal security to that committee. With the relinquishing of the HCIS files, approved by a vote of the full Judiciary Committee, any hope of continuing the internal security responsibilities as carried out by the House for over 40 years is just about extinguished. Hence, the need for a citizens' campaign to restore this vital function in the House.

The joint committee approach would solve the problems of the Senate Subcommittee on Internal Security, whose funds have been drastically cut in recent years. At this time, the subcommittee has just enough funds to pay salaries for its decimated staff and must receive a supplemental appropriation to remain alive.

I cannot help but express consternation at the Senate's action in crippling SISS. Combined with the House action, it is easy to see why the ratings of confidence in Congress have been dwindling. These two security units, whose combined existence numbers nearly 75 years, have been involved in a staggering number of internal security issues and aspects. A cursory glance at a listing of hearings and reports issued by these two groups indicates the magnitude and diversity of this field. Unfortunately, the public does not have access to the secret, unpublished information accumulated over the years by SISS and HISC. I am sure some of this information would make fascinating reading.

Former President Woodrow Wilson, in his book "Congressional Government," refers to Congress as the "eyes and the voice" of its constituents. The Senate and House internal security bodies have truly been the "eyes and voice" of Congress in the security area. Yet Congress would eliminate both.

Some of the security issues which urgently need confronting are terrorism, the increasing sophistication of weapons available to terrorists, Soviet influence and personnel on Capitol Hill, Soviet monitoring of congressional and other phone calls, the present state of the Federal Employee Security Program, U.S. Communist Party fronts and activities, refutation of Communist propaganda by victims and escapees of Communist tyranny, continuing oversight over radical or ill-advised efforts to restrict the legitimate functions of the CIA, FBI, and law enforcement agencies at Federal, State, and local levels.

For the information of law enforcement people, veterans' groups, friends of the Captive Nations, members of fraternal, patriotic and other organizations, and most of all for those other millions of citizens who happen to believe that internal security is as basic as the locks on their doors, this is strictly a congressional matter and does not involve the White House. For each constituent, there are three people involved—his two Senators and his Congressman. The means at hand—each citizen's freedom to petition Congress either through his or her individual visits, phone calls, telegrams or letters, as well as through organizational resolutions or inquiries.

SPY SOUGHT WORK ON CAPITOL HILL

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. FINDLEY. Mr. Speaker, James Frederick Sattler, who is identified in today's Washington Post as "a paid spy for East Germany," sought and was recommended for a sensitive foreign policy position on Capitol Hill in 1975. Sattler, who has admitted sending information about NATO to his East German contact as well as microdisk photographs planted in mailed packages, applied in February 1975 for a position as the Minority Staff Consultant to the International Security Subcommittee of the House International Relations Committee. As the ranking Republican, I was charged with making the staff recommendation.

I was so impressed with Sattler, that I hoped to hire him. He came highly recommended by his employer, the prestigious Atlantic Council. He had written extensively and impressively on military, political and economic problems of NATO and the Warsaw Pact. His academic attainments were impressive. He was likable. On February 27, 1975, Mr. Sattler and I sat in my office, discussing the preparations that would be necessary for an upcoming foreign policy conference. I said I would recommend him for the job and he said he would accept. He seemed anxious to work hard and excited about the prospect of being in a congressional office. Little did I know then why he was so anxious to get started.

After I had cleared the appointment with Congressman BROOMFIELD and

Chairman MORGAN, I knew a routine FBI check would be made. As a committee staff member he would have access to highly sensitive classified documents.

On Friday, February 28, I received an unexpected request from the FBI for an urgent appointment. At 4 p.m. that afternoon three FBI agents came to my Capitol Hill office and told me the shocking news that Sattler had been passing information to an East European contact for a considerable period of time. The FBI had been watching him closely to try to determine whether he was part of a spy ring. I was flabbergasted.

I was also very grateful to the FBI for alerting me to Sattler's background. In a subsequent meeting, we pondered what to do. One possibility was to go ahead and hire Sattler, play him along, and hope that we would eventually implicate other spies operating in our country. If instead, I told him I could not hire him, I would have to do so in a way not to arouse his suspicion that he was being watched by the FBI. If his suspicion was aroused, this might put in jeopardy sensitive sources involved in the investigation. At a minimum, the FBI would need a period of time to assure the safety of such sources.

I concluded that the best course was to tell Sattler that his previous partisan work made his employment impossible.

Over the weekend, Sattler had gone to visit his parents in New England to celebrate his new job. I learned subsequently that he also used the occasion to get off a clandestine message to his contact in East Europe telling him that soon he would have access to very sensitive information as a member of the House International Relations Committee staff.

On Monday, March 3, when Sattler returned to Washington, I broke the news to him that he could not have the job. I told him that a previous association he had had with the Coalition for a Democratic Majority, an activity of the Democratic Party, made him unacceptable in a position where his primary responsibility would be to Republicans.

Sattler was upset. After voicing his bitter disappointment he left my office and proceeded with an unsuccessful telephone campaign to reverse my decision. He persuaded several prominent Republicans, who of course knew nothing of his spy work, to call me in his behalf.

The experience was a sobering reminder that the real world is one of spies, intrigue, and double-dealing. It swept aside any illusions that Communist governments closely allied with the Soviet Union have dropped their undercover work in this era of détente.

It buttressed my confidence in the FBI and the thoroughness and effectiveness with which it deals with such problems.

It also strengthened my confidence in the security procedures established for the Committee on International Relations by Chairman Morgan. These procedures keep classified documents closely held, and require thorough security clearance for all staff members.

I have not seen or heard from Sattler since, but I have several times checked with the FBI and received the welcome assurance that he was being carefully watched in the intervening year.

The Washington Post article follows:

[From the Washington Post, Apr. 8, 1976]

PANEL AIDE FIRED AS SPY OF GERMANS

(By John M. Goshko)

A political scientist employed by the Atlantic Council, a prestigious private organization for the study of foreign policy, has been fired after admitting that he was a paid spy for East Germany.

James Frederick Sattler, who had worked as a consultant on various council study projects since 1972, was discharged last Friday after the Justice Department notified the council of his activities.

On March 23, Sattler registered with the Justice Department as a foreign agent. In his registration statement, he admitted that he had been passing information to East German intelligence agencies since 1967 and, for his services, had been paid approximately $15,000 and given "an honor decoration" from the East German Ministry of State Security.

Sattler could not be reached for comment, and it was not immediately clear why he had voluntarily supplied detailed information about activities that could expose him to prosecution under federal espionage laws.

Justice Depatment sources said only that Sattler had registered after becoming aware that he was the object of an FBI investigation. The sources added that the department has decided not to prosecute Sattler because of the unavailability of key witnesses.

In his registration statement, Sattler, 37, admitted that he was recruited in 1967 by an individual named "Rolf," who he later learned was an East German official connected with "the combined intelligence services of the Warsaw Treaty Organization." Sattler said he was told to secure employment "in a position with access to information of value to the Warsaw Treaty."

From 1967 through 1975, he added, "I transferred to my principals in East Berlin information and documents which I received from the North Atlantic Treaty Organization and from individuals in institutions and government agencies in West Germany, the United States, Britain, Canada and France."

His statement left unclear whether any of the documents was classified or contained information that would be regarded as important in intelligence circles. Atlantic Council officials said their rules forbid the use of classified materials in their studies and asserted that Sattler would not have had access to classified documents through his work at the council.

Sattler, in his statement, said that he photographed part of the material with a microdisc camera provided by the East Germans and then planted the microdiscs in packages that he sent to Germany. Other documents, he added, were photographed with a Minox camera; and the film was carried by him to Berlin or handed to a courier. "During my last visit to East Germany in November, 1975," he said, "I was advised to attempt to obtain a position in the United States government with access to classified information. I was advised not to attempt to make contact with my principals in East Germany until my possible return in early 1976."

The Atlantic Council, founded by former Secretary of State Christian Herter in 1961, seeks to solve foreign policy problems by issuing position papers, conducting seminars and publishing a monthly news bulletin and a quarterly journal. It also does occasional studies on contract from departments of the federal government.

Although it has no official government connection, the membership of its board reads like a who's who of the so-called "Eastern foreign policy establishment." Secretary of State Henry A. Kissinger is a board member, and the board chairman is former Treasury Secretary Henry H. Fowler.

Francis O. Wilcox, the council's secretary general, said that Sattler had worked on a number of council studies including problems of European force reductions and East-West trade. He added that "Sattler's work had been very objective, and he seemed a very knowledgeable and capable student of international affairs."

Wilcox was able to provide only sketchy details of Sattler's background but said he had studied in Germany and had been a lecturer in political science at various Canadian universities.

Wilcox also said that Sattler's "job with the council was expiring, and he was looking for a new one. He told me that he had been looking into several possibilities including some positions on Capitol Hill, but I don't know how far he got."

TRIBUTE TO ROY WILKINS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. RANGEL. Mr. Speaker, on April 4 the American Jewish Congress awarded to Roy Wilkins, executive director of the NAACP, their coveted 1976 Civil Rights Award for his outstanding work in the fight for racial justice. In the time I have known Roy Wilkins, I can say that at no time has his determination in this our most important struggle wavered. At all times, Roy has had as his primary concern the goal of economic and educational improvement. However, his concern encompasses the needs of all the disadvantaged, not just blacks. It is that concern for all disadvantaged that the American Jewish Congress is recognizing with this award.

The citation to Mr. Wilkins read:

> The American Jewish Congress is honored to present the 1976 Civil Rights Award to Roy Wilkins for distinguished contributions to the cause of racial justice in America and for recognizing that only by working together for the goals we share can the Black and Jewish communities help achieve the goal of full equality in a free society for all Americans.

In honoring Roy Wilkins, the American Jewish Congress is paying tribute to the spirit of cooperation that permeated his character and enabled him to work together with groups such as the American Jewish Congress on issues of mutual concern. Among these issues are full employment, decent health care and other matters which Rabbi Arthur Hertzberg, president of the congress said are "aimed at translating into reality the dream of life, liberty, and the pursuit of happiness." Such a goal is one that we all can and must work toward.

I would like to include in the RECORD at this time a copy of the letter I sent to Mr. Wilkins congratulating him on his receipt of this award. My letter follows:

MARCH 22, 1976.

The ROY WILKINS TRIBUTE COMMITTEE,
North End Station,
Detroit, Mich.

DEAR ROY: I would just like to add my voice to the thousands of people who will be offering their best wishes to you on this the night that we pay tribute to you.

Your work in the civil rights field has served to help reduce the legal barriers that have obstructed black citizens as we have attempted to become full and equal participating members of the society. Although you know more than anyone else that your particular positions on issues have not always been popular with many in our nation you are to be commended for having the courage to speak and act in a manner which you believed to be correct. On this, a night when we say thanks to you for your service within the NAACP and outside the organization, I just want to say that I wish you continued years of happiness and good health.

Congratulations.
Sincerely,
CHARLES B. RANGEL,
Member of Congress.

HELEN COTTON—A CONCERNED AND INVOLVED AMERICAN

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. SARASIN. Mr. Speaker, one of the questions most frequently posed to Members of Congress, by young and old alike, is "What effect can I, one individual out of millions of Americans, have on my Government?"

The answer which we give is of utmost importance, because public apathy appears to be widespread. Apathy, above all else, threatens the very freedoms which are essential to life as we know it but which are all too often taken for granted.

One resident of Connecticut, Miss Helen Cotton, has suffered from cerebral palsy for many years but still participates actively in the political process. She not only is living proof that all Americans, regardless of disability, can make major contributions to our society, but she also understands, perhaps better than most, the fundamental reason why Americans should discard their shrouds of apathy for an active interest in our Government and how they can become involved.

Yesterday, April 7, 1976, an address was delivered to the Newington Hospital for Crippled Children, in Newington, Conn., a speech written by Miss Cotton to provide understanding, hope, and encouragement for those with handicaps. However, her words should have meaning for all Americans, from all ages, walks of life, and conditions. I offer her words to you so that you might share them with your constituents as I will with mine:

ANOTHER BIG ELECTION YEAR

(By Helen Cotton)

As we approach July 4, 1976, it is fitting and most appropriate that this is a Presidential election year. We are still preserving the freedoms which our forefathers established two hundred years ago. We have our freedoms because of a war fought two hundred years ago, and because of the participation in elections of our parents and grandparents since then. Now it is up to you to keep them.

How are you going to preserve our freedoms? For those of you who are 18, register with the party of your choice. Party affiliation is of the utmost importance, so that you can have a voice in the selection of candidates. Then vote on election day. This is the most precious right guaranteed under our constitution. Some people neglect this privilege. But to be able to vote is a sacred right to me. I am proud to state that I have voted in every election in my wheelchair, since becoming eligibile to vote. Sometimes it was at the expense of my health. But with each election, we prove to the world that our system does work.

For those of you have not yet reached the age of 18, you, too, can be a part of the action. I began being interested and active in politics when I was 10, at this very school. You can hold class debates, and try to persuade a fellow-student to your side of political questions. You can address and stuff envelopes for candidates, or make phone calls to remind people to vote. And there are many other jobs, which may seem boring but are extremely important in any campaign and election.

I will be the first to admit that our democratic system has had some corruption, but the dishonesty has been far outweighed by those who are honest in government. You can be a watchdog over our government officials by observing them to make sure they keep honest. And we should remember to praise or say thanks to an official when a job is well done. It is easy to criticize, but we often forget to express our thanks.

We can start corresponding with the President of the United States, members of Congress, our governor, members of the State legislature, and local officials. Sometimes we have the chance to meet these people. They are human beings like you and me, with problems similar to ours. They are anxious to keep in touch with their constituents.

You may not be interested in politics, but there are many other things in life to do. Whatever your interest, do it well. Keeping busy is what makes life really enjoyable. We can use our interests and talents to enrich the life of others, and this strengthens the opportunities and freedoms offered by our country.

For example, I have been active in the drive to keep whales from becoming extinct. I have done this in memory of my science teacher at Newington. Last summer I acted as campaign manager for a man who was running for office in my hometown of Granby. I'm active in church, participating in worship, singing in the choir, and studying the Bible with other adults. I'm always interested in the joys and sorrows of my friends. Sometimes I have helped by writing letters in their behalf to the right people in politics.

If we appreciate the freedoms of our democracy, we will work to maintain them. I hope that in this bicentennial year, you will participate in every possible way in the upcoming campaigns and elections.

JOSEPH B. SIMPSON, JR.

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BYRON. Mr. Speaker, recently I learned of the passing of Joseph B. Simpson, Jr., a longtime friend and colleague at the Maryland bar.

Mr. Simpson was born in Washington, but lived most of his life in Takoma Park. He attended Vanderbilt University and graduated from George Washington University Law School, where he received a bachelor of law degree and a juris doctor.

His law firm served as counsel to the Montgomery County Commissioners from 1938 to 1940. He served as Montgomery County's States Attorney. He was a member of the American, Maryland, and Montgomery County Bar Associations, and he served as president of the Montgomery County Bar Association in 1955–56.

Joe Simpson had a long and distinguished career in the legal profession and in public service. I am sure his family and friends will remember his community efforts, and I extend my sympathy to them. Joe Simpson will be missed.

END THE FEDERAL ENERGY ADMINISTRATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mrs. SCHROEDER. Mr. Speaker, Congress established the Federal Energy Administration in 1974 as a short-term agency. The major issues and activities that precipitated the FEA's creation, the oil shortage and embargo, and the oil price control and allocation programs, are either gone or on their way out.

The FEA started business with a handful of employees detailed over from other agencies, where, as section 2(c) of the FEA Act states:

> Such a transfer is necessary on an interim basis to deal with the Nation's energy shortage.

The FEA's termination date was set for June 30, 1976.

Congress in its wisdom inserted several clauses in the Federal Energy Administration Act (Public Law 93–275) in order to provide for the reversion of the FEA's functions back to their original agencies upon the FEA's termination. Sections 9 and 10 give the executive branch the authority to redistribute the Agency's functions upon its expiration. Section 28 protects the job status of employees who had permanent status in the agencies from which they were detailed.

In the energy legislation passed since 1974 which gives additional powers to the FEA, these reversion provisions have been continued. Section 14 of the Energy Supply and Environmental Coordination Act of 1974 (Public Law 93–319), states that when the FEA expires, the President must designate someone else to take on the agency's duties. Section 527 of the Energy Policy and Conservation Act (Public Law 94–163), which Congress passed only last December, specifically states:

> In accordance with section 15(a) of the Federal Energy Administration Act of 1974, the President shall designate, where applicable and not otherwise provided by law, an appropriate Federal agency to carry out functions vested in the Administrator under this Act and amendments made thereby after the termination of the Federal Energy Administration.

Mr. Speaker, the intent of Congress that the Federal Energy Administration is a temporary agency is made even more clear by section 15(a) of the original act:

(a) Six months before the expiration of this chapter, the President shall transmit to Congress a full report together with his recommendations for—

(1) disposition of the functions of the Administration upon its termination;

(2) continuation of the Administration with its present functions; or

(3) reorganization of the Administration; and

(4) organization of the Federal government for the management of energy and natural resources policies and programs.

Mr. Speaker, in answer to this mandate from Congress, the President sent to us on February 16, 1976—a month and a half after its due date—the following letter. It was printed as House Document 94-372, as follows:

THE WHITE HOUSE,
Washington, February 16, 1976.

Hon. THE SPEAKER,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The Federal Energy Administration Act of 1974, section 15(a), required that I submit to the Congress six months before the expiration of this Act my recommendations for the future of the Federal Energy Administration.

In view of my recent signing of the Energy Policy and Conservation Act of 1975, I have determined that the management of energy policies and programs can best be served by the extension of the Federal Energy Administration until September 30, 1979—thirty-nine months beyond its current termination date of June 30, 1976. This will allow an orderly phasing out of price and allocation controls on domestic oil production over a period of forty months and implementation of other programs called for in that Act.

I have directed Federal Energy Administrator Zarb to seek the authority required to carry out this proposal.

Sincerely,

GERALD R. FORD.

Mr. Speaker, I was disturbed by Mr. Ford's letter. It does not, by any means, satisfy the congressional intent for the President to tell us what he plans to do with energy reorganization. It gives no reasons why the FEA should continue to exist or what will happen if it dies. My concern led me to write the following letter to the President asking him to clarify his intentions:

WASHINGTON, D.C.,
March 19, 1976.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to you in regard to your letter of February 16, 1976, to the Speaker of the House in which you made recommendations for the future of the Federal Energy Administration (FEA).

I have strong doubts that your letter meets the requirements which Congress set up in Section 15(a) of the Federal Energy Administration Act of 1974.

Not only does Section 15(a) require, as your letter notes, your recommendations for the future of the FEA, but Section 15(a) also requires a full report on the disposition of the FEA's functions upon termination of a full report on continuation of the FEA in its present form, a full report on reorganization of the FEA, and a full report on the organization of the Federal Government for the management of energy and natural resources policies and programs.

Congress is going to have to vote prior to July 1, 1976, when the present authorizing legislation expires, on whether it wants the FEA to stay alive. Congress can only make such a decision with full knowledge of what would happen to the functions of the FEA should it allow the agency to expire, and how national energy policy would be affected by renewing or not renewing the FEA.

Since Sections 9 and 10 of the Federal Energy Administration Act give the Executive branch the power to redistribute the FEA's functions within the government should the FEA expire, I think it is only fair that you tell Congress what your plans are in case such an event occurs.

With kind regards.

Sincerely,

PATRICIA SCHROEDER,
Congresswoman.

The White House reply was hardly any more enlightening than Mr. Ford's original letter. It follows:

THE WHITE HOUSE,
Washington, March 23, 1976.

Hon. PATRICIA SCHROEDER,
House of Representatives,
Washington, D.C.

DEAR MRS. SCHROEDER: This will acknowledge receipt and thank you for your March 19 letter to the President commenting on his recommendation with respect to the Federal Energy Administration.

Please be assured your letter will be called to the attention of the President and the appropriate members of the staff at the earliest opportunity.

With kind regards,

Sincerely,

CHARLES LEPPERT, Jr.,
Special Assistant for Legislative Affairs.

Apparently, Mr. Ford is not aware of his responsibilities under Public Law 93-275, nor does he have any idea of what is going on with the FEA, nor does he have any desire to fulfill the intent of Congress which recommends that the FEA expire.

On the chance that some of his subordinates might, I sent the following three letters:

MARCH 30, 1976.

JAMES T. LYNN,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. LYNN: Section 9 of the Federal Energy Administration Act authorizes and directs you to make incidental dispositions of the various functions of the Federal Energy Administration upon its demise.

Please supply me with your plans for disposition of the FEA's functions which are under your control at your earliest possible convenience.

With kind regards.

Sincerely,

PATRICIA SCHROEDER,
Congresswoman.

MARCH 30, 1976.

Hon. THOMAS S. KLEPPE,
Secretary, Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: When the Federal Energy Administration was created in 1974 certain offices within your Department were transferred over to it.

The law which created the FEA calls for its demise on June 30 of this year and, as well, a reversion of its functions to the departments and agencies from where they came.

I would greatly appreciate knowing your plans for disposition of the FEA's functions which you will receive at your earliest possible convenience.

With kind regards.

Sincerely,

PATRICIA SCHROEDER,
Congresswoman.

MARCH 30, 1976.

Hon. FRANK ZARB,
Administrator, Federal Energy Administration, Washington, D.C.

DEAR MR. ZARB: The Federal Energy Administration is scheduled to end its existence on June 30 of this year.

I am concerned with where the functions of the FEA will go when it ends. As you will note from my non-conclusive correspondence with the President (who has primary authority of the FEA's demise), the plans for reversion of the FEA's functions and authorities have apparently yet to work their way up to him.

I believe, therefore, that you must still have the plans. Please be so kind as to pass a copy along to me at your earliest convenience.

With kind regards.

Sincerely,

PATRICIA SCHROEDER,
Congresswoman.

I have yet to receive a single reply, and am beginning to wonder if anyone in the executive branch has given these matters a second's thought. All the more reason for Congress to do so.

TERRIBLE SITUATION IN DETROIT CREATED BY HUD

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BRODHEAD. Mr. Speaker, I wish to share with my colleagues the testimony which I presented to the HUD-Independent Agencies Subcommittee on behalf of Mr. CONYERS, Mr. DIGGS, Mr. DINGELL, and myself. In this testimony which was delivered on March 8, we describe the terrible situation which has been created in Detroit by the policies and practices of the Department of Housing and Urban Development.

The text follows:

STATEMENT OF THE DELEGATION OF DETROIT CONGRESSMEN—the HONORABLE WILLIAM BRODHEAD, the Honorable JOHN CONYERS, the Honorable CHARLES C. DIGGS, and the Honorable JOHN D. DINGELL, BEFORE THE HUD-INDEPENDENT AGENCIES SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE, APRIL 8, 1976

In recent days, this Subcommittee has been studying the programs and priorities of the Department of Housing and Urban Development for the coming fiscal year. You have heard HUD officials describe improvements within the Department in an attempt to justify an increase of approximately $3.1 billion dollars in HUD's 1977 budget.

We are here today to share another aspect of this picture with you. We come today as representatives of Detroit, a city which has been ravaged by the ineptness, stupidity, and blind rigidity of HUD programs and regulations. We continue to be told of "improvements" and breakthroughs, but the fact of the matter is that the blight HUD has brought to our city continues to grow even today.

In terms of population, Detroit is the fifth largest American city. However, in terms of damage caused by HUD, Detroit dwarfs the larger cities of New York and Chicago. The city's inventory of some 10,000 HUD-owned properties far exceeds the combined totals for Chicago and New York. Over ⅙ of HUD's entire inventory of 57,000 properties is within the jurisdiction of the HUD Detroit office, and it is estimated that maintenance for these properties costs the taxpayers about $80,000 a day or $29.2 million per year.

In Detroit today you can see block after block of abandoned, decaying HUD homes—a scene reminiscent of the bombed-out cities of Europe during World War II. For the people of Detroit, these rotting hulks are a painful symbol of the *total failure* of the Department's operations—a failure which encompasses HUD's insurance, rehabilitation, sales, and property management programs.

As evidence of the state of disrepair of HUD properties in our city, we have with us *several* photos of HUD-owned homes. We invite you to look at them, and we are sure you can pick out the HUD properties. They are the boarded-up structures with broken windows, trash on the lawn, etc. Their blatant lack of care invites vandalism and arson and presents a substantial safety hazard to youngsters in their neighborhoods. Moreover, these hazardous eyesores destroy the character of many formerly fine neighborhoods and erode away the investments which citizens have made in these neighborhoods.

When a house is repossessed by HUD, it takes the Detroit area office over 21 months to dispose of it. This is a full nine months longer than the national HUD average for dealing with houses in the inventory. During this nearly two year period, these homes are a blight on the entire neighborhood, driving property values down and dragging down the quality of life for tens of thousands of taxpaying citizens.

Perhaps the most terrible example of HUD's continuing failure in Detroit is the stark statistic of homes condemned and demolished in the past five years. Since 1970, HUD has been forced to raze some 9200 homes in our city . . . homes that were supposedly sound and livable when HUD insured the mortgages on them. In addition, more than 1,900 homes currently await demolition. The demolitions which have already been completed represent a loss of over $180 million to the federal government.

Following the exposure of widespread corruption within HUD's Detroit office, which resulted in the indictments of over 170 government officials, speculators, and unprincipled contractors, HUD all but abandoned its rehabilitation program. As an alternative, they began dumping thousands of rundown homes on the market in the as-is sales program.

HUD justifies this practice on the grounds of "maximum return to the insurance funds". This policy has prevented HUD from developing a workable homesteading program. It has also prevented HUD from rapidly demolishing those homes which cannot be economically rehabilitated. We believe that so long as HUD pursues the policy of getting its money back with such shortsightedness, other programs which might help to undo the wrongs HUD has wrought in Detroit will be short-changed.

Perhaps the most ridiculous—and potentially dangerous—development in the area of HUD maintenance was the suspension without a hearing of 40 of the city's 41 demolition firms last October. Because five contractors were suspected of burying rubble at demolition sites, HUD suspended 40 of the firms that can do demolition work in the city.

This decision brought the entire program to a standstill, leaving 3400 houses to rot and blight our city. Under cumbersome HUD procedures, the hearings on these contractors dragged on for six months, while Detroit citizens were forced to continue living with these 3,400 deserted, rotting hulks. The final result was a total of six suspensions, and HUD has only recently allowed the innocent contractors to go back to work.

While the inventory sits awaiting as-is sales or demolition, HUD pays city property taxes, and is in fact the city's fifth largest source of property tax revenues. However, the Department's bungling has extended to this area, too. The Government Accounting Office has reported that last year in Detroit, HUD paid city taxes on 81 homes which it did not own and paid twice on some homes it did own. The city government recently presented HUD with a bill for $1,270,338 in back city, school and property taxes and an additional $191,868 in interest and penalties.

HUD itself has estimated that it will take fifteen years to eliminate the Detroit inventory. Given the Department's past ineptness, even this sorry estimate may be optimistic. It is important for the Subcommittee to realize that Detroit HUD is still taking in nearly 500 homes a month by foreclosure. Thus, this problem will continue for many years to come. This Subcommittee should realize, too, that each home that HUD takes in costs the federal government about $8900. Thus, HUD is assuming additional obligations in Detroit alone of about $4,450,000 a month. Based on past performance, we can expect these homes to be held for an average of 21 months and further blight our city.

We believe strongly that a pre-default counseling program would greatly reduce these losses. HUD itself has shown counseling to be cost-effective, and certainly the minimal cost of having a trained person meet with a family immediately when they fail to make a payment would be more than offset by the avoidance of foreclosure, maintenance, and in some cases, demolition costs.

Mr. Chairman, if one certainty has emerged from the Detroit situation, it is that HUD's cumbersome bureaucratic methods will simply not reduce our inventory. To deal with the mess it has created, HUD must be made to throw away its rule book and explore every conceivable way to avoid foreclosure and to get salvageable houses back on the market immediately.

We request that this Subcommittee undertake an investigation of ways to reduce the massive Detroit inventory. We believe that there are important lessons to be learned from the Detroit experience, as an extreme example of waste in government spending and bureaucratic bungling. In addition, we think it is appropriate that Congress investigate the factors which have caused an agency which was created originally to serve the people's needs to add so greatly to their problems.

We believe that such an investigation should examine, among other things, (1) the implementation of full scale pre- and post-occupancy counseling and pre-default counseling programs, (2) methods for expediting the processing of defaults, (3) new ways to encourage mortagees to avoid foreclosure, and (4) better property management, rehabilitation and sales programs. In addition, faster methods should be used to transfer houses in bulk to city or state housing authorities, where responsibility to the community is greatest.

We wish to emphasize that the incompetent and irresponsibly rigid administration of many of HUD's programs has led to the problems we face today. We urge the Subcommittee to explore ways to use existing programs such as Urban Homesteading and rehabilitation under the 518b program creatively and productively. We believe both these programs represent sound ideas which have been stymied by lack of support from within the Department. Very few of the houses made available for homesteading in Detroit have been worth rehabilitating, and HUD has interpreted 518b provisions so narrowly that only one tenth of the Detroit area applicants were accepted. We urge that HUD, too, be given the mandate of exploring what can be done to cut through the red tape in their use of existing programs and that they be requested to report back to the Subcommittee.

In closing Mr. Chairman, we wish to thank the Subcommittee Members for their courteous attention. May we suggest that this Subcommittee would do well to hold a meeting in Detroit to view first hand the terrible problems created by a government agency.

We thank you.

THE CELLINI LODGE OF THE ORDER SONS OF ITALY, NEW HYDE PARK, N.Y.

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. WOLFF. Mr. Speaker, Lacalamita, Caltabiano, Dantone, Fulgenzi, Sciame, all are names that to the ear say "Italy." But to those of us familiar with the Cellini Lodge of the Order Sons of Italy, there is much more to the story. The members of the lodge are either of Italian birth or descent—the ranks of the lodge being filled with such names. But the spirits there contained are filled with a sincere commitment to the United States of America as well as to a distant heritage.

The Order Sons of Italy, of which the Cellini Lodge is a part, has as its purposes:

To enroll in its membership all persons of Italian birth or descent, regardless of religious faith or political affiliation, who believe in the fundamental concept that society is based upon the principles of law and order, and who adhere to a form of government founded upon the belief in God and based upon the Constitution of the United States of America which government rests upon the proposition that all men are created equal and functions through the consent of the governed.

To promote civic education among its members.

To uphold the concept of Americanism.

To encourage the dissemination of Italian culture in the United States.

To keep alive the spiritual attachment to the tradition of the land of our ancestors.

To promote the moral, intellectual, and material well-being of our membership.

To defend and uphold the prestige of the people of Italian birth or descent in America.

To encourage the active participation of our membership in the political, social and civic life of our communities.

To organize and establish benevolent and social welfare institutions for the protection and assistance of our members, their dependents, and the needy in general, with such material aid as we are able to give.

To initiate and organize movements for patriotic and humanitarian purposes, and to join in meritorious movements for such purposes which have been initiated by other organizations or groups.

I was quite pleased to be able to speak at the annual installation of officers on March 28, 1976. The men and women who will be leading the activities for the coming year are:

LADIES' AUXILIARY OFFICERS

President, Betty Caltabiano.
Vice President, Mary Falanga.
Past President, Jean Abbadessa.
Parliamentarian, Josephine Cappello.
Recording Secretary, Josephine Astore.
Financial Secretary, Theresa Drago.
Treasurer, Doris Nuzzo.
Corresponding Secty., Lydia Milo.
Trustees, Marie Darrin, Jane DePalma, Laura Aprigliano.

COUNCIL OF OFFICERS

Venerable, Joseph Lacalamita.
1st Ass't Venerable, Joseph M. Dantone.
2nd Ass't Venerable, Joseph Fulgenzi.
Ex-Venerable, Joseph Sciame.
Orator, Donato Masucci.
Recording Secretary, Michael Dantone, Sr.
Financial Secretary, Salvatore LoPinto.
Treasurer, Vincent Aprigliano.
Masters of Ceremony, Dominic Cimino, Nicholas Lacalamita.
Sentinel, Pasquale Proscia.
Chaplain, John Bertolini.
Trustees, 1976–79: Samuel Gentile, Anthony Palladino, Nicholas Terracuso.
1975–78: Frank G. Briganti, Rocco Drago, Gene Morrone, Rudolph W. Palermo, Sr.
1975–77: George Cappello, Frank D'Oria, Joseph Lopinto, Philip Mattera.
Grand Deputy, Michael Pascucci.

The Cellini Lodge "* * * presents the true picture of the Italo-American suburbanite who has accomplished a reputable and respected position in the community." The Lodge not only serves as a celebration of a great foreign heritage, but represents a united effort for the involvement and success of Italo-Americans in their country. I offer my congratulations and best wishes for a coming year of good works to the Cellini Lodge of New Hyde Park, N.Y., and its new officers.

BURTON AMENDMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. MAZZOLI. Mr. Speaker, the recent defeat of the Burton amendment has left me with feelings of dismay and confusion.

I am dismayed that, in these times of public mistrust in our political system, the House was unable to muster enough support to enact legislation which would have helped restore much-needed trust and confidence in the legislative branch.

Partial public financing of congressional campaigns could have been the proof-positive of our commitment to insuring more responsive representation for all citizens, not just those belonging to politically potent special interest groups.

I am also confused by the defeat of this modest proposal.

How can it be that a measure, identical to one carrying the names of 225 Members of the House, garner only 121 votes in favor of its adoption.

The measure attempts to control the influence of special interests on the decisions made by the Congress. Does the vote on the Burton amendment reflect the combined muscle of these selfsame special interest groups?

In any event, the defeat of the public financing amendment was a bad outcome. We had a chance to do a little "Spring Cleaning" in the House. Instead, we only rearranged the dust.

REASONS FOR OPPOSING THE DEFENSE BUDGET

HON. CHARLES A. MOSHER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. MOSHER. Mr. Speaker, I wish to insert at this point in the Record a statement of my views and feelings regarding the Defense Department budget now before us. I am opposed to this huge spending request and I wish to explain my position to my colleagues and the public.

Mr. Speaker, if a man were to build a castle on a barren, rocky plain and fill it full of guns and ammunition, could we assume that he had fully provided for his future health and happiness? Would he not soon become hungry or thirsty or cold? Guns and bullets make poor nourishment and cannot be safely burned.

In the last 25 years the United States has spent approximately $1.5 trillion on defense. This is roughly equal to the entire fixed non-residential business capital, equipment and structures, farm and manufacturing, of the United States.

I agree that much of our defense spending has been in response to security concerns that were warranted.

I suggest, that the amount of national wealth that is diverted each year from productive to this nonproductive investment is so great that each military spending program should be more exhaustively scrutinized.

In my 16 years in Congress I have tried to vote according to my belief that America must not act like the imaginary castle builder mentioned at the beginning of these remarks. Rather I have started from the assumption that national security, like personal security, can be endangered by excessive preoccupation with external threats.

If we live as hostages of fear, we will be as insecure as if we paid no attention to assuring our national security.

This year's defense budget represents a 25-percent real growth in spending over fiscal year 1976 appropriations and such a leap in spending warrants extremely close scrutiny. But before I attempt that, I would like to say a word about what my colleagues Mr. Carr, Mr. Downey, and Ms. Schroeder have called the "Pentagon public relations campaign to convince the American people and the Congress of our military inferiority."

To return to our man in his castle for a moment, Mr. Speaker, we can see it is folly for him to preoccupy himself with weapons at the expense of food, just because his neighbor is silly enough to do that. Anyone who has tried to buy a simple bath towel or water glass in the Soviet Union will understand the relevance of this metaphor.

Thus, it does not appear to me wise to try blindly to always spend as much money as the Soviets spend.

And there are indications that the "dollar model" suffers from grave limitations as a measure of relative Soviet and American strengths anyway. It undervalues American technological accomplishments, many of which the Soviet could not afford at any price. Further, it overvalues the Soviet tendency to dress up people in military uniforms and call them soldiers despite their real functions; functions that are carried out by civilians in the United States.

So, I argue, it is foolish to rush to approve costly weapons programs simply on the theory that we must spend as many dollars as the Soviet Union.

And I believe that when we do look at specific programs in the fiscal year 1977 budget, several appear to be of doubtful value at this time.

There are the Air Force and Navy leviathans, the B–1 bomber and the Trident submarine respectively, set to replace the still functional and in some ways superior, B–52 series and Poseidon.

There also is the long-leadtime money for the CVNX, the nuclear aircraft carrier that will cost $2 billion dollars to build. We already have 11 large carriers and the Russians have none comparable.

There is the money for cruise missile development, a weapon that will make any arms control agreement difficult because it is virtually impossible to verify. Moreover, we have no firm guarantee that we will ever be able to get this system to meet the grand performance claims of its promoters.

There are the ships that were not even recommended by the Navy, four DD–963 Spruance-class destroyers, and the doubling of long-leadtime funds for the CSGN nuclear cruiser.

There is AWACS, airborne warning and control systems, an extremely expensive airborne command post that would be very vulnerable to precision-guided antiaircraft weapons.

There is our troop commitment to the morally questionable South Korean regime.

The proposed fiscal year 1977 budget includes approximately $5½ billion for these items I have listed which seem so very questionable. Five and a half billion dollars that could either be invested in improving American productive capability and creating jobs, in improving the quality of life through better environmental management, education and health care, or might simply be used for tax relief or revenue sharing.

For example, in my district, the 13th Congressional District of Ohio, we could well use the $12.5 million that would be our share of the savings. For $2 million, Huron Harbor could be renovated and that would mean $10 to $12 million injected yearly into the economy of our local area. We could also build a much-needed beach erosion project in Lakeview Park in Lorain for $1.2 million that would have both recreational and environmental benefits. Those two projects come to mind because I testified this week before the Appropriations Committee in their support.

Or, more money might be spent on the Cuyahoga Valley National Park for acquisition and maintenance.

And after those projects were funded, there still would be enough money left over to cut personal property taxes throughout our congressional district by almost half. I am sure that every district has the same sort of needs.

If we spend this $5½ billion nationally, we might do such things as double the Federal investment in water pollution control projects, or build 200,000 $25,000 houses, creating much-needed housing and jobs.

With $5 billion we could increase our commitments to medical research by more than a factor of five.

But probably the most popular way to spend $5½ billion would be to decrease all Federal personal income taxes by about 4 percent, noting the benefits that such a cut could bring to the economy in terms of consumption and investment capital for civilian productivity.

But whether the money that might be saved from military spending would be spent on economic infrastructure, on improving the quality of life in America, or is to be returned to the taxpayer, more benefit would accrue to our society than if it were spent on unnecessary weapons systems. National wealth should be reinvested to improve life in America, if we are to be "No. 1" in any more meaningful way than in the capability to destroy.

Like the foolish man in his castle, we may soon find out that military strength that is not backed by social and economic capability provides only illusory security.

NEWSLETTER ON CATASTROPHIC HEALTH INSURANCE BILL

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. PATTEN. Mr. Speaker, my latest newsletter to constituents covers a bill I have cosponsored: the Catastrophic Health Insurance and Medical Assistance Reform Act. A few other subjects are included, such as progress on the Route 18 bridge and extension over the Raritan River; a little information about Bicentennial events, and action taken by the Labor-HEW Subcommittee on Appropriations on helping to provide additional funds for the basic educational opportunity grants—BEOG—program.

The entire contents of that newsletter are hereby included:

CONGRESSMAN EDWARD J. PATTEN'S WASHINGTON REPORT

PROTECTION NEEDED FROM CATASTROPHIC ILLNESS

The serious problem of catastrophic illness affects thousands of American families every year. Almost 500,000 Americans die of cancer and stroke annually—the second and third-ranking killers in this country. Only heart disease claims more lives—over 1 million. Before many of these persons die, however, they not only endure intense pain and disability, but often suffer great financial hardship. In fact, many are devastated by prolonged illness, their savings of a lifetime wiped out.

Since the enactment of national health insurance may be several years away because of different plans advocated by the Ford Administration and Congress, it is important to have legislation passed and signed this year which would at least protect every American family from catastrophic illness.

CATASTROPHIC HEALTH INSURANCE BILL COSPONSORED

Because of my strong interest in finding a fair, reasonable and practical solution to this problem, I recently helped sponsor the Catastrophic Health Insurance and Medical Assistance Reform Act. (See box on right). This proposal is now being considered by the House Ways and Means Committee, with field hearings scheduled during May. Hopefully, a clean bill will be written soon after hearings are finished.

The legislation would provide catastrophic health insurance coverage for all Americans through these two plans:

(1) A Federally-administered public plan for the unemployed, welfare recipients, the aged, and persons who do not choose private insurance coverage.

(2) As an option, a private catastrophic insurance plan for employers and the self-employed. They would be required to provide and pay the entire cost of catastrophic protection for their employees.

Benefits would be similar to those now available under Medicare, but would be subject to payment by the beneficiary of the first 60 days of hospital care and the first $2,000 in medical expenses. The program would be financed by a 1% tax on the payroll of employers, with 50% of the amount allowed as a tax credit. Employers who prefer a private plan would have their premiums deducted from their 1% payroll tax liability. In addition, they would be eligible for a 50% tax credit on both the total amount of premiums paid for catastrophic coverage and any remaining Federal payroll tax liability after the premiums have been deducted.

MEDICAL ASSISTANCE PLAN FOR LOW-INCOME PERSONS

Also included in the bill is the Medical Assistance Plan, which would be available for low-income persons eligible for Medicaid benefits during the period January to July, 1977. All persons and families with an annual income at or below the following levels would be covered by this important section of the legislation: $2,400 for an individual; $3,600 for a two-person family; $4,200 for a three-person family; $4,800 for a four-person family; and $400 more for each additional family member. Families who have incomes above these levels would become eligible if they spent enough on medical care to cut their income to the eligibility levels. As an example, if a family of four with an income of $5,000 spent $200 for medical care, it would be eligible, since it would meet the $4,800 level.

These are the major provisions of the bill I have helped sponsor—H.R. 12229. They represent a real hope for millions of Americans who live in fear of being bankrupted by the terrible impact of serious and prolonged illness. It would be a great achievement if this legislation were enacted this year. The long-term solution is enactment of national health insurance, which I have also co-sponsored, but we must provide the American people with the protection they need against financial destruction, now.

ENCOURAGING PROGRESS ON RT. 18 BRIDGE PROJECT

For many years it has been the hope of most community leaders and thousands of commuters in the New Brunswick area to have a Rt. 18 bridge and extension constructed. Unfortunately, because of one delay after another since 1968, that important structure had been an elusive goal.

Recently, however, encouraging progress has been made and prospects for obtaining a bridge permit by May 1st are bright. According to Coast Guard officials, the final draft of its environmental impact statement is scheduled to be forwarded during March to the U.S. Council on Environmental Quality (CEQ) for a 30-day review. Following the mandatory review by CEQ, the statement will be reviewed and hopefully approved by the Coast Guard, with the final step being the issuance of a permit to build the bridge and extension.

The 2.1 mile structure, which will begin in the vicinity of New Street, New Brunswick, and end at Sutphen Road, Piscataway, is an imperative need for several reasons. First of all, it is the key to the rejuvenation of New Brunswick, which is in urgent need of help. Second, traffic congestion in the area is growing and the bridge and extension would alleviate it. The third reason is an economic one; construction would provide employment to hundreds of construction workers who are suffering from a 30% unemployment rate.

Besides conferring with N.J. Cabinet-members on the importance of expediting their paperwork on the project, I have also met with Admiral Owen W. Siler, Coast Guard Commandant (see photo below), and U.S. Transportation Secretary William T. Coleman, Jr. As I pointed out to them, any further delays would not only continue the problems cited above, but would also increase construction costs due to inflationary pressures.

GREAT AMERICAN MUSICAL

Every evening at 8 p.m., except Mondays, between June 14 and Sept. 6, Wash. D.C. will treat its Bicentennial visitors to a colorful program of family entertainment. It's free of charge.

This Great American Musical will be presented on the Wash. Monument grounds. It's a program of American music, culminated with a dramatic display of fireworks. No tickets are necessary.

ACADEMY APPLICATIONS ACCEPTED

Young men or women who are interested in applying for admission to any of the service academies should write to the following address, now:

Rep. Edward J. Patten, 2332 Rayburn House Off. Bldg., Washington, D.C. 20515.

High school students should apply during the Spring semester of their junior year and I will forward them the necessary forms.

BICENTENNIAL INFORMATION

Wash. D.C. will be one of the major focal points of the Bicentennial celebration. I hope that the following information will help in making your plans to visit the nation's capital.

Accommodations, transportation and Bicentennial events: C 202, 737-6666.

Dial-a-Park: 426-6975.

Weather Service: 936-1111.

Bicentennial Info. Center: 15th & E Sts., N.W.: 737-5162.

GOOD NEWS FOR COLLEGE STUDENTS

The Labor-HEW Subcommittee on Appropriations on which I serve has approved funds needed to continue a key student-aid program which was endangered because of a lack of money. The program that had exhausted its funds—Basic Educational Opportunity Grants (BEOG)—needed additional Federal funds to prevent over 1.2 million college students from low and middle income families from losing an estimated $160 a year of the total they had been receiving. Under the BEOG program, eligible students can receive as much as $1,400 annually.

The BEOG program has made it possible for thousands of students to attend Rutgers, and the Middlesex County College in Edison. Rutgers' records show that since the 1973–74 school year, and including the anticipated number of those for the 1975–76 years, 5,446 students at Rutgers will have received $4.1 million in BEOG awards. This means that at Rutgers University alone, students from economically-disadvantaged families will have received an average of $760 a year.

I'm pleased to report that the BEOG program will be continued at full funding by subcommittee and committee approval of an advance to HEW from the 1976 appropriation—conditional on the receipt of a supplemental budget request to cover the total requirements now estimated for the 1976–77 year. HEW is going to make a supplemental request for the Spring funding bill to cover the reprogramming, so students will not lose any benefits. I urged and supported the additional funds so that the BEOG program would continue at full strength.

THE SILENT PARTNER OF HOWARD HUGHES—PART XVII

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. HARRINGTON. Mr. Speaker, I am inserting today the 17th and final installment of the Philadelphia Inquirer's exposé regarding Howard Hughes' privileged relationship with sectors of the U.S. Government. This series appeared in the Inquirer from December 14 to 20, 1975, and has been inserted into the RECORD beginning with the March 2 issue, page 5036. As I stated in that first installment, the Inquirer and its reporters—Donald L. Barlett and James B. Steele—deserve the highest praise for their persistance and thoroughness.

Howard Hughes—whom we must now, apparently, refer to in the past tense—was one of the most intriguing figures in modern American history. His genius for making money, his passion for secrecy, and his contempt for law combined to make him one of the most powerful men in the world. It is my hope that the true extent of the people and property he commanded can now be identified, as a first step toward bringing his empire under the rule of law.

The article follows:

SECRECY ETHIC THROUGH ORGANIZATION

The difficulty in serving Hughes with court papers in the Air West case was only the beginning of Hughes' delaying tactics and outright refusal to cooperate with court orders. Hughes refused to answer all questions submitted to him in writing and refused to appear for court-ordered depositions.

"The refusal of Mr. Hughes to permit discovery could hardly be more absolute," said one attorney who had sought unsuccessfully to obtain testimony from Hughes. "He has defied the order of this court, he has refused to testify, he has failed to produce documents and he has refused to answer any interrogatories whatsoever."

Attorneys for Hughes opponents in the San Francisco actions have sought to obtain testimony from Hughes because of the central role they believe the billionaire played in the Air West acquisition.

Hughes, either through his wholly owned holding company, Summa Corp., or personally, owns 100 percent of the stock in Hughes Air Corp., the company that operates Hughes Airwest, the name Hughes subsequently gave to Air West after he purchased the airline.

"Of all the actors who played roles in the series of events referred to," wrote a lawyer representing a company suing Hughes, "Mr. Hughes is the only common denominator."

For refusing to appear for depositions in the various Air West cases, Hughes violated court orders, and damages could be levied against him by the federal courts.

But Hughes has been slapped with a judgment in the past for ignoring court orders, and still emerged victorious when the case was finally settled.

In the TWA case, which dragged through the federal courts for more than a decade, Hughes also refused to obey court orders and Hughes Tool was ultimately assessed $145 million in damages.

But in 1973, the Supreme Court reversed the lower court on grounds other than Hughes' refusal to obey court orders, and the damages against Hughes were dismissed.

The problem, for those pursuing the Hughes organization on legal grounds, isn't just one of winning in court; it is one of just getting to court.

In 1973, Lou Damiani, a private investigator, tried to serve a subpoena on Frank William Gay, executive vice president of Hughes' Summa Corp. and a Hughes aide since 1947. It was an experience Damiani would not soon forget.

The subpoena called for Gay to give a deposition in a lawsuit growing out of a Hughes organization attempt to acquire a Los Angeles helicopter service.

Damiani said he first tried to serve the subpoena on Gay at 7000 Romaine St. in Hollywood, long the communications and nerve center for much of Hughes empire.

When he failed to get past the receptionist there, Damiani said he managed to obtain Gay's business telephone number. When he called the number, and still was unable to speak to Gay, he asked for Gay's business address.

"You don't know the address?," asked the man on the other end, and quickly hung up.

Damiani then learned, by tracing the telephone listing, that Gay's office was located at 17000 South Ventura Boulevard in Encino, a suburban community in the San Fernando Valley north of Los Angeles.

On March 5, Damiani drove to that location and found a three-story non-descript suburban style office building with a group of small businesses and stores housed on the ground floor.

NO LISTING

The investigator found no listing for Gay or Summa or Hughes on the building directory, but learned from neighbors that Gay maintained an office on the third floor.

The building hardly looked like a place where the chief operating officer of a corporation with an estimated net worth of several hundred million dollars would maintain his office, but Damiani decided to see if Gay could indeed be found on the third floor.

As he was riding to the third floor in the elevator, Damiani obtained a description of Gay and the location of his office from another passenger.

When he stepped off the elevator on the third floor, three men told him Gay was not there, and led him to the office of Vincent Kelley, who was identified as the Hughes security chief.

After telling Kelley that he had come to serve a subpoena on Gay, Damiani said Kelley "smiled and stated that Mr. Gay was not in the building at that time.

"I then asked Mr. Kelley why everybody appeared to be so secretive in the building and what they could be hiding there."

In a few minutes, Damiani left Kelley's office, ostensibly to leave the building Instead, he walked down the hall toward Gay's office.

When he arrived at the office he had been told was Gay's, an office that was barred by a door containing a push-button combination lock, Damiani knocked. Damiani explained what happened:

"After I knocked on the door, a woman opened the door and I observed three men inside the office. One of the men matched the description I had of Mr. Gay and, holding the deposition subpoena in my hand, I stated, 'Mr. Gay, I have papers here for you.' "

"Immediately upon stating this, the three men ran through and closed a door at the back of the office. Simultaneously, the woman began closing the door in front of me. I did not resist, but dropped the copy of the deposition subpoena which had been given to me by Mr. Rogers on the floor of the office. The woman then completely closed the door in front of me and I left the building."

FACT OF LIFE

The secrecy cloaking the Hughes empire by no means relates solely to legal proceedings—indeed secrecy is simply a daily fact of life in an organization in which secrecy is an end unto itself.

Even though Gay has testified that his business address is 17000 Ventura Blvd., Encino, a certified letter mailed to him at that address by The Inquirer last August was returned to the newspaper stamped "Refused."

The newspaper sought to afford Gay an opportunity to comment on the Hughes organization's relationship with the federal government and other findings arising from The Inquirer's eight-month investigation of Hughes.

Similar letters were sent to Howard Hughes himself or other high-ranking Hughes officials. One letter mailed to Nadine Henley, Hughes long-time secretary at 7000 Romaine St., Hollywood, was returned labeled "Refused."

A letter mailed to Hughes in care of the 25th floor of Houston's Exxon Building, which Hughes has listed again and again in court records and official government documents as his permanent United States address, was returned "Unclaimed."

A letter mailed to Hughes in care of Chester Davis, a New York attorney who has long represented Hughes interests on many matters, was returned "Refused."

And so it goes.

So complete is the secrecy surrounding the empire that only a bare handful of employes in the Hughes organization ever see Hughes.

Robert Maheu once testified that he caught only two fleeting glimpses of Hughes in the 15 years he worked for him in various high-level posts. The rest of the time they communicated in writing or by telephone.

Kenneth Wright, administrator of the Howard Hughes Medical Institute in Miami since shortly after it was created in 1953, told Congress in 1973 that he had never seen Hughes.

All this has helped feel untold speculation over the years—over whether Hughes, whose 70th birthday will be this Christmas Eve, is still alive.

The same question also had been asked

by a high official of a federal agency that probably has access to more personal data on Hughes than any other.

It was in 1972 that Johnnie M. Walters, then IRS commissioner, jotted down some notes on a legal pad in preparation for an upcoming conference with the Secretary of the Treasury.

Walter's entries covered many tax subjects, including a major IRS investigation of the Hughes empire that was then under way.

Walters made brief notations to advise the secretary on both the slope and length of the Hughes investigation.

As Walters thought over the broad outlines of the IRS audit, he jotted down one last question about Hughes to raise in the meeting:

"Is he alive?"

WE NEED STRIP MINING

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BIAGGI. Mr. Speaker, as the Congress once again considers the merit of strip mining legislation I would like to bring to the attention of my colleagues an article which appeared in the Sunday New York Daily News.

In the article, the author discusses the inherent hazards in traditional coal mining methods. All of us recall the profound tragedy which occurred several weeks ago in Kentucky when 26 coal miners lost their lives in two explosions in an underground mine. As the article points out there is no way to remove the dangers in underground mining but there is an alternative—strip mining.

The history of strip mining legislation in Congress is well known to many of my colleagues. The efforts of environmentalists to require explicit restoration of strip mined land has served to inhibit passage of this needed legislation. In the last vote on the subject in 1975, while the House and Senate passed the bill the President vetoed the legislation citing what turned out to be an erroneous claim that the bill would result in a severe loss of jobs among American workers.

New strip mining legislation has been offered. It is a good and reasonable bill but has run into serious problems clearing the House Rules Committee. The need for strip mining is apparent from an energy and economic standpoint. Coal remains one of our most abundant sources of domestic energy yet large quantities of it remain untouched. Strip mining would allow us to bring out the coal and bring down the cost of energy to the American consumer. Added to this is the fact that strip mining may ultimately save American lives. I hope the members of the Rules Committee will withdraw their objections to this legislation and allow the full House to consider the bill.

Mr. Speaker, I now insert the article "Strip Mining Saves a Lot of Dollars and Human Lives," written by I. D. Robbins—former president of the City Club of New York:

STRIP MINING SAVES A LOT—DOLLARS AND HUMAN LIVES

(By I. D. Robbins)

Twenty-six men died three weeks ago in two eastern Kentucky mine explosions. The cause, as usual, was methane gas. There were pictures of families waiting at the mine gates for news of survivors. Then we saw the miners' wives being led away by relatives. From Poland, Germany, India, wherever men go down into the mines, we get the same story, the same picture.

When I think of what happens underground, the effort by environmentalists to stop strip mining makes me wonder whether our values have been turned around.

I have been in a coal mine just once, but it was an experience I cannot get out of my mind. The mine was near Richwood, W. Va., in mountaineer country from rock ground to rock ceiling.

THIRTY SEVEN OF US ON OUR BACKS

There were 37 of us in hard hats. With our lights and knee pads, we got into little empty coal cars on narrow-gauge tracks. Lie back and keep my hand inside, I was told. The tunnel was about four feet rock ground to rock ceiling.

A thunderstorm was blowing up, and I could not help noticing that the bright copper wiring was connected with alligator clips. This was the wiring that carried the power for the mine cars, conveyor belts and fans that brought air into the mine, but such makeshift arrangements did not seem to concern the miners.

SUDDENLY, NO LIGHTS

We had a bumpy ride 5000 feet into the mine; then we each rolled onto a conveyor belt and traveled another quarter-mile on our backs. We were ready for mining. The mining machinery was just starting up when, suddenly, everything was quiet—the power was off. The pumped air stopped blowing; the men sat down. After a little while the foreman suggested that we turn off our lights. The superintendent told me not to worry, that it was probably a short circuit that would be fixed right away. And this mine, he said, had not much water and very little gas in it.

OUT ON HANDS AND KNEES

For a while I heard noting but the hack-hack of miners coughing. When, after a couple of hours, the power did not come on, the men began to laugh a little too much, talk a little too loud. After another couple of hours, the foreman said we might as well get out of there. At first, I crawled on hands and knees; the last mile, where the tunnel was higher, I tried to duck walk.

When we got to daylight, we were told lightning had struck the mine wiring and that it just could not be fixed in time for that shift.

That's all there was to it. A wasted day, no coal mined.

Later, in eastern Ohio, I saw coal being mined by the strip method, but in the open, in the bright sunshine. What a contrast. The earth above had been removed, exposing the coal. No burying in the ground, no families waiting at the gate. I saw beautiful pastures on land reclaimed after surface mining.

Something is terribly cockeyed here. Billions of tons of coal that the country needs for energy lies just beneath the surface, ready to be scooped up. Why should coal be mined by moles?

LIGHTNING WILL STRIKE

Men who have spent their lives in underground mining have told me that there is no way to eliminate the risk. It is inherently dangerous, and lightning will always strike. Inspection and safety measures are important, but both men and management often regard them as harassment, not help.

The way to prevent the weeping at the gates is to encourage strip mining, not stop it. The savings in money from the open-pit method should be more than enough to pay for restoring the scars on the land. And the nation won't have those widows on its conscience.

GIVE RICHARD NIXON A BREAK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. DERWINSKI. Mr. Speaker, here in Washington as the picture, "All the President's Men," premieres and the controversy unfolds over the new book, "The Final Days," we have a classic case of the artificiality and isolation of the Nation's Capital from the rest of the country.

Verbal assaults on Richard Nixon come more often than campaign pledges to balance the budget, eliminate inflation and unemployment and restore Camelot. Miss Judy Topinka, reporter and columnist for the Life newspapers in suburban Cook County, reflects in a column on April 4, 1976, on what I consider to be grassroots, American thinking and a sense of fairness that is lacking in Washington in discussing former President Nixon:

GIVE RICHARD NIXON A BREAK

(By Judy Topinka)

There comes a time to stop kicking a dead horse.

Richard Nixon is out of office and secluded in his San Clemente estate. He is not a beast, nor a dragon about to lay ruin to the United States. His day in the sun is over, and he is no threat to national security. Hence, isn't it about time to let the man alone to repent in whatever peace he can find?

The latest book by the Woodward-Berstein duo on the last days of Richard Nixon in the White House has got to be one of the lower forms of journalism to come to public attention today, especially since the two Washington Post reporters did so admirably in calling the nation's attention to the Watergate situation with his high level chicanery against the public good. It can be assumed, however, that there is gold in dem dere hills with a fat buck in the offing as one grovels in the dirt of private lives.

What difference can it make to anyone whether or not Richard Nixon and his wife had a glowing sexual relationship during the past 14 years? Is it any wonder that the man drank during his final days under fire, bearing up under a strain that would send an average person to contemplate razor blades for starters? Does it really matter that the man cursed here and there in what has come to be nitpickingly called the "expletives deleted?"

Although a public official gives up his/her right to the kind of privacy the average citizen has come to expect, there is still a point of decency beyond which others should not venture. Yes, even a President or a former President, ought to have some time out from under the gun.

Recent charges that Jack Kennedy was prone to find comfort in arms not necessarily those of his wife; that Thomas Jefferson was wont to visit his slave quarters a little more frequently than business would dictate for the same purposes, are bad enough. Although Kennedy and Jefferson are already swallowed up by history where these charges cannot hurt them directly (though I imagine Jackie does a cringe between thousand-dollar shopping sprees), Nixon lives on in continued pain.

Although one need not be a fan of the former President, one can agree that he was not the total pariah that the American public has now made him. There is no more need of a national whipping boy. We have greater, current problems facing us. Whether or not Richard Nixon uses Charmin or not is of no concern to me. Do you really want to know?

Richard Nixon has suffered as much as any person can be or should be expected to for the problems he created. The total destruction of a human being from the inside out via the kind of trash currently brought forward in this questionable book is an emotional drawing and quartering that would have delighted the Elizabethans who practiced the real version of drawing and quartering.

Granted, there are still some money-making ventures that can be derived out of Nixonia, and some joker somewhere will find them. But, God, how rotten does it have to get? How much hearsay has to be quoted as gospel? How much blood will be demanded?

The anicent Aztecs used to sacrifice their victims by cutting out their hearts. In our own way, we have done the same for Richard Nixon.

THE SALE OF SIX C-130 TRANSPORT PLANES TO EGYPT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues testimony I delivered April 6 before the House International Relations Committee Subcommittee on Political and Military Affairs concerning the proposed sale of six C-130 air transport planes to Egypt.

I conclude in the statement that it is in our national interest to proceed with this sale but that under present circumstances the United States should not sell either offensive or defensive arms to Egypt and that any further development of the United States-Egyptian military relationship must await more substantial progress toward a peace settlement in the Middle East.

The statement follows:

TESTIMONY OF LEE H. HAMILTON

Mr. Chairman, I welcome the opportunity to appear before this Subcommittee on H. Con. Res. 595, a resolution disapproving the sale of six C-130 aircraft to Egypt.

I appear in opposition to the resolution and in support of the proposed sale.

In summary, my position is:

That it is in our national interest to proceed with this sale of transport equipment;

That under the present circumstances the United States should not sell either offensive or defensive arms to Egypt;

That any further development of the United States-Egyptian military relationship must await more substantial progress towards a peace settlement in the Middle East;

And, finally, that our attention in the Middle East over the next several months should turn away from arms sales and towards promoting further peace talks since such peace negotiations are ultimately the only viable means of helping Egypt with its political, economic and strategic dilemmas.

WHY SALE SHOULD BE SUPPORTED

I support this sale because:

First, it demonstrates symbolic and psychological support for Egypt and its President, Anwar Sadat, at a time when Egypt's isolation in the Middle East is increasing because peace talks are at a standstill and because many Arabs feel that Sadat's 1975 interim agreement with Israel took Egypt out of future conflicts and reduced Arab leverage.

Sadat remains a key element in United States peace initiatives and if those efforts are to continue, we must continue to give Egypt support and try to insure continuation of Egypt's moderate policies.

Second, it is in the national interest of the United States in order that tensions in the Middle East be reduced, that the Soviet Union-Egyptian military relationship de-escalate and slow down. Egypt's military options have significantly reduced in recent months with the de-escalation of its military relationship with the Soviet Union.

The recent termination of the Soviet-Egyptian Friendship Treaty must be seen as the third major step Egypt has taken in trying to free itself from the close embrace of the Soviet Union. In 1972, Sadat expelled some 15,000 Soviet military technicians and advisors. In 1973, Sadat orchestrated the 1973 October War through an alliance with moderate Arab states, principally Saudi Arabia.

The cancellation of the Friendship Treaty culminates a four year effort by Egypt to regain its independence. It is certainly not the time for this nation to fill any gap or try to take the Soviet Union's place in Egypt because I do not want such a relationship and neither, I think, do the Egyptians. But we can and should support recent trends in Egyptian foreign policy.

The Soviet-Egyptian military tie may well resume on some scale in the future, but it is in our interest and in Israel's interest that it not reach the scale of activity and arms supply of past years.

This sale gives some paramilitary support for President Sadat and Egypt without, and I repeat without, affecting one iota the military balance in the Middle East.

Third, I believe that the time has not come for us to sell Egypt arms, either defensive or offensive, but the time has come where it is in our national interest that we insure that Egypt has viable Western outlets for legitimate needs to maintain its military establishment.

Therefore, we must be involved with Egypt's procurement needs, either directly or indirectly by encouraging our allies to sell Egypt equipment, if the Soviet-Egyptian military tie is not to resume tomorrow.

While we should not now sell arms, we can sell support, communications and logistical equipment without jeopardizing Israel's security.

Fourth, the sale of the C-130s, contrary to some statements heard here recently, does not, in itself, start a military relationship, and it certainly does not represent any significant departure in policy. It is consistent with other sales of jeeps and multi-ton trucks we have made since the October 1973 War, although this sale is significantly larger in financial terms. This sale before us, then, is not the nose of the camel under the tent: the camel is already there.

Any military relationship begins the day we start to try to sell arms, be they offensive or defensive. I would trust that such sales are not being contemplated at this time: our relationship with Egypt needs a greater test of time before any sale of arms should be proposed for Egypt.

Fifth, this sale is not only in our interest but in Israel's interest despite what has been said here and in Israel about the sale. I regret Prime Minister Rabin's recent remarks that he will do everything in his power to stop the C-130 sale. I believe his stand on the matter is shortsighted.

Israel has an important stake in what is happening in Sadat's Egypt. Egypt's de-escalating relationship with the Soviet Union, its more moderate policies and its willingness to go against the prevailing mood in the Arab world and get several steps out ahead of some of its Arab friends in peace talks are all policies that are directly helpful to Israel.

Israel's supporters in Congress, and I consider myself among them, cannot be doing Israel any favor by stopping this sale and foreclosing one of Egypt's few options in the present situation.

Finally, to stop this sale will be to send a very wrong kind of a message to the Middle East. It appears that more and more Arabs, including some Syrians, support the Egyptian view or goal of peace with Israel provided Israel withdraws to something near the 1967 lines and provided the Palestinian issue can be solved. While there may be some general Arab agreement on goals, tactics differ. Syrians and other Arabs are telling the Egyptians that it is wrong to break military and political ties with the Soviet Union despite annoyance with Moscow because the United States will not be able to deliver either peace or arms for the foreseeable future and therefore, for the present, the Arabs must look elsewhere for maintaining political and military options.

A vote for the resolution of disapproval is a vote for Syria's tactics and a vote against the policies of Egypt, Jordan and Saudi Arabia on these geographical issues in the Middle East.

SITUATION IN MIDDLE EAST FLUID

Mr. Chairman, I support this sale for the above reasons although I consider it unfortunate that we must address this sale in the absence of any reviewed peace initiatives in the Middle East.

Recent developments in the Middle East suggest that American-sponsored peace efforts have reached a standstill. Whether this present lull represents a total or temporary stop, a detour of some duration or a repudiation of American step-by-step diplomacy is not yet clear.

What is amply clear, however, is that for the next several months the situation in the Middle East will remain fluid, the United States' options for regaining peace momentum will be few and the chances for periodic heightened tensions increased.

In the present situation, Syria will not talk with Israel unless the PLO is accepted and the Palestinian issue is addressed. Israel, for its part, will not talk with either the PLO or Syria on the Palestinian issue. Jordan apparently will not talk with Israel unless the Israelis will accept the principle of eventual withdrawal from the entire occupied West Bank, a principle the Israeli government is unwilling to contemplate at this juncture.

While it is true that for the next several months a renewal of the UNDOF mandate on the Golan Heights, due to expire in May, and the tense political stalemate in Lebanon, require urgent attention and diplomatic efforts with Syria, it is also true that the American-Egyptian relationship is entering a critical phase.

This debate on the C-130 sale comes before us at a time when Middle East peace efforts under United States auspices are at an impasse, when Egypt is more vulnerable to political attacks from other Arab states than at any time in the last two decades, and when Egypt's own political and military options have been severely reduced by its deteriorating relations with the Soviet Union, Syria and Libya.

Congress should not seek to avoid a debate on this relationship because U.S.-Egyptian relations represent a key element in our peace strategy and a new and significant departure from recent policy.

UNITED STATES-EGYPTIAN RELATIONS

The proposed sale of six C-130 transport planes and the military relationship with Egypt that this and previous sales represent provide the backdrop for a debate on American-Egyptian relations.

I would have hoped that our growing relationship with Egypt could have developed more fully and strongly in political and economic fields and could have survived a further test of time before we embarked on any military equipment supply relationship.

In the absence of concrete peace efforts involving Syria and on the Palestinian issue, Egypt is inherently less stable. Egypt is isolated in the Arab world; its politicians have to have some self-doubts about the wisdom of Sadat's diplomacy. He has taken Egypt out on a limb with the United States, leaving fellow Arabs behind and lacking any great leverage to help bring them along.

There is also the urgent need to divert resources away from the military and toward economic development. Cairo is the most important city in the Middle East but it needs massive investment—investments that cannot wait several years. The Suez Canal also needs reconstruction following years of war and destruction. Millions of Egyptians live in urban and rural poverty and they badly need better health and education facilities and population control measures. Our economic aid can address these concerns.

More generally, the Egyptian economy, which has suffered years of bad planning, needs immediate attention and better planning than a government worried about, and deeply involved in, the Arab-Israeli conflict can provide.

These apprehensions relate both to the style and substance of our dealings with Egypt. They are a direct result of the way our relationship with Egypt has developed and of the serious growing pains that relationship now faces.

But these doubts cannot, and should not, obstruct our vision of where Egypt is in the real world and where we would like it to be.

Among the most important political developments of the last several years in the Middle East has been the deterioration of Egyptian-Soviet relations. That development, and the more moderate position of the Egyptian government on many of the issues of concern to us in the Middle East, have contributed substantially to a lessening of tensions throughout the region. Together these developments are also very much in Israel's interest. But they need to be supplemented by a renewed momentum for peace if our relationship with Egypt is to survive.

AFTER C-130S, WHAT ELSE?

What is most troubling about the proposed sale of C-130s to Egypt is not the sale itself, nor even some type of miltiary relationship wih Egypt in the future, but rather that our options with Egypt, and in the Middle East generally, appear to have been reduced so far in recent months that such equipment sales represent the best we can do at the moment to give substance to our relationship with Egypt.

I would give more enthusiastic support to this C-130 sale, if peace talks in the region were on the upbeat and if our government and the other parties to the conflict were addressing the larger problems of war and peace in the Middle East. Further Syrian-Israeli talks and specific attention to the West Bank and Palestinian issues cannot continue to be avoided by gambits like C-130s.

After the C-130s, the question is: what next? Is this sale to buy time, give Egypt symbolic and psychological support for a few months? Will further sales be necessary while we grope for the next move in peace talks?

When India recently, apparently on orders from Moscow, refused to sell Egypt spare parts for some of its Soviet equipment after months of small, if any, Soviet bloc arms deliveries to Egypt, it became clear that Western states would have to supply equipment if Egypt was to be able to maintain its military establishment.

MILITARY RELATIONSHIP WITH EGYPT

Even though we may wish to avoid a military relationship and prefer Britain and France to provide Egypt with military essentials in the next several years if other Egyptian supply lines are cut, we may be involved indirectly with Egypt's procurement of military supplies in the coming months.

I would prefer that we not let our own military relationship with Egypt develop beyond logistic, support, transport and communication equipment for the time being unless there are concrete, new developments in peace negotiations. Our military relationship should be frozen at this level of quantity and sophistication. For the immediate future, Egypt will have to rely on Western Europe for new arms procurements.

In short, the caveats for a military relationship with Egypt involving arms must be further success in peace talks and the initiation of efforts to reach broad agreements with other arms suppliers to reduce the flow of arms into the entire Middle East and Persian Gulf regions.

Doubts exist on a military supply relationship simply because this development stands almost alone today. The sale cannnot, in and of itself, be a catalyst for successful pursuit of diplomatic options to promote peace talks. One arms sale can only lead to other sales and that is a narrow and risky path to follow.

LOOKING AHEAD

There may be considerable wisdom in the desirability of divorcing the complex issues of war and peace in the Middle East from political debate in the United States this election year. But that does not mean that there are not important diplomatic alternatives that can be pursued in the next several months in Geneva, in bilateral Syrian-Israeli talks and in dealings with all states in the Middle East.

I fear that we might follow too easily the course of overloading the American-Egyptian circuit with military considerations rather than address the next issues that threaten the Mideast quiet.

Syria remains on center stage. We'd best turn our attention in that direction.

One real answer to Egypt's current frustrations and to improving American-Egyptian relations for the future lies on the peace path that goes initially through Damascus, Syria. In both the short and long-term, there is no shortcut to that path to solving Egypt's dilemmas.

The C-130s, in a way, should be seen in the same light as that spanking new presidential helicopter that President Nixon gave to President Sadat in June 1974. Such equipment may give United States-Egyptian relations some symbolic and psychological support, but they are non-starters for the real issue in the Middle East. What the United States-Egyptian relationship needs most now is less such symbols and more substance and movement in peace talk.

As President Sadat has so often remarked, Egypt has turned to the United States, in part, because the Soviet Union could supply military equipment but could not help achieve peace. I do not want to see the United States fall into the same predicament. Egypt wants a lasting peace more than it wants arms, and the latter can never be considered a substitute for the former. If we provide military equipment and no developments occur on the peace front, we are right back where the Soviet Union was with Egypt a few years ago—neither the United States nor Egypt desires that prospect or that type of relationship.

The Committee on International Relations, for its part, should table this resolution of disapproval on the proposed sale of six C-130s to Egypt. We have assurances from the Secretary of State that there will not be other sales this year. I would hope that we can now redirect our efforts in the coming months and give new attention to peace talks. Whether such talks focus on the Golan Heights or on the difficult West Bank issues, they remain the only viable option for the United States in the Middle East.

Without such peace efforts, the sale of C-130s will serve no useful purpose. With renewed momentum in the Middle East diplomatic arena, the C-130 purchase loses most of its significance. In any case, it is in our national interest and promotes American interests in the Middle East to proceed with this sale of transport equipment.

TIMBER FROM PRIVATELY OWNED RURAL LAND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BROWN of California. Mr. Speaker, many conflicting, statistical statements are being made regarding the possible effects of the "National Forest Timber Management Reform Act of 1976" on the amount of timber harvested in our national forests. During the House Agriculture Subcommittee hearings figures from 10 to 50 percent were tossed out with little concrete evidence to support them.

This is naturally a matter of great concern to us all. Wood products are a necessary part of our lives—for use in housing, paper, pulp and fuel products. But we must remember that our national forests make up only 18 percent of the commercial timber in the United States. Privately owned, nonindustrial forested lands comprise more than 50 percent, and the quality and quantity of timber on these acres is growing steadily with the application of the Forestry Incentives Act and with the growing knowledge of good silvicultural practices.

Through proper incentives the development of timber for harvesting on private lands can be stimulated. As William Sizemore stated in appendix I of the Report of the President's Advisory Panel on Timber and the Environment, entitled "Improving the Productivity of Nonindustrial Private Woodlands:"

> On a per acre basis, the growth of nonindustrial private lands exceeds considerably that on public lands, especially that on national forests. It does not, however, attain the levels that occur on industrial lands on a per-acre basis. This means that there is a real opportunity for a substantial increase in timber supplies through manipulating growing stock and improving practices on nonindustrial private lands.

In addition, he gave the statistic that:

> Between 1952 and 1970 softwood sawtimber volumes on other private ownerships in the South increased by 50-60 fbm.

This is decidedly an area of timber sources which should be checked into. Increased timber production in our rural areas on a sustained yield basis could give a real boost to the economy of our rural areas which providing much needed wood fibre for our increasing demands.

I would like to insert into the RECORD an excellent article summarizing the degree and quality of timber on privately owned, nonindustrial lands, especially in the South, and explaining the silvicultural practices which could best stimulate increased private timber harvesting. In addition, I would like to include a table of statistics from the U.S. Forest Service's publication "Outlook for Timber in the United States." This table gives the total acreage areas for the national forest, private, and forest industry commercial timber; and a statement by the coalition to Save our National Forests on the issue of timber production on our private lands.

I urge my distinguished colleagues to scan these figures and read the article if possible. This issue will be mentioned many times in the next few months:

SELECTIVE TIMBER MANAGEMENT—ITS ROLE

(By R. R. Reynolds, Crossett, Ark.)

At a time when stress is being placed on meeting Third Forest objectives in the shortest period of time, much attention has been given to the even-aged system of managing loblolly and shortleaf pine stands. This usually involves clearcutting the existing stand and converting to plantation management. For certain landowners, especially those who also manufacture pulp and paper, this system has merits. Large areas of forest can be harvested, cleared and planted at one time. Large, very expensive, machinery can be used. Genetically improved seedlings can be planted. And the total production of pulpwood on a per-acre-per-year basis may be greater than under other possible systems of forest management.

The fact remains, however, that many industrial timberland owners, who also own sawmills or plywood plants, and most nonindustrial owners in the South do not want to clearcut their forests and start all over. Thankfully, they have an alternative—and a good one—called selective timber management. Under this system some trees are harvested regularly on a selective basis, with the total volume cut at any one time roughly equal to the growth that has taken place since the last harvest. The system favors continuous stand improvement. Within the limits of the allowable cut, the poorest and biologically most mature stems are marked for removal. The immature stems with the greatest potential for improvement in size and quality are left to grow.

Selection management allows for a gradual buildup of understocked stands, accelerated increment on the best trees and a gradual increase in the proportion of each acre that is growing high value sawlog and plywood log timber. The owner realizes a regular income from his timber and, year in and year out, this is the management system that continues to appeal to most small owners.

HIGH EARNING POTENTIAL

A high percentage of the approximately 80 million acres of southern forests that contain loblolly or shortleaf pine, or the two together, have either a good or an operable stand of immature trees already on the land. Stocking often is from 8 to 20 or more cords per acre, with a goodly percentage of the trees in small sawlog sizes. Perhaps 80 percent of these forests are of natural regeneration and a large majority contains trees of several ages and diameters.

To clearcut these biologically and financially immature stands would usually result in a very large loss in board-foot growth and returns over the next 25 to 30 years. Pulpwood stumpage prices paid to the private timberland owner have run from $3 to $6 per standard cord over much of the South for the last 20 years and all indications are that the price will not increase much in the foreseeable future.

Even if the private timberland owner can get his present stands cut and cleared of unwanted hardwoods at or near the same cost as the large industrial owner, the average owner cannot expect to break even on the newly planted stands during his lifetime. He should remember, too, that the newly established planted stands are much more vulnerable to destructive agencies such as fire, insects and disease than his present stands.

EXCELLENT MARKET FOR PINE LOGS

On the other hand, the market is excellent for pine logs of good size and reasonably good quality over most of the South. Prices are generally from $100 to $130 per thousand board feet (Doyle scale). Furthermore, all indications are that even better markets and better prices will be available in the future. A cubic foot of wood in a tree that is large enough to be sold as plywood or sawmill log stumpage is generally worth from 5 to 15 times what the same volume would bring as pulpwood. To make money on his forestry venture the private timberland owner should, therefore, attempt to grow as many of his trees as possible to good log size before cutting.

In much of the South a loblolly pine growing on a good site that is 10 inches in diameter at 1½ feet from the ground is worth about 90 cents if sold as pulpwood stumpage on today's market. If it has good form and vigor and is given another 10 years to grow, it should become a 13-inch worth from $6 to $8 as a sawlog or plywood log tree. A 13-inch tree growing another 10 years becomes about 16 inches in diameter and has increased about $1 in value for each year that it is allowed to remain in the stand.

Consequently, the timberland owner with a reasonably good stocking of timber that is already from 4 to 10 inches or more in diameter will generally obtain much better returns—and during his lifetime—if he adopts the selection system of management and allows most of his good trees to grow into the more valuable sizes than to clearcut and start over.

Full stocking in the selection forest is from 60 to 80 square feet of basal area. This is equivalent to about 6,000 board feet (Doyle scale) plus about nine cords of material in the smaller sizes. This is usually at least one-third less than in the fully stocked even-age forest. Thus, the competition for growing space is not nearly as intense as in the even-aged. And it is not unusual to find reproduction, seedlings and saplings growing directly under the high crowns of the larger trees, as well as in the small openings. Many of these are half grown replacements for the dominant trees when the larger trees are cut. They are there waiting for growing space and it is not necessary to start with new seedlings in the opening made by the cutting of the bigger tree.

It is generally true that a good quality shortleaf or loblolly pine 10 to 20 inches in diameter that has room to grow, and that has a growth potential of three inches in diameter in 10 years, is earning more per square foot of ground occupied than any number of younger trees that could be established in the same spot. Consequently, where a reasonable number of such trees are present in a person's woodland, greater returns can be had by allowing them to reach sawlog or plywood log size than to cut them and start over with seed and seedlings.

If the present stands have a reasonably good stocking of pine and the low quality unwanted hardwood stems are controlled, they can be given light harvest cuttings on a selection basis every three to five years. And in 20 to 25 years the volume cut can be equal to, or considerably greater than the original volume. The original investment can also be paid off even while the growing stock is being increased. Thus, one does not have to worry about the big and expensive job of getting reproduction, nor about the build-up of compound interest costs.

WHAT CAN BE DONE

The so-called "Poor Farm Forty" on the Crossett Experimental Forest in southern Arkansas is one example among many of what can be done with an understocked, immature, many-diametered natural stand of previously unmanaged shortleaf-lobby pine-hardwoods.

It was placed under management in 1937. When the study started the area contained more hardwood stems than pine and a large proportion of these were unmerchantable. Hardwood control measures and chemicals in use today were unknown in those early years. Over the first 10 years, most of the hardwoods about two inches and larger were treated, either by cutting or girdling. The stocking of pine in 1937 was 976 cubic feet per acre, or about 11.5 cords. An average of 17 trees per acre were 12 inches d. b. h. or larger, and 68 were 4 to 11 inches in size. Not a very husky stocking.

A volume of forest products equal to about one-half of the estimated annual growth of the pine was removed and sold in 1939. This was after the second growing season following study establishment. Over the first 10 years of the study 23,254 board feet (Doyle scale) of pine logs 1,249 board feet of hardwood logs, 136 cords of pine pulpwood and pine posts, and 158 cords of hardwood chemicalwood, firewood and pulpwood were cut. On today's market these products would have a stumpage value of $3,519. With 34 acres in the tract, this would be equal to $103 per acre.

Annual harvests were made in 29 out of the first 30 years. During this time products with a stumpage value of $27,444 at present-day prices were cut and sold. This is equal to $807 per acre or $26.88 per acre per year. In addition the volume of the sawlog portion of the stand increased 2,982 board feet per acres. And there was an appreciable increase in the cordwood volume of trees below 12 inches.

Over the first 30 years the number of pine trees in the 4- to 11-inch diameter classes increased from 68 to 145 per acre, so that there was no difficulty in securing all the reproduction needed. Number of trees in the 12-inch and larger classes increased from 17 to 32 per acre over the same period. In both cases this was in spite of the fact that a good many trees were cut over the 30 years.

During the 20 years (1946–1967), growth of pine in log size trees, and including trees growing into log size, averaged 381 board feet per acre per year. And between 1956 and 1968 the growth averaged over 500 board feet (Doyle scale) per year.

To get such growth and returns a timberland owner must be willing to maintain a quite good growing stock of trees of merchantable size. Trees of relatively large size are needed to produce good board-foot growth. But when one can show returns of from $30 to $50 (gross) per acre per year, a good investment in growing stock will pay off in a big way.

Of course, trees growing in stands that are too thick, in forests that have a very light stocking, in woodlands that are unmanaged, and on areas that have poor soils and sites will not grow as well as those on the Crossett "Poor Forty." At the same time better soils and sites than on the "Poor Forty" can be found throughout the range of shortleaf and loblolly pine and on such forested areas growth and returns should be better than at Crossett.

Thus, timberland owners who have goods, or reasonably good, stands of loblolly or shortleaf-loblolly pine have an opportunity to realize excellent returns during their lifetimes if they manage their stands on a selection system.

In addition, the well-managed selection forest will be pleasing to the city dweller and the environmentalist who wish to have, and demand, "wilderness areas." The selection forest can also be a big producer of deer and other game. It's the way to have our cake and eat it, too.

Area of Commercial Timberland by Ownership and Stand Size, 1970

North—Forest ownerships	
Mature Sawtimber (Thousand Acres):	
National Forests	3,087
Farm and Miscellaneous Private	44,071
Forest Industry	7,431
South—Forest ownerships	
Mature Sawtimber (Thousand Acres):	
National Forests	5,614
Farm and Miscellaneous Private	49,877
Forest Industry	15,697
Rocky Mountains—Forest ownerships	
Mature Sawtimber (Thousand Acres):	
National Forests	21,620
Farm and Miscellaneous Private	7,644
Forest Industry	1,812
Pacific coast—Forest ownerships	
Mature Sawtimber (Thousand Acres):	
National Forests	24,052
Farm and Miscellaneous Private	8,917
Forest Industry	7,546

COALITION TO SAVE OUR NATIONAL FORESTS

More dollars from farm woodlots?

Farmers' Stake in the National Forest Timber Reform Legislation

As a result of federal court decisions in lawsuits challenging timber sales in the National Forests in West Virginia and Alaska, America's farmers have the prospect of receiving substantial increases in income from sales of timber from their woodlots in the years ahead. Unfortunately, the increased income will not be realized if timber companies are successful in their current attempts to void the effect of the decisions. The Agriculture Committees in Congress must act quickly to guarantee this important source of income to farmers.

Some 18 percent of the Nation's harvestable trees are in a 43-state system of publicly-owned National Forests. Since World War II timber companies, with the assistance of the U.S. Forest Service, have been logging timber in bigger and bigger chunks of the National Forests. Harvests have increased from 2.4 billion board feet of timber in 1945 to 10.8 billion board feet in 1975.

A significant number of abuses to the National Forests have accompanied this dramatic surge in timber harvests. They include wasteful clearcutting that has devastated millions of acres of National Forests, cutting in excess of regrowth rates, and overcutting in individual National Forests.

In the past six months, victories in lawsuits challenging these short-sighted harvest practices have threatened to limit timber companies' easy access to National Forest trees. These rulings have interpreted the Organic Act of 1897 which established the National Forest System as prohibiting the sale of immature trees and requiring the marking and designation of trees to be cut. In effect, they find the practice of clearcutting in various National Forest areas illegal.

If the supply of timber from National Forests is limited to any extent, where will the timber companies go to fill their demand for wood fibre? To a significant extent they could be encouraged to turn increasingly to the 50 percent of the nation's growing timber located on farms and other small woodlots throughout our nation.

In the past the Agriculture Committees have worked hard for federal assistance to farmers in the Forestry Incentives Program to improve woodlots and boost future wood fibre production with cost-share grants for planting and thinning of trees. However, the existence of this program does not mean that the timber companies will come to buy the trees when they are ready for harvest or that the timber companies will pay the owner a fair price for his trees. Legislation is needed to maintain the gains that these lawsuits have achieved and to insure that the benefits of reform are passed on to owners of smaller private timber holdings.

The National Forest Timber Management Reform Act of 1976 has been introduced by Senator Jennings Randolph of West Virginia (S. 2926) and Representative George Brown of California (H.R. 11894). This legislation, drafted with the assistance of professional foresters and representatives of such organizations as the Sierra Club and the Izaak Walton League, would require that the size of clearcuts be generally limited to 25 acres; that benefits to wildlife and remedial harvesting be the criteria for clearcuts in National Forest hardwood stands in the East; that strips of trees be left along forest streams in harvest areas to protect them from erosion and thermal pollution; that trees be individually marked and designated prior to harvesting; that massive clearcutting of immature trees be prohibited; that transfer of tree species be prohibited following timber harvest; that harvest activities not be concentrated in any single National Forest area; and that the stands be managed so that a mixture of ages is maintained.

A key element of the Randolph-Brown legislation is reform of timber sale pricing. Currently prices for trees that industry is willing to pay dictate the dollar levels at which National Forest timber is sold. In computing these price levels the Forest Service does not attempt to recover the taxpayer dollars spent on managing the growing timber or preparing it for sale. When timber sale prices are high they may be recovered by coincidence. When prices are low, it means not only that this taxpayer investment is lost but that National Forest timber sale prices are tugging down sale prices of timber from private lands whose owners must of course try to recover their investments in the good as well as the bad times.

Considering the benefits that would flow to the farm woodlot owner when the Randolph-Brown bill passes, it is surprising that the bill has encountered a lack of support from the Agriculture Committees. Some Members of Congress would prefer to deal with the situation with interim legislation which would negate the lawsuit victories for a year or two while permanent legislation is prepared. Supporters of reform point out that such "interim" legislation can easily become "final" itself with the upshot being no reform. Another alternative being pressed in Congress is "goal-oriented" legislation which would set very general guidelines for managing and selling the timber from the National Forests, but leave the specifics of management including pricing formulas up to the Forest Service. Supporters of the Randolph-Brown bill are especially critical of this approach because wise management and sales policies would continually be prey to industry pressures in the years ahead as wood fibre demands increase.

Farm woodlot owners across the nation have a stake in the specifics of National Forest timber management, sales and harvesting. Currently proposed "interim" and "goal-oriented" bills do not provide the benefits to farmers and other small woodlot owners that the Randolph-Brown bill does. Wise National Forest timber reform legislation will benefit rural economies and produce the timber America needs in the years ahead.

MARCH 3, 1976.

THE BIAS OF TV "SCIENCE" REPORTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. McDONALD of Georgia. Mr. Speaker, on page E412 of the February 3, 1976, RECORD I inserted a TV Guide column by Edith Efron on the biased "science" reporting of the television networks. Miss Efron charged:

> Scientifically untrained reporters are scaring the population to death with the idea that incalculable numbers of products are on the market which are inducing cancer and other dread diseases.

Ignored by such reports, Miss Efron continues, is the fact that—

> There is no substance on earth which, when ingested in varying amounts by human beings, will not cause problems for some of them, ranging from temporary discomfort to death.

In other words there is always a certain risk involved in life and in medicine, which must always be weighed by the benefit. Yet the entire benefit/risk concept is ignored by the television "science" reporters.

Now Miss Efron has written a further column—TV Guide, March 20, 1976—based on reader response to the first one. One group of respondents, consisting of nonscientists, were very critical and showed virtually no understanding of her argument. The other group, consisting of scientists and businessmen, not only understood her reasoning but were amazed that anyone in the media understood the benefit/risk concept.

Now why, Miss Efron asks, is the benefit/risk concept so ungraspable by the consumerist-environmentalist-conservationist camp? She considers the answer to be obvious:

> To perceive industrial risks, however grave, in the full context of industrial benefits, requires one to admit that the science-technology-big business alliance in America is overwhelmingly life-giving, not life-destroying. But people antagonistic to American industry would rather go blind than to acknowledge this truth. Their largely unsubstantiated screams of "Cancer! Cancer!", impugning virtually every product in American industry, do not constitute an authentic scientific position; they symbolize a political position.

Miss Efron concludes:

> Taken together, both sets of letters confirm my charges that network coverage . . . is scientifically illiterate and biased. To this I now add the charge: it is politically biased as well.

Since, unfortunately, some of the same scientific illiteracy and political bias is apparent in the legislative treatment of these issues, I thought the article would be of interest to my colleagues:

Reader Mail Brings Clashing Views on Science Column

(By Edith Efron)

My mail always reflects the clashing views on any controversies I write about. Sometimes it documents my criticisms of network coverage in a dramatic way. A case in point is the reader response to my column "Biased 'Science' Reporting Scares Viewers" [Jan. 10, 1976].

To recapitulate what I originally said: I wrote a short, abstract essay on the benefit/risk concept in life and in medicine. In it, I pointed out that every substance in existence, including the greatest lifesavers (i.e., mother's milk, sunshine, penicillin, sulfa drugs), had a toxic or lethal effect on some proportion of the human race; that life itself was a calculated risk; that the practice of medicine consisted of taking calculated risks; and that there was something dangerously stupid about the current hysterical press uproar over "toxic substances." I said that scientificially illiterate reporters were feeding the hysteria by airing a jumble of real, speculative and false charges, and by failing to cover the scientific controversies fairly (e.g., CBS's "The American Way of Cancer"). I concluded that if the public was to be reliably informed, and I explicitly deemed this necessary, the networks should assign only scientifically trained reporters who could understand the results of the continuous monitoring of drugs and chemicals, a monitoring I explicitly deemed necessary. OK?

Now, the mail. Pros and cons were roughly equal. Those who disliked my column, Group A, were: members of consumer groups, environmental groups, conservation groups and assorted people who shared their views. Those who praised my column, Group B, were: industrialists, food technologists, industrial scientists, doctors and academic scientists, as well as a few laymen who shared their views. Group B was massively more scientifically sophisticated than Group A.

What did Group A have to say? A Barbara Niles of Consumer Action Now charged me with a fear-ridden resistance to "hard facts," and a desire to withhold those "hard facts" from the public. Fred Jerome, public information director of the Scientists' Institute for Public Information, publishers of Environment—the Barry Commoner organization—wrote: "Congratulations. TV GUIDE has come up with a brilliant way to eliminate the problem of cancer caused by environmental pollutants: stop broadcasting news about it!" Sen. John Tunney, a sponsor of the proposed Toxic Substances Control Act, declared my column "extremely unfortunate" because, he said, the public was insufficiently aware of cancer risks. And others damned science, technology and industry as mass murderers, and charged me with relishing that murder.

My critics had these things in common: all, save for one biologist—were nonscientists. Almost all vehemently defended the CBS documentary. None showed the slightest understanding of my reasoning, or showed any concern over journalistic suppression of serious scientific dissent. Above all, every critic in Group A perceived me as denying the existence of dangers, denying the need for investigating them, or as seeking to suppress information—all three blantant distortions, since I had clearly stated the opposite.

What, by contrast, did Group B have to say? To a man, the readers from the science-technology-and-industry camps not only understood my column, but appeared to be in a state of joyous shock over it. Letters from presidents and vice presidents of industries (food, drugs, chemicals, aerosols, etc.) thanked me, often emotionally, for presenting the benefit/risk issue Richard Hall, vice president in charge of research and development at McCormick & Company in Maryland—a man with three chemistry degrees from Harvard and a member of the New York Academy of Sciences—generously described my column as a "gem." A representative of the Institute of Food Technologists, Howard Mattson of Chicago, declared: "I'm speechless! I didn't know there was anyone left in the media who understood the risk/benefit concept in any area of mortal life, especially not in food and drugs." And ditto from medical editors, doctors, surgeons, epidemiologists One California physician, Bruce Olsen, wrote: "It was the first sign that I have seen that someone in the media had any understanding of medical practice."

Ditto, again, from academic scientists. One, Gilbert A. Leveille, chairman of the Department of Food Science and Human Nutrition at Michigan State University, said: "I found your article to be reasoned discussion of the concept of benefit/risk. . . . Those of us concerned with the health of this Nation . . . have found it difficult to deal with the kinds of programs to which you refer where a few isolated facts and considerable conjecture are used to promote a campaign of sensationalism without any real concern for the truth." Another, J. Gordon Edwards, professor of entomology in the Department of Biological Sciences at San Jose State University, a DDT defender, said: "I have written dozens of letters pointing out errors and imploring producers and editors to at least read the statements of scientists who disagree with the views they have presented to the public. Usually I never even get a reply, and frequently, the replies that I did receive were very hostile."

How does all this add up? Thus: the scientifically sophisticated group of readers in Group B understood my theme, my reasoning and my conclusions perfectly. They did not distort my position; rather, they confirmed it. Group A, however, revealed mass and uniform distortion of perception: all had gone stone blind on the contextual issue of benefit/risk. What is so "ungraspable" about the benefit/risk concepts to consumerists, environmentalists and conservationists? The answer is obvious. To perceive industrial risks, however grave, in the full context of industrial benefits, requires one to admit that the science-technology-big-business alliance in America is overwhelmingly life-giving, not life-destroying. But people antagonistic to American industry would rather go blind than to acknowledge this truth. Their largely unsubstantiated screams of "Cancer! Cancer!", impugning virtually every product in American industry, do not constitute an authentic scientific position; they symbolize a political position. It is no tribute to CBS or to Dan Rather that his documentary constitutes this group's ideal.

Taken together, *both* sets of letters confirm my charges that network coverage—for CBS, while more aggressive, is not unique—is scientifically illiterate and biased. To this, I now add the charge: it is politically biased as well.

DONNA A. BRUBECK

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BYRON. Mr. Speaker, recently I learned that Mrs. Donna A. Brubeck of Williamsport, Md., was one of two women to graduate from the Maryland State Police Academy at Pikesville.

Mrs. Brubeck was one of the 60 new troopers who received their badges and diplomas in the 84th graduating class. She entered the academy last October to begin the 1,366-hour training program.

I want to take this opportunity to express my congratulations to Mrs. Brubeck for her achievement and to wish her success in her career with the Maryland State Police.

CIVILIAN MANPOWER CEILING AMENDMENT

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. HAYES of Indiana. Mr. Speaker, Public Law 93–365, section 502, says:

> It is the sense of Congress that the Department of Defense shall use the least costly form of manpower that is consistent with military requirements and other needs of the Department of Defense.

Whether one believes the defense budget should be expanded or contracted, all Members of Congress can certainly agree that good management, elimination of waste and reduced costs are essential. In May of last year, the House acknowledged this piece of commonsense, known to private business for a long time, when they unanimously accepted an amendment I introduced to title V of the DOD authorization bill.

This year that same amendment may be considered in the House again. Because of present manpower ceilings on industrially funded activities,[*] military installations are required to operate on a fixed number of employees assigned to them by the Secretary of Defense. This number is unrelated to the volume of work contracted and results in a managerially unsounded approach to industrial production and funding for our Nation's defense needs—a situation criticized in several reports to Congress by the General Accounting Office. Civilian manpower ceilings tend to force an industrial facility to reduce its personnel without regard to workload supported by actual funding. Many of my fellow colleagues are feeling the brunt of this practice with cutbacks or closures at appropriate military installations in their districts.

Rather than resulting in "the least costly form of manpower," the albatross of civilian manpower ceilings has fatalistically brought about the most costly form of manpower. Imposing ceiling limitations to these types of activities restricts their operating flexibility and defeats the cost-efficiency they were designed to foster. I urge fellow Members to support the expected amendment to exclude industrially funded activities of the Department of Defense from the computation of civilian manpower ceiling strengths and thus help restore quality management to industrially funded facilities.

---

[*] Activities financed by working capital funds known as "Defense Industrial Fund", "Navy Industrial Fund", "Army Industrial Fund", etc., which are established by the Secretary of Defense. Industrial funds perform work through contracts solicited not only from the Defense Department and other governmental agencies but from private sources as well. Although they are owned and operated by the Armed Services, these funds accept and fulfill such contracts in exactly the same way that any private industry does—by being self-sustaining and requiring no continuing appropriation.

ROGER STEVENS HONORED BY THE RECORDING INDUSTRY ASSOCIATION OF AMERICA

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BROOKS. Mr. Speaker, last evening the Recording Industry Association of America honored Roger Stevens for his many contributions to the cultural enrichment of our Nation.

In accepting the award presented to him, Mr. Stevens unselfishly gave credit to five U.S. Presidents, to the Congress, and to all public-minded citizens who have participated with him in his efforts. It is precisely this unselfish dedication which has enabled him to bring together the necessary talent and resources which have been responsible for the great success of his many cultural achievements. Our Nation and the arts have benefited from his genius and hard work.

Knowing that my colleagues will find it of interest, the text of the citation which accompanied the award to Mr. Stevens follows:

> Eighth Annual RIAA Cultural Award
>
> The Eighth Annual RIAA Cultural Award is proudly presented by The Recording Industry Association of America to Roger L. Stevens in recognition and deep appreciation of his accomplishments not only in establishing and operating the John F. Kennedy Center for the Performing Arts but in turning it into one of the most successful operations of its kind in the world today. As chairman of the Center's Board of Trustees since 1961, Mr. Stevens was largely responsible for raising millions of dollars in private contributions from individuals, foundations, corporation and foreign governments which, with matching funds provided by the Federal Government, made possible the complex on the Potomac that today houses a concert hall, an opera house and a theatre.
>
> In attracting the world's outstanding individual artists and performing groups in the fields of theatre, opera, dance and music, the center has made Washington our nation's cultural arts capital. Mr. Stevens also functions as president of Kennedy Center Productions, Inc., an independent, privately-financed organization responsible for funding the musical and theatrical attractions originating at the Center. He has pursued all these activities without any recompense except for the deep personal satisfaction derived from seeing one's dreams come true. He is a noted theatrical producer, former chairman of the National Council on the Arts, president of the National Opera Institute, director of the Metropolitan Opera Association, trustee and co-founder of the American Shakespeare Theatre and Academy, trustee and former chairman of the American Film Institute, member of ANTA, director of the Wolf Trap Farm Park, and member of the Royal Academy of the Arts. He has demonstrated an involvement with, and a concern for, the development and perpetuation of art and culture in its many diverse forms. He has been described as a visionary and it is that vision, and his drive and perseverance to convert it to reality, that we in the recording industry acknowledge and applaud.

HOW SWEET IT IS

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. SANTINI. Mr. Speaker, in concert with today's observance of "Food Day," I am introducing the Sugar Disclosure Labeling Act. This bill addresses a fundamental nutrition problem in this country—the excessive content of sugar in many of our food commodities.

The bill in no way attempts to control the amount of sugar contained in food products, but would help provide valuable information to consumers who are concerned with nutrition and a healthy diet.

The Sugar Disclosure Labeling Act requires that packaged food products which contain more than 10 percent sugar clearly label on the package the percentage of sugar content.

In recent years, Americans have become increasingly aware of their health and diets. The effects of sugar consumption have been a subject of experimentation and investigation. The results, however, have been in conflict.

While excessive sugar consumption may lead to tooth decay, there is controversy over whether it contributes substantially, if at all, to obesity, diabetes, and heart disease.

One of my targets in this legislation is the myriad—almost 75 different brands—of presweetened breakfast cereals. The sugar content of some of these morning "treats" is as high as 45 percent. Moreover, nearly all of these cereals contain highly refined flour, which is almost worthless nutritionally, and they often include shortening, which contains saturated fat.

But the presweetened ready-to-eat cereal has become nearly an institution in American eating habits.

But presweetened cereals are not the only culprit in the American love affair with sugar.

I am concerned with the many foods which find their way into our daily diet. Besides the three-meals-a-day plan suggested by nutritionists, we often find ourselves snacking a number of times during the day. Children, especially, seem drawn to snacking on foods which are high in sugar content and lacking in any semblance of nutritional quality.

The time for change has arrived. My efforts are aimed at making the facts available to consumers so that shoppers can decide for themselves, on an informed basis, exactly what foods are an acceptable part of their total diet.

Mr. Speaker, we Americans, unknowingly, are literally eating our lives away on junk foods. Today, Food Day, is the perfect time to begin developing a better awareness of our eating and nutritional habits.

INSURED UNEMPLOYMENT RATES

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. WHALEN. Mr. Speaker, on Tuesday of this week, the gentleman from California (Mr. CORMAN) introduced H.R. 13071 which, if enacted, would provide an additional 13 weeks of unemployment benefits to individuals in States with insured unemployment rates—IUR—below 5 percent. I am pleased to be a cosponsor of this bill.

This much-needed legislation would reinstate the original Federal supplemental benefits program of 1974 by providing a total of 52 weeks combined—regular, extended, and Federal supplemental—benefits when the nationwide IUR is 4.5 percent or higher. The bill would also extend benefits through fiscal year 1977 and would grant an additional 13 weeks benefits, for a total of 65 weeks, to States with an IUR of over 6 percent.

Under the current State trigger mechanism, States such as Ohio with an IUR below 5 percent may pay only 39 weeks maximum unemployment compensation. States with IUR's of over 5 percent may provide a total of 52 weeks benefits. And States with an IUR of over 6 percent are entitled to a total of 65 weeks combined benefits.

On April 3, more than 50,000 unemployed in my State of Ohio saw the termination of their supplemental unemployment compensation. Coutless unemployed throughout the country in States with IUR's lower than 5 percent were similarly affected. Enactment of a nationwide trigger would enable individuals in every State to receive equal assistance during their period of joblessness.

The State trigger mechanism for benefit eligibility has long been a source of problems. As former Secretary of Labor John T. Dunlop testified before the House Subcommittee on Unemployment last April:

> The trigger mechanism for making extended benefits payable in a State has proved defective.

Two viable alternatives present themselves upon examination.

First, we may grant additional benefits based on an area trigger, thus attacking the problem of geographic pockets with endemic high jobless rates—usually urban and highly industrialized areas. In Dayton, I have witnessed individuals' benefits cut back because unemployment has been reduced elsewhere in the State. This is unfair and unrealistic. Earlier this session I introduced a bill, H.R. 11171, which now has support from a number of my colleagues, to grant benefit eligibility on the basis of labor market areas. Tomorrow I will reintroduce this measure with additional cosponsors.

Second, we may opt for a nationwide trigger. I commend Mr. CORMAN and his committee for developing this legislation and for scheduling hearings later this month to investigate the alternatives. I am pleased to lend my support to this bill and to join in the effort to provide responsible and adequate relief during this continuing period of high unemployment.

THE UNFULFILLED PROMISE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. HUNGATE. Mr. Speaker, the following editorial from Carnegie Quarterly may be of interest to my colleagues as we approach the issue of revenue sharing:

The Unfulfilled Promise—Revenue Sharing Has Made Government Less Accountable

Congress looks at revenue sharing with serious misgivings. For one thing, the program violates the time-honored maxim of political accountability: that "the government which has the pleasure of spending the public's money should not be spared the pain of raising it."

For another, under the formula for allocating the funds, the neediest localities do not receive the most money. Not least, some in Congress fear that, because local government has a poor record of concern for minorities and the poor, less of the national tax dollar is now going to help the disadvantaged.

The overriding concern is that revenue sharing can become a mechanism for letting the Federal Government do away with social programs, a concern heightened when the Nixon Administration instituted cutbacks, moratoriums and impoundments of other federal funds targeted to the poor shortly after the law was enacted. Since the program does not receive the ongoing congressional scrutiny of programs with annual appropriations, there has been rising demand for debate over the program's merits on the basis of facts—on knowledge of its true impact—before the new bill is enacted.

To provide comprehensive information about the effects of the program in one region, with special emphasis on how the poor and minorities fare under it, the Southern Regional Council in Atlanta in 1973 formed the Southern Governmental Monitoring Project. It was designed to assess revenue sharing in 11 Southern states and their 5223 local governments, which are receiving $499,000,000 and $998,000,000 respectively over the 1972–76 period. Its aim was to investigate the political, not financial, impact of the program.

Over the past two summers, the project, supported by Carnegie Corp, the Rockefeller Foundation and the Mary Reynolds Babcock Foundation, has trained interns and then placed them in some 60 communities throughout the South to pin down exactly how revenue sharing was working. The evidence they piled up presented a sorry picture:

> With few exceptions, revenue sharing has helped insulate government from citizens rather than bring it closer to the people. And far from acting as a wedge to end discrimination at the local level, revenue sharing has perpetuated it.

Few governments encourage civic involvement and many are outright hostile to public "interference." One parish manager in Louisiana told an intern that open hearings were useless, no more than a shouting match.

Often, summary hearings on the use of the federal funds were held only after officials had thrashed out their differences privately and could present a united, nearly impenetrable, front on what to do with the money. Often, too, the funds were dumped into a city's regular budget where, is one intern in Raleigh, N.C., reported, "they became as obscure and as difficult to comprehend as the (entire) budget in its 1400-page glory."

At its worst, revenue sharing sometimes has become a device for officials to short-circuit citizen involvement in local government itself. When the voters of Chatham County, Ga., defeated a bond issue for a new courthouse, the county commissioners financed it with federal funds, telling voters who objected that the money was "only" revenue sharing, not their taxes.

The record on civil rights compliance in revenue sharing is equally poor. Statistics that interns and community groups found on the employment of minorities and women in city governments suggest a widepread use of funds in departments that discriminate, a practice prohibited in the revenue-sharing act.

Looking beyond the purely political outcomes of the program, The Center for National Policy Review also assessed the economic aspects of the bill: its distribution formula and its fiscal effects. The center's conclusions do not bolster support for the program as a means of delivering services in an equitable and effective manner.

The revenue-sharing formula gives money to government units on the basis of population, need and tax effort, with one third of the funds going to the state and the rest to local governments. A stipulation restricts a local grant to not less than 20 per cent or more than 145 per cent of the per capita state grant, a device to ensure wide distribution of funds.

However, the center, the Brookings Institution, and GAO all agree that the 20 per cent floor often only props up virtually nonfunctioning small governments. The 145 per cent ceiling, on the other hand, prevents poor cities, with vast numbers of poor people, high costs of providing services and eroding tax bases, from getting money for which they would qualify if there were no ceiling.

The new revenue-sharing bill presented by the Administration makes a token gesture of bringing more equity into allocations by moving the ceiling from 145 per cent to 175 per cent. But the center and other researchers suggest that a 300 per cent ceiling—or no maximum and no minimum payment at all—would be fairer.

RETIREMENT OF REPRESENTATIVE HÉBERT

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 31, 1976

Mr. LONG of Louisiana. Mr. Speaker, I would like to express my sincere congratulations to my distinguished colleague, F. Edward Hébert, on an outstanding career in the House of Representatives. His retirement, which will begin at the conclusion of this session, will be met with admiration for a job well done and sorrow at his leaving.

Dean Hébert has devoted more than a third of a century to public service. We in the State of Louisiana, as well as the entire Nation, have been privileged to have him serve us as a powerful force in the public area. He remains a pillar for national defense, and his tireless efforts to maintain peace and "Keep America No. 1" are particularly appropriate this year as we reflect upon our first 200 years as a free and democratic nation.

As a long-standing member of the Armed Services Committee, and eventually as chairman, Hébert labored tirelessly to preserve peace through the maintenance of a strong national defense. Though a staunch promoter of strong national defense, Eddie Hébert brought a balanced approach to his work. As a prominent member of the subcommittee which investigated the My Lai massacre, Congressman Hébert refused to condone the actions of the U.S. Forces, and reprimanded the Army and State Department for their subsequent efforts to cover up a "tragedy of major proportions." Congressman Hébert's honesty and sincerity have prevailed throughout his political career, and it is obviously a great disappointment to see any individual who encompasses these rare characteristics leave the governing body of our Nation.

Congressman Hébert has been given such titles as "patriot" and "soldier for peace," both of which I feel are appropriate. Perhaps though, Congressman Hébert might be described more accurately as "enduring as in the MacArthur tradition for I sincerely doubt that his efforts toward strengthening national defense will ever be forgotten.

America owes Eddie Hébert a great and lasting debt for his uncounted contributions to the health, welfare, and defense of these United States and all the free world.

ALL-AMERICAN CITY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. MILLER of California. Mr. Speaker, a unique city in my district, San Pablo, has been especially honored by receiving official designation as an all-American city. During this Bicentennial Year, it is doubly gratifying to be one of only 10 cities in the entire United States to be officially noted as outstanding communities.

It is a tribute to the fine citizens of San Pablo, and especially their active involvement in working to beautify their city and to work together to solve its problems.

It would be fitting, I believe, to have the following resolution read into the Record. This resolution was authored by Assemblyman John T. Knox, the speaker pro tempore of the California assembly, and passed by that legislative body.

The resolution reads:

> Whereas, since its inception under the motto "City of Pride and Progress", on April 20, 1948, the City of San Pablo, through its City Council, has always been concerned with the needs and welfare of the residents of the community; and

Whereas, the City of San Pablo has pioneered in the development of Senior Citizen programs, community redevelopment, and has generally been a leader in innovative programs bringing new and workable solutions to its problems; and

Whereas, approximately 500 cities from all over the United States entered the All American City contest, and of these 115 were chosen to pursue it, after which 30 of the 115 sent delegations to Chicago in 1975, where they appeared before a panel of judges headed by Dr. George Gallup; and

Whereas, in the All American City contest, which was sponsored by the League of California Cities and the League of American Cities, the City of San Pablo was honored as one of the ten All American Cities in the United States; now, therefore, be it

Resolved by Assemblyman John T. Knox, that he commends the City of San Pablo and its hard working citizens upon their exemplary display of citizen action and the progress made in the growth and development of the community, together with his heartiest congratulation upon the City's selection as one of the ten All American Cities in the United States; and be it further

Resolved, that a suitably prepared copy of this Resolution be transferred to the City of San Pablo.

NATIONAL COMMISSION ON DIGESTIVE DISEASES

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. CARTER. Mr. Speaker, today I am introducing legislation to establish a National Commission on Digestive Diseases to advance a nationwide attack on digestive diseases. Digestive diseases constitute major health problems in the United States affecting more than 13 million Americans. They are second only to diseases of the heart and circulation in the physician office visits or house calls required. It has been estimated that one-quarter of cancer deaths are due to malignancies in the digestive system. In addition to the physical burden of these conditions, the economic cost of digestive diseases is estimated at $16.5 billion as of 1973, or about $80 for every American. Over 10 percent of the cost of American medical care is for digestive diseases.

As my colleagues know, Congress recognized the importance of digestive diseases with enactment of Public Law 93–305 which added the category of "digestive diseases" to the title of the Institute of Arthritis and Metabolism. Despite this increased visibility, I believe it is necessary to focus more attention on the field of digestive diseases and to develop specific recommendations for future efforts in this important area. To that end, I am sponsoring this legislation to establish a Commission on Digestive Diseases to develop a long-range plan for the use of our national resources for digestive diseases. The plan's report shall be based on a comprehensive study of the present state of knowledge of digestive diseases and current activities in the areas of training, research, and management of these diseases.

I believe that there is great potential for making major advances in digestive diseases within the National Institute of Arthritis, Metabolism, and Digestive Diseases in concert with other Institutes of NIH and other public and private agencies. This legislation provides the appropriate mechanism to begin this important task.

LONG PRESENTS QUESTIONNAIRE RESULTS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. LONG of Maryland. Mr. Speaker, I have just compiled 13,038 responses from my constituents to my questionnaire which dealt with six of the most important policy questions—inflation and unemployment, taxes, energy, national health insurance, pollution, and détente—with which Congress and the President have been obliged to deal in this session of Congress.

Perhaps you will be as surprised as I was at the responses I have received from the residents of Maryland's Second Congressional District. The questions and the computerized results follow:

Response

[In percent]

1. Which do you consider the nation's more serious economic problem?

Inflation	69.1
Unemployment	30.9

2. Should Congress seek to solve the energy problem by—(check one)

A. Increasing fuel taxes, to discourage consumption?	5.7
B. Rationing fuel, to curtail consumption?	9.9
C. A crash program to develop new energy sources by setting up well-financed government agencies or by subsidies to private industry?	37.9
D. Breaking up big oil companies and allowing free competitive enterprise to develop more energy supplies, without subsidies or price controls?	46.5

3. Do you favor closing tax loopholes used by the well-to-do in order to reduce taxes on lower and middle income persons?

Yes	89.5
No	6.9
Undecided	3.6

4. Do you want broad national health insurance, even if it should mean higher taxes and more inflation?

Yes	18.7
No	69.7
Undecided	11.6

5. Should the U.S. continue detente, including grain sales, even if the Soviet Union persists in its massive arms build-up and its support of revolution in Angola and elsewhere?

Yes	14.8
No	76.5
Undecided	8.7

6. Do you favor intensified efforts to clean up the environment, even at the risk of higher prices and taxes?

Yes	55.9
No	31.9
Undecided	12.2

Summary of the results:

Three out of four of my constituents do not support détente under current conditions in which we sell wheat and other products to the Soviet Union while that nation continues to arm and support revolutions.

Seven out of 10 said that inflation is a more serious economic problem than unemployment.

Nine out of 10 want to close the tax loopholes enjoyed by a small segment of our society and want to use that income to cut taxes on middle- and low-income families.

Only 2 out of 10 want comprehensive national health insurance if such a program would mean higher taxes or more inflation. Many thoughtful comments were submitted about the need to insure an adequate health delivery system before considering a broad insurance program, and many warnings were received that we should study Britain's experience before entering into such a program.

Over half favor intensified efforts to clean up the environment even at a risk of higher prices and more inflation, while 31.9 percent do not feel we can afford further antipollution measures.

For solving the energy problem, respondents were almost evenly divided in selecting two of four alternatives: 46.5 percent favor breaking up big oil companies and allowing free enterprise to develop more energy supplies without subsidies or price controls; 37.9 percent favor setting up well-financed Government agencies or subsidizing private industry to set up a crash program for developing new energy sources. Fewer than 2 out of 10 want to increase fuel taxes or ration fuel.

NORTHEAST RAILROADS

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. MURPHY of New York. Mr. Speaker, we have a difficult situation in New York State with respect to several sections of railroad in the southern tier area. Under the Railroad Revitalization and Regulatory Reform Act of 1976, and the Railroad Reorganization Act of 1973, as amended, conveyance to ConRail of the Erie-Lackawanna line and other lines has already occurred. Conveyance occurred, as we all know, after the Chessie system failed to purchase the lines of the bankrupt system.

Many of us who worked on this legislation felt that there had to be private systems involvement in our southern tier. It did not make sense to thrust ConRail into a position where new management had to decide which lines would be retained or abandoned when a profitable line could assume ownership and maintain service in the area.

ConRail now holds the rail properties at issue, but there is still an excellent prospect that private corporations, or the State of New York itself, may seek to purchase sections of these railroads. The bill which I introduce today prepares the way for that eventuality.

Specifically, the legislation I propose will make States eligible as "acquiring railroads"; it will make purchase possible without an offer of employment to the employees involved; it will permit employees to remain with ConRail, if they so elect; it will require preservation of the rail assets during the interim period; and it will establish procedures for the foregoing.

This is a vital issue to New Yorkers, and I look forward to its prompt passage.

B. IDEN PAYNE, SHAKESPEAREAN, DIES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. PICKLE. Mr. Speaker, the world has lost its greatest Shakespearean with the death of B. Iden Payne in Austin, Tex. Payne died April 6 at the age of 94.

At the time of his death, Mr. Payne was professor emeritus of drama at the University of Texas at Austin. On March 26, 1976, the University of Texas board of regents named a new 500-seat theater to be added to the University of Texas drama building in honor of Professor Payne.

When Shakespeareans gather here in the next few weeks for their international meeting, they will certainly feel the absence of this great force in the theater.

I insert an article from the April 7, 1976, edition of the New York Times on Professor Payne:

B. IDEN PAYNE, SHAKESPEAREAN, ACTOR, DIRECTOR, TEACHER, DIES

(By Albin Krebs)

B. Iden Payne, the Shakespearean actor, director and drama instructor who, in a career of 60 years, was a leading figure in the growth of repertory and little theater in Britain and the United States, died yesterday in Austin, Tex. He was 94 years old.

Mr. Payne was once head of the drama department at Carnegie Institute of Technology (now Carnegie-Mellon University) in Pittsburgh and was a professor of drama at the University of Texas in Austin from 1946 until his retirement in 1973.

He directed his last production at Texas in 1968, when he was 87 years old. It was Shakespeare's "The Tempest." Only last week, the regents of the University of Texas voted to name a new university theater, now under construction for Mr. Payne.

As a teacher, Mr. Payne influenced the careers of dozens of person, among them Pat Hingle, Will Geer, Kathryn Grant Crosby, Rip Torn, the director Ward Baker, and Abe Feder, the Broadway lighting expert.

DIRECTED STARS OF THEATER

He directed many of the theater's greats—Ethel and John Barrymore, Otis Skinner, William Gillette, Maud Adams, Ruth Chatterton, Billie Burke. Helen Hayes made her New York debut under Mr. Payne's direction of J. M. Barrie's "Dear Brutus" in 1918. Years later, Miss Hayes said, "On looking back over a lifetime of teachers, I feel sure that B. Iden Payne taught me the most."

Before coming to this country as a young man, Mr. Payne served as general manager of the Abbey Players in Dublin, and was present when Synge's "Playboy of the Western World" had its premiere, followed by rioting, in 1908. (The play, its detractors contended, contained insults to "Irish womanhood.")

Ben Iden Payne was a school dropout, having become stage-struck as a child. He was born Sept. 5, 1881, in Newcastle upon Tyne, England, the son of Alfred Payne, a clergyman, and the former Sarah Glover. In 1899, having abandoned his studies in private schools in Manchester, he made his stage debut in that city's Theater Royal, as a member of R. B. Benson's company.

For the next several years, there was no job that Mr. Payne would shirk, in order to learn his craft. He acted, directed, worked as a stagehand, wrote plays, and painted scenery in dozens of touring and London productions. His tenure with the Abbey Theater ran from 1906 to 1908.

After serving as director of the Manchester Repertory Theater, for which he directed more than 200 productions of plays by Shakespeare, Shaw, John Galsworthy, John Masefield, Arnold Bennett, and others, Mr. Payne toured in repertory with a company he formed with his wife, the actress and writer Mona Limerick, whom he had married in 1906. They were divorced in 1950.

AUTOBIOGRAPHY AT 91

In 1913, Mr. Payne moved to Chicago to direct a series of plays for a new repertory company there. Later he worked with the Goodman Theater in Chicago. He was to spend most of the rest of his life in this country, although he did return to England regularly, from 1935 until 1943, in his capacity as general director of the Shakespeare Memorial Theater at Stratford-upon-Avon.

During the 1920's and 30's, Mr. Payne directed or appeared in dozens of plays, including Shaw's "Widowers Houses." He directed "Twelfth Night" for the opening of the San Diego National Shakespeare Festival in 1949. He had helped with construction there of a reproduction of the Globe Theater.

As a leading drama teacher, Mr. Payne had a career going back to 1914, when he was invited to direct a play at Carnegie Tech. His association with that institution's pioneering now-famous drama school continued, on and off, until 1952.

He also directed plays and held theater workshops at a number of other institutions including the Universities of Washington, Iowa, Missouri, Colorado, Michigan and Alberta.

Although he had written or co-written several plays, Mr. Payne said he was too busy, during his 25 years at the University of Texas, to get around to an autobiography. He began one at 91, and finished it several months ago. Titled "A Road to William Shakespeare," it will be published at the end of the year by the Yale University Press.

Mr. Payne is survived by his second wife, the former Barbara Rankin Chiaroni, whom he married in 1950, and by two daughters from his previous marriage, Lady Donald Wolfit, widow of the British actor, and Paget Payne, who lives in San Francisco.

RADIOACTIVE LEAKS IN RUSSIAN SUBS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. McDONALD of Georgia. Mr. Speaker, ever since the first American nuclear submarine put to sea, various groups in friendly countries have been stirred up by the local Communists to conduct campaigns against the visits of American nuclear submarines on the basis that their presence in these harbors would pollute the waters. These demonstrations have taken place particularly in Denmark, and Japan to name several countries. The United States has always gone to great lengths to insure that its nuclear submarines are safe for all concerned. However, the Russians are not nearly so safety conscious for their own sailors or for the people they visit. Perhaps some demonstrations against the visit of Russian nuclear submarines to Cuba ought to be organized, but I am certain that the DGI—Cuban Secret Police—would make short shrift of any such gathering. The news article from the Sunday Telegraph, London, of April 4, 1976, follows:

RADIOACTIVE LEAKS IN RUSSIAN SUBS

(By Desmond Wettern)

Russia is believed to be facing a serious problem with some of its nuclear-powered submarines as a result of the leakage of radioactively contaminated waste from their reactors.

Cases of radiation sickness have occurred among some submarine crew members. Information on the design problems of Russian nuclear submarines has come to N.A.T.O. from Norweigan sources.

The Norwegian air force patrolling in the far north where Norway has a common frontier with Russia is particularly well-placed to observe Russian warships returning to and leaving their bases in the Kola peninsula from where most Russian nuclear submarines operate.

SEA-WATER TEST

No details on how this information was obtained have been made available. But it would be possible to monitor sea-water radiation levels if it was suspected that a nuclear submarine was discharging radioactive waste.

For some time it has been known by N.A.T.O. that the Russians have had difficulties with some of their earlier nuclear-powered submarines, after the loss of one of the 4,000-ton November class about 150 miles south-west of the Lizard in 1970.

But it was thought the cause of the submarine's loss was due to some human rather than mechanical error on board.

DANGER TO PORTS

If a nuclear submarine is a danger to its crew it could also be a hazard when in port for people in the area.

Whether Cuba, Guinea, Somalia and various Arab States, where Russian warships including nuclear submarines are either based or make frequent visits, are aware of the possible risks to their own people in port areas is doubtful.

There is no known case of leakage of radioactive waste from a British nuclear submarine and only one recorded case with an American submarine. This occurred in a dock at a naval base and the problem was localized by pumping water out of the dock into containers ashore.

GILMAN SEEKS INVESTIGATION OF NEVERSINK-DELAWARE WATER RELEASES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. GILMAN. Mr. Speaker, I rise today to introduce legislation establishing a Select Committee of the House to investigate the management by New York City of water releases from its Catskill reservoirs into the Neversink-Delaware River System.

The Neversink-Delaware River System is one of the last truly wild, scenic river systems in the United States. Its natural beauty and serene tranquillity has been recognized by people living throughout the Northeast. It serves at the center of a major recreation area that is being planned by the Department of the Interior. Sportsmen, canoeists, and sightseers all make use of these rivers during the entire year, and major resort industries have been established in the areas surrounding the rivers.

The river system may soon be killed, however, through the mismanagement of releases from New York City's Catskill Mountain reservoirs into the rivers. As a result of a 1954 decree by the U.S. Supreme Court, New York City was allowed to build three reservoirs in the Catskills: Cannonsville, Pepacton, and Neversink. These reservoirs respectively empty into the West and East Branches of the Delaware River, and the Neversink River, all within New York State. Aqueducts lead from these reservoirs across the Catskills, connecting with the New York City water supply system near the Hudson River. The city is allowed to divert up to 800 million gallons a day for their water supply, a formula also determined by the court.

The New York State Supreme Court ruled in 1973 that the city must also release a specified amount of reservoir water into the natural river system each day. Called "conservation releases," these have not been adequate enough to sustain the life of the rivers, particularly during the hot summer months. During this critical period, the river has such a low flow and heats up to such a degree that most recreational opportunities are lost. Health hazards are also generated by the water releases which are not sufficient enough to accommodate the increased effluents discharged into the river from local towns and resorts.

In addition to low flows, there is also the problem of water sometimes being released too quickly and in too great a quantity, in order to meet the flow requirement at Montague, N.J.—established by the 1954 Court decree. When this occurs, temperatures fluctuate to such a degree that fish life is killed.

The New York State Department of Environmental Conservation has proposed a draft agreement with the city to increase the conservation releases, in order to save the river system. However, the city has stalled on these negotiations and has turned a deaf ear to the pleas of environmentalists from several States and Federal agencies to change their management of the releases.

Because of the city's refusal to negotiate on this issue and based upon its position that the reservoirs are there to serve only the city and its needs, without taking into account the needs of all those who live near the waters and who utilize the river's recreational opportunities, I am calling for the establishment of an investigatory committee of the House.

Mr. Speaker, it is important that we act promptly on this matter. Not only is New York State involved, but so too are the States of Pennsylvania, Delaware, and New Jersey affected by the Delaware River system. Not only is the well-being of New York City and New York State residents at stake, but so too are the hundreds of thousands of yearly visitors to the scenic river area.

The Delaware and Neversink Rivers are being throttled by New York City's arbitrary water management practices. Unless we soon rectify this problem, another river will succumb to neglect—to the neglect of those unconcerned with the ecology of our Nation.

Accordingly, I urge my colleagues to support this important measure which has received the cosponsorship of Mr. McDade of Pennsylvania, Mr. McHugh of New York, and Mrs. Meyner of New Jersey. I include the proposed resolution in full at this point in the Record:

H. Res. 1137

Resolution establishing a select committee of the United States House of Representatives to conduct an investigation into the management of water releases by New York City from its reservoirs located in the Catskill Mountains into the Neversink-Delaware River System, and the environmental, health, and other impacts of such releases

Whereas New York City is dependent upon releases of water from its reservoirs located in the Catskill Mountains into the Neversink-Delaware River System for its water supply and for power generation;

Whereas inadequate and disproportionate releases of water by New York City from its reservoirs into the System have adversely affected the aquatic life in and the recreational use of the System and can create health and environmental hazards in the summer months when diffusion of industrial and municipal effluents cannot occur; and

Whereas New York City has not taken appropriate actions to alleviate such adverse effects of its water release management program: Now, therefore, be it

Resolved, That there is established in the House of Representatives a select committee (hereinafter in this resolution referred to as the "committee") to be composed of seven Members of the House of Representatives to be appointed by the Speaker, four from the majority party upon the recommendation of the majority leader of the House and three from the minority party upon the recommendation of the minority leader of the House. The Speaker shall designate one member of the committee as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

Sec. 2. The committee shall conduct a full and complete investigation and study into the management of water releases by New York City from its reservoirs located in the Catskill Mountains into the Neversink-Delaware River System, which investigation and study shall include the impact of such releases—

(1) on the environment,

(2) on aquatic life in the river System,

(3) on recreational use of the System,

(4) on the health of individuals living near the System or using the waters of the System, and

(5) on energy generated from water diverted from the System.

Sec. 3. For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

Sec. 4. The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

Sec. 5. The committee shall expire at the end of the thirty-day period beginning on the date of submission of its final report.

Sec. 6. All expenses of the committee shall be paid from the contingent fund of the House of Representatives on vouchers signed by the chairman of the committee and approved by the Speaker.

VOTING RECORD OF CONGRESSMAN JONATHAN B. BINGHAM

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. BINGHAM. Mr. Speaker, yesterday, April 7, 1976, I was unavoidably absent during rollcall vote No. 176 on the final passage of H.R. 10686, requiring that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical, historical, or medical purposes. Had I been present, I would have voted "yea."

FIRST ANNIVERSARY FOR CAPITOL HILL FORUM

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1976

Mr. RHODES. Mr. Speaker, on Monday, April 12, 1976, Capitol Hill Forum will celebrate its first anniversary. During the past 12 months, the Forum has been an important source of both news and analysis. Many Members of Congress have contributed thoughtful articles, as have members of the national press corps. The result has been, in my opinion, a well-balanced perspective on the major issues confronting Congress.

I know that most of my colleagues on both sides of the aisle join me in wishing Capitol Hill Forum a very happy first birthday, and many more to come.